# 7.1.4 GOVERNANCE AND FUNDING STRATEGIES

## INTRODUCTION

This memo addresses funding and governance challenges related to providing community connector services in the Portland metropolitan region. This section describes the role of these services in the regional transit system and defines funding and governance from the lens of community connector transit (CCT), including both strengths of the current models and challenges that could need to be addressed in the context of this study.

## What is the role of Community Connector Transit in the regional transit system?

Community connector transit (CCT)—broadly defined in this study as first/last mile transit services generally available to everyone **without** special eligibility requirements—is part of an ecosystem of transit solutions and can often provide service in areas that are not well-suited for fixed-route transit service. These services can:

- Improve connections to **high-capacity transit (HCT) and the fixed-route bus system**, boosting ridership.
- Improve or supplement connections to **key destinations that are not already addressed by fixed route transit or other existing services.**
- Provide **supplemental service when fixed-route transit is not running**, such as for shift workers late at night.

They can also provide access to community destinations in emerging areas that support transit service but don't yet support fixed-route service.

**Figure 1 Community Connector Transit Connecting to Existing Transit Network**

Over time, as land uses change, the type of service appropriate for an area may change (Figure 2).

**Figure 2 Community Connector Transit Service Over Time**

**Pilot Shuttle Launches**

Community Connector transit can start with a pilot in an emerging area that lacks conditions supportive of fixed route service. The CCT service can use informal stops and zones to provide connections to existing transit service in the region.

**CCT Shuttle Becomes Official**

Over time a successful pilot may become an official CCT shuttle. A service become more established some high ridership stops may be identified and formalized.

**CCT and Fixed Route Join Forces**

As the service area develops in transit-supportive ways, the CCT shuttle stop could be shared with new fixed route service. The CCT may continue to operate and provide complementary connections to the regional transit network. The CCT could also transition entirely to a fixed-route service.

## What is Transit Funding and Governance?

Many types of transit service are provided in the region, operated by several different providers. Governance refers to the decision-making structure that guides how transit service is delivered, and funding refers to how transit services are paid for. This memo specifically addresses the funding and governance of community connector service in the metropolitan area.

## Issues for CCT Funding and Governance

The region successfully provides many types of transit service that operate in varying land use contexts, and the Portland area is known for its robust transit options. However, the region also faces challenges related to funding and governance. Funding is limited, and existing funding sources are not keeping up with regional transit needs. The current model for funding operation of CCT services primarily draws from a single source (STIF formula funds) that is funded through a statewide payroll tax. Any increase in this funding to provide new or expanded services, such as to expand CCT service offerings, would require growing the regional tax base, increasing the tax rate (set by the Legislature), or changing the mix of services; this can encourage competition over collaboration. As described in more detail below, TriMet receives STIF formula funds and manages a process for allocating it, including for services it operates and those operated by other providers; the latter includes a set-aside for "regional coordination" which funds existing CCT services. An inherent tension in this process is that TriMet both uses STIF funds and oversees the allocation of funds to other services. There is no clearly defined collaborative regional process or shared understanding of metrics for prioritizing CCT service.

Labor agreements prevent TriMet from contracting with external providers to operate more flexible service models within the TriMet Service District; Clackamas, Multnomah, and Washington counties have implemented CCT services by contracting shuttle services to other operators, but this model has evolved relatively recently (as early as 2013 when Ride Connection started operating GroveLink service in Forest Grove, with an increase in the counties' role starting in 2019 with the inception of STIF). As such, the counties do not have the same scale and level of resources or expertise as TriMet. The City of Wilsonville withdrew from the TriMet district in the late 1980s and formed SMART (South Metro Area Regional Transit); SMART operates service within City of Wilsonville boundaries with limited connections to TriMet at Tualatin Park & Ride (SMART 2X) and the Wilsonville WES Station.

## CCT Funding and Governance Problem Statement Summary

Community connector service fills gaps in regional fixed-route transit network. Recently, these service have been funded through STIF, which is a flexible but limited funding source. Substantial increases in operational costs coupled with fare revenue that has not recovered to pre-COVID levels and decreasing payroll taxes have led to reductions in regional transit service. The uncertain funding situation makes it challenging to sustain existing CCT service and plan for expanded CCT service in the future.

CCT services are generally sponsored by each county and contracted to non-profit or private providers, which are able to operate these smaller-scale, flexible services at lower cost. Challenges in

planning these services include determining where and when different types of service are appropriate; avoiding gaps in service around jurisdictional boundaries and duplication of service; and deciding how service types transition over time.

## How does this memo help address these issues?

This memo lays out some of the challenges faced by transit providers in the region and identifies a set of novel approaches to funding and governance. The memo also provides several case studies to explore delivery models that could help the region overcome some of its challenges

- The Community Connector **Funding** Models section identifies the current funding sources used in the region and evaluates other potential funding sources that could be used for funding first- and last-mile transit. This section includes examples of funding sources employed around the country.
- The Community Connector **Governance and Service Delivery** Models section describes the current transit services provided in the region and explores other models of governance found around the country.
- The **Recreation** Shuttle section provides local and national case studies related to this specific type of service.

The uncertain fiscal outlook and likely need to reduce current service could offer an opportunity to re-think how resources are prioritized and how services are operated. This reprioritization will require a shared method of evaluating and making decisions about what types of service to provide and where they should be provided, given limited resources. This memo does not propose specific changes in regional transit governance as it relates to community connector transit but seeks to identify both strengths and challenges of the current model and proposes a set of recommendations to help address the challenges. It is also intended to motivate discussion of transit funding and governance issues at Transit Working Group #8 to help stakeholders at different agencies and jurisdictions find common ground and offer additional solutions.

# COMMUNITY CONNECTOR FUNDING MODELS

The Portland area, like many others across the country, is facing a fiscal cliff for funding transit service. Funding for transit at the federal level has become increasingly limited and is decreasing. Federal funding tends to support capital projects over operating expenses, and in the cases where federal funding can be used for operating expenses, the maximum federal share is capped at 50% (compared to 80% for capital costs). This means that state and local governments must typically fill in funding gaps to sustain operations. During the COVID-19 pandemic, temporary infusions of federal funds to support operations kept transit agencies afloat, but these appropriations have since been obligated, and ridership and farebox revenue have not yet returned to pre-COVID levels. At the same time, the cost of labor and materials increased dramatically due to post-pandemic inflation and supply chain issues.

Additional pressures on broader transportation funding sources also put pressure on transit funding. A large portion of federal funding for capital expenses associated with transit projects comes from the Highway Trust Fund, which is funded through the federal gas tax and diesel tax. The fund, which spends roughly three times as much on highway projects as it does on mass transit, is steadily decreasing over time, with expenditures far outweighing revenue. The gas tax is not tied to inflation and has not been increased since 1993. As cars have become more fuel efficient and electric and hybrid vehicles become more popular, the amount of gas consumed has decreased, which decreases revenue generated. As expenditures have outstripped revenue, calls to decrease Highway Trust Fund spending on mass transit have intensified.

Oregon and the Portland region are grappling with many of the same issues at a more local scale. A transportation bill considered during the 2025 Legislative session, House Bill 2025, would have raised almost $12 billion in the next ten years for transportation via new and increased taxes, including increased funding for transit agencies. The bill would have increased the gas tax and introduced a road user charge to counteract declining revenue from the state gas tax. This bill ultimately failed. The bill that was passed instead, House Bill 3991, was expected to raise $4.3 billion over the first decade—for a broad range of transportation needs.[1] The bill was slated to increase the STIF transit payroll tax from 0.1% to 0.2% for two years but decrease it again to 0.1% starting in 2028. This temporary increase would have been insufficient to meet the major budget shortfall caused by rising operating and capital costs combined with lower fare revenue. After passage, House Bill 3991 received enough signatures to refer tax increases to the ballot in November 2026. Governor Kotek is calling for a repeal of the bill in the 2026 short legislative session, and the future of the bill and state transportation funding are in question.

The Portland metro region is also impacted by Oregon's worsening economic trends—1% decline in job growth between July 2024 and July 2025; rising unemployment; and nearly flat population

[1] Oregon Public Broadcasting (2025). After delays and missteps, Oregon Democrats pass road-funding bill

growth (0.4%).[2] Two of the main revenue sources for transit agencies in the region come from payroll taxes: the STIF payroll tax and the payroll taxes levied by TriMet and SMART. When jobs within the region decrease, so does tax revenue. This impacts all transit providers in the region.

Additionally, one-time federal funding to help transit agencies during the COVID-19 pandemic is nearing the end of funding distributions, and a similar package is unlikely to be signed into law in the near future.

The decline in historic funding sources increases the need to explore alternative funding sources. Regardless of the current fiscal situation, needs will almost always outstrip available resources, even in a less-scarce environment. Therefore, the funding and governance discussion here is intended to respond both to near-term scarcity but also toward long-term sustainable stewardship. This section first covers current funding sources before exploring other potential funding sources for community connector transit.

# Current Funding Sources

Transit service in the region is funded through a variety of sources, including federal, statewide, and regional funding.

## Federal

A variety of federal formula funds are used to fund transit service. Several of the key programs are:

Federal Transit Administration (FTA) Section **5307 Urbanized Area Formula** grants are distributed to large urban areas and small urban areas. In FY2026, 5307 funds contributed approximately 3% of TriMet's operating budget.[3] Section **5310 Enhanced Mobility of Seniors & Individuals with Disabilities** can be used for services for these specific populations. Section **5311 Formula Grants for Rural Areas** are distributed to rural areas (population less than 50,000 people).

Section 5307 funding is not used to fund community connector service in this region, although it is a potential funding source. Regulations for using formula funds for microtransit vary by jurisdiction size and operation model:

- All agencies operating microtransit with their own vehicles can apply for an 80% match for vehicles and licensing software.
- Small urban and rural agencies operating their own microtransit programs can apply for a 50% match for operating costs, including driver pay and fuel. This option is not available for large urban areas.
- All agencies that use a contractor to manage operations, rather than operating the service themselves, can consider 50% of the contract as a capital expense and 50% of the contract as operational expense.

[2] Oregon Office of Economic Analysis (2025). Oregon Economic and Revenue Forecast, September 2025.

[3] TriMet, FY2026 Adopted Budget, p. 57 and 60.

- Large urban agencies can apply for an 80% match of the capital half of the contract, for a total 40% match
- Small urban and rural communities can apply for an 80% match of the capital half of the contract AND a 50% match of the operational half of the contract, for a total 65% match

Other sources of federal funding, including discretionary funding sources, are described in Appendix A.

# Statewide

The **Statewide Transportation Improvement Fund (STIF)** program was established in 2017 by the House Bill 2017 Funding Package. It supports the planning and operation of public transportation programs in Oregon and is funded via a 0.1% state payroll tax. In 2023, the STIF program was combined with the Special Transportation Fund (STF) program, which is funded by ID card fees, non-highway gas tax, and cigarette tax revenue. STIF revenue is distributed as follows:

- 90% goes to STIF formula funds, which are distributed to qualified entities based on population and payroll taxes within the qualified entity's geographic area.
  - Funding for services for older adults and people with disabilities is distributed based on population.
  - Funding for all other services is based on the amount of payroll tax generated within each area.
- 5% goes to discretionary funds, which are distributed to public transportation service providers via a competitive grant application.
- 4% goes to intercommunity discretionary funds, which are distributed via a competitive grant process and are used specifically for public transportation between two or more communities.
- 1% goes to the Oregon Technical Resource Center (TRC), which provides resources to Oregon's transportation agencies.

TriMet sets aside a portion of the region's STIF formula funding allocation for "regional coordination," which is passed through to providers within or connecting to TriMet's service area. In the FY2024–FY2025 biennium, the $16.3M used for regional coordination supported existing and new shuttles and services for Clackamas, Multnomah, and Washington counties. It also funded the inclusion of other providers' services on TriMet's trip planner. Regional coordination comprised 9% of TriMet's STIF budget. TriMet's proposed STIF budget for the FY2026–FY2027 biennium includes $14.8M for regional coordination, which is 8% of TriMet's STIF allocation. STIF funds are also allocated to Portland Streetcar and providers outside of the TriMet District including SMART, Sandy Area Metro (SAM), Canby Area Transit (CAT), and South Clackamas Transportation District (SCTD), as well as to Clackamas, Multnomah, and Washington counties for rural services.

STIF Formula funds are highly flexible and have few restrictions. This makes them useful as local matching funds to leverage grants, including STIF Discretionary funds. STIF Discretionary funds can be used for pilot projects or startup funding but can't be used to fund ongoing operations.

The **Innovative Mobility Program** (IMP) is an ODOT initiative that provides funding for projects that improve historically underserved communities' access to public and active transportation, reduce the number of drive-alone trips, and reduce greenhouse gas emissions. The program is funded federally through the Bipartisan Infrastructure Law and through the State of Oregon. For example, Washington County's microtransit pilot project in the South Cooper Mountain, River Terrace, and Progress Ridge areas is being funded through an IMP grant.

## Transit Districts

In addition to the STIF payroll tax, employers in the TriMet Transit District pay a 0.82% tax on all employees. The estimated budget from the payroll tax in 2026 is $550.2 million. TriMet is also funded through passenger fares.

Employers in the SMART Transit District pay a 0.5% tax on all employees. SMART has minimal fare revenue, as only one route currently charges a fare.

# Other Potential Funding Sources

This section describes other funding sources that could potentially be used to fund community connector services. Some of these are existing revenue sources that could be applied for this purpose, although there may be limitations including competition with other uses or legal restrictions. Other potential sources are not currently in place and would need to be enacted.

## Portland Clean Energy Fund

The Portland Clean Energy Fund (PCEF) is a city-level funding mechanism that helps to implement community-led projects and programs that reduce carbon emissions, create economic opportunity, and make the city resilient to changing climate. The fund was passed by Portland voters in 2018 and levies a 1% surcharge on all Portland sales of large retailers with $1 billion in national revenue and $500,000 in local revenue. The funding generated is used for community-led projects and programs that reduce carbon emissions and increase resiliency to climate change, with a focus on centering disadvantaged and marginalized groups who are most vulnerable to climate change. Transportation decarbonization is one of seven focus areas of PCEF's five-year Climate Investment Plan, which outlines how the expected $150 million in annual funding will be used over the next five years. Community grants are distributed to community-based organizations through a competitive grant cycle, and strategic programs are targeted programs implemented through partnerships with nonprofits, government entities, or businesses. PCEF projects must have a clear nexus with the fund's goals of community-led climate change mitigation and resiliency.

Due to higher-than-anticipated revenues, the PCEF Committee added additional projects to be funded in the most recent funding allocation. PCEF has committed to contributing $48 million in local match to the TriMet 82nd Avenue BRT as part of a larger $55 million investment in the corridor.

PCEF is similar to the City of Denver's Climate Protection Fund. The City of Denver used funding from its Climate Protection Fund to lease electric vehicles and to temporarily fund operations for its on-demand microtransit program, the **Denver Connector**.

## System Development Charges

System development charges (SDCs) are a source of funding available for local jurisdictions. SDCs are one-time fees for new developments that are based on the number of person trips expected to be generated by the development during evening commute hours. SDCs can be used to compensate for the use of existing transportation infrastructure or to make improvements to increase the capacity of transportation infrastructure. SDCs cannot be used for ongoing maintenance or to replace existing capacity, and they cannot be used to fund operations. However, they can be used for capital improvements related to transit. For example, $10 million in citywide SDC funds were used for capital improvements in support of the Division Transit Project. Cities can also create new SDC districts to fund transit projects, such as the SDC district created in southeast Portland to generate funds for the MAX Orange Line. Projects must be in a capital improvements plan, public facilities plan, or master plan before they can be funded by SDCs. While SDCs have historically been used for large projects like the two listed above, they can also be used for capital improvements related to community connector transit, such as shuttle stops and signage.

In July of 2025, Portland City Council voted to temporarily eliminate SDCs for three years in an attempt to kickstart development.

## Development Conditions

While not common in the Portland metro region, there is some precedent for requiring developments to pay for transit service as a condition of permit approval. For example, the **Forest Heights** planned community was required to provide a shuttle connecting into the TriMet system as a condition for receiving their permit. **Commute.org**, a TMA in San Mateo County, CA (profiled in the next section), sees regulations requiring new developments and major employers to jointly fund shuttle service as one of the most effective ways to ensure ongoing financial support for the services.

## Public-Private Partnerships

Public-private partnerships are collaborations between the public and private sectors that can attract private investments to fund public programs. Some partnerships are focused on operations, including for smaller-scale transit options. For example, Multnomah County's **ACCESS Shuttle** is made possible through a partnership with the Port of Portland. Other shuttles are entirely funded by private institutions, usually major employers—examples in the region include Nike and Intel. These shuttles are for employee use only and are not open to the public.

As described in more detail in the next section, **Commute.org** has been successful in using public-private partnerships for shuttle operations. A crucial element of their program is that the consortium is responsible for ongoing costs, unlike one-time developer fees. Large institutions are able to sponsor service alone, and the consortium option allows smaller employers and developers to spread out the cost. This system allows Commute.org to be nimble and reactive to changing land uses—when new developments are established, services can be established relatively quickly to serve them. The executive director of Commute.org notes that this system is most effective in cities with enforced TDM requirements that require developers to take part in programs that drive down vehicle miles traveled. Enforcement of these requirements is important—San Mateo has a TDM requirement for the entire county, but enforcement of the policy has been limited.

Portland's **BIKETOWN** bike-share program is a strong example of how public-private partnerships can fund community mobility services. Nike serves as the system's title sponsor and has contributed significant long-term funding, including $10 million at launch and additional support to cover the entire cost of PBOT's share of capital and operations costs. In exchange, Nike has naming rights and has overseen the branding and design of the system, including signature orange bikes and custom designs tied to the company's identity.

## Parking Revenue

Parking revenue is a flexible option for funding parking endeavors: it can be used for operations, capital improvements, and programs that support the use of existing transportation options.

In Denver, 75% of the **Denver Connector** microtransit project (case study included in the next section) is funded through a special revenue fund that is derived primarily from an increase in parking prices. **Washington Park** in Portland operates a free shuttle that is funded with parking revenue (see more below). Use of parking revenue is generally dictated by city ordinances and is therefore a more flexible option than taxes and fees that require state approval.

The **City of Boulder, Colorado**, uses parking revenue in the central city to purchase EcoPass transit passes for low-income employees. The **City of Portland's Transportation Wallet** program allows residents of the Central Eastside Industrial District and the Northwest District to acquire a transportation wallet of multimodal transportation incentives by trading in their parking pass or by buying the wallet at a steeply discounted rate. Low-income residents of the same neighborhoods are eligible for free transportation wallets. The free and subsidized wallets are funded with area parking permit revenue.

## Vehicle Registration Fees

Counties in Oregon have the authority to levy additional vehicles registration fees and could do so to support transportation improvements. All three counties currently use vehicle registration fees. Multnomah County uses funds raised for bridge projects, and Washington and Clackamas counties use them for road projects. A registration fee increase could be used to fund transit investments.

## Transportation Benefit Districts

In Washington State, city and county governments can establish transportation benefit districts (TBDs) to fund transportation improvements. TBDs tap into many of the funding sources described above.

