

# MAKING THE BUSINESS CASE FOR COMMUNITY TRANSPORTATION IN ONTARIO: LESSONS FROM “SOUTH OF THE BORDER”

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# Overview of Presentation

- A few similarities and differences between US and Canada approaches to community transportation in rural areas
- Key issues in financing community transportation
- Defining the elements of the local “business case” for community transportation
- Case studies from the US that present replicable examples in Ontario
- Responses, reactions, further ideas?

# Rural Transit in US & Canada: What's Similar?

- Travel patterns and indicators of transit demand are quite similar for most of rural US and rural Canadian population
- Service provision strategies are just about identical in US and Canada
- In both US and Canada, the expressed local need for rural transit is an indicator of other local issues, which tend to be both economic and social issues



# Rural Transit in US & Canada: What's Different?

Some key distinctions are:

- Differences in roles of national vs local and state/provincial governments
- Established national funding streams dedicated to rural transit in US, less so in Canada

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# The Rural Transit Financing Challenge

**The major cost elements of rural transit are the same in the US and Canada:**

- Labor
- Vehicles & Other Capital Equipment
- Fuel & Maintenance



**The major rural transit funding streams are similar in both countries, too:**

- Public sector funding from national and provincial/state governments
- Local government funding, either from dedicated taxes or from local government grants
- User fees (i.e., transit fares), contracts, other grants
- There are no rainbows with pots of gold in either the US or Canada.

# The Social Importance of Transit in a Rural Community

Successful and sustainable rural transit is providing a service that's acknowledged as important in the communities it serves.

- Is it seen as making a difference in peoples' lives, and in the community's quality of life?
- Benefits could include retention or attraction of population, improved health outcomes, retention or attraction of businesses or significant employers, the ability to promote sustainable use of commercial cores, improved delivery of education or social services, or best use of infrastructure
- Are leaders in the community eager to attest to the value of their transit service, whether through testimony or support in grant applications, pitching transit as part of their community's value to incoming residents and businesses, etc.?

# The Financial Importance of Transit in a Rural Community

In many cases, the available funding sources, agencies, or programs may choose to spend their dollars in ways having nothing to do with transit. When and why does this transit investment make sense?

Specifics vary widely by community, but as NDSU's research shows, these can include:

- The avoided costs of foregone medical trips (e.g., the savings of early, preventive or nonemergency access, compared to ambulance travel and/or emergency room utilization)
- The avoided costs of foregone work trips (in rural areas, this mainly reflects sustained workforce participation among low-income individuals, workers with disabilities, or older workers)
- The net savings to the community of using transit in lieu of taxis, informal chauffeuring by community members, etc.
- Savings from reduced rates and costs of vehicle ownership in lower-income households.

# Making the Case: What Resonates with Local Leaders, Decision-Makers

Different talking points resonate differently in different places. CTAA has worked with dozens of rural communities in the US, and found the following:

- Leaders and community members often have preconceived ideas about what rural transit is, and about who most benefits from rural transit. These preconceptions sometimes help, and sometimes hinder, the message.
- Although older adults and people with disabilities almost always are the dominant users of rural transit, officials & decision-makers respond well to a larger audience of needs, especially related to getting people to jobs, providing access for community members without personal mobility, and providing safe mobility for children & youth
- Even when the numbers are small, well-stated economic benefits resonate well, even if these are indirect
- Transit needs to tie in to larger community identity, issues & concerns



# Making the Case in Rural Kentucky

- Frankfort (population 25,527) is the state capital of Kentucky.
- Frankfort Transit (a unit of city gov't) is a small fixed-route bus system.
- Construction of a new state office building complex compelled a fresh look at Frankfort Transit's bus routes and service.
- CTAA identified five adjustments to Frankfort Transit that would cost \$285,000 to implement, yield economic benefits of \$860,000, and would provide improved transit to Frankfort's residents. These included adjustments to the three existing routes, creation of a fourth bus route, and elimination of cash fares.
- Because of the net positive benefits to the city, all the recommendations were adopted by the city, except that fares were halved, rather than eliminated.



# Making the case in Rural Nebraska

- Kearney: a central Nebraska city of 30,787
- It has a state university campus, heavy industry, regionally significant health care facilities, and a growing economy
- The local transit, RYDE, provides demand-response service in and around Kearney, primarily serving children, adults with disabilities, and older adults
- Local officials have voiced concerns about growing mobility gaps in and around Kearney; RYDE's parent agency engaged CTAA assistance to analyze options
- CTAA recommended a “family of services” approach for the city and RYDE to consider, including increased demand-response service in Kearney, regional commuter vanpools to meet workforce needs, and the encouragement of bicycle and pedestrian improvements to take some demand off transit.



# Making the Case in Rural Georgia

- Lowndes County is located in south Georgia.
- The county's population is 112,865.
- The core urbanized area, Valdosta, has a population of 76,150, but no public transit; there is a minimal amount of transit available to the county's 33,083 rural residents.
- City and county leaders have been reluctant to consider transit service in and around Valdosta.
- CTAA focused county leaders on the numbers and the challenges facing rural zero-car households, and walked county leaders through the costs associated with living car-free in rural Lowndes County, many of which are offset through an increased level of transit service.



