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# FORK IN THE RAILROAD: RTD'S RIDERSHIP DILEMMA

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# TABLE OF CONTENTS

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|   |           |
|---|-----------|
| <b>About the Authors .....</b>                  | <b>1</b>  |
| <b>About Common Sense Institute.....</b>        | <b>2</b>  |
| <b>Teams &amp; Fellows Statement.....</b>       | <b>2</b>  |
| <b>Introduction .....</b>                       | <b>3</b>  |
| <b>Key Findings .....</b>                       | <b>4</b>  |
| <b>RTD: A Brief History .....</b>               | <b>6</b>  |
| <b>RTD Today: A Review of Key Metrics .....</b> | <b>9</b>  |
| <b>Revenues and Fares .....</b>                 | <b>10</b> |
| <b>RTD Safety .....</b>                         | <b>13</b> |
| <b>Operational Efficiency .....</b>             | <b>18</b> |
| <b>Recommendations .....</b>                    | <b>20</b> |

## ABOUT THE AUTHORS



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## ABOUT COMMON SENSE INSTITUTE

**Common Sense Institute** is a non-partisan research organization dedicated to the protection and promotion of our economy. As a leading voice for free enterprise, CSI's mission is to examine the fiscal impacts of policies and laws and educate voters on issues that impact their lives.

CSI's founders were a concerned group of business and community leaders who observed that divisive partisanship was overwhelming policy-making and believed that sound economic analysis could help people make fact-based and common sense decisions.

CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the Colorado economy and individual opportunity.

## TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. CSI's work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit of academic freedom. The CSI team's work is informed by data-driven research and evidence.

## INTRODUCTION

### *RTD is at a fork in the railroad.*

What began as a relatively small-scale bus operation has grown to one of the Denver metro area's most expansive pieces of infrastructure and a political arena of its own. Increasingly, the public is being asked to put more confidence into an organization of which it has cause to be skeptical.

The organization's budget has grown even as it has not yet delivered the 119 miles of FasTracks rail to Longmont and Boulder voters approved in 2004. With days left in the 2024 legislative session, the General Assembly passed SB24-230, which creates a new oil and gas production fee, the revenue from which directs revenue to go towards expanding transit service, frequency, ridership, and fund passenger rail projects. The bill specifies these funds be used in part to finish the long-awaited FasTracks rail project that has, to date, cost \$72 million per completed rail mile. In the interim between the 2024 and 2025 legislative sessions, lawmakers are proposing to study the effects of making RTD's board partially appointed, rather than purely elected as it is now. The governor is planning to introduce a Front Range commuter rail to the public this November, which will theoretically cooperate with RTD for ridership and the attached federal funding.

In the face of expansive plans, though, RTD serves fewer people than it did just five years ago. Ridership halved during the COVID-19 public health emergency and plagued by lingering issues of elevated region-wide crime and remote work, it has not recovered to prepandemic levels.

RTD should focus its efforts on attracting and maintaining riders, with an eye towards alleviating concerns of safety. The state has made a massive investment in the transit system, and this report will focus on the areas in which RTD can maximize that return on investment.

# KEY FINDINGS

## Budget

- RTD's budget has been climbing as its ridership has fallen. Between 2019 and 2022, ridership fell 46% while its operating budget increased 3%.
- FasTracks has completed 78 of the planned 119 miles of rail at the cost of \$72 million per mile.
- In 2014, the system's operating budget was \$477 million. That rose 35% by 2019 to \$644 million, then sank to \$570 million by 2021 largely in response to COVID-19 interruptions. RTD's budget has grown rapidly since then. By 2023, it had grown to \$856 million, and RTD has proposed a \$1 billion budget for 2024.
- From 2020 through 2022, 66% of RTD's revenue came from sales and use taxes in participating counties, amounting to \$275 per Denver metro area resident.
- Operating assistance grants (primarily federal dollars) contribute another 25%.

## Ridership

- As of January 31, 2024, fares only recovered 4.4% of RTD's operating costs. In 2022 the state legislature eliminated a standard that required higher fare recovery ratios. Unless ridership increases, this lower level of fare recovery means there is a greater level of public subsidy expected to maintain RTD.
- RTD's budget has been climbing as its ridership has fallen.
- In 2022, RTD ridership was 54% of its 2019 level.
- Ridership had already decreased 5% from 2014 to 2019.
- RTD would have to nearly triple its ridership in order to recover 30% of its operating costs through rider fares, as it was officially required to do until 2021.

## Crime

- According to the Colorado Bureau of Investigation, the number of crimes occurring at Colorado air/bus/train terminals has spiked.
- Between 2019 and 2023, violent crime rose by 53%, including a 300% rise in murder, an 86% rise in aggravated assault, a 32% rise in non-consensual sex assault, and a 32% rise in robbery.
- Property crimes also increased by 89% during the same timeframe, including an 89% rise in larceny, a 13% rise in burglary, a 48% rise in fraud, and a 202% rise in motor vehicle theft.
- Drug crime increased even more sharply. The number of drug violations at air/bus/train terminals rose by 248% between 2019 and 2023 and the number of drug equipment violations rose by 858%.

## National Context

- Among 23 U.S. public transportation systems spanning bus, light rail, and heavy rail, RTD ranked 17th in overall spending, 15th in the number of unlinked trips, 10th in the amount of operational expense per trip, 19th in use rate per service area population, 17th in number of miles transported, and 17th in spending per mile of rider travel in 2022.

## RTD: A BRIEF HISTORY

### Creation and Early Focus

The Regional Transportation District (RTD) was created by the Colorado state legislature in 1969 to provide a unified mass transportation system for an area which then comprised of Denver, Adams, Arapahoe, Jefferson, Boulder, Weld, and Douglas counties. A 21-member board was created to oversee the operations of the RTD whose members were almost exclusively appointed by city and county governments within the district.<sup>i</sup>

At more than 2,300 square miles, the service area of RTD is larger than Delaware.<sup>ii</sup> As a result, among the top 50 transit systems in the United States, RTD has the 5th-lowest population density, according to the most recent data from the National Transit Database.<sup>iii</sup>

RTD's first transportation plan was approved by the board in 1973. Totaling \$1.6 billion, the plan called for a local and regional bus system combined with a new concept: a Personal Rapid Transit (PRT) network. RTD received a federal grant to explore the feasibility of a 100-mile PRT network, in which small passenger cabs, sometimes described as "horizontal elevators," would move roughly a dozen people at a time along 16-foot elevated guideways.<sup>iv</sup>