A municipality establishes a TBD by ordinance after holding a public hearing at which the TBD is found to be in the public interest. TBDs are most commonly funded by sales tax and vehicle license fees. The governing board may impose a sales tax of 0.1% or less without voter approval. A sales tax greater than 0.1% and less than 0.3% can be established with voter approval. A TBD can establish a vehicle license fee of $20 or less without voter approval and can increase the fee to $40 and later to $50 after the fees have been in place for 24 months or more. The TBD can establish a vehicle license fee of up to $100 with voter approval. Countywide TBDs must distribute vehicle fee revenue according to an interlocal agreement approved by voters.

TBDs have a variety of other funding sources available to them, though they are used less commonly than sales tax and vehicle license fees:

- General obligation bonds
- A Canadian border area fuel tax
- Impact fees on commercial and industrial development
- Vehicle tolls
- Excess property taxes
- Local improvement districts

TBDs have been established in 120 cities and towns and five counties in Washington and have been successful forms of funding for transportation improvements. The Seattle Transportation Benefits District was established in 2014 when voters approved a $60 vehicle license fee and a 0.1% sales tax increase to create a funding source to buy additional transit service and programs from King County Metro. In 2020, a revised version of the benefits district was passed by City Council. This new bill, which increased the sales tax from 0.1% to 0.15% and did not renew the vehicle registration fee, was set for six years and was a crucial support of funding during the COVID-19 pandemic. To date, Seattle's is the only TBD in Washington State to pass a voted license fee. In 2024, its City Council re-established a non-voted vehicle registration fee.

# Transportation Management Associations (TMAs)

TMAs are nonprofits that play a vital function in facilitating public/private partnerships to manage transportation needs in an area, usually by bringing together multiple funding sources. Member organizations, which can include employers, developers, and public agencies, pay fees to the TMA. In exchange, the TMA provides various services, which can include distributing transit passes for employees, doing outreach with employees and community members, organizing vanpools, and providing micromobility. Fees can be optional or mandatory within a certain geography. Some TMAs directly provide community connector transit services. TMAs also receive grants from local, regional, or state governments to support their operations. They are often very involved in crafting, implementing, and confirming compliance with transportation demand management policies. For example, Oregon TMAs can help large employers conduct employee surveys to meet the Oregon Department of Environmental Quality's (DEQ) Employee Commute Options (ECO) requirements. Examples of TMAs in the region include:

- **Go Lloyd.** Go Lloyd is a 501(c)(6) non-profit organization in the Lloyd District in inner northeast Portland funded primarily through two revenue streams: revenue from parking meters in the neighborhood and fees collected through an Enhanced Services District that are paid by property managers, tenants, businesses, developers, and property owners. Of the parking revenue collected in the neighborhood, 51% is reinvested in transportation services and small capital projects within the neighborhood. Over the last 14 years, parking revenue has contributed to real-time transit arrival signs, increased transit service, Portland Streetcar vehicle purchases, construction of the Blumenauer Bridge, streetscape improvements, pedestrian infrastructure, and bicycle infrastructure. In 2024 alone, the Parking Climate and Equitable Mobility Transaction Fee paid for 115 local transportation wallets, which provide vouchers for transit, bike-share, rideshare, and scooter-share. Go Lloyd provides transportation information and multimodal incentives to thousands of employees in the neighborhood, and their website provides transportation options information for commuters, employers, and residents of the neighborhood.
- **Westside Transportation Alliance** (WTA). WTA is a non-profit that helps large employers comply with the DEQ Employee Commute Options rule. It provides customized programs to expand awareness of travel options and help employees reduce drive-alone trips in the county. The WTA annual budget was $252,000 in FY2023, and they were funded through a mix of grants (43%), member dues (25%), program fees (18%), Washington County funds (10%), and other sources (4%). The majority of the program budget is used to pay for staff costs (79%).

# Potential Future Funding Sources

There are several other funding sources that have greater barriers to implementation.

## Regional Funding Measure

A regional funding measure would authorize appropriations to use for transportation improvements. In 2020, the Portland region failed to pass the Get Moving 2020 transportation funding package, which would have contributed funds to the Southwest Corridor light rail project and other transit investments. The funds would have been generated by a 0.75% payroll tax on all regional employers with more than 25 employees. The Portland region has not voted to pass a regional funding measure for transit. However, this has been successful in many other locations, including in the Seattle region. **Sound Transit** has repeatedly secured voter approval for large capital programs (Sound Move, ST2, and ST3) funded through regional sales taxes, motor-vehicle excise taxes, and property taxes. These dedicated revenue streams enable Sound Transit to issue bonds backed by future tax collections, generating funding for expanding light rail, commuter rail, and bus rapid transit.

## Cap and Trade

In November 2024, the DEQ established a program that caps greenhouse gas emissions and requires electric utility providers, fuel providers, and companies in energy-intensive industries to buy and trade allowances to cover their emissions. The annual emission cap that declines over time to help achieve statewide GHG emissions reduction goals. Proceeds from the cap and trade program are to be used for GHG emissions reduction activities in environmental justice communities. At this time, only certain nonprofits will be eligible recipients of these funds, and transit agencies are not currently able to receive funds. Future rule changes could open up cap-and-trade funds to transit agencies.

# Funding Sources with Known Barriers to Use for Community Connector Transit

## Congestion Pricing

Congestion pricing is a strategy for pricing the use of a roadway with the goal of reducing congestion, such as by setting higher tolls to shift travel away from peak periods or to encourage the use of non-driving modes such as public transit. Roadway pricing, such as tolls, can also be used to raise revenues for infrastructure improvements. ODOT has considered implementing tolling on the I-5 and I-205 corridors through a project known as the Regional Mobility Pricing Project (RMPP), an initiative that the state halted in 2024. If implemented at a later time, tolling revenues could be used for transit improvements to provide additional mobility options along the tolled corridors.

There is substantial political opposition to congestion pricing and concerns about equity for populations living outside of the boundary. ODOT's Public Transportation Strategy (PST) for Tolling intends to alleviate some of those concerns by establishing goals and priorities for public

transportation projects that should be supported with funds from tolling. The goal of the PST is to increase public transportation options near tolled highways to advance a more equitable and climate-friendly transportation system. In addition to fixed-route transit, eligible projects include flex-route shuttles, demand responsive shuttles, mobility hubs, and TDM programs.

Elsewhere, congestion pricing has been used to support transit. In New York City, where congestion pricing was implemented in 2025, drivers must pay $9 to enter Manhattan south of 60th Street during peak hours. The revenue from these tolls is expected to fund $15 billion in capital improvements to the MTA network. These improvements include adding new subway cars, upgrading to modern signaling on key lines, making stations ADA-accessible, and pushing forward the next phase of the Second Avenue Subway.

# Value Capture Strategies

Value capture strategies are used to recapture the private benefit created by public investments. Tax increment finance (TIF) districts are one method of value capture. When TIF districts are implemented, property taxes within the district are assessed at the base year, and the subsequent increase in property taxes above the base amount is reinvested in the district. While some kinds of transportation projects are eligible projects per Oregon state law, there are limitations on what TIF funds can be used for and where TIF districts can be established. According to state law, TIF districts must be established in "blighted" areas [as Urban Renewal Areas (URAs]). TIF districts were historically used for large-scale infrastructure projects, including past TriMet projects. More recently, TIF districts have focused more on community stabilization and housing production. In Portland, 45% of all TIF funds must be used for affordable housing. While this decreases the amount that can be used for other purposes, it also helps create transit-supportive land uses. Moreover, supported uses for TIF funding include street improvements, connectivity, and accessibility, with an emphasis on supporting pedestrian and bicycle infrastructure. As poor pedestrian access and street connectivity currently stand as a barrier to public transit use in much of the Portland metropolitan area, TIF funding can be used indirectly to support transit access through street, sidewalk, and bike infrastructure improvements.

# Summary of Existing and Potential Funding Sources

Each funding source listed has benefits and challenges, summarized in Table 1. The future of many of these funding sources is uncertain, which makes planning for future service challenging. Moreover, the programs identified as potential sources of funding for CCT are also existing or potential funding sources for fixed-route transit. Given the funding gap for fixed-route transit in the region, competition for all funding sources is high. This further highlights the need for regional coordination and holistic transit planning to establish implementation priorities.

**Table 1 Summary of Existing and Potential Funding Sources**

| Funding source | Existing / potential | Benefits | Challenges |
|---|---|---|---|
| Federal formula | Existing | Generally reliable funding for some purposes, including rural transit and mobility for older adults and people with disabilities | Fluctuate according to federal policy |
| Federal discretionary | Existing | Many different funding streams available for different types of transit | Fluctuate according to federal policy, competition for grants that may not be met by small community connector transit projects |
| STIF formula | Existing | Flexible, few restrictions for use, can be used for local match | Administrative burdens, requirement for projects to be in STIF plans, regional competition for resources |
| STIF discretionary | Existing | Can be used for pilots, capital improvements, short-term operations | More restrictive than STIF formula funds, can't generally be used for ongoing operations |
| Payroll taxes | Existing | Major funding source, fewer administrative burdens | Are not typically used for community connector services, tax revenue fluctuates based on employment in district |
| Portland Clean Energy Fund | Potential | Robust funding source | Projects must have climate-related benefit to priority populations (people of color, people with low incomes, and people with disabilities). Recent efforts to use PCEF funds to fill budget holes has heightened tensions around relevant uses. |
| System Development Charges | Potential | Can provide funding for transit in newly developing areas that don't meet population thresholds for fixed-route transit | Current local climate is favoring removal of barriers to development, only applies to new development |
| Development conditions | Potential | Can provide funding for transit in newly developing areas that don't meet population thresholds for fixed-route transit | Can be unpopular, current local climate is favoring removal of barriers to development, only applies to new development |
| Public-private partnerships | Potential | Leverages private money, can capture some of the value that transit provides to private development | Smaller scale transit like community connectors can be less appealing for private entities to sponsor or co-develop |

| Funding source | Existing / potential | Benefits | Challenges |
|---|---|---|---|
| Parking revenue | Potential | Flexible funding source, incentivizes non-SOV travel | Can be unpopular to implement, land use context for charging for parking doesn't necessarily match the land use context best for community connector transit |
| Vehicle registration fees | Potential | Is already levied by all three counties and used for transportation purposes | Funding for CCT would compete with funding needs for bridges and roads |
| TMAs | Potential | Can pool funding from multiple private employers and developers | TMA coverage in the region is limited |
| Regional funding measure | Potential | Can provide a major source of funding for many types of transit | Long lead time to pass, takes considerable political effort, last regional transportation funding measure was voted down |
| Cap and trade | Potential | Currently untapped funding source for transit, regulates emissions in addition to providing funding source | Not currently approved for transit use |
| Congestion pricing | Potential | Can provide a substantial funding source, community connector services were established as eligible expenses in ODOT's Public Transportation Strategy for Tolling | Politically unpopular, associated with some equity concerns |
| Value capture | Potential | TIF district revenue can support transit access through street improvements, connectivity, and accessibility | TIF revenue cannot be used for transit operations |

# COMMUNITY CONNECTOR GOVERNANCE AND SERVICE DELIVERY MODELS

## Current Service Delivery Structure

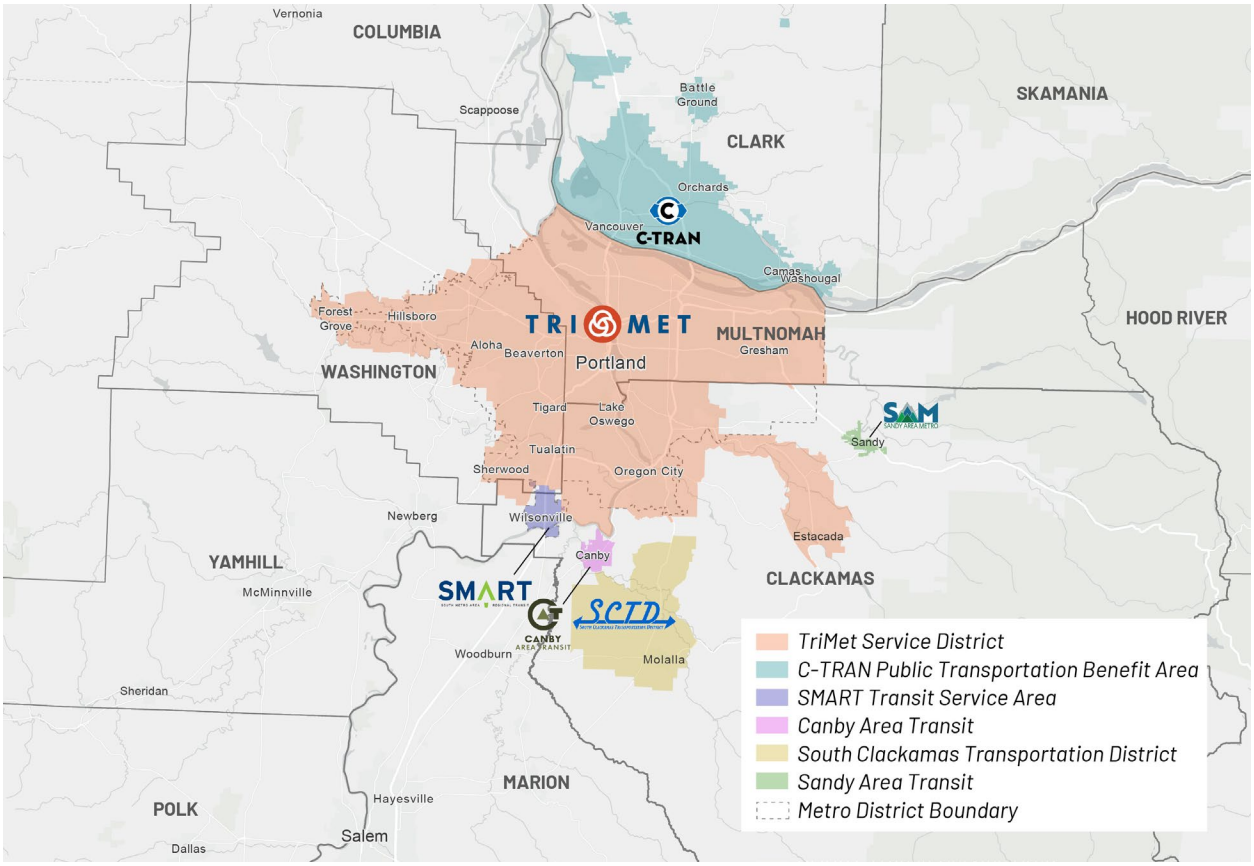
Multiple public transit providers operate service in the Portland metropolitan area, outlined in Table 2. The providers operate a variety of services with differing eligibility requirements; the Community Connector Study's focus is services available to the general public.

**Table 2. Overview of Transit Service Providers in the Region**

| Service Sponsors | Service Name | Service Type | Eligibility Restrictions | Service Area |
|---|---|---|---|---|
| TriMet | MAX, WES, FX, buses | Fixed route | Open to the public | TriMet Mass Transit District |
| | LIFT | Paratransit | Limited to riders with disabilities that prevent them from using fixed-route service | |
| | TriMet NEXT (Pilot) | On-demand | Open to LIFT-eligible riders and to the public (older adults and/or people with disabilities who are not eligible for LIFT) within a subset of the NEXT zone | Gresham |
| City of Wilsonville (SMART) | Buses | Fixed route | Open to the public | City of Wilsonville |
| | Dial-a-Ride | Paratransit | Limited to riders with disabilities that prevent them from using fixed-route service | |
| City of Portland | Streetcar | Fixed-route | Open to the public | City of Portland |
| C-TRAN | The Vine, buses | Fixed route | Open to the public | Clark County |
| | The Current | On-demand | Open to the public | |
| | C-VAN | Paratransit | Limited to riders with disabilities that prevent them from using fixed-route service | |
| Washington County | Ride Connection Community Connectors | Flex-route shuttles | Open to the public | Overlaps with TriMet service area |
| | Door-to-Door | Dial-a-ride | Open to the public for trips in rural Washington County | Outside of TriMet service area |
| Clackamas County | Clackamas Connects | Flex-route shuttles | Open to the public | Overlaps with TriMet service area |
| | Transportation Reaching People | Dial-a-ride | Open to people with disabilities and adults 65+ | Outside of TriMet service area |
| Multnomah County | ACCESS Shuttle | Fixed-route shuttle | Open to the public | Within TriMet service area |
| | Rural Dial-a-Ride | Dial-a-ride | Open to the public for trips in rural Multnomah County | Outside of TriMet service area |

As shown in Figure 3, there is substantial overlap of service areas and jurisdictions.

**Figure 3 Transit Service Areas in the Region**




Other transit services operate mostly outside of the Metro planning area but have connection points with other services within the tri-county area. These include Columbia Area Transit (CAT), Sandy Area Metro (SAM), Canby Area Transit (CAT), the South Clackamas Transportation District (SCTD), Tillamook County Transportation District (TCTD), and Yamhill County Transit (YCT). Additionally, there are some existing and future recreation services in the area: the Washington Park Shuttle currently serves Washington Park, the Sandy River Shuttle is being piloted, and a new shuttle connecting people to Forest Park and Washington Park is being developed. These services are not the main focus of the memo; however, they are relevant for regional coordination efforts. More details on transit providers in the region can be found in Memo 3.1: First/Last Mile Transit Inventory.

This section covers the main service providers in the region. For each provider, a basic description of the services is followed by insights gleaned through interviews conducted for this task.[4]

[4] The interview with C-TRAN was conducted for an earlier task.

# Transit Providers

## TriMet

TriMet operates fixed-route and paratransit service in the Portland metropolitan region. TriMet is also piloting an on-demand service for older adults and people with disabilities in the Powell Valley and South Gresham areas called TriMet NEXT. As a mass transit district, it has the power to levy payroll taxes, which it has done since the agency's founding through a payroll tax on all employees in the TriMet Transit District. The TriMet payroll tax currently stands at 0.82%. TriMet also receives STIF funding. As a mass transit district, TriMet is the Qualified Entity (QE) for the three-county area in which it operates.[5] As such, it receives STIF formula funds based on both a population-based formula, intended to support service for older adults and people with disabilities, and based on the proportion of payroll taxes collected. It then distributes STIF funds to Public Transportation Service Providers (PTSPs) in the area: Clackamas, Multnomah, and Washington counties; the Portland Streetcar; SMART; and smaller transit providers in the region. In addition to the STIF funding that TriMet distributes based on population and payroll, it also passes through a certain amount of its funding to the three counties through the STIF Regional Coordination program. The intention of this money is to serve areas within the TriMet service area that are not good candidates for fixed-route service and to feed into the TriMet system.

All STIF-funded projects must be in a STIF plan for each biennium, which is approved by the Oregon Transportation Commission (OTC). Sub-recipients submit their plans for STIF projects to their qualified entity (in this case, TriMet), which puts together and approves a STIF plan to be advanced to the OTC. TriMet also distributes FTA Section 5310 urban and rural formula funds from ODOT to the three counties.

**Interview Key Takeaways**

High labor standards used to provide TriMet service mean that it is not cost competitive or viable for TriMet to operate community connector service using TriMet operators. Labor agreements preclude TriMet from directly contracting out community connector operations, while counties are not subject to these agreements.

