

# The Growing Demand for Public Transportation in Texas' Large Urbanized Areas



Regional partnerships allow rail systems to effectively serve communities and build connections with other rail and transit services, such as at Dallas' Victory Station.

By Barry Goodman

*The following article is excerpted from testimony given by Barry Goodman, Principle, the Goodman Corporation, before the Texas State Senate Committee on Transportation and Homeland Security, on May 3, 2010.*

During the last several years, the demand for public transportation services has been increasing in all parts of Texas and, most importantly, within large metropolitan areas where growth is outstripping the resources available to create a balanced mobility network. Public transportation in large urbanized areas, supported locally through sales taxes, plays an increasing role in addressing the major challenges of reductions in Vehicle-Miles Traveled (VMT), energy use, and pollution. Demand is unprecedented for increased services for both the transit-dependent population and choice riders, since the automobile established its dominance in our society. Rising gas prices, growing congestion, and air quality problems are causing local public

officials to re-evaluate their provision of commuting alternatives with an increasing appreciation for the benefits of public transportation. It appears that an opportune moment for transit advocates, who have long striven for political recognition of the benefits of public transportation, has arrived as national and state leaders are struggling with mobility challenges; especially with the impact of rising gasoline prices and diminishing resources from federal and state gas taxes.

Our Interstate and primary highway systems were originally justified on the basis of national security; the movement of goods and people deemed critical to our national interest, and the ability to respond to crisis and emergencies, both internal and external. This system is now breaking down and the funding to support the system is running low. Congress and regional governments are increasingly aware that the crisis is getting worse, that air quality and quality of life are in jeopardy, and that transportation policy must reinforce the nation's energy and environmental goals. If these ingredients don't constitute a perfect storm

for improved mobility options, then one may never occur. Transit is poised to play a more critical role in our future; necessary to achieve national objectives which require more extensive public transit. Transportation systems can best achieve this higher level of importance if it becomes a key component of a more comprehensive regional strategy which is encouraged by congressional guidance.

## **Congressional Inaction**

The highway trust fund – largely fueled by the federal gasoline sales tax – is now spending more dollars than it is taking in. The trust fund became, as they say, upside-down prior to the end of the last Congressional authorizing period in fiscal year 2009. The transit trust fund is only marginally better off. Yet decisive action in the nation's capital has been slow to materialize.

The transportation authorizers, reluctant to raise user fees to support a \$500 billion, five-year authorizing bill, seem likely to delay transportation program reauthorization until after the Novem-

ber elections. Further, they can, through continuing resolutions, place this difficult political decision squarely in the lap of the next Congress, which convenes in 2011. In the meantime our nation's transportation infrastructure keeps crumbling. This situation has become dire due to adherence to a 16-year political comfort zone of no new taxes. Thus the federal gasoline sales tax is the same today as when gasoline was 80 cents per gallon in 1991. The same situation exists in Texas where the existing 20-cent state gas tax was last raised in 1991. Accordingly, we are running out of federal and state highway resources for new construction, resulting in new funding strategies and alleged innovations, such as tolling our way out of the problem. We need a new approach.

### **Regional Mobility Strategies**

It is encouraging that there is growing recognition in Congress, and among our peers, that the nation needs a better approach to the collection and distribution of federal and state transportation resources. Further, many now understand that growing states like Texas need to link their energy, environmental and transportation policies in a way that encourages alternative mobility systems and that reduces pollution, congestion and energy consumption. The next step is to create a framework for developing mobility strategies which encourages and rewards those communities that best meet their transportation priorities, and that are willing to commit local public and private investment to leverage maximum federal funding.

For example, the regional mobility goal for public transportation might be to increase multiple occupancy travel during peak commute times from 3 percent to 5 percent – which would result in significant, quantifiable and measurable benefits. This approach would de-politicize local decisions to initiate major transit investments in rail and other capital intensive projects which, within growing urbanized areas, have often become a target, due to their political isolation from an overall mobility strategy which has commitment from all stakeholders.

As such, the legislature needs to ensure that public transportation, a very important component of our mobility network,

is properly integrated within regional mobility strategies that comprehensively address overall mobility objectives. Regional mobility strategies also are essential toward gaining our fair share of federal funding for transportation, which is likely to increase with the pending passage, by Congress, of the next transportation authorizing legislation.

