

SEPTEMBER, 2022

Transit Ridership Incentive Program

Fiscal Year 2022 Overview

Implementing the Transit Ridership Incentive Program

The 2020 General Assembly established the Transit Ridership Incentive Program (TRIP) in Virginia Code § 33.2-1526.3 with two distinct goals: to improve regional connectivity of urban areas with a population in excess of 100,000 and to reduce barriers to transit use for low-income riders.

The Virginia Department of Rail and Public Transportation (DRPT) implemented the program in Fiscal Year (FY) 2022. For FY 2022 and 2023, DRPT allocated TRIP funding to a total of 12 projects that support zero-fare/low income or regional connectivity. So far, DRPT has allocated \$24.5 million to multi-year zero-fare/low income projects and \$6.2 million to multi-year regional connectivity projects. TRIP grant recipients launched their projects in summer 2022.

Outreach and Commonwealth Transportation Board Approval

The COVID-19 pandemic delayed the implementation of the program by shifting needs of transit providers and altering the role of transit throughout the Commonwealth. DRPT used that time to conduct an expansive outreach process to gauge the needs of transit providers and refine TRIP policy materials. Outreach began in fall 2020 and concluded in winter 2021.

The outreach process was multi-faceted to guarantee engagement with Virginia transit partners. The two major forms of outreach were: distributing a Request for Ideas (RFI) to gauge interest and information on potential projects for funding as well as developing two working groups to gain an understanding on regional congestion and fare collection issues.

After concluding the outreach process, DRPT presented the draft policy materials to the Commonwealth Transportation Board (CTB) for feedback. Following the presentation, DRPT published the draft materials for public comment. After the 45-day open comment period closed, DRPT reviewed, considered, and responded to the feedback provided by several key stakeholders. In July 2021, the CTB approved the policy documents. DRPT then hosted a pre-application webinar to review the policy and outline the process to apply for TRIP funding.

TRIP Funding and General Assembly Action

During the outreach process, it became apparent that there would be a higher demand for zero-fare and low-income projects. At the onset of the COVID-19 pandemic, transit providers halted fare collection to reduce human bottlenecks, limit interactions between riders and operators, and alleviate the financial stresses associated with transit use for essential workers.

2021 General Assembly

Virginia Code § 33.2-1526.3 initially stated that a maximum of 25% of TRIP funding could be allocated to programs to reduce barriers to transit use for low-income riders, requiring a minimum of 75% of the funds to be allocated to regional connectivity projects. Due to the increased interest in programs for zero-fare and low-income riders, the 2021 General Assembly allocated an additional \$10 million in 2021 Transportation Initiative Funding toward those

projects in FY22. This additional funding allowed DRPT to fund more zero-fare and low-income projects during TRIP's pilot year. This additional zero-fare and low-income funding was only allocated for FY22.