### Sales Tax Approval and Acquisition of Bus Routes

Later in 1973, voters approved a district-wide sales tax to fund RTD's transportation planning and operations.<sup>v</sup> With this revenue, RTD started negotiating the purchase of seven private and public transit systems—primarily bus lines—that operated within the district.<sup>vi</sup>

The largest of these bus lines, Denver Tramway Company (DTC), had gone bankrupt in 1971. Its assets were sold to the City and County of Denver before they were taken over by RTD a few years later. Established in the late 1800s, DTC started as a streetcar operator but fully converted to buses in the 1950s. Declining ridership, however, resulted in DTC's financial collapse shortly after the creation of RTD.<sup>vii</sup>

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2,300 square miles,  
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is larger than Delaware.*



## Denial of PRT (Personal Rapid Transit) and Light Rail Funding, Board Reforms

By the time its acquisition of existing bus lines was complete in 1974, RTD's hopes of creating a PRT network started to fade. Federal officials questioned the cost-effectiveness of the concept and cut funding for future development in 1975.

RTD pivoted from its PRT concept to a proposed light-rail system, but the Urban Mass Transportation Administration denied federal funding, concluding "that an improved bus system will provide the same ridership and quality of service as light rail, but at substantially less cost."<sup>viii</sup>

In 1980, RTD tried again to find funding for light rail. It proposed increasing the RTD sales tax to fund a \$1 billion, 73-mile light rail system,<sup>ix</sup> but voters rejected this proposal.<sup>x</sup> Voters in 1980 did approve reforms to RTD's board. The 21-person appointed board was replaced with a 15-person elected board in 1983.

## Expanding Bus Service, Privatization Push, and the Return of Light Rail

Following the federal and local rejection of light-rail funding, RTD focused on the expansion of bus services, including the launch of the 16th Street MallRide Shuttle and the construction of Market Street and Civic Center stations.<sup>xi</sup>

During this time, however, the state legislature started pressuring RTD to privatize a significant portion of its bus fleet. The first privatization measure, approved by state lawmakers in 1988, required at least 20% of RTD bus service to be provided by private contractors. Subsequent legislation would increase that requirement to 58%.<sup>xii</sup>

In the late 1980s, RTD revived its light-rail ambitions. A favorable ruling from the Colorado Supreme Court expanded the application of RTD's sales tax, generating a surplus that allowed for the construction of a 5.3-mile "starter" light-rail project through the heart of downtown Denver.<sup>xiii</sup> Passenger service on the \$116 million Central Corridor project began in 1994 and bigger plans followed.

Two years later, U.S. Secretary of Transportation Federico Peña, who served as the Mayor of Denver from 1983 to 1991, approved a \$120 million grant to support the construction of an 8.7-mile extension of the RTD light rail system from Broadway & I-25 to Mineral Avenue in Littleton. Passenger service on the Southwest Light Rail Line began in 2000.<sup>xiv</sup>

## Major Rail Expansion Hits a Budget Wall

In 2004, voters increased the RTD sales tax by 0.4% to 1% to fund FasTracks: A 12-year, \$4.7 billion program to add 119 miles of light rail and commuter rail and 18 miles of bus rapid transit across the district. FasTracks was described by the American Public Transportation Association as "arguably the most ambitious transit program of our time."<sup>xv</sup>

However, the FasTracks project was beset with cost overruns, sales-tax revenue shortfalls, and delays tied to the Great Recession of 2007–2009, the COVID-19 pandemic, and other obstacles.

By 2020, after spending \$5.6 billion, only 78 of the promised 119 miles of rail projects had been completed, including the A Line connecting Union Station with Denver International Airport.<sup>xvi</sup> The Flatiron Flyer bus service between Denver and Boulder had also been added, along with other upgrades, including the redevelopment of Denver's Union Station and expanded Park-n-Ride facilities.

In 2021, RTD officials predicted that completing the rest of the FasTracks program would cost a further \$2.09 billion to \$2.35 billion, putting the entire initiative roughly \$3 billion over the voter-approved budget.<sup>xvii</sup>

## Declining Ridership, Service Cuts, and a Proposed Front Range Rail Partnership

Even with the expanded rail and bus service offerings under FasTracks, RTD experienced a 5% drop in ridership between 2014 and 2019.<sup>xviii</sup>

This trend accelerated dramatically during the COVID-19 pandemic—total passenger boardings fell from around 106 million in 2019 to just 49 million in 2021.

During the depths of the pandemic, RTD received more than \$700 million in emergency federal stopgap funding.<sup>xix</sup> Passenger boardings were 54% recovered in 2022, and in 2023 recovered to just over 65 million, less than two-thirds of the ridership level before COVID-19.<sup>xx</sup> As a result, in early 2024, RTD started planning service cuts that would reduce train frequency to once per hour on some routes.<sup>xxi</sup>

Amid these budget and operational problems, RTD recently entered discussions with state officials about revamping its plans for the \$1.5 billion Northwest Rail Line connecting Westminster to Boulder and Longmont—the largest unfinished project of the FasTracks initiative which now has a projected completion date of 2050.

To speed up the project, RTD's Northwest Rail Line would be folded into the larger Front Range Passenger Rail Project, which is proposed to run 173 miles between Fort Collins and Pueblo.<sup>xxii</sup> The proposal, released in early 2024, would require action from the state legislature and depends on funding commitments from the federal government which have yet to be secured.

## RTD TODAY: A REVIEW OF KEY METRICS

More than half a century after the creation of RTD, it is important to examine whether the transit agency has kept pace with the needs of Denver metropolitan area residents and delivered the return on investment all had hoped for. Even if RTD's original vision was a good fit for the region in the late 1960s and early 1970s, much has changed since then, including patterns of personal and work-related transportation, public safety trends, and the choices available to potential RTD riders. In particular, the rise of remote and hybrid work options in the wake of the COVID-19 pandemic arguably compressed decades worth of change in commuting habits into the space of a few years. Further, our region now has several large employment centers competing with downtown Denver which were not foreseen as the system was being built.

Like any public or private enterprise, RTD's success or failure to meet the needs of today's Denver metropolitan area can be assessed through an examination of key metrics.

