Appendix B – Peer Review

## Introduction

This document summarizes the key information and findings of statewide public transportation/ transit plans prepared by the following states:

* Idaho
* Iowa
* Maine
* Minnesota

## Idaho Public Transportation Plan

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| Title | [Idaho Public Transportation Plan](https://apps.itd.idaho.gov/apps/pt/Statewide_Plan_Final.pdf) |
| Year | 2018 |
| Author | Idaho Transportation Department’s Public Transportation Office (ITD-PT) |
| Agency | Idaho Transportation Department |
| Content | 1. Introduction 2. Benefits of Public Transportation 3. Idaho’s Public Transportation Network 4. Landscape for Public Transportation in Idaho 5. Strategic Direction for Public Transportation in Idaho 6. Financial Plan 7. Implementation Plan |

### Purpose

The Idaho Transportation Department’s Public Transportation Office (ITD-PT) undertook development of the statewide public transportation plan in 2016 in accordance with the requirements of the state’s laws. The purpose of the plan is to provide a framework for creating an integrated public transportation system that meets the state residents’ mobility needs. It is to be used as a foundation by ITD-PT, along with partners, transit providers, elected officials, and stakeholders to explore opportunities to implement strategies for maintaining and enhancing public transportation services in the state.

### Summary

The plan analyzes Idaho’s current public transportation network and the market in the future. It also defines a strategic direction for public transportation in the state and financial and implementation plans. The Plan will be supplemented by the Local Coordinated Public Transit-Human Services Transportation Plans (LCPs) from the rural jurisdictions. Projects must be included in a locally coordinated public transit-human services transportation plan to secure federal funding through FTA 5310 program.

The plan defines public transportation as traditional fixed-route bus and demand-response service, but also supportive services such as ridesharing, car and bike sharing, and bicycling and walking Human service transportation is also considered in the plan, but those services are explored in more detail in the local coordination plans.

### Goals and Strategies

The plan defines the following goals and objectives for Idaho’s public transportation network:

Goal 1: Ensure the safety and security of public transportation.

* Objective: Promote the safety of transit and its riders by utilizing performance measures and funding as it relates to safety and security.

Goal 2: Encourage public transportation as an important element of an effective multi-modal transportation system in Idaho.

* Objective: Promote and help educate on what public transportation is.

Goal 3: Preserve the Existing Public Transportation Network.

* Objective: Provide support and tools to enable providers to maintain existing levels of service.
* Objective: Enhance or expand services as resources become available.

Goal 4: Provide a transportation system that drives economic opportunity.

* Objective: Take advantage of public transportation’s ability to provide access to jobs for current and future employees.

The plan also lists cross-cutting issues and strategies related to the goals, including:

* Coordination and Partnerships
  + Maintaining, developing, and encouraging partnerships among stakeholders for planning and implementation of transportation solutions at the state, regional, and local levels, across transportation modes, will expand the number of effective transportation options available to Idahoans and maximize use of available resources
* Customer Focus:
  + Ensure that the customer’s experience with public transportation services is at the forefront of service planning and implementation through ongoing public outreach, consideration of the diverse transportation needs of Idahoans, inclusion of a wide range of services and solutions in the public transportation toolbox, and addition of safety/security and service quality measures in the performance monitoring system
* Education and Promotion
  + Creation and implementation of a campaign to inform the public and other stakeholders about the availability and benefits of public transportation services throughout the state will be key to developing support for the maintenance, use, and enhancement of the public transportation network
* Training and Technical Assistance
  + Provide support and tools for transportation providers as they plan, implement, and deliver services through training and technical assistance from ITD-PT staff and opportunities to receive training from outside sources when possible
* Invest in Public Transportation Services within the Constraints of Available Funding
  + Make maximum use of available funding—which may include additional sources in the future—by prioritizing maintenance of the existing public transportation network and expanding or enhancing services as resources allow, and utilizing an enhanced performance monitoring system to inform funding decisions

### Implication

A major component of the planning process was a comprehensive outreach strategy to ensure that customers and stakeholders had opportunities to provide meaningful input. Service gaps were among the challenges noted by customers, including: areas or destinations without service; little or no early/late hours or weekend services; limited options for wheelchair users; intercity travel. Limited funding, funding source restrictions, difficulty obtaining local matching funds, and competition for local matching funds were the challenges noted by providers in most districts.

