SUMMARY REPORT

Working Draft

REGIONAL
TRANSIT 2.0

North Central Texas
Council of Governments

April 11, 2025

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENT
REGIONAL TRANSIT 2.0: PLANNING FOR THE YEAR 2050
SUMMARY REPORT
WORKING DRAFT

Table of Contents

List of Figures

Appendices

Executive Summary

This report summarizes the background, methodology, and outcomes from the North Texas Regional Transit 2.0 Program, initiated and led by the North Central Texas Council of Governments (NCTCOG). Key members of the Transit 2.0 team included the three existing Transit Authorities (TAs) in the region: Dallas Area Rapid Transit (DART); Trinity Metro; and Denton County Transportation Authority (DCTA). Many jurisdictions across the region—both TA member and non-member jurisdictions—also participated.

Transit 2.0 was initiated in April 2024 and incorporated seven discrete tasks that focused on the key elements of public transportation service that together form the basis for providing effective future public mobility in the rapidly growing North Texas region. These elements, which collectively constitute the underlying mandate and purpose and need for Transit 2.0, were designed to develop a more aggressive legislative program, increase membership in transit authorities, enhance collaboration between transit authorities and their systems, and identify opportunities to increase the prevalence and quality of transit-oriented development, all to address the long-term transit needs of the Dallas-Fort Worth region.

The report provides an overview of the various elements comprising Transit 2.0, including the principal findings and recommendations of the study. There are three broad themes that emerged from the project which together frame the recommendations for future public transportation services in the region:

- **Sustainable funding** and **increased efficiency** of transit services are both necessary to facilitate projected growth and development trends
- **Economic development, density, and transit-oriented development are** critical for effective regional transit
- **Transit must be competitive** with other modes of travel to provide effective mobility and reduce regional congestion.

Within each of these broad themes, the Transit 2.0 Study recommends a series of actions. These recommended actions are often measures that can be undertaken in the short-term by NCTCOG, the transit authorities, and cities and counties comprising the region. Other recommendations are longer-term, requiring potential legislative and institutional changes designed to accommodate future growth in population, employment, and related development. All should be socialized in the short term to advance the regional transit conversation.

Most of the strategies proposed by Transit 2.0 implementable in the short-term are primarily operational, but will require increased collaborative measures between transit authorities, jurisdictions, NCTCOG, and other regional institutional stakeholders. Many focus on improved efficiency and scale that can be facilitated under existing statutes and policies, while others are aimed at assuring that public transportation services achieve near-term sustainable funding and operational efficiencies. These measures recognize that the cities and subregions in North Texas have inherent differences in community focus, development culture, economic expansion, and lifestyle priorities.

While many recommended strategies can be initiated in the short term, implementation may extend into the longer term. Such bold strategies require more significant and permanent changes in institutional structure and legislatively controlled public funding consistent with the anticipated growth within North Texas. Through extensive review of peer regions in the United States and abroad, Transit 2.0 provides a series of recommendations that aim to improve equity in the provision of services and broaden the approach to regional funding, recognizing that transit needs vary across existing and future member jurisdictions. These strategies may require state legislative action, consistent and interdependent community actions, and possible region-wide public approvals and ballot measures. There is a clear role for NCTCOG to set and lead the dialogue around these concepts today, which can, in turn, help advance regional transit as North Texas looks toward the Year 2050.

Chapter 1. Background and Overview

Introduction to NCTCOG

The North Central Texas Council of Governments (NCTCOG) is a voluntary association of, by, and for local governments, and was established to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. Since 1974, NCTCOG, in conjunction with the Regional Transportation Council (RTC), has served as the Metropolitan Planning Organization (MPO) for transportation in the Dallas-Fort Worth Metropolitan Area. The NCTCOG Executive Board serves as the MPO's fiduciary and fiscal agent, while the RTC serves as the MPO's policy body for federal transportation planning, programming, and policy decisions.

NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help them recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions. As MPO, NCTCOG and the RTC also support the three regional transit authorities (TAs) of Trinity Metro, Denton County Transportation Authority (DCTA), and Dallas Area Rapid Transit (DART) through funding and programming as an aspect of broader regional transit and transportation planning.

NCTCOG's Transportation Department is responsible for regional transportation planning for all modes of transportation. The Department provides technical support and staff assistance to the RTC and its technical committees, which compose the MPO policy-making structure. In addition, the Department provides technical assistance to the local transit providers of North Texas in planning, programming, coordinating, and implementing transportation decisions.

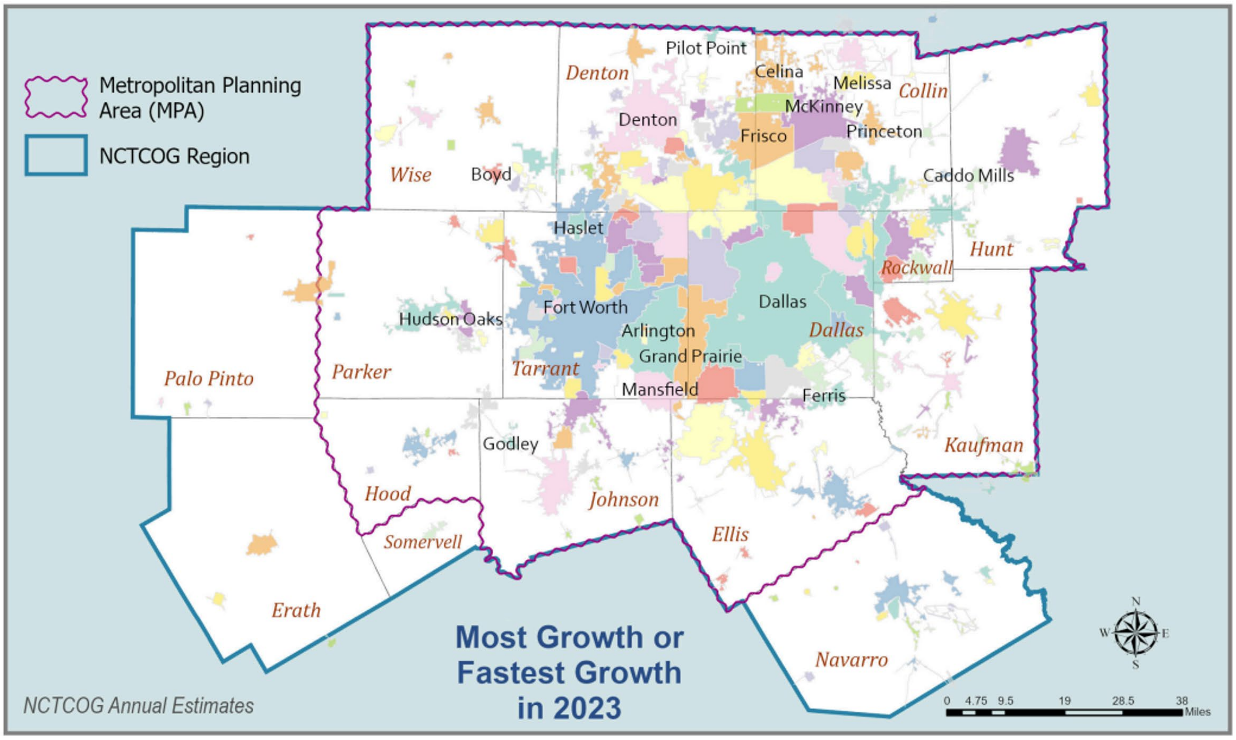
Growth Trends in the Region

Since 2020, the NCTCOG region has grown by 650,000 new residents, with approximately 200,000 new residents in the past year alone. By 2050, the region will face an anticipated population growth of 4 million additional residents and 3 million jobs—placing significant strain on roadways, housing, and transit[1]. NCTCOG, the RTC, and the

[1] 2024 NCTCOG Population Estimates Publication, Regional Data Center, North Central Texas Council of Governments

three TAs, along with the many local jurisdictions, stand at a crossroads, as current transportation and development paradigms are not sufficient to meet this future travel demand.

Figure 1. Highest Growth Cities in the Region



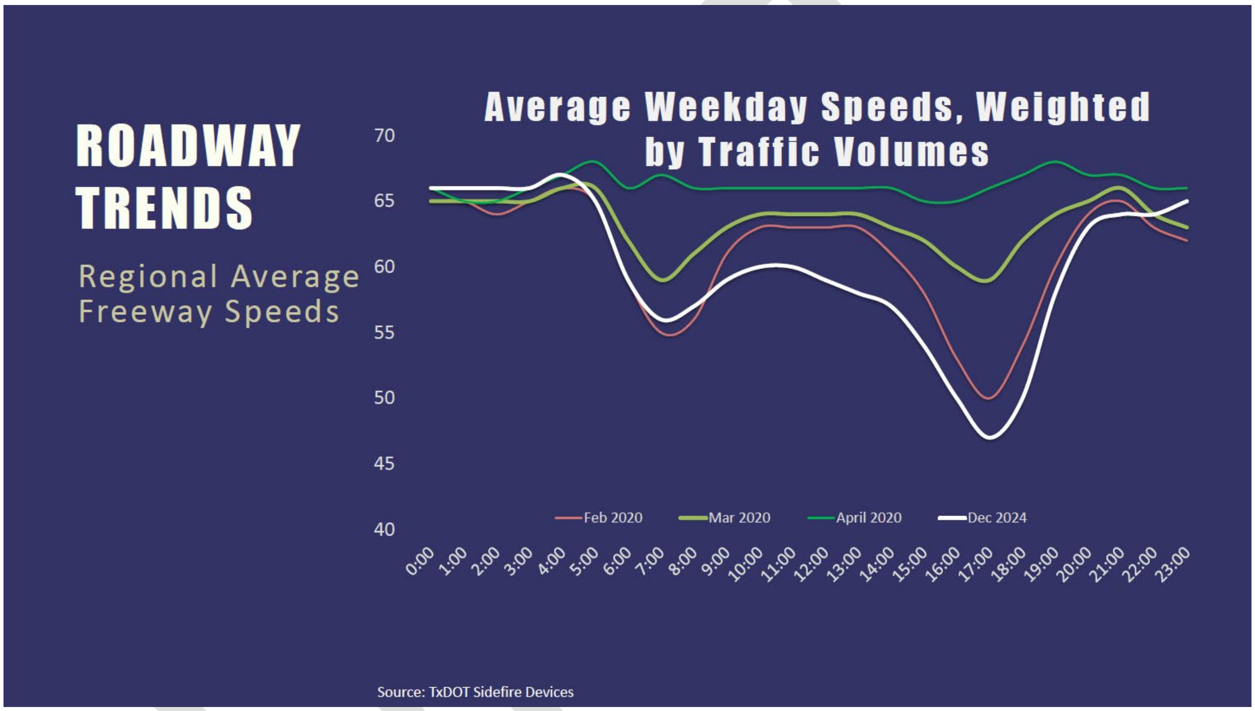
Source: 2024 NCTCOG Population Estimates Publication, Regional Data Center, North Central Texas Council of Governments

Present and Future Mobility

Today, many DFW residents already express dissatisfaction with the current transportation infrastructure and its ability to meet regional travel demand. NCTCOG conducted a survey of more than 4,000 people that highlights that one of residents' biggest complaints with the region is that roadway infrastructure isn't keeping pace with growth. These complaints will be exacerbated as the population grows and traffic delays increase.

NCTCOG's Travel Demand Model projects that regional congestion will further increase if the region continues its current trajectory. Current plans for future transportation infrastructure investment include a cumulative $100B for roadway maintenance, improvements, and expansions, and only modest improvements to the regional transit network and service offerings. This will not be sufficient to meet travel demand for the 4 million new residents moving into the region. Vehicle hours of delay are expected to nearly triple from 2019 to 2050, increasing from 1.8 million to 4.9 million annually. This equates to approximately 50 minutes per resident per day spent in traffic delays, driving projected increases in home-based to work (HBW) commute times from 25.4 to 30.4 minutes on average.

