



BALTIMORE TRANSIT GOVERNANCE AND FUNDING WORKGROUP

Working Group Meeting

Friday October 4, 2022

9 AM to 11 AM

Welcome and Introductions

Mike Kelly from the Baltimore Regional Commission and Senator Tony Bridges, Chairman of the Working Group welcomed everyone to the meeting and called the meeting to order. They explained that this was the second in a series of four meetings and the content would focus on four topics:

- Evaluation Framework
- Transit Funding and Governance in Washington DC
- Local Operated Transit Systems (LOTS) Funding
- Discussion of Governance Models for Baltimore

Mike also explained that after the working group discussion, there would be time for public comment.

Evaluation Framework

Bethany Whitaker from Nelson\Nygaard reminded the working group that the purpose of this group was to recommend governance structures or systems that would improve transit decision making and investment in the Baltimore Region.

She explained that the Baltimore Metropolitan Council (BMC) staff, together with the consultant team used the following evaluation framework to guide development of the governance models. This framework include: 1) how decisions are made (who is making them and what is their responsibility); 2) funding (where does funding from, what is their authority to increase revenues and what types of funding could be included and 3) regional coordination (how does the model improve transit coordination at the regional level).

Transit Funding and Governance in Washington DC

Fred Fravel from the KFH Group explained how transit funding and governance works in the Washington DC region and especially in the Maryland suburbs. He focused his analysis on the Maryland suburbs.

1500 Whetstone Way | Suite 300 Baltimore, MD 21230-4767

T (410) 732-0500 F (410) 732-8248 W www.baltometro.org



Fred shared data on how funding for WMATA and Baltimore transit operating costs compare from FY 2019. Fred explained that Maryland pays the “net operating deficit,” which is the cost of service after passenger fares are paid. Jon Laria asked a question about how the working group should look at the numbers, noting that there may need to be an analysis of funding per capita or per capita with a wealth factor taken into consideration. John said his motivation for this question was to make sure any subsequent arguments will hold against scrutiny from others. Fred acknowledged that this would be helpful.

Fred talked about funding from the Maryland Department of Transportation (MDOT) Maryland Transit Administration (MTA) that went to Montgomery County and Prince George’s County. He explained that when Maryland agreed to fund WMATA’s net operating deficit, they made the same agreement with Montgomery County and Prince George’s County. This historical agreement has resulted in these two counties receiving more money from the LOTS program as compared with other LOTS.

Fred explained that ADA paratransit services in Montgomery County and Prince George’s County, including service for Ride On and TheBus were provided by WMATA and largely paid for by MDOT. Fred also talked through the capital program, noting that some money was dedicated from the General Funds.

Working group members asked questions about this information:

- D’Andrea Walker asked about the Washington Suburban Transportation Commission and if their funds came from MDOT MTA. Fred explained that WSTC collected property tax for Prince George’s County but otherwise its role and funding was limited and shared among the partners (MDOT, Montgomery County and Prince George’s County).
- D’Andrea Walker asked if the funding for the LOTS program came from the Transportation Trust Fund. Fred confirmed that the LOTS funding for the Washington suburban services came from the Transportation Trust Fund (the overall LOTS program includes a number of federal and state funding sources).
- Sam Snead asked if the team could create a chart that stacked MDOT’s contribution to WMATA and the suburban counties and compare that to funds to the Baltimore Region. Fred agreed.
- There were several questions about how funding is allocated. Fred explained that MDOT does provide a lot of funds to transit, the question is about how it is distributed.
- Senator Washington noted that as the Baltimore Region moves forward with expanding their transit system, the state will have to be a major part of the conversation. Their funding is critical to the systems.

Fred provided an overview of the Washington Suburban Transportation Commission (WSTC). There was a lot of discussion and questions about the WSTC.



- Aaron Tomarchio asked if WMATA and the WSTC have bonding authority. Fred said WMATA yes, but WSTC no.
- Jon Laria asked if the WSTC has any formal role or say over the way transit service is provided? Fred explained that it doesn't currently, but it could.
- D'Andrea asked if the WSTC had any role in coordinating the services of the local transit providers (Ride On and TheBus). Fred said no, not that he is aware of.
- Jon asked about the taxing authority available to the WSTC. Fred explained that it had taxing authority. It could tax Montgomery County residents but doesn't. It does collect property tax for a part of Prince George's County.

