With two months of 2018 in the books, there is plenty of evidence of state and local policymakers around the country seeking ways to invest in public transit, shore up existing assets and change how transit is governed and planned. From property tax revenue diversion to ride-hailing fees and from value capture to sales tax ballot measures, a variety of strategies are being deployed or contemplated as transit communities seek to deal with longstanding maintenance issues that may be contributing to recent declines in transit ridership, seek to increase density around transit hubs and seek to improve their odds of attracting the next major employer. Here’s a roundup of what’s going on.

State Public Transit Activities in 2018 (So Far)

- **Alabama:** The House of Representatives last week passed legislation to create a fund that will store future state money and matching federal dollars for public transportation, the Associated Press reported. Alabama is one of only five states with no state funding for transit.

- **California:** State Sen. Scott Wiener has proposed a statewide transit zoning bill that would seek to encourage California cities to build more housing in taller buildings near major transit hubs, Governing magazine and Brookings reported. Opposition centers around the idea that the bill would essentially be state preemption of development guidelines that are usually left to localities. ... The Los Angeles Times reported that the number of trips taken on Los Angeles County’s bus and rail network fell to the lowest level in more than a decade last year. The ridership decline, detailed in a recent report by the Southern California Association of Governments, is seen by some to reflect negatively on public officials’ efforts in recent years to encourage commuters to shift from driving to public transit. Among the factors that could be contributing to the decline, officials say: competition from Uber and Lyft as well as perceived problems with existing transit service. The declines came as Los Angeles County has been dramatically expanding rail transit connections, as Citylab noted recently.

- **Connecticut:** The Record-Journal newspaper in central Connecticut reported this week that Gov. Dannel Malloy and the state department of transportation are backing increases in rail and bus fares to offset a deficit in the state’s special transportation fund, which is supported by the state gas tax and other revenues. Malloy previously proposed a four-pronged plan to stabilize the fund that would increase the gas tax by 7 cents over four years and implement tolling by 2023. Some Republican lawmakers have expressed sticker shock about Malloy’s plan for the state to spend $100 billion on infrastructure over 30 years.

- **District of Columbia:** WTOP reported this week that the District is already talking about replacing the vehicles on the two-year-old D.C. streetcar. The District Department of Transportation has no plans to start charging streetcar passengers even as the streetcar expands in the next few years.

- **Florida:** Miami-Dade County commissioners have created a new tax zone representing roughly a third of the county’s real estate market that would be used to divert some property tax revenues from the regular county budget to pay for transit projects, The Miami Herald reported. The plan is expected to generate $1.8 billion over 30 years and be the first new source of dedicated transit...
The county has had since a half-percent sales tax was approved by voters in 2002.

**Georgia:** The House [13] and Senate [14] are working on two different versions of legislation that would create a new board to oversee transit planning and construction in a 13-county region around metro Atlanta, McClatchy reported last week [15]. The new regional board would be responsible for establishing a transit plan for the Atlanta region. Under both bills, any county in the region would be able to hold a referendum on a transit sales tax of up to 1 percent and counties would select projects for inclusion in the regional transit plan. The Gainesville Times editorial board [16] recently noted that the legislative effort seems to be a recognition by lawmakers that a piecemeal approach to solving traffic programs could drive away major corporations seeking to locate in Atlanta, a notoriously auto-gridlocked city that was nevertheless on the shortlist for Amazon’s $5 billion second headquarters announced last month. Curbed Atlanta recently detailed [18] a number of transit-oriented developments in the area that are now in various stages of completion.

**Illinois:** Chicago led the way in becoming the first U.S. city to collect a per-ride charge from passengers who use ride-hailing services like Uber and Lyft and now the city’s transit authority has announced it will earmark a recent increase in the charge for transit improvements, the State Smart Transportation Initiative [19] notes in a post this week. More than a dozen cities and states have joined Chicago in creating fees and taxes for either riders or the ride-hailing companies themselves. Chicago has plenty of transit projects that could use funding. The Chicago Tribune reported recently [20] that while the CTA has chosen a path for an extension of the Red Line, the funding to pay for it is currently in doubt.

**Indiana:** The state’s hopes of landing Amazon’s second North American headquarters have prompted lawmakers to consider legislation [21] that would lift a ban on building light rail in the Indianapolis area, WISH-TV reported recently [22]. The ban was originally approved in 2014. Indianapolis was among a list of 20 finalists announced [17] by Amazon last month. State Rep. Justin Moed told the TV station [23] “Detroit got knocked out of the rounds because they weren’t planning for transit. We are planning for transit. We just want to make sure we have a full comprehensive plan.” The bill passed the House last month and was approved by a Senate committee this week. It now goes to the full Senate.

**Maryland:** The Maryland Transit Administration announced earlier this month [24] that Baltimore’s entire Metro SubwayLink system would be closed for a month after safety inspections showed that sections of track required emergency repairs. It was later learned [24] that the MTA knew the subway’s rails violated agency safety standards for more than a year before the emergency shutdown was ordered with less than 24 hours’ notice presenting challenges for commuters. State transportation officials have requested an outside review of the MTA’s handling of maintenance issues on the subway, The Baltimore Sun reported last week. [25] Gov. Larry Hogan set aside $2.2 million in emergency funding to run free coach buses along the subway’s route while it remains closed.