Figure 2. Dallas Fort Worth Region Roadway Trends

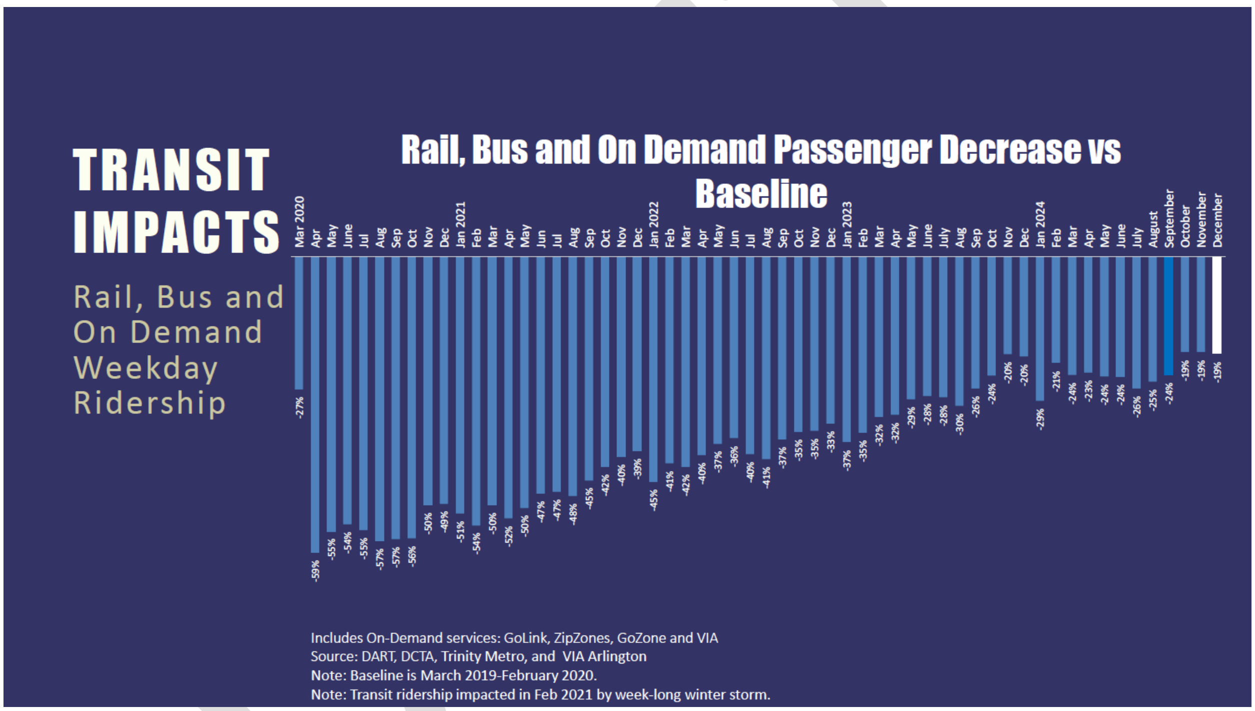


Historically, increased investment in roadway infrastructure has supported regional growth, but this strategy alone will not meet the anticipated 2050 travel demand. The substantial increases in traffic delays are forecast, even when considering $50B in planned investments in roadway solutions that can reduce congestion, which include the addition of High Occupancy Vehicle (HOV) lanes to increase vehicle occupancy and expansion of tollways/freeways to increase vehicle capacity.

Public Transportation Services

The three North Texas transit authorities, Trinity Metro, DCTA, and DART offer a potential alternative to congested roadways. However, transit in North Texas is rarely viewed as a premium amenity that enhances accessibility, reduces commuting costs, or improves quality of life. Instead, according to many interviews conducted over the course of Transit 2.0 and surveys in North Texas[2], transit is often associated with negative stereotypes, such as inefficiency, inconvenience, or contributing to noise and crime. Exacerbating this issue is that transit, as currently structured, rarely serves as an adequate substitute for private car trips. Combined, this means that transit remains almost exclusively the province of transit-dependent, low-income people and/or those who cannot or choose not to own cars.

Figure 3. Dallas Fort Worth Region Transit Trends



This dissatisfaction with transit has contributed to its low utilization, with residents instead relying on single-occupancy vehicles—a core determinant of roadway congestion. Even in the most urban counties of Dallas, Tarrant, Denton, and Collin, transit mode share was only 1.9% in 2019, a number that is expected to fall to 1.4% by

[2] https://www.cbsnews.com/texas/news/dart-increasing-security-police-to-address-riders-concerns/

2050 if there is no intervention[3]. Additionally, much of the regional population growth is expected in areas outside of existing transit authority boundaries, as the population living inside these service areas will fall from 47% to 38% by 2050. This could further increase the number of residents relying on single-occupancy vehicles.

Challenges Facing Public Transit

It is no secret that public transit across the country faces challenges associated with dedicated funding, sustained ridership, and regional seamless operations. This holds true for North Texas, where key issues include long-term funding, transit competitiveness, and governance.

Long-term Funding and Regional Return on Investment

Given the extraordinary population and employment growth expected in North Texas, billions of dollars are required to fund transit services at the levels needed to make transit competitive with personal vehicles, successfully attract and sustain ridership, and to fund new and previously identified projects in public transit and passenger rail, including costs for expansion, operations, maintenance, and state-of-good-repair. While multi-modal infrastructure is needed to provide mobility to the region, there are limitations on funding from local and State sources that will require new approaches to increase the range of sources available, including sources beyond local sales taxes. Most Texas state transportation funding is restricted and statutorily protected for roadways and the few that are authorized for non-highway uses have comparatively minimal or no funding. If this is going to change, a strong consensus needs to be established on the outcomes that leaders in the region—and the State—wish to see from greater transit investment.

Transit Competitiveness and Recovered Ridership

Following the pandemic, ridership has slowly recovered at agencies across the country, however for the most part ridership has not achieved pre-pandemic rates. To attract riders and serve as a true alternative to single occupancy vehicles, transit must provide a competitive service in terms of time, ease of use, and perception of safety.

[3] 2024 NCTCOG Population Estimates Publication, Regional Data Center, North Central Texas Council of Governments

Increasing service efficiencies and assuring transit competitiveness with personal vehicles will be critical factors in meeting future travel demand and mobility requirements. These are integrally tied to the need for density and transit-oriented development and securing sustainable funding, two concepts that have been meaningfully advanced in Transit 2.0.

Regional Institutional and Governance Enhancements

To fully address the challenges of providing competitive and financially sustainable public transportation, the institutional structures and governance arrangements in North Texas must be reimagined. Transit 2.0 has taken a bold approach to reviewing regional governance and institutions, which have successfully implemented transit options embracing local and regional rail, fixed and on-demand bus services, micro-transit, and other modes which have generally met the need for regional mobility. However, the lack of regional transit coordination is felt in the disjointed customer experience and the varying levels of service across the region. The findings of Transit 2.0 point to the need to both broaden and focus services based on the projections for growth and development. For this to be accomplished, it is necessary to re-examine the ways in which the jurisdictions and transit authorities in the region work collaboratively to generate long-term funding.

Chapter 2. Regional Transit 2.0 Study Process

Key Stakeholders

Beyond NCTCOG, key stakeholders for Transit 2.0 included the three transit authorities and a set of key local jurisdictions.

Dallas Area Rapid Transit (DART)

DART is a regional transit agency connecting residents in 13 cities across more than 700 square miles. Its service area cities are Addison, Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Highland Park, Irving, Richardson, Rowlett, Plano, and University Park. In 2024, DART moved nearly 55 million passengers across the North Texas region.

Today, DART operates a 93-mile light rail system with 65 stations, 692 buses with 14 bus transfer facilities, and the 34-mile Trinity Railway Express between Dallas and Fort Worth (in partnership with Trinity Metro). DART's other services include paratransit and GoLink, the largest microtransit operation in North America, with 34 zones in partnership with Uber. DART funds these services in large part through a one-cent sales tax levied within its service area, as well as federal grants and fare revenue. Sales tax revenue comes directly to DART from the State Comptroller as approved by voters when DART was created in 1983.

Denton County Transportation Authority (DCTA)

Denton County Transportation Authority (DCTA) is a coordinated county transit authority authorized under Chapter 460 of the Texas Transportation Code, which was established in 2002 with a half-cent local sales tax. The service area consists of the cities of Denton, Lewisville and Highland Village. DCTA had FY2024 sales tax revenue of approximately $41 million and a FY2025 operating budget of approximately $52 million. DCTA's FY24 systemwide ridership across all modes was approximately 3.2 million unlinked passenger trips.

Fort Worth Transportation Authority (Trinity Metro)

Fort Worth Transportation Authority (Trinity Metro) is a regional transit agency authorized under Chapter 452 of the Texas Transportation Code which was established in 1983 and is funded with a half-cent local sales tax. The service area includes the cities of Fort Worth and Blue Mound, with additional funding from the cities of Grapevine and North Richland Hills for TEXRail service. Trinity Metro's FY25 operating budget includes $180.5 million in revenues, primarily from sales tax and federal formula grants, and $163.8 million in expenditures. Trinity Metro's FY24 ridership across all modes (bus, TRE, TEXRail, On-Demand, and other) was approximately 7.8 million trips.

Key Local Jurisdictions

The Transit 2.0 study solicited and received substantial engagement and input from local member and non-member jurisdictions, as shown in Table 1. These cities provided a variety of perspectives in the areas of governance, land use, legislation, funding, and fare policy. Many other jurisdictions were engaged through broad outreach to socialize task reports and collect feedback from these key groups.

Table 1 Local Jurisdictions Interviewed During Transit 2.0

Agency	TA Membership Status
City of Arlington	Non-member
City of Blue Mound	Non-member (formerly Trinity Metro)
City of Carrollton	DART
City of Dallas	DART
City of Denton	DCTA
City of Fort Worth	Trinity Metro
City of Frisco	DCTA (Contract)
City of Grand Prairie	Non-member
City of Grapevine	Trinity Metro (Contract)
City of Irving	DART
City of Lewisville	DCTA
City of McKinney	DART (Contract)
City of North Richland Hills	Trinity Metro (Contract)
City of Plano	DART
City of Richardson	DART

Structure of the Study and Stakeholder Engagement

The three TAs served as primary reviewers for most Transit 2.0 task areas and engaged with the study team through interviews, sharing pertinent research information, and critical regional context, including current events. Likewise, Transit 2.0 also received substantial engagement from local member and non-member jurisdictions, shown in Table 1 above. These jurisdictions provided a variety of perspectives in the areas of governance, land use, legislation, funding, and fare policy. Many other jurisdictions were engaged through broad outreach to socialize task reports and collect feedback from these key groups.

The Transit 2.0 scope was developed by NCTCOG and the three transit authorities to address the "transportation authority – member city paradox," included here as Appendix 2. A principal goal of Transit 2.0 is to identify key challenges to regional transit provision and present bold solutions for its future. The purpose of Transit 2.0 is outlined in its seven core tasks:

- Task 2: Transit legislative program (September 5, 2025 Transit Legislative Program Report, Appendix 3)
- Task 3: Increase transit authority membership (March 13, 2025, Strategies to Increase Transit Authority Membership Report, Appendix 4)
- Task 4: Increase collaborations between existing transit authorities (March 13, 2025, Collaborations between Existing Transit Authorities Report, Appendix 5)
- Task 5: Strategies for transit authority board partnerships and teamwork (August 24, 2024, Strategies for Authority Board Partnerships and Teamwork Report, Appendix 6)
- Task 6: Strategies for infill development ([*Finalization Date Pending*], Strategies for In-Fill Development Report, Appendix 7)
- Task 7: Fare collection strategies (March 26, 2025, Fare Collection Strategies to Increase Ridership Report, Appendix 8)
- Task 8: Improve the transit authority-member city paradox (March 19, 2025, Recommendations for Transit Authority / Member City Paradox Report, Appendix 9)

These tasks were performed by consulting firms InfraStrategies LLC, McKinsey and Co., Dikita Engineering, Peyser and Associates, and Intueor. The tasks focused on key transportation and land use issues, including legislation, governance, cooperation, funding, fare policy, and transit-oriented development. Stakeholder engagement was extensive and included over 150 meetings, interviews, and workshops during the year long process.

