

# WHY PUBLIC TRANSIT MUST GROW: THE CASE FOR MORE FUNDING FOR GREATER NEW ORLEANS TRANSIT

RIDE NEW ORLEANS • APRIL 2024



## NEW ORLEANS DESERVES WORLD-CLASS TRANSIT

At the beginning of the 21st century, New Orleans had one of the most robust public transit systems in the United States for a city its size. Unfortunately, over the past 20 years, transit service levels have dropped more than 40% due to a range of factors, including Hurricane Katrina and the COVID-19 Pandemic. These service cuts have resulted in a less equitable transportation system and decreased mobility for many residents.

Right now, transit is not as it should be. Public transit should exist as a reliable and viable transportation option for residents to reach jobs and other services throughout the day. **Ride New Orleans believes that true world class transit is possible with the right funding and resources. We're laying out a vision for that system could look like, and how we can get there.**

**We're done with decline.** Ride New Orleans is calling for elected officials and policymakers to take action **now** to fund the quality transit service New Orleans residents need.



**Learn more about the vision and how we can fund it**  
[rideneworleans.org/growNOLAtransit](https://rideneworleans.org/growNOLAtransit)

## TRANSIT MAKES OUR COMMUNITY STRONGER

### **Economy**

In 2018, the RTA's operations and service have a direct economic benefit of over \$170 million to the Greater New Orleans region.<sup>1</sup> Every \$1 invested in transit generates \$5 for the economy, and every \$10 million in transit operating investment yields \$32 million in increased sales.<sup>2</sup>

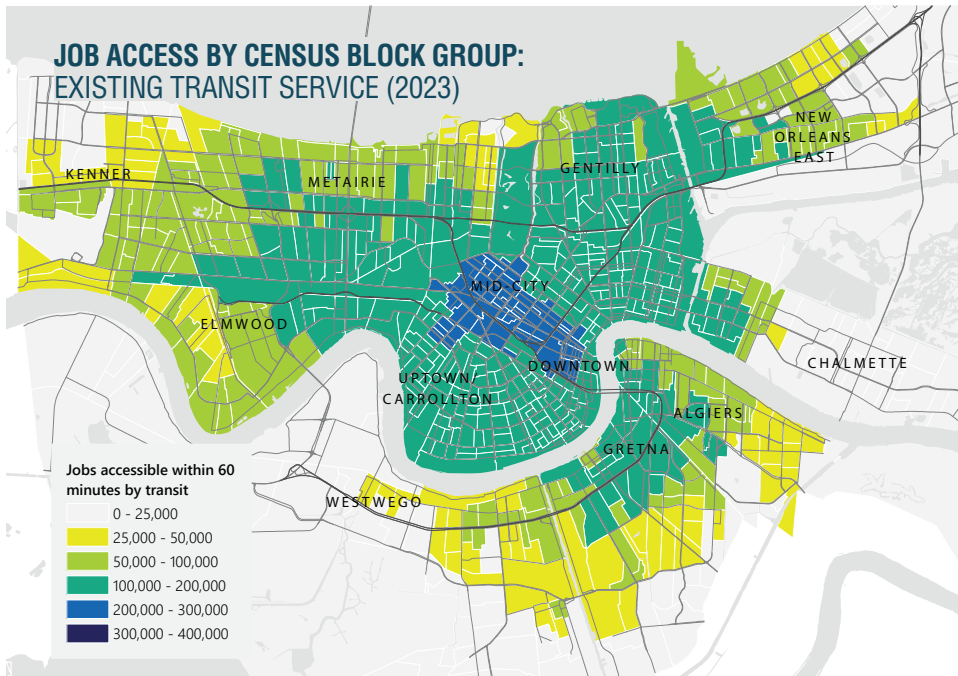
### **Climate**

A typical trip by public transit emits 55% fewer greenhouse gasses than driving or ridesharing.<sup>3</sup> In 2022, the City of New Orleans identified increasing transit ridership as a "key climate action priority" in its Net Zero by 2050 Climate Action Plan, which called on the city to "improve public transport in underserved communities for faster and more reliable service."<sup>4</sup> The statewide Climate Action Plan identifies "[increasing] urban, rural, and regional public transit service" as a key strategy.<sup>5</sup>

