

TRU Moving Forward

THE OFFICIAL PUBLICATION OF TRANSPORTATION RIDERS UNITED (TRU) • VOLUME 4 • ISSUE 2 • SUMMER 2005

The True Cost of Driving: Out of Sight, Out of Mind

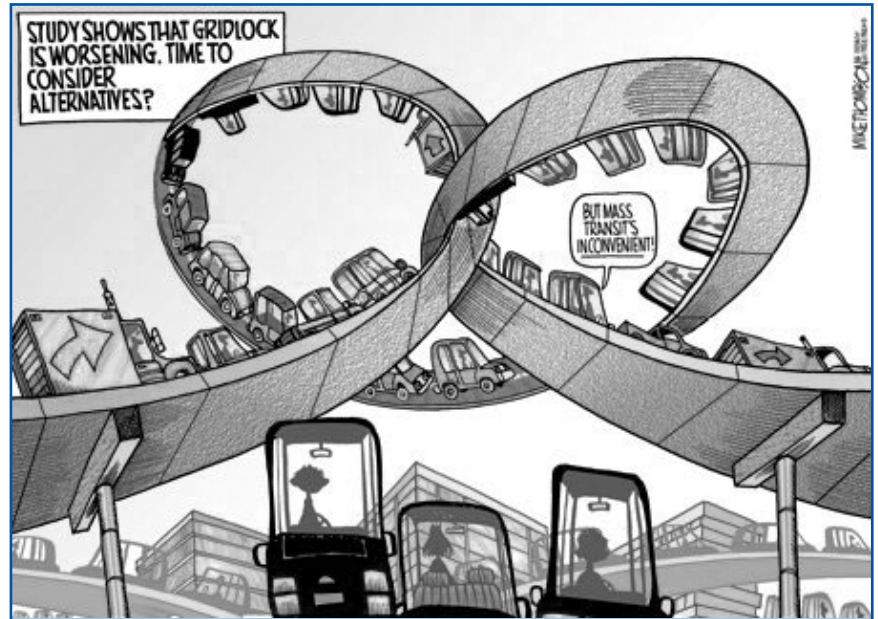
By Steve Gutterman

Over two dollars for a gallon of gasoline. Outrageous, right?

Well, maybe not. Even at current prices, gas costs less here than in most of the rest of the world. We pay only half as much as drivers in Japan and some European countries do. In fact, considering that what we pay for gas is really only a fraction of what it truly costs to drive, the price that American motorists pay at the pump is a real bargain.

Everyone who uses a car knows that the price for gas is only part of the personal expense of driving. There are also the costs for maintenance, insurance, tolls, parking, and of course the cost to purchase and finance or lease the vehicle itself. This all adds up to a lot: over \$7,000 each year for the average American vehicle. This means that the average American household spends about 20% of its income for each vehicle it owns. (Consumer Expenditure Survey, Bureau of Labor Statistics, 2002). Lower income families living in auto-dependent areas must pay an even higher percentage of their limited disposable incomes in order to meet their basic transportation needs, creating a low income trap.

Yet even the average \$7,000 yearly fee that drivers pay out of pocket is only a portion of what it truly costs to drive. There are other costs for driving which fall outside of the monetary transactions that drivers participate in directly, but which must be paid for nonetheless, generally by society at large. These



By Mike Thompson, courtesy of the Detroit Free Press

externalities, as economists call them, are numerous, and they distort the market for driving by underpricing it. We all pay for these expenses, but as drivers we don't "feel" the costs, so they don't enter into our driving decision-making process—to drive, or to drive less, or to choose alternate mode of transportation, if one is available. Externalities are another way of saying subsidies. We subsidize car travel—heavily—making it seem cheaper than it really is.

