



Pittsburgh Regional Transit

2023 - 2028 Strategic Plan



○ Dear Reader

Pittsburgh Regional Transit developed the FY 2023-2028 Strategic Plan through a comprehensive process over a six-month period in 2022. This plan is intended to convey strategic direction, communicate goals and objectives, and guide Pittsburgh Regional Transit's leadership and workforce, while providing insight on our priorities to customers and stakeholders. This plan focuses on management activities and internal processes and is not intended to replace or supersede any Board-adopted or other formal agency transit development plan or planning effort.

○ Acknowledgements

Pittsburgh Regional Transit owes special thanks to Katharine E. Kelleman, CEO, PRT Board Members, Executive Leadership team, management, and staff; all of whom devoted their time, effort, and expertise to help create the 2023-2028 Strategic Plan.

This planning effort was led by PRT Strategic Planning Department in collaboration with Michael Baker International and E. Holdings, Inc.

Published in July 2022



Pittsburgh Regional Transit



*East Busway in the Strip District,
Downtown Pittsburgh*

Table of Contents

| | |
|-----------|---|
| 4 | We are at an Intersection: Letter from Katharine Kelleman, CEO |
| 5 | Executive Summary |
| 9 | Agency Profile |
| 10 | Strategic Planning |
| 11 | Leadership |
| 13 | Agency Overview |
| 15 | State of the Agency |
| 16 | Major Accomplishments |
| 17 | Major Transit Trends in Allegheny County |
| 21 | Financial Assumptions |
| 24 | Demographic Trends |
| 24 | Employment Demographics |
| 25 | Strategic Framework |
| 26 | Strategic Themes |
| 27 | Re-Imagined Vision and Mission |
| 28 | Values |
| 29 | Strategic Goals |
| 30 | Accountability |
| 32 | Customer Experience |
| 34 | Resilience |
| 36 | Sustainability |
| 37 | What's Next? |
| 38 | Strategic Plan Execution |
| 39 | Moving Forward |
| 40 | Appendix |
| 41 | Four-Corner Analysis |

We are at an Intersection

This five-year Strategic Plan is the product of extensive collaboration with Pittsburgh Regional Transit's Leadership Team and an analysis of the current and future state of Pittsburgh Regional Transit. It establishes the framework for the agency to proactively plan and respond to the changing environment, enabling Pittsburgh Regional Transit to remain resilient and be a catalyst for positive change in the region. Pittsburgh Regional Transit recognizes we are more than just a transit organization; we are an economic driver for the region that stimulates community investment.

We know the pandemic has changed the way most people live, work, and travel, not only in the short-term, but with lasting implications. As a transit organization, we must easily adapt to changes and be prepared against unforeseen circumstances. The past few years have been challenging; however, Pittsburgh Regional Transit was able to weather the storm and adopt our first long range transportation plan in 2021 ([NEXTransit](#)). We are proud of the many accomplishments our team has been able to put forth in spite of the challenges brought on by the pandemic. As we look to the future, we must weigh implementing new services with investment in existing infrastructure. This will require balancing our focus between intracity connections and growing a transit system that meets the greater needs of the region.

With the onset of 2022, two years since the start of the pandemic, we are at the intersection of the old world, the pandemic world, and the post-pandemic world. It is a realistic threat that the old world will not reappear, and old models of funding, service, and ridership will be inadequate. Pittsburgh Regional Transit's Leadership Team will help to define how we navigate the post-pandemic world using the Strategic Plan as a guide to ensure we are on the right track. We have the opportunity to embrace a new vision of transit post-pandemic centered on preferred mode choice, innovation throughout the network, a thriving region, and an unwavering commitment to equity in service delivery.

Sincerely,
Katharine E. Kelleman, CEO
Pittsburgh Regional Transit



“Pittsburgh Regional Transit will continue to build a system that we run, but the community owns.”

As CEO, Katharine is responsible for the operations of the nation's 20th busiest transit system that provides service to more than 220,000 riders a day. She oversees the capital and operating budgets, partners and builds relationships with regional stakeholders, and successfully develops and manages local and federally-funded projects that enhance and expand service across the Pittsburgh region.

Executive Summary

Pittsburgh Regional Transit (PRT) developed the Fiscal Year 2023-2028 Strategic Plan through a six-month, comprehensive process, intended to convey strategic direction, communicate goals and objectives, and guide the organization into the future.

This Strategic Plan establishes the framework for PRT to adapt to a changing mobility environment, maintain a resilient transit network, and be a catalyst for positive change in the region. PRT is more than a transit agency to the region; it is an accelerator of economic investment within the communities it serves.

Despite the challenges of an unprecedented COVID-19 Pandemic in 2020, PRT successfully adopted its first long range transportation plan, NEXTransit. To implement NEXTransit, PRT must weigh integrating new services with preserving a State of Good Repair on existing infrastructure. The Strategic Plan will be used as an organizational tool to balance and prioritize the competing demands of intracity connections and expanding transit service that meets the needs of the region. PRT intends to embrace a new vision of transit post-pandemic centered on preferred mode choice, innovation throughout the network, a thriving region, and an unwavering commitment to equity in service delivery.

PRT Mission

Advance our region by investing in our communities and connecting people in a safe, equitable, and reliable manner.

PRT Vision

Be our region's transportation mode of choice by delivering an innovative network that is clean, sustainable, and equitable; a network that enables individuals, businesses, and economies to thrive.

PRT Values

PRT identified six values that fundamentally guide their operations.



Major Transit Trends

- **Ridership.** Ridership has rebounded by approximately 50% from the pandemic lows. FY2023 budget forecasts a 15% increase next year.
- **Operator Shortage.** The transit industry has been affected with nationwide operator shortages due to layoffs and early retirements during the pandemic.
- **Demographics.** Only 22% of Allegheny County’s population lives within a half-mile of the PRT rapid transit network. Residential development continues to grow most in areas not currently served by high-speed transit, making it difficult to provide transit service at an affordable cost.
- **Capital Budget.** Approximately \$185M is needed annually to support Pittsburgh Regional Transit’s current system. The FY2023 Capital Improvement Program contains funding for the first phase of the Oakland-to-Downtown Bus Rapid Transit project, which is expected to break ground in 2023.
- **Implementing NEXTransit.** PRT is continuing to implement the 25-year long range transportation plan through a series of priority projects and has made significant accomplishments, such as installing digital signage at stations and starting construction on the Negley Station redesign.

Top Mobility Trends on the Rise Post-Pandemic¹

1. Creating a more customer-centric rider experience.
2. Harnessing the power of multimodal transportation.
3. Sharing real-time data on everything, from arrivals to crowdedness.
4. Employing on-demand transit service.
5. Integrating contactless payments.

¹ Adapted from "The Future of Urban Mobility: 5 Transit Trends We're Seeing for 2021" (Moovit.com)

Strategic Themes

PRT identified six themes that are integrated throughout its strategic goals and objectives. These themes represent a comprehensive perspective on how the organization intends to deliver quality transit services into the future.

National Leader

Pittsburgh Regional Transit seeks to be a “best in class” transit system by being at the forefront of industry best practices and trends.

Innovation

Pittsburgh Regional Transit will employ innovation in a meaningful way to benefit its stakeholders and support organizational goals and objectives.

Equity

Pittsburgh Regional Transit strives to incorporate equity and inclusion into all decision-making processes.

Customer Service

Serving its various customers is core to Pittsburgh Regional Transit’s mission, whether it be riders, businesses, employees, or the community at large.

Financial Stewardship

To maintain the trust and confidence of the public, Pittsburgh Regional Transit will ensure it is a good steward of all funding received through creative funding approaches, sound decision-making, and allocating resources wisely.

Culture

Shared core values help to establish Pittsburgh Regional Transit’s public image, inspire proactive employee engagement, productivity, staff retention, and cultivate a work environment that fosters communication and collaboration.

Strategic Goals



ACCOUNTABILITY

Institute key operational processes that produce exceptional service to customers in a transparent, equitable, manner that aligns with Pittsburgh Regional Transit’s mission and goals.

Accountability is incorporating business practices and tools that permit Pittsburgh Regional Transit to continuously improve its ability to provide and operate a safe, equitable, and reliable network. It is the responsibility of Pittsburgh Regional Transit leadership to deliver a balanced operations and capital program, while ensuring work is performed and managed efficiently and effectively in support of the organization’s mission and values.



ORGANIZATIONAL RESILIENCE

Adapt and respond to new and changing conditions through proactively implementing policies, processes, and initiatives.

As a transit agency, it is important to be prepared and responsive to unforeseen situations such as environmental conditions, political decisions, or transit system incidents. Pittsburgh Regional Transit’s goal is to always remain agile and quickly adapt to challenges that could affect operations and success of the organization.



