Bosses for Buses:  
U.S. Employers Supporting Public Transit

Photo by Joe Angeles, Washington University
ACKNOWLEDGMENTS

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Cover photo: Under Chancellor Mark Wrighton, Washington University in St. Louis has staunchly backed transit.

COMPANION PUBLICATION AND RESOURCES

This study is a companion to Organizing Transit Riders: A How-To Manual, published by Good Jobs First in December 2011 and available at: http://www.goodjobsfirst.org/sites/default/files/docs/pdf/transitmanual.pdf/

Americans for Transit is a non-profit organization co-founded by the Amalgamated Transit Union and Good Jobs First in 2012. Its mission is to create, strengthen and unite transit rider campaigns. Learn more at: http://americansfortransit.org or contact its executive director Andrew Austin at andrew@americansfortransit.org.

Good Jobs First has published six studies that explore the geographic distribution of economic development incentive deals through the lens of land use, including workplace access via public transit. Learn more at: http://www.goodjobsfirst.org/smart-growth-working-families/subsidies-and-sprawl

NOTE TO READERS

Space and time do not allow us to catalog every effort for transit by U.S. employers; we have tried here to capture a representative sample of exemplary efforts. If your company or organization has a great story to tell, I am all ears. We may expand this publication and/or its directory in future online editions. Please contact me at:

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There is an enormous amount of support for public transportation among United States employers. The most promising emerging development is the formation and growth of business-led groups in specific metropolitan areas, where they are helping win ballot initiatives and legislation to preserve and expand transit service. There are also some outstanding individual large employers—often “eds and meds,” or universities and hospitals—that make enormous contributions both individually and in coalitions for public transportation. And every day, tens of thousands of employers help commuters vote with their feet by subsidizing transit use—or more often facilitating the use of pre-tax income for monthly transit fare cards or commuter van pools.

At the national level, corporate advocacy for transit is less straightforward. Many businesses that sell goods and services to transit agencies belong to the dominant trade association, the American Public Transportation Association (APTA), which is considered the voice of big-city transit agencies. But there are also other corporate advocacy efforts tied to transit agencies in smaller metro areas, to transportation demand management networks, and to so-called third-party administrators that manage transit-pass payroll benefits.

This fractured national business voice on transit has been especially evident in Washington since 2009. Aspects of the 2009 federal stimulus, the belated 2012 reauthorization of the surface transportation act, and the big January 2013 federal income tax compromise all bore upon transit, yet none drew a unified corporate voice for preserving or expanding transit service. By contrast, state and local ballot initiatives for transit have consistently won more than 70 percent of the time, even during the Great Recession, often thanks in no small part to determined employer support.

This study documents these hopeful local trends—profiling outstanding organizations and companies—and then describes the far less intuitive landscape inside the Beltway. The challenge, we conclude, is how to transmit the growing national corporate consensus for transit to Washington. Transit-dependent employers far outnumber those that make a business in transit, yet they lack a national voice. When will their successful local organizing efforts become something bigger?

The outstanding networks and companies we describe include:

- Washington University in St. Louis, which has anchored Citizens for Modern Transportation, a winning coalition, and has long promoted and subsidized transit use by its workforce and student body;
• Cleveland Clinic and University Hospitals of Cleveland, the city’s two largest employers, which led the successful campaign for the HealthLine, one of the nation’s most successful Bus Rapid Transit (BRT) lines;

• Friends of Transit in the Phoenix metropolitan area, a winning spinoff of the Greater Phoenix Chamber of Commerce, with its “Transit Means Business” campaign grooming the next generation of business leaders for transit;

• The Baton Rouge General Medical Center, which joined with other employers and a faith-based community group to win a 2012 ballot initiative that will over time double the amount of bus service there;

• Amalgamated Transit Union Local 726 on Staten Island, New York City, which organized riders and businesses to win dedicated bridge bus lanes, larger buses, and a fare cut that more than doubled ridership;

• Move LA, a large business, labor and environmental coalition that has won legislation that will nearly double the size of Los Angeles County’s fixed-guideway transit system;

• Ameriprise Financial, an investment services firm in Minneapolis that was the biggest early supporter of Metropass, enrolling 47 percent of its 6,000 downtown employees in the program’s first month;

• Purple Line Now!, a business-backed coalition that is now winning a sorely needed arc-shaped light rail line connecting inner-ring suburbs and four subway “spokes” in the Maryland counties that straddle Washington, DC;

• Transportation Management Association of Lake-Cook, a longstanding transportation demand management project with “Shuttle Bug” service linking corporate office parks and campuses north of Chicago with transit;

• McCaffery Interests, a Chicago-based integrated development firm that specializes in large, mixed-use transit-oriented development (TOD) projects;

• United Streetcar of Clackamas, Oregon, rebirthing the long-lost streetcar manufacturing industry in the United States with good union jobs and high domestic U.S. content; and

• “Third-party administrators” such as WageWorks and Edenred that manage the business of collecting pre-tax income and providing monthly transit pass cards. This obscure niche industry has recently undergone a great deal of consolidation, and with the Association for Commuter Transportation, it advocates to ensure that federal tax benefits for transit are at parity with those for parking.

Finally, we describe the work of the major transit players in Washington, and other national pro-transit employer efforts, including: the American Public Transportation Association, the Community Transportation Association of America, the Association for Commuter Transportation,
the National Center for Transit Research, and Best Workplaces for Commuters. Most of the for-profit companies known to belong to these associations make their business selling goods and services to transit agencies: vehicles, engineering, construction, software, consulting and legal services.

Our analysis of these national groups finds that their division of labor is not always intuitive and sometimes is tied to narrow transportation funding streams or tax rules. There are also apparent divisions that mirror recurring tensions within public transportation circles, such as that between capital budgets and operating funds. There are other divisions, especially by sector and geography.

There has also been considerable change in recent years, with some groups appearing to lose their edge and others stepping up. Best Workplaces for Commuters is an exemplary federal program to train and honor pro-transit employers, but it was orphaned by Uncle Sam and survives in an academic setting. The nation’s transit-manufacturing supply chain is cataloged and mapped for the first time—and revealed to be fragile due to chronic under-funding and decades of policy neglect. A new transit-vehicle procurement reform campaign led by the Los Angeles Alliance for a New Economy seeks to rebuild linkages and boost domestic job creation. The biggest vanpool company goes through four ownership changes and is reduced to a tiny part of a global conglomerate. A coalition seeking to ensure that payroll-based transit benefits have parity with those for parking takes on a new identity. The biggest non-profit third-party administrator of transit benefits is sold to a for-profit provider.

We conclude that the landscape of corporate support for transit in America is remarkably broad and diverse, but also highly fragmented by these many dimensions. Just when market forces and energy policy beg for a unified national employer voice for growing and improving transit service, what we find instead are disparate voices speaking only to selected transit issues.

The most hopeful findings are from those metro areas where diverse groups of employers—united by geography—have joined together to preserve or expand transit service. But there is no equivalent national corporate effort around, for example, transit interests in the reauthorization of the federal surface transportation act, or making permanent the parity between tax benefits for transit versus parking. Nor was there corporate support for federal aid to shield transit operations from the catastrophic wave of service cuts, fare hikes and route abandonments since 2008 in transit systems nationwide.

Public transportation is far too important to be left only to those companies that make their business selling to transit agencies. The challenge going forward is how to coalesce effective local business advocacy upon national transit issues. Far more numerous—and potentially decisive—are those employers that depend on transit.
Washington University (WU) is not only a prestigious educational institution; it is also a strong advocate for regional public transportation. Located on the western edge of St. Louis, it actively promotes transit in various ways: helping lead a pro-transit coalition, playing a key role winning a 2010 County referendum, and paying for its staff and students to use public transit.

The University has been supporting public transit for almost three decades. In 1980s, some local employers, among them WU, and community leaders felt that transit was necessary for the St. Louis region to grow. The best way to revitalize transit, they determined, was by adding a light rail system. Citizens for Modern Transit, or CMT, a non-profit organization that promotes affordable and convenient public transportation options in the St. Louis region, grew from those efforts; it was incorporated in December 1985 and Washington University was among its founding members.1

The University was also an early leader for sustainability in the region. When the University wanted to add additional classroom and office space, zoning regulations required additional parking also be built. The University considered that both expensive and not environmentally friendly, so it pushed for the light rail system as a way to avoid expanding its parking areas.2

The University continues to support public transit as a community and civic amenity and an important attractor of workforce and students.3 Two University representatives sit on the CMT board, including one as Co-Chair. The University has long contributed financially to the organization, including $5,000 in 2011.4 CMT has honored WU three times for its work to promote public transportation: the New Initiatives Award in 2006 and the Chairman’s Award in 2010 and 2011.5
The University was instrumental in mobilizing public support for the passage of Proposition A in St. Louis County in April 2010. This ballot initiative raised the local sales tax by a half cent to fund regional public transportation, including MetroLink (light rail) and MetroBus. Discouraged by a 2008 defeat, most St. Louis business groups sat out the 2010 campaign. But WU decided to join the campaign led by CMT and supported by Metropolitan Congregation United (a faith-based community organization with a base among congregations in South St. Louis County). The campaign brought together educational institutions, students, religious groups, social justice organizations, some businesses, and other parties.

University Chancellor Mark Wrighton co-chaired a 40-member steering committee for Prop A. He wrote to the university’s alumni and faculty residing in the County, urging them to vote in favor. He participated in community meetings across the city advocating for Prop A and was featured in a promotional television advertisement. Chancellor Wrighton also raised money for Prop A. The University contributed $75,000 and made even larger in-kind donations; its whole contribution totaled about $168,500, or 16 percent of CMT’s campaign budget. The University leadership also mobilized its students. University administrative fellow Liz Kramer led campus organizing at WU and at other universities. Students were very active during Get Out The Vote (GOTV) efforts and used social media to promote the Yes vote. At the 2011 CMT Annual Meeting, Kramer was honored for her outstanding advocacy, as was Chancellor Wrighton.

Finally, the University offers “U-Passes,” the most aggressive transit benefit program in the region to its full-time employees and students, and its campuses are fully transit-accessible. Fully paid by the university since 2006 for 12,000 employees and 13,000 students, U-Passes can be used on MetroBuses or MetroLink. The price of the program is negotiated annually with Metro, the local transit system provider, and most recently rose from $2.2 million to $2.5 million.

But the passes themselves would be worth little without a good transit infrastructure. The University’s main Danforth Campus and Medical School campus as well as three smaller campuses are on MetroLink or MetroBus lines. Additionally, the University has an agreement with the Metro to provide bus service connecting the campuses with each other and with St. Louis neighborhoods. Getting students out of their cars and onto the buses allows them to get to know and become part of neighboring communities.
Having won Prop A to save and improve service, Washington University continues to walk the talk, actively participating in CMT and providing fully subsidized transit passes worth $2.5 million annually to its workforce and students. It is evident that the University puts into action a motto it believes in: “Great cities have great public transit systems.”

CLEVELAND HEALTHLINE: HOSPITALS ANCHOR BUS RAPID TRANSIT SUCCESS

In August 2008, Cleveland launched one of the most successful bus rapid transit (BRT) lines in the nation, the HealthLine. The $197 million project transports 15,100 people a day via a bus line that connects the city’s two largest employers, the Cleveland Clinic and University Hospitals of Cleveland.\(^\text{13}\) The business community, and the two hospitals in particular, were instrumental in the success of the corridor project, even contributing funding to the cause.

