



MICHIGAN DEPARTMENT OF TRANSPORTATION

**State Long Range Transportation Plan
2005-2030**

**Transit
Technical Report**

*Prepared by
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of Transportation
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With assistance from



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MI Transportation

MICHIGAN LONG RANGE TRANSPORTATION PLAN

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Executive Summary

This technical report is one of 17 technical reports being developed by the Michigan Department of Transportation (MDOT) and its contractors to support *MI Transportation Plan*. Each report provides resource information about its subject area and is input to the statewide-integrated transportation plan. The information for this report was compiled in 2006 and presents a summary of key policy, planning, and operational data and issues relevant to understanding the current status, potential issues, and future directions for transit in Michigan. The chapter on integration explores how the information contained in the body of this report contributes to a cohesive vision for a statewide transportation system.

Existing State of Public Transit in Michigan:

Michigan public transit is a compilation of local public and non-profit service providers. Service providers range from multi-county transportation authorities with independent boards and local taxing authority, to transit agencies or departments that serve a single county or city to private non-profit agencies that provide targeted service. Service levels and types are defined at the local provider level. Both the Michigan Department of Transportation and the US Department of Transportation/Federal Transit Administration (USDOT/FTA) provide financial support, technical assistance, and compliance oversight, but neither agency determines the types and levels of service.

Michigan is served by 79 local public transportation systems and 40 specialized transportation service providers. These 79 providers plus their subcontractors are the backbone of Michigan's public transit network. All 83 Michigan counties are served by one or both of these services. Although all 83 Michigan counties have some public transportation, there are still gaps in service. In some counties, service is limited to a single provider within the community; for some communities there is no night or weekend service. Using local transit to and cross county lines can be difficult or impossible in many areas of the state.

Michigan's public transit systems are categorized as urban and non-urban (rural) based on their service area population. Urban transit systems transported 78.6 million passengers in 2004 and non-urban area systems carried more than 6.5 million passengers. Between 1990 and 2004, urban and non-urban service grew significantly. However, ridership growth did not keep pace with the increase in the level of service; ridership statewide decreased 15 percent. Most of that decrease is associated with the Detroit Department of Transportation, which experienced service cuts during this period and changes in their counting procedures that may overstate the decrease. Outside the city of Detroit, ridership has increased in many areas of the state. In 2004, an additional 1.5 million passengers were transported through the Specialized Service Program, which is a 26 percent increase since 1999.

Public transit services also include a state-managed commuter vanpool service, two public ferry operators, and an automated rail system in the city of Detroit. At the end of Fiscal Year (FY) 2005, the MichiVan Commuter Vanpool Program included 148 vans carrying 1,130 commuters. In FY 2005, the Detroit People Mover carried more than 1.5 million passengers and the two-state

supported marine passenger services carried a combined load of approximately 894,000 passengers.

Bus and rail services between cities (intercity) are described in a separate technical report.

New transportation systems in the city of Detroit, southeast Michigan, Ann Arbor to Detroit corridor, and the greater Grand Rapids area are being planned in anticipation of accessing federal “new starts” funding.

Michigan’s public transportation systems and providers are supported with a combination of state, federal, and local funds. In Fiscal Year 2006, Michigan will receive over \$154 million in federal transit funds under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Federal formula and discretionary funds are provided directly to MDOT and individual transit systems.

State support for transit exceeds the level of federal support. Since 1972, the state has provided funds for the provision of transit services. Act 51 of 1951 provides for creation of the Comprehensive Transportation Fund (CTF) and state support of transit via the CTF. The CTF supports operating and capital assistance for transit systems, the two publicly-owned marine passenger services, as well as transportation services throughout the state for targeted populations (seniors, persons with disabilities, and transportation to work for low-income individuals) and debt service on CTF bonds. Additionally, the CTF supports intercity passenger and freight programs and MDOT’s administration and oversight of portions of its multi-modal programs, including transit, intercity passenger, for-hire passenger regulation, and rail freight. In FY 2006, CTF appropriations for transit exceeded \$188 million. The largest of the CTF programs was the Local Bus Operating Assistance program with a \$163.3 million appropriation in FY 2006.

Performance Measurement:

The primary statewide tool available to report and measure transit system performance is MDOT’s Public Transportation Management System (PTMS). It includes a statewide vehicle inventory used for forecasting needs and a financial database used for budgeting and obtaining federal and state funds. PTMS also contains operating statistics such as passenger count and type, cost-per-mile, and passenger-per-mile.

While PTMS provides a statewide tool for collecting and standardizing performance, it does not include strategic or statewide performance goals or standards.

Policies, Goals and Issues:

Transit policies, goals and issues can be drawn from several recent policy and planning documents and forums.

In 2003 and 2004, MDOT hosted a transportation summit. Transportation industry partners, citizens, members of the legislature, academia and the federal government were invited to help MDOT create a vision and a set of action plans for the future of transportation in Michigan. Nine key issues were identified as part of the summit process. While each of the nine issues

touches all aspects of the transportation system, two of the nine are strongly transit-oriented: (1) mobility options and (2) coordination, cooperation, and connectivity. One of the goals related to coordination, cooperation, and connectivity identified in the summit process was “Integrate a seamless, integrated multi-modal transportation system that is cross-locality and cross-regional in nature.” A goal related to mobility options identified at the December 2003 Transportation Summit was: “Create seamless and cost-effective connections between modes and public and private providers for everything from non-motorized to air travel, including physical infrastructure, scheduling/routing, information and communication systems.”

The *Michigan Transit Strategic Plan 2000-2020* was published in October 2002. A collaborative product of transit service providers, intercity bus operators, MDOT, and other stakeholders, it was based on the following four goals: (1) increase cooperation within the transit community; (2) remove barriers to transit use; (3) ensure adequate funding; and (4) provide effective transit services. A number of initiatives emerged from the strategic planning process, nine of which were selected for inclusion in the strategic plan. The plan was completed and published by MDOT.

While the *Michigan Transit Strategic Plan 2000-2020* is not considered an active document that drives MDOT’s transit effort, there are or have been a number of MDOT programs that have advanced some of the plan’s initiatives and much of its content is still relevant. The nine initiatives in the strategic plan focused on coordination of transit funding, state funding predictability, local funding options, more unified transit advocacy, development of common transit performance indicators, integration of transit and land use, maintaining a baseline of transit services, developing information resources to promote transit use and usability, and coordination of transit services.

Two recent policy forums (2003 through 2005) have resulted in the development of recommendations regarding transit in Michigan: the Transportation Summit and Michigan’s United We Ride efforts. While neither of these forums resulted in goals that have been formally adopted by MDOT, the results provide a sense of the issues currently facing transportation stakeholders at the state and local levels.

On the national agenda is United We Ride (UWR), a broad federal initiative launched in 2004 by the United States Department of Transportation (USDOT), in partnership with the Departments of Health and Human Services, Education, Labor, Veterans Affairs, Agriculture, among others. In response to the initiative, MDOT organized a Michigan UWR workgroup, which was active in 2005. The Michigan UWR Workgroup was a partnership of MDOT and other state agencies, including the Michigan Department of Labor and Economic Growth and the Department of Human Services. The Michigan UWR Workgroup organized six regional communication forums on improving human service transportation coordination and used the results to develop a draft action plan for human services coordination. One of the goals laid out in the *Draft UWR Action Plan* was “develop sustainable local/regional coordinating bodies for unique and distinct areas of the state, to discuss, plan, advocate, communicate, support financing, and implement customer oriented models of local human services transportation coordination.” Another goal was “connect customer needs directly to the local/regional coordination entity and to its planning and decision making process, including customer participation in ongoing

assessment and goal-setting on transportation needs, gaps in coordination, billing and payment systems, and under-utilized resources.”

Also on the national agenda is the aging population. In 2002, 12 percent of Americans were 65 or older. Over 36 million Americans are age 65 or older today. By 2030, this number will double and one in five Americans will be 65 or older. The Michigan population is expected to grow 1.2 million (12%) between 2005 and 2030. Of that 1.2 million-increase, 11.16 million (96%) will be in the 65 and older age group. By 2030, seniors (age 65 and over) will represent over 20 percent of Michigan’s population. Many Americans will reach their adult years having used the automobile for their daily transportation. However, at a time in their lives when driving may no longer be an option, some who live in areas where mass transportation is not available will no longer be able to hop in their cars to shop, visit family and friends, or access health care. They will need alternatives. The result is an unprecedented challenge for public transportation agencies in Michigan and across the country. In the long run, different types of services, offered at varying prices, need to replace the “one-size-fits-all” approach to public transportation. Transit riders will want to choose services that fit their specific travel requirements. Frequent, comfortable, affordable, spontaneous transit service to a wide variety of origins and destinations, over a wide range of service hours, is what seniors will desire.

From the information in this technical report, a draft issue agenda for Michigan transit can be assembled. This action agenda identifies the three issue areas:

1. Increase coordination and cooperation among transportation providers;
2. Increase transit use and usability, with specific focus on the aging population; and
3. Ensure adequate funding for transit.

Integration with the Statewide Plan:

The transit assets, services, and programs described in this *Transit Technical Report* provide the building blocks for understanding the integral role of transit in *MI Transportation Plan*. Integrating transit into a multi-modal vision entails leveraging the assets and services described in this *Transit Technical Report* with other system assets to meet the changing needs of Michigan’s system users segments. Integration of transit may remove barriers to economic participation by Michigan’s travel segments, and may trigger valuable economic activity by connecting workers, consumers, and businesses to key activities and markets supporting Michigan’s economic vitality.

Chapter 1. Introduction

This technical report is one of 17 technical reports developed to support *MI Transportation Plan*. Each report serves (1) as a resource for information about its substantive focus area and (2) as a component of the integrated transportation plan. The body of the report includes information compiled in 2006 summarizing key policy, planning, and operational information relevant to understanding the current state of transit in Michigan, potential emerging transportation issues, and future directions. The Integration chapter explores how the information contained in the body of this report contributes to a cohesive vision for a transportation system optimal to support Michigan's economic vitality in the long term.

The information in this technical report is further integrated with the other 16 reports in the *Integration Technical Report*, carrying forward into the *Conditions and Performance Technical Report* and the *Corridors and Borders Report*. The technical reports can be categorized into two types: (1) reports about transportation supply (assets, infrastructure, services, and resources) and (2) reports about transportation demand (users, markets, travel segments, and industries utilizing freight). This technical report addresses the status of transportation supply for transit infrastructure and services in Michigan.

Chapter 2. Existing State of Public Transit

2.1 Existing Service Characteristics

Michigan public transit is a compilation of local public and non-profit service providers. Service providers range from multi-county transportation authorities with independent boards and local taxing authority, to transit agencies or departments that serve a single county or city, to private non-profit agencies that provide targeted service. While the term public transit can refer to a broad range of services, including both public and private, the most common use of the term, and how it is used in this report, is in reference to those services that are supported with state and federal transportation funds. (See **Section 2.3, Current Funding Sources, Levels, and Influences** for a detailed description of funding programs). As further defined and described later in this chapter, Michigan's public transit network includes 79 local public transit systems, 40 specialized service transportation providers, a state-managed commuter vanpool service, and two public ferry operators. Bus and rail services between cities (intercity) are described in a separate report.

With one exception (the MichiVan service, as described in **Section 2.1.4.2 Vanpool Program**), public transit services in Michigan are determined, formed, and managed at the local level. Decisions regarding where there will be service and what service will be provided are all made at the local/provider level. Transit providers receive a significant portion of their funding from state and federal sources, therefore, state and federal governments influence the public transit network. However, state and federal governments are mostly focused on supporting services that are defined at the local level based on individual community needs. Within Michigan,

MDOT plans for and distributes state and federal funds, provides technical assistance and support, and provides compliance oversight.

The US Department of Transportation/Federal Transit Administration (FTA) is also involved in providing technical assistance and support and compliance oversight to Michigan's local transit providers, since nearly 80 percent of the federal funds that support Michigan's transit systems, in particular the urban systems, are awarded directly to the transit systems by the FTA.

The backbone of Michigan's local public transit network are its 79 local public transit systems, 40 specialized service providers, and their subcontractors. All 83 Michigan counties are served by one or both of these services, with over 86.6 million passenger trips¹ in 2004.

2.1.1 Local Public Transit Systems

MDOT uses the term "local public transit system" to refer to the 79 public agencies or authorities whose primary mission is to provide transportation services to the general public. Each system serves one or more political jurisdictions with a combination of regularly-scheduled (fixed-route) service and demand-response (upon request) bus service. These 79 systems are supported with a combination of federal, state, and local funds, with the local funds often coming from dedicated transit millages. They receive operating support from MDOT under the state's Local Bus Operating Assistance Program.

2.1.1.1 Local Urban Systems

There are 20 urban transit systems. These are places with 50,000 persons or more. All of Michigan's urban areas have a local public transit system. Some urban systems serve their entire county (or multiple counties) while others only serve the central city within a county. Some of these systems provide service outside of the urbanized area and portions of their service is considered rural. These 20 systems have a total of 1,938 vehicles in their fleets, with 1,334 vehicles operated on fixed routes and 604 operated on as demand-response service. Over 78 million passenger trips were provided by these urban systems in 2004, which represents nearly 92 percent of the annual transit ridership (See **Table 1**).

Urbanized area transit providers rely on fixed-routes and federally-required paratransit services to serve their more densely populated locations. Demand-response service, which provides curb-to-curb transportation, is used to provide service to outlying neighborhoods and communities within the urbanized area. Generally, the large urbanized area providers offer a variety of transportation options, such as commuter, university, and carpool/vanpool services.

The 20 urban systems are best described in two major subcategories: the three systems, which service the Greater Detroit Urbanized Area, and the 17 systems that serve Michigan's other urbanized areas.

¹ Passenger trips are the number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination. A passenger trip may also be referred to as a ride/ridership.

2.1.1.1.1 Service in the Greater Detroit Urbanized Area

The Metropolitan Transportation Authorities Act of 1967, Public Act 204, established the Regional Transit Coordinating Council (RTCC) in southeast Michigan for the purpose of establishing and directing public transportation policy within the major metropolitan area. The RTCC's primary responsibility involves reviewing and approving state funds for operating and capital, and it may adopt public transportation plans and oversee coordination for the area. At this time, member agencies include Wayne, Oakland, Macomb and Monroe Counties, and the city of Detroit. State funds are provided through the RTCC to three public transit providers: the city of Detroit Department of Transportation (DDOT), the Suburban Mobility Authority for Regional Transportation (SMART), and the Detroit Transportation Corporation.

