



**Public Transportation in North Carolina :
Creating 21st Century Mobility**

NC Go!
November 2008

What does public transportation mean today in North Carolina? Chances are it is not the same thing to everyone, and certainly not the same thing it meant a decade ago. Concerns about mobility, fuel prices and the environment are changing perceptions and behavior rapidly in our state.

Although North Carolina has a rapidly growing population and several major urban centers, public transportation has not been a priority in the state. Only in recent years have concerns about the design of communities been impacted by availability of, or interest in, transit. Today our cities and towns are, for the most part, sprawling communities not easily served by mass transit. It isn't necessarily easy to use many public transportation systems around the state because parking isn't accessible, routes are limited and it simply remains easier to travel by car.

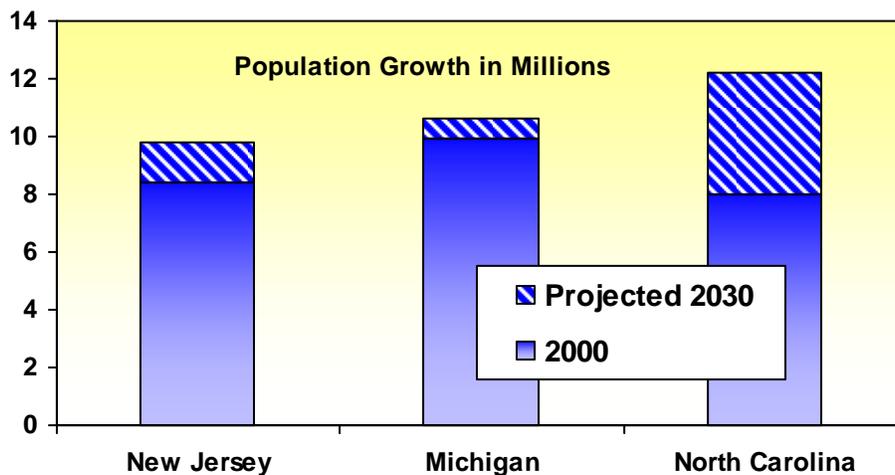
The times, however, are changing. Public transportation – often viewed as serving lower income populations and individuals without vehicles – is being linked to mobility and choice. Transit alone is not a silver bullet for dealing with growth and congestion but rather a part of the overall transportation system that needs expansion. Along with highways, bridges, biking and pedestrian paths, and the design of more walkable, mixed-use communities, transit is an important and necessary piece of the solution. Transit remains an integral part of North Carolina's transportation system and one that requires greater investment and attention.

This paper discusses several factors impacting public transportation growth, needs and funding, including:

- Population growth and traffic congestion
- Gas prices
- Transit ridership data
- Attitudes about transit use
- *NC Go!* recommendations

Growth

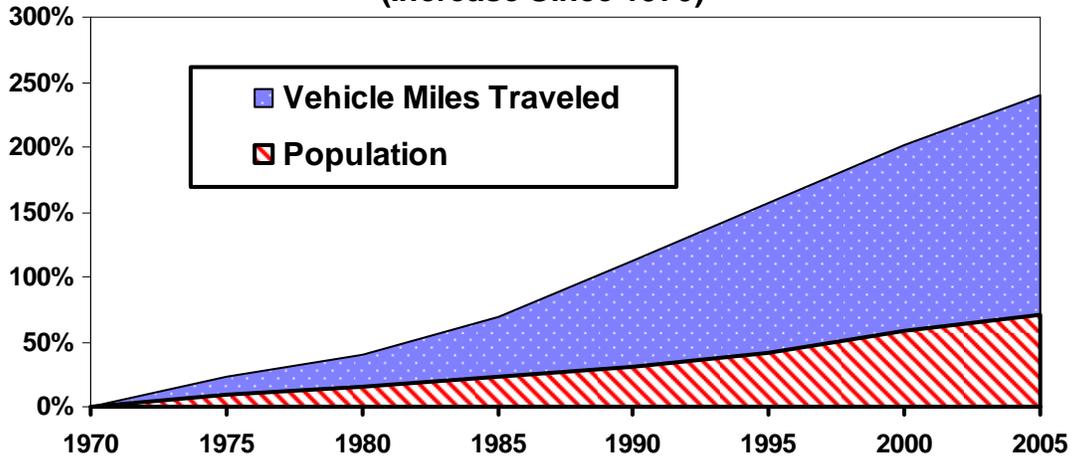
North Carolina continues to be a top destination for residents and businesses, and this benefits all of us in many ways. Our economy has remained relatively strong, new and expanding businesses help create jobs, and housing remains in demand. North Carolina is expected to grow 50 percent by the year 2030, adding 4 million new residents and becoming the seventh most populous state in the nation.¹



1 - Source: U.S. Census Bureau

At the same time, this rapid growth put major strains on existing transportation infrastructure like highways and bridges. With more residents come more drivers, resulting in additional wear and tear on already congested roads. Transportation systems designed and built two or three decades ago cannot meet demands that are exceeding projections. And while building new roads is essential, that is only part of the solution. Also, transportation construction projects have become exceedingly expensive - nearly doubling in cost since 2002.