Local Operated Transit Systems (LOTS) Funding

Fred provided an overview of how the LOTS program works in Maryland. He also explained that LOTS funding is a compilation of multiple funding sources, each of which has its own restrictions and requirements. Fred shared data on the distribution of the LOTS funding. The information presented generated discussion:

- Ron said the distribution of LOTS funding is stunning. He asked if Montgomery and Prince George's counties got more because they were aggressive. Fred explained that the funding distribution to them is based on MDOT's agreements for funding transit services in the Washington suburbs, including its obligations under the WMATA Compact. The funding to the two counties for local bus services is provided to them because they are providing services in lieu of bus services that would be (or were formerly) provided by WMATA.
- Adrea asked if there is a formula to guide funding distribution. She also asked if the deal that Montgomery County and Prince George's County is codified. Fred said there is a formula for Montgomery and Prince George's Counties that is in the legislation for these local bus service grants that ties the amounts to the overall service deficit but there is no overall statewide formula, Most LOTS are level funded through combinations of funding from various sources. Adrea also asked if the amount of funding provided to Montgomery County and Prince George's counties determine how much funding the rest of the state gets. Fred acknowledged that this might be the outcome, if indirectly.

Baltimore Region Transit Funding and Governance Models

Bethany provided an update on the governance models shared at the September meeting. She reminded folks that they started with six models, whittled them down to four. Bethany shared a side-by-side comparison of the four models, comparing the State Transportation Commission with the State Transit Commission and the Baltimore Transit Commission with the Baltimore Regional Transit Authority. The information presented generated discussion:



- Ron Hartman asked why the State Transportation Commission has a Commission appointed by the Governor, but the State Transit Commission is a hybrid of local and state appointed. Bethany responded these elements of the model could be changed; these are draft proposals.
- Andrew Gena confirmed that the difference between the State Transportation Commission and the State Transit Commission is that the Transportation Commission could change the modal allocation, but the Transit Commission could only change the allocation among transit programs.
- Ron Hartman asked if the BRTA was like WMATA in terms of coordination with the LOTS. Bethany said no - the current concept is that the BRTA would incorporate the current LOTS services into BRTA. which does not include Ride-On or The Bus local county services.
- Sam Snead asked if the BRTA could operate BRTA like WMATA, with the LOTS in place and provides funding to them. Bethany said yes, it could be structured this way.
- Ron Hartman said that the working group should look beyond at WMATA for models and consider other places, like the Chicago area, which has an RTA that includes PACE suburban services, Chicago Transit city services, Metra commuter rail.
- Aaron Tomarchio followed up asking if we considered international models. Bethany, no not so far, the federal role and taxing structures and revenue levels are so different that it is hard to apply. Fred added that there may be some elements of regional service coordination that could be applied, combining multiple providers into regional networks with coordinated stops, schedules, fares, etc.
- Mike Kelly confirmed that the State Transportation Commission could affect the allocation of funds to transit overall, potentially could also provide an opening for more local input on the allocation of those funds. Bethany said the State Transportation Commission could allocate funding across modes while the Transit Commission could allocate within transit only.

Mike Kelly thanked everyone for their comments and input but suggested that the working group spend the rest of the time focusing on the problem they are trying to solve. Working group members went around the room to clarify their sense of the most important problem.

- Tony Bridges—the problems are 1) funding and the need for regional equity, 2) the biggest problem is control—who has authority over decisions that affect local service delivery, there is a need for local control over priorities for local jurisdictions, and 3) transparency is a huge thing that is needed.
- D’Andrea Walker—the answer needs to be transparent about the size of the slice of the pie—the Washington area obligations (the Compact and Local Bus Grant) are a big part, and meeting those affects how much of the pie is left for the rest of the state. Baltimore (and other areas) needs to get an equal slice of the pie. Then local decision-making is needed about



priorities (but we should note there are some advantages to scale—i.e., not all priorities are purely local).

- Ron Hartman—the problem: 1) control—what level do I have; 2) funding—what do I have to pay, and 3) equity across the state.
- Sam Snead—there is a need for funding to address growth; a need for local control—regionalizing everything could be worse, locals can be more responsive (ex. Of trying to move a bus stop which is easier for a local entity than trying to get a regional entity to do it), and locals have insight into needs and opportunities
- Tony Scott—the question is how to avoid another Red Line—where one election can overrule long-term local consensus
- Adrea Turner—the issue is not just regional, there is inequitable distribution of funds across the state
- Michael McMillan—equity is a key issue, think of it in services across the region. People living in core areas need better access to new jobs and housing in suburban areas, need to have all entities involved.
- Ron Hartman—we are not getting what we want—the problem is that it is not equitable, not transparent—but the solution is not to balkanize [to purely local solutions]. How can we make the TTF allocations more equitable and transparent. Also, there is a need to be careful that by creating a BRTC or BRTA we do not allow the rest of the state to absolve itself of responsibility for those in the region. There is a need for a state role but equitably.
- Andrew Gena—the size of the pie is a problem; we need to grow it. A key need is to expand core services out
- Aaron Tomarchio—there is a need to connect the core communities to jobs, so we need to level the playing field to improve equity—but there is a need for a structure to achieve and maintain this, and we need to debate the level of authority this will require
- Tasha Gresham-James—again, the need for local control and for funding this equitable on a regional basis
- Tony Scott—what do we mean by equity, is it equitable on a population basis? On a service basis?

