PREPARING COUNTIES FOR THE FUTURE OF TRANSPORTATION:

A SPOTLIGHT ON TRANSPORTATION NETWORK COMPANIES

Over the past few years, local governments have increasingly grappled with the rapid growth and rise of the "shared economy" – and its accompanying technological and regulatory challenges. Shared economy services, such as Uber, Lyft and Airbnb, are disrupting the status quo by providing cheaper, more flexible transportation, hotel and other alternative services, changing the way we get around and altering expectations in this age of the on-demand economy. While these companies present challenges to traditional county revenue streams and regulatory structures, they also provide new opportunities to improve county planning, mobility and service models. Transportation network companies (TNCs)—or ride-hailing and -sharing service providers—are just one node of the shared economy.

THE IMPACT OF TRANSPORTATION NETWORK COMPANIES ON COUNTIES

County agencies have been leveraging the popularity of TNCs to better connect residents with economic opportunity. By partnering with TNCs, counties have increased efficiencies in multiple service areas and reallocated cost savings to improve service elsewhere. While there are several strategies counties use when partnering with TNCs, the most popular include subsidized rides and data-sharing.[1]

Subsidized rides can offer residents increased mobility and supplement county transit services. By improving first mile, last mile connections, county transit agencies can help to boost their ridership while increasing vehicle occupancy rates. Subsidized rides can be designed in a variety of ways. They could include rides from a resident's home to a county transit hub, school, hospital, community center or workplace, as well as from a bar or other late night entertainment location to a resident's home. These partially-funded rides could be made available to all residents, or targeted to serve low-income, elderly, physically disabled and mobility-constricted residents who reside in areas where transit service has been cut back in recent years. Alternatively, counties can subsidize rides during certain hours or on a certain day—such as on Independence Day or New Year's Eve.

INCREASED MOBILITY OPTIONS FOR SENIORS

In 2016, Fulton County, Georgia, launched a pilot program with Uber to provide its elderly residents with discounted, pre-scheduled rides to one of four senior citizen centers within the county. The program allowed others to book rides on behalf of the rider, skirting the need for them to use a smart phone. In neighboring Cobb County, officials implemented a similar program called "Seniors Go" for seniors 55 years of age and older. This program allows eligible residents to book a ride with Uber of Lyft using a third-party platform and travel anywhere within a 12-mile radius for a discounted fare of $3. Riders are limited to two roundtrip rides per week at these subsidized rates.[2]

There are two commonly-projected futures regarding transportation and TNCs, and they revolve around the question of whether TNCs significantly reduce congestion and the number of cars on the road. For example, some experts predict that the increasing adoption of TNCs will result in reduced vehicle miles traveled (VMT), greenhouse gas (GHG) emissions and even car ownership. Fewer cars on the road would allow county planners to more efficiently allocate street space to transit, high occupancy vehicles, cyclists and pedestrians—converting streets to sidewalks, parklets, bike lanes, etc.—and parking lots to buildings or green space. Alternatively, some experts speculate that VMT and GHG emissions will increase because more cars will be constantly driving and picking up passengers, and that walking, cycling and transit usage will decrease as TNC options become more convenient, affordable and reliable.

Public safety is also projected to increase or decrease depending on how stringently counties and municipalities regulate TNCs. Barring statewide standards, it is often up to local governments to decide which requirements TNCs and TNC drivers must meet to operate. Counties who have adopted Vision Zero—or Towards Zero Death—could require TNC drivers to attend special training. Counties can also opt in or out of requiring drivers to have background checks and be fingerprinted; they can also choose to place the burden on the company or take it on their own shoulders.

DRUNK DRIVING PREVENTION

Several county sheriff's departments have partnered with TNCs on major holidays to reduce the number of drunk drivers on the road, as the majority of TNC rides occur when the bars close.

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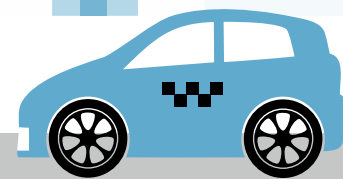
SMART COUNTY
BUILDING TOMORROW'S COUNTIES

County officials should strive to establish positive relationships with the TNCs operating within their county to safeguard public safety and promote **equitable service** for all residents. TNCs are especially important as transit options for people without access to a vehicle, people with disabilities and people living in low-income or isolated neighborhoods. Counties can work in partnership with TNCs to craft programs and policies ensuring that underserved populations are not excluded from the increased mobility benefits that TNCs offer. Common barriers include not having access to a smartphone or data plan, not being able to afford the extra cost or, for wheelchair-bound individuals, not being able to travel in the car that comes to pick you up—whether due to lack of storage space or lack of someone with the experience to assist you into the vehicle. By working with TNCs, counties can offer data-driven feedback to improve TNC services to county residents and advocate for increased accessibility options within the app and for alternative ways to call for a ride—like the internet.

Customers are increasingly turning toward streamlined, on-demand services. They expect a high level of **customer service**, where their needs are met and problems are both heard and addressed. TNCs cater to these expectations with their electronic services including cloud payment and driver rating systems. Additionally, as all interactions are managed electronically, TNCs can gather data

UBER'S MOVEMENT TOOL

In 2017, Uber acted to improve its rocky reputation by launching a new tool called "Movement" which provides data on traffic patterns within select cities based on millions of trips taken over time. This anonymized data can be used by city and county officials to measure the impact of road improvements, major events, new transit lines, and can be used by transportation planners to advocate for better decision-making around future infrastructure investments. Uber has begun working with early partners on sharing Movement data, including Washington D.C.[3]

with little to no effort, including valuable data on when and where people move. If counties were allowed access to this valuable data, they could be equipped to plan more strategically for future transit investments – closely matching capacity with projected demand. While TNCs have often been protective of their privately collected data, local governments and TNCs have the opportunity to work together*. One strategy counties and municipalities might use to negotiate for access to location-specific data and other contracted services could be to ease street right-of-way, parking space and airport pick-up access for TNC drivers.

CONCLUSION

There are many ways counties can take advantage of the services that TNCs—and other shared service providers—offer. They need to make sure, however, that in doing so they advance their own civic goals. As with most projects and programs, partnerships are vital. When looking to partner with TNCs, counties must be proactive, focused on equitable solutions and clearly define roles for each party to ensure stated goals are met. While TNCs are expanding rapidly and becoming important nodes of the transportation network, it is up to local officials to ensure that these services complement existing and future mass transit systems while offering increased mobility options to all residents.

COUNTY NEXT STEPS

Determine what public and private transportation options and regulations are currently in place in your county.[4]

- Which ride-hailing services are already operating within the county?

- Are there existing livery or taxi regulations?

- What are the barriers to incorporating ride-hailing services into the regulatory framework for taxicabs and other for-hire vehicles?

- Are some areas or communities not well-served by public transit and/or private shared modes?

- Are ride-hailing apps currently accessible to most community members – or are there a significant percentage of residents without a smartphone?

- Will ride-hailing services complement other policy goals, such as sustainability, economic development, and equity?

ENDNOTES

[1] http://transitcenter.org/publications/private-mobility-public-interest/

[2] http://www.ajc.com/lifestyles/health/uber-lyft-fill-needs-gap-senior-transportation/L9TeGQJ6C4rAJxBvawjkeM/

[3] https://newsroom.uber.com/introducing-uber-movement/

[4] https://nacto.org/wp-content/uploads/2016/06/Policy-Ride-Hailing-Services-2016.06.pdf