Public transit was first established in the city of Detroit in 1922 as the Department of Streets and Railways. Today, DDOT provides public transit service, primarily fixed-route service, to approximately 951,270 people, Detroit's population. According to the 2000 US Census, nearly a quarter of the Detroit adult population does not own an automobile. In addition to the fixed-route service provided by DDOT, the agency also receives state funds for the operation and capital needs of three additional agencies, which assist in providing public transit within the city, primarily through demand-response service: Detroit Council of Action United for Service Efforts (CAUSE), Detroit Assisted Transportation Coalition (DATC), and Detroit East Mental Health. In Fiscal Year 2005, DDOT and the three agencies provided over 34.8 million passengers trips, about 40 percent of the total urban and rural ridership in Michigan.

The Detroit People Mover is owned and operated by the Detroit Transportation Corporation. The People Mover is an automated light rail system that operates on a 2.9-mile elevated single-track loop in Detroit's central business district. With 13 stations, the system provides connections between the courts and administrative offices of several levels of government, sports arenas, exhibition centers, major hotels, and commercial, banking and retail districts. The fleet consists of 12 driverless vehicles that are fully automated and computer controlled. In FY 2005, over 1.5 million passengers used this public transit service.

SMART is responsible for the planning, construction, and operation of the public transportation facilities and services within the four counties of southeastern Michigan (Wayne, Oakland, Macomb, and Monroe). Service is provided through a mix of fixed-route and demand-response and is delivered directly by SMART or through SMART-contracted service. SMART also receives state and federal funds for the operation and capital needs of Lake Erie Transit in Monroe County, which serves the city of Monroe and the Frenchtown and Bedford townships. In FY 2005, SMART and its associated agencies provided transportation to nearly 10.5 million passengers.

2.1.1.1.2 Service in Michigan's Other Urbanized Areas

Transit services in urbanized areas outside of the greater Detroit area are sorted into service categories of:

- Large, with service area populations over 200,000;
- Medium, with service area populations under 200,000; and
- Small, with service area populations under 200,000 but greater than 50,000.

Many of these urbanized systems also provide service in their adjacent non-urban areas as the ridership figures for each agency indicate.

Large Urbanized Area Providers:

The **Ann Arbor Transportation Authority (AATA)** provides fixed-route service on local routes in the city of Ann Arbor and immediate, adjacent municipalities within Washtenaw County. In addition, AATA's "A-Ride" uses a combination of taxicabs, vans, and small buses to provide rides to senior citizens and to persons with disabilities whose disabilities prevent them from using the regular fixed-route service. AATA also operates the area's carpool and vanpool rideshare efforts. FY 2005 total passengers: 4,856,895 urban; 22,094 non-urban.

The **Capital Area Transportation Authority (CATA)** is the regional public transportation provider for the Greater Lansing area, Michigan's capital. Services operate throughout Ingham County, including the cities of Lansing and East Lansing and the townships of Lansing, Delhi, and Meridian, where fixed-routes operate. Advance-reservation curb-to-curb services are provided for persons with disabilities and for residents of Ingham County's outlying areas as well as the Delhi and Meridian Townships. CATA also provides all campus bus service to Michigan State University (MSU) and operates the regional carpool and vanpool rideshare efforts. CATA owns and manages an intermodal terminal, which serves local transit and intercity bus. FY 2005 total passengers: 9,281,239 urban; 73,476 non-urban.

The Rapid provides fixed-route bus service throughout the greater Grand Rapids area in Kent County. It has a six-city service area of Grand Rapids, East Grand Rapids, Grandville, Kentwood, Walker, and Wyoming. It contracts service to the townships of Ada, Alpine, Byron, Cascade, and Gaines. Also under a contract with Grand Valley State University, The Rapid provides service between the Allendale and downtown Grand Rapids facilities, along with a number of shuttles in and around the campuses. County Connection, a demand-response system serves all of Kent County. Additional services include paratransit, a suburban connector service called PASS, car and vanpooling assistance, and tailored services to increase transportation alternatives for local employers and employees. A new shuttle service, called Air Porter, provides a direct connection between Gerald R. Ford Airport and downtown hotels. The Rapid owns and manages an intermodal terminal, which serves local transit and intercity bus. FY 2005 total passengers: 6,432,305 urban; 8,392 non-urban.

The **Mass Transportation Authority (MTA)** provides service within the city of Flint and throughout Genesee County. MTA provides regular fixed-route service throughout the city of Flint and nearby townships. There are also eight suburban service centers, which serve as the operating base for demand-response service, providing commuter service to and from the city of Flint and local curb-to-curb service within the suburban communities. MTA also operates regional routes to provide access to employment, medical, and commerce centers in adjacent southeast Michigan counties. MTA owns and manages an intermodal terminal, which serves local transit, intercity bus, and intercity rail. FY 2005 total passengers: 3,770,539 urban; 95,732 non-urban.

Medium Urbanized Area Providers:

Battle Creek Transit operates as a city department and has provided continuous service since 1932. The service consists of both fixed-route and demand-response service in Battle Creek, within Calhoun County. Fixed-route service operates on a central hub pulse mode with service available six days a week. The demand-response service, called Tele-transit, operates primarily to accommodate persons with disabilities but is open to the general public. Battle Creek Transit also oversees the intermodal terminal, which accommodates both intercity rail and bus travelers. Located adjacent to the transfer center, a passenger may easily transfer from intercity to local public transit. FY 2005 total passengers: 528,481 urban only.

The **Bay Metro Transit Authority** provides public transportation to Bay City's urbanized area. The first public transit system began operating in Bay City during the Civil War, in 1865. The system involved the use of horse-drawn omnibuses [streetcars]. Bay City is listed in the American Public Transit Association records as the first transit system in the US operated entirely by buses in 1922. Today, the authority provides countywide service in Bay County, a combination of line-haul and demand-response service utilizing 53 vehicles. The agency owns and manages an intermodal terminal, which serves local transit and intercity bus. FY 2005 total passengers: 411,743 urban; 218,743 non-urban, including contracted service in Arenac County to the north.

The **Jackson Transportation Authority (JTA)** has been in existence since the early 1930s. The current fixed-route service consists of eight routes that connect key locations in the urbanized area of Jackson. The JTA's demand-response service (Reserve-A-Ride) provides curb-to-curb service throughout Jackson County on a reservation basis. A premium demand-response service called the "PET" (Paratransit for Employment Training) program provides work-related transportation for individuals with physical and developmental disabilities. JTA's Medical Shuttle provides transportation to hospital/health care complexes outside the Jackson County area using volunteer drivers. The agency owns and manages an intermodal terminal, which serves local transit, intercity bus, and intercity rail. FY 2005 total passengers: 626,792 urban; 26,060 non-urban.

The **Kalamazoo Metro Transit System (KMTS)** is owned and operated by the city of Kalamazoo under the direction of a Transit Authority Board. Fixed-route and demand-response service is provided within the Kalamazoo urbanized area, including the city of

Kalamazoo, the city of Portage, Oshtemo Township, the city of Parchment, Comstock Township, Kalamazoo Township, and Kalamazoo Valley Community College. FY 2005 total passengers/city service: 2,525,652. Kalamazoo Metro owns and manages an intermodal terminal, which serves local transit, intercity bus, and intercity rail. FY 2005 total passengers/county service: 25,667 urban; 532,283 non-urban.

Livingston Essential Transportation Service (LETS) is a department of Livingston County government and provides demand-response public transit for the entire county. LETS also works with other local agencies to provide regional medical transports. FY 2005 total passengers: 72,542 urban only.

The **Muskegon Area Transit System (MATS)** is a department of Muskegon County and is authorized to provide public mass transportation services within Muskegon County. MATS currently operates service on nine fixed-routes with a 100 percent accessible fleet utilizing 10 buses during maximum peak service and serving the urbanized areas consisting of the cities of Muskegon, Muskegon Heights, Roosevelt Park, and Norton Shores and the Muskegon Township. MATS also provides demand-response and paratransit services to meet the public demand. FY 2005 total passengers: 437,815 urban only.

The **Blue Water Area Transportation Commission (BWATC)** offers fixed-route and demand-response service to the residents of the city of Port Huron, the city of Marysville, and the Fort Gratiot, Port Huron, and Burtchville Townships in St. Clair County. BWATC provides transportation to anyone in its service area including many senior citizens and persons with disabilities. FY 2005 total passengers: 53,588 urban; 211,514 non-urban.

The **Saginaw Transportation Authority for Regional Service (STARS)** operates fixed-routes from its Central Transfer Plaza in Saginaw. While most of its service is limited to the city of Saginaw, one of the routes provides Saginaw college students transportation to Saginaw Valley State University. Another route serves the nearby Saginaw County communities of Frankenmuth, Bridgeport, and Birch Run. Curb-to-curb transportation is also provided to Saginaw's physically challenged, senior citizens, and general public. FY 2005 total passengers: 621,002 urban; 21,583 non-urban.

Small Urbanized Area Providers:

Harbor Transit is administered by the city of Grand Haven and operates in a 10.6 square-mile-area serving the city of Grand Haven, the Village of Spring Lake, and the city of Ferrysburg in Ottawa County. Services provided by Harbor Transit include demand-response public bus transit, contractual services, and trolley transportation. FY 2005 total passengers: 176,750 urban only.

Macatawa Area Express (MAX) is a local transit system that serves the greater Holland and Zeeland area in the western Michigan counties of Allegan and Ottawa. MAX is operated by the city of Holland and offers transit services to the city of Zeeland and Holland Charter Township through service agreements. Established in January 2000, MAX is an outgrowth of the city's former dial-a-ride system, which offered only demand-response service to city residents. MAX operates three fixed routes six days a week, as well as demand-response

service. All buses in the MAX fleet are equipped with lifts and front bike racks. FY 2005 total passengers: 187,407 urban only.

The **Niles Dial-A-Ride** system is operated by a private transit provider under contract to the city of Niles in Berrien County. The service consists of both demand-response service and one line-haul route provided with a trolley styled vehicle. Service is within the city of Niles proper. All administration, maintenance, and storage are housed in the same facility. FY 2005 total passengers: 120,000 urban; 27,678 non-urban.

The **Twin Cities Area Transportation Authority (TCATA)** was established in 1974 and provides demand-response service to the following cities and townships of Berrien County: city of Benton Harbor, city of St. Joseph, Benton Township, part of St. Joseph Township, and Royalton Township. FY 2005 total passengers: 154,615 urban only.

The **Buchanan Dial-a-Ride** in Berrien County is a city department. Services consist of demand-response service within the Buchanan area and regular shuttle service with the larger neighbor community of Niles. FY 2005 total passengers: 3,803 urban; 15,224 non-urban

2.1.1.2 Local Non-urban Systems

There are 71 non-urban (or rural) transit systems in Michigan, which include 12 systems that also operate in urban areas. They provided 6.5 million passengers trips in 2004, representing about 8 percent of the annual ridership (See **Table 1**). These systems have a total of 1,061 vehicles in their fleets, with 41 of the vehicles operated on fixed routes (line-haul) and 1,020 operated as demand-response service.

Transit services in non-urbanized areas of Michigan are most easily summarized in three geographic areas:

- Upper Peninsula
- Northern Lower Peninsula
- Southern Lower Peninsula

Upper Peninsula Service:

The service provided in the Upper Peninsula (UP) is quite varied. Of the 15 counties in the UP, eight have some level of countywide public transit service provided by seven public transit systems. Countywide providers operate in Alger, Chippewa, Delta, Gogebic, Luce, Marquette, Ontonagon, and Schoolcraft. Because of the sparse populations in these vast counties, service is generally only provided to the large communities within the counties and is very limited in isolated rural portions of the county.

Marquette is the most populous county in the UP, and also has the most surface area of any county east of the Mississippi. MarqTran provides line-haul service in and around the city of Marquette, demand-response service in the greater Marquette area, and periodic service to various out-county areas on specific days of the week. In Gogebic County, Gogebic Transit provides demand-response service every weekday in Ironwood and several daily

trips to Bessemer and Wakefield. They also provide demand-response service between Ironwood and Watersmeet (and points along the route) every Thursday as well as service within the town of Watersmeet on Fridays. Alger County receives comprehensive service from ALTRAN, the countywide transit authority. They offer dial-a-ride service within a three-mile radius of Munising, periodic trips from the outlying areas into Munising, three runs a day to Marquette, and other contractual services. The Eastern Upper Peninsula Transportation Authority (EUPTA) provides countywide transit service to Chippewa and Luce Counties; it focuses on the larger towns within those counties, including Newberry in Luce County. EUPTA also runs the ferry system that provides service to Sugar, Neebish, and Drummond Islands, which are in the St. Mary River System.

There are also three city systems in the UP. The city of Sault Ste. Marie in Chippewa County has its own system of demand-response service as well as a deviated route (bus transportation which is able to provide deviation on part of its standard route) that connect residents to Sault Ste. Marie, Ontario. They coordinate services with EUPTA, which also serves Chippewa County. The cities of Houghton and Hancock each operate city dial-a-ride systems, and Houghton also offers deviated routes to serve the needs of college students and employees. They are both within Houghton County, which does not have a countywide system.

Northern Lower Peninsula:

Twenty-three of the 27 counties in the northern Lower Peninsula are served by a mix of regional transit authorities, countywide systems, and small community systems. Twenty-one of the counties are served by either countywide or regional countywide systems. They are Emmet, Cheboygan, Presque Isle, Charlevoix, Antrim, Otsego, Montmorency, Alpena, Leelanau, Grand Traverse, Kalkaska, Crawford, Alcona, Manistee, Wexford, Roscommon, Ogemaw, Osceola, Clare, Gladwin, and Arenac. Benzie County recently passed a public transit millage and formed an authority that will begin providing countywide service in 2007.

Regional systems have been successful in northern Michigan when it comes to providing some level of countywide service to very rural counties. One such arrangement is the Thunderbay Transportation Authority, which combined several small operations in Montmorency, Alpena, and Alcona counties into one regional authority. This regional system allows for more comprehensive and efficient service for those counties.

The Bay Area Transportation Authority (BATA) provides comprehensive service to Traverse City including dial-a-ride service and fixed-route. They also provide periodic demand-response and deviated-route service to Grand Traverse and Leelanau counties. BATA has been very innovative with the types of service provided, the partnerships they have forged, and the capital investments they have made. They recently opened a transfer center in downtown Traverse City that was built following Leadership in Energy and Environmental Design (LEED) guidelines for an environmentally-friendly and energy-efficient facility. They also put the first hybrid electric buses into revenue service in the state.

