

COUNTY OF MILWAUKEE
Inter-office Communication

DATE: 5/19/2023

TO: Supervisor Marcelia Nicholson, Chair, Milwaukee County Board of Supervisors

FROM: Donna Brown-Martin, Director, Department of Transportation
Denise Wandke, Interim Managing Director and President, Milwaukee County Transit System

SUBJECT: From the Director of the Department of Transportation and the Interim Managing Director and President of the Milwaukee County Transit System, an informational report on the 2025 MCTS Fiscal Cliff Potential Service Reductions and #SaveTheBus Campaign

FILE TYPE: Informational Report

REQUEST

This report provides information on the projected 2025 Fiscal Cliff and Potential Service Reductions and the #SaveTheBus Campaign.

BACKGROUND

The Comptroller's Office presented its Five-Year Financial Forecast 2024-2028 which projected that the Department of Transportation (DOT) – Transit Division otherwise referred to as the Milwaukee County Transit System (MCTS) will have exhausted its federal stimulus funding that has allowed transit service levels to be maintained during the COVID19 pandemic (File No. 23-411).

As such, MCTS will reach a fiscal cliff in 2025, driven largely by increasing costs, farebox revenue that remains below pre-pandemic levels, and tax levy funding that is less than half what it was pre-2017.

The Comptroller's Office estimates MCTS will require an unprecedented \$31.4 million in tax levy to support current operations, an increase of \$22.7 million in tax levy.

The potential for significant service reductions due to funding gaps has also been documented in the following County Board reports:

- File #22-457 - 2023 – 2027 Five Year Fiscal Forecast for Milwaukee County (3/17/2022)
- File #22-589 - 2025 Projected Transit Funding Gap / Strategies for Solvency (4/22/2022)
- File #22-589 - 2022 Suspension of Freeway Flyers / Special Services Report (4/22/2022)
- File #20-750 - MCTS Fiscal State and Funding Outlook (10/2/2020)
- File #19-442 - MCTS 2019 Budget Preview and Preparation of 2020 Budget Report
- File #18-79 - 2018 Major Service Reductions for Transit (12/20/2017)

Additionally, the Wisconsin Policy Forum recently published their report "Detour Ahead – The Milwaukee County Transit System's Fiscal Cliff and Options to Avert It," that outlines the severity of this crisis.

The purpose of this report is twofold:

1. Describe the routes that would be eliminated due to the fiscal cliff and how each County

Board Supervisory District would be impacted.

2. Describe the #SAVETHEBUS campaign to generate local and state support for sustainable funding to avoid major reductions in service. 2025 Fiscal Cliff Potential Route Eliminations

MCTS estimates the fiscal cliff reduction would require recommending to the Milwaukee County Board of Supervisors to **eliminate up to 20% of bus service**. This would involve the County **eliminating 16 routes** or nearly half of all routes in the system (36). In addition, it would be necessary to **eliminate major segments of 4 other routes**.

- Route 11 – Hampton Avenue
- Route 20 – S. 20th Street
- Route 22 – Center Street
- Route 28 – 108th Street
- Route 31 – State - Highland
- Route 33 – Vliet Street
- Route 34 – Hopkins - Congress
- Route 52 – Clement - Pennsylvania
- Route 53 – Lincoln Avenue
- Route 54 – Mitchell - Burnham
- Route 55 – Layton Avenue
- Route 56 – Greenfield – S. 43rd Street
- Route 58 – Villard Avenue
- Route 68 – Port Washington Road
- Route 88 – Brown Deer Road
- Route 92 – 92nd Street

Major segments of the following routes would also be eliminated:

- Route 19 – King Drive – S. 13th – Service on S. 13th between College Avenue and Puetz Avenue
- Route 60 – 60th Street – Service on 60th between Greenfield Avenue and Layton Avenue
- Route 76 – 76th Street – Service on 76th south of Edgerton Avenue, on Grange Avenue and on Southway
- PurpleLine – 27th Street – Service on 27th and Drexel Avenue between Franklin Walmart and IKEA

Failing to invest in transit within and by Milwaukee County would set back the local economy by exacerbating labor shortages and reducing educational and health outcomes in our community:

- 2,300 fewer businesses would no longer be near a bus route
- 70,000 fewer jobs would no longer be near a bus route
- 125,000 people would no longer live near a bus route:
 - 60,000 persons of color
 - 30,000 people with disabilities
 - 15,000 senior citizens

It should also be noted major service reductions would derail much of the progress MCTS has taken to make service more attractive and increase ridership coming out of the pandemic:

- CONNECT 1 Bus Rapid Transit Line (starts June 2023)
- MCTS NEXT Network Redesign (completed 2021)
- North – South 27th Street Transit Enhancement (in progress)

