



Strategic Transit Policy Research Roadmap

Executive Committee

March 7, 2024

Agenda

- Introductions & Background
- Research Roadmap Framework & Process
- Next Steps

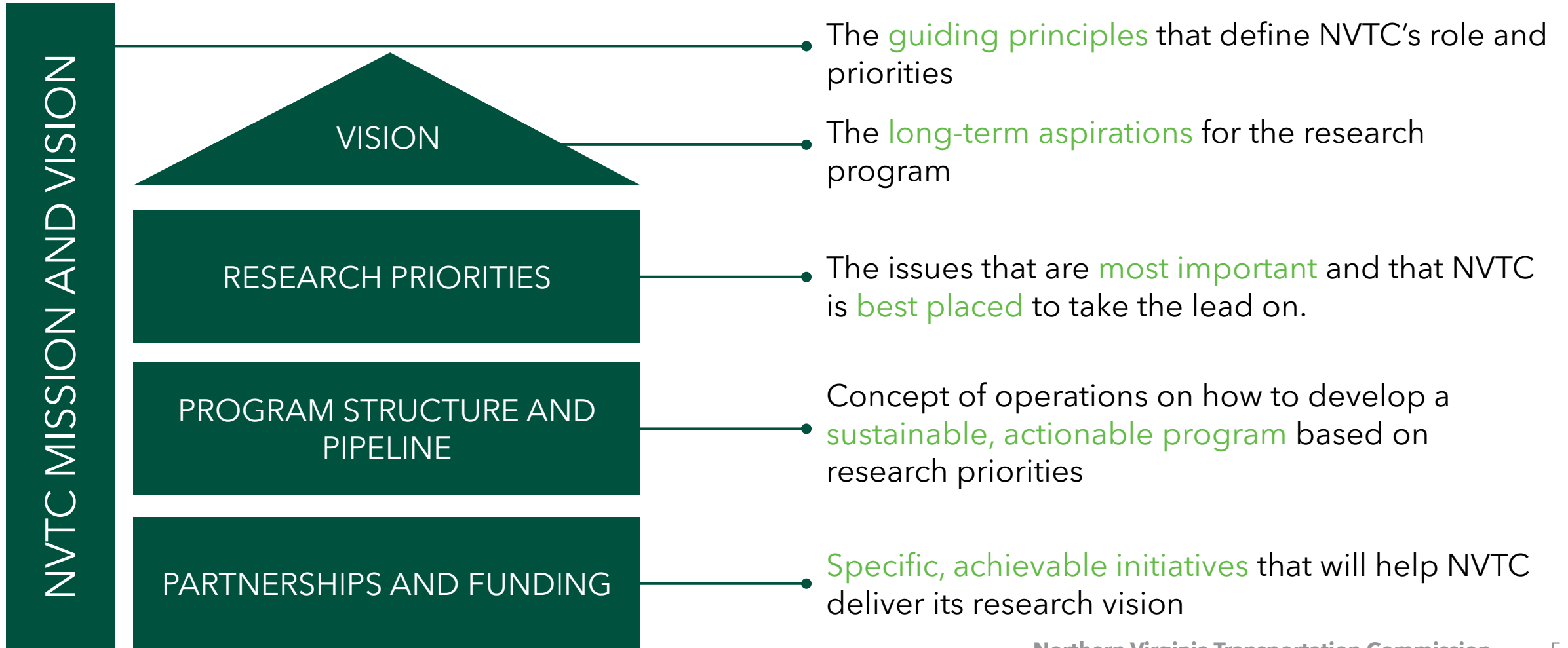
Current NVTC Research Program

- Dedicated budget line item since 2023
 - \$250,000 approved for FY 2025
 - Funded from jurisdictional contributions
- Recently completed projects
 - Northern Virginia Zero-Emission Bus Strategic Plan
 - Value of Transit
 - Advancing Bus Priority in Northern Virginia
 - Northern Virginia Transit through the COVID-19 pandemic

Research Roadmap Objectives

- Provide a strategic vision to guide NVTC regional transit policy research over the next 4-6 years
- Include a research idea pipeline for regional transit policy research
- Identify potential research partnerships, new or alternative funding sources and additional opportunities for disseminating research work

Policy Research Roadmap Framework



Policy Research Roadmap Process

WE ARE HERE



Stakeholder
Engagement

- Desktop research
- Subject matter experts and thought leaders
- NVTC'S jurisdictional staff and partners
- NVTC Commissioners

Research
Program
Development

- Strategic vision for NVTC policy research
- Research idea pipeline
- Partnership opportunities
- Funding strategies
- Dissemination strategy

Final Policy
Research
Roadmap

- Actionable, cohesive narrative of NVTC's Research Program



Questions?

