

**RTA: Regional Transit Authority of Southeast Michigan
Board Retreat Agenda**

**Gerry Kulick Community Center
1201 Livernois Street
Ferndale, MI 48220**

May 18, 2017

9:30 am – 2:30 pm

(Board and Committee meetings: 2:30 – 4:00 pm)

Goals:

- Affirm and refresh the mission, vision, and values of the RTA.
- Provide guidance to staff on priorities for the coming year's work.
- Consider referendum timing.

9:30 am	Public Comment
9:45 am	Introductions, goals for the day, agenda overview <ul style="list-style-type: none">• Introductions and welcome• Goals for the day• Agenda review and meeting logistics
9:55 am	CEO Update <ul style="list-style-type: none">• Tiffany Gunter, Interim CEO, will brief the board on recent RTA activities. A brief facilitated discussion will follow.
10:10 am	RTA Post-Election Analysis <ul style="list-style-type: none">• Paul Hillegonds, RTA Board Chair, will provide an overview of the post-election analysis provided in the Glengariff Group, Inc. February 24, 2017 memorandum and February 22, 2017 survey report (attached). A brief facilitated discussion will follow.
10:40 am	Break
10:50 am	Mission, Vision, Values <ul style="list-style-type: none">• The board will review its survey results on RTA's mission, vision and values and provide guidance to the staff on drafting refinements for the mission and vision, and a set of core values.
Noon	Lunch
12:30 pm	Developing a path forward <ul style="list-style-type: none">• The board will first hear from Tiffany, Ben, and Lucas about potential areas of focus for the coming year and then provide guidance to staff on priorities for research and exploration, which will support board action in future meetings. The board also will consider the pros and cons regarding timing of a referendum.
2:00 pm	Next Steps; Retreat Close
2:15 pm	Break
2:30 – 4:00 pm	Board and Committee Meetings

Post Election Debrief – Lessons Learned

May 18, 2017



REGIONAL
TRANSIT AUTHORITY
OF SOUTHEAST MICHIGAN

2016 Year In Review

- Brief Summary of Accomplishments
 - Completion of Alternatives Analysis and adoption of locally preferred alternatives for three major corridors:
 - Woodward
 - Michigan
 - Gratiot
 - Completion of the first Four County Transit Master Plan
 - First 4 County Ballot Initiative for public transit
 - Launch of the Reflex Corridor Services
 - Continue to Maintain Compliance with Federal and State Regulatory agencies
 - Development of positive relationships with numerous stakeholders

Campaign Details

- Citizens for Connecting Our Communities
- Budget: \$3.2 million
- Over 200 Endorsements
 - Business
 - Labor
 - Advocacy
 - Non Profit
 - Government
 - Senior Groups
- Campaign Strategy: Primary Focus
 - Radio and Television Ads
 - Direct Mail

November Election Results

Yes – 49.5%

No – 50.5%

RTA millage was defeated by 1%

County	Yes	No
Macomb	39.9%	60.1%
Oakland	49.9%	50.1%
Washtenaw	56.2%	43.8%
Wayne (no Detroit)	47.0%	53.0%
Detroit	64.5%	35.5%

Why did voters say yes?

Voters who voted yes were asked in an open ended question why they voted yes:

- 17.8% said it was to improve the system and make it easier to ride.
- 17.4% said it was to help people who needed it, including the elderly and disabled.
- 16.1% said it was for the general good/ The service was needed.
- 10.2% said it was to get people to jobs.
- 8.5% said they knew people that needed the system.
- 8.1% said it was to help Detroit compete with other cities.
- 6.8% said it would link the counties together.

Why did voters say no?

Voters who voted no were asked in an open ended question why they voted no:

- 29.4% said it was because it was a tax increase.
- 12.5% said it was because they did not need it and would not use it.
- 7.1% said it would not help their area.
- 5.4% said it was poorly worded or confusing.
- 5.4% said it would not be used.
- 4.9% said the money would be misused.
- 4.9% said it would not work.

