

Innovative Demand Management Strategies

# Transportation Management Associations (TMAs)



*Policy notes*

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SIXTH FRAMEWORK PROGRAMME

# What is it about?

## Characteristics

Transportation Management Associations (TMAs):

- are public-private partnerships that address localised transport-related issues;
- operate under a variety of organisational structures and are funded through membership dues or some combination of other sources;
- provide an institutional framework for travel demand management programmes and services;
- provide commute trip reduction services to a well-defined and limited area.

TMAs can provide a variety of services according to the needs and expectations of their service area. Examples of TMA services are listed below:

- commute trip planning;
- commuter financial incentives;
- parking management;
- guaranteed ride home services;
- pedestrian and bicycle planning;
- carpool and vanpool coordination;
- shuttle services and other transit improvements;
- transportation access guides;
- liaison to land use planning and development organizations;
- employer commute program consulting etc.

### Example: Smart Commute – North Toronto – Vaughan (Canada)

Smart Commute NTV is a private, non-profit membership organisation located in the Black Creek area, north of Toronto. Their primary objective is to reduce congestion, parking costs and harmful emissions through trip reduction programmes that offer alternatives to single occupancy vehicles.

The association represents approximately 72,000 employees and students and manages transport demand by promoting environmental and financial gains of using alternative modes of transport and successfully reduced traffic congestion in the defined area.

Smart Commute NTV proposes the following services: consulting expertise on trip reduction; parking management, carpooling, shuttles, flex-hours, telework and transit improvements; cycling community and bike infrastructure development; customized ride-matching to connect employees to carpools and vanpools; emergency ride home programs; educational materials, focus groups and employee workshops and workplace travel plans.

The key success factor of this association was their ability to effectively foster relationships and partnerships with strong political and business champions.

For the moment the concept of TMA only exists in North America, where it is a mature solution and has proven its efficiency. As the most defining characteristics of TMAs are their diversity and flexibility, these structures can be easily transferred to other contexts.

## Key benefits

The development of a properly-conceived, efficiently-operated and adequately-funded TMA...

- solves concrete and perceived problems and proposes practical solutions at an appropriate scale;
- creates a positive environment for efficient stakeholder involvement;
- increases mobility choices to users at low cost and creates good transport infrastructures.

## Is this something for us?

This Concept has the potential to be mainstreamed in Europe. It could constitute a good solution for tackling the lack of formal coordinating bodies for implementing integrated transport strategies.

Key conditions for implementation are:

- the identification of a clear problem to be solved in a defined area;
- the availability of sufficient funding sources and members;
- the complementarities of actions with other organisations;
- a cooperative stakeholder arena both from the public and private sectors.

"TMAs provide the once missing piece of institutional infrastructure in the provision of transportation services and facilities. Their linkages to the business community, quick response orientation, and detailed knowledge of local conditions make them agile partners for many projects. The Delaware Valley has benefited immensely from working closely with our family of TMAs."

**Mr. Barry Seymour, Executive Director  
- Delaware Valley Regional Planning  
Commission**

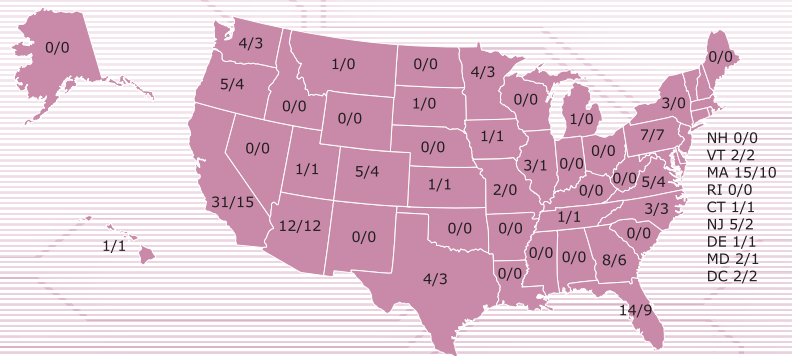
"The three Transportation Management Associations in our city actively engage the private sector to resolve traffic problems using mobility management strategies. This helps to reduce traffic congestion while providing additional transportation options in our community."