Potential Route Eliminations by County Board Supervisory District

1. Supervisor Liz Sumner
 - 1) Route 68 - Port Washington Road
2. Supervisor Willie Johnson, Jr.
 - 1) Route 11 – Hampton Avenue
 - 2) Route 58 – Villard Avenue
 - 3) Route 68 – Port Washington Road
 - 4) Route 88 – Brown Deer Road
3. Supervisor Sheldon Wasserman
 - 1) Route 20 – S. 20th Street
 - 2) Route 22 – Center Street
 - 3) Route 31 – State - Highland
 - 4) Route 33 – Vliet Street
 - 5) Route 34 – Hopkins – Congress
 - 6) Route 54 – Mitchell – Burnham
 - 7) Route 56 – Greenfield – S. 43rd Street
4. Supervisor Ryan Clancy
 - 1) Route 20 – S. 20th Street
 - 2) Route 52 – Clement - Pennsylvania
 - 3) Route 53 – Lincoln Avenue
 - 4) Route 54 – Mitchell – Burnham
 - 5) Route 55 – Layton Avenue
 - 6) Route 56 – Greenfield – S. 43rd Street
 - 7) Segment of Route 19 - King Drive – S. 13th
 - i. Service between College Avenue and Puetz Avenue
5. Supervisor Sequanna Taylor
 - 1) Route 11 – Hampton Avenue
 - 2) Route 28 – 108th Street
 - 3) Route 34 – Hopkins – Congress
 - 4) Route 58 – Villard Avenue
 - 5) Route 92 – 92nd Street
6. Supervisor Shawn Rolland
 - 1) Route 22 – Center Street
 - 2) Route 28 – 108th Street
 - 3) Route 31 – State - Highland
 - 4) Route 33 – Vliet Street
 - 5) Route 92 – 92nd Street
7. Supervisor Felesia Martin
 - 1) Route 11 – Hampton Avenue
 - 2) Route 22 – Center Street
 - 3) Route 34 – Hopkins – Congress
 - 4) Route 58 – Villard Avenue
 - 5) Route 92 – 92nd Street

8. Supervisor Steven Shea
 - 1) Route 52 – Clement – Pennsylvania
 - 2) Route 55 – Layton Avenue

9. Supervisor Patti Logsdon
 - 1) Route 28 – 108th Street
 - 2) Route 55 – Layton Avenue
 - 3) Route 92 – 92nd Street

10. Supervisor Marcelia Nicholson
 - 1) Route 22 – Center Street
 - 2) Route 31 – State - Highland
 - 3) Route 33 – Vliet Street
 - 4) Route 34 – Hopkins – Congress

11. Supervisor Kathleen Vincent
 - 1) Route 55 – Layton Avenue
 - 2) Route 56 – Greenfield – S. 43rd Street
 - 3) Route 92 – 92nd Street
 - 4) Segment of Route 60 – 60th Street
 - a. Service on 60th between Greenfield Avenue and Layton Avenue
 - 5) Segment of Route 76 – 76th Street
 - i. Service on 76th south of Edgerton Avenue, on Grange Avenue, and on Southway.

12. Supervisor Juan Miguel Martinez
 - 1) Route 20 – S. 20th Street
 - 2) Route 53 – Lincoln Avenue
 - 3) Route 54 – Mitchell – Burnham
 - 4) Route 56 – Greenfield – S. 43rd Street

13. Supervisor Priscilla Coggs-Jones
 - 1) Route 22 – Center Street
 - 2) Route 31 – State - Highland
 - 3) Route 33 – Vliet Street
 - 4) Route 34 – Hopkins – Congress
 - 5) Route 68 – Port Washington Road

14. Supervisor Caroline Gomez-Tom
 - 1) Route 20 – S. 20th Street
 - 2) Route 53 – Lincoln Avenue
 - 3) Route 54 – Mitchell – Burnham
 - 4) Route 56 – Greenfield – S. 43rd Street

15. Supervisor Peter Burgelis
 - 1) Route 31 – State – Highland
 - 2) Route 33 – Vliet Street
 - 3) Route 53 – Lincoln Avenue
 - 4) Route 54 – Mitchell – Burnham
 - 5) Route 56 – Greenfield – S. 43rd Street
 - 6) Segment of Route 60 – 60th Street
 - i. Service on 60th between Greenfield Avenue and Layton Avenue

16. Supervisor Anthony Staskunas

- 1) Route 28 – 108th Street
- 2) Route 33 – Vliet Street
- 3) Route 53 – Lincoln Avenue
- 4) Route 54 – Mitchell – Burnham
- 5) Route 92 – 92nd Street

17. Supervisor Steve Taylor

- 1) Route 20 – S. 20th Street
- 2) Segment of Route 19 – King Drive – S. 13th
 - i. Service on S. 13th between College Avenue and Puetz Avenue
- 3) Segment of PurpleLine – 27th Street
 - ii. Service on 27th and Drexel Avenue between Franklin Walmart and IKEA

18. Supervisor Deanna Alexander

- 1) Route 11 – Hampton Avenue
- 2) Route 28 – 108th Street
- 3) Route 58 – Villard Avenue
- 4) Route 68 – Port Washington Road
- 5) Route 92 – 92nd Street

While the proposed eliminations would have devastating impacts to both minority and non-minority residents, as well as low-income and non-low-income residents, the entire fixed route network would shrink considerably. Ultimately, this would worsen mobility for all Milwaukee County residents, particularly the most vulnerable. Accordingly, MCTS will also have to conduct a Title VI Service Equity Analysis to ensure compliance with federal requirements should the Milwaukee County Board of Supervisors decide on substantial route eliminations.