## REVENUES AND FARES

*RTD's budget has been climbing as its ridership has fallen.*

In 2014, the system's operating budget, which includes all operating costs but not capital costs or debt service, was \$477 million. That rose 35% by 2019 to \$644 million, then sank to \$570 million by 2021 largely in response to COVID-19 interruptions. RTD's budget has grown rapidly since then. By 2023, it had grown to \$856 million, and RTD has proposed a \$1 billion budget for 2024. The organization does clarify, however, that both 2023 and 2024 are not directly comparable to previous years, due to accounting differences.<sup>xxiii</sup>

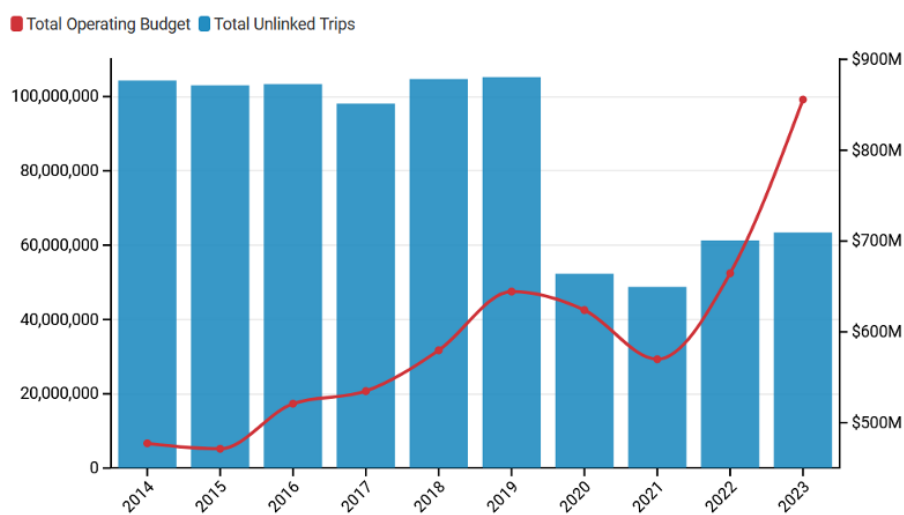
At a ten-year average of \$635 million, RTD's average annual operating budget is approximate to the City of Denver's budgeted 2024 general-fund spending on public safety.<sup>xxiv</sup> If adopted, the proposed 2024 budget would equal the entire 2023 budget of Colorado Springs and rival or eclipse the budgets of Arapahoe County (\$543 million), the City of Boulder (\$653 million), or Douglas County (\$672 million).

RTD's operating budget excludes its capital costs and debt. In 2022, RTD's debt service requirement was just under \$200,000,000, having fallen slightly from a peak in 2020.

The RTD average weekly ridership fell by more than half in 2020. By 2022, it had recovered slightly but remained only 54% of 2019's level.

**FIGURE 1**

### RTD Budget and Ridership



Source: HUD



Like most transit agencies across the U.S., RTD is a publicly subsidized entity which draws most of its revenue from taxes and grants rather than passenger fares or any other direct contributions of its own. Both in metro Denver and the rest of the country, this imbalance has deepened over time.

Between 66% and 67% of RTD's revenues from 2020 through 2022 came from sales and use taxes in participating counties. Operating assistance grants contributed another quarter.

RTD collected \$799 million from sales and use taxes in 2022, roughly \$275 per Denver metro area resident.

Public officials' shuttering of workspaces and public areas in response to COVID-19 triggered a collapse of public transit ridership across the U.S., leaving fewer RTD riders to absorb operating costs. Even before the pandemic, however, the share of RTD's revenue absorbed by fare had been sliding (see Figure 4).

FIGURE 2

RTD Debt Service Requirements and Coverage Rates

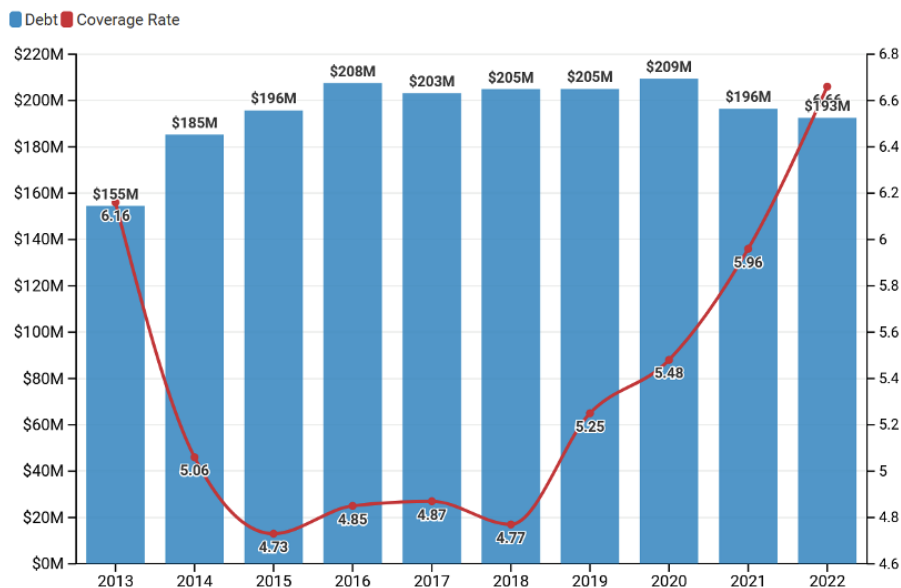
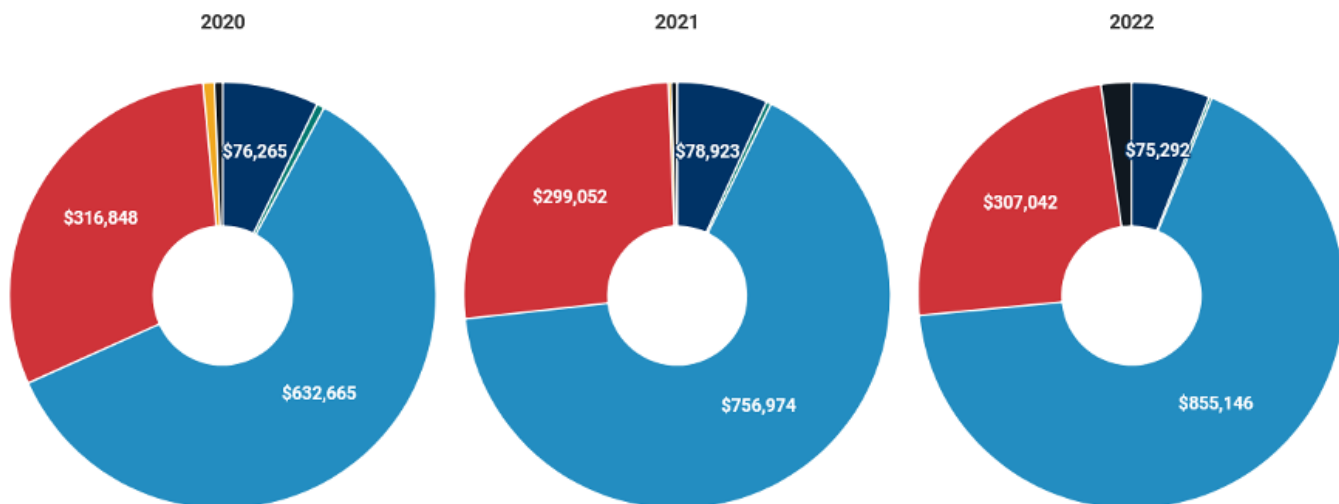


