

APTA REPORT: INCREASED PUBLIC TRANSPORTATION INVESTMENT CAN LEAD TO SIGNIFICANT ECONOMIC GROWTH

In May 2014 the American Public Transportation Association (APTA) released an update to its 2009 report - *Economic Impact of Public Transportation Investment*, which was prepared by Cambridge Systematics, Inc. and Economic Development Research Group. APTA conducted its first study of this kind in 1984 and updated and expanded it in 1999 and 2009. The 2014 update continues this effort and was prepared for APTA by Economic Development Research Group. The study focuses on how investment in public transportation affects the economy in terms of employment, wages, and business income.

The report outlines the study findings on the measurable economic impacts of public transportation investment, identifying longer-term economic efficiency and productivity impacts resulting from changes in travel times, costs, and access elements over a 20-year study period. It also outlines immediate jobs and income created by supporting manufacturing, construction, and public transportation operation activities. They performed the impact analysis by comparing two scenarios:

1. A "Base Case" (or "current trend") Scenario, which assumes public transportation ridership growth at an average rate of 2.4% per year over the next 20 years and a continuation of recent investment levels to support modest growth; and



2. A "Doubling Ridership" Scenario, which assumes increased annual expenditures on public transit by an additional \$14.2 billion per year (in 2012 dollars) and public transportation ridership growth of 3.53% per year over the 20-year time period.

With the difference between the scenarios increasing over time, the doubling ridership scenario would result in 4 billion more transit trips per year in the 20th year than the base case scenario.

It is important to note that the analysis does not try to guess about how the \$14.2 billion could otherwise be spent, but shows the potential impact of making the additional investment versus not doing so. Additionally, the study does not report on benefit-cost ratios and does not account for social and environmental impacts that would be included in a benefit-cost study; these benefits might include personal time savings, mobility, and

emissions impacts, which would likely produce larger societal benefit for the monetary investment in public transportation. However, because the APTA report solely focuses on measurable changes in the flow of money going to households and businesses public transportation spending affects the economy, these additional factors were not analyzed.

To identify the longer-term cost savings and business productivity benefits that accumulate as a consequence of public transit services, the study team progressed through a sequence analysis steps considering the following:

- Public transportation capacity,
- Cost of additional ridership,
- Public transportation use and mode switching,
- Passenger cost savings,
- Additional congestions reduction benefits, and
- Business productivity benefits.

(CONTINUED ON PAGE 6)

TABLE OF CONTENTS

Public Transportation Investment.... 1
 Notes from the Top 2
 Announcements & Events 3

Spotlight Article 4
 DOTD on the Go 5
 From Capitol Hill 6

NOTES FROM THE TOP

BY DONNA LAVIGNE



Jamie Ainsworth, Rural Program Manager, and Tina Athalone, E&D Program Manager, will be conducting an ongoing STARS 101 training series here at the DOTD Headquarters building. They will have regular classes for those new to the system and those who just need a refresher. Let us know if you have special needs for the training series.

As some of you may be aware, FTA does a State Management Review of DOTD every three years. There is a list of material the length of my arm that we have to send to them in advance of their visit. We submitted everything to them this month. Our federal partners spend time reviewing all of our documentation and then spend several days here in our offices asking questions and going over our procedures. As part of the State Management Review, the Review Team will visit a couple of the transit providers to ensure compliance. This three year review is part of the reason we do site visits and training with all of you.

June is always a busy month as it is the end of our state fiscal year. To help us get your claims processed in a timely manner, please make sure you get your invoices in before July 10. In addition to end of fiscal year activities, we have busses arriving. This year, the vehicles will have decals installed when delivered to DOTD, which will expedite the issuing process. Once we have conducted inspections, completed the payment, and entered the vehicle into STARS, you will be notified to pick up your vehicle. We know that everyone is anxiously awaiting the arrival of their new vehicles.

We look forward to seeing all of you at the upcoming events, and thanks for all you do to enhance the mobility options of the Louisiana citizens in your area.

I'm sure it's the same for all of you, but 2015 seems to be flying by and we have a number of announcements. We have been busy getting contracts processed and out to all of the providers across the state. Thanks for all of your support in this process. As most of you know, there are several exciting training opportunities coming in 2015 – our Directors meeting will be held in July; we have begun a STARS 101 series here at DOTD Headquarters; and the Public Transit Conference has been set for November 17-19 here in Baton Rouge. In addition, we are in full readiness mode for our upcoming FTA State Management Review that will be taking place August 31 through September 3. Also, new vehicles are arriving – YEA!

