



Greater Minnesota Transit Investment Plan

EXECUTIVE SUMMARY

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WHY AN INVESTMENT PLAN?

In 2009, Minnesota Department of Transportation completed the [Greater Minnesota Transit Plan](#), a 20-year strategic plan that identified future transit need and demand for service in Greater Minnesota. The plan supported MnDOT's vision of "a high-quality coordinated transit network that is integrated into the overall state transportation system and that meets the mobility needs of the people of Minnesota."

In 2010, the state legislature asked MnDOT to determine the level of funding required to meet at least 80 percent of public transit need in Greater Minnesota by 2015, and 90 percent of need by 2025. [The 2011 Greater Minnesota Transit Investment Plan](#) provided a link between the vision, goals and strategies from the 2009 plan and the funding allocations to each public transit system. As an investment plan, the document also outlined the investment priorities under different funding scenarios.

The 2017 Greater Minnesota Transit Investment Plan (GMTIP) is an investment and strategic plan. As an investment plan, this document calculates the investments required to reach the target of meeting 90 percent of transit need by 2025. As a strategic plan, this document lays out the policy direction for transit in Greater Minnesota over the next 20 years. The plan's objective is to improve mobility for the general public with emphasis on seniors, youth, low income populations, homeless populations, individuals with disabilities, veterans, new Americans and commuters.

The MnDOT is committed to supporting public transit service in Greater Minnesota that is safe, efficient and responsive to customer needs. By preserving current public transportation systems and investing in improvements to service, the Greater Minnesota Transit Investment Plan's strategies will improve mobility options for all Greater Minnesotans regardless of age, ethnicity, income or disability.