Next Steps

1. Synthesize findings from interviews
2. Jurisdictional and Regional Staff Workshop on March 20

Thank you



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Peer Programs

- District DOT Research Program
- Greater Greater Washington
- Louisiana Transportation Research Center
- Regional Planning Association (RPA)
- San Francisco Bay Area Planning & Urban Research Association (SPUR)
- Transit Center
- Transportation for America
- University Transportation Center – UC Davis
- USDOT Research & Development Program
- Virginia Transit Association
- Virginia Transportation Research Council

Proposed Jurisdictional and Regional Staff Workshop Participants

- City of Alexandria
- Alexandria Transit Company (DASH)
- City of Fairfax/ City-University Energysaver (CUE)
- City of Falls Church
- Fairfax County
- Arlington County
- Loudoun County
- Virginia Department of Rail and Public Transportation
- NVTA
- WMATA
- MWCOG
- OmniRide
- VRE



Chair

Hon. Matt de Ferranti

March 5, 2024

Vice-Chair

Hon. David Snyder

Secretary-Treasurer

Hon. Sarah Bagley

City of Alexandria

Hon. Canek Aguirre

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Hon. Libby Garvey

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Hon. Juli Briskman

Hon. Matt Letourneau

Commonwealth of Virginia

Hon. Paul C. Smedberg

Virginia General Assembly

Senate

Hon. Adam Ebbin

vacant

House of Delegates

vacant

vacant

vacant

vacant

Executive Director

Katherine A. Mattice

Paul Smedberg

Chair, Board of Directors

Washington Metropolitan Area Transit Authority (WMATA)

300 7th Street, SW

Washington, D.C. 20024

Re: Comments on Proposed Fiscal Year 2025 WMATA Budget
(Docket B24-01 and B24-02)

Dear Chair Smedberg:

On behalf of the Northern Virginia Transportation Commission (NVTC) WMATA Committee, I write to convey our comments regarding WMATA's proposed FY 2025 Operating Budget and FY 2025-2030 Capital Improvement Program. We support WMATA's efforts in producing a revised FY 2025 proposed budget proposal that provides frequent, reliable service, includes moderate fare increases and contains \$113 million in cost savings to minimize the financial burden on funding jurisdictions. However, we are concerned that the additional subsidy amounts by Virginia, Maryland and the District of Columbia are inconsistent with traditional subsidy allocation formulae, and NVTC does not support creating a new subsidy allocation methodology this late in the budget process.

Shared Sacrifice to Fund WMATA in the Short-Term

Finding a short-term solution for the next two years requires shared sacrifice from riders, workers and our funding jurisdictions who are facing their own post-pandemic structural funding challenges, similar to what WMATA experienced over the last few years. As NVTC jurisdictions grapple with declining commercial office assessments and their own budget gaps, they are considering significant property tax increases, demonstrating our ongoing shared commitment with the Commonwealth to fund WMATA.

Focus on a Long-Term, Sustainable Funding Solution

NVTC recognizes the importance of maintaining world-class transit in Northern Virginia and remains committed to a sustainable, cost-effective WMATA system. Not only does WMATA provide access to employment centers, support regional environmental goals and enhance the quality of life of our region's residents, our

[Value of Northern Virginia Transit to the Commonwealth](#) estimated that Metrorail accounts for approximately \$1 billion in statewide economic impact each year. In Virginia, funding WMATA is a joint partnership between NVTC localities and the Commonwealth. As Virginia, Maryland and the District of Columbia have made promising progress towards identifying additional funding to close the FY 2025 operating budget gap, **NVTC and the region must remain focused on a long-term, sustainable funding solution for WMATA and other transit providers in Northern Virginia.** We are pleased that WMATA may be able to avoid the draconian service cuts, station closures and layoffs outlined in the General Manager's original proposed budget in December 2023 that would have imperiled WMATA's ongoing ridership recovery and brought the region to a halt.

