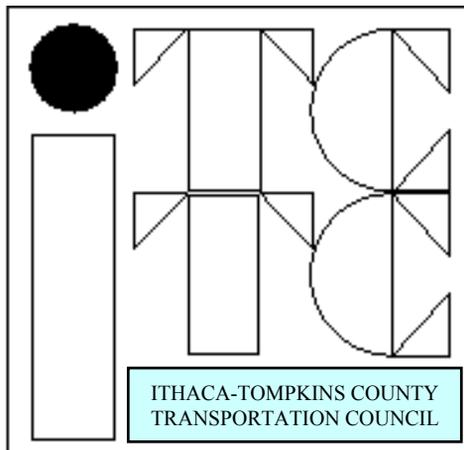


NESTS Transit Planning Project

Task 3 Deliverable: Analysis of Policy Options

MULTISYSTEMS

Ithaca-Tompkins County Transportation Council



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1 Introduction

The primary goal of the NESTS Transit Planning Project is to determine the feasibility of shifting 3%, 5%, or 10% of travelers in the NESTS area from driving their cars to using transit. The memorandum for Task 2 of the study considered various service and facility enhancements that would make the transit system more attractive. Getting people to stop using their cars for their travel needs, however, often requires changing the incentives that they face.

This memorandum will consider various policy tools that can be used to encourage drivers to shift to transit, or to discourage drivers from driving. Two of the main policy tools that can be used to encourage transit include the Eco-pass program and the UPASS program, both of which eliminate the daily out-of-pocket cost for transit. Policy tools that can discourage people from driving include restricting the availability of parking and increasing parking rates.

Rather than discussing each of these policy tools in turn, this memorandum is organized geographically in order to highlight the feasibility of policy changes in each area. After all, Cornell's transit subsidy policy is more closely related to its own parking policy than to the transit subsidy policy of other employers in Ithaca. Section 2 of this memorandum describes current and future parking cost and availability in Downtown Ithaca. Section 3 discusses transit subsidies and parking information at Cornell University. Section 4 describes parking and transit subsidies at Ithaca College. Section 5 discusses opportunities to increase transit use among other major employers in the area. Finally, Section 6 provides examples of other places that are using policies to increase transit ridership and describes ways of changing attitudes toward transit.

2 Downtown Parking

An effective way to discourage driving is to decrease the availability or increase the price of parking. As parking becomes more difficult and/or expensive, people begin to seek alternatives to the single-occupant vehicle.

The City of Ithaca currently operates 3,000 public parking spots in the Downtown area, including 1,150 spaces in the two downtown public garages and the surface lot just south of the Tompkins County Public Library. Parking availability downtown is generally acknowledged to be at or near capacity.

There are several new developments currently proposed for Downtown Ithaca. One of the new developments is a 90,000 square foot office building to be used by 300 Cornell employees, and which will include space for another employer with 200 additional employees. Retail development, a proposed hotel, and a conference center are also proposed in the vicinity. South of the library, 20,000 square feet of new space is proposed. The Gateway development is another proposed downtown building rehabilitation, this one on the eastern edge of downtown.

To prepare for these new downtown developments, the Ithaca City Council recently voted to approve the construction of up to 1,100 new parking spaces. Though the plans are still in flux as of this writing, it is thought that the Green Street garage will be torn down, and an intermodal center will be built on the ground floor with four levels of parking above. The lot south of the library will become retail with four or five levels of parking and with 50 units of housing along the rear. These new parking spaces would provide Ithaca with adequate capacity for all currently forecast development. As a result of these recent parking policy decisions, therefore, the availability of parking downtown in the future cannot be considered “constrained”.

While the expected *availability* of parking downtown is unlikely to effect a measurable mode shift, the *cost* of parking downtown may. The city is considering implementing a parking rate increase. Currently, the cost to park in one of the three downtown public lots is 50¢ per hour. Monthly rates are \$40 (at the D Lot), \$30 (on the upper levels of the two downtown garages) and \$50 (on the lower levels of the two downtown garages). The city now provides two hours of free parking downtown through its “two hour free” parking program for anyone parking in a public garage or lot. Therefore, there is no charge currently for someone who parks downtown for less than 2 hours; a 50¢ charge for parking between 2 and 3 hours, and a \$3 charge for someone parking for 8 hours. There is some discussion about eliminating this “two hour free” program and increasing longer-term parking rates. The increased revenues that would accrue from increasing parking rates would be primarily used to pay for the construction of the new downtown parking.