TriMet's service priorities are to serve the most people possible and serving equity areas. TriMet has supported use of Regional Coordination funds for shuttles that complement the fixed-route system, such as where TriMet can't serve the area cost effectively or where the road network doesn't support a 40-foot bus. TriMet provides support to other providers such as technical assistance with GIS data or installing signage at shared bus stops. Ten or more boardings per revenue hour is a general threshold for fixed-route service. However, there isn't a standardized process to set minimum benchmarks for shuttle services (such as productivity), to determine what is complementary vs. duplicative, for evaluating shuttle routes to see which might be viable for fixed-route transit, or for determining if transit center spaces can be made available to shuttle or regional providers.

[5] See ODOT, Qualified Transit Entities (QEs)

TriMet NEXT is intended to be comingled with TriMet's paratransit service, LIFT. This has benefits both to the provider and to passengers: vehicles that are not booked in advance for LIFT trips can be booked for same-day NEXT trips, which increases efficiency, and paratransit-eligible passengers (who make up the bulk of NEXT's riders) have more flexibility and independence when able to book same-day trips. However, the two services use different scheduling software, which means that vehicles cannot automatically be reassigned onto NEXT routes when available. This issue is exacerbated by the difference in service areas for the two services, as schedulers must run queries for trips that meet the criteria for NEXT and hand-select which trips should be sent to NEXT routes. The separate software also makes it more difficult to understand when there is high demand for trips across the two services and related capacity constraints. Overall, there have been successes to the program, including a slightly higher passengers per revenue hour than for LIFT service and high customer satisfaction from riders, but the challenges related to software, as well as limited staff capacity for the pilot, remain.

## SMART

South Metro Area Regional Transit (SMART) operates fixed-route transit and paratransit in Wilsonville, Oregon. SMART operates four in-town routes, three regional routes, and one shopper shuttle. The transit agency is in the process of developing a route that connects to Clackamas Town Center. The regional routes connect to Cherriots, TriMet, and Canby Area Transit service. All services are fare-free except for the 1X to Salem.

In 1988, Wilsonville withdrew from TriMet's service area to form a city-owned transit system. SMART levies a 0.5% payroll tax on all businesses located in Wilsonville. SMART also receives STIF formula funds, STIF discretionary funds, and a small amount of TriMet's STIF Regional Coordination funds for portions of SMART routes that overlap with TriMet's service area.

SMART operates a Dial-a-Ride service that is available for passengers who are unable to use the fixed-route service, including ADA-eligible passengers and passengers who are 60 and older. SMART also operates the SMART Options program, which supports non-drive-alone options like vanpooling, carpooling, bicycling, walking, and telework.

**Interview Key Takeaways**

SMART collaborates with other regional agencies to provide connections. Regional Coordination funding helps bridge service area gaps to make a more seamless regional system. Connecting at transit centers can be difficult in locations with limited space, like the Oregon City Transit Center. The long lead time for STIF funding can slow down implementation of some priorities.

## C-TRAN

C-TRAN operates fixed-route transit, paratransit, and on-demand service in Clark County, Washington. Six C-TRAN routes travel into Portland, serving major destinations like Downtown Portland, OHSU, and the Portland International Airport. Since 2022, C-TRAN has operated the Current, an on-demand service available in areas with limited fixed-route transit. The service replaced deviated fixed-route lines that were introduced in 2020 but were not performing well. C-TRAN

operates six on-demand microtransit zones, which serve different purposes in different parts of the county. Some serve major destinations like the Port of Vancouver and Washington State University Salmon Creek. C-TRAN uses the platform Spare for planning, operations, dispatch, and reservations. Routing of vehicles and reallocation of trips to vehicles is done automatically through Spare. The service uses C-TRAN operators, and all operators are trained to assist wheelchair users, which in addition to the wheelchair-accessible vehicles allows the service to be interoperable with paratransit. The vehicles were repurposed from C-TRAN's paratransit service.

The Current and C-TRAN's fixed-route services are funded primarily through a sales tax (0.7%). Additional funding support comes from the Washington State Department of Transportation and from federal funds.

# Counties

## Clackamas County

Clackamas County operates four free weekday deviated-fixed route shuttles in the county: the Oregon City Shuttle, the Clackamas Industrial Area Shuttle, the Clackamas Community College (CCC) Xpress Shuttle, and the Estacada Shuttle. The shuttles will deviate up to three-quarters of a mile from the shuttle route and can be either flagged down or called to deviate. Clackamas County contracts with MTR Western for the shuttles; the County owns the vehicles. The shuttles average 2.5 riders per revenue hour, with a cost per ride of $35.52. Clackamas County also operates two bus services that serve the communities along Highway 26: the Express and the Village Shuttle. The Express is a limited-stop commuter route, and the Village Shuttle is a deviated-fixed route shuttle. They operate seven days a week and have a fare. The shuttles are funded through STIF, partially through STIF regional coordination funding and partially through Clackamas County's STIF allocation for areas outside of TriMet's service area.

Several transit providers operate in Clackamas County: TriMet, SMART, Sandy Area Metro (SAM), Canby Area Transit (CAT), and South Clackamas Transit District (SCTD). The agencies, especially the latter four smaller agencies, collaborate closely and meet weekly.

**Interview Key Takeaways**

Clackamas County's shuttle program is challenged by limited resources, including funding, staffing, and technology. The shuttle program is operated by one staff member, and shuttle schedules are made by hand. Investment in better technology would save labor but is not affordable given current funding constraints. Land use patterns are also challenging to serve with transit, and transit times are not competitive with driving.

## Washington County

Washington County partners with Ride Connection, a private nonprofit, to operate seven fare-free shuttles in the county: BethanyLink, CorneliusLink, GroveLink, North Hillsboro Link, King City Link, Tualatin Shuttle, and westLink. Most of the shuttles are funded through the STIF Regional

Coordination funding. WestLink is funded via the STIF revenue generated in Washington County outside of the TriMet service area as well as federal funding from FTA 5311 formula funds for rural areas. Ride Connection also receives other private foundation grants and both corporate and individual donations.

Washington County has made and is continuing to make extensive investments in capital improvements at bus stops, funded through STIF discretionary funds, STIF formula funds, and the county's Major Streets Transportation Improvement Program (MSTIP) Opportunity Fund. The MSTIP Opportunity Fund is funded by property taxes and provides local match dollars to leverage federal, state, and other funding opportunities.

**Interview Key Takeaways**

Because Ride Connection is a nonprofit and has traditionally operated flexible services, it has historically been able to respond more quickly to changing needs in Washington County—for example, by adding a stop at a new employer. However, as stops are improved with signage, landing pads, and shelters, a tradeoff is that the ability to change routes decreases. Additionally, Washington County is hesitant to make costly investments in stops on routes that might be taken over by TriMet in the future (for example, on the North Hillsboro shuttle route).

This leads to a challenging dilemma: the routes/stops with the highest ridership have the most to gain from improved stop amenities, but higher ridership may make them less likely to be improved given lack of certainty of how they might evolve. As routes and stops are made more permanent via infrastructure investments, Ride Connection recognizes the need for more concrete service planning standards and procedures to standardize when and how route changes are made.

Ride Connection's ability to expand service throughout the metropolitan area is limited by size and capacity constraints—Ride Connection uses vehicles with 14 or fewer passengers because drivers are not required to have commercial driver's licenses. This makes hiring easier and keeps labor costs down but limits the capacity for expansion.

## Multnomah County

Multnomah County operates two community connector services: the Alderwood-Cornfoot-Columbia Employment Shuttle Service (ACCESS) and a Dial-a-Ride service in rural Multnomah County. ACCESS is a free shuttle service that operates south of the Portland airport. The shuttle runs Monday through Friday in morning and afternoon peaks. Multnomah County is contracting with ecoShuttle for this service. The shuttle is funded by STIF and is a partnership with the Portland Bureau of Transportation and the Port of Portland. In FY2025, the shuttle had an average of 454 monthly riders. Based on newly available stop-level ridership data, the highest ridership stop is Parkrose-Sumner Transit Center, indicating that many of the riders are likely transferring from TriMet routes to use ACCESS as a last-mile service to employment.

The Rural Dial-a-Ride program is a free service for residents living in Multnomah County outside of TriMet's service area. All trips must start and end in Multnomah County, and rides must be booked three days in advance. The service is fare-free.

Multnomah County operated two other community connector services until January of 2025; both filled temporal gaps in service and ceased operations when TriMet expanded service. The Swan Island shuttle operated on weekday evenings only and was discontinued after TriMet's Line 40 began operating in the late evenings. The Troutdale Reynolds Industrial Park (TRIP) Shuttle operated on weekends and holidays only and was discontinued after Line 81 began operating on weekends. In the twelve months before Line 40 expanded service, the Swan Island shuttle served an average of 920 monthly riders. In the twelve months before Line 81 expanded service, the TRIP shuttle served an average of 2370 monthly riders.

**Interview Key Takeaways**

Unlike TriMet service, the ACCESS shuttle includes stops outside of the public right-of-way, including on Postal Service property and on private property at some of the major industrial employers in the corridor. This helps get people where they want to go and is particularly important when the closest public right-of-way is on high-speed roads and/or roads with missing or limited sidewalks. This is an example of how TriMet service and county-provided shuttle services differ in their utility. The shuttle serves several types of destinations other than employment, including the Native American Youth and Family Center, Hacienda CDC, Albertsons, and Whitaker Ponds.

Ridership on the rural dial-a-ride service is low. This may be in part due to the requirement to book in advance. It has also been challenging to get the word out about the service.

# Challenges of Funding and Delivering First- and Last- Mile Transit Services

TriMet, SMART, the counties, and others provide many services in the region tailored to the varying land use and population throughout the Portland metropolitan region. The providers support each other in formal and informal ways (e.g., technical assistance, providing access to GIS data, helping with software and scheduling, and adding signage at bus stops and transit centers). Despite these successes, several challenges face providers in the region:

- **Funding limitations/competition:** Limited funding creates challenges for all providers, and questions regarding how to distribute funds can become contentious. Funding questions have become particularly challenging as TriMet has faced funding challenges and job losses in the Portland area have recently led to decreased STIF payroll tax revenue. Given that STIF is a relatively new funding source, there is no clear roadmap to h elp transit providers navigate the funding shortfall. The lack of certainty about available funds makes planning for the future more difficult. Locating funding for capital improvements like bus stops, signage, and shelters can also be challenging, and uncertainty around the future of community connector routes further complicates decisions around which stops to improve.
- **Coordination among multiple service providers:** Individual providers evolved to meet local needs in the regional system, leading to challenges with coordinating among providers and managing the allocation of resources (both money and space). Overlapping service areas complicate regional collaboration. The fact that providers are often competing for their share

of a single pool of funding resources (as noted above) creates a further tension in regional transit governance.

- **Siloed ridership markets:** Riders of different services (fixed route, shuttles, on-demand) are often considered as different subsets of riders, although community connectors and the fixed-route bus and rail system likely complement each other. Beyond anecdotal evidence, there is currently limited data to demonstrate transfer patterns between services.
- **Administrative burdens:** The administrative burden for planning and operating transit service can be high for a small provider with limited staff dedicated to transit. For example:
  - Applying for and reporting on STIF funding can be cumbersome and time-consuming
  - Limitations with the software used for reporting STIF funding (Optus) can lead to lack of clarity and a need for work-arounds
  - Different approval processes (e.g., permitting transit stops) vary between jurisdictions and can be difficult for a smaller provide to navigate
- **STIF plan constraints:** Although STIF funding is highly flexible, including the ability to use it as matching funds for grants, the biennial cycle of the STIF planning process means that missing the window for inclusion of a service in the STIF plan can delay implementation by up to two years. Some providers are concerned that how they define services in their STIF plans could preclude them from quickly pivoting to other service types when the proposed service isn't working as intended, although in practice there is likely some flexibility in how a project can be implemented.
- **Limited opportunities for knowledge sharing.** Knowledge sharing and support happens mostly on an ad-hoc basis. Current regional coordination meetings tend to focus on funding-related issues. While necessary, there is an opportunity for coordination meetings that could be focused on helping providers learn from each other and improving coordination; whether these meetings are successful depends on providers taking these meetings seriously and sending the appropriate people.
- **Barriers for riders:** Using community connectors to connect to fixed-route transit can be challenging when stops are not co-located or schedules are not aligned. Riders transferring between services with longer wait times may have higher amenity needs, like restrooms.
- **Challenging land use:** Disconnected streets and missing pedestrian infrastructure make many parts of the region challenging to serve with transit—even with smaller, more flexible community connectors. Capital infrastructure projects to bridge physical barriers and enable more efficient pedestrian connections would make it easier to access existing regional transit.

# Service Delivery Case Studies

This section explores case studies of how community connector services are provided and paid for outside of the Portland metropolitan area:

- In the Salt Lake City area, **Innovative Mobility Zones** can include **UTA On-Demand,** a microtransit service, with service contracted through Via.
- In Austin, **CapMetro** operates a hybrid on-demand microtransit service: they use Via's scheduling software, but operations, vehicles, and staffing are handled in-house.
- **Denver Connector** is an on-demand microtransit service operated by the City and County of Denver. Also in the Denver area, **FlexRide** is a flex-route shuttle service operated by RTD, the regional transit agency.
- In King County, Washington, **Metro Flex** is an on-demand microtransit service contracted with Via.
- In San Mateo County (San Francisco Bay Area), **Commute.org** uses a unique model of public-private partnerships to fund shuttles connecting to the region's fixed-route network.

# UTA On Demand and Innovative Mobility Zones (IMZs)

***Service type:*** *On-demand microtransit*

***Location:*** *Salt Lake City region, Utah*

***Service purpose:*** *connect passengers to fixed-route transit and community destinations in areas with non-transit-supportive land use and/or low transit demand. Use cases include:*

- *Maximize first/last-mile connections, for short trips to nearby rail, light rail, or BRT stations*
- *Provide more cost-effective "coverage" service in lower-density suburban areas with pockets of significant transit need but insufficient population/employment density to justify frequent bus service*

As part of its long-range transit plan, UTA has defined several Innovative Mobility Zones (IMZs), which are areas that don't support fixed-route service due to land use patterns or low transit demand. In these areas, mobility needs can be addressed through on-demand microtransit, micromobility, and/or partnerships with transportation network companies (TNCs). UTA is in the process of implementing TNC overflow across all on-demand zones (i.e., TNCs will be used to complete trips when UTA on-demand vehicles are not available).

UTA operates five on-demand zones within its 821-square-mile service area. UTA On-Demand completed 569,754 trips in 2024, and the zones cover 172 square miles—1.4% of all rides provided in 2024 and one-fifth of UTA's service area. Operating the on-demand program costs $16.8M, which is 3.6% of UTA's total budget.[6]

UTA positions on-demand service as part of the broader transit network, but as outside of "baseline service," complementing and sometimes building markets that fixed-route may eventually take over.

Where microtransit co-exists with fixed-route service, mode choice logic (which assumes that riders will take the shortest trip available) underpins the system. If a rider tries to book a ride that would be faster to take on transit, the booking app directs them to the fixed-route service instead. UTA's Transit app enables riders to see both on-demand and fixed-route bus/rail trip options. This helps keep on-demand service from taking away fixed route ridership. UTA sees strong use by school kids

Land use in parts of UTA's service area can be challenging to serve with microtransit. Because destinations are widely distributed, small zones are generally not feasible. However, zones that are too big are challenging to cover with a small number of vehicles. While UTA sees 10 miles as an industry sweet spot, it is aiming to keep zones under 30 square miles in low-density areas. The 70-mile area of the Southern Salt Lake County zone (Figure 5) is too large and requires additional management tools. UTA is exploring the use of trip distance caps to manage trip distances in large zones.

When evaluating potential zones, UTA considers transit need (low-income individuals, youth, older adults, people with disabilities, and people living in zero-car households) and transit potential

[6] UTA, Microtransit Presentation, 7/17/2025.

(population density and employment density), along with existing transit ridership, walkability, land use patterns, and parking availability. UTA considers areas where service carries between 2 and 5 riders per vehicle hour as good candidates for microtransit. Areas with poor street connectivity, even if they exceed 5 riders per hour, are considered better candidates for microtransit than for fixed route service. Areas with fewer than 2 rides per revenue hour have been identified as being better suited for partnerships with TNCs. IMZs can be used to replace low-ridership fixed routes, as was the case in South Salt Lake County. In this zone, low-performing routes were replaced with an on-demand zone that now serves 1,000+ riders per day. Origin and destination data from the on-demand service were used to create a heat map of travel demand in the area, and two fixed routes have since been successfully reinstated based on the data.

## Additional Resources

More details on UTA's Innovative Mobility Zone planning process can be found in the Innovative Mobility Zone (IMZ) Planning Memo. UTA is creating an innovative mobility zone design manual to guide future planning processes.

More information on how UTA decided on their key performance indicators can be found in the UTA Peer Agency Benchmarking Memo (2024).

UTA has established a set of key performance indicators by which to evaluate microtransit. It generally sees a range of 2 to 5 riders per revenue hour as the sweet spot for microtransit, while anything lower than 2 riders per hour is not viable, and anything greater than 5 riders per hour could be considered for fixed-route transit. Their efficiency target is to keep rides at $20 per ride or less. UTA sets the goal for ridership to increase by 10% each year in each zone and systemwide. Ridership data and origin-destination data are used to determine which areas might be better served with fixed-route transit.

Figure 4 provides statistics for UTA's on-demand zones.

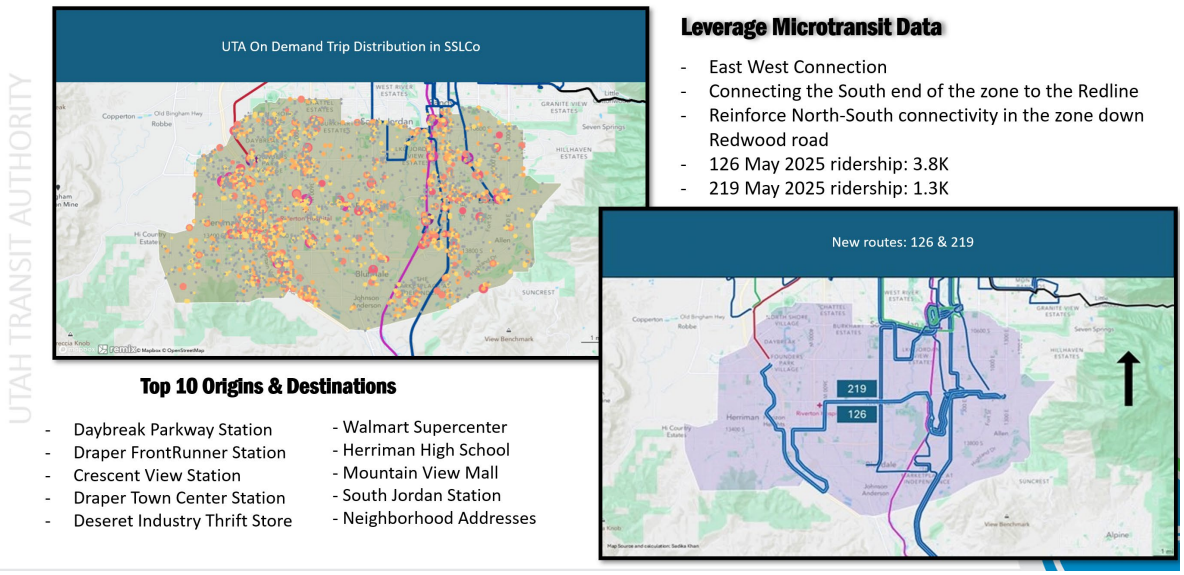
**Figure 4 UTA On-Demand Statistics**

| Zone | Land Use Context | Launch Date | Daily Ridership | Avg Wait Time (min) / Daily % Seats Unavail. | Riders / Rev Hr | Cost per Ride |
|---|---|---|---|---|---|---|
| Southern Salt Lake County | Suburban | Nov 2019 | 1,100 | 28.5 / 11% | | |
| Salt Lake City Westside | Urban | Dec 2021 | 490 | 22 / 8% | | |
| Tooele County (Rural) | Rural | Aug 2022 | 230 | 23 / 8% | | |
| South Davis County | Suburban/Rural | Aug 2022 | 270 | 24 / 11% | | |
| West Provo/Orem | Suburban/Rural | Apr 2025 | 15 | 6 / 5% | | |
| Service Target | - | - | - | 90% w/in 10-min pickup window and < 2% seats unavailable | 2-5 | < $20 |

Source: UTA, Data for Jan-May 2025; daily ridership rounded to nearest 10

UTA implemented one of its initial on-demand zones in Southern Salt Lake County in 2019 (Figure 5) where fixed-route service carried few riders. On-demand service carries 1,100 riders per day. The map below (left) illustrates the distribution of on-demand trip activity. Using this data, UTA implemented a new east-west fixed-route service (126) connecting to the TRAX Red Line light rail line and a new north-south route (219) reinforcing the Redwood Road corridor (see map below right). These new routes carried 3,800 and 1,300 daily riders in May 2025, respectively.