Bethany noted the time and asked if the panel was ready to state their preference. Senator Bridges said no, the panel needs time to digest information—not ready to pick options or pieces of them. This led to additional conversation.

- Ron Hartman said he wanted to see the costs and benefits of options



- Aaron Tomarchio said he is not ready to make decisions. Note that many of these options are not mutually exclusive. Bethany confirmed that they could be additive, a Transportation Commission, a Transit Commission and a BRTC or BRTA
- Ron Hartman—two purposes for a regional authority 1) do better as a region, and 2) provide better service.
- Sam Snead—solutions need to include other partners—we need connectivity to bus stops with pedestrian improvements, for example, so would need SHA involved—make require a State Transportation Commission
- Adrea Turner—one option addresses the size of the piece of the pie for transit—the State Transportation Commission—what are the options to make the modal allocation change?
- Aaron Tomarchio—need a funding formula to increase equity—state level aspect, and there is also a local component
- D’Andrea Walker—Montgomery and Prince George’s local funding are an important part of the reason Washington has more service. The WSTC is a benefit in having authority to raise funds, do bonding, etc. We will need a transit funding source beyond the TTF
- Ron Hartman—we need to know not only what each model does, but what it does not do.

Senator Bridges opened the meeting up for public comment.:

- Bakari Height—Baltimore has the worst transit in his experience. He compares it to MARTA in Atlanta. The lack of a local role limits the public action and energy to improve transit. If there was a local commission there would be a place to take energy and ideas to improve transit (ex. Of Beltline development in Atlanta-combining bike/ped, transit and development)
- Anna Ellis—we need a regional transit authority. State control has not led to reliable, good service—we need a local responsible entity. MTA is not responsive. Contrast MTA with WMATA, which has a local board.
- Brian O’Malley (CMTA)—I want to highlight the importance of connecting people to jobs—even after COVID good service will increase ridership, an example is the MTA 163 (?) We need an agency that is more responsive to job growth. He said the working group should follow the money—Options 5 and 6 address the Federal Transit Administration funding—who is the Direct Recipient? MDOT is the Direct Recipient in Maryland, WMATA is for the Washington region. Option six calls for making BRTA the Direct Recipient.
- Bruce Gartner—transparency is key—how things are obligated and then locked in—what is the commitment?



Attendees:

Working Group Members

Tony Bridges, Maryland State Representative District 41
Andrew Gena, Amalgamated Transit Union Research Division
Ron Hartman, WSP
Jon Laria, Ballard Spahr
Michael McMillan, Amalgamated Transit Union
Tony Scott, SW Partnership
Sam Snead, Anne Arundel Transportation
Adrea Turner, Urban Institute
D'Andrea Walker, Baltimore County Department of Public Works

Via Zoom

Dr. Celeste Chavis, Morgan State University
Tasha Gresham-James, Dundalk Ren
Mary Washington, Maryland State Senator, District 43

Baltimore Metropolitan Council

Mike Kelly
Liz Koontz
Todd Lang
Sheila Mahoney
Jacob Took

Consultants

Fred Fravel (KFH)
Bethany Whitaker (Nelson Nygaard)

Members of the Public

Zoom	In Person
------	-----------



Chelsea Allegra Regina Aris (BMC) Lillian Bunton (BMC) Sue Carlin Tiffanie McDonough Veronica Battisti Cara Garcia-Bou Benjamin Groff Albert Guiney Engel Don Halligan (BMC) Alfred Harf Holly Alex Holt Ryan Long (FTA) Del. Sheila Ruth Eileen Singleton (BMC) Dan Smith Jody Sprinkle Danielle Sweeney (CMTA) Nancy Stout Veronica	Robin Bhdush (Transit Choices) Anna Ellis Bruce Gardner Bakari Height Brian O'Malley (CMTA) Jimmy Rouse (Transit Choices) Andrea Sherman (HDR) Mark Stout (CMTA)
---	---