FIGURE 3

RTD Revenues (Thousands)

Legend: Passenger Fares, Advertising and Other, Sales and Use Tax, Grant Operating Assistance, Investment Income, Other Income and Gains, Interest Expense, Other Expenses and Losses



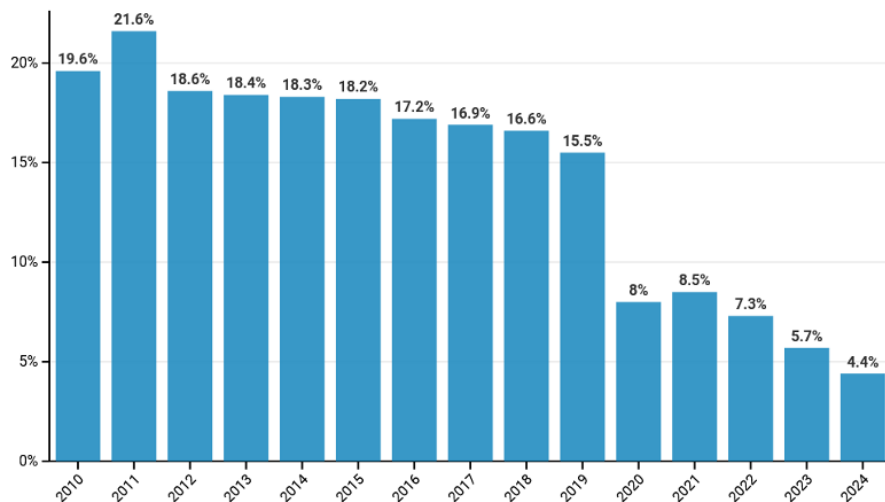
Fare recovery peaked in 2011 at 21.6% of RTD's operating expenses. That declined every following year to 15.5% by 2019.

In 2020, fare recovery rates cratered further. Fares covered 8% of RTD operating costs in 2020, rebounded slightly to 8.5% of operating costs in 2021, and slid every year since then. As of January 31, 2024, fares recovered just 4.4% of RTD's operating costs this year.

Until 2021, RTD was statutorily required to derive 30% of its operating revenue from passenger fares.<sup>xxv</sup> In order to achieve that recovery rate within the existing fare structure, its ridership would need to nearly triple. In 2022, RTD's operating expense totaled \$664,481,002, so RTD would have needed to collect \$199,344,301 in fares to recover 30% of costs. Instead, the 61.3 million unlinked trips in 2022 generated only \$75,292,000 in fares—an average of \$1.23 per trip.

FIGURE 4

RTD Fare Recovery Ratio

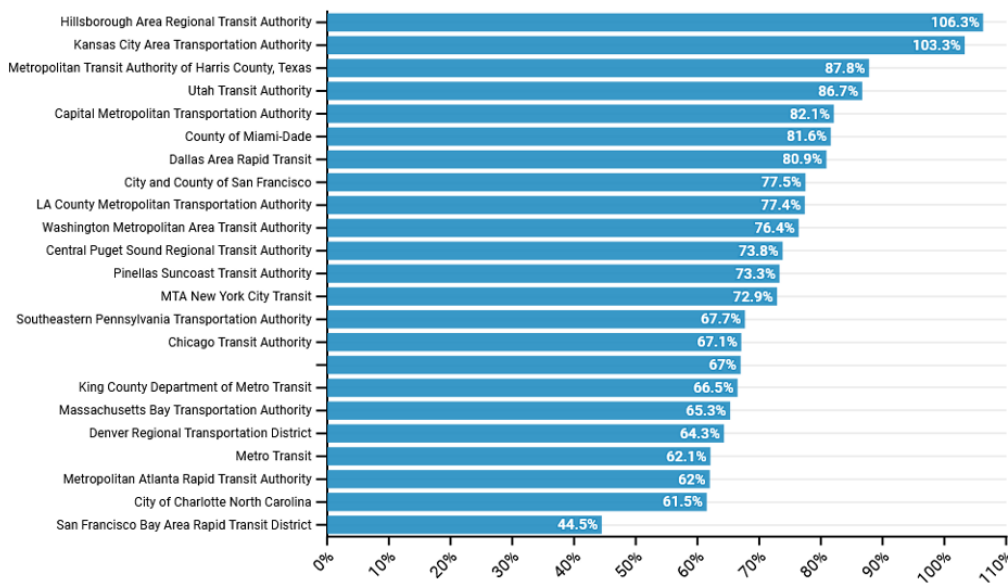


Source: HUD and RTD



FIGURE 5

Feb. 2024 Unlinked Trips as Shares of Feb. 2020 Unlinked Trips



Source: National Transit Database



**The Denver metro area has not recovered its transit ridership as well as most large U.S. metro areas.**

In February 2024, RTD passengers took only 64.3% of the number of unlinked trips (individual transit vehicle boardings) they took in February 2020. This ranks 19th among the 23 transit systems CSI analyzed.<sup>xxvi</sup>

## RTD SAFETY

Safety and the perception of safety are crucial to public transit ridership, but tracking RTD-related crime is murky. RTD police have acknowledged an uptick in crime in line with the same general uptick in crime experienced by the Denver metro area in the early 2020s. However, there is a lack of data, a lack of coordination among data sources, and an issue of jurisdiction that confounds the existing data.

