



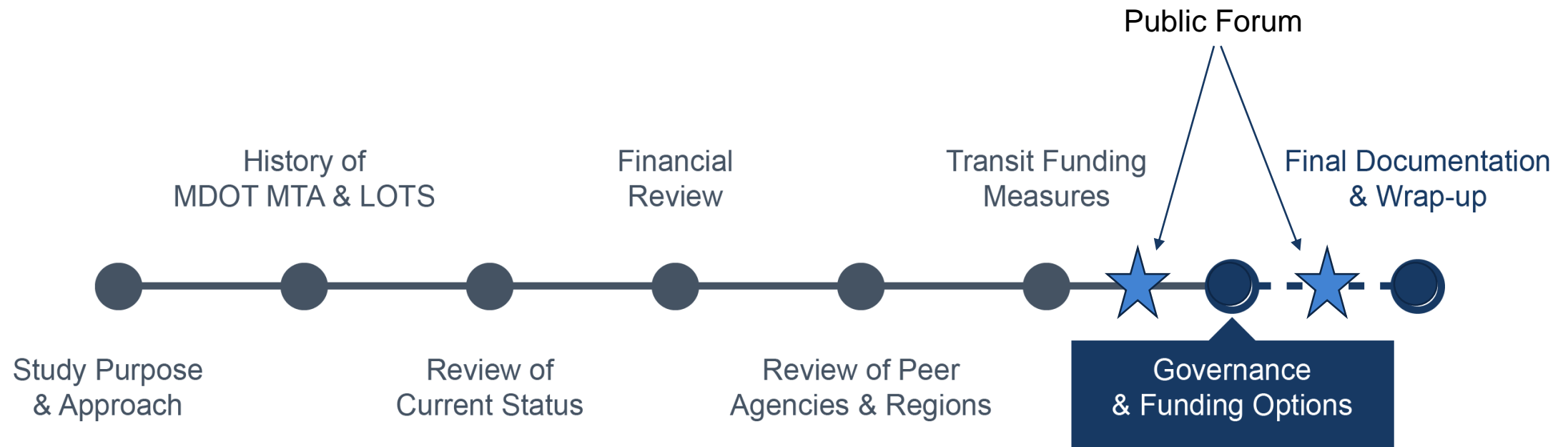
**BALTIMORE
METROPOLITAN
COUNCIL**

BALTIMORE REGION

TRANSIT GOVERNANCE & FUNDING STUDY



Project Approach



Baltimore Region Transit Governance and Funding Goals



Improve Coordination



Increase Investment



Improve Quality of Service



Enhance Decision Making

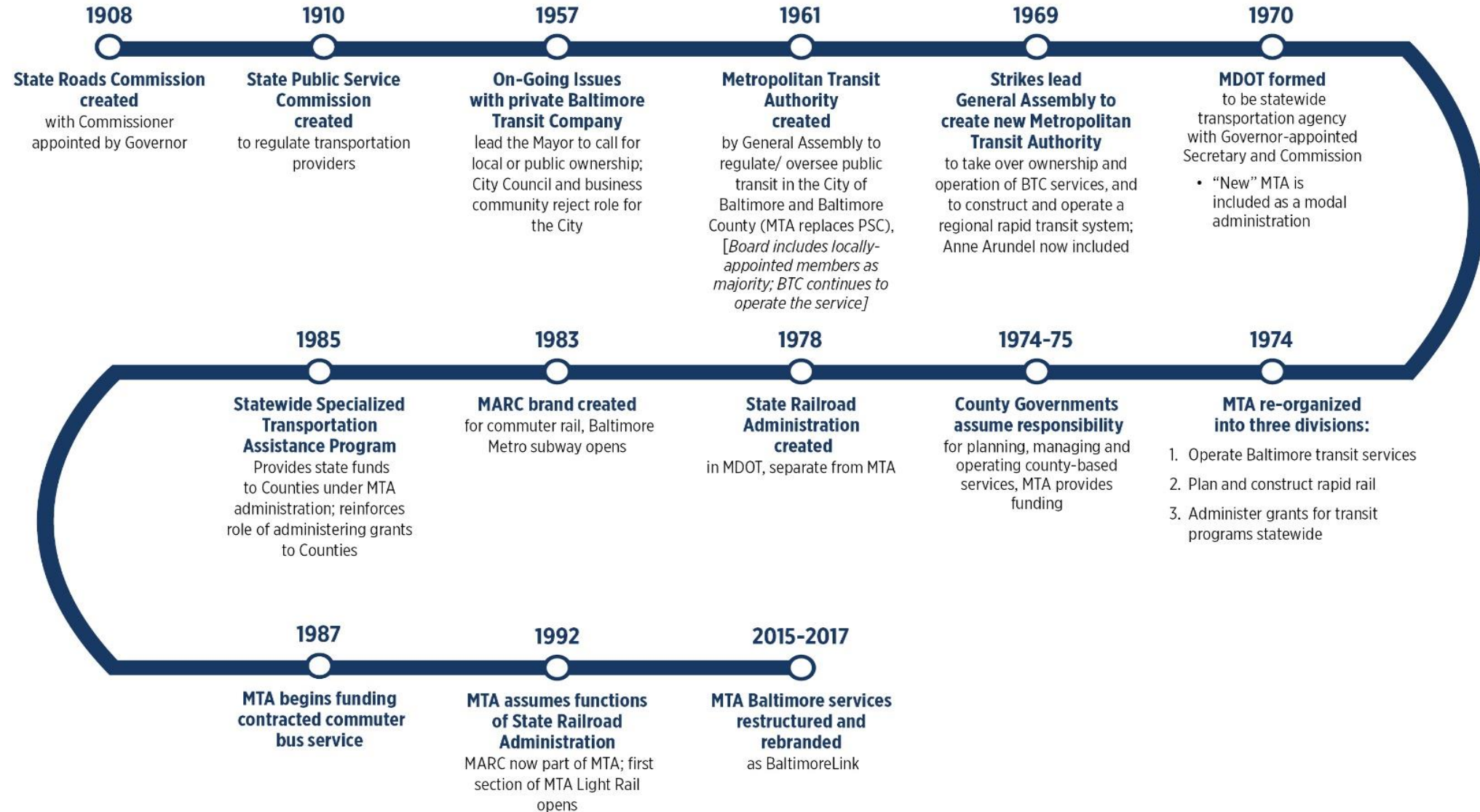


Regional Connections

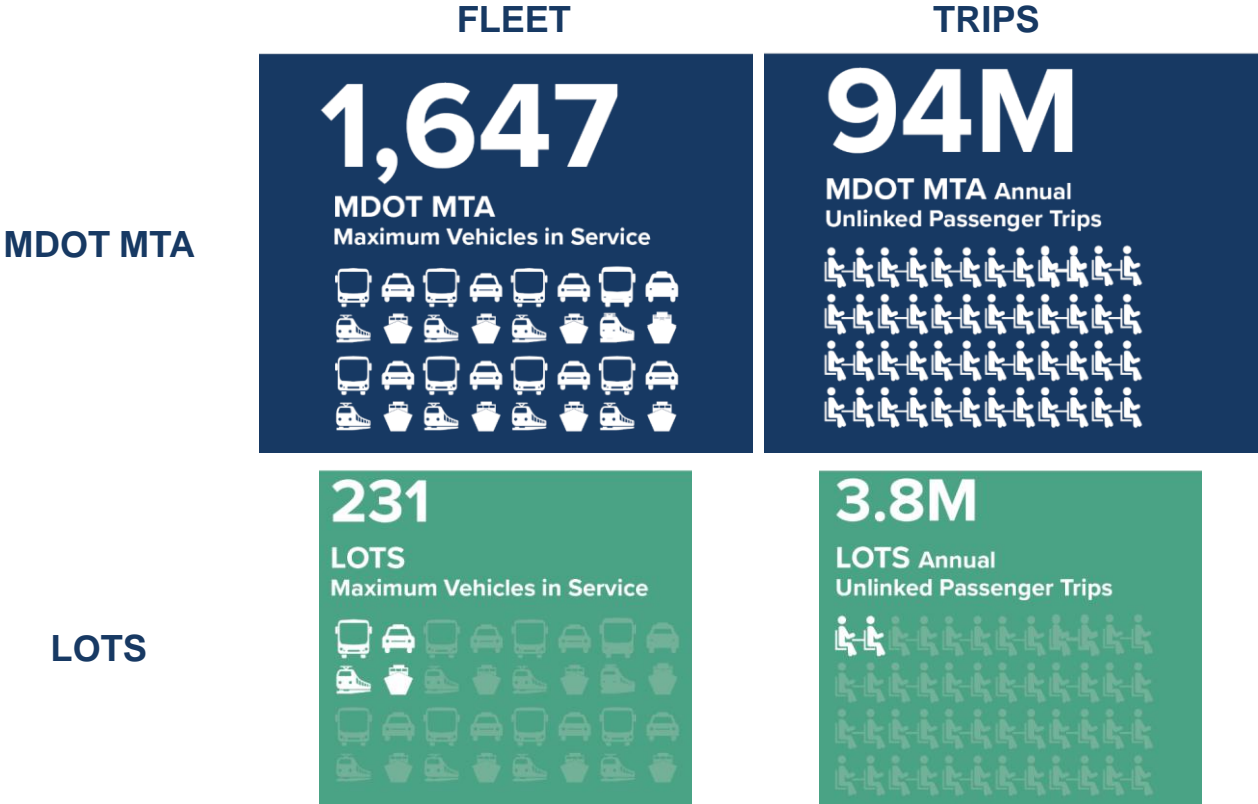


