

# the BUSINESS CASE for Infrastructure Investment



## WHERE DOES PRIVATE INVESTMENT COME IN?

Public transit funding has always been derived from a mix of government agencies, fares, and private investment.

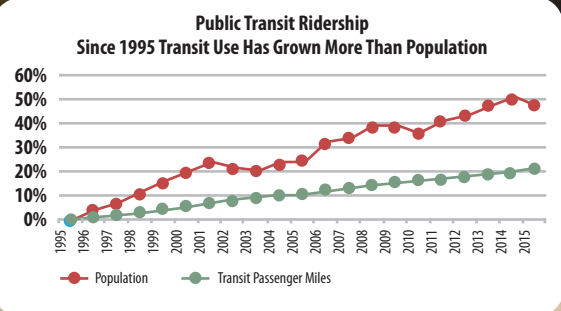
## SOME EXAMPLES

**DENVER EAGLE P3:** A consortium from the private sector was awarded a contract to build Eagle P3, a commuter rail line to the Denver International Airport.

**ALL ABOARD FLORIDA:** Florida East Coast Industries is developing a privately owned, operated, and maintained intercity passenger rail service between South Florida and Orlando.

**CONTRACTED SERVICES:** Since 1988, the Colorado legislature has required Denver RTD to contract with the private sector for portions of its operations.

**PURPLE LINE:** This \$2.5 billion suburban Washington, DC light-rail line will use the private sector to design, build, operate and maintain the system.



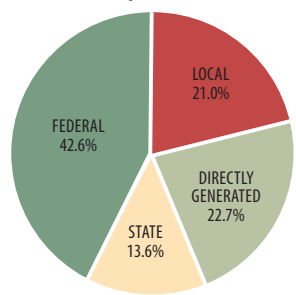
Demand for public transportation continues to grow, which will require both private support as well as federal government investment.

Further, much of the innovation in transportation emanates from private sector, venture capital-backed support of “smart” cities through technology.

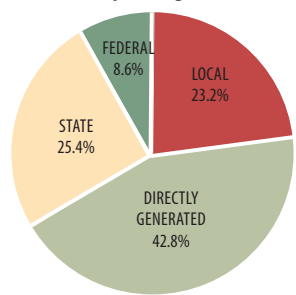
Public transit is so popular at the state and local levels that since 2000, the average success rate of transit ballot measures is 71 percent.

The regions with the best mobility networks continue to grow. Why not make your business part of this growth?

Sources of Capital Funds, 2014



Sources of Operating Funds, 2014



**NOTE:** More information and data can be found at [www.apta.com/resources](http://www.apta.com/resources).

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## HOW MUCH WORK NEEDS TO BE DONE?

The state of good repair backlog for public transit currently stands at \$90 billion. But small variations in annual funding levels can make a big difference.

For example, reducing capital by 2.5% every year for 20 years would result in a backlog 81% higher: \$162.5 billion.

So, where will this good repair work take place?

## ENTER...SMART CITIES

The “smart” in “Smart Cities” applies to mobility, people, government, environment, economy, and living. In other words, creating cities that are livable, workable, and sustainable.

Smart mobility calls for development of seamless multimodal access, the development and deployment of clean mobility options, and the development of integrated technologies that promote easy cross-modal fare payment and itinerary planning.

Public transportation is a critical part of a smart city; entrepreneurs will find their investments increase as the city and its market expands.

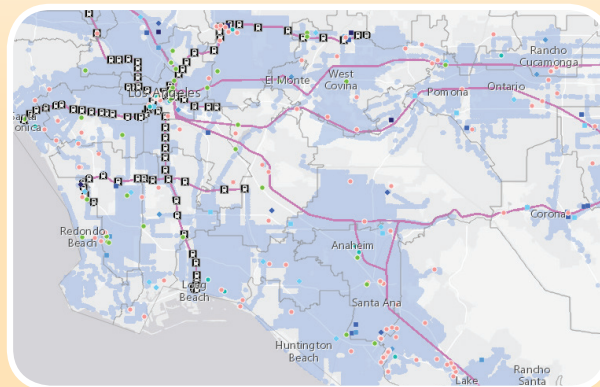
## WHAT IS TECHNOLOGY’S ROLE?

Driverless cars may be in the future, but autonomous buses and trains are already here.

The more public transit encourages the development of new technologies, the greater the business opportunities for transit-oriented companies.

Think beyond the vehicles themselves – where there are already such innovations as automated stop announcements and bus steering, power and USB ports, remote shutdown for buses that may be rouge, digital displays, precise bus docking/precise train openings, and automatic train control, – because technology has expanded to such capabilities as:

- Informational Apps
- Trip Planning
- High-Visibility Station Entrances
- Technology Integration Including Countdown Clocks



## HOW HAS PRIVATE INDUSTRY INCREASED PUBLIC SAFETY?

The following examples demonstrate how private investment benefits public transit, offering increased public safety and bus operational stability:

- Forward Collision Avoidance Systems, using sensors mounted in the front of the vehicle.
- Pedestrian Detection and Avoidance, using radar or camera sensors. Should the driver not react, the system will automatically apply brakes.
- Blind Spot Detection, using sensors and cameras to assist the driver in changing lanes.
- Driver Fatigue and Inattention Alerts, for the less-than-focused driver.

## DOES PRIVATE INVESTMENT PRODUCE JOBS?

Recent APTA research shows that investment in public transportation creates jobs in communities of all sizes throughout our country, including small and rural areas where bus and rail manufacturers are located, as illustrated by APTA’s online Industry Footprint (at left), available at [www.apta.com](http://www.apta.com).

A 2014 study by APTA on the economic impact of public transportation investment found that more than 50,000 jobs (mostly private sector) are created with every \$1 billion of investment in public transportation.

There is a \$4 economic return to a community for every \$1 invested in public transportation.