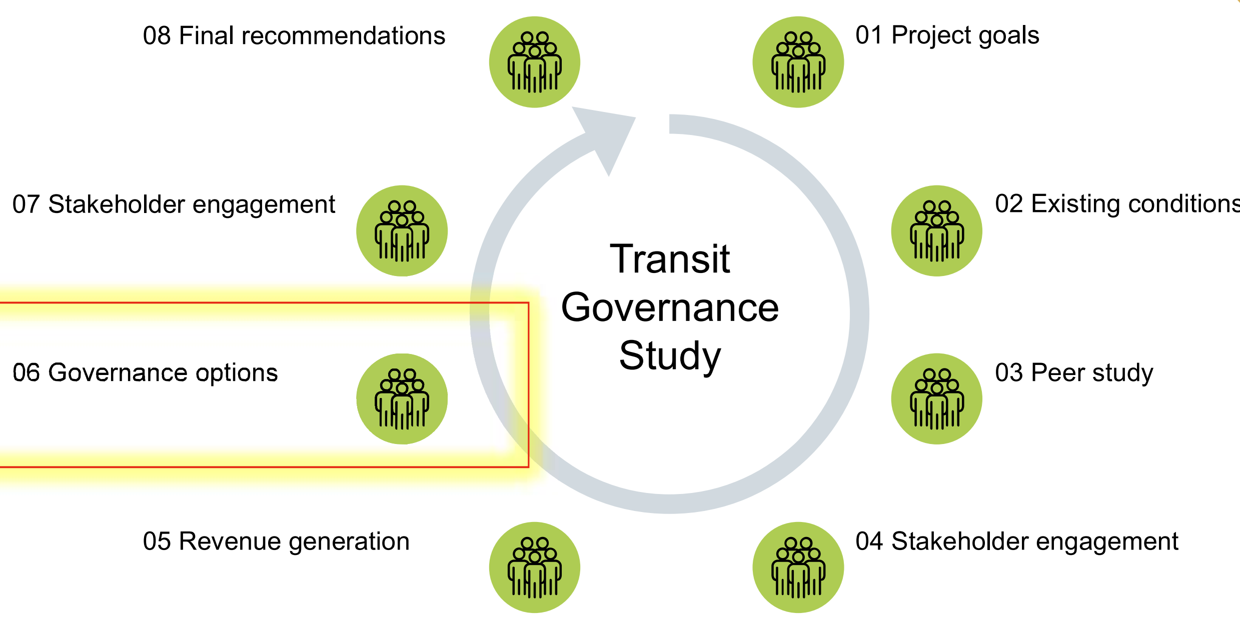
Regional Transit Governance Study For Region 10

Update

Thomas Jefferson Planning District Commission

Study Overview



Board Membership

What are some initial thoughts on board representation?
What if an interim initiative were an option?

Potential factors for determining board representation

- Rev miles and rev hours of service by mode
- Local funding support
- Funding contributions to paratransit service and demand response service

Role of Authority In Transit Planning and Decision Making

Powers

- Prepare a regional transit plan for all or a portion of the areas located within boundaries of each member locality
- Once plan is adopted, power to construct or acquire, by purchase, lease, contract, or otherwise, the transit facilities specified in the plan
- Power to make, assume, and enter into contracts, agreements, arrangements, and leases with public or private entities as the Authority may determine
- Enter contracts or arrangements with its members, or other transit commissions of transportation districts adjoining any member, any authority, or state, local, or private entity

What are your thoughts on transit planning in the region, considering existing entities? E.g., CAT and Jaunt

Indicators of Accountability

Representation
- Board membership from jurisdictions that embrace authority
- Elected officials as members
- Ex-officio members from state level (DRPT/House/Senate/CTB)

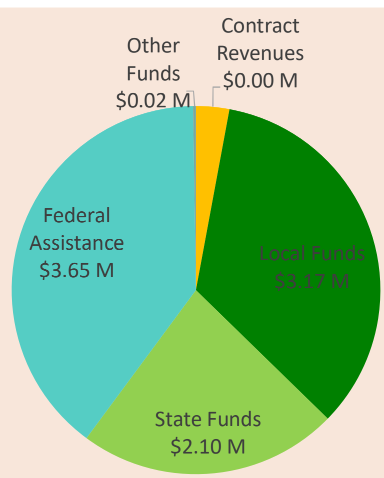
Technical Advisory
- Committee comprising one staff member from each jurisdiction and one from each non-voting member (e.g., DRPT, VDOT, TJPDC, MPO, transit operators, etc.)

Decision-Making Criteria
- Identify criteria/guiding principles for regional investments (e.g., equity, economic impact, multimodality, etc.)