Ensure Equitable Investment

History of MDOT MTA and LOTS

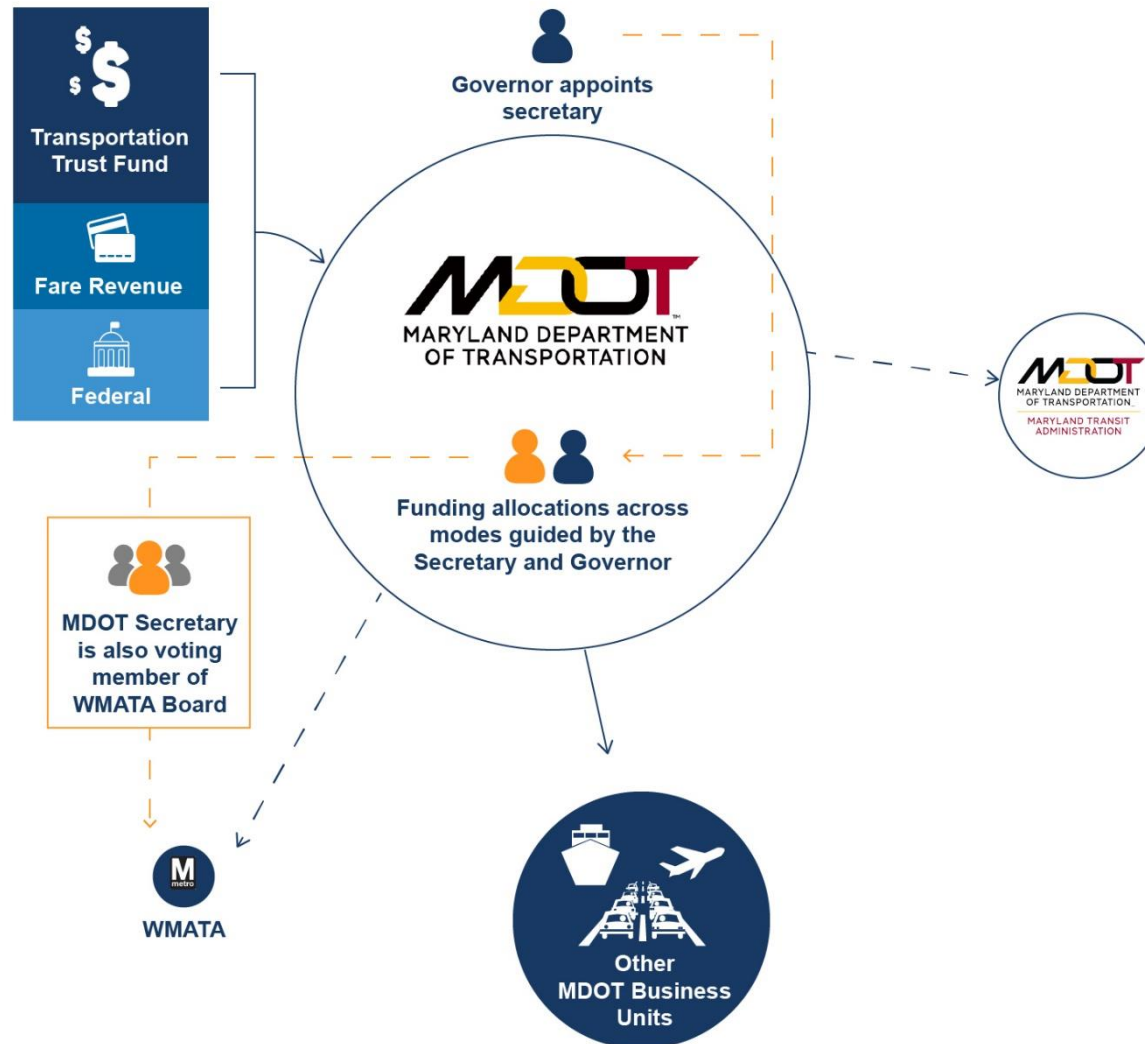


System Scale Differences

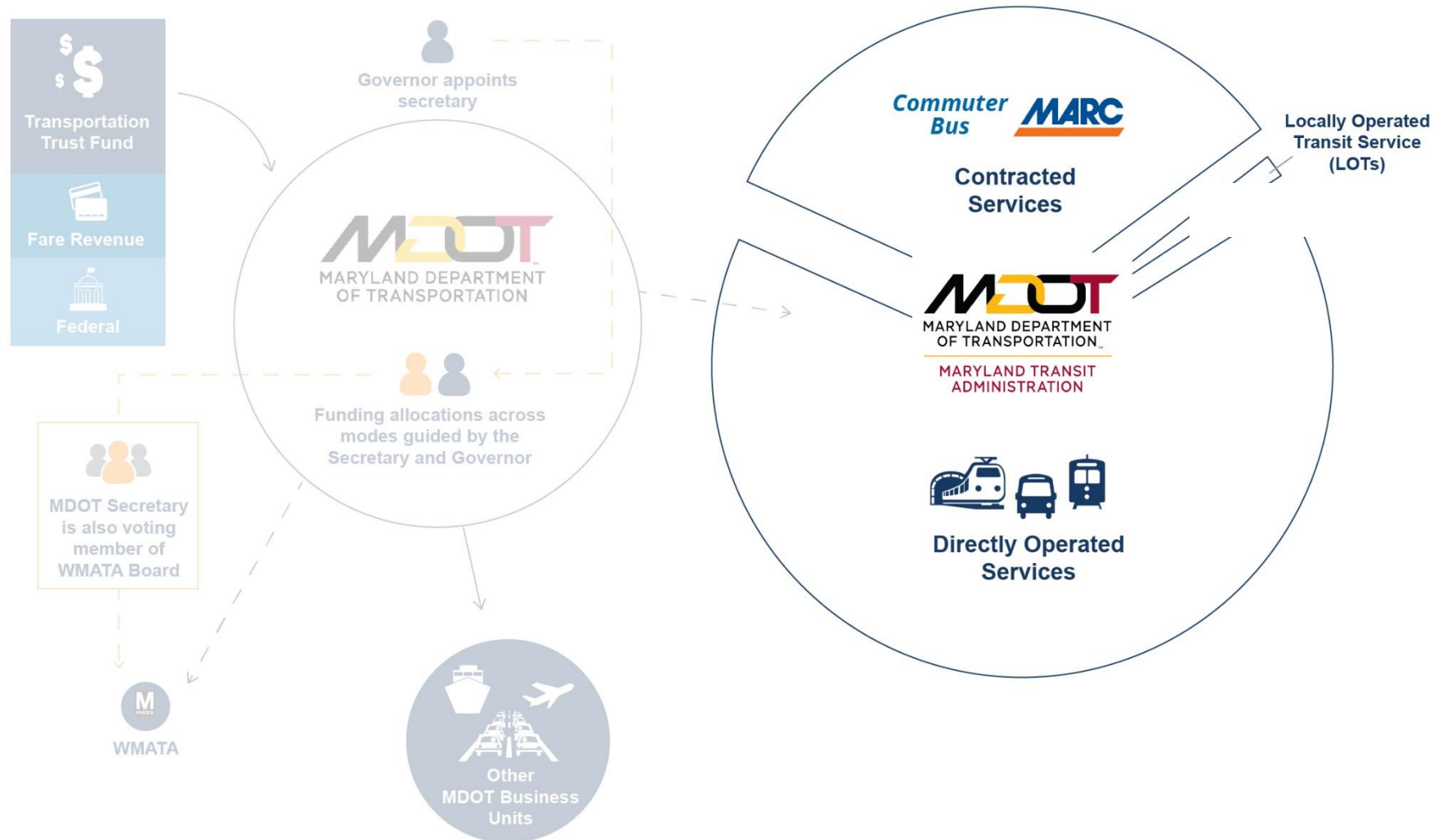


Source: FY 2019 National Transit Database (NTD)

State of Maryland: Operating Structure



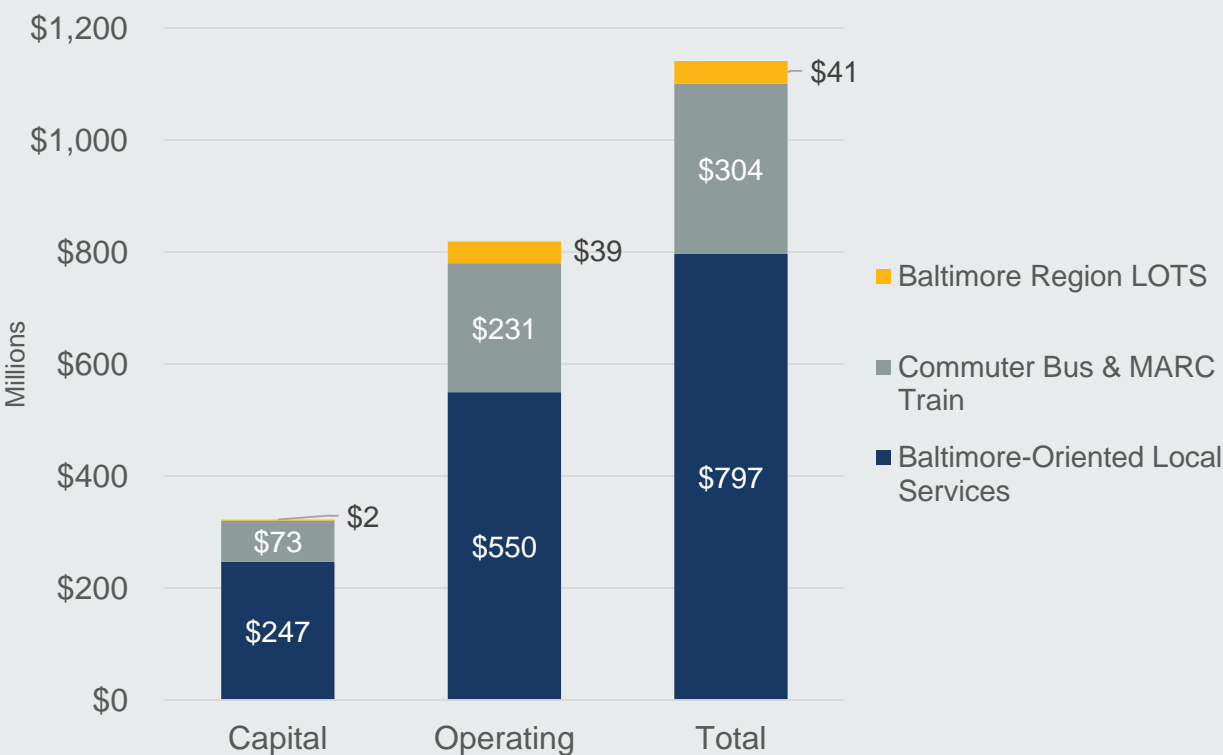
State of Maryland: Operating Structure



Transit Investment in Baltimore Region

