Funding and Governance Models

Baltimore Region Transit Governance and Funding Study

Today's Agenda

Project Status

Governance and Models

Upcoming Public Engagement

Next Steps

1

Project Status

June 22

We are here

Public Forums

History of
MDOT MTA & LOTS

Financial
Review

Transit Funding
Measures

Final Documentation
& Wrap-up

Study Purpose
& Approach

Review of
Current Status

Review of Peer
Agencies & Regions

Governance
& Funding Options

2

Governance and Funding Models

Goals Scorecard

Improve Coordination

Increase Investment

Improve Quality of Service

Enhance Decision Making
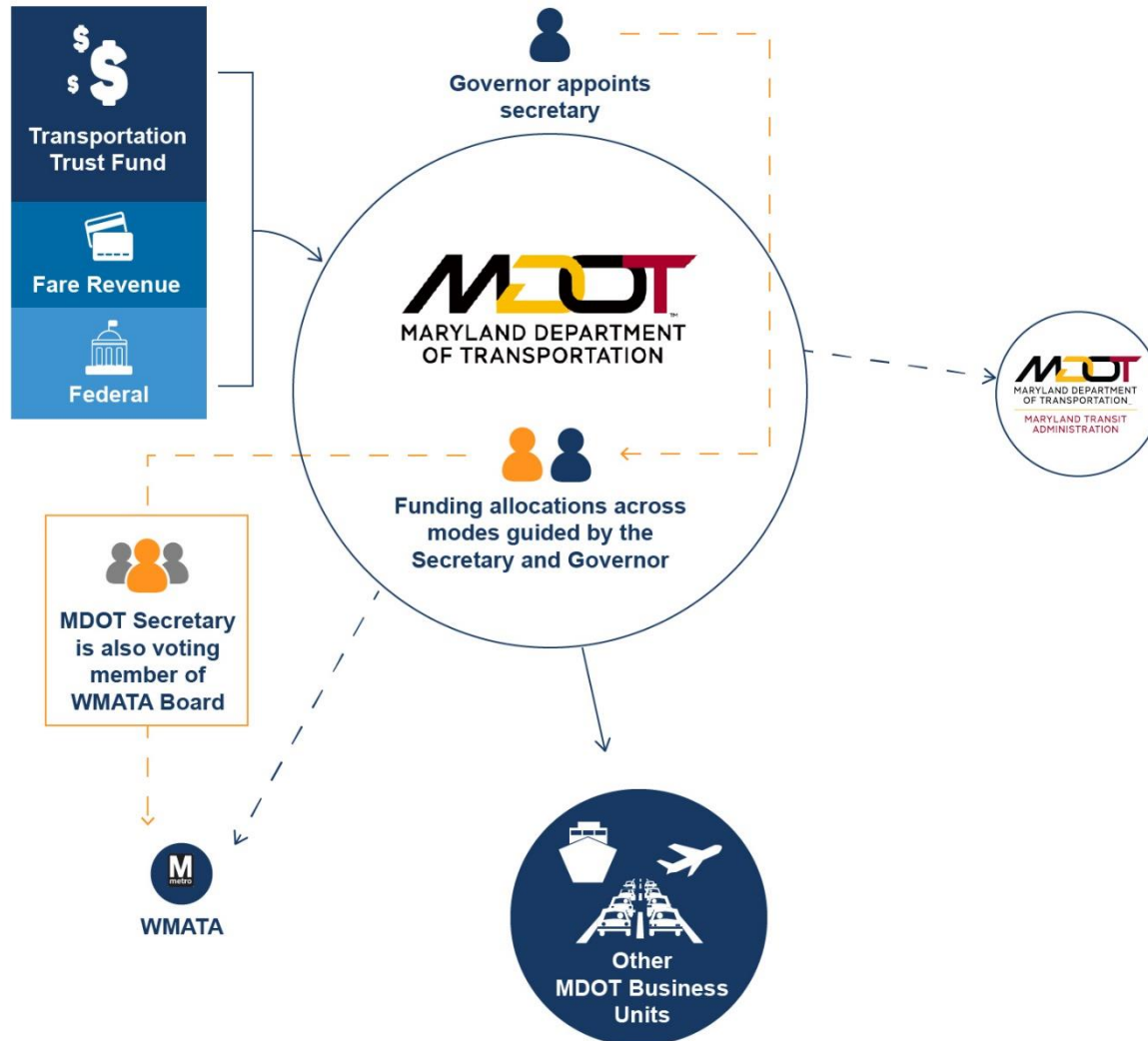
Regional Connections