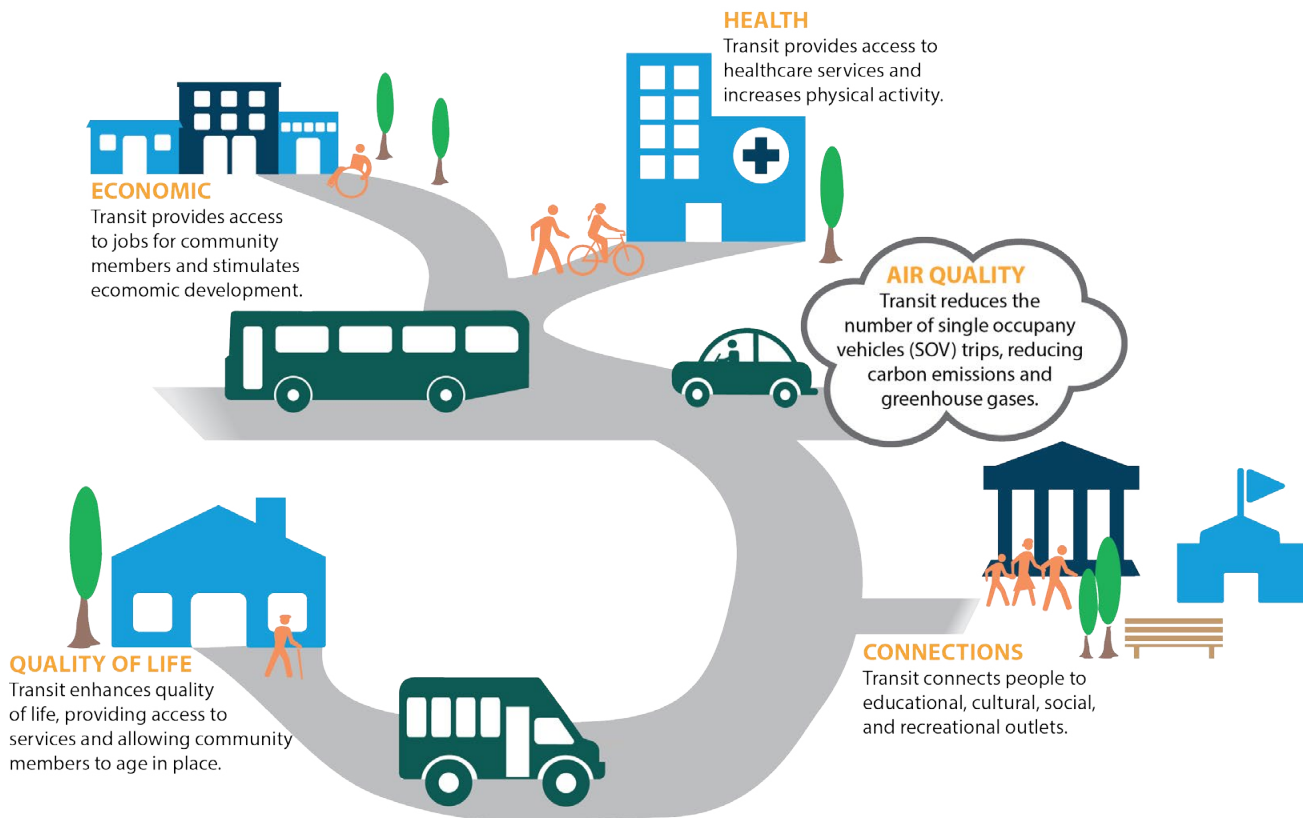
BENEFITS OF GREATER MINNESOTA TRANSIT

Public transit has many benefits for Greater Minnesota:

- Transit provides reliable access to jobs and reduces the cost of travel to work
- Transit enables people to live independently and stay connected to friends and family
- Transit provides access to healthcare services and promotes physical activity

- Transit connects people with education opportunities such as school, culture and community centers
- Transit reduces the reliance on single occupant vehicles and reduces greenhouse gas emissions
- Transit connects regional communities and strengthens neighborhood bonds

THE BENEFITS OF TRANSIT



The plan's objective is to improve mobility for the general public with emphasis on seniors, youth, low income populations, homeless populations, individuals with disabilities, veterans, new Americans and commuters.

TRANSIT IN GREATER MINNESOTA

Greater Minnesota is made up of 80 counties and is served by more than 40 public transit systems, covering the entire state except the Twin Cities metro region. While most transit funding for the Twin Cities is received directly by the Metropolitan Council, a vast majority of transit funding for Greater Minnesota is received by the State. This means that MnDOT's Office of Transit is involved in overseeing the funding and performance of every Greater Minnesota transit system.

As the population of Greater Minnesota grows and ages, the need for public transit also increases. For example, in the five-year period from 2010 to 2014, Greater Minnesota transit ridership increased 8 percent, more than 900,000 additional passenger trips. To support an increasing number of passengers, Greater Minnesota transit operators expanded service to meet needs. From 2010 to 2014, hours of revenue service provided by Greater Minnesota transit operators grew by almost 9 percent, with the largest increase in service provided by rural transit systems. As ridership and hours of service have increased, so have costs. During the same five-year period, total annual operating costs increased by more than 25 percent (approximately \$15 million).

MARKETS FOR TRANSIT IN GREATER MINNESOTA

Transit service must meet the times and places where people need to travel. Transit must also evolve as lifestyles, demographics and technology change. MnDOT analyzed demographic and economic trends to gauge how changing patterns across the state may affect public transit in Greater Minnesota. Key trends that will shape the market for transit in the coming years are as follows:

Demographic

- After slight declines, the population in Greater Minnesota is projected to increase
- The trends in Greater Minnesota are similar to those nationwide for the increasing growth of older adults.
- Greater Minnesota's population of individuals with limited English proficiency is increasing.
- Greater Minnesota's population of people with disabilities is increasing.
- Millennials and baby boomers are driving less and are interested in living in walkable communities.

Economic

- The poverty rate in some of Greater Minnesota's large urban areas exceeds the state poverty rate.
- Jobs continue to grow throughout Greater Minnesota since the 2007-2009 recession.
- Unemployment in Greater Minnesota continues to be below the national unemployment rate.
- Jobs in Greater Minnesota have diversified with more varied shift times.