**Total MDOT MTA and
LOTS Transit
Investment Combined**

FY 2019 Total Investment \$1.1 billion



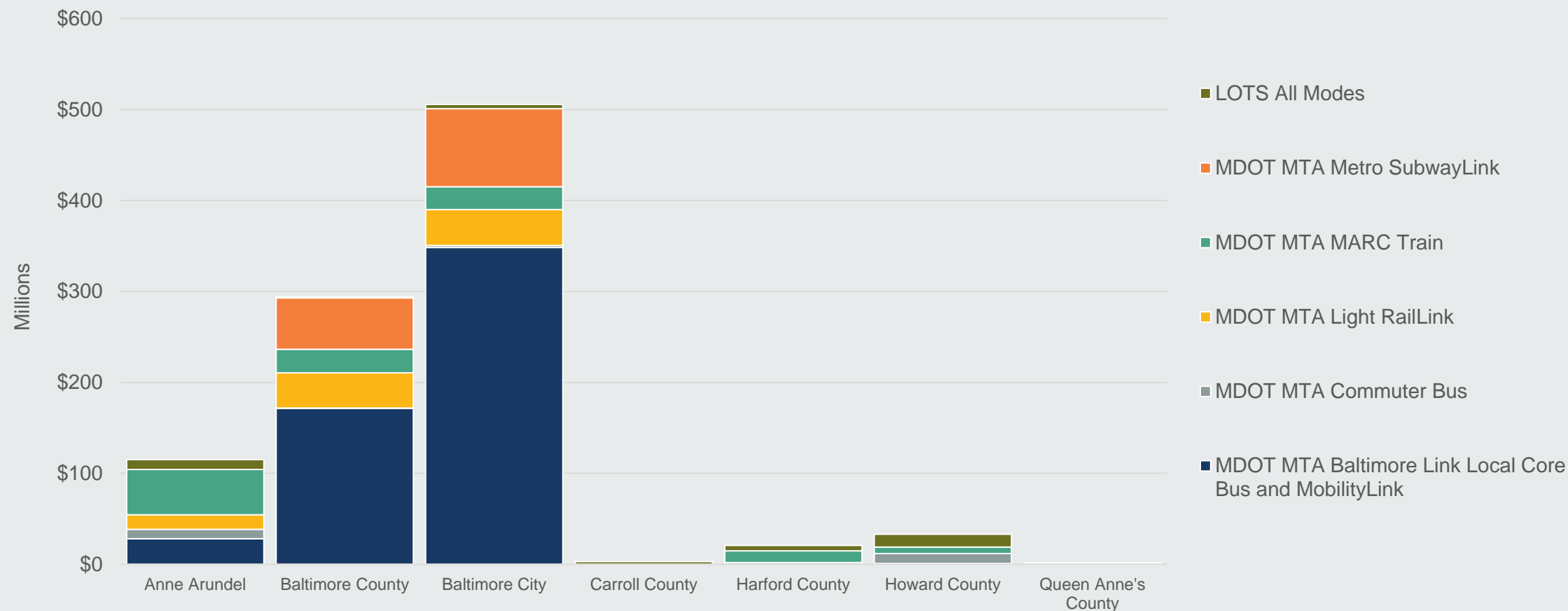
Notes: Baltimore-oriented Local Services category includes unallocated Agency-wide items; includes all Commuter Bus & MARC Train service costs (later slides allocate these costs between Baltimore region and outside jurisdictions based on share of revenue miles of service).

