

# Financial and Institutional Strategy Route 15 Corridor Improvement Plan:

## Burlington-Essex Rail Project

Presented To:  
Chittenden County  
Metropolitan Planning Organization



Presented By:



In Association with



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## Table of Contents

|  |          |
|--|----------|
| <b>1. Executive Summary</b> .....  | <b>1</b> |
| 1.1 Burlington-Essex Rail Project Description .....                                | 1        |
| 1.2 Key Findings .....   | 1        |
| 1.3 The Consulting Team Financial Role .....                                       | 3        |
| <b>2. Introduction</b> .....   | <b>4</b> |
| 2.1 Project Background .....   | 4        |
| 2.2 Burlington-Essex Rail Project Description.....                                 | 4        |
| 2.3 FTA Context .....  | 5        |
| <b>3. Existing Condition, Needs, and Peer Comparison</b> .....                     | <b>6</b> |
| 3.1 Institutional.....   | 6        |
| 3.1.1 Vermont Agency of Transportation (VTrans).....                               | 6        |
| 3.1.2 Chittenden County Transportation Authority (CCTA) .....                      | 7        |
| 3.1.3 Vermont Transportation Authority (VTA).....                                  | 7        |
| 3.1.4 Special Service Transportation Agency (SSTA).....                            | 7        |
| 3.1.5 Campus Area Transportation Management Association (CATMA) .....              | 8        |
| 3.1.6 Campus Area Transportation System (CATS) .....                               | 8        |
| 3.2 Financial.....   | 8        |
| 3.2.1 Vermont Agency of Transportation (VTrans).....                               | 8        |
| 3.2.2 Chittenden County Transportation Authority (CCTA) .....                      | 9        |
| 3.2.3 Vermont Transportation Authority (VTA).....                                  | 10       |
| 3.3 Chittenden County Transit Funding Comparison.....                              | 11       |
| 3.3.1 Introduction to Public Funding Data .....                                    | 11       |
| 3.3.2 Hypothetical Governance Structures as They Relate to Transit Financing ..... | 12       |
| 3.3.3 Peer Selection Methods .....   | 13       |
| 3.3.4 Peer Agencies Comparison .....   | 14       |
| 3.4 Public Funding in Peer Regions .....   | 17       |
| 3.4.1 Brockton Area Transit Authority .....  | 23       |
| 3.4.2 Southeastern Regional Transit Authority .....                                | 24       |
| 3.4.3 Berkshire Regional Transit Authority .....                                   | 25       |
| 3.4.4 Greater Portland Transit District .....                                      | 27       |
| 3.4.5 Norwalk Transit District.....  | 28       |
| 3.4.6 Montachusett Regional Transit Authority .....                                | 30       |
| 3.4.7 Chittenden County Transportation Authority .....                             | 31       |
| 3.4.8 Nashua Transit System .....  | 33       |
| 3.4.9 Connecticut Department of Transportation.....                                | 34       |
| 3.4.10 Chemung County Transit System.....  | 36       |
| 3.4.11 Tompkins Consolidated Area Transit.....                                     | 37       |
| 3.4.12 Cambria County Transit Authority .....                                      | 38       |
| 3.4.13 York County Transportation Authority.....                                   | 40       |
| 3.4.14 Centre Area Transportation Authority .....                                  | 41       |

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|           |   |           |
|-----------|---|-----------|
| 3.4.15    | Pennsylvania Department of Transportation.....                              | 43        |
| 3.4.16    | Chattanooga Area Regional Transportation Authority.....                     | 44        |
| 3.4.17    | Madison Metro Transit .....   | 45        |
| 3.4.18    | Greater Lafayette Public Transportation Corporation.....                    | 47        |
| 3.4.19    | Muncie Indiana Transit System.....  | 48        |
| 3.4.20    | Northern Indiana Commuter Transportation District .....                     | 50        |
| 3.4.21    | University of Iowa, CAMBUS .....  | 51        |
| 3.4.22    | North San Diego County Transit Development Board.....                       | 53        |
| 3.4.23    | Peninsula Corridor Joint Powers Board .....                                 | 54        |
| 3.4.24    | San Joaquin Regional Rail Commission.....                                   | 56        |
| <b>4.</b> | <b>Future Conditions .....</b>  | <b>59</b> |
| 4.1       | Bus .....   | 59        |
| 4.2       | Rail.....   | 60        |
| 4.3       | Other Projects.....   | 61        |
| <b>5.</b> | <b>Conclusion on Needs .....</b>  | <b>62</b> |
| 5.1       | The Need for One Entity .....   | 62        |
| 5.2       | Property Tax: The Barrier .....   | 63        |
| <b>6.</b> | <b>Options and Evaluation.....</b>  | <b>65</b> |
| 6.1       | Institutional Models .....  | 65        |
| 6.2       | Potential New Funding Sources.....  | 66        |
| 6.3       | Potential Revenue Sources for Vermont.....                                  | 76        |
| 6.4       | Statewide or Local Option Revenue Measures.....                             | 76        |
| 6.4.1     | General Advantages of Statewide Measures .....                              | 77        |
| 6.4.2     | General Advantages of Local Revenue.....                                    | 78        |
| 6.4.3     | Advantages of Statewide Gas or Sales Tax for Chittenden County Transit..... | 79        |
| 6.4.4     | Advantages of Local Gas or Sales Tax for Chittenden County Transit .....    | 80        |
| 6.5       | Transit Funding Future.....   | 81        |
| 6.6       | Burlington-Essex Rail Project.....  | 82        |
| <b>7.</b> | <b>Next Steps.....</b>  | <b>83</b> |
| <b>8.</b> | <b>Appendices .....</b>   | <b>85</b> |

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## 1. Executive Summary

The purpose of this report is to present the institutional and financial strategy for implementing the Rt. 15 Corridor Improvement Plan, including the Burlington to Essex Rail Project, and to address the larger transit funding and institutional issues that are raised by the plan.

### 1.1 Burlington-Essex Rail Project Description

The Burlington to Essex Rail Project consists of the design and construction of track and structure improvements along approximately eight miles of the Winooski Branch of the New England Central Railroad to allow for commuter rail service between Burlington and Essex Junction. The service will be implemented as a continuation of the Charlotte to Burlington commuter rail service using existing equipment and maintenance facilities. New stations are proposed at Barlow Street, Winooski; in the vicinity of Fort Ethan Allen/Woodside Drive on the Colchester/Essex town line; behind the shopping center on Pearl Street, Essex Junction; at the Essex rail junction; and at the IBM facility. Feeder bus service will be provided to enhance access to the stations.

Construction will consist primarily of improving the rail infrastructure on the existing alignment within the railroad right-of-way (ROW). A passing siding will be created south of the Burlington rail yard. A section of new mainline track will be constructed east of the Burlington Municipal Electric Plant to allow the commuter rail to operate without interfering with the freight trains that currently service the facility. The Winooski Branch will also be extended to the east of the “Wye.” Structural improvements include rehabilitation of the Burlington rail tunnel and improvements to grade crossings along the ROW.

### 1.2 Key Findings

Currently there are five important transit providers in Chittenden County. The public providers include the Chittenden County Transportation Authority (CCTA), the Vermont Transportation Authority (VTA), and the Special Service Transportation Agency (SSTA). The private providers include the Campus Area Transportation Management Association (CATMA) and the Campus Area Transportation System (CATS). Examination of services by these authorities have revealed that transit planning and service for Chittenden County can be improved and made more efficient.

The Chittenden County Metropolitan Planning Organization (CCMPO) requested that a peer comparison be conducted. The peer comparison analyzed CCTA’s public funding sources to other similar transit systems. The comparison revealed that CCTA’s cost per capita is well below that of many of its peers. CCTA spent \$31 per capita for FY 2000 whereas spending ranged from \$10 to \$144 per capita among its peers, with Madison (Wisconsin) spending the most. When local, state, and federal funding were examined as a percentage of total public funds, CCTA ranked fourth in terms of local dependency, with

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very little state support. Of CCTA year 2000 public funds, local sources constituted 55 percent, with state monies comprising 18 percent, and federal 27 percent. The state of Vermont spends very little on transit per capita as compared to peer agencies. Of the total *state* and *local* assistance, on average, each peer agency receives 62 percent from state sources. The average local contribution is approximately 38 percent of the *state* and *local* total. CCTA is unique, with only 25 percent coming from the state and 75 percent coming from local sources.

The consulting team also conducted over 24 stakeholder interviews, which revealed three main themes: the need to have one transit authority in Chittenden County, the need to reform transit funding in Chittenden County, and the priority of the Burlington-Essex commuter rail proposal. The need to reform transit funding generated the most discussion. As a result, the consulting team included a discussion of potential new revenue sources with several selected revenue estimates to provide Chittenden County a variety of revenue choices. The consulting team, however, believes that the sales tax and the gasoline tax are the two most likely tax sources for new transit funding. Levying these taxes at the state level or at the local level has both advantages and disadvantages.

An advantage of statewide taxation is that it creates fewer boundary competition problems and the associated inequities at taxing boundaries arise. It also preserves the uniformity and potential of the state funding capacity. Furthermore, a state tax could create greater potential income.

The advantage of the local option tax is that it facilitates local choice, control, and accountability. Given that public services differ by area, one might argue that tax rates should also differ.

The Burlington to Essex Rail Project is dependent on federal aid for capital construction. The process to acquire federal funds requires submittal of a sound financial plan. The local financial strategy for the project calls for the Vermont Agency of Transportation (VTrans) to manage the construction phase of the commuter rail project. This phase would be funded by a combination of federal Section 5309 funds, Vermont Transportation Fund appropriations, and use of the federal matching mechanism called toll credits. The operations phase of the project would be executed by a single transit operating entity to be created to provide all transit services in Chittenden County. The operations phase would be funded by passenger revenues, other internal or external funds generated by the service, and the Vermont Public Transportation Fund. The new entity should transition from the current base of local funding (property tax) to a proposed sales or gas tax. A sales tax or a gas tax could be levied at the state level with local dedication to roads/transit and/or at the local level as an optional tax for transit. Based on the current transit structure, the consulting team proposes that the new entity be a regional entity authorized by the state or a state entity with regional support and governance. Both the state and local governments will be represented in the governance structure.

The consulting team recognizes that the creation of a single authority to provide all transit service in Chittenden County, and finding a new source of funding for transit needs, will take time. In the meantime,

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the state legislature has enacted H 764 in which the General Assembly creates a temporary Task Force to produce a report that contains recommendations on the following: 1) Alternative, sustainable, regional revenue sources to replace the local property tax to support operating expenses for public transportation. 2) Improving the institutional relationships between public transportation providers in the region, which may include a proposal to integrate organizations or services, or both. 3) An intermodal public transportation system in the region that optimally serves the needs of the public at large, including human service agencies, economic development, commuters, tourists and other visitors to the state.

The Task Force will attempt to document as much agreement as possible among the constituent agencies (Chittenden County Metropolitan Planning Organization, Chittenden County Transportation Authority, Vermont Transportation Authority, Special Services Transportation Authority, and Vermont Agency of Transportation) on the legislated topics. This agreement could take the form of draft legislation endorsed by each constituent agency, or a recommendation of certain legislative actions, with suggestions or a limited list of options on other aspects of the issues.

### **1.3 The Consulting Team Financial Role**

The consulting team has three major financial roles in helping the CCMPO move forward with plans to improve transit services in Chittenden County. First, to assess the current institutional structure to see if any changes are warranted given Chittenden County's long-range transportation plans and needs. Second, to assess and explore alternative funding mechanisms to generate funds for a *regional* transit system instead of the five CCTA member communities. And finally, to prepare a Federal Transit Administration (FTA) compliant financial plan for the Rt. 15 Corridor major transit investments (commuter rail and feeder buses). The requirements for a successful submission will be discussed in this report.

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## **2. Introduction**

The purpose of this report is to present the institutional and financial background issues that currently exist in Chittenden County and to examine how the present condition is insufficient to move the Burlington to Essex Rail Project forward. As such, the report will present the institutional and financial strategy for implementing the overall Rt. 15 Corridor Improvement Plan, which includes the Burlington-Essex Project.

### **2.1 Project Background**

The concept of the Burlington to Essex Rail Project began in the mid-1990s when the communities along the Burlington to Essex rail corridor requested that the Vermont Agency of Transportation (VTrans) consider the expansion of the Charlotte to Burlington rail service to Essex Junction. The Chittenden County Metropolitan Planning Organization (CCMPO) entered into an agreement with the VTrans to facilitate the process and initially performed the “Burlington/Essex Passenger Rail Feasibility Study” in 1999. In accordance with federal transportation guidelines, CCMPO subsequently conducted a comprehensive alternative analysis of the Rt. 15 corridor, which parallels the rail line. The alternative analysis recommended a multimodal solution that included commuter rail, feeder bus service, and intersection improvements on Rt. 15, which was collectively defined as the “Route 15 Corridor Plan” and accepted by the CCMPO Board on September 26, 2001. The CCMPO Board formally approved the addition of the Rt. 15 Corridor Plan to the Chittenden County Long Range Transportation Plan on March 20, 2002. The Corridor Plan serves as an “umbrella” for a number of proposed improvements and includes the Burlington to Essex Rail Project, among others.

### **2.2 Burlington-Essex Rail Project Description**

The Burlington to Essex Rail Project consists of the design and construction of track and structure improvements along approximately eight miles of the Winooski Branch of the New England Central Railroad to allow for commuter rail service between Burlington and Essex Junction. The service will be implemented as a continuation of the Charlotte to Burlington commuter rail service using existing equipment and maintenance facilities. New stations are proposed at Barlow Street, Winooski; in the vicinity of Fort Ethan Allen/Woodside Drive on the Colchester/Essex town line; behind the shopping center on Pearl Street, Essex Junction; at the Essex rail junction; and at the IBM facility. Feeder bus service will be provided to enhance access to the stations.

Construction will consist primarily of improving the rail infrastructure on the existing alignment within the railroad ROW. A passing siding will be created south of the Burlington rail yard. A section of new mainline track will be constructed east of the Burlington Municipal Electric Plant to allow the commuter rail to operate without interfering with the freight trains that currently service the facility. The Winooski

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Branch will also be extended to the east of the “Wye.” Structural improvements include rehabilitation of the Burlington rail tunnel and improvements to grade crossings along the ROW.