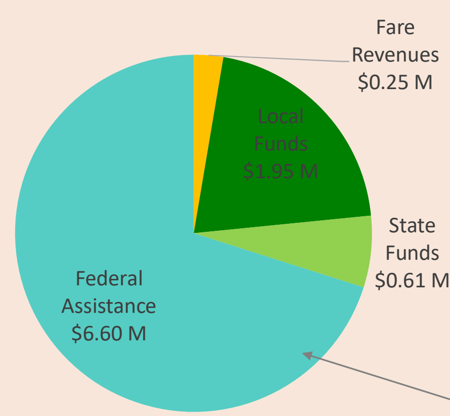
Financial Reporting
- Creation of separate fund for new revenue
- Development of plan to prioritize transit projects of regional significance – in collaboration and approved by board members
- Requirement of annual documentation if funds are disbursed to another entity

Funding Oversight
- Finance committee to oversee financial activities (e.g., quarterly expenditure reviews) – elected officials and CTB

Current State of Transit Funding



2021 CAT Operating Revenue



2021 Jaunt Operating Revenue

Increase from COVID relief funds

Regional Vision Plan Operating Cost Estimates

	Constrained*		Unconstrained*	
Approximate Total Costs (Transit Vision Plan)	$	35,139,400	$	85,014,700
Anticipated Federal Contribution	$	(6,467,565)	$	(6,467,565)
Anticipated State Contribution	$	(9,729,820)	$	(23,022,460)
Total Public Assistance	$	(16,197,385)	$	(29,490,024)
Deficit	***$***	***18,942,015***	***$***	***55,524,676***

**Note: Does not include costs associated with capital investments and ADA paratransit service requirements for fixed route expansions*

Local Funding Options - Discussion

Type	Description	Advantage	Potential Challenge
General Fund Expenditures	Contributions from the general funds of localities to fund service	• Localities can decide on amount of service to purchase annually based on local priorities	• Varies depending on local priorities making it less predictable & reliable • Amount and type of service can change by budget cycle making it less reliable for customers • Potential strain on local resources • Variability in transit funding makes long term transit planning difficult
Sales Tax*	A tax on the sale of goods or services purchased. (Not including tax for non-prepared foods)	• Most common source for local and regional transit services • Moderate public acceptance • Potential to produce high yields • Relatively stable and predictable • Minimal cost for implementation as sales taxes are already collected	• Potential to impact lower income individuals than other socioeconomic levels.
Transient Occupancy /Lodging Tax	A tax on lodging establishments	• Does not directly impact residents • Moderate public acceptance as a transit funding source in Virginia due to implementation in other regions	• Revenue yield may be minimal in some areas • Potential implementation challenge with rural areas with no established lodging tax

Local Funding Options - Discussion

Type	Description	Advantage	Potential Challenge
Personal Property Tax	In Virginia, a tax on the value of all motor vehicles, trailers, mobile homes, boats, and aircrafts	• Relatively stable source • Ease of implementation as property taxes are already collected in most jurisdictions	• Potential public resistance to increase if rate is significant
Regional/ Supplemental Fuels Tax	A tax on distributors who sell fuels at wholesale to retail dealers for retail sale	• Relatively accepted user fee to related to the social cost of driving • Potential to reduces instability of source by including different types of fuel	• If increasing fuel taxes increase demand for transit, it simultaneously reduces the source of revenue • More fuel-efficient cars could decrease this revenue source • Value could erode over time if not indexed to inflation
Real Estate Tax	A tax on the assessed on the value of land and buildings	• Widely used to finance transit and typically considered a default funding source • Relatively stable source • Ease of implementation as property taxes are already collected in most jurisdictions	• Minimal potential to shift development between jurisdictions

Estimated Revenues from Additional Sources-Sales Tax

Estimated revenues from additional 0.7% sales tax in millions of dollars

Added Revenue from 0.7%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	$16.3	$16.4	$16.6	$16.8	$16.9	$83.0
Charlottesville	$10.2	$10.3	$10.4	$10.5	$10.6	$51.9
Fluvanna	$1.9	$1.9	$1.9	$1.9	$1.9	$9.5
Greene	$2.2	$2.3	$2.3	$2.3	$2.3	$11.4
Louisa	$5.0	$5.0	$5.1	$5.1	$5.2	$25.3
Nelson	$1.1	$1.1	$1.2	$1.2	$1.2	$5.8
Total	$36.6	$37.0	$37.4	$37.7	$38.1	$186.8

*0.7% is consistent with sales tax rates used to support **transportation** projects for HRTAC, CVTA, and NVTA (not transit only)*