*Note: 39.5 percent could give no reason for voting no.

Primary Issues for RTA to Address

Foster better understanding on limitations of revenue source constraints: Property taxes proved problematic as the selected funding mechanism to support public transportation expansion. Many members of the public pointed to the other major transit expansion initiatives in the nation that fund transit via local option sales taxes.

More fully address outer edge and rural communities: 28% of the no vote came from communities receiving no proposed fixed-route transit investment in the RTA plan. These communities are frequently overlooked because they are not traditional transit market areas.

Need to broaden outreach strategy: The RTA team did a tremendous amount of outreach and education throughout 2015 and 2016. Despite hundreds of meetings, public events, media stories, and extensive social media there was still a large portion of the public that felt uneducated about the Master Plan, the RTA, and transit in general.

Capitalize more on transportation innovations: In the ever-evolving mobility environment, voters were reluctant to support a 20- year plan that did not articulate a clear strategy for adapting to technological innovations. The Master Plan did include a high-level investment program focused on potential flexible services.

Provide greater clarity/ greater efficiency: 46% of all voters agreed that there are already too many different transportation providers across southeast Michigan and a fear that the money would support waste and duplication of services.

Lessons Learned for Future Campaign Efforts

- The campaign, RTA, elected officials, and the transit providers should have a unified message and work together to support of the effort.
- It is necessary to build and execute a solid ground campaign in every jurisdiction that localizes the message and allows for direct engagement.
- Media campaign must span longer than three weeks to be effective.
- Focus efforts on the under 40 population in addition to the older, “definite” voters.
- Ensure the next effort is non-partisan in nature and should have vocal support from both sides of the aisle.

Next Steps

Considering what you have read in the post-election survey report and analysis,

What do you believe is most important for us to keep in mind as we go forward with the RTA's work?

Developing a Path Forward

RTA Board Retreat
May 18, 2017



**REGIONAL
TRANSIT AUTHORITY**
OF SOUTHEAST MICHIGAN

Today's Goals

1. Affirm and refresh RTA's vision, mission, values
2. Provide guidance to staff on priorities for the coming year's work
3. Consider referendum timing

RTA's Vision, Mission, and Values

Consider the Vision, Mission, Values Survey Report

What is most striking?

Where are there areas of agreement?

Where are there areas of disagreement?

RTA's Vision

It's 2030.

RTA has been very successful.

What does RTA success look like in 2030?

What has happened?

What is going on in the region?

What does transit look like?

RTA's Vision

1. **Where do we have agreement or similarity?**
2. **Where are we furthest apart?**
3. **What cannot co-exist?**

RTA's Mission

It's 2030.

RTA has been very successful.

What has RTA done to make this vision a reality?