## **2.3 FTA Context**

The Burlington to Essex Rail Project, similar to many transit projects throughout the country, is dependent on federal aid for its capital investments. Due to the limited federal funds available for transit projects, the Federal Transit Act mandates that “no grant or loan shall be provided under this section unless the Secretary determines that the applicant has or will have the legal, financial, and technical capacity to carry out the proposed project.”<sup>1</sup> In short, FTA requires a financial plan be developed for the Burlington to Essex Rail Project.

The core element of a financial plan is an agency wide 20-year cash flow projection that includes the capital and operating plans for the agency as a whole and for the proposed project. The critical factors are: funding sources and revenue forecasts; capital budget; other planned capital projects; and annual operating and maintenance (O&M) expenses for the proposed project and the existing system.

FTA requires the non-federal portion of the capital plan be committed. Evidence of commitment may include legislative documentation, resolutions approving funding, account balances, a bonding prospectus and agency debt covenants, signed joint development agreements, or legally binding agreements with state/local agencies committing the funds.

The operating entity of the Burlington to Essex Rail Project also needs to demonstrate the ability to operate and maintain the entire transit system after the project is in revenue service and to ensure that it will not reduce existing transit service levels.

Since the costs of the Burlington to Essex Rail Project to be funded with section 5307 funds are estimated to be below \$25 million, the project is not subject to the FTA rating process. FTA’s expectation for the financial and institutional support of the project is less stringent.

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<sup>1</sup> Source for “New Starts” process: FTA Guidance for Transit Financial Plans, June 2000.

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## **3. Existing Condition, Needs, and Peer Comparison**

### **3.1 Institutional**

To evaluate the ability of Chittenden County's current transit funding mechanism to fund all of the county's transit needs, the consulting team conducted stakeholder interviews with over 24 personnel from organizations that influence transportation planning and operations in Chittenden County. Stakeholder interviews included:

- Seven state legislators
- Eight Chittenden County public officials
- Four non-profit organization representatives
- Five other state officials
- Business representatives

Three main themes emerged from the stakeholder interviews. First, there is a need to have one transit authority in Chittenden County. Second, there is a need to reform transit funding for Chittenden County and to meet the challenge of finding a new funding source. Third, stakeholders voiced the need for a new funding source, but finding new funding will be difficult in Vermont.

These themes will be discussed further in this report, but in order to fully understand the situation in Chittenden County it is imperative to look at the institutions that affect transit in the county. The major institutions that affect transit in Chittenden County are Vermont Agency of Transportation (VTrans), Chittenden County Transportation Authority (CCTA), Vermont Transportation Authority (VTA), Special Service Transportation Agency (SSTA), Campus Area Transportation Management Association (CATMA), and Campus Area Transportation System (CATS).

#### **3.1.1 Vermont Agency of Transportation (VTrans)**

VTrans is a state agency that was created 25 years ago after legislation was passed to combine four separate transportation departments—Highway, Motor Vehicles, Aeronautics, and Public Transit—into a single department. VTrans is responsible for maintaining existing infrastructure and developing an integrated transportation network that includes rail, air, public transit, and bike/pedestrian systems. In addition to integrating all modes, VTrans also works cooperatively with different agencies to move people and goods in a safe, cost-effective, environmentally sensitive, and timely manner.

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### **3.1.2 Chittenden County Transportation Authority (CCTA)**

CCTA was founded in 1973 and is the main transit provider in Chittenden County. CCTA provides a number of public transportation services including fixed-route transit service, paratransit, Medicaid transportation, and ridesharing services. CCTA is an independent, public authority comprised of five communities which provide financial support for the agency's operations. CCTA services are exclusively within its member communities, which include Burlington, South Burlington, Essex, Winooski, and Shelburne. However, a segment of the Essex route goes through Colchester who is not a member. Services such as ridesharing and some Medicaid trips are beyond these boundaries.

CCTA allocates member expenses by taking into account total revenue and federal and state contributions toward capital and operating expenditure, and the remainder of costs are assessed and allocated to each of the member cities who provide the funds from property taxes. Previously, the CCTA charter required that any new service achieve a 50 percent or greater annual revenue return for the service to be included in the regular assessment; now it has been reduced to 29 percent. Unless it is in the regular assessment, the service is not eligible for federal or state subsidies. In addition, the new service has to carry the burden of previous capital debt service (outstanding bonds).

Any expansion of CCTA's services is subject to its charter and also to the inclusion of new towns into the authority's membership. Expansion of the membership, and therefore the service area is difficult because those communities would have to commit property tax revenue to CCTA and because of issues related to such communities "buying in" to past debt.

### **3.1.3 Vermont Transportation Authority (VTA)**

VTA is a state entity that was established to operate the Champlain Flyer, the commuter train in Chittenden County. VTA board consists of five governor appointed members coming from different regions of the state. The Champlain Flyer began operation in 2000 and serves Burlington, Shelburne, and Charlotte. The services are contracted out to Vermont Railway (VTR).

### **3.1.4 Special Service Transportation Agency (SSTA)**

SSTA is a private non-profit organization that started in 1982. SSTA provides van transportation services for people with specialized mobility needs, which are frequently the elderly and disabled. SSTA also provides coordinated transportation service to many area human service agencies; for example, the Visiting Nurse Association's Adult Day Programs, Champlain Senior Center, Howard Community Health Services, Champlain Vocational Services, and Champlain Valley Agency on Aging. SSTA's current fleet includes 38 vans operated with 43 full- and part-time employees. CCTA contracts with SSTA to provide some of its ADA paratransit service.

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### **3.1.5 Campus Area Transportation Management Association (CATMA)**

CATMA is a private non-profit transportation management association that was formed in 1992; it includes the Burlington American Red Cross, Champlain College, Fletcher Allen Health Care, and the University of Vermont and State Agricultural College (cumulatively known as the “Hill” Institutions). CATMA has both private and public sector participation with the agreement to share resources as well as jointly plan, develop, and manage all transportation and parking programs, infrastructure, and associated facilities. CATMA’s current fleet includes 20 vehicles, which operate within the core area of the institutions and help lessen traffic on adjacent streets. CATMA service also interfaces with the CCTA bus system at key locations throughout the core. CATMA is funded by member institutions.

### **3.1.6 Campus Area Transportation System (CATS)**

CATS is a fleet of nine busses which operate fare-free for University of Vermont students, staff, faculty, and visitors. The goal of CATS is to provide an alternative to driving and reduce the number of vehicles traveling on city streets and parking in lots near the center of campus. CATS is owned by the University of Vermont and operated by the Department of Transportation and Parking Services. CATS is financed by a student fee.

## **3.2 Financial**

This section reviews previous transit expenditure and funding sources for VTrans, CCTA, and VTA. Sources of funding are discussed where applicable.

### **3.2.1 Vermont Agency of Transportation (VTrans)**

Vtrans provides capital and operating funds for rail and public transit throughout Vermont. Tables 1 and 2 show VTrans’ rail and public transit programs over the last seven years. The rail program has fluctuated more dramatically than public transit in both absolute dollar terms and investment as a percentage of total transportation funds. From 1996 to 1998, rail investment had a declining trend; however, investment grew by over 200 percent from 1999 to 2000. Rail investment dropped a bit in 2001 but increased again in 2002. In an interview, the Secretary of VTrans reported that Vermont is committed to rail investments, and therefore future rail investment will more likely follow the investment trends of 2000 and 2001 instead of 1996-1998.

Public transit investment experienced dramatic decline from 1996 to 1997 but increased in 1998. There was a slight growth in public transit investment between 1999 and 2001, although public transit investment as a portion of transportation expenditures stagnated between 1999 and 2000, all remains below 1996, 1998 and 2002 levels.

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**Table 1**

| <b>Rail Program</b>      |                                   |                     |   |
|--------------------------|-----------------------------------|---------------------|---|
| <b>State Fiscal Year</b> | <b>Total Transportation Funds</b> | <b>Rail Program</b> | <b>Rail as % of Total Transportation Fund</b> |
| 1996                     | \$157,417,030                     | \$ 3,780,975        | 2.40%   |
| 1997                     | \$158,672,224                     | \$ 3,707,545        | 2.34%   |
| 1998                     | \$161,313,539                     | \$ 3,562,528        | 2.21%   |
| 1999                     | \$176,058,274                     | \$ 2,870,585        | 1.63%   |
| 2000                     | \$187,517,434                     | \$ 9,574,497        | 5.11%   |
| 2001                     | \$203,317,934                     | \$ 7,360,373        | 3.62%   |
| 2002*                    | \$212,006,752                     | \$13,748,424        | 6.48%   |

\* Includes Vermont Transportation Authority (VTA); Source: Vtrans

**Table 2**

| <b>Public Transit Program</b> |                                   |                               |   |
|-------------------------------|-----------------------------------|-------------------------------|---|
| <b>State Fiscal Year</b>      | <b>Total Transportation Funds</b> | <b>Public Transit Program</b> | <b>Public Transit as % of Total Transportation Fund</b> |
| 1996*                         | \$157,417,030                     | \$4,403,883                   | 2.80%   |
| 1997*                         | \$158,672,224                     | \$2,074,865                   | 1.31%   |
| 1998*                         | \$161,313,539                     | \$4,775,149                   | 2.96%   |
| 1999*                         | \$176,058,274                     | \$3,187,803                   | 1.81%   |
| 2000                          | \$187,517,434                     | \$3,403,063                   | 1.81%   |
| 2001                          | \$203,317,934                     | \$4,352,510                   | 2.14%   |
| 2002                          | \$212,006,752                     | \$4,441,245                   | 2.09%   |

\* 1996-1999 includes expenditures on the Rutland Multimodal Transit Center; Source: VTrans

### **3.2.2 Chittenden County Transportation Authority (CCTA)**

The majority of CCTA's funding comes from four main sources: passenger fares, local funds, state funds, and federal assistance (see Table 3). There was a sharp increase in funding in 1997 and 1998 due to a capital initiative. CCTA built its new maintenance/administrative facility at this time. In 2001, CCTA experienced an increase in funds by almost 70 percent from 2000 level. The capital program involved the purchase of new buses and upgrading the farebox system.

Of the four main sources of funding, local funds play the most important role in providing operating revenue for the system. The local share of the expenses is allocated to the member municipalities based on the percentage of bus miles operated in each town. Of the five municipality members, Burlington receives the most service and is assessed approximately 60 to 66 percent of the total local assessment

annually. South Burlington is assessed at approximately 14 to 16 percent, Essex approximately 11 to 13 percent, Winooski approximately 5 to 6 percent, and Shelburne approximately 3 percent annually (see Table 4). Because CCTA does not have taxing authority, each member municipality assesses its own property tax to pay for the service. Local resistance to increases in property tax limits CCTA's ability to expand service or meet growing budget demands. It is well known that the use of the property tax to finance transit is a major barrier to entry for many non-member municipalities. If CCTA is to expand its service area and increase service, a new funding source is required.

**Table 3**

| <b>CCTA Sources of Funding (Capital and Operating)</b> |                     |                    |                    |                    |                    |                    |
|--|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  | <b>1996</b>         | <b>1997</b>        | <b>1998</b>        | <b>1999</b>        | <b>2000</b>        | <b>2001</b>        |
| Passenger Fares  | \$ 949,139          | \$ 916,798         | \$ 958,217         | \$ 930,897         | \$ 920,897         | \$1,109,466        |
| Local Funds  | \$ 1,580,610        | \$1,923,714        | \$1,147,172        | \$1,442,212        | \$1,460,314        | \$1,859,335        |
| State Funds  | \$ 511,935          | \$ 468,700         | \$1,535,101        | \$1,081,584        | \$ 477,542         | \$ 845,320         |
| Federal Assistance                                     | \$ 643,981          | \$1,679,625        | \$3,741,918        | \$1,069,422        | \$ 728,133         | \$2,362,127        |
| Other Funds  | \$ 112,129          | \$ 119,763         | \$ 111,424         | \$ 119,987         | \$ 126,417         | \$ 110,162         |
| <b>Total Funds</b>                                     | <b>\$ 3,797,794</b> | <b>\$5,108,600</b> | <b>\$7,493,832</b> | <b>\$4,644,102</b> | <b>\$3,713,303</b> | <b>\$6,286,410</b> |

Source: National Transit Database Data

**Table 4**

| <b>CCTA Member Assessment</b> |                    |                                   |                    |                                   |                    |                                   |                    |                                   |
|-------------------------------|--------------------|-----------------------------------|--------------------|-----------------------------------|--------------------|-----------------------------------|--------------------|-----------------------------------|
|                               | <b>1998</b>        | <b>1998 % of Total Assessment</b> | <b>1999</b>        | <b>1999 % of Total Assessment</b> | <b>2000</b>        | <b>2000 % of Total Assessment</b> | <b>2001</b>        | <b>2001 % of Total Assessment</b> |
| Burlington                    | \$ 739,392         | 60%                               | \$ 954,928         | 65%                               | \$ 971,219         | 66%                               | \$1,025,072        | 66%                               |
| Essex                         | \$ 165,402         | 13%                               | \$ 176,646         | 12%                               | \$ 175,398         | 12%                               | \$ 175,360         | 11%                               |
| South Burlington              | \$ 191,443         | 16%                               | \$ 209,783         | 14%                               | \$ 209,783         | 14%                               | \$ 214,387         | 14%                               |
| Winooski                      | \$ 78,659          | 6%                                | \$ 75,147          | 5%                                | \$ 72,434          | 5%                                | \$ 75,342          | 5%                                |
| Shelburne                     | \$ 41,681          | 3%                                | \$ 40,969          | 3%                                | \$ 40,957          | 3%                                | \$ 46,059          | 3%                                |
| Colchester                    | \$ 9,840           | 1%                                | \$ 6,186           | 0%                                | \$ 5,949           | 0%                                | \$ 5,936           | 0%                                |
| <b>Total Assessed Value</b>   | <b>\$1,226,417</b> |                                   | <b>\$1,463,659</b> |                                   | <b>\$1,475,740</b> |                                   | <b>\$1,542,156</b> |                                   |

Source: CCTA Audited Financial Statements

### **3.2.3 Vermont Transportation Authority (VTA)**

The Vermont Transportation Authority runs the Champlain Flyer which began operation less than two years ago and has a financial statement for only one year (see Table 5). Currently, the Champlain Flyer is utilizing the federal Congestion Management and Air Quality (CMAQ) funds for capital and operating expenses. The CMAQ funds are available only for three years and will end in 2003. After the CMAQ

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funds are no longer available, the Champlain Flyer will need a new funding source if it is to continue to operate. To date, no such source has been obligated.