Throughout the outreach activities some potential solutions were mentioned repeatedly. Among these, creating better linkages between services and optimizing resources within a community to improve transportation for a variety of customer groups was mentioned in conversations in all districts. In addition, the following strategies/recommendations were mentioned:

* Branding and marketing
* Centralized transportation information
* Expanded hours and weekend service
* Increased service frequency
* Increased regional service

Based on population forecasts and current ridership, the plan estimates 31% growth in transit ridership between 2015-2028 in the state. 13 of the 17 providers assessed in the plan will likely require additional vehicle revenue hours of service and larger fleets by 2028 to serve projected ridership and remain within reasonable levels of productivity, as measured by average productivity rates among groups of national peer transit providers.

The plan defines action items for each goal objective. Among action items for the objective of providing support and tools to enable providers to maintain existing levels of service are:

* Build upon and enhance existing performance measures to identify strengths and weaknesses of the existing network, document use, and demonstrate value;
* Consider investing in technology systems that contribute to more efficient and sustainable service delivery;
* Monitor the performance of current and future public transportation services;

Among action items for the objective of enhancing or expanding services as resources become available are:

* Identify and seek out opportunities to apply for available federal, state, and local funds to address identified unmet needs; and
* Establish performance standards for new or expanded services.

## Iowa

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| Title | [Iowa Statewide Passenger Transportation Funding Study](https://iowadot.gov/transit/regulations/Exec_Summary_Final_12-15-09.pdf) |
| Year | 2009 |
| Author | URS |
| Agency | Iowa Department of Transportation |
| Content | Section 1: Study Purpose  Section 2: Study Process  Section 3: Iowa’s Current Passenger Transportation Services  Section 4: Passenger Transportation Needs  Section 5: Service Improvements to Address the Baseline and Choice Demand Levels  Section 6: Funding Considerations to Address Needs Gap  Section 7: Funding Study Findings/Conclusions |

### Purpose

The purpose of the study is to quantify current revenue available to support public transit; determine whether current revenues are sufficient to meet future needs; assess how well the state’s public transit network supports the current and expanding mobility needs of the state’s senior population; and identify the transit improvements needed to meet the state’s energy independence goals. The report provides the documentation of the methods, assumptions, data collection efforts, analyses, and public outreach efforts used in addressing each of the four purposes listed.

### Summary

This funding study was intended to focus on the mobility needs of Iowa’s seniors and on addressing energy use in the state. A key finding of the study was that for passenger transportation services in the state to address either the mobility needs of seniors and/or play a larger role in the state’s goals of energy conservation, a greater level of service was needed. Also, to expand passenger transportation service, an increase in revenue is needed to implement recommended changes.

The study conducted an inventory of the passenger transportation services and funding. An assessment of the service needs was the basis for a service and cost analysis. The plan defined two service gap analyses. The baseline gap analysis considers the needs of transit dependent population by type of service and area, which included rural, small urban, and urban areas. A second analysis, the choice demand gap, takes into consideration the mobility level observed by the typical two-car household in the state. This analysis allows quantifying the level and quality of service needed to substantially expand the role of transit in addressing energy conservation. Choice service was not evaluated as an alternative in rural areas due to the high level of service that would be required to provide any real competitiveness with the car.

### Goals

The study defines the following goals:

Goal 1: Provide passenger transportation service throughout the state that is:

* Convenient
* Accessible
* Affordable
* Safe and secure

Goal 2: Provide a passenger transportation system that is focused on the future by:

* Coordinating land use and transportation
* Incorporating efficiency-building 21st century technology
* Being a part of the statewide energy independence and environmentally conscience solution

Goal 3: Address the diverse mobility needs and demand through a range of modes.

### Implication

The plan highlights that the current service does not adequately address the mobility of needs of seniors and the state. Service expansion including adding trip frequency, evening service and more Sunday service is required to support service demand. Providing additional service to address the demand will require substantial increases in annual funding.