Source: Developed from MDOT MTA (for Agency expenditures) and NTD (for LOTS)

Investment by Jurisdiction

Total Combined (MDOT MTA and LOTS)

Operating and Capital by Mode and Jurisdiction, FY 2019



Indicative, using revenue miles as allocation proxy

Sources/Notes: Both LOTS and MDOT MTA investment from NTD data; Revenue mile data by mode provided by MDOT MTA, with minor adjustment to combine City of Annapolis and Anne Arundel County services to utilize available revenue mile data.

Lessons from Other Regions



Southeast
Pennsylvania
Public
Transportation
Authority
(SEPTA)
*Philadelphia,
PA*

Charlotte Area
Transit
System
(CATS)
Charlotte, NC

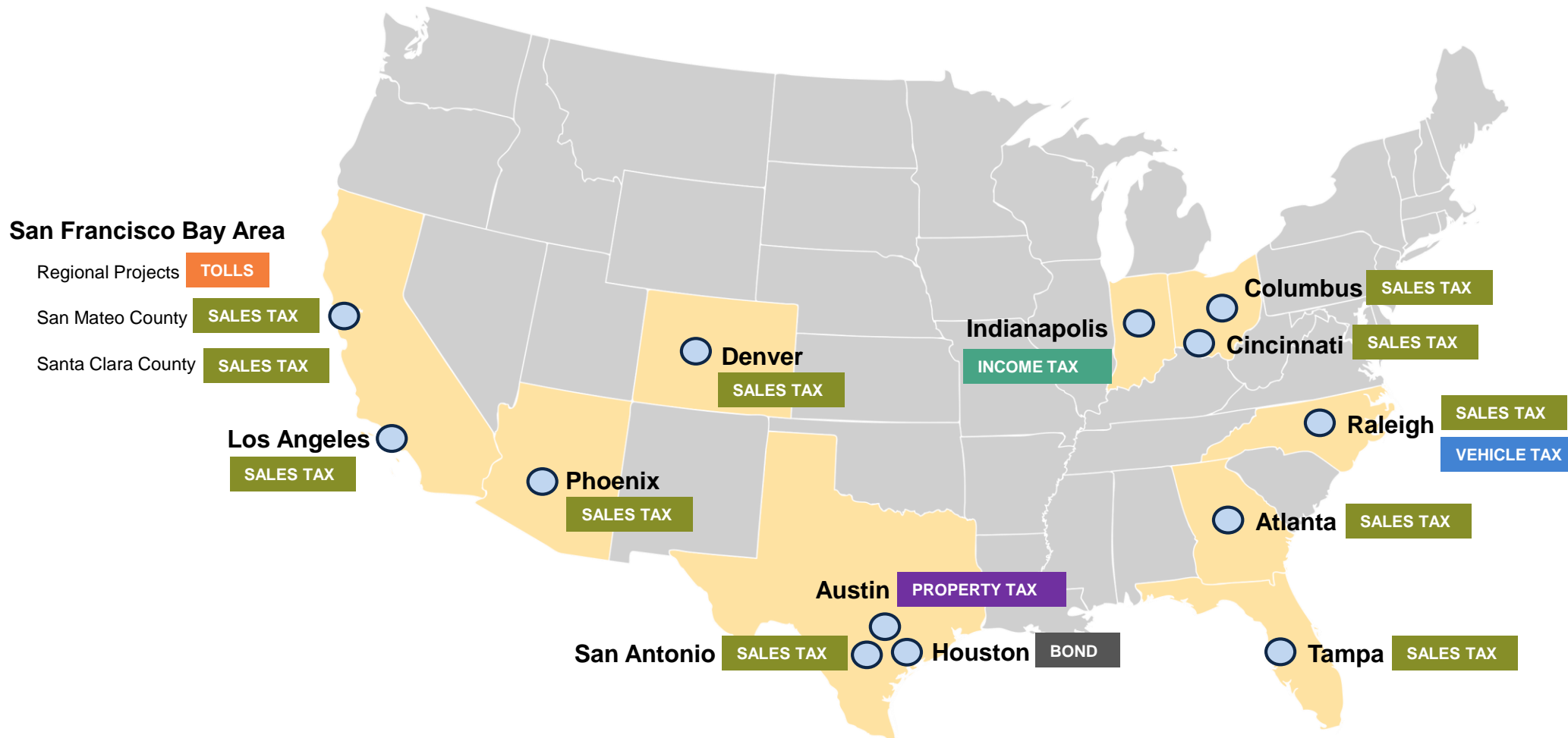
Utah Transit
Authority
(UTA)
*Salt Lake City,
UT*

SMART
*Southeast
Michigan*

Metro Transit
Division of
Bi-State
Development
Authority
St. Louis, MO

Washington
Area
Metropolitan
Transit
Authority
(WMATA)
*Washington
D.C.*

Lessons from Other Regions: Transit Funding



Current System: The Good, the Bad, and the Ugly



Baltimore Core Services - funded and governed at state level

- Limited local or regional input
- Limited local or regional financial responsibility or obligation
- Limited interaction with LOTS and local governments



LOTS Agencies - locally funded and governed

- Local control over service development
- Limited interaction between systems (including Baltimore Core services)
- More responsibility for funding





Ideas About Funding

Transit Funding Measures



Inventory potential funding measures

Major Sources

- Sales Tax
- Property Tax
- Income Tax (Residential)
- Income/Payroll Taxes (Corporate)
- Fuel Taxes
- Tolls
- Vehicle Miles of Travel (VMT) Charges

Secondary Sources

- Local Assessment
- Special Assessment Districts
- Rideshare Fee
- Vehicle Registration Fee
- Real Estate Transfer Tax
- Rental Car Tax
- Lodging Tax
- Alcohol Tax (Excise or Sales)
- Cigarette Tax
- Transportation Utility Fee
- Parking Tax

Other Sources

- Fare Increase
- Cannabis Tax
- Membership Dues
- City/County In-kind
- Tire Tax
- Weight-Base Vehicle Tax
- Vehicle Battery Tax
- Weight Mile Truck Tax
- Development Impact Fees
- Storm Water Fees
- New License or Title Fees

Transit Funding Measures



Qualitative Considerations

Equity, Stability and Funding Potential

Is it Stable?