Downtown Ithaca has a strong association of downtown merchants. To encourage downtown shopping and to compete with the free parking that is offered by merchants elsewhere in the region, most downtown merchants want to maintain or expand the number of parking spaces downtown, and maintain low parking costs.

To accommodate the downtown merchants and to maintain a vibrant, active downtown shopping environment, it is proposed that the “two hour free” parking program remain in effect. To try to change behavior among commuters, it is proposed that the city increase the “daily” parking rate to \$1/hour. Furthermore, it is proposed that the “two hour free” program apply *only* to persons who actually park for two hours or less – that is, someone parking 2.5 hours would pay the full rate (not for ½ an hour), those parking for 8 hours would pay for the full 8 hours, not for 6 hours. The maximum daily rate may be capped at, say \$5 per 24-hour period. It is also suggested that monthly parking rates be increased. This would encourage some commuters to switch from driving downtown to using an enhanced TCAT bus system. The increased daily revenues may be used to help support the enhanced transit service.

Focusing on daily or multi-hour commuters represents the best opportunity to shift trips from automobiles to transit, to increase TCAT’s ridership, and to reduce traffic congestion in the study area. At the same time, city officials recognize that if people use transit instead of driving, the city would save funds since it would not have to construct as many parking spaces. More parking would also be available for shoppers, helping to keep downtown competitive with suburban shopping areas.

However, increased parking prices in Downtown Ithaca effectively increases development costs downtown, thus increasing pressure to develop areas further from the downtown core. Since increased parking rates downtown may shift more development to areas further away from downtown, the number of single occupant vehicle trips would increase, and the region's transit mode share may ultimately *decrease* despite any increase in downtown parking rates.

If Ithaca is able to cooperate with nearby jurisdictions to focus growth into the downtown area while increasing parking rates, transit mode share in Ithaca would probably increase. Ithaca does not exist in a vacuum; regional cooperation is the ultimate key to making transit service work efficiently. This would require leadership from the state and county to institute a regional "smart growth" program.

3 Cornell University Transit and Parking

Transit

As the largest employer by far in the Ithaca area and the greatest generator of trips, the policies that Cornell sets have a large impact on travel in the NESTS area. For many reasons, Cornell has developed a progressive policy toward transportation over the years, with high subsidies for transit use, restrictions on the parking supply, and substantial fees for parking permits. As one of the three partners that form TCAT (along with the City of Ithaca and Tompkins County), Cornell has a large stake in the local transit system.

Cornell's subsidy for transit takes several forms. Within the "urban zone" (of the routes considered in this study, only Routes 35, 36, and 37 extend beyond the urban zone), all faculty and staff ride free on weekdays. They need only show a Cornell identification badge to board a TCAT bus. In return for parking at remote lots rather than the central campus, faculty and staff are eligible for county-wide transit passes that are valid seven days per week. Approximately 1,800 employees take advantage of this program, or nearly 20% of the total number of faculty and staff.

For students, Cornell offers a subsidized Omniride pass, good for travel throughout the county. At a cost of \$75 per semester or \$150 per calendar year, students gain unlimited access to all TCAT routes. As of this past year, approximately 6,100 students purchased the semester or calendar year Omniride pass, which represents nearly one third of the total student population. In addition to this program, any student can ride for free on one of the "Blue Light" routes (Routes 91, 92, 93) which operate after 6:00 p.m. seven days per week. As part of a permit for parking at the remote B Lot, located at the eastern edge of the campus, students can receive the "PlusPass" which is equivalent to an annual Omniride pass.

TCAT records how many trips are taken by Cornell faculty, staff, and students, and then Cornell pays a subsidy to TCAT for each of those trips. The subsidy averages out to nearly \$1.00 per trip (taking into account the different fare zones and the discounted rate).

In the most recent year, Cornell paid TCAT approximately \$1.7 million for the 1.7 million trips taken.

A number of universities across the country have taken the concept of transit subsidy to the next step and implemented what is called a UPASS program. This program typically involves a mandatory student fee (incorporated into the tuition bill) which then allows all students to use local transit at all times with no further expenditure. In most cases, transit ridership has jumped after the UPASS program has been implemented and feedback has been very positive.