The HealthLine is formally named the Euclid Corridor Transportation Project. During Cleveland’s industrial boom a century ago, the corridor, with a higher concentration of wealth than Fifth Avenue in New York, was referred to as “Millionaire’s Row.”\(^\text{14}\) But with the postwar decline of Cleveland’s industrial economy, Euclid Avenue fell into poverty and abandonment. Revitalization proposals for the corridor have varied over the years from subway systems to street beautification. The city preferred a light rail line, but operating and construction costs were prohibitive, so it opted instead for the more affordable BRT plan. Once a major automotive artery, Euclid Avenue now has just one lane in each direction for car traffic. The center lanes straddle a landscaped median with sleek, raised-platform stations for BRT service that runs every seven to ten minutes.
The HealthLine has become an engine of economic development for the entire region. In an analysis of investments along Euclid Avenue, the Cleveland Plain Dealer identified $4.3 billion in new spending along a four-mile stretch of the bus line.\(^{15}\) By early 2008, before the service even began, the value of vacant, blighted parcels of land along the midtown section of the corridor had doubled.\(^{16}\) Economic development initiatives along Euclid Avenue are also taking form, many of them tied to institutional anchors University Hospitals and Cleveland Clinic. Euclid is now dubbed the “Health-Tech Corridor.” Medical technology business incubators such as BioEnterprise collaborate with MidTown Cleveland Inc., a community development corporation, to assist new business enterprises.\(^{17}\)

Collaboration with the city’s two largest employers, Cleveland Clinic and University Hospitals of Cleveland, was critical to the success of the plan. Both institutions are adjacent to Euclid Avenue. Cleveland Clinic was initially resistant to the restrictions on auto traffic that the fixed BRT guideway required. After construction plans had already been approved, a change in leadership at the Clinic brought changes to the transit plan. The new CEO of Cleveland Clinic envisioned a more campus-like environment for the hospital and collaborated with the Regional Transit Authority to create a plan that was more friendly to the BRT fixed guideway.

Further away from downtown, past Cleveland Clinic on the HealthLine, are University Hospitals. Located in the University Circle neighborhood of Cleveland, they were supportive of the project from the beginning. “Access to health care is really important,” said Nancy Paton, a University Hospitals spokeswoman. “It’s part of our mission.”\(^ {18}\) Both hospitals saw the project as a way to support transportation alternatives for employees and patients. Ultimately, University Hospitals and the Cleveland Clinic paid $6.25 million for naming rights on the new BRT line, which they dubbed the HealthLine. The Regional Transit Authority receives revenues from both hospitals every year to offset operating costs.\(^ {19}\)

Today the majority of the ridership on the HealthLine is comprised of commuters, and the Regional Transit Authority is expanding service during peak hours to serve increasing demand.\(^ {20}\) Since its launch, ridership on the HealthLine is up by 60 percent at a time when ridership on other area bus lines has declined.\(^ {21}\)
active support of Cleveland Clinic and University Hospitals was instrumental in building ridership, and for bridging funding gaps by providing revenues for operation. The branding of the transit line has strengthened the symbiosis between the transit system and the major employers that rely on it.

FRiends oF tRansit and its “tRansit Means b usiness” CaMpaign: gR oWing eMployeR suPpoR t FoR tRansit in the phoenix aRea

Friends of Transit (FoT) is a non-profit educational organization founded in 2001 to educate Phoenix-area residents about the importance of balanced transportation planning. FoT was founded by business leaders and is funded primarily by businesses and business organizations, with some additional funding from transit agencies.

FoT’s founders felt it was necessary to overcome a recurring lack of public support for transit funding measures in the Phoenix area. In 1989, residents resoundingly defeated the Valtrans ballot initiative which would have established a regional system. Smaller municipal transit funding measures also failed until Tempe’s 1996 ballot question that established a half-cent sales tax increase to fund bus, rail, and bike amenities in the city (which is a large suburb bordering Phoenix). It passed because for the first time in the region, transit was strongly supported by the business community through the Tempe Chamber of Commerce.

Four years later, with the support of the Greater Phoenix Chamber of Commerce, Phoenix residents passed Transit 2000, a four-tenths of a cent sales tax increase to fund bus and rail service. In 2004, the Arizona legislature passed a bill allowing Maricopa County (Phoenix is the county seat) to put a county-wide sales tax increase measure on the ballot. Proposition 400 passed later that year with strong support from the business community, allowing the Phoenix area to collect a half-cent in sales tax to fund a regional system that includes light rail, bus rapid transit, expansion of local bus service, and infrastructure improvements such as bike lanes and bus pull-outs.

Drawing on this history, David Schwartz, founder of Friends of Transit, surmised that transit funding proposals in the Phoenix area only passed when supported by the business community. Schwartz also serves as Vice-Chair of the Greater Phoenix Chamber of Commerce Transportation Committee. A major part of FoT’s mission is to keep the business community involved in transit measures. FoT has been so successful in this mission that the Tempe Chamber of Commerce is now credited with “leading the charge for transit” for its pioneering 1996 victory.²²

Current activities of Friends of Transit include campaign organizing around extensions of sales-tax measures (Proposition 400 will otherwise expire in
2014). It also holds an annual conference for business leaders entitled “Transit Means Business.” The conference is used as an educational tool to remind business leaders of their important role in ensuring that transit receives adequate funding in the Phoenix area. According to Schwartz, many executives who are aware of their critical role in transit campaigning are retiring. The Transit Means Business conferences enable them to educate their younger colleagues about transit and start a proactive dialogue about what the next funding proposals and transit plans for the region should entail.

The campaign has been successful for many reasons. There is recognition in the business community that two of Phoenix’s staple economic activities, tourism and hospitality, do not provide high-paying jobs and those employees need commuting options. Regional Chambers of Commerce view transit amenities such as light rail service as ways to improve quality of life, and recognize their self-interest in freeing up congested highways for the transportation of the goods and services they provide. Additionally, large employers in Maricopa County must comply with trip reduction plans per state law. Friends of Transit views the ongoing business-community dialogue about transit as “a steady drumbeat of information” necessary to ensure the success of future transit measures—and the success of the Phoenix area economy.
BATON ROUGE GENERAL MEDICAL CENTER BOOSTS SUCCESSFUL INITIATIVE TO GREATLY IMPROVE SERVICE

Louisiana’s state capitol may not have the best public transit in the country, but local employers in 2012 pushed successfully to make big long-term improvements. For the first time in Baton Rouge history, the business community stepped up to openly promote the value of transit, helping win a referendum to substantially increase funding for the Capital Area Transit System (CATS), the area’s bus system.23

One of the key business players in helping to pass the referendum was Bill Holman, CEO of Baton Rouge General Medical Center. With 3,000 workers at two locations, Baton Rouge General is one of the largest employers in the parish.

For Holman, public transportation is a community asset. He said: “I am passionate about the progressive growth of our community and I believe it is important that we make responsible investments in transportation options that will strengthen our community.”24 As a large employer, he was upset that Baton Rouge was at “the bottom of every list of U.S. cities for congestion, access, adequacy of routes, and waiting times.” Mr. Holman found it unacceptable that some of the Medical Center’s employees have to wait up to 75 minutes between buses to get to work.

In early 2012, Mr. Holman participated, along with other community leaders, in a trip organized by the Baton Rouge Area Chamber of Commerce to study Louisville, Kentucky’s transit system. One of the presentations made by a fellow healthcare executive, the CEO of Humana, resonated with Mr. Holman.

Upon his return from the Louisville workshop, Mr. Holman requested an internal assessment of how many Baton Rouge General workers already depended upon transit and how many more would use transit if it were improved. The assessment found that half, or 1,700, of the hospital’s employees would benefit from improved public transportation to get to work. The findings convinced Holman it was time for Baton Rouge to have a good transit system. An opportunity to get involved was just around the corner.

The area’s transportation systems were already stressed by a population increase of about 50,000 (22 percent), resulting from an influx of New Orleans residents after Hurricane Katrina in 2005.25 In the wake of a failed 2010 referendum to increase property taxes for the local bus system, Baton Rouge Mayor Kip Holden had created a Blue Ribbon Commission (planners, business executives, educators and faith leaders) to come up with a plan to save and improve public transit in the Baton Rouge area. The commission recommended a local property tax millage dedicated to the bus system. If passed, the proposal would increase CATS’ budget by $18 million annually, doubling capacity to expand routes and improve...
To Our Community

As business, education, and community leaders, we are passionate about the growth of the Baton Rouge area. It continues to be a place where people want to live, work, and raise their families. Yet, sadly, we remain at or near the bottom of every list that evaluates traffic congestion. This fact significantly impacts the quality of life for all our residents in a negative way. One of the main contributors to this traffic congestion is the lack of a viable transit system.

On April 21, we have the opportunity to build the kind of transportation system that our community deserves by voting on the proposed transit reform tax. This referendum is about a commitment to basic services for our citizens that will make the Baton Rouge area substantially better than it is today.

We are concerned that our transit system will shut down if this initiative fails, and our community will suffer greatly for it. Without viable transit, thousands of hospital, hotel, restaurant, and retail workers will be unable to get to their jobs. Those who rely on public transportation to get to doctor visits will no longer be able to make their appointments. Consequences such as these will have a terrible impact on the Capital Region economy as well as the lives of those individuals who rely on public transit.

On Saturday, April 21, we urge the citizens of Baton Rouge, Baker, and Zachary to take action by voting on the transit reform tax as a step toward remedying a serious issue that negatively affects virtually every citizen and every business in our area.

Sincerely,

William R. Holman, President/CEO
Baton Rouge General Medical Center
	
Teri G. Fontenot, President/CEO
Adam Knapp, President/CEO
Scott Wester, CEO
John G. Davies, President/CEO
John Holand
Matthew H. Newton, Chair
Michael A. Polito, CEO
Walter Monsour, President/CEO
Ann Trappey, P.L., CEO
Kris Kipkluck, Partner
Creighton Abadie, Partner
Paul J. Argue, COME, President/CEO
Wilton Berry, President
Board of Directors
Helena R. Cunningham, CEO
Cassie E. Felder, Owner/Managing Member

To Our Community

April 15, 2012

Holman and the Medical Center took an active role in a campaign that sprang from the Commission’s recommendations and included the faith-based coalition Together Baton Rouge (TBR, an Industrial Areas Foundation affiliate). Diane Hanley, Co-Chair of the TBR transportation committee, said “[Transit] touches workers in all kinds of fields – hotels, nursing homes, hospitals, malls. All of those workers need to get to work. … This touches on everybody else that uses the malls, the hospitals and the nursing homes.”

TBR focused its organizing efforts on precincts with the highest concentrations of transit-dependent households. Organizers knocked on 29,000 doors and collected 9,000 signatures from community members pledging to vote yes—upping voter turnout from 10 percent to 26 percent in the targeted precincts. The TBR grassroots voter turnout campaign was coordinated with the city-wide campaign which included the Center for Planning Excellence (a planning and smart growth organization), Local 1546 of the Amalgamated Transit Union and the Baton Rouge Area Chamber.

During the campaign, the Medical Center conducted internal education for its workforce, providing, with the help of TBR, seminars about the referendum during work hours at the hospital. Holman joined other local employers in community outreach and the Medical Center placed an advertisement with other employers in local newspapers in support of the referendum.
Other local businesses joined the effort as well: Coca-Cola Bottling Company, General Health System, Mockler Beverage, Lamar Companies and Veolia Transportation contributed financially to the campaign.²⁸ Employers spoke openly about their support. Ralph Ney, Embassy Suites’ hotel general manager, said before the vote: “It’s difficult to hire and maintain employees who don’t have transportation . . . A lot of our employees don’t even take the bus because they can’t get to work on time, so they’re riding bikes or catching rides.” “We have told our employees that we have an individual social responsibility to take care of each other,” added Colletta Barrett, vice president of Our Lady of the Lake Hospital.²⁹

The Medical Center and other Baton Rouge employers understood how many of their workers depended on public transit and how much easier a better bus system would make their workers’ commutes.³⁰ “Investment in public transportation options is one of the fundamental components to drive our community’s growth planning,” Holman said.

On April 21, 2012, Baton Rouge residents voted by 54 percent to raise their property taxes to strengthen the local transit system. Even though it will take several years before all of the new funding takes effect and Baton Rouge sees the full service improvements, Bill Homan and his fellow employees at Baton Rouge General are optimistic about their commuting future.