Consider "free parking": Each paved parking space costs several thousands of dollars to construct. The vast seas of parking surrounding shopping malls and workplaces represent valuable

continued on page 2

TRU Transportation Riders United (TRU) is a

501 (c)(3) non-profit organization whose mission is to improve transportation access and mobility in Greater Detroit

500 Griswold, Ste. 1650
Detroit, MI 48226

(313) 963-8872
(313) 963-8876 fax

trumember@detroittransit.org
www.detroittransit.org

RIDERS' VOICE -

Detroit City Council Recommends Bus Fare Reduction

by Patricia Fedewa

On May 24, the Detroit City Council presented its Budget Address and amendments to the Mayor's proposed 2005/2006 Annual Budget. The Council's address recommended a roll back in bus fares because DDOT has not made progress on mandated performance benchmarks. City Council's recommended fare roll back is a direct result of TRU's ongoing and persistent advocacy role.

While the City is in dire financial straits, the recommended roll back in fares would have

minimal financial impact on the City. At the same time, it would enhance awareness of the current steps that DDOT is making to improve on-time performance. Customers always appreciate a sale, and fare box revenue could increase during the recommended "sale period."

Three years ago, City Council voted to amend the City Ordinance and raise adult bus fare from \$1.25 to \$1.50. Noting TRU's objection and recognizing DDOT's poor service,

continued on page 5

Mark Your Calendar!

All meeting locations are in Detroit unless otherwise indicated.

TRU Board

Normally 2nd Tuesday of even-numbered mos., 7:00 pm

Guardian Building, 6th Floor

*TRU meeting information (313) 963-8872

TRU Riders' Voice Committee

No meetings June, July, August.

Next meeting September 13

Guardian Building, 6th Floor

DARTA Board

Normally 2nd Friday each month, 1:00 pm

Chamber of Commerce,

1 Woodward Ave., 19th Floor

*DARTA meeting information (313) 596-0440

DDOT Advisory Commission

No meetings during July and August

Normally 3rd Wednesday each month, 10:00 am

DDOT HQ, 1301 E. Warren Ave.

*DDOT meeting information (313) 933-1300

DDOT Customer Information

Normally 3rd Thursday each month, 5:00 pm

DDOT HQ, 1301 E. Warren Ave.

DDOT Local Advisory Council

Normally 3rd Tuesday of odd-numbered mos., 10:00 am

DDOT HQ, 1301 E. Warren Ave.

SEMCOG Transportation Advisory Council

Normally 4th Wednesday each month, 9:30 am, Buhl Building, 3rd Floor

*SEMCOG meeting information (313) 961-4266

SMART Board

Normally 4th Thursday each month, 2:00 pm

SMART HQ, 660 Woodward, 9th Floor

*SMART meeting information (866) 962-5515

SMART Advisory Council

Variable time and place

***Note:** Call ahead to confirm agency meetings!

The True Cost of Driving

from page 1

commercial real estate which generates no revenue and upon which property taxes must be paid. These costs are externalized from the parking “experience,” making the act of pulling up into the parking space seem free. But the costs are real and must be displaced, for instance, onto the prices of goods inside the mall or as an addition to the price of office rentals. The massive impervious surfaces of parking lots also create an environmental problem by increasing flooding, leading to degradation of streams and rivers.

Gas taxes pay for much road construction and maintenance costs, but not for all. The difference must be made up from funds derived from other tax sources—property, income, sales, etc. Numerous local government services which are necessary to support car travel must be subsidized by other sources. These include police, fire, ambulance and traffic control. Auto pollution has human health and environmental costs. Uncompensated auto accidents contribute to our health care costs.

Then there's fuel. It takes a lot of gasoline to operate the 100 million plus vehicles on American roads, and the switch to SUVs and other truck vehicles has made personal transportation in the U.S. more intensely energy consumptive and our economy more energy dependent. Continued sprawl means that we drive more than we used to—a lot more: Americans drive twice as many miles today than in 1980. We are five percent of the world's population, but consume 25 percent of its oil production. Our increased dependency on oil means increased dependency on imports—America's domestic supplies are simply not large enough to meet more than a small fraction of our voracious appetite. There are significant political costs for securing the world's oil—two-thirds of which lies in the Middle east, with the second largest of the world's known reserves in Iraq. Myriad security and military subsidies keep “cheap” gas flowing from around the world to U.S. gas stations, keeping our oil driven economy running.

