



# Transit Funding Options

October 10, 2017

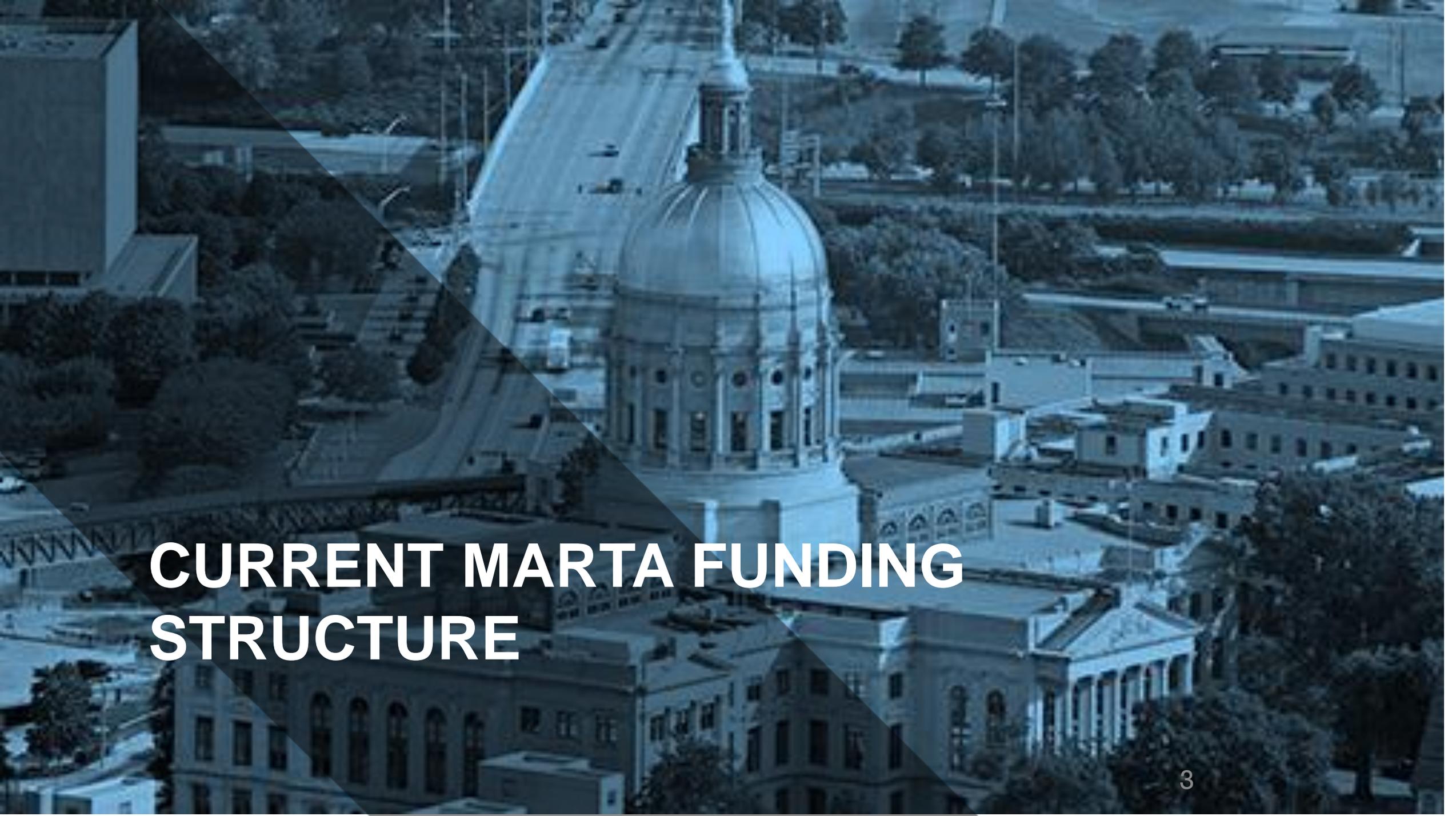


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A blue diagonal graphic element consisting of a parallelogram shape, positioned to the left of the title.

