

The Mis-Marketing of Transit

by Patrick H. Hare

Door-to-door rail transit is four times slower than a car in the suburban market it is trying to serve. See Tables 1 and 2. Local buses are still slower. Buses and trains are also worse than cars for comfort, security, privacy, weather, transporting parcels, and a number of other functions.

Why would anyone switch to transit? The answer won't be found in transit's speed or convenience. It lies, instead, in the substantial savings from not having to own a second car (or sometimes a first) by relying on a mix of transit, walking, biking, and car rental.

The typical second car costs about \$4,300 a year. Transit and occasional car rental cost about \$1,300 a year. Middle and lower income Americans can save more than \$3,000 a year, net, by giving up a second car for transit and occasional car rental. See Table 3. For many, households,

that will mean a 10 percent increase in disposable income. If taking transit adds thirty minutes each way to a commute, or an hour a day for 250 days a year, and saves \$3,000 a year, you can pay yourself \$12 an hour to give up a second car and sit on transit. That is a genuine reason for many people to use transit and occasional car rental. It is a reason to stay on transit even if the roads are empty. It is an incentive to make much more selective use of cars.

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We could create others. How about bigger mortgages for people who could afford higher mortgage payments because they are spending less of their income on car ownership? At today's rates, \$3,000 in net annual savings from giving up a car for transit and occasional car rental will pay the yearly principal and interest on more than \$34,000 in mortgage borrowing. "Near Transit" mortgages would increase the affordability of a \$100,000 home by 34 percent. Giving up two cars for transit and car rental would increase the affordability of a \$100,000 home by about 70 percent. "Near Transit" mortgages would make housing more affordable, and, at the same time, get cars off the road — at no public cost. The key is in realizing that the principal benefit of transit is not speed or convenience (which it lacks), but not having to own a second car.

After World War II, the car harnessed itself to home ownership. There is no reason transit couldn't do the same thing. If driving expensive cars out to cheap land can help people qualify for mortgages more easily, there is no reason why the savings from riding inexpensive transit shouldn't also help people qualify for mortgages more easily. As a country, we are baffled by our seeming love affair with the car. Actually, our greater love is with owning a home. If people understand that using transit can translate into increased home buying power, many will give up their second car. *"Home" Economics.*

Should we be surprised that few people are willing to pay \$4,300 a year for a second car that provides a fast way to work, then leave it at home while paying an additional \$1,000 for transit, in return for which they get an average 7 mph trip to work? For transit promoters to simply urge people to leave their cars at home is like a restaurant telling its customers to order steak, pay for it, and then leave it parked untouched at one table while they

TABLE 1: Transit Speeds vs. Car and Bike Speeds

1. Average Door-to-Door Suburban Car Speed	28 mph
2. Average Door-to-Door Bike Speed	8 mph
3. Average Door-to-Door Rail Transit Speed	7 mph

TABLE 2: Average Door-to-Door Rail Transit Speed

1. Walk to station (5 blocks at 3 mph)	10.0 minutes
2. Wait at station (includes buying ticket)	4.5 minutes
3. Ride time (average 5 miles at 15 mph)	20.0 minutes
4. Exit station time	3.0 minutes
5. Walk from station to job (3 blocks at 3 mph)	7.5 minutes

From the U.S. Dept. of Transportation's 1983 and 1990 Nationwide Personal Transportation Surveys. Other sources include the Montgomery County (Maryland) Planning Board.

Total time	45.0 minutes
Total distance	5.5 miles
Average rail transit speed	7.3 mph

NEAR TRANSIT (ONE CAR) MORTGAGES



move to another, order, pay for, and eat salad. It is not a good way to fill a restaurant — or a bus or train.

Our real enemy may not be cars. It may be the “green halo” we have placed on transit that makes it impossible to acknowledge that transit is slow and inconvenient compared to cars. It should not be news, however, that transit is slow and inconvenient relative to cars. In even the most transit oriented cities, such as New York, people take taxis when they can afford to. Afford is the key word. Transit’s biggest advantage to households, and maybe its only one, is that it is

so much cheaper than owning a car. If we are unwilling to recognize that transit is slow and inconvenient compared to a car, we will be unable to focus on the real reason to take transit: the savings from not having to own a second car.

Until we see through transit’s green halo, we will be unwilling to look for ways to help transit maximize the savings from not owning second cars, and minimize the inconvenience. We will not, for example, understand the combined appeal of transit and neighborhood car rental to the household budget.

 *Neighborhood Car Rental.* We will not understand how transit and rental cars combine the high savings of giving up a second car with the convenience of easy access to a car when it is really necessary and worth the cost. Together, they can make us much more selective about when we use cars.