**Table 5**

| <b>VTA Statement of Revenue<br/>FY Ended June 30, 2001</b> |                    |
|--|--------------------|
| Federal Grants and Subsidy                                 | \$1,582,794        |
| State Subsidy  | \$ 384,096         |
| Other Operating Revenue                                    | \$ 7,698           |
| <b>Total</b>   | <b>\$1,974,588</b> |

Source: VTA 2001 Audit

### **3.3 Chittenden County Transit Funding Comparison**

The financial facts above are useful to track annual transit expenditures in Vermont and in Chittenden County. The analysis below is a peer comparison review of transit agencies similar to CCTA.

#### **3.3.1 Introduction to Public Funding Data**

The terms used in the comparison below to describe public funding for mass transit are based on the categories defined in the National Transit Database. The consulting team collected this information for each agency to develop comparative tables:

- **Local Dedicated Tax Revenue.** Tax revenue collected by a subdivision of the state (county, municipality, or special district such as a mass transit authority) and used to fund mass transit. Typical tax sources include retail sales, personal income, corporate income, or gasoline. For purposes of this discussion, Local Dedicated Tax includes tax revenue directly generated by a transit agency, which are funds dedicated directly to transit, where the transit agency has the legal authority to impose and collect the revenue.
- **Local Dedicated Aid (Non-Transit).** Tax revenue collected by a subdivision of the state (county, municipality, or special district) that is restricted regarding its use, but is not dedicated entirely to transit. These funds are used to support other uses such as road, bridge, or highway needs in addition to mass transit.
- **Local General Aid.** General revenue aid provided to local services including mass transit. Counties, municipalities, or special districts normally draw upon their general funds for this support.
- **State Aid.** Includes general revenue, which is state revenue provided to mass transit services and is paid out of state general funds and Dedicated Tax Revenue, which is state-collected tax revenue dedicated entirely to supporting mass transit.

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- **Federal Aid.** Federal funding for transit may take one of the following forms:

Under the Transportation Equity Act for the Twenty-First Century (TEA-21), the federal government funds operating deficits for transit agencies in urbanized areas with populations smaller than 200,000. In larger areas, it reimburses transit agencies for only 80 percent of reported maintenance costs, which include all vehicle and non-vehicle maintenance costs plus the maintenance portion of purchased service costs.

- **Urbanized Area Formula Funds (formerly Section 5307).** Federal transportation funding that is allocated to transit regions based on demographic factors and transit service data.
- **Capital Investment Grants Program (formerly Discretionary Grants or Section 5309).** Federal funds that are awarded to transit regions following a federal application approval process; the funds are typically used to supplement capital resources provided under the federal formula program.
- **Surface Transportation Program (STP) Transfers.** STP transfers permit urbanized areas to expend limited funding for either highway or transit projects at their discretion.
- **CMAQ.** A program that provides limited funding for transit or highway projects that improve congestion or air quality.

### 3.3.2 Hypothetical Governance Structures as They Relate to Transit Financing

To illustrate the use of this terminology, two typical transit-funding structures are a *public transit agency* and an *independent transit authority*. The *public agency* is often funded from municipal general funds, which derive primarily from local property tax revenues but also include various other municipal taxes and fees. The public operation may also utilize some state aid that is often dedicated to transit capital projects as a percentage of some state dedicated tax source. Federal formula funding is generally used for operations planning and capital projects. A typical public funding situation would be described in this report utilizing the following funding types:

- **Local General Aid** describes the city's tax funds used for the system, regardless of source, because none of the taxes used were dedicated to a specific purpose.
- **State Aid** describes the state capital funding used as a match for the federal capital grants; we have not distinguished between state dedicated or non-dedicated funding.
- **Federal Aid** describes both the federal operating and capital funds.

The *independent* transit authority, on the other hand, is often authorized by state legislatures to levy taxes such as a sales tax, which must be used for the authority's purposes, i.e., mass transit. The authority plans daily operations to rely exclusively on this tax for basic local funding, but local governments may allocate small amounts of city general revenue to fund services the City Council deems essential (these services do not typically meet the authority's service standards). The authority also utilizes a combination of vehicle

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registration fees, automobile leasing and purchase excise taxes, and an automobile parts tax, all levied at the local level and used exclusively for transportation. Independent authorities sometimes accelerate federal formula funding by using as much as possible for maintenance and operating assistance, and they have been able to supplement formula assistance by developing programs to match discretionary federal grants with their sales tax funds. This approach would use the following funding types:

- **Local Dedicated Tax**, such as a sales tax, describes the transit authority’s own tax levy.
- **Local Dedicated Aid (Non-Transit)** includes county transportation funds.
- **Local General Aid** is the city’s special service contribution.
- **Federal Aid** describes both the federal operating and capital funds.

### 3.3.3 Peer Selection Methods

The regional peer group is composed of 24 peer agencies chosen from the FTA’s list of transit-intensive cities. As requested by CCMPO, several of the smallest urbanized areas with commuter rail were selected even though commuter rail agencies tend to have much higher urbanized area population and service area population. In addition to being a transit-intensive city, the peer agencies also have similar population and fleet size as does CCTA.<sup>2</sup> Furthermore, primarily agencies with similar weather conditions are chosen, based on the assumption that costs are similar. The selection resulted in the following peer regions:

- |                     |                  |                   |
|---------------------|------------------|-------------------|
| ▪ Brockton, MA      | ▪ Burlington, VT | ▪ Chattanooga, TN |
| ▪ Chesterton, IN    | ▪ Elmira, NY     | ▪ Fitchburg, MA   |
| ▪ Harrisburg, PA    | ▪ Iowa City, IA  | ▪ Ithaca, NY      |
| ▪ Johnstown, PA     | ▪ Lafayette, IN  | ▪ Madison, WI     |
| ▪ Muncie, IN        | ▪ Nashua, NH     | ▪ New Bedford, MA |
| ▪ Newington, CT     | ▪ Norwalk, CT    | ▪ Oceanside, CA   |
| ▪ Pittsfield, MA    | ▪ Portland, ME   | ▪ San Carlos, CA  |
| ▪ State College, PA | ▪ Stockton, CA   | ▪ York, PA        |

The Transit agencies include:

#### Bus Systems

- Brockton Area Transit Authority, MA

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<sup>2</sup> Population ranged from 50,000 to 100,000. Special requests were made by CCMPO to include agencies within Massachusetts and New Hampshire.

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- Chittenden County Transportation Authority, VT
  - Chattanooga Area Regional Transportation Authority, TN
  - Chemung County Transit System, NY
  - Montachusett Regional Transit Authority, MA
  - University of Iowa (CMBUS), IA
  - Tompkins Consolidated Area Transit, NY
  - Cambria County Transit Authority, PA
  - Greater Lafayette Public Transportation Corporation, IN
  - Madison Metro Transit, WI
  - Muncie Indiana Transit System, IN
  - Nashua Transit System, NH
  - Southeastern Regional Transit Authority, MA
  - Norwalk Transit District, CT
  - Berkshire Regional Transit Authority, MA
  - Greater Portland Transit District, ME
  - Centre Area Transportation Authority, PA
  - York County Transportation Authority, PA

#### Bus Systems with Commuter Rail

- Connecticut Department of Transportation, CT
- North San Diego County Transit Development Board, CA

#### Commuter Rail Systems

- Northern Indiana Commuter Transportation District, IN
- Pennsylvania Department of Transportation, PA
- Peninsula Corridor Joint Powers Board, PA
- San Joaquin Regional Rail Commission, CA

### **3.3.4 Peer Agencies Comparison**

The purpose of the peer comparison is to examine public funding sources of CCTA and comparable peer agencies. The comparison is based on FY 2000 National Transit Database data and does not include VTA, the train service in Chittenden County. Currently, CCTA relies heavily on its five member communities' property tax to finance public transit. The reliance on the property tax to fund transit has hindered CCTA

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from expanding to other communities within Chittenden County. By looking at peer funding sources, CCTA can determine whether its current funding structure is similar to peer agencies and, if not, whether change would be advantageous to the region.

Figure 1 shows public funding per capita, including local, state, and federal sources. The consulting team derived public expenditure per capita by dividing both capital and operating funds for local, state, and federal sources by the urbanized area population as defined by the National Transit Database.<sup>3</sup> This report focuses solely on public funding sources. That is, the consulting team did not include fares and other operating revenues in this analysis.

CCTA cost per capita is well below its peers.<sup>4</sup> CCTA spent \$31 per capita for FY 2000 whereas spending ranged from \$10 to \$144 per capita among its peers, with Madison, Wisconsin spending the most. When local, state, and federal funding were examined as a percentage of total public funds (see Figure 2, *The Public Funding Sources as a Percent of Total Public Funds*), CCTA ranked fourth in terms of local dependency, with very little state support. Local sources constituted 55 percent of CCTA's 2000 public funds, with state funds at 18 percent, and federal at 27 percent. The state of Vermont spends very little on transit per capita as compared to peer agencies. Figures 3 through 6 reinforce this fact and also reveal that, on average, peer agencies rely much more on state rather than local assistance. Of total state and local assistance, on average, each peer agency receives 62 percent from state sources. The average local contribution is approximately 38 percent of the state and local total. CCTA is unique, with only 25 percent coming from the state and 75 percent coming from local sources.

Further examination of state and local sources reveals that CCTA relies heavily on local general funds, such as the local property tax. Only five of the Chittenden County municipalities have joined CCTA. Other towns have been reluctant to join because of the high costs and because they would have to either increase their property tax or cut other spending to pay for public transit.

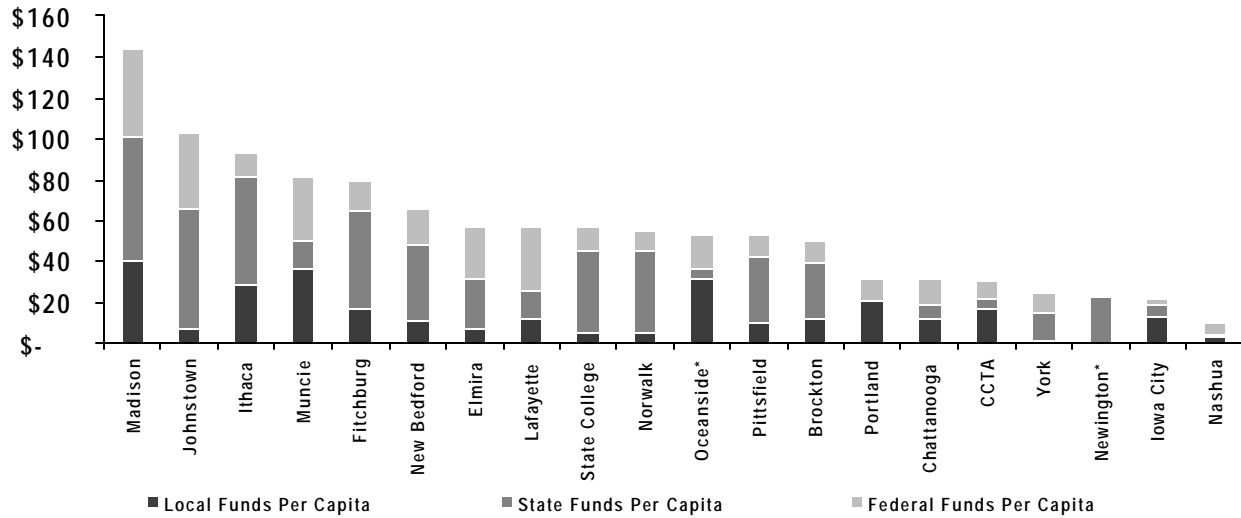
Figure 5, *24 Agencies State and Local Funding Sources*, provides some insight into the sources of funding for the 24 peer agencies. Unlike CCTA, many peer agencies have some type of local dedicated tax that provides funding for transit. Furthermore, many peer states also allocate and dedicate a portion of their sales, property, and income taxes to transit. A dedicated source of funding provides a more stable source of funds for transit agencies, which enable them to plan and provide service for the increasing demand for public transit.

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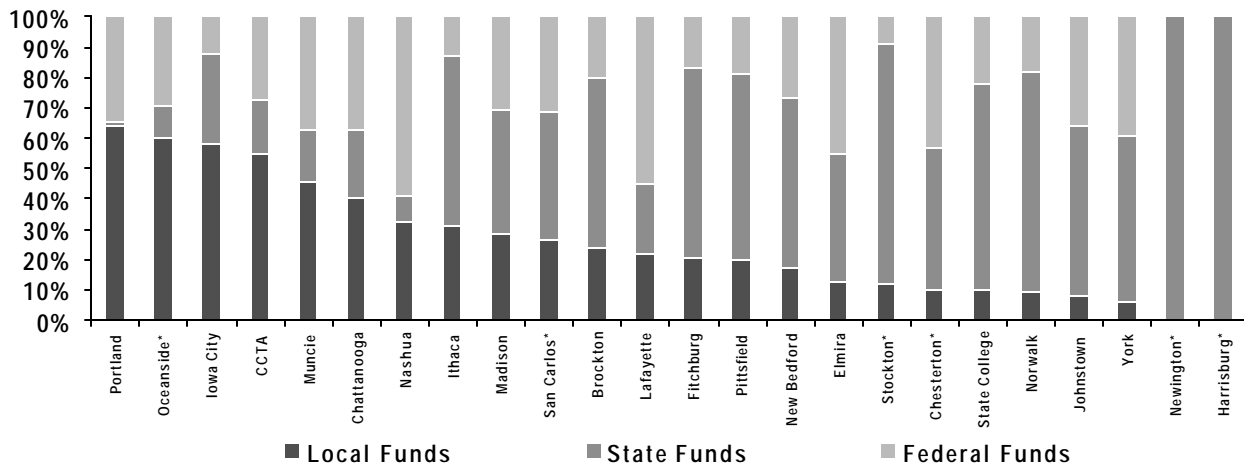
<sup>3</sup> Urbanized Area (UZA) is defined by the U.S. Census Bureau and includes one or more incorporated cities, villages, and towns ("central place") and the adjacent densely settled surrounding territory ("urban fringe") that together have a minimum of 50,000 persons.

<sup>4</sup> The per-capita comparison excludes systems with only rail service and excludes the Champlain Flyer because these peer agencies serve larger urbanized areas and distort the comparison.