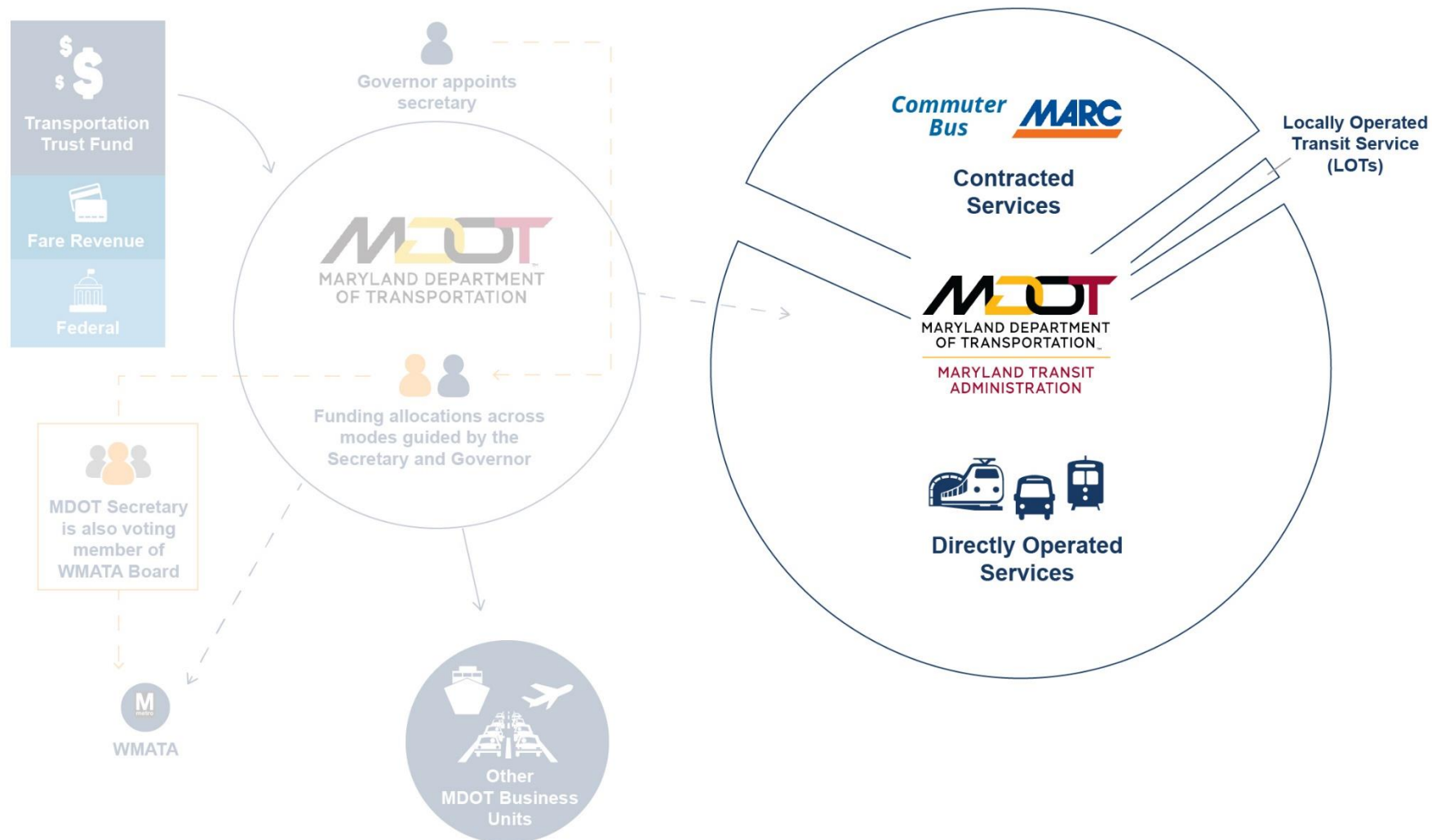Ensure Equitable Investment

Governance and Funding Models

1. Status Quo / Do Nothing

2. State Transportation Commission

3. State Transit Commission

4. Baltimore Advisory Board

5. Baltimore Transit Commission (BTC)

6. Baltimore Regional Transit Authority (RTA)

Status Quo: Existing Structure

Status Quo: Existing Structure

Status Quo: Funding and Budgeting

Governance and Funding Models

Impact and Potential Benefits ↓

1. Status Quo / Do Nothing

2. State Transportation Commission

3. State Transit Commission

4. Baltimore Advisory Board

5. Baltimore Transit Commission (BTC)