Development of a Regional Model

To have an accessible tool for testing future cost, revenue, and service delivery options, Transit 2.0 developed and deployed a user-friendly financial model capable of assessing a wide range of future scenarios.

The model was utilized to explore and refine several potential future regional scenarios with variables including economic development type and location, transportation capital improvements, operations costs, and revenue generation and allocation. Like most models that forecast regional outcomes, it is highly sensitive to the assumptions made and input to the model, including estimated costs of capital facilities, ridership estimates, transit mode routes and frequencies, revenue generated from fares and public sources, and related factors.

Three scenarios were modelled:

1. **Baseline scenario**, representing current transportation infrastructure and existing TA strategic plans, which is expected to generate modest improvements in transit service and state of good repair. This scenario was largely cost and revenue neutral, with existing revenues covering the projected increase in operating expenses and planned capital expenses.

2. **Transit 2.0 policy scenario,** representing the implementation of a set of Transit 2.0 policy recommendations to drive density-oriented economic development and improve transit system competitiveness and efficiency, among other recommendations. This scenario was a net positive from a revenue perspective, significantly increasing sales tax revenue in the region and delivering better transit service on the existing network.

3. **Network expansion scenario,** adding approximately $15 billion in capital expenditure on nine rail projects and several new bus routes to the implementation of the policy recommendations from Scenario 2. This scenario

resulted in a large funding gap due to the high level of capital investment required to expand the network.

The outcome of scenario evaluation (discussed in detail in Appendix 9) was a critical factor in determining the recommendations from the Transit 2.0 Study. The study team created several policy-based programs starting with a baseline (current conditions) assumption and adding options that included varying levels of transit investment and deployment of service. This outcome is critical to both short- and longer-range recommendations and can be used in many future undertakings designed to explore the results of various investment options, capital development programs, and revenue generation opportunities.

Development of a Targeted Legislative Agenda

An early set of outcomes of the Transit 2.0 work was the development of strategies to inform a targeted legislative agenda. The purpose of the legislative agenda was to enhance the opportunities for improved public transit within the region. Legislation is critical to the future of transit looking forward. There is significant legislation pending in Austin at the State Legislature as the Transit 2.0 work nears its conclusion. While there are many policies and programs that can be implemented, or improved upon, by administrative action and means other than legislation, there is little doubt that the Legislature plays a critical role in the future of public transportation in the region and throughout the state. The RTC adopted a legislative agenda based partially on the outcome of Transit 2.0 and continues to focus on promoting legislative action that is beneficial to the governance and funding of transit in North Texas.

Transit 2.0 Results

Based on stakeholder engagement, peer analysis, the regional model results, and extensive discussions with NCTCOG staff, Transit 2.0 resulted in the seven task reports previously discussed and summarized herein. The key Transit 2.0 findings are defined in the following chapters using a structure of framing, themes, and recommendations. They are encapsulated in three integrated and interdependent sets of findings and recommendations that address these issues:

- Sustainable funding and increased efficiency of transit services are both necessary to facilitate projected growth and development trends,

- Economic development, density, and transit-oriented development are critical for effective regional transit, and
- Transit must be competitive with other modes of travel to provide effective mobility and reduce regional congestion.

Each finding is supported by framing topics, categorical themes, and specific and actionable recommendations.

How to Read the Findings

Findings are the three overarching Transit 2.0 results. Each finding is supported by a set of framing topics, themes, and recommendations.

Framing topics provide background and context for the finding.

Themes are categories of recommendations.

Recommendations are specific and actionable.

Chapter 3. Finding 1: Sustainable Funding and Increased Efficiency of Transit Services are Both Necessary to Facilitate Projected Growth and Development Trends

Framing Topics

Clear Communication of the Need for Increased Funding. NCTCOG and the three transit authorities within its planning area boundary—DART, Trinity Metro, and DCTA—face several financial challenges in their efforts to deliver and expand transit services, including bus, light rail, commuter rail, microtransit, and other innovative mobility services to the region, as well as regional, intercity, and high-speed passenger rail services. These challenges include:

- Limitations on potential funding from State and local sources
- Reliance on local sales taxes as the main source of non-federal funding available to TA member jurisdictions for transit and rail
- A two-percent cap on local sales tax, which disincentivizes non-member jurisdictions from committing their limited sales tax revenue to join a transit authority
- Inter-jurisdictional competition for development between transit authority member and non-member jurisdictions because non-member jurisdictions can use local sales taxes for economic development, while member jurisdictions are constrained.
- Few State sources are authorized for transit, passenger rail, or other non-highway uses. The few that are authorized for non-highway uses have comparatively minimal or no funding. Of the limited funding available for transit, none is authorized for allocation to the major metropolitan transit authorities, and what is available has been used for capital projects for smaller agencies.

Addressing these challenges requires consideration of legislative approaches that can increase the level and range of potential funding sources for transit and rail.

Reliance on Local Sales Tax to Fund Transit. Most non-federal funding for transit in the NCTCOG region is derived from local sales tax measures authorized by voters in member jurisdictions of the three transit authorities. These range from the one-percent sales tax approved for DART to the one-half percent sales taxes approved for Trinity

Metro and DCTA. Sales and use tax collections in the transit authority member jurisdictions flow directly to the State Comptroller to the agency. The three transit authorities receive none of the State's very limited transit funding, which totaled $41 million for the Rural Public Transit Program to fund Rural and Urban Transit Districts across the State in 2023.

While sales tax revenues have increased with inflation and population growth, these increases have been insufficient to fully fund the growth in costs for existing and new capital projects, service expansion, operations and maintenance, and system preservation. Sales tax revenue is likewise dependent on the economy and the sale of goods and services, which is concerning for transit authorities that must continue to deliver service during times of market fluctuations or downturns. Further, the transit authorities are challenged in their ability to provide transit service to outlying jurisdictions due to land use patterns, funding availability, demand requirements, and interjurisdictional constraints. As a result, some of DART's member jurisdictions have expressed varying degrees of dissatisfaction with the perceived level of transit services received relative to their allocated portion of the local sales tax authorized to DART. In response, the DART Board has reduced its budget and has initiated establishing a general mobility program allowing certain cities to reclaim 5 percent of the sales tax revenue they provide to DART and utilize these revenues for transportation projects.

Two Percent Cap on Local Sales Tax. The total level of local sales tax authorized by the Legislature is capped at two percent. For transit authority member jurisdictions, their one- or one-half percent sales tax for transit subsumes up to half of their authorized maximum, making it more challenging for them to fund other city needs and/or to attract and retain major developments. At the same time, jurisdictions that are not members of a transit authority can use their sales tax to provide tax incentives that may attract developers away from transit agency member jurisdictions. As these communities grow, should they allocate their sales tax revenues to other uses, they are capped and therefore do not have the ability to use sales tax for transit. To do so would require them to abandon or significantly reduce expenditures for initiatives or programs that are already funded using sales tax revenue.

The net effect of the two percent cap, coupled with competition among jurisdictions for economic development assisted by sales tax, is to reduce the incentive for new jurisdictions to join a transit authority. Thus, the state-mandated 2-cent cap on local sales and use taxes has effectively curtailed the addition of new TA members.

Added Pressure on Sales and Use Taxes. The passage of Senate Bill 2 (SB2), also known as the Texas Property Tax Reform and Transparency Act of 2019, reduced the rate at which cities and counties can raise property tax rates without voter approval from 8 percent to 3.5 percent. Under previous Texas law, if local leaders proposed a tax increase of greater than 8 percent, voters could petition for a "rollback election" that would "roll back" the proposed tax increase to the 8 percent ceiling. SB 2 lowered this threshold to 3.5 percent and created automatic elections for jurisdictions proposing to increase property taxes more than 3.5 percent, rather than doing so by petition. In effect, this reduces the political viability of property tax increases above 3.5 percent.

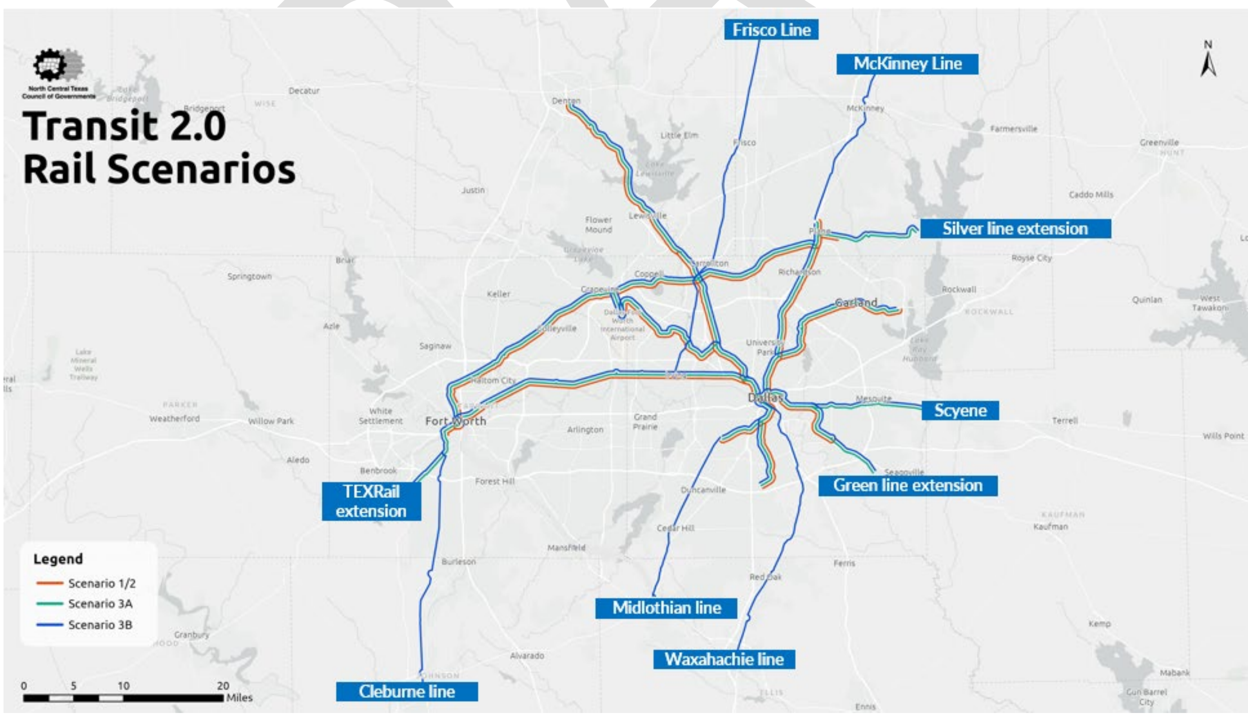
Apart from Austin, property taxes in Texas do not typically fund transit and rail but are used to fund municipal services such as parks, libraries, fire, police, and other local services. SB2 increased the barrier for voters to raise funds for these non-transit needs, putting more pressure on the limited funding available to jurisdictions, including sales and use taxes. This further limits funds that are or could be committed to transit authorities.

New, Dedicated Funding Sources (Local and State). NCTCOG and the TAs acknowledge the need to prioritize a sustainable, equitable funding model that helps expand services, increase ridership, and improve the customer experience. To do this, the TAs may need to adopt and standardize flexible funding policies that recognize a sustainable, long-term commitment of dedicated funds other than voter-approved sales and use taxes, which are no longer feasible for many jurisdictions. This is likely to take the form of a defined Associate Membership policy that jurisdictions can achieve via Local Government Corporation contracting or a similar mechanism. Alongside this, TAs and NCTCOG can and should push for legislative change so TAs can formally accept other local option funding sources for transit provision (discussed in detail in the Transit 2.0 Task 2 report, Transit Legislative Program). Member jurisdictions, having invested over time, also require assurances that any new funding model respects their contributions while opening pathways for other municipalities to secure transit services fairly through a menu selection process.