**Figure 1**  
Public Funding Per Capita<sup>5</sup>

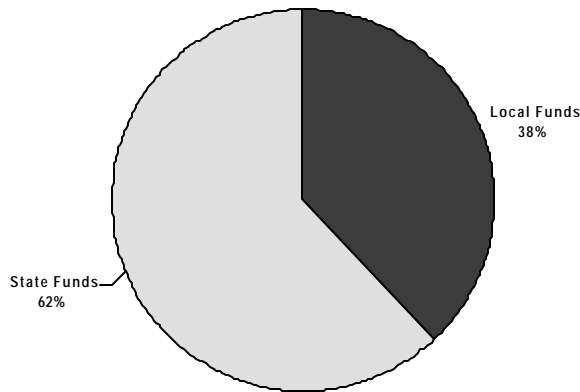


**Figure 2**  
Public Funding Sources as a Percent of Total Public Funds

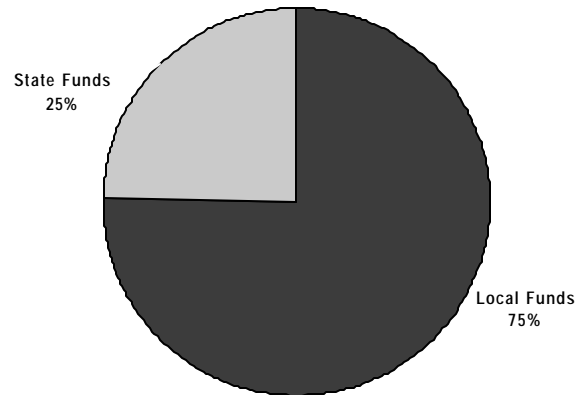


<sup>5</sup> Source: 2000 National Transit Database, analysis based on urbanized area population. Cities with an \* have rail service.

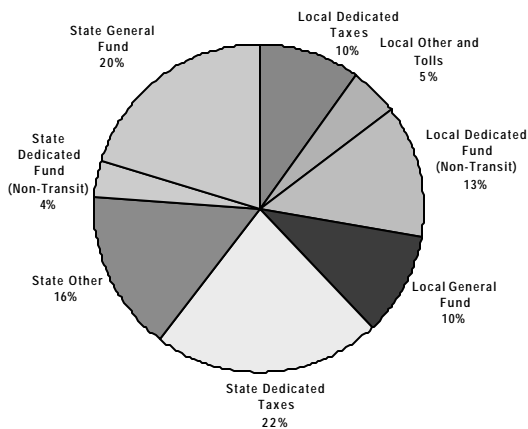
**Figure 3**  
24 Agencies State and Local Funds



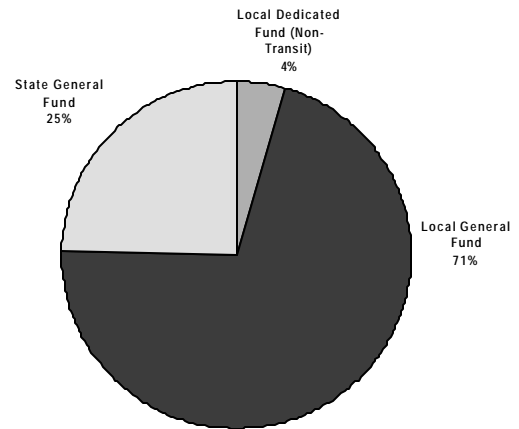
**Figure 4**  
CCTA State and Local Funds



**Figure 5**  
24 Agencies State and Local Funding Sources



**Figure 6**  
CCTA State and Local Funding Sources



### 3.4 Public Funding in Peer Regions

This peer comparison section begins with Table 6, showing capital and operating funding from local, state, and federal sources by the 24 peer agencies for year 2000. Table 6 is a reference source for Figures 3 through 6, allowing the reader to better grasp the magnitude of each funding source. Although the total amounts are simply the sum of the peer agencies, the percentage relationships among the totals give an accurate picture of how transit is funded in peer cities.

Table 7, *24 Peer Agencies Transit Funding Sources*, shows the funding sources and amounts for each of the peers. Table 7 allows the reader to quickly identify agencies that utilize certain dedicated tax sources for transit. Following the tables are brief discussions of each agency’s institutional structure and funding

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source. The data presented are results of the National Transit Database collection, Internet research, and phone interviews with each peer agency.

The peer study comparison focuses primarily on public assistance. Farebox revenue and other revenue sources are not included.

There are three public funding sources available for transit in the peer group: federal, state, and local. Federal formula funding (also known as Urbanized Area Formula Grants) constitutes the bulk of federal assistance. Variables that produced higher formula funding among the peer regions included higher population or population density. Additional federal allocations may include funding to support fixed guideway construction or modernization or transit fleet upgrades.

State transit funding can either be formula or discretionary and is allocated from general revenue or from dedicated tax revenue. Among the states included in this study, several levy some sort of tax, such as a retail sales or motor fuels tax, to support public funding programs. Connecticut utilizes state-level transportation funds to support transit operating and capital needs. The fund, known as the Special Transportation Fund (STF), is supported primarily by a statewide motor fuels tax and any funding provided to local transit districts is strictly discretionary. The Connecticut Department of Transportation (Conn Dot) has sole responsibility for collecting and allocating the STF support.

Local transit funding is normally allocated to transit agencies from general revenue or from dedicated tax revenue. Several peer systems in this study levy some sort of dedicated local tax, such as a local option sales tax, or use part of the transportation fund to support transit. Several agencies rely on property tax revenue to subsidize municipal operating requirements.

**Table 6**  
24 Agencies Total: Sources of Funding, 2000 (figures in \$000s)

| Source                            | Capital Funds     | % of Total Capital | As a % of Total Capital for Local or State | Operating Funds   | % of Total Operating | As a % of Total Operating for Local or State | Total of Capital and Operating | % of Capital and Operating | Local or state % of Capital and Operating |
|-----------------------------------|-------------------|--------------------|--|-------------------|----------------------|--|--------------------------------|----------------------------|---|
| Local Dedicated Tax               |                   |                    |  |                   |                      |  |                                |                            |   |
| Income                            | \$ -              |                    | 0%   | \$ 2,291          |                      | 3%   | \$ 2,291                       |                            | 2%  |
| Sales                             | \$ 1,193          |                    | 7%   | \$ 21,558         |                      | 27%  | \$ 22,751                      |                            | 23%                                       |
| Property                          | \$ -              |                    | 0%   | \$ 494            |                      | 1%   | \$ 494                         |                            | 1%  |
| Gasoline                          | \$ -              |                    | 0%   | \$ -              |                      | 0%   | \$ -                           |                            | 0%  |
| Other                             | \$ 2,709          |                    | 16%  | \$ 3,280          |                      | 4%   | \$ 5,989                       |                            | 6%  |
| Tolls                             | \$ 6,180          |                    | 37%  | \$ -              |                      | 0%   | \$ 6,180                       |                            | 6%  |
| <b>Total Local Dedicated</b>      | <b>\$ 10,082</b>  | <b>5%</b>          | <b>60%</b>                                 | <b>\$ 27,623</b>  | <b>17%</b>           | <b>34%</b>                                   | <b>\$ 37,705</b>               | <b>10%</b>                 | <b>39%</b>                                |
| Local Dedicated Aid (Non-Transit) | \$ 3,588          |                    | 21%  | \$ 29,347         |                      | 37%  | \$ 32,935                      |                            | 34%                                       |
| Local General Aid                 | \$ 3,065          |                    | 18%  | \$ 23,252         |                      | 29%  | \$ 26,317                      |                            | 27%                                       |
| <b>Total Local Aid</b>            | <b>\$ 16,735</b>  | <b>8%</b>          | <b>100%</b>                                | <b>\$ 80,222</b>  | <b>50%</b>           | <b>100%</b>                                  | <b>\$ 96,957</b>               | <b>27%</b>                 | <b>100%</b>                               |
| State Dedicated Tax               | \$ -              |                    |  | \$ -              |                      |  | \$ -                           |                            |   |
| Income                            | \$ -              |                    | 0%   | \$ -              |                      | 0%   | \$ -                           |                            | 0%  |
| Sales                             | \$ 52,747         |                    | 58%  | \$ 2,260          |                      | 3%   | \$ 55,007                      |                            | 35%                                       |
| Property                          | \$ -              |                    | 0%   | \$ -              |                      | 0%   | \$ -                           |                            | 0%  |
| Gasoline                          | \$ 141            |                    | 0%   | \$ 1,411          |                      | 2%   | \$ 1,552                       |                            | 1%  |
| Other                             | \$ 32,671         |                    | 36%  | \$ 7,891          |                      | 12%  | \$ 40,562                      |                            | 26%                                       |
| <b>Total State Dedicated</b>      | <b>\$ 85,559</b>  | <b>42%</b>         | <b>94%</b>                                 | <b>\$ 11,562</b>  | <b>7%</b>            | <b>17%</b>                                   | <b>\$ 97,121</b>               | <b>27%</b>                 | <b>61%</b>                                |
| State Dedicated Aid (Non-Transit) | \$ 255            |                    | 0%   | \$ 9,137          |                      | 14%  | \$ 9,392                       |                            | 6%  |
| State General Aid                 | \$ 4,737          |                    | 5%   | \$ 46,785         |                      | 69%  | \$ 51,522                      |                            | 33%                                       |
| <b>Total State Aid</b>            | <b>\$ 90,551</b>  | <b>45%</b>         | <b>100%</b>                                | <b>\$ 67,484</b>  | <b>42%</b>           | <b>100%</b>                                  | <b>\$ 158,035</b>              | <b>43%</b>                 | <b>100%</b>                               |
| Total Federal Aid                 | \$ 96,137         | 47%                |  | \$ 12,971         | 8%                   |  | \$ 109,108                     | 30%                        |   |
| <b>Total Public Funds</b>         | <b>\$ 203,423</b> | <b>100%</b>        |  | <b>\$ 160,677</b> | <b>100%</b>          |  | <b>\$ 364,100</b>              | <b>100%</b>                |   |

**Table 7**  
 24 Peer Agencies Transit Funding Sources (Figures in \$000s)  
 (Capital and Operating)

| Transit Agencies                                  | Total Local Dedicated Funds | Local Dedicated Fund (Non-Transit) | Local General Fund | State Dedicated Tax |             |             |             |             | State Dedicated Fund (Non-Transit) | State General Fund | Total Federal Funds | Total Public Funds |
|---|-----------------------------|------------------------------------|--------------------|---------------------|-------------|-------------|-------------|-------------|------------------------------------|--------------------|---------------------|--------------------|
|   |                             |                                    |                    | Income              | Sales       | Property    | Gasoline    | Other       |                                    |                    |                     |                    |
| Brockton Area Transit Authority                   | \$ -                        | \$ -                               | \$ 1,892           | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                               | \$ 4,509           | \$ 1,598            | \$ 8,000           |
| Southeastern Regional Transit Authority           | \$ -                        | \$ -                               | \$ 1,556           | \$ -                | \$ -        | \$ -        | \$ -        | \$ 565      | \$ -                               | \$ 4,611           | \$ 2,453            | \$ 9,185           |
| Berkshire Regional Transit Authority              | \$ -                        | \$ -                               | \$ 578             | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                               | \$ 1,753           | \$ 553              | \$ 2,884           |
| Greater Portland Transit District                 | \$ -                        | \$ 125                             | \$ 2,354           | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                               | \$ 53              | \$ 1,329            | \$ 3,860           |
| Norwalk Transit District                          | \$ -                        | \$ -                               | \$ 552             | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                               | \$ 4,316           | \$ 1,087            | \$ 5,955           |
| Montachusett Regional Transit Authority           | \$ -                        | \$ 152                             | \$ 1,199           | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                               | \$ 4,021           | \$ 1,121            | \$ 6,493           |
| <b>Chittenden County Transportation Authority</b> | <b>\$ -</b>                 | <b>\$ 87</b>                       | <b>\$ 1,374</b>    | <b>\$ -</b>         | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>                        | <b>\$ 478</b>      | <b>\$ 728</b>       | <b>\$ 2,666</b>    |
| Nashua Transit System                             | \$ -                        | \$ 89                              | \$ 234             | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ 89                              | \$ -               | \$ 593              | \$ 1,004           |
| Connecticut Department of Transportation          | \$ -                        | \$ -                               | \$ -               | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ 8,701                           | \$ -               | \$ -                | \$ 8,701           |
| Chemung County Transit System                     | \$ -                        | \$ 151                             | \$ 336             | \$ -                | \$ -        | \$ -        | \$ 1,551    | \$ -        | \$ -                               | \$ 69              | \$ 1,720            | \$ 3,828           |
| Tompkins Consolidated Area Transit                | \$ 464                      | \$ -                               | \$ 988             | \$ -                | \$ -        | \$ -        | \$ -        | \$ -        | \$ -                               | \$ 2,611           | \$ 598              | \$ 4,660           |

| Transit Agencies                                    | Total Local Dedicated Funds | Local Dedicated Fund (Non-Transit) | Local General Fund | State Dedicated Tax |        |          |          |          | State Dedicated Fund (Non-Transit) | State General Fund | Total Federal Funds | Total Public Funds |
|---|-----------------------------|------------------------------------|--------------------|---------------------|--------|----------|----------|----------|------------------------------------|--------------------|---------------------|--------------------|
|   |                             |                                    |                    | Income              | Sales  | Property | Gasoline | Other    |                                    |                    |                     |                    |
| Cambria County Transit Authority                    | \$ 70                       | \$ 114                             | \$ 433             | \$ -                | \$ -   | \$ -     | \$ -     | \$2,915  | \$ -                               | \$ 1,582           | \$ 2,885            | \$ 7,999           |
| York County Transportation Authority                | \$ -                        | \$ -                               | \$ 206             | \$ -                | \$ 338 | \$ -     | \$ -     | \$ 972   | \$ -                               | \$ 644             | \$ 1,400            | \$ 3,559           |
| Centre Area Transportation Authority                | \$ -                        | \$ -                               | \$ 344             | \$ -                | \$ 458 | \$ -     | \$ -     | \$ 152   | \$ -                               | \$ 1,786           | \$ 771              | \$ 3,511           |
| Pennsylvania Department of Transportation           | \$ -                        | \$ -                               | \$ -               | \$ -                | \$ -   | \$ -     | \$ -     | \$ -     | \$ -                               | \$ 5,821           | \$ -                | \$ 5,821           |
| Chattanooga Area Regional Transportation Authority  | \$ -                        | \$ -                               | \$ 3,736           | \$ -                | \$ -   | \$ -     | \$ -     | \$ -     | \$ -                               | \$ 2,066           | \$ 3,463            | \$ 9,265           |
| Madison Metro Transit                               | \$ -                        | \$ -                               | \$ 10,058          | \$ -                | \$ -   | \$ -     | \$ -     | \$ -     | \$ -                               | \$ 14,415          | \$ 10,658           | \$ 35,131          |
| Greater Lafayette Public Transportation Corporation | \$ 801                      | \$ -                               | \$ 470             | \$ -                | \$ -   | \$ -     | \$ -     | \$ -     | \$ -                               | \$ 1,324           | \$ 3,155            | \$ 5,750           |
| Muncie Indiana Transit System                       | \$ 2,683                    | \$ 544                             | \$ -               | \$ -                | \$ -   | \$ -     | \$ -     | \$ -     | \$ 255                             | \$ 997             | \$ 2,639            | \$ 7,118           |
| Northern Indiana Commuter Transportation District   | \$ -                        | \$ 4,271                           | \$ -               | \$ -                | \$ -   | \$ -     | \$ -     | \$19,934 | \$ -                               | \$ -               | \$ 18,583           | \$ 42,788          |
| University of Iowa                                  | \$ -                        | \$ 922                             | \$ 7               | \$ -                | \$ -   | \$ -     | \$ -     | \$ -     | \$ -                               | \$ 467             | \$ 202              | \$ 1,598           |
| North San Diego County Transit Development Board    | \$ 25,405                   | \$ 0                               | \$ -               | \$ -                | \$ 346 | \$ -     | \$ -     | \$ 3,997 | \$ 0                               | \$ -               | \$ 12,496           | \$ 42,244          |