The Annual Public Transit Conference will be held in Baton Rouge at the newly renovated Crown Plaza Hotel (the old Radisson). We are developing an exciting agenda that will provide training opportunities and plenty of time for you to network with your peers. Look for more information in the coming months.

The annual Directors meeting will take place July 23 and 24 in Baton Rouge and July 28 and 29 in Marksville to make attendance convenient for all of our transit partners. We will cover a number of topics like the annual questionnaires, the online application, and new vehicle issues. Keycha Alexander-Green, our RTAP Program Manager, will be sending more information to each of you soon.



LOUISIANA DEPARTMENT OF
TRANSPORTATION & DEVELOPMENT

Public Transportation Staff
225-379-3060
225-379-3071 fax
publictransportation@la.gov
www.dotd.la.gov

Donna Lavigne
Director

Michelle Horne
Assistant Director

Casey Lewis
Urban Program Manager/Planner

Tina Athalone
Elderly & Disabled Program Manager

Jamie Ainsworth
Rural Public Transit Program Manager

Keycha Alexander-Green
Training & Technical Assistance
Program Manager

Karen Harris
JARC/New Freedom Program Manager

Juanita Crowell
Safety & Security Program Manager

Stephanie Barthelemy
Rural Public Transit Assistant Program
Manager

Jessica Lenore
Elderly & Disabled Assistant Program
Manager

Vacant
Accountant

Rita M. Gobert
Administrative Assistant

ANNOUNCEMENTS & EVENTS

The deadline for submissions for the **2015 SWTA Spotlight Awards** is July 24. The awards honor winning marketing campaigns, creative ideas, and outreach programs for public transportation. Additional information is available on the Southwest Transit Association website.



NTI COURSES

FOR MORE INFORMATION, PLEASE VISIT: www.ntionline.com

SEPTEMBER 1 - 3	Procurement Series III – RFPs and Competitive Contract Negotiations	Tampa, FL
SEPTEMBER 24 - 25	Title VI and Public Transit	Miami, FL

APTA EVENTS

FOR MORE INFORMATION, PLEASE VISIT: www.apta.com

JULY 18 - 21	Transit Board Members & Board Support Seminar	Denver, CO
AUGUST 10 - 12	Multimodal Operations Planning Workshop	Houston, TX

OTHER EVENTS

JULY 6 - 9	SWTA Transit Law Seminar & Procurement Workshop	Oklahoma City, OK Registration is now open. For more information, visit the SWTA website.
JULY 14	STTARS Training for the 5310 Capital Program	Baton Rouge, LA
AUGUST 24 - 26	Community Mobility with NCMM's Dialysis Transportation Workshop	Austin, TX Registration is now open. For more information, visit the CTA website.
SEPTEMBER 8	STTARS Training for the 5310 Capital Program	Baton Rouge, LA
SEPTEMBER 15 - 17	Vehicle Maintenance Management and Inspection (VMMI) Training	New Orleans, LA

SPOTLIGHT ON...

RURAL AND SPECIAL NEEDS TRANSIT SERVICES



The Louisiana Department of Transportation and Development Public Transportation Division administers a number of Federal Transit Agency funded programs aimed at providing mobility opportunities for the citizens of Louisiana. The funds LaDOTD Public Transportation administer are used to provide rural public transit services (service to anyone in a rural area), services to special needs population such as the elderly or persons with disabilities, and access to jobs and training.

There are currently 36 rural public transit providers across the state, and they provide over 500,000 trips a year to the general public living in rural Louisiana. These trips provide much needed access to work, and they provide citizens with access to medical care, shopping and recreation. While many of the trips are for services in the local rural communities, the rural public transportation providers also take people to services only available in the nearest large urban area.

These trips are generally provided to persons with few other mobility options.

According to the Louisiana Vision 2020 Plan, the LaDOTD Public Transportation's Section goal is to provide rural public transit services in all 64 parishes by the year 2020. We are steadily moving toward that goal. As mentioned, there are currently 36 rural public transportation providers across the state. Over the past year, LaDOTD added three providers, including the Iberville Sheriff's Office in Iberville Parish and the Madison Parish Police Jury with service provided by the Madison Voluntary Council on Aging, both of which have been operating for approximately one year. The St. Helena Parish Police Jury began providing service through the St. Helena Council on Aging a few months ago.

There are currently 80 special needs transit providers in the state. While not providing public transit

services, these agencies provide valuable mobility opportunities to special populations such as the elderly and persons with disabilities. For an average 12-month period, recipients of 5310 funds provided approximately 1.2 million trips in the State of Louisiana. LaDOTD is currently pursuing Section 5310 operating funds from the Federal Transit Administration (FTA) and have identified potential recipients under the new 5310 operational program. The new program will offer 50 percent reimbursement for agencies currently receiving 5310 capital funds.