Current funding sources are not adequate to support the level of service needed to address the mobility needs of Iowa’s seniors or to allow passenger transportation services to substantially support energy independence goals. Key assumptions related to revenue include:

* Federal operating and capital expansion funding will not likely increase substantially to support additional service investment in the state
* Contract revenue (from human services agencies) will not likely increase substantially from the current level. An exception to this assumption would be revenue from Medicaid if local transportation eligibility reimbursement rules were changed and public transportation’s role in providing service was expanded
* Passenger revenue/farebox will increase proportionally with the increase in ridership, not the increase in service provided

The study does not recommend or endorse an increase in taxes or fees to fund service expansion. As potential sources are investigated, both public and private-sector options should be considered. By expanding from the tradition of an almost exclusively public sector funded passenger transportation program, the financial burden can be equitably distributed to a greater number of appropriate stakeholders.

The plan proposes the following public policy actions:

1. *Create local funding opportunities:* Local funding plays an important role in passenger transportation services. Two existing Iowa Code areas where modification or clarification could expand local funding opportunities are:
   * Title IX Local Government/Subtitle 4 Cities, Chapter 384 City Finance, Section 384.12 Additional Taxes – Provides for use of a transit property tax levy.

Increasing service will require an increase in local funding. The state can play a role in assisting cities and counties providing opportunities for them to tap into funding sources. The Funding Study suggestion is to replace the word “municipal” with “public” in the Iowa Code language. Chapter 324A of the Code defines public transit, which will provide for consistent interpretation across the state.

* + Title I State Sovereignty and Management/Subtitle 10 Joint Governmental Activity/Chapter 28M Regional Transit Districts – Establishes the ability to organize a regional transit district.

Regional Transit District Population Threshold: A second key local funding policy recommendation is to remove the county population threshold for establishing a regional transit district. Current Iowa Code stipulates that a region where a transit district is being considered must contain at least one county with a population of at least 175,000 people before the district can be established.

1. Support the Iowa Medicaid Enterprise Transportation Brokerage
   * The state should support the transportation brokerage and encourage giving existing public transit providers the right of first refusal in providing brokered service.
2. Encourage/require additional state agency transportation reporting
   * There should be added requirements for agencies funded in whole or in part by public dollars to report to the Iowa Department of Management, for purposes of enabling coordinated transportation efforts. The purpose of the reporting is to improve coordination of transportation services with existing public transit providers with the goal of identifying where costs can be consolidated.
3. Passenger Transportation Coordination – a state priority
   * The Iowa Transportation Coordination Council provides an excellent mechanism for setting the framework and overseeing interagency coordination efforts. The Iowa Transportation Coordination Council, as defined in Iowa Code Chapter 324A, is a multi-agency committee created to provide leadership and guidance in overseeing transportation coordination activities in Iowa.
4. Formalize state’s passenger transportation funding participation role
   * As part of their master planning process, the Iowa Climate Change Advisory Council proposed that the state be responsible for approximately 25 percent of the costs of transit service in areas where increasing ridership is demonstrated or where there is the ability to document vehicle miles of travel-reducing strategies. Presently, state funding represents approximately 10 percent of the total cost.
5. Continue to support the transit infrastructure grant program
   * The Funding Study did not estimate the facility needs associated with of either the Baseline or Choice demand concepts.
6. Strengthen local coordination of land use decisions with transportation plans
   * Key findings that require more evaluation are:
     + Reduce potential conflicts created by approving residential developments that need passenger transportation service but are proposed for areas where passenger transportation service is not provided and is not expected to be provided in the foreseeable future. Additional coordination with transportation services should be incorporated into the long-range land use planning process.
     + Increase the level of coordination that occurs in the determining the location for a new medical facility and the need for passenger transportation services. Coordination could be a requirement in gaining approval of a healthcare facility Certificate of Need.
     + Promoting the livable communities concept in the land use decision-making process.

