TRANSPORTATION MANAGEMENT ASSOCIATIONS

Description

A transportation management association (TMA) is "an organized group applying carefully selected approaches to facilitating the movement of people and goods within an area."¹ Also called transportation management organizations (TMOs) and other names, they vary widely in size, organization, membership, and services offered.² TMAs allow businesses to pool their resources to support commuter transportation strategies and can act in an advocacy role with local government on behalf of its membership.

In the United States, TMAs typically form as a non-profit corporation, providing services to both private and public employers and their employees. TMAs provide a variety of services related to transportation demand management (TDM), usually focused on expanding knowledge of alternatives to commuting in a singleoccupant vehicle.

Many TMAs were formed in the 1980s as a reaction to urban traffic congestion by assisting employers with ridesharing databases, alternative work schedules, and even lobbying for transportation infrastructure and service improvements. In more recent years, TMAs are expanding their services to employers as partners in employee benefits by organizing telework programs, assisting employers and employees with transit tax benefits, providing shuttles, parking management, and other services. Most TMAs now evaluate program effectiveness in some form, varying widely on an area's needs.

TMA organizational structures are becoming more diverse as well. In some cases, government agencies such as metropolitan planning organizations or other transportation agencies provide TMA services. In others, TMAs may be formed under the umbrella of a chamber of commerce or other private entity. Suburban employer districts are also forming TMAs to



Dallas Area Rapid Transit, West End Station

Cost:	0000
Time:	Short
Impact:	Regional
Who:	Public/Private
Hurdles:	Support

provide specialized services for their communities. Large cities such as Atlanta, Houston, and Portland now have several separate TMAs focusing on specific geographic districts with individualized services.

Funding of TMAs has traditionally been by employer membership, but federal grants are now used more often, in partnership with local jurisdictions.¹ TMA budgets have remained relatively constant in recent years, averaging just over \$200,000 per year in 2004.² TMAs are most often led by a board of members, served by a small professional staff. Staff usually number three or fewer, and many TMAs use volunteer staff to extend their reach. Most TMAs are improving accountability by evaluating the effectiveness of their programs, both internal effectiveness and as an external service to employer-based programs.

For more information, please refer to: <u>http://mobility.tamu.edu/mip/strategies.php</u>.



Target Market

TMAs can help mitigate the impacts of congestion in a variety of contexts, though the usual market is employee commuters within congested areas. Geographically, TMAs serve a range of areas including regional or city-wide service, focus along a specific corridor, specialized activity centers, or central business districts. Responding to a survey in 2003, TMAs reported serving an average of 49,100 commuters each. In addition to traditional commuter traffic, some focus on specialized travel markets such as students, visitors, airport, and special-event traffic.

TMAs can be formed to provide services that are not currently being met by existing transportation agencies or advocacy groups, but most of them operate in metropolitan areas with significant traffic congestion.

How Will This Help?

TMAs connect employers, employees, and government agencies to mitigate traffic congestion challenges through a variety of travel demand management methods. By promoting alternatives to single-occupant commuting, <u>TMAs reduce the number of vehicles using the</u> transportation system at its most congested hours: the morning and afternoon commute.

Implementation Examples

The Houston Downtown Management District works with Central Houston, Inc. to provide TMA services to employers and employees in the downtown Houston, Texas, area. In addition to working with the city of Houston, METRO transit and TxDOT partner with NuRide to improve public transit in an innovative ridesharing application. In 2009, 52 percent of workers use some other mode than driving alone.³

The Lloyd District TMA in Oregon estimates services to roughly 4,000 employees directly resulted in an annual reduction of 4.42 million peak hour vehicle miles travelled in 2011,



Figure 1: Percentage of TMAs Composed of Member Groups. Adapted from Hendricks. $^{\rm 1}$

representing removal of 1,052 vehicles from roads and freeways.⁴

Washington State's Commute Trip Reduction program evaluated the efforts of 189 employers along an 8.6 mile stretch of IH 5 in downtown Seattle and found substantial savings in peak travel. Researchers modeled the effects of this program to increase travel speeds of up to 19 mph in the morning traffic peak, and 11 mph in the afternoon peak.⁵ Though attributable to multiple partnerships beyond just a TMA, the combined efforts of TDM programs can be substantial.

Application Techniques and Principles

A variety of methods are associated with successful start-up and maintenance of transportation management associations. The national organization Association for Commuter Transportation produces a TMA Handbook⁶ that can be useful to provide details likely to be helpful. Following are a few key issues.

Evaluate Feasibility—A 2009 examination of the Austin metropolitan area reviewed geographic and travel demand management variables, finding TDM programs may be most effective in the University of Texas and downtown areas.⁷ A downtown Austin TMA known as Movability Austin was formed soon thereafter.

Tailor the Organization—The variety of successful TMAs existing as non-profit, private entities or under another agency's umbrella



shows that one given example may not serve every area. Business partnerships are almost always required, but successful TMAs work with a dynamic employer base that requires regular communication. TMAs need to meet expressed needs in transportation demand management, not pre-supposing transportation issues. Their programs change according to local needs.

