

Alternative Partnerships to Provide Public Transportation

APTA Emerging Leaders Program
Class of 2017



Introduction

Joy Mills

Orange County Transportation Authority (OCTA)



Craig Raphael

San Francisco Municipal Transportation Agency (SFMTA)



Christian Reif

Santa Clara Valley Transportation Authority (VTA)



Julia Tuer

San Diego Metropolitan Transit System (MTS)



Purpose

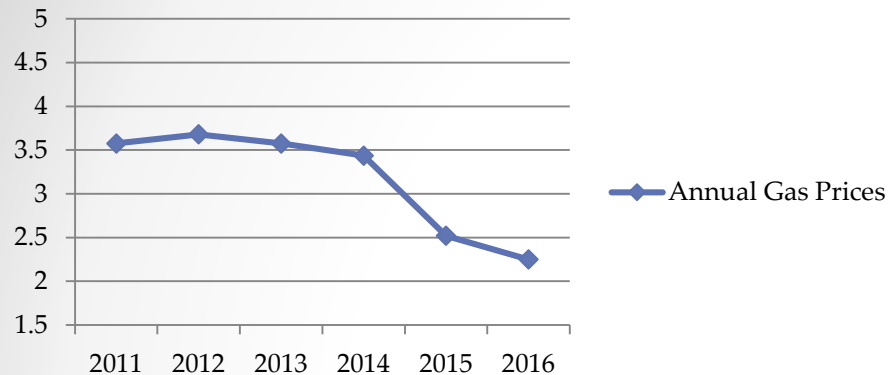
- ❖ Research the promises and perils of partnerships between public transit agencies and Transportation Network Companies (TNCs)
- ❖ Research Flexible Transportation (FLEX) Programs
- ❖ Research Micro-Transit as a new and innovative Public-Private Partnership

Public Transit Ridership Trends

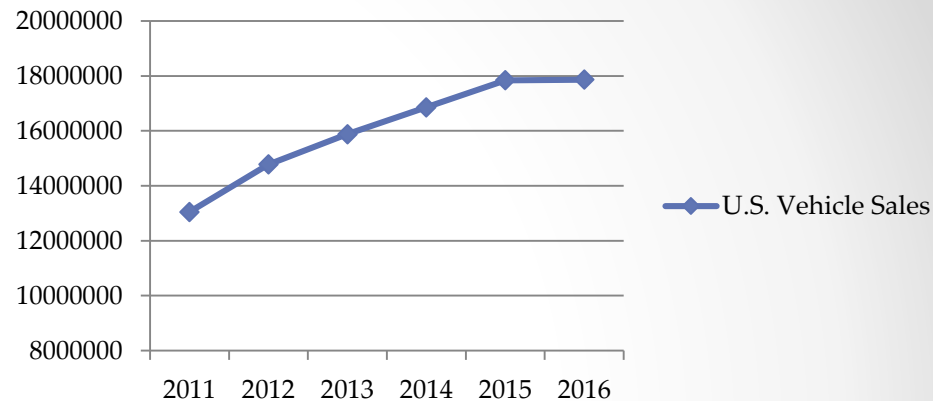
- ❖ Ridership numbers for public transportation have been declining
- ❖ Potential Reasons:
 - ❖ Low gas prices
 - ❖ Unemployment rates are decreasing
 - ❖ High vehicle sales
 - ❖ Time/Convenience factors