## Maine Strategic Transit Plan 2025

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| Title | [Maine Strategic Transit Plan 2025](https://www1.maine.gov/mdot/planning/docs/FinalStrategicPlan.pdf) |
| Year | 2015 |
| Author | Peter Schauer Associates, Boonville, Missouri with consultants: William Millar, Rich Rothe, Tom Meyers. |
| Agency | Maine Department of Transportation |
| Content | Section One: Trends and Findings Impacting Public Transit  Chapter 1. Background  Chapter 2. Funding Support for Transit and Service Inventory  Chapter 3. Analyzing the Demand for Public Transportation  Chapter 4. Existing Funding and Costs to Continue and Expand Services  Chapter 5. Surveys and Findings  Chapter 6 Peer State Review and Best Practices  Section 2: Concept for Future Public Transportation in Maine  Chapter 7. Public Transit Program Goals  Chapter 8. Recommendations for Improving Public Transit in Maine |

### Purpose

From 2015, this plan is a comprehensive public transit strategic plan for the period 2015-2025 that will assist Maine DOT in prioritizing service improvements and identifying performance measures and standards for responding to the need for public bus and van type transit services. In addition, the plan makes recommendations on best practices for transit planning and funding strategies.

### Summary

The plan is a comprehensive approach to evaluating public transit initiatives, programs, and funding sources, with a focus on the state’s aging population. Maine is the oldest state in the nation by median age and the most rural. 72 percent of Maine’s elderly live in communities without access to fixed route or flex route[[1]](#footnote-2) services. More funding and increases in efficiency and effectiveness of existing transit services will be needed to support the concept of adequate public transit. The report recommends policies and areas of emphasis for the MaineDOT transit unit and concludes with first steps for acting to guarantee the total annual expenditures for bus and van type transit needed to meet 20% of the theoretical demand for transit.

### Goals and Strategies

Maine’s plan defines three goals and associated recommendations:

* Goal 1: Manage the Existing System. To effectively manage Maine’s existing transportation system for safety and effectiveness within reliable funding levels the following is recommended:
  1. Improve and update the State Management Plan;
  2. Elevate and clarify the message that MaineDOT’s focus is on general public transportation;
  3. Administer state, federal, and local funding for public transportation;
  4. Improve the grant decision making process;
  5. Use population density of a geographic area to determine types of service offered;
  6. Use a demand-based capital priority setting process;
  7. Establish and use performance measures and provide technical assistance to increase the efficiency and effectiveness of sub-grantees.
* Goal 2: Support Economic Opportunity. To wisely invest available resources to support economic opportunity for customers is recommended:

1. Support general public transportation systems;
2. Support a mix of transit services;
3. Support new systems and expand existing services;
4. Encourage volunteer networks and alternatives to traditional transit services;
5. Provide incentives for local communities and transit providers to leverage new sources of private funding for transit services;
6. Explore ways to increase state and all sources of potential funding for public transportation.

* Goal 3: Build Trust. To demonstrate their core values of integrity, competence, and service, both individually and organizationally is recommended:

1. Establish a Public Transportation Advisory Group;
2. Expand education, outreach, and marketing;
3. Reinvigorate provisions of Maine Revised Statutes Title 30-A, Part 2, Subpart 5, Chapter 163 concerning regional transportation corporations and transition to government or quasi-governmental governing bodies.

### Implication

The plan points out that, in general, there is substantial local municipal financial support for the state’s fixed route transit systems. There is also local municipal financial support for flex route systems. However, there is little local funding support for rural transit systems that operate in most of Maine outside of the urban areas. Rural transportation systems have relied heavily on MaineCare (Medicaid) funds to meet federal matching fund requirements.

The cost to maintain intercity, fixed route and flex route existing services can be expected to increase 16% by 2025, assuming an annual inflation rate of 1.5%. A review of Maine’s peer states did not reveal a new potential source of state funds for public transportation. On top of that the state has the following funding sources allowed by law for public transit limitations:

* The Maine State Constitution prohibits public transportation from using revenue from the registration, operation, and use of vehicles on public highways, and from fuel taxes from these vehicles;
* Legislation effectively prohibits the use by public transportation of funds generated for the General Highway Fund (Gas tax, Special Fuel and Road Use Tax, registration of motor vehicles, licensing of operators, etc.);
* The Multimodal Transportation Fund is the only source of state revenue for public transit and the funds collected in this account are distributed among transit, air, marine and rail transportation providers.

Funding sources allowed by law for public transit in Maine are problematic and no single solution was identified in the plan. Lottery revenue presented potential as a source of funds for public transportation, especially if it can be tied directly to a specific benefit such as funding transportation options for elderly and disabled persons in rural areas.