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STATEN ISLAND BUSINESSES JOIN COMMUNITY-LABOR CAMPAIGN TO WIN BIG

One evening in 1981, a New York City bus driver named Larry Hanley took a right turn on 23rd Street in Manhattan and picked up a passenger who promptly took a seat on the stairwell. You can’t sit there, he politely told her; safety rules prohibit it. “But I sit here every evening,” the middle-aged woman shot back. “It’s my seat.” Hanley asked aloud why people put up with being treated this way, and the woman on the front step quickly responded. “There’s nothing you can do, nobody will listen.” It reminded Hanley of a passage in Robert Caro’s The Power Broker:

Long Island Rail Road trains did not always run late. Sometimes they did not run at all. Year by year, as already old equipment grew older, the number of trains that simply broke down on the tracks increased. It was no longer unusual to see a train arrive in Jamaica being pushed by another train. The number of trains that didn’t even make it out onto a track increased. By 1964, it was not unusual for the railroad to cancel ten trains a day. One train, the 7:45 A.M. from Babylon to Brooklyn, did not appear for 102 consecutive days; would-be passengers dubbed it “The Phantom.”

Long Islanders’ lives were cushioned—approximately twenty-two hours out of every twenty-four—by all the material wonders the twentieth century could
provide. For those other two hours—two hours that could be accurately have been called “Robert Moses’ Two Hours,” for he had made them what they were—they were like nineteenth-century Russian peasants.31

As he drove his route back to Staten Island, Hanley, who knew that rapid population growth on Staten Island was straining the limits of Metropolitan Transportation Authority (MTA) bus service, was confronted with another reality: Staten Islanders were too tired from work and a four hour-a-day commute within their own city to launch a fight back.

Staten Island is the only New York City borough without subway service, yet it ranked as one of the nation’s fastest-growing counties in the 1970s and 1980s, as rural land was converted to residential and commercial uses after the Verrazano-Narrows Bridge was constructed, connecting Staten Island to Manhattan. Indeed, because of surging ridership, there were widespread calls to create an additional bus service. But the mid-1970s fiscal crisis in New York City had created a mindset among many public officials that the City could not afford any new public services. Buses were routinely overcrowded and many passengers watched as full buses passed them up in stops.

Gradually some private bus companies started to appear on Staten Island routes; they were completely unregulated and would create ad hoc schedules every day, based upon their other charter service schedule. They provided some relief for stranded commuters but not a real, dependable service.

After finishing his shift that evening, Hanley attended a Community Board meeting. To his astonishment, sitting there on the dais was the same woman who had taken her seat on the stairwell of his bus! She was a Community Board member, appointed by the Borough President, and she was accepting overcrowded buses literally sitting down!

After being elected president of Amalgamated Transit Union (ATU) Local 726 in 1987, Hanley started urging the MTA and elected officials to add service. In 1996, frustrated by the officials’ lack of action, Hanley and his fellow ATU members decided to launch an unusual campaign with the passengers. Assessing themselves from their paychecks a total of $180,000 to pay for a worker/rider-based campaign, they surveyed riders and quickly identified two more big complaints besides overcrowding: slow running times and lack of predictability. Because Staten island buses lacked a dedicated lane on the Verrazano-Narrows Bridge, the 20-mile trip could take more than two hours: commuters could never know for sure when they would arrive at work in Manhattan—or when they would arrive back home. People were losing their jobs because of tardiness, or quitting them in frustration. Riders were also irked by sharp recent fare hikes: for lousy service they were now paying $4.00 each way.

Hanley reached out to diverse business interests; Local 726 joined networks such as the Staten Island Chamber of Commerce, the Rotary, Kiwanis and other service organizations, the Board of Realtors, transit advocates and retail merchants. He found
an overwhelmingly positive reception, and dozens of businesses and associations publicly joined the campaign, with the Chamber of Commerce actively recruiting support.

The campaign developed three key demands: dedicated bus lanes on the Bridge to make the trip faster and more predictable; new, bigger buses which had 57 seats (a 33 percent increase) to alleviate overcrowding and accommodate population growth; and a fare cut for express service to $2. The campaign also emphasized that although Staten Island had five percent of the City’s population, it received only two percent of the MTA’s budget.

The 18-month campaign took many twists and turns, starting with borough officials, then the MTA, the City Council and then-Mayor Giuliani, and eventually the state legislature and then-Governor Pataki. None of those executives were considered friends of transit, but when confronted by the diverse coalition from Staten Island, they agreed to address the injustices.

By 1998, the campaign won all of its demands (except the fare was reduced from $4 to $3 instead of $2) and dramatically improved the experience of Staten Island commuters. Dedicated bus lanes made travel times very predictable at about 30 minutes. The new buses made Local 726 members a third more productive. Taken altogether, the improvements increased ridership by 125 percent!

“That support from employers and business groups was critical to our success,” recalls Hanley. “It made our campaign truly non-partisan and gave us a compelling business case for our demands. Improving transit was critical to making Staten Island a viable place to live and work; it absolutely improved property values, and it put more spending money in people’s pockets.”32

MOVE LA: BUSINESSES UNITE TO ACCELERATE TRANSIT

The Move LA coalition is a powerful alliance of business, labor, and environmental organizations responsible for the passage of legislation that will nearly double the size of Los Angeles County’s fixed-guideway transit system. The coalition’s legislative accomplishments will grow transit system mileage from 120 to 236 miles of fixed guideway with 97 new stations. Move LA’s current work is focused on bond measures intended to reduce the transit system build-out timeframe from 30 years to a compressed 10-year schedule, a campaign known as 30-10.

Move LA was initially formed in 2007 as a transportation policy working group by Denny Zane, former Mayor of Santa Monica and former Executive Director of the Coalition for Clean Air. The working group consisted of more than 30 leaders from the business, labor, public health, environmental, and social justice communities. Members worked with Assemblyman Mike Feuer to develop transportation funding legislation. Its outcome was the submission of several bills
to the state legislature, including AB2321, which passed in mid-2008. This bill allowed
the Los Angeles County Metropolitan Transportation Authority (MTA) to place a
half-cent sales tax increase referendum on the November 2008 ballot, and extended the
ability of the MTA to impose the tax from 6.5 to 30 years. The $40 billion in expected
sales tax revenue from the measure will be used for both transit system capital
investment as well as highway efficiency projects with approximately 70 percent of
funds are reserved for transit.

Move LA then had to persuade Los Angeles County voters to approve the sales
tax increase, known as Measure R on the November 2008 ballot. It was approved by
a two-thirds majority of Angelenos (the necessary margin due to Proposition 13). A
series of television and radio advertisements for the campaign featured representatives
from the American Lung Association, the American Society of Civil Engineers, and
public officials, among others.

Significantly, representatives of the business community also supported the sales tax
increase. Over fifty businesses and business organizations have signed on to the 30-10
campaign (not including the scores of planning, design, and construction firms
that stand to gain work in the coming years from the measure). Most significantly,
the LA Chamber of Commerce, the Los Angeles Business Federation, and the Los
Angeles Business Council, themselves representing hundreds of thousands of
member businesses, have instrumentally supported Move LA’s campaigns from
the beginning by signing petitions, contributing funds for advertisements
and public education, and speaking at events on behalf of the campaigns. These
organizations recognize that the 30-10 Plan “would create thousands of near-term
construction and related industry jobs… [and that] accelerating these projects will
reduce traffic congestion and improve our quality of life.”

Zane credits the Los Angeles Chamber of Commerce with finding common
ground with the labor and environmental organizations also supporting the
campaign, calling the Chamber a “marvelous partner both locally and nationally on all of these issues.” Business
representatives supported the Project Labor Agreement passed by the Los
Angeles Metro government that covers all construction uses of Measure R funds. In
fact, Zane credits the Los Angeles Chamber of Commerce with leading the National
Chamber on transportation infrastructure funding policy:
“When Tom Donohue from the National Chamber of Commerce shows up at a press conference with Richard Trumka of the AFL-CIO to tout the America Fast Forward loan program, it’s really because the LA Area Chamber of Commerce and the LA County labor movement have worked together to make that happen. The national success is a function of our local coalition building success.”

The federal Surface Transportation Act was reauthorized in June 2012 after two years of temporary extensions. While it did not increase funding for transit, MAP-21 does include the “America Fast Forward” funding provision that will allow Los Angeles to leverage federal transportation funding loans and issue bonds based on Measure R revenues to accelerate transit system construction as a part of the 30-10 Plan. Move LA was responsible for getting mayors across the nation to support the passage of this funding provision. The Move LA coalition is currently poised for success on every one of its campaigns and the support of the business community has been critical in its contribution to transit policy and initiatives at the local, state, and federal levels.

BANKING ON DOWNTOWN: AMERIPRISE FINANCIAL IN MINNEAPOLIS

Large companies with a deep historical presence in any city know the challenges that commuting can pose for their workers. It is no surprise then that such anchor companies often help bring about transformative change to regional transit systems. American Express Financial Advisors (now named Ameriprise Financial) is one such company with a long view. It started operations in downtown Minneapolis in 1894 and is now the fourth-largest employer there.

When the state of Minnesota cut transit funding in 1995, American Express workers worried. It was already among the largest businesses in downtown Minneapolis and many of its employees suffered long commutes. With transit funding threatened, legislative leaders called a public meeting. Bus riders and representatives from Minnesota businesses met with legislative leaders at the Minneapolis Convention Center to plead for restored state transit funding.

American Express was among the most vocal corporate proponents of better transit amidst these transit cutback fights. Representatives of the company explained that employees’ ability to get to work weighed heavily upon the company’s future thinking about staying in Minnesota. In fact, company surveys showed that
commuting was a major sore point with employees and having adequate bus service would be crucial to retaining workers.

During the 1997-1998 legislative session, the Metropolitan Transit Commission gained approval for a 13 percent fare increase, raising total funding to $98.7 million. The Metropolitan Council, which operates Metro Transit, utilized some of the new funding to pilot a new Metropass program which would allow employer-subsidized bus passes for commuters. But without a private sector partner to work with, the pilot would fail.

American Express was among the first companies to embrace Metropass, and it was also the largest. Success with American Express showed all Twin Cities employers the value of promoting transit to their workforces. The company offered employees a hefty subsidy for an all-you-can-ride pass which cost $25 per month. Within one month, 47 percent of the company’s 6,000 downtown employees were enrolled.

The partnership blossomed: a decade and a half later, Ameriprise Financial continues to be a heavy user of Metropass, and the program became permanent and is now utilized by 200 other companies with about 156,000 daily commuters.

**PURPLE LINE NOW! COALITION IN PRINCE GEORGE’S AND MONTGOMERY COUNTIES, MARYLAND**

Most U.S. transit systems were originally built to move passengers quickly into and out of the downtown urban core of a metropolitan area. But in the last few decades, clusters of high-density office buildings and residential dwellings have created satellite destinations in outlying suburban areas. In 1991, urban theorist Joel Garreau dubbed these areas “edge cities” (sometimes also called “technoburbs”). Traditional “hub and spoke” transit systems fail to serve commuters in these edge cities because they would require a trip downtown and back out just to reach neighboring suburbs. In addition, any congestion in the hub can cause profound delays for the rest of the system.

Visionary then-Governor Parris Glendening proposed in 1998 to better accommodate Maryland’s edge cities in the Washington, D.C. metropolitan area by connecting Prince George’s County with Montgomery County via rail. The Purple Line would connect two spokes of the D.C. area’s Red Line as well as Yellow and Orange Line spokes in a circular shape from about 11 o’clock to 2 o’clock in Washington’s first-ring suburbs (inside the Capitol Beltway).

In the beginning, the proposal was controversial: opponents raised issues with its cost, its route, and whether it would
utilize bus rapid transit or rail. When Gov. Glendening left office in January 2003, Gov. Robert Ehrlich nixed the proposed Purple Line in lieu of what he claimed would be a more cost-effective bus rapid transit system. He dropped the Purple Line moniker and directed the state transit agency to study the idea of a Bi-County Transitway. Studying bus rapid transit effectively delayed the project and NIMBY groups became more vocally opposed to the changes it would bring to local parks. The Washington Post soon declared the Purple Line proposal dead.