One additional note is that MCTS over the last several years, has at the direction of the Milwaukee County Board of Supervisors already implemented reductions made to “chip away” at the fiscal cliff. This includes but is not limited to elimination of Freeway Flyer, festival, and Brewer’s game service, nearly all school routes and reduced frequency on other routes. As a result of cost saving measures, MCTS is extremely cognizant of operating as a very lean, efficient, and fiscally responsible organization. It has reduced its facility footprint, its staff, and its service area over the last five years to drastically reduce expenses.

#SAVETHEBUS Campaign

In response to the unprecedented nature of these service reductions, MCTS has developed the **#SAVETHEBUS** campaign to inform citizens and stakeholders of the fiscal cliff and to convince in State of Wisconsin legislators to create a sustainable local funding source for public transit. Unlike nearly every other major city in the U.S., MCTS is not supported by a dedicated source of funding. Most of the funding to MCTS is provided by the State of Wisconsin. Local funding is provided by Milwaukee County through a levy on property taxes and the vehicle registration fee (VRF).

Specifically, the **#SAVETHEBUS** campaign asks individuals to take the following actions:

- Let the State legislature know that you support Milwaukee County Executive David Crowley and the Move Forward MKE coalition to create sustainable local funding for local priorities through a local sales tax.
 - (Sample e-mails and a directory of legislators can be found at ridemcts.com/savethebus)
- Put an MCTS “#SaveTheBus” logo on your website and social media pages.

- (Download at ridemcts.com/savethebus)
- Register your company for the MCTS Commuter Value Pass (CVP) program.
 - Enrolling employees not only provides a business tax deduction, it also frees up parking spaces, supports sustainability and equity goals, and more.

In addition, MCTS staff has met and continues to meet with stakeholders and key influencers to gain support including the following:

- Legislators in the State Capitol
- Local municipalities, e.g., Village of Shorewood
- Business Leaders, e.g., Summerfest, Amazon
- Transit Advocates:
 - Wisconsin Public Transit Association (WIPTA)
 - Wisconsin Transit Riders Alliance
 - MCTS Teen Advisory Committee

#SAVETHEBUS also included an advertising campaign specifically directed at business leaders and transit advocates. It has received extensive media coverage:

- Milwaukee Journal Sentinel - "The Milwaukee County Transit System is headed toward a fiscal cliff. Here are solutions and other takeaways from a new report."
- Milwaukee Community Journal – "Public Transportation, Utilities, and Waterways Review Board to discuss MCTS funding, Electric Vehicles Initiative"
- Milwaukee Independent - "Wisconsin Policy Forum's report rings alarm for State action on local transit funding"
- WisBusiness - "Post-pandemic fiscal crisis brings Milwaukee County Transit Services to a crossroads."
- Fox 6 TV - Milwaukee - "Milwaukee County Transit System faces 'fiscal cliff,' less than 2 years"
- TMJ4-TV Milwaukee - "MCTS facing a significant financial situation in millions."
- Milwaukee Business Journal - "Prospect of Milwaukee County bus service cuts fuels argument for local sales tax vote"
- BizTimes - "Milwaukee County Transit System could face \$26 million deficit by 2025."
- Urban Milwaukee - "Milwaukee Transit in Crisis, Faces Massive Cuts"

Finally, MCTS has received numerous testimonials from riders who rely on transit to get to work, school, medical appointments, shopping, and recreation. Their comments are being used to further amplify the message of the **#SAVETHEBUS** campaign.

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the strategic plan:

- 2A: Determine what, where, and how we deliver services to advance health equity.
- 2C: Apply a racial equity lens to all decisions.
- 3A: Invest “upstream” to address root causes of health disparities.
- 3B: Enhance the County’s fiscal health and sustainability.
- 3C: Dismantle barriers to diverse and inclusive communities.

RECOMMENDATION

This report is for informational purposes unless otherwise directed.

FISCAL EFFECT

The Comptroller’s Office has stated in its Five-Year Financial Forecast 2024-2028 for Milwaukee County that \$31.4 million will be required at the start of 2025 to maintain current transit service levels. If such funds are not made available, Milwaukee County and by extension the Milwaukee County Board of Supervisors will be required to decide on substantial route eliminations.

VIRTUAL MEETING INVITES

Denise Wandke, Interim Managing Director, MCTS (dwandke@mcts.org)
Tom Winter, Director of Service Development, MCTS (twinter@mcts.org)

PREPARED BY:

Tom Winter, Director of Service Development, MCTS

APPROVED BY:

Donna Brown-Martin

Donna Brown-Martin
Director, Department of Transportation

ATTACHMENTS: PowerPoint Presentation

cc: Kelly Bablitch, Chief of Staff, County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk

