

Covid-19 and Rural/Small Urban Public Transit An Existential Crisis

Presentation to the Washington State Transportation Commission

July 15th, 2020



Link Transit Pre-Covid-19

- Voters approve 0.2% increase in sales tax to fund service expansion
- Preparing for 22% service expansion in July 2020
 - Improved Saturday service
 - First ever Sunday service
 - Earlier and later weekday hours
- January Daily Average Ridership up 6.1% - January record
- February Ridership up 16.2% - to highest daily average in 20 years
- Early March – Continued record riders till Governor's order

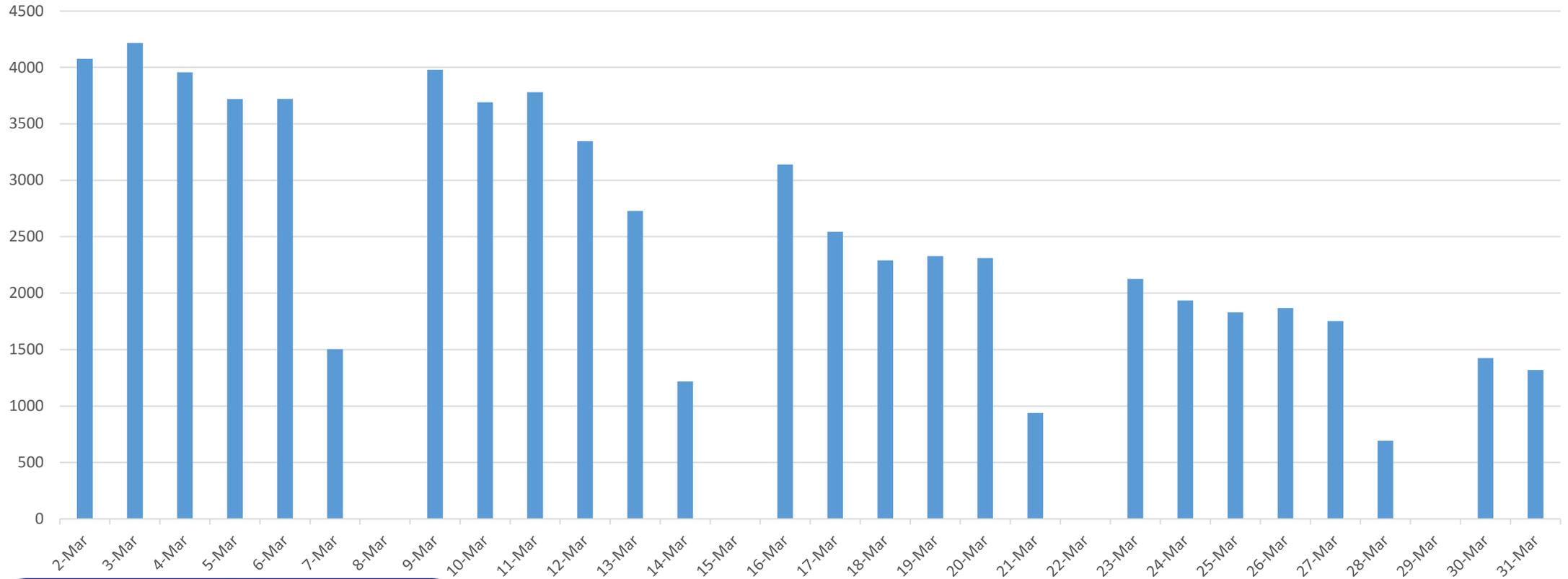


Early Signs of Issues (January & February)

- \$0.1% sales tax increase effective January 1, 2020
- January sales tax collections
 - under budget by -10.3%
 - over last year by 14.7%
- February sales tax collections
 - Under budget by -5.9%
 - Over last year by 20.3%