CUSTOMER EXPERIENCE

Provide an exceptional customer experience with Pittsburgh Regional Transit by providing safe, equitable, and reliable service.

Pittsburgh Regional Transit defines customers as any person, entity, or constituent it interacts with to advance transit initiatives. It is critical to understand diverse customer perspectives and proactively anticipate their needs when making decisions that support PRT’s mission.



SUSTAINABILITY

Be a positive impact on Allegheny County and the region through intentional and innovative environmental and climate initiatives.

Supporting the environment includes initiatives and improvements that reduce Pittsburgh Regional Transit’s carbon footprint and resource consumption. This will be accomplished by improving sustainability indicators and formally adopting and implementing a Sustainability Plan. As technology changes, PRT must be adaptable to implementing new, creative methods that minimize environmental impact.

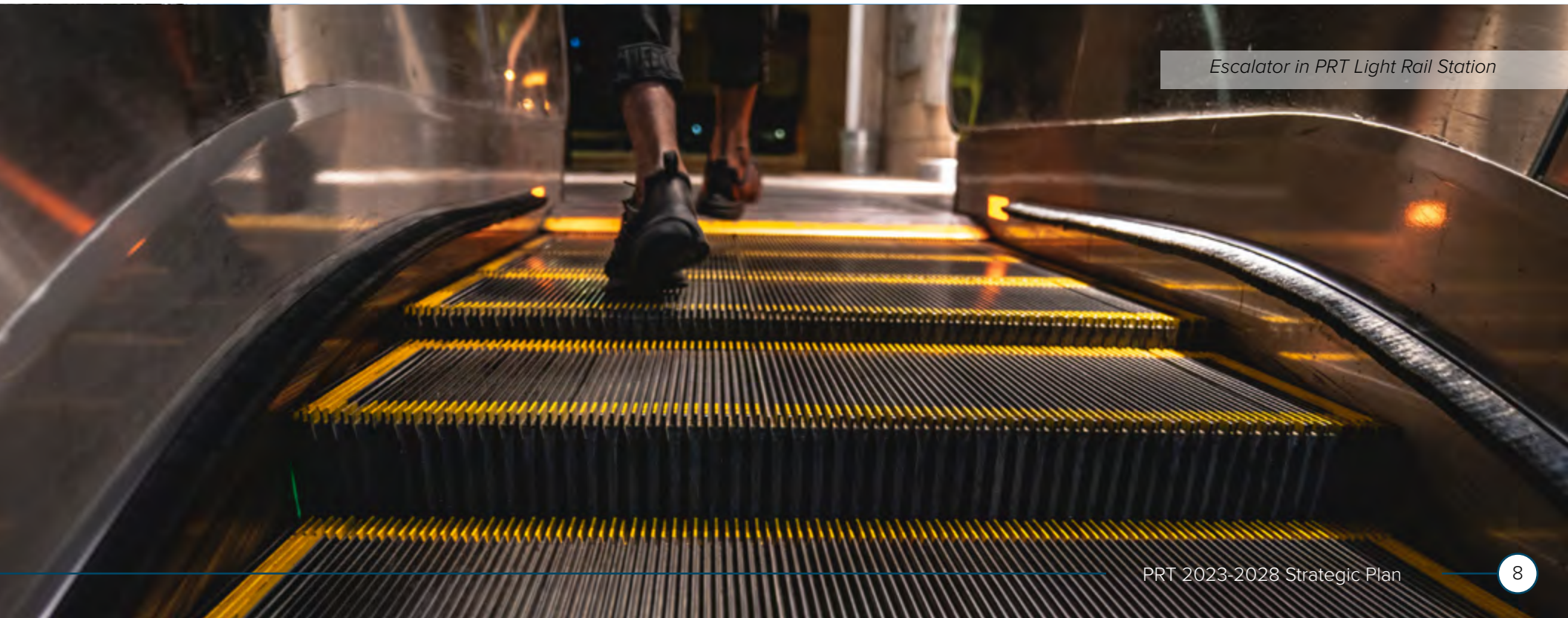
Moving Forward

This plan represents the convergence of our aspirations and the imperative to push the boundaries of innovation, equity, and sustainability. Pittsburgh Regional Transit will use this plan to guide policy and programs that shape the institutional infrastructure needed to deliver a premier transit experience for our region.

The goals support PRT's five year vision of maintaining safe and reliable transit while expanding our investment in people and the communities in which we operate. The supporting strategies ensure accountability and innovation in an ever-changing environment. Pittsburgh Regional Transit understands it can further the success of the region through collaborative partnerships that align services with economic development opportunities and enhanced mobility initiatives. This Strategic Plan identifies actionable steps to implement strategic goals and ensure a commitment to organizational excellence.

In an uncertain post-pandemic environment, PRT must be flexible as an agency and maximize its ability to influence mobility solutions in Southwestern Pennsylvania. Looking toward the future, inclusion of residents' unique perspectives is vital to the success of Pittsburgh Regional Transit and the region. PRT is united by its values and desire for an equitable transit network that connects people to life and supports new investment to create thriving communities.

**At the heart of our work stands an ongoing commitment to the values that animate our mission.
By taking bold action, we can achieve lasting, positive impacts for our region and our residents.**



Escalator in PRT Light Rail Station

Agency Profile



*Pittsburgh Regional Transit
Downtown Service Center,
623 Smithfield Street, Pittsburgh*

Strategic Planning

What is Strategic Planning?

Organizational. Strategic Planning is an organizational activity used to set priorities, focus resources, and ensure employees and other stakeholders are working toward common goals.

Effective. An effective Strategic Planning process allows an organization to identify where it is going, actions required to get there, and the metrics to gauge its success.

Collaborative. This plan is the result of a collaborative planning process that included extensive input throughout the organization and community.

Critical. Strategic Planning is critical to enabling Pittsburgh Regional Transit to proactively plan for and respond to changing circumstances within its environment.

Why now?

In 2018, Pittsburgh Regional Transit focused its organizational planning efforts at a tactical level. Tactical plans typically have a scope of one year or less and describe the specific actions an organization will take to implement its overall goals. This resulted in numerous accomplishments helping to propel the organization to where it is today. Employing a tactical approach was instrumental in Pittsburgh Regional Transit overcoming significant organizational challenges including service modifications, state of good repair needs, and the COVID-19 pandemic. Pittsburgh Regional Transit leadership is intentionally pivoting to develop a Strategic Plan that clearly identifies the organization's vision, mission, values, and goals for the next five years and directly supports implementation of projects and initiatives included in the Long-Range Transportation Plan (NEXTransit).

Key Elements of Strategic Planning

In order to develop an agency growth strategy, it is necessary to have a deeper understanding of the way a transit agency works, as well as its position relative to its peers. As a starting point, the following three questions need to be answered:

1

Where is the agency now? (Environmental Assessment)

This involves understanding as much about the agency as possible, including how it operates internally, what drives its financial viability, and how it compares with other peer transit agencies.

2

Where do we want to take it? (Strategic Stance)

Reassess the vision, mission, objectives, values, and goals. Where do we see the agency in five years? What should be the focus of the agency as mobility choices and competition expand through culture and technology advancement.

3

What do we need to do to get there? (Strategic Action)

What changes need to be made to deliver strategic objectives?

What is the best way of implementing those changes - what changes are required to the structure and financing of the agency and what goals and deadlines need to achieve the vision and mission of the organization?

Leadership

Board Members

Pittsburgh Regional Transit is governed by an 11-member Board of Directors, appointed by the Allegheny County Executive, leaders from both parties in the Pennsylvania House of Representatives and Senate, and the Governor of Pennsylvania. The Board sets policy and provides oversight for the funding, operation and expansion of the transit network.



Sen. Jim Brewster
Pennsylvania Senator
District 45



Rep. Austin Davis
Pennsylvania House of Representatives
District 35



Gerry Delon
Chief Financial Officer
NEP Group



Jeffery W. Letwin
Special Counsel
Saul Ewing LLP



Jennifer M. Liptak
Chief of Staff
Allegheny County Executive Rich Fitzgerald



Rep. Lori Mizgorski
Pennsylvania House of Representatives
District 30



Ann Ogoreuc
Assistant Director
Mobility and Transportation
Initiatives at Allegheny County
Economic Development



John Tague
Project Director
Western Pennsylvania
Disability History and Action
Consortium



Stephanie Turman
President
Always Busy Consulting



Jessica Walls-Lavelle
Southwest Region Director
Office of Pennsylvania
Governor Tom Wolf



Michelle Zmijanac
Commissioner
Pennsylvania Commission
for Women

Division Officers



Chief Legal Officer

Mike Cetra serves as Pittsburgh Regional Transit's Chief Legal Officer and Open Records Officer. His division includes the legal and consulting services, internal audit, claims and system safety departments, and the agency's police department.



