

and public will actively and intelligently resist any efforts to cut funding.

- Build better labor/management cooperation and identify shared interests.
- Acknowledge the fact that management and labor both benefit by cooperation.
- Understand that changes in resources will impact both parties, and the need to reduce service will not necessarily spare either group.
- Improve leadership training.
- Develop a "buddy system" so that transit managers have a structured way to learn about initiatives occurring at other systems.
- Provide and use information industrywide.
- Better utilize the Internet to give and receive information on transit agencies activities. This might include "chat rooms" for multi-party, interactive communication.

FUNDING — RESPONDING TO THE NEW ENVIRONMENT: ISTEAD AND BEYOND

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These sessions discussed the funding perspective of transit and transit management.

Issues and Barriers

- The loss in federal and state support is apparent to all.
- The federal government has a huge deficit, as do many states. The outlook for transit or for any type of public funding is not hopeful.
- "Legislative fiats" by legislatures, such as the State of California and Orange County, California, are raiding the funding sources upon which transit has traditionally relied.
- There are conflicting calls for transit to both be business-like and yet still meet many regulations and requirements.

- The "reinventing government" campaign is strong and growing stronger, but transit still must meet process restrictions that fail to provide value to the customer.
- The culture shift throughout the country limits transit's options.
- The public upswell which elected a very conservative Congress resists new taxes, new fees, and any other additional government requirements.
- There is also a reluctance to support income transfers from various economic groups to others. This makes it difficult for transit to respond to its changing market.
- Similarly, the political environment challenges transit.
- Cutting service is, in many cases, politically impossible, even when declining ridership warrants it.
- Calls for greater security and a combat against vandalism drain dollars that are also expected to fund greater service.
- Finally, there are the "real world" challenges of getting the buses out on the street. They've got to be on time, they've got to be clean every day.

Solutions

Transit must provide value commensurate with its revenues and public funding:

- Make transit more credible.
- Transit needs to be perceived in the public eye as efficient, maximizing revenues, providing quality service and being responsive to the public's needs.
- The objective should be to foster a positive, energetic attitude among the public.
- Develop and use appropriate performance measures.
- These should include measurements of the community economic benefit provided to the community as a whole.

- Define how the issues should be perceived by the public.
 - Look at the contribution public transit is making on a daily basis and then sell that story to the press and the taxpayers.
 - Transit should quantify and report on the true cost of auto subsidies, including costs of parking, air pollution, and other “hidden” costs.
 - Sell transit’s successes in comparison to this subsidy.
 - Consider cutting back on service.
 - Cutting service, finding an appropriate niche, and then slowly and intelligently building service back up may be politically unpopular and difficult, but it may also make good sense.
 - Transit might create a crisis by pulling service and providing only what it can truly supply.
- New avenues of funding should be explored:*
- Seek public-private partnerships.
 - Non-traditional public sources, such as U.S. Department of Health and Human Services and other social service agencies, can contribute to transit’s operations.
 - Non-profits and community-based organizations can help too.
 - Interaction with the disabled community should be mutually beneficial. Too often, these groups demand things of transit, but then, at other times, they are not on transit’s side.
 - Transit should understand the private sector’s needs when pursuing private contributions to projects. This means that transit needs to make transparent its bureaucracy.
 - Seek out and secure any new funding sources.
 - Most transit funding sources are not truly dedicated; they can be stripped away. New sources should be more closely tied to transit.
- Pricing strategies that tie in parking taxes to transit revenues are an option consistent with transit policy. Such pricing provides funding and encourages greater transit (less auto) use.
 - Real estate value capture is starting to be done more and more. If there is a joint development project, then the transit agency captures the value that is associated with the development near transit stations.
 - A special transit tax that is assessed to support the transit development. For example, Los Angeles Metropolitan Transportation Authority (MTA) has created benefit assessment districts surrounding the Red Line train stations.
 - Employer-based subsidies that leverage employers to pay their fair share.
 - A general use pass. For example, in St. Louis, they have assessed a very small property tax on property owners within so many miles around the Air and Space Museum. As a result, there is no charge to enter the museum. How can transit apply that concept?
 - Technology may be the next area for advertising. What other creative ways can we use technology in our vehicles as a revenue source?

ONE GENERAL MANAGER’S PERSPECTIVE

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Introduction

As a general manager, it is hard not to be constrained by the “real world” when our federal, state, and even local legislators are taking adverse actions that directly affect how we can provide service. We have to find ways of doing with less, because having less is the reality we must deal with. To the degree we can turn this situation into an opportunity, we are going to be in good shape.