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# Partnership Playbook

Informed Decision-Making for Transit Agencies Interested  
in Partnering with TNCs

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### Research Team

#### Nelson\Nygaard Consulting Associates (Prime Consultant)

Terra Curtis, Principal Investigator  
Meg Merritt, Principal-in-Charge  
Carmen Chen, Researcher and Author  
David Perlmutter, Researcher and Author  
Dan Berez, Researcher and Author

#### KFH Group (Sub-Consultant)

Buffy Ellis, Researcher and Author

## TCRP RESEARCH PANEL AND STAFF

### Members

Jessica Alvarez (Foursquare Integrated Transportation Planning)  
Chad Ballentine (Capital Metro Transportation Authority)  
Justin Begley (City of Denver Department of Public Works)  
Debs Schrimmer and Peter Gigante (Lyft)  
Alejandro Henao (National Renewable Energy Laboratory)  
James Kuhr (Center for Transportation Research, University of Texas at Austin)  
Michael A. McCall-Delgado (Amalgamated Transit Union)  
Mindy McNair (Regional Transportation District - Denver)  
Gail Murray (Gail Murray Consulting)  
Jeffrey Scott Owen (TriMet)  
Paige V. Tsai and Andrew Salzberg (Uber)  
Conrad Wagner (Mobility Systems - Switzerland)  
Marla Westervelt (Los Angeles County Metropolitan Transportation Authority)

### Liaisons

Bonnie Graves (FTA Legislation and Regulations Division)  
Charla H. Tabb (FTA Office of the Chief Counsel)  
Darnell Grisby (American Public Transportation Association)  
Sheryl Gross-Glaser (Community Transportation Association of America)  
Virginia Dize (National Association of Area Agencies on Aging)  
Robin Reisa Phillips, JD (National RTAP)

### TCRP Staff

Dianne S. Schwager, Senior Program Officer  
Daniel J. Magnolia, Senior Program Assistant

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# PARTNERSHIP PLAYBOOK

## Informed Decision-Making for Transit Agencies Interested in Partnering with TNCs

The transit industry took a brave and bold step in developing early partnerships with TNCs. These partnerships developed alongside TNCs' business models and the continued entrance of other new mobility options and refinements on existing models. In this period of rapid change, partners on both the public and private sides, at the federal, local, and state levels, have been writing the playbook as they go. Based on an in-depth review of almost two dozen early, established, in-progress and expired partnerships as of mid-2018, this Partnership Playbook proposes a set of engagement steps, informing transit industry decisions on why, when, how, and where to pursue partnerships with TNCs.

### STEP 1 ORGANIZE AND PLAN

#### Define the Problem or Service Gap

- Define the problem(s) the transit agency would like to solve by entering into a partnership with one or more TNCs; be as specific as possible
  - » Develop a hypothesis that a TNC partnership is a potential solution
  - » If you receive an unsolicited proposal from a TNC, ensure the proposal responds to a specific transit agency challenge and work with the potential partner to ensure regulatory compliance (Step 2)
- Articulate the intent of the partnership; case study partnership intents include:
  - » Addressing first mile/last mile connections
  - » Offering an alternative to paratransit
  - » Serving suburban mobility needs
  - » Offering off-peak mobility services
  - » Providing a guaranteed ride home
- Establish the partnership's goals and use these to define specific indicators of success or performance metrics
  - » Develop hypothesis on/estimate performance (if possible)

#### Hypothesize TNCs' Role in Addressing the Challenge

- Develop the transit agency's perspective on how and why a TNC partnership might address the need; a TNC partnership may not be the only possible solution to the challenge or service gap

#### Identify Stakeholders and Organize Project Leadership

- Look across and outside the transit agency to include individuals with an interest in the approach to or success of a partnership
  - » Engage transit service planning and operations, marketing and outreach, union leaders, and legal teams
  - » Engage relevant elected officials