Chief Human Resource Officer

Inez Colon is responsible for the strategic development and management of HR core functions, including benefits, compensation, talent acquisition and development, employee and labor and union relations, alcohol and drug compliance, civil rights and diversity, equity and inclusion, and fostering a positive and productive culture.



Chief Information Officer

Jeffrey Devlin serves as Pittsburgh Regional Transit's Chief Information Officer. His division oversees internal and external technological advancements to improve public transportation access and services in Allegheny County.



Chief Strategy Officer

Donny Hamilton, Jr. serves as Pittsburgh Regional Transit's Chief Strategy Officer. In this role, he oversees Pittsburgh Regional Transit's financial planning and budgets, grants and capital programs, procurement, Strategic Planning, and disadvantaged business enterprise services.



Chief Operating Officer Transportation

Mike Heidkamp is responsible for many aspects of Pittsburgh Regional Transit's system, including bus and rail operations, maintenance and operator training, special services, detours, and the electronics shop.



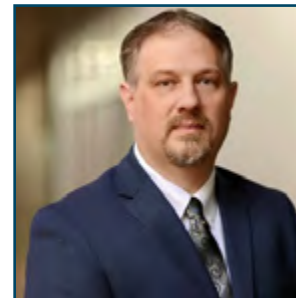
Chief Development Officer

David Huffaker oversees engineering and technical support, long range planning, scheduling, contracted services (ACCESS) and the transit-oriented communities and sustainability programs.



Chief Communications Officer

Jim Ritchie serves as Pittsburgh Regional Transit's Chief Communications Officer. His division includes marketing, public relations, government relations, customer service, advertising, and creative services.



Chief Operating Officer Maintenance

Don Rivetti serves as Pittsburgh Regional Transit's Chief Operating Officer for Maintenance. His division includes bus, rail, and non-revenue vehicle maintenance. He also oversees bus and rail procurement and warranty programs.



Monongahela Incline

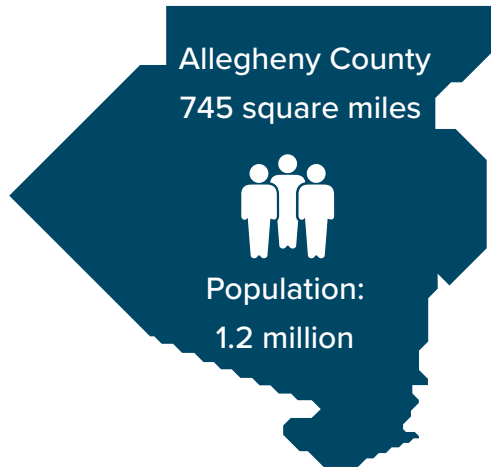
Agency Overview

Port Authority of Allegheny County (formally doing business as Pittsburgh Regional Transit as of July 1, 2022) was created on March 1, 1964, after acquiring 33 private transit and trolley companies to become Allegheny County's first unified transit system.

Pittsburgh Regional Transit was established for the purpose of planning, acquiring, constructing, improving, maintaining, and operating a comprehensive public transportation system within Allegheny County by using the full powers of the Second Class County Port Authority Act. The powers of the Authority also include the ability to borrow money for costs of projects related to Pittsburgh Regional Transit and to issue negotiable, interest-bearing debt obligations.

Pittsburgh Regional Transit has 2,600 employees that operate, maintain, and support bus, light rail, incline, and paratransit services to more than 27.3 million riders in 2021, with a pre-pandemic level of 64 million in 2019.

Service Area



Ridership



Network



light rail

26.2 miles; 81 vehicles



fixed route bus

730 buses



incline

2 inclined plane railroads



paratransit

ACCESS is a coordinated, shared-ride paratransit system offering door-to-door transportation for elderly and handicapped persons.

Assets



7 maintenance and storage garages



79 bridges and 11 tunnels



3 exclusive busways

State of the Agency

Cleaning and sanitizing buses during the pandemic



Major Accomplishments

Pittsburgh Regional Transit has remained resilient despite major incidents with key infrastructure assets and a global pandemic. Highlighted internal and external accomplishments over the past five years are shown below. Internal accomplishments focused on improving operations within Pittsburgh Regional Transit, while external were designed to enhance the customer experience.

Internal:

- Instituted pandemic safety measures for riders and employees
- Developed first comprehensive long-term Fleet Maintenance Plan
- Transitioned to new pension trustee saving Pittsburgh Regional Transit \$400,000 annually
- Refinanced 2011 bond series with estimated savings of \$3 million annually
- Removed barriers of employment opportunities through implementing “Ban the Box”
- Formally adopted NEXTransit Long-Range Transportation Plan

External:

- Installed digital signage showing next bus and train arrival information
- Approved upgrades for 16 bus and rail stations
- Implemented new customer-friendly fare policy to enhance rider experience
- Increased OTP (on time performance) standards, increasing reliability for our customers
- Implemented mobile ticketing service, the Ready2Ride app and system-wide free wi-fi for customers
- Broke ground on Negley Station redesign
- Avoided route eliminations during COVID-19



Newly installed digital kiosk at Crafton Station on the West Busway



Riders on the light rail system

Major Transit Trends in Allegheny County

The City of Pittsburgh has a high transit propensity, particularly in the central and northeastern neighborhoods. Transit demand can be influenced by multiple factors such as population density, employment, transit fares, service levels, and coverage extent. Prior to the COVID-19 pandemic, ridership remained steady since 2015. Restrictions, shutdowns, and social distancing affected public transportation nationwide, negatively influencing transit ridership levels and fare revenue.

Between July and September 2020, Pittsburgh Regional Transit had a 65% reduction in ridership when compared to the same period in 2019. It is unknown whether transit ridership nationwide will fully recover to pre-pandemic levels due to factors such as alternative work schedules (i.e. telework), e-commerce, transportation network companies (Uber, Lyft), and telehealth medical services. Further, as Downtown Pittsburgh has become less of a focus for the transit user, there is now a desire to connect directly from one outlying community to another without transferring.

As Pittsburgh Regional Transit emerges from the effects of a global crisis, the organization will continue to compete with shifts in the workforce model, automated vehicle technology, on-demand mobility and delivery services, and mode choice to restore transit ridership to pre-pandemic levels.

Top Mobility Trends on the Rise Post-Pandemic¹

1. Creating a more customer-centric rider experience
2. Harnessing the power of multimodal transportation
3. Sharing real-time data on everything, from arrivals to crowdedness
4. Employing on-demand transit service
5. Integrating contactless payments

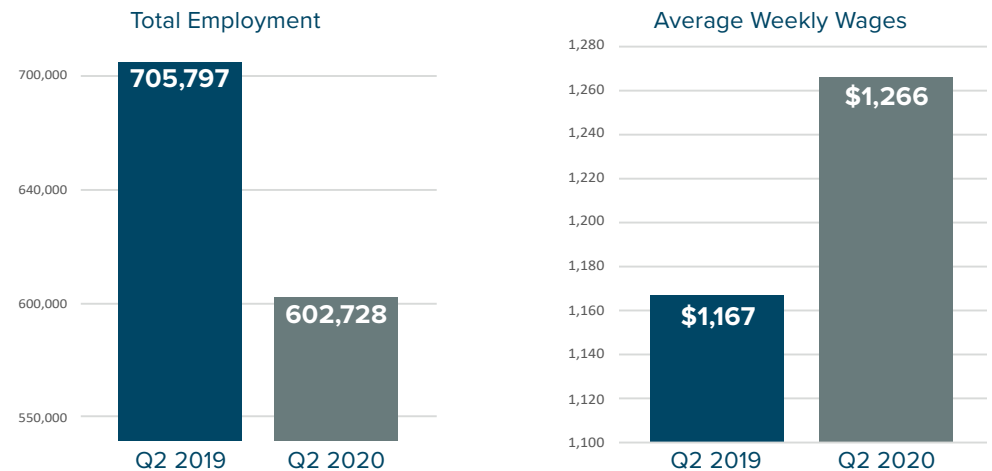
¹ Adapted from "The Future of Urban Mobility: 5 Transit Trends We're Seeing for 2021" (Moovit.com)

Operator Shortage

The pandemic prompted many workers to switch to job sectors with higher wages, lower risk of layoffs, and less exposure to health hazards. At the same time, the pandemic forced business closures, resulting in millions of workers being laid off. Many older workers also retired or left second jobs. A combination of these factors led to a labor shortage. The graphic to the right depicts a comparison of Allegheny County's 2019 and 2020 total employment and average weekly wage.

The transit industry has been affected with nationwide operator shortages due to layoffs and early retirements during the pandemic. To attract new operators and retain current ones, transit agencies have had to adapt their post-pandemic recruitment approaches (offer competitive driver compensation, various cash incentives, payment for Commercial Drivers Licenses, etc.) to remain competitive with other companies vying for the same labor pool.