| Transit Agencies                      | Total Local Dedicated Funds | Local Dedicated Fund (Non-Transit) | Local General Fund | State Dedicated Tax |          |          |          |          | State Dedicated Fund (Non-Transit) | State General Fund | Total Federal Funds | Total Public Funds |
|---------------------------------------|-----------------------------|------------------------------------|--------------------|---------------------|----------|----------|----------|----------|------------------------------------|--------------------|---------------------|--------------------|
|                                       |                             |                                    |                    | Income              | Sales    | Property | Gasoline | Other    |                                    |                    |                     |                    |
| Peninsula Corridor Joint Powers Board | \$ 6,180                    | \$ 26,480                          | \$ -               | \$ -                | \$52,099 | \$ -     | \$ -     | \$ -     | \$ -                               | \$ -               | \$ 39,504           | \$124,263          |
| San Joaquin Regional Rail Commission  | \$ 2,102                    | \$ -                               | \$ -               | \$ -                | \$ 1,766 | \$ -     | \$ -     | \$12,376 | \$ -                               | \$ -               | \$ 1,573            | \$ 17,817          |

### 3.4.1 Brockton Area Transit Authority

#### Brockton, MA

##### Institutional Structure

The Brockton Area Transit Authority provides fixed-route bus transportation and paratransit. The buses run along 14 routes in Brockton, as well as routes to the Massachusetts Bay Transportation Authority (MBTA) Ashmont Station in Dorchester, to Stoughton, and to West Bridgewater. All services are purchased transportation where the provider (public or private) is obligated in advance to operate public transportation services for a public transit agency or governmental unit for a specific monetary consideration. Brockton also has commuter rail service provided by the MBTA's Old Colony Railroad, which services three stations: Montello, Brockton, and Campello.

##### Transit Funding Sources

The state of Massachusetts provides more than half of the Brockton Area Transit Authority's capital and operating funding. Local general aid contributes almost one-quarter of the capital and operating cost, and the federal contribution is about one-fifth of the total public source.

##### Local Dedicated Taxes

The Brockton Area Transit Authority does not utilize a dedicated local tax to support mass transit (see Table 8).

**Table 8**

| Brockton Area Transit Authority   |               |                    |                 |                      |                 |               |
|-----------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax               |               |                    |                 |                      |                 |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Tolls                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| Local Dedicated Aid (Non-Transit) | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Local General Aid                 | \$ 171        |                    | \$ 1,721        |                      | \$ 1,892        |               |
| <b>Total Local Aid</b>            | <b>\$ 171</b> | <b>31%</b>         | <b>\$ 1,721</b> | <b>23%</b>           | <b>\$ 1,892</b> | <b>24%</b>    |

| Brockton Area Transit Authority   |               |                    |                 |                      |                 |               |
|-----------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| state Dedicated Tax               |               |                    |                 |                      |                 |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit) | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                 | \$ 70         |                    | \$ 4,439        |                      | \$ 4,509        |               |
| <b>Total State Aid</b>            | <b>\$ 70</b>  | <b>13%</b>         | <b>\$ 4,439</b> | <b>60%</b>           | <b>\$ 4,509</b> | <b>56%</b>    |
| Total Federal Aid                 | \$ 310        | 56%                | \$ 1,288        | 17%                  | \$ 1,598        | 20%           |
| <b>Total Public Funds</b>         | <b>\$ 551</b> |                    | <b>\$ 7,448</b> |                      | <b>\$ 7,999</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.2 Southeastern Regional Transit Authority

#### New Bedford, MA

##### Institutional Structure

The Southeastern Regional Transit Authority (SRTA) provides both fixed-route and ADA paratransit bus services in each of its nine communities. Since 1974, SRTA has been serving the communities of Acushnet, Dartmouth, Fairhaven, Fall River, Mattapoisett, New Bedford, Somerset, Swansea, and Westport. It operates 72 buses over 28 routes: 14 routes within the New Bedford Division, 13 routes in the Fall River Division, and one intercity route that provides service between Fall River and New Bedford. All services are purchased transportation.

##### Transit Funding Sources

Similar to CCTA, the SRTA region does not have local taxing authority. The state plays a major role in providing funds for public transit (56 percent). The state of Massachusetts has a Local Assessment Fund, which is money from the general fund dedicated for transit. Each community has the ability to be involved in the allocation of the general fund each year through an application process.

##### Local Dedicated Taxes

SRTA does not have a dedicated local tax to support mass transit (see Table 9).

**Table 9**

| <b>Southeastern Regional Transit Authority</b> |                      |                           |                        |                             |                       |                      |
|--|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                                  | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                            |                      |                           |                        |                             |                       |                      |
| Income   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>                   | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| Local Dedicated Aid (Non-Transit)              | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Local General Aid                              | \$ -                 |                           | \$ 1,556               |                             | \$ 1,556              |                      |
| <b>Total Local Aid</b>                         | <b>\$ -</b>          |                           | <b>\$ 1,556</b>        | <b>21%</b>                  | <b>\$ 1,556</b>       | <b>17%</b>           |
| State Dedicated Tax                            |                      |                           |                        |                             |                       |                      |
| Income   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other  | \$ 565               |                           | \$ -                   |                             | \$ 565                |                      |
| <b>Total State Dedicated</b>                   | <b>\$ 565</b>        | <b>33%</b>                | <b>\$ -</b>            |                             | <b>\$ 565</b>         | <b>6%</b>            |
| State Dedicated Aid (Non-Transit)              | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| State General Aid                              | \$ -                 |                           | \$ 4,611               |                             | \$ 4,611              |                      |
| <b>Total State Aid</b>                         | <b>\$ 565</b>        | <b>33%</b>                | <b>\$ 4,611</b>        | <b>62%</b>                  | <b>\$ 5,176</b>       | <b>56%</b>           |
| Total Federal Aid                              | \$ 1,128             | 67%                       | \$ 1,325               | 18%                         | \$ 2,453              | 27%                  |
| <b>Total Public Funds</b>                      | <b>\$ 1,693</b>      |                           | <b>\$ 7,492</b>        |                             | <b>\$ 9,185</b>       |                      |

(Figures in \$000s); Source: 2000 National Transit Database

### 3.4.3 Berkshire Regional Transit Authority

#### Pittsfield, MA

##### Institutional Structure

The Berkshire Regional Transit Authority (BRTA) is the sole provider of transit in the region. Created in 1974 by seven communities, the BRTA has expanded membership to 21 communities and supports the delivery of fixed-route bus service in 12 communities spanning Berkshire County from Great Barrington to Williamstown. In addition, the BRTA supports paratransit services through a user-side subsidy

program, using private taxi and chaircar vendors in the participating communities. All services are purchased transportation.

### Transit Funding Sources

BRTA funding comes from user fees, local community funding, state funding, and federal funding. After taking into account the federal contribution, state and local shares are split 75 percent and 25 percent, respectively. The state plays a major role in providing public transit because increases in local community support, in aggregate for all the participating communities, is limited by law to an annual increase of 2.5 percent. This is very different from CCTA, where increases in costs from year to year are apportioned directly back to the member communities.

### Local Dedicated Taxes

BRTA does not utilize a dedicated local tax to support mass transit (see Table 10).

**Table 10**

| <b>Berkshire Regional Transit Authority</b> |                      |                           |                        |                             |                       |                      |
|---|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                               | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                         |                      |                           |                        |                             |                       |                      |
| Income                                      | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                    | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                    | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>                | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| Local Dedicated Aid (Non-Transit)           | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Local General Aid                           | \$ -                 |                           | \$ 578                 |                             | \$ 578                |                      |
| <b>Total Local Aid</b>                      | <b>\$ -</b>          |                           | <b>\$ 578</b>          | <b>21%</b>                  | <b>\$ 578</b>         | <b>20%</b>           |
| State Dedicated Tax                         |                      |                           |                        |                             |                       |                      |
| Income                                      | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                    | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                    | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
|   |                      |                           |                        |                             |                       |                      |

| Berkshire Regional Transit Authority |               |                    |                 |                      |                 |               |
|--------------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                               | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| <b>Total State Dedicated</b>         | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State Dedicated Aid (Non-Transit)    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                    | \$ 20         |                    | \$ 1,733        |                      | \$ 1,753        |               |
| <b>Total State Aid</b>               | <b>\$ 20</b>  | <b>19%</b>         | <b>\$ 1,733</b> | <b>62%</b>           | <b>\$ 1,753</b> | <b>61%</b>    |
| Total Federal Aid                    | \$ 83         | 81%                | \$ 470          | 17%                  | \$ 553          | 19%           |
| <b>Total Public Funds</b>            | <b>\$ 103</b> |                    | <b>\$ 2,781</b> |                      | <b>\$ 2,884</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.4 Greater Portland Transit District

#### Portland, ME

##### Institutional Structure

The Greater Portland Transit District provides fixed-route bus service to two member communities and one non-member in South Maine. Currently, the Greater Portland Transit District directly operates 33 buses. Paratransit services are provided by another operator.

##### Transit Funding Sources

The Greater Portland Transit District has three funding sources: federal, state, and local contributions. Similar to CCTA, the Greater Portland Transit District receives very little from the state. State funding for transit comes from the general fund, which is appropriated each year to the department of transportation. Like CCTA, local contribution comes from member cities' property tax and a certain portion is specifically dedicated for transit.

##### Local Dedicated Taxes

The Greater Portland Transit District does not have a dedicated local tax but a portion of the local general fund is dedicated for transit (see Table 11).

**Table 11**

| Greater Portland Transit District |                 |                    |                 |                      |                 |               |
|-----------------------------------|-----------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds   | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax               |                 |                    |                 |                      |                 |               |
| Income                            | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Tolls                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>     |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| Local Dedicated Aid (Non-Transit) | \$ 125          |                    | \$ -            |                      | \$ 125          |               |
| Local General Aid                 | \$ 162          |                    | \$ 2,192        |                      | \$ 2,354        |               |
| <b>Total Local Aid</b>            | <b>\$ 287</b>   | <b>25%</b>         | <b>\$ 2,192</b> | <b>81%</b>           | <b>\$ 2,479</b> | <b>64%</b>    |
| State Dedicated Tax               |                 |                    |                 |                      |                 |               |
| Income                            | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>      | <b>\$ -</b>     |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit) | \$ -            |                    | \$ -            |                      | \$ -            |               |
| State General Aid                 | \$ -            |                    | \$ 53           |                      | \$ 53           |               |
| <b>Total State Aid</b>            | <b>\$ -</b>     |                    | <b>\$ 53</b>    | <b>2%</b>            | <b>\$ 53</b>    | <b>1%</b>     |
| Total Federal Aid                 | \$ 877          | 75%                | \$ 451          | 17%                  | \$ 1,328        | 34%           |
| <b>Total Public Funds</b>         | <b>\$ 1,164</b> |                    | <b>\$ 2,696</b> |                      | <b>\$ 3,860</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.5 Norwalk Transit District

#### Norwalk, CT

##### Institutional Structure

The Norwalk Transit District is the provider of traditional fixed-route services in Norwalk and Westport, CT, numerous shuttle services to employment locations, and paratransit services (ADA) throughout the eight towns, and participates in interregional services between Norwalk and Milford, and Norwalk and Danbury. The Norwalk Transit District is not the sole provider of public transit; MetroNorth is the

commuter rail provider along the corridor between New Haven and New York City. The Norwalk area is a member of the Southwestern Regional Planning Agency. MetroPool Inc. is the designated coordinator of ridesharing and vanpool services in the greater Norwalk/Stamford/Danbury area. Approximately 69 percent of the services are directly operated and 31 percent are purchased transportation.

### Transit Funding Sources

The Norwalk Transit District receives operating funds from the FTA (ADA services, Section 5309 funding); the state plays a major role in funding transit. Local funding sources are minimal coming from the municipalities of Norwalk and Westport. Funds are secured through grant applications submitted annually to the respective funding sources. All funds are through the general fund.

### Local Dedicated Taxes

The Norwalk Transit District does not have a dedicated tax source for funding public transit (see Table 12).

**Table 12**

| Norwalk Transit District          |               |                    |                 |                      |                |               |
|-----------------------------------|---------------|--------------------|-----------------|----------------------|----------------|---------------|
| Source                            | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds | % of Combined |
| Local Dedicated Tax               |               |                    |                 |                      |                |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Tolls                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>    |               |
| Local Dedicated Aid (Non-Transit) | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Local General Aid                 | \$ -          |                    | \$ 552          |                      | \$ 552         |               |
| <b>Total Local Aid</b>            | <b>\$ -</b>   |                    | <b>\$ 552</b>   | <b>11%</b>           | <b>\$ 552</b>  | <b>9%</b>     |
| State Dedicated Tax               |               |                    |                 |                      | \$ -           |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| <b>Total State Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>    |               |

| Norwalk Transit District          |               |                    |                 |                      |                 |               |
|-----------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| State Dedicated Aid (Non-Transit) | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                 | \$ 177        |                    | \$ 4,140        |                      | \$ 4,317        |               |
| <b>Total State Aid</b>            | <b>\$ 177</b> | <b>22%</b>         | <b>\$ 4,140</b> | <b>81%</b>           | <b>\$ 4,317</b> | <b>72%</b>    |
| Total Federal Aid                 | \$ 644        | 78%                | \$ 443          | 9%                   | \$ 1,087        | 18%           |
| <b>Total Public Funds</b>         | <b>\$ 821</b> |                    | <b>\$ 5,135</b> |                      | <b>\$ 5,956</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.6 Montachusett Regional Transit Authority

#### Fitchburg, MA

##### Institutional Structure

The Montachusett Regional Transit Authority (MART) was created in August 1978. MART has a membership of 18 communities (Ashburnham, Ashby, Ayer, Fitchburg, Gardner, Hardwick, Harvard, Hubbardston, Lancaster, Leominster, Littleton, Lunenburg, Royalston, Shirley, Sterling, Templeton, Winchendon, and Westminster) and its fleet currently consists of 26 buses, 23 station wagons, 91 vans, and 2 trolley replicas. All services are purchased transportation.

