Public Transportation and COVID-19

Funding and Finance Resiliency: Considerations When Planning in an Unprecedented Realm of Unknowns

May 2020
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Introduction

The impacts of COVID-19 on public transportation have been substantial and far reaching with devastating numbers of agency operators and staff diagnosed with the disease, including many fatalities. Public transportation agencies are facing unprecedented challenges ranging from rates of absenteeism across their operators, ridership declines of 60 to 90 percent, new practices for sanitization and personal protective equipment (PPE) to maintain safety for operators and riders, and many others all while continuing to serve a critical need to provide transportation for essential workers and essential trips to access food and medical treatment for citizens. Many agencies have taken on new roles in serving their communities, such as partnering to deliver food and critical supplies to elderly, disabled and other groups most at-risk. In this environment of constantly changing circumstances, agencies understand the need to focus on their emergency response and plan for recovery.

The road to recovery must address funding and finance resiliency planning to account for changing costs and revenues. Sales tax and fare revenue are anticipated to be among the most substantially impacted revenue sources by COVID-19, both in the immediate months and beyond at unknown levels resulting from shelter-in-place orders across much of the country, growing unemployment and long-term impacts to the economy and transportation behaviors. This paper describes considerations that impact planning for funding and finance resiliency, issues for discussion amongst agencies planning for recovery and transitioning to the new normal, and a staged approach to developing an action plan for transition and recovery.

Federal Funding Options

Transit agencies across the U.S. are reviewing and updating their fiscal budgets and deciding how to utilize the new CARES Act funds, while considering the status and outlook for all funding sources including federal, state, regional and local funding, both discretionary and formulaic. The following section provides an overview of federal funding and its uses.

**EMERGENCY RELIEF FUNDS**

<table>
<thead>
<tr>
<th>Most Constrained</th>
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<tbody>
<tr>
<td>Urbanized Area (5307) and Rural Area (5311) Funds Previously Apportioned</td>
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<tr>
<td>Capital and Operating Expenses Eligible</td>
</tr>
<tr>
<td>Federal Share: Up to 100% (per latest FTA guidance)</td>
</tr>
<tr>
<td>Funds Available Starting on the Date of State Emergency Declared by the State's Governor</td>
</tr>
<tr>
<td>• Need to Document Link to COVID-19 Response</td>
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**CARES ACT FUNDING**

<table>
<thead>
<tr>
<th>Most Flexible</th>
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<tbody>
<tr>
<td>Additional $25B apportioned based on Urbanized Area (5307), Rural (5311), State of Good Repair (5337) and Growing States (5340) formulas</td>
</tr>
<tr>
<td>All Capital Needs (Rolling Stock, Facilities) Eligible</td>
</tr>
<tr>
<td>All Operating Expenses Eligible</td>
</tr>
<tr>
<td>Federal Share: Up to 100%</td>
</tr>
<tr>
<td>Funds Available for Expenses Starting January 20th; No Lapse Date</td>
</tr>
<tr>
<td>• Expansions Spending Encouraged</td>
</tr>
<tr>
<td>• Split letter needed for Agencies Sharing UZA Fund</td>
</tr>
<tr>
<td>• Fare/Non-Operating Revenue Losses Covered Indirectly</td>
</tr>
<tr>
<td>• Limitations:</td>
</tr>
<tr>
<td>• PM or bus replacement do not need to be in the TIP/STIP</td>
</tr>
<tr>
<td>• Fleet and facility expansion projects have to be in the TIP/STIP</td>
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</tbody>
</table>
CARES ACT

Congress has passed a series of bills to shore up the economy in the face of the COVID-19 virus. To date, the bills have been primarily focused on providing federal funds for small businesses and unemployment compensation and direct payments to individuals. The third bill, the CARES Act, also included $36 billion in funding for transportation ($25 billion for transit, $10 billion for airports and $1 billion for Amtrak). These funds have already been allocated to the recipient agencies. However, these funds are primarily for operating assistance – to replace lost state and local revenue because of reduced ridership, not for capital expenditures (although technically eligible). Revenue losses continue to mount, even in the short time since the CARES Act passed. It has become apparent that the CARES Act funding will cover only a portion of funding shortfalls expected to result from the COVID-19 impacts.