- Robustness and durability of funding source
- Impacts of a recession (or pandemic)
- Consider that Maryland is a small state with a porous economy

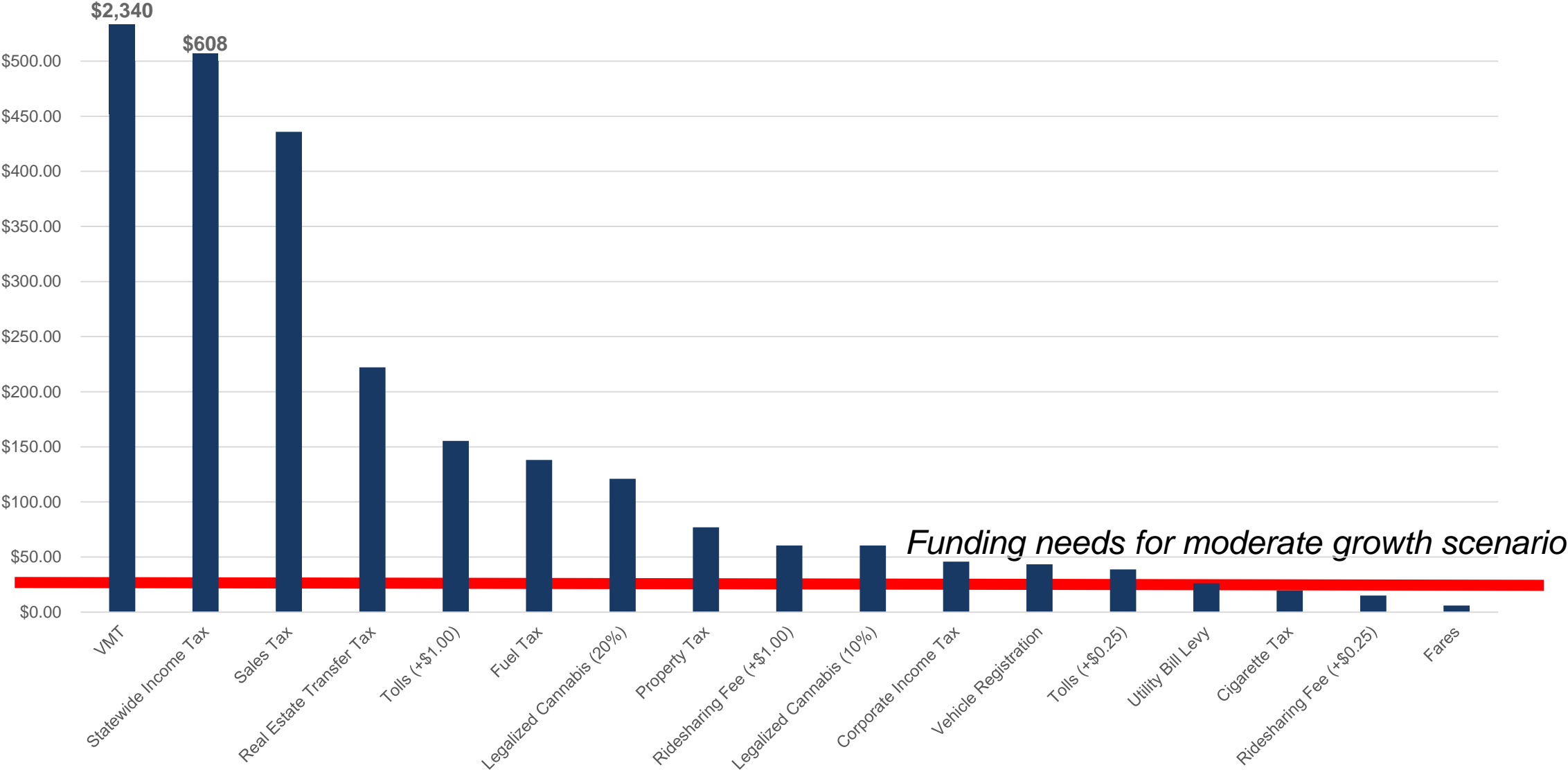
Is it Fair?

- Who is paying?
- Who is benefiting?
- Are costs shared equally?

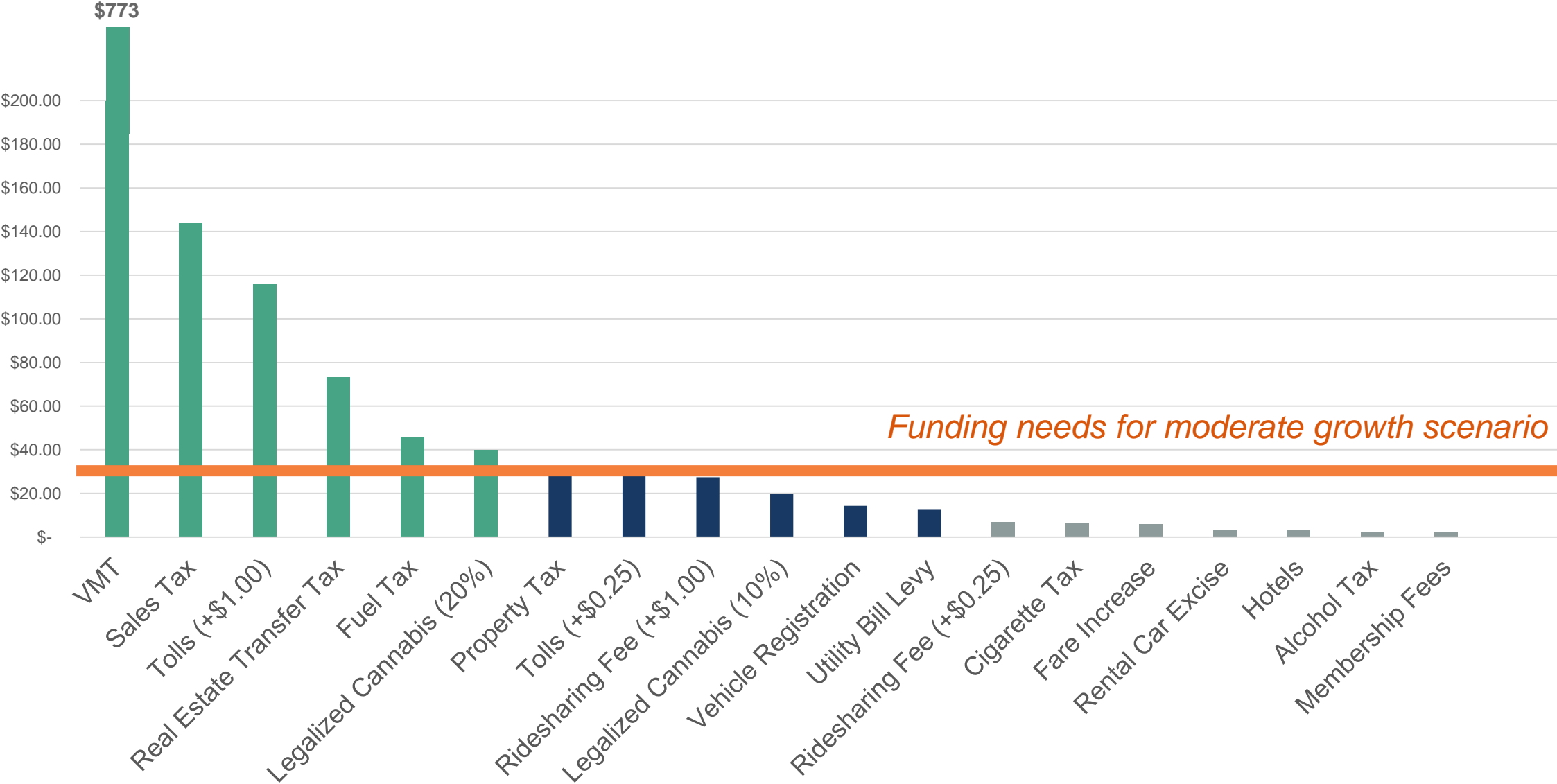
How much?

- Can we raise enough money to solve the problem?
- Should we use a single tax or package of taxes/fees?
- What's the right level of tax?