Cornell has considered a UPASS program in the past and decided not to proceed with it. It is anticipated that the main effect of a UPASS program at Cornell would be to divert walking trips to the bus system, given the topography of the area and the tight restriction against student parking in the central campus area. The large increase in ridership would overwhelm the existing transit capacity and force TCAT to operate much more service. Cornell employees, who are strongly encouraged to use transit, would be crowded out by the students. In addition, it was felt that adding to the already high burden of student fees would not be well received. Overall, it seemed that a UPASS program would have little benefit in reducing vehicular traffic around campus and would cost a great deal in terms of added transit service to accommodate the demand. Cornell is still considering a UPASS program limited to first-year students, in order to encourage them not to bring a car to campus at all, and to get them accustomed to riding on the system. This study endorses this proposal.

Parking

Compared to a total student population of 19,300 and approximately 9,300 members of the faculty and staff, Cornell has a total parking supply of just over 10,000 spaces. Of these, 6,000 are reserved for faculty and staff, 2,800 for students, and 1,300 for visitors and service vehicles. Among the students, faculty, and staff, only 3 out of 10 people are able to park on campus or in one of Cornell's remote lots.

All of the parking in the central campus area is reserved for faculty and staff, as well as some short-term parking for visitors and service vehicles. All students park in the periphery, such as at the 1,100 space B Lot. Returning students get priority over new students for the scarce parking permits.

Parking rates differ depending on the location of the parking. Parking in Central Campus is more expensive than parking in peripheral locations. Among the faculty and staff, approximately 3,900 park on campus and pay from \$280 to \$620 per year depending on the exact location. An additional 2,100 faculty and staff park in off-campus locations. These people receive free parking and are eligible for a free county-wide transit pass. As mentioned above, about 1,800 of these people use their transit pass for commuting to and from campus.

All students pay for parking. Students registered prior to Fall 2002 pay from \$280 to \$450 per year depending on the location of their parking space. For students entering in Fall 2002, the rate is \$577.91 per year, and that rate will increase each year. By 2006, virtually

all students will be paying the higher rate. This rate increase was explicitly undertaken as part of the overall policy of discouraging students from bringing cars to campus. Cornell's A Lot, located on Pleasant Grove Road at the northern edge of campus, has capacity for roughly 700 cars. Permits for this lot are currently free, and most days during the school year it is essentially full. Most of the people parking at this lot reside in areas to the north of the campus, including Cayuga Heights and the Town and Village of Lansing. In conjunction with the opening of a suburban transit hub at Pyramid Mall with significant park-and-ride capacity, as discussed in detail in the Task 2 memorandum, Cornell could consider charging for parking at the A Lot. Such a policy would be a significant incentive for Cornell commuters to park at the Pyramid transit hub instead of the A Lot, thereby reducing traffic volumes in the heart of the NESTS area.

The large B Lot, mentioned above, is designed to be a place for students to store their cars during the week when the students typically have little need for driving. This concept of the "rarely-used" car raises the possibility that Cornell may be a ripe market for a car-sharing program, such as that offered by Zipcar, Inc. In such a program, a company provides a small fleet of cars that members can rent for short periods, such as for shopping or recreational trips that may be difficult or inconvenient to accomplish on transit. The benefit for members of the program is that they pay only for as much car as they need, on an hourly basis, and incur no costs for maintenance, fuel, insurance, or parking. These programs are also designed to be much more convenient than standard car rentals, and for short rentals of an hour or two, much less expensive. In many markets where Zipcar operates, it works with a sponsoring company or institution, which may supply parking space and possibly help subsidize the start-up of the operation. It is recommended that Cornell investigate the possibility of an association with Zipcar or similar organization to give students yet one more reason not to bring a car to campus.

4 Ithaca College Transit and Parking

Ithaca College, while located south of this NESTS Transit Planning Project study area, is one of the major employers and traffic generators in the region. Currently, there are 1,386 employees who work on the college campus and 6,843 students. While there are some commuters, a majority of students live on campus, at the College Circle Apartments, or in Downtown Ithaca. According to the campus traffic safety bureau, the amount of parking on campus is adequate.

A study conducted recently noted that 83% of vehicles entering the Ithaca College campus hold one person¹. The college has instituted several programs to encourage carpooling and transit use. The college and TCAT offer students a reduced-rate bus pass, costing \$110 per semester (\$200 for the full school year). There has been some discussion about further subsidizing bus passes for students. Employees receive parking tags which also allow employees to ride TCAT for free. The pass/permit is a single card with a TCAT bus pass imprinted on one side and an Ithaca College parking permit on the other. Even after registering a car, staff may choose to leave their car at home and take

¹ Parking Survey Examined. Brooke Bennett. *The Ithacan*, October 5, 2000.

the bus to work for free. If employees don't register a vehicle with the college, they receive the bus pass only.