CARES ACT 2

There was early speculation and hope that the next COVID-19-related bill would be focused on stimulus and economic recovery (rather than aid) and would include significant funding for infrastructure. However, the immediate needs of business and individuals continues to grow and there is no clear end to the crisis. Congress recently passed the “CARES Act 2” bill – providing $484 billion focused solely on additional aid for businesses and healthcare and does not include any funding for infrastructure or other stimulus activities. The bill includes funding for the small business Paycheck Protection Program, grants and loans for the Small Business Administration’s Economic Injury Disaster Loan Program, reimbursements for hospitals and healthcare providers, and funding for coronavirus testing.

FUTURE STIMULUS BILLS

Congress is likely to pass one or more stimulus bills, though timing and contents are yet unknown. The bill(s) could include all or some of three things – more aid money to transit, rail and airports and new money for state departments of transportation (DOTs) to replace lost state revenue, reauthorization of the surface transportation FAST Act alone, and/or FAST Act reauthorization plus broader infrastructure funding to include money for water, power, broadband, etc. Congress does not appear to be interested in doing another American Recovery and Reinvestment Act-type stimulus bill focused on short-term “shovel ready” projects. There does appear to be growing support for providing funding through the existing federal-aid surface transportation formula programs.

FAST ACT REAUTHORIZATION

The American Public Transportation Association (APTA) has sent letters to congressional leaders and President Donald Trump urging them to include APTA’s FAST Act Authorization Recommendations in whatever economic recovery package is developed in response to the COVID-19 crisis. APTA calls for a federal investment of $178 billion over six years to fund critical projects that will repair, maintain and improve public transit and passenger rail systems today and in the future.

The American Society of Civil Engineers (ASCE) wrote a letter to congress and the administration urging additional steps be taken to address the decades of underinvestment in our nation’s infrastructure at a time when the country needs it the most. View ASCE’s letter and an infographic on rebuilding our economy by rebuilding our infrastructure.

The recommendations include:

- Reauthorize surface transportation programs and increase funding to address project backlogs.
- Unlock vital infrastructure financing tools – including preserving the tax-exempt status of municipal bonds, reinstating advance refunding as a financing tool, and increasing the cap from $15 billion to $20 billion on tax-exempt private activity bonds that allow state and local governments to issue tax-exempt debt.

The American Association of State Highway Transportation Officials (AASHTO) recently sent a request to Capitol Hill for $50 billion in emergency, flexible, federal formula funding to “ensure state DOTs can operate and maintain their systems without disruption and allow current transportation projects and plans to continue.” AASHTO urges that this funding be 100 percent federal share, and that a FAST Act reauthorization bill be:

AASHTO urges that this funding be 100 percent federal share, and that a FAST Act reauthorization bill:

- increase and prioritize formula-based funding;
- increase flexibility, reduce program burdens, and improve project delivery;
- support and ensure state DOT’s ability to harness innovation and stability; and
- provide adequate capital and operating funding for Amtrak and ensure federal investment in state-supported passenger rail routes that need it the most.
FEDERAL DISCRETIONARY GRANT PROGRAMS

A wide range of federal discretionary grant programs make up a substantial source of revenue for transit agencies to advance capital programs, state of good repair projects, fleet purchases and other objectives that may run in parallel with COVID-19 funding needs. The Federal Transit Administration’s (FTA) Capital Investment Grant (CIG) program funds major capital investments – New Starts, Small Starts and Core Capacity – developed to serve long-term transit needs. FTA has not yet issued guidance on how to factor COVID-related impacts, such as ridership and revenue disruptions, into project justifications and financial plans. Accelerating projects in the CIG funding pipeline using funds already appropriated by congress can help support economic recovery.

Another example program includes the currently advertised $311.8 million in Consolidated Rail Infrastructure and Safety Improvements grants for passenger and freight rail projects that address congestion challenges, highway-rail grade crossings, upgrade short line or regional railroad infrastructure, relocate rail lines, improve intercity passenger rail capital assets, and deploy railroad safety technology. Applications are due June 21, 2020.

