

2020 MISSOURI TRANSIT INVESTMENT UPDATE



Public transit is delivering on its promise to Missouri despite the distinct lack of state investment. Public transit is promoting equality, job creation, stronger economies and the vibrancy of neighborhoods in communities across the state. But, the impact could be bigger, better and more profound. Any increase in investment by the State of Missouri could exponentially change the game in terms of economic return. AND, while the current ROI is significant, as transit providers face continued lack of state funding in their budgets, these returns are going to diminish quickly as service cuts continue. Gov. Parson recently called for bold transportation solutions. Missouri, let's be bold, let's fund transit.

The 2019 Economic Impact of Public Transit Services in the State of Missouri study has provided the state with localized numbers tied to rider demographics, economic impacts, transit agency spending and funding sources. And, these numbers are speaking volumes.

- There's a total of 34 transit providers in the Missouri that collectively spend \$675 million each year on operations, capital improvements and labor compensation for the 4,500 individuals who are employed at an average salary of \$64,200. They also provide an annual average of 60.1 million rides. In conjunction with these trips, transit riders

are spending \$600 million on goods and services, translating into a direct economic impact of \$1.28 billion each year in Missouri.



Direct spending
\$675 million
by transit agencies

- The direct transit industry spending triggers another \$2.4 billion in statewide economic activity, including \$1.03 billion in added household earnings for Missourians. These indirect, or multiplier effects, further support another 24,680 jobs in the state that pay an average of \$30,200 per year. The direct and indirect economic output supported by public transit's annual operations exceeds \$3.67 billion in Missouri.

2020 ASK FOR TRANSIT FOR MISSOURI

1 Support a statewide funding plan for transit access in conjunction with workforce development training. A state investment of \$8 million in transit access programming would be a game changer for Missouri education institutions and employers.

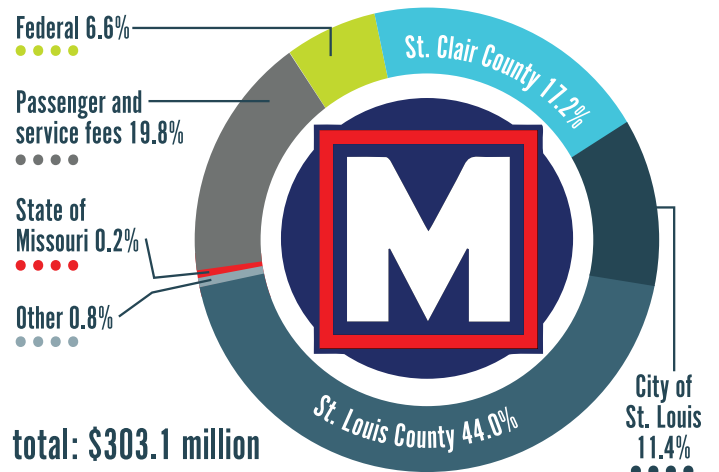
- Currently, there are hundreds of job training programs – the foundation for successful workforce development – across Missouri which are not accessible due to transportation hurdles. Adoption of such a plan would reflect the importance of public transit to expanding opportunities for job access.
- A Job Training Transit Access Fund would provide the necessary bridge to move Missourians successfully to full-time employment.

2 Support the \$3 million earmarked from General Revenue in MoDOT's budget for paratransit subsidies.

- Every transit provider in the State of Missouri provides paratransit services with rides totaling close to 2 million annually. These services are essential for healthcare access, job access and education.
- The costs of these rides range from \$12 - \$93. Without these services, many in Missouri would not be able to live, let alone prosper. This subsidy will provide much needed, predictable funding for MO providers to ensure this service is provided.
- Paratransit service is available in every county in Missouri.

3 Support the request of \$1.7 million from the State Transportation Fund for general transit operations.

HOW METRO TRANSIT'S OPERATIONS WERE FUNDED FOR FISCAL 2017



- There is a distinct lack of support from the state for transit funding. Bi-State Development has a \$2.65 billion impact on the region and supports 21,080 jobs, yet it received less than \$1 million from Missouri for its FY2017 budget of \$303 million.

- Missouri currently allocates \$1.75 million per year for public transit, a total that must be divided among all 34 transit providers. Some providers are getting as little as \$5,000. This is a record low.

- Missouri ranks 47th in the country for state funding.

- In response to the economic activity and job creation triggered by transit operations and riders, the State of Missouri collects an estimated \$48.8 million in taxes per year. Research shows that every dollar invested in transit in Missouri yields a return of \$28.

- With the lack of state investment, transit providers are facing service cuts due to fiscal constraints.