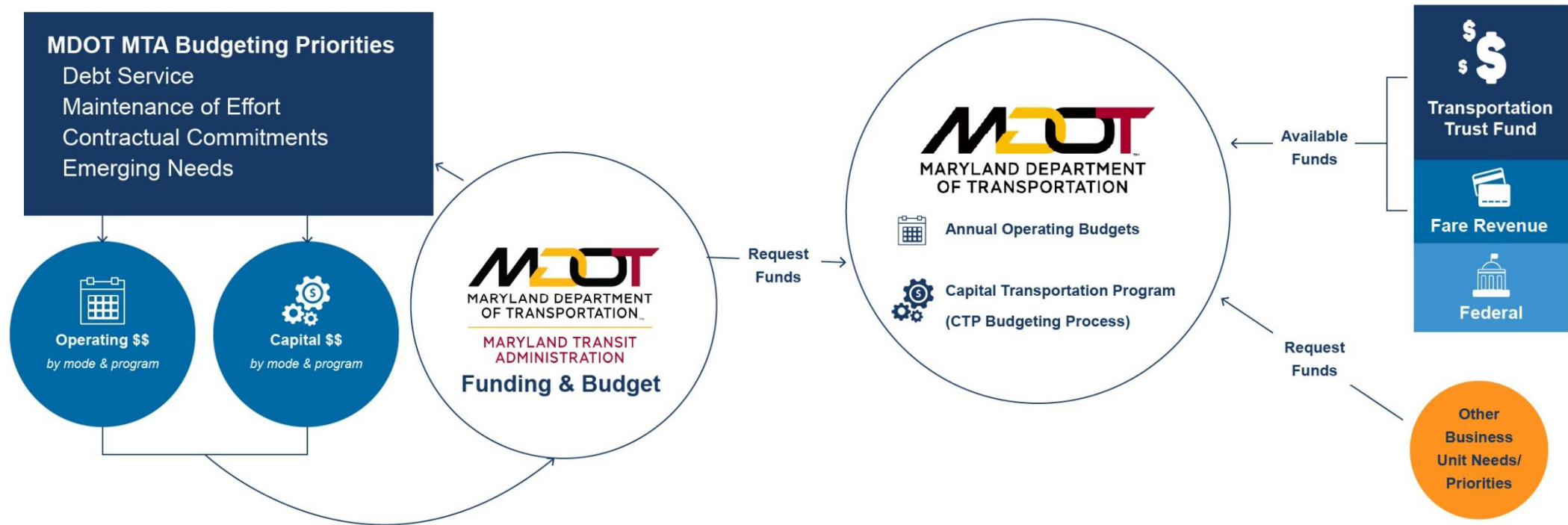6. Baltimore Regional Transit Authority (RTA)

Disruption to Existing System ↑

State Transportation Commission

⚙ HOW IT WORKS

- ✔ Modifies role of existing Maryland Transportation Commission to oversee Maryland's Transportation Trust Fund (TTF)–Oversees all MDOT modal investments and operations (e.g., not just transit).
- ✔ Secretary of Transportation works with Commission to allocate TTF and approve major transportation investments.
- ✔ Board members currently appointed by Governor, could be expanded to include representatives appointed by the General Assembly and regional and/or local jurisdictions.