Instead of inner-ring transit, Gov. Ehrlich championed the construction of a new outer-suburban highway known as the Inter-County Connector (ICC), connecting Montgomery County to Prince George’s County, tracing an 11-to-1-o’clock arc but five miles farther out, and outside the Capitol Beltway. In terms of both cost and people served (not to mention air pollution, land-use efficiency, and transit connectivity), the ICC fails to deliver compared to the Purple Line. Transportation planners’ projections show that the ICC will move fewer people than the Purple Line which is projected to carry about 60,000 per day in 2030. On top of that, the most expensive Purple Line build-out scenario costs $1 billion less than the ICC.

Seeing this fast-tracking of a highway project in many ways invigorated advocacy for the Purple Line. And Silver Spring, the inner-ring suburb at the center of the Purple Line route, enjoyed enormous job growth around its Red Line station. Congestion became such an impediment that by 2006, county business leaders became more interested in the Purple Line as a means to improve economic development. Businesses began flexing their political capital. The chair of the Greater Bethesda-Chevy Chase Chamber of Commerce stated that “our chamber is ready to be active on a scale
we haven’t seen in a while… If they want to be governor, if they want to be county executive, the Purple Line needs to be front and center on their agenda.” The chamber commissioned polling which found that 78 percent of likely Democratic voters (in an area dominated by Democrats) support the light-rail version of the Purple Line.

Politicians’ tones toward transit quickly changed. Baltimore Mayor Martin O’Malley expressed his support for the Purple Line as he geared up for a 2006 run against Gov. Ehrlich. The highway-versus-transit debate figured prominently in the election and flared when one of Gov. Ehrlich’s appointees to Metro (the area’s transit authority) accused the Governor of delaying the Purple Line because current and future federal funding as well as state gas tax revenues were tied up paying for the Inter-County Connector. O’Malley was elected Governor of Maryland with a campaign promise on the Purple Line.

The resurgence of support for the Purple Line did not occur spontaneously. A coalition of business, development, non-profit, and labor interests called the Coalition to Build the Inner Purple Line formed as a 501c4 to lobby for it in 2002. Their mission was to ensure construction of a light rail Purple Line inside the Capital Beltway connecting Montgomery and Prince George’s Counties. The group would later rename itself Purple Line Now!

As Governor O’Malley took office in early 2007, he re-instated the Purple Line name. In 2007, Purple Line Now! held a benefit to raise funding from a variety of prominent businesses, individuals and non-profits for its campaign. By early 2008, the Governor announced a commitment of $100 million for an engineering study on the Purple Line. Later that year, the Maryland Transit Administration released an analysis of project alternatives and environmental impacts. Purple Line Now! members orchestrated a media campaign, placed op-ed articles, held a fundraising event, and participated in public hearings supporting the proposal.

By early 2009, both counties approved the light rail alternative and by the end of the year, the Governor announced his support for the proposal intending to submit it to the federal government for an engineering study. The Purple Line proposal would create a 16-mile, 21-stop light rail corridor, connecting with the four Metro subway spokes and numerous bus routes. The state estimated 64,000 daily transit
trips between the suburban stations. It also has the potential to move thousands of federal government workers every day by establishing stronger connections to major offices of the National Institutes of Health, the National Oceanic and Atmospheric Administration, and the Internal Revenue Service. In 2011, the project received federal funding under the U.S. Department of Transportation’s New Starts program, enabling preliminary engineering to begin.

Unfortunately, there is still a long way to go in deciding how to fully fund the project. Maryland Transportation Trust Fund gasoline-tax revenues were used to fill the state's budget gaps between 2003 and 2011.

In 2012, Gov. Martin O’Malley proposed an increase in the gasoline tax to help pay for the Purple Line and other transit projects. The coalition endorsed the idea as well as other means to raise dedicated revenue to fund transit, including a sales tax. Although the state did not raise the gasoline tax that year, and the counties did not enact a sales tax increase, the coalition maintains a Purple Line pledge for candidates running for office and continues to push forward. Ultimately, the project will require some combination of federal, state and local funding to get built. Other local sources could include tax increment financing or payments in lieu of taxes.

During the 2013 legislative session, Gov. O’Malley again championed, and finally won, a gasoline tax increase to help pay for the Purple Line. Of the $800 million raised each year, a significant proportion will be dedicated to transit. Gov. O’Malley’s legislative proposal for the first round of funding dedicates 54 percent of the revenues to transit, including $280 million for the design of the Purple Line.

Keith Haller, a board member of Purple Line Now!, is emphatic about the need to solve these funding problems. “We have a transportation funding crisis in America. We’re in an environment right now where dollars for transit are facing radical cutbacks in Congress. We must redouble our efforts and make a stronger business case that transit spurs economic development. Bethesda and Silver Spring are both instances where transit oriented development [TOD] has been tremendously successful. It is imperative that projects like the Purple Line find a dedicated revenue source whatever that may be. We have heard from the next generation and they want access to the rest of the region without being encumbered by an automobile stuck in traffic. TOD is the only way to achieve that dream.”

The Purple Line Now! coalition shows what can happen when business interests coalesce around transit advocacy. Nationally, the Purple Line remains one of the most attractive new investment opportunities for transit, which is why it continues to have the support of the business community. Businesses and institutions, like the University of Maryland and The Cordish Company, are already planning major transit oriented developments along the proposed route.
Suburban office parks are notorious for difficult commuting. Low densities and auto-oriented infrastructure force most workers to drive on congested roads. According to a recent study from the Brookings Institution’s Metropolitan Policy Program, only 64 percent of suburban jobs are accessible by transit. Frequently, suburbs have some transit service, but their economic geography limits its usefulness: transit riders cannot get close enough to their final destination.

Innovative transportation demand management (TDM) approaches combat this problem by implementing shuttle connections from transit stations to large office parks. The northern suburbs of Chicago are home to numerous corporate headquarters campuses surrounded by acres of grass and parking lots. These areas have also been exploding in terms of employment growth: between 1979 and 1999 employment almost doubled. Few would believe that these areas can become accessible to workers without a car, but for years, a business-backed organization has been transformative in expanding access to these campuses just out of reach via transit.

Beginning in 1988, business leaders in suburban Chicago saw a growing need for transportation alternatives. In 1989, the Transportation Management Association (TMA) of Lake-Cook received a two-year grant from the Regional Transportation Authority to develop a ridesharing program. TMA’s service area includes the far northern end of Cook County (the region’s core county that includes Chicago) and Lake County (which straddles Lake Michigan northwards to the Wisconsin border).

As participation in the carpool program grew, TMA expanded into van services for workers. But with congestion continuing to worsen, TMA looked to new federal resources to develop a “last mile” shuttle. In 1996, TMA won a three-year $750,000 federal grant under the newly established Congestion Mitigation and Air Quality (CMAQ) program to launch a major expansion of its shuttle service, called “Shuttle Bug,” to major corporate campuses including Baxter Healthcare, Underwriters Laboratories, Walgreens and Motorola.

Participating companies initially made a 20 percent match investment in the project. After the program proved successful, TMA entered into a partnership with the Pace Suburban Bus Service (Pace) and Metra Commuter Rail (Metra) to continue operations, and the participating companies increased their contribution to 36 percent of operating costs. In 1999, Shuttle Bug was named one of the ten best CMAQ success stories by the U.S. Environmental Protection Agency. Today, companies pay half the costs associated with running the service and about 1,700 daily commuters ride 12 routes to almost 40 major companies.
Corporations served by TMA serve on its board. Member dues account for a majority of TMA’s annual operating budget of $175,000. The rest is covered by government grants. TMA is housed in donated office space at Baxter International’s headquarters, a founding TMA member.66

The TMA of Lake-Cook doesn’t just market and manage shuttle, carpool and van services. It also acts as the transportation policy voice for member companies at the state and federal level. The organization frequently weighs in on transit issues and invites elected officials to speak. For example, last summer at TMA’s annual meeting, U.S. Representative Robert Dold (R-Illinois’ 10th Congressional District) spoke in favor of reauthorization of the federal surface transportation bill. In particular, he endorsed the idea of utilizing federal dollars on a Metra commuter STAR line to connect a number of suburbs to O’Hare Airport.67

Short of companies relocating into more transit-accessible urban areas, shuttle services like those provided by the TMA of Lake-Cook are a band-aid that can make suburban areas transit friendly. Addressing suburban coverage gaps has gone a long way in providing transportation alternatives to workers in the Chicago suburbs. Some companies are voting with their feet, however. Motorola Mobility, a spinoff of Motorola that was acquired in 2011 by Google, announced in July 2012 that it would relocate 3,000 jobs to downtown Chicago. Similarly, a few years earlier, United Airlines moved its headquarters from suburban Elk Grove to downtown Chicago.

#### McCaffery Interests: Tod Soup to Nuts

Developers who specialize in Transit Oriented Development (TOD) projects are an important source of employer support for transit, especially because they have a sophisticated understanding of how new or improved transit service can enhance land values, strengthen the tax base, and reduce investor risks to spur either urban revitalization or compact suburban development.
The number of development firms doing TOD work has greatly increased as the “back to the city” movement and the expansion of transit service in many metro areas have coincided. Associations that include developers such as the Urban Land Institute, the International Council of Shopping Centers, Congress for the New Urbanism, and LOCUS (a project of Smart Growth America), as well as think-tank efforts such as the Center for Transit-Oriented Development (a joint effort of the Center for Neighborhood Technology and Reconnecting America, both important resources in their own rights), and others have done a great deal of useful work helping to reshape development in ways that reinforce and complement transit.

As an example, we profile here McCaffery Interests, a privately held Chicago-based firm that reports having developed nearly $1 billion of real estate since 1991. In its own words, McCaffery targets under-performing real estate in high-density areas with “high pedestrian traffic; within or adjacent to vibrant shopping districts; proven office and/or residential appeal; access to public transportation; and proximity to cultural or sporting activities.”

In its project selection with investment partners, McCaffery Interests emphasizes minimizing risk (a big issue for developers given the Great Recession’s harm to commercial real estate in many markets) and clearly views TOD as lower-risk.

McCaffery Interests is quite integrated: it variously acquires, plans, develops or redevelops (overseeing construction), and leases and maintains large mixed-use projects in so-called 24-hour cities. Among its major achievements: acting as major developer for: the Market Common, Clarendon in Arlington, Va.; the Block E redevelopment in Minneapolis; and several large TOD projects in the San Francisco Bay area. Currently it is working on the massive Lakeside project on the Southeast Side of Chicago, partnering with U.S. Steel to redevelop more than 500 acres of what used to be U.S. Steel’s Southworks mill.

The firm touts environmentally friendly projects with high design standards, often integrating transit options. To this end, McCaffery Interests claims “we were ‘green’ before it was fashionable.” Citing LEED and other green certifications for several projects, McCaffery Interests reports including transit infrastructure and access improvements, integrating shared car services, installing bike storage and building bike paths, and using locally sourced materials.

A notable McCaffery project is Potomac Yard in Alexandria, Va. Through the 1930s, Potomac Yard was one of the busiest freight rail interchange yards on the Eastern seaboard. But as rail companies merged and rail commodity and routing patterns changed, the 295-acre yard declined and was eventually abandoned as a switching yard and maintenance facility. By 1989, freight rail operations had ceased and part of it would be designated an EPA Superfund site due to past chemical and oil spills. Following a clean-up, Potomac Yard was slated for redevelopment, and McCaffery Interests managed a project that covers 69 acres: a master-planned community with a new dedicated transit-way system, a Metrorail station, almost 1 million square feet of retail space, 2.5 million square feet of office space and 3,695 units of housing.
UNITED STREETCAR REBUILD A LOST AMERICAN INDUSTRY

The San Francisco Municipal Railway took delivery of the last PCC Streetcar in 1952 and for the next 57 years, America forgot how to build streetcars. What had been a major U.S. industry until oil, tire and auto interests successfully conspired to start killing inter-urban service in the 1930s survived only within a few specialty and vintage maintenance and parts companies. However, in the past two decades, American cities have begun to rediscover the economic development and public transportation benefits of streetcar systems. But with the domestic streetcar industry gone, all the American orders went to Europe and Asia. With demand surging in recent years, one company saw an opportunity for the rebirth of a U.S. industry.