March Ridership

March 2020 Ridership



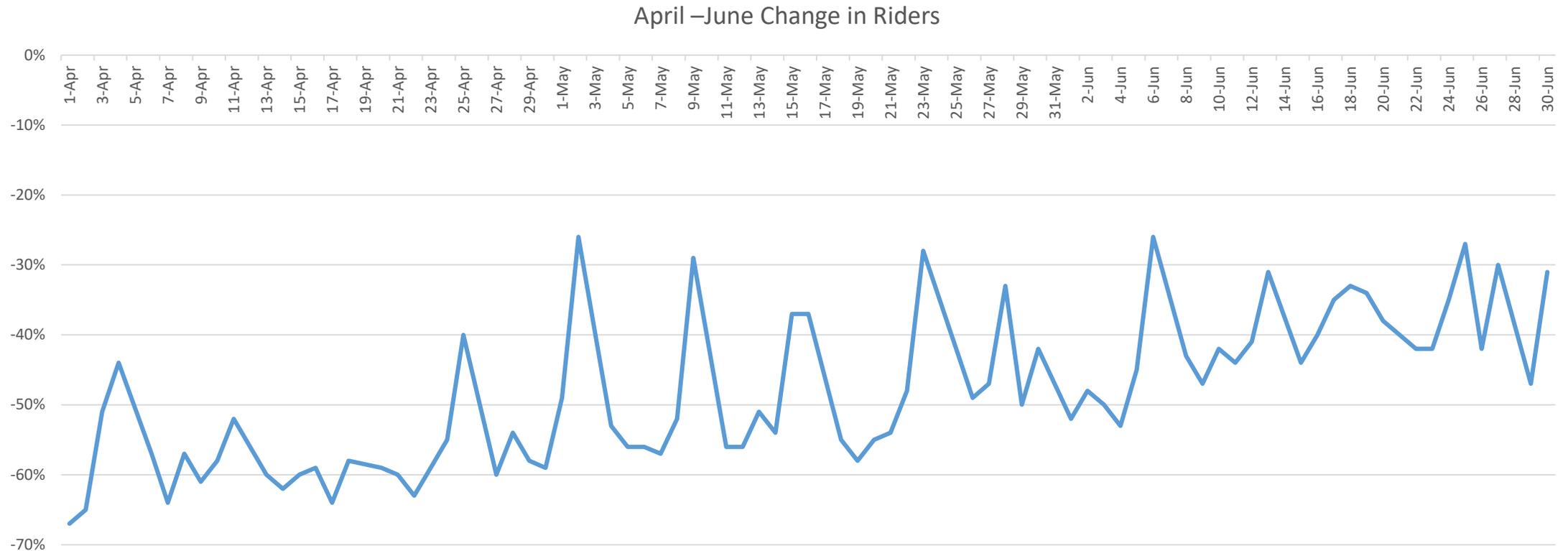
Who is riding

- Essential workers
 - Fruit processing
 - Medical housekeeping
 - Senior living food preparation
 - Grocery/retail staff
- Low income food shoppers
- Persons with disabilities
- Homeless/displaced