Additional funding is needed to invest in regional transit improvements. With an illustrative $0.2B in cumulative incremental spending, a more attractive transit service could attract approximately 5% more ridership by 2050. This outcome would be driven by additional investments in safety, security, cleanliness, customer experience, and brand awareness to enhance public perception of transit using the existing network.

Expanding the network would require an even greater amount of funding. The full Transit 2.0 Expansion Scenario models a future in which the DFW region stands up approximately 160 miles of new regional and light rail, resulting in an 34% increase in overall service levels by 2050 compared to increasing service and efficiencies on the existing network. These new rail lines include the Frisco Line, McKinney Line, Silver Line Extension, Scyene Line, Green Line Extension, Midlothian Line, Waxahachie Line, Cleburne Line, and TEXRail Extension. The proposed expansions would come at significant capital costs of $14.6 billion in addition to the increased operating expenses associated with the new service lines. Therefore, the region will need to decide whether the benefit of this expansion is commensurate with the cost.

Figure 4. Proposed Transit 2.0 Rail System Expansion



Alternative Local Funding Mechanisms for Transit. While TA member jurisdictions typically fund transit through voter-approved local option general sales tax dedicated to transit, other voter-approved funding mechanisms can be leveraged. To date, none of the three TAs have recognized jurisdictions leveraging alternative transit funding methods as full members, due in part to board-imposed pressure to maintain financial equity with current member jurisdictions, and in part to statutory requirements in the Texas Transportation Code defining TA membership as commitment of funds via voter-approved sales and use taxes. NCTCOG can play a critical role in addressing this issue by pursuing legislative changes that could increase the cap and allow other local funding options. Such options include:

- The Development Corporation Act of 1979 (Texas Revised Civil Statutes Article 5190.6) allows municipalities to create nonprofit development corporations that promote new and expanded industry and manufacturing activity within the jurisdiction and its vicinity. These corporations can leverage "Section 4A" or "Section 4B" economic development sales taxes, which account for a portion of the local two percent sales and use tax limit. Section 4A sales taxes target manufacturing and industrial development, while Section 4B sales taxes primarily target infrastructure and quality of life improvements that promote economic development, including transportation facilities. If accepted by the local TA, jurisdictions can use Section 4B tax revenue to fund the provision of transit service.
- Tax increment financing, whereby sales and property taxes generated by new development surrounding stations is leveraged to fund transit, can be used to fund the provision of transit service if accepted by a local TA.

Transit authorities may also receive funding through NCTCOG and RTC (as the MPO for the Dallas-Fort Worth Metropolitan Area), who administer numerous federal funding programs for transportation. In the NCTCOG region, including transportation development credits (TDCs) that can be used to leverage federal funding without the contribution of non-federal cash match. These TDCs are non-cash credits that are earned by the MPO to account for toll road and tolled managed lanes that benefit the federal system.

State Legislative Concepts to Increase Funding. Building on past legislative proposals advanced by NCTCOG / RTC, three categories of legislative concepts were proposed for consideration:

- Expand the level and range of one or more of the proposed funding sources for transit and passenger rail, individually and in combination
- Protect existing transit authority sales tax funding
- Provide tools to facilitate transit-oriented development

These legislative concepts are discussed in Appendix 3.

Key Themes and Recommendations

The following key themes support Finding 1: Sustainable funding and increased efficiency of transit services are both necessary to facilitate projected growth and development trends:

- Expand the Level and Range of Funding
- NCTCOG Regional Convening
- Transit-aligned Distribution of Regional Funds

Key Theme: Expand Level and Range of Funding

Funding sources considered to offer the best potential include the following recommendations and strategies:

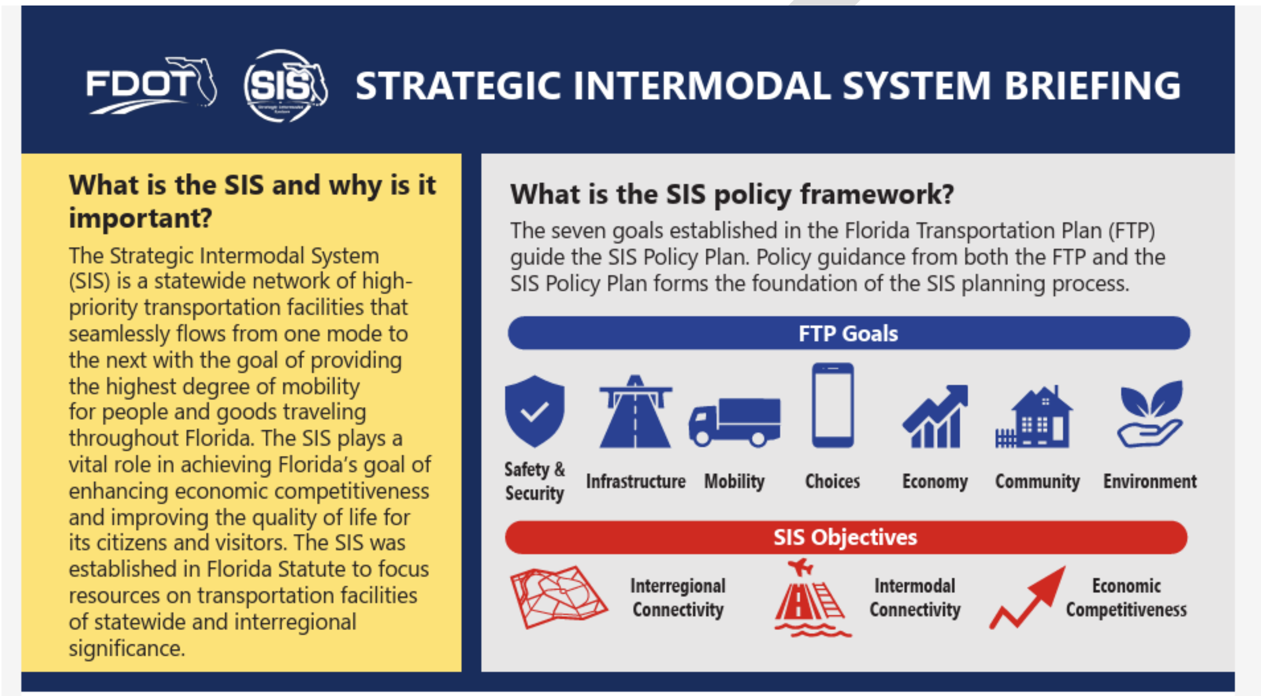
State Strategic Multimodal System

Create a State Strategic Multimodal System, with state funding sources to be defined in conjunction with TxDOT and the State Transportation Commission. This approach to additional state funding would be modeled after the Strategic Intermodal System (SIS) program in Florida, whereby public transportation and passenger and freight rail would be part of an overall strategic multimodal system with funding set aside for major capital projects. The Strategic Intermodal System (SIS) is Florida's high priority network of transportation facilities important to the state's economy and mobility. The Governor and Legislature established the SIS in 2003 to focus the state's limited transportation resources on the facilities most significant for interregional, interstate, and international travel. The SIS is the state's highest priority for transportation capacity investments and a primary focus for implementing the Florida Transportation Plan (FTP), the state's long-range transportation vision and policy plan.

Special-Purpose Multi-County Transportation Funding Area (TFA)

Create a Special-Purpose Multi-County Transportation Funding Area (TFA) to advance

CASE STUDY: STRATEGIC INTERMODAL SYSTEM IN FLORIDA



public transportation and passenger and freight rail projects of regional benefit. Building on the Transportation Funding Area (TFA) concept advanced by the RTC in 2008, enact legislation to enable creation of voter-approved county / multi-county TFAs to promote shared use of rail corridors for passenger and freight services, work with transit authorities and local jurisdictions to develop funding plans, and negotiate cost-sharing arrangements whereby member jurisdictions could levy voter-approved taxes or fees to fund transportation capital projects for transit and rail. Such a concept could have high applicability to advance passenger rail services in corridors currently owned by transit authorities such as DART and used by private freight rail operators. Such entities could also provide opportunities to combine funding sources currently limited to freight rail to advance passenger rail service in shared corridors.

Dedicate State Funding to Public Transportation and Passenger and Freight Rail

As noted in the introduction to this section, given the extraordinary population and employment growth expected in the region, additional funding is needed for existing, new and previously identified projects in public transit and passenger and freight rail, including costs for expansion, operations, maintenance, and state-of-good-repair to make transit competitive and attractive. While multi-modal infrastructure is needed to provide mobility to the region, most state transportation funding is restricted and statutorily protected for roadways. Of the limited funding available for transit, none is authorized for allocation to the major metropolitan transit authorities, and what is available has been used for capital projects for smaller agencies. These restrictions require consideration of legislative approaches that can increase the level and range of potential funding sources for transit and rail.

Key opportunities to increase state funding for transit and rail are to work with TxDOT, the State Transportation Commission, and the legislature to provide for the following:

- State Highway Fund: Redirect a portion of the State Highway Fund to transit and rail by legislation or modification of Texas Transportation Commission policy.
- Texas Mobility Fund (TMF): Require expenditure of a portion of the Texas Mobility Fund for public transportation and extend allowable period for payment of debt service by legislation or modification of Texas Transportation Commission policy.
- Dedicated TxDOT Funding Appropriation: Secure dedicated funding for public transportation and rail via TxDOT budget appropriations of state general revenue by legislation or modification of Texas Transportation Commission policy.

Enact Legislation Granting Statutory Authority for Public Private Partnerships (P3s)

Expanded opportunities for Public Private Partnerships facilitates private sector investment and enhances development intensification and TOD that, in turn, supports revenue creation for local jurisdictions as well as ridership and revenue for transit authorities. NCTCOG / RTC advocacy and support for passage of legislation granting statutory authority to enter into public-private partnerships for transit and passenger rail, as well as TOD and support legislation such as SB1984 Alvarado to streamline legislation, could help make greater use of P3 possible.

Support Legislation to Expand Opportunities for Local Funding

NCTCOG / RTC could assist in expanding opportunities for local jurisdictions to provide funding beyond the 2 percent cap on local sales taxes, while still providing for economic development among transit authority member jurisdictions. Such opportunities include legislative support for the following:

- Amend 4A/4B: Consideration could be given to amending 4A/4B enabling legislation to allow transit authority member jurisdictions to pass voter-approved measures exceeding the two-percent sales tax cap to fund economic development and/or for non-member jurisdictions to pass voter-approved measures exceeding the two-percent sales tax cap to fund new transit authority membership.
- Development Impact Fee Surcharge: Authorize a new county-level Development Impact Fee for Transportation (including transit and rail).
- Local Option Vehicle Registration Fee: Consideration could be given to revisiting the concept of a voter-approved local vehicle registration fee, as proposed in 2008 as part of the Transportation Local Option Transportation Act (TLOTA), C.S.S.B 855 by Carona.

The legislative concepts considered in the Transit 2.0 Task 2 report (Appendix 3) investigated additional approaches that could offer varying degrees for revenue potential, jurisdictional support, and cross-cutting achievement of opportunities to enhance development and TOD and provide financial resources to enable transit to offer competitive and reliable service.

Key Theme: NCTCOG Regional Convening

NCTCOG can play a major role by reinforcing the COG/RTC as the regional convener for funding, service, and governance best practices, technical assistance, and training and education for decision makers. The COG should also serve as the regional "dialogue facilitator."