The Texas legislature has already enabled the creation of Regional Mobility Authorities (RMA's) that have the capability of planning, developing and financing multiple modes of transportation. The ability to utilize the RMA as an instrument to create multi-modal regional mobility strategies, which target defined and measurable reductions in pollution and congestion, is a powerful tool. It is encouraging that the Central Texas Regional Mobility Authority has taken a lead role in the greater Austin area, in the development of non-toll road modes of transportation including regional commuter rail. These entities offer the potential of multi-jurisdictional capability to address capital-intensive transportation improvements that cross traditional jurisdictional boundaries.

### **Increased State Financial Support**

In response to the need to balance our transportation network with better and

Key transportation centers unite services in targeted locations to attract more riders and fuel economic development.

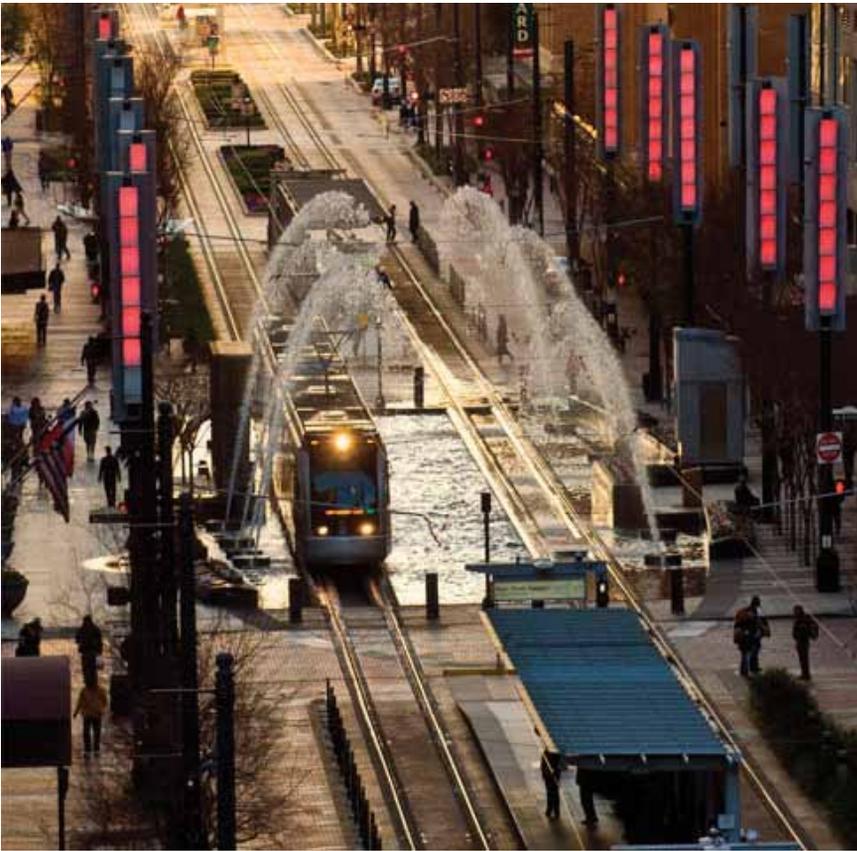
more accessible public transportation systems, many states have substantially increased the amount of funding available to support public transportation and to help match increased federal support. Texas, however, has failed to meet this challenge. In fact, Texas ranks near the bottom of the list in per capita spending on transit, yet Texas has the greatest need.

The Texas Sunset Advisory Commission, which reviews Texas agencies every 12 years, recently issued a comprehensive report evaluating the effectiveness and performance of the Texas Department of Transportation (TxDOT), its responsiveness as a public agency and its management capability. The evaluation of how the state spends its transportation dollars indicates that, of the approximate \$8 billion in resources that are spent bi-annually by TxDOT, less than 1 percent of these resources are dedicated to support general public transportation services. In contrast, the Texas Department of Health and Human Services devotes almost three times the resources to public transportation currently dedicated by TxDOT .

