

# Greater Derry-Salem Regional Transit Initiative – Executive Summary

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## Background

Improved access to public transportation has repeatedly been identified by the United Way in its needs assessments as a critical need for the Greater Derry-Salem area, but the region remains the only urbanized area in New Hampshire that lacks regular bus service. Public transportation provides access to health care and basic life needs for many of the state's seniors, and can be the difference between living independently and moving into a nursing home. Transit also provides access to employment for many in the working population, and can mean the difference between gainful employment and joining local welfare roles.

Ten towns in the region already support the van operated by the Greater Derry Greater Salem Regional Transportation Council (RTC) as a means of beginning to address this need, but the RTC van is just that – a beginning. The Greater Derry-Salem Regional Transit Study, conducted in 2002 by three Regional Planning Commissions with participation from more than 30 health and human service agencies and municipal representatives, found that the approximately 20 human service agencies that operate vehicles in the region together still meet less than half of the need for elderly and disabled transportation – and this doesn't account for employment transportation.

The Regional Transit Plan called for a two pronged approach to improving transit service in the region, through a combination of coordination and expansion of existing demand response transportation services; and development of standard fixed route public transportation service in areas with adequate population to support it. The entire Regional Transit Plan can be viewed at: <http://www.rpc-nh.org/gdgs-Transit.htm>

## Coordinate Existing Service through a Regional Transit Brokerage

Regional transit brokerages are one of the solutions being implemented around the country to improve access to transportation services for elderly, disabled, and other transit dependent citizens. In a brokerage system, the broker serves as the single point of contact where individuals needing rides can call. The broker coordinates scheduling for multiple agency vehicles that operate in the region, and assigns the ride to the most appropriate vehicle based on cost, geography, and other factors. Brokerage systems eliminate duplication of effort while maximizing productivity, allowing expansion of service to meet a critical need while holding the line on costs. Coordination also helps to ensure a consistently high level of service and safety among the various agencies serving the region. For this reason, the Bush Administration's United We Ride initiative is promoting the use of coordination among human service agencies and between human service agencies and regular public transit systems as a way to meet increasing need for transportation services for elderly and disabled residents.

In addition to establishing a brokerage, the Regional Transit Study identified other ways in which existing resources can be used more effectively to serve the residents of the region. One of these approaches is to secure funding for driver time to fully utilize vehicles already owned by agencies in the region, but which sit idle much of the time for lack of staff time to drive them.

## **Establish Fixed Route Bus Service**

The Regional Transit Plan also called for eventual establishment of fixed route bus service in parts of the region where there is adequate population density to support it. The analysis conducted as part of the planning process identified a regular bus route between Derry and Salem, with in-town circulator service in each town, as the most promising route. The Plan suggested that this service eventually be extended north through Londonderry to Manchester, and south to Methuen. The Town of Salem recently received federal Congestion Mitigation Air Quality (CMAQ) funding for the Salem Employment Trip Reduction Integration Program (SE-TRIP), one component of which is establishing regular fixed-route bus service between Derry and Salem to provide employment transportation. The start of this fixed route service remains two years away. It is envisioned that management of the SE-TRIP service and the human service brokerage will be coordinated at an administrative level to avoid duplicative overhead costs.

## **Form a Regional Transit Alliance to Receive Federal Transit Funds**

One of the keys to funding improved public transportation services is securing Federal Transit Administration (FTA) dollars to augment existing funds. Currently much of the FTA allocation for the region is going unused in the region for lack of a regional entity that can serve as the recipient of those funds. Up to \$500,000 in FTA funding is potentially available to the region annually, but cannot be accessed because there is no local or regional designated recipient for these funds.