NCTCOG should work to reassess its policies and procedures that enhance funding for transit and support the efforts of local jurisdictions and the transit authorities to increase opportunities for Transit Oriented Development and increased densities that can be supportive of transit. Key policies and procedures include:

Review NCTCOG / RTC Policies and Procedures

NCTCOG is responsible for prioritizing and allocating funding for transportation projects in the region under various funding programs, including Metropolitan Corridor funds, Congestion Mitigation and Air Quality (CMAQ) funds, Federal Highway Administration (FHWA) Surface Transportation Block Grant (STBG) flexible funds, Carbon Reduction Program funds, and Transportation Development Credits. With such significant funding allocated at its discretion, NCTCOG could incorporate into the long-range metropolitan transportation plan, Mobility 2050 a comprehensive review of policies and procedures used to prioritize projects and allocate transportation funding under its purview.

Increase the Level of Federal Funding Flexed from Highways to Transit and Rail

NCTCOG can assess and potentially redirect FHWA flexible funding from highways to transit and rail. Higher levels of flexing could make more federal funding available to the transit authorities and their member jurisdictions to supplement existing sources of transit and rail funding, especially local sales tax revenues. Consideration should be provided for the required local match to access the available federal funding source.

Knowledge Sharing

NCTCOG has launched an online “quick search database” that agencies can use to secure information about funding opportunities for a variety of transportation programs and projects. Information on funding opportunities is also presented to the Surface Transportation Technical Committee and at RTC meetings. Access to such information is a valuable resource, and its use could be promoted across the region. This can include regular collaboration with transit authorities on grant strategies that seek to maximize funding for projects, programs and economic development/TOD within transit authority boundaries.

NCTCOG Support and Regional Management

This would involve an extension of NCTCOG's administrative role to include supervision and oversight of regional decision making. It would be less active than the Regional Manager role and would involve increasing the coordination activities that NCTCOG already provides to the region. NCTCOG will need to assess their organizational capacity and capability to take on these additional responsibilities.

CASE STUDY: BALANCED SERVICE LEVELS IN UTAH

The Utah Transit Authority (UTA) charted goals to allocate 70 percent of resources toward high-ridership services and 30 percent toward coverage services in their Salt Lake and Timpanogos Business Units. In their Mount Ogden Business Unit, 60 percent of resources were allocated to high-ridership services and 40 percent to coverage services. By establishing these types of goals, UTA was able to effectively prioritize service planning in a way that clearly allows the agency to allocate resources like staff and vehicles to achieve agreed-upon goals instead. Similar efforts have been undertaken in the Seattle region and in Phoenix. ***By planning for service levels instead of dollars, jurisdictions and transit authorities in these areas have been able to more effectively prioritize riders*** *(UTA Service Choices Final Summary Report, June 2020).*

Fair Share

NCTCOG should facilitate opportunities for the transit authorities to work with member jurisdictions to define how to `address equitable allocation of service relative to sales tax collected and local and interjurisdictional travel demand, rather than legislatively defining equitable allocation.

Key Theme: Transit-aligned Distribution of Regional Funds

NCTCOG can assist in promoting increased density and transit supportive development through enhanced alignment of transit and the distribution of regional funds through the following actions:

Prioritize Allocation of Discretionary Funding

With such significant funding allocated at its discretion, NCTCOG could incorporate into the long-range metropolitan transportation plan, Mobility 2050, an assessment of NCTCOG and RTC's ability to require regional participation in a TA to continue to receive discretionary funding from these and other sources. This is already included as part of NCTCOG's policy bundle to access Transportation Development Credits (TDCs) but may have opportunities for expansion. Consideration could then be given to requiring regional participation in a TA by a predetermined deadline to continue to receive discretionary funding from NCTCOG.

Some of these funding sources, like CMAQ and Carbon Reduction Program funds, must support projects that have air quality benefits. As TA member jurisdictions bear an outsized proportion of the costs associated with air quality conformity in the region, there is a clear case for prioritizing funding to jurisdictions that have demonstrated a commitment to regional connectivity and sustainability through transit investments. However, equity considerations exist on all sides of this issue, where roadway advocates and TxDOT argue for a fair share allocation of CMAQ funds across all modes and ownership paradigms. NCTCOG and RTC will need to discuss any potential changes to the way these sources are allocated across North Texas jurisdictions and analyze impacts to currently allocated funds.

Provide TOD Financial Support

NCTCOG has historically provided thought leadership on TOD, for example through the Coordinated Land Use and Transportation Planning Task Force, as well as land banking efforts through the 2006 Sustainable Development Call for Projects. NCTCOG can build on these efforts by facilitating efforts between jurisdictions and transit authorities to re-zone transit-proximate parcels, particularly those owned by transit authorities. NCTCOG can also incentivize transit-proximate living through incentives like free or discounted transit passes for residents of transit-proximate developments.

Provide Developer Financial Incentives

Incentives already used in North Texas include density bonuses, tax abatements, fee waivers, or grants for projects that incorporate features like pedestrian-friendly streetscapes, public plazas, and green infrastructure. Provide financial incentives (e.g. grants for adjacent transportation improvements, fare subsidies) for developers in TA member jurisdictions. Ensure State Private Activity Bonds (PABs) can be used for transit and rail.

Chapter 4. Finding 2: Economic Development, Density, and Transit-Oriented Development are Critical for Effective Regional Transit

Framing Topics

Density supports transit and transit supports density. Transit and density are interrelated and interdependent. It will be highly challenging, if not impossible, for the North Texas region to increase transit use without a corresponding increase in density.

The reverse is true as well. The current development patterns both near and far from transit often include challenging pedestrian environments, long walking distances, and plenty of parking lots. In such environments, it is no surprise that transit fails to attract new riders, and that building new rail lines does not substantially increase transit ridership. This cycle will need to be reversed in much of the region for public transportation to become effective in moving high numbers of people.

The financial model that was developed for Transit 2.0 included a scenario that modeled the effect of increased density in the region, among other regional policy initiatives. With an illustrative $2.2 billion in cumulative incremental spend from the TAs, this policy action could drive increased residential and commercial development in member cities, contributing to the substantial incremental $3.8 billion and $4.7 billion in sales tax revenue for TAs and member cities, respectively.

Jobs/housing balance along transit corridors is also critical for transit to work. Density is necessary but not sufficient to create effective transit corridors. If a corridor is mostly jobs or housing, instead of a balance, it becomes far less likely that the average person will find such a corridor useful. The most useful transit corridors have a balance of jobs and housing that allows people along that corridor to commute to work with limited transfers. It can also encourage shorter-distance walking and biking trips that help deter car ownership and thus increase transit ridership.

Regional tension for economic development investment. There can be a misconception that increased transit investment is in opposition to increased economic development. This may stem from the idea that economic development incentives, such as tax breaks, are more immediate ways to capture growth. However, this may be short-sighted. Long-term economic development will be stunted by sprawling developments that are entirely auto dependent because traffic congestion will make them less attractive and reduce their economic benefits. Denser, compact areas well-served by public transit can, by contrast, create attractive long-term economic development that will not be strangled by traffic.

Key Themes and Recommendations

The following key themes support Finding 2: Economic development, density, and transit-oriented development are critical for effective regional transit:

- Partnerships and Urban Development
- Regional Convening
- Land Use Policy
- Economic Development Policy
- Innovative and Effective Regional Planning

Key Theme: Partnerships and Urban Development

NCTCOG can be a powerful convening force in the region to develop partnerships with other agencies that can advance TOD. Such partnerships can be an effective tool for both advocacy and specific joint development opportunities, both of which will be critical to the successful pursuit of more TOD in the region.

Support TAs in Seeking Joint Development Opportunities

The most immediate and substantial return on investment for the region in terms of advancing TOD will likely be through NCTCOG support for the TAs in their joint development efforts. The TAs have existing property near rail stations in the region that can be used for TOD. However, they believe they lack sufficient staff capacity to move these projects forward in a timely manner. While some TAs make TOD more of a priority than others, they are all likely to respond well to offers of assistance from NCTCOG in this endeavor.

NCTCOG can offer this support in numerous ways. One could be through staff augmentation, allowing their own staff to be transferred to the TA for a limited period of time to help with a specific project. Another strategy can be to support these efforts by providing other in-kind resources such as analysis, outreach, and work with developers. Finally, NCTCOG could provide direct financial support for joint development opportunities where warranted. All of these strategies can be useful in helping the TAs advance joint development TOD.

Advocate for Public-Private Partnership (P3) and TOD Legislation

The State of Texas does not have effective policies or legislation to encourage TOD in major cities. While there is much that the North Texas region can do to advance TOD without a legislative change, it will be an uphill battle with a change at the state level. To bring about these changes, which would represent a very different direction for Texas, NCTCOG will need substantial support from regional partners to develop a successful coalition for change.

Legislative changes could include powerful tools such as giving NCTCOG and other MPOs in Texas legal authority to approve land use plans in densely populated areas. This is similar to tools employed by other MPOs with prolific and successful TOD programs. While it may seem unlikely to become reality in Texas, it may be worth exploring how a coalition could be developed that could move legislation in this direction.

Another potentially easier but less effective strategy would be to seek P3 authorizing legislation for TOD. P3s can be a useful delivery method for TOD because there is an inherent revenue source associated with TOD projects. TOD can generate revenue through increased property value, which can be shared among those responsible for generating that increase, meaning both public and private sectors. P3 legislation in Texas that is specific to TOD could open the door for private enterprises to seek such arrangements with the TAs, through unsolicited proposals or other outreach.

Key Theme: Regional Convening

NCTCOG has an opportunity to play an increasingly explicit and powerful role as a regional convener for North Texas. Acting as a trusted neutral party in the convening of regional agencies has always been a strength of NCTCOG, yet there is still more they can potentially do to boost this role in terms of both actions and outcomes. This section describes some ideas for how NCTCOG can help lead the way towards the future of public transit by bringing people together around common goals, actions, and priorities.

Land Use Best Practices

The North Texas region may not agree on what land use should look like, and that makes sense as the region has many varied forms of development, and they do not (and should not) need to be uniform. That said, the region stands to benefit collectively if they can agree on some general best practices for future land use decisions that can align around common goals. For example, while the entire region does not need to be transit-oriented, given that so many areas with transit are not even served by effective transit, there could be more general agreement around the land use functions and designs that best serve the future of the region including providing sidewalks for pedestrians, preventing parking from overwhelming the landscape, and ensuring adequate green space.

As a trusted convener, NCTCOG can begin by bringing together regional agencies and municipal governments for discussions regarding what they might collectively hope to achieve in terms of land use. Based on the goals the group develops they can outline priorities for the key characteristics of beneficial development. If common ground can be found, this can form the basis for a set of best practices that the COG can research, analyze, and promulgate on behalf of its regional partners.

Technical Assistance

NCTCOG does an excellent job of convening elected officials across the NCTCOG region, as well as staff through its Coordinated Land Use and Transportation Planning Task Force. However, few opportunities exist to bring TA and jurisdiction staff together to share knowledge and expertise. NCTCOG can also play a helpful role in providing technical assistance to regional partners that may not have sufficient staff or capacity to make substantial changes to advance public transit and associated land use. We spoke to many cities and transit authorities who expressed that they did not have the tools necessary to move forward with land use changes on a scale that could make a significant difference. As a regional agency, it makes sense for NCTCOG to fill this gap through regular convenings and dissemination of information.

CASE STUDY: SAN DIEGO ASSOCIATION OF GOVERNMENTS

The San Diego Association of Governments (SANDAG) maintains a Housing Acceleration program that directly supports local governments, developers, tribal nations, and transit agencies to develop policies that help accelerate housing production, prioritize infill development, and reduce vehicle miles traveled. Consultants, funded by SANDAG, are available on retainer to directly support jurisdictions in their preparation of documents like housing elements, housing legislation, and streamlined permitting ordinances. NCTCOG could fund a similar program.