# PRESENTATION OVERVIEW

- Current MARTA Funding Structure
- Funding Needs
- Potential State Investment in Transit

An aerial photograph of the Georgia State Capitol building, featuring its prominent white dome. The image is overlaid with a semi-transparent blue filter and a dark diagonal line running from the top-left to the bottom-right. The text 'CURRENT MARTA FUNDING STRUCTURE' is printed in white, bold, sans-serif font across the lower-left portion of the image.

# CURRENT MARTA FUNDING STRUCTURE

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## Local Sales Tax Collection

- \$.01 on the dollar in Clayton, DeKalb and Fulton Counties
- \$.015 on the dollar within the City limits of Atlanta

## State Contribution

- \$30M - One time “Go Transit” Bond Program for Electronic Signage and Public Announcement awarded in 2016
- \$1.7M - One time “Go Transit” Bond Program for Regional Bus Stop Signage awarded in 2016

## Federal Formula Grant Funding

- \$98M – FY2017 Apportionment Funding (Sec. 5307,5337 & 5339)

## Fare Box Revenue/Other Revenue

- Fare box revenue accounts for approximately 30% of all revenue; this is high for a transit system of MARTA’s size
- Advertising revenue
- TOD lease
- Misc.



# FUNDING NEEDS

## MARTA'S FUNDING NEEDS

- Transit Expansion (GA400, I-20 East, Clifton Corridor)
- Other capital projects (e.g., state of good repair)
- Debt Service (\$150M annually)

A cityscape featuring several tall buildings. In the foreground, a train with the number 165 and the word 'marta' is visible. A large, dark diagonal shape is overlaid on the left side of the image. The text 'Transit Funding Principles' is centered in white.

# Transit Funding Principles

**Skin in the Game, Proportionality, & Accountability** – Currently, the four jurisdictions that are represented on MARTA’s Board of Directors with voting membership are the four jurisdictions with whom MARTA contracts to provide transit service in exchange for those jurisdictions’ sales tax to pay MARTA. Further, while not exact, there is a rough relationship between the annual financial contribution that jurisdiction makes to MARTA and how many voting members of the MARTA Board a jurisdiction appoints. Proportionality in representation ensures that the Georgians who are funding the system determine how it is administered, and thus can ensure that their dollars are being spent wisely and in service to community needs and values.



**Local Control & An Opt-In Structure** – Under the existing MARTA structure, metro Atlanta counties have option to join MARTA, to pursue their own transit system, to have limited MARTA service and their own transit system, or not to invest in transit at all. While MARTA is obviously a proponent of transit, we do not believe that communities that are not ready for transit should be forced to accept it – that is not a sustainable approach. Instead, we strongly support establishing clear pathways and mechanisms by which communities that decide that they are ready for transit can access long-term funding sources and integrate into existing networks with a minimum of duplication and redundancy.

**Tailored Integration & Interactivity** – Through the contract that governs each jurisdiction’s relationship with MARTA, each jurisdiction’s individual needs can be addressed in an enforceable and sustainable fashion. For instance, when MARTA and Clayton negotiated Clayton’s 2014 entry into MARTA, Clayton’s fears that its revenue would be diverted to other expansion projects were allayed through establishment of an escrow account for ½ of Clayton’s penny, guaranteeing that it would be used to fund fixed route high-capacity transit for Clayton. Similarly, use of Atlanta’s expansion funding will be addressed through the contract amendment and intergovernmental agreement between MARTA and the City of Atlanta.



**POTENTIAL STATE INVESTMENT  
IN TRANSIT**

# COMPETITIVE TRANSIT GRANT PROGRAM

## GO TRANSIT II Bond Program

- Create annual competitive state bond package
- Fund capital investments based on criteria such as regional significance, innovative funding mechanism such as P3/P4, use of CID or TAD, local match, and inter-jurisdictional projects)
- Available to all transit agencies in state of Georgia
- Primary criteria should follow federal guidelines closely:
  - Job Center
  - Congestion mitigation
  - Economic development
- State can determine its level of transit investment annually

# Questions?