Both Ludington Mass Transportation in Mason County, and Yates Township Transportation System in Lake County have small community systems. Although these are not countywide systems, they have worked together using special grants such as the federal Job Access and Reverse Commute program to provide some outreach into the surrounding areas and connectivity between the two communities. Yates operates a large volunteer driver program (funded with Specialized Service funds) to make some level of service possible. Mason County and Ludington Mass Transportation have recently entered an agreement to form a transit authority and seek a millage for countywide service.

Southern Lower Peninsula:

Nearly 88 percent of Michigan's population, or 8,878,320 people, reside in the southern Lower Peninsula's 36 counties (2000 US Census). Twenty-seven non-urban transit systems, a mix of countywide and small community systems, provide public transit service to this area. All of the service is provided through demand-response delivery. It is important to note that since much of the southern Lower Peninsula is urbanized, the systems described in this section provide service above and beyond the services provided by the systems described in **Section 2.1.1.1, Local Urban Systems**.

The 13 countywide systems include Allegan, Barry, Berrien, Branch, Cass, Clinton, Eaton, Huron, Lenawee, Midland, Sanilac, St. Joseph, and Van Buren counties. Six of these systems receive local funding support through millages: Branch, Clinton, Eaton, Huron, Midland, and, as of August 2006, Van Buren counties. Systems located primarily in the southwest portion of the Lower Peninsula generally do not have millages and rely on local funding contributed through county or individual agency allocations. They include Allegan, Barry, Berrien, Cass, Lenawee, Sanilac, and St. Joseph counties.

There are 14 small community-based providers in the southern Lower Peninsula. Ten are city systems based in Adrian, Alma, Belding, Buchanan, Caro, Dowagiac, Hillsdale, Ionia, Lapeer, Marshall, Midland, Milan, Saugatuck, and several municipalities within Shiawassee County. These city systems generally provide service within the city proper and in some cases to adjacent locales. Milan Dial-A-Ride, for example, also provides service to Saline. When applicable, city systems work closely with countywide systems to ensure efficient and effective transportation is provided to passengers. For instance, the Adrian Dial-A-Ride and the Lenawee County public transit system use common dispatch, maintenance, and management resources to coordinate the two systems. Of the community based provider systems, nine receive local funding support through millages. Lapeer became the most recent addition to the list when voters approved the Greater Lapeer Transportation Authority's millage in August 2006. The five systems relying on contributed local funding are disbursed throughout the Lower Peninsula and include the cities of Adrian, Hillsdale, Midland, and Milan, and the municipalities within Shiawassee County.

2.1.2 Urban and Rural Transit Ridership

Between 1990 and 2004, the amount of service provided by urban and rural public transit systems grew significantly as illustrated by the growth in annual vehicle miles and fleet size.

Total Michigan transit vehicle miles increased 38 percent from 1990 to 2004. As seen in **Figure 1** the largest growth was for transit systems operating in Michigan's urbanized areas outside of the metropolitan Detroit area, with a 140-percent increase in vehicle miles. The total Michigan transit fleet increased by 43 percent from 1990 to 2004, with the largest increase among Michigan's non-urban transit systems providing countywide service or city/township service. As **Figure 2** shows, both non-urban groups experienced an 83-percent increase in their fleet sizes.

While service levels increased, available ridership data for this same period, as shown in **Table 2** and **Figure 5**, does not show commensurate ridership increases. Statewide ridership decreased 15 percent, with the greater Detroit area experiencing a 30-percent decline between 1990 and 2004. While the city of Detroit has experienced some service reductions during this time, MDOT believes a large portion of the decline represents a change in local counting procedures, such that 1990 figures were overstated. More recently, there have been steady ridership increases in portions of the greater Detroit area. The Suburban Mobility Authority for Regional Transportation, which services a large portion of the Detroit urbanized area has reported ridership increases every year since 2003, from 9.1 million in 2003 to 9.4 million in 2005.

Ridership in Michigan's other urbanized areas increased 36 percent between 1990 and 2004, and ridership in non-urban cities and townships increased 17 percent in this same timeframe. It should be noted that ridership data is collected and generated locally and reported to MDOT by each individual system.

Figure 1: Local Public Transit Vehicle Miles (Fiscal Years 1990, 2000, and 2004) (millions)

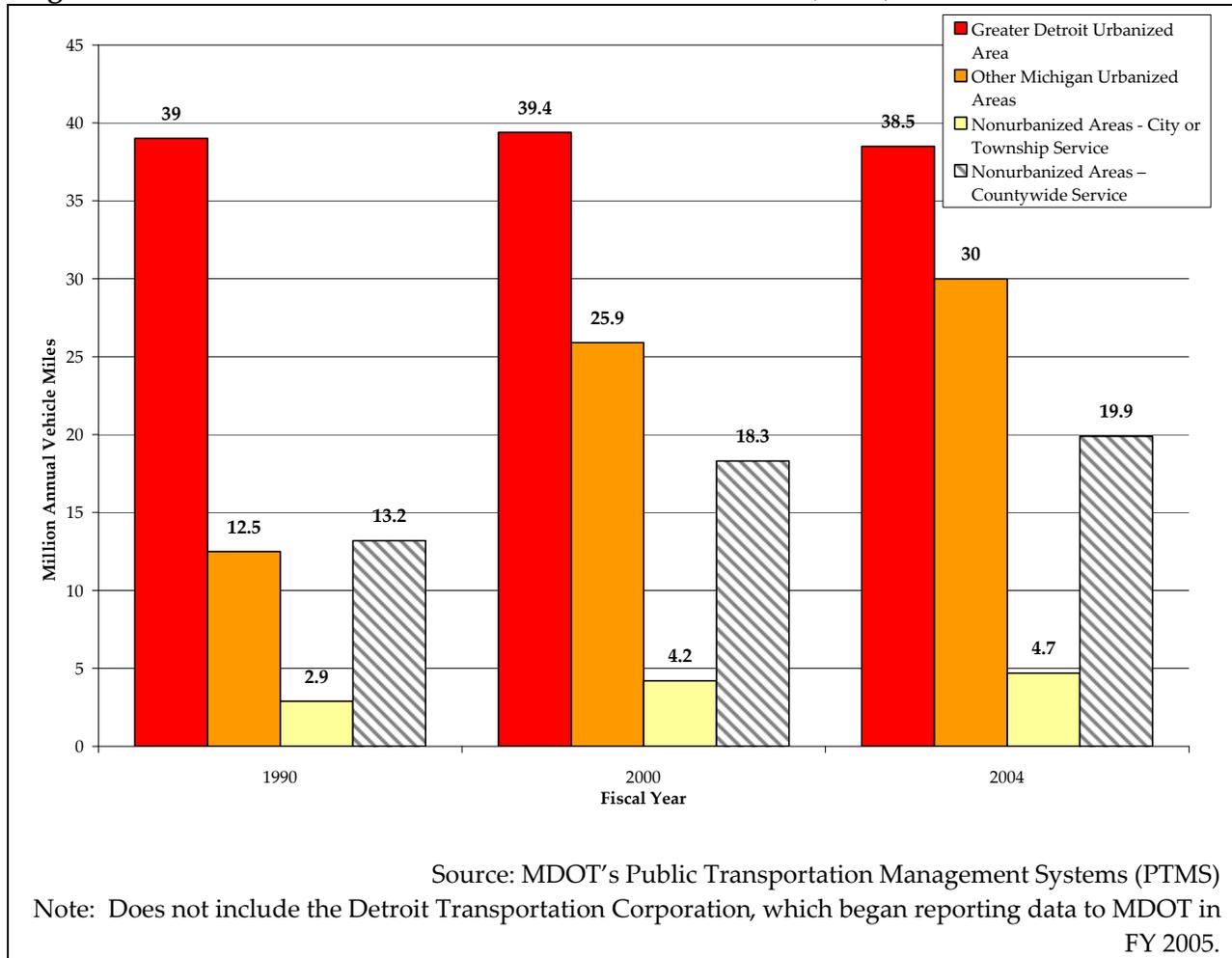


Figure 2: Local Public Transit Vehicle Fleet (Fiscal Years 1990, 2000, and 2004) (millions)

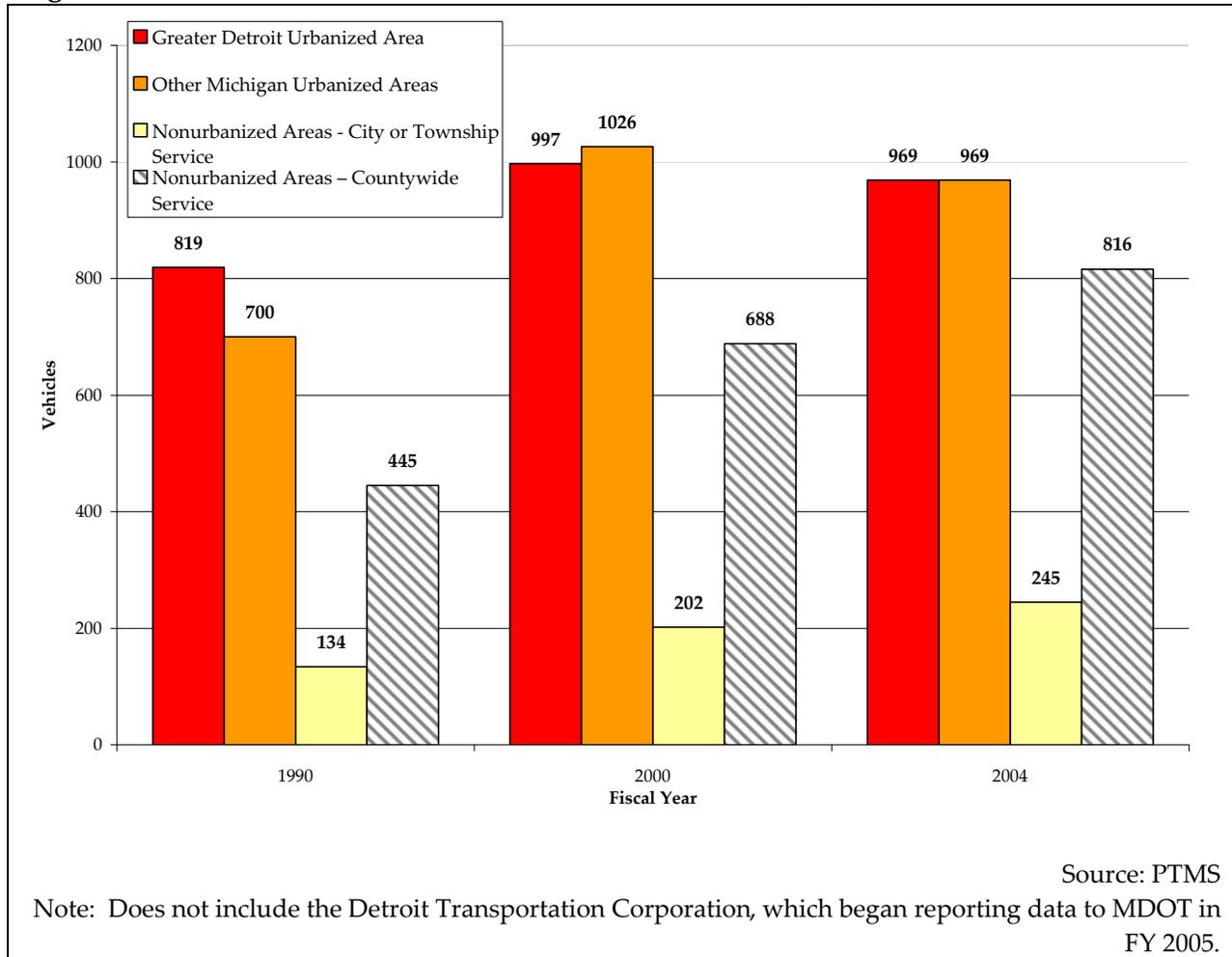


Table 1: Annual Passengers by Passenger Type and Service Area (millions)

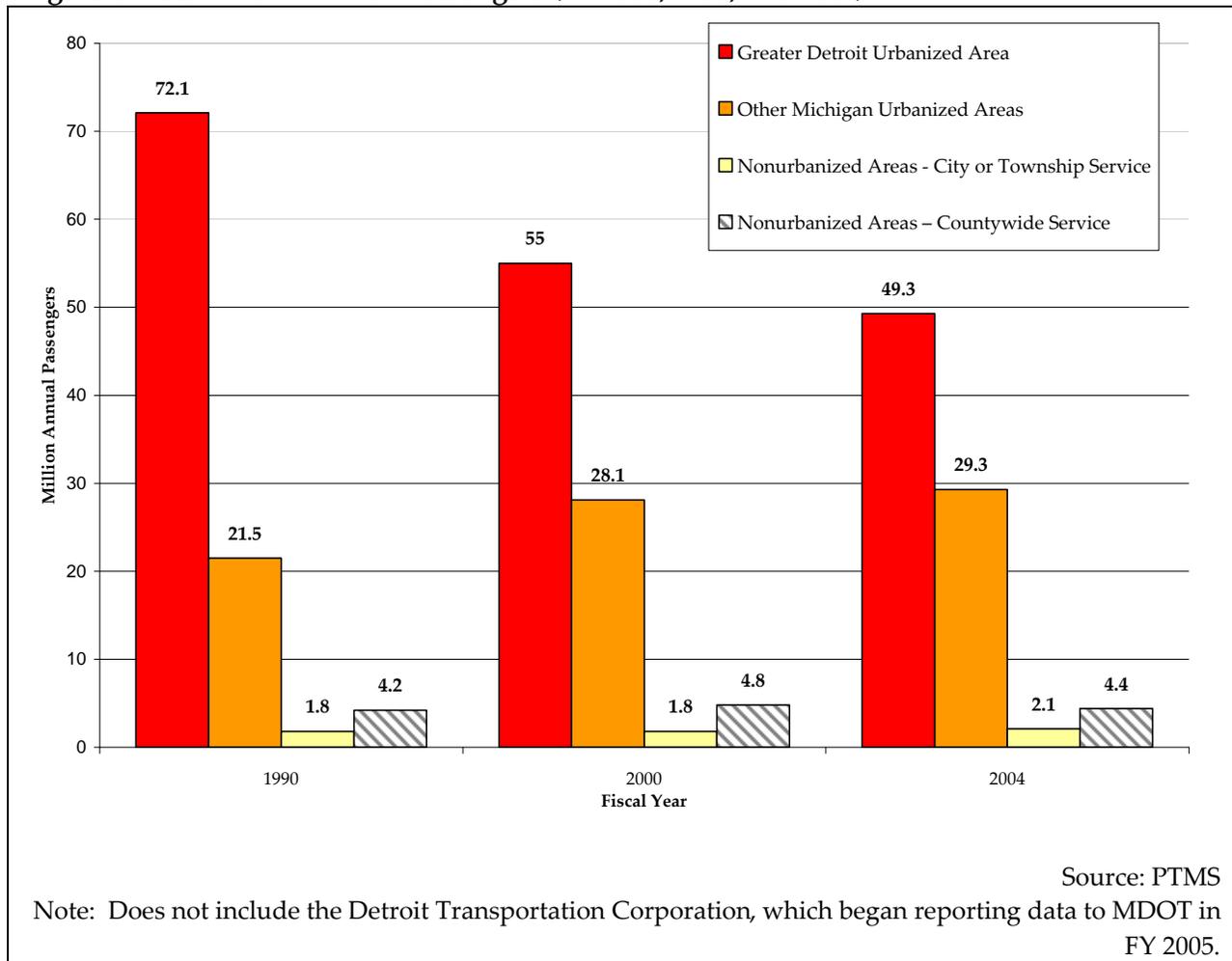
<i>Service Area</i>	<i>1990</i>			<i>2000</i>			<i>2004</i>		
	<i>Total</i>	<i>Seniors</i>	<i>Disabled</i>	<i>Total</i>	<i>Seniors</i>	<i>Disabled</i>	<i>Total</i>	<i>Seniors</i>	<i>Disabled</i>
Greater Detroit Urbanized Area	72.1	n/a	n/a	55.0	3.5	1.3	49.3	4.5	6.8
Other Michigan Urbanized Areas	21.0	1.8	1.2	28.0	1.6	2.8	29.3	1.3	2.9
Non-urbanized Areas - City/Townships (1)	1.8	0.3	0.3	1.8	0.3	0.5	2.1	0.2	0.6
Non-urbanized Areas - Countywide	4.2	0.8	1.7	4.8	0.5	2.1	4.4	0.5	1.9
Total	99.1	2.9	3.2	89.6	5.9	6.7	85.1	6.5	12.2

Source: 1990 Detroit Department of Transportation (DDOT) data from 10e (21) report to the legislature.