**Figure 5 UTA Southern Salt Lake County On-Demand Zone Example, Jan-May 2025**




## Strengths

- On-demand service is fully integrated into the UTA system. UTA evaluates where zones should be implemented as part of its regular long-range, short-term, and service change planning.
- On-demand service is interoperable with paratransit, which saves the agency money. Some paratransit riders prefer the flexibility of on-demand service (no advance reservations) for some trips.
- Using a turnkey service provides flexibility with vehicles and drivers: Via has a vehicle turnover cycle of two years, which is faster than the agency would be able to replace them with in-house vehicles. Anecdotally, some UTA operators also drive for Via.

## Challenges

- The service is oversubscribed, with unmet demand exceeding the vehicles available. In new zones, UTA is considering implementing trip distance capping (e.g., 5 or 7 miles) to keep trips from becoming too long and expensive to serve, while not artificially restricting the trips people can take.
- Some destinations can't be served because demand would overwhelm the system (e.g., a Walmart in the Salt Lake County zone that they frequently get requests to serve).

# CapMetro Pickup

***Service type**: On-demand microtransit*

***Location**: Austin, Texas*

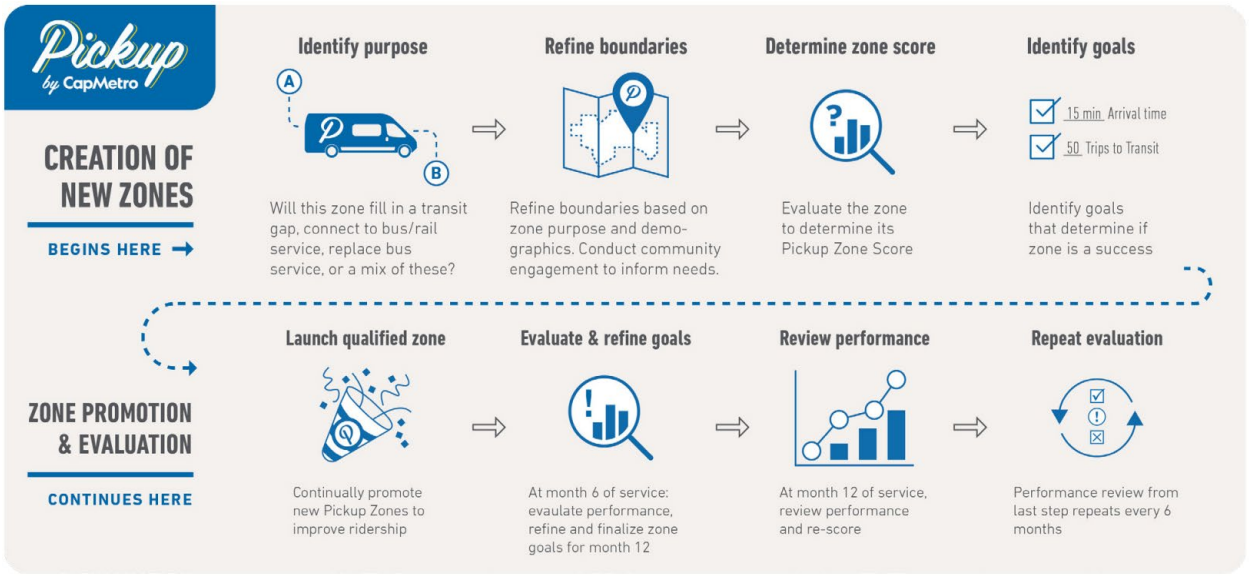
***Service purpose:** Fill gaps in the service network and provide transportation options in areas that have low-density land use. Zones can also be used to replace poorly performing fixed-route service, though they have not been used in this way to date.*

CapMetro Pickup is an on-demand microtransit service operating in 11 zones in the Austin, Texas, metropolitan region since 2017. CapMetro's funds Pickup mostly from its general fund, which comes from a 1% sales tax. In urbanized areas outside of CapMetro's service area, FTA Section 5307 urbanized area funds can be used to fund the service.

CapMetro handles operations, staffing, and vehicles in-house using Via software for scheduling. Pickup is interoperable with MetroAccess, CapMetro's paratransit service. This saves money by shifting trips from paratransit to on-demand and provides more flexibility for paratransit-eligible riders who want to book trips on demand rather than scheduling in advance as required for MetroAccess.

CapMetro has a well-defined system for establishing and evaluating zones (Figure 6).

**Figure 6 CapMetro System for Establishing and Evaluating Zones**




To identify potential zones and evaluate the success of existing zones, CapMetro uses a scoring matrix based on the following three categories:

- **Community characteristics**: zero-car households, median household income, households in poverty, minority population, population age 65 and older, and presence of essential services (medical, grocery, schools, shopping centers, and affordable housing).
- **Service quality**: passenger wait time, square mileage, and ridership.

- **Sustainability**: cost-effectiveness, the number of MetroAccess (paratransit) customers and mobility impaired passengers served, and the percentage of rides that are shared.

The matrix ensures that the same criteria are being applied evenly across the Austin metropolitan region and helps CapMetro manage implementation given the expense of providing the service.

> **Additional Resources**
> More information on CapMetro's process for identifying and evaluating zones can be found in CapMetro's Guidelines for Pickup Service (2020).

Unlike some microtransit services that only operate within the transit agency's service area—like UTA's—CapMetro has a system in place for developing service in areas that are partially or fully outside of the CapMetro service area. CapMetro has a cost-sharing system in place that divides responsibility for funding based on the percentage of the zone that is in each jurisdiction's boundaries. For example, if 70% of a zone is in CapMetro's service area and 30% of the zone is outside of the service area in the county, CapMetro will cover 70% of costs and the county will cover 30% of costs. For areas that fall entirely outside of CapMetro's service area, CapMetro will plan and operate a Pickup zone if the jurisdiction covers 100% of costs. For Pickup service to be implemented outside of CapMetro's service area, the jurisdiction must have their own transit development plan, and CapMetro will help fund the plan if it doesn't already exist. CapMetro staff report that the ability to create zones that extend beyond CapMetro's service area—and the cost-sharing system used to fund these zones—have been key to the program's success.

As of December 2024, the average number of customers served per hour across all 11 zones was 3.3.

## Strengths

- A hybrid model of operations works for CapMetro: Handling operations, staffing, and vehicles in-house saves the agency money. Using a scheduling software (they use Via's) increases efficiency.
- The service is interoperable with paratransit and is handled by the same demand response team, which also includes bikeshare.
- CapMetro has a cost-sharing model that allows Pickup zones to be established partially or fully outside of the service area.
- CapMetro has a clear structure for evaluating current zones and potential new zones.

## Challenges

- The service is oversubscribed, and the ability to expand further is constrained by competing priorities for CapMetro's budget.
- There can be political challenges related to service provision, as many jurisdictions want the service. The evaluation matrix helps keep decisions of where to serve as neutral and facts-based as possible.

# Denver Connector

***Service type**: On-demand microtransit*

***Location**: Three zones in Denver, Colorado*

***Service purpose**: Connect riders to fixed-route transit and community destinations in neighborhoods where land use patterns and street network patterns make fuller fixed-route transit coverage challenging*

The Denver Connector is a free microtransit service provided by the City and County of Denver's Department of Transportation and Infrastructure (DOTI) to improve access and connections to transit in several neighborhoods. The program was piloted for one year in the Montbello neighborhood starting in 2021, extended by another two years to a slightly larger Montbello service area, and new zones in the Globeville and Elyria-Swansea neighborhoods and West Denver have been launched since. The service is provided on weekdays between 6 a.m. and 8 p.m. The neighborhoods served by Denver Connector are served by some fixed-route transit, but there is no evidence from fixed-route ridership data that the microtransit program has replaced fixed-route transit trips. Anecdotally, they have heard from Denver Connector riders that the service has made trips possible that they wouldn't have taken before.

During the pilot project in Montbello, DOTI contracted with Northeast Transportation Connections (NETC), an equity-focused transportation management association (TMA) that serves culturally and linguistically diverse and low-income communities, for engagement work. NETC works with employers to create and sustain multimodal transportation benefits for employees and works with developers to create transportation demand management (TDM) plans that align with the City's TDM requirements. NETC's existing relationship with the neighborhood helped gain trust and a sense of legitimacy for the project.

### Additional Resources

More information on NETC's engagement methods can be found in Get There Oregon's Core Principles for Limited English Proficiency (LEP) Engagement in Transportation Options Programs.

The Denver Connector is funded through a variety of funding sources. The main source of funding comes from the Transportation and Mobility special revenue fund, which was established in 2021 and paid for via an increase in parking fees. RTD, the transit provider in the Denver metropolitan area, contributes funding through a portion of their budget that is passed through to local jurisdictions. Some funding comes from the State of Colorado's tax on oil and gas revenues, which is distributed for funding clean transit via formula funds. The electric vehicles used for the program were leased using Denver's Climate Protection Fund, which raises approximately $40 million each year through a 0.25% local sales and use tax. It sets a goal of spending half that amount on communities most vulnerable to the impacts of climate change. The funds can be used for green jobs, clean energy, environmental justice, adaptation and resiliency, sustainable transportation, and safer and more energy-efficient buildings. In addition to the funding for electric vehicles, DOTI received some

funding for operations of the service, but this is not a long-term solution for operations funding because the money is primarily meant to stand up new services and programs.

The service, which operates with ten vehicles across three zones, costs $2 million a year to operate. DOTI contracts with a turnkey provider, Downtowner, that provides vehicles, staffing, and scheduling.

DOTI tracks four key performance indicators for the service (Table 3).

**Table 3 Denver Connector KPIs, September 2025**

| Zone | Passengers per revenue hour | Trips per hour | Percent of trips with 30+ minute wait time | Cost per ride | Passenger experience rating |
|---|---|---|---|---|---|
| Montbello | 6.1 | 4.7 | 57% | $11.25 | 4.8/5.0 |
| Globeville and Elyria-Swansea | 6.6 | 4.0 | 31% | $12.41 | 4.9/5.0 |
| West Denver | 5.3 | 3.2 | 18% | $14.43 | 4.9/5.0 |
| **Average** | **6.0** | **4.0** | **35%** | **$12.70** | **4.9/5.0** |

Where trips per hour are lower than passengers per hour, more rides are shared, which is one of the goals of the service.

DOTI's goal for cost per ride is $10. The service partially meets that target in the Montebello zone and is still working to achieve that target in the other two zones.

## Strengths

- DOTI was well-positioned for doing a detailed analysis of transit gaps in the City and County of Denver.
- Contracting with a TMA that had a strong presence in the area was crucial to the success of the engagement process during the project pilot.
- In the last five years, Denver and Colorado have established new sources of funding that can be used for transit (to varying extents).
- The service is well utilized and popular with the community.

## Challenges

- Repeating the success of the service's implementation in the Montebello, Globeville, and Elyria-Swansea neighborhood may be challenging without a trusted partner such as NETC.

## RTD FlexRide

Another community connector service operating in the Denver region is RTD's FlexRide, which operates as a hybrid version of on-demand service and flex-route shuttles. RTD's FlexRide services depart from major transit stops at regular intervals, and passengers can be picked up at those times and locations without reservations. To be picked up or dropped off at all other locations within the local FlexRide service area, passengers can make reservations ten minutes to 30 days before the desired trip time. Recurring trips at the same time and the same location can be booked up to 90 days in advance. Passengers can book using the FlexRide app, available on desktop and smartphones, or by calling. When riders call, they are directed to leave a message on the driver's cell phone. RTD aims to return calls within one hour.

RTD runs FlexRide transit service in approximately 24 communities in the region. FlexRide connects to community destinations and to RTD's fixed-route service. Fares are $2.75 for a standard three-hour pass and $1.35 for a discounted fare. Youth aged 19 and under ride free.

# Metro Flex

***Service type:*** *On-demand microtransit*

***Location:*** *King County, Washington*

***Service purpose:*** *Connect to fixed-route network and community destinations in areas that are challenging to serve with fixed-route transit*

King County Metro (KCM) operates a corner-to-corner on-demand microtransit service in ten zones in King County. The service is provided by Via.

KCM's system for identifying new zones is outlined in their System Evaluation document:

1. KCM starts by identifying all Transit Connection Locations, which are transit centers or hubs with a certain level of transit activity. A two-mile walkshed is drawn around the primary facility. All areas with existing Metro Flex service are eliminated.
2. Next, areas are screened for equity and density. The average equity priority score for the block group in the proposed service area should be within the top 40 percent of all Transit Connection Locations, and the population density in the area should be between 5 and 18 people per acre.
3. The third step is to score zones by access to destinations. The number of jobs and community access are scored in quantiles, with the highest level of access receiving the highest score.
4. Based on this prioritization process, Metro Flex zones are established as funding and staff time allow.

King County Metro evaluates Metro Flex based on four criteria:

- Efficiency (cost per boarding): Metro's targets for efficiency are based on the 25th percentile on Metro's DART routes, which is a deviated fixed-route service operating in suburban areas with lower population density, more dispersed destinations, and fewer public transit options compared to areas with fixed-route transit. In 2024, the 25$^{th}$ percentile was 2.3 rides per platform hour.
- Productivity (cost per ride): Metro's targets for productivity are based on the 25th percentile on Metro's DART routes. In 2024, the 25$^{th}$ percentile was $34.86.
- Equity: Metro measures equity by comparing trips made to the service area and to the county as a whole. To compare equity to the service area, a spatial evaluation is used to compare the percentage of origins and destinations within Metro-defined Equity Priority Areas (EPAs) compared with the percentage of the zone that is an EPA. The percentage of trips to or from EPAs should match or exceed the percentage of the zone that is within an EPA. The county comparison uses a similar method but uses the percentage of the county that is within an EPA as the target (40%).

- Access to transit: Metro evaluates the extent to which the service is reaching residents without access to transit through a spatial analysis that creates a quarter-mile buffer around the fixed-route network. Zones with a higher percentage of homes and community assets outside of the quarter-mile buffer receive a higher score.

Some of KCM's Metro Flex zones are operated via partnerships with other jurisdictions. The West Seattle zone is fully paid for by the City of Seattle with funding from the transportation bond. The Issaquah zone is funded through Issaquah's transportation benefits district. Part of the Northshore zone is in Snohomish County; there is no cost-sharing mechanism in place with Snohomish County due to lack of available funds.

The Metro Flex app has several features that support access. Passengers with mobility needs can include them in their app profile, and they will be assigned a wheelchair-accessible vehicle and will be provided curb-to-curb service instead of corner-to-corner service. Passengers can also indicate that they are traveling with a bike when booking a ride, and a vehicle with a bike rack will be dispatched. If a trip is better served by fixed-route transit, the app will show fixed-route options instead of the on-demand service. Metro Flex fares can be paid with ORCA cards, and riders can transfer for free to or from buses, Sound Transit Link light rail, or Sounder. This encourages use of the service for filling first- and last-mile connections.

## Strengths

- Microtransit planning is folded into the larger service planning process.
- King County Metro uses clear criteria for creating and evaluating zones in line with their service goals.
- The methods for implementing and evaluating zones center equity.
- Fare integration through ORCA cards encourages connections with fixed-route transit.
- King County Metro partners with some jurisdictions that "buy up" the service using funding from transportation bonds or transportation benefits districts.

## Challenges

- Several zones were established before the prioritization process was put in place.
- While ORCA card integration should allow King County Metro to track what percentage of rides connect to fixed routes, technical issues with ORCA card readers onboard microtransit vehicles have limited this ability.

# Commute.org

***Service type**: Fixed-route shuttles*

***Location**: San Mateo County, California*

***Service purpose**: Fill first- and last-mile gaps in the high-capacity transit system, particularly for work commutes*

Commute.org is a joint powers authority (JPA) comprised of 17 cities and towns as well as the County of San Mateo, south of San Francisco. Formed in 2000, the agency provides TDM programming and services to employers, residents, and commuters. The shuttle program emerged out of a need for better workplace connections. Much of SamTrans service was operating north–south, and there were gaps in service to business parks located east and west of SamTrans service. Commute.org operates free, peak-hour shuttle service to make first- and last-mile connections to/from rail stations (Caltrain and BART) and ferry terminals. They contract with a private operator who also provides the vehicles.

Funding comes from a variety of local and regional public sources as well as contributions from private-sector participants in the agency's first- and last-mile shuttle program. Shuttle routes are established when an employer or developer—or a consortium of employers and/or developers—brings forward a shuttle proposal that serves their workplace or development. The private shuttle consortium is responsible for at least 25% of startup and ongoing operations costs of the shuttle route, and the consortium is billed biannually. The primary public source of funding for the 75% match comes from Measure A, a half-cent sales tax levy for transportation facilities and services. Initially passed in 1988, Measure A was reauthorized by County voters in 2004 and will be in effect until 2033 under the current authorization. Of the sales tax revenue gathered under Measure A, 4% is set aside for first- and last-mile transportation solutions. San Mateo County's Transportation Authority makes funding awards every two years.

A variety of policies and programs support Commute.org in meeting its primary goal of reducing vehicle miles traveled (VMT).