**The Honorable Pam Iorio  
Mayor of Tampa, Florida, USA**

## TMAs – a mature solution in the US

A total number of 146 TMAs exist in the US, a number that has remained relatively stable for ten years. The number of TMAs has increased by less than five percent over the past ten years.

Context conditions change all over the US and still the TMAs operate in a wide range of locations. Based on a TMA survey realised in April 2004, at least one TMA is located in each of 29 of the 50 states and the District of Columbia (see figure below).



**X/X TMAs Identified/TMAs Responded**

Source: Centre for Urban Transportation Research  
2003 Transportation Management Association Survey Final Report – April 2004

## Check list

<b>City size</b>	Any; TMAs typically operate in a sub-regional or community area
<b>Costs</b>	<i>Median range of annual expenditures:</i> between \$150,000 and \$200,000 <i>Main incomes:</i> Membership dues, fees for services, public grants, private contributions.
<b>Implementation time</b>	Short term (<3 years)
<b>Key stakeholders involved</b>	<ul style="list-style-type: none"> <li>● Employers;</li> <li>● Transportation and land use planning agencies;</li> <li>● Environmental government agencies;</li> <li>● Cities and Towns planning board;</li> <li>● Universities etc.</li> </ul>
<b>Challenging secondary effects</b>	As an autonomous organization, TMAs have the power to propose solutions that may be at odds with government preferences.

# Benefits & Costs

## Benefits

TMAAs can help achieve an integrated transport system easily understandable and accessible for all. The provision of targeted transport services also fosters availability of transport modes and is cost-efficient.

More in detail, TMAAs can:

- **Solve concrete and perceived problems instead of managing change in general:** The solutions found will be based on a clear understanding of local problems, travel patterns, and needs of the identified travel markets.
- **Create the necessary conditions for an efficient stakeholder involvement:** These public-private partnerships facilitate productive cooperation and foster dialogue between all important stakeholders.
- **Propose integrated solutions for reducing congestion and air pollution:** By gathering relevant actors from a range of organizational types to address transport challenges, TMAAs can propose packages of solutions that are more efficient than single-focus measures.
- **Increase accessibility and affordability of transport alternatives and ensure accessibility to services and jobs:** TMAAs ensure savings to customers and improve equity in transport alternatives.
- **Reduce the need for private cars.**

### Increased services account for larger budgets but also for cost-efficiency for members (United States)

Larger budgets are associated with the provision of transit services and a survey of TMAAs identified 35 distinct services provided by all TMAAs combined. The well-established TMAA offers more services than newly built ones and benefits from a larger budget to spend on packages of transport solutions. These generally greatly facilitate mobility in the area and provide bigger benefits to members (economic and social).

## Costs

Budgets for TMAAs vary according to the size of the area served, the number of members, the services provided and the sources of funding. According to a survey prepared for the Association for Commuter Transportation (ACT) in 2003, the median range of annual expenditures was between \$150,000 (114,000€) and \$200,000 (151,000€).

The majority of the incomes of TMAAs comes from membership dues but TMAAs also rely on other categories of incomes such as public grants, private contributions or special fees for services. Their financial sustainability will greatly determine the services provided to their target groups as well as the benefits (social or economic) achieved.

The principal cost factors to consider when launching a TMAA are:

- **Operation expenses:** Staff salaries is the largest operation expense item and is the largest single expense item for most TMAAs. Related overheads can also absorb a big part of the budget.
- **Marketing expenses:** Printing materials, events and newsletters are essential and should be available in early stages.
- **Transportation programs and capital costs:** Vehicles and services provided (guaranteed ride home, bicycle racks etc) also require a big budget.

# Users & Stakeholders

## Users and target groups

TMA members can come from a wide range of sectors: universities and other institutions, private businesses, public agencies, transportation service providers and others. Each of these target groups is part of a well-defined area and shares a vision for a better transport service within this particular area. The service area should be focussed enough so that everyone agrees on the problem but also large enough to include everyone that can help finding a good solution. The benefits for each member group must be clarified in order to ensure a wide membership interest.