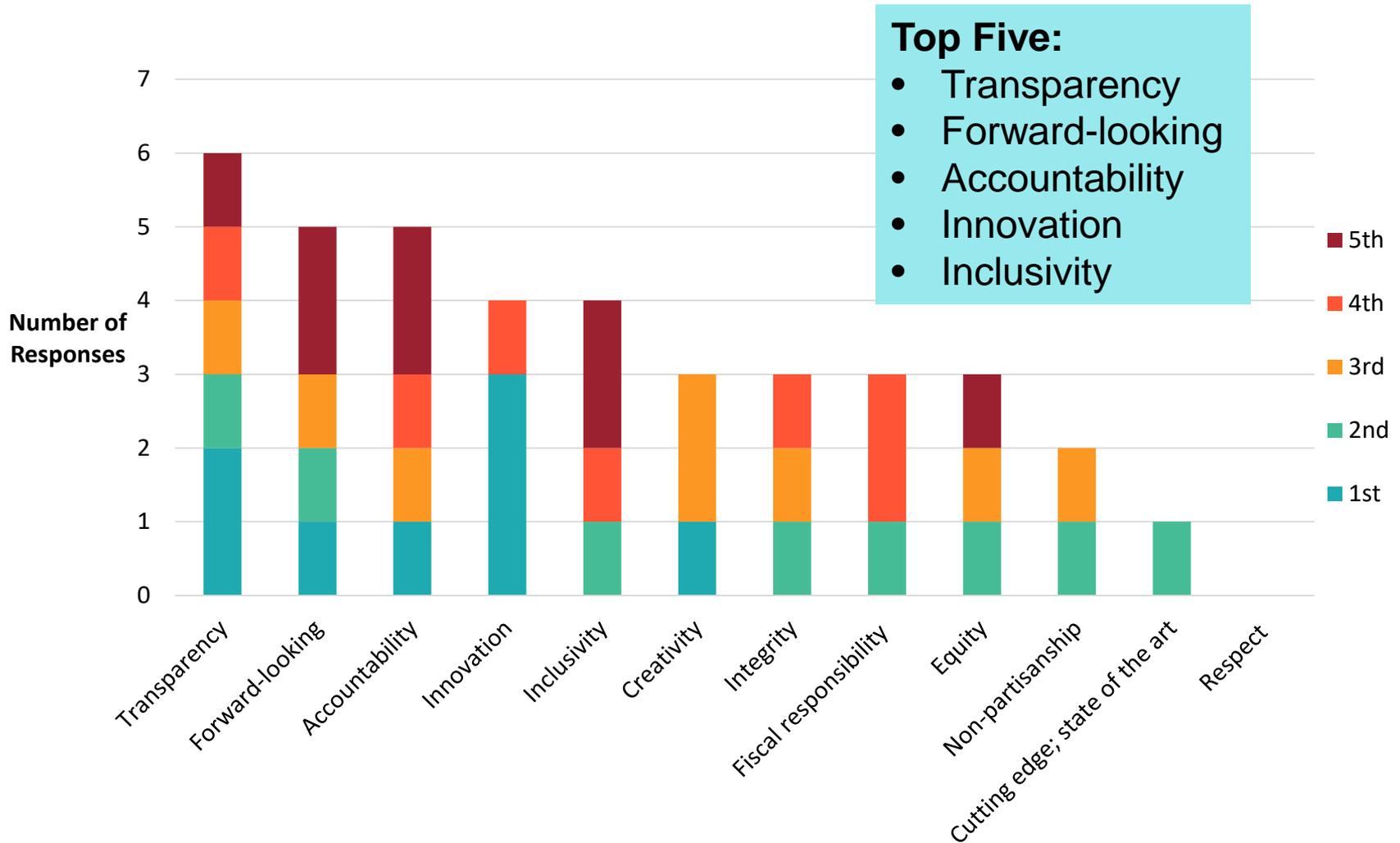
What has RTA accomplished?

What has the board done to support this success?

RTA's Mission

1. **Where do we have agreement or similarity?**
2. **Where are we furthest apart?**
3. **What cannot co-exist?**

Values Critical to the RTA in Achieving its Mission and Vision*



* Respondents were asked “Choose up to 5 values that are/will be most critical to the RTA in achieving its mission and vision.” Respondents ranked their choices from 1 to 5.

What we will cover today:

1. Laying the Groundwork
2. Questions for Exploration
3. Next Steps

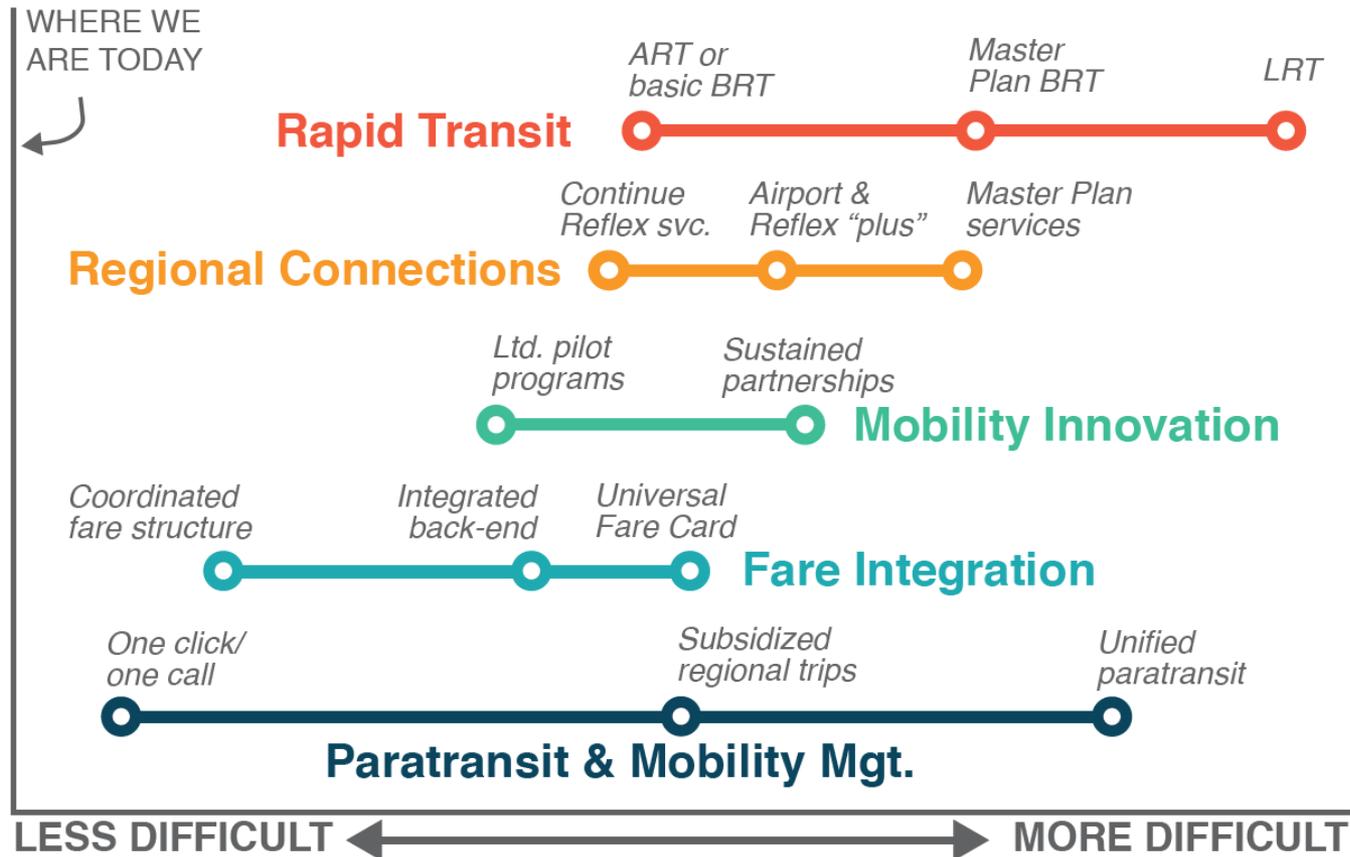
Laying the Groundwork



Regional Transit Goals

- Improve regional connections match existing travel patterns and demands
- Improve reliability and safety
- Identify funding opportunities (new and existing)
- Improve coordination of ADA paratransit, on-demand, and mobility management services
- Increase focus on new mobility and innovative solutions
- Increase economic development through rapid transit investments

Priority Projects



Questions and Topics for Exploration



Questions and Topics for Exploration

1. What can the RTA do today?
2. Size of the Region
3. Single Regional Agency
4. Alternate Funding Source
5. Defining RMTP Changes

Questions and Topics for Exploration

- 1. What can the RTA do today?**
2. Size of the Region
3. Single Regional Agency
4. Alternate Funding Source
5. Defining RMTP Changes

What Can the RTA Do Today?

Why do you ask?