Statewide Funding Potential (Annual)



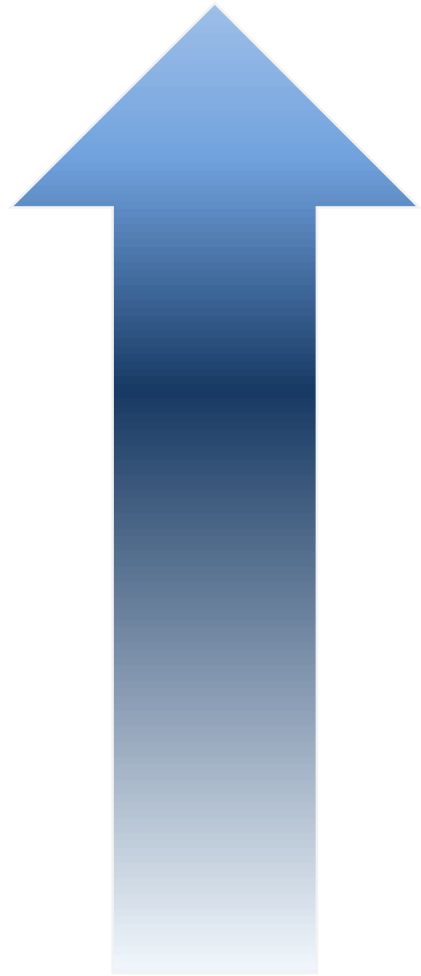
Regional Funding Potential (Annual)





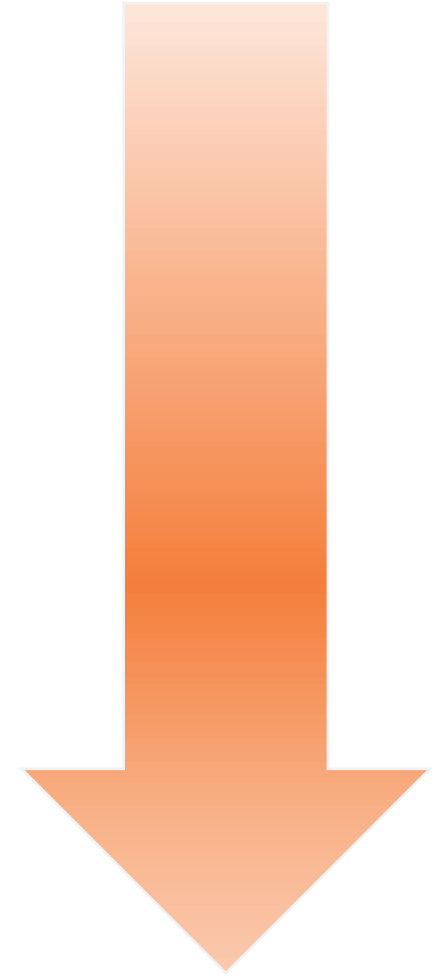
Potential Governance Models

Overview: Governance and Funding Models



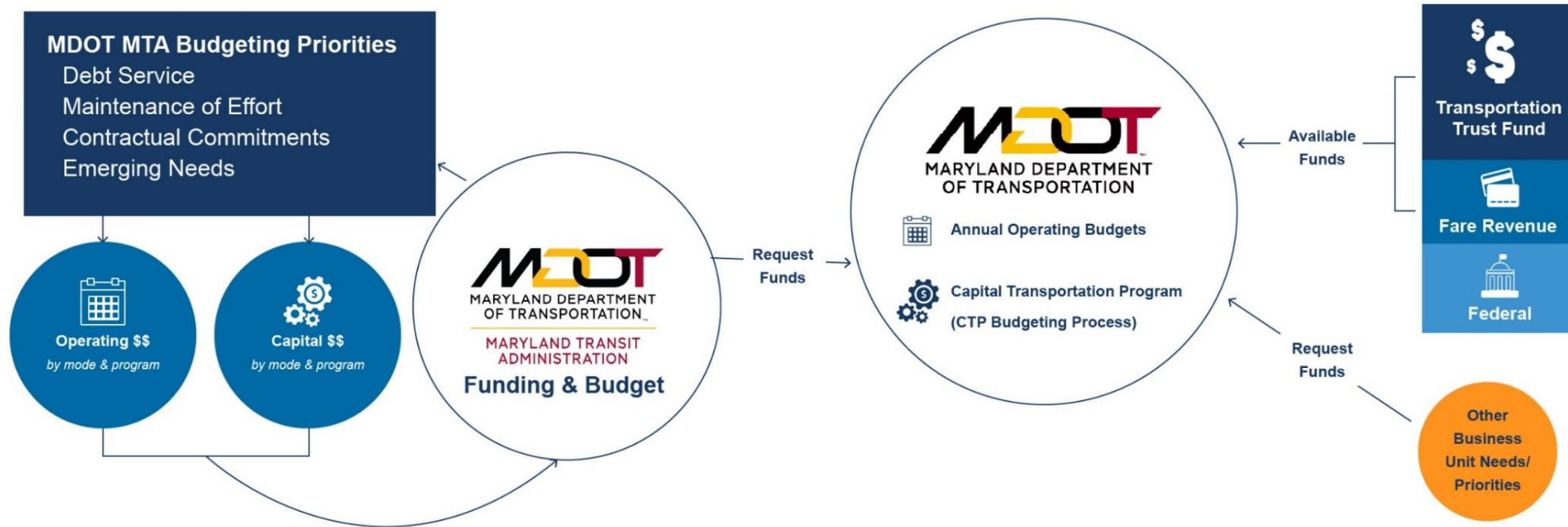
**Impact and Potential
Benefits**

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**

1. Status Quo / Do Nothing



2. State Transportation Commission

How it Works

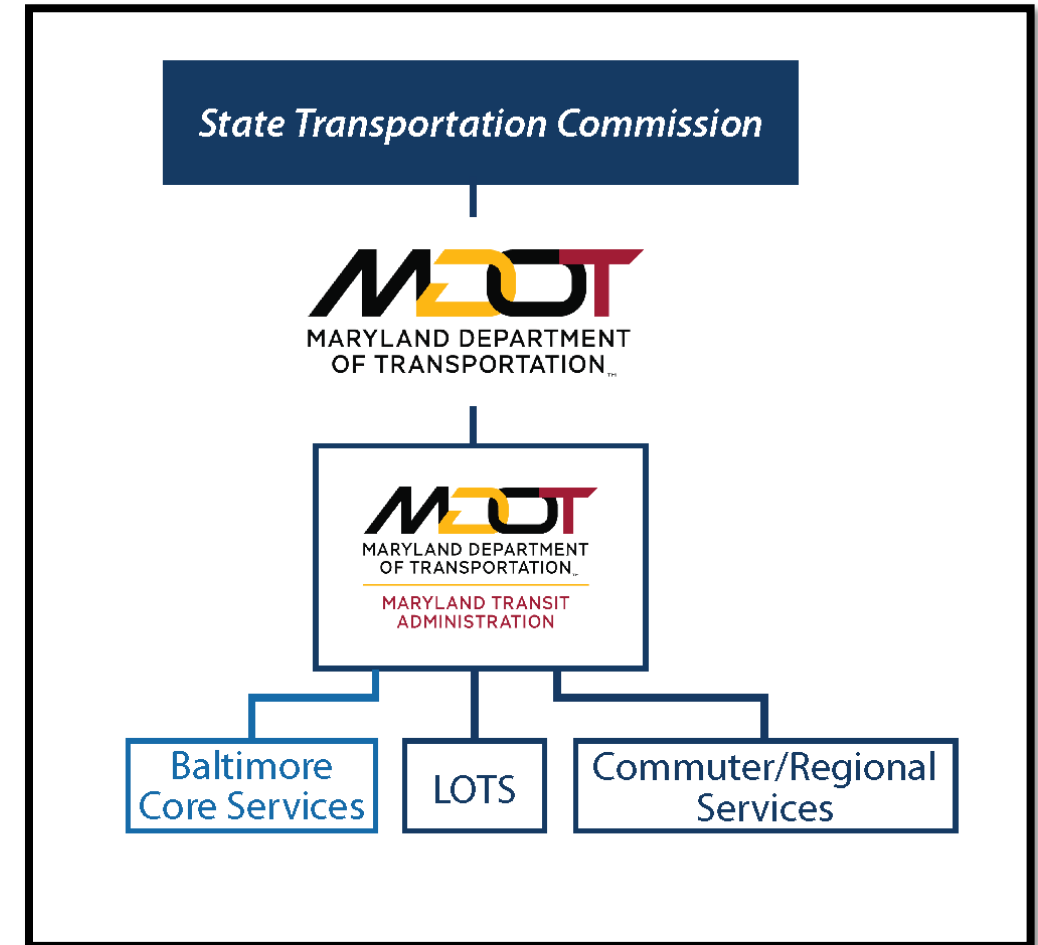
- State Transportation Commission oversees Maryland's Transportation Trust Fund (all business units)
- Secretary of Transportation works with Commission

