CIVIL BEAT

The Impending Honolulu Rail Ridership Debacle

The city is no better at estimating ridership than it is at estimating costs.

By Cliff Slater Randall Roth / February 13, 2017

HART should prepare for a scenario in which actual ridership, or the number of passengers actually using rail, falls short of forecasted estimates. — <u>City Auditor's Report</u>

The City has grossly overestimated the ridership forecast for Honolulu rail. As demonstrated below, actual ridership is likely to be less than half the City's forecast of 116,300.

Honolulu has had three environmental impact statements for transportation in the last 20 years. Each time the city forecasts a 25 percent to 30 percent increase in future bus ridership, yet each time the actual ridership has subsequently declined. <u>State Data Book</u>,(table 18.25). The FTA is <u>fully aware</u> of this.

The forecast for Honolulu public transportation ridership is based on the fallacy that ridership increases with population. That has never been the case either nationally or locally. In Honolulu, for example, while population growth over the past 30 years has increased by 25 percent, bus ridership has declined 11 percent. The peak year for transit use was 1986. State Data Book, (tables 18.25 & 1.06)



The City projects that the percentage of commuters using public transportation will increase from 6 percent to 7.4 percent if rail is built. But the percentage use of public transportation by commuters in all cities with rail declined between 1980 and 2000, (Table 3.12) regardless of whether they

had rail by 1980 or subsequently built rail. The sole exception was San Diego which built a rail line in 1981 and increased its percentage use from 3.3 to 3.4 percent.

The Washington, D.C., <u>Infrastructure Management Group</u> (IMG Rebel) reviewed the rail plan on behalf of Gov. Linda Lingle and found that in comparing the City's ridership revenues against fare increases the City did not allow for the negative effects of fare increases. Using <u>the American Public Transportation Association's study of the relationship between fare and ridership changes</u> IMG Rebel suggests that the City's then planned 2015 35 percent fare increase <u>would produce a reduction in ridership of approximately 12 percent vs. the 11 percent increase projected.</u>

IMG Rebel points out that a 2007 Federal Transit Administration report (p. 19) shows that overall rail ridership estimates were in error by an average of 40 percent. However, IMG Rebel notes that FTA found that new rail systems tend to have higher errors than extensions of existing systems. Actual ridership was 47 percent less than estimated for new rail projects, while extensions of existing projects were off by 35 percent.

IMG Rebel concludes that, "Post-rail transit system usage and fare revenue are likely to be substantially lower than that projected in the current Financial Plan, since the Plan's projection would require an unprecedented and unrealistic growth in transit utilization for a city that already has one of the highest transit utilization rates in the country."

<u>The table below</u> shows actual ridership for all U.S. rail cities of less than four million population, followed by an outlier: Honolulu's rail ridership projection:

City	Population (millions)	Daily rides as of 2015	Miles of rail	Rides per mile	Riders per million pop.
Seattle	3.7	41,000	20.4	2,010	11,081
Minneapolis	3.5	71,400	21.8	3,275	20,400
San Diego	3.3	123,300	53.5	2,305	37,364
Denver	2.8	76,600	48.0	1,630	27,357
St. Louis	2.8	47,600	46.0	1,035	17,000
San Juan	2.6	32,800	10.7	3,065	12,615
Charlotte	2.4	16,700	9.6	1,740	6,958
Portland	2.4	122,900	60.0	2,048	51,208
Pittsburgh	2.4	22,281	26.2	850	9,284
Sacramento	2.3	45,300	42.9	1,056	19,696
San Jose	2.0	33,400	42.2	791	16,700
New Orleans	1.3	22,900	22.3	1,027	17,615
Salt Lake City	1.2	67,300	44.8	1,502	56,083
Buffalo	1.1	17,100	6.4	2,672	15,545
Honolulu	1.0	116,300	20.7	5,618	116,300

The Final EIS forecasts for Honolulu rail and San Juan (which is the only other elevated rail system to be built in recent years) are remarkably similar: 116,300 and 114,492 daily riders respectively. Actual ridership for San Juan turned out to be only 27,567 daily, which was 76

percent less than what had been projected. San Juan's combined bus and rail ridership declined from 32.6 million the year before rail opened to 26.4 million two years after, and it never recovered. Parsons Brinckerhoff who prepared the Honolulu ridership projection also prepared San Juan's.

The foregoing indicates that the City is no better at estimating ridership than it is at estimating costs. We need to replace the train project with an alternative that, unlike rail, will reduce the current level of traffic congestion.

Community Voices aims to encourage broad discussion on many topics of community interest. It's kind of a cross between Letters to the Editor and op-eds. This is your space to talk about important issues or interesting people who are making a difference in our world. Columns generally run about 800 words (yes, they can be shorter or longer) and we need a photo of the author and a bio. We welcome video commentary and other multimedia formats. Send to news@civilbeat.com.

About the Authors



Cliff Slater

Cliff Slater is a businessman who founded Maui Divers. He was a plaintiff in a federal lawsuit challenging the process by which the city selected elevated heavy rail.



Randall Roth

Randall Roth is a professor at the William S. Richardson School of Law whose areas of experise include taxation and professional responsibility. He co-authored Broken Trust, and was a plaintiff in above-mentioned lawsuit.