Who have we lost

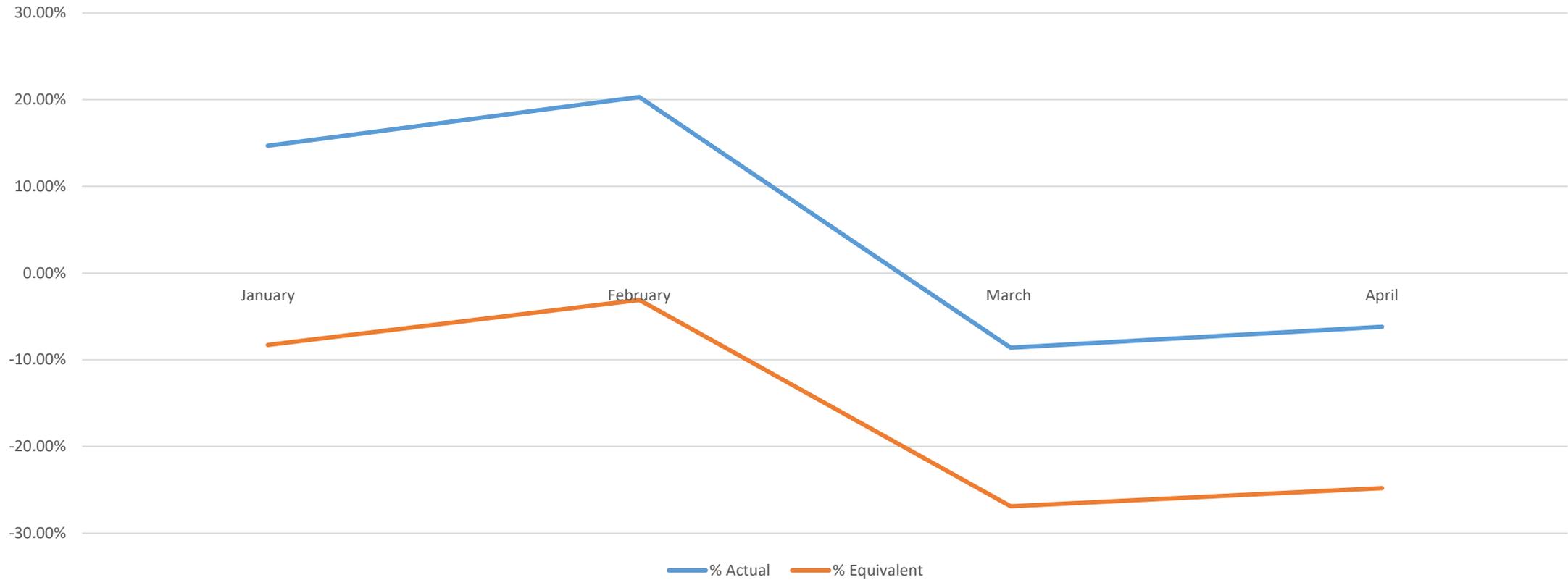
- Loss of college students
- Loss of governmental employees
- Loss of school kids
- Office workers
- Hospitality workers
- Medical appointments
- Discretionary riders

April – June Change in Riders



Loss of Sales Tax

% Change in Sales Tax Collections 2020 vs 2019



Impacts to Link Transit

- Enhanced Sanitation – additional staff, supplies, time
- Elimination of fare collection
- PPE acquisition and driver shields
- Social Distancing on buses
 - Full sized bus can carry 10
 - Cut-a-way bus can carry 3
- Need for old full sized buses for social distance/ higher maintenance
- More security due to shut down of service agencies

Service Impacts

- 35% Reduction of service – April 3, 2020
 - Reduced frequency of routes – no route elimination
- 5% Restoration of service – April 13, 2020
 - Added for social distancing
- 15% Restoration of service – June 1 2020
 - Added for social distancing
- 16% Service addition – July 6, 2020
 - Added Sunday service, more Saturday, restructure routes to social distance
 - Maintain commitment to voters

Financial Implications

- Due to new sales tax, we can weather the immediate impacts
- Federal formulas impacted by loss of riders
- Unless loss of revenue exceeds 35% we can operate at our current level of 5 years (spending reserves)
- Had to delay the planned full service expansion
- Will delay capital projects (park and rides, regional transit facilities)
- Risk of having to reduce service due to new outbreaks



Existential Crisis for Most Systems

- Need to operate more service due to social distancing requirements
- As ridership increases, more buses to maintain social distance
- Need to increase spending on cleaning and sanitation
- Need to purchase masks (to give to employees and riders)
- CDC guidance recommends no transit use by employees
- Revenues down dramatically
 - Sales tax down significantly (by 25% in our situation)
 - Fare revenue gone
 - Rental income reduced