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METROPOLITAN TRANSPORTATION PROBLEMS

By DAVID BERGER

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Among the most critical problems facing government at every level today is that of transporting masses of people in and out, through and around, great urban centers. Actually, the problem is not as much one of transportation as it is a problem of movement of people. The sometime conflicting interests of freight carriers and passenger carriers can create political and economic obstacles to a rational solution. It is therefore suggested that to properly focus attention on this problem, we should refer to it as the need for improved passenger service. Viewed in this sense, the question is how can we achieve the best passenger service at the lowest cost.

We live in an increasingly urban civilization. Since World War II, the population shift from rural to urban areas has accelerated markedly. Moreover, there is a second contributory cause to the increasing expansion of urban areas. This is the exodus of the city dwellers into the suburban area, popularly known as the "exurbanite movement." By 1975, it is estimated that 80 per cent of our nation's inhabitants - some 215,000,000 people - will be concentrated in perhaps 160 urban centers.

This complicated, interdependent and interrelated pattern of living requires an adequate system of transportation. Such a transportation system is no less than the very circulatory system of the body politic. If, therefore, our metropolitan centers are not to be strangled to death, but if, on the contrary, they are to continue to grow to meet the needs of the surrounding urban communities which are dependent upon them, we must ward off an impending coronary attack in the form of urban traffic congestion.

Exclusive reliance upon private transportation, chiefly by the passenger automobile, is foolish indeed. Imagine an estimated one hundred million automobiles concentrated in 160 metropolitan areas in 1975. The country simply cannot devote sufficient land in its urban centers to accommodate such a tidal wave of automobiles. There is no alternative but to dedicate the country's efforts to, and concentrate our national resources on, mass transportation media.

Should we fail to do so, the consequences to the nation will be nothing less than disastrous. The economic effect in terms of sheer waste of existing capital resources and of the reduction of the level of the flow of commerce alone is staggering to the imagination.

Philadelphia's recent efforts to solve its transportation problem may point the way for other municipalities. In 1956, Mayor Dilworth requested the City Solicitor to take immediate action to implement the recommendations of the City's Urban Traffic and Transportation Board, a committee comprised of leading financiers, industrialists, transportation experts, labor leaders, and other civic minded citizens. While these proposals included the unification and coordination of all public transportation facilities in the Philadelphia area, primary emphasis was placed upon the expansion of railroad commuter passenger service.

One of the first and foremost objectives of any transportation program is the improvement and expansion of the available mass transit facilities, especially those which provide commuter service. In Philadelphia, it is the railroads which offer, we believe, the greatest potential for supplying commuter needs.

Fortunately, Philadelphia is already supplied with perhaps the finest basic network of mass transit facilities in the nation - 15 railroad lines traversing every section of the city and connecting the city with each of the surrounding counties. These supplement our city-wide rapid transit system of subways, elevated trains, street cars and buses. However, as the studies of the Board showed, passenger operations over these railroads had become inadequate for present needs, and what is worse, were declining with ever accelerating speed. As the number of users declined, so also did revenues. The railroads' response was two-fold: (1) to curtail train service, and (2) to raise rates. But, raising the cost of passenger fares and deteriorating both the frequency and quality of passenger service succeeded only in driving more of the traveling public from using the railroads.

On behalf of the city and its 2,000,000 residents, the City Solicitor repeatedly resorted to the Pennsylvania Public Utility Commission, the Interstate Commerce Commission, and the federal and state courts to try to halt the wave of train curtailments and fare increases. But such efforts at best proved to be only a stopgap. Certainly, in view of the passage of the Transportation Act of 1958,¹ unilateral action to resist service abandonments and rate increases is doomed to fail.

