

# PUBLIC TRANSPORTATION



# PUBLIC TRANSPORTATION

## OVERVIEW

Following a national trend, transit use in Michigan has grown faster over the last two decades than any other mode of transportation. The rise in demand is outstripping capacity. Services are expanding in an attempt to keep pace, but often the money used for the expansion is siphoned from funds allocated to maintenance. As a result, the physical condition of the infrastructure is declining.

Some form of public transportation is available throughout the state, particularly in rural areas, but the capacities of most urban systems fail to meet demand. The presence of efficient public transportation increases property use and value. Improving public transportation services within the state is a key component in reviving Michigan's economy.

## BACKGROUND

Public transportation, or transit, is an integral component of the entire transportation network. It includes bus-route services, light-rail services (of which Michigan currently has none), ferry services, ride-share programs, and government-sponsored car-pooling. It provides an essential level of mobility and transportation options for those unable to otherwise commute. It helps commuters make better use of their commuting time by freeing them of the responsibility of driving. It enables commuters to save money. And, it provides a convenience for those commuters who prefer not to drive.

Public transportation also benefits the environment. By reducing the number of vehicles on the road, public transportation reduces air pollution and the production of green-house gases.

Public Transportation can be divided into five classifications, based on funding sources:

[MichiganReportCard.com](http://MichiganReportCard.com)

urban transit (Michigan has 19 urban transit agencies), non-urban transit (58 non-urban transit agencies in Michigan currently report statistics to the state government), local government-funded transit, semi-private transit, and private transit. This report focuses on urban and non-urban public transit and transit run by local governments. Private transit service - typically associated with senior communities or worship communities, and semi-private transit service, typically school-district systems - are not included in this report.

Urban and non-urban transit agencies receive operating and capital funding from federal, state and local sources. The federal program provides funding primarily for capital investments. While state and local funding supports maintenance and operations, non-profit organizations provide limited services to seniors or other under served populations.

Land use and density influence transportation options. Urban areas that are well-served by transit are more appealing places to live to many people than those not well-served. However, in most metropolitan areas, less than 10% of the housing is located in "walkable" urban places where transit is accessible. Recent studies suggest that roughly one in three homeowners would prefer to live in "walkable" urban places. Transit can provide the link between "walkable" urban places and the remaining 90% of the housing. A recent trend is that decline in property values is occurring faster in areas further from transit than in areas with transit access. Therefore, connecting more areas with transit makes economic sense.

## CURRENT CONDITIONS

The grade for Michigan is based on system efficiency, performance and functionality, upkeep, and area of operation.

Following a national trend, transit use in Michigan has grown faster over the last two decades than any other mode of transportation. Although funding has increased, particularly at the federal level, the demand for services is outstripping funding and current capacity of the transit systems. As services are expanded to meet the increasing demand, funds intended for general upkeep of the infrastructure are diverted to support the expanded services, resulting in maintenance being deferred or canceled. This has led to an overall decline of the existing infrastructure. How long this trend can continue before components begin to fail has yet to be determined.

Each of Michigan's 83 counties has some level of public transportation. In urban areas, this is typically through intracity fixed-route bus systems. In more rural areas, it is often a county-operated door-to-door system, such as a ride-share program. Five intercity bus routes carried over 85,000 passengers in 2005 between Michigan cities and out of the state. Intercity rail service covers most urban areas within the lower part of the state, with service provided by Amtrak serving three routes: Pere Marquette (Grand Rapids/Holland/Chicago), Blue Water (Port Huron/Lansing/Chicago), and Wolverine (Pontiac/Detroit/Jackson/Kalamazoo/Chicago). Michigan's Rideshare Program covers the entire state and consists of eleven local Rideshare offices that organize and promote ride-sharing programs. The MichiVan program, a separate ride-sharing program, provides fleet management to 146 commuter vanpool groups.

Michigan, being surrounded by the Great Lakes, also has a significant ferry system. Of particular note are the ferries on St. Mary's River, servicing Sugar, Neebish and Drummond Islands. In 2005, over 537,000 vehicles and 852,000 passengers were served. Lake Michigan also has a few ferries. This includes Charlevoix to Beaver Island (carries about 6,400 vehicles and 42,000 passengers annually), Muskegon to Milwaukee, WI (over 100,000 passengers annually), and Ludington to Manitowoc, WI (about 100,000 passengers annually).

## FUNDING

In 2005, the State of Michigan supported transit with about \$195 million in funding, which translates to \$19.30 per-capita. This is an extremely significant amount, as it covers 20% of the capital funds and 30% to 45% of the operating funds of a typical urban transit agency. Federal funding typically covers the remaining 80% of the capital funds and 15% to 20% of the operating funds of urban transit agencies. Capital funding is generally significantly less than operating funds, on average 15% of the overall costs associated with an agency. Rider-generated revenues (fares) typically account for 10% or less of operational funding and make no contribution to capital funding. Funding gaps are typically made up by local governments.

While transit ridership is increasing, funding to increase service is decreasing and many transit operators have actually had to cut service at a time when it should be expanded. Why is this? Because more people using public transit means fewer gallons of gasoline purchased, reducing receipts to the Michigan Trust Fund, which results in fewer dollars going to support transit in general. Funding actually decreases as ridership increases. Public policy must change.

## GRADE

Many of Michigan's citizens have access to some form of public transportation, however the access and availability of that public transportation to many of the living areas, especially in the metro Detroit area, is inadequate. In addition, many of the urban systems are unable to adequately service transit demands and maintain their deteriorating infrastructure. This is primarily due to a lack of capital and operational funding. The grade for Michigan's transit system is a D.

## CONCLUSIONS

Overall, Michigan's transit is in a declining condition as services are being expanded (where funding is available) due to demand. These expansions divert funds allocated to maintenance of existing systems. Not only this, revenues for transit in general are in decline. Communities have a desire to improve transit service because this service does contribute to stabilizing and increasing property use and values. Improving public transportation services within the state can be a key component in helping to revive the Michigan economy.



## SOURCES

1. Federal Transit Administration, National Transit Database, 2004 Transit Profiles
2. Michigan Department of Transportation website <http://www.michigan.gov/mdot>
3. State of Michigan Management Plan for Funding under sections 5310, 5311, 5316 and 5317 of the Federal Public Transportation Act.
4. Transportation Riders United website [www.detroittransit.org](http://www.detroittransit.org)
5. SEMCOG, Improving Transit in Southeast Michigan: A Framework for Action, October 2001
6. SEMCOG, FAQ Southeast Michigan Ann Arbor – Detroit Regional Rail Project
7. St. Mary's River Ferry System Master Plan, The Corradino Group of Michigan, January 2007
8. American Public Transportation Association website <http://www.apta.com/>
9. American Society of Civil Engineers website <http://www.asce.org/asce.cfm>
10. The Michigan Transportation Funding Task Force (TF2), November 2008.