### **Equity**

Quality transit is essential for employment and healthcare access for residents who cannot drive or who do not own a car. A 2019 survey of New Orleans region transit riders found that, among riders who are residents, 67% are Black, 43% have a household income of less than \$25,000 per year, and 53% do not have access to a car. Among riders who are locals, 53.4% of transit travel is work-related.<sup>6</sup>

# BY THE NUMBERS: EXISTING TRANSIT SERVICE (2023)



## SERVICE AND JOB ACCESS

|                        |   |
|------------------------|---|
| <b>8.29 MILLION</b>    | Annual Vehicle Revenue Miles (VRM) of bus and streetcar service in Orleans and Jefferson Parish (2022). |
| <b>129,254 (34.5%)</b> | Jobs reachable within 60 minutes by transit for average Orleans Parish worker (2023)                    |
| <b>62,236 (16.6%)</b>  | Jobs reachable within 60 minutes by transit for average Jefferson Parish worker (2023)                  |

## OPERATING FUNDS NEEDED

|                       |  |
|-----------------------|--|
| <b>\$16.5 MILLION</b> | New annual funding needed for RTA operations by 2028 |
| <b>\$3.9 MILLION</b>  | New annual funding needed for JP operations by 2028  |

# What does good transit service look like for New Orleans?

RIDE believes that a strong and equitable transit system should offer high-quality coverage to all residents in the region who need it. A good regional transit system should:

### Be frequent

All high-capacity bus and streetcar lines should come at least every 10 minutes on weekdays. Other major routes should run at least every 20 minutes, neighborhood routes should run at least every 30 minutes, and all service in Orleans, Jefferson, and St. Bernard Parishes should run at least hourly

### Be regional

New Orleans should have strong regional connections between Orleans and Jefferson parish,, letting residents travel seamlessly and quickly to work and other necessities across parish lines.

### Be fast and reliable

Transit service should move people quickly, efficiently, and reliably; with dedicated infrastructure such as bus lanes to keep transit vehicles from getting stuck in traffic, and rapid regional service to move residents quickly between different parts of Metro New Orleans.

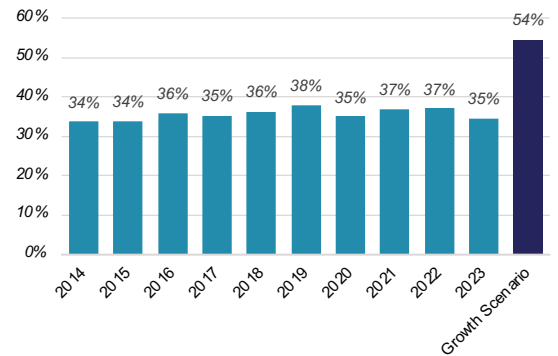
### Connect people to jobs and amenities

Transit should serve a wide variety of destinations throughout the region, giving riders access to a range of employment, school, healthcare, and recreation options. As of 2023, the typical Orleans Parish resident can only access 35% of the region's jobs by transit in less than an hour.

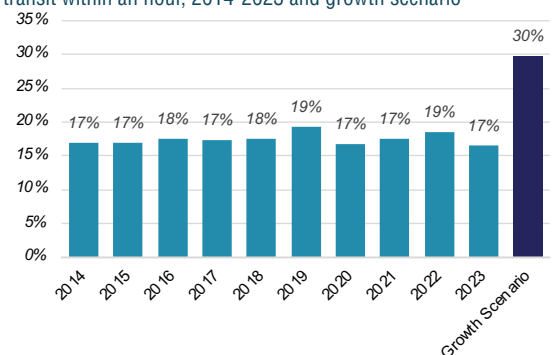
### Be available nights and weekends

Transit should offer service throughout the day, including weekends and late nights, so that residents who are using transit to get to jobs outside of the 9 to 5 cycle (such as hospitality workers) can travel when they need to.