- The RTA still has a crucial role to play in addressing regional transit challenges
 1. Regional governance
 2. Designated recipient
 3. Coordination authority
- The RTA can lead today and position the region for tomorrow

What Can the RTA Do Today?

How can we do it?

- Coordination and collaboration with existing transit providers and stakeholders
- Focus on existing formula funding and some identified discretionary opportunities
- Leveraging new partnerships, particularly in New Mobility (e.g. Ford Smart Mobility, Center for Automotive Research)

What Can the RTA Do Today?

Name	Local Lead	Amount	Current Use
Federal 5307 (Annual)	RTA	Ann Arbor UZA - \$6 million Detroit UZA - \$40 million	Providers use for capital projects (e.g. vehicles) and preventive maintenance
Federal 5310 (Annual)	RTA	Ann Arbor UZA -\$200,000 Detroit UZA - \$3.4 million	Providers use for capital projects (e.g. vehicles), mobility management, operating assistance, and administration
Federal 5303/4 (Annual)	RTA	MDOT - \$600,000 - \$700,000 SEMCOG - \$1.4 million	SEMCOG distributes funding to providers for planning, MDOT support the SDNT grant program
State LBO (Annual)	RTA	RTA Region - \$80 million, changes depending on size of request	Providers use for operating assistance
VW Settlement (One-time)	MDEQ and MAE	EMTF - \$60 million statewide ZEV - \$2 billion nationwide	Programs are focused on alternative fuel technology, new diesel buses are eligible for EMTF
Congestion Mitigation (Project based)	MDOT	Associated with I-75 and I-94 project budgets	MDOT and RTA are working to develop a program

Questions and Topics for Exploration

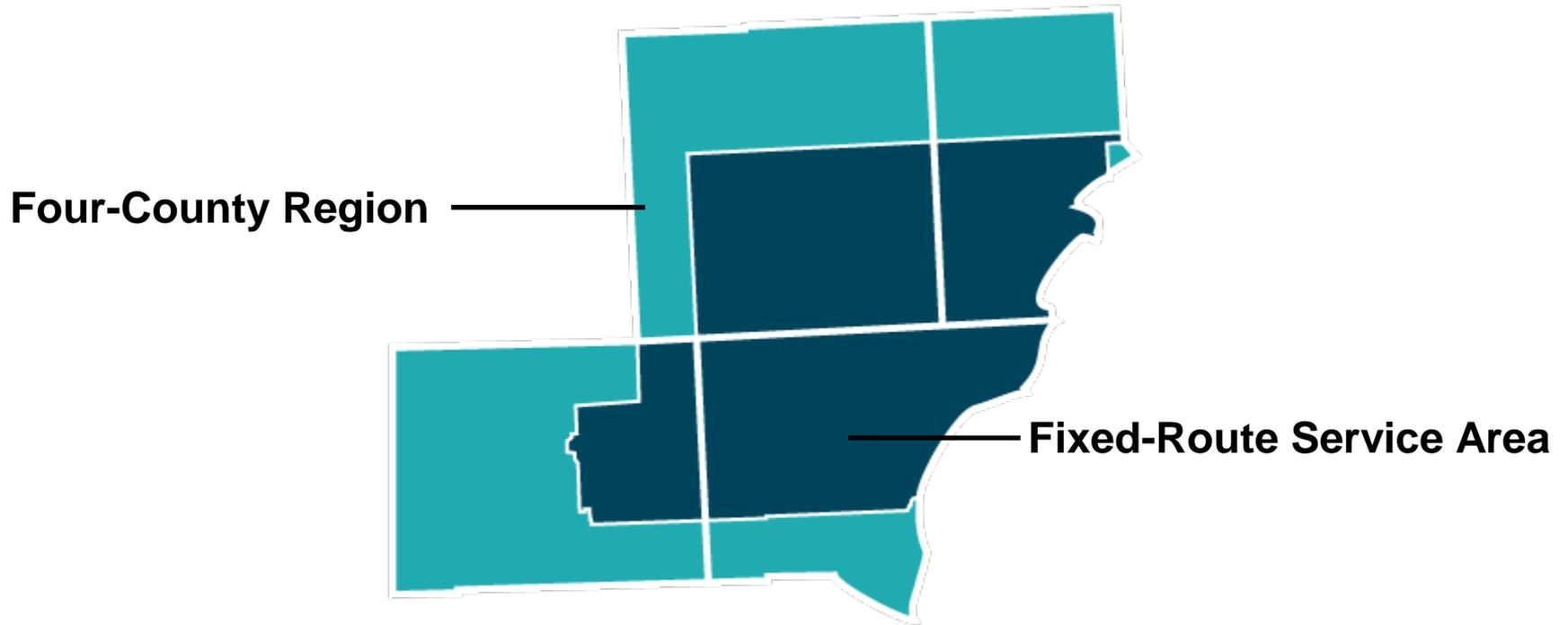
1. What can the RTA do today?
- 2. Size of the Region**
3. Single Regional Agency
4. Alternate Funding Source
5. Defining RMTP Changes