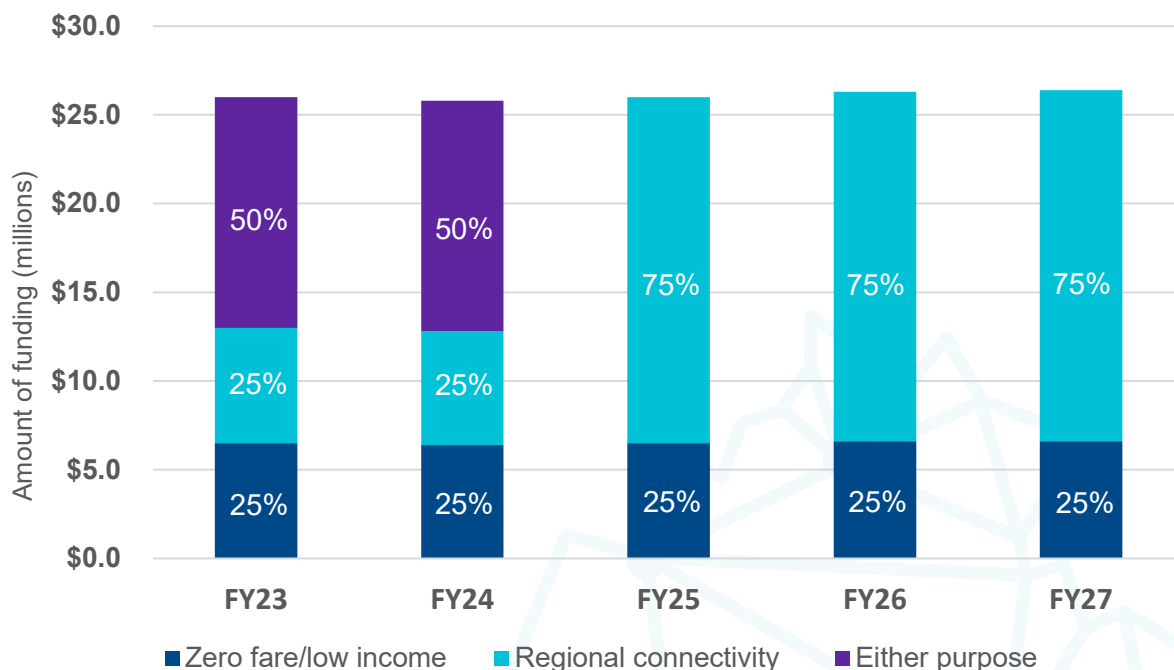
2022 General Assembly

Due to the increased demand for zero-fare and low-income TRIP projects compared to the regional connectivity applications as well as transit agencies' focus on attracting riders to return to the systems, the 2022 General Assembly approved changes to the funding allocations to provide more flexibility to the zero-fare projects. A minimum of 25% of funds are allocated to each type of project, and the remaining 50% can be used on either zero-fare or regional connectivity projects. This change to the funding distribution will sunset on July 1, 2024. Additionally, the General Assembly provided \$5 million in general funds from the Appropriations Act into TRIP to be used for regional connectivity programs aimed at congestion reduction and mitigation through the provision of long-distance commuter routes.

Table 1. Fiscal Years 2022-2027 TRIP funding (in millions)

	FY22	FY23*	FY24*	FY25	FY26	FY27	Total
Total	\$20.0	\$25.9	\$25.6	\$26.0	\$26.2	\$26.4	\$150

Figure 1. Funding split for TRIP regional connectivity and zero fare/low income (FY23-FY27)



*FY23 and FY24 funding: Minimum funding is shown because the remaining 50% of funds can be flexed between the two project types corresponding with [HB 142/SB 342](#).

For the zero-fare and low-income projects, the policy provides for three-year pilots with a funding step-down over the life of the pilot project. Funding is provided for three years, but it is anticipated the pilots will run for four years, with the agencies fully funding the fourth year.

For the regional routes projects, the policy provides for up to five-year pilots, with a funding step-down over the life of the project. While each grantee has the flexibility to determine a funding step-down that suits the agency, it is required that the state share will decrease each year, never exceeding 80% of eligible costs. Additionally, for the entire duration of the project, the state share should not exceed 50% of total project costs.

Applications Open

The TRIP application period for the first round opened in August 2021 and closed in September 2021. The second round opened in January 2022 and closed in February 2022.

DRPT outlined three key themes for project evaluation. The first theme was collaboration. DRPT prioritized projects that demonstrated local and community support. This could be exhibited by letters of support from the appropriate jurisdictions and/or metropolitan planning organizations as well as from the identification of project partners. Additionally, DRPT searched for well-planned projects. Ideally, TRIP-funded projects would already be identified as a need — and evaluated as such — prior to agencies applying to TRIP for funding. This preference allowed for more thoughtful and deliberate applications. DRPT intended to fund projects already in a local or agency level planning document. Lastly, DRPT was interested in funding projects that could be implemented with relatively low startup costs.



TRIP was created with two distinct goals: to improve regional connectivity of urban areas with a population in excess of 100,000 and to reduce barriers to transit use for low-income riders.

There are seven regions that are eligible for TRIP regional connectivity funding: Blacksburg, Charlottesville, Hampton Roads, Lynchburg, Northern Virginia, Richmond, and Roanoke. Funding was required to be distributed to each eligible region proportionally within a five-year period, based on their regional population. DRPT prioritized reviewing each application through the lens of congestion mitigation. A project's ability to mitigate congestion was a large portion of the project's evaluation score, thus directly impacting if projects were recommended for funding. The following tables show the four selected evaluation criteria, their weights, and the components that contributed to their project scores.

Table 2. Regional connectivity scoring criteria

Scoring criteria	Components	Weight
Congestion mitigation	- Projected ridership - Projected peak period ridership - Rationale for projection and quality of received data	60
Regional connectivity and regional collaboration	- Connections to existing transit and other modes of transportation - Route's access to major activity centers and large employers - Letters of support from involved localities and appropriate Metropolitan Planning Organization (MPO)	30
Cost per passenger	$\frac{\text{Total project cost}}{\text{2025 project ridership}} = \text{cost per passenger}$	10
	Total possible points	100

Table 3. Zero fare and low income scoring criteria

Scoring criteria	Components	Weight
Impact on ridership	- Qualitative narrative on impact on community ridership - Projected ridership increase (through modeling, surveying, or other technical analysis)	30
Applicant commitment	- Identified community partnerships - Letters of support from involved localities - Options for continued funding - Duration of funding and participation in funding step-down	30
Implications for equity and accessibility	- Existing research/planning documentation that identifies need - If applicable, rationale behind determination of metrics of "low-income" - Explanation on how this project will benefit marginalized communities and community mobility challenges	30
Project schedule	Low startup costs relative to applicant pool	10
	Total possible points	100

Fiscal Year 2022 TRIP Projects

DRPT received 14 applications for FY22: three regional connectivity applications totaled \$2.2 million, and 11 zero-fare/low-income applications totaled \$11.9 million. Using its scoring criteria, DRPT recommended funding for nine projects: six zero-fare and all three regional connectivity projects. The CTB approved these projects in December 2021. TRIP funded diverse, multi-year projects throughout the Commonwealth. The grantees are geographically diverse. Additionally, the sizes of grantees vary, including large urban, small urban, and rural transit agencies. The table below provides project summaries.