# Making the Case in Rural Idaho

- Salmon is a small city (pop. 3,112) in Idaho.
- The nearest city is 140 miles away.
- Among Idaho's municipalities, Salmon has one of the highest concentrations of poverty, and has the highest percentage of adults over 65 of any city in Idaho. Community leaders sensed some increased amount of transit was needed, but were unsure about how to proceed.
- With help from CTAA and the Idaho Transportation Department, a four-bus rural transit program was launched in 2016.
- The transit system now connects a dozen previously unemployed individuals with employment, and the presence of transit has helped lure a major retailer to the community.

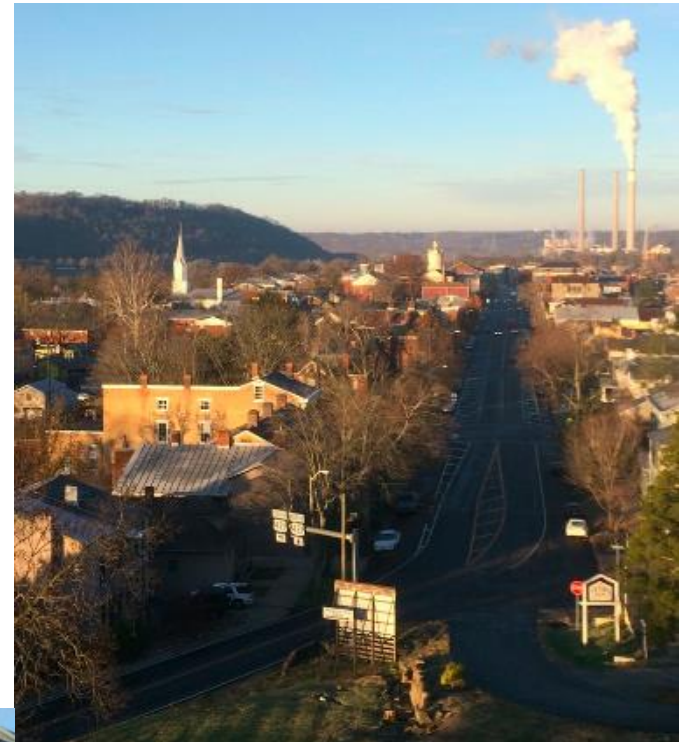


# What Do These Stories Tell Us?

- Transit, along with non-motorized transportation, makes a difference in the economy of rural communities.
- Every rural community is unique, and transit's economic contribution to every rural community is unique.
- Metrics matter, whether looking at demographics, automobile ownership, poverty & unemployment, commuting patterns, or other key indicators.
- In working with local leaders to build support for transit and other automobile alternatives, pick the metrics that fit the community, and match them with the personal stories the leaders will recognize.
- Be “mode agnostic,” focusing on the community and its outcomes.

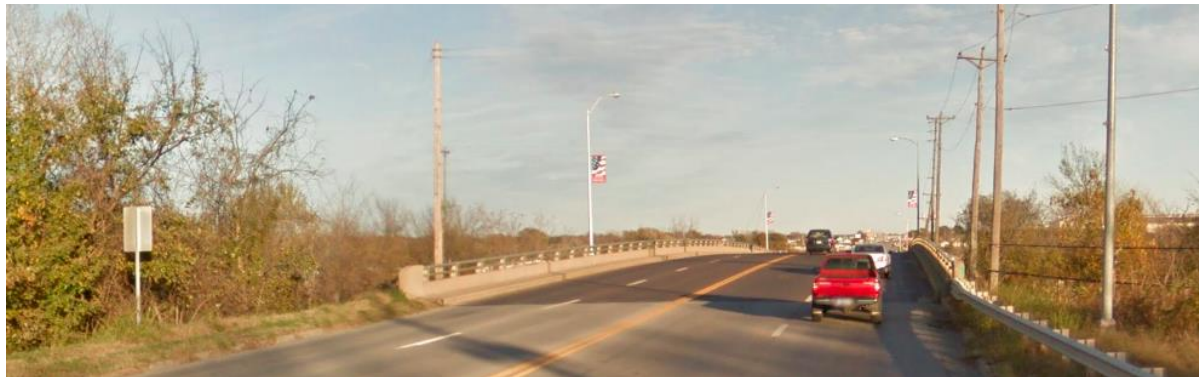
# Additional Example: Madison, Indiana

- Population: 12,033
- Unemployment rate: 11.0%
- Poverty rate: 15.5%
- Percentage of population in zero-car households: 10.1%
- Percentage of workers age 65+: 14.8%
- Percentage of workers who walk or bike to work: 2.4%



# Additional Example: Nevada, Missouri

- Population: 8,386
- Poverty rate: 26.0%
- Share of population age 65+: 19.1%
- Share of population younger than 18: 25.5%
- Rate of working-age adults with one or more disabilities: 21.5%
- Number of jobs within Nevada city limits: 5,668
- Number of jobs held by persons commuting from outside Nevada: 4,080



# How Do These Translate to Rural Ontario?





# Questions? Following Up?

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