



High Tax, Slow Tracks vs. Fast Roads, No Tax

Bus-rapid transit and high-occupancy/toll lanes can produce far greater benefits than FasTracks at a far lower cost. This can be done with no new taxes by increasing the share of transit services that are contracted out.

Independence Institute • 14142 Denver West Parkway, Suite 185 • Golden, Colorado 80401 • 303-279-6536 • i2i.org/cad.aspx

Denver's Regional Transit District (RTD) proposes to extend light-rail and commuter-rail service to seven new corridors in the Denver metropolitan area. This is projected to cost close to several billion dollars, and much more when finance charges are included. These rail lines will do little to reduce congestion as they will carry only a few thousand new riders each day at a cost for every new transit trip of \$13 to \$20.

The Center for the American Dream proposes instead to improve Denver-area transit service and to reduce congestion using bus-rapid transit and HOT lanes. The Fast-Roads, No-Tax plan consists of three important steps:

1. Increase the share of bus routes that are contracted out from the current 50 percent to 100 percent. RTD could still operate bus routes, but it would have to bid on them like private operators.
2. Use the savings from contracting out to start bus-rapid transit service in major corridors. For the immediate future, this service would consist of buses on faster, frequent schedules that use existing roads.
3. Convert HOV lanes to HOT lanes and complete a HOT lane network throughout the metro area. Buses would use the HOT lanes, which would be paid for by tolls, saving transit riders even more time. At the same time, the HOT lanes would significantly reduce congestion for the 99 percent of Denver-area motorized travel that relies on automobiles.

RTD's High-Tax, Slow-Tracks proposal has several major problems:

- a. The high cost of rail construction imposes a huge burden on regional taxpayers.
- b. Contrary to the implication of RTD's "fastraks" slogan, rail transit is slow: typically 18 to 20 miles per hour for light rail and 30 miles per hour for commuter rail, not counting the time required for riders to get to and from stations.
- c. Rail transit is also slow to get started. RTD doesn't expect to have service in all seven new corridors

before 2017.

- d. Because it is slow, rail transit attracts few new riders. Using RTD's forecasts, the subsidy for every commuter attracted from their auto on to proposed light-rail lines will be \$6,500 to \$10,000 a year.
- e. As a result, rail transit does nothing about congestion, especially since regional driving will be growing far faster than RTD can open new transit lines.

Fast Roads, No Tax has several advantages over High Tax, Slow Tracks:

1. Bus-rapid transit can be introduced almost immediately, without the years needed for new rail construction.
2. A recent General Accounting Office (GAO) report found that start-up costs for bus-rapid transit on existing roads were only 2 percent as much as light rail construction.
3. The GAO also found that bus-rapid transit operating costs in Denver were only 20 percent as much as light rail.
4. Due to its low cost, bus-rapid transit can be introduced using the savings from increased contracting with no new taxes.
5. Bus-rapid transit can go faster than 30 miles per hour. The GAO found that bus-rapid transit in Denver is 69 percent faster than light rail.
6. With the completion of a HOT lane network paid for by auto tolls, bus-rapid transit can be even faster still.
7. Bus-rapid transit is far more flexible than rail, allowing easy route changes and fast introduction of new services.
8. HOT lanes will benefit far more people than the 1 to 2 percent of travelers who use transit.

Lawmakers should give serious consideration to an alternative that saves taxpayers billions of dollars, requires no new taxes, and produces far greater mobility improvements than RTD's proposal.