- In 2020, California Senate Bill 743 established VMT as the main measure by which a building or transportation project is evaluated during the environmental review process. Prior to implementation, level of service (LOS), or congestion, was the measure used to evaluate projects and buildings. Using LOS as the measure for new developments pushes developers to add roadway capacity and make intersection improvements. In contrast, using VMT encourages developers to improve sidewalks, add bike infrastructure, and provide transit passes to residents and employees. Sponsoring shuttles is another way to decrease VMT.
- More recently, the City/County Association of Governments of San Mateo County (C/CAG) passed a new TDM ordinance that applies to all developments in San Mateo County that generate 100 or more average daily trips. Developments are categorized based on their size and proximity to frequent transit. These developments must meet all required TDM measures and enough additional requirements to meet the minimum trip reduction requirement. However, ensuring compliance can be challenging. Cities that have their own TDM

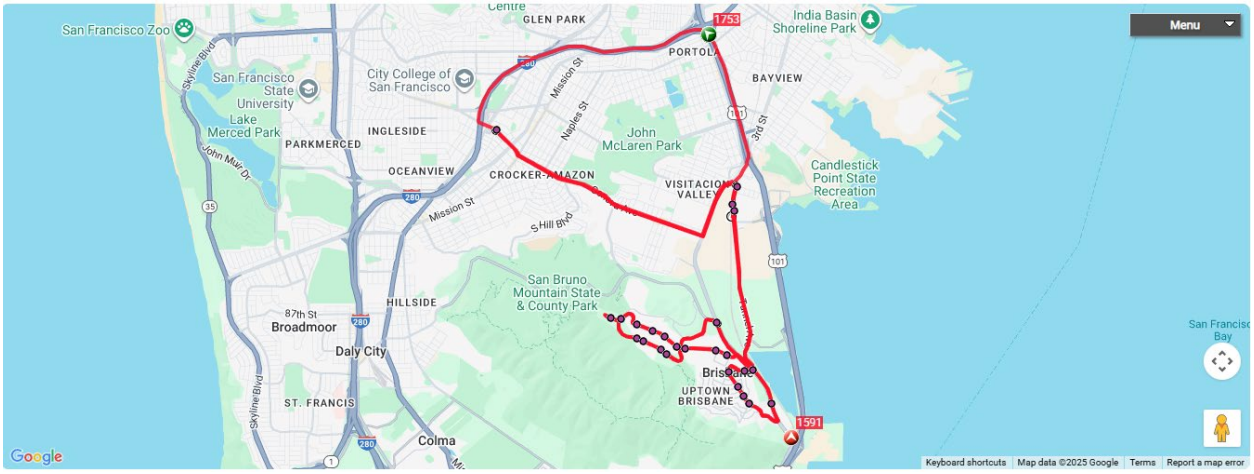
requirements are generally more successful at achieving compliance, and some cities, like Foster City, require that employers and developers of a certain size take part in the shuttle program.

The public-private funding structure of the shuttle program has historically been successful, but rising costs, especially rising wages, has put a strain on the program. When Commute.org's ten-year shuttle contract recently expired, costs rose by approximately 70% in the new contract. And when interest in the shuttles outstrips available funding, there is not a clear way to determine which shuttles should remain. Some major employers are willing to increase their contribution to keep a shuttle that they need (e.g., Stanford's Redwood campus) and are more likely to be retained. However, this creates equity issues, because consortiums of smaller employers, especially those providing working-class jobs, are most likely to be priced out. Due to the rising cost of wages, there is increasing interest in the use of autonomous vehicles.

Commute.org sets a benchmark of less than $9 per ride and more than 15 riders per hour for its commuter shuttle services. In the first quarter of FY2026, few of the routes were meeting these benchmarks, and the average cost per passenger was $18.37, and the riders per hour was 9.

Commute.org reports that shuttles do best when serving a variety of destinations so there is a less defined peak direction of travel. For example, the Brisbane Crocker Park shuttle is set up to serve employment and residential destinations in both the outbound and inbound directions, as well as the BART and Caltrain. In the first quarter of FY2026, this route served 15 passengers per hour with a cost per passenger just over $11 an hour.

**Figure 7 Brisbane Crocker Park Shuttle Route**




Source: Commute.org

# Strengths

- Cost-sharing with private employers and developers decreases public cost of the services.
- The requirement for shuttle consortiums to provide at least 25% of operating costs creates a continuous revenue stream for the service.

- Commute.org can be nimble in responding to the changing landscape in the county.
- Shuttles provide access to/from rail stations.
- Some cities within San Mateo County require new or updated properties to participate in Commute.org shuttles or similar services.

## Challenges

- Rising costs threaten the financial stability of the model.
- As costs rise, the amount of service that can be offered with the same amount of funding decreases. There is no clear method in place for evaluating which services should remain, which creates equity concerns.

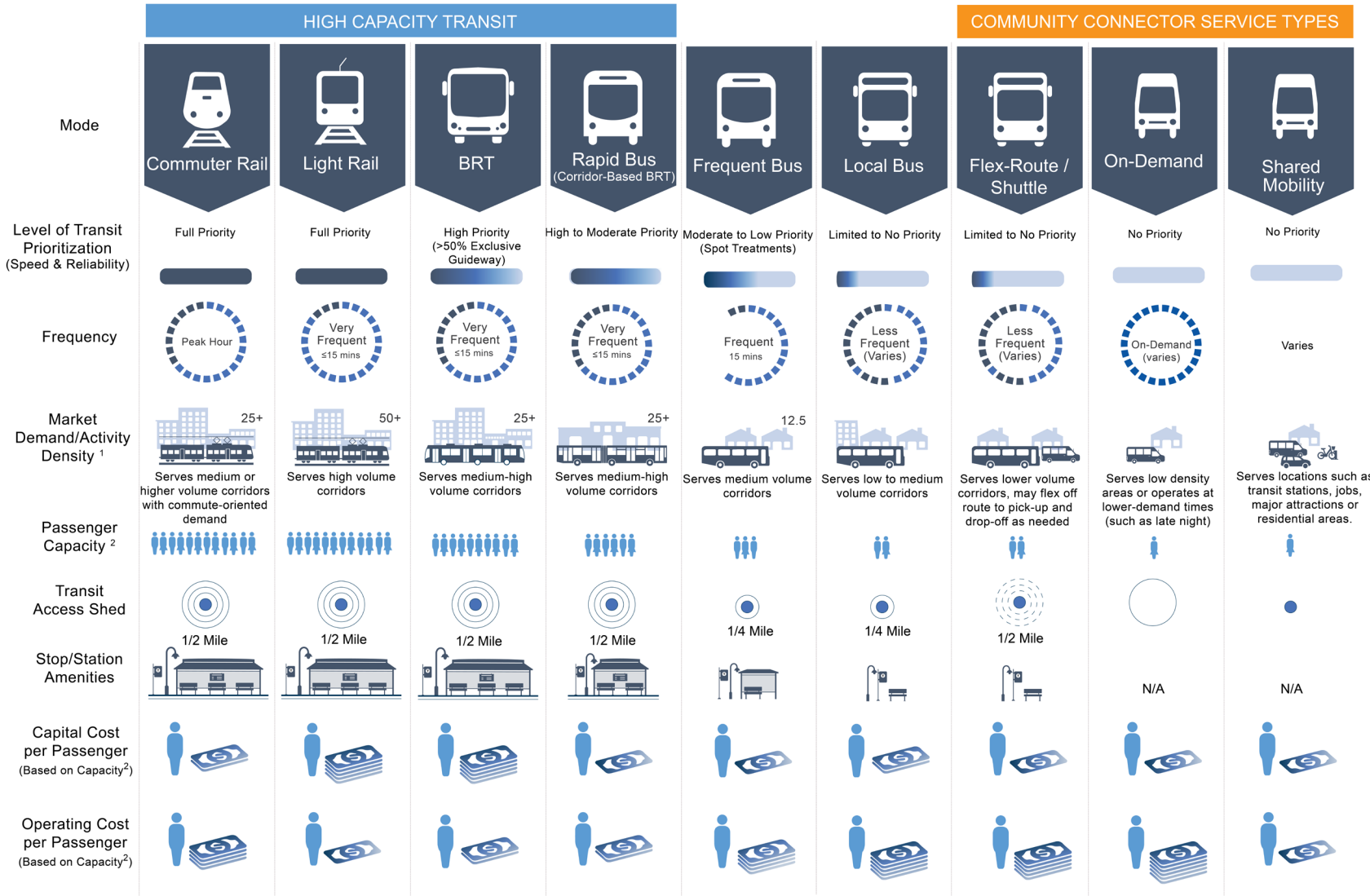
# Case Study Key Takeaways

- **Community connectors are part of a broader spectrum of transit types**, and adopting a mode choice logic framework as UTA does can help clarify what type of mode is appropriate—both for providers and for consumers. Consolidated sources of information, like regional trip planners, can support transit riders in making mode choice decisions. Additionally, advances in technology allow on-demand service apps to show fixed-route options when passengers book services and can even remove the option for booking on-demand service when a fixed-route alternative exists.
- **Community connectors can and should be considered as part of the larger transit planning process for the region**, with clear metrics for which type of service should be adopted. These metrics can include various elements, including population density, equity, and access to transit.
- **Community connectors are most effective when they can bridge jurisdictional gaps.** In some cases, this is achieved by regional transit providers providing community connector service over a wide service area; however, as seen in the CapMetro example, this can also be achieved through clear agreements between providers and jurisdictions.
- **As operational costs rise and ridership remains depressed from the impacts of COVID-19, providers must be creative with funding sources.** Strategies include developing public-private partnerships, securing climate funds for transit, channeling parking revenue into transit operations, and creating new taxes at the state level.
- **Different contracting models make sense for different providers. There are several considerations** for whether services should be provided in house, through a turnkey service, or through a combination of the two:
  - **Capacity for purchasing and maintaining vehicles**. Contractors that provide vehicles handle maintenance and regularly cycle in new vehicles (for example, Via turns over vehicles every two years), which can be helpful for small providers without the capacity to provide maintenance and replace vehicles.
  - **Staff capacity**. Large providers that can combine community connector management with other services, like CapMetro, can find cost savings in handling operations in house, but smaller providers generally lack the staff capacity needed and find turnkey services to be a better option. For providers that opt to provide a service in house or via a hybrid model, scheduling software like those provided by Via or Spare can increase efficiency.
  - **Service purpose**. While on-demand services typically allow passengers to request ADA-compliant rides, some agencies that intend on-demand services to be fully interoperable with paratransit may prefer to use their own trained drivers to complete rides.

# METRICS

This section provides performance metric considerations for a successful CCT service. CCT is intended to serve lower-density areas or operate at lower-demand times, as shown in the right three columns of the regional transit service type framework shown in Figure 8.

## Figure 8 Regional Transit Service Types




1. people per acre
2. passenger capacity is based on vehicle capacity and frequency

# Proposed Metrics

**Riders per vehicle revenue hour** and **cost per ride** are typical measures used to understand the productivity and cost effectiveness of a transit route. It is expected that CCT service would be able to serve fewer riders per hour and cost more per ride than a typical fixed route. However, since CCT service can be provided with smaller vehicles that do not require a commercial driver's license, they can also be operated at a lower cost.

Other metrics that may be used to evaluate community connector services include:

- Destinations served
- On-time performance and/or wait times
- Equity populations served
- Number of paratransit-eligible trips served
- Shared trips (measured as rides per hour compared to trips per hour)
- Transit gaps filled (measured as trips that begin or end outside of a quarter mile of fixed-route transit)
- Transfers to or from fixed-route transit

The following sections present these metrics for existing services in the region and the cases studies. More details on the considerations used for peer services are found in the individual case studies.

# Existing Transit and Shuttle Metrics and Performance Benchmarks

Table 4 below summarizes riders per hour, cost per ride, and service cost per hour measures for the services provided by local providers and case study providers. Because community connectors serve areas with lower population and employment density and challenging land use, they have lower productivity and cost effectiveness than fixed-route service. They can be less expensive to implement since they operate on a smaller scale than fixed-route service, although they may not include administrative costs (like County staff) that are included in costs for providers like TriMet and SMART.

**Table 4 Summary of Existing Transit Metrics (Riders per Revenue Hour and Cost per Ride)**

| Provider | Service type | Average Riders per Vehicle Hour [1] | Average Operating Cost per Ride [2] | Operating Cost per Vehicle Hour [3] | Notes |
|---|---|---|---|---|---|
| **Local Fixed-Route** | | | | | |
| TriMet | Fixed-route bus | 21.5 | $9.70 | $209 | NTD, 2024 |
| | Light rail | 43.3 | $10.74 | $465 | NTD, 2024 |
| | WES | 31.7 | $98.70 | $3,129 | NTD, 2024 |
| | NEXT | 1.74 | $69.31 | $89.94 | Dec 2024 |
| SMART | Fixed-route bus | 7.5 | $29.88 | $225 | NTD, 2024 |
| **Local Community Connector Examples** | | | | | |
| Multnomah County | Shuttle | 3.7 | $103.10 | $210.88 | FY 2025 [4] |
| Washington County | Shuttle | 3.5 | $24.62 | $85.21 | 2025 [5] |
| Clackamas County | Shuttle | 2.5 | $35.52 | $89 | FY 2025 [6] |
| C-TRAN Current | On-demand | 2.2 | N/A | N/A | Jan-Oct 2025 |
| **National Case Studies** | | | | | |
| Commute.org | Shuttle | 9.0 | $18.37 | $165 | Jul-Sep 2025 [8] |
| UTA On-demand | On-demand | 2 to 5 | $29 | N/A | 2024 [9] |
| Denver Connector | On-demand | 5.5 to 6.9 | $18.42 | $112.36 | Sept 2025 [10] |
| CapMetro Pickup | On-demand | 3.3 | N/A [9] | N/A | Dec 2024 [11] |
| KCM Metro Flex | On-demand | 2.7 | $33.29 | $89.89 | 2024 [12] |

Notes: [1] Annual unlinked passenger trips/annual vehicle revenue hours (or similar). [2] Operating expense per unlinked passenger trip (or similar). [3] Operating expense per vehicle revenue hour

[4] Multnomah County: Based on ACCESS Shuttle data for FY2025 (July 2024-June 2025). Statistics reflect a blended cost accounting for changes in rates and frequency. The current negotiated base rate for services is $273/hour with fluctuations upward or downward based on the cost of diesel. Operating cost includes vehicles.

[5] Washington County Community Connector: Based on 2025 calendar year through Oct 2025 (10 months). Hourly cost is valid through June 2026 and includes amortization of vehicles.

[6] Clackamas County: Based on data for FY2025 (July 2024-June 2025). Operating cost per vehicle revenue hour approximated as cost per ride multiplied by riders per hour. Clackamas County provides vehicles.

[7] C-TRAN: Based on 2025 calendar year through Oct 2025 (10 months). Cost was not tracked separately for the service in 2025.

[8] Commute.org: FY2026 YTD (July-Sept 2025, 3 months). Metrics for SamTrans/BART shuttles only.

[9} Data from UTA. Provided November 2025. [Metrics to be confirmed/updated]

[10] Data from City and County of Denver (DoTI) for Oct 2025. Provided January 2026. Operating cost per vehicle revenue hour approximated as cost per ride multiplied by riders per hour.

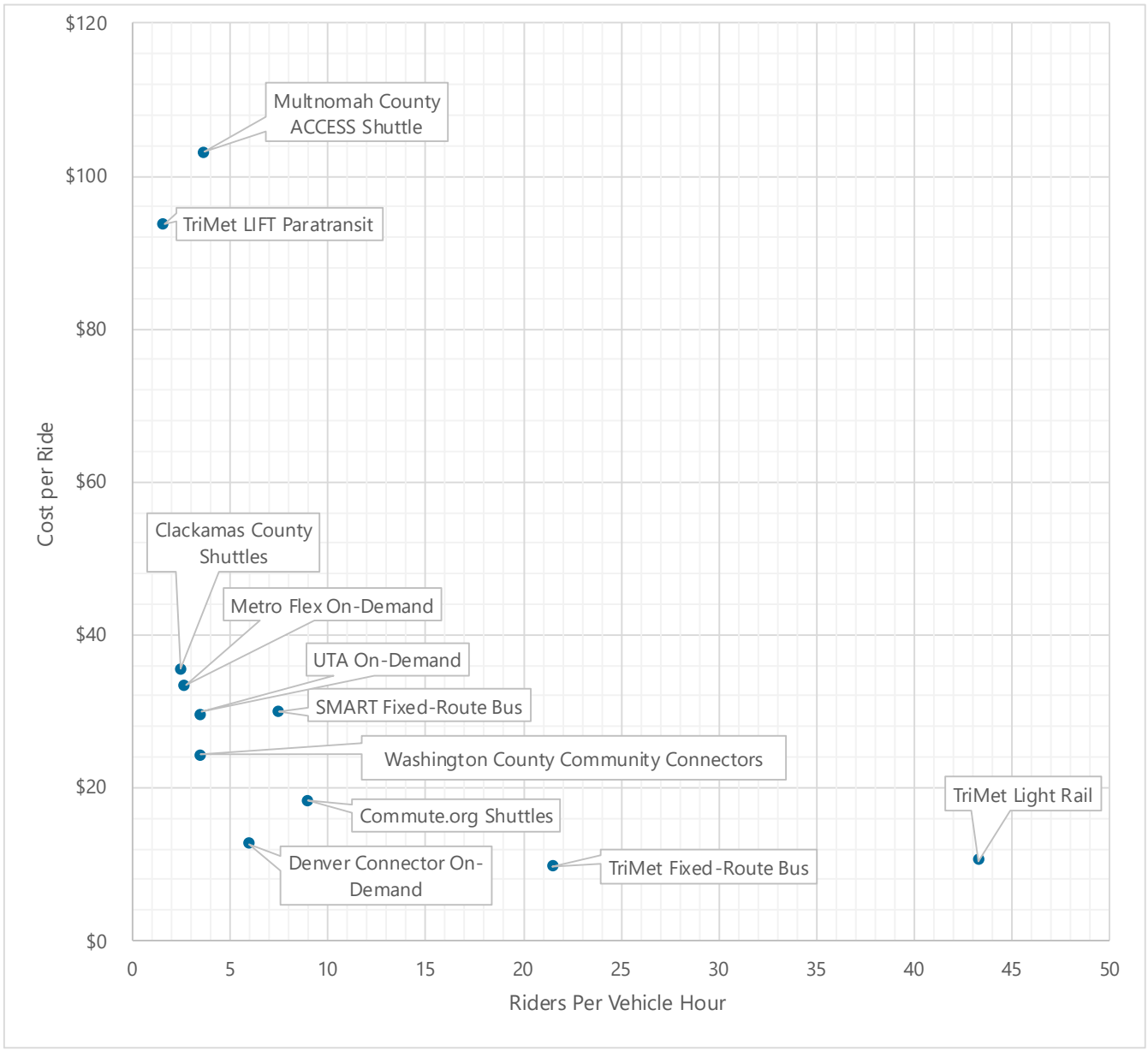
[11] For CapMetro, the operating expense per unlinked passenger trip for all demand response (paratransit and Pickup) is $73.70, per 2024 NTD data. Disaggregated numbers are not available.

[12] Data from King County Metro's 2024 System Evaluation, which uses data from September 2023 through March 2024. Cost per revenue hour is approximated as cost per ride multiplied by riders per hour.

# Local and Peer Performance Metrics

Figure 9 illustrates two key metrics—cost per ride and riders per vehicle hour. All CCT services fall between 2.5 to 10 riders per vehicle hour, with the exception of TriMet fixed-route bus and MAX light rail, which exceed 20 and 40 riders per vehicle hour, respectively.