NVTC Supports WMATA's Efforts to Strategically Reduce Service, Optimize Fares and Control Costs in the Revised FY 2025 Proposed Budget

To make the revised FY 2025 proposed budget (introduced February 8, 2024) a reality, NVTC continues to work with partners in Virginia to rebaseline the 3% cap and seek additional state aid to help close the budget gap in FY 2025 and FY 2026. NVTC is also generally supportive of the targeted Metrorail service cuts, moderate fare increases and strengthened fare enforcement outlined in the revised FY 2025 proposed budget.

NVTC supports the strategic service reductions to Metrorail as a way to efficiently deliver frequent service for riders and better reflect current post-pandemic ridership patterns. We urge WMATA to continue to find efficiencies in where and when to deliver service while continuing to maintain and grow ridership as customers return to the system as we have seen in recent ridership growth on the Silver Line. We are eager to learn more about the Year One Redesigned Metrobus network which will reallocate existing resources to deliver more value to the region. With Metrorail fare evasion rates of 5% in Virginia, 14% in DC, and 19% in Maryland from January 1, 2023, to June 30, 2023, NVTC supports WMATA's efforts to reduce fare evasion with the installation of system-wide high-barrier faregates and increased fare enforcement. Reducing fare evasion is important to the safety and security of the WMATA system in addition to increasing fare revenues. We encourage similar attention to fare evasion on the Metrobus system.

NVTC supports the proposed 12.5% fare increase with up to 25% fare increases on late nights and weekends to adjust fares to reflect inflation and as a means to recover additional revenue while still maintaining a healthy ridership recovery. We encourage WMATA and the region to enroll eligible riders in Metro Lift, WMATA's low-income fare pass. Even as fares increase, Metro Lift will provide eligible riders in need with 50% discounted rides. The revised proposed FY 2025 budget offers fare increases that successfully balance the needs of short and long-distance riders. However, in any future fare policy decisions on Metrorail fares and parking fees, we urge WMATA to avoid overburdening long-distance riders as they have not returned to Metrorail as quickly as other riders.

We commend WMATA for identifying **\$113 million in FY 2025 capital and operating budget cost savings measures** to complement the \$308 million in cumulative operating budget cost savings between FY 2018 and FY 2024. WMATA must continue to identify administrative and operating efficiencies and mechanisms to control costs across all modes and to also identify efficiencies in its capital program.

NVTC supports the FY 2025-2030 Capital Improvement Program's (CIP) focus on addressing critical state of good repair needs and supports the proposed FY 2025 preventive maintenance (PM) transfer to help fully fund the operating budget; however, **we urgently remind WMATA and the region this funding lever should not be utilized in perpetuity** since it would accelerate the exhaustion point of dedicated capital funding bond capacity and threaten longer-term state-of-good-repair and modernization needs in the capital program. Even though this exhaustion point is several years away, we recognize that the current capital program and CIP is funding constrained and **a long-term solution for capital is needed.**

Maintain the Current, Board-Approved Subsidy Allocation Formula for FY 2025

In the context of this year's budget and the short-term work we are engaged in, NVTC is concerned that the additional subsidy amounts proposed by the District of Columbia are not consistent with the traditional WMATA Board approved subsidy allocation formulae and **NVTC does not support creating a new subsidy allocation methodology this late in the budget process.**

With the pending rebaselining of the 3% operating cap, our jurisdictions expect WMATA to calculate the FY 2025 operating subsidy using the traditional subsidy allocation formulae which would provide a detailed breakdown of the subsidy by mode (Metrorail, Metrobus, and MetroAccess). NVTC localities offer a wealth of supplemental bus and paratransit services that reduce their need for Metrobus and MetroAccess services, and having an accurate accounting of their subsidy obligations to WMATA by mode is critical for them to important policy decisions around costs and service of their local systems.

NVTC looks forward to engaging with WMATA and the region to update the WMATA Board approved subsidy allocation formulae for use in future budgets. Indeed, if the region is to be successful in redesigning the Metrobus network, a new Metrobus subsidy allocation formula is fundamental to that effort.

NVTC Remains Committed to a Long-Term, Sustainable Funding Solution for Transit in Northern Virginia

While securing short-term (FY 2025) funding is critical, NVTC and the region must accelerate our collective efforts toward developing a long-term, sustainable funding solution for WMATA; in Virginia, that solution must include VRE and the other transit agencies in Northern Virginia who are also facing post-pandemic structural financial challenges. The work of NVTC's Metro Funding and Reform Working Group and the Metro Funding, Reform, and Accountability recommendations in NVTC's [2023 Report on the Performance and Condition of WMATA](#) provide the background, technical support and direction to find these solutions. The Virginia General Assembly is considering legislation that would create a Joint House of Delegates and Senate subcommittee to study and potentially recommend a dedicated funding package for WMATA and Northern Virginia transit agencies. This effort by the General Assembly represents a critical path towards finding those solutions. NVTC and its partner jurisdictions are committed to WMATA's success and its role as a transit leader in the region.