¹ The relevant provision of the Transportation Act of August 12, 1958, 72 Stat. 571, 49 U.S.C.A. § 13A, are:

(1) . . . carriers . . . if their rights with respect to the discontinuance or change, in whole or in part, of the operation or service of any train . . . operating from a point in one State to a point in any other State . . . are subject to any provision of the constitution or statutes of any State or any regulation or order of (are the subject of any proceeding pending before) any court . . . or regulatory agency of any State, may, . . . file with the Commission . . . notice of at least 30 days in advance of any such proposed discontinuance or change. The . . . carriers filing such notice may discontinue or change any such operation or service pursuant to such notice except as otherwise ordered by the Commission Upon filing of such notice the Commission shall have authority . . . to enter upon an investigation of the proposed discontinuance or change. Upon the institution of such investigation the Commission, . . . at least 10 days prior to the day on which such discontinuance or change would otherwise become effective, may require such train . . . to be continued in operation . . . pending hearing and decision in such investigation, but not for a longer period than 4 months beyond the date when such discontinuance or change would otherwise become effective. If, . . . the Commission finds that the operation or service of such trains . . . is required by public convenience and necessity, and will not unduly burden interstate or foreign commerce the Commission may by order require the continuance or restoration of operation or service of such train . . . for a period not to exceed one year On the expiration of an

Accordingly, by 1958, the City Solicitor had concluded and therefore advised Mayor Dilworth that the mass transportation problem could not be solved by fighting to keep trains on the tracks. Instead, it was suggested that the city ought to cooperate with the railroads, and, by negotiating a series of agreements, develop a broad, comprehensive and long range program. The basic objectives of these agreements would be to maintain existing service, add additional trains where appropriate, reduce fares, and coordinate with the railroad, local bus and street car services.

After months of negotiations, an agreement was successfully concluded with our two local railroad carriers, the Pennsylvania Railroad Company and the Reading Company. For the sum of \$320,000, the estimated out-of-pocket cost, the railroads operated for a 12 month period approximately one-third more trains on their lines serving the northwestern section of the city at fares reduced on the average of 40 per cent.

At the same time, local bus service was tied-in, also at reduced fares. This bus service was made available at both ends of the railroad trip and featured a loop bus to take passengers to downtown offices at a 10 cent fare. Thus, for a total of 50 cents, a person could ride a bus to the station, take a train to the terminal, and go by bus again to his office. This bargain, if taken advantage of by the average commuter for a year, would save him about \$250, not counting the savings on wear and tear to frazzled nerves caused by driving in bumper-to-bumper traffic. Such, then, is "Operation Northwest."

The success of this project in increasing the use of commuter trains by over 30 per cent and correspondingly decreasing the use of the passenger automobiles for daily trips into the center of town, has exceeded all expectations. So encouraging were these results that last September a similar agreement was executed with the Reading Company for additional service over its lines serving north-eastern Philadelphia. There is one essential difference for "Operation Northeast." While the city is paying the Reading Company \$105,000 for a 33 week experimental period, it retains all fares collected on the additional trains. Thus, in effect, the citizens of the northeast are direct partners with the city in this venture.

So far, the passenger statistics of "Operation Northeast" can be described as "phenomenal." The latest figures show that the number of passengers carried by Reading trains on this line has more than quadrupled. Revenues have virtually tripled. What is more, market research has revealed that if other improvements besides increased service and lower fares were provided, the success of these pilot projects would be even more startling. As it is, there are about 2,000 automobiles less per day in the stream of center city traffic.

order by the Commission after such investigation requiring the continuance or restoration of operation or service, the jurisdiction of any State as to such discontinuance or change shall no longer be superseded

(2) Where the discontinuance . . . by . . . carriers . . . of the operation or service of any train operated wholly within the boundaries of a single State is prohibited by . . . any State or where the State authority having jurisdiction thereof shall . . . not have acted finally on . . . an application . . . within 120 days from the presentation thereof, . . . such . . . carriers may petition the Commission for authority to effect such discontinuance or change. The Commission may grant such authority only after full hearing and upon findings by it that (a) the present or future public convenience and necessity permit of such discontinuance or change . . . and (b) the continued operation or service of such train . . . without discontinuance or change . . . will constitute an unjust and undue burden upon the interstate operations of such . . . carriers or upon interstate commerce

Thus, for a modest expenditure of approximately \$500,000 per year, the city has undertaken two experiments which have proved that there can be a solution to the mass transportation problem.

The City of Philadelphia has moved toward a permanent solution of this problem. Upon thorough consideration and at the conclusion of negotiations among city officials, civic leaders, railroad executives and union officials, a non-profit corporation has been formed to administer the Philadelphia Plan. For the first time, an agency has been created whose directorate includes representatives of the government, public at large, the railroads, and the railroad unions, each of whom has a direct stake in the successful solution of this problem.