**Figure 9 Summary of Local and National CCT Performance Metrics**

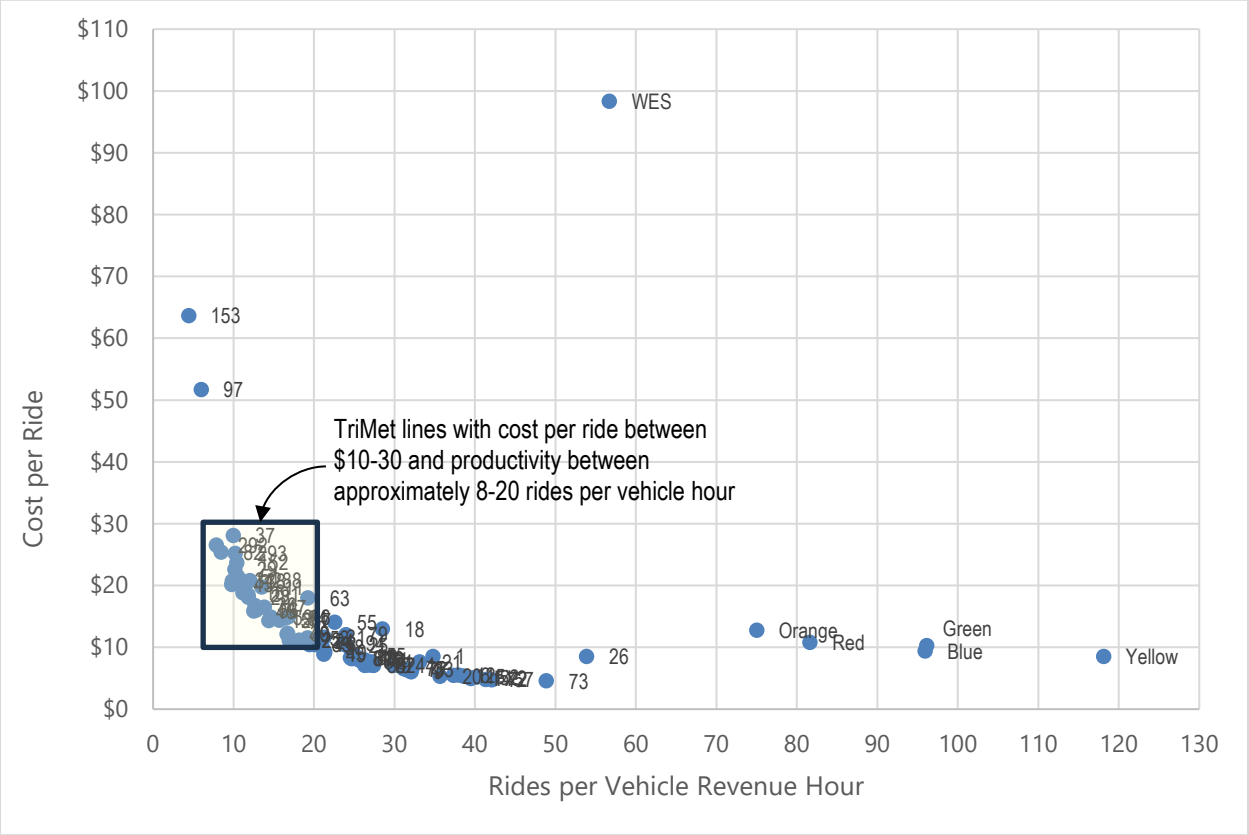



Note: See Table 4 for data sources and years

# TriMet

Most TriMet routes exceed 10 rides (unlinked trips) per vehicle hour, and many exceed 20 rides per hour. A small number of routes carry fewer than 10 rides per hour.

**Figure 10 TriMet Productivity and Cost per Ride, Spring 2025**

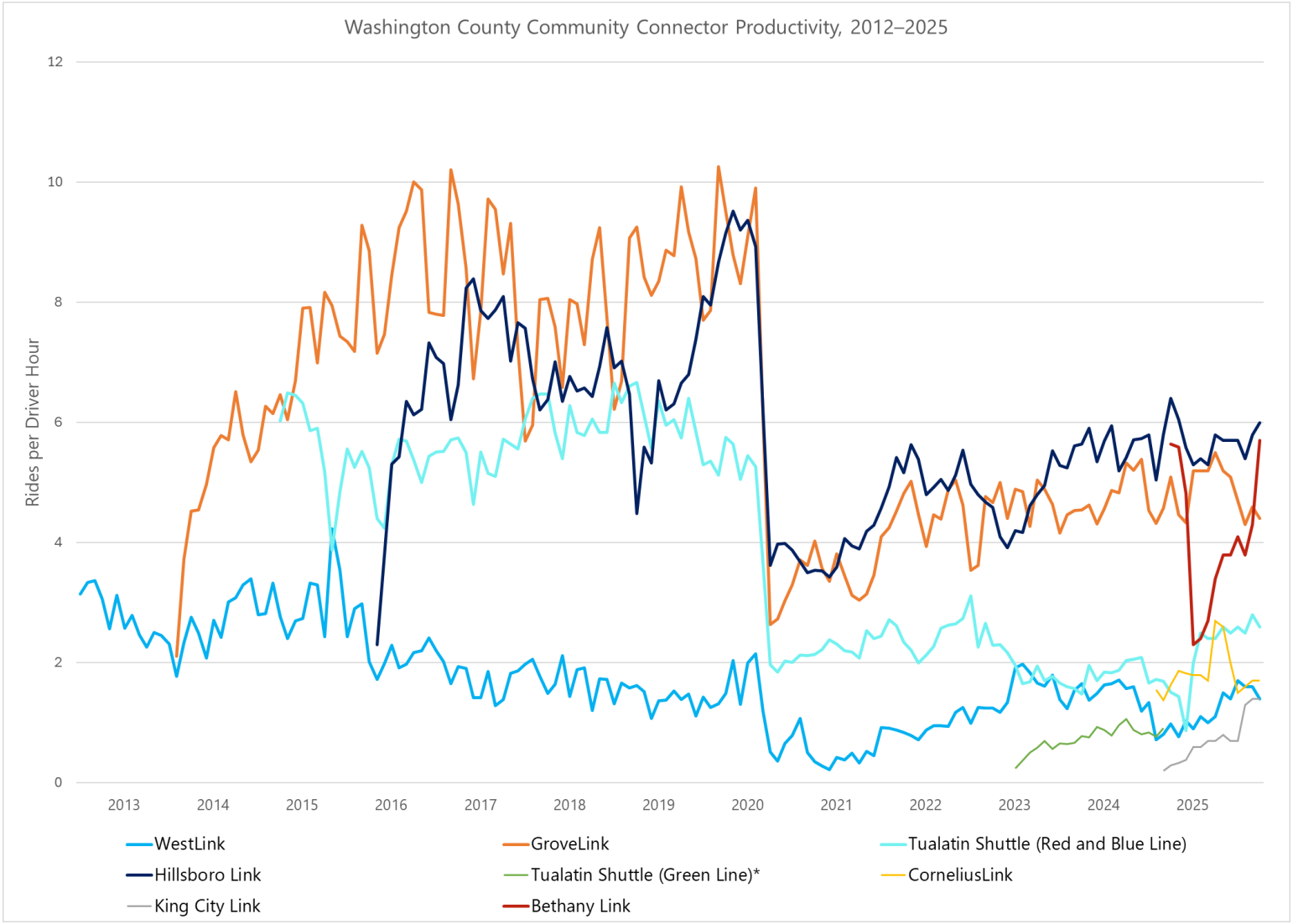



Source: TriMet Passenger Census Report, Spring 2025

# Washington County Community Connector

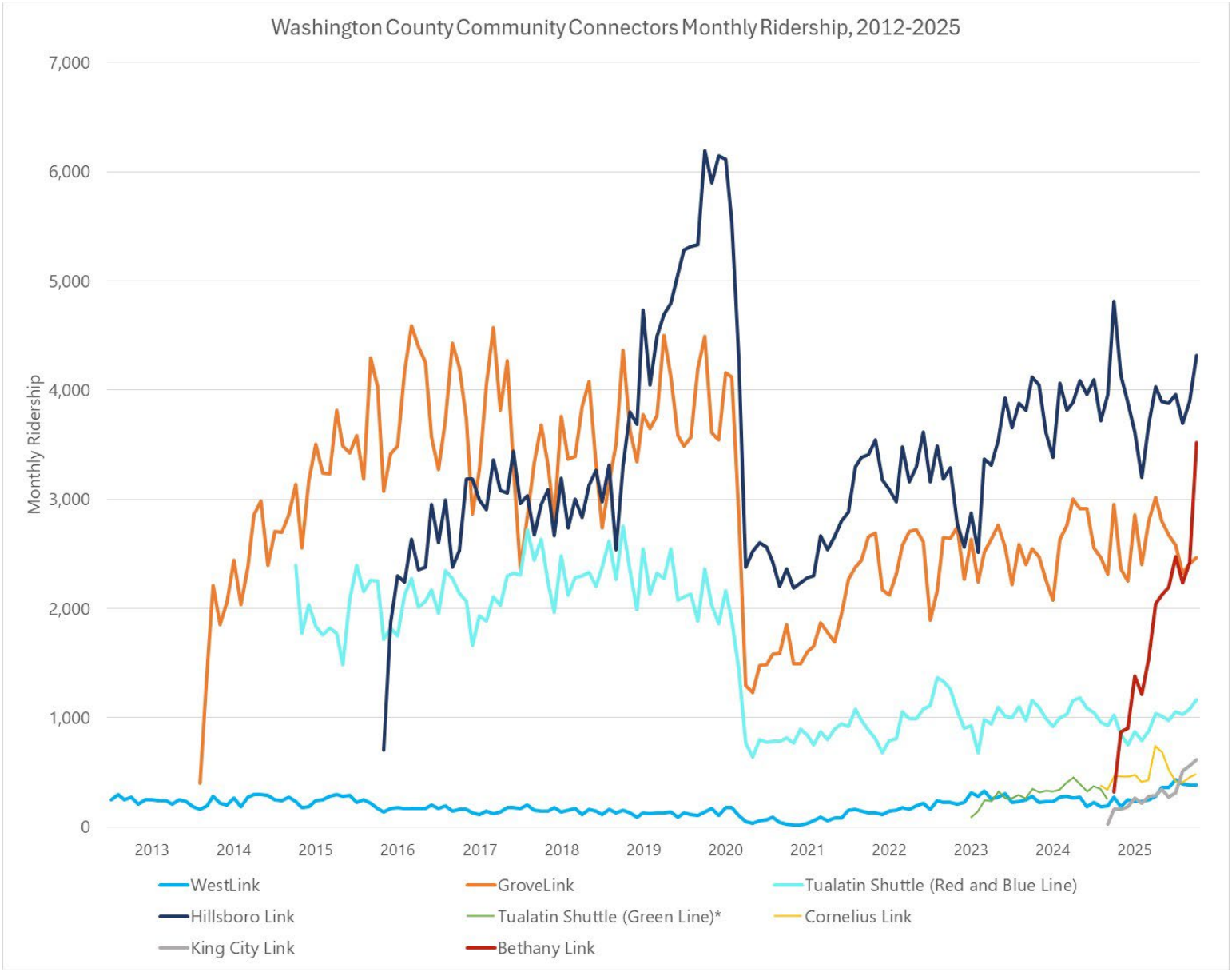
Productivity (rides per hour) is shown for Washington County's shuttles below (Figure 11). Prior to the beginning of the COVID-19 pandemic, Hillsboro Link and Grove Link were approaching ten rides per hour. After a steep decline during the pandemic, they have recovered to approximately six rides per hour. Washington County's shuttles have generally seen an increase in ridership since the pandemic. The same pattern is seen in overall monthly ridership, shown in Figure 12.

**Figure 11 Washington County Community Connector Rides per Hour (through Oct 2025)**




Data Source: Ride Connection. Notes: *The Tualatin Shuttle Green Line was discontinued in 2024 when TriMet expanded service on Line 76

**Figure 12 Washington County Community Connector Monthly Ridership (through Oct 2025)**

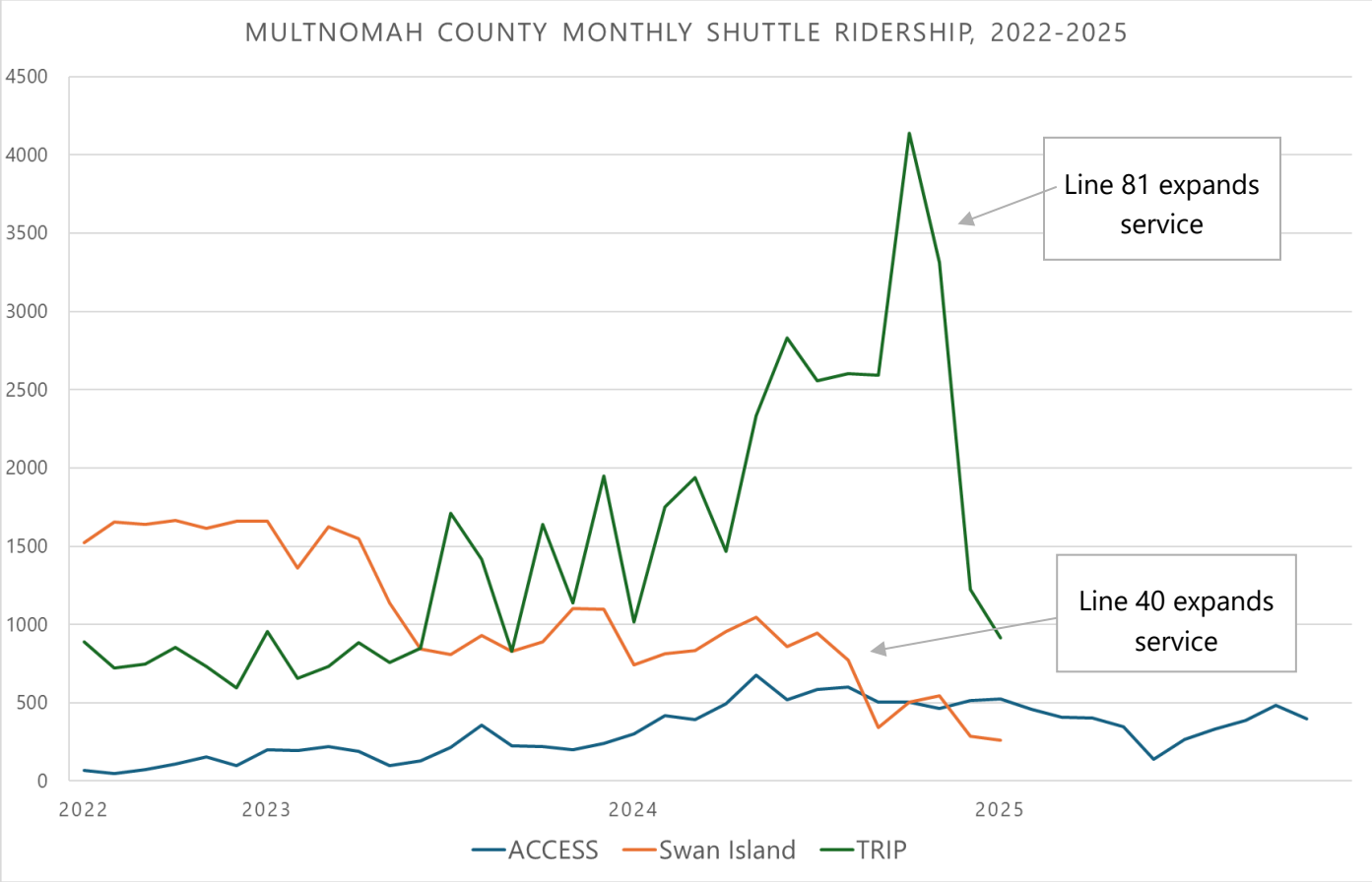



Data Source: Ride Connection. Notes: *The Tualatin Shuttle Green Line was discontinued in 2024 when TriMet expanded service on Line 76

# Multnomah County Shuttles

Figure 13 shows the monthly ridership for the three Multnomah County shuttle lines. The TRIP shuttle and the Swan Island shuttle were discontinued due to increases in TriMet service, with brief periods of overlap between the shuttles and expanded service, shown in the decreases in ridership on both shuttles before discontinuation. The TRIP shuttle in particular shows a steep increase in ridership before Line 81 expanded service. The ACCESS shuttle has slowly gained ridership over time, but ridership has decreased over the last approximately 10 months.

**Figure 13 Multnomah County Shuttle Monthly Ridership**




Data Source: Multnomah County

# Performance Metrics

## Peer Benchmarks

High ridership and low costs are typically not the sole goals of community connector services for the reasons identified above. However, the case study providers do for the most part set targets for productivity and cost effectiveness by which to measure their services.

The services profiled all set a floor of 2 riders per vehicle revenue hour for their services but aim to achieve at least 4 to 5 riders per hour, and a resulting cost per ride of up to $10 or $20 per ride. Industry best practices generally suggest a range of 4 to 8 riders per vehicle hour for a deviated or flex-route type service, and lower for a microtransit or on-demand type service, e.g., 2.5 to 4 riders per hour. Commute.org varies its thresholds based on service market, with higher standards for commuter-oriented shuttles and lower standards for community-oriented shuttles.

By comparison, most ADA Paratransit services serve 2 to 3 riders per vehicle hour and fixed-route services generally serve a minimum of 8 to 10 riders per hour, often significantly more. A productivity of 10 riders per hour could suggest considering whether a fixed route may be appropriate, given other factors such as street connectivity and land use access are conducive to a fixed route. In some cases a CCT service that operates smaller vehicles and is able to deviate to serve employment sites or other land uses may remain appropriate depending on context.

**Table 5 Productivity and Cost Effectiveness Targets by Agency**

| Provider | Service type | Riders per revenue hour (target) | Cost per ride (target) |
|---|---|---|---|
| Commute.org | Commuter Shuttle | ≥15 | ≤$9 |
| | Community Shuttle | ≥10 | ≤ $11 |
| | Door-to-Door Shuttle | ≥2 | ≤ $22 |
| UTA On-demand | On-demand | 2–5 | ≤$20 |
| Denver Connector | On-demand | >2* | ≤$10 |
| CapMetro Pickup | On-demand | 4 | Cost effectiveness is one of many measures used to evaluate zones. Points are given to each zone based on cost per passenger, with the middle number of points representing the median cost. |

** 2 riders per hour is the minimum requirement for one of Denver Connector's grants. Expectations for riders per hour have risen since successful establishment of the zones but are not officially quantified.*

# CCT Metric Considerations

The graphic below illustrates performance benchmarks to consider for CCT, given a hypothetical CCT line with one vehicle operating 10 hours per day at a hypothetical cost of $100 per hour—which may vary by provider and context. Considerations may be different for a rural service.

- **Desired**: 4 to 10 riders per vehicle hour, which equates to $10 to $25 per ride.
- **Acceptable (depending on context, e.g., equity populations, nature of service gaps, etc.):** 2 to 4 riders per hour, which equates to $25 to $40 per ride.
- **Below threshold:** Fewer than 2 riders per hour, with a cost per rider exceeding $40. At this cost, it could be more cost-effective to provide a voucher for privately operated services.

