

# BALTIMORE TRANSIT AND FUNDING GOVERNANCE STUDY

## Working Group Meeting

Friday November 4, 2022

9 AM to 11 AM

### Welcome and Introductions

Mike Kelly from the Baltimore Metropolitan Council and Delegate Tony Bridges, Chairman of the Working Group welcomed everyone to the meeting and called the meeting to order. They explained that this was the third in a series of four meetings. The purpose of this meeting was to “get into the weeds” of the two potential governance models.

- State Transportation Commission
- Baltimore Region Transit Commission

Mike said there would be no vote at the meeting today, there is still a lot to be discussed. The team is looking forward to hearing from working group members as part of the meeting.

### Framing and Context

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 framed today’s information in the context of the problems that the working group is trying to solve with new governance and funding models. These were:

- Transparency and Influence, so that stakeholders and members of the public understand how decisions are made and who is making them. Knowledge is critical so stakeholders and members of the public could advocate and influence decision-making.
- Stability and Sustainability recognizing that transportation investments require a multi-year commitment, so the region is interested in consistency and reliability over time.
- Funding has three related problems including 1) the overall amount of funding that is invested in transit statewide and understanding who makes those budgets; 2) the

distribution of the transit resources across the state; 3) the LOTS program and how that program is allocated; and 4) the ability to influence major investment decisions.

- Local Influence is regional influence over transit projects and investments and transit operations, so that stakeholders and members of the public can voice concerns over how the system is being run and operated. This also includes the ability to raise funds for transit.

## **Reconstitute and define new roles for the State Transportation Commission**

Fred Fravel from the KFH Group presented on the State Transportation Commission, explaining that the concept was to have 13 members with a +1 majority for the State of Maryland. The key responsibilities and authority of the Commission would increase to include 1) approve modal plans for the MDOT business units and 2) approve the capital improvement program. The Commission could also consider and review other important budget and funding decisions. Fred also highlighted a few peer states and explained how they set up their statewide transportation commissions. Fred also walked through the potential benefits and risks associated with this option.

Working group members asked questions and discussed this model:

- Ron Hartman asked if there are examples of State Commissions that have more "teeth." He said it looks like the examples are all advisory. Fred agreed with the comment and explained most of them oversee budgets and make policy decisions.
- Delegate Bridges asked about the Colorado example and if the Advisory Committee reported to the Statewide Commission. Fred confirmed this and added that with the two committees, stakeholders and members of the public have more opportunities to comment. Delegate Bridges asked if the Commissions are set in state statute. Fred said in some yes, but not in all the examples.
- D'Andrea Walker asked about the Maryland Transportation Authority (MdTA), noting that this business unit has its own Commission. She suggested that perhaps the State Transportation Commission doesn't need to include Aviation (MAA) or the Port (MPA), since they also have their own individual Commissions. Fred explained that the MdTA Commission has its authority because the MDOT business unit raises its own revenues. However, all other business units would want and need to have a say in how the Maryland Transportation Trust Fund is distributed.
- Dr. Celeste Chavis asked if any of the peer examples provided any push back on what is recommended to them, and not just go with what they're being told. Fred said he thought they might but had not spent any time researching news articles, so he is not sure.

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- Andrew Gena from union asked if there are any other risks other than the known ones. Fred said it is possible that the Commission will not be as interested in Baltimore or transit as this working group would like. Fred said he feels like that is the status quo, so a known risk.
- Ron Hartman noted that Texas is a different model because cities and counties have a lot of say in local government. Fred agreed, noting that Maryland's system is different from most states.
- Senator Washington agreed with some of the conversation, notably that Maryland is unique. She also asked about the role of the Commission as a whole and wanted to focus on regional transit issues and what we need regionally. Fred explained that this Commission would have influence over the amount of money that is spent statewide on transit. A separate commission or authority would be needed if the working group wanted to focus on decision making for Baltimore. He also noted that this is a good segue way to the Baltimore Region Transit Commission discussion.

### **Create a Baltimore Region Transit Commission (BRTC)**

Bethany reviewed the potential BRTC structure, noting that the structure of the governing board, etc. are proposals, recognizing that pieces of the proposal can and will certainly change as this option is developed into a recommendation. She made the point that the intent of this new organization was to bring decisions that are currently at the state level to the regional level.