Average share of jobs accessible to Orleans Parish residents by transit within an hour, 2014-2023 and growth scenario

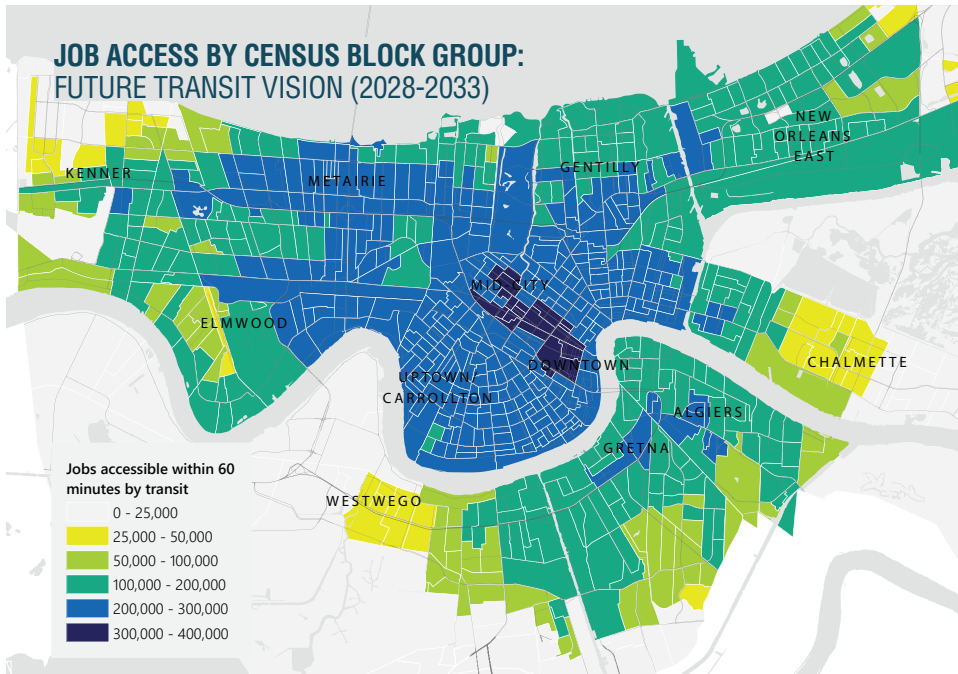


Average share of jobs accessible to Jefferson Parish residents by transit within an hour, 2014-2023 and growth scenario



U.S. Census Bureau. 2023. LEHD Origin-Destination Employment Statistics (LODES) Data (2019). Longitudinal-Employer Household Dynamics Program (2019 Data, Version 8 Release) . lehd.ces.census.gov/data/#lodes; Ride New Orleans analysis.

# BY THE NUMBERS: FUTURE TRANSIT VISION (2028-2033)



## SERVICE AND JOB ACCESS

|                           |   |
|---------------------------|---|
| <b>14.85</b><br>MILLION   | Annual Vehicle Revenue Miles (VRM) of bus and streetcar service in Orleans and Jefferson Parish (2022). |
| <b>203,487</b><br>(54.3%) | Jobs reachable within 60 minutes by transit for average <b>Orleans Parish</b> worker (2023)             |
| <b>111,537</b><br>(29.8%) | Jobs reachable within 60 minutes by transit for average <b>Jefferson Parish</b> worker (2023)           |

## OPERATING FUNDS NEEDED

|                          |  |
|--------------------------|--|
| <b>\$44.7</b><br>MILLION | New annual funding needed for <b>RTA</b> operations by 2028* |
| <b>\$11.7</b><br>MILLION | New annual funding needed for <b>JP</b> operations by 2028*  |

\*Without improvements to transit operating speeds

## Our vision for growing Greater New Orleans transit

In our 2023 State of Transit report, RIDE first presented a vision for future transit service in which regional bus and streetcar service grows from about 8.3 million vehicle revenue miles (VRM) per year in 2022 to about 14.8 million VRM per year by 2033.<sup>7</sup> This plan is based on multiple recent planning efforts which describe regional priorities for improving service. **RIDE believes that this service vision is a strong baseline for what we consider to be a high quality transit network.** This vision includes:

### A. Improved frequency and hours

Improved service frequency and late night service on most existing RTA and JP transit routes, based on the “125% service expansion scenario” included in the New Links Final Recommended Network plan adopted in 2021:

- All RTA and JP Transit service that was cut in 2023 is restored.
- All core RTA and JP transit lines come at least every 10 minutes on weekdays. Other major RTA lines run at least every 15-20 minutes, and RTA neighborhood lines run at least every 30 minutes.
- Frequency on many JP Transit lines would increase, and all lines run at least hourly.
- All RTA lines with overnight service run at least every 30-40 minutes, 24/7.
- Late evening service is added to some Jefferson Parish lines, with overnight service on the Airport-to-Downtown BRT corridor.



### B. New regional Bus Rapid Transit (BRT) routes

The RTA and JP Transit will implement two Bus Rapid Transit routes envisioned in the 2023 Strategic Mobility Plan update: 1) East-West BRT between New Orleans East, the CBD, and Algiers; and 2) Airport-to-Downtown BRT via Veterans Boulevard and Canal Street.

### C. Faster bus and streetcar service

The RTA and JP Transit will work with the City of New Orleans, Jefferson Parish, and DOTD to modernize streetcar infrastructure, install bus lanes on congested routes, and implement other transit priority improvements. RTA and JP bus operating speeds improve by 20%, while RTA streetcar operating speeds increase to 10mph.

Visit [rideneworleans.org/growNOLAtransit](https://rideneworleans.org/growNOLAtransit) for more on the service growth vision and transit funding needs.



# FUNDING THE FUTURE TRANSIT VISION

## BY THE NUMBERS: POTENTIAL RTA FUNDING

|                          |  |
|--------------------------|--|
| <b>\$44.7</b><br>MILLION | New annual funding needed by 2028 for full service expansion (at current transit service speeds) |
|--------------------------|--|

### SAVINGS FROM TRANSIT PRIORITY IMPROVEMENTS

|                         |  |
|-------------------------|--|
| <b>\$8.8</b><br>MILLION | Increase average bus speeds by 20% (RIDE estimate for 2028-2033 growth scenario)         |
| <b>\$8.7</b><br>MILLION | Increase average streetcar speeds to 10mph (RIDE estimate for 2028-2033 growth scenario) |

### OTHER POTENTIAL FUNDING SOURCES

|                          |  |
|--------------------------|--|
| <b>\$7.8</b><br>MILLION  | 1% general fund dedication, Orleans Parish (2024 City of New Orleans adopted budget)   |
| <b>\$11.6</b><br>MILLION | 7% parking tax, Orleans Parish (2024 City of New Orleans adopted budget)               |
| <b>\$9.5</b><br>MILLION  | 2 mill property tax dedication, Orleans Parish (2023 Orleans Parish assessor estimate) |
| <b>\$7.0</b><br>MILLION  | Potential increase to state ferry subsidy (based on 2023 LA legislative appropriation) |

## BY THE NUMBERS: POTENTIAL JP TRANSIT FUNDING

|                          |  |
|--------------------------|--|
| <b>\$11.7</b><br>MILLION | New annual funding needed by 2028 for full service expansion (at current transit service speeds) |
|--------------------------|--|

### SAVINGS FROM TRANSIT PRIORITY IMPROVEMENTS

|                         |  |
|-------------------------|--|
| <b>\$3.0</b><br>MILLION | Increase average bus speeds by 20% (RIDE estimate for 2028-2033 growth scenario) |
|-------------------------|--|

### OTHER POTENTIAL FUNDING SOURCES

|                         |  |
|-------------------------|--|
| <b>\$2.3</b><br>MILLION | 2% general fund dedication, Jefferson Parish (2024 Parish adopted budget)      |
| <b>\$8.8</b><br>MILLION | 2 mill property tax dedication, Jefferson Parish (2023 JPSO financial reports) |

By RIDE's estimates, implementing the growth vision while maintaining all existing service could require annual funding increases of at least \$44.7 million for the RTA and \$11.7 million for JP transit by 2028. Because the federal government does not fund most transit operations, most of this new funding will need to come from local sources.