**Figure 14 Conceptual Performance Metric Illustrations [Alternative Options]**

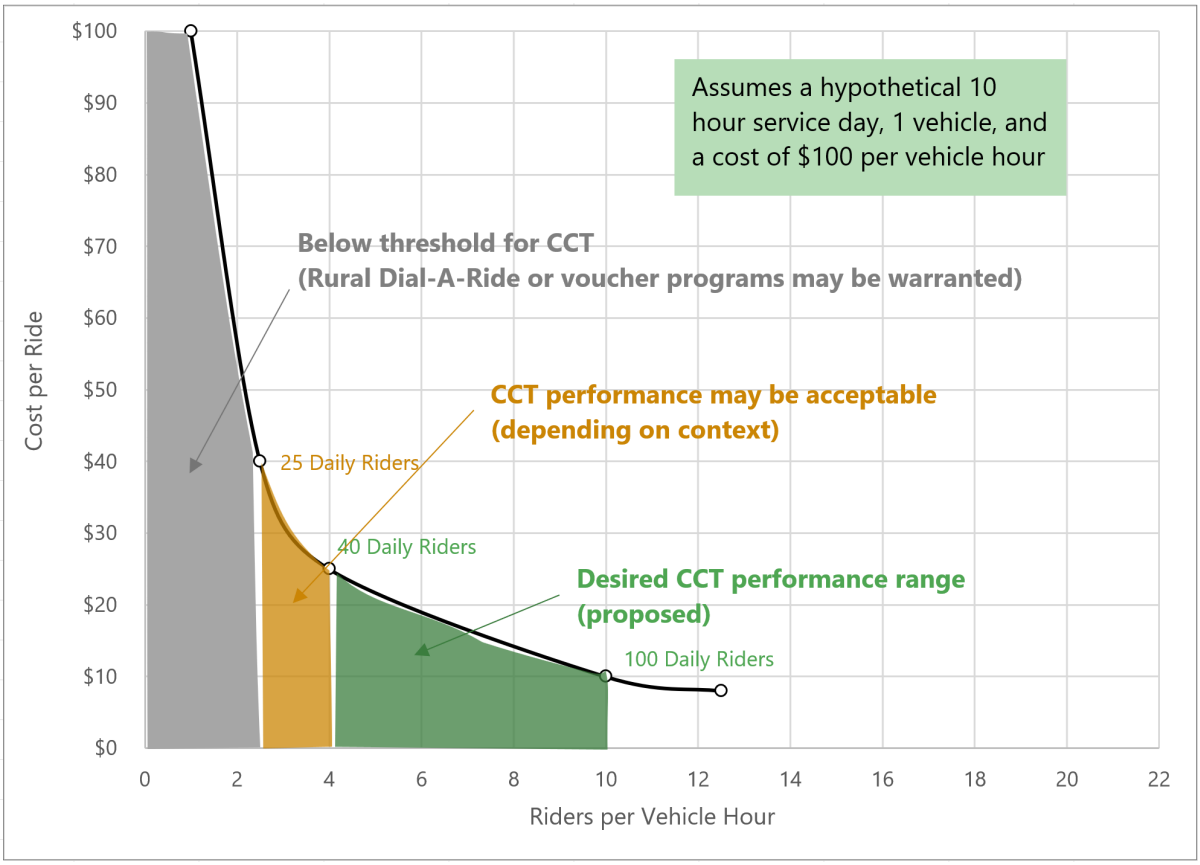


**Figure 15 Evolution of a CCT Service**

**Riders per Hour**

**New CCT Service:**

**2-4 riders per hour** may be appropriate when a service is launched and while public awareness grows and marketing efforts are ongoing. Partnerships with TMAs should be used to advertise new CCT service and ensure it is coordinated with employer outreach efforts.

**Established CCT Service**

Within 2 years, a service could be expected to demonstrate its utility by sustaining ridership of 4 to 8 riders per hour. Services still operating close to 2 riders per hour could be redesigned using outreach and partnerships with TMAs to develop appropriate changes. Discontinuation of services that have fallen below 2 riders per hour could be considered if efforts to increase ridership are unsuccessful. Low-ridership community connectors that serve equity populations should be maintained with increased outreach to advertise the service to appropriate equity communities.

**CCT Service Area Exceeds Capacity Threshold**

Services that exceed 10 riders per hour could be considered for additional fixed-route service or to transition to a fixed-route service. The specific approach will vary for each service area.

# RECREATION SHUTTLE FUNDING AND GOVERNANCE

Recreation shuttles are often not the first priority for limited funding resources given the need for more lifeline connections to destinations like work, school, medical facilities and other services, childcare and grocery stores. However, recreation contributes to better physical and mental health and is a factor in increasing quality of life. It is an important equity consideration as the Parks Transit Strategy assessment showed that transit access to regional parks increases with proximity to the central city, opposite recent gentrification patterns. Generally that means that equity focus areas have lower access compared to other areas. With that in mind, this section explores how examples of recreation service locally and nationally are funded to highlight more potential solutions the region can consider in the future.

## Local Cases

### Sandy River Shuttle

In the summer of 2025, the City of Troutdale operated a pilot shuttle serving major destinations on the Sandy River. The pilot was funded in part through a $150,000 grant from Travel Oregon's Competitive Grants program. The grant program sets aside ten percent of Travel Oregon's budget to support projects that "contribute to the development and improvement of local economies and communities throughout Oregon by means of the enhancement, expansion and promotion of the visitor industry." While most of the funding goes to projects not related to transit, it is a funding source that should be considered other recreation-centered transit pilots.

While information about ridership and cost per ride is not yet available, estimated operating costs for contracted services are. Based on average costs for contracted demand response services in Oregon, average hourly operating costs were assumed to be $150 per vehicle revenue hour. To operate three buses on weekends and holidays from Independence Day through Labor Day with 30-minute headways, the total seasonal costs were estimated at $81,000. This is a low-end estimate based on a shorter service period and service only on Saturdays and Sundays. Expanding the service to Memorial Day through Labor Day or providing service on more days of the week would increase costs. Additionally, costs for contracted service vary and would increase service costs if they were higher than expected.

> Read the Sandy River Shuttle Feasibility Study, produced by Kittelson & Associates in 2025, for more detail on the Sandy River Shuttle and other relevant case studies for recreation services.

### Washington Park Shuttle

The Washington Park Shuttle is a free shuttle serving the major park attractions in Washington Park in Portland. Explore Washington Park (EWP) is a 501(3)(c) governed by a board made up of representatives from major destinations in the park, the surrounding neighborhoods, TriMet, and

Travel Oregon. The shuttle is funded by parking revenue from the paid parking lots within the park. Most of the shuttle stops are at destinations within the park, with only a couple stops in residential areas near the park. Therefore, most users of the shuttle either drive or take TriMet service to the park before using the shuttle. EWP is pursuing ways to increase transit access to the park. In 2024, EWP distributed more than 7,660 subsidized TriMet passes for travel to and from the Park for non-native English speakers, people of color, people living on a low income, people who are disabled, and people who are dependent on public transit or lack access to private vehicles. Programming on the free shuttle has further expanded accessibility and inclusion in the park. A partnership with Vive NW brought in 60 Spanish-speaking community members for a Spanish tour on the free shuttle, and partnership with school groups brought in another 250 visitors to the park. EWP has also considered balancing the need to charge for parking with the barriers that paid parking creates for low-income community members. In April through September of 2024, EWP and Portland Parks & Recreation distributed 391 parking validation codes to underserved community members.

# Multnomah County

Multnomah County does not operate a recreation-specific shuttle; however, the ACCESS Shuttle serves Whitaker Ponds in Northeast Portland. Multnomah County has identified the need to more effectively get people from rural areas to key destinations and to get people from cities and towns to recreation in the county's rural areas. The desire to better serve recreation trips arises in part from the need to reduce congestion on roads like the Historic Columbia River Highway that don't have the capacity to meet the demand for recreation via single occupancy vehicle trips, which has safety impacts. One local example of a service that does this with one single route is Columbia Area Transit's Columbia Gorge Express service.

# Recreation Shuttle Case Studies

## King County Metro, Trailhead Direct and Community Van

Trailhead Direct is operated by King County Metro, in partnership with King County Parks, and the Seattle Department of Transportation. The Seattle Department of Transportation funds 50% of Trailhead Direct operating costs through the Seattle Transit Measure, which uses sales tax revenue to fund improved KC Metro service in Seattle's Transportation Benefit District. The service is funded in part by Amazon, who is the sponsor of the program. Additional private funding from the REI Co-op, Clif Bar, and the Wilderness Society has helped KC Metro market the service and attract new riders. In addition to public-private partnerships, public-nonprofit partnerships are KC Metro partnered with the Environmental Coalition of South Seattle and the Wilderness Society to expand usage of the Trailhead Direct program amongst the Bhutanese, Chinese, Congolese, Japanese, Kenyan, Korean, Latinx, Vietnamese, and Ghanaian communities. In 2024, the program's operating expense per revenue hour was $179, and the total operating cost for the 2024 season (37 operating days) was $404,000.

To further encourage access to outdoor areas, KCM has been advertising the use of the Community Van for outdoor recreation and will cover the cost of Discover Passes. The Community Van is a volunteer-driven microtransit service that can be booked for any destination that is within a two-hour drive of the departure point. The Transit to Trails partnership has limited funding for King County residents who are people of color, immigrants, refugees, non-English speakers, disabled, LGBTQIA+, youth, and/or elderly to use the Community Van for outdoor recreation. When operating funds are limited or already reserved for other purposes, using volunteer drivers can be a way to keep down operating costs while still providing access.

## Cascades East Transit

Cascades East Transit (CET) operates three recreation-focused shuttles in the Bend region. The Mt. Bachelor ski bus provides transportation between Bend and the Mt. Bachelor Ski Resort seven days a week during the winter season. The tickets are $7 for a one-way trip and $12 for a round trip. Skiers can transport their equipment at the back of the bus. The service costs $750,000 a year to operate. At the end of the season, the ski resort compensates CET for all costs not covered by fares. This includes compensating CET for wear and tear on the vehicles, which is higher than typical fixed route wear and tear due to snowy and icy roads and heavy passenger and equipment loads.

In the summer, CET operates the Ride the River Shuttle, which is a daily shuttle serving floaters on the Deschutes River. CET used Federal Lands Access Program funding to purchase vehicles that are used for Mt. Bachelor service in the winter and Ride the River in the summer. Ridership is high on the route and covers operational costs. CET has a partnership with Tumalo Creek Outfitters, which sells a tube rental and shuttle package for $24.

The Lava Butte shuttle provides rides between the Lave Butte visitor center and the top of Lave Butte during the summer season. It operates every twenty minutes, seven days a week between 10 a.m. and 4 p.m.

# RECOMMENDATIONS

This report recommends the region work toward the following strategies and actions to help overcome the challenges identified in funding and governance (full list detailed in Table 6, next page).

Recommended Funding strategies:

- Advocate for increased funding at the state level (F.1)
- Identify additional regional funding sources for Community Connector Transit (F.2)
- Make the most of existing funding by reducing administrative burdens and enhancing technical assistance (F.3)

Recommended Governance strategies:

- Establish a venue for regional transit coordination (G.1)
- Improve public information sharing (G.2)

**Table 6: Summary of Recommended Strategies and Actions**

| Order | Recommended Strategy | Actions | Lead | Implementation Effort | Stakeholders/ Partners | Funding | Governance | Challenges Addressed |
|---|---|---|---|---|---|---|---|---|
| F.1 | Jointly advocate for increased funding at the state level | Make the case for expanded transit funding (generally including Community Connector Transit) | Metro | Hard | All transit providers, local jurisdictions | X | | ▪ Funding limitations/ competition<br>▪ STIF plan constraints |
| | | Explore joint grant applications for federal and state funding for the region | Metro | Medium | All transit providers, local jurisdictions | X | | ▪ Funding limitations/competition |
| F.2 | Identify additional regional funding sources for Community Connector transit | Explore opportunities for public-private partnerships, including TMAs | Transit providers, jurisdictions | Medium | Metro | X | | ▪ Funding limitations/ competition |
| | | Provide examples of how jurisdictions can use TDM to fund Community Connector Transit | Metro | Easy | Local jurisdictions | X | | ▪ Coordination among multiple service providers<br>▪ Funding limitations/ competition |
| | | Encourage local jurisdictions to explore funding sources or prioritize transit within existing funding | | | | | | ▪ Funding limitations/ competition |

| Order | Recommended Strategy | Actions | Lead | Implementation Effort | Stakeholders/ Partners | Funding | Governance | Challenges Addressed |
|---|---|---|---|---|---|---|---|---|
| F.3 | Make the most of existing funding by reducing administrative burdens and enhancing technical assistance | Streamline reporting procedures | ODOT, TriMet | Easy | All transit providers | X | | ▪ Administrative burdens<br>▪ STIF plan constraints |
| | | Coordinate Federal Report on PTASP and TAM | Metro | Medium | All transit providers | X | | ▪ Administrative burdens |
| | | Establish templates and/or standards for service contracting and explore opportunities for joint contracting | Metro | Easy | All transit providers | X | X | ▪ Administrative burdens<br>▪ Funding limitations/ competition |
| | | Improve pedestrian and bike access to existing CCT transit (including wayfinding) | Roadway owners | Medium | All transit providers | X | | ▪ Barriers to riders<br>▪ Challenging land use |
| | | Evaluate and enhance technical assistance for STIF administration | Metro | Medium | ODOT, all transit providers | X | X | ▪ Coordination among multiple service providers<br>▪ Siloed ridership markets<br>▪ Administrative burdens |
| | | Streamline transit stop permitting process | Metro | Easy | Local jurisdictions, all transit providers | X | X | ▪ Coordination among multiple service providers<br>▪ Administrative burdens |

| Order | Recommended Strategy | Actions | Lead | Implementation Effort | Stakeholders/ Partners | Funding | Governance | Challenges Addressed |
|---|---|---|---|---|---|---|---|---|
| G.1 | Establish a venue for Regional Transit coordination | Form transit provider coordination working group (region and/or sub-regional) | Metro | Medium | TriMet, SMART, counties, ODOT, other transit providers on an ad hoc basis | | X | ▪ Coordination among multiple service providers<br>▪ Limited opportunities for knowledge-sharing<br>▪ Siloed ridership markets |
| | | Formalize benchmarks for types of transit service | transit provider coordination working group | Easy | All transit providers | | X | ▪ Coordination among multiple service providers<br>▪ Barriers for riders |
| | | Identify and plan for regional transit facility needs | Metro, TriMet | Medium | All transit providers | | X | ▪ Coordination among multiple service providers<br>▪ Siloed ridership markets<br>▪ Barriers for riders |
| G.2 | Improve information-sharing to the public | | Metro/ TriMet | Easy | All transit providers | | X | ▪ Coordination among multiple service providers<br>▪ Barriers for riders |

# F.1. Advocate for increased funding at the state level

Building on the failure of the 2025 Legislative Session to enact a transportation funding package providing long-term stability for public transportation funding, stakeholders in the Portland region and statewide will be considering lessons from the past session and how to successfully advocate for future increases in STIF funding and possible changes in STIF rules. The transit funding challenges are not specific to CCT, the Portland region, or Oregon but are a broader national issue. However, Oregon agencies have limited access to funding sources compared to other states and the overall federal funding landscape. This recommendation could include:

- Making the case for what additional transit funding would be able to deliver and how transit supports broader goals (such as housing and climate)
- Advocating to allow STIF discretionary grants to be used for ongoing operations, not just for start-up
- Considering how funding needs and potential revenue sources differ based on geography and provider size

Within broader advocacy, the following actions could apply to CCT (and/or other elements of this study such as mobility hubs).

## Action: Make the case for Community Connector Transit

People fund what they care about. Creating an elevator pitch for why Community Connector Transit makes sense will help raise public and partner awareness of why it is valuable to invest in this type of service.

## Action: Explore joint grant applications for federal and state funding for the region

Metro helps convene competitive applications for federal and state funding like the SS4A program. Metro can work to find opportunities to incorporate wayfinding and pedestrian access into new projects. Metro is also a willing partner in helping local jurisdictions go after new sources of funding for transit.

# F.2. Identify additional regional funding sources for Community Connector Transit

## Action: Explore opportunities for public-private partnership

Many of the case studies have used public-private partnerships to create successful, sustainable transit services. Some of these services are recreation-focused, which has a clear nexus with businesses focused on outdoor recreation. Major tourist destinations can also benefit from investing in transit service by increasing visitor numbers and decreasing the need for parking while meeting regional goals of increased safety and fewer vehicle miles traveled. Others tap into the need for employers to have worksites that are accessible via transit for employees, providing a model for smaller employers or employment areas to pool resources. For major employers or destinations that are underserved by fixed-route transit, community connectors can be ideal solutions for smaller, more flexible transit tailored the destination or employment site's needs and hours. When private enterprises invest in transit, they are incentivized to help create services that are useful and successful. Opportunities for public-private partnerships will most likely be identified by transit providers or TMAs rather than Metro; however, Metro can play a role in coalition-building by setting up forums or presentations that foster opportunities for collaboration and connections between business partners and public partners.

## Action: Provide examples of how jurisdictions can use TDM to fund Community Connector Transit

Metro is in the process of developing its first regional TDM policy, in line with recommendations from the 2023 Regional Transportation Plan. As part of this effort, Metro could further explore the nexus between TDM policies and community connectors. One way to do so is by providing local jurisdictions with examples of how jurisdictions elsewhere use TDM policies to encourage or require businesses and employers to provide transit options [see sidebar for examples]. While the Portland region doesn't have the shuttle infrastructure in place to currently require participation in shuttles, stronger regional coordination of TDM policies could be an important first step for increasing usage of existing services and generating demand for more service.

In San Mateo County, CA (see Commute.org example), a county-wide TDM policy requires new development to take action to reduce anticipated vehicle trips created by the development. Taking part in Commute.org's shuttles is one way to achieve compliance in the program, and Commute.org provides support and monitoring for compliance. While Metro would not be able to implement an ordinance that requires developers to take part, it could provide individual jurisdictions with the tools needed to levy requirements on developers, similar to Portland's TDM policy for all developments with ten or more units in commercial or mixed-use zones, or on existing employers of a certain size, as is the requirement in Washington State. In the San Mateo example, some cities within San Mateo County have taken TDM requirements a step further and required developments to take part in Commute.org shuttles or a similar shuttle program (unless they are already within reach of fixed-route transit), which substantially boosts participation in the program. It also generates funding for the program as shuttle members are required to pay for 25% of the service setup and ongoing operations.

# F.3. Make the most of existing funding

## Action: Streamline STIF reporting procedures

The counties are required to report on STIF projects to TriMet for Regional Coordination projects and to ODOT for services provided outside of TriMet's service area. For counties with few dedicated transit staff, the administrative burden can be high. As a starting point for evaluating whether there are ways to streamline the reporting procedures, TriMet could share an example of what reporting they require, and one or more counties could share an example of their reporting. Further evaluation of the reporting process could be a topic of discussion for the transit provider coordination working group, with the intention of creating tools or templates that facilitate this process. Outcomes from these discussions could be shared within ODOT's existing resources on Reporting and Plan Requirements.

Another issue that could be considered is how specific projects need to be in order to be included in the STIF plan. Because projects must be in the STIF plan, they aren't able to quickly respond if a service turns out to not be quite right for the area. While having a plan is important for regional coordination, there might be ways to strike a better balance between requirements for planning and remaining responsive to changing needs.

## Action: Coordinate federal reporting on TAM and PTASP

The National Transit Database (NTD) requires transit agencies of a certain size to report on asset condition through their Transit Asset Management (TAM) plans. The Federal Transit Administration also requires any federal funded agency to develop Public Transportation Agency Safety Plans (PTASP). Agencies in the Metro region could use these already required reporting mechanisms to coordinate on upcoming vehicle end of life concerns, employee retention concerns (operator assaults and safety) and other funding needs.