The long-term goal identified in the Regional Transit Plan is to establish a new regional transit alliance similar to COAST, the transit agency that serves the Seacoast. The RTC and the Rockingham Planning Commission have developed draft legislation to introduce in the coming session of the state legislature that will establish the Greater Derry-Salem Cooperative Alliance for Regional Transportation (CART) to serve the region. In the short term there is a need to find an existing agency to serve as the FTA recipient for an interim period of 1-2 years. While this could be a municipality or other agency not currently an FTA recipient, the lengthy process of attaining FTA approval pushes the timeline for actually accessing FTA funding in this scenario well into 2005 or even 2006.

The preferred alternative is to find an existing FTA recipient to take on the role for the interim period while a new regional entity is established. The RPC and the Southern NH Planning Commission are consulting with NHDOT and several existing FTA recipient agencies about taking on this interim role.

## **Secure Municipal Support to Ensure Long Term Stability of Transit System**

The RTC has secured a one-year grant of \$90,000 from the Endowment for Health to establish a pilot regional brokerage project. The project includes operation of the brokerage itself, and additional operation funding to activate approximately 90 hours/week of idle van time identified through the Transit Study. The \$90,000 forms only half of the project budget, and must be matched dollar for dollar with funds from FTA or another source to cover the total project cost of approximately \$216,000/year. We anticipate securing additional funding from the Endowment for Health, to allow a three year period during which time municipal contributions can be ramped up to replace Endowment funding on a long term basis. This transition is shown in Table 1. Note that the figures in Table 1 do not include a factor for annual inflation. This is to make clear the transition from Endowment funding to municipal funding.

**Table 1 - Projected Funding Mix for Regional Brokerage and Transit Service Expansion**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Federal Transit Administration</b>	\$108,000	\$108,000	\$108,000	\$108,000
<b>Endowment for Health</b>	\$ 72,000	\$ 36,000	\$ -	\$ -
<b>Municipalities (11 Communities)</b>	\$ 36,000	\$ 72,000	\$108,000	\$108,000
<b>Total</b>	<b>\$216,000</b>	<b>\$216,000</b>	<b>\$216,000</b>	<b>\$216,000</b>
<i>Every \$1.00 from Municipalities Leverages an Additional</i>	<b>\$ 5.00</b>	<b>\$ 2.00</b>	<b>\$ 1.00</b>	<b>\$ 1.00</b>

The RPC has developed a proposed formula to equitably distribute the non-FTA costs of the system among the municipalities that will benefit from it. The formula is based on five factors: 1) total population; 2) elderly (65+) population; 3) disabled population; 4) low-income population; and 5) municipal tax base. This approach aims to ensure that town contributions reflect the level of service received. Under this formula Derry’s share of total municipal matching dollars would be approximately 24%, approximately equal to that of Salem. As discussed with the Derry Town Council in June 2004, this would mean an initial funding request of approximately \$8,700 for 2005, increasing to \$26,100 by the third year of the pilot project.

While municipal budgets are always tight, it is only with ongoing municipal support that Salem and the broader region can build a stable public transportation system meeting the needs of residents. We fully expect that the regional transportation brokerage will ultimately save more money than it costs in several ways, including making more efficient use of existing public investments in transportation; leveraging additional federal dollars; and offsetting growing costs for health care and other services.

In addition to meeting critical needs and improving quality of life for seniors, people with disabilities, and low income families in Derry, funds spent on transit offset the need down the road to spend greater amounts of public funding on emergency medical treatment, long term nursing home care, welfare services, and other programs.

Each municipal dollar will be matched at least one for one with FTA funds, with even more substantial match ratios initially, as the pilot funding from the Endowment for Health allows towns to gradually build their contributions over a period of three years. Some of the money currently invested in transportation by other health and human service agencies is also eligible as match to leverage additional FTA dollars to expand service in Salem and the broader region under a coordinated system.

In the absence of municipal support, the region leaves hundreds of thousands of dollars in federal funding on the table when it could be meeting critical needs for our senior, disabled, and otherwise transit dependent populations. While the proposed project is only a first step, support for the coordination effort sets the stage for an effective regional system by improving efficiency and gaining access to currently untapped sources of funding.