

## Commentary: Mass transit ... time for a reality check

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By Andrea Neal Indiana Policy Review

INDIANAPOLIS — Merriam-Webster defines wishful thinking as "the attribution of reality to what one wishes to be true or the tenuous justification of what one wants to believe."

It's an apt description for folks clamoring to spend hundreds of millions on a Central Indiana mass-transit plan. We can pump in more money, create faster bus routes, build a commuter rail system and construct a light rail line.

But the system will be underused, and it will lose money. Wishful thinking won't change that.

Take it from bigger cities where mass transit is far more popular than it is here. Financially it is always a losing proposition.

New York City has the highest percentage of riders (30 percent) and most successful transit system in the country, yet its fares cover only two-thirds of operating costs.

Transit ridership in Chicago has dropped 15 percent since 1983 despite expansion of rail lines and increased population. Its transit company is deep in debt and unable to pay for basic maintenance.

In 1982, Baltimore mass transit undertook a major expansion that increased bus lines and added light rail and an elevated subway. In the 1980s, Baltimore buses made 122 million passenger trips a year. Today, although light rail use has grown, total system ridership is 100 million trips per year. Meanwhile, operating costs have doubled.

A lot of good but misguided people are wringing their hands over the fate of legislation in the 2012 Indiana General Assembly that would authorize a referendum asking voters if they'd pay higher taxes in Marion and Hamilton counties for a \$1.3 billion mass-transit upgrade proposed by the Central Indiana Transit Task Force.

The plan envisions doubling the size of the Indianapolis Public Transportation Corp. (IndyGo) in Marion County and developing a railway to carry commuters from Noblesville to Downtown Indianapolis. Rail and bus extensions to the rest of central Indiana would be added later as more counties signed on.

Killing this bill is the best possible outcome for taxpayers. What doesn't work in New York, Baltimore and Chicago definitely won't work in Central Indiana.

Urban mass transit is the most expensive form of travel in the United States at 72 cents per passenger mile. That compares to 23 cents per passenger mile for auto travel, 15 cents for air travel and 60 cents for Amtrak.

Such numbers explain the perennial budgetary challenge facing IndyGo, which has tried under different mayors but never found a way to simultaneously improve bus service, increase ridership and hold the line on costs. In 2010, IndyGo operating expenditures totaled \$63.5 million for 8.3 million passenger trips. Of that \$10 million came from passenger fares and advertising; taxpayers subsidized the rest.

Rail transit is worse. By any objective standard – profitability, ridership, cost-efficiency – "few American rail transit systems make sense," says Randal O'Toole, an adjunct scholar of the Indiana Policy Review, a senior fellow of the Cato Institute and author of "Why We're Stuck in Traffic and What to Do about It"

"With the possible exception of Manhattan," he says, "Americans do not live or work in environments dense enough to need any higher capacity transit than buses."

Furthermore, virtually every light-rail project done in this country in recent years has come in way over budget including those in Austin, Texas; Buffalo, New York; and Charlotte, N.C.

To be sure, some elements of the task force plan are worth trying on a limited scale.

About 7 percent of Indianapolis households have no car and need more transit choices. Adding bus routes in underserved areas and creating express commuter lines in highly traveled corridors can be done without legislation.

Elsewhere innovative communities are competitively contracting out high-cost routes and encouraging privatized jitney service to meet unmet demand. Those are good ideas, too.

Supporters say the House bill should be passed, regardless of individual lawmakers' policy concerns, so that citizens of central Indiana can decide for themselves the future of regional transit

Letting voters weigh in on a bad idea doesn't make it better. In terms of ridership and revenues, mass transit is a losing proposition. Wishful thinking will not change that.