ODOT Public Transportation Statewide Stakeholder Input

ALL ABOARD OHIO
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The need for and use of public transportation is increasing to levels not seen since President Eisenhower signed the Federal Interstate Highways Act of 1956. Millennials demand better transit in urban centers competing to become their living rooms and innovation labs of choice. Baby Boomers demand greater availability of transit to stay mobile as they age and downsize in retirement. These two demographic groups represent half of this nation's population.

But the core of transit riders remains our cities' lower-income citizens who need it to carry out the basics of life – to reach work, shopping, education and health care. No city in Ohio has more car-free households than Cleveland, where 1 out of 4 households has no car. But that doesn't diminish Ohio's other large cities, some smaller towns and Amish/Mennonite rural regions which have double-digit rates of no-car households.

Indeed, Census figures show 9% of Ohio households have no car. At average rates of household occupancy, that represents 1 million Ohioans.

That, as is often said, is only part of the story. Census data doesn't measure if a household with a car has a car that is well maintained or even operable. Nor does Census data cross-reference if a 1-car household has more than one wage-earner who must share that car with someone else. So when that car is in use, that household becomes a no-car household.

Cars are expensive, of course. The American Public Transportation Association reported earlier this year that owning a car in Cleveland costs $823 per month including the loan payment, insurance, depreciation, fuel and taxes. This cost of owning a car is equal to the mortgage payment for a $153,000 house.

Many other costs of driving such as road construction and maintenance, parking, petroleum subsidies, pollution and stormwater management are externalized on to general taxpayers which artificially reduces the cost of driving, distorts the travel marketplace and requires public transit to likewise be subsidized in order to compete.

As noted earlier, 9% of Ohio households have no car, and many more households depend on public transit as their second car or to save money. Yet Ohio spends only 1% of its transportation budget on public transportation. We spend more in Ohio to cut the grass along our Interstate highways.

But why should the State of Ohio be the one to spend more on public transportation? There are three reasons:

1. The federal government is steadily getting out of the transportation business. Congress has made clear its disinterest in rescuing a dying federal Transportation Trust Fund which funds highways and public transportation. Each new stopgap funding bill has eroded programs, policies and dollar amounts available to transportation planning and projects.

Indeed, it is the stated goal of many in Congress that, not only should there be no increase in the federal gas tax – there shouldn't be a federal gas tax at all. Instead, they believe that states and regions and cities be responsible for their own transportation funding. This could soon be the federal policy depending on the outcome of next month's election.

2. We have seen in recent years that passing transportation ballot issues on a countywide or multi-county basis is extremely difficult. Even growing regions like Greater Seattle and Greater Atlanta have rejected road and transit funding measures in recent times. I wonder how we might fare in no-growth Northeast Ohio in getting voters to accept new transportation taxes to make up for future losses of federal funds.

3. County-based public transportation typically relies on sales taxes which have flattened even in this economic recovery due to many factors. These include the dispersal of retailers to outlying counties and the ongoing growth of Internet shopping.

County-based public transportation agencies and funding sources have become obsolete, as have state laws addressing them, as metro areas expanded into surrounding counties. This requires complicated case-by-case cost-sharing approaches, complicated fare policies and complicated schedule coordination. State policies, funding and coordination for more inter-county public transportation services and organizations would help address this.

Increased state funding for public transportation may come from a variety of approaches. The most notable option would be to continue the practice of collecting federal gas taxes. But even if their administration is wholly determined by the states which generated them, these funds should continue to offer the modal flexibility of current federal gas tax revenues.

Other options are to use more turnpike toll credits for public transportation, especially those that would help transit agencies modernize or otherwise achieve operating cost savings. State funding awarded to counties should be done so on a per-capita basis to eliminate the practice of urban counties donating funding to rural counties. And more road funding should be awarded to projects that embrace Complete Street designs.

And while state gasoline taxes are restricted in their use by the Ohio Constitution, we believe that state gas taxes generated at the pump by consumer activities other than driving (such as landscaping or recreation) may be used legally for non-highway purposes. Our estimates are that at least 5% of state gas tax revenues are generated by non-motorists.

As-yet unidentified sources of funding could be the subject of further research and possibly some pilot programs. One such idea comes to mind – it is based in the knowledge that two-thirds of public transportation riders use transit to get to work. Yet, the Brookings Institute recently reported that only a small share of each of Ohio's metros have jobs accessible within a 90-minute transit trip.

In Greater Cleveland, for example, only 27% of jobs are within a 90-minute transit ride. So many Clevelanders have little chance of ever accessing a job unless more jobs are brought closer to their homes or more transit is extended farther out to employers. More than likely, a little bit of both would occur.

In this case, a value-capture mechanism could be utilized. An inter-county transit corridor could be identified and transportation services developed within it, funded by the incremental increase in state income taxes generated by employers located in that transit corridor. Existing state funding programs such as brownfield remediation, historic tax credits, job-ready sites grants and low-interest loan applicants in state-designated transit development corridors could be given priority. This funding concept produces a feedback loop in which the benefits created by the public transit corridor help sustain and enhance the public transit corridor.

These first 15 years of the 21st century have brought the most radical changes to the transportation policy landscape since the 1950s. Ohio has yet to catch up. How it decides to respond to this new paradigm will determine how many of Ohio's citizens are mobilized to participate in Ohio's economy. How many older citizens or people will remain under “transportation house arrest”? How many young people will vote with their feet and leave for cities in other states designed to meet their needs? Indeed, public transportation is a critical issue that the federal government is walking away from and that county-based transit agencies are increasingly unable to resolve without help. The issue has landed on the state's doorstep. We hope Ohio's state officials will let it in, embrace it and nurture it.

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