

An aerial photograph of Baltimore, Maryland, at sunset. The sky is a mix of orange, pink, and purple. In the foreground, the water of the harbor is dark blue. A long, modern building with a blue roof and glass facade runs along the waterfront. The building has "CITY PIER BROADWAY" written on its side. In the background, a dense urban area with various buildings and a church spire is visible.

# Baltimore Transit Funding and Governance Study

DRAFT for discussion only

# Study Overview



## Objective:

- Develop and refine at least **two governance/funding options** for Baltimore Region transit
  - Increase region's autonomy and authority over transit service development
  - Recognize that autonomy likely requires new regional funding
  - Estimate need for additional funding and identify potential sources to raise those resources



## Approach:

- Start with two governance models: BRTC (commission) and BRTA (authority)
- **Identify key issues and questions** that need more attention/review
- Use peer review to refine draft models



## Outcome:

- Refined **governance models with recommendations** on funding approach
- Documented in technical memo/report

# Draft Governance Models

# Draft Governance Structures

## Regional Transit Authority

### Option 1: RTA within MDOT

MTA remains within MDOT, governed by its own state-controlled board with regional representation

### Option 2: Independent RTA

MTA assets/contracts transferred to independent RTA, governed by board with shared state/regional governance

## Fiduciary Commission

Regionally-controlled fiduciary commission receives dedicated funding stream(s), allocates funds to MTA and LOTS

# Fundamentals

## Recommended governance models require that MDOT and MTA re-organize

**1** Clarify, document, and confirm funding strategy to transit

**2** Separate entity for MTA Baltimore Region (Link services)

- Allocation from transit revenue
- Governing board/structure

**3** Separate entity for MARC trains, Commuter Bus and LOTS

- Allocation from transit revenue

# Draft Governance Structures

	RTA #1: RTA within MDOT	RTA #2: Independent RTA	Fiduciary Commission*
Most resembles	MBTA	SEPTA	NVTC (and WSTC)
General Concept	MTA remains within MDOT, governed by its own state-controlled board with shared state/regional representation	MTA assets/contracts transferred to independent RTA, governed by board with shared state/regional governance	Regionally-controlled fiduciary commission receives dedicated funding stream(s), <b>allocates funds to MTA and LOTS</b>
Board Structure	State control with some regional representation	Shared state/regional control. Exact state/regional voting split to be determined.	Regional control of fiduciary commission. State has seats on commission + retains control of MTA
Funding	Dedicated state revenue + additional regional revenue (\$)	Dedicated state revenue + additional regional revenue (\$\$)	Dedicated state revenue + additional regional revenue (\$\$)
MTA Assets and Contracts	Remain with MTA	Transferred to new RTA	Remain with MTA (or transferred to new RTA)
Capital + Ops Planning	Primarily led by MDOT, with formal regional input via board seats	Primarily led by RTA. State and region formal input via board, with regional veto power.	Region-led process for new revenue. Regional role for state funds TBD based on audit vs. veto power.
LOTS	LOTS remain separate – with continued MDOT funding	LOTS absorbed by independent RTA	LOTS remain separate – with state and regional funding via commission

\*Note: Fiduciary Commission model can be implemented under either RTA option.

# Draft Governance Structures

	State Controlled RTA	Independent RTA	Regional Transit Commission
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• <b>Requires restructuring of MDOT, but otherwise minimal disruption</b></li> <li>• Increases transparency for MTA funding, governance and decision-making</li> <li>• Keeps state investment (and responsibility) for transit intact</li> <li>• Baltimore Region gets voice/say in decision making</li> <li>• Regional financial responsibility is limited.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Stand-alone entity with clear mission, role and objective.</b></li> <li>• Manage and implement transit for Baltimore region</li> <li>• Dedicated state revenue with increased transparency</li> <li>• State and region share decision-making authority</li> <li>• Increased and centralized regional transit planning coordination</li> </ul>	<ul style="list-style-type: none"> <li>• Requires restructuring of MDOT, but otherwise minimal disruption</li> <li>• Increases transparency for MTA funding, governance and decision-making</li> <li>• Keeps state investment (and responsibility) for transit intact</li> <li>• <b>Increased voice/say in decision making and increased coordination</b></li> <li>• Regional financial responsibility is limited.</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• State retains effective control over regional transit services</li> <li>• LOTS remain separate – reduced opportunity for regional coordination</li> </ul>	<ul style="list-style-type: none"> <li>• More responsibility means more liability</li> <li>• MTA and LOTS assets/contracts must be transferred to new RTA</li> <li>• Increased operating costs for existing/new LOTS-area services</li> </ul>	<ul style="list-style-type: none"> <li>• Power is “softer” and must be earned.</li> <li>• Increases administration and bureaucracy</li> </ul>

# Schedule and Timeframe