The BRTC as conceived would use the annual planning process to inventory and understand transit needs and then bring them to the MTA and MDOT for funding and implementation. The BRTC would focus on regional needs, but also could address regional coordination including fares, branding, information, etc. The Baltimore LOTS could be included along with the current MTA core services. Even if the LOTS retained local branding and addressed locally determined needs, the BRTC would work to coordinate and ensure they operated as a region. The BRTC, as envisaged, would have the ability to raise funds and purchase service.

In terms of the proposed organization, the majority of the seats on the board are state appointments, reflecting the continued state funding. The Board would include a non-voting seat for labor. It would select its own chair, and terms will need to be determined.

Panel members discussed the proposed BRTC, focusing on different issues (many of which are related):

#### **Taxing and Bonding Authority**

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- Aaron Tomarchio asked if it would have bonding authority. Bethany answered that it could depend on having revenue sources that would be required to pay off bonds.
- Ron Hartman asked if it was advisory, and if so, could it raise money? Could it issue bonds? If it raises money and issues bonds, it is more than advisory.
- D'Andrea Walker asked how the Northern Virginia Transportation Commission (described in Bethany's slides) was funded? Fred replied that it was funded by a combination of local and state funding, that there is a regional gas tax in Northern Virginia.
- Bethany stated that such an organization could raise money, create opportunities for improvements in several areas but it would depend on the members and their willingness to be active and dynamic. It will also need buy-in from MTA to achieve these goals. Bethany also noted that a key risk is that with the Commission, the state may well hold the amount of funding it provides for Baltimore-area transit at a static level and look to the region to fund any growth making the localities responsible for any increase.

### **Risks and Benefits—BRTC**

Bethany provided an overview of the potential risks and benefits associated with a regional transit commission.

- John Laria asked the study team to distinguish between this model and WMATA, and Bethany replied that WMATA operates service, and this Commission would not. He noted that the WMATA example is a key touch point in that policymakers are familiar with it.
- Ron Hartman asked if the proposed BRTC would be advisory? John Laria said that the presentation slides have it both ways, advisory and authority. Bethany replied that they were trying to thread the needle, the proposed BRTC would be advisory if it had no funding or ability to raise or spend (outside of the MTA funding). By planning and soliciting public input it would have the ability to make the case for how funding should be directed, and for additional funding.
- John Laria suggested that we need common definitions of terms, such as advise, oversee, approve, and review. He said we need to figure out just what we mean as we develop the recommendation.
- Bethany agreed that there is a need to define just what authority this body will have.
- Mike Kelly asked what responsibilities this Commission should have. Senator Washington suggested the workgroup needed to work this out themselves, perhaps sitting at a table. This new body needs to address the relationship between the state

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and the region, who has what authorities? It needs more than simply a definition. This workgroup needs to meet, work it out on a white board. She asked if we have a draft recommendation to work from.

- Mike Kelly agreed that there is a need to determine what authority this Commission would have if the state remains the operator of the core services and is also the source of funds? In 2018 legislation to create a Central Maryland transit plan required MTA to oversee the process. BMC was at first written in and later not involved—and there is still a need to create a true regional plan. In his view there are really two key decision documents that would need to be developed by the BRTC: 1) the regional transit plan, and 2) the MTA core service budget request.
- Senator Washington asked where the BRTC would sit? (i.e., would it be part of MTA, an independent agency?)
- Mike Kelly suggested tabling that question for the moment.

### **Span of Authority to Include MARC and Commuter Bus?**

Aaron Tomarchio stated that there are really two key roles for the BRTC: to plan coordination and development of regional transit, and approval of the budget request for the region. He also felt that MARC should be included in the BRTC's purview, as there is a need to coordinate MARC services with other transit in the region and with local land use/development plans. The BRTC plan as presented leaves MARC and commuter bus out of the BRTC span of authority. This comment sparked a conversation:

- Senator Washington agreed that MARC should be included. Bethany pointed out that MARC is really a statewide service, for example the Brunswick line is not part of the Baltimore region. D'Andrea Walker suggested that MTA commuter bus service should be included in the BRTC's area of authority—it could address the need for more commuter bus service to Baltimore, for example.
- Mike Kelly noted that the proposal does not include BRTC oversight of the Purple Line, which is the largest transit capital project and is not in the Baltimore region but is entirely in the Washington area.
- Bethany noted that if MARC and commuter bus are included in the regional commission, the proposed organization would need to have a bigger tent and less focused on Baltimore.
- Jon Laria said we can't exclude consideration of MARC and commuter bus; the Baltimore regional organization would need to have some authority over the services they provide in the region.