## Action: Make more use of technical assistance programs, including for STIF administration, to providers

With funding from STIF, ODOT operates a Technical Resource Center, which provides all Oregon transportation providers with resources, technology, and training in line with the Oregon Public Transportation Plan statewide goals. The center also organizes a Peer 2 Peer Exchange, through which providers can be paired to share challenges and successes and build their networks.

This is an invaluable statewide resource, and Metro should work with ODOT's Technical Resource Center to increase use of the program in support of improved community connector service. Opportunities include:

- Using data to better understand how community connector and fixed route ridership relate
- Training providers on how to set up their GTFS so that their services are available on trip planning websites
- Creating templates that streamline the use of software and data

Optional trainings could be coordinated as part of the regional coordination working group described above. ODOT's technical resources and Metro's RLIS site could be more explicitly linked.

## Action: Streamline transit permitting processes

Currently, all jurisdictions have different processes for permitting transit stops, which can slow down creation of cross-jurisdictional transit routes. Additionally, each ODOT maintenance district also has its own procedures. Metro should explore opportunities to standardize the permitting of transit stops in different jurisdictions, for example, by developing guidance for permitting that jurisdictions would have the opportunity to adopt. This could be linked to Metro's work around design guidelines for mobility hubs. Local jurisdictions can also take the lead in streamlining some of their local

procedures in support of easier permitting. Current challenges could be identified through discussions within the transit provider coordination working group proposed below.

## Action: Establish templates and/or standards for service contracting and explore opportunities for joint contracting

Metro could help create best practices materials for procurement and service contracting. This would help agencies short on staff and help ensure standard metrics and processes are being followed. This could be developed through the Transit Working Group (G.1). The Transit Working Group could also discuss interest in joint contracting of services between providers and/or joint partnership agreements between public and private entities.

## Action: Improve pedestrian and bike access to existing transit

Making the most of existing transit includes eliminating physical barriers in our roadway network. Improving safe access to transit expands the pool of people who can reach existing transit service and reduces the amount of transit needed to provide service in the region. Better wayfinding systems can facilitate transfers between fixed-route transit, community connectors, pedestrian trips, and bicycle trips.

# G.1 Establish a Venue for Regional Transit Coordination

## Action: Form transit provider coordination working groups

Most regional meetings today happen in the context of funding questions, which hinders some of the collaboration needed to improve regional travel. A transit provider coordination working group made up of transit providers in the Portland metropolitan region could be formed to tackle some of the issues not related to funding. The Clackamas County providers already meet weekly to collaborate on providing service—this working group would extend that structure to the tri-county region. The overall goal for the meetings would be to foster a paradigm shift toward seeing transit in the region as a seamless system that is being provided by many providers and many types of service. These meetings could cover many topics:

- Sharing information about upcoming grant opportunities
- Coordinating on schedules and service changes
- Identifying opportunities for cost-sharing at shared stops
- Minimizing duplication of service
- Creating a shared understanding of the STIF regional coordination program
- Generating regional metrics for what type of transit service is appropriate where and which areas are better suited for non-transit mobility solutions

- Forging stronger connections with local TDM agencies and Metro RTO
- Touring successful services that have already been introduced in the region and generally sharing knowledge about best practices
- Coordinating contracting services across jurisdictions (e.g., if one jurisdiction alone cannot generate ridership to sustain a dial-a-ride service)
- Considering fare integration across services with fares
- Brainstorming solutions to common issues

Metro could convene the meetings. The core group could include:

- TriMet
- SMART
- Clackamas County
- Washington County
- Multnomah County
- ODOT
- Ride Connection

Depending on the meeting topic, other regional transit providers could join the meetings when appropriate:

- Sandy Area Metro
- Columbia Area Transit
- Canby Area Transit
- South Clackamas Transportation District
- Oregon POINT
- Tillamook County Transportation District
- Yamhill County Transit

A brief case study of the Blue Ribbon Transit Recovery Task Force in the San Francisco Bay Area (below) highlights a regional effort to improve coordination and address common challenges.

### Blue Ribbon Task Force, San Francisco Bay Area, California

The onset of the COVID-19 pandemic brought severe challenges to the 19 transit providers in the nine-county San Francisco Bay Area region, leading to an effort to address longstanding systemic issues for the regional transit system.

In April 2020, the Metropolitan Transportation Commission (MTC), the transportation planning and coordinating agency for the Bay Area, established the **Blue Ribbon Transit Recovery Task Force** to address critical recovery, management, and governance challenges facing transit agencies. The task force included representatives from transit operators, local elected officials, advocates for people with disabilities, representatives from the state Senate and Assembly, the California State Transportation Agency, business and labor groups, and transit and social justice advocates.

In 2021, the Task Force approved a set of 27 near-term actions for MTC and transit agencies, organized around **themes including fare-payment coordination and integration**, **customer information, transit priority to increase bus speeds and reliability, bus and rail network management reform, data collection and coordination, accessibility, and funding.**

The Task Force established a Regional Network Management (RNM) council that meets monthly and provides quarterly reports on progress toward the biennial work plan. The council is comprised of officials from MTC; standing representatives from six large agencies (BART, SFMTA, AC Transit, VTA, Caltrain, Golden Gate Transit, and SamTrans; and three general managers representing other transit providers in the region.

Tasks in the FY26 & FY27 work plan include supporting advocacy to secure funding for transit throughout the region, piloting and evaluating a single pass that provides unlimited access to all Bay Area transit systems, piloting regional wayfinding, and reviewing transit operations throughout the Bay Area to inform transit priority investments throughout the region.

## Action: Formalize Benchmarks for Types of Transit Service

The Transit Provider Coordination Working Group could formalize benchmarks for types of transit service in the region. This memo proposes some thresholds in the Metrics section, but providers should agree on thresholds for when no service is warranted, when to start considering CCT type service, and when fixed route is preferred. In cases where service provision transitions between providers, Metro could play a role in facilitating the transition, including by facilitating conversations around funding.

## Action: Identify and plan for regional transit facility needs

For community connectors to effectively feed into the high-capacity fixed-route network, providers should be collocated within a convenient walking distance to each other. However, in practice, sharing space at transit centers can be challenging. Space at transit centers is limited. There is no standardized agreement for smaller providers who wish to use TriMet's facilities, and there is no

collaborative planning process that determines the maximum capacity of each station across providers and schedules vehicles accordingly.

Additionally, amenity needs may differ when connecting service types. Transit riders who ride long distances using multiple modes are more likely to need a restroom. Operators are also likely to need restroom and breakroom access at transit centers when a majority of their stops are located in areas without either. Some of these design considerations can be considered as part of the mobility hub design criteria. Metro could take the lead on developing a standardized agreement or contract for smaller transit providers and TriMet to use for shared transit center use. The regional coordination working group could further consider ways to share transit center space in cost-effective and mutually beneficial ways.

# G.2. Improve information-sharing to the public

As part of the last round of STIF funding, some of the STIF Regional Coordination funding was used to add shuttle services to TriMet's Trip Planner. This is an important step for increasing connectivity in the region and cross-usage of fixed-route transit and community connectors, and TriMet should continue this effort as resources allow.

Metro, ODOT, and partners could increase their efforts to market the TriMet's Trip Planner and ODOT's Get There Oregon that cover trip planning capabilities for region and state. This would help spread information to potential riders who might know that TriMet service isn't provided near them and don't know that other services are available. Additionally, Metro can modify their existing webpage that lists all transit providers within and connecting to the Portland metropolitan region with basic descriptions of services provided. The page could link to the individual sites for each transit provider. This could be a step for increasing awareness of the many transit options in the region. This could then be shared out across Metro's social media and email listserv as well as the communication channels used by the providers on the list of regional services. This website could also host information about community engagement events related to transit and transportation options throughout the region. Metro could also designate a point person for regional collaboration who is responsible for connecting with the appropriate party to get information added to existing sites (e.g., information about new transit service to parks that is posted on the park agency's website).

# APPENDIX A: FUNDING SOURCES OVERVIEW

| Program Name | Description | Eligible Agencies | Eligible Activities |
|---|---|---|---|
| FTA 5307 Urbanized Area Formula Grants | ▪ Capital and operating assistance in urbanized areas and for transportation-related planning<br>▪Small urbanized areas have a population of 50,000–200,000<br>▪Large urbanized areas have a population greater than 200,000 people | ▪Transit Districts in urbanized areas. | ▪Capital<br>▪Operations<br>▪Planning |
| FTA 5310 Enhanced Mobility of Seniors & Individuals with Disabilities | ▪Funds transportation services planned, designed, and carried out to meet special transportation needs of seniors and people with disabilities in all areas. | ▪State<br>▪Local government authorities<br>▪Private nonprofit organizations<br>▪Operators of public transit | ▪Capital<br>▪Operations<br>▪Planning |
| FTA 5311 Formula Grants for Rural Areas | ▪Capital, planning, and operating assistance to states and federally recognized tribes to support public transportation in rural areas with populations less than 50,000.<br>▪Funds state and national training and technical assistance through the Rural Transportation Assistance Program. | ▪State<br>▪Federally recognized tribes<br>▪Local government authorities<br>▪Subrecipients: nonprofit organizations and operators of public transit or intercity bus service | ▪Capital<br>▪Operations<br>▪Planning<br>▪Job access and reverse commute projects<br>▪Acquisition of public transportation services |
| ***Flexible Funding for Transit and Highway Improvements*** | ▪*Funds from FHWA can be transferred to FTA to increase funding for projects that increase safety or improve access because many State DOTs, cities, and tribes have found that many of their smaller-scale projects are not eligible for programs that fund for larger-scale projects*<br>▪*Funds transferred can only be used for purposes eligible under both the original program that the funds are transferred from and the program to which the funds are transferred*<br>▪*A State DOT must request the transfer in concurrence with the MPO if the project is within a metropolitan planning area in a letter to the FHWA State Division Office*<br>▪*Funding transfers are only for projects in an approved metropolitan transportation improvement program (TIP) and/or statewide transportation improvement program (STIP*<br>▪*Listed below are programs that allow for transferring of funds )* | | |
| FAST Act 11115 Congestion Mitigation and Air Quality (CMAQ) Improvement Program | ▪Provides flexible funding for transportation projects and programs that reduce congestion and improve air quality to meet the requirements of the Clean Air Act | ▪States<br>▪Local governments | ▪Planning<br>▪Operations |

| Program Name | Description | Eligible Agencies | Eligible Activities |
|---|---|---|---|
| | ▪2% of funding is for state planning and research<br>▪25% of funding awarded to a State is set aside for nonattainment or maintenance areas for fine particulate matter ($PM_{2.5}$)<br>▪50% of CMAQ program funding may be transferred to the National Highway Performance Program, Surface Transportation Block Grant Program, Highway Safety Improvement Program, and National Highway Freight Program each fiscal year | | |
| FAST Act 11109 Surface Transportation Block Grant (STBG) Program | ▪Provides flexible funding for projects that address state and local transportation needs<br>▪2% of funding is for state planning and research<br>▪At least 20% of the State's FY 2009 Highway Bridge Program apportionment is used for projects related to bridges and low water crossings on public roads other than federal-aid highways<br>▪50% of STBG program funding may be transferred to the National Highway Performance Program, Highway Safety Improvement Program Congestion Mitigation Air Quality Improvement Program, Carbon Reduction Program, PROTECT Formula Program, and National Highway Freight Program each fiscal year | ▪States<br>▪Local governments | ▪Capital<br>▪Planning<br>▪Operations |
| Transportation Alternatives (TA) | ▪The TA is a set-aside from the STBG Program<br>▪Funds a variety of smaller-scale projects such as pedestrian and bicycle facilities, recreational trails, safe routes to school projects, community improvements, and environmental mitigation<br>▪A state may transfer up to 50% of TA funds to the Surface Transportation Grant Program, | ▪States<br>▪MPOs<br>▪Nonprofits | ▪Capital<br>▪Planning<br>▪Operations |

| Program Name | Description | Eligible Agencies | Eligible Activities |
|---|---|---|---|
| | Highway Safety Improvement Program, Congestion Mitigation and Air Quality Improvement Program, Carbon Reduction Program, and National Highway Freight Program.<br>▪To transfer TA funds, the Secretary must first certify that the State's competitive process for award of TA funding has met certain specified requirements | | |
| Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) | ▪ Funds to ensure surface transportation resilience to natural hazards including climate change, sea level rise, flooding, extreme weather events, and other natural disasters through support of planned activities, resilience improvements, community resilience and evacuation routes, and at-risk coastal infrastructure | ▪ States<br>▪ Local governments<br>▪ Tribal governments<br>▪ Planning and project organizations<br>▪ U.S. Territories<br>▪ | ▪ Planning<br>▪ Resilience improvement<br>▪ Community resilience and evacuation routes<br>▪ At-risk coastal infrastructure |
| Tribal Transportation Program (TPP) | ▪Funds for safe and adequate transportation and public roads for access to and within Indian reservations, Indian lands, and Alaska Native Village communities<br>▪Contribute to the economic development, self-determination, and employment of Indians and Native Americans | ▪Tribal governments | ▪Planning<br>▪Capital<br>▪Operations |
| National Highway Performance Program (NHPP) | ▪Funds projects that support the condition and performance of the national highway system, ensure that federal-aid funds are achieving the performance targets set in a state's asset management plan, and increases the resiliency of the highway system to mitigate sea level rise, extreme weather events, flooding, wildfires, or other natural disasters<br>▪2% of funds is set aside for planning and research | ▪States | ▪Capital<br>▪Operations |

| Program Name | Description | Eligible Agencies | Eligible Activities |
|---|---|---|---|
| | ▪A state may transfer up to 50% of NHPP funds to the Surface Transportation Grant Program, Highway Safety Improvement Program, Congestion Mitigation and Air Quality Improvement Program, Carbon Reduction Program, PROTECT Program, and National Highway Freight Program. | | |
| Highway Safety Improvement Program (HSIP) | ▪Significantly reduce traffic facilities and serious injuries on all public roads by promoting public awareness, enforcing traffic safety laws, provide infrastructure for emergency services, conduct safety-related research, or support safe routes to school projects<br>▪A state can transfer up to 50% of HSIP funds to the National Highway Performance Program, Surface Transportation Block Grant Program, Congestion Mitigation and Air Quality Improvement Program, Carbon Reduction Program, PROTECT Program, and the National Highway Freight Program | ▪States | ▪Capital<br>▪Planning<br>▪Operations |
| Carbon Reduction Program (CRP) | ▪Provide funds for projects that reduce transportation emissions from on-road highway sources<br>▪A state may transfer up to 50% of CRP funds to the National Highway Performance Program, Surface Transportation Block Grant Program, Congestion Mitigation and Air Quality Improvement Program, PROTECT Program, and the National Highway Freight Program | ▪States | ▪Capital<br>▪Planning<br>▪Operations |
| State and Planning Research (SPR) | ▪2% of funding is set aside for planning and research activities from each State's apportionments of five core programs: the National Highway Performance Program, the Surface Transportation Block Grant Program, the Highway Safety Improvement Program, the Congestion Mitigation and Air Quality | ▪States | ▪Planning<br>▪Technical and evaluations studies |

| *Program Name* | *Description* | *Eligible Agencies* | *Eligible Activities* |
|---|---|---|---|
| | Improvement Program, and the National Highway Freight Program,<br>▪The federal share for statewide planning using SPR funds is generally 80% but can be increased to 100% at the discretion of the Secretary | | |
| **State** | **Description** | **Eligible Agencies** | **Eligible Activities** |
| Statewide Transportation Improvement Fund (STIF) - Formula | ▪ Dedicated funding source to improve, maintain, and expand public transportation for all users<br>▪Funded by payroll tax of one-tenth of one percent on wages paid to employees.<br>▪Was combined with the Special Transportation Fund (STF) program in 2023, which is funded through ID card fees, non-highway gas tax, and cigarette tax revenues<br>▪Formula program accounts for 90% of total STIF funding, distributed to/through Qualified Entities.<br>▪ | ▪Public transportation service providers such as cities, counties, special districts, intergovernmental entities, federally recognized tribes, and other agencies that provide public transportation services<br>▪Must have an eligible Local Plan | ▪Operations<br>▪Capital<br>▪Planning<br>▪Marketing |
| Statewide Transportation Improvement Fund (STIF) – Discretionary and Intercommunity | ▪ Discretionary fund accounts for 5% of total STIF funding and support various projects but cannot be used for ongoing operations. Discretionary fund focus areas are described in program rules.<br>▪Intercommunity fund accounts for 4% of total STIF funding to maintain, expand, and improve public transportation services between two or more communities. ODOT may combine this fund with other related fund sources, changing eligibility by solicitation year.<br>▪Required local match will range from 10% to 20% depending on project type and eligibility. | ▪Public transportation service providers such as cities, counties, special districts, intergovernmental entities, and other agencies that provide public transportation services Local agencies apply directly to ODOT. | ▪Capital<br>▪Planning<br>▪Operations (vary by solicitation)<br>▪Marketing<br>▪Pilot projects |

| Program Name | Description | Eligible Agencies | Eligible Activities |
|---|---|---|---|
| State Transportation Improvement Program (STIP)[5] | ▪ Enhance, expand, or improve the transportation system, including through public transportation capital needs.<br>▪Preserve and improve the safety of roads, bridges and expand bike paths and sidewalks<br>▪Programs funding for projects every 3 years<br>▪The Fix-It program maintains the roadway system statewide including bridges, pavement, culverts, traffic signals, and many others<br>▪The Enhance Highway Discretionary Program funds projects that address congestion and freight mobility on state highways<br>▪The Safety Program funds projects that reduce deaths and injuries on roads<br>▪Non-Highway programs fund pedestrian and other public transportation projects that help people who do not have a car or bicycle make their trips<br>▪The Local Government programs provide direct funding to cities and counties for their priority projects<br>▪Other funds are used for planning, data collection, workforce development, and administrative programs | ▪Local government authorities | ▪Capital<br>▪Planning |
| Oregon Transportation Infrastructure Bank (OTIB)[7] | ▪Financing Statewide revolving loan fund designed to promote innovative financing solutions for transportation needs by:<br>▪Leveraging federal and non-federal transportation funds,<br>▪Accelerating the development of projects,<br>▪Encouraging development of revenue generating projects,<br>▪Facilitating projects such as public-private partnerships | ▪Cities<br>▪Counties<br>▪Transit districts<br>▪Special service districts<br>▪Tribal governments<br>▪State agencies<br>▪Private for-profit and not-for-profit entities | ▪ Capital<br>▪Planning |

| Program Name | Description | Eligible Agencies | Eligible Activities |
|---|---|---|---|
| | ▪Cities as well as transit districts are eligible to borrow from the bank.<br>▪Funding pool set-aside for public transportation projects. Rates are typically very low and more favorable to local agencies than other loan programs. | | |
| ODOT Transportation Growth Management (TGM) Program | ▪ For local communities to plan for streets and land use to foster more livable, economically vital, and sustainable communities and increase opportunities for transit, walking and bicycling.<br>▪Awarded annually.<br>▪Local match is 10.27%. | ▪Counties<br>▪Cities<br>▪Council governments<br>▪Tribal governments<br>▪Transportation districts<br>▪Metropolitan planning organizations<br>▪Mass transit districts<br>▪Parks and recreation districts<br>▪Metropolitan service districts<br>▪School districts and public colleges and universities as a joint applicant with a local government entity | ▪Planning |