Planning and Budgeting—Quality staffing and institutional knowledge are sustained by funding through both membership and grants. Communicate with member employers regularly to ensure their needs are met. Revise budgets according to revenue forecasts regularly.

Monitoring and Evaluation—Both internal performance on goals and member participation should be regularly monitored. Internal performance goals may be related to TMA membership levels, satisfaction, and employee performance. Participation goals are most often monitored annually. Examples include:

- Assistance requests—the number of incoming messages to receive assistance.
- Carpool/vanpool participation rates actual ridership in TMA-organized car/vanpools.
- Event participation—the total number of people attending planned TMA events.
- Modal shifts—changes in commute mode can be surveyed by the TMA, or use American Community Survey data at the census tract or block group level.

Issues

Local Responsibilities—New TMAs need to pay attention to organizations that may already be offering commuter services. Relationships should be cultivated with them to prevent duplication of work while maintaining successful partnerships.

Commuter Choices—Trends in commuter mode choice, household, and business locations are changing the services that TMAs may be most effective in offering. TMAs need to provide expertise in new technologies enabling real-time ridesharing, parking information, and other potentially important issues.

Ongoing Funding—Member employer dues form the basis of most TMAs' operational funding. Government grants are typically one-time infusions that conclude, potentially leaving TMAs with challenges to maintain service levels. Federal sources have included Surface Transportation Program-Metropolitan Mobility (STP-MM) and Congestion Mitigation and Air Quality Improvement (CMAQ), among others. Continuous planning and budgeting will maintain member employer service expectations.

Who Is Responsible?

Urban business improvement districts, chambers of commerce, or local governments most often lead the way in forming TMAs. However, any public or private entity providing commuter services can be instrumental in the development and management of transportation management associations. TMAs are increasingly diverse in both their outreach and funding partnerships. Transportation agencies at the local, regional, and state level often play an important role in the on-going success of a TMA, since they drive changes in infrastructure improvements and funding. After forming a TMA, its board and staff have the responsibility for its ongoing maintenance, chiefly through forming partnerships between non-profits, private businesses, and government agencies.

Project Timeframe

Feasibility analysis, planning, and organization start-up for a new TMA can easily take a year or more. If working under another organization's fiscal umbrella, start-up tasks can focus more on employer outreach in a matter of months. Reporting on a TMA's effectiveness will take more than a year, since commuting trends are often seasonally tied with the schedules of schools, weather, and special events.

For more information, please refer to: <u>http://mobility.tamu.edu/mip/strategies.php</u>.



Cost

Annual budgets for TMA operation depend on the scale and services offered, but generally range from \$150,000 to \$200,000. TMAs that offer some type of transit service usually require more revenue.¹ Operational costs for TMAs are most often recovered through employer membership dues and government grants, but an increasing number provide services for fees.

Data Needs

TMAs typically use employer surveys and the U.S. Census Bureau's American Community

Survey as their main sources of data. Employer surveys usually help define current commuting practices by the employees, identify likely choices for alternatives, and are typically refined for each employer's needs. American Community Survey data enable comparison of an area's travel behavior by residential location, allowing comparison with regional and national trends.

By carefully tracking their own actions, such as member outreach, TMAs can track relative effectiveness of their own practices by cost or time.

Elements Describing the Best Practice

- Type of Location: Metropolitan areas with concentrations of employment.
- Agency Practices: Active partnerships with business community and transportation agencies.
- Frequency of Reanalysis: Annual evaluation of program effectiveness.
- Supporting Policies or Actions Needed: Feasibility studies can help prioritize geographical locations and context-sensitive actions. Start-up program funding may help TMAs develop a base of member-employers and pursue grants. Systematic evaluation through employer surveys and other methods should be used to prioritize ongoing TDM programs.
- Complementary Strategies: Ridesharing (carpool, vanpool, real-time), flexible work hours, multimodal transportation, parking management, and telecommuting.

For More Information

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2. Ferguson, E. Transportation Management Associations: A Reappraisal, *Journal of Public Transportation 10* (4), Center for Urban Transportation Research, 2007, pp 1-26.

3. Central Houston, Inc., *Downtown Houston Commute Survey Report*, 2009. Available from <u>http://downtownhouston.org/resource/transportation/</u>.

4. Lloyd Transportation Management Association. *2012 Annual Report*. Available from <u>http://www.lloydtma.org/accomplishments#Annual Meeting Reports.</u>

5. Georggi, N., P. Winters, S. Rai, and L. Zhou, Measuring the Impacts of Employer-based Transportation Demand Management Programs on an Interstate Corridor, *Journal of Public Transportation 10* (4), Center for Urban Transportation Research, 2007, pp 51-77.

6. Association for Commuter Transportation, *TMA Handbook: A Guide to Successful Transportation Management Associations*, Washington, D.C.: Association for Commuter Transportation.

7. Ungemah, D. and C. Dusza, *Austin Commute Solutions: Review and Opportunities*, Technical report, 2009, Austin, TX: Texas A&M Transportation Institute.