Transit agencies should market the \$3,000 a year in savings from not owning a second car, as well as the genuine improvement in personal transportation quality from not having to rely on clunkers. Clunkers are like driving rolling slot machines to work. They are the easy cars to compete against. Transit agencies should offer “No-Car Loans” so that people facing the repair or replace decision

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“Home” Economics

Home buyers often seem to think they are saving money by finding homes at the suburban fringe where prices are lower. Unfortunately, these buyers are ignoring the basic economics of human settlements at precisely the moment when they are deciding where to settle. While suburban fringe homes typically do cost less, this savings does not take into account the fact that owning two cars will be essential. These two cars, in turn, will cost some \$10,000 per year to own, use, and maintain. In effect, money is being spent on housing through cars. People need to realize that the cost of their cars should be factored into the cost of their housing choice. So what appears to be cheap land and housing may not actually be so cheap. In contrast, housing located near transit is actually cheaper than it seems, except in the eyes of the mortgage industry. The mortgage industry unintentionally ignores both land economics and “home” economics.

Neighborhood Car Rental

There are times when nothing but a car will do. The problem is how to make a car available at those times, without triggering car ownership. Having the ability to easily rent a car will help ensure that people are not compelled to own a car — especially a second car — when they really only need to use a car at sporadic times when walking, biking, transit, or home delivery won’t do. Car rental within walking distance should be part of planning for centers where people can live with one car or no car. Ideally, car rental should be available by the hour, and rental car companies should be permitted to practice “scattered site” rental, with on-street parking in reserved spaces, and pre-approved electronic keys. Neighborhood car rental will offer a cheaper, more convenient alternative to taxis. Occasional use of car rental costs much less than owning a clunker, not only in cash, but in “blind dates” by the side of the road with tow trucks.

TABLE 3: Net Annual Savings From Giving Up Second Car:

Average annual owner costs for a seven-year-old compact car	\$2,900
Average annual owner costs for a four-year-old mid-size car	5,700
Split the difference to assume typical annual second car cost.	4,300
Deduct transit cost, assuming \$4/day for 250 days/year	(1,000)
Deduct car rental cost, assuming \$25/day for 12 days/year	(300)
Net annual savings from giving up second car	\$3,000

The above is based on car ownership and operating costs, and does not even include parking fee savings many commuters will receive when they use transit instead of their car. Car cost information from the Federal Highway Administration and American Automobile Association.

Editor's Note:



PLANNING, TRANSPORTATION, AND THE HOME ECONOMICS OF REDUCED CAR OWNERSHIP

That's the title of Pat Hare's three-ring binder "seminar book," illustrated by Alan Feinberg. It's aptly called a seminar book, because moving through the tabbed sections is comparable to attending a thought-provoking, well-presented, seminar on how we can realistically reduce our automobile dependence. As Hare notes, "It is hard to get people out of cars by calling cars bad. In fact, recognition of how good cars are as transportation is essential to developing strategies that reduce their side effects of pollution, congestion, and energy consumption. Similarly, recognition that transit is not convenient transportation, but is excellent at saving money, is also essential. Combining these two facts creates a focus on the savings/inconvenience ratio of giving up one or more cars."

Hare's seminar book looks at ways in

which planners can help convert two-car households into one-car households — including redesigning our neighborhood shopping centers; zoning to allow local convenience stores; fostering neighborhood car rentals; and encouraging accessory apartments. Hare's book includes 67 pages of cartoon graphics (including those reprinted here) which reinforce key points, and will help those who want to discuss any of the ideas contained in the book — you just have to clip a few of the cartoon graphics to a short memo.

While the seminar book is not cheap (\$150 is the price for a "master copy" which includes limited copying rights for overhead-ready graphics and text), it will likely catch the interest of planning commissioners and other citizen planners because of its innovative, yet common-sense ideas, humorous illustrations, and easy readability. For ordering information contact Pat Hare, c/o Hare Planning, 1246 Monroe Street, NE, Washington, DC 20017; tel: (202) 269-9334; FAX: (202) 832-2903.

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can turn in their clunkers — the cars American do, in fact, hate — and obtain a year's transit pass, 12 to 20 days worth of car rental, some cash back, and maybe a new bike or a pair of roller blades as a closing bonus!

Similarly, transit agencies should highlight that owning one less car means having more money available. They should help advocate for mortgage reform, and should even consider offering second mortgages to people who live near transit stations and agree to give up one car or both. Then people will start moving back toward transit, rather than away from it, as they have been for the last fifty years.



SUMMING UP:

We have mis-marketed suburban transit by promoting it as the fast way to work. The good news is that marketing transit honestly will cost almost nothing, and should bring in riders. If it is marketed honestly — as a slow way to work, but a fast way to the bank and to home ownership — transit can be the best friend of the suburbs, the cities, the environment ... and the commuter. ♦

Patrick H. Hare is a Washington, DC transportation and housing consultant, and the author of Planning, Transportation, and the Home Economics of Reduced Car Ownership (1995), from which this article was adapted. He also authored "Accessory Apartments for Today's Communities," in Issue #1 of the Planning Commissioners Journal.

Which Is the Best Way to Market Transit?



1. Ask households paying \$4,300 a year for a second car to pay an additional \$1,000 a

year for a slower trip that is worse in weather, worse with parcels, worse for comfort, and thought to be worse for security?

or:
2. Ask households to sell their second car, so they can save \$3,000 a year, and pay themselves \$12 an hour for the extra time they sit on transit or a bike or in a carpool.



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