STATE FUNDING

While initial congressional actions focused on the loss of operating revenue to transit agencies, Amtrak and airports, it is now clear that the reduction in vehicle miles traveled is negatively impacting state gas tax and toll revenue. AASHTO estimates that the loss in state transportation revenue will average at least 30 percent over the next 18 months. AASHTO recently issued a two-pager on “Why State DOTs Need a $50 Billion Federal Revenue Backstop for Fiscal Year 2020 and Fiscal Year 21.” The AASHTO background document includes findings from a survey of state DOTs, on the impact of COVID-19 on state transportation revenues. AASHTO has also asked that the funds be treated as state revenue so that the money could be used for any and all transportation activities undertaken by state DOTs, including operations.

ACTION PLAN: MANAGE COST AND FUNDING

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<tr>
<th>Immediate Term (Already Happening)</th>
<th>Short Term (Next Few Months)</th>
<th>Longer Term (Next 12 Months)</th>
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<tr>
<td>Secure, allocate and manage CARES Act $25 billion and other grants</td>
<td>Reduce cost (e.g., postpone nonessential expenditures, refinance debt)</td>
<td>Identify and test scenarios for “new normal” costs and revenues</td>
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<tr>
<td>Document all COVID-19 related expenses. Identify and pursue new funding</td>
<td>Scenario planning to develop projections for impacts to revenue and expenses</td>
<td></td>
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<tr>
<td>Preserve cash to ensure sustainable operations</td>
<td>Identify and pursue new funding opportunities</td>
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Considerations that may arise when securing, managing and allocating funding in the response and recovery from COVID-19 impacts are discussed as follows:

- **Financial tracking** of all COVID-19-related incremental expenses is critical to be eligible for reimbursement (PPE, signage and communications, increased sanitizing material and labor costs, salaries for employees on administrative leave due to service reductions caused by COVID-19 and employees that are quarantined, etc.)
  - FTA waived the remaining local share requirement for previously appropriated Urbanized Area Formula Grants (49 U.S.C. § 5307) and Rural Area Formula Grants (49 U.S.C. § 5311) for COVID-19-related expenses. This 100 percent federal share applies to all Fiscal Year 2020 and prior year funds under these formula programs and is available for operating expenses or capital projects. However, this authority is only available for COVID-19-related expenses.
  - FTA also increased federal share and expanded eligibilities apply to all available § 5307 and § 5311 funds, stating that “Section 5307 and Section 5311 funding that has not already been disbursed by the recipient or passed its period of availability may be used for COVID-19 response at the increased federal share of 100 percent.” FTA also stated that "recipients that have open Section 5307 or Section 5311 awards that are within their period of availability, and otherwise would be available to be amended or have the budget revised, may use those funds at the increased federal share for COVID-19 response.” Finally, FTA stated that any new applications for awards may use the increased federal share without regard to the funding account year.
When **deciding which funds to use first** among CARES Act funds, other FTA formula funds being used for emergency relief, agency reserves, or other funds made available at regional or state level, the following general spending principles may be applied:

- Make full use of most constrained funding sources first:
  - Emergency relief funds may only be used for documented COVID-19 related spending
  - CARES Act funds are much more flexible than traditional uses of federal formula grants
  - Identify and fund projects eligible for these sources in priority:
    - Opportunities for agencies to consider de-obligating capital projects not moving forward and maximizing use of standard federal formula funds from previous years
    - Increased federal share of 100 percent is available for all previously appropriated Section 5307 and 5311 FTA formula funds that have not been obligated when these funds are used for COVID-19 response

CARES Act funding gives opportunity to compensate for lost farebox revenues and for local, regional or state revenues, but will not cover the magnitude of revenue shortfalls that could last years. Considerations impacting fiscal planning may include:

- Fiscal years 2021 and 2022 will be tight for local governments.
- Depending on the make-up of the agency ridership, significantly lower fare revenues may continue well into 2021.
- The intended priority for use of CARES Act funding is for operating expenditures; however, the money could be used for urgent projects in capital improvement plans.