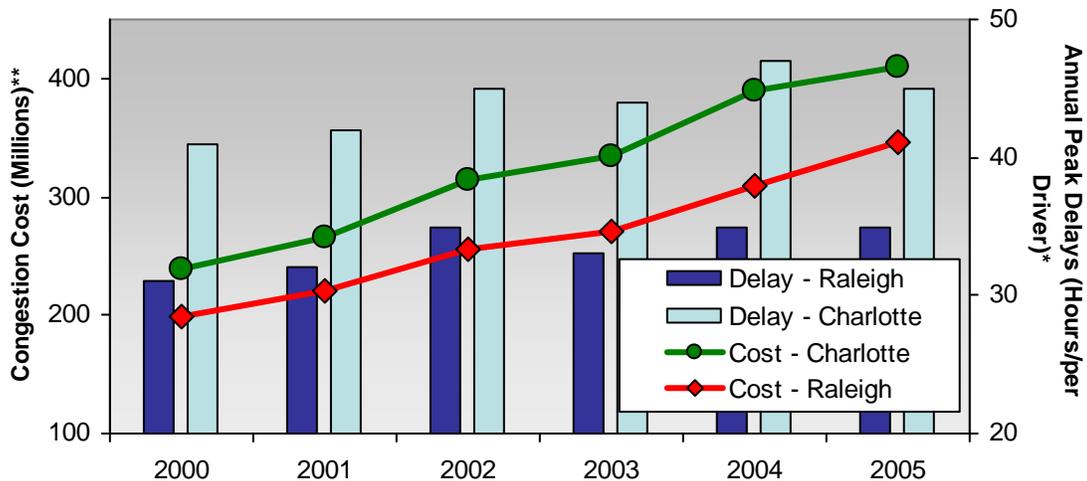
Population and VMT (Increase Since 1970)



Source: NC Dept. of Transportation

Traffic congestion continues to increase across the state, especially in fast-growing urban areas. Increasing congestion is bad news for citizens and business. Sitting in traffic or crawling slowly through rush hour doesn't improve our quality of life: less time for family and friends; less time for leisure or physical activity; and, added stress from sitting in traffic. Businesses are also affected due to increased costs for shipping, lost productivity and workers stuck in traffic. And all parties suffer when vehicles sit idling in traffic - wasting fuel and polluting the air.

Congestion Delays & Costs



Source: 2007 Texas Transportation Institute, "Urban Mobility Study"

** Congestion Cost: Value of travel delay for years 2000-2005; \$14.60/hour for personal travel and \$77.10/hour truck time + excess fuel consumption.

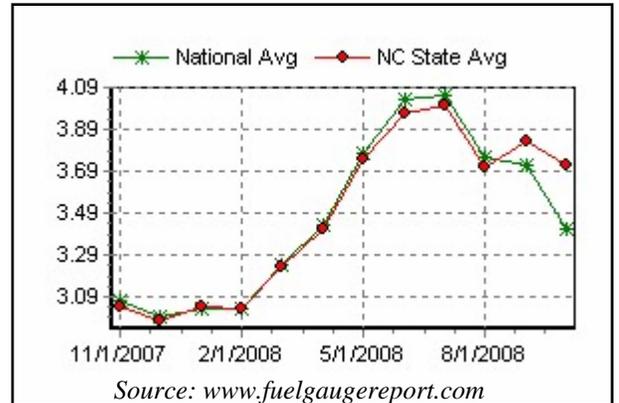
* Annual Peak Delay: Yearly sum of all per-trip delays, totaling extra travel time required to travel in peak time.

Traffic congestion is one of the factors at play, pushing local and state leaders to examine the role public transportation should and must play as they tackle how we can ensure the safe and efficient movement of people, goods and services. Consumer behavior in light of fuel prices is another factor.

Gas Prices and Transit

Transit use has spiked in 2008, not just in North Carolina but around the nation. Pain at the pump and the fluctuation in motor fuel pricing has caused many drivers to give transit a try. And many new riders are sticking with transit once they switch from cars, even as gas prices fluctuate.