The services provided by TMAs can fulfil the needs of individuals commuting in the area by introducing or improving new transport alternatives and facilities to move around the area.

**Commuters** can benefit from a provision of a low cost transport service to their working place, a provision of a cost efficient parking system etc.

**Students** can benefit from a shuttle service to the university area.

**Businesses** can benefit from greater employee satisfaction and from an integrated transport system that avoids congestion and improves time efficiency for deliveries and local business travel.

## Key stakeholders for implementation

Members join the TMA at different stages in a TMA's life and for different reasons. The core members, those that are involved from the start, are pioneers envisioning a long-term transport strategy for the area. By contrast, late joiners are more interested in the services developed.

Members of TMAs range from employers, transportation and land use planning agencies, environmental government agencies to cities and town planning boards or universities. Having private and public sectors as members ensures a greater coherence in transport decisions in an area as well as ensures that all point of views are taken into consideration while addressing a transport challenge. TMA serve employees commuting in its area of action as well as all its members.

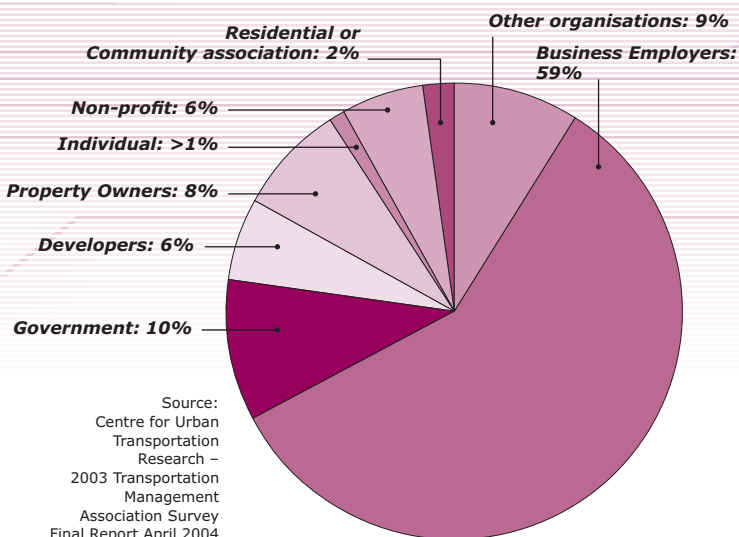
**Public bodies** provide long-term seed funding and ongoing support. They also secure political support and provide technical assistance to TMAs.

**Businesses** secure funding and high use of services. They can serve as organisational host to TMAs and implement site-specific demand management programmes.

**Transportation service providers** ensure a coherent package of solutions, in line with already existing measures, and assist with service planning, development and provision.

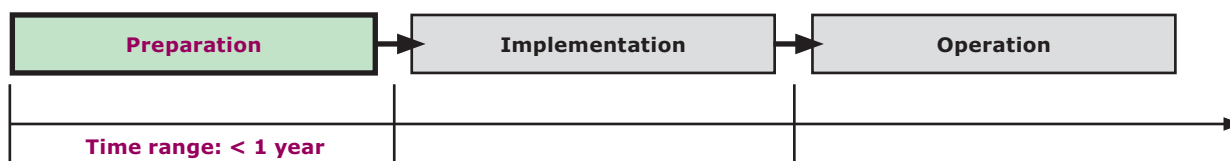
**Universities** ensure the use of clean modes of transport by students.

## Composition of a TMA membership



# From concept to reality

## Preparation



Launching a new association is complex and requires careful preparation. The experiences of many groups when establishing a new TMA suggest that certain key aspects need to be analysed.

### Key aspects at this stage

**A well defined problem:** Core stakeholders interested in launching a TMA need to make sure that there is a clear reason to ask for other actors' involvement and that there are key challenges to tackle within the defined area. The problem should be well identified (lack of transport alternatives, poor access, congestion, air pollution etc) and it should be perceived as problems by the travel markets/members.

**Existing legal or regulatory framework:** The legal and regulatory framework can make a difference in building such a new structure. Founders need to ensure that they complement rather than compete with other structures. They should also make sure that their strategy is in line with regulatory frameworks already in place.

**Champion and leaders in the community:** The success of the launch of a new TMA structure greatly depends on the ability for the TMA to find good leadership, especially from a private-sector champion with credibility within the business community.

**Core membership and steering committee:** Most successful TMAs indeed begin with a private-sector champion who believes in the need for a TMA and who can exert positive peer pressure to expand its membership. But not only is a champion important, TMA also need the support of an initial committee or board that supports this local champion. The early foundation of a core group is crucial to ensure the formation process

stays on track and the commitments and consensus are built. The need for a core group should not be underestimated since staff rarely has been hired at this point.

**Public and private sector support:** Successful TMAs are usually initiated by a 'pull' from the private sector rather than a 'push' from the public sector. However, both supports are necessary to succeed as businesses will secure funding and clear implementation of the travel demand strategies while public bodies will secure political support and a coherence vis-à-vis all policy strategies. Both involvements ensure a greater coherence in transport decisions in a defined area. The funding should be sufficient to deploy strategies.

**Well specified travel market:** Before starting a TMA, it is important to have a clear idea of the objectives pursued and then identify the potential travel market that the TMA needs to serve within the area, in order to determine the services to be provided as well as the infrastructure needed to succeed in this initiative.

**Consideration of urban design, land use patterns and political structure:** TMAs vary substantially from area to area, in response to local conditions. In some areas and states, TMAs serve traveller information functions that are provided in other areas by a regional (often governmental) organisation. The geographic and transport context needs to be closely examined.



**Example of parking management services that can be provided by a TMA**

Photo: Stock Xchng, [www.sxc.hu/index.phtml](http://www.sxc.hu/index.phtml)

**Adequate solutions and resources:** Members should then ask themselves the question whether a TMA is a viable solution and the most appropriate structure to tackle the transport challenges. The founders should also have a clear idea of what they would like to achieve and must build up a transparent strategic plan. The reasons for initiation should be accepted and members (and target groups) should perceive direct benefits in entering the TMA.

It is highly recommended to conduct a feasibility study at this phase in order to ensure the coherence of the approach and define the key components for the success of the TMA.



Photo: Stock Xchng  
[www.sxc.hu/index.phtml](http://www.sxc.hu/index.phtml)

### Ready for implementation?



**Good strategic plan and a winning idea**

**Common understanding of the problems and appropriate solutions within the selected area**

**Core membership, steering committee and local champion**

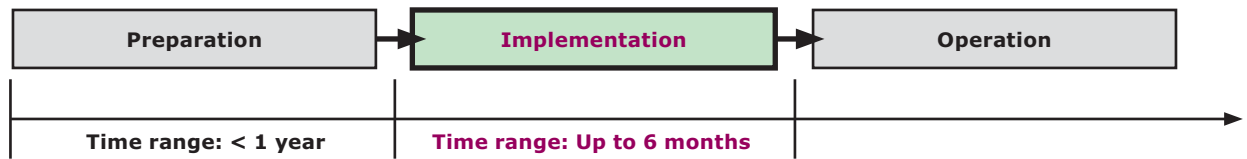
**Well-specified geographic scope and travel market**

**Good cooperation and interest from a wide range of stakeholders**

**Commitment for broad and sustained funding (public and private)**

**Good complementarities between existing services and new services to be provided**

## Implementation



The feasibility study will provide a solid basis for engaging stakeholders and members, as well as for starting up the desired transport services. Looking at the implementation phase, it becomes clear that several main elements need to be considered.

### Key aspects at this stage

**A well-defined structure:** TMAs can be structured in various ways and for a different timeline. Indeed, not all TMAs need to be permanent. TMAs can be an independent private non-profit association or work with a parent organisation such as a chamber of commerce or a business association.