Decision Making and Funding

- Assigns major decisions to State Transportation Commission
- Does not directly change existing funding

Strengths and Weaknesses

- Increased transparency
- Diversifies and shares decision-making
- Local and regional input is limited
- Does not address regional coordination



3. State Transit Commission

How it Works

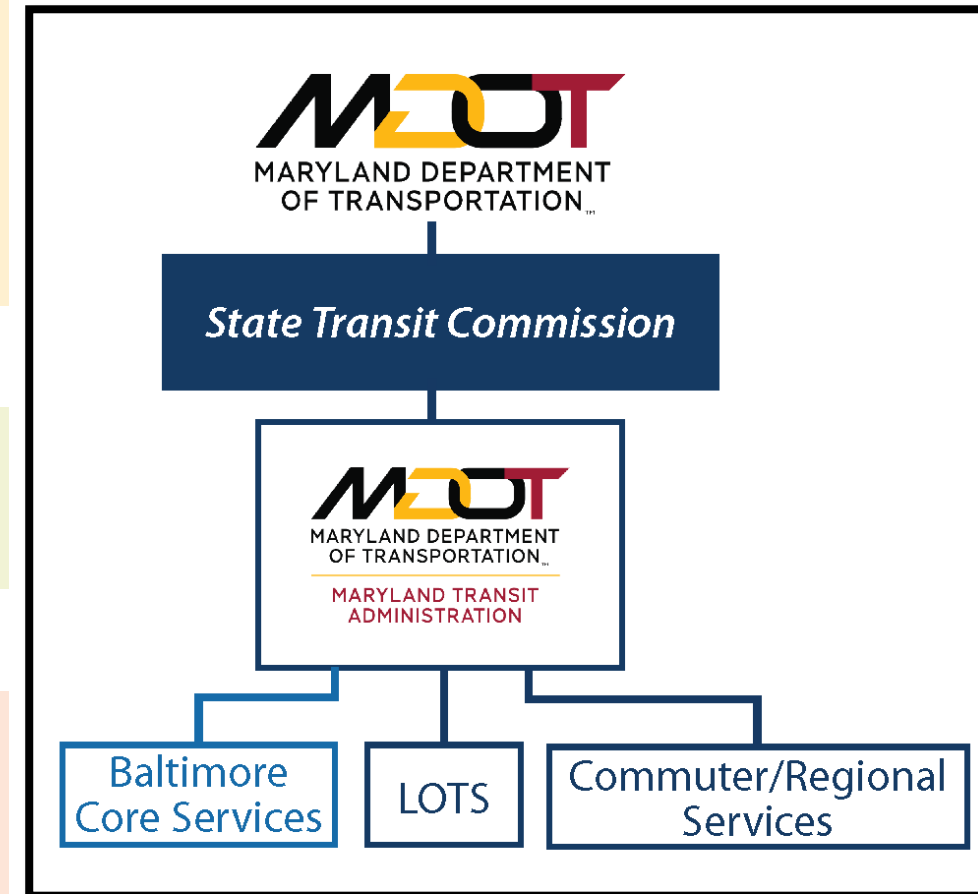
- State Transit Commission oversees MDOT MTA
 - Board members represent statewide interests
- MDOT MTA retains responsibilities for planning and operations

Decision Making and Funding

- MDOT MTA Administrator is directed by State Transit Commission
- Does not directly change existing funding structure

Strengths and Weaknesses

- Increased transparency
- Diversifies decision-making
- Some local and regional input into decision-making
- Regional coordination is encouraged but not required



4. Baltimore Transit Advisory Board

How it Works

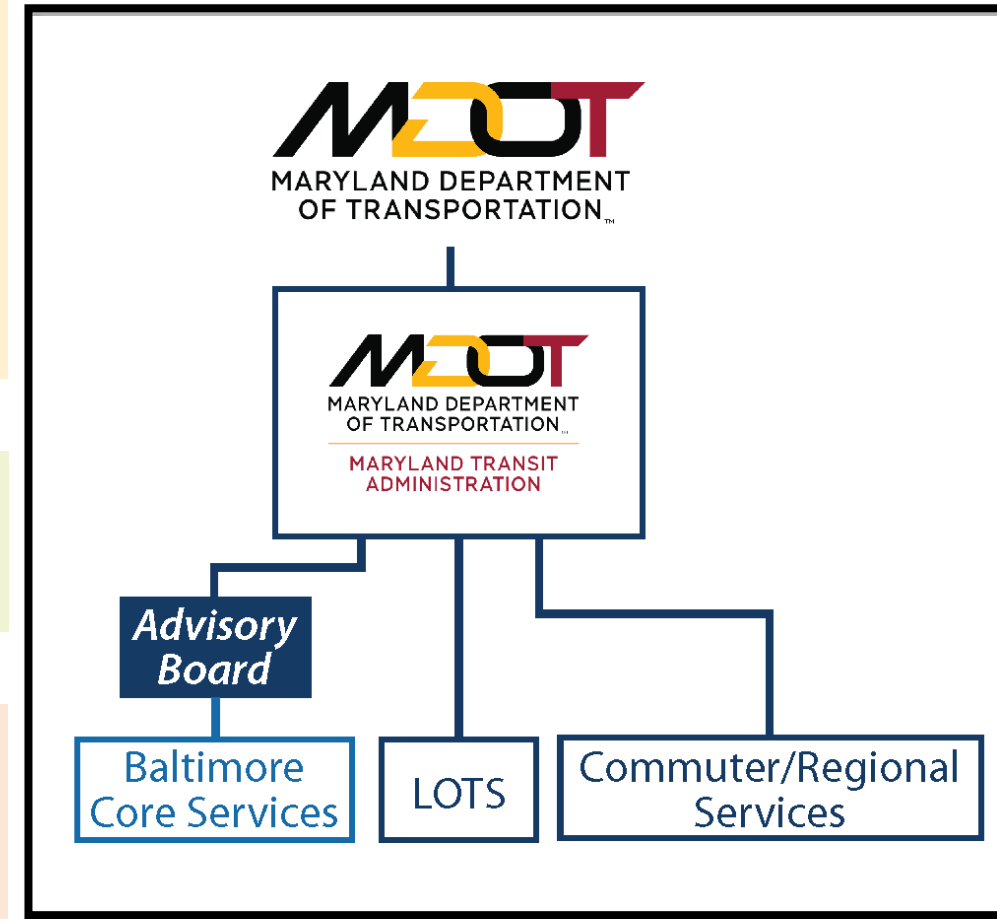
- New Baltimore focused Advisory Board
 - Board members represent regional and local interests
- MDOT MTA retains responsibilities for planning and operations
- No change for LOTS