Enter United Streetcar, founded in 2005 as a subsidiary of Oregon Iron Works, Inc. in Clackamas, Oregon. United Streetcar is currently the sole manufacturer of modern streetcars based in the United States. The firm delivered its first complete streetcar in 2009 to the City of Portland, and has subsequently received a $148 million order as Portland expands its service onto the East Side. United has also received a $196 million order for a new system for Tucson, and recently won a $113 million bid to provide the first streetcars for Washington, DC’s new H Street line.

United Streetcar’s parent company, Oregon Iron Works, is a specialized manufacturer of complex structural components such as bridges, ships, and nuclear power plants. Following the initial success of the Portland Streetcar system (originally equipped with imported vehicles because the City had no choice), the company believed that it had the skill sets necessary to develop street cars on its own. It launched United Streetcar as a subsidiary with the immediate aim of acting as a localized source of streetcars, hoping to cultivate the City of Portland as a dedicated local client committed to ongoing streetcar development. Both companies’ hourly workforces belong to the Ironworkers and Electrical Workers unions.

United Streetcar bills itself as being able to deliver high-quality streetcars at competitive prices. The company works directly with cities to adapt its product to the projects being undertaken and claims to offer significantly better delivery times than foreign-based manufacturers are capable of achieving. The company uses local vendors for maintenance and support of products sold and produces some of its own after-market parts.
Although it fabricates streetcar bodies, to assemble the vehicles United Streetcar relies on hundreds of parts suppliers. Since its founding, the company has sought to maximize the domestic U.S. content of its product, with propulsion systems being the biggest challenge. It initially relied on the Czech company Škoda for engines, signing a technology transfer agreement. Currently, United Streetcar sources its engines from Siemens, the German company, with the stipulation that the engines be manufactured at U.S.-based based Siemens plants. (Škoda competes with United Streetcar for U.S. contracts, doing assembly onshore to meet the 60 percent Buy American standard.) United Streetcar is beyond compliant with 70 percent domestic content—aiming for 90 percent within a decade and its orders have so far created about 100 direct assembly jobs in Clackamas (not to mention “upstream” supplier jobs and “downstream” jobs created by its employees’ spending).

United Streetcar has been lauded for its contributions to sustainability and good jobs by groups such as American Rights at Work and the Apollo Alliance (now BlueGreen Alliance). United Streetcar is one of more than 400 companies, both domestic and foreign, that produce parts for or assemble transit buses and six different kinds of rail transit vehicles in the United States for U.S. transit agencies. The Clean Transportation Manufacturing Action Plan (TMAP) of the BlueGreen Alliance is a national campaign to rebuild and strengthen this network of suppliers and assemblers. TMAP has commissioned studies to identify all of the supply-chain companies. It also works with unions and public officials to build public awareness of the job creation potential of transit and ensure that Buy America laws are enforced. A new related effort, led by the Los Angeles Alliance for a New Economy (LAANE), seeks to reform federal transit procurement practices in ways that increase domestic content and thereby boost domestic investment and job creation (see more in our chapter “Mapping the National-Policy Landscape of Corporate Support for Transit”).
TRANSPORTATION Benefit ADMINISTRATORS HELP EMPLOYERS BUILD TRANSPORTATION RIDERSHIP

Congress voted in the mid-1980s to create a tax incentive for companies providing employee transit benefits, but the benefit was slow to catch on. Part of the problem was the administrative burden. In 1987 a group of public transit agencies and employers in the New York City metropolitan area addressed the issue by creating a non-profit organization called TransitCenter, which under the leadership of Larry Filler took responsibility for administering and promoting the region’s pioneering TransitCheck voucher program.82

Transit benefit programs soon spread to other parts of the country, and eventually vouchers were replaced by smart cards. The role played by TransitCenter in New York was taken over in many other places by third-party administrators (TPAs), for-profit firms that manage employee benefit programs for a fee. In recent years, the for-profit transit benefit industry has become an oligopoly dominated by two companies: WageWorks and Edenred USA.

WageWorks Inc., a TPA based in San Mateo, California, made an early market-share push. Only two years after its founding in 2000, it was calling itself the “number one provider of commuter benefits programs.”83

In 2004 WageWorks acquired Sodexho PASS USA, a TPA owned by the large French services company Sodexho Alliance.84 In early 2012, WageWorks acquired the TransitCheck business from TransitCenter.85

The 2004 deal was the beginning of a consolidation wave. Joining WageWorks in the market was Accor Services, a subsidiary of the French hotel giant Accor S.A. In 2005 Accor Services boosted its position with the purchase of a majority interest in WiredCommute, a key provider of systems for the electronic ordering of transit and parking passes.86 It followed that with the acquisition of Commuter Check Services Corporation the next year.87 In 2010 Accor Services was spun off as a publicly traded company of its own, named Edenred, and based in Paris.

WageWorks followed Edenred in becoming a publicly traded company in May 2012. By January 2013 it had about 2.8 million employee participants from 27,000 employer clients, including what it describes as “many of the Fortune 100.”88 These figures cover not only transit passes, but also parking as well as health and other benefits.89 No company or employee breakdown for transit is provided, but in revenue terms commuter benefit services (transit and parking combined) accounted for $51.8 million (29 percent) of the company’s $177.3 million in 2012 revenue.
WageWorks says that its largest clients overall include Assurant Health, Comcast, Duke University, Ford Motor Company, Harley-Davidson, HCA, Interpublic Group, L-3 Communications, Lowe’s Companies, MetLife, Morgan Stanley, the State of New York, North Shore Long Island Jewish Health System and the State of Wisconsin.

According to Edenred’s 2011 annual report, its Commuter Check business provides services for 12,000 companies with 450,000 employee participants in the United States. The Edenred Group operates in 40 countries, providing a variety of employee benefit services. It’s not possible to determine from its annual report how much of its revenue comes from commuter-related services.

Dan Neuberger, President of Commuter Services at WageWorks, acknowledges that most of his employer clients see transit benefits as a way to help employees save money on commuting, and as a way to round out their employee benefit packages—rather than as an environmental initiative. Yet he says that “going green” is increasingly a factor for larger companies with sustainability officers.

Neuberger says that he and WageWorks have been very involved in the Commuter Benefits Work for Us coalition, which seeks to build public support for continuing and increasing federal transit tax benefits. Among the other members of the coalition are the remaining big TPAs, including Edenred and Cubic Transportation Systems. Along with the Association for Commuter Transportation, Commuter Benefits Work for Us advocates to ensure that federal tax benefits for transit are at parity with those for parking.

“We spend a lot of time making sure members of Congress realize how many of their constituents use transit benefits,” he told us, “And we remind them of the research showing the inverse relationship between the price of transit and levels of usage.”

**Chronology of the Federal Transit Benefit Level**  
(Maximum monthly amount that can be excluded from taxable wages)

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*This period of parity with the federal parking benefit level came thanks to the American Recovery and Reinvestment Act (federal stimulus).

** The maximum benefit in 2012 had fallen to $125 per month after Congress failed to extend parity, but the fiscal cliff deal enacted by Congress on January 1, 2013 (officially the American Tax Relief Act of 2012) reinstated retroactive parity for 2012 at $240 and ongoing parity for 2013 at $245.
MAPPING THE NATIONAL-POLICY LANDSCAPE OF CORPORATE SUPPORT FOR TRANSIT

Charting all the ways U.S. employers express their support for transit—especially how they exercise their self-interests on federal policies—is not straightforward because the terrain is so fragmented. In this chapter we recite, with a little frustration, what we have discerned from many interviews and queries.

There are some obvious corporate players that make a business in selling goods and services to transit agencies, and they display their support by belonging to pro-transit groups and/or sponsoring transit conference events and/or backing ballot initiatives for transit. But far more numerous are those employers—like those that dominate our case studies—that don’t make a business in transit but that need transit to access their labor markets. And a growing number of companies also believe in transit and are moving to walk the talk.

However, the number of organizations and networks that capture all of this support is enormous. Their division of labor is not always intuitive and sometimes is tied to very narrow transportation funding streams or tax rules. There are also apparent divisions that mirror recurring tensions within public transportation circles, such as that between capital budgets and operating funds. There are other divisions, especially by sector and geography.

There has been considerable change in recent years, with some groups appearing to lose their edge and others stepping up. For example, an exemplary federal program to train and honor pro-transit employers is orphaned by Uncle Sam and survives in an academic setting. A pro-rail-transit group is seeking a bigger presence. The nation’s transit-manufacturing supply chain is mapped for the first time—and revealed to be fragile due to chronic under-funding and decades of policy neglect. A coalition seeking to ensure that payroll-based transit benefits have parity with those for parking takes on a new identity. The biggest non-profit third-party administrator of transit benefits is sold to a for-profit provider. And as our case studies detail, some local Chambers of Commerce and other business-led groups are taking new leadership roles.

It all adds up to a very mixed, jumbled story. Just when market forces and energy policy beg for a unified national employer voice for growing and improving transit service, what we find instead are disparate voices speaking only to selected transit issues.

The Usual Suspects: Corporate Members in APTA, CTAA, and ACT

The American Public Transportation Association (APTA) is considered the voice of the nation’s big-city transit agencies, including bus, light rail, commuter rail, subways, ferries, and paratransit services. It also has members from high-speed rail, metropolitan planning organizations, state transportation departments, academic institutions and trade publications. It has a budget of $25 million and a staff of about 90, making it by far the largest transit trade association.93
Less well known is that of APTA’s approximately 1,500 members, half are “Business Members” categorized as manufacturers and suppliers, consultants, publishers or contractors. According to two senior APTA officials, soon after he became APTA president in 1996, William Millar successfully argued to upgrade private companies from associate to full membership. Millar’s background was purely public-sector, but his successor elected in 2012, Michael Melaniphy, has a mix of public- and private-sector experience (he was a Vice President of Motor Coach Industries, Inc., a manufacturer and aftermarket supplier of intercity, tour and transit buses).

Today, private-sector firms—including some that operate transit, paratransit, and other services—are represented throughout APTA’s sprawling board and committee structure. APTA has 104 board members and 27 committees. Its by-laws set aside at least 20 board seats for Business Members (and at least 40 seats for Transit System Members). Reflecting those set-asides, the board consists of about two-thirds persons from public entities.

Given its size, much of the nitty-gritty work within APTA takes place within its committees. APTA’s governance structure also includes a 25-member Business Member Board of Governors, which makes policy recommendations to APTA’s Executive Committee and Board of Directors. This Business Member Board in turn has seven committees.

APTA-member companies span the U.S. economy (in some cases, the transportation-specific subsidiary of a company belongs to APTA):

- Construction, planning, design and engineering firms such as: AECOM; Bechtel; Burns Group; CH2M Hill; Gannett Fleming; HDR Engineering; Hill International; Hellmuth, Obata & Kassabaum (HOK); HNTB; Jacobs; Kiewit; Kimley-Horn; Lea+Elliot; Lochner; Louis Berger Group; LTK Engineering; Mass. Electric Construction Co.; Michael Baker; Otak; Parsons Brinckerhoff; PGH Wong Engineering; Sam Schwartz Engineering; Stacy and Witbeck; STV; SYSTRA; URS; and Vanasse Hangen Brustlin.

- Consulting, research, information technology, and software firms such as Accenture, Cambridge Systematics, Harris Corp., Hatch Mott MacDonald, IBM, ICF International, Nelson\Nygaard Consulting Associates; Oliver Wyman; Quandel Consultants; RouteMatch Software; SAIC; and Trapeze Group.