**Massachusetts:** McClatchy reported [26] this month that the Massachusetts Bay Transportation Authority over the last three-plus years has been plagued with delays, derailments and maintenance problems that have prompted service complaints from riders and municipal officials in Boston. A new report from local advocacy group Transit Matters finds that Boston transit could be improved significantly by rethinking the region’s commuter rail system, Streetsblog USA noted this week [27].

**New York:** A six-month check-in on Gov. Andrew Cuomo’s $836 million emergency plan to improve the New York City subway showed a reduction in the number of major disruptions but little progress in wait-times for trains and other performance measures, The New York Times reported [28]. Cuomo’s proposed FY 2019 budget, released last month, included a provision [29] that would allow the Metropolitan Transportation Authority to create special transit improvement districts and impose higher taxes on property owners in these districts to generate funding for subway repairs. The Times noted [30] that this form of “value capture” has long been debated in urban planning circles. It has also been proposed as a federal requirement for transit projects in President Trump’s infrastructure plan [31]. But the New York Post reported this week [32] that a state budget deadline is now looming.
and there is no long-term transit funding plan in sight. A recent report from the Regional Plan Association [33] found that New York City is the most expensive place in the world for public transit projects due in large part to missteps, abuses and inefficiencies. In a section on best practices from other places, the report points to Denver’s FasTracks program and its procurement and financing innovations. The report recommends making the cost of construction a top priority of environmental review and separating public outreach and preliminary engineering from the environmental review process. The New York Times [34] looked at the report earlier this month. Despite the New York Subway’s woes, New York City was still named the number one best city for transit [35] in the 2018 Transit Score Rankings, produced by Redfin.

- **Pennsylvania:** Pittsburgh officials say they will push forward with plans for a $195 million bus rapid transit project despite opposition from local transit advocates and President Trump’s proposal to eliminate the Capital Investment Grants program in his budget in order to help fund his overall infrastructure plan, Next City reported [36]. Pittsburgh is reportedly bucking the U.S. trend on declining transit ridership and providing a strong rider experience that is keeping riders coming back, City Metric noted recently [37].

- **Tennessee:** Nashville voters will decide May 1 whether to raise the sales tax and three other taxes to pay for a $5.4 billion mass transit plan that includes light rail and a downtown tunnel, The Tennessean reported [38]. The referendum vote was made possible by Tennessee’s state transportation funding package passed last year (known as the IMPROVE Act), which granted municipal authorities the power to introduce surcharges on the local sales tax rate, exclusively for the purpose of funding transit.

- **Utah:** Lawmakers have introduced a sweeping transportation bill [39] that would overhaul how the Utah Transit Authority is managed and raise the state sales tax by 0.15 percent next year to generate $80 million annually for mass transit projects, The Deseret News reported [40]. Senate leaders believe the tax increase could be difficult to pass since 2018 is an election year. The current legislation would also hike registration fees on electric and hybrid vehicles but provisions to boost taxes on hotel rooms and rental cars were scrapped due to opposition. Last month [41], Gov. Gary Herbert proposed taking gas tax revenues to pay for transit improvements.

- **Virginia:** WTOP reported earlier this month [42] on a new Republican-backed bill in the House of Delegates to provide $105 million a year in dedicated funding for the D.C.-area Metro system. That’s less than the $150 million requested and contingent on Metro keeping operating spending increases to 2 percent per year and submitting to other governance reforms. The bill counters a measure in the state Senate that more closely tracks a proposal submitted by former Gov. Terry McAuliffe, which called for an increase in certain Northern Virginia taxes to levels previously approved by the legislature as part of the commonwealth’s 2013 state transportation funding legislation. House leaders are said to oppose the tax increases. The bill would also be contingent on Maryland and the District of Columbia approving their own funding streams for Metro.

- **Washington:** The House late last month passed legislation [43] that would reduce the motor vehicle excise tax, which voters agreed to raise in 2016 to help fund light rail and bus expansion in the Seattle region. The bill would cost Sound Transit, the region’s transit agency, $780 million in direct revenue and as much as $2.3 billion in added debt service from increased borrowing, according to Next City [44].

**Ride-hailing Services & Public Transit**

The intersection of transit and ride-hailing services like Uber and Lyft continued to be scrutinized in a variety of different contexts in recent weeks. Among the recent articles:

- “Uber wants to be public transportation, and I have some serious concerns,” [45] The Verge, February 15, 2018.


Further Reading on Public Transit

• “We consistently ask the wrong questions about transit investment.” [53] Mobility Lab, February 1, 2018.
• “Free transit is worth a look, with some cities now trying it.” [54] Mobility Lab, January 30, 2018.

Just for Fun


By:
Wednesday, February 28, 2018 at 04:26 PM
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