To further discourage parking on campus (and, thereby, encourage transit use), parking fees in September will increase to \$200 per year for freshmen. Fees will remain at \$40 per year for sophomores, juniors and seniors, and free for staff, visitors and graduate students. There are some indications that college officials would like to eliminate or further restrict parking for freshmen.

This year, a new Master Plan has been approved for Ithaca College. The college plans a significant amount of growth over next decade, adding 800,000 sq. ft of space (a 33% increase). The College Circle Apartments, now part of the Ithaca College campus, will be expanded to house 350 more students. An important element of the new Master Plan is the relocation of parking lots to periphery of campus, potentially requiring additional transit service.

Proposed service improvements include changes to TCAT's bus route 11, the most important route serving Ithaca College. It is proposed that Route 11 serve the Towers and Longview on every run (it currently alternates), and be interlined with the proposed new Express B route to provide a one-seat-ride between Ithaca College and the suburban transit hub at Pyramid Mall. It is recommended that additional discussions occur with appropriate Ithaca College officials as Master Plan continues to take shape. In light of parking and other changes, which will result from the plan's implementation, a UPASS program for Ithaca College students may be politically viable in the near future. It is recommended that TCAT staff continue working with Ithaca College officials on this issue.

5 Other Ithaca Employers

Transit agencies have long pursued partnerships with employers to facilitate, if not to subsidize, employees' use of transit to commute to/from work. As a result of the increase in the tax-free benefit employees could receive and the emergence of electronic payment technologies, several employer-oriented transit benefit programs are now in place. These programs have been referred to as "eco-pass" programs. One of the most popular eco-pass programs is the Annual Pass program.

The Annual Pass program involves employers purchasing annual transit passes for all of their employees at a price per employee much lower than the cost of 12 normal monthly passes. In most cases, the per-employee price can vary from one company to the next, based on a formula that considers such factors as company size, location and relative access to transit service. The transit agency can offer such a discounted price since not all employees will actually use the pass. However, because all employees receive passes, the potential exists for a dramatic ridership increase.

The Denver Regional Transit District's (RTD) Eco-Pass program, which started in 1991, was the first program of this type in the US, with pricing based on the "group insurance" concept (i.e., spreading the cost of employees' transit use among all employees at a company). Since then, a number of agencies have adopted similar programs. These

programs typically seek to increase commuter ridership while maintaining current fare revenue. Examples of annual pass programs of this type are as follows²:

- Dallas, TX (E-Pass)
- Denver, CO (Eco-Pass)
- Minneapolis/St. Paul, MN (Metropass)
- Portland, OR (Passport)
- Salt Lake City, UT (Eco Pass)
- San Jose, CA (Eco Pass)
- Seattle, WA (Eco Pass)

In general, the differences among these programs reflect the method of price determination, the minimum contract requirements, and the goals of the program. The design and pricing of the program are highly dependent on the agency's goals and concerns.

To measure employer interest in participating in an Annual Pass program in Ithaca, over 20 of the largest employers in the area were contacted, including the following companies, organizations, schools or universities:

- Axiohm IPD
- Borg-Warner Automotive
- Cargill Salt
- CBORD Group
- Challenge Industries
- Collegetown Bagels
- Cornell University
- Emerson Power Transmissions
- Franziska Racker Center -
- Ithaca College
- Ithaca College
- Ithaca Journal
- NYSEG
- Reconstruction Home
- Stork H & E Turbo Blading
- Therm Inc
- Thomas Associates Architects Engineers
- Tompkins Cortland Community College
- Tompkins County Trust
- Tompkins-Seneca-Tioga BOCES
- Wegman's Foods
- Wilcox Press

² *Fare Policies, Structures and Technologies (Update), Interim Report.* TCRP Project A-25. Multisystems, Inc. January 2002, page 2-21.

Most employers contacted expressed no interest whatsoever in eco-pass or any other transit program. While many employers noted TCAT's benefits to some members of the community, many employers (other than area colleges and universities) noted little or no transit use among their employees. Reasons given for the lack of transit use among employees included:

- Shift work, such that many employees work at times that TCAT does not operate;
- The need among some employees to travel to different locations throughout the day;
- Remote home or work locations, far from any transit route; and
- Plenty of available parking.

