

TRANSIT INFRASTRUCTURE: IS GEORGIA DOING ENOUGH?

(This is the first of a series of reports on Georgia's public infrastructure. This brief focuses on transit infrastructure in the Atlanta Region.)

Georgia's state and Mobility is crucial for the continued growth of Georgia, and transit, and the infrastructure that supports it, is an important aspect of mobility for the metropolitan areas in Georgia. Georgia has become a much more urbanized state; in 2008, 81.3 percent of Georgia's population lived in a metropolitan area. According to the Georgia Transit Association, there are 111 transit systems in Georgia, of which Metropolitan Atlanta Rapid Transit Authority (MARTA) is by far the largest (Georgia Transit Association 2010). But MARTA is just one of several transit systems that serve the Atlanta metropolitan area. Expansion of the current Atlanta metropolitan transit infrastructure is important for the Atlanta metropolitan area's continued growth (see Transit Planning Board 2008 and Georgia Department of Transportation 2007).

Georgia and Atlanta were leaders in developing rail transit in the South, approving the construction of the MARTA rail system in 1971. However, the most recent expansion to the rail system infrastructure occurred more than ten years ago. Other large cities in the south have aggressively expanded their transit infrastructure through the addition of bus, light rail, and

commuter rail. The MARTA transit system has been surpassed by other cities.

Georgia state government funding for transit has historically been a small fraction of both federal and local funding. Georgia has a high reliance on local revenue sources for transit funding compared to the states studied in this report, with state funding only accounting for 2 percent of transit spending in 2007. It is possible to fund a large metropolitan area transit system relying heavily on local funds with modest state support. For instance, Denver relies on a sales tax collected from eight counties to fund its system with hardly any state support, and Chicago relies in part on a sales tax collected from six counties to fund its system, with modest state support given the size of the system. However in Georgia, MARTA only receives sales tax revenue from two counties, Fulton and DeKalb.

Due to limited funding, Atlanta's transit system growth has not kept pace with population growth. Atlanta experienced declines in annual per capita passenger miles, and annual per capita unlinked trips while population grew dramatically. Atlanta experienced a decline in per capita passenger trips of 22 percent from 1995 to 2007. This was the largest decline of all the 20 large MSAs selected. Atlanta also experienced a

decline in per capita passenger miles, decreasing by 0.1 percent from 1995 to 2007. Only Detroit and Houston also had declining per capita passenger miles, among the studied MSAs with rail systems.

The ARC seeks to vastly improve the transit system through the adoption of the Concept 3 transit plan. ARC expects that its 2040 Regional Transportation Plan will incorporate significant pieces of Concept 3. Concept 3 is very ambitious and calls for \$20 billion in transit spending between now and 2030. While the plan is not likely to be fully funded, it illustrates the historical challenge Georgia has in funding transit infrastructure. Under Concept 3, local government funding is still estimated to provide the greatest share of transit funding. Concept 3 is estimated to cost \$2.52 billion annually to construct and maintain through 2030. Local governments are expected to raise \$2.12 billion, annually from a variety of sources including a new regional sales tax. The federal New Starts program is estimated to provide \$233.3 million annually through 2030, while state spending is estimated to be \$166.8 million annually.

State-level government funding under Concept 3 would rank Georgia 10th, just ahead of Michigan of the selected states in 2007. Local government funding under Concept 3 increases dramatically. Georgia's local government transit spending of \$2.12 billion annually would be 45 percent higher than the third ranked state of Illinois, which spent \$1.48 billion in 2007.

Concept 3 lays out several other difficult tasks for the state to insure increased local and federal funding. The state must allow the Atlanta Metropolitan area to adopt a regional one-cent sales tax or its equivalent in 14 counties, although not all 14 counties are in the same region. It must also work closely with the federal government to get New Start transit funding. As of this writing, the governor has signed legislation allowing the adoption of regional sales taxes. However, recent events in federal transit funding for Georgia high-speed rail and streetcar development call into question the ability of Georgia to secure the necessary federal funding on which Concept 3 relies. If Georgia and the metropolitan region of Atlanta are going to expand transit infrastructure to meet 21st century demands, the state will likely need to provide more funding and better planning and leadership than it has in the recent past.

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