Both structures have their own benefits and disadvantages. As a trend in the United States, more and more TMAs choose to work with a parent organisation because they are then free of major administrative burdens such as financial or annual reports. The TMA is then less formalised and can provide concrete results and services more quickly. However, this option presents potential problems because the roles and relationships of the parent organisation might conflict with the TMA's mission and distract member's goals. Outsourcing the work is very common for young TMAs as they have to run with a limited amount of staff. Whatever management approach the TMA chooses, it has to be coherent with its framework conditions and mission and should involve a core steering committee.

#### Marketing and membership

**development:** TMAs should then secure their plan and verify and refine the understanding of the problems identified during the feasibility study. A good way to undertake this is to organise market research including interviews, focus groups etc. This will also serve the purpose of making the services known and fostering public interest.

**Early success experience:** Early success helps to build credibility. The TMA should start resolving problems right away and should be operational from the very start. A good strategic plan and a good core group of visionaries help achieve this early success, which then fosters public acceptance and the credibility and sense of necessity of the associations.

**Tailor-made services according to the needs of the travel market:** The aim of any TMA should be to serve its travel market as best as possible and to regularly re-evaluate the services offered to assess their efficiency and satisfaction of the members/travel markets. The success of TMAs will depend on their ability to match their service provision to the actual needs of their travel markets.

While the central focus of TMAs remains policy leadership, advocacy and service provision, survey results show a continuing trend towards more tailored services. TMAs appear to be growing more distinct in their service provision. Indeed, services that are successful are those that are:

- responsive to a particular problem of a selected market;
- developed for the purpose of achieving the TMA's goals and objectives;
- properly administered and tailored to customer needs through careful market research.



To enlist support, TMAs must offer fairly priced products and services that fulfil the needs of customers and appeal to the self-interest of markets in its service area.

In addition to performing specific transport demand management activities, TMAs also represent a perfect platform for representing the view of the local community vis-à-vis the authorities.

**Good vertical, horizontal and spatial integration & adequate development**

**orientation:** Integration is a key issue.

The transport field needs to be placed in its context. As it has an influence on a wide range of other important policies at local level such as environment, air quality, economic viability etc, it is of utmost importance to take these other areas into consideration while drafting the objectives of the TMA. These also need to reflect the local but also national priorities so that actions can be integrated in order to avoid duplication of work. Spatial integration is also key in this respect.

**Generate interest and awareness among**

**target groups:** TMAs should make its objectives and services known to their potential members and customers. They should build an advertising strategy to reach the identified market and secure their interest. This strategy could be built around promotional events, flyers, incentives etc.

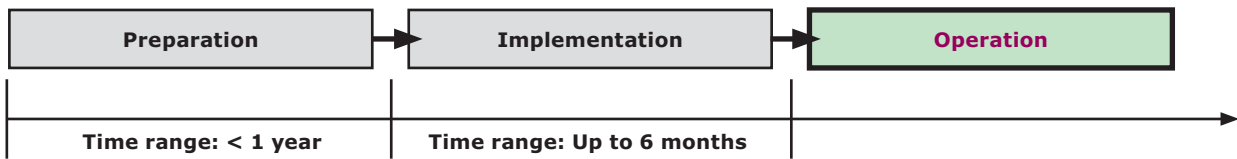
**Provide board officer training:** TMAs should provide board member training in order to help board members to grasp the importance of their task and the possibilities for community change that they can inspire and implement.

### Warner Centre Association (Los Angeles – United States)

The Warner Centre Association (WCA) is an organization composed of property owners and employers in Warner Centre who share a common goal: to keep Warner Centre one of Los Angeles' premier Regional Centres. It was established in 1982. In addition to working closely with elected officials, the WCA also takes the initiative to establish its own local trend setting programs:

- The Warner Centre Transportation Management Organization (TMO) was developed in anticipation of government regulation requiring alternative means of travel (rideshare, vanpools, public transit use) to minimize the impacts to air quality and traffic congestion;
- A commercial recycling program in anticipation of a state law;
- A long-term land-use and transportation planning for Warner Centre.