MART provides fixed-route bus services, ADA paratransit curb-to-curb transportation service, subscription services, and other various services. MART is not the sole provider of public transit. The Massachusetts Bay Transportation Authority (MBTA) provides commuter rail service to the area.

##### Transit Funding Sources

MART uses state, federal, and local support to fund operating and capital needs. Support from the state is drawn from the general fund through the secretary of transportation. Contributions from the state vary from year to year based on the state budget. Local contributions come from local assessments of member communities. According to MART's Administrator, there have been two legislative proposals for an increase in the gas and sales taxes to provide increased funds for transit. The gas tax proposal has not made much progress but the sales tax proposal to increase the current 5 percent sales tax by 0.25 percent seems promising.

##### Local Dedicated Taxes

Though there is no specific tax dedicated for transit, part of the local general fund is specifically dedicated for transit purposes (see Table 13).

**Table 13**

| <b>Montachusett Regional Transit Authority</b> |                      |                           |                        |                             |                       |                      |
|--|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                                  | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                            |                      |                           |                        |                             |                       |                      |
| Income   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>                   | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| Local Dedicated Aid (Non-Transit)              | \$ -                 |                           | \$ 152                 |                             | \$ 152                |                      |
| Local General Aid                              | \$ 67                |                           | \$ 1,132               |                             | \$ 1,199              |                      |
| <b>Total Local Aid</b>                         | <b>\$ 67</b>         | <b>5%</b>                 | <b>\$ 1,284</b>        | <b>25%</b>                  | <b>\$ 1,351</b>       | <b>21%</b>           |
| State Dedicated Tax                            |                      |                           |                        |                             |                       |                      |
| Income   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Dedicated</b>                   | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| State Dedicated Aid (Non-Transit)              | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| State General Aid                              | \$ 626               |                           | \$ 3,395               |                             | \$ 4,021              |                      |
| <b>Total State Aid</b>                         | <b>\$ 626</b>        | <b>45%</b>                | <b>\$ 3,395</b>        | <b>67%</b>                  | <b>\$ 4,021</b>       | <b>62%</b>           |
| Total Federal Aid                              | \$ 710               | 51%                       | \$ 411                 | 8%                          | \$ 1,121              | 17%                  |
| <b>Total Public Funds</b>                      | <b>\$ 1,403</b>      |                           | <b>\$ 5,090</b>        |                             | <b>\$ 6,493</b>       |                      |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.7 Chittenden County Transportation Authority

#### Burlington, VT

##### Institutional Structure

The CCTA was founded in 1973 by the Vermont Legislature and provides transit services in five communities and limited services in two other communities in Chittenden County. CCTA is a full-service public transportation provider offering services including: fixed-route bus service, park-and-ride lots, supermarket and school shuttles, a countywide ridesharing program, transportation for Medicaid

recipients, and contracted paratransit service for people who cannot use the bus. CCTA is governed by a ten-member Board of Commissioners with Burlington, Essex, Shelburne, South Burlington, and Winooski represented by two commissioners each. Most of CCTA's services are directly operated, but services to member communities are very limited. CCTA is not the sole provider of public transit in Chittenden County. The VTA operates the Champlain Flyer, providing commuter rail service in Chittenden County.

### Transit Funding Sources

The five CCTA member communities provide more than half of total public funds from their own property tax, which is the local general fund. Federal sources play a moderate role in funding CCTA, with a 27 percent contribution in year 2000. The state plays a minimum role in providing public transit for the residents of Vermont.

### Local Dedicated Taxes

Currently there is not a dedicated tax source for transit in Chittenden County (see Table 14).

**Table 14**

| Chittenden County Transportation Authority |               |                    |                 |                      |                 |               |
|--|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                                     | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax                        |               |                    |                 |                      |                 |               |
| Income                                     | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                      | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                                   | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                                   | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                      | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Tolls                                      | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>               | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| Local Dedicated Aid (Non-Transit)          | \$ -          |                    | \$ 87           |                      | \$ 87           |               |
| Local General Aid                          | \$ 24         |                    | \$ 1,350        |                      | \$ 1,374        |               |
| <b>Total Local Aid</b>                     | <b>\$ 24</b>  | <b>12%</b>         | <b>\$ 1,437</b> | <b>58%</b>           | <b>\$ 1,461</b> | <b>55%</b>    |
| State Dedicated Tax                        |               |                    |                 |                      |                 |               |
| Income                                     | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                      | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                                   | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                                   | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                      | \$ -          |                    | \$ -            |                      | \$ -            |               |

| Chittenden County Transportation Authority |               |                    |                 |                      |                 |               |
|--|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                                     | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| <b>Total State Dedicated</b>               | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State Dedicated Aid (Non-Transit)          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                          | \$ 16         |                    | \$ 461          |                      | \$ 477          |               |
| <b>Total State Aid</b>                     | <b>\$ 16</b>  | <b>8%</b>          | <b>\$ 461</b>   | <b>19%</b>           | <b>\$ 477</b>   | <b>18%</b>    |
| Total Federal Aid                          | \$ 163        | 80%                | \$ 565          | 23%                  | \$ 728          | 27%           |
| <b>Total Public Funds</b>                  | <b>\$ 203</b> |                    | <b>\$ 2,463</b> |                      | <b>\$ 2,666</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.8 Nashua Transit System

#### Nashua, NH

##### Institutional Structure

The Nashua Transit System provides both fixed-route bus and paratransit services for the entire city. It is the sole provider of transit in this area.

##### Transit Funding Sources

The Nashua Transit System funding source is unique because it heavily relies on federal support to finance its transit system. Because New Hampshire does not have a sales or an income tax, funding from the state is very limited. Unlike most states, New Hampshire does not have a public transportation fund. The local support comes primarily from the general fund, which is generated mostly from the property tax.

The state of New Hampshire has passed legislation to allow the local government to increase the motor registration fee by \$5 per vehicle, but Nashua has not implemented the increase on city residents.

##### Local Dedicated Taxes

No local dedicated tax is available for transit (see Table 15).

**Table 15**

| <b>Nashua Transit System</b>      |                      |                           |                        |                             |                       |                      |
|-----------------------------------|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                     | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax               |                      |                           |                        |                             |                       |                      |
| Income                            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| Local Dedicated Aid (Non-Transit) | \$ -                 |                           | \$ 89                  |                             | \$ 89                 |                      |
| Local General Aid                 | \$ 16                |                           | \$ 218                 |                             | \$ 234                |                      |
| <b>Total Local Aid</b>            | <b>\$ 16</b>         | <b>7%</b>                 | <b>\$ 307</b>          | <b>40%</b>                  | <b>\$ 323</b>         | <b>32%</b>           |
| State Dedicated Tax               |                      |                           |                        |                             |                       |                      |
| Income                            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Dedicated</b>      | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| State Dedicated Aid (Non-Transit) | \$ -                 |                           | \$ 89                  |                             | \$ 89                 |                      |
| State General Aid                 | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Aid</b>            | <b>\$ -</b>          |                           | <b>\$ 89</b>           | <b>12%</b>                  | <b>\$ 89</b>          | <b>9%</b>            |
| Total Federal Aid                 | \$ 228               | 93%                       | \$ 365                 | 48%                         | \$ 593                | 59%                  |
| <b>Total Public Funds</b>         | <b>\$ 244</b>        |                           | <b>\$ 761</b>          |                             | <b>\$ 1,005</b>       |                      |

*(figures in \$000s); Source: 2000 National Transit Database*

### **3.4.9 Connecticut Department of Transportation**

#### **Newington, CT**

##### **Institutional Structure**

In Connecticut, the Department of Transportation operates (through contracts with transit operating companies) several of the transit systems in the state, while other transit systems are operated by local transit authorities or boards. Unlike other states with similar funding mechanisms, Connecticut has neither a unified statewide system nor an agency whose single purpose is to provide transit service.

## Transit Funding Sources

Transit systems in Connecticut rely heavily on the state transportation fund to support public transit. Since the State of Connecticut receives federal funding and then allocates support based on its own formula-funding schedule, the amount shown in Table 16 includes federal funds from federal sources.

## Local Dedicated Taxes

The Connecticut Department of Transportation currently has no dedicated tax source for transit.

**Table 16**

| Connecticut Department of Transportation |               |                    |                 |                      |                 |               |
|--|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                                   | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax                      |               |                    |                 |                      |                 |               |
| Income                                   | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                                 | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                                 | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Tolls                                    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>             | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| Local Dedicated Aid (Non-Transit)        | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Local General Aid                        | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Aid</b>                   | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Tax                      |               |                    |                 |                      |                 |               |
| Income                                   | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                                 | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                                 | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>             | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit)        | \$ -          |                    | \$ 8,701        |                      | \$ 8,701        |               |
| State General Aid                        | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Aid</b>                   | <b>\$ -</b>   |                    | <b>\$ 8,701</b> | <b>100%</b>          | <b>\$ 8,701</b> | <b>100%</b>   |
| Total Federal Aid                        | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Public Funds</b>                | <b>\$ -</b>   |                    | <b>\$ 8,701</b> |                      | <b>\$ 8,701</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.10 Chemung County Transit System

#### Elmira, NY

##### Institutional Structure

The Chemung County Transit System is the only transit agency in the area to provide fixed-route bus services. Buses serve the Elmira to Ithaca areas. Door-to-door paratransit service, called the Stamp program, is available for any person with disability or children with special needs in Chemung County. All services are purchased transportation.

##### Transit Funding Sources

The Chemung County Transit System relies primarily on federal and state grants for both capital and operating needs. Local contribution accounts for approximately 13 percent of the total public funds. Unlike the previous agencies, New York State has a dedicated gasoline tax for transit.

##### Local Dedicated Taxes

There are no local dedicated taxes for transit, but the Chemung County Transit System reported a small amount of local dedicated funding for general transportation needs (see Table 17).

**Table 17**

| Chemung County Transit System     |               |                    |                 |                      |                |               |
|-----------------------------------|---------------|--------------------|-----------------|----------------------|----------------|---------------|
| Source                            | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds | % of Combined |
| Local Dedicated Tax               |               |                    |                 |                      |                |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Tolls                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>    |               |
| Local Dedicated Aid (Non-Transit) | \$ 141        |                    | \$ 11           |                      | \$ 152         |               |
| Local General Aid                 | \$ -          |                    | \$ 336          |                      | \$ 336         |               |
| <b>Total Local Aid</b>            | <b>\$ 141</b> | <b>10%</b>         | <b>\$ 347</b>   | <b>14%</b>           | <b>\$ 488</b>  | <b>13%</b>    |
| State Dedicated Tax               |               |                    |                 |                      |                |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -           |               |

| Chemung County Transit System     |                 |                    |                 |                      |                 |               |
|-----------------------------------|-----------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds   | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Gasoline                          | \$ 141          |                    | \$ 1,411        |                      | \$ 1,552        |               |
| Other                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>      | <b>\$ 141</b>   | <b>10%</b>         | <b>\$ 1,411</b> | <b>58%</b>           | <b>\$ 1,552</b> | <b>41%</b>    |
| State Dedicated Aid (Non-Transit) | \$ -            |                    | \$ -            |                      | \$ -            |               |
| State General Aid                 | \$ -            |                    | \$ 69           |                      | \$ 69           |               |
| <b>Total State Aid</b>            | <b>\$ 141</b>   | <b>10%</b>         | <b>\$ 1,480</b> | <b>61%</b>           | <b>\$ 1,621</b> | <b>42%</b>    |
| Total Federal Aid                 | \$ 1,125        | 80%                | \$ 595          | 25%                  | \$ 1,720        | 45%           |
| <b>Total Public Funds</b>         | <b>\$ 1,407</b> |                    | <b>\$ 2,422</b> |                      | <b>\$ 3,829</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.11 Tompkins Consolidated Area Transit

#### Ithaca, NY

##### Institutional Structure

Tompkins Consolidated Area Transit (TCAT) provides both fixed-route service and paratransit services to the Ithaca area. Almost half of TCAT's services are directly operated and half are from purchased transportation. TCAT serves Cornell University, the city of Ithaca, and Tompkins County. Previously, the city, county, and Cornell University had their own transit systems, but now they are one merged system. TCAT is not the sole provider of public transit. Greyhound, Shortline, and Trailways are the three intercity bus operators serving Ithaca and Tompkins County

##### Transit Funding Sources

The state provides 56 percent of capital and operating funds for TCAT. Local contribution constitutes about one-third of the total public fund. Local contribution is divided, where the city of Ithaca, Cornell University, and Tompkins County each pay one-third.

##### Local Dedicated Taxes

There is a local dedicated tax source.

| Tompkins Consolidated Area Transit |               |                    |                 |                      |                 |               |
|------------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                             | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax                |               |                    |                 |                      |                 |               |
| Income                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                              | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                           | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                           | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                              | \$ -          |                    | \$ 464          |                      | \$ 464          |               |
| Tolls                              | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>       | <b>\$ -</b>   |                    | <b>\$ 464</b>   | <b>10%</b>           | <b>\$ 464</b>   | <b>10%</b>    |
| Local Dedicated Aid (Non-Transit)  | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Local General Aid                  | \$ 12         |                    | \$ 976          |                      | \$ 988          |               |
| <b>Total Local Aid</b>             | <b>\$ 12</b>  | <b>6%</b>          | <b>\$ 1,440</b> | <b>32%</b>           | <b>\$ 1,452</b> | <b>31%</b>    |
| State Dedicated Tax                |               |                    |                 |                      |                 |               |
| Income                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                              | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                           | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                           | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                              | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>       | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit)  | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                  | \$ 12         |                    | \$ 2,598        |                      | \$ 2,610        |               |
| <b>Total State Aid</b>             | <b>\$ 12</b>  | <b>6%</b>          | <b>\$ 2,598</b> | <b>58%</b>           | <b>\$ 2,610</b> | <b>56%</b>    |
| Total Federal Aid                  | \$ 188        | 89%                | \$ 410          | 9%                   | \$ 598          | 13%           |
| <b>Total Public Funds</b>          | <b>\$ 212</b> |                    | <b>\$ 4,448</b> |                      | <b>\$ 4,660</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.12 Cambria County Transit Authority

#### Johnstown, PA

##### Institutional Structure

The Cambria County Transit Authority (CamTran) provides both fixed-route bus service and paratransit service in the Johnstown metropolitan area. CamTran also provides commuter rail service through its inclined plane. CamTran is the only public transit in the Johnstown area, but its 15 service routes connect to other transit systems.