WHY IS TRANSIT ESSENTIAL TO MISSOURI'S BOTTOM LINE?

Here's what major employers, organizations and institutions are saying.



“ As one of the largest employers in the St. Louis region, public transportation is essential to many of BJC HealthCare’s team members. We are fortunate to have bus and transit stops near some of our largest hospital and administrative sites. Patients and families visiting Barnes Jewish, St. Louis Children’s, Christian, Missouri Baptist and Belleville Memorial hospitals are well served by public transportation – some for convenience and others because it is the only way they have to access vital health services. We know firsthand the importance of expanding public transportation.”

JUNE MCALLISTER FOWLER

Senior Vice President of Communications, Marketing and Public Affairs, BJC HealthCare

“ In today’s urban living environments, residents demand mobility — to civic assets, work, restaurants and services. And in today’s modern world, mobility means access to multi-modes of transportation including walking, bikes, scooters, buses, rail and to an ever decreasing amount – vehicles. Pearl continues to seek out sites where we can leverage the great transportation infrastructure in place in St. Louis and partner with communities on how to best integrate new housing options. These developments further Pearl’s vision to execute “Irreplaceable Buildings in Irreplaceable Locations.”

- *Jeff Tegethoff, President, Pearl Capital Management, a developer that has invested more than \$160 million around the Forest Park and UMSL South MetroLink Stations.*

“ St. Louis Community College’s (STLCC) mission is to change lives through education. Many of our students depend on transit every day to get to our accelerated training and degree programs. Without access to affordable, convenient public transit options, they won’t be able to get the skills needed to achieve their dreams of a new career and a better wage. Governor Parson speaks regularly about the importance of infrastructure and workforce development to growing our state’s economy. They are closely interrelated. Our workforce – including the workforce of the future – depends on our public transit infrastructure to get to and from school and work. Investment in public transit is an investment in workforce development.”

- *Hart Nelson, Associate Vice-Chancellor, Workforce Solutions Group, St. Louis Community College*

“ Having a robust transit system in the St. Louis region is essential to the growth of our community.”

- *Austin Walker, Vice President of Government Relations, St. Louis Regional Chamber*

“ Transit is a critical component of the success of our members’ employment. Good transit access is key in Missouri in SEIU members’ abilities to get jobs and keep jobs. We represent more than 8,000 members statewide in the public sector and the service industry in Missouri. Without investment in transit, our members will be facing increased hurdles to employment in both the urban and rural areas which will impact MO’s bottom line.”

- *Nancy E. Cross, President, SEIU MO/KS State Council*

“ Our support of public transit reflects the importance we place on having transportation options for people in the St. Louis region at all stages of their life.”

- *Sheila Holm, Community Outreach Director, AARP in St. Louis, part of an organization with 800,000 members in Missouri.*

“ Having two stations within walking distance of our school and three in our community provides us with an opportunity to allow students to engage in learning opportunities throughout the St. Louis area. Having our students learn how to utilize our Metrolink only opens possibilities for them in the future. We also have a strong belief that what we are doing will help increase long-term ridership and increase the sustainability of our mass transit system. Our hope in the future is that our county government or state legislature sees the value of students using these systems and provides additional funds to schools and organizations to utilize these resources.”

- *Michael Dittrich, Ed. S, Principal, Maplewood Richmond Heights Middle School*

HOW WOULD A FUNDING INCREASE IMPACT TRANSIT IN MISSOURI?

Here's what transit agencies are saying.



“ If modest increases were made to the current funding level from the state, City Utilities of Springfield (CU) would be able to improve our service to the community. If the funding were doubled, an additional bus driver could be added. Today's level of funding is so low, it doesn't cover the base salary of one full-time driver's base salary, let alone benefits. If the level of investment from the state were tripled, CU could consider putting another bus on a route. CU struggles with finding funding sources to keep up the level of service currently provided, which limits our ability to grow these services. The biggest pressure today comes from increased paratransit ridership. Without additional future funding, we may be required to reduce fixed route services to increase paratransit capabilities.”

MATT CRAWFORD

Director – Transit, City Utilities of Springfield, Mo.



“ Currently, the state portion of our budget is only 1% of our total operating revenue. We currently blend it in with our FTA funds. However, we are considering pulling it out of operation (since it has such a minimal impact) and using this state funding for capital where it will have more impact. With our current allocation, we could match approximately 26 vehicles.”

DOROTHY YEAGER

*Executive Director of OATS Transit,
which serves 87 counties in Missouri and
provides 1.5 million one-way trips each year.*



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