## **STEP 2**

# **UNDERSTAND THE FUNDAMENTALS**

- Identify project champions who can support the planning, implementation, and evaluation efforts and a project manager to centralize the effort
- Establish a communications protocol to maintain involvement of multiple transit agency groups throughout partnership development, including procurement and legal teams
- Establish a succession plan: who will lead the effort in case of staff departures

### **Understand Funding Eligibility and Identify Funding Opportunities**

- Understand the limited operational funding opportunities from federal sources; refer to FTA's Frequently Asked Questions on this topic
- Identify state and local funding opportunities, which are highly varied

### **Ensure Regulatory Compliance**

- Review FTA's guidance, including frequently asked questions regarding transit agency responsibilities in partnerships with TNCs

#### **ADA Compliance**

- Understand the requirements of the ADA as it applies to partnerships with TNCs
  - » One of the most common questions TNCs receive from transit agencies is "how will you help meet the requirements of the ADA?"
  - » ADA requirements apply regardless of funding source
  - » ADA requirements differ by service type, but in general for demand-responsive service (which is what most transit agency-TNC partnerships would be classified as), the service must be both accessible to people of all abilities and be equivalent in response time, fares, geographic area of service, hours and days of service, restrictions or priorities based on trip purpose, availability of information and reservations capability, and any constraints on capacity or service availability
  - » FTA has been asked to make exceptions to ADA requirements within the context of Mobility on Demand (MOD) Sandbox program pilots, but exceptions have not been granted

#### **Title VI Compliance**

- Understand the requirements of Title VI of the Civil Rights Act as it applies to partnerships with TNCs
  - » Title VI requirements apply to all recipients of federal funding, regardless of whether the funding is used to cover costs associated with a transit agency-TNC partnership
  - » Title VI establishes non-discrimination requirements on the basis of race, color, and national origin
  - » The FTA has not granted any exceptions to these requirements for any transit agency-TNC partnership, including those within the MOD Sandbox program

## Drug and Alcohol Testing of Drivers

- Determine whether your transit agency is a recipient of Urbanized Area (Section 5307), Capital Investment Grant (Section 5309), or Rural Area (Section 5311) funds (if so, U.S. DOT's drug and alcohol regulations apply)
- Understand requirements of FTA's drug and alcohol regulation
  - » As of October 2018, FTA no longer waives drug and alcohol testing for pilots with only one TNC provider and no federal funding, lasting one year in duration or less. Partnership programs with two or more mobility service providers (either taxis or TNCs) and that allow customers to choose their provider do not require drug and alcohol testing of drivers (this is known as the taxicab exception)
  - » Unless the program qualifies for the taxicab exception, transit agencies must ensure all drivers are included in a drug and alcohol testing program

## Understand the State of NTD Reporting

- Recognize that only trips that meet FTA's statutory definition of public transportation can be reported to the NTD. As of November 2018, the FTA has not undertaken a formal assessment of whether TNCs' shared ride products (such as UberPOOL and Lyft Line) meet that definition. As such, transit agencies should not report vehicle revenue miles or passenger trips provided by TNCs' shared ride services to the NTD.
- Contact your FTA representative to understand the latest rules for if and how to report NTD-eligible trips.

## Prepare to Protect Sensitive Data

- Develop an understanding of your transit agency's practices and protocols for the protection of PII
- Work with your transit agency's legal counsel to specify precisely what can and cannot be released to the public in open records requests; this will differ on an agency-by-agency basis
- Where lacking, establish a protocol for protecting PII or use your knowledge of the transit agency's security and confidentiality capabilities to inform your evaluation plan (Step 3)