Allegheny County Change in Employment + Wages 2019-2020



Between 2019 and 2020, employment in Allegheny County decreased by -14.6% (a loss of 103,069 workers). During that same time period, the average weekly wage for workers increased 8.5% (\$99/week).



PRT Transit Operators

Financing Infrastructure Improvements

Congress passed the Infrastructure Investment and Jobs Act (IIJA) on November 6, 2021, addressing provisions related to the U.S. Department of Transportation's highway federal aid, highway safety, motor carrier, research, hazardous materials, and rail programs. The bill authorizes surface transportation programs through FY2026, including unprecedented investment in highways, mass transit, and rail improvements. To help address climate change, IIJA funding is provided to build a national network of charging stations to assist the accelerated adoption of electric vehicles. Pennsylvania will receive approximately \$171 million over the next five years to support charging station expansion throughout the Commonwealth.

Pittsburgh Regional Transit has directly received approximately \$8.2 million in funding from the new infrastructure bill. These funds will go toward increasing public transit access through the improvement or installation of rider amenities and infrastructure. \$2.5 million of Congestion Mitigation Air Quality (CMAQ) funding will be utilized to install or improve four miles of Pittsburgh Regional Transit-owned sidewalk within the transit network. Heavily used system stops will also be identified for installation of larger waiting areas.

Additional funding opportunities include the Bus and Bus Facilities Program, which funds the replacement and rehabilitation of buses and related facilities, including technology modernization. The Low- or No-Emission Vehicle Program also provides competitive grant opportunities for bus and bus facility projects that support low and zero-emission vehicles.

Through the IIJA, Pennsylvania will receive a total of

\$16 billion



\$11.3 billion

Highway
Construction &
Repair



\$3.2 billion

Federal Transit
Funding



\$1.6 billion

Bridge Program



\$50 million

Airports

Commitment to Environmental Sustainability

In March 2016, Pittsburgh Regional Transit signed the American Public Transportation Association's (APTA) Sustainability Commitment initiative. This ensures Pittsburgh Regional Transit will make sustainability a part of its strategic objectives. Agency staff is expected to understand sustainability goals and effectively evaluate their progress in meeting those goals using a sustainability inventory. Signatories are asked to report on their sustainability progress annually through a brief status update. For transit agencies at the Entry Level, such as Pittsburgh Regional Transit, these **sustainability indicators** include:

- Air pollutant emissions
- Water usage
- Greenhouse gas (GHG) emissions and GHG savings
- Energy use (electricity, fuel)
- Recycling levels and waste

As of April 2022, Pittsburgh Regional Transit has deployed eight battery-powered electric buses. The organization plans to incrementally replace its diesel bus fleet with zero-emission vehicles to reduce its overall carbon footprint. Procurement of new vehicles may be affected by the ongoing supply chain disruptions related to factors such as the COVID-19 pandemic, marketplace demand, manufacturing delays, etc. Additionally, Pittsburgh Regional Transit is aware of the unique, long-standing air quality issues in the region and is committed to including air quality as a priority in its upcoming Sustainability Plan.



Electric bus in service

Financial Assumptions

The COVID-19 Pandemic has had a tremendous financial impact on public transit nationwide; likewise, Pittsburgh Regional Transit has experienced similar challenges to its fiscal resources. Significant uncertainty remains as to the long-term impacts to Pittsburgh Regional Transit’s business model.

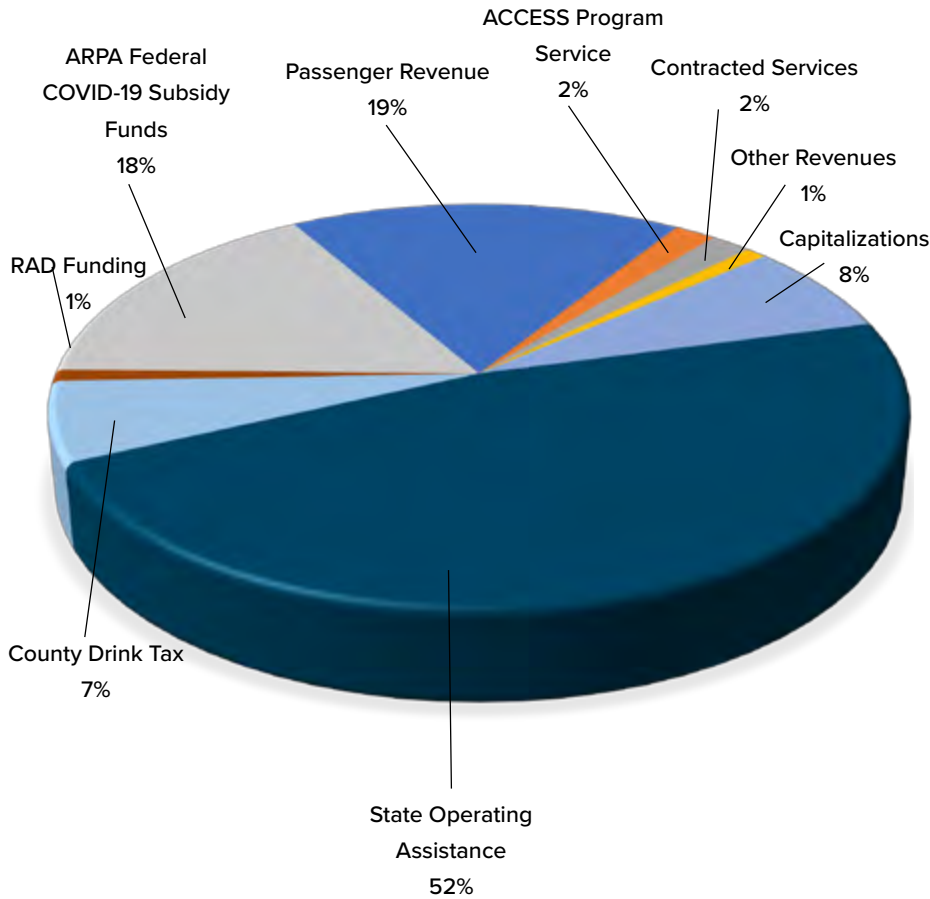
For a more thorough look at Pittsburgh Regional Transit’s most recent budget book, please see the agency’s [FY2022 Operating and Capital Improvement Budget book](#).

| | |
|----------------------------------|--|
| <p>Ridership</p> | <p>Ridership in FY2022 has rebounded by approximately 50% from the pandemic lows of FY2021. The FY2023 budget forecasts a 15% ridership increase as in-person economic activity increases and local universities return to on-site classes.</p> |
| <p>Passenger Revenues</p> | <p>Passenger revenue was budgeted at pre-pandemic levels in FY2021 and FY2022 to ease invoicing of federal stimulus funding and reflect the reduction in revenue as a result of COVID-19. The FY2023 budget reflects passenger revenues consistent with FY2022 levels plus a growth factor of 15%.</p> |
| <p>Expenses</p> | <p>The FY2023 Operating Budget is 5.1% higher than the FY2022 Operating Budget due to contractual wage and benefit premium increases. Volatility in the market has also significantly increased diesel fuel costs.</p> |
| <p>Operating Subsidy</p> | <p>In FY2023, Pittsburgh Regional Transit received a \$22.3 million increase in state and county operating assistance. A significant amount of federal stimulus funding will offset the reduction in passenger revenues and structural imbalances.</p> |