Size of the Region

Why do you ask?

- Voting results indicated that low-density areas of the region were highly un-supportive
- Those areas are hard to serve with standard transit solutions
- Segments of the region are eager to move forward with regional transit priorities

Size of the Region



Note: changing the size of the region requires a change to the plan or a millage increase

Size of the Region

Regional	Sub-Regional	Local Partnership
<ul style="list-style-type: none"> • PA 387 of 2012 amended • Regional planning and regional delivery • No opt-outs • Single funding request; same for all member jurisdictions 	<ul style="list-style-type: none"> • PA 196 of 1986* • Regional planning and sub-regional delivery • Opt-outs • Potential for multiple funding requests; potential differential amounts per member jurisdiction 	<ul style="list-style-type: none"> • PA 7 of 1967, PA 8 of 1967, and/or PA 258 of 2011 • Regional planning and local delivery • Opt-in based on defined project partnerships • Potential for multiple funding requests; potential differential amounts per member jurisdiction

* Enabling legislation for SMART's taxing authority. Created the Oakland County Transportation Authority and Wayne County Transportation Authority. Macomb County is enabled as its own county

For Discussion

- Do you have questions of **clarification** and/or **understanding**?
- Do you believe this is a topic that **needs resolution**, **should be prioritized**, and **should be explored further** by staff?
- **What information do you need** from staff in order to make a decision or take action?

Questions and Topics for Exploration

1. What can the RTA do today?
2. Size of the Region
- 3. Single Regional Agency**
4. Alternate Funding Source
5. Defining RMTP Changes

Single Regional Agency

Why do you ask?

- Perceived efficiency of a single operation
- Clarity of message
- Improved customer experience
- Several comments indicated a desire to see one agency

Single Regional Agency

Chicago	Seattle	Phoenix	Denver
<ul style="list-style-type: none"> • RTA funding and oversight • Three separate operating agencies • Regional funding source allocated to all four agencies • Four boards of directors 	<ul style="list-style-type: none"> • Sound Transit operates regional service (rail, express bus) • Local agencies funded/governed separately • Regional funding for Sound Transit only • Coordination on express bus 	<ul style="list-style-type: none"> • Valley Metro brand shared among multiple agencies • Valley Metro coordinates planning, fare collection, customer service • Regional funding; some cities supplement 	<ul style="list-style-type: none"> • Single agency operates all transit service in the region • Regional funding source • Elected board representing districts

