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How Did Richmond Rebuild Its Bus Ridership Numbers?

The city has made impressive strides in retaining and growing riders on its bus transit system thanks to a free fare program during the pandemic. But sustaining the policy while expanding service could be tricky in the long run.

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A queue of Richmond transit buses. (Karl e Steinbrenner/(GRTC Transit System)

Like most bus riders in Richmond, Va., Joseph Danaher does not have a car.

For him, that's a relatively recent phenomenon. A few months ago, a driver ran a red light and t-boned Danaher's vehicle at an intersection. He was uninjured, but his car got totaled.

The commute to his job as server at the Jefferson Hotel in downtown Richmond suddenly became a pressing concern. The hotel is too far to walk, and he didn't have the money for a new car, so Danaher became a regular bus rider. He picks up his ride from a stop in front of his home for the very affordable price of zero dollars. Due to a pandemic-era public health measure, the Greater Richmond Transit Company (GRTC) instituted a farefree policy in 2020.

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"For my use, it does everything I need it to do," says Danaher. "I mean, it's pretty good. But I do wish it had more access to the rest of the city. There are some spots where I have to walk 30 or 40 minutes after I take the bus to get to where I'm going. It's good for getting to work, but not so good for other things."

Richmond's public transit service largely consists of the local bus routes that Danaher now relies on. While its express buses and other commuteroriented services were swiftly hollowed out by the pandemic and the institution of mass telework, the bulk of its lines did not see the sharp decline in ridership that has challenged public transit's fortunes in larger cities. Like many agencies, GRTC also scrapped fares in 2020 to enable better social distancing and prevent excess rider interaction with drivers.

The agency's pandemic policy proved a success. As of this June, Richmond's bus routes were almost back to their 2019 ridership levels. Now the GRTC, like many smaller city public transit agencies, is grappling with what the pandemic reveals about its ridership and how it can best be served.

"It is a real conversation: Is transit a public resource," says Julie Timm, GRTC's CEO. "Should it fundamentally be funded by the government? By the people who ride? By the businesses that are served by getting the workforce to their door? Ours won't necessarily be the same answer as in other communities."

For Timm, the debate in Richmond about how the agency can best serve its riders isn't settled yet by a long shot. There is the question of more commuter-oriented services, which have been thrown into doubt again by the emergent delta variant. Then there's the heart of the system: it's local routes with booming ridership.

Timm sees the appeal of a permanent fare-free policy, especially considering the agency's 2019 ridership study that showed where most of the fares were coming from. Rather than middle-income commuters, or company-paid monthly passes, most fares were from single trips or day passes paid by riders making under \$25,000 a year.

Easing financial burdens on such a constituency is obviously appealing, and would even be good for the local economy, she says. Money not spent on

fares will, in most cases, instead go towards much needed groceries, health care or utilities.

The possibility of eliminating fares is made more tempting by the fact that fare box revenue was a small part of GRTC's budget. Pre-COVID, Timm says they operated the city's bus network on about \$55 million, with about \$7 million coming from farebox recovery. Once expenses for fare collection were netted out, the actual take was closer to \$5.5 million.

Many other cities, big and small, have been considering which aspects of pandemic policy should remain in place. Permanent free fares are being considered from large agencies like Los Angeles to those of comparable size to GRTC like Raleigh, N.C. For now, in many locales, the question is not immediately pressing: as federal supports remain in place and the Delta variant rages, a continued policy that allows social distancing is the order of the day.

Weighing the Free-Fare Tradeoffs

But in the medium to long term, the lost revenues from fare-free transit could in theory be put to better use enhancing frequency or adding new lines. Leaving an agency without fare revenue is a good way to freeze a system in its current footprint, critics say, which means that riders like Danaher will continue to be frustrated by the extent of service.

"The trade-offs are going to look different depending on how dependent the agency is on fare revenue," says Steve Higashide, director of research for TransitCenter. "It is easier to have fare-free transit in a place where there's not as much service to begin with. But if we're really committed to expanding transit, and bringing it into many more places, then eventually the tradeoff becomes very real."

For Timm, the debate is far from settled. For now, she wants to keep free fares in place, in part because GRTC will be receiving more funds to increase service from the Central Virginia Transportation Authority. (This new agency is raising funds from new regional sales and gasoline taxes that were earmarked specifically for transit expansion in the area.)

Advocates are speaking strongly in favor of continued fare-free service too.

"I think that was a major help to [riders], when it came to keeping money in their pocket, I think that was the best thing that our regional transit system has done [during the pandemic,]" says Faith Walker, director of community engagement for RVA Rapid Transit, the state's leading transit advocacy group.

Timm also says the debate around a fare-free future has been softened because there is currently a ceiling on how much they can expand service anyway. The GRTC is suffering a serious bus operator shortage. But the agency is hoping to raise starting pay from \$14-\$15 an hour to \$19 an hour to attract more drivers, so that won't last too much longer (she hopes).

GRTC is taking this time to explore options for how to come up with over \$5 million annually to pay for fare-free rides in the future. Virginia's state grant TRIP program, which is meant to boost transit ridership, is an option Timm is exploring, as are partnerships with big local employers.

Timm believes that big businesses and philanthropies may be willing to contribute to keep transit free after seeing how important it was to essential workers — many of whom belong to historically marginalized demographics. (This would be one way to help ease some of the social ills that big institutions have been seeking to redress in the wake of 2020's wave of Black Lives Matter protests.)

"If I can find a way to fill that [\$5 million hole] and still expand service, then we might be able to do this permanently," says Timm. "We're going to test it out and do a proof of concept for a couple of years. But if we can't find the money to fill it, if there is no appetite for finding the funds to preserve this, then fares will come back."

For Danaher, the fare-free policy is a blessing. Unless he's in a rush, he no longer uses Lyft or Uber to get around. The price differential is too great. But that doesn't mean GRTC has converted a rider for life.

"It's very nice when it's free, so I can just hoard my money to buy a new car," says Danaher. But maybe this experience will convince him to ride the bus more often even after that happens, but only if the bus is more frequent and faster.

"For stuff like work, I can see myself doing that," says Danaher. "But my main issue is time. The bus takes me 30 minutes to get to work while with the car, it takes me five."

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