## Transit Funding Sources

CamTran is funded largely by state funds with very little local contribution. The majority of federal contribution is for capital expenditure. Unlike many agencies, CamTran has a dedicated funding source at the state level. Part of the sales tax (1.2 percent) is dedicated for transportation purposes.

## Local Dedicated Taxes

According to the National Transit Database reporting, CamTran receives a very small amount of local dedicated tax (see Table 19).

**Table 19**

| <b>Cambria County Transit Authority</b> |                      |                           |                        |                             |                       |                      |
|---|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                           | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                     |                      |                           |                        |                             |                       |                      |
| Income                                  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                                   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                                   | \$ 56                |                           | \$ 14                  |                             | \$ 70                 |                      |
| Tolls                                   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>            | <b>\$ 56</b>         | <b>1%</b>                 | <b>\$ 14</b>           | <b>0%</b>                   | <b>\$ 70</b>          | <b>1%</b>            |
| Local Dedicated Aid (Non-Transit)       | \$ -                 |                           | \$ 113                 |                             | \$ 113                |                      |
| Local General Aid                       | \$ 47                |                           | \$ 386                 |                             | \$ 433                |                      |
| <b>Total Local Aid</b>                  | <b>\$ 103</b>        | <b>3%</b>                 | <b>\$ 513</b>          | <b>13%</b>                  | <b>\$ 616</b>         | <b>8%</b>            |
| State Dedicated Tax                     |                      |                           |                        |                             |                       |                      |
| Income                                  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                                   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                                   | \$ 1,551             |                           | \$ 1,017               |                             | \$ 2,568              |                      |
| <b>Total State Dedicated</b>            | <b>\$ 1,551</b>      | <b>38%</b>                | <b>\$ 1,017</b>        | <b>26%</b>                  | <b>\$ 2,568</b>       | <b>32%</b>           |
| State Dedicated Aid (Non-Transit)       | \$ -                 |                           | \$ 347                 |                             | \$ 347                |                      |
| State General Aid                       | \$ 269               |                           | \$ 1,313               |                             | \$ 1,582              |                      |
| <b>Total State Aid</b>                  | <b>\$ 1,820</b>      | <b>44%</b>                | <b>\$ 2,677</b>        | <b>69%</b>                  | <b>\$ 4,497</b>       | <b>56%</b>           |
| Total Federal Aid                       | \$ 2,175             | 53%                       | \$ 710                 | 18%                         | \$ 2,885              | 36%                  |
| <b>Total Public Funds</b>               | <b>\$ 4,098</b>      |                           | <b>\$ 3,900</b>        |                             | <b>\$ 7,998</b>       |                      |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.13 York County Transportation Authority

#### York, PA

##### Institutional Structure

York County Transportation Authority (RabbitTransit) provides eight fixed-route services to York and its surrounding suburbs. It also has two routes serving Hanover. RabbitTransit also provides countywide van service, park-and-ride service from Queensgate Shopping Center to York Hospital, employment shuttles, and special event shuttles. Approximately 24 percent of the services provided by RabbitTransit are from purchased transportation and the rest are directly operated services.

##### Transit Funding Sources

RabbitTransit receives funds from federal and state sources and a small portion from local sources to finance capital and operating expenses. There are several dedicated sources of funding for transit at the state level. In 1991, Pennsylvania enacted Act 26, the Public Transportation Assistance Fund, which resulted in a dedicated funding source for transit. Also, Act 3 was passed in 1997, which provides additional dedicated funding for transit agencies in Pennsylvania. The sources of the dedicated funds are from the lottery and the sales tax. The rest of the state contribution comes from the general fund.

##### Local Dedicated Taxes

RabbitTransit does not utilize a local dedicated tax for transit (see Table 20).

**Table 20**

| York County Transportation Authority |               |                    |                 |                      |                |               |
|--------------------------------------|---------------|--------------------|-----------------|----------------------|----------------|---------------|
| Source                               | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds | % of Combined |
| Local Dedicated Tax                  |               |                    |                 |                      |                |               |
| Income                               | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                                | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Gasoline                             | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Other                                | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Tolls                                | \$ -          |                    | \$ -            |                      |                |               |
| <b>Total Local Dedicated</b>         | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>    |               |
| Local Dedicated Aid (Non-Transit)    | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Local General Aid                    | \$ 18         |                    | \$ 188          |                      | \$ 206         |               |
| <b>Total Local Aid</b>               | <b>\$ 18</b>  | <b>3%</b>          | <b>\$ 188</b>   | <b>6%</b>            | <b>\$ 206</b>  | <b>6%</b>     |

| York County Transportation Authority |               |                    |                 |                      |                 |               |
|--------------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                               | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| State Dedicated Tax                  |               |                    |                 |                      |                 |               |
| Income                               | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                | \$ 79         |                    | \$ 259          |                      | \$ 338          |               |
| Property                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                | \$ 52         |                    | \$ 919          |                      | \$ 971          |               |
| <b>Total State Dedicated</b>         | <b>\$ 131</b> | <b>24%</b>         | <b>\$ 1,178</b> | <b>39%</b>           | <b>\$ 1,309</b> | <b>37%</b>    |
| State Dedicated Aid (Non-Transit)    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                    | \$ 109        |                    | \$ 535          |                      | \$ 644          |               |
| <b>Total State Aid</b>               | <b>\$ 240</b> | <b>44%</b>         | <b>\$ 1,713</b> | <b>57%</b>           | <b>\$ 1,953</b> | <b>55%</b>    |
| Total Federal Aid                    | \$ 292        | 53%                | \$ 1,108        | 37%                  | \$ 1,400        | 39%           |
| <b>Total Public Funds</b>            | <b>\$ 550</b> |                    | <b>\$ 3,009</b> |                      | <b>\$ 3,559</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.14 Centre Area Transportation Authority

#### State College, PA

##### Institutional Structure

The Centre Area Transportation Authority provides fixed routes serving downtown State College, the Penn State University Park campus, the Borough of Bellefonte, the village of Pleasant Gap, suburban shopping centers, apartment complexes, residential areas, government offices, and many points of interest.

##### Transit Funding Sources

The funding structure for Centre Area Transportation Authority is very similar to York County Transportation Authority since both agencies are in Pennsylvania and both largely rely on state funding to finance capital and operating expenses. Centre Area Transportation Authority benefit from Act 26, the Public Transportation Assistance Fund, which resulted in a dedicated funding for transit. It also benefit from Act 3 which was passed in 1997 that provides additional dedicated funding for transit agencies in Pennsylvania. The dedicated funds are from the lottery and the sales tax. The rest of the state contribution comes from the general fund.

## Local Dedicated Taxes

The Centre Area Transportation Authority does not utilize a local dedicated tax for transit (see Table 21).

**Table 21**

| Centre Area Transportation Authority |               |                    |                 |                      |                 |               |
|--------------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                               | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax                  |               |                    |                 |                      |                 |               |
| Income                               | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Tolls                                | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>         | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| Local Dedicated Aid (Non-Transit)    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Local General Aid                    | \$ 24         |                    | \$ 320          |                      | \$ 344          |               |
| <b>Total Local Aid</b>               | <b>\$ 24</b>  | <b>3%</b>          | <b>\$ 320</b>   | <b>12%</b>           | <b>\$ 344</b>   | <b>10%</b>    |
| State Dedicated Tax                  |               |                    |                 |                      |                 |               |
| Income                               | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                                | \$ 223        |                    | \$ 235          |                      | \$ 458          |               |
| Property                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                                | \$ -          |                    | \$ 152          |                      | \$ 152          |               |
| <b>Total State Dedicated</b>         | <b>\$ 223</b> | <b>30%</b>         | <b>\$ 387</b>   | <b>14%</b>           | <b>\$ 610</b>   | <b>17%</b>    |
| State Dedicated Aid (Non-Transit)    | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                    | \$ 111        |                    | \$ 1,675        |                      | \$ 1,786        |               |
| <b>Total State Aid</b>               | <b>\$ 334</b> | <b>45%</b>         | <b>\$ 2,062</b> | <b>75%</b>           | <b>\$ 2,396</b> | <b>68%</b>    |
| Total Federal Aid                    | \$ 387        | 52%                | \$ 385          | 14%                  | \$ 772          | 22%           |
| <b>Total Public Funds</b>            | <b>\$ 745</b> |                    | <b>\$ 2,767</b> |                      | <b>\$ 3,512</b> |               |

(Figures in \$000s); Source: 2000 National Transit Database

### 3.4.15 Pennsylvania Department of Transportation

#### Harrisburg, PA

##### Institutional Structure

The Pennsylvania Department of Transportation contracts with Amtrak to provide commuter rail service to the Harrisburg area. Southeastern Pennsylvania Transit Authority (SEPTA) based in Philadelphia also serves this area.

##### Transit Funding Sources

Operating funding for the Pennsylvania Department of Transportation comes from the state general fund via annual appropriation. Although all of the public assistance reported for this service consists of state general funds, it is also supported by contract revenue from SEPTA. SEPTA report this rail service for purposes of federal formula fund allocation and as a result, the Harrisburg service receives a portion of the fixed guideway funding through SEPTA.

##### State/Local Dedicated Taxes

The Harrisburg service does not utilize a dedicated tax source but other transit agencies in Pennsylvania do receive Act 26 and Act 3 funds (see Table 22).

**Table 22**

| Pennsylvania Department of Transportation |               |                    |                 |                      |                |               |
|---|---------------|--------------------|-----------------|----------------------|----------------|---------------|
| Source                                    | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds | % of Combined |
| Local Dedicated Tax                       |               |                    |                 |                      |                |               |
| Income                                    | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                                     | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                                  | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Gasoline                                  | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Other                                     | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Tolls                                     | \$ -          |                    | \$ -            |                      | \$ -           |               |
| <b>Total Local Dedicated</b>              | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>    |               |
| Local Dedicated Aid (Non-Transit)         | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Local General Aid                         | \$ -          |                    | \$ -            |                      | \$ -           |               |
| <b>Total Local Aid</b>                    | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>    |               |
| State Dedicated Tax                       |               |                    |                 |                      |                |               |
| Income                                    | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales                                     | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property                                  | \$ -          |                    | \$ -            |                      | \$ -           |               |

| Pennsylvania Department of Transportation |                 |                    |                 |                      |                 |               |
|---|-----------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                                    | Capital Funds   | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Gasoline                                  | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Other                                     | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>              | <b>\$ -</b>     |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit)         | \$ -            |                    | \$ -            |                      | \$ -            |               |
| State General Aid                         | \$ 2,986        |                    | \$ 2,835        |                      | \$ 5,821        |               |
| <b>Total State Aid</b>                    | <b>\$ 2,986</b> | <b>100%</b>        | <b>\$ 2,835</b> | <b>100%</b>          | <b>\$ 5,821</b> | <b>100%</b>   |
| Total Federal Aid                         | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total Public Funds</b>                 | <b>\$ 2,986</b> |                    | <b>\$ 2,835</b> |                      | <b>\$ 5,821</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.16 Chattanooga Area Regional Transportation Authority

#### Chattanooga, TN

##### Institutional Structure

The Chattanooga Area Regional Transportation Authority (CARTA) was created in 1973 when it purchased assets from Southern Coach Lines. Unlike many other public transportation authorities, CARTA is more than just a bus transportation provider—it has the incline railway, the steepest passenger railway in the world. It also has an electric shuttle service, the largest fleet of electric buses in the United States, serving the downtown area, Care-A-Van, and a curb-to-curb service for people with disabilities.

##### Transit Funding Sources

Similar to CCTA, CARTA relies heavily on local funding to finance transit. Local sources constituted 40 percent of public funding in year 2000. Local funding is allocated out of the general fund. The state contribution constitutes 22 percent and the federal funding constitutes 37 percent of total public sources.

##### Local Dedicated Taxes

No local funding initiatives were reported by CARTA for year 2000 (see Table 23).

**Table 23**

| <b>Chattanooga Area Regional Transportation Authority</b> |                      |                           |                        |                             |                       |                      |
|---|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>   | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                                       |                      |                           |                        |                             |                       |                      |
| Income  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>                              | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| Local Dedicated Aid (Non-Transit)                         | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Local General Aid   | \$ 341               |                           | \$ 3,395               |                             | \$ 3,736              |                      |
| <b>Total Local Aid</b>                                    | <b>\$ 341</b>        | <b>10%</b>                | <b>\$ 3,395</b>        | <b>58%</b>                  | <b>\$ 3,736</b>       | <b>40%</b>           |
| State Dedicated Tax                                       |                      |                           |                        |                             |                       |                      |
| Income  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other   | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Dedicated</b>                              | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| State Dedicated Aid (Non-Transit)                         | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| State General Aid   | \$ 341               |                           | \$ 1,725               |                             | \$ 2,066              |                      |
| <b>Total State Aid</b>                                    | <b>\$ 341</b>        | <b>10%</b>                | <b>\$ 1,725</b>        | <b>29%</b>                  | <b>\$ 2,066</b>       | <b>22%</b>           |
| Total Federal Aid   | \$ 2,729             | 80%                       | \$ 734                 | 13%                         | \$ 3,463              | 37%                  |
| <b>Total Public Funds</b>                                 | <b>\$ 3,411</b>      |                           | <b>\$ 5,854</b>        |                             | <b>\$ 9,265</b>       |                      |

*(figures in \$000s); Source: 2000 National Transit Database*

### **3.4.17 Madison Metro Transit**

#### **Madison, WI**

##### **Institutional Structure**

The Madison Metro Transit provides fixed-route bus and paratransit services for the city of Madison and the surrounding communities that contract with it. It also provides a circular route to the university and service for special events. Contractual services are also available.