The plan identified that the productivity and performance of Maine transit systems is below peer group averages and national averages on performance measures such as number of passenger trips per mile, operating expenses per mile, number of passenger trips per hour, and number of passenger trips per mile. A performance monitoring system was identified as a strategy to improve effectiveness of a service provider in meeting a desired customer service level. Proposed performance measures are:

1. Total unlinked passenger trips / Total service area population
2. Total vehicle revenue hours / Total service area population
3. General Administration expense / unlinked passenger trip
4. Operating expense / unlinked passenger trip
5. Total General Administration and Operating expenses / unlinked passenger trip
6. Total General Administration and Operating expenses / vehicle revenue miles
7. General Administration expense / vehicle revenue hours
8. Operating expense / vehicle revenue hours
9. Total General Administration and Operating expenses / vehicle revenue hours
10. Total all revenues / Total General Administration and Operating expenses
11. Total of farebox revenue / Total General Administration and Operating expenses
12. Unlinked passenger trips / vehicle revenue miles
13. Unlinked passenger trips/ vehicle revenue hours
14. Unlinked passenger trips / Vehicles available for annual maximum service
15. Vehicle revenue miles / Vehicles available for annual maximum service
16. Vehicle revenue hours / Vehicles available for annual maximum service
17. Unlinked passenger trips / Theoretical demand for trips (for the service area as presented in this document)
18. Fatalities per 100,000 vehicle revenue miles
19. Injuries per 100,000 vehicle revenue miles
20. Complaints per 1,000 unlinked passenger trips
21. Compliments per 1,000 unlinked passenger trips

Also, proposed customer service measures are listed below:

1. Bus Safety:
   1. Fatalities per 100,000 vehicle revenue miles
   2. Injuries per 100,000 vehicle revenue miles
2. Bus Condition:
   1. Age or Mileage of Vehicle as function of FTA service life standards
   2. Fully Accessible Vehicles/total fleet
   3. Number of breakdowns/towed (missed service)/100,000 service miles
   4. Preventative maintenance inspections within 20% of scheduled mileage
3. Facility Conditions
   1. Age of facility.
4. System Serviceability
   1. Ridership per capita/year
   2. Days of service/week
   3. Percent of area accessible by transit system
   4. Connections between modes

## Greater Minnesota Transit Investment Plan 2017-2037

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| --- | --- |
| Title | [Greater Minnesota Transit Investment Plan 2017-2037](https://www.dot.state.mn.us/transitinvestment/pdf/gmtip-final.pdf) |
| Year | 2017 |
| Author | Minnesota Department of Transportation |
| Agency | Minnesota Department of Transportation |
| Content | 1. Why an Investment Plan? 2. Wider Benefits of Transit 3. Transit in Greater Minnesota 4. Markets for Transit and Trends in Greater Minnesota 5. Community Input 6. Strategic Direction 7. Performance Measurement 8. Meeting the Need for Public Transit 9. Financial Outlook 10. Strategy Prioritization and Implementation 11. The Next 20 Years |

### Purpose

The 2017 Greater Minnesota Transit Investment Plan is an investment and strategic plan. It updates the 2009 20-year strategic plan and refines the investment priorities for expanding, maintaining or reducing transit service according to future state and federal funding levels, as well as the strategic direction of transit in Greater Minnesota.

### Summary

In summary, the 2017-2037 Greater Minnesota Transit Investment Plan lays out the strategic direction and investment priorities for transit over the next 20 years. Demographic and economic trends in Greater Minnesota indicate a growing demand for public transit. During the period of 2010 to 2014, as ridership and hours of service have increased around 8%, total annual operating costs increased by more than 25%.

Transit funding in Greater Minnesota includes federal and state sources in addition to local sources and passenger fares. The plan analyzed 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 considered. 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 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. The transit demand is calculated using a model that takes into account the total population, population by age, the number of vehicle available by household, population living in poverty, and population with disability. This plan also 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.