👍 DECISION-MAKING

- ✔ State Transportation Commission overseeing MDOT.
- ✔ Commission size and representation to be determined but assumes Commission represents diversity of transportation interests and geography.
- ✔ Increases and diversifies input into transportation investment decisions, including allocation of TTF.

💲 FUNDING

- ✔ No major changes to funding model.
- ✔ MDOT MTA is FTA Direct Recipient and is funded with federal and state funds plus passenger fares.

New funding measures which align best with this model include:

VMT Tax   Tolling (state)

💎 BENEFITS

- ✔ Increases transparency into MDOT MTA decision making.
- ✔ Diversifies and shares responsibility for decision making.
- ✔ Does not increase transit funding but could reallocate priorities within MDOT.
- ✔ Expanded representation could help expand funding.

🔧 ISSUES

- ✔ Local and regional input is limited.
- ✔ Does not address regional coordination between services.
- ✔ Expanded funding is not a requirement, but could shift priorities within MDOT.
- ✔ Risks politicizing decision-making, depending on make-up and powers of expanded Commission.

👥 MOST SIMILAR TO...

- ✔ Several states: Maryland plus Pennsylvania, Michigan, Washington, California, and others.

State Transportation Commission

MDOT — MARYLAND DEPARTMENT OF TRANSPORTATION

MDOT — MARYLAND DEPARTMENT OF TRANSPORTATION — MARYLAND TRANSIT ADMINISTRATION

| Baltimore Core Services | LOTS | Commuter/Regional Services |

⭐ GOAL SCORECARD

	low	high
Improve Coordination		
Improve Service		
Increase Transit Investment		
Regional Connections		
Enhance Decision Making		
Ensure Equitable Investment		

State Transit Commission

⚙ HOW IT WORKS

- ✔ Create a new Statewide Transit Commission to oversee MDOT MTA and transit related investments. Commission would inform and guide decision-making around MDOT MTA investments.
- ✔ MDOT MTA retains existing responsibilities for MDOT MTA Baltimore Core services LOTS, commuter bus, MARC trains.
- ✔ MDOT MTA Administrator directed by the State Transit Commission.
- ✔ Board members must include representatives from Baltimore core service area and other regions, and would be appointed by the Governor and approved by the Maryland State Assembly.

👍 DECISION-MAKING

- ✔ State Transit Commission overseeing MDOT MTA including MDOT MTA's priorities and budget.
- ✔ Commission size and representation should reflect a diversity of transit interests and geography; the composition could be based on population or service investment within each community.

💲 FUNDING

- ✔ No major changes to funding model.
- ✔ MDOT MTA is FTA Direct Recipient and is funded with federal and state funds plus passenger fares.

New funding measures which align best with this model include:

👥💲 Statewide Income Tax   🧾 Statewide Sales Tax

💎 BENEFITS

- ✔ Increases transparency into MDOT MTA decisions.
- ✔ Diversifies and shares responsibility for decision making.
- ✔ Creates forum for input into MDOT MTA decision making.

🔧 ISSUES

- ✔ Local and regional input is limited.
- ✔ Regional coordination encouraged, but not required.
- ✔ Expanded funding is not a requirement, but could shift priorities of Core Services.
- ✔ Does not necessarily increase transit funding.

👥 MOST SIMILAR TO...

- ✔ NJ Transit.

MARYLAND DEPARTMENT OF TRANSPORTATION

State Transit Commission

MDOT MARYLAND DEPARTMENT OF TRANSPORTATION — MARYLAND TRANSIT ADMINISTRATION

| Baltimore Core Services | LOTS | Commuter/Regional Services |

⭐ GOAL SCORECARD

low ———— high

- Improve Coordination
- Improve Service
- Increase Transit Investment
- Regional Connections
- Enhance Decision Making
- Ensure Equitable Investment

Baltimore Advisory Board

MARYLAND DEPARTMENT OF TRANSPORTATION

⚙ HOW IT WORKS

- ✔ Create a new Baltimore focused Advisory Board to guide Baltimore Core Services.
- ✔ Board provides input and advice on budget, asset improvement, operational, service delivery and planning decision making.
- ✔ MDOT MTA continues to operate transit services.
- ✔ No change in LOTS program.
- ✔ Could include funding formula that allocates budget for Baltimore Core services.