Estimated Revenues from Additional Sources-Lodging Tax

Estimated revenues from additional 0.5% lodging tax in millions of dollars

Added Revenue from 0.5%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	$0.2	$0.2	$0.2	$0.2	$0.2	$1.0
Charlottesville	$0.5	$0.5	$0.5	$0.5	$0.5	$2.5
Fluvanna*	$0.1	$0.1	$0.1	$0.1	$0.1	$0.5
Greene	$0.1	$0.1	$0.1	$0.1	$0.1	$0.3
Louisa	$0.1	$0.1	$0.1	$0.1	$0.1	$0.5
Nelson	$0.1	$0.1	$0.1	$0.1	$0.1	$0.6
Total	$1.0	$1.1	$1.1	$1.1	$1.1	$5.4

**Fluvanna County currently has no transient occupancy tax, there are no current revenues to determine future projections. Louisa County was therefore used as a proxy in the analysis.*

Estimated Revenues from Additional Sources-Personal Property Tax

Estimated revenues from additional 0.5% tax in millions of dollars

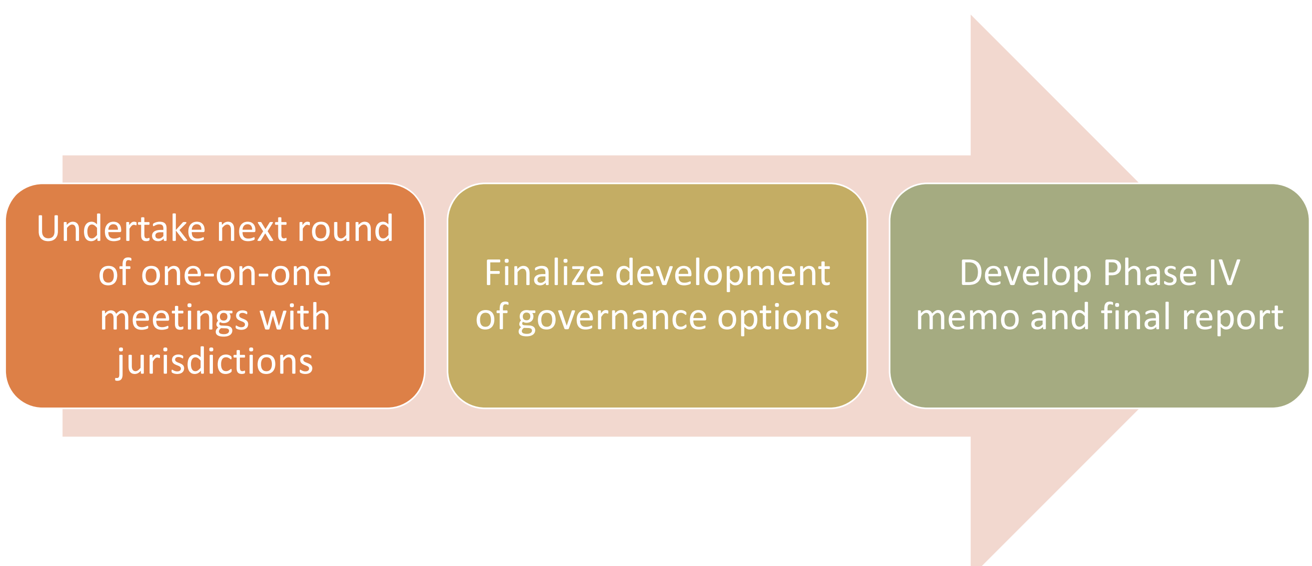
Added Revenue from 0.5%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	$5.5	$5.6	$5.7	$5.8	$5.9	$28.5
Charlottesville	$1.5	$1.5	$1.6	$1.6	$1.6	$7.9
Fluvanna	$1.2	$1.3	$1.3	$1.3	$1.3	$6.4
Greene	$0.7	$0.7	$0.8	$0.8	$0.8	$3.8
Louisa	$2.4	$2.4	$2.5	$2.5	$2.6	$12.5
Nelson	$1.2	$1.2	$1.2	$1.2	$1.3	$6.0
Total	$12.5	$12.7	$13.0	$13.3	$13.5	$65.0

Estimated Revenues from Additional Sources- Real Estate Tax

Estimated revenues from additional 0.1% tax in millions of dollars

Added Revenue from 0.1%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	$24.1	$24.6	$25.1	$25.6	$26.1	$125.3
Charlottesville	$10.6	$10.8	$11.0	$11.2	$11.4	$55.0
Fluvanna	$3.1	$3.2	$3.2	$3.3	$3.3	$16.1
Greene	$2.7	$2.7	$2.8	$2.8	$2.9	$13.9
Louisa	$6.5	$6.6	$6.8	$6.9	$7.0	$33.8
Nelson	$3.2	$3.3	$3.4	$3.4	$3.5	$16.8
Total	$50.1	$51.1	$52.2	$53.2	$54.3	$260.9

Next Steps

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Planning District Commission
Thank you!