### Goals and Strategies

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

* Implement transit span of service standards and guidelines for all systems
* Improve reliability of rural service through schedule adherence
* Increase frequency of routes, particularly in urban areas and rural areas when warranted
* Expand coverage of transit services to under-served and unserved communities
* Invest in regional connections and cross-county service where there is a high level of travel between population and employment-rich centers
* Develop clear, comprehensive and accessible public information about transit services
* 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
* 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:

* Encourage the transit systems to coordinate with social service agencies to develop transportation options for health and human service clients
* Encourage coordination with Non-Emergency Medical Transportation providers to provide access to health services
* Collaborate with and among volunteer driver programs to highlight the need and value of volunteer drivers as vital components of Greater Minnesota transportation service
* Partner with organizations to provide high-quality transportation service for consumer groups such as veterans
* 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:

* Conduct statewide and encourage regional marketing campaigns to promote transit services in Greater Minnesota for multiple uses such as employment, tourism, and recreation.
* 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)
* 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
* 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:

* Stress the importance of local revenue partnerships in supporting transit service through best practices
* Invest in high performing, efficient and effective transit service that meets performance standards
* 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:

* Work with transit systems to develop strategies for “first-mile, last-mile” rider needs
* Increase usage of the transit network instead of single-occupancy vehicles to support an environmentally sustainable future
* Promote linkages between transit systems to other transportation modes, i.e. connections through inter-state travel such as intercity bus and commuter rail
* 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:

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

### Implication

Total annual transit operating costs in Greater Minnesota increased by more than 25 percent ($15 million) during the five-year period between 2010 and 2014. Urban systems experienced the most significant rise in operating costs (32 percent), with ADA services experiencing an additional increase of 18 percent. In this context, finding additional local resources to match federal and state funds is a challenge of expanding systems.

Current transportation funding in Greater Minnesota includes federal, state and local funding sources. Federal grants are: 5307; 5310; 5311; 5339. The Minnesota Legislature appropriates transit funding from the general fund on a biennial basis. The legislature also statutorily sets the percentage of Motor Vehicle Sales Tax (MVST) revenue dedicated to public transit at 40 percent:

* Greater Minnesota Transit Account receives 4 percent;
* Metropolitan Area Transit Account receives 36 percent;
* The Highway User Tax Distribution Fund requires 60 percent.

Greater Minnesota transit receives 50 percent of Motor Vehicle Lease Sales Tax (MVLST) revenue collected beyond the specified threshold of $32 million, which goes to the State’s General Fund. The MVST and MVLST are deposited in the Greater Minnesota Transit Account.

MnDOT shall allocate financial assistance to recipients for purposes of the public transit participation program according to the following order of priority:

1. Operating costs for existing public transit systems;
2. Capital costs for existing public transit systems;
3. Operating and capital costs for the provision of public transit services in a community or area not currently served by public transit.

The MnDOT Office of Transit annually evaluates transit system performance to prioritize operating and capital projects. MnDOT ranks each system based on a series of specific criteria and assigns each transit system a score. Based on the evaluation criteria, the transit systems are nominally ranked and scores within the bottom 10 percent are targeted for additional technical assistance from MnDOT. Funding allocations are not made based on this information but does help inform MnDOT about system strengths and weaknesses.

Legislature directs MnDOT to calculate the hours necessary to meet 100 percent of the transit need. Strategies to meet this target involve coordinated services because public transit cannot efficiently deliver the service. There are three elements involved with reaching 100 percent of need:

1. Improving links with other transportation modes will help people complete those remaining, needed trips, for example, coordinating with Transportation Network Companies;
2. Eliminating the gaps in service by increasing frequency, coverage, and adding more evening hours in rural areas;
3. Developing transit routes for traditional time commuters and regional travelers.

The following are conditions that MnDOT is looking towards over the extended time horizon for this plan:

* Transit service factors

1. Coordination with the TNCs operating in Greater Minnesota to meet some of the transportation need
2. Investing in technology that streamlines and improves decision making about transportation modes such as travel apps
3. Improved customer amenities on buses, connecting infrastructure (wifi, benches and stops) and closer links between pedestrian and bicycle environments with transit
4. Integration of autonomous vehicle technology
5. Coordination of rides and services to meet the needs of customers

* Funding Factors

1. The cost of gasoline is expected to rise in the next several years and may reduce some gas usage, resulting in a drop in funding for Greater Minnesota transit
2. The sales of new vehicles are a significant revenue source for transit, however the lifecycle of vehicles is increasing and may result in fewer vehicles purchases.

1. Transit service that operates along a fixed alignment or path at generally fixed times but may deviate from the route alignment to collect or drop off passengers who have requested the deviation. [↑](#footnote-ref-2)