Table 4. Fiscal Year 2022 TRIP projects

Regional connectivity projects	Projection description	Duration of project	Total funding*
Lynchburg Route 4 Expansion	Increase frequencies on GLTC route 4, which operates on a major commercial corridor in the City of Lynchburg. Route 4 accesses the regional airport, train station, Liberty University, and other locations of interest.	5 years	\$4,076,000
Petersburg Southern Express Route	Deploy an express route that connects the City of Petersburg and Emporia, Virginia. This project will also serve Prince George County, Sussex County, and Greenville County.	5 years	\$2,675,520
Hampton Roads Naval Intercirculator	Provide last-mile accessibility to employees within the naval base. This project will incentivize employees to arrive at the base on foot, bicycle, or transit, and then the circulator will provide them with mobility options within the base.	3 years	\$4,334,036

Zero-fare and low-income projects	Project description	Duration of project	Total funding
GRTC zero-fare project	Deploy zero-fare operations on all GRTC local routes, express routes, and GRTC Care services (paratransit).	4 years	\$24,000,000
City of Alexandria zero-fare project	Deploy system-wide zero-fare operations for all DASH services.	4 years	\$13,089,097
Fairfax subsidized pass program	Provide half-fare SmartTrip cards for riders with annual income that meets the 225% federal poverty levels by threshold.	4 years	\$9,696,940
MEOC zero-fare project	Deploy system-wide zero-fare operations for all MEOC services.	4 years	\$180,000
Fredericksburg zero-fare project	Deploy system-wide zero-fare operations for all FRED services.	4 years	\$1,137,367
Charlottesville zero-fare project	Deploy system-wide zero-fare operations for all CAT services.	4 years	\$1,882,272

**Total funding: Total state share and local share for the full funding duration of the project.*

Fiscal Year 2023 TRIP Projects

At the conclusion of the FY22 application period, DRPT had funding available for additional projects. In January 2022, DRPT reopened the TRIP application to seek both regional connectivity and zero-fare/low-income project proposals. The application closed in February 2022. DRPT received three TRIP applications: two zero-fare and low-income projects totaled \$927,400, and one regional connectivity project totaled \$477,773. The CTB approved these projects in June 2022. The table below provides project summaries.

Table 5. Fiscal Year 2023 TRIP projects

Regional connectivity projects	Projection description	Duration of project	Total funding*
OmniRide Manassas Metro Express Bus Service	Implement mid-day and off-peak service for Manassas Metro Express Bus. This route services key destinations including: Tysons Corner, the Metro Silver Line, and the Manassas Campus of the Northern Virginia Community College.	5 years	\$1,858,597
Zero-fare and low-income projects	Project description	Duration of project	Total funding
The City of Fairfax (CUE) system-wide zero-fare project	Deploy system-wide zero-fare operations for all CUE services.	4 years	\$1,550,000
Petersburg Area Transit (PAT) system-wide zero-fare project	Deploy system-wide zero-fare operations for all PAT services, excluding the Southern Express Commuter Route.	4 years	\$3,137,015

**Total funding: Total state share and local share for the full funding duration of the project.*

DRPT and its transit partners are in the process of implementing these projects and beginning operations. DRPT established quarterly reporting requirements for all regional connectivity funding recipients, in which transit partners will speak to the project's ability to mitigate congestion, reduce emissions, and increase transit ridership.

At the end of the FY23 application period, DRPT had \$5 million remaining for regional connectivity projects designated and approved by the 2022 General Assembly. DRPT will reopen the TRIP application period in September 2022 to accept applications for regional connectivity projects aimed at supporting commuter populations.

Looking Ahead

As anticipated, TRIP's pilot year (FY22) had more applicants than its second year. Of the 39 transit systems eligible to apply for TRIP funding, a quarter of them applied in the first round. The several transit agencies that have continued to halt their fare collection at the onset of the COVID-19 pandemic are now receiving TRIP funding to maintain that practice. With ridership still below pre-pandemic levels for many transit agencies, most agencies are focused on regaining their ridership and not introducing new routes.

An additional obstacle for introducing new regional service is the nationwide shortage of bus operators and maintenance employees. Agencies are already struggling with staffing their current operations, so finding employees to support new services is not a priority. According to an American Public Transportation Association survey, 71% of transit agencies have either had to cut service or delay frequencies due to lack of staffing. Lastly, due to supply and demand issues caused by COVID-19, agencies have to wait longer for vehicles. Manufacturers are behind schedule and struggling with on-time delivery, contributing to the concerns around increasing service.

Prior to the opening of the FY 2024 application period, DRPT is committed to performing targeted outreach to transit partners with potential regional connectivity projects. Through both in-person and virtual communications, DRPT will promote the opportunities for partnership and TRIP funding. The agency will also work to streamline application materials before the next application cycle. This update process will improve the application materials and increase access and usability of the TRIP application. DRPT will also continue outreach to FY22 and FY23 TRIP partners to capture feedback, evaluate project outcomes and seek to continuously improve the TRIP program.