All other data from MDOT's PTMS. Does not include the Detroit Transportation Corporation, which began reporting data to MDOT in FY 2005.

(1) Also referred to as Small Community Service – See Figure 1.

Figure 3: Local Public Transit Passengers (FY 1990, 2000, and 2004)



2.1.3 Specialized Services

In addition to urban and rural transit service, the other primary component of Michigan’s public transit network is its specialized services. Specialized services are demand-response services targeted to seniors and persons with disabilities. Some specialized-services providers are the local transit agency and, as such, have transportation as their primary mission. Other specialized-services providers are social service agencies with a broad range of social service functions, such as rehabilitation, vocational training, and housing services. For these agencies, transportation is often provided in support of the agencies’ social service programs and is focused on its clients.

Like transit systems, these providers receive operating support from MDOT, but under a separate program called The Specialized Services Program. Forty specialized transportation providers receive funding directly from MDOT. However, there are many more service providers (up to 100 or more) that receive funding as a subcontractor to one of the 40 MDOT-

supported agencies. Subcontractors may provide very limited, targeted service. For example, they may supply several vans that provide transportation to and from a local senior center.

In 2004, more than 1.5 million passengers were transported through the specialized service program, which is a 26-percent increase over 1999. These riders are above and beyond the 2.4 million passenger trips provided for senior citizens and persons with disabilities provided by Michigan's urban and rural local transit systems as shown in **Table 1**. All 79 local public transportation systems have lift-equipped vehicles in their fleet and several systems have fleets that are 100 percent lift-equipped.

Figure 4 graphically depicts the areas in Michigan served by public transit systems and specialized services. This map shows geographic coverage by service type; it does not represent the number of providers within the state. As **Figure 4** indicates, every Michigan County has some level of public transportation; in some counties, the service may be limited to a specialized service, while in others, the service may only be within a single community within the county. For the counties shown with countywide transit service, there may be more than one transit system, including one or more small community systems. In addition, in counties where service is not countywide, there may be more than one small community system and more than one community served within the county. Counties shown to have specialized services may be served by one or more individual providers. It is important to note, that a county is shown to have countywide service when there is a transit system that has jurisdiction over the entire county. However, in some counties there may be pockets of limited or no service, based on local funding constraints or extremely low population densities.

2.1.4 Other Public Transit Services

2.1.4.1 Transportation to Work

The Transportation to Work program refers to transportation services designed to transport welfare recipients and low-income individuals to and from jobs. Within Michigan, these services have developed as a result of both state and federal funding initiatives.

The state program existed from 1997 to 2005. Under that program, MDOT partnered with the Michigan Department of Human Services and the Michigan Department of Labor and Economic Growth to distribute both federal and state funds for transportation-to-work services for low-income passengers. On the federal level, the Job Access and Reverse Commute program provides funding to transport welfare recipients and low-income individuals to and from jobs as well as transportation for residents of urban centers, rural, and suburban areas to suburban employment opportunities. Prior to SAFETEA-LU, federal Job Access and Reverse Commute funds were issued as earmarks and several large urban transit systems, including Detroit, Flint, and Grand Rapids, added service with the federal funds.

Services supported with the funds awarded under both the federal and state programs generally consisted of extending the service of existing transit systems, either by extending the system's regular hours or its service area. For example, the Mass Transportation Authority utilizes Job Access and Reverse Commute funds to transport Genesee County residents to jobs within Genesee County as well as neighboring Oakland, Lapeer, Saginaw, Livingston, and Washtenaw counties.

In FY 2004, there were 37 transportation-to-work providers, 33 of which were existing transit systems. Some transportation-to-work services were eliminated or reduced when dedicated funding for the state program was phased out in FY 2006. However, under SAFETEA-LU, the Job Access and Reverse Commute program became a formula program, which will result in consistent funding levels from year to year for services across the state. Many areas of the state will be able to rebuild and sustain transportation-to-work services over the life of SAFETEA-LU with the federal formula funds and state-matching funds.

2.1.4.2 Vanpool Program

The MichiVan Commuter Vanpool Program is an MDOT-sponsored program that is available to individuals and employers statewide. MDOT currently contracts with VPSI Inc. to provide fleet administration and marketing for the program. Under the program, VPSI Inc. leases a variety of vans to commuters according to MDOT criteria, which includes one-way mileage, fare structures, and minimum occupancy levels. Passenger and employer lease rates are subsidized as an incentive for participation. At the end of FY 2005 there were 148 vans carrying 1,130 commuters. The MichiVan program is available to all Michigan residents except those individuals that commute into some of the Grand Rapids area counties since vanpool services in this area are provided by The Rapid, the local transit system.

2.1.4.3 State-Supported Marine Passenger

There are two public marine passenger systems in Michigan: Beaver Island Transportation Authority (BITA) and Eastern Upper Peninsula Transportation Authority (EUPTA). These agencies meet the definition of a public agency or authority as defined in state law and as such are eligible for state transit funds. There are additional ferry services carrying combinations of autos, trucks, passengers, and freight; however, they are not considered part of the public transit network as that term is used in this report.

BITA and EUPTA both receive state capital and operating assistance through Act 51 formula funds. Both have also received federal assistance through the Federal Highway Administration's Ferry Boat Discretionary Program.

BITA contracts with a private provider to operate one federally/state/locally-funded vessel and one privately-owned vessel between Charlevoix and Beaver Island. The level of service varies based on the time of year, but basically runs one round trip per day in the spring and fall and two to four round trips per day in the summer months. Generally, there is no ferry service in January, February, or March. The island is also served by a private air carrier. In 2005, BITA carried 41,915 passengers and 6,410 vehicles.

EUPTA provides ferry service in the St. Mary River System to Sugar, Neebish and Drummond Islands using four federally/state-funded vessels. The Sugar and Drummond Islands service is operated by EUPTA. Neebish Island is served by a private subcontractor of EUPTA. The service levels are based on demand and population, and vary by season, with more service provided during summer months. Generally, Sugar and Drummond Islands receive frequent service seven days a week, 24 hours a day. Neebish Island is served during peak hours Monday through Saturday and three times daily on Sunday. The Neebish Island service usually ceases between January and April due to ice; however, because of unseasonably warm winters they have operated year-round for the past several years. In 2005, EUPTA carried 852,398 passengers and 538,070 vehicles.

2.2 Transit Under Development

In SAFETEA-LU and the FY 2006 Federal Appropriation Bill, Michigan received New Starts Funding (See **Section 2.3.1.2.2, Section 5309 New Starts/Small Starts Program**) for three projects: *Ann Arbor to Detroit Rapid Transit Study*, the *Detroit Center City Loop Fixed Guideway*, and the *Grand Rapids Guideway*. In addition, the Detroit Area Regional Transportation Authority (DARTA) received a planning earmark in the FY 2006 federal budget. The work being done as a part of these earmarks represents the planning underway to provide for new transit capacity in Michigan.

2.2.1 Ann Arbor to Detroit Rapid Transit Study

The Ann Arbor-Detroit corridor is the major east-west travel corridor in Wayne and Washtenaw Counties in southeast Michigan. The proposed corridor extends 55 miles, from the central business district of Detroit to the city of Chelsea, along four primary east-west routes, including

Interstate 94 (I-94), US-12 (Michigan Avenue), Michigan Route 153 (Ford Road), and Norfolk Southern Railroad's Michigan Line. Major activity centers along the corridor include downtown Detroit, Detroit New Center, Dearborn, Detroit Metropolitan Wayne County Airport (Metro Airport), Ypsilanti, and Ann Arbor. These activity centers are home to some of Michigan's largest employers, universities and colleges, medical centers and hospitals, and visitor and cultural attractions. Enhanced transit has long been a consideration in southeast Michigan and in the Ann Arbor-Detroit corridor, in particular.

The *Ann Arbor to Detroit Rapid Transit Alternatives Analysis Study* commenced in 2004, and is scheduled for completion in late 2006. It combines two earlier efforts, the *Lansing to Detroit Passenger Rail Study* and the *Downtown Detroit to Detroit Metro Airport Study*, into a single study.

The purpose of the *Ann Arbor to Detroit Rapid Transit Alternatives Analysis Study* is to:

- Begin implementing the regional transit plan, *Improving Transit in Southeast Michigan: a Framework for Action*;
- Provide direct transit connections between Ann Arbor, Detroit, and Metro Airport; and
- Create an east-west spine on which to build a comprehensive, integrated regional transit network over time.

The study, which is being managed by the Southeast Michigan Council of Governments (SEMCOG), includes evaluation of 10 alternatives, six trunklines, and three modes of transportation (bus rapid transit, light rail, and commuter rail). The deliverables consist of a New Starts application including a purpose and need statement, alternatives analysis, locally preferred alternative, and draft Environmental Impact Statement. Other deliverables include an implementation plan and a funding strategy.

In SAFETEA-LU, Congress earmarked \$100 million for engineering and to begin construction of the selected alternative. The funds will only become available once the New Starts criteria (See **Section 2.3.1.2.2, Section 5309 New Starts/Small Starts Program**) have been met.

2.2.2 Detroit Center City Loop Fixed Guideway Earmark

The Center City Loop is a proposed project to create rapid transit around the core of Detroit. The Detroit Department of Transportation (DDOT) has received a FY 2004 grant of \$750,000 from FTA, with local match of \$188,800, for general development and comprehensive planning for this project. Additional federal funds totaling nearly \$5 million were earmarked for the Center City Loop in 2005 and 2006.

With the FY 2004 grant, DDOT will identify demographic characteristics of the proposed service area and research various modes of rapid transit. DDOT also will prepare a conceptual rapid transit system, reflecting local preferences for elements such as mode, frequency, connections, and other operating characteristics. Estimated capital and operating costs, as well as staffing needs, will be identified. The Center City Loop would have a circumference of approximately 20 miles. The study may also identify other potential rapid transit corridors to support the Center City Loop. Finally, an implementation plan will be developed. DDOT anticipates the study will be completed within one year of a written notice from FTA to proceed.

In FY 2006, Congress earmarked \$3.9 million to further this project. The funds will only become available once the New Starts criteria have been met.

2.2.3 Grand Rapids Fixed Guideway Earmark

The Interurban Transit Partnership's (ITP) *Major Public Transportation Investment Study* is identifying a corridor and mode of transportation in the greater Grand Rapids metro area that will qualify for federal New Starts funding. Ten transportation corridors and 12 modes such as express bus, light rail, or commuter rail have been analyzed. Two corridors (the Division Avenue Corridor and the East Grand Rapids/Kentwood Corridor) and two modes (enhanced bus/bus rapid transit and streetcar) remain in the study. Using a travel demand model to predict public transportation ridership in 2030, the study will eventually lead to the selection of one corridor and one mode as the Locally Preferred Alternative (LPA) that will enter FTA's selection process.

In SAFETEA-LU, Congress earmarked \$14.4 million for engineering and to begin construction of the selected alternative. The funds will only become available once the New Starts criteria have been met.

2.2.4 Detroit Area Regional Transportation Authority/Regional Transit Coordinating Council

The Detroit Area Regional Transportation Authority (DARTA) was formed by an Interlocal/Interagency Agreement in May 2003. One of DARTA's primary purposes was to create greater efficiencies between public transit systems in southeast Michigan. The parties to the agreement were the city of Detroit, Suburban Mobility Authority for Regional Transportation (SMART), and the Regional Transit Coordinating Council (RTCC). DARTA received congressionally earmarked funds in FY 2003 and again in FY 2006 to assist in their regional coordination and transit planning activities.

A union lawsuit challenged DARTA's existence, and in July 2005, the Michigan Appeals Court ruled that DARTA's agreement was void. In May 2006, the Michigan Supreme Court upheld the Appeals Court ruling and the DARTA agreement was nullified. However, the existing Regional Transit Coordinating Council, which is comprised of the Chief Executive Officers of the city of Detroit, Wayne County, Macomb County, and Oakland County, has resolved to fulfill the planning and coordination functions envisioned under DARTA. It is the RTCC's intent to make use of the federal funds earmarked to DARTA to develop a comprehensive regional public transportation service plan for southeast Michigan.

2.3 Current Funding Sources, Levels, and Influences

Michigan's public transit network is supported by a combination of federal, state, and local funds. As noted in the previous section, transit providers receive a significant portion of their funding from state and federal sources, and as a result, state and federal governments influence the public transit network. This influence is felt through the level of funding provided, the

categories in which funds are made available, and the requirements placed on funding recipients.