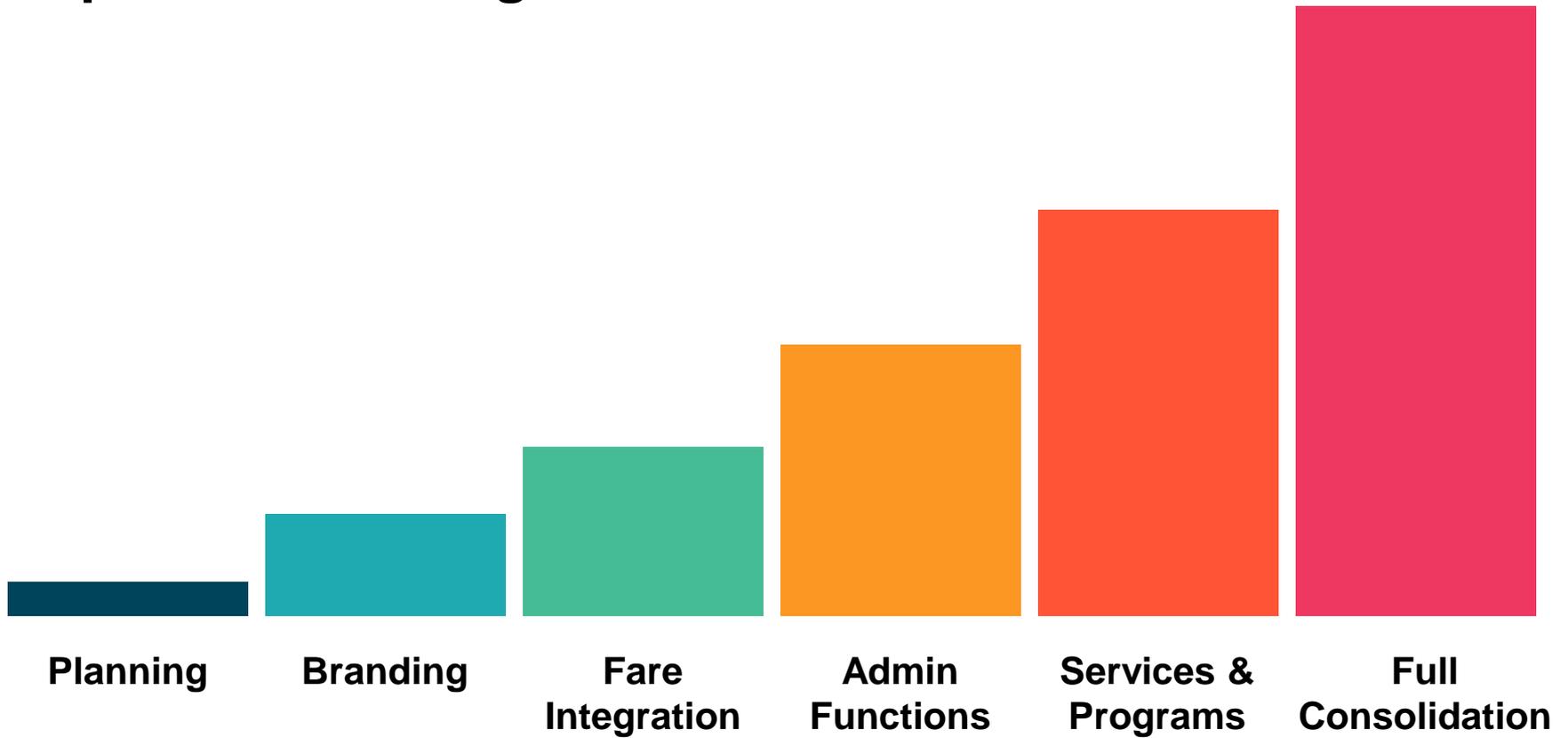
Single Regional Agency

Consolidation Questions

- Governance structure
- Legacy costs
- Labor unions
- Service design and delivery
- Differential local investments in existing services
- Other open issues...

Single Regional Agency

Spectrum of Integration



Single Regional Agency

Spectrum of Integration Activities*

Communication	Coordination	Collaboration	Consolidation
<p>Acting independently, sharing information at a regularly scheduled time</p> <p>Ex: PAC</p>	<p>Acting jointly (on an informal basis)—working together on selected functions by nonbinding action</p> <p>Ex: Marketing campaign</p>	<p>Acting jointly (on a formal basis)—working together on selected functions by binding action</p> <p>Ex: Reflex</p>	<p>Total integration—merging selected (or all) functions by mutual consent and legal transfer of authority to a single legal entity</p> <p>Ex: N/A</p>

*TCRP Report 173, 2014

For Discussion

- Do you have questions of **clarification** and/or **understanding**?
- Do you believe this is a topic that **needs resolution**, **should be prioritized**, and **should be explored further** by staff?
- **What information do you need** from staff in order to make a decision or take action?