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- Aaron Tomarchio said the Baltimore commission could advocate for MARC and commuter bus services in the region. Delegate Bridges stated that the CTP tours are where advocacy could take place.

### **Commission as a Step Toward an Authority**

Ron Hartman said that we are talking about creating an authority, a commission cannot be the end point of this process.

- Jon Laria stated he refused to concede that the option of an authority should be removed from consideration. It needs to be included in the report as the goal, the desired end. However, he did not want to see the perfect be the enemy of the good, which might be the commission option now. A Commission should be seen as a step on the way to a separate Baltimore authority. If we view the result of this process as the end, it needs to be perfect, but if it is only a step in the process it can be more flexible.
- Ron Hartman seconded that notion.
- Tony Scott asked if the proposed BRTC could spend local funds on services and stations in and around Baltimore.
- Bethany said that the proposal anticipated that local funds (in addition to MTA funds) could also be spent on additional services or projects and used to match federal or state funds. She referred to the language in the Power Point slide but noted that it didn't really address the LOTS.

### **Functions of a Regional Commission—Plan Development**

Mike Kelly restated the functions of a regional commission. He said that it should have a planning function, developing and approving a Baltimore region transit plan which would be the basis for its budget. The commission could use its ability to raise local funds to be able to spend on local projects. Questions still to be addressed include where it would be housed, how many members would it have, and who would they be?

Senator Washington – the authority to spend funds, how will it be defined and limited? MDOT should not have the authority to redirect locally raised funds.

Ron Hartman stated that an organization developing plans will have to have the authority to execute the plan, and a Commission could not approve a plan that could not be executed.

D'Andrea Walker called for the chosen option to ensure that regional transit planning takes place. She recounted her experience in the Washington region where WMATA

service planning staff would work directly with localities and their systems to coordinate services.

Fred Fravel asked if the Commission's plan would be constrained? Would it have to be developed within the anticipated MDOT funding level for Baltimore services? Aaron Tomarchio felt that the plan should not be constrained, but aspirational.

Jon Laria wanted to know what the plan escape clause might be.

### **Organizational Structure—Location of a BRTC**

Jon Laria returned to the question of where the BRTC would sit? Senator Washington stated that the State Transportation Commission would be at MDOT, but the question of where the BRTC would sit is open—where it would develop/receive its reports, where it would have staff—would it be part of the state?

Aaron Tomarchio felt that the BMC would be the appropriate place—it has transportation planning staff, it is multi-jurisdictional. Delegate Bridges noted that the Baltimore Regional Transportation Board (BRTB) sits there. Mike Kelly said that the BMC exists to staff the BRTB and thought the Commission would be a state-created entity, BMC could staff it in the same way that it supports the BRTB. Jon Laria said that this was not a matter of self-interest on the part of the workgroup or the BMC.

Senator Washington noted that the workgroup had not taken any votes on this idea. She felt that the BRTC needs to have governmental functions, though BMC could staff it. Bethany Whitaker pointed out that this is much like a regional transit authority in concept.

Senator Washington again called for the report to include the charge to develop into an authority.

### **Role of the BRTC in Relation to Local Projects/Services**

John Laria had some concerns about an example of a two-jurisdictional project that could be funded by the Commission—would the jurisdictions have to receive authority from the proposed Commission to do such a project? Could they just work together to jointly address this need? D'Andrea Walker noted that the WSTC can use its authority in just a single county, for example its use of its taxing authority to support Prince George's transit, but it does not do the same for Montgomery. A Baltimore commission should be able to provide assistance to members individually, depending on needs. Jon Laria said he just wanted to raise the issue to make sure we were not creating an obstacle to local initiative.

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Andrew Gena wanted to make sure that if local funds were being raised and spent it should be done in a way that is supportive of the plans and budgets for core services, rather than it becoming a back doorway to shift service in the core areas to other providers. New services in the core should be provided by the MTA operations—it should not be used to break up the core service network.

### **LOTS Funding**

Bethany Whitaker raised the issue of the allocation of LOTS funding. She said it was the issue not really addressed by either the State Transportation Commission or the BRTC. The State Transportation Commission is unlikely to address the details of allocating a relatively small piece of the overall transportation budget. The BRTC should advocate for increased LOTS funding. But in these concepts the statewide LOTS falls between the cracks.