Many of the environmental consequences of the production and

burning of fossil fuels can be difficult to quantify in monetary terms, but pose real costs to human health and the natural environment. The basic knowledge of global warming due to the burning of fossil fuels has been established well beyond any credible scientific dispute; any denial at this point can only be politically motivated. But instead of embracing transportation and land use policies that would lead to increased energy efficiency and reduced pollution—including greater use of mass transit, more compact urban environments, and requirements for higher vehicle mileage—the United States is unfortunately

Two dollars for a gallon of gasoline. If that reflected the true cost of driving, it would be a real bargain. But it's not

moving in the opposite direction of most of the industrialized world. We continue to increase our use of energy for transportation.

The task of trying to measure and capture the externalized costs of driving is complex and open to legitimate differences of methodology and interpretation. Several studies calculate the externalities in terms of additional cost per gallon of gasoline, which ranges widely from about \$3 per gallon to over \$16 per gallon. Some of the most respected and comprehensive research on transportation economics comes from the Victorian Transportation Policy Institute in Canada. It calculates combined externalities of driving at about \$.28 per mile, or about \$5.60 per gallon for a car that gets 20 miles to the gallon.

Anti-transit politicians often claim that transit should be able to pay its own way and not rely on government subsidies. The free market, in their view, should sort out which modes of transportation people really want. But the selective labeling of subsidies for mass transit and not for other transportation modes is at best naïve, and at worst politically dishonest. There is no mode of motorized transit anywhere in the world—trains, planes, ships, and automobiles—that does not rely on public subsidies. Much of the true cost of driving we simply don't see, and therefore it's easy to maintain the fiction that driving pays for itself. The fact is that in addition to the significant personal expense, the social cost to subsidize automobile travel is far higher than it is for state-of-the-art public transit.

Two dollars for a gallon of gasoline. If that reflected the true cost of driving, it would be a real bargain. But it's not.

Metro Airport Transit-the Region's First and Best plan?

by Mike Whims

Another SEMCOG public transportation study is underway, this time looking at the feasibility and impacts of a transit link between the Ann Arbor area, Metro Airport and Detroit. The study is the most recent incarnation of earlier studies that looked at public transportation links between Lansing and Detroit, Ann Arbor and Detroit, and Metro Airport and Detroit. Called the "Ann Arbor-Downtown Detroit-Metro Airport Transit Study," it has received funding to carry it through the development of a draft environmental impact statement (DEIS).

In March, SEMCOG released its evaluation methodology and in April, a draft report of 36 preliminary alternative plans that will ultimately be trimmed to one locally preferred alternative. This alternative will become the focus of the DEIS, and will be compared to a shortened list of the most competitive alternatives from the April draft report. SEMCOG is attempting to concurrently follow the procedures of both the National Environmental Policy Act (NEPA) in preparation of the DEIS, and those of the Federal Transit Administration to direct the project toward the preliminary engineering stage under the federal New Starts transit program.

As it is for any region looking at its first major transit project to compete with scores of others for limited federal New Starts funding, the selection of an initial project proposal for Greater Detroit is critical. Although other regions of the country have selected an airport connector as their first New Starts project, we need to ask if a Metro Airport connector is the most nationally competitive project for Greater Detroit. At its May 13 meeting, the DARTA Board was generally unaware that this project existed, much less being put forth as the region's first and best major New Starts effort.

The transit study is in month five of a 21-month-long schedule that leads to completion of the DEIS. According to the schedule, the next steps are a three-month period of public meetings to review the 36 preliminary alternatives and develop a shortened list, more detailed analysis, more public meetings to review the shortened list of alternatives, more analysis, and finally, selection of the locally preferred alternative capped with public hearings on the DEIS. In other words, there is theoretically ample opportunity for public involvement in the process.