Letters must be provided to the FTA to designate how state DOTs and designated recipients for urbanized areas (UZAs) will **quickly and fairly sub-allocate CARES Act funds**.

- CARES Act funding is made available under three major formula programs: Urban Area Formula Grants (5307), State of Good Repair Grants (5337) and Rural Area Formula Grants (5311).
  - Urban Area grant funds are made available to the designated recipient for the UZA in areas above 200,000 population and to states for small UZAs (50,000-199,999 in population).
  - State of Good Repair grant funds are made available to the designated recipient for the UZA for distribution to agencies that provide high-intensity fixed-guideway or bus service.
  - Rural Area grant funds are made available to the state DOT for distribution to transit agencies that provide public transportation in rural areas.
- FTA does not have specific requirements regarding the process state DOTs or designated recipients use to distribute funds among multiple transit agencies within a UZA, transit agencies in small UZAs, or rural providers.
- A formula-based approach can help make these funding sub-allocation decisions more transparent and defensible and get much-needed federal funds to subrecipients more quickly than a discretionary process.

**Temporary program management changes and administrative relief** steps that FTA is taking to ease regulatory burdens during the COVID-19 crisis include:

- FTA’s Public Transportation Agency Safety Plan rule, which would have gone into effect July 20, 2020, will now be deferred until December 31, 2020.
- All Title VI program document submittals are waived until November 30, 2020.
- All remaining FTA program oversight reviews (triennial, statement management, etc.) are being deferred until at least October 2020.
- Submission of FTA-required federal financial reports and milestone progress reports may be deferred for 90 days.

**Scenario Planning: Identifying Impacts, Including “Known Unknowns”**

Transit agencies may identify and test a range of “what if” scenarios when developing new fiscal budgets and projections.

**RECOVERY OUTLOOK: ECONOMY, EMPLOYMENT AND LOCAL REVENUE**

Recovery will come, but its timing and what the “new normal” will be are highly uncertain. Some of the factors below may be considered when evaluating recovery scenarios.

- **Economy** – Some metro area economies may recover more quickly than others, as the virus threat passes unevenly across the U.S. Public health models show the duration and magnitude of the public health crisis caused by COVID-19 vary widely by location and the nature of social distancing requirements, business and school closure and other restrictions governed by state and local policies.
- **Employment** – Some types of jobs and trip attractors may recover more quickly than others (see the phased plans released by President Trump and various states).
- **Local Tax and Other Revenue** (including sales tax, tolls) – How quickly local tax revenues that support transit will recover is a significant unknown. Some agencies are evaluating scenarios that range from 25 to 50 percent reductions in tax revenue through 2020 with decreasing reductions continuing into 2021.
- **Other local non-operating revenue** sources are also likely to be adversely affected:
  - Advertising is likely to decline significantly in the short term.
  - Third-party funding agreements with partner agencies and entities such as cities, universities, hospitals, etc. may be affected. This can include:
    - Direct resources committed by such partners may be reallocated to essential services or other business purposes as all entities are reviewing and revising their budgets.
    - Abandonment or pause of corporate transit passes may be considered in places where work continues remotely, including universities and college towns.
RECOVERY OUTLOOK: RIDERSHIP AND FARE REVENUE

In terms of ridership and fare revenue, the outlook is likely to vary widely by the unique characteristics of each market area:

- Services used primarily by transit-dependent riders will be influenced by the health of the labor market for low-income workers.
- Services used primarily by choice riders (including commuter rail, some express buses) may be significantly affected by a bidirectional trend:
  - Riders may choose to stay home and telework instead of commuting to work.
  - Riders may choose to use their cars rather than using crowded transit modes until virus transmission risk is reduced.
- The need for chartered/special services for hospital workers is likely to continue in many locales.