- Manufacturers of buses and rail vehicles, vehicle components, rail and signal systems, and transit shelters such as: Alstom; Bombardier; Cummins; General Electric; Kawasaki Rail Car; Knorr Brake; L.B. Foster Co.; Mitsubishi Electric Power Products; Motor Coach Industries; New Flyer Industries; North American Bus Industries; Siemens; Sumitomo; Talgo; Tolar Manufacturing; United Streetcar; US Railcar; and Wabtec.
• Legal and lobbying firms such as: Holland & Knight; Kaplan Kirsch & Rockwell; and Manatt, Phelps & Phillips.

Another national transit association, the Community Transportation Association of America (CTAA), complements APTA’s focus on big cities. It includes transit agencies from smaller metro areas, rural areas, and tribal nations. Its board and delegate council (an advisory board composed of state and tribal delegates) include agency leaders, state transit associations and some non-profit organizations.97

Smaller metro areas and rural areas such as those that belong to CTAA have funding rules, programs, and service issues that sometimes vary from large metro areas whose agencies belong to APTA. Among these differences: transit systems in smaller metro areas are allowed to flex as much as 100 percent of their federal formula funding to pay for operations, whereas those in larger metro areas must use all of such funds for their capital budgets (with some exceptions for small bus-fleet systems within large metro areas). Smaller systems, because they include no rail service, also have different concerns now about the need for funds to maintain and replace bus fleets.

During the Great Recession of 2007–2009, many transit advocates (especially the Transportation Equity Network and the Equity Caucus of Transportation for America) and the two main transit unions (the Amalgamated Transit Union and the Transport Workers Union) sought to loosen these rules for large-metro agencies—although most of the big-city agencies and APTA did not. The advocates and unions unsuccessfully sought federal operating dollars to offset state and local funding cuts that produced a massive wave of service cuts and fare hikes that plagued about 85 percent of transit systems through 2012. For example, they sought $2 billion for transit operating support as part of the 2009 American Recovery and Reinvestment Act, the federal stimulus, which was famously deleted by then-White House Economic Council Director Lawrence Summers.98

CTAA reports having more than 4,000 members, with an undisclosed share being private-sector (and most of those being private non-profits), but declined to make its membership list available. Among its apparent membership, for-profit companies include private transit operators, taxi operators, and manufacturers. However, its board of directors and its State and Tribal Delegates Council (an advisory committee to the board) are dominantly composed of transit agencies and non-profit groups (including some that serve seniors or other transit-dependent populations).

The Association for Commuter Transportation (ACT) has about 750 diverse institutional members that support transportation demand management (TDM) efforts to reduce traffic congestion, conserve energy and improve air quality. They do this through many methods: helping employers to promote carpooling, ridesharing, vanpooling, transit use, bicycling, pedestrian safety, transit benefit administration, and tele-commuting. ACT is managed under contract by CTAA.
ACT has been especially vigilant advocating for the federal tax transit benefit, including the restoration of the transit benefit to parity with the parking benefit (at $240 per month) in the American Taxpayer Relief Act of 2012 (enacted in January 2013). The exemption had lapsed to about half that amount during 2012. In that cause, ACT was joined by Transit Center, Inc. (the New York City non-profit) and the National Transit Benefit Coalition, a network of companies (third-party administrators and transactors) that later became the Commuter Benefits Work for Us coalition (see our chapter on transit benefit administrators).

**SPOTLIGHT: vRIDE, A MAJOR VANPOOL PROVIDER**

The most prominent private company within the leadership of the Association for Commuter Transportation (ACT) is vRide, with five seats on ACT’s board as of early 2013.

vRide (known as VPSI until it was rebranded in spring 2012) was founded as VanPool Services, Incorporated by two staffers in the Chrysler Corporation’s Office of Corporate Responsibility in Michigan in 1977. It won federal funding to replicate its success in the Twin Cities, and then major contracts for the first statewide vanpool program in the country (for the California Department of Transportation in 1979) and for a state employee system in Michigan.

Vanpools consist of 5 to 15 riders with similar commutes who meet and ride together to work. Today, vRide reports operating more than 5,000 vanpools from more than 40 offices in the United States and Europe. “Nobody else comes close,” said the VPSI website in mid-2012 (before it was replaced by the vRide site). “After all...we wrote the book.”

Chrysler sold VPSI in 1996 as part of a general shedding of non-core assets and it was bought by Team Rental Group, which bought and became Budget Rent a Car. The company acquired the Dutch company Vipre from Philip Electronics and expanded it into Ireland and the United Kingdom. Budget sold VPSI in 2001 and it stood alone until 2007 when the private equity company ZS Fund LP acquired the company with a $44 million financing package. In 2010, TPG Growth (a platform of the global investment firm TPG) acquired VPSI.99

In other words, vRide experienced four different ownership structures within 14 years, a jarring experience for any organization. And it has gone from being a small, mission-driven start-up to a tiny part of a global conglomerate.
A niche advocacy network around the creation of new transit routes is the New Starts Working Group, named for the Federal Transit Administration’s New Starts program. It includes mostly public agencies seeking federal support for new service as well as a few corporations that help build or design transit and is coordinated by the Washington, DC law firm Holland & Knight.

The Clean Transportation Manufacturing Action Project (TMAP) of the BlueGreen Alliance (formerly of the Apollo Alliance before it merged into BlueGreen) is an exemplary project to strengthen the domestic U.S. supply chain of companies that manufacture buses, clean-diesel trucks, the various kinds of passenger-rail vehicles. It has commissioned two studies by the Duke University on Globalization, Governance, and Competitiveness that identify only 320 assembly and supply facilities with about 40,000 employees that account for the bulk of domestic transit-vehicle and truck production. TMAP estimates that because of chronic under-funding of transit, there are 27,600 transit buses, 4,000 passenger rail cars and locomotives, and 220 light rail cars that need to be replaced by 2018—presenting a terrific job-creation opportunity if the production stays onshore.

A related effort, led by the Los Angeles Alliance for a New Economy (LAANE), seeks to reform federal transit procurement practices in ways that increase domestic content and thereby boost domestic investment and job creation. Working with transit agencies and the U.S. Department of Transportation to revise the way federally funded bids to manufacture transit vehicles are rated, LAANE’s US Employment Project seeks to replace the low-priced bid model with a Best Value Contract model that more fully accounts for the positive ripple effects of higher domestic content and hiring of disadvantaged workers. Citing the enormous opportunity in Reconnecting America’s 2008 tally of 395 planned and proposed fixed-guideway transit projects valued at $248 billion100 (in addition to the maintenance and replacement of existing fleets), LAANE seeks to reshape transit procurement to maximize job creation and economic opportunity.

LAANE announced in May 2013 that, after extensive negotiations, the Federal Transit Administration “now has the legal authority to approve federally funded procurements for the purchase of buses and trains that include the US Employment Plan.”

Pro-Transit Conferences Backed by Employers

In addition to the numerous events held annually especially by APTA and to a lesser extent by CTAA and ACT, there are two annual conferences that focus on or include transit and transit-oriented development.

Rail–Volution is a network that holds an annual conference that enjoys corporate sponsorship. Although its board of directors is mostly representatives of transit agencies and non-profits, its national steering committee includes transit engineering and consulting firms such as AECOM, CH2M Hill, Parsons Brinckerhoff, HDR, and URS. Rail–Volution has in the past functioned
as only a conference but in 2012 moved to explore additional events and activities, hiring its first full-time executive director and moving its base of operations from Portland, Oregon (where it had long outsourced the conference organizing to an office of Metro, the regional government) to Minneapolis.\textsuperscript{101}

Ahead of its 2013 conference, Rail~Volution also lists as sponsors and exhibitors Parametrix, Stacy & Witbek, TR Advisors, United Streetcar, Siemens, Lochner MMM Group and Brookville. Other recent/recurring sponsors include CDM Smith, Kittleson & Associates, Jacobs, HNTB, Michael J. Baker, Jr., Pivot Architecture and Wilson & Ihrig.\textsuperscript{102}

Similarly, the annual \textbf{New Partners for Smart Growth} conference, organized by the Sacramento-based Local Government Commission, enjoys sponsorships and features booths from diverse companies (in addition to private foundations, the U.S. Environmental Protection Agency, and the Centers for Disease Control and Prevention). New Partners is by far the largest annual smart growth event in the United States, attracting between 1,100 and 1,400 attendees.

New Partners’ 2013 event in Kansas City was sponsored by Alta Planning + Design, CH2M Hill, Esri, HDR, the National Association of Realtors and Kaiser Permanente. Among its 2012 San Diego sponsors were AECOM, ARUP, CDM Smith, Fehr & Peers, ICF International, Lewis Group of Companies, SRA International, and A. G. Spanos Companies.

\textbf{State Transit Associations}

Most states have transit associations, or transportation associations that include transit in their mission. Like APTA, these associations tend to draw much of their leadership from the transit agencies, however many also include corporate members. Although most such members appear to make a business selling to transit agencies, a few associations also have employers with employees, members, clients and/or tenants who depend on transit. For example:

The \textbf{New Mexico Public Transit Association} includes such diverse employers as AARP, Alamogordo Senior Center, Border Area Mental Health, Caterpillar Inc., Easter Seals Santa Maria El Mirador, Fort Bayard Medical Center, Fort Sumner Housing Authority, Industrial Bus Lines/All Aboard America (Park & Ride), Jewish Family Services of NM, Laguna Rainbow Nursing Center, Ramah Navajo Pine Hill Health Center, and the Rocky Mountain Youth Corporation.\textsuperscript{103}

The \textbf{Central Maryland Transportation Alliance} includes as members: the Annie E. Casey Foundation, Associated Black Charities, Baltimore Ravens, Bank of America, Forest City Enterprises, General Growth Properties, Johns Hopkins University, Legg Mason, M & T Bank, Mercy Medical Center, Open Society Institute, Sun Trust Bank, University of Maryland-Baltimore, and Wells Fargo.\textsuperscript{104}
Transportation Demand Management and Employers That Promote Transit as a Choice

In addition to ACT and the third-party administrators named in our case study, there are hundreds of other entities that actively promote transit and other commuting alternatives to employers (i.e., tele-commuting, carpooling and ridesharing, and van service between worksites and transit stations). The National Center for Transit Research (NCTR) at the Center for Urban Transportation Research at the University of South Florida has been home since 2007 to the Best Workplaces for Commuters program that was originally created (and then orphaned) by the U.S. Environmental Protection Agency and the U.S. Department of Transportation. Since 2002, the Best Workplaces program has provided “the tools, guidance and promotion necessary to help U.S. employers of any size incorporate commuter benefits into their standard benefits plan, reap financial benefits, and gain national recognition.” NCTR, which was already focused on transportation demand management (TDM) work, agreed to take on the Best Workplaces for Commuters program when APTA and ACT declined. The program is funded primarily by modest employer membership fees ($230 per workplace per year) that largely involve recognition but also a help desk, peer learning, and benchmarking tools to measure savings and environmental benefits.

Companies apply to achieve the National Standard of Excellence in commuter benefits certification (created by NCTR and the U.S. Environmental Protection Agency).

The Best Workplaces program has certified about 300 such workplaces, including these companies with three or more listed worksites: Amerigroup, Boeing, Butzel Long, The Cadmus Group, Fehr & Peers, IBM (22 sites), Pfizer, U.S. Bankcorp (7), and Verizon (15). Also with designated workplaces are prominent companies such as: AstraZeneca, BASF, Bank of America, Cisco Systems, Discovery Communications, Duke University, EMC Corp., Genentech, Google, Harvard University, Mayo Clinic, Microsoft, National Semiconductor, Nike, Oracle, Raytheon, Unilever, University of California (5 campuses), and Yale University. Some member companies choose not to reveal their involvement, or at least how much they subsidize transit use.

Fairfax County in Virginia and the adjoining Florida cities of Sarasota and Fort Myers have actively embraced the Best Workplaces program and actively encourage local employers to strive to become certified. When companies succeed, the localities even stage recognition ceremonies with their elected officials.