This corporation, entitled Passenger Service Improvement Corporation of Philadelphia, is headed by a board of fifteen directors. Of these, two are members of the mayor's cabinet, two are members of the city council, seven are civic leaders unconnected with the city, two are railroad officials (one each selected by the Pennsylvania and the Reading), and two are union officials selected by the Railway Labor Executives' Association. The Passenger Service Improvement Corporation is intended to do exactly what its name implies — improve passenger service. This corporation will negotiate contracts with the railroads which will provide not only for the continuation of Operations Northwest and Northeast, but also for operations on three additional railroad lines.²

The City Council of Philadelphia is presently considering the basic legislation to carry out these plans. Substantial assurance of the long range success of Passenger Service Improvement Corporation will be based to a large extent upon the passage of the legislation. The key factor is the introduction of substantial technological improvements which, although requiring a large capital outlay, will more than pay for themselves by permitting large scale operational economics and fostering increased patronage with attendant larger revenues.

The most important of these improvements is the replacement of obsolete equipment with modern streamlined cars which are

² A bill authorizing a \$2,700,000 loan has been introduced in city council. This will provide, on a self-liquidating basis, the funds with which to make certain capital improvements, including a "turn-around" at or near Torresdale Station and the acquisition of a certain number of new passenger cars. The "turn-around" is essential because it would make possible much more frequent service between the center of the City of Philadelphia and its outlying northeast sections on the Pennsylvania Railroad tracks without interfering with the Pennsylvania Railroad freight and passenger service between Philadelphia and New York.

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economical to operate and maintain. The average age of the passenger cars used for commuter service in Philadelphia is 28½ years. These old cars have high maintenance and operating costs. Elimination or reduction of these high costs will most feasibly be accomplished by the substitution of the new efficient equipment for the old. Cost reduction is, however, but half of the answer. Revenue must be increased; additional passengers must be won back to the railroads. One of the major methods of attracting the commuter to use the railroads is replacement of the inadequate "horse and buggy" stations with modern, efficient ones having adequate parking space and the relocation of these stations convenient to the new centers of population.

In Philadelphia there are two downtown terminals. One serves the Pennsylvania Railroad and the other the Reading Railroad. They are approximately four blocks apart. Each receives a large number of commuter trains a day. Each is a stub-end terminal. The increased costs in maintenance and operation resulting from the backing up and piling up of trains as they arrive in these terminals can well be imagined. Technical studies already reveal that it is feasible to connect both terminals through an underground cut. Further, they demonstrate that although such an improvement would be costly, the principal interest of the long term bonds which would be necessary to pay for the capital improvement, would be more than met by the annual savings in maintenance and operation. Passenger service would be improved greatly. Trains could make a loop without stopping at either 16th Street or 12th Street and thus provide safer, easier, faster and much more convenient service.

The critical question arises, however: How are new trains and new stations to be provided? Because the railroads' passenger operations have long been operating "in the red" and the railroads have had neither the incentive nor, we are told, the funds to invest in passenger facilities, the report of the Interstate Commerce Commission on the passenger train deficit proposed public subsidies. But, who is to provide these public funds? The urban transportation problem is not just a local affair. It extends beyond the bounds of any one city and often beyond the limits of any one state. It concerns municipalities, states and the federal government. Each level of government must share the responsibility. In view of the limited taxing power and fund-raising resources of municipalities and individual states, it seems clear that the federal government must help finance any such large scale capital improvement program by means of the extension of federal credit.

In Pennsylvania, for example, the state constitution provides that no debt shall be created by or on behalf of the Commonwealth except for highway purposes. "Highway purposes" would not include passenger trains and railroad stations. The financing power of the City of Philadelphia is also severely restricted since the state constitution limits Philadelphia's indebtedness to 13.5 per cent of the most recent 10 year average of assessed valuation of real property within the city's limits. By recent calculation, Philadelphia's borrowing capacity is now \$463,000,000. But, of this amount, only \$37,000,000 remains for new borrowing of which some \$19,000,000 has already been committed.