PROJECT GOALS

SEMCOG has established screening criteria to evaluate the preliminary alternatives according to the following project goals:

- ✓ Provide high-level transit access to corridor opportunities.
- ✓ Support economic development and redevelopment plans
- ✓ Expand the mobility of diverse populations and market groups
- ✓ Improve the environment
- ✓ Reduce roadway congestion
- ✓ Provide cost effective transit facilities and service

GET INVOLVED

View the reports and watch for meeting announcements at the project website (www.annarbordetroitrapidtransitstudy.com) or SEMCOG's website (www.semco.org). Contact SEMCOG's project director, Carmine Palombo directly at palombo@semco.org or through (313) 961-4266. Public involvement and input is necessary to help ensure that precious funding resources are placed on the most deserving project and alternative.

New faces in TRU leadership

At its April meeting, the TRU board of directors elected two new board members to fill vacant terms created by the resignation of Mike Whims and Cheryl Horton. Our new directors are positive additions to the board and have demonstrated themselves as supporters of transit.

Detroit resident Rhonda Rodgers is a long-time transit user who has been active with United Way Community Services in downtown Detroit for many years. Rhonda participates in the Riders' Voice committee efforts to improve local bus service.

Oak Park resident and State Legislator, Andy Meisner has experience in creating and leading non-profit organizations as well as work in the private sector. He now serves as the State Representative for Michigan's 27th House District and works closely with youth and young adult life issues.

TRU is also very pleased to introduce its first full-time executive director, Paulette Chaplin. She is a resident of Hazel Park and a daily transit user. Paulette has extensive non-profit leadership experience in many areas of social services that compliments her work role here at TRU.

TRU Board Notes

TRU's Board of Directors wants to keep TRU members advised of its activities. The following actions were taken at the April, 2005 board meeting:

- Acceptance of favorable auditor's report for FY 2003 and approval to commence FY 2004 financial review.
- Approval to hire full-time executive director.
- Election of new board members Rhonda Rodgers and Andy Meisner to fill vacant terms created by resignation of Mike Whims in August, 2004 and Cheryl Horton in April, 2005.
- Review of a new TRU brochure being created by TRU member volunteer, Jan Dijkers.
- Review of a monthly transit newspaper proposal by TRU member, Ken Martin.
- The TRU Board generally meets every even-numbered month and meetings are open to the public. If you have a business item that you wish to be placed on the agenda, please call Paulette Chaplin at the TRU office-(313) 963-8872.

Common Urban Imperatives

by Larry Hands

As part of TRU's Annual Meeting in January, TRU, along with Detroit Synergy, the Sierra Club Mackinac chapter and Preservation Wayne sponsored a Vision Charrette to develop Detroit 2030: An Agenda for a Sustainable Metropolis. A second meeting was held in March to coalesce a vision of the future into a set of common urban imperatives that multiple organizations would embrace. The following resolution was developed. It can be adopted by an organization as written, or utilized as a template to craft an adoptable resolution to support common urban imperatives for a Greater Detroit:

Resolution to Support Common Urban Imperatives for a Greater Detroit

Whereas: The Greater Detroit Region needs a shared urban vision.

Whereas: Past and current government policies have skewed the market, thereby subsidizing the conventional development patterns that have resulted in urban disinvestment, while inducing sprawl, separation, segregation and homogenization.

Whereas: The conventional development pattern is not sustainable.

Whereas: If we alter current development patterns to take advantage of existing infrastructure in established communities, Detroit and the inner ring suburbs will become more vibrant and regional efficiency will increase.

Whereas: If we alter current development patterns to take advantage of existing infrastructure in established communities, adjacent rural areas can be maintained, thereby protecting some of Michigan's best farmland and natural resources.

Whereas: Vibrant cities provide the creative urban environment that is a magnet for the Creative Class. This relationship works to generate real economic growth throughout a region.