👍 DECISION-MAKING

- ✔ Advisory Board provides advice and feedback to proposed investment decisions associated with Baltimore Core services.
- ✔ Participation includes MDOT MTA and jurisdictions where Core services operate.

💎 BENEFITS

- ✔ Increases transparency into MDOT MTA decision making.
- ✔ Advisory Board represents regional transit interests.
- ✔ Increases opportunity for service coordination / integration.
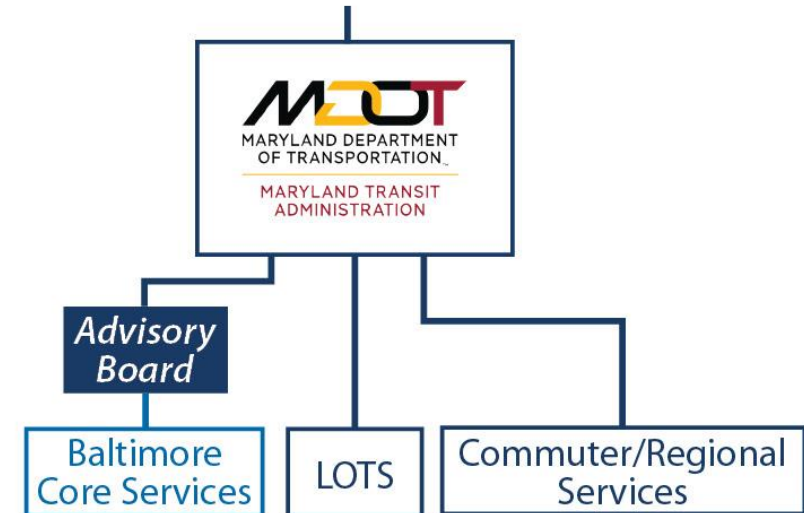- ✔ Works best if MDOT MTA establishes a clear funding formula.

$ FUNDING

- ✔ MDOT MTA is FTA Direct Recipient.
- ✔ Advisory Board would be authorized to levy membership fee from participating jurisdictions.
- ✔ Membership fees would be established by formula and used to support Board responsibilities (mostly administrative and planning functions).

🔧 ISSUES

- ✔ Advisory Board has limited authority.
- ✔ State commitment to formula funding may be difficult.
- ✔ Challenge to generate new local/ regional sources of revenue.

👥 MOST SIMILAR TO...

- ✔ Middle Tennessee Regional Transportation Authority.

New funding measures which align best with this model include:

Membership Fees

MDOT MARYLAND DEPARTMENT OF TRANSPORTATION

MARYLAND TRANSIT ADMINISTRATION

Advisory Board

Baltimore Core Services | LOTS | Commuter/Regional Services

⭐ GOAL SCORECARD

low — high

Improve Coordination

Improve Service

Increase Transit Investment

Regional Connections

Enhance Decision Making

Ensure Equitable Investment

Baltimore Transit Commission (BTC)

⚙ HOW IT WORKS

- ✔ Establish a new Baltimore Transit Commission (BTC):
  - – Joint state-regional commission.
  - – Manages and oversees transit investments in Central Maryland.
  - – Raises funds regionally for transit.
- ✔ LOTS may join BTC or remain independent.
- ✔ General Manager is MDOT MTA employee who serves at pleasure of BTC.
- ✔ MDOT MTA continues to operate Baltimore Core services.
- ✔ Somewhat similar approach to transit as how Maryland region supports transit in Washington D.C., but MDOT MTA would participate in Transit Commission and operate service.

👍 DECISION-MAKING

- ✔ BTC advises and directs transit investments in Central Maryland.
- ✔ Participation includes MDOT MTA and jurisdictions where Baltimore Core services operate.