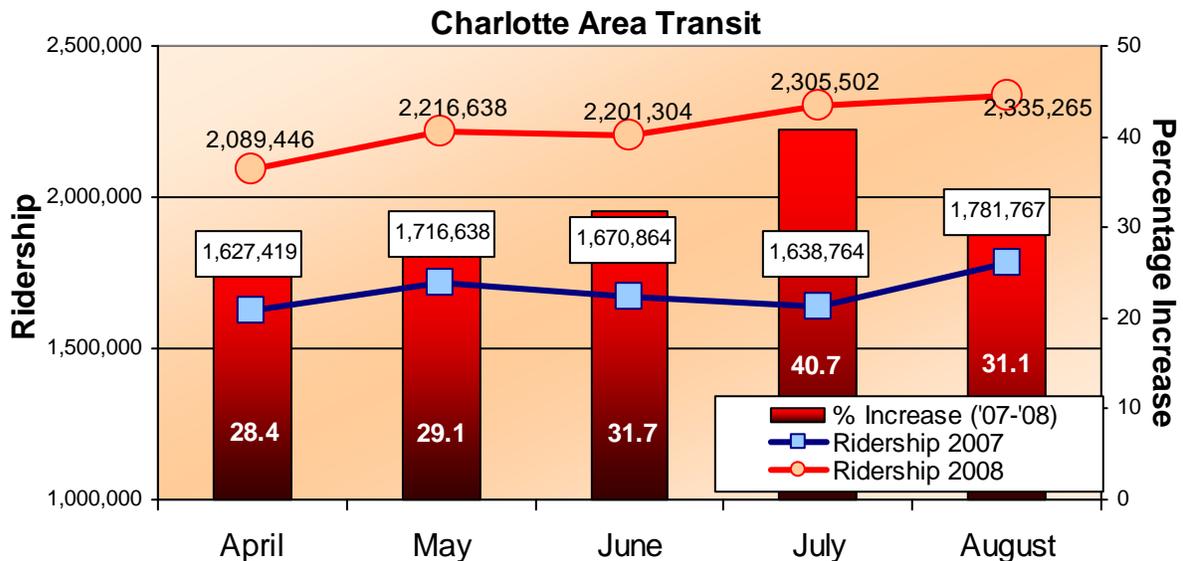
By late October 2008, North Carolina's average gas price was \$2.67/gallon for regular, still above the national average of \$2.58/gallon. At the same time one year ago, the price was \$2.83/gallon, but during the year, prices peaked above \$4.00/gallon. While gas prices have fallen quickly in recent weeks, there is no indication this will be a long-term trend. Consumers that once regarded \$4.00/gallon gas as an anomaly now view it as painful but all too common.



Fuel prices have added to the mounting concern consumers are feeling during these turbulent economic times. One way to get relief from gas – and parking expenses – is to utilize transit.

Transit: By the Numbers

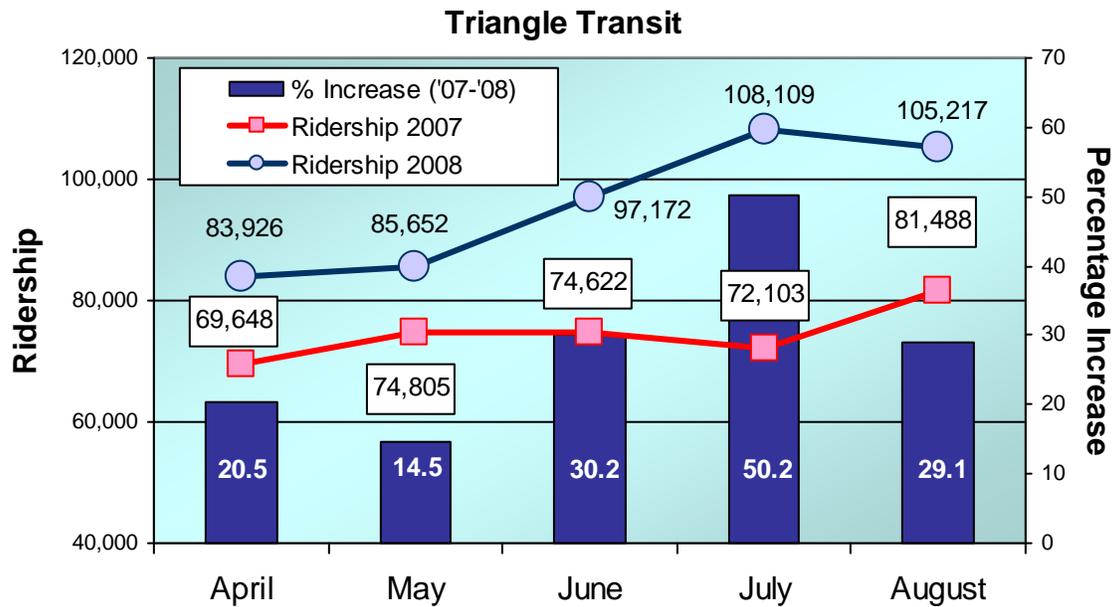
Around the state many drivers reacted to rising costs during the spring and summer by getting out of their cars and onto buses, and in Charlotte, light rail. In both Charlotte and the Triangle ridership for the spring and summer of 2008 broke local records, showing significant increases from the previous year. And to date, ridership on Charlotte's LYNX light rail has greatly surpassed projections for the first year.