Whereas: Every person, no matter whether they have access to a car or not, should have the opportunity to maximize their contribution to the Greater Detroit Region.

Whereas: The Greater Detroit Region should allow for a diversity of rural, suburban and urban opportunities so that every person should have a real choice to make their contribution in the way that suits them best.

Therefore, we the _____ of the _____ organization determine that:

It is imperative that we work to expose and remove existing barriers to urban vitality in Greater Detroit. These may have been left to us by those who came before us, and codified in law or public policy.

It is imperative that we support a significant increase in our investment in quality transit in Greater Detroit as a proven and powerful tool to alter current development patterns and build vitality in our existing communities.

It is imperative that we commit to better define and promote our own urban vision for Greater Detroit.

It is imperative that we commit to build coalitions with complementary organizations and initiatives on these common urban imperatives for Greater Detroit, and

It is imperative that we demand that Greater Detroit leaders create an urban agenda for Greater Detroit.

I _____, do hereby certify that the foregoing is a true and compared copy of a Resolution duly made and passed by the _____ at a meeting held on _____

Title

If you are a member of an organization that you feel should embrace this or a similarly-crafted resolution, please contact the TRU office for an electronic copy. TRU is available to speak to your organization on the subject.

In today's economy, urban regions compete for a limited set of opportunities. We in Greater Detroit compete with other regions such as Atlanta, Dallas, Salt Lake City, and even Bangalore and Beijing. Our goal is to create a movement dedicated to recreate a grand and magnificent place we all proudly call "Detroit." While making a change like this is difficult and likely takes decades, we need to start now. Only by working together and maximizing everyone's opportunity to contribute can our region be a superior player in the global economy.

Bus Fare Reduction

from page 1

Council also passed a concurrent resolution requiring DDOT to meet certain benchmarks or City Council would return the bus fare to \$1.25. By the following year, May 2003, DDOT had complied with only one of the five benchmarks. Instead of reducing the bus fare, City Council passed another resolution.

This resolution, the product of negotiations with DDOT, City Council and TRU, included eight benchmarks and a task force to monitor compliance. Benchmarks included improving maintenance processes, improving public participation, distributing a transit system map, implementing plans for cleaner bus interiors, promoting inside-the-bus advertising, and improving ridership numbers. In May 2004, TRU testified that the benchmarks had not been met and recommended that the bus fares be reduced. At that time Council was not willing to reduce fares. This year—amid drastic service cuts implemented by DDOT and the agency’s own projection of further ridership declines—TRU was successful in showing that City Council could and should take the action to reduce fares.

Since the 2002 fare increase went into effect, DDOT ridership declined by 6.1 million rides annually, according to the agency’s figures. SMART ridership increased slightly over the same period, but its increase can in no way account for DDOT’s loss. Detroit’s former transit users have simply given up on DDOT’s unreliable service. Statewide, excluding DDOT, transit patronage was up last year. With DDOT included in the numbers, statewide transit

patronage declined. Lansing legislators, especially those controlling the purse strings, do not overlook this fact.

Even with the Mayor’s promise that the drastic service cuts implemented in April of this year would finally, absolutely bring reliability back to DDOT service; the agency budgeted to lose two million more rides next year. TRU believes that the fare

reduction, coupled with the promised reliability improvements, can turn the trend around and get the all-important ridership statistics into the black. The former riders are still out there, using less affordable transportation modes to get to work, shopping, medical appointments and school.

Unfortunately, the Mayor vetoed the reduction in bus fares, and City Council voted to override the veto. At this writing, negotiations are underway between the City Council and the Administration over budget details. If the fare roll back is sustained through the negotiation process, an amendment to the City Ordinance will be required. If the fare roll back is not sustained, DDOT has lost an opportunity to “jump-start” its marketing and become a growing transit agency like the other transit providers in Michigan.

Stay tuned.

If your bus is late or doesn’t show up, call the Mayor’s office at (313)224-3400. Also, e-mail or call us at 313 963-8872 and let us know about your specific experiences.