## Operation



### Key aspects at this stage

**Effective public private partnerships & stakeholder involvement:** The membership composition of a TMA, indicates that the majority of TMAs include business employers (59%), government agencies (10%), universities and other educational institutions (9%). Developers, property owners, residential or community association and individuals also participate, but typically at lower rate. The success of a TMA depends on its effective partnerships gathering all relevant actors according to local conditions and activities being undertaken.

**Sustained funding:** TMAs must continuously seek new funding sources constantly. Before turning their attention away from government grants, it is worthwhile to consider other sources of government funds based upon activities of the TMA. Departments of transport might consider funding such activity from sources other than the traditional pots of money reserved for funding TMAs. Beyond member dues and government grants, TMAs should secure funding through in-kind donations, service contracts, fees for services, developer funding agreements and business improvement districts or community financing districts. It is sometimes easier to gather funds when starting a well-defined



Photo provided by Lori Diggins  
Source: <http://a332.g.akamai.net/f/332/936/12h/www.edmunds.com/media/ownership/driving/commuter.carpools/carpool.500.jpg>

and special project that has an end date and presents tangible end products such as a parking map or the extension of shuttle services.

**Good measuring and reporting of results:** A sound evaluation provides the kind of information that enables the board and staff to steer the program towards success. It provides the necessary feedback to rule out ineffective courses of action and fine tune programs that show potential. Having reliable evaluation results is often required to meet performance criteria outlined in contractual agreements and to secure continuation of funding or win additional funds. The monitoring activities can start immediately after the programme year begins.

# Further information & contacts

## Further information

### **Centre for urban transportation research, 2001.**

TMA Handbook – A Guide to Successful Transportation Management Associations, Washington DC (USA).

ACT Headquarters: Andrea@act-hq.com,

Fax: +1 202 546 2196

### **Centre for urban transportation research, 2004.**

2003 Transportation Management Association Survey Final Report April 2004, Washington DC (USA)

Document (English) can be downloaded from [www.nctr.usf.edu/clearinghouse/pdf/526-101.pdf](http://www.nctr.usf.edu/clearinghouse/pdf/526-101.pdf)

### **Commuter Challenge (Seattle)**

Non-profit organisation that provides information, technical assistance, and incentives to employers and employees to help reduce the number of vehicles on the roads.

[www.commuterchallenge.org](http://www.commuterchallenge.org) (English)

### **Smart Commute - North Toronto, Vaughan (Canada)**

Independently incorporated non-profit association offering various services in order to reduce traffic congestion and emissions by implementing trip reduction programs that offer alternatives to single occupancy vehicles.

[www.SmartCommuteNTV.ca](http://www.SmartCommuteNTV.ca) (English)

### **NICHES - further documents with more details**

Reports on the state of the art, analysis of success factors and barriers for implementation, transferability potential and integrated strategies are available on the NICHES websites (English):

[www.niches-transport.org](http://www.niches-transport.org)

[www.osmose-os.org](http://www.osmose-os.org)

## Contacts

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## The mission of NICHES is:

*to stimulate a wide debate on innovative urban transport and mobility between relevant stakeholders from different sectors and disciplines across Europe.*

*NICHES promotes the most promising new concepts, initiatives and projects, to move them from their current 'niche' position to a 'mainstream' urban transport policy application.*

## NICHES team

The NICHES consortium is composed of a variety of experts in the field of urban transport, ensuring the knowledge of the academic sector (Warsaw University of Technology), the experience of cities (Stockholm), the expertise of consultants (Rupprecht Consult, PTV Planung Transport Verkehr AG) and the multiplier effect of the networks (POLIS, EUROCITIES, CEMR).



CITY OF STOCKHOLM  
ENVIRONMENT AND HEALTH ADMINISTRATION

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[www.niches-transport.org](http://www.niches-transport.org)  
[www.osmose-os.org](http://www.osmose-os.org)

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Cover photo: Stock Xchnng, ([www.sxc.hu/index.phtml](http://www.sxc.hu/index.phtml))

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