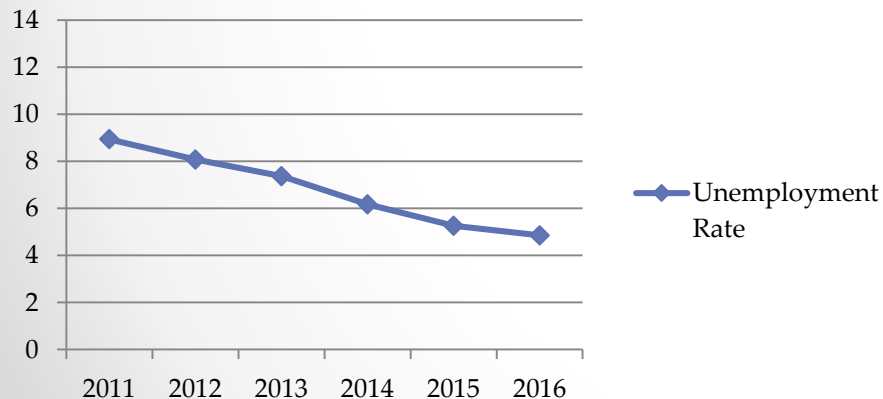
Annual Gas Prices



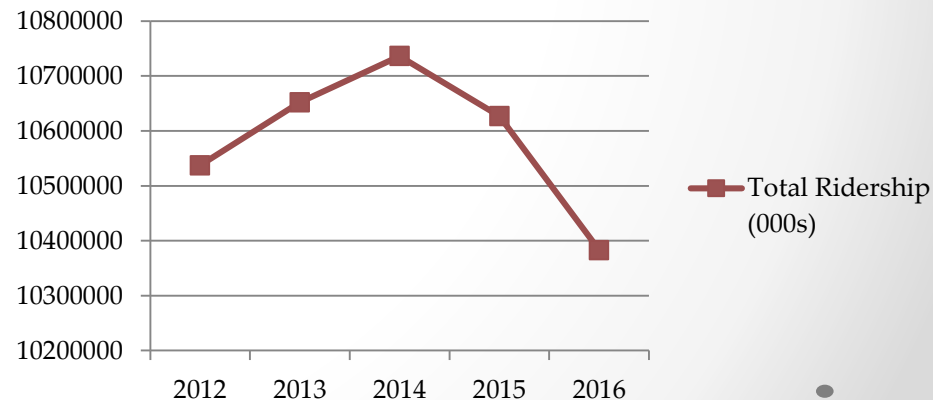
U.S. Vehicle Sales



Unemployment Rate



Total Ridership (000s)



Other Factors for Declining Ridership Trends

- ❖ Time/Convenience
- ❖ Using alternatives
- ❖ Travel needs changed
- ❖ Safety/Comfort



Benefits of Public Private Partnerships (PPPs)

- ❖ Better value for money
- ❖ Expertise and experience of the private sector encourages innovation
- ❖ Improve services now
- ❖ Marketing opportunities



© Can Stock Photo - csp13700993

Private Sector:

BRIDJ: “Micro-Transit”

❖ Founder

- ❖ Matthew George; founded a multi-passenger vehicles transit app that has no fixed stops but follows a route based on riders input

❖ Vision

- ❖ Public – private partnerships could help alleviate the financial strain on local, state, and federal governments; providing a solution to those who most need public transit

❖ Cities of Operation

- ❖ Boston
- ❖ Washington D.C.
- ❖ Kansas City
- ❖ San Francisco



Public Private Partnership: RideKC: Bridj

- ❖ Kansas City Area Transportation Authority (KCATA) & Bridj
- ❖ Pilot Program
- ❖ Service Delivery



RideKC: Bridj Survey Results

Marketing

- **44%** of respondents learned about RideKC: Bridj *from a media source*
- **20%** of respondents learned about RideKC: Bridj *from some form of outreach*

Hours of Operations

- **89%** of respondents *walk* to/from the RideKC: Bridj stop
- **More than half** of respondents use RideKC: Bridj in the *afternoon only*
- **28%** of respondents use RideKC: Bridj in *both the morning and the afternoon, evenly*

Service Coverage

- **76%** of respondents do not use RideKC: Bridj because of *geographical coverage limitations*; **31%** do not use the service because of *temporal coverage limitations*
- **13%** of respondents do not use RideKC: Bridj because they *can make the same trips using a personal car*

BRIDJ & Kansas City Pilot Program Results

❖ Marketing

- ❖ Promoting a new program is vital

❖ Customer

- ❖ Didn't go to a specific location and hours of operation

❖ Public-Private Partnerships

- ❖ Work together to provide quality transportation to customers



TNC Partnership: PSTA

- Pinellas Suncoast Transportation Authority
- Difficult to meet all service needs & maintain reasonable levels of ridership
- 2 separate Uber partnerships
 - Designed to increase ridership on central routes
 - Specifically for disadvantaged riders during non-service hours.