The Center also manages a list-serv of about 2,100 TDM professionals through its National TDM and Telework Clearinghouse. Regional TDM programs are sometimes staffed by a metropolitan planning organization (MPO) or Council of Governments (COG), sometimes supported by Congestion Mitigation and Air Quality Improvement (CMAQ) funds that have been part of every surface transportation act since 1991.
to reduce tailpipe emissions in coordination with 1990 amendments to the Clean Air Act that require the reduction of tailpipe emissions in so-called nonattainment areas, or regions that fail to meet National Ambient Air Quality Standards (NAAQS).

Metro-Regional Corporate Supporters of Transit

Profiled in the case studies in this study are exemplary employers that have backed transit in specific markets. And appended to this study is a directory of business-oriented organizations working for better transit.

Even when such efforts are not successful, they can surface a surprising range of supportive companies. For example, an ill-fated ballot initiative for transportation improvements (including some transit service restoration) in the Atlanta metro area in July 2012 attracted large contributions from dozens of area employers. They included: Atlanta Board of Realtors, Bank of America, Caterpillar, Cisco Systems, Equifax, General Electric, Morehouse College, RouteMatch Software, and UPS.107

The successful effort in Baton Rouge that we profile in a case study also had diverse employer support, including: Liberty Bank & Trust Co., Southern University and A & M College, and Our Lady of the Lake Regional Medical Center.108

An important development at the metro level is the increasing involvement of some Chambers of Commerce for transit. However, it is difficult to describe a history or pattern of such support beyond the survey we provide here in our case studies and directory. We know from conversations with various Chamber staff members that some Chambers tout their transit achievements and host peer visits. Unfortunately, American Chamber of Commerce Executives (ACCE) staff did not respond to our queries. Although its website does not show transit as an ACCE network or program, ACCE absorbed the work of the Alliance for Regional Stewardship, which broadly promotes regionalism, but not transit specifically. In the Twin Cities, the 11-county Minneapolis Regional Chamber of Commerce has an exceptional staff position entitled Director, Infrastructure for Economic Development; its mission of to help build business support for transit investments.

Again, in addition to our case studies, there are some notable and longstanding business-led (and/or business-initiated) organizations that actively advocate for improved regional planning, land use and public transportation. Examples include:

- **Metropolis Strategies** (formerly Chicago Metropolis 2020, a spinoff of the Commercial Club of Chicago, that metro area’s largest 300 corporations) which is currently seeking to overhaul the governance system for the Chicago metro area’s three transit providers (arguing it is an economic development imperative);109

- **Envision Utah** (which launched its Quality Growth Strategy in 1999), which has been so effective the Wasatch Front is probably now enjoying the addition of more new transit capacity (and diverse
capacity) than any other area in the U.S. “Frontlines 2015” features a doubling of rail mileage (including service linking Ogden, Salt Lake City and Provo), a Salt Lake City airport link, a new streetcar line, and bus rapid transit lines;\textsuperscript{110} and

- The Silicon Valley Leadership Group (formerly the Silicon Valley Manufacturing Group), which counts 375 employer-members and spearheaded two sales-tax campaigns to extend BART 16 miles into Silicon Valley.\textsuperscript{111}

Transit-Dependent Employers: The Greatest Organizing Potential

As our case studies begin to explain, these are by far the most numerous group of pro-transit employers and thus the hardest to describe. To be sure, “eds and meds” (universities and hospitals) figure prominently in many markets, but there are many additional kinds of leading employers. In our case studies, we convey the self-interests that have prompted individual companies and business associations to act. Several kinds of motives are evident. In areas of high commercial density (e.g., New York City or San Francisco), employer impetus is usually simple: without transit they could not access the regional labor markets. But in more typical markets, many other motives are evident: low-wage employers know that many employees don’t drive to work; employers targeting Creative Class and/or younger workers know that car ownership is declining and urban density is a recruiting plus; and some companies with sustainability in their identities or missions seek to walk the talk.

There are numerous high-profile examples both past and present:

- BellSouth (now part of AT & T) starting in 2001 consolidated about 75 far-flung offices in the Atlanta metro area into three locations close to MARTA stations, reportedly because of congestion-related absenteeism and employee complaints. The moves benefited 13,000 BellSouth employees; three other large BellSouth facilities, including its main headquarters, were left in place because they were already MARTA-accessible.\textsuperscript{112}

- Google provides shuttle bus service to its headquarters campus employees; it serves a quarter of its Silicon Valley workforce with 40 destinations in six counties. Yahoo, eBay and Genentech have followed suit.\textsuperscript{113}

- BASF openly touts its transit connections in New Jersey and New York State, saying: “In the chemical industry in particular, there is a war for talent. With fewer young people pursuing degrees in chemistry, science and engineering, they have their pick of chemical companies when they graduate. Good access to transit helps companies like BASF differentiate itself from the competition.”\textsuperscript{114}

- Then-chairman and CEO of Bank of America Hugh McColl took a high-profile position for smart growth in the late 1990s and early 2000s, making speeches, issuing reports and investing heavily in mixed-use, transit-oriented development near its headquarters in downtown Charlotte.\textsuperscript{115}
We conclude that the landscape of corporate support for transit in America is remarkably broad and diverse, but also highly fragmented by the many dimensions we cite, such as capital versus operating budgets, geography, industry sector, and tax preferences.

While it is evident that in some metro areas, diverse groups of employers—united by geography—have joined together to preserve or expand transit service, there is no equivalent national corporate effort around, for example, the reauthorization of the federal surface transportation act, or the issue of making permanent the parity between transit benefits versus parking. Nor has there been broad corporate support for federal aid to shield transit operations from the catastrophic national wave of service cuts, fare hikes and route abandonments seen since 2008.

This was true during the Great Recession (especially in the federal stimulus) and in the protracted debate and many extensions that preceded the surface transportation act reauthorization (“MAP-21”). Although early in the MAP-21 debate, there was support even from the U.S. Chamber of Commerce for the idea of raising the federal gasoline tax, there were never on the table longer-term structural solutions such as new revenue sources beyond the gasoline tax, or a serious debate about a greater share of the Highway Trust Fund being devoted to transit.

This fragmentation helps explain the remarkable difference in success transit advocates have experienced at the federal level versus the local level. Despite these federal setbacks, at the same time, as documented by the Center for Transportation Excellence, voter support for state and local ballot initiatives to sustain and improve transit has remained remarkably strong and constant, with 70 percent and higher annual rates of passage.116

This remained true even during the Great Recession, when conventional wisdom might suggest taxpaying voters would become tight-fisted. And obviously, to win a transit initiative, most pro-votes must be gained from people who do not ride or depend on transit—but who understand some of their fellow citizens depend upon it. Those victories are often attributable to the support of business networks like those we profile here, joined by grassroots groups of riders, transit union members, environmentalists and others.

The challenge going forward is how to replicate these effective local business advocacy models on national transit issues. For one lesson is very clear: public transportation is far too important to be left only to those companies that make their business selling to transit agencies. Far more numerous—and potentially decisive—are those employers that depend on transit.
Appendix A:

SELECTED BUSINESS-INITIATED/BUSINESS-BACKED PRO-TRANSIT GROUPS

ARIZONA

Friends of Transit (Phoenix)
http://www.friendsoftransit.org

FoT is a non-profit founded in 2001 by the Greater Phoenix Chamber of Commerce after business leaders successfully backed the Transit2000 ballot for rail and bus service. With more wins since, it even holds an annual conference, “Transit Means Business,” to train future generations of business leaders on the value of transit and how to effectively advocate for it. See our case study.

CALIFORNIA

MoveLA (Los Angeles)
http://www.movela.org

MoveLA was founded as a small transportation policy working group in 2007 by Denny Zane, former mayor of Santa Monica. The non-profit has since grown to hundreds of members, including many major Los Angeles region Chambers of Commerce and business associations, all of which support increasing funding for and expansion of mass transit. See our case study.

Silicon Valley Leadership Group
http://svlg.org/

As described in our summary chapter, SVLG (formerly the Silicon Valley Manufacturing Group), counts 375 employer-members and spearheaded two sales-tax campaigns to extend BART 16 miles into Santa Clara County.

FLORIDA

Central Florida Partnership (seven-county Orlando region)
www.centralfloridapartnership.org/

Created in 2007, the Central Florida Partnership is a business organization that brings together regional leaders to collaborate and coordinate on issues important to the business community. One of the priorities for the organization is to achieve a “world-class” transportation system, including mass transit, in the region. Before Gov. Rick Scott turned down federal monies for high speed rail in central Florida in 2011, the Partnership openly advocated for the project. The organization also worked hard to preserve SunRail, the region’s light rail system.
GEORGIA

Metro Atlanta Chamber
http://www.metroatlantachamber.com/

Metro Atlanta Chamber is a regional business organization with 4,000 members. In 2012, it supported a referendum for one percent sales tax increase to fund transportation improvements, including some in transit. The Chamber’s campaign raised a remarkable $10 million from the local business community, but was unsuccessful at the ballot box.

ILLINOIS

Metropolis Strategies
http://www.metropolisstrategies.org/

Metropolis Strategies is a non-profit organization founded in 1999 as a spin-off of The Commercial Club of Chicago, an association of the region’s 300 largest businesses. Its mission is to maintain and strengthen the economic competitiveness of the region. Since its founding, it has been a strong proponent of better public transportation in the region publishing numerous studies and plans about the benefits of transit investments. It also once organized more than 100 major Chicago-area employers to publicly embrace the “Metropolis Principles,” saying that in future site location decisions, they would weigh heavily whether a workplace was accessible via public transportation.

MARYLAND

Purple Line Now!
http://www.purplelinenow.com/

Purple Line Now! is a 501c4 advocacy coalition that includes business interests. The group seeks to ensure the completion of a light rail Purple Line that would connect to four “spokes” of suburban D.C. Metro transit lines in two Maryland counties. See our case study.

Redline Now!
http://www.red-line-now.com/

Redline Now! is a 527 Political Action Committee of volunteer citizens in the Baltimore area. The group seeks to ensure the completion of a light rail route known as the Red Line in Baltimore.

MASSACHUSETTS

MassCommute (statewide)
http://www.masscommute.com/

MassCommute is a non-profit, 501(c)4 network of 11 Transportation Management Associations (TMAs) across the state. More than 300 businesses work together through the network to improve transportation options in the state. Public transit is a large part of the organization’s efforts. In 2011, MassCommute partnered with the Massachusetts Department of Transportation in awarding Massachusetts Excellence in Commuter Options (ECO) awards to employers that support diverse commuting options for their workers, including incentivizing the use of transit.
**MINNESOTA**

Minneapolis Regional Chamber of Commerce  
http://www.minneapolischamber.org/

Few Chambers of Commerce have taken as pro-active a role on transit as the Minneapolis Regional Chamber of Commerce. Representing 3,000 local businesses, in 2008 it helped win state funding for major light rail expansion, and it continues to advocate for a Southwest Light Rail Transit line.

**MISSOURI**

Citizens for Modern Transit (St. Louis)  
http://cmt-stl.org/

CMT is a non-profit organization that organizes local businesses and other stakeholders to achieve integrated, affordable and convenient public transportation in the St. Louis metro area. The business community financially supports CMT and business leaders sit on its board. Its most recent victory came in the passage of a sales tax referendum to restore transit service in St. Louis County in 2010. See our Washington University case study.

**NEW YORK**

Transit Center  
http://www.transitcenter.org/

Transit Center is a non-profit dedicated to improving transit and commuter benefits in the New York City region and around the country. See our case study on transit benefit administrators.

**NORTH CAROLINA**

Regional Transportation Alliance (Triangle region)  
http://www.letsgetmoving.org/

RTA, a membership-based business organization, was created in 1999 by the Cary, Chapel Hill, Durham and Raleigh Chambers of Commerce to support transportation initiatives in the region. The Alliance has a strong regional transit agenda that includes support for high speed and commuter rail systems and Bus on Shoulder System. In November 2012, the Alliance successfully supported a ballot measure for a half-cent sales tax increase in Orange County for public transportation.