RIDERSHIP

- Ridership recovery will likely lag job recovery and may be largely dependent on creating and communicating a sense of safety for riders. Some example safety initiatives may include:
  - assigning personnel to clean and sanitize at stations and on vehicles throughout the day, including at layovers during the route;
  - installing portable hand washing stations or sanitizer dispenser throughout the system;
  - making sanitizing wipes available to riders aboard vehicles;
  - addressing the sanitizing of ticket machine screens in some manner;
  - offering video instructions on how to safely ride transit;
  - developing a campaign that includes local news interviews, public service announcements and social media to encourage people to keep the air clean, keep the streets moving and get back on transit – or some other way to tie environmental and mobility to the restart;
  - adjust to local decisions about requiring face masks for riders, possibly offering disposable masks to riders if they do not have one; and
  - demonstrate strict internal policies (such as taking temperatures before starting a shift for all staff.)
- Shelter-in-place restrictions implemented across the country resulted in an extreme test case for telecommuting/work from home options available in some industries. As companies resume in-office operations when deemed safe following the release of state and local executive orders, new options may be considered to more widely allow and even promote telecommuting to reduce the number of employees in the office at a time thereby reducing virus transmission rates, reduce real estate costs by requiring less office space, and improve flexibility and work-life balance options for employees. Increased telecommuting would impact transit ridership and fare revenue.
- Incentive and loyalty programs may be developed in marketing campaigns to rebuild ridership.

FARE REVENUE CONSIDERATIONS

Fare revenue projections vary widely based on circumstances in each locale and may depend on some of the considerations noted as follows:

Temporary Fare Waiving

Many transit agencies have waived bus fares to promote social distancing between operators and riders, to keep both safe. Free transit can also offer another benefit: a financial cushion to riders struggling during the pandemic. Small transit systems may be able to temporarily cease fare collection while maintaining service levels since its operational costs are already heavily subsidized by government. Agencies with low farebox recovery ratios can potentially handle a short-term collapse in fare revenue without quickly cutting service, since most of its revenue comes from government sources. That is not possible for larger agencies in New York, California or Washington, D.C. as these systems get well over a third of operating revenue from fares. For agencies that have larger shares of fare revenue, finding the money to stay afloat may require options such as tapping into operating reserves and/or line of credit to cover shortfalls that the CARES Act will not cover.

When deciding when to resume fare collection, policies and procedures should be reviewed to continue social distancing and protection of the operators, such as rear-door loading or locking out lead or tail rail cars to riders and using the honor system for fare payment verification. Agencies are challenged to safeguard their workforce and preserve it in case the COVID-19 outbreak worsens.
Contactless Fare Collection
As the global COVID-19 situation continues to evolve, many U.S. states are looking to establish best practices to keep citizens safe when making purchases at physical retail locations, including train stations and on buses. The current environment calls for a reduction in all types of interactions, including how customers interact with payment terminals such as a farebox or ticket vending machine. There are several ways a customer can complete a transaction that reduces physical interactions with a payment terminal. If available, the customer can utilize contactless technology to tap and pay with a bank card or mobile device or use an app-based smartphone. In addition, customers can take advantage of ordering and paying online to avoid any payment interaction during the boarding of rail or bus service.

RECOVERY OUTLOOK: CHANGING COSTS
- Transit agencies may face higher costs for:
  - Cleaning/sanitizing
  - Communications and signage to encourage social distancing and other COVID-19-related messaging
  - Higher absenteeism
  - Health insurance costs
  - Employee leave costs
  - Overtime (due to higher absenteeism and sick leave, even if service is lower)
  - Liability insurance costs
  - Demands for higher operator wages to offset risks (in some regions)
- Lower costs for:
  - Fuel
  - Service reductions (if significant, this will also affect maintenance costs)
  - Fare collection and verification

ADAPT SERVICE TO EVOLVING MARKET
- Transit agencies across the U.S. have been evaluating service needs and revising service levels to balance requirements to maintain social distancing while still ensuring service for essential workers and those making other essential trips. Some of the strategies that may be utilized to adapt service to the evolving market are described below.

Example social distancing scenarios evaluated for public transport in Australia and the impact on capacity and service levels.

