

How Car-Centric Cities Like Phoenix Learned to Love Light Rail

While other cities have struggled to finance their existing transit, Sun Belt cities like Phoenix have embraced light rail as a way to transform urban life.

BY DANIEL C. VOCK | AUGUST 2015



Roosevelt Row, an area north of downtown Phoenix, has changed dramatically since light rail arrived. (*Valley Metro*)

The centerpiece of Greg Stanton's re-election campaign is a tax increase. The Phoenix mayor not only wants his city's voters to approve a 35-year sales tax hike later this month, but he wants them to do it on the same ballot that has him running for a second term. Stanton believes voters will support both him and his tax policy because, in doing so, they will be casting a vote for transportation. The mayor argues that an improved regional transportation network -- and specifically a bigger light rail system -- are the key to his own political fortunes and to the economic well-being of the region as a whole.

Stanton was not yet mayor in 2008 when light rail made its debut in Phoenix with hype worthy of a new theme park ride. Rock bands, street fairs and fireworks marked the opening. Nearly 90,000 people enjoyed free rides on board the new teal-and-silver trains that first day. Transit advocates exulted; skeptics insisted the enthusiasm couldn't possibly last.

But it largely has. Today passengers take nearly 44,000 trips on light rail on a typical weekday, already beating the local transit agency's estimates for ridership in 2020. Long-neglected neighborhoods are experiencing new life, and major employers credit To those who fought for it, light rail in Phoenix was always about more than shiny new trains and faster travel times; it was a machine to transform urban life. Advocates in Phoenix, like those in many other cities, claimed light rail would introduce a whole new type of development, one that would appeal to both working millennials and retired snowbirds. Less developed neighborhoods would morph into walkable communities. Residents who live along transit corridors would be able to hop on a

train to see a show, catch a game, head to class or get to work. The transit system would attract new residents, new businesses and new jobs, making the region competitive for years to come.

Seven years later, Stanton argues that the strategy has worked so well that it should be rolled out to many more neighborhoods. “It’s about more than getting people from point A to point B. The single most powerful tools we have to drive economic development are quality streets and robust public transit,” Stanton said while pitching his new transportation plan this spring. He argued that the increased rider capacity would help prepare Phoenix for further population growth and link more of the area’s community colleges and universities. “It is the most comprehensive transportation plan in our city’s history,” he said. “It’s



forward-thinking. It’s ambitious. And the city council and I will ask voters to approve this plan in August.”

Phoenix is only one of many Sun Belt cities investing in light rail. (David Kidd)

The idea of a major public transit project running through the heart of a car-loving Sun Belt city may sound a little incongruous at first, but it is far from unique to Phoenix. The past decade has been a boom period for light rail in cities all across the South and West, from Charlotte to San Diego. While older East Coast and Midwestern cities have largely struggled to find money to finance their existing rail systems, newer ones like Phoenix have embraced light rail as a way to revive their downtowns and close-in neighborhoods. Dallas, Houston and Los Angeles have been on a light rail building spree. Denver, Norfolk and Salt Lake City have made major commitments.

Federal money is part of the lure, but so is a marked shift in what residents and businesses want their cities to look like. Light rail is such an important piece of that vision in many places that even the Great Recession, which stymied development and



hammered local budgets, has done little to dampen enthusiasm for new rail lines. In fact, the biggest question on the minds of leaders in many growing cities is not, as opponents would ask, whether light rail systems are worth the huge public investment needed to build and run them. The question is: Where can we expand to next?

Light rail first emerged in the United States in the late 1970s. Atlanta, San Francisco and Washington, D.C., had just opened their high-capacity heavy-rail subway systems, but federal transportation planners recognized that most cities couldn't afford the tunnels and elevated tracks necessary for heavy rail. So they drew up plans for ground-level light rail systems, which would travel farther and with less frequent stops than traditional streetcars, while costing much less than conventional subway lines. San Diego opened the first light rail line in 1981. Portland, Ore., quickly followed, and a handful of other cities, enticed by federal funding, joined the parade.