State and federal funding programs are described below, with indications of how these programs impact local transit in Michigan.

2.3.1 Federal Transit Funding

SAFETEA-LU provides a record level of federal transit funding: \$52.6 billion over six years (2004-2009), an increase of 46 percent over the amount in TEA-21. It provides guaranteed annual increases for all transit programs through the use of discretionary spending offsets and language similar to that included in TEA-21. SAFETEA-LU continues the use of 18 percent federal general funds and 82 percent from the Mass Transit Account of the Highway Trust Fund. The transit program structure remains largely the same, making some changes to existing programs and adding a few new ones.

Depending on the federal program, SAFETEA-LU provides federal funds to both state departments of transportation and local transit providers. For example, the Urbanized Area Formula Program (SAFETEA-LU Section 5307) is distributed directly to the local transit providers and the Non-urbanized Area Formula Program (SAFETEA-LU Section 5311) is distributed to the states. Some funds are distributed by formula, others are earmarks designated by Congress (SAFETEA-LU Section 5309 New Starts), and still others are awarded based on a competitive grant process.

Table 2 provides the distribution of the FY 2006 federal funding that directly supports transit operations.

Table 2: FY 2006 Federal Transit Funding Sources and Levels for Michigan

<i>SAFETEA LU Section Number</i>	<i>Program Name</i>	<i>Total Amount – MDOT and Transit Providers</i>	<i>Amount to MDOT Only</i>
General Operation and Infrastructure			
Section 5307	Urbanized Area Formula Program	\$68.8 M	0
Section 5309	Bus and Bus-Related Facilities	\$53.6 M	\$8.3 M
Section 5311	Non-urbanized Area Formula Program	\$12.3 M	\$12.3 M
Section 5311(b)(3)	Rural Transportation Assistance Program	\$0.2 M	\$0.2 M
Transportation Services for Targeted Populations			
Section 5310	Special Needs of Elderly Individuals and Individuals with Disabilities	\$3.6 M	\$3.6 M
Section 5316	Job Access and Reverse Commute (JARC) Program	\$4.0 M	\$1.6 M
Section 5317	New Freedom Program	\$2.7 M	\$ 1.2 M
Planning			
Section 5304	Statewide Planning and Research Program	\$0.5 M	\$0.5 M
Total		\$154.5 M	\$27.7 M

Source: MDOT.

Funding amounts are based on apportionments, earmarks, and flexed funds. The funds to MDOT are a subset of the total funds and include funds earmarked to transit agencies for which MDOT was the applicant. This table excludes 5311(f) funds since these are intercity bus funds and are covered in the *Intercity Passenger Technical Report*.

Some of the most significant federal funding programs are described below.

2.3.1.1 Section 5307 - Urbanized Area Formula Program

These funds are provided directly to transit systems in urbanized areas based on a federal funding formula. Funds can be used for capital and planning in large urban areas and for capital, planning, and operating assistance in small urban areas. Each local recipient determines how the funds will be allocated among each eligible funding category. Section 5307 funds are a major source of transit capital for Michigan's urban systems, including funding for routine bus replacements, facility upgrades, and annual preventive maintenance expenses. MDOT provides the required 20 percent non-federal match for capital; state and local funds provide the required 50 percent match for operating.

2.3.1.2 Section 5309 – Capital Investments Program

FTA's transit capital investment program provides assistance for three primary activities:

- Buses and Bus-Related Facilities;
- Modernization of existing rail systems; and
- New Fixed Guideway Systems (New Starts).

To date, only the Bus and Bus-Related Facilities portion has been a significant source of annual capital funding for Michigan transit agencies, however several new earmarks to Michigan under the New Starts program indicate Michigan may be able to begin accessing those funds. Funding for modernization of existing rail systems is not described below because the only system in Michigan eligible for the funds is the Detroit People Mover. The Detroit Transportation Corporation receives a small annual allocation (less than \$500,000 a year) under the modernization of existing rail systems component of Section 5309.

2.3.1.2.1 Section 5309 Bus and Bus-Related Facilities

The Section 5309 Bus and Bus-Related Facilities program is an annual discretionary grant program under which project funds are provided directly to transit agencies and MDOT as a result of congressional earmarks. These annual earmarks are a major source of transit capital for many of Michigan's transit systems, including funding for bus replacements and facility upgrades and major capital initiatives, such as new facilities. Urban transit agencies often combine congressional awards made under this program with one or more years of Section 5307 formula funds in order to undertake a major capital project. Both transit agencies and MDOT approach the Michigan congressional delegation as needed to seek funds under this discretionary program. The language of each earmark determines how the funds can be used. Funds earmarked to MDOT are distributed to individual transit agencies for capital improvements, primarily for bus replacement.

Some 600 High Priority Project (HPP) earmarks covering about half the authorized funding for the program through 2009 are listed in SAFETEA-LU. Michigan received nearly \$93 million in SAFETEA-LU Bus and Facility HPPs, which will be used for buses, equipment, and facility upgrades. The remaining funds will be congressionally earmarked on an annual basis over the life of SAFETEA-LU.

The state's Local Bus Capital Program (more details provided in **Section 2.3.2.4.2, Bus Transit Capital – Capital Match**) provides the 20 percent local match share to federal funds, which has enabled urban public transit systems to make effective use of this program for bus replacement, facility projects, and other transit infrastructure improvements. Some major facility projects that have benefited from the Section 5309 bus program include multi-modal transfer centers, such as the Rapid Central Station in Grand Rapids, the CATA Transportation Center in Lansing, Herman Ivory Transfer Terminal in Muskegon, and the Downtown Transportation Center in Kalamazoo.

2.3.1.2.2 Section 5309 New Starts/Small Starts Program

The New Starts portion of Section 5309 is the federal government's primary financial resource for supporting major transit guideway capital investments, which include light rail, commuter rail, and bus rapid transit systems. New Start funds are allocated at the discretion of the Secretary of the USDOT, although Congress fully earmarks all available funding. Unlike congressional earmarks under the bus portion of Section 5309, an earmark under the New Starts program does not automatically result in a grant award by FTA. New Starts projects must undergo evaluation by the FTA throughout the entire project development process. Projects are evaluated according to a variety of criteria and the FTA assigns ratings throughout the project development process, as information concerning costs, benefits, and impacts is refined. Based on these evaluations, the FTA makes decisions about moving projects forward from preliminary engineering to final design, to annual funding recommendations to Congress, and finally to execution of a grant agreement.

The Small Start program is a new component of the New Starts program under SAFETEA-LU. Funding starts in FY 2007 as a set-aside for New Start projects receiving less than \$75 million in federal funds with a total project cost of less than \$250 million. Projects include streetcar, trolley, and bus rapid transit. The list of FTA evaluation criteria is simplified to focus on project justification (cost-effectiveness, land use, and local economic development) and local financial commitment. This new program comes at a time when Michigan has received three SAFETEA-LU New Starts earmarks, as described in more detail in **Section 2.2, Transit Under Development**. This program benefits Michigan by allowing transit systems to apply for funding for smaller-scale capital projects, rather than having to compete with the larger projects, including expansions of existing urban rail systems..

2.3.1.3 Section 5311 – Non-urbanized Area Formula Program

The Section 5311 program consists of annual formula funds provided to the states for capital and operating assistance to non-urban areas with a population of less than 50,000. Planning and program administration costs are also eligible. Under SAFETEA-LU, the non-urbanized program received an increased share of the total Federal Transit Program to help systems meet escalating costs and allow for modest service expansion. MDOT has provided the required 20 percent local match for capital and a combination of state/local funds have provided the required 50 percent match for operating expenses.

Since these funds come to the state, MDOT determines how the funds will be used. To date, MDOT allocated the majority of its annual apportionment for operating assistance to Michigan's rural transit agencies with a small portion of the annual apportionment, generally less than 10 percent a year, used for bus replacements to keep Michigan's rural transit fleet up to date.

2.3.1.4 Section 5310 - Special Needs of Elderly Individuals and Individuals with Disabilities

The Federal Section 5310 program consists of annual formula funds provided to the states for capital costs associated with transportation services to seniors and persons with disabilities. In Michigan, this federal program complements the state's Specialized Services program, since it allows MDOT to provide funding for vehicles for its specialized service providers. Recipients are selected annually based on need. Under SAFETEA-LU, a new requirement for this program is that projects selected by the state must be derived from a "locally developed, coordinated public transit-human services transportation plan." MDOT is developing methods for implementing this new requirement.

2.3.1.5 Section 5316 - Job Access and Reverse Commute Program

As defined in **Section 2.1.4.1, Transportation to Work**, the purpose of the federal Job Access and Reverse Commute (JARC) program is to develop transportation services for welfare recipients and low-income individuals. Under SAFETEA-LU, JARC changed to a formula program with sixty percent of the funding being apportioned directly to individual large urbanized areas, 20 percent of funds being apportioned for services in small urbanized areas, and 20 percent for services in non-urbanized areas. The funds for small urbanized and non-urbanized areas are apportioned to the states. The states must conduct a competitive application process to select projects.

To access JARC funds, local communities are required to develop a coordinated public transit-human services transportation plan. This new requirement applies to the JARC program, as well as the New Freedom program and the Section 5310 Elderly and Disabled Formula program. The requirement for a local coordination plan builds on the federal UWR human service coordination initiative as described in **Section 4.4.1, United We Ride – Human Services-Transportation Coordination**.

MDOT is currently developing methods for implementing this program. It is anticipated that these funds will provide for continuation of transportation-to-work services already in place (see **Section 2.1.4.1, Transportation to Work**) in many areas of the state, as well generate new services.

2.3.1.6 Section 5317 - New Freedom Program

This new program provides formula funding for new transportation services and public transportation alternatives for persons with disabilities beyond those required by the Americans with Disabilities Act (ADA). Some of the activities that could be funded include volunteer driver and aide programs, accessibility improvements to transit and intermodal stations, voucher programs, paratransit service beyond the three-fourth-mile ADA requirement, and ridesharing and vanpooling programs. The apportionment uses a formula based on the state's disabled population. Sixty percent of the funds are for services in large urbanized areas; 20 percent of funds are for small urbanized areas and 20 percent are for

non-urbanized areas. Like JARC, the funds for small urbanized and non-urbanized areas go to the states and projects must be selected on a competitive basis.

As in the case for JARC, local communities must have a locally-developed, coordinated public transit-human services transportation plan to be eligible to receive these funds from the state. MDOT is currently developing methods for implementing the funds that are available to the state under this program.

2.3.2 State Transit Funding

2.3.2.1 Overview of the Comprehensive Transportation Fund (CTF)

Since 1972, the state has provided state funds for the provision of transit services as provided for in Act 51 of 1951, which created the Comprehensive Transportation Fund (CTF). The CTF is the primary source of state funding for Michigan's public transportation programs. The CTF supports the following transit-related items:

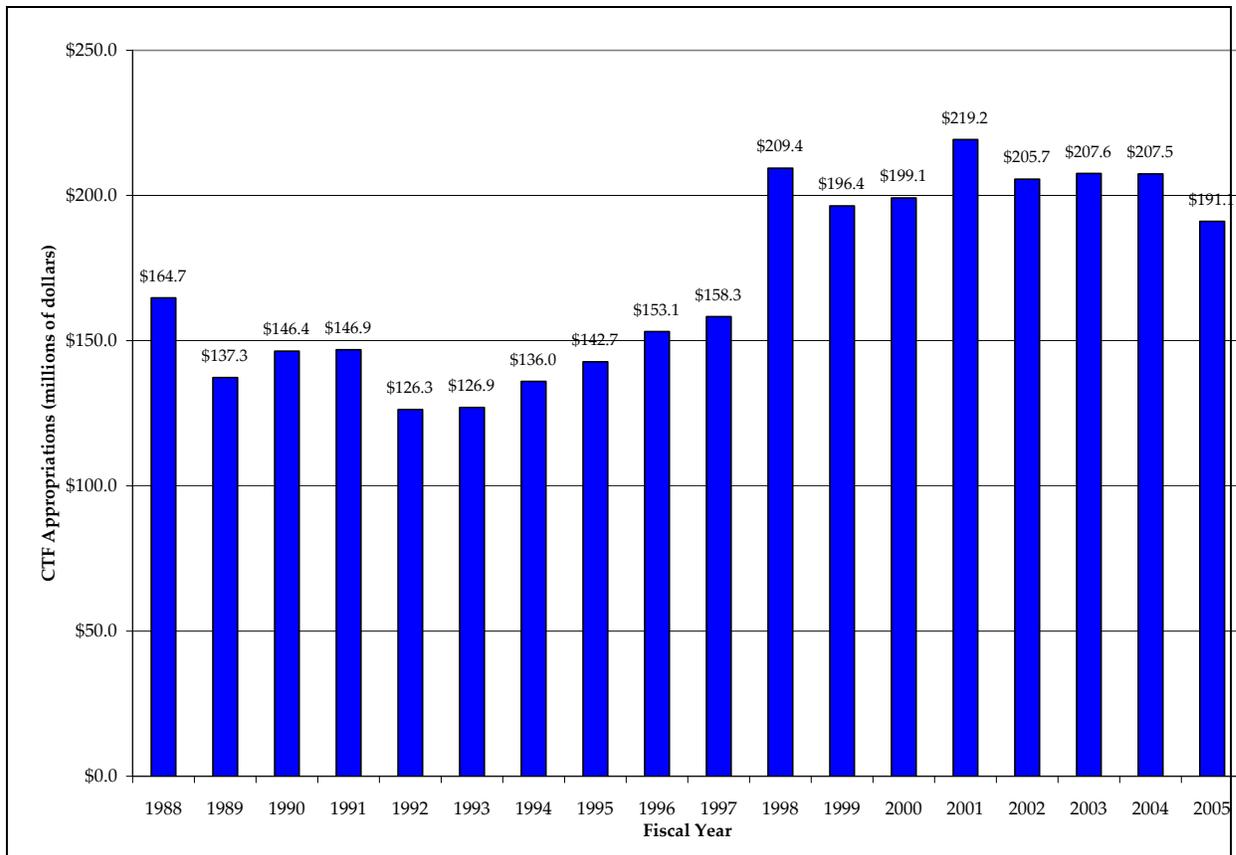
- Operating and capital assistance for urban and rural transit systems;
- Specialized transportation services throughout the state for targeted populations (seniors, persons with disabilities) and transportation-to-work services;
- State-contracted vanpool services;
- Operations and capital support of two publicly-owned marine passenger services; and
- Debt service on CTF bonds that support routine capital costs associated with local transit, intercity bus and rail, and rail freight, as well as special projects associated with all forms of public transportation, including marine and aviation.

In addition, the CTF supports:

- MDOT's administration and oversight of portions of its multi-modal programs, including transit, intercity passenger, for-hire passenger regulation, and rail freight;
- Operating assistance for all intercity bus service in the northern Lower and Upper Peninsulas and capital assistance for intercity bus service statewide;
- Operating assistance for two of the state's three intercity rail services;
- Intercity rail capital improvements, including the high speed corridor;
- Intercity terminals and terminal improvements for bus and rail;
- Preservation and maintenance of the state-owned rail freight lines; and
- Rail freight-based economic development.

Over the past 10 years, appropriations from the CTF have provided for an average of \$200 million a year of program funding. **Figure 5** provides an appropriations history for the CTF.

Figure 5: History of CTF Appropriations less Revenue Adjustments, 1988 to 2005



2.3.2.2 Comprehensive Transportation Fund Revenue Sources

The primary revenues to the CTF are sales tax contributions and transfers from the Michigan Transportation Fund (MTF). In general, the MTF distribution to the CTF is approximately two-thirds of the CTF’s annual revenue and the sales tax contribution makes up the other third.

The Michigan Transportation Fund’s two main sources of funding are state motor fuel taxes and state motor vehicle registration fees. Currently, Section 10 (1) of Act 51 distributes 10 percent from the MTF to the CTF, after certain specified deductions. The annual MTF distribution to the CTF equates to about 8 percent of the annual MTF.

The majority of auto-related sales tax collections go to the state School Aid Fund and local government revenue sharing. 27.9 percent of 25 percent of the sales tax collected at 4 percent on all motor vehicle-related sales (including sales tax on motor fuel) is distributed to the Comprehensive Transportation Fund (CTF). This is effectively 4.65 percent of all the motor vehicle-related sales tax collected. For FY 2004-2005, the percentage of motor vehicle-related sales tax given to the CTF was reduced to an effective rate of 4 percent.

2.3.2.3 Distributions from the Comprehensive Transportation Fund

Section 10e of Act 51 requires the following for annual CTF distributions:

- First Priority – Debt Service;
- Second Priority – Administration of the Fund; and
- Third Priority – Local Bus Operating Assistance.
- After these priorities are met, Act 51 mandates the following:
 - Not less than 10 percent of the funds distributed to intercity passenger and intercity freight.
 - Remaining funds distributed for public transportation purposes. Of these remaining funds:
 - § Specialized Services program at not less than \$3,600,100;
 - § Local bus capital at not less than \$8,000,000; and
 - § Municipal Credit Program at not less than \$2,000,000.

In addition to those stated above, there are additional mandates, appropriation floors, and funding formulas in Act 51. In combination, the priorities, mandates, floors, and formulas leave little discretion in how the CTF can be appropriated each year. As a result of Act 51, the type and mix of programs supported by CTF appropriations and the funding levels by program have remained relatively consistent over the last 10 years. Appropriations by major CTF program categories for FY 2006 are provided in **Table 3**.

Table 3: FY 2006 CTF Funding Levels by Transit Program

<i>Program/Appropriation Line Item</i>	<i>FY 2006 Amount</i>
General Operation and Infrastructure	
Local Bus Operating	\$163.3 M
Bus Transit Capital	\$16.4 M
Municipal Credit	\$2.0 M
Transportation Services for Targeted Populations	
Specialized Services	\$3.6 M
Transportation to Work	\$3.3 M
Vanpooling	\$0.2 M
Total	\$188.8 M

2.3.2.4 CTF Policy Issues

As noted above, Act 51 provides very detailed guidance for the distribution of transit funds to MDOT and local transit systems. As such, Act 51 has significant influence on how MDOT supports and approaches transit. Two policy issues often arise in any discussion of the CTF.

2.3.2.4.1 Local Bus Operating

According to Act 51, a priority use of the CTF is operating assistance to public transit systems under a program called Local Bus Operating. Under this program, appropriated funds are distributed to transit systems as a percentage of their eligible operating expenses as prescribed in Act 51. Under Act 51, the maximum assistance levels are up to 50 percent of the eligible expenses of large urban transit systems (those serving a population base of over 100,000) and up to 60 percent of the eligible expenses of small urban and rural transit systems (those serving a population base under 100,000).

The Local Bus Operating program is the largest of the CTF-supported programs. The amount of CTF revenues appropriated each year for local bus operating assistance as a portion of the total CTF appropriations for public transportation programs has gradually increased over time. Despite the increasing commitment to local bus operating assistance, within the transit community there is consistent reference to the decline of state assistance under this program. Much of that concern relates to maximum assistance levels in Act 51. While the Act establishes maximum assistance level, the percentage levels are generally perceived as the intended goal of Act 51.

In 1998, there was a significant one-year increase in the amount of CTF revenues appropriated for public transportation programs, including the Local Bus Operating program. This one-time increase was a result of accumulated fund balance. In that year, the distribution rates for local bus operating assistance neared the maximum levels in Act 51. However, the overall CTF appropriation levels made possible in 1998 could not be sustained and, since 1999, the state's share of eligible expenses has been declining slowly. Between 1999 and 2005, distribution rates dropped from 42 percent to 32 percent for large urban systems (who are eligible for up to 50%) and from 50 percent to 38 percent for small urban and non-urban systems (who are eligible for up to 60%).

A reoccurring topic of discussion within the transit community is the need to reach, and then sustain, CTF appropriation levels for the Local Bus Operating program such that Act 51 maximum percentage rates will be consistently reached. A related topic of debate within the transit community is the merits of providing local bus operating assistance as a percentage of eligible expenses.

2.3.2.4.2 Bus Transit Capital - Capital Match

As described in **Section 2.3.1, Federal Transit Funding**, Michigan transit systems and MDOT receive federal formula funds as well as congressional earmarks. These annual federal grants are the primary source of funding for routine capital needs, such as bus replacement, facility improvement, and some system expansion. Federal capital grants require a 20 percent non-federal match. Under Act 51, when a transit system receives a

federal capital grant, the state shall pay no less than 66.6 percent of the local match. The Act 51 requirement translates to the state being required to provide 13.3 percent of the project cost. In practice, the state has provided the entire 20 percent match.

CTF revenues, however, have not been able to keep up with the increases in federal capital funds awarded to Michigan transit agencies. In FY 2005, MDOT projected a long-term shortfall in revenues to meet its goal of providing the full 20 percent match with traditional revenue sources. To maintain the 20 percent match commitment, MDOT began using federal toll credit revenues for a portion of the match in FY 2005. The transit community remains critical of the use of toll credits, since they do not provide the same purchase power as traditional match.

2.3.3 Local Transit Funding

MDOT provides state operating assistance to all transit systems and federal pass-through operating assistance to rural transit systems in the form of a percentage of total eligible expenses. As a result, transit systems must submit operating budgets and expenditures to MDOT and, from this data, MDOT can determine the contributions of state, federal, and local funding as shown in **Table 4**. Local funds are generally provided through transit millages or local general funds. Of the 79 transit systems that received state operating assistance, 66 reported either a transit millage (taxes collected directly for transit) or funding support from local governmental units/general fund.

Table 4: Federal, State and Local Transit Funding as a Percentage of Eligible Expenses

<i>Fiscal Year</i>	<i>Total Eligible Expenses (in millions)</i>	<i>Federal % of Eligible Expense</i>	<i>State % of Eligible Expense</i>	<i>Farebox % of Eligible Expense</i>	<i>Local % Of Eligible Expense³</i>
2004 ¹	\$430.5	5%	38%	15%	42%
2000 ²	\$350.2	3%	43%	20%	34%
1995 ³	\$253.8	13%	40%	23%	24%

¹ 2004 data from PTMS reconciled Operating Assistance Report (OAR).

² 1995 data from PTMS annual audited OAR.

³ Includes: Taxes Levied Directly for/by Transit Agency, Local Operating Assistance (e.g. general fund contributions), Non-transportation Revenues and miscellaneous revenue.

Chapter 3. Performance Measurement

The primary statewide tool available to report and measure transit system tactical performance is MDOT’s Public Transportation Management System (PTMS). PTMS was developed to replace annual paper applications and budget reports that funding recipients submit to MDOT.

PTMS also allows for a user-friendly data retention center for the data contained in the reports. PTMS has been developed into a Web-based application and is accessible to any user with an MDOT-issued password. The majority of data in PTMS is currently being entered by transit system staff.

PTMS includes a comprehensive list of Michigan transit systems, including specific information such as contact people, mailing and e-mail addresses, phone numbers, and services provided. PTMS is used to establish vehicle, equipment, and facility inventories that can be accessed by interested parties. The data system includes a statewide vehicle inventory used for forecasting needs, and a financial database used for budgeting and obtaining federal and state funds. PTMS also contains operating statistics such as passenger count and type, cost-per-mile, and passenger-per-mile.

While PTMS provides a statewide tool for collecting and standardizing tactical performance, it does not include strategic or statewide performance goals or standards. For PTMS to be used as a performance measurement tool, goals and standards must be set locally by individual transit systems. For transit agencies desiring to set up a formal performance management system, PTMS data would allow the agencies to track their performance against their own history and against the results of peers, for those indicators for which a local goal or standard has been set.

MDOT has not set performance standards or goals. In FY 2005, MDOT's budget bill included new legislative requirements regarding performance measurements for transit systems. The performance measures listed in the budget bill were as follows:

1. Transportation services are efficient, cost-effective, safe, well-maintained, reliable, and customer-driven;
2. Agency provides a quality work environment that fulfills employee performance, productivity, and development standards;
3. Agency identifies and captures all available funding, creates cost-effective programs to eliminate debt, and maintains a balanced budget;
4. Agency maintains sufficient local and community funding; and
5. Agency supports business development by providing transportation to areas of employment and commerce, emerging or established businesses, and health care facilities.

MDOT requested transit agencies conduct a self-evaluation of their measurement methods and performance in each of the five areas identified by the legislature.

The following is a summary of the information received in the 77 responses:

- Seventy-one systems believe their current methods, used to track and evaluate performance in all five performance measurement areas, were adequate. While MDOT did not specifically ask transit systems about their use of PTMS to track performance, a few systems identified use of PTMS data as part of their performance tracking methods.

- Six systems felt that their current methods, used to track and evaluate performance in four of the five performance measurement areas, were adequate and in one of the five, additional measurement efforts were needed.
- All 77 of the systems that responded completed a self evaluation and adequately described their performance. None of the transit systems reported inadequate performance.
- Forty-five transit systems reported 80 process improvements or quality initiatives to strengthen/enhance performance. There were several common areas where transit systems are focusing on performance:
 - Computerized dispatching systems;
 - Employee handbooks;
 - Generating increased revenue either by advertising or making changes in their service contracts; and
 - Seeking a first time transit millage or millage increase.

Chapter 4. Transit Policies, Goals, and Issues

The purpose of this chapter is to identify and summarize the content of policy or planning documents, forums, or initiatives that directly or indirectly established policies or goals for public transit in Michigan. Transit issues on the national agenda are also presented.

4.1 MDOT Transportation Summit

To build on a foundation of partnership and assure Michigan's continued success, MDOT hosted a Transportation Summit in 2003 and 2004. Transportation industry partners, citizens, members of the legislature, academia, and the federal government were invited to help MDOT create a vision and a set of action plans for the future of transportation in Michigan. Much of the work of the Summit laid a foundation for the current state long-range plan update. The Summit results also provide a sense of how transportation stakeholders at the state and local levels are thinking about transit.

The summit process began in mid-2003. From June 2003 to November 2003, MDOT staff and transportation stakeholders met to define, explore, and consider nine key issues. At a December 2003 Transportation Summit conference, over 500 people from Michigan, Canada, and neighboring states came together to discuss and further refine the nine key issues. After the December 2003 conference, action teams were formed around the nine key issues and continued through 2004 and 2005. A follow-up conference was held in December 2004.

Two of these nine issue areas identified through the summit process were strongly transit-related: coordination, cooperation, and connectivity and mobility options. The summit results for these two issue areas are provided below.

4.1.1 Transportation Summit Results - Coordination, Cooperation, and Connectivity

At the December 2003 Transportation Summit conference, the following issues, goals and actions were identified for coordination, cooperation, and connectivity.

Issues:

1. There is a lack of connectivity of all modes of transportation for people and freight within urban and rural areas.
2. There is a lack of state incentives to promote regional connectivity and coordination among public transit systems.
3. The current funding distribution process encourages silo mentality and acts as a barrier to coordination, cooperation, and connectivity.

Goals:

1. To fully integrate private multi-modal transportation (people and freight) into the planning, decision-making, implementation, and operation of the transportation system.
2. To integrate a seamless, integrated multi-modal transportation system that is cross-locality and cross-regional in nature.
3. To provide financial incentives for developing a comprehensive and coordinated approach to our transportation system at all levels and on all projects.

Actions:

1. Create incentives and rewards for transportation providers to better coordinate transportation services across all modes.
2. Prioritize and implement improvements to the transportation system by supporting Michigan's economy and quality of life.

After the December 2003 Summit, an action team was formed around this issue. After several meetings and discussions, the Coordination, Cooperation and Connectivity Action Team decided to focus its initial efforts on issues associated with interconnectivity of passenger modes. To further its understanding of the issue, the team facilitated a focused discussion around the coordination issue based on a real world situation in a particular region of the state: Genesee County and, as appropriate, Lapeer and Shiawassee Counties. Several meetings were held with stakeholders and transportation providers to discuss options for enhancing passenger transportation coordination in Genesee, Lapeer, and Shiawassee County areas. At one of these meetings, possible action items for state or regional government to further coordination of passenger transportation were identified. Examples of possible action items that emerged from the action team discussions include:

Regional Government Actions:

- Create information clearinghouses for all modes, which can be accessed by individuals.
- Entice all modes to participate in routine regional coordination forums.

- Develop regional coordination action plans.
- Provide best practices/technical assistance.

State Government Action:

- Fund a service to identify all public/mass transit methods of getting from point to point in Michigan and then make that easily available to the public.
- Facilitate/coordinate planning.
- Hold regional summits.
- Provide best practices/technical assistance.

4.1.2 Transportation Summit Results - Mobility Options

At the December 2003 Transportation Summit conference, the following issues, goals, and actions were identified for mobility options.

Issues:

1. The perception of transit is that service is unreliable, inconvenient, unattractive, and needs improvement.
2. While we have a need for alternative modes, we treat transit as a subsidy and highways as an investment.
3. There is a need for better communication with the public about mobility options and how to use these options.