RIGHT-SIZING SERVICE LEVELS
- Evaluate peak passenger per car/vehicle standards to maintain social distancing. Distancing measures significantly constrain capacity on vehicles due to their narrowness and close seating, which restricts the ability for physical distancing between passengers and may reduce the passenger capacity per vehicle to 10 to 30 percent of peak levels, depending upon the level of distancing implemented.
- Develop pre-set conditions that will dictate when service levels are added to/reduced.
- Evaluate ridership data by individual routes on a weekly basis. Ridership impacts may be greater and take longer to rebound on commuter routes, for example.
- Develop a communications plan to clearly announce service level changes even if the usual amount of notice time and process is not possible between service.
- Consider impacts to labor union schedules, where applicable.
### ACTION PLAN: ADAPT SERVICE TO EVOLVING MARKET

<table>
<thead>
<tr>
<th>Immediate Term (Already Happening)</th>
<th>Short Term (Next Few Months)</th>
<th>Longer Term (Next 12 Months)</th>
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<tbody>
<tr>
<td>— Identify and operate essential level of service</td>
<td>— Monitor and track trends</td>
<td>— Continue monitoring trends</td>
</tr>
<tr>
<td>— Institute policy changes (rear door loading, fare forgiveness, social distancing and capacity, telecommuting)</td>
<td>— Develop triggers for phased service resumption</td>
<td>— Phase in resumption of service in scale with demand</td>
</tr>
<tr>
<td>— Set up dashboard for monitoring trends (employment, travel, ridership, costs, revenues)</td>
<td>— Optimize Safety and Security:</td>
<td>— Identify and test scenarios for “new normal” service</td>
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<tr>
<td>— Optimize Safety and Security:</td>
<td>— Identify what it will take for riders and workers to feel safe in transit</td>
<td>— Optimize Safety and Security:</td>
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<tr>
<td></td>
<td>— Initiate marketing campaign highlighting steps being taken to ensure safety</td>
<td>— Continue marketing the safety message</td>
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<tr>
<td>— Engage with riders and workers regarding safety of system during pandemic</td>
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<td></td>
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<tr>
<td>— Identify and take further steps to increase safety of riders and workers</td>
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### CAPITAL IMPROVEMENT PLANNING

Transportation projects present one of the greatest economic stimulus opportunities by providing jobs for planners, architects and engineers, construction companies and suppliers of transit equipment. Capital transit projects will get people back to work quickly and provide a sustained source of employment over the life of the projects.

Transit agencies may identify lists of early wins projects (but not ONLY shovel-ready projects) to take advantage of any future stimulus funding, such as projects that:
- are advanced in design and have met regulatory requirements,
- help support social distancing, and
- can be operated with reasonably foreseeable revenues.

It will be important to closely monitor local trends in economic recovery, employment, ridership and revenue, adapting projections as the shape of the new normal becomes clearer.

### ACTION PLAN: CAPITAL IMPROVEMENT PLANNING

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<thead>
<tr>
<th>Immediate Term (Already Happening)</th>
<th>Short Term (Next Few Months)</th>
<th>Longer Term (Next 12 Months)</th>
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<tbody>
<tr>
<td>— Consider de-obligating federal grants to projects that have not moved forward, to generate funds available for COVID-19 emergency relief and reduce reliance on CARES Act funds for such costs</td>
<td>— Review procurements and defer non-critical projects</td>
<td>— Assess impact of changing demand and funding on capital plans and programs; adjust as appropriate</td>
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<tr>
<td></td>
<td>— Identify early win projects with limited constraints to advance quickly</td>
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Innovations and Improvement

The challenges impacts and losses from COVID-19, particularly to agencies that have lost team members, friends and family members, should not be understated or undervalued. This crisis has shown the critical role in society that public transportation plays to provide an essential public service. In recovering from this crisis, all organizations have the opportunity to consider innovations and improvements within their agency to emerge even stronger. Some areas of innovation that agencies may be considering are:

- **new roles** transit agencies can serve in the community through regional partnerships, such as delivering meals and critical supplies to elderly, disabled and others in need;
- new ways to look at "right-sizing" service levels to balance the needs of ridership, coverage, capacity and operating costs. Implementing on-demand services on low-used routes could help some agencies to achieve operating cost savings;
- changes to **safety policies and procedures** including fare collection, sanitization procedures, PPE and other ways to limit virus transmission into the future to develop resiliency against future public health crises;
- any needed revisions to **design criteria/standards** to account for how operations (both seating capacity/layout, station platform design, and boarding/alighting including all-door boarding on buses) and mode alignment will change stemming from decisions relating to COVID-19 and to reduce virus transmission in the future; and
- **fare payment technology**, a key area of interaction between passengers and operators/station attendants, which could undergo the revolution needed to replace aging systems. Contactless passes, coupled with off-vehicle payment validation and all-door boarding, could greatly reduce the need for passengers to touch areas and have potentially risky contacts with agency employees.

Summary Action Plan

The following action plan represents a staged approach to addressing immediate response needs and transitioning into recovery efforts.

<table>
<thead>
<tr>
<th>Action Plan</th>
<th>Immediate Term (Already Happening)</th>
<th>Short Term (Next Few Months)</th>
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<tbody>
<tr>
<td>Optimize Safety and Security</td>
<td>— Engage with riders and workers regarding safety of system during pandemic &lt;br&gt; — Identify and take further steps to increase safety of riders and workers</td>
<td>— Identify what it will take for riders and workers to feel safe in transit &lt;br&gt; — Initiate marketing campaign highlighting steps being taken to ensure safety</td>
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<tr>
<td>Adapt Service to the Evolving Market</td>
<td>— Identify and operate essential level of service &lt;br&gt; — Institute policy changes (rear door loading, fare forgiveness, social distancing and capacity, telecommuting) &lt;br&gt; — Set up dashboard for monitoring trends (employment, travel, ridership, costs, revenues)</td>
<td>— Monitor and track trends &lt;br&gt; — Develop triggers for phased service resumption</td>
<td>— Continue monitoring trends &lt;br&gt; — Phase in resumption of service in scale with demand &lt;br&gt; — Identify and test scenarios for “new normal” service</td>
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<tr>
<td>Manage Cost and Funding</td>
<td>— Secure, allocate and manage CARES Act and other grants &lt;br&gt; — Document all COVID-19 related expenses &lt;br&gt; — Preserve cash to ensure sustainable operations</td>
<td>— Reduce cost (e.g., postpone nonessential expenditures, refinance debt) &lt;br&gt; — Scenario planning to develop projects for impacts to revenue and expenses &lt;br&gt; — Identify and pursue new funding opportunities</td>
<td>— Identify and test scenarios for “new normal” costs and revenues</td>
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<tr>
<td>Adjust Capital Plans and Programs</td>
<td>— Consider de-obligating federal grants to projects that have not moved forward, to generate funds available for COVID-19 emergency relief and reduce reliance on CARES Act funds for such costs</td>
<td>— Review procurements and defer non-critical projects &lt;br&gt; — Identify early win projects with limited constraints to advance quickly</td>
<td>— Assess impact of changing demand and funding on capital plans and programs; adjust as appropriate</td>
</tr>
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Additional Resources

REFERENCES


APTA released a report on the benefits of transit investment – The Economic Impact of Public Transportation, which shows that $1 billion in transit investment yields 49,700 jobs, a five-to-one economic return, and long-term productivity gains.

WSP Australia’s white paper, Public Transport and COVID-19: How to Transition from Response to Recovery

ASCE’s letter to congress and the administration urging additional steps be taken to address the decades of underinvestment in U.S. infrastructure and an infographic on rebuilding the nation’s economy by rebuilding infrastructure.

APTA letters to congressional leaders and President Trump urging them to include APTA’s FAST Act Authorization Recommendations in whatever economic recovery package is developed in response to the COVID-19 crisis.

ABOUT WSP

WSP USA is the U.S. operating company of WSP, one of the world’s leading engineering and professional services firms. Dedicated to serving local communities, we are engineers, planners, technical experts, strategic advisors and construction management professionals. WSP USA designs lasting solutions in the buildings, transportation, energy, water and environment markets. With almost 10,000 employees in over 160 offices across the U.S., we partner with our clients to help communities prosper. wsp.com.

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