💲 FUNDING

- ✔ BTC is funded with:
  - – FTA funds
  - – Passenger fares
  - – State funds
  - – Optional local funding (administered by BTC)
- ✔ BTC becomes FTA Direct Recipient for Baltimore urbanized area.
- ✔ Authority for local or regional funding authorized by the state.
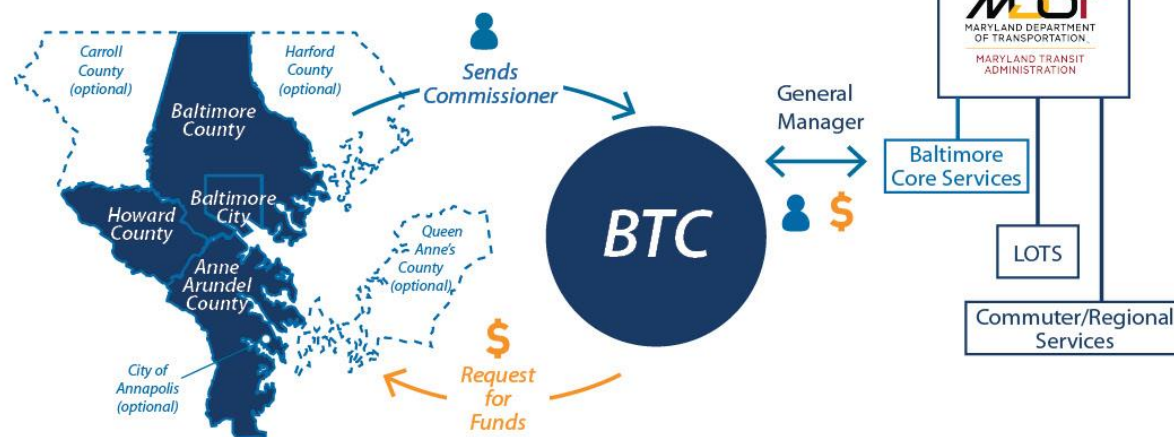- ✔ BTC determines funding need.

New funding measures which align best with this model include:

🚗 Ridesharing Tax   🏠 Local Property Tax

Carroll County (optional) — Harford County (optional) — Baltimore County — Howard County — Baltimore City — Anne Arundel County — Queen Anne's County (optional) — City of Annapolis (optional)

Sends Commissioner → BTC

General Manager → Baltimore Core Services

$ ← Request for Funds

MDOT MARYLAND DEPARTMENT OF TRANSPORTATION / MARYLAND TRANSIT ADMINISTRATION

LOTS — Commuter/Regional Services

💎 BENEFITS

- ✔ Centralized body responsible for planning and organizing public transit in the region.
- ✔ Diversifies input to transit decision making.
- ✔ Increases service coordination / integration.
- ✔ Increases funding for transit with new, local resources.

🔧 ISSUES

- ✔ State must cede authority without diminishing funding.
- ✔ Local tax will be difficult to implement.

👥 MOST SIMILAR TO...

- ✔ Washington Suburban Transit Commission (WSTC).
- ✔ Northern Virginia Transportation Commission (NVTC).

⭐ GOAL SCORECARD

	low	high
Improve Coordination		
Improve Service		
Increase Transit Investment		
Regional Connections		
Enhance Decision Making		
Ensure Equitable Investment		

Baltimore Regional Transit Authority (RTA)

⚙ HOW IT WORKS

- ✔ Create a new transit agency – Regional Transit Authority (RTA) who is responsible for the administration of transit services in the Baltimore region.
- ✔ RTA, through member jurisdictions who have the authority to raise funds for transit.
- ✔ RTA hires a General Manager, who serves at pleasure of RTA Board. GM implements RTA's vision and manages agency operations.
- ✔ RTA governs and manages transit service. Services provided through contracts.
- ✔ MDOT MTA provides state transit funding via a formula that is set in law and runs rest of state transit operations.

👍 DECISION-MAKING

- ✔ Baltimore City and Baltimore County LOTS must join RTA; others can opt in.
- ✔ RTA's Board includes representation from service area. MDOT MTA has significant share of seats/voting authority on BRTA's Board.