Goals:

1. To implement regionalized transit planning to adapt to changing needs and lifestyle of the population especially in prioritizing services to educational, employment, and health care institutions.
2. To create seamless and cost-effective connections between modes and public and private providers for everything from non-motorized to air travel, including physical infrastructure, scheduling/routing, information and communication systems, etc.
3. To encourage and “incentive-ize” land uses in our urban areas that support and sustain a world class transit system that includes all modes particularly transit and non-motorized.

Actions:

1. Provide education and incentives to people, businesses, and school systems to encourage utilization of mass transit (employee vouchers, rebates, insurance breaks, “live-where-you-work” program, teach students to ride the bus).
2. Provide adequate and equitable funding that treats all modes, not just highways, as an investment.

3. Amend the state constitution to allow more options for local funding for regional public transportation, such as local sales tax, gas tax, and tax from licensed vehicles.

After the December 2003 Summit, an action team was formed around this issue. When the Mobility Options Action Team came together, it focused most of its attention on the mobility associated with local transit services, although it also deliberated on non-motorized issues. The team identified three areas of emphasis:

- Find and evaluate gaps in service.
- Determine what people's perceptions are of mobility options, specifically transit.
- Look at funding options for transit.

The team created an inventory/checklist tool that can be applied at the state, regional level, or local level to compare current service levels against various standards to identify gaps in service. It also developed a survey instrument to be used to determine people's perceptions of gaps in available transportation services. A request for demonstration funding to apply the tools in one area of the state is pending within MDOT.

4.2 Michigan Transit Strategic Plan

The *Michigan Transit Strategic Plan 2000-2020* was published in October 2002. It was a collaborative product of transit service providers, intercity carriers, MDOT, and other stakeholders. The plan is not considered an active document; however, much of its content is still relevant and should be considered part of the current policy context for Michigan transit.

The *Michigan Transit Strategic Plan 2000-2020* was based on four primary goals:

1. *Increase Cooperation within the Transit Community:* The Michigan transit community believes that enhanced cooperation between the multiple providers and development of public/private partnerships could improve service and intermodal and regional connections, resulting in enhanced public support.
2. *Remove Barriers to Transit Use:* Transit passengers oftentimes face barriers to their mobility when they use transit between cities and regions, when they link transit with other modes, and when they are unaware of the full range of transportation options. Michigan transit seeks to remove these barriers through regional and intermodal mobility, internal and external communications, and coordination of transit resources.
3. *Provide Efficient and Effective Transit Service:* Michigan transit seeks to improve utilization of existing resources and incorporate new technology to provide efficient and effective transit services. Developing performance measures to evaluate the outcome of implementing the initiatives included in the strategic plan will be included as part of the process.
4. *Ensure Adequate Funding:* Providing transit for the citizens of Michigan requires a predictable sufficient funding base to meet increasing service needs. Multiple strategies are required, including securement of locally generated funds, coordination of

transportation funds from multiple sources, participating in competitive grant application process, and obtaining continued federal and state support.

Nine strategic initiatives were selected for inclusion in the strategic plan. The nine initiatives were:

- Build on efforts to coordinate transportation funds at the state/and local level.
- Establish year-to-year predictability in state transit funding, including analysis/consideration of :
 - Adoption of a more predictable formula so annual funding is tied more closely to the economy;
 - Multi-year authorization bills that will provide funding targets for several years; and
 - Two-year legislative budgeting cycle, which would provide funding stability for two years rather than one.
- Provide information and support to transit agencies regarding available options for expansion of local funding.
- Develop forums, led by professional facilitators, to improve communication and foster cooperation within the transit community, leading to a unified voice for transit advocacy.
- Develop common indicators of transit efficiency and effectiveness that can be used by transit providers, funding agencies, and other entities to measure performance. Indicators can help transit agencies evaluate their performance based on their past practice, as well as with peer transit agencies. Incorporating appropriate measures into incentive-based programs to reward improvement in efficiency and effectiveness could also be considered.
- Develop educational materials that describe how to integrate transit into land use decisions.
- Define a base level of transit service and forge collaboration between existing public, private, and non-profit providers to ensure that the established based level of service is provided.
- Provide a clearinghouse information resource on transit services to improve communication within the transit community and promote transit ridership.
- Establish a statewide task force to determine how to coordinate service on a regional basis and establish how financial incentives will be initiated.

Neither MDOT, nor its strategic planning partners, have taken specific actions to implement the plan's nine initiatives. However, a number of subsequent MDOT programs and efforts have advanced one or more of the initiatives. For example, several of the initiatives speak to the need to coordinate funding and services. Coordination of funding and services is also one of the objectives of the national UWR initiative. As described in **Section 4.4.1, United We Ride – Human Services-Transportation Coordination below**, in 2004 and 2005, MDOT led a UWR

workgroup with the Michigan Departments of Human Services, Community Health, and Labor and Economic Growth, along with some specialized services providers, transit systems, and consumer stakeholders. Under UWR, MDOT and its state agency partners held six regional forums where 214 local stakeholders discussed the benefits of, barriers to, and solutions for coordination. In addition, MDOT has advanced coordination by providing funding for projects to study and demonstrate regional (across county boundaries) transit services.

The *Michigan Transit Strategic Plan 2000-2020* also recommended defining a base level of transit service and forge collaboration among providers to achieve it. This was a significant topic of the Michigan Transportation Summit's Mobility Options Action Team (as further described in **Section 4.1.2, Transportation Summit Results – Mobility Options** above). In the Mobility Options Action Team, MDOT engaged with transit providers and user groups to develop a draft measurement tool that could be used to define existing transit service levels. MDOT is securing federal and state funds for a project to help further develop and test the measurement tool at one location in the state.

4.3 Service Goals

It has been a long-standing goal to have countywide service in every Michigan County. Only 58 of the Michigan's 83 counties have a transit agency or authority that has legal jurisdiction over the entire county. The other 24 counties have services that only cover a portion of the county. Lack of countywide service throughout the state limits the ability of transit riders to cross county lines to reach medical care, employment, or education. Furthermore, some counties with countywide service do not have night or weekend service and others have pockets of no service based on individual communities "opting out" of the county system.

4.4 National Transit Issues

4.4.1 United We Ride – Human Services-Transportation Coordination

United We Ride (UWR) is a national interagency initiative launched in 2004 by USDOT, in partnership with the Departments of Health and Human Services, Education, Labor, Veterans Affairs, Agriculture, and others. United We Ride's goal is to improve efficiency of resources through enhanced federal, state, and local transportation program coordination. UWR represents one of the most significant issues on the national transit agenda at this time.

At the national level, UWR is defined by Executive Order 13330 signed by President Bush on February 24, 2004, which established the new Interagency Transportation Coordinating Council on Access and Mobility, chaired by the US Secretary of Transportation. The purpose of the council is to coordinate 62 different federal programs across nine federal departments that provide funding to be used in support of human services transportation. The council is comprised of 11 federal departments; the Executive Order required the participating departments to develop a report to the President by February 2005 that, in part:

- Identifies the most useful federal, state, tribal, and local practices in coordinating transportation service;

- Identifies the substantive and procedural requirements of duplicative federal laws and regulations that restrict efficient transportation operation; and
- Provides individual departmental reports on the progress being made in simplifying access to transportation, producing cost-effective service within existing resources, and reducing duplication.

In response to the national initiative, MDOT organized a Michigan UWR workgroup. The workgroup was a partnership of MDOT and other state agencies, including the Michigan Departments of Labor and Economic Growth, Community Health, and Human Services.

The Michigan UWR Workgroup organized six regional Communication Forums on improving human service transportation coordination. Local level human service and transportation professionals, advocates, and consumers were invited to each forum. The workgroup used the results of the forums to develop a draft action plan for human services coordination. The initial draft action plan was accepted by the workgroup members in attendance at a January 2006 meeting. However, that acceptance does not reflect formal adoption of the plan by any of the state agencies involved in the workgroup.

Goals laid out in Michigan's *Draft UWR Action Plan* were:

- Goal 1: Regional/Local Coordination - Develop sustainable local/regional coordinating bodies serving informal Transportation Coordination Zones for unique and distinct areas of the state, to discuss, plan, advocate, communicate, support financing, and implement customer oriented models of local human services-transportation coordination, based on unique local/regional needs and operating within available resources.
- Goal 2: Customer Participation - Include customer participation in ongoing assessment and goal setting on transportation needs, gaps in coordination, billing and payment systems, and under-utilized resources.
- Goal 3: Customer Information Systems - Develop a model system that can be adopted at the local/regional level, utilizing print or electronic information systems, whereby human service transportation customers (including consumers and providers of human services) have access to current transportation provider, route, and scheduling information in order to plan human services consumer trips to specific destinations.
- Goal 4: Economic Value of Coordination - Enhance local/regional sustainability, promote economic models and analyses that identify and measure the direct and indirect economic impacts of a well-coordinated human service transportation system, and make the information available for local, regional, and state policy-makers/decision-makers.
- Goal 5: State Administrative Workgroup on Barriers - As an evolution of the Michigan United We Ride Workgroup, develop a state administrative workgroup, comprised of responsible state level decision-makers, to identify, assess, and make specific policy recommendations, in consultation with local providers and customers, for the funding,

eligibility, accounting, billing, and payment requirements and regulations that act as inadvertent barriers to local level coordination.

- Goal 6: Best Practices and Local Resource Sharing - Explore methods to encourage and enable the sharing of best practices in human service-transportation coordination, including the sharing of human resources, financial resources, and equipment at the local and regional level, to enhance the efficiency and availability of human service transportation.

4.4.2 Aging Population

The two national transit associations, the Community Transportation Association of America (CTAA) and the American Public Transit Association (APTA) have both identified the issue of senior mobility as one of the most significant public transportation challenges facing the nation in coming years. Both organizations quote the following statistics from www.AgingStats.Gov, Web Site of the Federal Interagency Forum on Aging-Related Statistics:

- In 2002, 12 percent of Americans were 65 or older.
- Over 36 million Americans are age 65 or older today. By 2030, this number will double and one in five Americans will be 65 or older.
- Americans over 85 will comprise the fastest-growing age group in the decades ahead.

The *Socioeconomics Technical Report for MI Transportation Plan* also shows a dramatic increase in the senior population for Michigan. The Michigan population is expected to grow 1.2 million, or 12 percent, between 2005 and 2030. Of that 1.2 million-increase, 11.16 million (96%) will be in the 65 and older age group. By 2030, seniors (age 65 and over) will represent over 20 percent of Michigan's population.

Numerous national transit publications lay out the issues, challenges, and strategies needed for transit to address these demographics. The following information is excerpted and/or paraphrased from several APTA publications, including: *Mobility for the Aging Population*, *Expanding the Transportation Options in an Aging Society*, and *Aging Americans: Stranded Without Options*, and a transportation cooperative research program/transportation research board. (*Improving Public Transit Options for Older Persons*)

- Many Americans will reach their adult years having used the automobile for their daily transportation. However, at a time in their lives when driving may no longer be an option, some who live in areas where mass transportation is not available will no longer be able to hop in their cars to shop, visit family and friends, or access health care. They will need alternatives. The result is an unprecedented challenge for US public transportation agencies.
- Challenges associated with enhancing the mobility of older Americans, include:
 - Inadequate investment in transportation options for this segment of the population;
 - Lack of coordinated community planning and decision-making;
 - Lack of coordination among various transportation providers, public and private;

- Viewing mobility for seniors as a community problem, not a national priority; and
- Lack of familiarity with available services and prospective new options.
- Initiatives are needed in the following areas:
 - System Design: Traditional public transportation systems must continue to be enhanced and designed to make everyday services more easily available. More older adults, as well as young mothers, children, and people with disabilities, could access transit vehicles if more systems implemented designs that are now available, such as buses that kneel at curbside, lifts to ease boarding, buses and light rail cars with low floors, and low-platform boarding
 - Community Design: Transit investment must include improvements in community design to increase ease of access to all transportation alternatives and community services. For example, about one in five non-drivers among the aging population could access regular fixed-route bus services if better sidewalks and resting places were provided. Transportation is one part of getting people to the places they want to be. Community design and land use planning are the larger picture: creating places where older people are able to get around safely and easily, whether by using public transportation or by walking to destinations that are closer to home.
 - Advanced Technologies: Increased emphasis must be placed on state-of-the-art information systems to improve information about alternative services and take the anxiety and uncertainty out of trip planning and transit use. Examples include:
 - § Web-based trip-planning systems that link route, schedule, and fare information for multiple transit systems across metropolitan areas;
 - § State-of-the-art electronic fare systems and multi-trip ticketing, such as stored-value smart cards, that ease and speed the boarding process, taking the guesswork out of paying fares and ultimately allowing riders to use a single electronic ticket on a variety of regional transportation services; and
 - § Real-time vehicle arrival and departure information at transit stops to reduce rider uncertainty about schedules and conditions on the system.
 - Coordination of Services: Coordination of services and joint investment between transit providers and other human service and community service programs must be encouraged and rewarded, not frustrated or discouraged.
- Tomorrow’s older persons are likely to travel much more frequently and to a wider range of destinations than the older persons of today are. They are projected to be more often residents of suburban and rural communities rather than of central cities, where public transit services are more prevalent. Most of tomorrow’s older persons will have been automobile drivers all their lives and can be expected to demand high-quality public transportation services. The combination of these factors will pose substantial challenges for public transportation providers.

- Many older persons are not able to wait outside for long periods of time, especially in poor weather conditions, so on-time arrivals are highly valued. Many older travelers want door-to-door service. They want flexible services that respond to the needs of particular trips, like carrying parcels or traveling with others. They look for comfortable vehicles, waiting areas, and services that will arrive on less-than-24-hour notice. Older travelers are also looking to travel more hours of the day and more days of the week than many public transit authorities currently offer.
- If transit agencies want to attract older riders, they will need to do more than just wait for seniors to become too old or infirm to drive. The physical problems associated with aging that make driving difficult also make using our current forms of public transportation very difficult. There are both short-term and long-term strategies for attracting additional older riders.
- In the short run transit agencies could:
 - Improve schedule reliability and provide real-time arrival/departure, scheduled information using advanced technologies.
 - Provide guaranteed-ride-home services.
 - Find ways of welcoming people who are not accustomed to using transit service, including customer relations training for drivers, travel training for passengers, and bus buddies (volunteers who are able to help/support senior citizens travel outside their homes, alleviating the stress of traveling the buses alone and assisting with packages).
 - Find ways to help older person's board vehicles when help is needed.
 - Improve and increase information, both for trip planning and while traveling.
 - Add customer service features such as calling out stops, reserving more seats for older persons, providing friendlier and more detailed travel information, providing more telephone lines for information, and making systems more responsive to complaints.
 - Work with human service organizations and volunteer agencies to better service specialized travel needs.
 - Partner with representatives of aging community to build additional community support for more local transit funding.
 - Provide special vehicles for special events.
 - Minimize physical barriers such as steep or long stairs on buses or in subway stations, and long waiting periods outside exposed to the elements.
 - Put an emphasis on polite, courteous drivers.
- In the long run, different types of services, offered at varying prices, need to replace the one-size-fits-all approach to public transportation. Transit riders should be able to choose services that fit their specific travel requirements. Frequent, comfortable,

affordable, spontaneous transit service to a wide variety of origins and destinations, over a wide range of service hours, is what seniors desire.

