Transit and TNCs - Competition or Cooperation?

Rail~Volution
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How do we manage what’s happening now?

- Massive disruption
- The future is not something that is just happening to us, it is something we can (and must) shape
- Start with the idea of planning for people, not cars
- Overarching policy and legal framework
Context – TNCs Today

• TNCs have established a significant presence in North America over the past decade
  ▪ 250 cities
  ▪ 9% of person-trips in San Francisco
  ▪ Reduced US transit ridership by 6% (UC-Davis)

• TNCs can be cooperative, competitive or both:
  ▪ Cooperative – first mile / last mile
  ▪ Competitive – TNCs are generally faster, easier accommodation of large packages, door-to-door service may feel safer
The Challenge Posed by TNCs

• Higher TNC fares make them impractical for daily work or school trips
• However they have diverted trips away from transit for younger, middle-and-higher income groups in large urban areas
• Some TNCs are offering shared-ride services based on curbside pick-up
• TNCs can increase traffic congestion, negatively impacting transit operations at peak times
• Thus TNCs can be an existential threat to public transit
Why Cooperate?

• To maximize mobility across geographies and economic strata
• To capitalize on each sector’s strengths
• To manage the roles of TNCs, in order to limit negative impacts
Policy Goals

1. Provide better mobility options in areas where conventional transit service has low viability

- Low-income, low-density areas
- Built form may make it hard to provide transit
- Policies should promote use of TNCs to provide a convenient, affordable alternative to driving
Policy Goals

Encourage efficient use of infrastructure

- *Transit vehicles make more efficient use of infrastructure – higher capacity / occupancy*
- *TNCs do not represent an efficient use of road infrastructure*
- *Minimize congestion increases*
- *Minimize expenditures on road widenings*
Policy Goals

Make effective use of limited public resources

- Public transit infrastructure and service is expensive, and requires subsidy
- Regulation of TNCs should aim to maximize transit ridership
- Direct TNC usage to support transit
- Consider where TNC service could replace fixed-route transit
- Use TNCs as a stepping stone towards fixed-route transit
Current Strategies

• Municipalities are implementing policies to direct and regulate TNC operations

• Innisfil, Ontario - rural municipality of 36,000 residents, north of Toronto

• Pinellas County, Florida – population over 900,000, part of the Tampa - St. Petersburg - Clearwater MSA

• Grand River Transit, Ontario
Innisfil Experience

• No public transit except regional commuter rail
• Uber developed a turnkey service, to serve key destinations in town
• Uberpool fixed fare of $3 – 5 is subsidized by the Town ($5)
• Uber created a call centre to overcome lack of cellphones by some users
• Gift cards for those lacking a credit card
• 2017: 26,700 trips at a cost of $150K
• Some gaming of the system observed
Pinellas County Experience

• Subsidized first mile / last mile service
• $5 US subsidy for all rides beginning or ending at one of 24 designated hubs
• Multiple TNCs and a taxi company can participate
• TD Late Shift program for customers qualified in its transportation disadvantaged program (free)
• Examining expansion of these services in areas where fixed-route transit may not be sustainable
## Policy Options

<table>
<thead>
<tr>
<th>Option</th>
<th>Considerations</th>
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<tbody>
<tr>
<td>1. Vehicle restrictions</td>
<td>• Impractical</td>
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<td>2. Dynamic subsidies and taxes</td>
<td>• Can serve to balance demand, shifting trips to transit during peak times and allowing TNCs to fill in during times when transit is uneconomical</td>
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<td>3. Reduced transfer fares</td>
<td>• Promotes transit use</td>
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<td></td>
<td>• Little administration needed</td>
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<td>4. Preferred TNC provider</td>
<td>• Good approach for start-ups, potentially as a step towards fixed-route transit</td>
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<tr>
<td>agreements</td>
<td>• Minimizes congestion</td>
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<td></td>
<td>• Access to data</td>
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<td>• Agreements could include bike-share, e-scooters</td>
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