

Transit Watch: Public Transit in Crisis

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Friends,

Significant ridership and revenue declines resulting from the COVID-19 pandemic threaten the viability of transit service in the near- and long-term.

The most recent federal emergency relief bill provides stopgap funding to public transit agencies, which is being used to halt planned service reductions and workforce layoffs. While this bill will ensure that many public transit agencies can continue to provide their service in the near-term, the impact of the pandemic on transit operating budgets may last for years.

More help is urgently needed.

Check <u>this page on our website</u> frequently for the latest information on COVID-19 impacts to public transit in your community.

Stimulus Throws \$975 Million Lifeline to Bay Area Public Transit. Will It Be Enough to Prevent Cuts?

- Bay Area transit agencies, hard hit by fare losses during the pandemic, are slated to receive \$975 million in federal funds from the latest coronavirus relief bill.
- Public transportation across the country has faced an existential threat in the months since widespread lockdowns cleared most riders off transit, though have continued providing services to essential workers.
- VTA spokesman Ken Blackstone said the latest round of funds will provide a "short-term fix" that officials hope will be enough to "bridge the gap" until ridership and revenues return to pre-pandemic levels.
- SF Muni officials say they will still need to spend rainy-day funds to balance the agency's budget and will need additional funding to restore bus and rail service that was slashed earlier this year.
- Read more from San Jose Mercury News: <u>"Stimulus Throws \$975 Million Lifeline to Bay Area Public Transit. Will It</u> <u>Be Enough to Prevent Cuts?</u>"

For Public Transit, the Stimulus is a Lifeline - But a Short One

- The \$900 billion stimulus package passed by Congress includes \$14 billion of aid for public transit... enough to halt the sweeping service and staffing cuts that several of the nation's largest transit agencies had said could be imminent, but not enough to close the pandemic-sized holes blown through agency budgets.
- "This will buy agencies critical time and should stave off transit cuts for the immediate future," stated an analysis of the bill by TransitCenter, a think tank. "To fully bridge the COVID budget gap, however, further rounds of funding would need to be secured from federal, state or local sources."
- In San Francisco, for example, existing service cuts due to ridership losses and labor shortages will stay in place, says Jeffrey Tumlin, the executive director of the San Francisco Municipal Transportation Agency. The new aid from Congress would likely be enough to postpone 1,200 layoffs proposed in a budget plan the agency had previewed earlier this month. "It stabilizes us at our current 70% service level," he said.
- The reliability of urban bus and rail systems is essential to the broader economic recovery. U.S. public transportation agencies have continued to provide more than 70 million trips per week even as COVID-19 infection rates reach new heights.
- If ridership does not rebound and service cuts become permanent, advocates warn that workers who can't afford alternative transportation would be left stranded; others will take to cars, adding congestion to the roads and carbon emissions to the atmosphere.
- Read more from *Bloomberg CityLab*: "For Public Transit, the Stimulus is a Lifeline But a Short One"

Golden Gate Transit Workers Spared from Layoffs for Now in Anticipation of Coronavirus Relief Funds

- The Golden Gate Bridge, Highway and Transportation District board voted to stop the planned layoffs of 146 workers after the newest coronavirus relief bill became law.
- Shelter-in-place nearly emptied the transit district's buses and ferries and cleared traffic on the Golden Gate Bridge. Revenue from tolls and fares dropped \$2 million a week.
- The board voted to lay off 146 workers, eliminate 59 vacant jobs and implement a 10% pay cut for management to cut costs, instead of raising revenue by hiking tolls.
- General Manager Denis Mulligan said he hoped new federal stimulus funds will get the transit district through the spring, but uncertainty remains about when the pandemic will be over and riders will return. If bridge toll traffic doesn't rebound or no more federal relief comes, the board will have to cut costs or raise revenue again.
- Read more from *Mass Transit Magazine*: <u>"Golden Gate Transit Workers Spared from Layoffs for Now in</u> <u>Anticipation of Coronavirus Relief Funds"</u>

The Pandemic Has Upended Bay Area Transportation. What Does the Future Hold?

- The COVID-19 pandemic has transformed transportation. Some experts fear transit operators struggling for riders and revenue will never fully recover, with people reverting to driving in notoriously bad Bay Area traffic.
- Unlike drivers, many public transit riders still haven't returned, and might not for a long time. Data from Apple Mobility shows that since Jan.13, driving in the Bay Area dropped 30%, while transit plunged 72%.
- Even though agencies such as the Santa Clara Valley Transportation Authority and AC Transit have received enough federal funds to fill their budget holes, their futures remain dire. It may be years before transit riders fully return. BART has predicted that ridership may not be back until July 2022.
- Transit operators say their existence is threatened.
- "No one anticipated that the pandemic was going to extend through nine months, and here we are," said Valley Transportation Authority General Manager Nuria Fernandez, who chairs the American Public Transportation Association. "We're keeping our fingers crossed that the vaccine works well, but we don't know what the future holds."
- Read more from the *SF Chronicle*: <u>"The Pandemic Has Upended Bay Area Transportation. What Does the Future Hold?"</u>

For more information, please contact the California Transit Association at <u>COVID-19@caltransit.org</u>.