Technical assistance can be dispensed through webinars or in-person seminars that provide helpful information and an exchange of ideas. However, NCTCOG could also offer technical assistance by providing staff as needed or making existing staff available to help. Often one of the greatest barriers to progress can be a lack of resources or knowledge required to move forward. By filling in this gap, NCTCOG can foster meaningful progress.

Performance Goals for Transit Authorities

Transit authorities may benefit from best practices and technical assistance, but once those amenities are being provided, it may also be useful for them to have specific targets with respect to performance in both transit and land use. While these goals do not have to be tied to funding to be effective, they should be developed in concert with the TAs and should be made publicly available. The idea would be for the agencies to hold themselves accountable for progress. Progress for transit authorities should include improvements that increase ridership, as well as steps towards more transit-oriented development. Increased ridership is not only beneficial for the region but also helps make TOD more attractive to developers.

This strategy should not be used in a way that is punitive or politically damaging, as this would be counterproductive. A successful strategy for accountability will require working in partnership with the TAs to ensure that they agree on the goals to be achieved. This exercise alone will help with alignment across the region. With those goals established, partners can agree on specific actions the TAs can take to achieve them. If progress is less than desired, the partners should review and learn from the experience together annually, to improve performance in the next year.

Training and Education for Decision Makers

One barrier to greater TOD and infill development in the region is that there is a lack of understanding among many decision makers as to the benefits of such development. The presumption appears to be that all development is good development, and that there is no reason to necessarily put forward the effort and resources that may be required to encourage more development near rail stations.

CASE STUDY: NCTCOG'S COORDINATED LAND USE/TRANSPORTATION TASK FORCE

NCTCOG's Coordinated Land Use/Transportation Task Force, "is a forum for North Texas local governments to discuss best practices around coordinating land use and transportation plans, policies, and projects." Task Force meetings focus on the influence land use has on transportation system performance and how transportation practices shape the development and design of land uses, with the goal of fostering information sharing and best practices across the region. This Task Force is already providing a space for convening jurisdictions and can be scaled up to provide tours and additional opportunities for sharing of TOD advancements and best practices.

NCTCOG can help by expanding its resources for training and educating willing decision-makers on the benefits of TOD. Many may not be aware that TOD can be a powerful economic development tool that is well worth the extra time and expense due to the long-term return on investment. TOD areas often become highly attractive hubs for development, as these kinds of walkable communities tend to create economies of scale and agglomeration effects that multiply the benefits to local communities. NCTCOG can develop and administer these educational offerings and also recruit the relevant officials to be a part of the curriculum.

Key Theme: Land Use Policy

While NCTCOG does not currently set land use policies, which are made at the municipal level, the COG can still play a role in supporting cities in adopting pro-density land use policies in their urban core and at transit stations. This support can include technical assistance, convening, and education as outlined above. But it can also be in the form of political support and thought leadership.

Promote Benefits of Land Use Policies

NCTCOG can play this leadership role in the region by promoting dense land use policies and their benefits. On a small scale, NCTCOG's Metropolitan Transportation Plan policy bundle ties Transportation Development Credits through a similar incentive structure, however the majority of discretionary funding is not impacted by this. NCTCOG can expand these efforts to continue to drive investment in key areas like rezoning. Additional support can include studies and analysis that demonstrate these net benefits, speaking engagements and earned media promoting success stories, and working on behalf of cities to gain support for land use policy improvements. These indirect efforts can be an effective way to let cities know that NCTCOG has their back as they attempt to make policy improvements that may go against the grain.

Key Theme: Economic Development Policy

There is strong support across the North Texas region for harnessing the ongoing growth in the area in a way that maximizes economic development. NCTCOG can build on this consensus to help shift more economic development efforts towards existing transit corridors rather than in greenfield areas far from rail lines. Every transit trip represents economic activity: workers traveling to jobs and consumers patronizing businesses. When transit is unavailable or unreliable, businesses lose customers, and workers face employment instability.

CASE STUDY: THE ECONOMIC VALUE OF TRINITY METRO

In 2024, Trinity Metro supported 3,700 jobs, increased business output by $85M, and reduced congestion costs by $67M. And, between 2020 and 2023, sales tax receipts grew 23% across the Fort Worth—but 38% for businesses within a 5 min walk of a Trinity Metro stop, making a clear case for the value of economic development adjacent to transit stations.

Foster TA and Member City Collaboration on Economic Development

TAs and their member cities can do more regarding economic development efforts along existing transit corridors. NCTCOG can help push for this collaboration by working with the TAs and their member cities to make the case for economic development near transit. While many cities on their own might default to short-term economic development benefits that do not take advantage of existing transit lines, NCTCOG can provide the leadership and convening efforts to enable this kind of collaboration.

Incentive Packages for Cities

Transit authorities can and should provide incentives for member cities to push economic development in transit-rich areas. However, these packages will be far more effective if they are created in collaboration with NCTCOG, which will enhance buy-in and bring more cities to the table. NCTCOG can also play a role in promoting some degree of coordination across the TAs, and given the lack of resources TAs often have for TOD, helping to supplement available funds and resources.

NCTCOG and the TAs should work together to develop incentive packages that are most appropriate for their member cities. Key criteria would include 1) How well the package is likely to work in moving economic development towards transit, 2) Cost and funding sources, and 3) Fairness among different TAs. Packages could include benefits such as increased service frequencies, bulk fare discounts, in-kind advertising, and first/last mile services.

Key Theme: Innovative and Effective Regional Planning

Regional planning is a sweet spot for NCTCOG and a way for the organization to play a substantial role in improving development across the region. Beyond creating a regional plan, the COG can play a role in encouraging the kinds of broad public spaces that can enhance the pedestrian experience and encourage more transit-orientation.

Improve Quality and Connectivity of Public Space

One of the biggest challenges in fostering transit-oriented development in the North Texas region is the way the public space is currently designed. As most of the region is designed to accommodate automobiles, public space is rarely designed at a human scale. Instead, we find long walking distances, unpleasant pedestrian paths, and unnecessary barriers between destinations. It is not surprising that most people choose to drive when presented with these conditions, regardless of how good the transit system might be.

Higher quality and more connected public spaces, which can take the form of economic hubs, parks, mixed use development, mobility hubs, and other human-centered spaces can be an important component of inducing transit-oriented development. NCTCOG, as the regional planning entity, can play an important role in conducting and promoting this kind of planning on a regional basis. When public spaces are better connected, this enhances economic growth and safety, and spurs transit use, while also reducing unnecessary vehicular traffic.

First/Last Mile Options at Transit Stations

While the goal should be to enable more people to walk to transit, in some cases this may be extremely challenging. So many spaces in the region have already been designed around cars that converting them into walkable spaces can be a daunting task. Fortunately, first/last mile options can help reduce the walkshed for transit stations, enabling more people to reach those stations in a reasonable timeframe to make their journey worth taking by transit.

Some first/last mile services that have proven effective include bike and scooter sharing, shuttle buses, microtransit, and transit buses. Autonomous circulators also present an emerging technology that can support this connectivity. Increasing the frequency and effectiveness of these types of services, as well as orienting them towards rail stations, can be a way to encourage more rail ridership and transit-oriented development. Some of these options can be encouraged through partnerships with the private sector, wherein companies can operate without public funds and still provide a needed public service. Others will require coordination with the TAs to ensure that transit stations function as effective transportation hubs for their communities.

CASE STUDY: AUTONOMOUS SHUTTLES PROVIDE FIRST/LAST MILE CONNECTIVITY IN FLORIDA

Autonomous vehicle technology is poised to provide new and innovative opportunities to improve first mile/last mile connectivity. Autonomous shuttles, which can be run as circulators or as on-demand microtransit, are a promising option for areas where human-operated circulators are cost-prohibitive. The Pinellas Suncoast Transit Agency in the City of St. Petersburg, Florida, piloted this technology in 2020 and 2021, and technology mobility companies like Beep and May Mobility are rapidly working on solutions in this space. Jurisdictions in North Texas should stay apprised of opportunities to implement these innovative first mile/last mile mobility options in rural and urban contexts alike.

Key Theme: Funding Strategies

Funding, including raising it or distributing it, can be a powerful tool for reshaping economic development around transit. How funding is raised can be just as important as how it is distributed, as different revenue-raising methods create different incentives and outcomes. The following are some strategies we recommend:

Development Impact Fees for Transportation

A development impact fee can be assessed on any new development to fund transportation improvements. A development impact fee is a powerful tool because it creates targeted incentives for developers, while also generating revenue that can serve as an added incentive. While such fees are likely to face substantial political challenges, they also follow simple market-based logic and can serve constituent interests. With appropriate effort to generate broad support, this idea can become a reality and the impact could be substantial.

A development impact fee can be calibrated according to the potential challenges the new development will create. For example, if a new development is not along an existing transit line and will require substantial amounts of new driving and car trips to access it, this would result in a higher fee. Developments near existing transit lines and within walking distance of housing could be charged a lower fee, or no fee at all if they meet appropriate criteria. The fees can then be used to make transportation improvements that are a necessary result of those developments, or alternatively they can be used to make the economics of transit-accessible projects pencil out. Either way they will strongly influence the kinds of developments that are undertaken in the region by providing an incentive to create dense developments near transit, while discouraging "greenfield" developments that exacerbate auto-dependence, sprawl, and congestion.

Increased NCTCOG TOD Funding

NCTCOG can have a direct beneficial impact on TOD near rail stations in the region by increasing the amount of funding available for TOD projects. Transit authorities in the region are facing severe financial pressure, and most of their available funds need to be directed towards service provision and planning for capital projects. They typically lack sufficient resources to put towards TOD planning or development, and in some cases, they do not see TOD as central to their mission.

Changing this paradigm may not always be as simple as increasing available funding for TOD from the COG, but it is a crucial first step. By making additional funds for TOD available, the COG will help steer the authorities towards making TOD a more critical component of what they do. Ideally, this funding can be used for planning purposes, but it should also be used as a method of building support for TOD. Many authorities operate in environments where their member cities are not always supportive of dense, compact development near transit stations. One key eligible use for this funding should be education and discussion among stakeholders to ensure that this effort results in buildable projects.

Financial Incentives for Development in TA Member Cities

Many Transit Authority member cities are operating in an environment where growth is happening all around them, and they do not want to miss out. As the region continues to grow at a rapid pace, we can expect this trend to continue. An unfortunate result of this trend is that there can be a "race to the bottom" wherein cities compete with one another to create development incentives that attract new construction to their area. These incentives are especially problematic when, as is typical, they are far more likely to foster new greenfield developments – away from existing development and potential NIMBY-ism – than new TOD projects.

The COG can counteract some of these incentives with incentives of its own. Providing development incentives directly or through TAs or jurisdictions that are specific to land near rail stations, especially land already owned by the Transit Authorities, would help alter this dynamic and push TOD forward. Admittedly, such incentives would be an uphill battle and may not fully reverse the development trends in the region. However, they are far better than the existing situation, in which developers have little incentive to deal with the challenge of TOD and infill development when compared to greenfield opportunities.

Public Private Partnerships and Enhanced TIF Districts

Public-private partnerships (P3s), which can leverage private sector investment to achieve public policy goals, may be useful tools through which jurisdictions can encourage TOD. One of the most effective mechanisms for encouraging P3 is the use of land-based Requests for Proposals (RFPs), where jurisdictions solicit development proposals for publicly owned land near rail stations. By structuring these RFPs to prioritize mixed-use, walkable, and transit-supportive projects, jurisdictions can solicit new development that aligns with TOD principles. These agreements can also include provisions for affordable housing, sustainable design, or public space enhancements, helping to maximize the community benefits of TOD while reducing the financial burden on public agencies.

Another valuable tool is Chapter 380 of the Local Government Code, which "authorizes municipalities to offer loans and grants of city funds or services at little or no cost to promote state and local economic development and to stimulate business and commercial activity." In the context of TOD, Chapter 380 agreements can be used to offset the higher costs of infill development, making projects near transit stations more financially viable. Cities can use these agreements to fund site preparation, improve pedestrian and bike connections, or provide tax rebates to developers who commit to TOD-friendly projects.

