

Metropolitan Area Transit Investment Report



Report Requirements & Key Elements

- **2017 Minnesota Statute 473.4485 Metropolitan Area Transit Investment**
 - Due October 15, 2018, and every even numbered year
 - Covers 10 years from 2018 through 2028
- **Capacity analysis** – identify all funding sources and expenditures related to Metropolitan area transit
- **Route performance** – analyze the past three years for each existing mode and transit route in the region
- **Projects in operation, construction or development**

Data collection

- **Provided by the lead agency of each project**
 - Counties
 - Minnesota Department of Transportation
 - Suburban Transit Providers
 - University of Minnesota
 - Metropolitan Council



Capacity Analysis

The **Capacity Analysis** is a new component that includes all transit in the region – not just Metropolitan Council projects

- Capacity Analysis capital and operating revenues and expenditures
 - Existing Bus and Rail System
 - New Dedicated Transitways
 - Arterial BRT
 - Other Transit
- **Regional funding** needs and sources
 - Capital and operating costs for the next 10 years
- **Estimated costs** shown in expenditure year may change over time

Route Performance

Route analysis completed annually by the Council – law added it into this report, along with the farebox recovery ratio

- Analyzes transit **route performance** in the Metropolitan region
- **Measures** of performance
 - Passengers per in service hour
 - Subsidy per passenger
 - Farebox recovery ratio



Route Measures

The **2040 Transportation Policy Plan** establishes average and minimum values for different service types – the route analysis compares each route against TPP targets

Value of Measures

- **Passenger per in-service hour** serves as a measure of a route's productivity
- **Subsidy per passenger** measures cost effectiveness of a route
- **Farebox recovery ratio** is a percentage of operating expenses that are covered by farebox revenue
 - New route level measure



Snapshot of 2017 Measures

Passengers per In-Service Hour

- In 2017, the number of routes not meeting standards increased for nine route types by day of week and decreased for one route type by day of week.
- Number of routes not meeting standards was stable in 2015 and 2016.

Subsidy per Passenger

- Systemwide subsidy per passenger trip – \$3.76 per passenger in 2017 (does not include Metro Mobility, dial-a-ride or vanpool)

Farebox Recovery Ratio

- Overall transit network farebox recovery ratio – 23.1%
- For fixed-route services, farebox recovery ratio is generally highest for light rail transit, followed by express and commuter bus routes, and core local bus routes.

Project Summaries

Detailed project summaries for 30 projects or corridors

- 12 projects in operation, construction, or development
- 9 corridors with study recommendations but incomplete funding plan
- 4 corridors without study recommendations
- 3 intercity passenger rail corridors
- 2 Other Transit

Summaries include

- Project Description
- Project Status and Timeline
- Summary Project Financial Plan for Capital and Operating Budgets
- Project Contact Information
- Project Map

Report Conclusions

Revenue lags behind demand for service

- By 2028 the **total state appropriation** request projected to be **\$232 M**
 - **\$142 M above current base \$90 M**
- **78% of new state appropriation** for existing services
 - **46% for Mandatory and Committed Services**
(Metro Mobility, Existing LRT, NorthStar)
 - **32% existing base bus operations**
- **22% for enhanced services – ABRT**

County sales tax

- **New, more stable funding source** for capital and operating costs

State General Fund

- Transit system will continue to rely on **appropriations for transit operating**
- Report assumes it will grow to meet the need

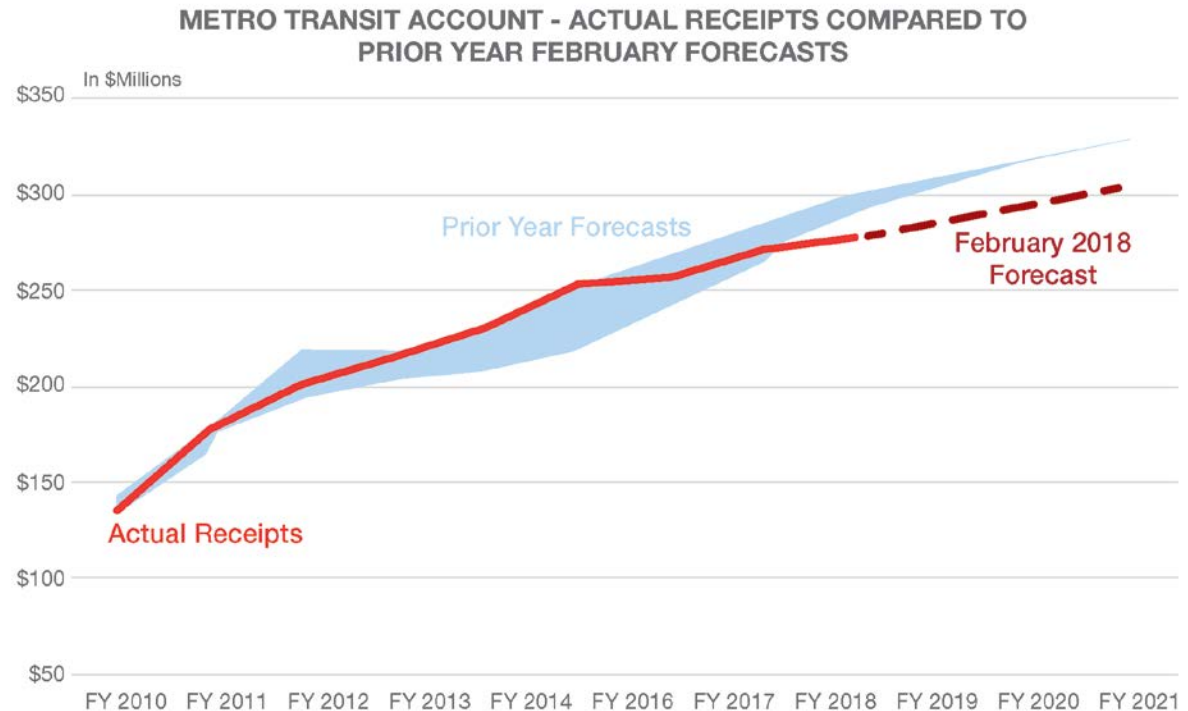
Motor Vehicle Sales Tax

- Reset at **lower growth** – contributed to the structural deficit

Report Conclusions

MVST revenue forecasts

- Actual revenues can vary substantially from forecasts.
- MVST forecasts, while growing, regularly fall short of forecast and inflation.
- MVST forecasts are routinely adjusted downward and flattened after transit budgets have been adopted.



Next Steps

Report due to the legislature by Oct. 15

Nick Thompson

Director

Metropolitan Transportation Services

Metropolitan Council