NVTC also encourages the Federal government to accelerate its return to office efforts while ensuring that the return is spread across the entire workweek. WMATA, VRE and our local transit systems move

the Federal workforce, and those riders are vital role to the ongoing financial health and success of transit in Northern Virginia. Please do not hesitate to contact me or NVTC Executive Director Kate Mattice if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter Alcorn", with a long horizontal flourish extending to the right.

Walter Alcorn
Chair, WMATA Committee

24108457D

SENATE JOINT RESOLUTION NO. 28
AMENDMENT IN THE NATURE OF A SUBSTITUTE
 (Proposed by the House Committee on Appropriations
 on February 28, 2024)
 (Patron Prior to Substitute—Senator Ebbin)

Establishing a joint subcommittee to study long-term, sustainable, dedicated operations and capital funding as well as cost-containment controls and strategies to ensure the Washington Metropolitan Area Transit Authority, the Virginia Railway Express, and the public transit systems that serve the Northern Virginia Transportation Commission and Potomac and Rappahannock Transportation Commission transportation districts meet the growing needs of public transit in the region. Report.

WHEREAS, Northern Virginia is served by a network of public transit providers that move more than 1.5 million people each week; and

WHEREAS, the Northern Virginia Transportation Commission (NVTC) found that Northern Virginia's transit network generates \$1.5 billion in income and sales tax that goes to the Commonwealth's general fund each year; and

WHEREAS, the Washington Metropolitan Area Transit Authority (WMATA) is the backbone of Northern Virginia's transit system and plays a critical role in the Commonwealth's transportation network and economic growth; and

WHEREAS, the Virginia Railway Express (VRE) provides important commuter rail services that provide access from communities along Interstate 66 and Interstate 95 to the center of the District of Columbia, providing capacity to eliminate at least one highway lane from Interstate 95; and

WHEREAS, the Commonwealth's multibillion dollar investment in Transforming Rail in Virginia enables VRE's and Amtrak Virginia's long-term growth and success; and

WHEREAS, the Northern Virginia Transportation Commission (NVTC) and Potomac and Rappahannock Transportation Commission (PRTC) play important funding, coordination, and governance roles for transit agencies operating within their districts; and

WHEREAS, the COVID-19 pandemic upended the financial operating model of all transit agencies across the United States, including those that serve Northern Virginia, through inflation and reduced ridership; and

WHEREAS, federal pandemic aid, which has supported transit systems across the region since 2020, has already been exhausted or will be exhausted in the coming years; and

WHEREAS, in June 2023, WMATA projected a FY 2025 operating budget gap of \$750 million that would grow to \$1.2 billion by FY 2035; and

WHEREAS, in June 2023, WMATA projected that dedicated capital funding bond capacity would be exhausted by FY 2029 or earlier, which would constrain the capacity of WMATA's capital program; and

WHEREAS, the existing three percent cap on the annual growth in Virginia's operating assistance to WMATA has been a useful tool to help control costs but has resulted in some unintended consequences that need to be addressed; and

WHEREAS, it is in the public interest to ensure that ongoing vital investments in transit are managed in an accountable and transparent way and that every effort is made to ensure reasonable and effective cost-control measures are in place; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That a joint subcommittee be established to study long-term, sustainable, dedicated operations and capital funding as well as cost-containment controls and strategies to ensure the Washington Metropolitan Area Transit Authority, the Virginia Railway Express, and the public transit systems that serve the Northern Virginia Transportation Commission and Potomac and Rappahannock Transportation Commission transportation districts meet the growing needs of public transit in the region. The joint subcommittee shall consist of 11 members that include seven legislative members, two nonlegislative citizen members, and two ex officio members. Members shall be appointed as follows: three members of the Senate who shall be members of the Senate Committee on Finance and Appropriations, to be appointed by the Senate Committee on Rules; four members of the House of Delegates, two of whom shall be members of the House Committee on Appropriations and two of whom shall be members of the House Committee on Transportation, to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; and two nonlegislative citizen members, one of whom shall be a member of the WMATA Board of Directors, to be appointed by the Speaker of the House of Delegates, and one of whom shall be a member of the NVTC, with preference given to any such member who is an elected government official, to be appointed by the Senate Committee on Rules. The Executive Director of the NVTC and the Secretary of Transportation, or their designees, shall serve ex officio with voting privileges. Nonlegislative citizen