As recently as 2015, RTD police had five officers and no dedicated data collection efforts. Since RTD is not a 911 service, emergency calls from an RTD line may be routed from another police agency, which may or may not turn the incident over to RTD for tracking. The transit police may have the authority to respond to a call near an RTD stop but need to cooperate with a local agency any further than sidewalk boundary. RTD's jurisdiction varies by location, as well. In Denver, RTD police only respond to incidents at Union Station, while the Denver Police Department handles incidents elsewhere. These features make determining the crime rate on a mobile, interjurisdictional transit system difficult.

According to Colorado Bureau of Investigation crime statistics, public transit-adjacent crime has risen in the past five years, but another set of figures from RTD police show it declining.

According to the Colorado Bureau of Investigation, the number of crimes occurring at Colorado air/bus/train terminals has spiked since 2021 (see Figure 6). Though the scope of CBI's dataset is not limited to RTD facilities, most public transit in Colorado occurs in the Denver metro area and is operated by RTD.

Violent crimes had been steadily rising at air/bus/train terminals since 2016. There were four murders at these locations in 2023, up from one or none in any of the preceding years going back to 2008.

Between 2019 and 2023, violent crime rose 53%, including a 300% rise in murder, an 86% rise in aggravated assault, a 32% rise in non-consensual sex assault, and a 32% rise in robbery.

Property crimes also increased by 89% in the same period, including an 89% rise in larceny, a 13% rise in burglary, a 48% rise in fraud, and a 202% rise in motor vehicle theft. It should be noted that Denver International Airport has experienced one of Denver's sharpest upticks in auto thefts in the last four years.

Drug crimes increased even more sharply. The number of drug violations at air/bus/train terminals rose by 248% between 2019 and 2023 and the number of drug equipment violations rose by 858%.

**FIGURE 6: CRIMES AT AIR/BUS/TRAIN TERMINALS**

### Air/bus/train Terminal Crimes in Colorado

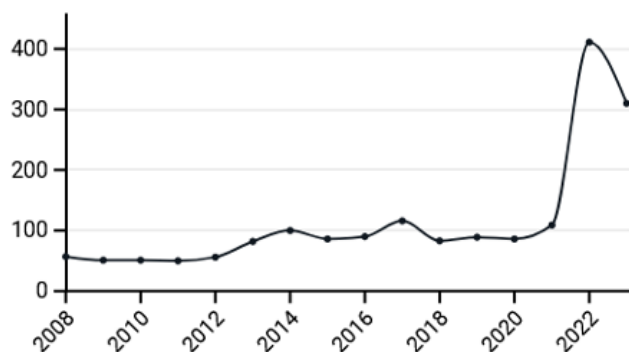
**Violent Crime**



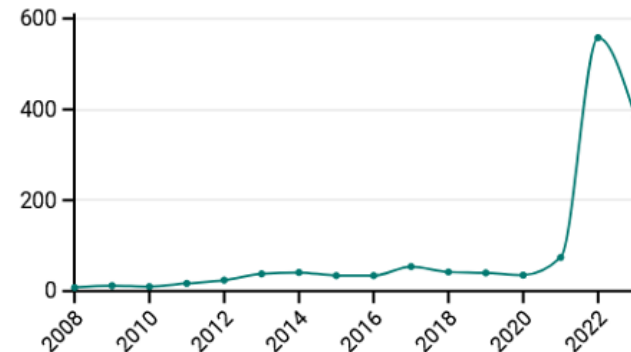
**Property Crime**



**Drug Violations**



**Drug Equipment Violations**



Source: Colorado Bureau of Investigation



Violent and drug crime hit a peak in 2022 and declined in 2023, while still remaining at very high levels compared to the 2010s. Property crime, however, continued to rise through 2023.

Figures from RTD's police force paint a different picture, however, of monthly crime totals falling over the last several years.



FIGURE 7 - COLORADO BUREAU OF INVESTIGATION CRIMES AT AIR/BUS/TRAIN TERMINALS, 2008-2023

|                    | Murder | Aggravated assaults | Non-consensual sex offenses | Robbery | Drug violations | Drug equipment violations | Larceny | Burglary | Fraud | Motor vehicle theft |
|--------------------|--------|---------------------|-----------------------------|---------|-----------------|---------------------------|---------|----------|-------|---------------------|
| 2008               |        | 33                  | 14                          | 27      | 57              | 8                         | 207     | 7        | 18    | 12                  |
| 2009               |        | 28                  | 14                          | 26      | 51              | 12                        | 191     | 5        | 29    | 13                  |
| 2010               | 1      | 27                  | 13                          | 17      | 51              | 10                        | 273     | 17       | 26    | 17                  |
| 2011               |        | 21                  | 21                          | 23      | 50              | 17                        | 284     | 8        | 41    | 5                   |
| 2012               | 1      | 30                  | 11                          | 26      | 56              | 24                        | 500     | 18       | 53    | 22                  |
| 2013               | 1      | 34                  | 32                          | 22      | 82              | 38                        | 485     | 14       | 64    | 40                  |
| 2014               |        | 30                  | 16                          | 26      | 100             | 41                        | 497     | 18       | 73    | 34                  |
| 2015               |        | 43                  | 17                          | 24      | 86              | 34                        | 535     | 10       | 65    | 58                  |
| 2016               | 1      | 35                  | 19                          | 28      | 90              | 34                        | 577     | 4        | 52    | 40                  |
| 2017               | 1      | 59                  | 25                          | 44      | 116             | 54                        | 531     | 11       | 65    | 68                  |
| 2018               |        | 69                  | 37                          | 44      | 83              | 42                        | 621     | 12       | 69    | 63                  |
| 2019               |        | 79                  | 25                          | 39      | 89              | 40                        | 701     | 8        | 44    | 54                  |
| 2020               |        | 92                  | 21                          | 57      | 86              | 35                        | 469     | 16       | 34    | 42                  |
| 2021               | 1      | 103                 | 19                          | 52      | 109             | 74                        | 797     | 12       | 38    | 117                 |
| 2022               | 1      | 153                 | 37                          | 49      | 411             | 558                       | 1062    | 17       | 55    | 221                 |
| 2023               | 4      | 147                 | 33                          | 36      | 310             | 383                       | 1322    | 9        | 65    | 163                 |
| Increase 2019-2023 | 300%   | 86.08%              | 32%                         | 32%     | 248%            | 858%                      | 89%     | 13%      | 48%   | 202%                |

RTD's police department tracks crimes by month.<sup>xxvii</sup> The monthly average crimes reached a peak in 2016, when there were 1,130 crimes a month. That monthly average fell to 435 crimes per month in 2022, then rose to 560 average monthly crimes in 2023. The number of crimes per passenger trip was also high in 2016, but it peaked instead in 2020 when ridership cratered due to pandemic-related restrictions. By 2023, the crime rate had returned to pre-2020 levels but remained substantially higher than it was a decade earlier.