### Savings from transit priority infrastructure

The RTA and JP could both generate substantial cost savings by implementing transit priority infrastructure to improve bus and streetcar travel times. Increasing bus operating speeds by 20% and streetcar operating speeds to 10mph could offset up to 30% of the new funding needed for JP Transit service expansion, and up to 35-40% of new funding for RTA service expansion.

### Potential local and state funding sources

Potential sources of funding for transit operations could include (but are not limited to):

- Allocating revenue out of the general fund for transit operations as part of the Orleans and Jefferson Parish annual budgeting process or permanently dedicating a percentage of the general fund to transit
- Implementing a new millage (property tax) dedicated to transit, or rededicating an existing millage.
- Increasing the off-parking tax in Orleans Parish and dedicating those funds to transit.
- Working with the state legislature to increase state support for transit operations, including funding through the Parish Transportation Fund and the annual subsidy for Algiers ferry service which the RTA operates under contract with LA DOTD.

This is not a comprehensive list, and it is likely that a diverse mix of funding sources will be needed to implement the future transit vision. RIDE strongly encourages transit policy makers to move this conversation forward sooner rather than later, and to begin building political support for transit funding now.

Take action today! Visit [rideneworleans.org/growNOLAtransit](https://rideneworleans.org/growNOLAtransit) to sign on to our pledge for transit service funding.



## ENDNOTES

1. Cambridge Systematics, Inc (2018). *Economic Impact Analysis of New Orleans Regional Transit Authority*. [norta.com/getmedia/45274c8d-78bc-4fe5-b547-1e7a60924c76/Economic-Impact-Analysis.pdf](https://norta.com/getmedia/45274c8d-78bc-4fe5-b547-1e7a60924c76/Economic-Impact-Analysis.pdf)
2. American Public Transportation Association (2020). *Economic Impact of Public Transportation Investment: 2020 Update*. [apta.com/wp-content/uploads/APTA-Economic-Impact-Public-Transit-2020.pdf](https://apta.com/wp-content/uploads/APTA-Economic-Impact-Public-Transit-2020.pdf)
3. National Academies of Sciences, Engineering, and Medicine (2021) *An Update on Public Transportation's Impacts on Greenhouse Gas Emissions*. [doi.org/10.17226/26103](https://doi.org/10.17226/26103)
4. City of New Orleans (2022). *Net Zero by 2050: A Priority List for Climate Action in New Orleans*. [nola.gov/nola/media/Climate-Action/2022/Net-Zero-by-2050-A-Priority-List-for-Climate-Action-in-New-Orleans.pdf](https://nola.gov/nola/media/Climate-Action/2022/Net-Zero-by-2050-A-Priority-List-for-Climate-Action-in-New-Orleans.pdf)
5. Louisiana Climate Initiatives Task Force (2022). *Louisiana Climate Action Plan*. [gov.louisiana.gov/assets/docs/CCI-Task-force/CAP/Climate\\_Action\\_Plan\\_FINAL\\_3.pdf](https://gov.louisiana.gov/assets/docs/CCI-Task-force/CAP/Climate_Action_Plan_FINAL_3.pdf)
6. New Orleans Regional Planning Commission (June 2020). *New Links Comprehensive Operations Analysis: Origin-Destination Data and Rider Demographics*. [norpc.org/New-Links-Network-Report-Appendix\\_G](https://norpc.org/New-Links-Network-Report-Appendix_G)
7. Ride New Orleans (2023). *The State of Transit at Ten, 40-48*. [rideneworleans.org/wp-content/uploads/2023/11/RIDE-State-of-Transit-2023.pdf](https://rideneworleans.org/wp-content/uploads/2023/11/RIDE-State-of-Transit-2023.pdf)