But the idea of light rail really took off over the past 15 years, as cities began passing local sales taxes dedicated to building the new lines. Thirty-eight metropolitan areas in the United States now have light rail systems. Light rail ridership over the last decade increased more than 53 percent. In 2011, for the first time, light rail carried more passengers than conventional commuter trains between downtowns and their suburbs. Art Guzzetti, vice president of the American Public Transportation Association, a group of transit agencies, says the surge of interest in light rail is part of a larger move to attract residents by using a wide variety of transportation options. "Roads are important," he says, "but you don't want a cloverleaf intersection defining your downtown."

Transit planners, however, caution that light rail cannot single-handedly remake a city. To have a significant impact, the trains must travel through neighborhoods that are ripe for revival. The routes must be busy enough to attract a steady stream of passengers. They should connect to other modes of transportation, with park-and-ride stations for auto passengers and easy transfer to buses, streetcars and subways. And they should be packaged with other incentives -- tax breaks, zoning changes and streamlined permitting -- to lure investment into the transit corridors. When it's done right, Guzzetti says, "it's not a rail plan; it's a transportation and land use plan. It's not, 'If you build it, they will come.' No, you have to design your community the right way."

But doing it that way often requires massive public support beyond just the costs of laying tracks and buying railcars. Phoenix is a good example. The biggest category of light rail passengers in the Phoenix area is students, who at last count made up 40 percent of the system's riders. Arizona State University (ASU), a public institution that boasts the nation's largest on-campus enrollment at 76,000, encouraged light rail use by opening a new campus in downtown Phoenix after the line was in operation. It also enacted steep parking rate increases on its main campus in Tempe to encourage more students and staff to take the train rather than their cars to classes.

Students make up about 40 percent of light rail riders in Phoenix. (Valley Metro)

Sports events are a major draw for light rail passengers, and downtown sports facilities, built well before the light rail, represent another huge public investment. Chase Field, where the Arizona Diamondbacks play baseball, was built using sales tax revenues and is owned by Maricopa County; U.S. Airways Center, home of the Phoenix Suns basketball team, is owned by the city. Meanwhile, the city-owned Sky Harbor Airport, which draws 31,000 employees along with airline passengers, is improving the connection between the airport rail station and its terminals with a new \$1.6 billion automated train.

In fact, government was the chief source of investment along the light rail line in Phoenix during the eight years leading up to the line's opening, according to research by ASU's Michael Kuby and Carol Atkinson-Palombo at the University of Connecticut. The city passed special zoning to spur private investment along the corridor in 2000, but government has remained the biggest



investor. It accounted for almost all of the pre-opening development in areas of urban poverty. Even in employment centers, government spending accounts for nearly half of the initial investments along the line.

Light rail critics decry the high costs of creating such a system. Building a four-lane interstate in an urban area costs about \$10 million a mile (not including the cost of buying the property in the first place), argues Randal O'Toole, a transportation analyst at the Cato Institute. Meanwhile, building light rail costs 10 times that; a three-mile extension of the Phoenix-area system to nearby Mesa, for example, is expected to cost \$300 million, but that includes the cost of buying property.

O'Toole and other transit skeptics insist that buses are a smarter investment than light rail for cities. Light rail, they say, is a huge, long-term bet on an old technology with expensive upkeep costs that won't be able to adapt to changing development patterns or technological innovations such as driverless vehicles. "Buses are cheaper," O'Toole says. "They're faster. They're more flexible. They're safer. They have all kinds of advantages over light rail. If one bus breaks down, the rest can drive around it. If a light rail car breaks down, all of the other ones on the line are stuck."

The fact remains, however, that bus ridership peaked nationally in 2006, and the number of passenger trips on buses has been stagnant for the last five years. In the Phoenix area, that trend has been helped by service cuts and fare increases for bus riders as the city encouraged people to take the new light rail. In the first fiscal year that light rail operated in Phoenix, which coincided with the beginning of the recession, bus ridership dropped from 66 million trips to 56 million. By the end of last fiscal year, the number of bus trips in Phoenix had inched back up to 58 million, while light rail ridership in the area rose from about 12 million trips to just over 14 million.