## Understand the TNC perspective

- TNCs' motivations for entering into partnerships include exploring mutual interests in reducing private car ownership and facilitating shared mobility, demonstrating an ability to solve mobility problems, learning about partnerships from the transit agency perspective, and attracting new customers
- Develop an understanding of TNCs' perspective on data privacy and prepare a procurement approach that leverages this understanding but that provides adequate data for partnership evaluation purposes
  - » TNCs are concerned with the potential for individuals' identity to be compromised through public records requests and/or the ability for third parties to match anonymized data with other publicly available information to identify individuals
- Develop relationships with local and national TNC representatives
- Promote opportunities to develop shared understanding between public and private mobility providers

# STEP 3 PLAN FOR PARTNERSHIPS

## Define Must-Have and Nice-to-Have Partnership Parameters

- Define specific ideal and nice-to-have partner data sharing needs based on the draft Evaluation Plan; lead with the questions your transit agency is trying to answer
- Document the must-have parameters of the partnership (regulatory requirements with any transit agency-specific must-haves), for example:
  - » Federal regulatory compliance
  - » Ability to evaluate outcomes of specified performance metrics
- Develop an understanding of where there is opportunity for flexibility in partnership parameters—identify the nice-to-have features that serve as opportunities for negotiation

## Craft a Working/Draft Service Model

- Develop a vision statement given your transit agency's problem statement, building on efforts in Step 1
- Hypothesize a target market believed to generate ridership, based on intent; case study target markets include:
  - » Existing (and/or potential) transit ridership
  - » Customers of ADA paratransit
  - » Attendees to specific event venues
  - » Employees of specific employers or business parks
  - » Traditionally underserved groups, such as individuals with low incomes
  - » Shift workers
- Hypothesize an appropriate geography or time of day for service restrictions (if applicable based on intent)
- Hypothesize whether the preferred approach will be a short-term pilot versus a pilot-to-permanence design; a key attribute of a pilot is that customers expect it to be a trial in which changes are acceptable

## Develop an Evaluation Plan

- Define key performance indicators and develop an evaluation plan (for data collection before, during, and after the pilot); third-party evaluators might be used to provide protection from public records requests

## Secure Funding

- Gain commitments from the appropriate parties

## **STEP 4** **LAUNCH AND** **OPERATE THE** **PARTNERSHIP**

### **Create a Procurement Mechanism**

- Develop an accountability framework for ensuring all contracted partners uphold the terms and conditions of the ultimate agreement
- Decide whether to offer an RFI or RFP
  - » Some transit agencies are experimenting with an unsolicited proposal process; if your transit agency receives an unsolicited proposal, it is still prudent to go through Steps 1 and 2 and to formally request follow-up information as needed
  - » An RFI or RFP can gather proposers' ability and commitment to partnership parameters identified in Step 3
  - » Specify requirements for cash payment, wheelchair accessibility, dial-in trip requests, risk sharing, and goals for data sharing, and identify transit agency protocols for protecting PII
  - » Specify and evaluate proposals based on must-have versus nice-to-have features

### **Negotiate an Agreement**

- Negotiate a contract agreement including a data sharing component; ensure must-have features are met, while allowing for flexibility in partnership design after contracting

### **Kickoff the Partnership**

- Kick off the partnership by restating motivations and goals; create an opportunity to workshop solutions and refine nice-to-have parameters
- Engage marketing and outreach staff to design a publicity campaign that strategically targets intended markets and the partnership intent

## **STEP 5** **DEBRIEF AND** **REFINE**

### **Practice Makes Perfect: Monitor and Evaluate Partnership**

- Check for compliance to the data sharing agreement early and be prepared to renegotiate if terms cannot be met
- Evaluate progress toward Key Performance Indicators on a monthly basis; summarize outcomes annually (or before for shorter pilots)
  - » Be prepared to refine based on ongoing monthly monitoring
- Report out early and often; communicate ongoing outcomes with all involved stakeholders and strive to respond to feedback while minimizing customer-facing program changes

### **Establish Permanence Decisions**

- Commit to a go/no-go decision-making timeline; decide whether to stop, refine, or extend and continue partnership operation