Questions and Topics for Exploration

1. What can the RTA do today?
2. Size of the Region
3. Single Regional Agency
- 4. Alternate Funding Source**
5. Defining RMTP Changes

Another Funding Source

Why do you ask?

- Property Tax is a difficult sell
 - Properties with the largest bill get the lowest amount of service
 - Recent millage increases to support basic services
- Most other transit expansion programs use sales tax as the long term funding source

Another Funding Source

Survey of Other Regions

Agency (Region)	Tax Amount	Annual Amount
RTD (Denver)	1% sales tax	\$475M
UTA (Salt Lake City)	Graduated sales tax (0.4% to 0.6875%)	\$250M
Metro Transit (Twin Cities)	Motor vehicle sales tax (statewide): 36% of 6.5%	\$250M
Sound Transit (Seattle)	1.4% sales tax + 1.1% motor vehicle excise + 0.25 mill property tax	\$1.4B
Valley Metro (Phoenix)	0.167% regional sales tax; cities supplement this locally	\$140M

Is Another Funding Source Available?

Sales Tax?

- Local option sales tax is prohibited by the State Constitution
- Michigan sales tax structure presents other complications (school funding)
- Sales tax could generate a substantial amount of local funding

For Discussion

- Do you have questions of **clarification** and/or **understanding**?
- Do you believe this is a topic that **needs resolution**, **should be prioritized**, and **should be explored further** by staff?
- **What information do you need** from staff in order to make a decision or take action?

Questions and Topics for Exploration

1. What can the RTA do today?
2. Size of the Region
3. Single Regional Agency
4. Alternate Funding Source
- 5. Defining RMTP Changes**

Defining RMTP Changes

Why do you ask?

- Major or Minor changes to the RMTP need to be considered
- **Major** = items that would create a substantial cost increase, would require extensive additional planning work and outreach
- **Minor** = items that can be handled within the existing RMTP Financial Plan, would require additional planning work and some outreach

Defining RMTP Changes

Major	Minor
Rail Projects	Emphasis on New Mobility
More Adjustments to Current Providers Service	Emphasis on Safety and Security
New Express Network Concept	More Clarity on ADA Paratransit and Flexible Transit Programs
New Fuel Technology	

For Discussion

- Do you have questions of **clarification** and/or **understanding**?
- Do you believe this is a topic that **needs resolution**, **should be prioritized**, and **should be explored further** by staff?
- **What information do you need** from staff in order to make a decision or take action?

Referendum Timing

Your assignment:

**Please consider what you believe is the best choice for referendum timing: 2018 or 2020.
Write the year on a card and turn it in.**

- Anonymous – no names or other identifying information
- Not binding
- Write down just the year
- No selling
- No rationale

Referendum Timing

- What reasons would make this a good choice?
- What reasons would make this a bad choice?

Referendum Timing

If we are far apart:

1. Where are there surmountable differences?
2. Where are we furthest apart?
3. What do we need in order to be able to agree?
4. What would it take to change your mind?

If we are close to agreement:

1. What unintended consequences might there be? What are we overlooking?
2. What assumptions are we making? Are they valid?
3. What would it take to change your mind?

Next Steps



NEXT STEPS

Team RTA will:

- Draft a revised Mission and Vision statement and develop a core values document for Board consideration.
- Develop a refined work program that includes research to address the Board's priorities.
- Create reports and presentations to share progress on research with the Board.

Thank You 

rtamichigan.org
facebook.com/rtamichigan
[@rtamichigan](https://twitter.com/rtamichigan)