**TENNESSEE**

Transit Alliance of Middle Tennessee and its Transit Citizen Leadership Academy (Nashville)  
http://thetransitalliance.org/

The Transit Alliance of Middle Tennessee is a non-profit organization spanning the 10-county Nashville region with a goal to organize private and public-sector leadership support for transit. The Alliance, in association with the Nelson and Sue Andrews Institute for Civic Leadership at Lipscomb University, runs a “Transit Citizen Leadership Academy.” During seven-session classes, business leaders learn about the value of public transportation and how to better advocate for it.
UTAH
Envision Utah
http://www.envisionutah.org/

As described in our summary chapter, Envision Utah has been enormously successful in building a public consensus for transit and compact development in the Wasatch Front.

VIRGINIA
TYTRAN
www.tytran.org

TYTRAN is a business-backed Northern Virginia transportation management agency founded in 1982 dedicated to developing suburban Tysons Corner with a mix of transportation options. Tysons Corner is a famous “edge city” that began experiencing hyper-growth in the 1970s, creating massive auto congestion.

WASHINGTON
Transportation Choices Coalition (statewide)
http://transportationchoices.org/

TCC, founded in 1993, convenes transit advocates and business organizations alike to support multi-modal transportation alternatives in Puget Sound communities and across Washington State. Among its partners are major employers such as Boeing and Starbucks.
Appendix B:

**ADDITIONAL SELECTED RESOURCES**

In addition to the various organizations and documents cited, we also recommend:

*Transportation to Work: A Toolkit for the Business Community* (Community Transportation Association of America)  
http://web1.ctaa.org/webmodules/webarticles//anmviewer.asp?a=1442&z=75


In addition to or beyond the specific references cited in our endnotes, we have queried or interviewed the following individuals (and usually also reviewed their websites) and/or drawn upon the websites listed below. Thanks to the many respondents who also relayed our queries to their colleagues and various list-servs.

Amalgamated Transit Union: International President Lawrence Hanley; Government Relations Director Jeffrey Rosenberg; General Counsel Robert Molofsky; and Senior Researcher Andrew Gena

American Public Transportation Association: Vice President-Policy Art Guzzetti; and Director-Planning, Policy & Sustainability Rich Weaver

American Sustainable Business Council: Richard Eidlin, Director-Public Policy and Business Engagement


Baton Rouge General Medical Center: Nicole Kleinpeter, Director of Corporate Communications

Best Workplaces for Commuters program (at the National Center for Transit Research at the Center for Urban Transportation Research, University of South Florida): Phil Winters, TDM Program Director; and Julie Bond, TDM Senior Research Associate

Center for Planning Excellence: Rachel DiResto, Executive Vice President

The Central Florida Partnership: www.ideastoreults.org

CEOs for Cities: Lee Fisher, President and CEO

Citizen for Modern Transit: Kimberly M. Cella, Executive Director; and Thomas R. Shrout, Jr., first Executive Director.

Community Transportation Association of America: Scott Bogren, Director of Communications and http://web1.ctaa.org/webmodules/webarticles/anmviewer.asp?a=23&z=2

Larry Filler, founder of Transit Center, Inc. and now a TDM consultant at LF Consulting

Friends of Transit, David Schwartz, Executive Director

Fund for the Environment & Urban Life: Richard Oram, Advisory Board Chairman

League of Conservation Voters: Sara Chieffo, Legislative Director
Massachusetts Budget and Policy Center: Noah Berger, Executive Director
Metro Atlanta Chamber: Dave Williams, Vice President, Transportation, Public Policy
Minneapolis Regional Chamber of Commerce: Will Schroeer, Director, Infrastructure for Economic Development
National League of Cities: Christiana McFarland and Katie McConnell, Program Director and Senior Research Associate, Center for Research and Innovation, Finance & Economic Development
Office of Congressman Earl Blumenauer: Tyler Frisbee, Legislative Assistant
Rail~Volution: Dan Bartholomay, Executive Director
Reconnecting America: Allison Brooks, Chief of Staff
Smart Growth America: Neha Bhatt, Deputy Director of Policy Development & Implementation.
SunRail: http://www.sunrail.com/ and Marianne Gurnee, SunRail Program Management Team
Sustain Charlotte: http://www.sustaincharlotte.org and Shannon Binns, Executive Director
Transportation Choices Coalition (Washington State): Andrew Austin, then-Field Director (now Executive Director, Americans for Transit)
Transportation for America, Melanie Tutor, then-Senior Outreach Organizer.
Transportation Research Board of the National Academies, Christopher W. Jenks, Director, Cooperative Research Programs
Tri-State Transportation Campaign (New York, New Jersey and Connecticut): Ya-Ting Liu, then-Federal Advocate
U.S. Department of Housing and Urban Development, Naomi Friedman, Office of Sustainable Housing and Communities
U.S. Environmental Protection Agency Office of Policy: Office of Sustainable Communities and its Smart Growth Network, Director John Frece; Policy Fellow Nora Johnson; Transportation Policy Fellow Elizabeth Zgoda; Real Estate Development and Finance Analyst Lee Sobel
U.S. Department of Transportation/Federal Highway Administration, Michael Koontz, CMAQ Coordinator.
Utah Transit Authority: Richard Brockmeyer, Strategic Planner
WageWorks, Dan Neuberger, President, Commuter Services
Washington University in St. Louis: Rose Windmiller, Assistant Vice Chancellor, Government & Community Relations
1 Phone interview with Thomas R. Shrout, Jr., Citizen for Modern Transit first Executive Director, on August 31, 2012.

2 Phone interview with Thomas R. Shrout, Jr., op cit. and follow-up email exchange. Unfortunately, the University still had to build parking spaces.


5 Citizens for Modern Transit, Annual Awards. Available at http://cmt-stl.org/awards/

6 An overview of the Prop A campaign is included in the Good Jobs First’s “Organizing Transit Riders: A How-To Manual.” Case Study: “Metropolitan Communities United – Prop A in St. Louis County: This Time It Was Different” by Katie Jansen Larson. Available at: http://www.goodjobsfirst.org/sites/default/files/docs/pdf/transitmanual.pdf

7 The video advertisement is available at:


9 Ken Leiser, “Prop A Backers Blended Old, New At Fish Fries And On Front Porches - And On Facebook And Twitter - County Voters Were Galvanized in Support of Tax For Transit,” St. Louis Post-Dispatch. April 8, 2010 (via Nexis)


11 Email correspondence with Kimberly M. Cella, Executive Director of the Citizens for Modern Transit on July 2, 2012.


14 Institute for Sustainable Communities. “Case Study: Cleveland, OH The Cleveland Healthline, Transforming an Historic Corridor.”

15 Litt, Steven. “Euclid Corridor project helps drive $4 billion in Cleveland development.” The Plain Dealer. February 10, 2008

16 Ibid

17 Breckenridge, Tom. “Cleveland partners unveil plans for a health-tech corridor along Euclid Avenue.” The Plain Dealer. April 19, 2010
18 Hollander, Sarah. “Clinic, UH pay to name bus line; HealthLine to travel Euclid Corridor route.” The Plain Dealer. February 28, 2008
19 Institute for Sustainable Communities, op cit.
20 Jason Hellendrung, op cit
22 Interviews with David Schwartz, August 16 and September 6, 2012.
23 Phone interview with Rachel Diresto, Center for Planning Excellence, July 12, 2012
24 Email exchanges with Baton Rouge General Medical Center’s Corporate Communications Department during July and August, 2012
32 Larry Hanley, phone interviews and e-mails during September, 2012.
38 Mekeisha Madden, “American Express is first to join discount bus plan.” Star Tribune. August 6, 1998
Ibid


Madden, op cit

Madden, op cit


List of Event Hosts online at: http://www.purplelinenow.com/hosts.html


Interview with Keith Haller, September 6, 2012


Interview with TMA Executive Director Bill Baltutis, September 2012

Ibid

Ibid

See list of participants on the TMA website: http://tmalakecook.org/shuttle_route.html

David Ibata, “Vans would whisk riders from train to work.” The Chicago Tribune. February 16, 1994
Nancy Ryan, “Shuttle Bug adds its 16th bus route; Service to begin in Lincolnshire, Buffalo Grove.” The Chicago Tribune. June 7, 2002

Ibid

Baltutis interview, op cit


McCaffery Interests website, http://www.mccafferyinterests.com/content.cfm/development

McCaffery Interests website, http://mccafferyinterests.com/content.cfm/about-our-company

McCaffery Interests Projects, http://mccafferyinterests.com/content.cfm/our-projects


EPA Listing of Superfund Sites, http://www.epa.gov/reg3hwmd/super/sites/VAD020312013/


Transportation for America blog, http://t4america.org/blog/2009/07/01/t4-thanks-oregons-leaders-for-helping-green-jobs-find-a-home/


United Streetcar Website: http://unitedstreetcar.com/projects/

Ibid.

United Streetcar Website http://unitedstreetcar.com/about-united-streetcar/why-united-streetcar-vehicles


http://www.bluegreenalliance.org/apollo/programs/tmap


“WageWorks Concludes 2001 as the Number One Provider of Commuter Benefits Programs,” PR Newswire, January 31, 2002 (via Nexis)

“WageWorks Acquires Sodexho PASS USA; Acquisition Creates Undisputed Leader in Commuter Benefits,” PR Newswire, January 27, 2004 (via Nexis)


“Accor Services Continues Its International Development,” Business Wire, April 12, 2005 (via Nexis)


WageWorks 10-K for the year ending December 31, 2012; online at http://www.sec.gov/Archives/edgar/data/1158863/000119312513077864/d453207d10k.htm

WageWorks also notes in its 10-K: “Our participant counts do not include our TransitChek Basic program participants, as that fare media is shipped directly to the employers and then the employers distribute the products to their employee base as the demand presents.”

91 Phone interview with Dan Neuberger, August 17, 2012.

92 http://www.commuterbenefitsworkforus.com/resources.html

93 Forms 990 at Gudestar.org and APTA’s website-listed staff directory.

94 Interview with APTA officials Art Guzzetti and Rich Weaver on June 11, 2012.

95 On Melaniphy, see: http://www.apta.com/about/governance/Pages/Leadership.aspx.

96 APTA by-laws at: http://www.apta.com/about/governance/Pages/Bylaws.aspx


98 Some transit interests and unions also sought to amend the federal surface transportation reauthorization bill that was enacted in 2012 (Moving Ahead for Progress in the 21st Century Act or MAP-21) with a provision whose lead sponsor was Missouri Congressman Russ Carnahan. It would have given transit agencies in large metro areas the option of flexing some federal monies to operations in times of high unemployment.


100 Interview with Rail~Volution executive director Dan Bartholomay on July 9, 2012.

101 Various iterations of Rail~Volution’s website, including http://www.railvolution.org/exhibitors-and-sponsors/2013-exhibitors-and-sponsors

102 Discerned from: http://nmpta.com/uploads/navigation/Active_Members/ActiveMembers.pdf

103 See http://www.cmtalliance.org/about-us/cmta/sponsors

104 Telephone interview with Phil Winters and Julie Bond, National Center for Transit Research, University of South Florida, May 30, 2012; See http://www.nctr.usf.edu/clearinghouse/

105 See the entire workplace list at: http://www.bestworkplaces.org/list/2012-list-alphabetical/.


108 See, for example http://www.metropolisstrategies.org/Public-Transportation-Chicago-Region.html


110 See http://svlg.org/policy-areas/transportation/bart-to-silicon-valley


Frank Bozich, President of BASF’s Catalysts Division, quoted in “Rail Fuels the Economy – Beyond Rail-Oriented Development” at CTA’s JobLinks web page: http://web1.ctaa.org/webmodules/webarticles/anmviewer.asp?a=2636&z=103


See CFTE’s many excellent resources at http://www.cfte.org/.