... the Mayor vetoed the reduction in bus fares, and City Council voted to override the veto.

TRU needs your involvement – become a member today!

TRU is committed to continuing the hard work necessary to build an on-time, efficient and affordable transportation system in Greater Detroit. As a non-profit organization, we rely on membership and community support. Much of our work is done by dedicated volunteers who get paid with a slice of pizza. TRU needs you – if you are not a member, please join now! If you are a member, encourage your friends, family and colleagues to join. **Together, we can move our region forward!**

Yes! I want to become a TRU member:

\$20 Standard

\$30 Family

\$5 Student/Low Income

\$ _____

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

DAYTIME PHONE () _____ EVENING PHONE () _____

FAX () _____ EMAIL _____

AFFILIATION (COMPANY/ORGANIZATION) _____

Yes, I would like to volunteer my time. Please contact me.

Special skill(s) you can contribute _____

Please make your check payable to **TRU** and mail to **500 Griswold, Suite 1650, Detroit, MI 48226**

TRU is a 501(c)(3), so your membership donation is tax deductible.

Newsletter V4-2

Summer Events

Look for TRU at the following events this year. Call the TRU office for details and for volunteering your assistance.

(313) 963-8872

June 25

“Stop the Great Train Robbery”
Rally and Ride

June 30-July 4

Comerica Taste Fest

August 20

Woodward Dream Cruise

September 10

Dally in the Alley

September 13

General Member and
Riders’ Voice Meeting

Notes from the Executive Director

By Paulette Chaplin

I think that I was destined to be the Executive Director of TRU.

When I was a young child, I spent a great deal of time with my grandparents who lived in Detroit. My grandmother never had a driver’s license, and if we couldn’t walk to where we were going, she knew how to get us there on the bus. My grandfather always owned a car, but everyday he took the bus to work downtown. The car was used for Sunday outings such as going to Belle Isle.

Even though I was born in Detroit, I have never been a “car guy,” preferring to leave the driving to someone else. I have always enjoyed going to cities such as Washington DC, San Francisco or Chicago, where I never needed a car because there was efficient and reliable transit. One of the deciding factors in buying my house was how close to the bus I would be. Yes, these are all things which tell the world that I am a transit geek, and today I am working for an organization that is working to improve

transit in Greater Detroit. It is an honor and a privilege.

Another reason I was drawn to TRU was that, since it’s inception in 1999, it has managed to be an effective advocate for transit with only a part-time staff and dedicated volunteers. So much has been accomplished with so little simply by keeping TRU’s vision and mission operating at the core of the organization.

In the first few months here at TRU, I have spent my time learning more about transit. From simple things, like finding out where to get the SMART 495 on Woodward, to the more complex, such as getting to know the many organizations that are responsible for transportation in Greater Detroit. My next mission is one in TRU’s long-term interest: to create a funding mechanism, which will institutionalize our organization in our community.

I look forward to working together to improve transportation access and mobility in Greater Detroit.



OFFICERS

Robert Prud’homme, *President*
Marcia Yakes, *Vice President*
Francis Grunow, *Secretary*
Lawrence Hands, *Treasurer*

BOARD OF DIRECTORS

Thomas Barwin
Lawrence Birchfield
Frank Clark
John Delora
Patricia Fedewa
Steven Gutterman
Karen D. Kendrick-Hands
Tommy Meadows
Andy Meisner
Rhonda Rogers

EXECUTIVE DIRECTOR

Paulette Chaplin

OPERATIONS DIRECTOR

Michael Whims

Transportation Riders United
500 Griswold, Suite 1650
Detroit, MI 48226

Address correction requested

NonProfit Org.
U.S. Postage

PAID

Permit #2939
Detroit, MI

TRU *Moving Forward*

The official publication of TRU

Editors

Steven Gutterman
Michael Whims

Graphic Design
Stephanie Deckert

Together, we can move our region forward!