While the city is fortunate, as compared with many other municipalities, in that self-sustaining loans, including the so-called "revenue bond issues," are held not to be part of the city's debt for purposes of the constitutional limitation, such loans must be approved by the voters. It could take as long as eight months before money would be made available on this basis, and as long as two years until the actual bonds are sold. Furthermore, attempts to float bonds in the amount required might well prejudice the financing of all municipal improvements by unduly raising the interest rate. A far-sighted federal step in the right direction has been taken in a bill introduced by Senator Harrison Williams of New Jersey.³ Senator Williams' Bill, amends Section 701 of the Housing Act of 1954 and Title II of the Housing Amendments of 1955 to assist state and local governments and their public instrumentalities in improving mass transportation service in metropolitan areas. The Act makes available urban planning grants to municipalities in order to encourage planning to determine transportation needs and to coordinate and integrate the various elements of mass transportation systems in metropolitan areas.

Especially important are the public facility loan provisions of the Act, whereby \$100,000,000 in federal funds is made available at low interest rates to local government units for financing the acquisition of facilities useful in improving mass transit and commuter service in urban areas. A careful extension of federal credit will assuredly prove to be a conservative and, indeed, successful financial venture. Philadelphia has already used many millions of dollars of city credit to finance public transportation facilities. The most recent is the \$25,000,000 bond issue for the acquisition of new subway-elevated cars. The fact is that commitments have been performed and interest and principal payments on these loans have consistently been met. Over the life of the loan, the users of the services themselves will repay the money advanced to acquire the new equipment which they enjoy.

In emphasizing the need for efficient and economical railroad passenger trains and other mass transit facilities which S-3278 is designed to meet, we must not overlook the equally important need for coordinating the transportation systems in urban areas and for encouraging the formulation of comprehensive planning. The "urban planning grants" feature of the Williams' legislation, therefore is very desirable.

There will, of course, be legal, political and practical obstacles that must be hurdled. A legal impediment which was successfully overcome in the Philadelphia program is illustrated in the following: On January 21, 1960, an application was presented to the Court of Common Pleas No. 6, Philadelphia County, for a charter for the Passenger Service Improvement Corporation of Philadelphia. At the hearing on the application before President Judge Gerald F. Flood, one contestant objected to one of the charter purposes, viz., "3. to act as the management agent for the City of Philadelphia in connection with the operation and financing of passenger transportation facilities and rights." President Judge Flood overruled the ob-

3 S. 3278.

jections in a scholarly opinion which goes to the heart of the matter and concisely disposes of the protest:

It is urged that it is beyond the power of the city to participate in the activities of such a corporation or to use it as its agent in any way or to lend its credit to any corporation These arguments in our opinion are fully discussed and answered in the opinion of Chief Justice Stern in the case of *McSorley v. Fitzgerald*, 359 Pa. 264 (1948), in which similar objections were made to the Public Parking Authority of Pittsburgh created under the Parking Authority Law of June 5, 1947, P. L. 458. In that case the Parking Authority Law and the operation of the Pittsburgh Parking Authority thereunder and the appropriation of funds to it by the City of Pittsburgh were all sustained as being valid and constitutional. We think that the discussion in that case clearly answers all the objections before us. Insofar as the matter depends upon the city charter rather than an act of the legislature such as the Parking Authority Law, we see no distinction in the applicable principles.

Accordingly, the charter was granted and the corporation came into being.

Imaginative efforts must now be made to make the passenger service more and more attractive. In addition to providing streamlined, air-conditioned, well-lighted, clean cars, services should be provided, e. g., supplying of periodicals and beverages. Whatever can properly increase revenues should be done. This is especially true with regard to the off-peak utilization of the costly facilities.

The municipal government should take steps to bring about a staggering of hours not only of the municipal employees, but also of the masses of white collar workers. This will help to "level off" traffic during the peak hours. Local transit systems, such as the one in Philadelphia, consisting of subways, elevated, trolley and bus lines, should be coordinated into a single, efficient, speedy passenger transportation system. All structures and schedules should be kept under constant study to meet changing needs. An illustration of this is the study now being made to tailor certain commuter schedules to bring masses of workers into factories along the railroad lines for early morning shifts and to return workers leaving their duties on the swing shift. These industrial excursions can be run at reduced rates and reduced costs. A completely coordinated and total war should be waged to the point of substantially increasing the revenues, and thereby cutting down the unit costs.

Providing a safe, speedy and attractive passenger service is as essential today as supplying water, sewerage disposal and other critically needed and essential municipal services.

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