D'Andrea Walker asked why it would not rise to be an issue considered by a State Transportation Commission?

Mike Kelly suggested that a third recommendation would be for the new administration to develop a LOTS funding formula that is more equitable and would include incentives for the growth of the LOTS. D'Andrea Walker reiterated the need to go back to the LOTS funding issue, it needs to be part of the solution.

Fred Fravel suggested that the real issue is not statewide LOTS, but the Washington Area Bus Grant administered under the LOTS program, and that perhaps the need is to create an analogous type of Baltimore area grant that is equitable between regions and formula based. This might require increased funding to avoid reducing funding to existing programs.

Aaron Tomarchio suggested legislation call for the State Transportation Commission to monitor the funding formula for the LOTS.

### **State Transportation Commission Recommendations**

Mike Kelly asked the group what recommendations to include for the State Transportation Commission? It would have a required number of public meetings (4?), it would approve modal plans. It would approve the CTP before it was presented to the legislature, and it could be required to have a formal statewide public hearing on the CTP. He asked if the group should include these concepts in the draft.

Jon Laria asked if the CTP only addressed capital, if so, there needed to be a role for the State Commission in oversight of the operating budgets as well.



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Mike Kelly said that an issue with the current CTP tours is that they are done in individual jurisdictions, and this tends to reduce the impact of requests or needs as they are considered individually. He suggested that regional CTP meetings are needed to enhance the ability to consider projects of regional importance and need, noting that both Washington and Baltimore have regional needs that may not be fully considered in the county-by-county process.

### **How to Measure Progress Toward Goals**

Tony Scott raised the question of how we would know if the new structures were achieving these goals? Mike Kelly suggested that legislation could call for a periodic assessment of the need to move to an authority structure. Jon Laria said that it is a question of measuring progress toward goals which are or can be defined. Bethany Whitaker committed to developing recommendations for that process for potential inclusion in the report of the panel.

### **Summary**

Delegate Bridges summarized many of the points raised by the group in the discussion. He reiterated that these concepts would be a step toward an authority, that we cannot let the perfect be the enemy of the good—we need to start with the State Transportation Commission and the Baltimore Regional Transit Commission, to put the CTP tour improvements on the table, and figure out how to address the LOTS funding. It should include a periodic assessment of progress toward the goals of moving toward an authority.

### **Public comment:**

Jimmy Rouse of Transit Choices, Inc. spoke as a lay person. He felt that this process has been tremendous, and the discussion of this panel a great thing. From a public point of view, a key question is whether any of these proposals would prevent a governor from cancelling a project years in the making? A second point he made is that funding is the key and having more is critical—and so we do not want to lose the state funding that we already have.

Mike Kelly reminded everyone that the next meeting will be December 2.

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### **Attendees:**

#### **Working Group Members**

Tony Bridges, Maryland State Representative District 41  
Dr. Celeste Chavis, Morgan State University  
Andrew Gena, Amalgamated Transit Union Research Division  
Tasha Gresham-James, Dundalk Ren  
Ron Hartman, WSP  
Jon Laria, Ballard Spahr  
Tony Scott, SW Partnership  
Aaron Tomarchio, Tradepoint Atlantic  
D'Andrea Walker, Baltimore County Department of Public Works

#### Via Zoom

Mary Washington, Maryland State Senator, District 43

#### **Baltimore Metropolitan Council**

Don Halligan  
Mike Kelly  
Liz Koontz  
Todd Lang  
Sheila Mahoney  
Jacob Took

#### **Consultants**

Fred Fravel (KFH)  
Bethany Whitaker (Nelson Nygaard)

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### Members of the Public

Zoom	In Person
Chelsea Allegra Regina Aris (BMC) Veronica Battisti Lillian Bunton (BMC) Emma Cleveland Melissa Einhorn Bruce Gartner Alfred Harf Jaclyn Hartman (MDOT) Dan Janousek (MDOT) Dennia Palmer (BMC) Del. Sheila Ruth Tiffanie McDonough Heather Murphy (MDOT) Molly O'Hara David S Caitlin Scanlon (Office of. Del. Sheila Ruth) Eileen Singleton (BMC) Jody Sprinkle Nancy Stout	Robin Budish (Transit Choices) Jimmy Rouse (Transit Choices) Andrea Sherman (HDR) Mark Stout (CMTA)