

MEMORANDUM

To: CFGB Board
From: Gus Heard-Hughes, Senior Vice President of Programs
Date: 5/21/26
Re: Microtransit Pilot for Irondale

Purpose: To replicate a successful microtransit model in the City of Irondale, creating a more regional system that meets community needs for efficient, affordable transportation options. Microtransit is a rideshare program that provides on-demand, app-based rides at public transportation prices. Reliable transportation is essential. A 2021 Brookings Institution study found that if you have a vehicle in Birmingham, you have access to 100x more jobs in a 30-minute radius. CFGB helped launch the successful Birmingham On-Demand microtransit program in 2019; that program has grown steadily to over 3,800 rides per week by the end of 2025 and boasts 4.9 out of 5 average rider ratings and a 12.5-minute average wait time.

Need / Opportunity: CFGB and BJCTA have been working with the City of Irondale over the past year to explore the potential for expanding microtransit to the city. The data shows Irondale is a strong candidate for microtransit:

- Irondale has no public transit services and is rated as 'highly car dependent' by Walk Score.
- Irondale has high percentages of residents in groups that face greater transportation challenges:
 - o 15.2% of residents live in poverty
 - o 18% of residents are above age 65
 - o 8.9% of residents have a disability
- Irondale has seen solid growth in recent years and appears well-positioned to sustain a reasonably scaled microtransit service after the pilot.¹
- City leaders have shown strong interest in launching a service; they are completing a community survey this month to gather resident feedback.

We have been working with the City of Homewood for the past few years to explore a microtransit pilot. Early this month, with the new municipal structure solidified, city leaders voted to approve a 1.25-year pilot. If we can bring both Homewood and Irondale on board with microtransit, it will be a big step forward in building a regional system. Homewood has a good mix of interest, need, and capacity to sustain a microtransit system. Irondale has these qualities as well; given its lack of public transit and its demographic mix, it is higher in need.

¹ Irondale has had significant population growth (6.5% from 2019 to 2024, per ACS data) and business growth (for example, the Publix-anchored Cahaba Crossing development is fully occupied and generated over \$1M in tax revenue year one) in the last few years. The city made several recent, large bond-funded capital investments, so this is something to watch; but the city currently has \$11M in reserves (27% of projected revenue), a projected \$1.7M operating surplus, and a clean audit. Costco is opening in Irondale in Spring 2028, which will add to the sales tax base.

The Homewood microtransit pilot is being supported through \$600,000 in Catalyst funds and \$200,000 in CFGB Proactive funds. The cost of the Irondale pilot is \$411,000; if the committee recommends this amount from CFGB Proactive funds, the commitment from Catalyst and Proactive funds to microtransit expansion will be roughly equal. Although this is a large investment, the Birmingham example shows it can pay off. In Birmingham, CFGB's initial investment in the pilot led to the city funding and expanding the service over the years. It is now a \$2.5 million line item in the city's budget.

As the attached slides indicate, the Irondale microtransit pilot will operate Monday – Saturday from 7 AM to 7 PM, serving key population centers, senior facilities, shopping and employment destinations, and other points of interest. The service will also have connection points to Birmingham's fixed route and microtransit services. The pilot is slated to run a full year; we are working on the start and end date, but the idea is to give the City of Irondale enough data to adjust as needed and plan to fund the program in FY28.

Evaluation: In Homewood, the service will be fully operated by Via. In Irondale, where the Mayor and BJCTA are forming a strong relationship, BJCTA will operate the service with Via providing only the software. This could help with cost containment as BJCTA can offer the service at a slightly lower rate than Via. Currently, however, BJCTA lags behind Via on met demand rates and other performance outcomes in Birmingham's microtransit service (BJCTA operates the eastern zone, Via the downtown/western zone). We will hold all partners accountable for regular data reporting and will track performance closely to ensure BJCTA is progressing to the standard set by Via.

Outcome 1 – The Irondale microtransit pilot is efficient and effective at providing rides to users

- Average time to ride pick up in minutes
- Average ride length in minutes
- % met demand (% of ride requests where there is a ride available)
- # completed rides per week, month, year
- Consistent functioning of ride order app

Outcome 2 – The Irondale microtransit pilot is well-regarded and valued as a transit improvement for users in the community

- Average service rating (1-5 scale)
- Qualitative rider experience feedback from surveys

Outcome 3 – The Irondale microtransit pilot is meeting important transportation needs identified by the community

- % using service to get to: work, school, medical appointments, shopping, other transit
- Most common pick up and drop off locations
- Connectivity with Birmingham On-Demand service

Recommendation

At its 5/6/26 meeting, the Building Capacity Committee recommended a \$411,000 grant from CFGB Proactive funds to Birmingham-Jefferson County Transit Authority to fund a one-year microtransit pilot in the City of Irondale. **We recommend that the CFGB Board approve this Building Capacity Committee recommendation for a \$411,000 grant from CFGB Proactive Funds for a microtransit pilot in Irondale.**