COMMUNITY INPUT

Understanding how Greater Minnesota residents use, and do not use, public transit and what they see as the system's strengths and weaknesses helps determine how well service meets needs and where gaps lie. In developing this plan, MnDOT used stakeholder interviews, paper and online surveys, on-board questionnaires and game-like online investment prioritization exercises to seek public input. The different community engagement tools produced a wide range of views and priorities; however, many themes arose consistently among groups:

- Longer weekday service hours
- Expanded Saturday service and providing Sunday service
- Improved transit marketing and education
- Improved reliability
- Regional service expansion

MEETING THE NEED FOR PUBLIC TRANSIT

To determine transit needs and costs, MnDOT developed a model for calculating the total need for public transit. Using the 2014 Greater Minnesota Transit Need Model, total Greater Minnesota ridership demand was estimated to grow to 13.3 million trips in 2014, 18.9 million in 2025 and 20.7 million in 2035 for all counties in Greater Minnesota. Meeting 90 percent of this need (MnDOT's target) would result in 17 million rides in 2025. Based on current ridership levels, meeting the need would result in ridership growth of 4.8 million rides by 2025.



MnDOT developed a service plan by calculating the service levels to meet the need, and operating and capital costs for providing service. The service plan that addresses the needs of riders and potential riders such as reliability, evening service and weekend service. The plan also calculated the ridership potential generated from the service improvements and how the service plan meets the demand for public transit as required by the state statute.

STRATEGIC DIRECTION FOR GREATER MINNESOTA TRANSIT

The following goals and strategies will guide MnDOT's investment decisions:

Goal 1: Transit service is an attractive and viable transportation option for Greater Minnesota

Strategies: MnDOT supports a transit networks that respond to customer needs for high quality and customer-based service using the following actions:

- 1.1 Implement transit span of service standards and guidelines for all systems
- 1.2 Improve reliability of rural service through schedule adherence
- 1.3 Increase frequency of routes, particularly in urban areas and rural areas when warranted
- 1.4 Expand coverage of transit services to under-served and unserved communities
- 1.5 Invest in regional connections and cross-county service where there is a high level of travel between population and employment-rich centers
- 1.6 Develop clear, comprehensive and accessible public information about transit services
- 1.7 Invest in customer amenities that improve the transit experience, such as new vehicles, automatic vehicle locators, electronic fare systems, waiting shelters and benches as appropriate
- 1.8 Encourage bicycle and pedestrian infrastructure to improve accessibility

Goal 2: Improve coordination of services to meet transportation needs

Strategies: Implement and use Regional Transportation Coordinating Councils to increase communication and coordination with transportation partners using the following:

- 2.1 Encourage the transit systems to coordinate with social service agencies to develop transportation options for health and human service clients
- 2.2 Encourage coordination with Non-Emergency Medical Transportation providers to provide access to health services

- 2.3 Collaborate with and among volunteer driver programs to highlight the need and value of volunteer drivers as vital components of Greater Minnesota transportation service
- 2.4 Partner with organizations to provide high-quality transportation service for consumer groups such as veterans
- 2.5 Collaborate with state partners to address transit needs in Greater Minnesota through the Minnesota Council on Transportation Access

Goal 3: Increase transit usage across the transportation network

Strategies: Foster connections between transit systems and customers to increase transit ridership using the following actions:

- 3.1 Conduct statewide and encourage regional marketing campaigns to promote transit services in Greater Minnesota for multiple uses such as employment, tourism, and recreation.
- 3.2 Invest in supporting technology to engage transportation network companies that will play a role in how transportation services are delivered in Greater Minnesota (e.g. Transportation Network Companies, automatic vehicle location technology and Google Transit)
- 3.3 Include a greater percentage of riders who have a choice between transit and autos for their trips, such as investing in transportation service that provides reliable options for commuters and rides for workers with non-traditional commute times
- 3.4 Develop and enhance partnerships with private providers to better meet customer needs

Goal 4: Ensure fiscal responsibility as a transit funding agency

Strategies: Remain good stewards of public dollars through the following actions:

- 4.1 Stress the importance of local revenue partnerships in supporting transit service through best practices
- 4.2 Invest in high performing, efficient and effective transit service that meets performance standards
- 4.3 Critically evaluate and assess transit systems in their applications for funding using metrics and consistent criteria

Goal 5: Support MnDOT's vision for an integrated multimodal transportation system

Strategies: Support Greater Minnesota transit's role in planning, managing and supporting the multimodal transportation system through the following actions:

- 5.1 Work with transit systems to develop strategies for "first-mile, last-mile" rider needs
- 5.2 Increase usage of the transit network instead of single-occupancy vehicles to support an environmentally sustainable future
- 5.3 Promote linkages between transit systems to other transportation modes, i.e connections through inter-state travel such as intercity bus and commuter rail
- 5.4 Encourage transit systems to actively plan for, and adapt to, changes in travel options such as car-share, ride-share and autonomous vehicles

Goal 6: Elevate the role of public information and outreach in transit system operations

Strategies: Support projects that enhance the customer experience of navigating transit service using the following actions:

- 6.1 Increase MnDOT's investment in transit provider marketing and public outreach
- 6.2 Guide transit systems in developing appropriate, accessible and easy to understand information for their electronic and print materials
- 6.3 Encourage transit systems to provide information across multiple platforms such as smart phone apps, social media, print materials, etc.
- 6.4 Invest in transit systems that use innovative approaches to public outreach and marketing
- 6.5 Encourage transit systems to conduct robust public outreach when undertaking fare changes, large capital projects, service planning, etc.
- 6.6 Ensure transit systems are providing culturally specific material, as appropriate

PERFORMANCE EVALUATION

This plan developed a performance evaluation framework using metrics at both the state and local level. State-level metrics include MnDOT's four performance measures (1) ridership, (2) fleet condition, (3) span of service and (4) on-time performance and evaluation criteria used to monitor the transit systems. At the local level, MnDOT recommends that providers use performance guidelines and standards to monitor their own services.

FINANCIAL OUTLOOK

Current transit funding in Greater Minnesota includes federal and state sources in addition to local sources and passenger fares. MnDOT analyzed the current funding forecast from 2016-2025 including the gap between forecasted amounts and needed funding for operating costs.

The financial outlook considers more than just increases in operating costs. As service expands and inflation occurs, the costs of vehicles, facilities, and employee salaries and benefits must also be taken into account. In total, to expand services to meet legislative mandates a funding gap of \$114 million in operating and capital costs will amass from 2021-2025.

THE NEXT 20 YEARS

The State of Minnesota has a progressive vision for Greater Minnesota transit where transit improves mobility for all people, meets current and future rider needs, is flexible and reacts to changing demographic patterns. The strategies outlined in this plan provide a strategic framework to guide investment to achieve this vision over the next 20 years. Based on the technical analysis components and public outreach there is clear quantitative and qualitative evidence for increased levels of public transit in Greater Minnesota.

SUMMARY

While meeting the unmet demand for transit in Greater Minnesota is one of MnDOT's greatest challenges, it is also one of its greatest opportunities. Demographic and economic trends in Greater Minnesota indicate a growing demand for public transit. The population of Greater Minnesota is growing. Some older adults and millennials are taking fewer trips and reducing their reliance on a personal vehicle. Many people are traveling between communities to access goods and services.

In addition to the trends, extensive community input calls for transit to be available when and where it is needed. Transit riders and non-riders responded that service needs to be reliable, convenient, frequent and connected, in infrastructure and communications. Based on these results, MnDOT developed the service plan that designates a level of service for communities based on population size.

The baseline span of service with urban and rural service improvements is projected to meet 90 percent of the calculated public transit demand in Greater Minnesota. Implementing additional service hours will require time and resources. Federal funding for Greater Minnesota transit is stable, however, state funding resources can be unpredictable. While continuing to fund service and plan for improvements, MnDOT and its partners will need to communicate to the public and policymakers why transit matters and the need for future funding.