💲 FUNDING

- ✔ RTA is a Direct Recipient of FTA funds; it is also funded with:
  - – Passenger fares – State funds
  - – Regional and Local transit taxes/assessments
- ✔ Turned over to RTA.
- ✔ Requires MDOT MTA to create a funding formula for state funds, including transit capital.

New funding measures which align best with this model include:

🧾 Regional Sales Tax   🏠 Local Property Tax

💎 BENEFITS

- ✔ Centralized body responsible for planning and organizing public transit.
- ✔ Increases and diversifies input to transit decision making.
- ✔ Shifts transit investments decision making to regional level.
- ✔ Increases transit funding by raising additional funds locally/regionally.
- ✔ Transit services coordinated at regional level.

🔧 ISSUES

- ✔ LOTS may not want to participate.
- ✔ State must cede authority without diminishing funding.
- ✔ Local tax will be difficult to implement.
- ✔ Labor reorganization challenges.

👥 MOST SIMILAR TO...

- ✔ Central Maryland Regional Transportation Plan
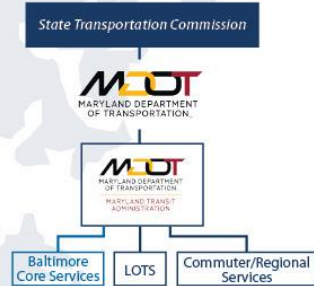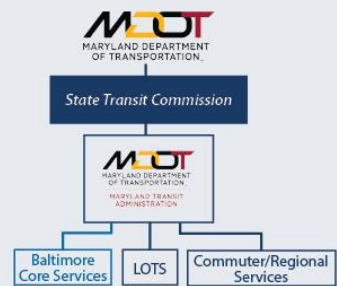- ✔ Southeastern Pennsylvania Transportation Authority (SEPTA).

Diagram

Carroll County (optional)
Harford County (optional)
Baltimore County
Baltimore City
Howard County
Anne Arundel County
Queen Anne's County (optional)
City of Annapolis (optional)

Baltimore RTA
Baltimore Core Services
General Manager
potential contracting

MDOT — MARYLAND DEPARTMENT OF TRANSPORTATION — MARYLAND TRANSIT ADMINISTRATION
LOTS | Commuter/Regional Services
potential contracting

⭐ GOAL SCORECARD

	low	high
Improve Coordination		●●●
Improve Service		●●
Increase Transit Investment		●●●
Regional Connections		●●
Enhance Decision Making		●●●
Ensure Equitable Investment		●●●

All Models

4
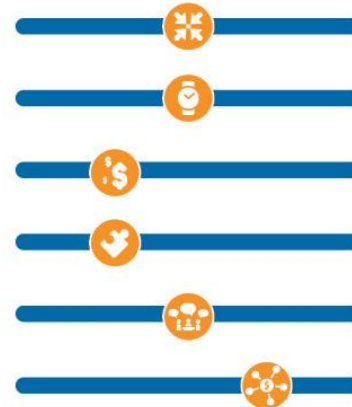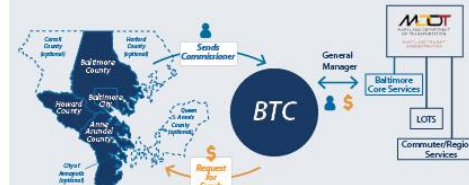
Next Steps

Next Public Forum

June 29, 2021   6:00 PM – 7:30 PM

Topic:

Present Potential Options

Next Steps

- **Tech Memo #6 – Governance and Funding Models**
  - Sent out Monday June 21
  - Posted to BRTB Website

- **Draft Final Report**
  - Thursday, July 15th

- **Final Report**
  - Friday, July 30th

Thank you!

Bethany Whitaker

bwhitaker@nelsonnygaard.com

Headers and Footers

HEADERS

- A blue section header box is available on most slides. If you don't want or need this, delete it.

- You have to change the text manually.

FOOTERS

- Footers are NOT showing by default.

- Want a gray footer across the bottom of the slide? *Insert > Header & Footer > Footer > Apply to All*