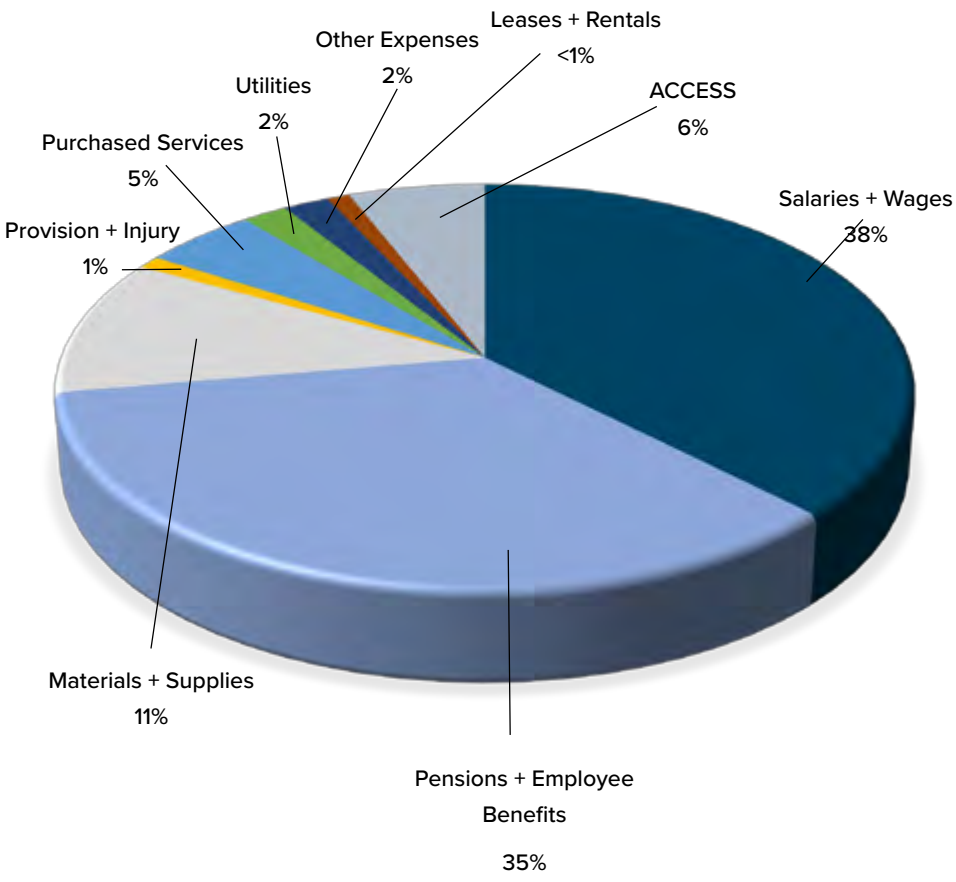


Total Operating Budget \$518,974,705

Operating Revenue by Source



Operating Expenses by Source

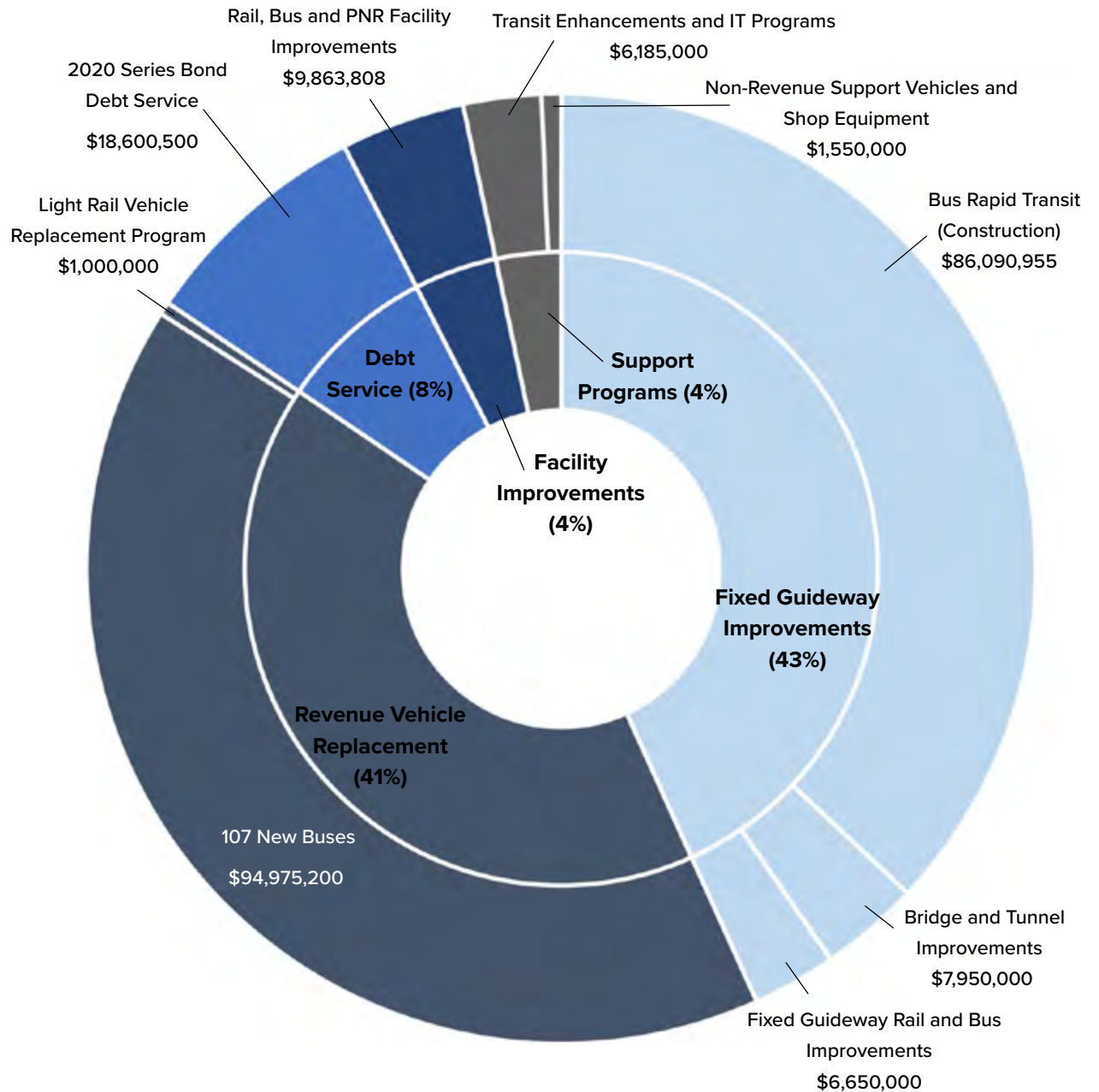


Source: FY2023 Budget Book

Total Capital Budget \$232,865,463

Approximately \$185M is needed annually to support Pittsburgh Regional Transit's current system in a state of good repair, based on the system's costs over the next 100 years. Historically, Pittsburgh Regional Transit's Capital Budget included debt service, revenue vehicle replacements, fixed guideway improvements, facility improvements and support programs. The FY2023 Capital Improvement Program is unique; it contains final funding for the construction of an upcoming bus rapid transit project and a bus purchase of 107 vehicles. This bus purchase represents the equivalent of two years worth of normal vehicle replacement levels.

FY 2023 Capital Funding Sources



Demographic Trends

Over the past decade, Allegheny County's population has increased 2.2% from 2010 to 2020. The NEXTransit Plan noted population within the county is shifting outward to the county's edges. Communities in the northern and western portions of the county (along with some city neighborhoods) are growing significantly, while some communities east of the city have significantly declined. Overall, the number of residents 65 years of age and older has increased slightly (+2.6%), highlighting the county's aging population. The percentage of residents living below the poverty level has been stable at -0.4%.

Top 10 Employers

by Employment Level for 2021 Q4 ²



- | | |
|-------------------------------|-------------------------------|
| 1. UPMC | 6. Giant Eagle |
| 2. University of Pittsburgh | 7. Allegheny County |
| 3. Federal Government | 8. Carnegie Mellon University |
| 4. PNC Bank | 9. Allegheny Clinic |
| 5. West Penn Allegheny Health | 10. Bank of New York Mellon |

² PA Dept of Labor & Industry Center for Workforce Information & Analysis

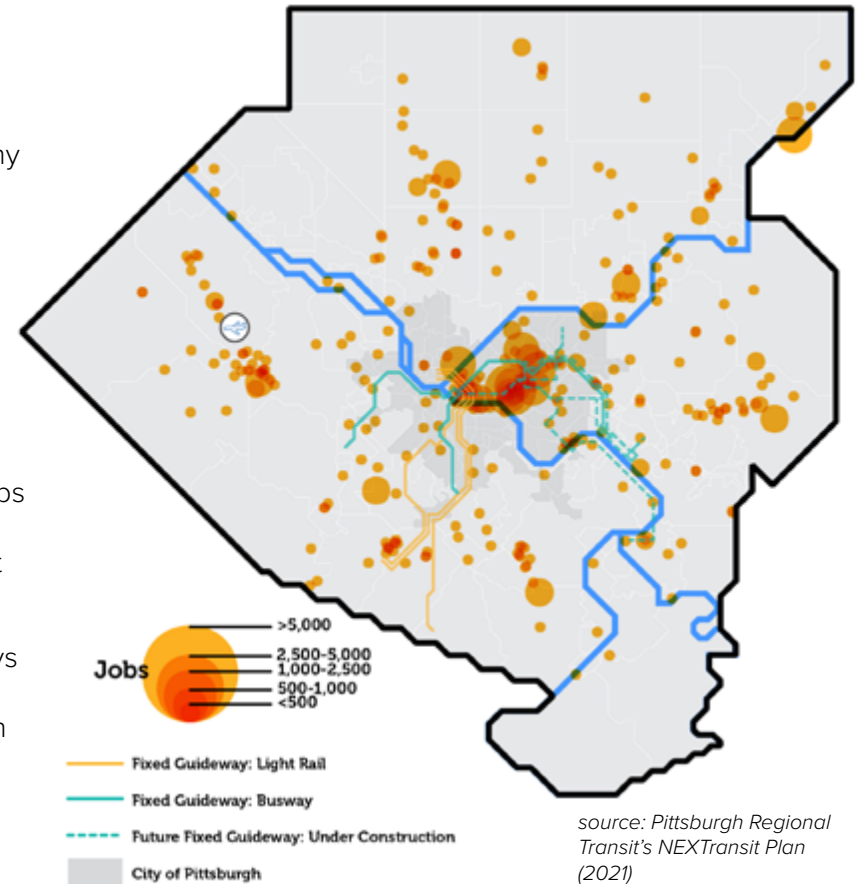
Employment Demographics

The City of Pittsburgh continues to have the highest concentration of jobs in Allegheny County. Large technology and Fortune 500 companies and institutions have established offices in Pittsburgh, creating employment and educational opportunities.

Employment Proximity

The area's dominant economic sectors, education and medical services, have important standalone locations outside of Pittsburgh and other primary employment centers. The clustering of employment near the fixed guideways in Allegheny County represent approximately 55% of all jobs within the county. Significant employment hubs exist outside the fixed guideways and represent potential opportunities to grow the rapid transit network, as shown on the map to the right. Fixed guideways include light rail and dedicated busways.

While not shown on the map, residential clustering around the current fixed guideways is less significant. Only 22% of Allegheny County's population lives within a half-mile of the rapid network. Residential development continues to grow most in the northern and western regions of the county, areas not currently served by high-speed transit. The new development is also occurring at a low-density, making it difficult to provide transit service at an affordable cost.



source: Pittsburgh Regional Transit's NEXTransit Plan (2021)

Strategic Framework



*Transit Oriented Development at East Liberty
Station on the East Busway*

Strategic Themes

Pittsburgh Regional Transit identified six themes that are integrated throughout its strategic goals and objectives. These themes represent a comprehensive perspective on how the organization intends to deliver quality transit services into the future.

National Leader: Pittsburgh Regional Transit seeks to be a “best in class” transit system in everything the organization does. By being at the forefront of industry best practices and trends, the agency sets the example and positions itself as a leader.

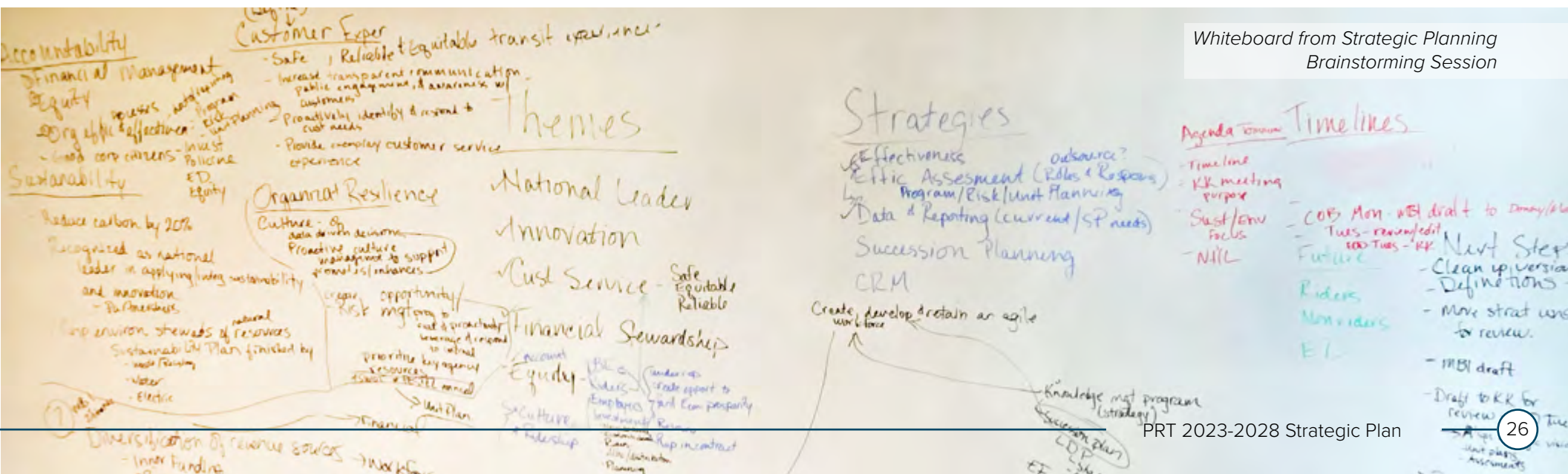
Innovation: To address current and future challenges, identifying creative solutions will be key. Pittsburgh Regional Transit will employ innovation in a meaningful way to benefit its stakeholders and support organizational goals and objectives.

Equity: Fair and equitable measures must be taken when implementing any significant organizational change. Pittsburgh Regional Transit strives to incorporate equity and inclusion into all decision-making processes.

Customer Service: At the heart of any public organization is the desire to be of service. Serving its various customers is core to Pittsburgh Regional Transit’s mission, whether it be riders, businesses, employees, or the community at large.

Financial Stewardship: To maintain the trust and confidence of stakeholders and achieve organizational goals and objectives, Pittsburgh Regional Transit must ensure it is a good steward of all funding it receives. This can be achieved through creative funding approaches, sound decision-making, and allocating resources wisely.

Culture: No organizational change can be sustained without a strong culture to support it. Shared core values and practices help to establish Pittsburgh Regional Transit’s public image, and inspire proactive employee engagement, productivity, and staff retention. Pittsburgh Regional Transit will cultivate a work environment that fosters communication and collaboration between divisions within the organization.



Whiteboard from Strategic Planning Brainstorming Session

Reimagined Vision and Mission

Following its newly adopted 25-year Long Range Transportation Plan (NEXTransit), Pittsburgh Regional Transit revisited its mission, vision, and values during the Strategic Planning process. Previously, Pittsburgh Regional Transit's vision was to "become America's premier public transportation company" with a mission "to connect people to life." Emerging from the pandemic, the Leadership Team believed it was appropriate to update its strategic framework to reflect the direction of the organization over the next five years.

Vision:

Be our region's transportation mode of choice by delivering an innovative network that is clean, sustainable, and equitable; a network that enables individuals, businesses, and economies to thrive.

Mission:

Advance our region by investing in our communities and connecting people in a safe, equitable, and reliable manner.



PRT Director of Planning & Service Development Amy Silbermann, speaks at a NEXTransit Public Meeting

Values

Values are beliefs that seldom change and guide an organization. They are deeply held convictions, priorities, and underlying assumptions that influence attitudes and behaviors of an organization. Strong values are how organizations gain reputations for leadership, innovation, and customer satisfaction.

Collaboration
We promote a culture of collaboration internally between divisions as well as with external stakeholders and customers.



Safety
We pride ourselves in prioritizing the health and well-being of our riders and employees.



Customer Service
We interact with our customers in a courteous, reliable, and transparent manner.



Equity
We strive to make decisions that are founded in equity, diversity, and inclusion.



Flexibility
We incorporate adaptability into our culture and services to implement a responsible, sustainable transit network.



Integrity
We operate in a manner that is ethical, trustworthy, and reliable and place these at the center of our commitments to the public, stakeholders, and employees.



Strategic Goals



ACCOUNTABILITY

Institute key operational processes that produce exceptional service to customers in a transparent, equitable, manner that aligns with Pittsburgh Regional Transit’s mission and goals.

Accountability is incorporating business practices and tools that permit Pittsburgh Regional Transit to continuously improve its ability to provide and operate a safe, equitable, and reliable network. It is the responsibility of Pittsburgh Regional Transit leadership to deliver a balanced operations and capital program, while ensuring work is performed and managed efficiently and effectively in support of the organization’s mission and values.



ORGANIZATIONAL RESILIENCE

Adapt and respond to new and changing conditions through proactively implementing policies, processes, and initiatives.

As a transit agency, it is important to be prepared and responsive to unforeseen situations such as environmental conditions, political decisions, or transit system incidents. Pittsburgh Regional Transit’s goal is to always remain agile and quickly adapt to challenges that could affect operations and success of the organization.



CUSTOMER EXPERIENCE

Provide an exceptional customer experience with Pittsburgh Regional Transit by providing safe, equitable, and reliable service.

Pittsburgh Regional Transit defines customers as any person, entity, or constituent it interacts with to advance transit initiatives. It is critical to understand diverse customer perspectives and proactively anticipate their needs when making decisions that support PRT’s mission.



SUSTAINABILITY

Be a positive impact on Allegheny County and the region through intentional and innovative environmental and climate initiatives.