Decision Making and Funding

- MDOT MTA Administrator is directed by Baltimore Advisory Board
- Does not directly change existing funding structure

Strengths and Weaknesses

- Increased transparency
- Increases local and regional input into decision-making
- Advisory Board has limited authority
- Works best if there is a statewide funding formula



5. Baltimore Transit Commission

How it Works

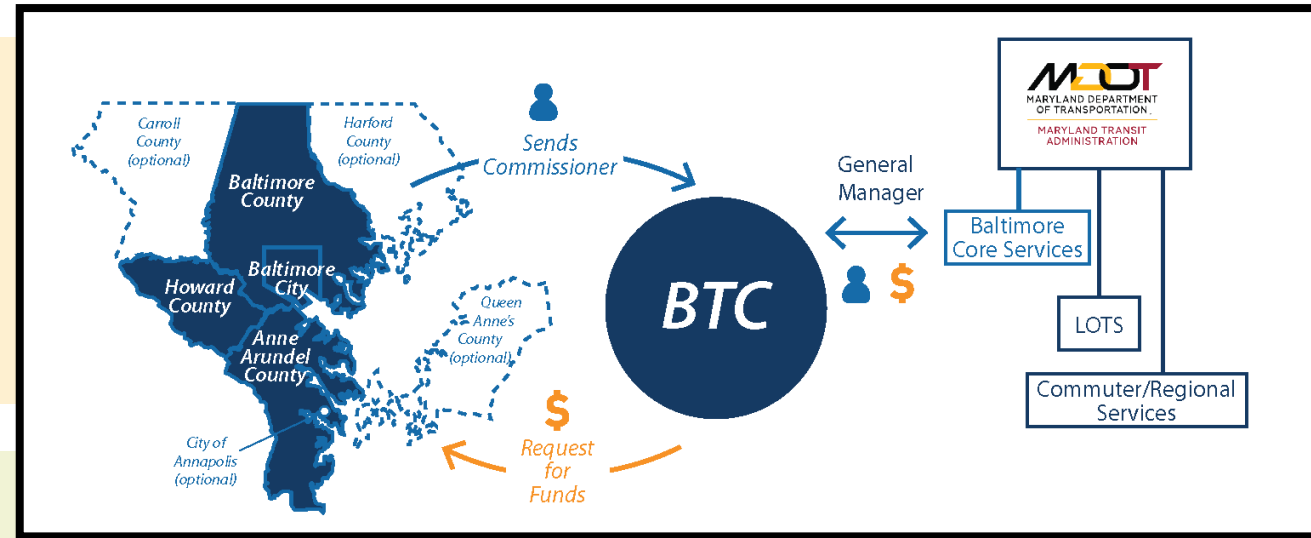
- Joint State-Regional Transit Commission (BTC)
 - Focused on Baltimore Region
- Manages and oversees transit investment
- Some LOTS may join BTC or remain independent

Decision Making and Funding

- BTC advises and directs transit investment
- General Manager is MDOT MTA employee, reports to BTC
- Does not directly change existing funding structure

Strengths and Weaknesses

- Centralized body to plans regional transit
- Diversifies input into transit decision-making
- Maintains existing service operations (contracts)
- Could increase transit funding with local/regional funds
- State must cede some authority without diminishing funding
- Local taxes will be difficult to implement



6. Baltimore Regional Transit Authority

How it Works

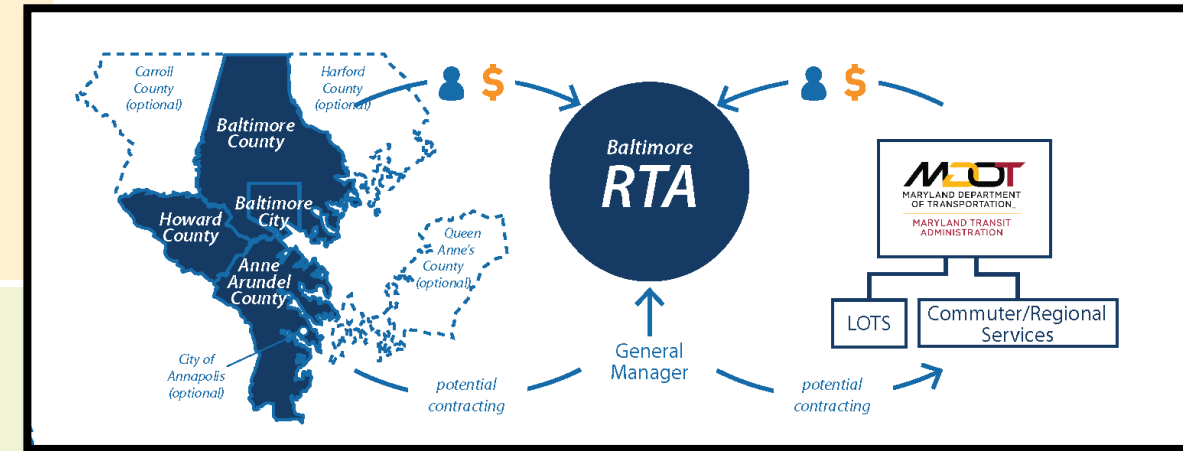
- New Baltimore Regional Transit Authority (RTA)
- Manages, oversees and helps fund transit investment
- Some LOTS may join the RTA or remain independent

Decision Making and Funding

- RTA advises and directs transit investment
- General Manager is an employee of the RTA
- Would require new local taxes and fees to support transit

Strengths and Weaknesses

- Centralized body that plans and organizes regional transit
- Increases transit funding by raising funds locally and regionally
- Disruptive to existing service operations (contracts)
- LOTS might not want to participate
- State must cede some authority without diminishing funding
- Local tax will be difficult to implement



Compare Governance Models

MODEL 1

State Transportation Commission



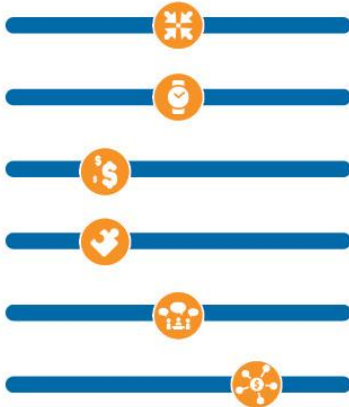
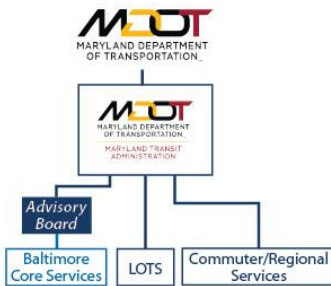
MODEL 2

State Transit Commission



MODEL 3

Baltimore Advisory Board



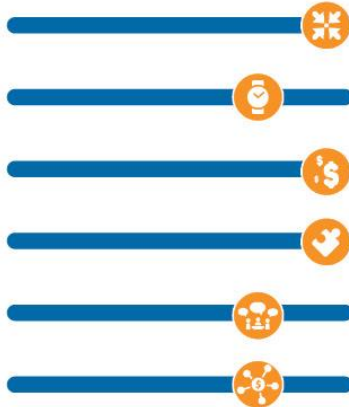
MODEL 4

Baltimore Transit Commission (BTC)



MODEL 5

Baltimore Regional Transit Authority (BRTA)





Next Steps