Source: Charlotte Area Transit System

The success of Charlotte’s public transportation is evident from the local support it receives. The area’s transit system has been able to expand bus service and launch its first light rail line thanks in part to the funding city residents have repeatedly endorsed. Charlotte’s local option ½ cent sales tax was approved by voter referendum in 1998 as a means of increasing transit funding. Attempts to roll back the funding in 2007 were defeated when 70 percent of voters chose to preserve the tax.

Ridership in the Triangle tells a similar story – enormous increases in ridership over 2007 throughout the spring and summer. And an initial plan for the Triangle has been unveiled that would help meet the projected growth the area will face in coming years and alleviate congestion already present. The *Regional Transit Vision Plan*, created by Triangle-area community leaders, would utilize expanded bus service, “circulators” in dense-population activity centers and light rail. The project could be funded through a combination of local, state and federal funding, including a local option sales tax similar to Charlotte.



Source: Triangle Transit

For ridership to continue to grow, convenience must be addressed because costs alone will not convince drivers to get out from behind the wheel. Public transportation systems must be accessible, provide timely service and address issues like parking, because the decision to use transit is increasingly being governed by choice, not income.

The Changing Face of Transit

Until recently, many residents in sprawling communities across North Carolina would say the typical public transportation user is in a lower income bracket, without a car or unable to drive. Today’s typical user is not what it used to be.

With baby boomers coming to retirement age, more and more North Carolinians are thinking ahead to life beyond cars. Whether a result of health issues or safety concerns, these aging

citizens are looking for residential options that do not require cars. Rural, suburban and bedroom communities will need to look beyond van services that deliver customers to physician visits and back home. Instead, lifestyles will necessitate mobility options that connect seniors to peers, community services, dining and retail locations. Unfortunately, 41 percent of residents in small urban and rural communities have no access to transit and are car dependent.²

Walkable communities are also part of a trend that is not going away. Charlotte's South End District has seen billions of dollars invested around the dense, mixed-use urban development. Increasingly citizens are seeking lifestyles that allow them to access work and play in the same area they live. Many of these users are affluent, young business professionals or students. For these projects to succeed, public transportation must be accessible and convenient. This requires robust transportation systems that meet the needs of different users, which ultimately requires a commitment at the state and local level to sustain funding.

Paying for Solutions

During the last session of the NC General Assembly, one plan was discussed that would go far in helping fast-growing urban areas address traffic congestion in their communities. The Congestion Relief/Intermodal Fund - a recommendation of the 21st Century Transportation Committee - would have given any county with a population of at least 160,000 the authority to raise revenue for public transportation through local sales tax.

The bill would have allowed communities to decide, via referenda, on how they can best provide mobility options to citizens, help alleviate congestion, reduce air pollution and strengthen their economies. The legislation was never voted on but was supported by *NC Go!* and nearly 30 other diverse organizations throughout the state. Transportation advocates hope to see this legislation, in some form, reintroduced during the 2009 session.

Critics of transit often claim that local sales taxes – used for public transportation – are regressive taxes that mostly harm lower income citizens. In fact, the costs for operating and maintaining a vehicle are five to seven times greater than the cost of transit. Also, by excluding certain items (food, medicine, utilities, etc) a ½ cent sales tax – like the one in Charlotte and the one proposed in the Triangle – can be less regressive.

Bottom line, the choice should be left to communities to decide how best they should tackle transportation and transit in their locality. As in the case of Charlotte, if voters want to support a reasonable local-option sales tax, they should have that prerogative. Charlotte has endorsed the concept three times – twice at the voting booth and through usage of the expanded transit in the area.

Why it Matters

Public transportation offers additional mobility, expanding upon roads, bridges greenways and other components of the overall system. Transit provides a measure of freedom for disabled, elderly and other individuals without cars to access medical care and other essential services. But in most rural areas, shopping, dining, cultural and other activities are not accessible via public transportation. Rural citizens should have the same access to amenities as others throughout the state.

Public transportation not only provides those without options the freedom to move, it offers mobility to those who choose not to drive. It helps alleviate traffic congestion, decreases air pollution that results from idling vehicles and gives commuters choice in travel.

An efficient and robust transit system also marks our state as a 21st Century destination for businesses, residents and tourists. If North Carolina wants to remain competitive, we must invest more in transportation and transit must be part of the plan. That means increased investment at the state and local level, smart planning and a shift in attitude as to what transit means to the citizens of North Carolina.