A Tax Increment Financing (TIF) district is another useful tool that can raise funding while also encouraging TOD. A TIF works by creating an area around a potential area for development in which any increase in property tax revenues can be captured by the district. The idea of a TIF works well when there is new value created by an investment of public dollars. This new value can then be captured by the public sector in a TIF, which allows the revenues to be used for additional enhancements or improvements.

An enhanced TIF could be a useful tool for capturing value around transit stations as the land value there increased. However, for a TIF to be useful in the region, transit service will need to improve to the point that being near a rail station is seen as a major benefit that can increase land value. This means working with Transit Authorities to target potential TIF districts and then making the effort to increase and improve transit service to those areas. With a TIF district in place, this new value can be captured and used to incentivize further development, improve first/last mile options including walking and biking, or subsidize additional housing units as needed.

CASE STUDY: TRINITY MILLS URBAN VILLAGE

Trinity Mills Urban Village, at Trinity Mills Station in Carrollton will be North Texas' largest publicly owned transit-oriented development site. Part of a Tax Increment Reinvestment Zone (TIRZ) district established by the City of Carrollton, 65% of tax revenue increases in the zone will be used to fund infrastructure improvements. The 25-acre site, which includes parcels owned by the City of Carrollton and DART, is a public-private partnership between the two agencies and two real estate developers. The master-planned development will include residential, office, and retail space and a three-acre park. Carrollton hopes the site will eventually become a 300-acre hub.

Chapter 5. Finding 3: Transit Must be Competitive with Other Modes of Travel to Provide Effective Mobility and Reduce Regional Congestion

Framing Topics

COG reevaluation of policy packages to incentivize transit/funding for transit to increase COG's role in regional decision making. NCTCOG and the RTC have a shared interest in expanding transit access regionally and can play a key role in bridging this gap. The current policy framework does not allow jurisdictions to transfer the revenue stream from their current sales tax commitments to NCTCOG as coordinator or regional manager of transit. Therefore, NCTCOG cannot provide funds to jurisdictions to support transit provision. A change in the policy could support transit service in non-member cities. This would involve an extension of NCTCOG's administrative role to include supervision and oversight of regional decision making.

Additionally, to achieve air quality and congestion relief goals, the RTC could adopt a policy and utilize its funding to incentivize cities to invest in transit service, and to reward cities that have invested in transit service.

Governance and policy issues regarding shared use of assets. Current governance structures and policies do not enable TAs to share assets such as station parking lots. However, parking policies play a crucial role in attracting and retaining transit riders. Convenient and affordable parking options at transit stations encourage individuals to choose public transportation by bridging the "first-mile/last-mile" gap. This is particularly important in suburban areas with lower population densities, where walking or biking to stations may not be feasible. By providing ample and accessible parking, transit agencies can incentivize ridership, reduce reliance on personal vehicles, and promote a more sustainable and connected transportation network throughout the NCTCOG region.

Given this substantial underutilization of parking assets, the TAs' approach to parking management needs strategic reconsideration. Rather than focusing on member versus non-member city access restrictions, the data suggests an opportunity to leverage these underutilized resources to encourage transit ridership growth. This could include innovative approaches such as:

- Implementing flexible parking policies that welcome riders from all areas, regardless of member city status, to maximize existing infrastructure usage.
- Exploring strategic partnerships with surrounding communities to increase transit accessibility and parking utilization.
- To encourage ridership growth, consider targeting paid parking only at high-demand locations like DFW airport stations while maintaining free parking at underutilized facilities.
- Developing comprehensive outreach programs to promote available parking resources and their connection to transit services.
- Converting underutilized parking areas to higher-value uses such as housing, parks, or open-air markets that encourage walking and transit-oriented development.

Key Themes and Recommendations

The following key themes support Finding 3: Transit must be competitive with other modes of travel to provide effective mobility and reduce regional congestion:

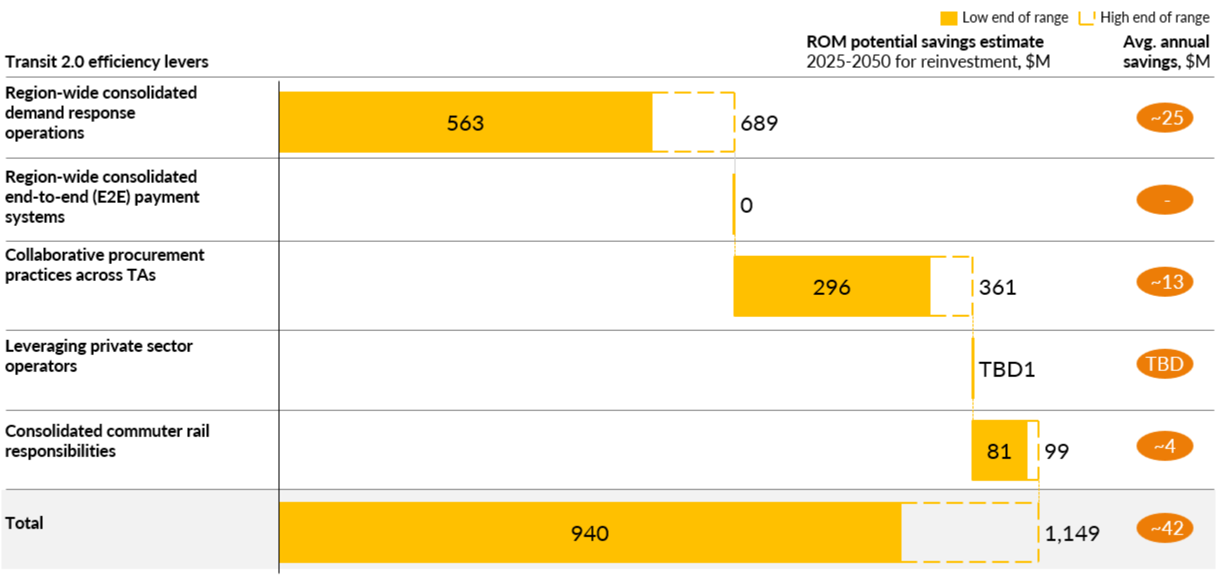
- Customer Experience
- Funding
- NCTCOG Regional Convening
- TA Governance
- Innovative Urban Planning
- Fare Policy

Key Theme: Customer Experience

Reducing and Eliminating Inefficiencies

Existing barriers between the TAs lead to inefficiencies in the areas of safety, microtransit, fares, and capital projects. There are also missed opportunities in the coordination of service planning and delivery. For example, DCTA uses a different PTC system than Trinity Metro and DART, limiting opportunities for interoperability and shared maintenance facilities–despite an RTC policy for interoperability.

More efficient transit performance, through consolidation of targeted operational areas across TAs, could help the region save a cumulative ~$1.0B, representing a ~10% improvement in cost per hour of service delivered. There are five levers the region could use to realize these potential cost savings, further detailed in the Task 8 report: 1) Region-wide consolidated demand response options, region-wide consolidated end-to-end (E2E) payment systems, 3) leveraging private sector operators and public-private partnerships, 4) collaborative procurement practices across TAs, and 5) consolidated commuter rail responsibilities.



1. Financial impacts of private sector operators were not modelled in the Transit 2.0 policy scenario. Further effort would be required to identify financial impacts, but private sector operators may allow for improved transit performance and allow TAs to focus on more strategic priorities.

More Flexible Service Contracting

NCTCOG could help level the playing field for non-member cities by encouraging TAs to establish and publish reasonable and flexible contracting terms that consider the type of service requested. For instance, DART expects member jurisdictions to commit sales and use taxes to service for years before seeing service. While a long-term financial commitment may be appropriate for the planning and construction of a rail project, shorter buy-in periods should be considered for bus or microtransit services that have lower infrastructure demands and costs and can be established and integrated into a regional network more quickly.

Key Theme: Funding

Financial Incentives for Development

Increasing density around transit corridors is one of the most powerful levers to reduce congestion and support regional economic development as North Texas continues to see strong population growth. As discussed in Chapter 2, NCTCOG's Travel Demand Model projects that regional congestion will significantly increase if the region continues its current trajectory. A major opportunity exists for the jurisdictions and NCTCOG to partner with TAs to re-shape regional economic development and land use strategy around existing rail corridors, limiting the anticipated increases in congestion and commute times.

1. In addition to direct investment by cities and NCTCOG, TAs invest a portion of annual sales tax revenue to incentivize density, drive regional economic strategy, and accelerate development around stations (e.g., provide financial or other incentives for corporate relocation or expansion into member cities)
2. Expand existing land use and economic development strategy teams to support member city and regional priorities (e.g., such as supporting policies enabling densities already seen around DFW)
3. Expand existing efforts to leverage TA-owned real estate

With an illustrative $2.2B in cumulative incremental spend, this policy action could drive increased residential and commercial development in member cities, contributing to the substantial incremental $3.8B and $4.7B sales tax revenue for TAs and member cities, respectively.

Opportunities for Collaborative Procurement

When multiple agencies procure the same goods or services, they can create economies of scale that reduce overall costs and streamline procurement processes, especially for large purchases of rolling stock and frequently used equipment and supplies. An example of such collaborative efforts can be seen in the FTA's Joint Procurement Clearinghouse, an online tool developed to assist transit agencies in exploring joint procurements. Through this platform, procurement staff can share information about upcoming needs for buses, railcars, and ferries, and specify details such as bus size and engine type. The Clearinghouse enables both large and small transit providers to post their requirements and search for compatible joint procurement opportunities.

At a minimum, the three TAs should regularly utilize resources like the Joint Procurement Clearinghouse or establish shared procurements similar to those in other regions but should also schedule regular meetings between key procurement and executive staff to align on upcoming purchases and discuss areas for standardization of equipment for long-term procurement efficiency. A regional bus fleet standard could create a common fleet plan and bus specification, potentially enabling more efficient or cost-effective bus purchases or a regional evolution to alternative fuels for the three regional TAs in the future. One key opportunity for collaborative procurement is standardization of commuter rail rolling stock and associated PTC.

Key Theme: NCTCOG Regional Convening

Knowledge Sharing Opportunities

Facilitating workshops and events for elected officials and decision-makers from TAs, member jurisdictions, and non-member jurisdictions can foster a stronger regional understanding of transit's role in North Texas by creating opportunities for open dialogue and enabling leaders to learn about regional transit needs and best practices directly from peers and experts. By providing structured, hands-on learning experiences and convenings, NCTCOG can help bridge these knowledge gaps and provide venues where jurisdictions and TAs can learn from their peers. This type of immersive engagement can build the relationships and insights needed to address shared challenges and explore regional solutions, fostering a more cohesive and informed approach to transit expansion across North Texas.

Key Theme: TA Governance

Regional Governance and Decision Making

While NCTCOG, in conjunction with the RTC, is the MPO for transportation in the Dallas-Fort Worth Metropolitan Area, it is not currently in the MPO's priorities to plan regional multimodal priorities on behalf of TAs, municipalities, and counties. If the North Texas region is committed to reducing congestion, then the region needs an authority with the ability to plan at that scale. NCTCOG or a new authority could support comprehensive region-wide planning for transportation projects of regional significance by preparing a North Texas Multimodal Regional Transportation Plan. This plan would cohesively evaluate regional needs associated with transit and consider opportunities for regional connectivity regionally, beyond the current boundaries and funding restrictions the existing TAs face.

Advance Policy Approaches to Incentivize TAs to Accept Alternative Funding Sources for Transit

While pursuing legislative changes, which is a long-term endeavor, NCTCOG can encourage DART to enshrine the acceptance of various alternative funding sources, such as Tax Increment Financing (TIF), Section 4B economic development sales taxes, or allocations from general funds, along with other innovative funding approaches, in its policies; both DCTA and Trinity Metro already do this through formal and informal mechanisms. Incentives could include NCTCOG-provided technical assistance for new policy creation or tying award of discretionary funds to TA membership and contracting flexibility through a credit system, via performance-based funding allocations, or revised evaluation criteria.