Passengers take 44,000 trips a day, beating estimates for ridership in 2020. (David Kidd)

It's true that buses are gaining popularity in the private sector. They have proliferated, for example, in the San Francisco Bay Area, where tech companies hire private buses to take their urban-dwelling employees to and from their jobs in Silicon Valley. To critics, that undercuts the argument that light rail is needed to boost economic development or to appeal to a new generation

of workers. “[Tech companies] get their high-paid software engineers to ride buses,” says O’Toole. “Why can’t Phoenix get people to ride buses? This is an idiotic argument that we need to have a 19th-century Disneyland ride to get people to ride transit.”

Not all political leaders are smitten with light rail. It’s especially controversial, as you might expect, in areas where no tracks have yet been laid. Voters too can be skeptical. Ballot measures to help build light rail failed last year in the St. Petersburg, Fla., area and in Austin, Texas.

In Phoenix, however, Mayor Stanton is betting the public not only enjoys the area’s current light rail system, but also wants more routes in more neighborhoods. It was at Stanton’s request that the city council placed the sales tax increase on the Aug. 25 ballot, a measure that would not only expand light rail, but also would boost bus service and fix city streets.



In his State of the City speech earlier this year, Stanton anticipated opposition to the proposal, which would raise the city’s base transportation sales tax from 0.4 percent to 0.7 percent. “We’re already hearing the same old tired arguments from those who opposed light rail in the first place: that the solution is only more freeways,” he said. “Despite the evidence right in front of us, they say light rail doesn’t work, that there are no economic benefits.”

Light rail, Stanton says, helped convince Banner Health, a hospital operator and the state’s second-largest employer, to move its corporate headquarters to midtown Phoenix. The mayor credits light rail for huge amounts of redevelopment in commercial, educational and residential spaces. He says the light rail system has helped create 35,000 permanent jobs. And it boosted the city’s image, Stanton believes, when record-breaking crowds took the train to enjoy festivities in downtown Phoenix surrounding this year’s Super Bowl.

Light rail is not nearly as controversial in Phoenix as it was a decade or so ago, when several ballot measures to fund it were defeated. “There was a loud roar back in the early 2000s” when it was being proposed, says Todd Sanders, the president and CEO of the Greater Phoenix Chamber of Commerce. “Today you really don’t hear it. More and more you hear people wanting to get light rail, in the next phase, into their communities.”

Light rail service to downtown Mesa, the often overshadowed city of 458,000 just east of Phoenix, is scheduled to begin this month. A three-mile extension will bring trains from the western edge of town to the city center, generating an anticipated 5,000 more people a day downtown. After several years of disruptive construction, downtown businesses hope the new transit option will help the city transform its image from a 9-to-5 town of office workers to a hub of artists and boutique shops.

After years of construction, the three-mile extension to Mesa is about to begin operation. (David Kidd)

In Tempe, city leaders want to build on the success of the light rail system with a new streetcar. Local leaders hope transit will help the city grow up instead of out, as cranes erect high-rises near Sun Devil Stadium. State Farm announced that it will open a regional headquarters in Tempe that will house 8,000 workers, requiring it to nearly double its Phoenix-area workforce. The insurance company cited Tempe's transit options -- including light rail and the planned streetcar -- as a major reason for selecting Tempe for the new offices.

One of the areas that has changed most with the introduction of light rail is Roosevelt Row, an area north of downtown Phoenix. City leaders in the 1970s zoned the neighborhood for the development of office towers that never came. The offices sprang up near the interstate instead, and Roosevelt Row was marked by high crime and vacant lots. But with light rail, the area is being reinvented. The first new residential building opened up in 2012; now 600 new units are in the works. Meanwhile, a 1928 building that originally housed a Chrysler dealership reopened this spring with seven restaurants and a patio looking out onto the tracks. Roosevelt Row draws students from the new downtown ASU campus and brings in art lovers for self-guided tours on the first Friday of every month.

But Greg Esser, the CEO of the Roosevelt Row Community Development Corp., cautions that the full benefits of light rail take a long time to materialize. "People envision a dense, vibrant corridor as soon as a line opens, but it's really an evolution over time," he says. "In a decade, a community that takes advantage of the transit could be almost unrecognizable."