Similarly, citations issued by RTD police rose in 2023 after falling for several years. RTD police issued an average of 1,355 citations per month in 2020. That fell to 372 per month in 2022, then rose in 2023 to 526 per month.

Violent crimes are less common than property crimes and crimes against society (public drunkenness, disturbing the peace, etc.), but RTD police recorded thousands of violent crimes, as well.

Since January 2015, there have been 28 homicides recorded by RTD police, seven of which occurred on buses. There are 2.8 homicides per year recorded by RTD police. This peaked in 2017 and 2019, during

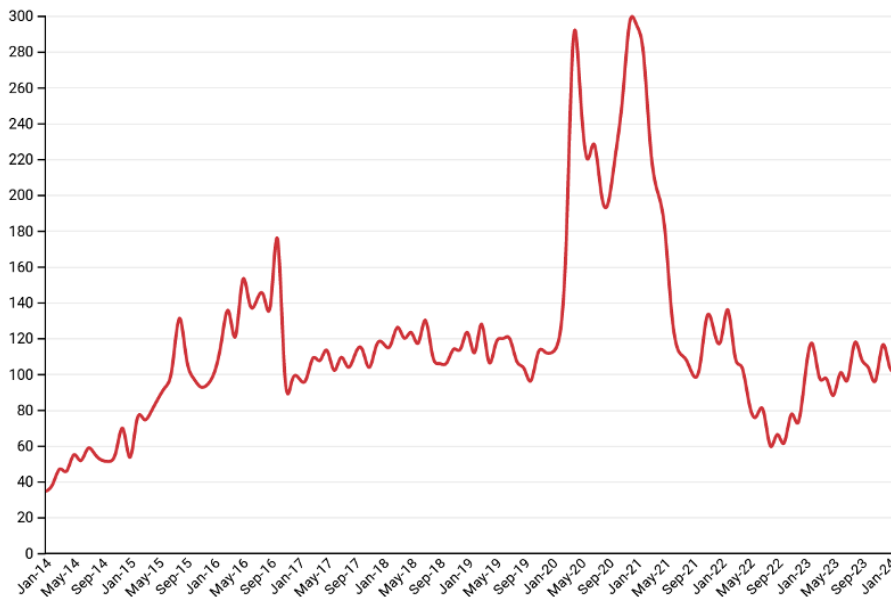
both of which RTD police recorded five homicides.

In 2024, RTD has already recorded three homicides. One occurred in every month of the first quarter.

Similarly, assaults have fallen since a peak in 2020 and risen slightly in 2024. RTD police recorded an average of 34 monthly simple and aggravated assaults in 2020, which fell to 21 in 2023. An average of 19 was recorded in the first quarter of 2023, which has risen to an average of 22 in the first quarter of 2024.

