Public/Private Partnerships in Transit
Case Studies and Analysis

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Public-Private Partnerships (P3’s)

A growing number of public agencies seeking partnership with private service providers, particularly transportation network companies (TNC’s), the focus of this study

- Florida, Colorado, California, Pennsylvania, North Carolina, Massachusetts, Washington DC, Ohio, Nebraska, and many others
The TNC advantage

- Provide **on-demand** transportation that can be booked via a **smart phone app** with e-payments via a **credit card**
- Do not typically own **physical assets** and do not have **dedicated drivers**
- Rely on their online platform to **match drivers** (using their own cars) **with riders**
- Able to **dynamically adjust prices and wages** based on current levels of driver supply and customer demand
- Provide **ride sharing** in car pool format (UberPool and Lyft Line)
Types of Partnerships

- **First mile/last mile** transportation
  Trips to and from existing transit infrastructure to encourage use of existing infrastructure and reduce parking (e.g., Centenial, Colorado; Transloc-Uber)

- **Paratransit and transit for the elderly**
  Trips for individuals with disabilities and for the elderly (e.g., Massachusetts Bay Transit Authority; Gainesville, Florida; York, Pennsylvania)

- **General transit**
  Trips for everyone within a defined service area or over a specified travel corridor (e.g., Dublin, California)

- **Rural transit**
  General transit and paratransit in rural areas (e.g., Liberty Mobility Now in Ohio and Nebraska)
and many others...

- Pinellas Park, Florida: replacing one specific bus route; late night, for low income riders between 9 pm and 6 am
- San Diego, California: Coupons for Uber during San Diego Comic Con and MLB All Star Game
- Washington, DC: Dispatching Ubers to 911 callers to providers, instead of ambulances to emergency rooms (ultimately not pursued)
- Memphis, Tennessee and Durham, North Carolina: An integrated app that allows users to combine TNC and public transit trips
Get there with transit.
Enter your destination to find your best transit option.

Destination name or address

FIND NOW

From: Origin
To: Destination

19 min. ① 5:35
LESS WALKING

Hop in your Uber
Pick up in 3 minutes
CANCEL TRIP

Get on bus 56
See the bus location
CANCEL TRIP

Arrive at your destination

START TRIP
Payment structures

Public agency pays all
With no cap
  Centennial, CO
With a cap
  Pinellas Park, FL: $5 cap

Public agency pays a fixed percentage
With no cap
  Altamonte, FL: 20% off, 25% if participating in first/last mile
With a cap
  SEPTA: 40% off, $10 cap
  LAVTA: 50% off, $5 cap

Customer pays fixed amount
Public agency covers the rest
  Summit, NJ: $2/ride
  Miami-Dade Co, FL: $3/ride
Public agency covers some, with cap
  Massachusetts Bay: $2, city pays up to the next $13

Tailored to customer
  Gainesville, FL: Up to $5 income based copay
## Case Studies

<table>
<thead>
<tr>
<th>Case Study</th>
<th>P3 type</th>
<th>Area</th>
<th>Partner</th>
<th>Ride Type</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial, CO</td>
<td>first/last mile</td>
<td>suburb</td>
<td>Lyft</td>
<td>carpool</td>
<td>city covers all</td>
</tr>
<tr>
<td>MBTA (Boston, MA)</td>
<td>paratransit</td>
<td>urban</td>
<td>Uber, Lyft</td>
<td>single rider trips</td>
<td>customer pays first $2, MBTA pays next $13</td>
</tr>
<tr>
<td>Gainesville, FL</td>
<td>elder transit</td>
<td>suburb</td>
<td>Uber</td>
<td>single rider trips</td>
<td>income-based copay</td>
</tr>
<tr>
<td>LAVTA (Dublin, CA)</td>
<td>general transit</td>
<td>suburb</td>
<td>Uber, Lyft, Desoto Cab</td>
<td>carpool</td>
<td>LAVTA pays for 50% of ride, up to $5</td>
</tr>
<tr>
<td>Liberty Mobility Now</td>
<td>general transit</td>
<td>rural</td>
<td>n/a</td>
<td>single rider trips</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Case Study</th>
<th>Pilot Size</th>
<th>Rides/Week</th>
<th>Avg. Cost to Public Agency/Ride</th>
<th>Avg. Cost to Customer/Ride</th>
<th>Cost of Alternative/Ride</th>
<th>Cost per ride relative to alternative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centennial, CO</td>
<td>124</td>
<td>55</td>
<td>$4.75</td>
<td>$0</td>
<td>$21</td>
<td>22.62%</td>
</tr>
<tr>
<td>MBTA (Boston, MA)</td>
<td>400 **</td>
<td></td>
<td>$9</td>
<td>$2</td>
<td>$31</td>
<td>29.03%</td>
</tr>
<tr>
<td>Gainesville, FL</td>
<td>*</td>
<td>69.58</td>
<td>$10</td>
<td>$0-1</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>LAVTA (Dublin, CA)</td>
<td>Unconstrained</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td>Liberty Mobility Now</td>
<td></td>
<td>16.67</td>
<td>$16.72</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

*available to two retirement communities, exact enrollment not provided

**currently over 1000 per week since pilot has been expanded, but numbers were not provided for the pilot period
<table>
<thead>
<tr>
<th>SERVICE</th>
<th>The RIDE</th>
<th>lyft</th>
<th>UBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fare</td>
<td>$3.15</td>
<td>$2*</td>
<td>$13</td>
</tr>
<tr>
<td>Cost to the MBTA</td>
<td>$31 on a variable basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Request Time</td>
<td>Minimum one day in advance</td>
<td>On demand: Instant request dispatch</td>
<td></td>
</tr>
<tr>
<td>Day-of Wait Time</td>
<td>n/a</td>
<td>As low as 5 minutes in core service areas</td>
<td></td>
</tr>
<tr>
<td>Order Process</td>
<td>Phone reservation</td>
<td>Mobile phone app, phone call-in option</td>
<td></td>
</tr>
</tbody>
</table>
80% lower cost/trip allows customers to take more trips at a reduced overall cost
Some takeaways

- P3’s can **extend the reach** of public transit
- P3’s can serve as an **alternative to traditional transit**
- P3’s can enable **on-demand transportation** for seniors and the disabled
Challenges

- Investments in **marketing** and outreach
- Willingness to **experiment**
- Quality of service **monitoring** and **enforcement**
- Overcoming **technology barriers** (need for smart phones and internet access)
- Overcoming **payment mode barriers** (need for credit cards and bank accounts)
- Mitigating long term **risks**
Opportunities for partnerships in Minnesota

- Obvious opportunities for paratransit and senior transit
- Opportunities to ride-source bus routes with high cost and/or low ridership
  - New transportation options for low income communities and transportation for healthcare services
  - An integrated app to support first and last mile transportation