

# ORLANDO BUSINESS JOURNAL

## **Trump eyes billions in cuts as ridership sags on the nation's train and bus routes. Here's what's at risk in Orlando.**

Jeff Jeffrey and Susan Lundine

October 10, 2018

Ridership has plummeted. Competition is mounting. President Donald Trump is calling for cuts. In short, it's a bad time for public transit in America.

To be clear, the nation's rails, subways and buses are in the White House's crosshairs. As of this month, the Trump administration, citing other spending priorities, is withholding \$1.4 billion in funding for transit projects already in the works and threatening to end a federal program that matches local funding for transit expansions. If successful, the move would slash another \$80 billion from proposed projects in dozens of cities.

Transit supporters argue the pullback could devastate communities where public-transit systems are the only means for low-income riders to access jobs.

Beth Osborne, a vice president at Transportation for America, a pro-transit advocacy group, said big companies also are concerned, as public transit often plays an important role in getting workers to the office. She said it's also a major factor in where companies choose to locate, as highlighted by Amazon.com in its ongoing hunt for a second North American headquarters.

"Areas with access to transit tend to be those that attract jobs, attract companies and business opportunities," Osborne said.

### **TROUBLE ON THE TRACKS**

Between 2012 and 2017, public-transit ridership fell in hundreds of major metros and was off roughly 4 percent nationwide. In Chicago and Los Angeles — the second- and third-largest transit regions in the country — ridership fell 11 percent and 18 percent, respectively. In Washington, D.C., the drop was 15 percent, while other major transit hubs such as Boston (6.2 percent), Philadelphia (9.8 percent) and Atlanta (5.6 percent) also were down.

Meanwhile, Orlando saw a 9 percent decrease in metro ridership between 2012-2017. Among the projects in Central Florida that may be at risk for federal funding cuts, which would make up half the budget for each, are:

- A \$225 million 5.5-mile east-west commuter rail project connecting the north-south running SunRail system with Orlando International Airport.
- A \$68.68 million extension of Central Florida's SunRail commuter train to the north from DeBary to DeLand. The other half of the money for this would come from the state and Volusia County, each paying \$17.7 million.

Other projects with federal funding at risk in Florida include:

- A \$33.16 million bus rapid transit line from the convention center in downtown Jacksonville, via Florida State College-Jacksonville, to the Orange Park Mall in Clay County.
- A \$41.26 million bus rapid transit line from downtown St. Petersburg to St. Pete Beach via the Central Avenue corridor.
- A \$102.6 million extension of the Tampa Streetcar by approximately 2.6 miles. The project is expected to include eight stations, the purchase of four streetcar vehicles, and a pro-rata share of the cost for a new vehicle maintenance and storage facility.

Running counter to the nation's downward trend was the New York City area, which supports the nation's largest transit system with some 4.25 billion passenger trips per year. Other outliers included Seattle and the Minneapolis-St. Paul region.

Some transit experts attribute the declines to low gas prices, increased popularity of ride-hailing services such as Lyft and Uber and an improved economy allowing more people to buy cars to commute.

Others, including Randal O'Toole at the Cato Institute in Washington, see the downward trend as something more permanent.

"Most if not all of the arguments for subsidizing mass transit — it helps the poor, it is sustainable transportation, it promotes economic development — either are no longer valid or they never were," O'Toole said.

### **AVOIDING A 'DEATH SPIRAL'**

Without federal funding, many cities can't afford transit maintenance or expansion, said Jarrett Walker, a Portland, Oregon-based transit consultant. Even small cuts can set off a "death spiral" that ensures ridership continues to fall, he said.

"You have to run service to get riders, so when service is cut, ridership will definitely fall more," Walker said.

But there are signs of hope, at least to anyone hoping to see a rebound in public-transit usage.

Tops among them is the recent rise in gas prices, which as of Labor Day had climbed to a national average of \$2.84 per gallon of regular unleaded. That average price was up 32 percent from 2016's average of \$2.14 per gallon.

Also, competition from ride-sharing companies such as Uber and Lyft may be overblown. That's according to a May report by the National Academies of Sciences, Engineering and

Medicine that described the impact of ride-sharing services on transit systems as relatively minor. Uber and Lyft declined to share user statistics with the Business Journals.

Aaron Renn, a senior fellow at the Manhattan Institute, a New York-based free-market think tank, said there's also a good track record when urban centers start small before making major investments on rail or subway systems. He cited the incremental expansion of Seattle's transit system, which saw ridership increase 14 percent from 2012 through 2017, as a model for other cities to follow.

"Seattle has invested heavily in improving its bus system for many years, in contrast to other cities that went all in on rail," Renn said. "Seattle has and is building rail transit, but it earned the right to do so via the bus."