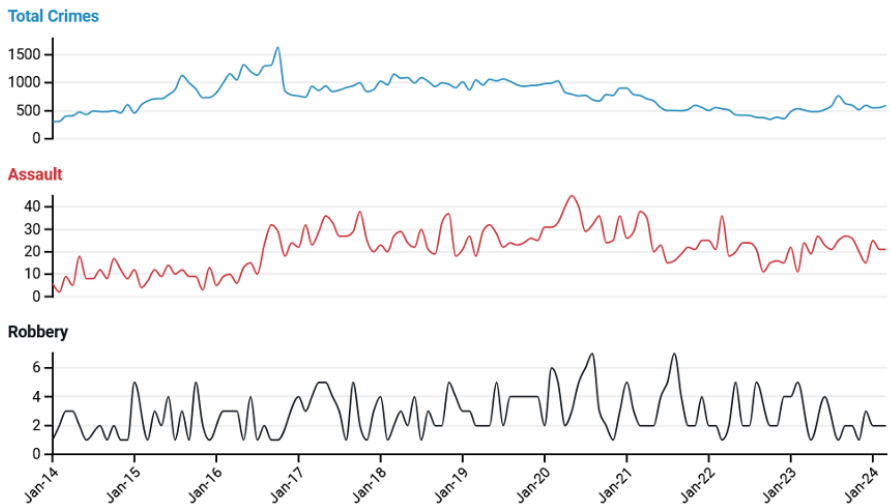
**FIGURE 8**

**RTD Crimes per Million Passenger Trips**



**FIGURE 9**

**RTD Total Monthly Crimes, Assaults, and Robberies**

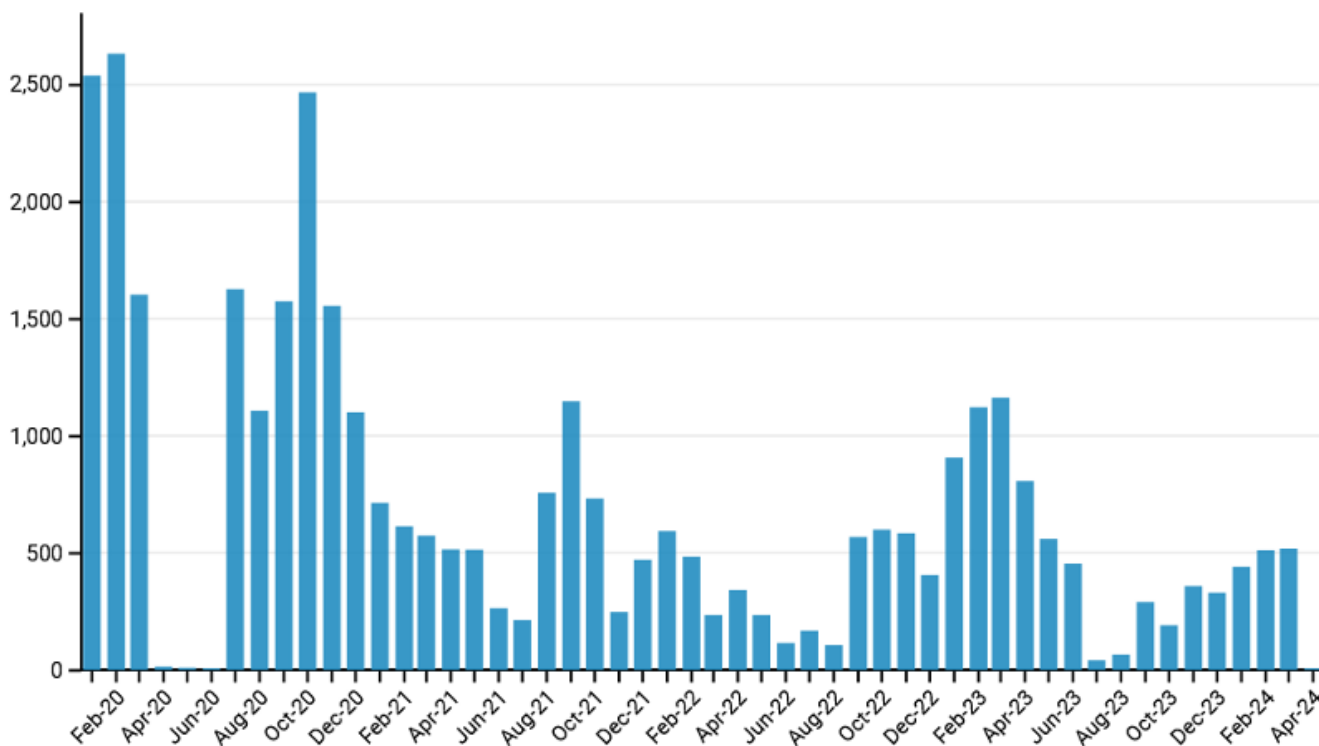


Source: RTD



FIGURE 10

### RTD Total Citations By Month



Source: RTD



# OPERATIONAL EFFICIENCY

RTD's struggles are not unique among the nation's transit systems, all of which experienced falling ridership following the COVID-19 pandemic.

CSI compared RTD's ridership to that of 22 other metro transit systems in the U.S.:

- City and County of San Francisco,
- King County Department of Metro Transit,
- Washington Metropolitan Area Transit Authority,
- City of Charlotte, North Carolina,
- Tri-County Metropolitan Transportation District of Oregon,
- Capital Metropolitan Transportation Authority (Austin, TX),
- Kansas City Area Transportation Authority,
- Metro Transit (Minneapolis–St. Paul),
- Dallas Area Rapid Transit,
- Pinellas Suncoast Transit Authority (Tampa, FL),
- Massachusetts Bay Transportation Authority,
- County of Miami-Dade,
- Hillsborough Area Regional Transit Authority (Tampa, FL),
- Metropolitan Transit Authority of Harris County (Texas),
- Southeastern Pennsylvania Transportation Authority (Philadelphia),
- Los Angeles County Metropolitan Transportation Authority,
- Utah Transit Authority,
- Metropolitan Atlanta Rapid Transit Authority,
- Chicago Transit Authority,
- Central Puget Sound Regional Transit Authority,
- San Francisco Bay Area Rapid Transit District, and
- MTA New York City Transit.

The Denver area transit system's monthly ridership data speaks of low relative expense compared to other cities and lower costs per transported passenger, but also of lower ridership.

FIGURE 11

|   | Spending        | Trips         | Service Area Population | Spending Per Trip | Usage Rate  | Passenger Miles | \$ Per Mile |
|---|-----------------|---------------|-------------------------|-------------------|-------------|-----------------|-------------|
| Capital Metropolitan Transportation Authority             | \$283,569,974   | 20,417,077    | 1,330,916               | \$13.89           | 15.34062029 | 107,793,018     | \$2.63      |
| Central Puget Sound Regional Transit Authority            | \$408,902,960   | 32,014,474    | 3,306,990               | \$12.77           | 9.680849957 | 284,158,493     | \$1.44      |
| Chicago Transit Authority                                 | \$1,398,273,220 | 243,538,803   | 3,207,635               | \$5.74            | 75.92472429 | 969,133,655     | \$1.44      |
| City and County of San Francisco                          | \$921,277,335   | 102,696,310   | 842,754                 | \$8.97            | 121.8579918 | 190,751,736     | \$4.83      |
| City of Charlotte North Carolina                          | \$175,653,827   | 12,640,017    | 1,306,574               | \$13.90           | 9.674168474 | 58,489,689      | \$3.00      |
| County of Miami-Dade                                      | \$603,548,964   | 56,114,884    | 2,701,767               | \$10.76           | 20.76969776 | 304,072,088     | \$1.98      |
| Dallas Area Rapid Transit                                 | \$576,277,983   | 41,267,922    | 2,530,800               | \$13.96           | 16.30627549 | 256,025,753     | \$2.25      |
| Denver Regional Transportation District                   | \$664,481,002   | 61,284,680    | 3,098,079               | \$10.84           | 19.78150977 | 364,066,714     | \$1.83      |
| Denver Regional Transportation District (bus)             | \$417,295,805   | 39,744,228    | 3098079                 | \$10.50           | 12.82866835 | 172,639,450     | \$2.42      |
| Denver Regional Transportation District (rail)            | \$247,185,197   | 21,540,452    | 3098079                 | \$11.48           | 6.952841422 | 191,427,264     | \$1.29      |
| Hillsborough Area Regional Transit Authority              | \$101,823,888   | 10,967,535    | 1,450,191               | \$9.28            | 7.562821035 | 52,613,234      | \$1.94      |
| Kansas City Area Transportation Authority                 | \$98,835,355    | 10,572,362    | 621,956                 | \$9.35            | 16.99856903 | 38,661,171      | \$2.56      |
| King County Department of Metro Transit                   | \$846,712,438   | 66,445,408    | 2,317,700               | \$12.74           | 28.66868361 | 255,184,734     | \$3.32      |
| Los Angeles County Metropolitan Transportation Authority  | \$1,801,365,190 | 254,688,124   | 10,394,849              | \$7.07            | 24.50137794 | 997,892,695     | \$1.81      |
| Massachusetts Bay Transportation Authority                | \$1,712,828,098 | 203,455,402   | 3,109,308               | \$8.42            | 65.43430307 | 854,089,542     | \$2.01      |
| Metro Transit   | \$412,201,818   | 38,794,641    | 1,731,667               | \$10.63           | 22.40306075 | 162,182,989     | \$2.54      |
| Metropolitan Atlanta Rapid Transit Authority              | \$520,531,148   | 51,429,953    | 2,128,687               | \$10.12           | 24.16041109 | 305,150,981     | \$1.71      |
| Metropolitan Transit Authority of Harris County, Texas    | \$659,217,830   | 57,316,696    | 3,757,692               | \$11.50           | 15.25316497 | 351,945,976     | \$1.87      |
| MTA New York City Transit                                 | \$9,079,266,250 | 2,274,142,359 | 8,804,190               | \$3.99            | 258.302281  | 8,319,103,987   | \$1.09      |
| Pinellas Suncoast Transit Authority                       | \$97,304,173    | 8,648,138     | 1,100,607               | \$11.25           | 7.857607666 | 46,953,946      | \$2.07      |
| San Francisco Bay Area Rapid Transit District             | \$685,894,226   | 38,224,072    | 867,725                 | \$17.94           | 44.05090553 | 523,379,462     | \$1.31      |
| Southeastern Pennsylvania Transportation Authority        | \$1,352,351,898 | 174,229,654   | 3,475,337               | \$7.76            | 50.13316809 | 733,078,479     | \$1.84      |
| Tri-County Metropolitan Transportation District of Oregon | \$637,216,558   | 57,442,650    | 1,526,171               | \$11.09           | 37.63841011 | 231,430,380     | \$2.75      |
| Utah Transit Authority                                    | \$421,086,599   | 31,457,920    | 2,539,272               | \$13.39           | 12.38855861 | 245,491,324     | \$1.72      |
| Washington Metropolitan Area Transit Authority            | \$2,220,137,931 | 156,897,531   | 5,089,918               | \$14.15           | 30.82515887 | 670,037,962     | \$3.31      |
| <b>RTD rank</b>   | <b>17</b>       | <b>15</b>     | <b>9</b>                | <b>10</b>         | <b>19</b>   | <b>17</b>       | <b>17</b>   |