PSTA: Direct-Connect

- 8 service areas, “zones”
- 600 unique riders in zone-1
- Door to bus transfer center service
- PSTA covers up to \$5 of the total Uber fare
- Modest ridership increases



PSTA: Transportation Disadvantaged

- Door to door service is only provided during non-fixed route service hours, 10pm-6am
- PSTA covers the full fare cost
- Long standing PSTA service using Taxi service contracts
- Average cost
 - Taxi: \$17
 - Uber: \$12



“FLEX” Fixed Route Service

- “FLEX” services refers to a transit service that is operated directly by a public transit authority
- There is either a service area, or a service route
- In general there are no fixed stops, and all pick ups and drop offs are on demand
- Provides a similar service to TNCs like Uber and Lyft

•

•

“FLEX” Fixed Route Service

- VTA ran a 6 month pilot
- Service on demand from any stop to any other stop within a 3 mile service area near LRV transfer
- Extremely low ridership
- Best expectation: 2 rides per hour



“FLEX” Fixed Route Service

- ACTransit has a current pilot
- The goal is to replace a low performing once an hour route with a better service
- 30 minute departures from regional rail station
- All stops are along existing fixed bus route
- Flex bus only stops at requested stops



Challenges: Lack of Local Control

- Most TNCs are regulated at the state level; cities have few tools to regulate their negative impacts
- TNC operators frequently refuse to share usage data, which limits local ability to regulate them effectively

45,000 Uber and Lyft drivers may now operate in SF



Trending Articles

SF gives AT&T 72 hours to address ongoing graffiti problem on internet boxes

Major victory against fraudulent eviction begs \$460K question: Why isn't SF preventing this?

All aboard San Francisco's newest ferry vessel

Renderings released of design concepts for Ocean Beach

SF wants access to Uber and Lyft data to tackle traffic congestion

Congestion Impacts Transit and Other Modes

- Influx of TNC vehicles have shown to increase congestion in NYC and SF
- Congestion has spillover impacts for other modes

N.Y. / REGION

The Downside of Ride-Hailing: More New York City Gridlock

By EMMA G. FITZSIMMONS and WINNIE HU MARCH 6, 2017



nf NEWS FIX

S.F. Transportation Officials Blame Uber, Lyft for Traffic Congestion



TNC Companies Have Unsustainable Business Models

- TNCs are currently heavily subsidized by venture capital; low prices are unsustainable in the long run
- Uber recently reported **operating losses of \$2 Billion** a year; according to one analysis, passengers only pay **41% of the actual costs** of their trips ([http://www.nakedcapitalism.com/2016/11/can-uber-](http://www.nakedcapitalism.com/2016/11/can-uber-ever-deliver-part-one-understanding-ubers-bleak-operating-economics.html)

[ever-deliver-part-one-understanding-ubers-bleak-operating-economics.html](http://www.nakedcapitalism.com/2016/11/can-uber-ever-deliver-part-one-understanding-ubers-bleak-operating-economics.html))

Uber losses expected to hit \$3 billion in 2016 despite revenue growth

Posted Dec 21, 2016 by [Lora Kolodny \(@lorakolodny\)](#)



Cutting Service due to Current TNC Presence May Backfire

- While certain partnerships may make sense, transit officials must avoid the temptation to make lasting policy decisions based on companies whose business model is not yet profitable and may not exist in the future

“They Can Just Take an Uber”

Cities across the country are cutting public transportation because they think ride-hailing services will fill the gap. They'll regret it.



By Henry Grabar