Supporting the environment includes initiatives and improvements that reduce Pittsburgh Regional Transit’s carbon footprint and resource consumption. This will be accomplished by improving sustainability indicators and formally adopting and implementing a Sustainability Plan. As technology changes, PRT must be adaptable to implementing new, creative methods that minimize environmental impact.



ACCOUNTABILITY

Institute key operational processes that produce exceptional service to customers in a transparent, equitable manner that aligns with Pittsburgh Regional Transit's mission and goals.

OBJECTIVE 1

Demonstrate high organizational efficiency and effectiveness

OUR STRATEGIES

- Engage a third party to assess organizational structure, policies, procedures, processes, efficiencies, roles, and responsibilities to ensure critical functions are adequately staffed and aligned with goals of the Strategic Plan
- Create an Organizational Excellence team within the Strategy Department to facilitate data-driven decision-making that tracks key performance indicators (KPIs) and efficiencies through organizational reporting and dashboards
- Tie annual performance evaluations to meeting Goals and Objectives of the Strategic Plan
- Create a Knowledge Management function that documents and stores key organizational processes and procedures, and ensures intellectual capital is captured and accessible

OBJECTIVE 2

Implement financial management practices that improve the viability of the organization

OUR STRATEGIES

- Develop an operating budget reserve equal to three months worth of operating expenses
- Develop a capital contingency fund equal to 1.5 times annual debt service
- Maintain debt service coverage ratio of 2x or higher
- Implement policies that convert paper to electronic processes by 35% to minimize waste, expedite employee and vendor transactions, enhance decision-making, and reduce risk of fraud



ACCOUNTABILITY

Institute key operational processes that produce exceptional service to customers in a transparent, equitable manner that aligns with Pittsburgh Regional Transit's mission and goals.

OBJECTIVE 3

Provide and facilitate equitable opportunities for economic prosperity in our neighborhoods and communities

OUR STRATEGIES

- Prioritize investments and economic development opportunities within underserved communities (i.e. neighborhoods, affordable housing, greenspaces, and planning)
- Develop Equity Plan to advance equitable impacts and outcomes on people and neighborhoods most affected by agency actions
- Increase utilization of Historically Underutilized Business (HUB) contracts by 25%
- Proactively engage regional stakeholders (i.e., public, private and non-profit) to maximize partnerships, explore creative funding opportunities, and champion transit initiatives

OBJECTIVE 4

Establish social responsibility through active community engagement and consistent presence with our neighbors

OUR STRATEGIES

- Expand community outreach with neighborhood leaders to deepen relationships, promote reciprocal information-sharing, and empower our community in the decision-making process
- Initiate Strategic Partnerships function to foster shared purposes and opportunities with stakeholders that facilitate innovation, creativity, and social impact to advance a more viable region
- Increase transit-oriented policing initiatives through building trust with neighborhoods in Pittsburgh Regional Transit's service area



CUSTOMER EXPERIENCE

Provide exceptional customer experience with Pittsburgh Regional Transit by providing safe, equitable, and reliable service.

OBJECTIVE 1

Provide exemplary service to all internal and external Pittsburgh Regional Transit customers by listening to feedback and proactively identifying and responding to their needs

OUR STRATEGIES

- Design customer survey trend analysis framework to accurately capture feedback that guides development of transportation options, information technology improvements, employee and customer satisfaction, and service accessibility metrics
- Continually assess communication methods to effectively understand customer perspective on equitable access, service needs and technology enhancements
- Achieve targeted customer satisfaction across all categories of ridership
- Expand voice of the customer (VOC) channels to collect satisfaction data from a wider range of demographics (age, gender, nationality, etc.)
- Install Interactive Voice Response (IVR) systems for Benefits Department to increase employee efficiency, satisfaction, and reduce operational costs
- By 2026, upgrade and expand audio and signage functionality at bus and rail stations to improve digital communications with customers
- Implement Customer Education Campaign to expand public awareness of PRT programs, incentives, initiatives, and services that benefit riders and regional stakeholders



CUSTOMER EXPERIENCE

Provide exceptional customer experience with Pittsburgh Regional Transit by providing safe, equitable, and reliable service.

OBJECTIVE 2

Operate an equitable transit system that supports thriving communities

OUR STRATEGIES

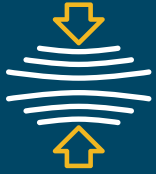
- Increase ridership growth by 10% in top 50% of high equity areas identified in the Equity Index
- Develop a methodology to monitor and track investment impact in low income and underserved neighborhood programs and projects
- Establish fare structures that support greater regional access to transit ridership for all income levels while minimizing negative revenue impacts
- Expand ridership by attracting new riders to mobility-oriented options

OBJECTIVE 3

Maintain safety incident rates at or below the annually set Safety Performance Targets consistent with the Agency Safety Plan

OUR STRATEGIES

- Enhance the organization's safety culture through education, knowledge-sharing, and safety policies and procedures
- Produce annual public-facing "State of the Police Department" report to track crime trends, officer deployment, and community-oriented policing activities
- Establish an internal Safety Reporting and Improvements Dashboard to support implementation of agency-wide safety policies and procedures, and incident prevention throughout Pittsburgh Regional Transit



ORGANIZATIONAL RESILIENCE

Adapt and respond to new and changing conditions through proactively implementing policies, processes, and initiatives.

OBJECTIVE 1

Create long term financial stability through diversification of additional revenue sources

OUR STRATEGIES

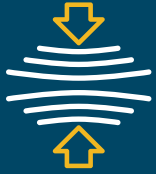
- Establish an Innovative Funding team to develop new, diverse funding strategies through proactive exploration of traditional and non-traditional revenue sources such as cost-sharing, public-private concessions, and alternative project delivery models
- Centralize the grants evaluation process to collaboratively prioritize organizational funding opportunities through examining the strength and viability of project application packets
- Seek transformative transportation reinvestment opportunities to revitalize and restore local communities

OBJECTIVE 2

Implement a Risk Management Program to evaluate, leverage, and respond to organizational risks and opportunities

OUR STRATEGIES

- Establish annual risk assessment program that systematically and collaboratively identifies and track risks, provides structure and coordination through weighted risk rankings, and serves as a leadership decision-making tool for prioritizing organizational assets and resources
- Introduce program assessments to assist departments in monitoring the health of key programs and initiatives through the performance of annual Strength, Weaknesses, Opportunities, and Threats (SWOT) analyses
- Develop annual government relations goals to support innovative transit opportunities and proactively manage risk



ORGANIZATIONAL RESILIENCE

Adapt and respond to new and changing conditions through proactively implementing policies, processes, and initiatives.

OBJECTIVE 3

Develop and maintain a culture that supports innovation through data-driven decisions

OUR STRATEGIES

- Institute a change management program to proactively support the culture shift necessary to meet the goals of the Strategic Plan
- Encourage leadership to integrate industry best practices and trends throughout the organization by formalizing knowledge-exchanges and peer network forums with innovative transit agencies and industry organizations such as TRB, APTA, COMTO, ABBG, etc.
- Increase the number of employees trained on business process improvement methodologies (i.e., LEAN, Six Sigma, Agile, etc.) to 8% of the workforce by 2027

OBJECTIVE 4

Attract, develop, and retain an agile workforce

OUR STRATEGIES

- Develop rigorous succession planning strategies and programs such as Leadership Development, Employee Development and knowledge-sharing to support an agile, forward-thinking, and sustainable workforce
- Develop and institute consistent annual employee surveys with annual growth in all categories
- Perform 360-degree assessments for all management personnel and provide training for identified areas of opportunity
- Attain recognition as a Top 20 Employer in the Pittsburgh region
- Collaborate with local education institutions (inclusive of trade and technical) and organizations to influence student and Pittsburgh Regional Transit course development that address critical skills and generate a pipeline necessary for the workforce of the future



SUSTAINABILITY

Be a positive impact on Allegheny County and the region through intentional and innovative environmental and climate initiatives.

OBJECTIVE 1

Rigorously develop infrastructure needed to support the NEXTransit zero emission fleet by 2045 goal

OUR STRATEGIES

- Develop and implement a Zero-Emissions Fleet Plan by June 2024
- Adopt and implement a Climate Action Plan by 2027
- Partner with local electricity providers, universities, and other stakeholders to collaboratively develop regional and incremental targets for becoming carbon neutral

OBJECTIVE 2

Achieve recognition as a national leader in implementing sustainable and innovative solutions

OUR STRATEGIES

- Adopt and implement a Sustainability Plan by 2023
- Hire a Sustainability Manager and designate a Sustainability Committee representative from each department to structure, coordinate, and implement projects in an efficient and effective manner
- Commit to implementing and delivering 70% or more projects in capital investment programs that support Sustainability initiatives

What's Next?



