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Federal Relief Proposals Aren't Enough to Thwart Some of the Worst Transit Cuts.

As Congress debates proposals to give public transit half of what was sought, officials warn of cuts that would gut regional economies.

Officials at some of the largest public transit systems in the U.S. say that sweeping cuts to service and staffing are in store if a second federal pandemic relief package does not arrive soon. And the transit aid proposals currently being considered in Congress may not be enough to prevent drastic changes that would be difficult to reverse in several big cities, leaders and advocates say.

That includes in Congress's own backyard, where staffers, interns, Capitol Hill service workers and a tiny handful of lawmakers are normally some of the most reliable users of the Washington, D.C., Metro. Now rail ridership on the second-most-used rail transit network in the U.S. is down nearly 90%, and WMATA faces an approximate \$500 million budget gap starting in FY 2022.

To close it, WMATA general manager and chief executive officer Paul Wiedefeld laid out a plan on Monday that would transform the system from metropolitan lifeblood to anemic last resort. It includes eliminating weekend rail service, reducing weekday rail service to 30-minute headways, closing the rail system at 9 p.m. and shuttering 19 stations entirely, and eliminating more than 30% of the bus routes that existed before the pandemic. This would be on top of 1,400 positions that are already in the process of being eliminated, in order to close a \$167 million budget hole in FY 2021, Wiedefeld said.

D.C.'s proposed changes are not inevitable. A swift vaccine distribution and accompanying economic recovery could be cause for dialing back some of the cuts, Wiedefeld said, as would the prompt arrival of a second relief package from Congress.

On Tuesday, a bipartisan group of senators outlined a \$908 billion stimulus that includes \$15 billion for public transit — less than half of what public transit advocates say is needed. That amount may be the best-case scenario for federal transit funding. In a major concession, Democratic leaders have backed the bipartisan proposal, but Senate Majority leader Mitch McConnell rejected it and is pushing instead a version of a bill he previously failed to pass that includes no funding at all for transit.

Transit leaders say that \$15 billion in aid would be better than nothing. Chad Chitwood, a spokesperson for the American Public Transportation Association, which is calling for \$32 billion in transit funding, called it a "promising step in the right direction."

But officials stressed that it would not be enough to return to full service levels, or even to avoid some of the harshest cuts currently taking shape. Assuming that his agency received the same portion from a \$15 billion relief fund as it did from the CARES Act in March, San Francisco Municipal Transportation Agency director Jeffrey Tumlin said it would fail to prevent the nearly 22% reduction in workforce and dramatic service cuts that the agency projects will be necessary to close the \$600 million in losses it faces over the next two years.

"It's good but it's worse than our worst-case scenario that is leading us to 1,200 layoffs," he said of the possible relief funding, explaining that \$15 billion would not put the agency over the threshold for aid that it says it requires to avoid those cuts.

In an SFMTA board meeting on Tuesday, Jonathan Rewers, a senior budget manager at the agency, clarified what would be necessary. "Only at the highest amount — the amount in the HEROES Act — do we have a chance at closing the deficits we project over the next two years," he said. That earlier more robust HEROES Act proposal would have funded transit at the requested \$32 billion.

The \$15 billion figure in the stimulus agreement represents a middle ground between proposals from both sides, according to a spokesperson for Senator Mark Warner, a Virginia Democrat who represents areas served by WMATA and is one of the authors of the compromise. WMATA's proposed cuts "will have a dramatic effect on the functions of the federal government as well as for constituents across the tristate area," Warner said at a press conference Tuesday. "So we made, I think, the right kind of investment in public transit."

The distribution of those funds will also be important, advocates said. The CARES Act distributed \$25 billion to public transit agencies and has enabled many systems to continue operating this far. But those resources were never designed to last forever, and for big-city agencies with budgets that rely heavily on passenger revenues, they dwindled faster.

For example, New York City's Metropolitan Transportation Authority — far and away the largest transit operator in the U.S.— received \$3.9 billion in CARES relief, or slightly more than 15% of the available aid. Yet it carries 34% of the nation's metro rail and bus trips, according to APTA data, and the money lasted just four months. The agency now warns it will need to cut subway and bus service by 40% and commuter rail by 50% and lay off more than 9,000 workers if the federal government fails to allocate \$12 billion.

"We need to get the size of the pot right and the distribution right to save America's cities," said Danny Pearlstein, the policy and communications director at Riders Alliance, an advocacy group in New York City. To highlight what he called the inadequacy of the \$15 billion figure, he added: "There would only be \$3 billion left once MTA gets its twelve."

In Washington, D.C., Wiedefeld said that his agency would need more than \$700 million to return to normal levels of operation and reverse all staffing and service cuts. In addition to the exact amount, timing matters, too, with more than 10% of the agency's workforce already hanging in the balance, Wiedefeld said.

"If we don't get a significant amount from Congress, or it doesn't come until late in the first or second quarter of the year, it will be hard to pull this back," he said. "If money came immediately to pull back 1,400 jobs, I'd do that. But if that does not occur until April or May, they're already gone. Then I'm trying to save jobs for the next fiscal year."

At the current trajectory, the agency projects ridership to return to 34% of its 2019 levels by June 2022 and to take years to fully rebound.

Until then, "we have to live under a balanced budget with no other resources to turn to," Wiedefeld said. "This is the reality of what we're up against."

The impact of the proposed cuts on the D.C. economy would be difficult to overstate. The transit system outlines the region's future, with one 2015 study estimating that 78% of the next 15 years in planned commercial, residential and retail construction would occur within a half-mile of a Metro

station. It's not clear what would become of those blueprints if service was gutted. In addition to weekday commuters, the D.C. rail system is also a mode of choice for millions of annual visitors to the region's monuments and museums; cuts to weekend service would stymie the return of that tourism.

"Anyone who comes here from around the globe uses our system, so it does reflect at a national level," Wiedefeld said. "What does this reflect when the nation's capital can't provide a fundamental service that major metropolitan areas provide worldwide?"

Yet these challenges reflect similarly grim forecasts in other U.S. cities. In the New York City region, the MTA's proposed cuts would result in an estimated loss of \$65 billion in gross domestic product annually and cost 450,000 jobs in the area by 2022, according to a report by the NYU Rudin Center for Transportation Policy and Management and New York-based consulting firm Appleseed.

The changes will make it difficult for the MTA to bring back riders to its network of subways, buses and commuter trains as other transportation options will become more attractive, Pat Foye, the agency's chief executive officer, said in an interview last month with Bloomberg TV.

"Cutting it back also will cause some of our customers to say, 'you know what, it's not worth it,'" he said. "We won't get their revenue. We won't get their service and that's just a terrible place for any transit agency to be."

Meanwhile, D.C. buses have continued to serve roughly 200,000 daily riders, or about 40% of normal ridership, which is a much larger portion than the rail system has seen. Ron J. Thompson Jr., a transit equity organizer at the advocacy group Greater Greater Washington, said that cuts could strand low-income bus riders from jobs, school, groceries and healthcare. As the region pulls itself out of the Covid-19 recession, he said, "you're setting us up for one of the most uneven recoveries, ever, in our nation's history."

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By Laura Bliss

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— *With assistance by Michelle Kaske*