Among 23 metro transit systems spanning bus, light, and heavy rail, RTD ranks 17th in overall spending, 15th in the number of unlinked trips, 10th in the amount of operational expense per trip, 19th in use rate per service area population, 17th in number of miles transported, and 17th in spending per mile of rider travel.

It costs RTD roughly \$1.83 to transport each passenger one mile—\$1.29 by rail and \$2.42 by bus. In 2022, RTD had an average trip length of 5.9 miles—4.3 miles for a bus trip and 8.9 miles for a rail trip.

## RECOMMENDATIONS

RTD's system has grown considerably larger in size and scope since its inception. Lawmakers and other elected officials continue to press its growth for multiple stated reasons including environmental, promotion of housing density and affordability, and to alleviate congestion. A review of key metrics demonstrates, at a minimum, that RTD is struggling to meet the needs of the Denver metropolitan area it was created to serve.

### Ridership

Colorado has invested a great deal in RTD, coming to view a transit system as something like a public utility or public service: deeply subsidized, widely available, and generally in the service of greater economic efficiency.

Ridership is the chief metric to demonstrate a return on that investment. While RTD has historically not established goals for ridership, such goals must be part of the annual revenue plan. Several revenue sources are used to operate the system. The budget and long-term plans should incorporate expectations for revenue from each source, including fares.

To this end, RTD should adopt all strategies possible to maximize ridership. Programs should

be considered that would incentivize ridership with a safe, reliable, and operationally sound system. There is a relationship between cost of ridership and the decision to ride.

Considering RTD recoups only a small share of its operating expenses from fares, RTD leadership should consider how the organization can generate revenue through sales to organizations as well as individuals. RTD could analyze the potential costs per district of universal free fares or offering deeply low-cost passes for employers to provide their employees. Neither may be the right approach, but each could highlight different models that would help remove the cost barrier to riding.

RTD must be open to pilot programs throughout the district. Data show vastly different usage rates throughout the district and different barriers to use. Leaders need to explore individualized strategies that increase ridership community by community and scale them appropriately

throughout the region at large. For example, RTD and partners including the Colorado Department of Transportation's (CDOT) Bustang services, Boulder BCycle, Lone Tree Link, and Lyft scooters, piloted a fare-purchase and trip-planning program for end-to-end travel through the Transit app.

Increasing housing density along RTD lines in the Denver metro region is essential for sustainable urban development and improving the quality of life. As the region continues to grow, densifying areas around public transit hubs can mitigate traffic congestion, reduce greenhouse gas emissions, and promote a more efficient use of land. High-density housing near RTD lines encourages the use of public transportation, decreasing reliance on personal vehicles and fostering a more eco-friendly urban environment. Moreover, it can spur economic development by attracting businesses and amenities that cater to a concentrated population, thereby enhancing local economies and creating vibrant, walkable communities. According to urban planning experts, transit-oriented development (TOD) not only makes cities more livable but also addresses housing affordability by increasing the supply of residential units in high-demand areas

## Operational Efficiency

RTD should set goals for optimizing operational efficiency. This will grow naturally as ridership grows and the costs per rider fall. However, the organization should make every effort to save costs, as well. The same kind of public-private partnerships required of RTD's bus lines should serve as a model for creative solutions for laborexpenses across all RTD operations. Leaders should consider pilot programs that combine the best of private first/last mile transit such as e-bikes, ride sharing services, etc. to increase ridership, and additional private-public partnerships in direct bus and rail operations.

## Crime

Safety is paramount to encouraging widespread transit ridership habits and high ridership bolsters the perception of safety. The perception of safety is crucial. Without reliable data, the public has no evidence but anecdotal to tell if RTD conditions have improved.

This will depend on a concerted effort to identify with local law enforcement agencies, which crimes occur on RTD sites. RTD should cooperate with local law enforcement agencies to host a central, public-facing database that enumerates RTD-related crimes by locality and by total.

RTD should also work to decrease crime generally. It has made great strides to this end recently. It has dramatically increased the size of its police force from 19 officers in 2022 to a projected 119 by the end of 2024 and hired a data analyst. This trend should be deepened to the fullest extent possible. RTD police should also work with local agencies in such a manner that RTD police response does not depend on other agencies. Leaders may consider an arrangement for RTD's interjurisdictional local authority.

RTD continues to grow in size and scope. It is attached to regional plans for climate goals, housing goals, and region-altering transit plans and the funding that go with them. As lawmakers and developers lean into the system more, it is imperative that RTD deliver robustly on its primary goal – moving as many riders as possible from point A to point B.

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- xxv. <https://leg.colorado.gov/bills/hb21-1186>
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