None of the transit providers in Louisiana do so to get rich. It is a calling. The staff of these agencies are dedicated to providing opportunity to our citizens where none might otherwise exist. We salute them and welcome them to a growing family of men and women dedicated to improving others' quality of life.

DOTD ON THE GO...



One of the DOTD PT Section's mandates is to provide information and technical assistance to transit providers in Louisiana in order to assist them in meeting their requirements for FTA funding. These activities come in many different formats and venues. DOTD PT provides numerous training courses, workshops, and training materials, as well as a website and an annual conference. To keep all of our constituents up to date on DOTD PT's activities, DOTD On The Go features just a few selected items each quarter.

SITE VISITS

Part of the outreach and assistance that LaDOTD provides to the Rural Public Transportation (Section 5311) and Elderly and Disabled (Section 5310) providers are site visits from the program managers. LaDOTD conducted five site visits for Section 5311 in May 2015. The site visits were conducted in Claiborne, DeSoto, Red River, Webster, and Lincoln Parishes. There were also four Section 5310 site visits performed, to the St. Charles COA, St. John ARC, Arkansas Elder Outreach dba Pelican Pointe Healthcare, and St. Tammany COA.

OUTREACH

As most of you know, one of DOTD's primary goals is to provide some form of public transportation in all 64 parishes. It is a goal listed in the Louisiana Vision 2020 Plan. To further this goal, LaDOTD has been conducting educational visits to all of the parishes in Louisiana that do not currently have some form of public transportation service. LaDOTD conducted three outreach meetings for Rural Public Transportation, JARC, and New Freedom. The outreach meetings were held for Sabine, Ascension, and Rapides Parishes.

TRAINING

DOTD staff provided PASS training in May, as well as STARS and Drug and Alcohol training in June. There was also introductory training for new agencies to the 5310 Program on May 12th.

If your agency or someone within your agency deserves recognition for a job well done, or has already received recognition or an award, please let us know. Email or send a brief description, photos, and contact information to Donna.Lavigne@la.gov or to Louisiana Department of Transportation and Development/Public Transit Section, attn: Donna Lavigne, P.O. Box 94245, Baton Rouge, LA 70804.

These analysis steps led to the calculation of the overall longer-term economic impacts in terms of the total change in disposable household income, business productivity, and tax revenue. In total, the study found that on a national scale an additional \$14.2 billion in investment in public transportation per year could lead to an increase in household disposable income by \$18.4 billion, business productivity benefits of \$10.1 billion, and an additional \$4.4 billion in tax revenue. These benefits represent more than double the additional yearly investment.

In addition to the longer-term benefits of increased public transit investment, the study reports on the shorter-term role that increased spending has in supporting transportation-related jobs. The results

indicate that, on average, 21,800 new jobs could be generated for every \$1 billion spent on public transportation, making public transportation spending 'more than competitive' in terms of employment production with spending in other policy areas like energy, water, defense, highway operations, and personal tax cuts. The 21,800 new jobs per \$1 billion spent translates to \$3 billion in business sales, \$1.7 billion in gross domestic product, \$1.3 billion in labor income, or \$432 million in tax revenue (these figures should not be added together, but represent different units of the same impact).

Adding both the shorter- and longer-term impacts together, the report estimates that an increase in public transit investment of \$14.2 billion per year nationwide could

potentially lead to an additional \$52.3 billion per year in economic impact, \$40 billion per year in additional wages, \$10.4 billion per year in tax revenue, or 720,380 jobs. This economic impact is substantial at over 3.7 times the investment, illustrating that increased investment in public transportation is an important public policy consideration.

THE FULL REPORT CAN BE FOUND ON APTA'S WEBSITE AT:

<http://www.apta.com/resources/reportsandpublications/Documents/Economic-Impact-Public-Transportation-Investment-APTA.pdf>

FROM CAPITOL HILL...

Congress has passed the Highway and Transportation Funding Act of 2015, extending the MAP-21 authorization from May 31 to July 31.

This extension will keep transportation projects funded through the end of July while Congress works toward coming to an agreement about how to address the Highway Trust Fund's shortfall and a "consensus-based, bipartisan, six-year surface transportation bill that will provide states and local communities the funding and the certainty they need to plan and construct multi-year projects to modernize our infrastructure."

According to a statement by the Senate Environment and Public Works Committee Chairman James Inhofe and Ranking Member Barbara Boxer, the goal is to mark up subsequent legislation by June 24.