NCTCOG could help level the playing field for non-members by encouraging TAs to establish and publish reasonable and flexible contracting terms that consider the type of service requested. DART expects member jurisdictions to commit sales and use taxes to service for years before seeing service. While a long-term financial commitment may be appropriate for the planning and construction of a rail project, shorter buy-in periods should be considered for bus or microtransit services that have lower infrastructure demands and costs and can be established and integrated into a regional network more quickly.

Long-term goals for TAs should be to encourage jurisdictions to become members, which DCTA and Trinity Metro currently prioritize. In cases where jurisdictions cannot or are unwilling to commit sales and use taxes, TAs should have clear policies for contracted service, allowing jurisdictions to dedicate funds in an equivalent amount to sales and use taxes (one half cent for Trinity Metro and DCTA, one cent for DART) from alternative funding streams.

A la carte System for Service Provision

Member and non-member jurisdictions alike find the idea of a tiered revenue membership structure compelling. A tiered membership structure would allow jurisdictions to commit funds commensurate with the frequency and mode of service provided. Jurisdictions like this concept because it would allow them to obtain right-sized transit provision at a price that makes sense for their community and allow them to establish baseline transit origin-destination (OD) patterns for long-term planning. A potential disadvantage of this concept is its potential to further fragment modes of transit across existing member cities, especially where fixed infrastructure, such as rail systems, have not been implemented. While a la carte service provisioning could increase baseline transit provision, it also has the potential to fragment trips across one or more transfers, negatively impacting the customer experience. Current contract relationships between TAs and non-member jurisdictions are an analog for what this could look like.

Region-wide Paratransit Dispatch Provider

By establishing a region-wide paratransit dispatch system across DART, DCTA, and Trinity Metro, the TAs could streamline paratransit service delivery and, if effectively structured, improve coordination and be cost effective. A region-wide system could also create a seamless experience for riders who travel across multiple service areas, ensuring more consistent paratransit availability and simplifying the booking process. Implementing this approach would require initial investments in technology alignment and shared training for dispatch staff, but it could lead to substantial long-term savings.

Sharing and tracking funds is a potential barrier; two approaches could be taken to address this regional contribution question:

1. Regional Paratransit Authority: Similar to a regional rail authority, a regional paratransit authority would provide the region with cohesive planning, consolidated overhead, and a single entity focused on optimization for regional customer experiences. TAs would have full control over how this consolidation would occur. This could be established as a new Authority or managed by NCTCOG.
2. Dispatch Consolidation: Consolidating dispatch under one TA would allow each TA to continue to operate its own paratransit fleet, with one TA managing dispatch. However, this would not achieve the same degree of operational efficiency as a Regional Paratransit Authority could provide.

Key Theme: Innovative Urban Planning

Planning Access to Transit

Many potential transit users are deterred by the inconvenience of getting to and from transit stations, especially in suburban or less dense areas where walking or biking may not be practical. By investing in solutions like enhanced pedestrian and bicycle pathways and routes, micro-mobility options, bike-sharing programs, or city-sponsored shuttle or circulator services–key elements of effective TOD–jurisdictions can bridge this gap and make transit more accessible and attractive to a larger population. Since 2003, NCTOCG has coordinated with jurisdictions to study active transportation routes to light rail and commuter rail stations in the region through its Routes to Rail Stations program.

TA-led Planning

TAs can lead efforts to integrate transit hubs with complementary mobility solutions, such as microtransit, shared e-scooters, bike-share programs, and on-demand shuttles, ensuring seamless connections for riders. Additionally, TAs can invest in pedestrian and bicycle infrastructure within and around stations, such as improved sidewalks, bike lanes, and secure parking facilities, to encourage non-motorized access to transit. These improvements require close collaboration with local jurisdictions to permit and construct, particularly for facilities not on TA properties.

Interlocal Agreements

Interlocal agreements provide a formal framework for governmental units to cooperate and contract with one another. TAs can pursue interlocal agreements with jurisdictions to coordinate resources and share responsibilities that align with priorities for land use and transit planning. These agreements can outline shared goals for TOD, clarify roles and responsibilities, and formalize processes for joint investments in infrastructure, first/last mile solutions, or public-private partnerships.

Collaborative Planning

Collaboration between TAs and local jurisdictions is essential to create vibrant TOD hubs and improve the overall transit experience. TAs should work with jurisdictions to align station design with local priorities, such as incorporating retail spaces, green areas, affordable housing, and public gathering spaces around stations. Coordinating land use planning, infrastructure investments, and community input, helps TAs and jurisdictions ensure that stations serve as accessible, multi-functional spaces that attract residents, businesses, and visitors, while reinforcing the role of transit as a central element of urban life.

Key Theme: Fare Policy

The three TAs offer a diverse range of fare programs, from traditional time-based passes and demographic-specific discounts to employer-sponsored programs and promotional fares. Fare policies and fare collection differ with each TA. Strategies for collaboration on fares and fare payment systems aim to improve customer experiences associated with regional travel. The current lack of integration in these areas is confusing for riders and serves as an impediment to true regional integration.

Integration and Interoperability

Developing a comprehensive approach to integration and interoperability, building on the GoPass platform, could result in a connected regional system with standardized payment processing, data architecture, and open APIs to support future mobility innovations.

Loyalty and Rewards Programs

Transit loyalty and rewards programs offer an innovative way to boost ridership and retain regular users through meaningful incentives. By offering concrete benefits like ride credits, retail discounts, and premium services, these programs create real value for frequent riders and deliver immediate, measurable savings while providing tangible perks. Such benefits not only reduce actual costs for users but also encourage consistent transit use by making the rewards both visible and valuable. A regional loyalty program could transform the traditional transit payment relationship into an engaging customer experience that builds long-term rider loyalty.

Regional Fare Capping

Regional fare capping implementation across DART, Trinity Metro, and DCTA would transform transit accessibility in the metroplex region by ensuring equitable fare optimization regardless of the rider's agency. Currently, while DART offers fare capping through GoPass, the lack of regional integration means riders using multiple agencies don't benefit from unified caps. This enhancement would particularly benefit regular commuters who use multiple transit services, potentially increasing cross-agency ridership while maintaining revenue through increased system utilization.

Chapter 6. Conclusions and Recommended Actions

To address the unprecedented levels of population and employment growth and associated congestion that will create a significant impact on North Texas over the next 25 years, a broad, bold, and innovative approach will be needed to transcend "Transit 1.0" and meet future travel demand and mobility requirements. Anticipated growth within and outside of the current Transit Authority jurisdictional boundaries will require strategies for *collaborative regionalism* as the foundation to enhance travel options, encourage beneficial economic development, optimize integrated transit services, and sustain adequate funding resources.

Transit 2.0 determined that the core challenges facing collaborative regional transit services include sustainable long-term funding, transit's attractiveness as a viable alternative to personal vehicle use, and the institutional and governance paradigms that presently define transit funding and service provision in the region. Underpinning these challenges is the critical question that impacts virtually all transportation investment decisions: *Who pays, and who benefits*? The corollary to this challenge is the issue of comparative value between regional benefits and local/community benefits.

As shown in the summary matrix at the end of this section, the principal recommendations of Transit 2.0 aim to address these challenges by conceptualizing potential solutions as both tactical and strategic recommendations grouped under three core findings:

- **Sustainable funding** and **increased efficiency** of transit services are both necessary to facilitate projected growth and development trends
- **Economic development, density, and transit-oriented development are** critical for effective regional transit
- **Transit must be competitive** with other modes of travel to provide effective mobility and reduce regional congestion.

These findings and the associated recommendations defined in this report emphasize the need for a regional vision for transit development and service provisioning. When implemented individually, many of the Transit 2.0 recommendations can result in targeted near-term improvements. However, if a significant array of the recommendations are implemented in concert, the long-term outcome will help shape the transformative changes that lead to an increase in the appeal of public transportation, improved cost-effectiveness, and the overall viability of regional transit. Some recommendations may be easier to implement than others, as the more bold and ambitious concepts proposed will require impactful education, changes in legislation, and potential public referenda to facilitate a shift regarding the value of transit and its role in reducing congestion and improving air quality for the entire region.

The time frame over which successful implementation of these concepts can be achieved will vary, but many are attainable in the near term, and all should be advanced expediently through collaboration and dialogue between the transit authorities, local jurisdictions, the State, and other stakeholders. NCTCOG will need to build upon its success as regional convener to facilitate these dialogues and redirect funding to incentivize the kind of change that is needed; many recommendations in this report relate to this expanded role for NCTCOG.

Transit 2.0 suggests that the region should consider bold, aspirational and transformative actions to effectively address projected traffic congestion, enhanced mobility options and regional air quality. While substantially more complex and requiring longer-term consideration, potential legislative actions, and possible public ballot measures, Transit 2.0 suggests a strategy for North Texas that simultaneously acknowledges the unique needs and preferences of local communities while recognizing that public mobility is a regional and trans-jurisdictional priority.

The Transit 2.0 findings and recommendations reinforce the foundational concept that planning for the Year 2050 in North Texas must ultimately be a strategic blend of community preference and enlightened regionalism.

Table 2 Findings, Themes, and Recommendations Summary Table

Key Themes	Finding 1: Sustainable funding and increased efficiency of transit services are both necessary to facilitate projected growth and development trends	Finding 2: Economic development, density, and transit-oriented development are critical for effective regional transit	Finding 3: Transit must be competitive with other modes of travel to provide effective mobility and reduce regional congestion
Funding Sources	• State Strategic Multimodal System • Special-Purpose Multi-County Transportation Funding Area (TFA) • Dedicated State Funding • Enact Legislation Granting Statutory Authority for Public Private Partnerships (P3s) • Support Legislation to Expand Opportunities for Local Funding	• Development Impact Fees for Transportation • Increased NCTCOG TOD funding • Financial Incentives for Development in TA Member Cities • Public Private Partnerships and Enhanced TIF Districts	• Financial Incentives for Development • Opportunities for Collaborative Procurement
Economic Development		• Foster TA and Member City Collaboration on Economic Development • Incentive Packages for Cities	
Funding Distribution	• Prioritize Allocation of Discretionary Funding • Provide TOD Financial Support • Provide Developer Financial Incentives	•	
Partnerships		• Support TAs in Seeking Joint Development Opportunities • Advocate for Public-Private Partnership (P3) and TOD Legislation	
Land Use		• Promote Benefits of Land Use Policies	
Planning		• Improve Quality and Connectivity of Public Space • First/Last Mile Options at Transit Stations	• Planning Access to Transit • TA-led Planning • Interlocal Agreements • Collaborative Planning
Customer Experience			• Reducing and Eliminating Inefficiencies • More Flexible Service Contracting
Convening	• Review NCTCOG / RTC Policies and Procedures • Increase the Level of Federal Funding Flexed from Highways to Transit and Rail	• Land Use Best Practices • Technical Assistance • Performance Goals for Transit Authorities	• Knowledge Sharing Opportunities

Key Themes	Finding 1: Sustainable funding and increased efficiency of transit services are both necessary to facilitate projected growth and development trends	Finding 2: Economic development, density, and transit-oriented development are critical for effective regional transit	Finding 3: Transit must be competitive with other modes of travel to provide effective mobility and reduce regional congestion
	• Knowledge Sharing • NCTCOG Support and Regional Management • Advance Policy Approaches to Incentivize TAs to Accept Alternative Funding Sources for Transit • Fair Share	• Training and Education for Decision Makers	
TA Governance			• Regional Governance and Decision Making • A la carte System for Service Provision • Region-wide Paratransit Dispatch Provider
Fare Policy			• Fare Integration and Interoperability • Loyalty and Rewards Programs • Regional Fare Capping

Appendices will be included in the final document.