Many employers noted that no employee had ever mentioned or requested any transit subsidy. In short, it is not feasible to plan service improvements around those employers who *specifically* stated that their employees do not use, would not use, and cannot be persuaded to use transit service on a regular basis.

Two employers, Wegman's Foods and the Ithaca Journal, did express some interest in transit services, and may be interested in subsidizing transit passes for their employees. Experience shows, however, that in regions like Ithaca, with relatively low levels of congestion and abundant, free parking outside of downtown, few employees view transit as a viable option for getting to and from work. Under certain conditions, transit may be viewed as a viable option, such as if a company has a high percentage of employees earning low or moderate wages, if there are parking constraints, or if employees are particularly environmentally conscious.

In the above circumstances, some employees can be expected to use an enhanced transit system if the service concepts proposed in the Task 2 memorandum are implemented and may request employer participation in a transit pass or subsidy program. In addition to providing an enhanced transit system, other ways to encourage employee interest in public transportation include increased marketing, promotion, and public outreach. Lowering the cost of taking the bus or increasing the cost of driving (as discussed in Section 2) will also create interest in transit among employees. Strong leadership from local officials and institutions in promoting transit as an integral part of the community can over time transform the perception of transit from a transportation mode mainly for poor people to a mode of which everyone can take advantage. To forge a fundamental change in transit use in Ithaca, one must change the public's perception of transit.

6 Changing Perceptions about Transit

Two college towns that implemented policy decisions impacting the use and perception of transit include Hanover, NH and Boulder, CO. Both communities can serve as an example of the types of policy changes TCAT, ITCTC, and the City of Ithaca can use to effect a change in the perception of transit and encourage greater transit use.

Dartmouth College and the Dartmouth Hitchcock Medical Center in New Hampshire made a policy decision to limit additional parking on their campuses, and instead rely on

peripheral lots. They contracted with the local transit provider, Advance Transit, to shuttle passengers back and forth between the campus and the lots. This policy decision was made to preserve the rural and pedestrian-friendly character of the area.³ As a result, transit ridership increased greatly.

In Boulder, Colorado, a city with a population of 100,000 people, 60% of residents have a bus pass. This very high ratio began when the University of Colorado students voted to add a \$15 fee each semester in exchange for a pass offering an unlimited number of rides on local buses (including service into Denver). Next, the municipal group that collects revenue from downtown Boulder parking passes used a portion of that revenue to buy transit passes for 6,000 employees who work in the city core. Employees love the program because they get to commute for free, don't have to find or pay for parking downtown, and can use their bus pass to shop on Saturday. Next, many private companies signed contracts, pledging an average of \$50 per employee to obtain annual, unlimited passes. The up-front payments and predictable riders allowed the bus company to plan the most effective routes to and from those workplaces.

A key feature of the Boulder program is the "safe ride home" guarantee. By allocating \$2 from each \$50 pass, the bus company arranged with city taxis to pick up, at no extra cost to the employee, any employee in the participating companies who needs an emergency ride during the day, or a ride home after bus operating hours. The same deal applies to all 1,200 employees of the city hospital. Nurses on shifts especially welcomed the low-cost bus service with taxi backup. The same type of program has subsequently been purchased by residential neighborhoods for members of each household, including teenagers.

To further encourage transit use, Boulder bylaws were changed to require that developers of new residential subdivisions purchase for and provide to each household three years' worth of unlimited transit passes, at an average cost of \$50 each per year. After the third year, the resident may choose to drop the pass or pay the same fee to continue. There has been virtually no attrition in this program. The total number of bus passes in Boulder has increased from 4,000 in 1994 to 60,000 today.⁴

Boulder is well known as a community with many environmentally conscious residents; thus, it can be argued that its residents were already predisposed to support transit services. Ithaca too has its share of environmentalists and transit supporters, but with a much smaller population, it will probably be more difficult in Ithaca to change land use policies and employee preferences for driving alone.

TCAT is a successful transit agency by many measures, providing far more trips than many agencies serving larger communities. However, some of the policy decisions and vocal community support that helped create such a remarkably successful, highly-used transit system in Boulder can be replicated in Ithaca in order to change non-rider attitudes and behavior, resulting in even more ridership and lower congestion in the Ithaca area.

³ *Advance Transit Short Range Plan*, Tom Crikelair Associates, March 2000.

⁴ www.ottawacitized.com/cars/010531/5084061.html. Paul McKay, *The Ottawa Citizen*.