*Negley Station under construction
(Spring of 2022)*



Overall Agency Scorecard

Route Scorecard

Route Scorecard

Choose a bus, incline or light rail route to see how it performs.

Select a Route

12 - McKnight

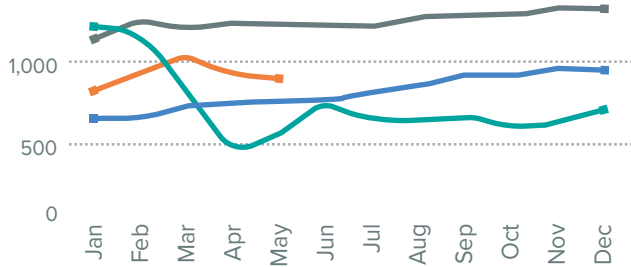
Route: 12 - McKnight

Day: Weekday

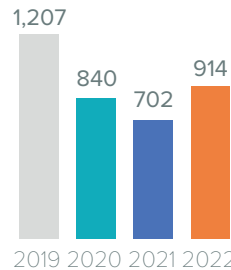
Day Type

Weekday

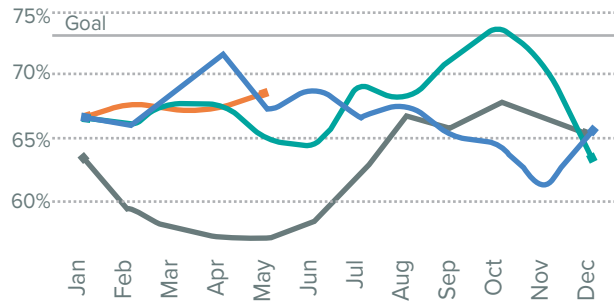
Average Daily Riders



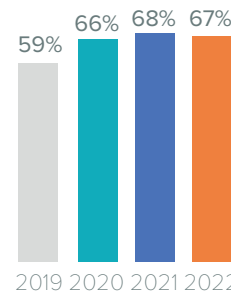
Annual Comparison



Average On Time Performance



Annual Comparison



Example of PRT Key Performance Indicator (KPI) Scorecard available online at <https://www.portauthority.org/inside-Pittsburgh-Regional-Transit/Transparency/performance-metrics-and-system-data/>

Strategic Plan Execution

The American Society of Quality (2022) defines organizational excellence as “the ongoing efforts to establish an internal framework of standards and processes intended to engage and motivate employees to deliver products and services that fulfill customer requirements within business expectations.” Pittsburgh Regional Transit is committed to organizational excellence in the delivery of this Strategic Plan. This commitment includes not only continuous improvement of the organization and its services, but also efforts to establish PRT as a leader in the transit industry and the communities we serve.

Prior to the development of this plan, PRT took proactive steps to prepare itself for implementation of its strategic goals and objectives. The agency appointed its first Chief Strategy Officer and established the Strategic Planning Department. This organizational change provides a dedicated unit to monitor and manage performance and provide support for other departments within the organization. The Strategic Planning Department will make use of dashboards and scorecards to provide senior leaders with the support required to embrace data-driven decision-making. This data-informed approach allows for adjustments to the plan over its life-cycle, including revisions to strategies necessary to accomplish goals and objectives.

The plan will cover fiscal years 2023-2028; however, periodic evaluation may trigger the need to start a new strategic planning cycle earlier. We are excited about the opportunities outlined in this plan, which will enable Pittsburgh Regional Transit to deliver exemplary services to our region.

Moving Forward

This plan represents the convergence of our aspirations and the imperative to push the boundaries of innovation, equity, and sustainability. Pittsburgh Regional Transit will use this plan to guide policy and programs that shape the institutional infrastructure needed to deliver a premier transit experience for the region.

The goals support PRT's five year vision of maintaining safe and reliable transit, while expanding investment in people and the communities in which it operates. The supporting strategies ensure accountability and innovation in an ever-changing environment. Pittsburgh Regional Transit understands it can further the success of the region through collaborative partnerships that align services with economic development opportunities and enhanced mobility initiatives. This Strategic Plan identifies actionable steps to implement strategic goals and ensure a commitment to organizational excellence.

In an uncertain post-pandemic environment, PRT must be flexible as an agency and maximize its ability to influence mobility solutions in Southwestern Pennsylvania. Looking toward the future, inclusion of residents' unique perspectives is vital to the success of Pittsburgh Regional Transit and the region. PRT is united by its values and desire for an equitable transit network that connects people to life and supports new investment to create thriving communities.

**At the heart of our work stands an ongoing commitment to the values that animate our mission.
By taking bold action, we can achieve lasting, positive impacts for our region and our residents.**



New PRT branded bus



Appendix

Four-Corner Analysis

A Four-Corner Analysis helps the organization identify the transitions necessary from its current state to its future vision. This assessment considers existing internal and external aspects of the organization. Internally, the organization's assets and vulnerabilities are identified, followed by examining external opportunities and threats. The results of Pittsburgh Regional Transit's Four-Corner Analysis are arranged according to the four Strategic Plan Goals and follows the evaluation criteria below.



Assets (I)

Internal forces, strengths, or areas of expertise that contribute to the organization's effectiveness.



Vulnerabilities (I)

Internal voids or weaknesses that need to be strengthened and addressed.



Opportunities (E)

External conditions or situations in the environment which can, or will, work to the organization's benefit or advantage.



Threats (E)

External forces which threaten the effectiveness and viability of the organization.

** Internal assessments are noted with (I) and external are noted with (E).*



North Side Station on the light rail system

ACCOUNTABILITY



Assets (I)

- Internal coordination/data sharing
- Intentional in targeting diverse workforce
- Respected leadership
- High perception of safety



Opportunities (E)

- Economic driver in the region
- Opportunity with universities/colleges to expand Pittsburgh Regional Transit service
- Work with communities to partner in future planning, engagement, and revitalization efforts - particularly post-COVID



Vulnerabilities (I)

- Internal communication with staff in real time
- Managing and executing change initiatives
- Changing workplace dynamic - job centers moving/teleworking, current system is Downtown-centric
- Heavy pension and healthcare burden (current and retired employees)
- Lack of process efficiencies and the streamlined coordination necessary to relieve administrative burden
- Enterprise Content Management (ECM)
- Limited diversity in executive leadership positions



Threats (E)

- Antiquated work rules in contracts which are difficult to bargain out and improve workforce efficiencies
- Workforce availability and meeting diversity goals
- 40% of transportation workers leaving workforce nationally



CUSTOMER EXPERIENCE



Assets (I)

- Willingness to ride transit
- Communicating with customers - announcing events/issues/etc.
- Regularly getting buses out to people every day to meet needs/deliver service



Opportunities (E)

- Promote our accomplishments and services
- Use social media and technology to talk to and respond better to customers needs
- Expand Pittsburgh Regional Transit visibility and outreach with local officials and residents outside urban core



Vulnerabilities (I)

- Misinformation circulated by internal and external stakeholders



Threats (E)

- Limited media coverage might make it more difficult to get the message out to residents about the benefits of transit

ORGANIZATIONAL RESILIENCE



Assets (I)

- Adverse weather and emergency responsiveness and preparedness (also via busway for emergency vehicles)



Opportunities (E)

- Unprecedented level of support for transportation funding at the state and federal levels



Vulnerabilities (I)

- Lack of space to make improvements



Threats (E)

- Fragmented government structure - requires coordination with multiple entities, agencies, utilities
- Procurement rules, supply-chain issues, and continuing to meet the needs of a changing environment - state and federal regulations; availability of American-made products (Buy America)
- Increasing number of weather events - climate resiliency/impact
- Continued/long-term effects from the COVID-19 pandemic on ridership, workforce, etc.
- Meeting ADA requirements at bus stops as Pittsburgh Regional Transit does not own adjacent infrastructure
- Workforce availability



SUSTAINABILITY



Assets (I)

- People want more of what Pittsburgh Regional Transit offers
- Busways offer service capacity to key corridors
- Electric buses



Opportunities (E)

- Support from local utilities to partner on electric chargers
- Improved vehicle technology can lead to improved safety and customer experience – barrier is increased cost
- Port activity poses opportunity for expanding mobility
- Continue to capitalize upon urban design



Vulnerabilities (I)

- Continue to pursue more sustainable measures
- Aging infrastructure (sinkholes, roadways, railcars, facilities) – increased cost of investment/improvements; not easily transitioned to meet sustainability goals
- Low percentage of employees using self-serve information portal



Threats (E)

- Development encroachment around transit garages
- Infrastructure and system connectivity (ownership and maintenance responsibilities) is fragmented and requires coordination
- Development occurring outside of Pittsburgh Regional Transit service area (or at least rapid service areas)
- Availability of funding and market inflation to meet sustainability goals
- Cybersecurity threats