### **Public Transportation Equals Employment, Economic Development, and Sustainability**

The benefits of increased public trans-





Houston's Metro light-rail service is well-integrated into downtown activity patterns.

portation in terms of access to jobs, congestion mitigation and reduced pollution – combined with the leverage power of the transit dollar – makes public transportation a sound investment for state government. Public transportation plays strategic roles in sustainability and creating a pedestrian environment. When focused regionally, the impact of public transportation is further magnified. For example, the Houston-Galveston region contains one large urbanized area, four small urbanized areas, and significant rural communities. Public transportation systems can connect all our communities.

### How Can the State Legislature Help?

The following are some ideas that might be considered as part of the upcoming legislative agenda on transportation, and the use of public transportation as a key component of congestion and pollution reduction.

- Texas should increase user fees to support regional mobility and public

transportation:

The lack of local resources for use in developing public transportation to address growing pollution and congestion is a significant threat to the state of Texas. As each recent federal transportation authorization laws has substantially increased the total amount of federal funding available to support mobility and transit, our local resources to match and leverage federal resources remains stagnant and is eroded through inflation, debt service and fuel inefficiency. It is time for the legislature to approve the ability of local cities and counties to tax themselves through increases in local gasoline sales taxes, vehicle registration fees and exemption of transit sales tax from the cap. Is it not hypocritical for the legislature to fail to increase the state sales tax on gasoline since 1991 and, at the same time, preclude local communities their democratic right to tax themselves to help solve their own local mobility challenges? It is important that the legislature enable local option capability.

- The state should plan an active – not passive – role to ensure that public transportation is a strategically important component of an overall mobility strategy:

The state of Texas plays a relatively passive role in the development of transit for our large urbanized areas. The large metropolitan transit authorities are supported primarily through their own sales tax revenues ranging from .5 percent to 1 percent. Over the last several years, many of these urban communities have advocated the development of capital-intensive transit components, such as commuter rail, light rail and regional rail systems that cost billions of dollars. The state should play a greater role to ensure that these expenditures are part of larger regional mobility strategy with quantifiable and measurable benefits in terms of reduced pollution and congestion; that the proposed expenditures are cost-effective in terms of other alternatives; and that the expenditures are part of a regional mobility network and reinforced by that network.

My company currently is working on an important potential commuter rail project to link Galveston Island to Houston and the 11 growing communities within this corridor. This commuter rail line would provide an important emergency evacuation component during hurricanes and other disasters. However, the proposed expenditure is being weighed against other alternatives, such as Bus Rapid Transit (BRT) and Transit Systems Management (TSM), both on and off the Interstate 45 corridor, to ensure that the proposed solution is the most cost-effective and is interconnected with the region.

- Texas should maximize funding available through the State Infrastructure Bank and open these long-term, low-interest funds to public transportation:

The legislature has created mechanisms that enable the borrowing of funds to support the development of highways, but not for public transportation. Clearly, the development of

comprehensive public transportation systems, as an effective mobility alternative to reduce congestion, pollution and energy waste can be facilitated through the ability to borrow from the State Infrastructure Bank (SIB). The SIB and other infrastructure loan instruments will enable large urban and regional transit development in advance of user and other revenues which may take years to develop. The early development of public transportation, as a strategic component of an overall mobility network, enables the reduction of pollution and congestion as soon as possible.

- Texas should facilitate the purchase of excess federal transit resources between communities in exchange for local resources:

By any measurement the priority at the state level should be to get people out of their vehicles and into transportation systems that provide a far more cost-effective, environmentally friendly alternative for commuters and

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those requiring public transportation for any other purpose. By taking the actions above, the Legislature can significantly bolster employment; ensure that our aging population can get to medical facilities; and substantially reduce automobile use during commuter periods – with the corresponding energy and environmental benefits. State funding comprises a key component of our ability to match available federal funding and respond locally to the growing demand for public transportation services. The challenge for our

Legislature in the upcoming session is clear and compelling – to provide better guidance and oversight for major, regional transit expenditures, and to substantially increase funding and loan support to public transportation, especially as the price of gas continues to increase. 

Austin's rail transit plans not only prioritize easy connections to other transit providers, but also rejuvenated streetscapes.