- Many US agencies that now provide transportation should embrace new paradigms for public transportation services, as is already happening in Europe. This means shifting their focus to mobility management, organizing, but not operating, public transit services. Advanced transportation providers will be seen primarily as travel facilitators, not service operators.
- There is a role in the future for all of today's familiar transportation services and probably some that have not yet been designed. Large vehicles operating on fixed-routes and schedules can still serve high-volume routes and destinations. Service routes and feeder services, with multiple stops in small areas like neighborhoods, will grow in number and demand. A strong role for taxis and paratransit services will develop as they change to meet increased demands for quality service and flexibility in responsiveness and pricing. Special services, operated by human service agencies, will continue to address special client needs. Services provided with volunteers will assume an even larger role in responding to the unique needs of travelers for whom other services are not cost-effective. For persons who are frail and need the highest level of personal assistance, escorted or medical services may best meet their needs.

4.4.3 Other Issues on the National Transit Agenda

The American Public Transportation Association's strategic plan for 2005-2009 lays out strategic goals and strategies for meeting the needs of its membership transit agencies. Three of the goals and associated strategies illustrate other issues on the national transit agenda that are relevant to Michigan

- **Goal:** Increase ridership and transportation choices.
 - **Strategies:**
 - § Seamless multi-modal trips;
 - § Employer pass programs;
 - § Tools and technologies that can be used to assist riders in increasing their use of fixed-route services rather than special services; and
 - § 511 telephone traveler information services and similar national Web-based mechanisms.
- **Goal:** Improve the image of public transportation.
 - **Strategies:**
 - § Continue research on public perceptions of public transportation;
 - § Conduct research on demographic profiles of transit riders and develop communication strategy;

- § Generate positive information about public transportation and continue efforts to respond to negative publicity about public transportation;
 - § Develop programs to expand private sector support for public transportation;
 - § Develop a strategy and outreach program to highlight the importance of public transportation for the growing aging population; and
 - § Enhance the image of public transportation through promoting new technologies.
- **Goal:** Create safe and secure environments for public transportation riders, workers, and communities.
 - **Strategies:**
 - § Educate governmental security agencies and facilitate partnerships with them to foster responsiveness to industry and user needs;
 - § Continue to develop operational and cost-effective industry standards that promote safety and security;
 - § Continue to promote the vital role of public transportation in local and regional emergency preparedness;
 - § Identify, promote, and encourage the use of industry best practices for safety and security initiatives developed in partnership with governmental organizations; and
 - § Facilitate partnerships to develop and implement innovative responses to transit security threats.

4.5 Issue Agenda for Transit

From the information in this technical report, a draft issue agenda for Michigan transit can be assembled. This action agenda identifies the three issue areas and, for illustration purposes only, provides examples of possible action items for each.

4.5.1 Increase Cooperation/Coordination among Transportation Providers

Possible action items:

- Establish local or regional task forces to work toward coordinating transit service at the local and regional levels.
- Explore methods to encourage the sharing of best practices in transportation coordination.
- Fully integrate multi-modal transportation into the planning, decision-making, and implementation of the transportation system at the local, regional, and state level.
- Advance regional transportation planning and service coordination in Michigan's urban areas, including federal New Starts planning underway in the Greater Grand Rapids

area and southeast Michigan and regional service planning by the Regional Transit Coordination Council.

4.5.2 Increase Transit Use and Usability

Possible action items:

- Develop clearinghouse information resources on transit services.
- Develop better ways to integrate transit planning and land use planning and development decisions.
- Incorporate innovation, new technology, and information into our transit systems with a particular emphasis on innovations, technologies, and information strategies that address the needs of the aging population.
- Develop education tools and incentives to encourage utilization of public transportation, with a particular emphasis on education and incentives that address the needs of the aging population.
- Make use of gap analysis tools to determine if gaps in service exist in a specific region and measure people's perceptions of gaps in service.
- Continue to focus on transit safety and security.
- Promote performance measurement as a method to improve transit service and increase ridership.

4.5.3 Ensure Adequate Funding for Transit

- Implement coordination of funds at the state and local levels.
- Establish more predictability in state transit funding.
- Explore alternative options for local funding of public transportation, including secure financial support for new transportation services, such as regional transportation services being planned in the Greater Grand Rapids area and southeast Michigan.

Chapter 5. Integration

The transit assets, services, and programs described in this *Transit Technical Report* provide the building blocks for understanding the integral role of transit in *MI Transportation Plan*. This report highlights both the need for integration among transit operations and services, as well as the integration of transit with other modes and services.

The findings of this report are further elucidated by the *Socioeconomic Technical Report* and *Travel Characteristic Technical Report*, which provide additional detail about the changing demands and conditions under which Michigan's transit services will perform in the future.

The roles of transit has linkages to safety, highways, bridges, intercity transportation, land use, and the economic outlook and are referenced in the integration chapters of the corresponding technical reports. Integrating transit into a multi-modal vision entails leveraging the assets and services described in this *Transit Technical Report* with other system assets to meet the changing needs of Michigan's system users segments. Integration of transit may remove barriers to economic participation by Michigan's travel segments, and may trigger valuable economic activity by connecting workers, consumers, and businesses to key activities and markets supporting Michigan's economic vitality.

5.1 Transit Segments

Key segments to which Michigan's current transit services are geared include:

5.1.1 Urban Commuters

Urban fixed-route systems play a critical role in Michigan's economy by enabling workforce participation for transit-dependent segments, as well as increasing accessibility to jobs and markets for households with limited auto availability. While auto ownership per household has increased (as indicated in the *Socioeconomic Technical Report*), workforce commuting remains an important trip purpose and a critical function of urban fixed-route systems. Park-and-ride services and employer run systems may play an important role in complementing the fixed-route systems and vanpool services described in **Chapter 2, Existing State of Public Transit**, of this *Transit Technical Report*.

5.1.2 Students and Young People

Younger system users are often too young to drive, but also include college and university populations in urbanized areas, and those utilizing university-sponsored transit services. The accessibility of this segment to educational activities is important for Michigan's long-term economic vitality, to ensure workforce preparedness and participation in the long term. For social and recreational activities in certain time periods (such as nighttime activities), this segment is also found in the *Safety Technical Report* to be at high risk for roadway crashes, hence transit alternatives for this segment may support an integrated approach to safety.

5.1.3 Elderly and Disabled Persons

Elderly persons are identified in the *Socioeconomic Technical Report* as a critical and growing segment of Michigan's passengers. The *Safety Technical Report* also highlights this segment as a segment at risk for roadway crashes, especially in nighttime conditions. Enabling this segment to safely access social, recreational, and health-related activities will be an increasing demand on transit services in the future. The most mature cohort of this segment (those too old to drive) is served by the rural demand-response services and specialized transportation services described in **Section 2.1.3** of this report. The findings of the *Socioeconomic Technical Report* indicate these needs are likely to increase in the future.

5.1.4 Ex-urban Commuters and Regional Commuters

Shifting patterns in Michigan's population are indicated in the *Socioeconomic Technical Report* and the *Land Use Technical Report*. Integration of transit will increasingly entail services to ex-urban areas and areas spanning county or other jurisdictional boundaries. Providing transit services for this changing market is a key area for integration, both among Michigan's transit services, and between transit services and other modes.

5.2 Key Transit User Activities

The role of transit in an integrated *MI Transportation Plan* entails transit services that play a role enabling Michigan's traveler segments to engage in key economic activities. Key activities dependent on transit include:

5.2.1 Work

Transit services support economic participation in Michigan's workforce through both fixed-route and demand-response services connecting residential to business locations in prime-commute periods. The on-time performance of systems is especially important for transit to perform this role for workforce commuting. The accessibility of service across jurisdictional boundaries, county lines in particular, is critical for transit in Michigan to support workforce commuting, given the changes indicated in the *Socioeconomic Technical Report* and the *Land Use Technical Report* of *MI Transportation Plan*. It is equally critical that route structures and designs be flexible enough to adjust to new development and changing land use patterns.

5.2.2 Consumption and Leisure

Transit services support Michigan's consumer markets through fixed-route and demand-response services connecting work, commercial, and residential locations. This often requires services supporting intermediate stops for travelers to participate in consumer markets on their way to and from their place of business. Consequently, the frequency and reliability of such routes and the flexibility of routes to accommodate changing land use patterns is especially important for transit to support consumers in this way. The location of park-and-ride and vanpool facilities may be an important element of transit solutions supporting consumer market participation by transit users.

5.2.3 Health Care

As described above, the changes in Michigan's transit segments make health care an increasingly important market, especially for Michigan's growing mature passenger segments. In order to support participation in health care markets (and consequently the health of this segment for participation elsewhere in the economy), Michigan's transit services must be accessible to the transit-dependent segments that actively consume health care services. Demand-response services and fixed-route systems alike must provide these connections, even when the households and health care services are in different jurisdictions. The services must also be made available at times of day when health care services are needed and available (often

different from peak commuting times to which many systems have been designed). An integrated plan ensuring transportation health activities will require transit schedules, routes, and services to be flexible enough to meet these criteria as health activities and segments continue to grow.

5.2.4 Education

As mentioned above, providing access for students and young people to educational activities is a critical role for transit in Michigan's economy. This is true, not only for traditional students (college, university and high school students), but also non-traditional students (workers attending educational programs after work hours and unemployed or under-employed persons). Performing this role increasingly requires transit services to connect places of residence and places of work to educational establishments for intermediate stops outside of peak-hour commuting times. Fixed-route and demand-response systems flexible to support the different times of day for educational activities will be a key feature of an integrated transportation vision for transit. As with other activities, jurisdictional boundaries may separate students, or potential students, from educational activities, hence the need to overcome jurisdictional (county) disconnects in transit service is important to support participation in Michigan's educational activities and programs.

5.3 Opportunities and Performance Barriers

"Performance barriers" are conditions on the transportation system that make it more difficult, more expensive, or impossible for an activity to take place. In the economic impact element of *MI Transportation Plan*, performance barriers are represented as "costs of doing business;" however they also include barriers to households and individuals. In the *Conditions and Performance Technical Report* of *MI Transportation Plan*, performance barriers are described by performance measures. "Opportunities" are conditions on the transportation system that make it easier, less expensive, or possible for an activity to take place that may not otherwise occur. In the economic impact element of *MI Transportation Plan*, opportunities are represented as "amenities;" however, they also include opportunities for households or individuals in addition to businesses. For the purposes of this report, opportunities are understood as special ways in which system performance may stimulate users to engage in more or better activities.

There are a number of performance barriers currently limiting the participation of Michigan's transit users in the workforce, in markets, and in health and educational activities important to the state's vitality. Within the set of issues identified in this technical report, there are also potential opportunities in transit integration that may enhance participation in the state's economy through integration of transit in *MI Transportation Plan*.

5.3.1 Performance Barriers

5.3.1.1 Limited Transit Schedules

Transit schedules and frequency often do not support participation in off-peak educational and health care activities or workforce commuting to service and other jobs that do not

conform to traditional shift schedules. The spreading of peak commuting times and of transit demand throughout the day makes it difficult to operate feasible services when the density of demand (per-hour) reduces, yet important activities occur throughout the day.

5.3.1.2 Jurisdictional Boundaries

Unlike roadway, intercity, and rail systems, transit operations are often specific to a county or other local jurisdiction. Economic activities and opportunities increasingly require connections of markets and workers in one county to consumers in another county. Gaps in transit connections across jurisdictional boundaries inhibit participation by transit users in labor and consumer markets that lie outside the jurisdiction of their local transit service. Solutions to this problem may remove this barrier, stimulating participation in Michigan's workforce and consumer markets.

5.3.1.3 Transfer Times

The length of transfer times often inhibits transit users from participating in activities requiring intermediate stops on the way to and from work and business activities. Consumption, health care, and educational activities are all activities that may occur in such stops; however, a long transfer wait to change routes serves to inhibit such stops and the associated economic activity. In addition to inhibiting intermediate stops, on some systems, a long transfer time (especially in inclement weather) may serve to inhibit a transit user from making a trip at all. This may curtail the user's participation in a job, market, or other activity in which he or she may have participated if the transfer time was not so onerous.

5.3.2 Opportunities

5.3.2.1 Role for Businesses in Developing and Providing Transit

A structure for collaboration between transit providers and businesses employing large numbers of transit users, or serving consumer markets comprised of transit users may trigger both workforce and market participation through better transit service. Such collaboration may result in complementary business schedules and operations with public transit operations, business operational and marketing policies supporting intermodal transit options, such as ridesharing, vanpool and park-and-ride, as well as a more collaborative approach to hours of service and route structures in the long term.

5.3.2.2 Role for Local Stakeholders in Defining Transit Needs

In addition to businesses, collaboration between transit providers and neighborhood or civic groups may trigger workforce and market participation through transit. Localized development strategies such as business improvement districts or mixed-use developments may find expanded markets and workforce resources by collaborating with transit providers to ensure transportation and access to these and other initiatives. A structure for facilitating such collaboration could serve as a potential opportunity to increase economic activity in Michigan.

5.3.3 Integrating Transit

Integrating transit into Michigan's long-range planning entails identifying in greater detail those situations where collaboration between transit providers and other stakeholders may complement improvements to highway-, non-motorized-, freight-, and safety-oriented projects, maximizing the opportunity to provide safer access to key activities in Michigan's economy.

Pedestrian and bicycle accessibility to transit stops, routes complementary to intercity bus and rail services, park-and-ride facilities, and new developments and land uses will be important for a fully integrated transit vision for *MI Transportation Plan*. This report has explored the state of transit in Michigan today as well as the unique markets, operational challenges and opportunities for integrating transit into the transportation system supporting Michigan's economic vitality and potential in the long term.



*Providing the highest quality integrated transportation services
for economic benefit and improved quality of life*