60 members shall be citizens of the Commonwealth of Virginia. Unless otherwise approved in writing by
61 the chairman of the joint subcommittee and the respective Clerk, nonlegislative citizen members shall be
62 reimbursed only for travel originating and ending within the Commonwealth of Virginia for the purpose
63 of attending meetings. The joint subcommittee shall elect a chairman and vice-chairman from among its
64 membership, who shall be members of the General Assembly.

65 In conducting its study, the joint subcommittee shall establish a technical working group consisting
66 of representatives from NVTC, PRTC, VRE, WMATA, the Department of Rail and Public
67 Transportation (DRPT), and the Northern Virginia Transportation Authority, a representative from the
68 Amalgamated Transit Union Local 689, and a representative from the Northern Virginia business
69 community appointed by the Speaker of the House of Delegates to further examine the 10 revenue
70 sources identified in NVTC's Metro Operating Funding and Reform Working Group and to propose up
71 to five additional revenue sources that would contribute to a fund or set of funds for new dedicated
72 operating or capital funding, or both, for Northern Virginia transit agencies that leverages, and exists in
73 addition to, current state and local funding commitments. The technical working group shall also
74 examine industry-wide cost-saving and cost-containment tools to ensure the long-term fiscal
75 sustainability of heavy-rail transit operators including an evaluation of the projected revenue growth
76 from each funding source identified and the current projected annual cost growth for each transit system
77 through at least 2037.

78 To the extent feasible, the joint subcommittee shall incorporate in its study an evaluation of future
79 land use plans for high-capacity transit corridors in Northern Virginia to support continued transit
80 ridership growth, telework impacts on regional transit ridership, appropriate use of local bus services,
81 WMATA's long-term capital funding needs, WMATA's capital funding prioritization process, Virginia's
82 appropriate share of the jurisdictional subsidy based on existing Metrorail stations and Metrobus routes,
83 WMATA's governance and structural issues that contribute to current funding instability, the technical
84 work completed as part of NVTC's Metro Operating Funding and Reform Working Group effort, and the
85 WMATA Funding, Accountability, and Reform Recommendations from NVTC's 2023 Annual Report on
86 the Performance and Condition of WMATA.

87 Administrative staff support shall be provided by the Office of the Clerk of the chairman of the joint
88 subcommittee. Legal, research, policy analysis, and other services as requested by the joint subcommittee
89 shall be provided by the Division of Legislative Services. Technical assistance shall be provided by the
90 NVTC, PRTC, WMATA, VRE, and DRPT and all other transit agencies operating in these
91 transportation districts. All agencies of the Commonwealth shall provide assistance to the joint
92 subcommittee for this study, upon request.

93 The joint subcommittee shall be limited to four meetings for the 2024 interim and four meetings for
94 the 2025 interim, and the direct costs of this study shall not exceed \$25,000 without approval as set out
95 in this resolution. Approval for unbudgeted nonmember-related expenses shall require the written
96 authorization of the chairman of the joint subcommittee and the respective Clerk.

97 No recommendation of the joint subcommittee shall be adopted if a majority of the Senate members
98 or a majority of the House members appointed to the joint subcommittee (i) vote against the
99 recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the
100 joint subcommittee.

101 The joint subcommittee shall complete its meetings for the first year by November 30, 2024, and for
102 the second year by November 30, 2025, and the chairman shall submit to the Division of Legislative
103 Automated Systems an executive summary of its findings and recommendations no later than the first
104 day of the next Regular Session of the General Assembly for each year. Each executive summary shall
105 state whether the joint subcommittee intends to submit to the General Assembly and the Governor a
106 report of its findings and recommendations for publication as a House or Senate document. The
107 executive summaries and reports shall be submitted as provided in the procedures of the Division of
108 Legislative Automated Systems for the processing of legislative documents and reports and shall be
109 posted on the General Assembly's website.

110 Implementation of this resolution is subject to subsequent approval and certification by the Joint
111 Rules Committee. The Committee may approve or disapprove expenditures for this study, extend or
112 delay the period for the conduct of the study, or authorize additional meetings during the 2024 or 2025
113 interims.