Today's Agenda

1. Study Progress
2. Financial Review
3. Implications for Alternatives
4. Peer Review Update
5. Next Steps
Study Progress:

History of MDOT MTA and the LOTS System
Review of Current Status

1. Financial Review
2. Review of Peer Agencies / Regions
3. Review of Transit Funding Measures
4. Options for Governance and Funding

✓ Ongoing Stakeholder Engagement
Financial Review
Overview: Goals and Methods

• Establish baseline understanding
  o Operating costs
  o Capital investment
  o Current funding
  o Constraints

• Transit Funding Analysis by:
  o Agency
  o Mode
  o Region, Jurisdiction

• Foundation for development of alternatives
Maryland Transportation Trust Fund

- Constrained by revenues
- Short-term vulnerability
  - COVID-19 pandemic
  - Temporarily and partially replaced by Federal $
- Longer-term vulnerability
  - Reliance on motor fuel tax, user fees
  - Alternative delivery mechanisms have a place, no substitute for $

Transportation Trust Fund, FY 2011 – 20 ($ millions)

Source/notes: Maryland Department of Budget and Management Operating Budget Detail. excludes county and municipal funds.
Allocating State and Federal Funds

- MDOT MTA to receive one-third overall
  - 44% Operating ($6.3 billion total)
  - 21% Capital ($3.1 billion total)

- Transit investments account for about half of all funding
  - WMATA (includes general fund contributions)
    - 19% Operating ($2.8 billion)
    - 18% Capital ($2.7 billion)

Note: Includes federal funds provided directly to WMATA and some non-TTF state funds.

Source: FY 2021 – FY 2026 Maryland Consolidated Transportation Program
State and Federal Funds

- In FY 2019, $107 million distributed to LOTS statewide
- Roughly 36% associated with FTA funds, 64% state funding
MDOT MTA Statewide Investment: Transit Operating

MDOT MTA Operating Expenditures

FY 2019 Operating Expenditures, $882M

- Baltimore-Oriented Local Service ($496): 56%
- MARC Train and Commuter Bus ($206): 23%
- LOTS Program ($90): 10%
- Administration ($62): 7%
- Police ($29): 3%

Source: Data provided by MDOT MTA
Statewide Investment: Transit Capital

- Statewide capital investment in transit varies annually:
  - Approximately $500 - $800 m annually for all transit
  - Baltimore-oriented core services accounted for about $150 m/year
  - State/federal investment in LOTS averaged $27 m/year
  - WMATA and Purple Line significant commitment last 10 years

Statewide Transit Capital Expenditures, FY 2011 – 19

Note: Central MD-Baltimore Oriented Core Service includes Red Line investment.

Source: Data provided by MDOT MTA, developed for Regional Transit Plan for Central Maryland
Baltimore Region Transit Investment

Total MDOT MTA and LOTS 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)
Baltimore Region Transit Investment

Baltimore Oriented Local (Core) Services - Operating Costs by Mode

FY 2016 – 2020

Note: Admin, Police, and Core Support Costs allocated based on Core Program budgets.

Source: Data provided by MDOT MTA
Baltimore Region Transit Investment

Baltimore Oriented Local (Core) Services Capital by Mode, FY 2010 - 2019

Note: Agencywide capital investments include station and facility, fare collection, signage, shared IT, other shared investments. For current analysis, these costs are unallocated.

Source: Data provided by MDOT MTA
Baltimore Region Transit Investment

Central Maryland LOTS – Capital Expenditures, FY 2016 - 2020 (all sources)

Source: National Transit Database
Baltimore Region Transit Investment
Total Combined (MDOT MTA and LOTS) Operating and Capital by Mode and Jurisdiction, FY 2019

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.
Baltimore Region Transit Investment
Per Capita Total Combined Operating and Capital by Jurisdiction, FY 2019

Source/notes: Both LOTS and MDOT MTA investment from NTD data; revenue mile data by mode provided by MDOT MTA; population data from US Census (for City of Baltimore, City population used).
Looking to the Future

- Operating costs for current systems to grow, potentially outpacing revenue growth
  - COVID 19 impacts constrain near term investment capacity
  - Longer term impacts uncertain

- MDOT MTA State of Good Repair needs > $13 billion through 2045*
  - 10-year SGR and Enhancements > identified funding by over $2 billion
  - 10-year Central MD LOTS SGR needs over $100 million

*Excludes Purple Line, LOTS

Central MD 25-Year
State of Good Repair Needs by Mode - $13 billion

- Baltimore Local Bus ($3357) 26%
- Metro SubwayLink ($4141) 32%
- Light RailLink ($2285) 18%
- MARC Train ($2413) 19%
- MobilityLink ($442) 3%
- Commuter Bus ($171) 1%
- Systemwide Assets ($155) 1%
- $ in millions

Note: Does not include Carroll County or Queen Anne’s County.

Source: Data provided by MDOT MTA, developed for the Central Maryland Regional Transit Plan
Implications for Developing Alternatives
Governance and Funding Goals

- Improve Coordination
- Improve Service
- Increase Investment
- Regional Connection
- Enhance Decision Making
- Ensure Equitable Investment
Governance and Funding Goals

Improve Coordination

Improve Service

Increase Investment

Regional Connection

Enhance Decision Making

Ensure Equitable Investment

How it works today

• LOTS resources reflect locally identified needs
• MDOT MTA supports local planning, provides federal and state funding to the LOTS and ensures federal compliance
• MDOT MTA resources support regional services and directly operated services
• Central Maryland Regional Transit Plan (CMRTP)

Implications for alternatives

• How do MTA and LOTS services integrate?
• How well are regional transit services supported?
• How are regional investments supported?
Governance and Funding Goals

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

**How it works today**
- MDOT MTA constrained by limited funding
- LOTS constrained by limited funding

**Implications for alternatives**
- How will the Baltimore region maintain existing assets?
- How will the Region fund the implementation of the RTP?
- How might the different services in the region (LOTS, MDOT MTA, MARC, Commuter Bus) coordinate to provide better connections?
Governance and Funding Goals

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

How it works today
- State transit funding constrained by revenue available to the Transportation Trust Fund—flat, COVID declines
- MDOT-MTA operations constrained by existing contracts, labor agreements
- LOTS use of local funds vary across region and state

Implications for alternatives
- How might the state increase or shift resources?
- What additional funds might be identified to support expanded service and ongoing maintenance needs in the Baltimore region?
Governance and Funding Goals

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

How it works today

- MDOT-MTA Regional Services Link the Baltimore region, other parts of the state
- But regional connectivity hampered by
  - individual fare payment systems, structures and levels;
  - unconnected transit information
  - Lack of shared stops
  - Limited LOTS span and frequency
- BRTB plan for shared/improved stops a positive step
- CMRTP call for integrated fares a positive step

Implications for alternatives

- How easy is it to travel throughout the region?
- How well do services connect? Are there incentives for local funds to be used for regional connections?
Governance and Funding Goals

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

How it works today
- State executive has key decisions
- No state-level advisory or policy board other than the General Assembly
- MDOT-MTA decision making is staff driven within MDOT budget/program constraints
- Local decision-making by the LOTS through City/County Budget processes
- Limited decision flexibility due to funding constraints

Implications for alternatives
- How transparent are transit planning and funding decisions?
- Do locals have input into MDOT and MTA decisions?
- Are locals willing to coordinate their decision making?
Governance and Funding Goals

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

How it works today
- LOTS data shows difference in investment levels across the region
- Major differences in transit needs/need demand
  - Urban core
  - Inner suburbs
  - Outlying areas

Implications for alternatives
- How is state and local funding distributed?
- How to ensure equity in funding contributions?
- Has funding increased over time?
Peer Review Update
### Selected peers and key attributes

<table>
<thead>
<tr>
<th>Key Attribute</th>
<th>Peer Region (System)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Coordination</td>
<td>Washington, DC Area (WMATA)</td>
</tr>
<tr>
<td>Improve Service</td>
<td>Salt Lake City (UTA)</td>
</tr>
<tr>
<td>Increase Investment</td>
<td>Charlotte (CATS)</td>
</tr>
<tr>
<td>Regional Connections</td>
<td>Southeast Michigan (SMART)</td>
</tr>
<tr>
<td>Enhance Decision Making</td>
<td>Philadelphia (SEPTA)</td>
</tr>
<tr>
<td>Ensure Equitable Investment</td>
<td>St. Louis (Metro Transit)</td>
</tr>
</tbody>
</table>
Interviews will help shape lessons learned and takeaways for Baltimore region

- Desktop Research
  - Review publicly-available information.
  - Focuses on history and overview of the agency, governance structure, funding for the agency.
  - Includes strategic and long-term plans, board minutes, website content, news articles/media, etc.

- Interviews
  - Interviews with peer agencies on key topics in governance, enablers, strategy, and funding.
  - Interviews will focus on the peer’s issues or successes that are relevant to the Baltimore region.
  - Interviews are meant to supplement the desktop research and further inform the initial findings.

Compare and contrast with Baltimore experience
## Summary of Available Data by Peer Agency

<table>
<thead>
<tr>
<th>Agency</th>
<th>Overview</th>
<th>Governance Structure</th>
<th>Funding</th>
<th>Other details</th>
<th>Recent News</th>
<th>Overall Data Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Transit (St. Louis)</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Low</td>
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<td>High</td>
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<tr>
<td>SEPTA</td>
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<td>High</td>
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<tr>
<td>Charlotte Area Transit System (CATS)</td>
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<td>Low</td>
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<td>Salt Lake City / Utah Transit Authority</td>
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<tr>
<td>SMART (Southeast Michigan)</td>
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<td>Low</td>
<td>High</td>
<td>Medium</td>
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</tbody>
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Next Steps
Next Steps

   - Comments due by Friday, March 26
   - Updated draft posted week of April 5

2. **DRAFT Technical Memo 4: Peer Review**
   - Available in early-April

3. **BMC/Elected BRTB Officials Briefing**
   - April 16

   **Public Forum**
   - April 27
Community Engagement - DRAFT

Virtual Town Hall: Transit Governance and Funding in Baltimore Region
  o Tuesday, April 27th
  o 6:00 pm to 7:30 pm

Overview
  o History / Overview of Transit Funding and Governance
  o Panel of Experts Comment on Challenges and Opportunities
  o Breakout Discussion
    ▪ Equity
    ▪ Governance
    ▪ Funding
    ▪ Regional Collaboration
  o Regroup and Conclude
  o Meeting will be interactive and participatory
Thank You!

Bethany Whitaker
bwhitaker@nelsonnygaard.com
Regional Context

Funding by Agency

- State and local programs funded differently, unique role of local LOTS funding
- Roughly $100 m annual state/federal funding for LOTS, about 1/3 federal
- Add something about other/rideshare programs?
Baltimore Region Transit Investment

Commuter Bus & MARC Train

- Both services contracted with funding increases built into contracts
- Shared vehicles and service contracts within and outside Baltimore Region,
  - Costs not easily allocable
  - Revenue miles proxy utilized in later slides

MARC Train & Commuter Bus Operating Cost, FY 2010 - 19

MARC Train Capital Investment, FY 2010 - 19

Source: Data provided by MDOT MTA

Note: Admin, Police, and Core Support costs allocated based on Core Program budgets
Summary of Access to Peers for Interviews

<table>
<thead>
<tr>
<th>Key Interview Topics</th>
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</thead>
<tbody>
<tr>
<td><strong>Governance</strong></td>
</tr>
<tr>
<td>Understand roles and responsibilities:</td>
</tr>
<tr>
<td>▪ Ensure coordinated execution</td>
</tr>
<tr>
<td>▪ Maintain guiding principles and agency mission</td>
</tr>
<tr>
<td><strong>Enablers</strong></td>
</tr>
<tr>
<td>Confirms whether the agency is providing the right underlying framework and support to deliver on the agency’s mission in the short and long-terms.</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
</tr>
<tr>
<td>Seeks to identify the agency’s strategic objectives, metrics of success, and structure to guide internal decision-making and align the agency’s stakeholders.</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
</tr>
<tr>
<td>Verifies the agency’s framework and processes to secure funding for its operations and capital needs.</td>
</tr>
</tbody>
</table>
Regional Transit Services
MDOT-MTA Services

- Directly-Operated or Contracted

- Core area services:
  - BaltimoreLink Bus
  - LightrailLink
  - SubwayLink
  - MobilityLink
  - Taxi

- Core service:
  - FY 2019 Operating Cost $605,569,142,
  - 1,216 Vehicles Operated

- Regional services:
  - MARC Commuter Rail
  - Commuter Bus

- Regional Service:
  - FY 2109 Operating Cost $230,457,411
  - 429 Vehicles Operated
• Eight separate City/County Systems
• Services operated or contracted by local governments
• City/County
• Service types/levels vary considerably
  • Fixed-route bus
  • Demand-response
  • Specialized Service
• 231 Vehicles in Peak Service
System Scale Differences

<table>
<thead>
<tr>
<th>FLEET</th>
<th>TRIPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1,647</strong> MDOT MTA</td>
<td><strong>94M</strong> MDOT MTA</td>
</tr>
<tr>
<td>Maximum Vehicles in Service</td>
<td>Annual Unlinked Passenger Trips</td>
</tr>
<tr>
<td><strong>231</strong> LOTS</td>
<td><strong>3.8M</strong> LOTS</td>
</tr>
<tr>
<td>Maximum Vehicles in Service</td>
<td>Annual Unlinked Passenger Trips</td>
</tr>
</tbody>
</table>

Source: FY 2019 National Transit Database (NTD)
101: Plenty of slide layouts to choose from

- Many slide layouts are available 🔄
- Some are preloaded into this deck. Delete whatever you don’t want to use.
- Horizontal box layouts are available at the end of the super secret slides. They look like this 👇

<table>
<thead>
<tr>
<th>Subheading 1</th>
<th>Subheading 2</th>
</tr>
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<tbody>
<tr>
<td>Bullet 1</td>
<td>Bullet 1</td>
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<tr>
<td>Bullet 2</td>
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<tr>
<td>Bullet 3</td>
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</table>
Icons: Communication and engagement
Icons: Place and time
Icons: Office, work, and analysis
Icons: Transportation 1 of 2
Icons: Transportation 2 of 2
Icons: Things and concepts 1 of 2
Icons: Things and concepts 2 of 2
Horizontal box layouts: 2 columns

**Subheading 1**
- Bullet 1
- Bullet 2
- Bullet 3

**Subheading 2**
- Bullet 1
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- Bullet 3
Horizontal box layouts: 3 columns

- Subheading 1
  - Bullet 1
  - Bullet 2
  - Bullet 3

- Subheading 2
  - Bullet 1
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  - Bullet 3

- Subheading 3
  - Bullet 1
  - Bullet 2
  - Bullet 3
Horizontal box layouts: 4 columns

Subheading 1
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Subheading 2
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Subheading 3
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- Bullet 2
- Bullet 3

Subheading 4
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- Bullet 3
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   - Bullet 3

2. Subheading 2
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3. Subheading 3
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4. Subheading 4
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5. Subheading 5
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Horizontal box layouts: Transparency box

Subheading 1
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(Transparent white box)

Subheading 2
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