## Transit Funding Sources

The Madison Metro Transit utilizes federal, state, and local funds to finance capital and operating costs. Madison Metro Transit receives Section 5307 and Section 5309 grants from federal sources but it shares the Section 5309 grant with the state. The state allocates funding to transit agencies in Wisconsin according to their cost and performance. Cost at the local level is based on the service provided to each area. State and federal amounts are allocated to each local community based on the service provided to them. The local funding comes from the city property tax.

## Local Dedicated Taxes

Madison Metro Transit does not utilize a dedicated tax source to finance capital and operating expenses (see Table 24).

**Table 24**

| <b>Madison Metro Transit</b>      |                      |                           |                        |                             |                       |                      |
|-----------------------------------|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                     | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax               |                      |                           |                        |                             |                       |                      |
| Income                            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| Local Dedicated Aid (Non-Transit) | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Local General Aid                 | \$ 1,706             |                           | \$ 8,352               |                             | \$ 10,058             |                      |
| <b>Total Local Aid</b>            | <b>\$ 1,706</b>      | <b>14%</b>                | <b>\$ 8,352</b>        | <b>37%</b>                  | <b>\$ 10,058</b>      | <b>29%</b>           |
| State Dedicated Tax               |                      |                           |                        |                             |                       |                      |
| Income                            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                          | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                             | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Dedicated</b>      | <b>\$ -</b>          |                           | <b>\$ -</b>            |                             | <b>\$ -</b>           |                      |
| State Dedicated Aid (Non-Transit) | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| State General Aid                 | \$ -                 |                           | \$ 14,415              |                             | \$ 14,415             |                      |
| <b>Total State Aid</b>            | <b>\$ -</b>          |                           | <b>\$ 14,415</b>       | <b>63%</b>                  | <b>\$ 14,415</b>      | <b>41%</b>           |

| Madison Metro Transit     |                  |                    |                  |                      |                  |               |
|---------------------------|------------------|--------------------|------------------|----------------------|------------------|---------------|
| Source                    | Capital Funds    | % of Total Capital | Operating Funds  | % of Total Operating | Combined Funds   | % of Combined |
| Total Federal Aid         | \$ 10,658        | 86%                | \$ -             |                      | \$ 10,658        | 30%           |
| <b>Total Public Funds</b> | <b>\$ 12,364</b> |                    | <b>\$ 22,767</b> |                      | <b>\$ 35,131</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.18 Greater Lafayette Public Transportation Corporation

#### Lafayette, IN

##### Institutional Structure

Greater Lafayette Public Transportation Corporation (CityBus) provides both fixed-route and paratransit (ACCESS) services for Lafayette, West Lafayette, and Purdue University. Their services help to connect people with each other, with work, with school, with medical needs, and with many other things in greater Lafayette. CityBus is the only public transit service provider in the region.

##### Transit Funding Sources

CityBus receives state funding through the State Public Mass Transit Fund and formula funding from federal sources. The state Public Mass Transit Fund is financed through the state sales tax. CityBus utilizes several dedicated tax sources to support local capital and operating needs. A portion of the local property tax is dedicated for transit. The county option income tax is also a dedicated source for transit. Similar to CCTA, it is very difficult to increase the property tax to further fund transit.

##### Local Dedicated Taxes

Part of the local income tax and property tax are dedicated for transit (see Table 25).

**Table 25**

| Greater Lafayette Public Transportation Corporation |               |                    |                 |                      |                |               |
|---|---------------|--------------------|-----------------|----------------------|----------------|---------------|
| Source  | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds | % of Combined |
| Local Dedicated Tax                                 |               |                    |                 |                      |                |               |
| Income  | \$ -          |                    | \$ 189          |                      | \$ 189         |               |
| Sales   | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property  | \$ -          |                    | \$ 494          |                      | \$ 494         |               |
| Gasoline  | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Other   | \$ -          |                    | \$ 119          |                      | \$ 119         |               |
| Tolls   | \$ -          |                    | \$ -            |                      | \$ -           |               |
| <b>Total Local Dedicated</b>                        | <b>\$ -</b>   |                    | <b>\$ 802</b>   | <b>24%</b>           | <b>\$ 802</b>  | <b>14%</b>    |

| Greater Lafayette Public Transportation Corporation |                 |                    |                 |                      |                 |               |
|---|-----------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source  | Capital Funds   | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Aid (Non-Transit)                   | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Local General Aid                                   | \$ 470          |                    | \$ -            |                      | \$ 470          |               |
| <b>Total Local Aid</b>                              | <b>\$ 470</b>   | <b>20%</b>         | <b>\$ 802</b>   | <b>24%</b>           | <b>\$ 1,272</b> | <b>22%</b>    |
| State Dedicated Tax                                 |                 |                    |                 |                      |                 |               |
| Income  | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Sales   | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Property  | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Gasoline  | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Other   | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>                        | <b>\$ -</b>     |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit)                   | \$ -            |                    | \$ -            |                      | \$ -            |               |
| State General Aid                                   | \$ -            |                    | \$ 1,324        |                      | \$ 1,324        |               |
| <b>Total State Aid</b>                              | <b>\$ -</b>     |                    | <b>\$ 1,324</b> | <b>39%</b>           | <b>\$ 1,324</b> | <b>23%</b>    |
| Total Federal Aid                                   | \$ 1,905        | 80%                | \$ 1,250        | 37%                  | \$ 3,155        | 55%           |
| <b>Total Public Funds</b>                           | <b>\$ 2,375</b> |                    | <b>\$ 3,376</b> |                      | <b>\$ 5,751</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.19 Muncie Indiana Transit System

#### Muncie, IN

##### Institutional Structure

The Muncie Indiana Transit System (MITS) provides both fixed-route and paratransit service for the region. MITS is the only transit system in the area. The paratransit service is served by MITS Plus, and door-to-door transportation service is available for those who qualify.

##### Transit Funding Sources

Similar to CCTA, large portions of the total public funds come from local sources. Unlike many agencies, MITS does not receive local funds from the general fund but from a dedicated tax source. A phone interview revealed that a portion of the local property tax and the county option income tax is dedicated for transit use. However, the dedicated fund was not file under these categories but in the local dedicated “Other” category as seen in table 26. State funds come from the state general fund and the Indiana Transportation Department. Federal funds contribute 37 percent of total public funding.

## Local Dedicated Taxes

Although MITS' National Transit Database 2000 filing does not show a dedicated source, a phone interview with Rebecca Meadows at the agency revealed that a part of the local property tax and county option income tax is dedicated for transit (see Table 26).

**Table 26**

| Muncie Indiana Transit System     |                 |                    |                 |                      |                 |               |
|-----------------------------------|-----------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds   | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax               |                 |                    |                 |                      |                 |               |
| Income                            | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -            |                    | \$ 2,683        |                      | \$ 2,683        |               |
| Tolls                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>     |                    | <b>\$ 2,683</b> | <b>63%</b>           | <b>\$ 2,683</b> | <b>38%</b>    |
| Local Dedicated Aid (Non-Transit) | \$ 469          |                    | \$ 75           |                      | \$ 544          |               |
| Local General Aid                 | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Aid</b>            | <b>\$ 469</b>   | <b>16%</b>         | <b>\$ 2,758</b> | <b>65%</b>           | <b>\$ 3,227</b> | <b>45%</b>    |
| <b>State Dedicated Tax</b>        |                 |                    |                 |                      |                 |               |
| Income                            | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -            |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -            |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>      | <b>\$ -</b>     |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit) | \$ 255          |                    | \$ -            |                      | \$ 255          |               |
| State General Aid                 | \$ -            |                    | \$ 997          |                      | \$ 997          |               |
| <b>Total State Aid</b>            | <b>\$ 255</b>   | <b>9%</b>          | <b>\$ 997</b>   | <b>23%</b>           | <b>\$ 1,252</b> | <b>18%</b>    |
| Total Federal Aid                 | \$ 2,134        | 75%                | \$ 505          | 12%                  | \$ 2,639        | 37%           |
| <b>Total Public Funds</b>         | <b>\$ 2,858</b> |                    | <b>\$ 4,260</b> |                      | <b>\$ 7,118</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

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### 3.4.20 Northern Indiana Commuter Transportation District

#### Chesterton, IN

##### Institutional Structure

The Northern Indiana Commuter Transportation District (NICTD) was established in 1977, and was specifically created to maintain and preserve commuter rail service between South Bend and Chicago. NICTD’s governing board consists of two representatives each from St. Joseph, LaPorte, Porter, and Lake Counties, and one appointment from the Governor’s Office. By statute, the county representatives must include an appointment from the County Council (one of its members) and an appointment from the Board of County Commissioners. The commissioners’ appointment can be a commissioner or their designee.

NICTD provides direct commuter rail service to Chicago, which then links up with other transit systems such as CTA, Metra, and Pace. Bus and paratransit services are provided through other operators in the region.

##### Transit Funding Sources

Unlike CCTA, NICTD relies mostly on state and federal assistance to finance capital and operating expenses. NICTD receives a portion of the federal grant from Metra (Chicago commuter rail system) because one of its stations is in Illinois. It also receives federal formula funds. At the state level, there are two dedicated funding sources: the Public Mass Transportation Fund and the Commuter Rail Service Fund. A portion of the state sales tax is directed to the Public Mass Transportation Fund, and a portion of the sales tax and the tax on rail lease for freight services are apportioned into the Commuter Rail Service Fund. These funds are embedded in the state dedicated “Other” category. This is the source of funds used as a match for federal capital grants.

##### Local Dedicated Taxes

NICTD does not have a local dedicated tax (see Table 27).

**Table 27**

| Northern Indiana Commuter Transportation District |               |                    |                 |                      |                |               |
|---|---------------|--------------------|-----------------|----------------------|----------------|---------------|
| Source  | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds | % of Combined |
| Local Dedicated Tax                               |               |                    |                 |                      |                |               |
| Income  | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Sales   | \$ -          |                    | \$ -            |                      | \$ -           |               |
| Property  | \$ -          |                    | \$ -            |                      | \$ -           |               |

| Northern Indiana Commuter Transportation District |                  |                    |                  |                      |                  |               |
|---|------------------|--------------------|------------------|----------------------|------------------|---------------|
| Source  | Capital Funds    | % of Total Capital | Operating Funds  | % of Total Operating | Combined Funds   | % of Combined |
| Gasoline  | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Other   | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Tolls   | \$ -             |                    | \$ -             |                      | \$ -             |               |
| <b>Total Local Dedicated</b>                      | <b>\$ -</b>      |                    | <b>\$ -</b>      |                      | <b>\$ -</b>      |               |
| Local Dedicated Aid (Non-Transit)                 | \$ -             |                    | \$ 4,272         |                      | \$ 4,272         |               |
| Local General Aid                                 | \$ -             |                    | \$ -             |                      | \$ -             |               |
| <b>Total Local Aid</b>                            | <b>\$ -</b>      |                    | <b>\$ 4,272</b>  | <b>42%</b>           | <b>\$ 4,272</b>  | <b>10%</b>    |
| State Dedicated Tax                               |                  |                    |                  |                      |                  |               |
| Income  | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Sales   | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Property  | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Gasoline  | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Other   | \$ 14,130        |                    | \$ 5,803         |                      | \$ 19,933        |               |
| <b>Total State Dedicated</b>                      | <b>\$ 14,130</b> | <b>43%</b>         | <b>\$ 5,803</b>  | <b>58%</b>           | <b>\$ 19,933</b> | <b>47%</b>    |
| State Dedicated Aid (Non-Transit)                 | \$ -             |                    | \$ -             |                      | \$ -             |               |
| State General Aid                                 | \$ -             |                    | \$ -             |                      | \$ -             |               |
| <b>Total State Aid</b>                            | <b>\$ 14,130</b> | <b>43%</b>         | <b>\$ 5,803</b>  | <b>58%</b>           | <b>\$ 19,933</b> | <b>47%</b>    |
| Total Federal Aid                                 | \$ 18,583        | 57%                | \$ -             |                      | \$ 18,583        | 43%           |
| <b>Total Public Funds</b>                         | <b>\$ 32,713</b> |                    | <b>\$ 10,075</b> |                      | <b>\$ 42,788</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.21 University of Iowa, CAMBUS

#### Iowa City, IA

##### Institutional Structure

CAMBUS is a University of Iowa service conceived, supervised, and operated by students, serving students, faculty, staff, and the general public. CAMBUS also operates a specialized transportation service for students, faculty, and staff with disabilities. It is a demand-response, curb-to-curb service provided with lift-equipped mini-buses called The Bionic Bus. CAMBUS is not the sole provider of public transit in this area; the Iowa City transit and Coral Ville also provide public transit to the region.

## Transit Funding Sources

CAMBUS' primary source of funding is the student fee. The state contribution comes from the transportation fund allocated by the Department of Transportation. CAMBUS receives very little federal assistance.

## Local Dedicated Taxes

CAMBUS is a university-owned system so it has no taxing authority. A local option tax is available at the municipal level (see Table 28).

**Table 28**

| University of Iowa, CAMBUS        |               |                    |                 |                      |                 |               |
|-----------------------------------|---------------|--------------------|-----------------|----------------------|-----------------|---------------|
| Source                            | Capital Funds | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds  | % of Combined |
| Local Dedicated Tax               |               |                    |                 |                      |                 |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Tolls                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total Local Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| Local Dedicated Aid (Non-Transit) | \$ -          |                    | \$ 922          |                      | \$ 922          |               |
| Local General Aid                 | \$ 7          |                    | \$ -            |                      | \$ 7            |               |
| <b>Total Local Aid</b>            | <b>\$ 7</b>   | <b>12%</b>         | <b>\$ 922</b>   | <b>60%</b>           | <b>\$ 929</b>   | <b>58%</b>    |
| State Dedicated Tax               |               |                    |                 |                      |                 |               |
| Income                            | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Sales                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Property                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Gasoline                          | \$ -          |                    | \$ -            |                      | \$ -            |               |
| Other                             | \$ -          |                    | \$ -            |                      | \$ -            |               |
| <b>Total State Dedicated</b>      | <b>\$ -</b>   |                    | <b>\$ -</b>     |                      | <b>\$ -</b>     |               |
| State Dedicated Aid (Non-Transit) | \$ -          |                    | \$ -            |                      | \$ -            |               |
| State General Aid                 | \$ -          |                    | \$ 467          |                      | \$ 467          |               |
| <b>Total State Aid</b>            | <b>\$ -</b>   |                    | <b>\$ 467</b>   | <b>30%</b>           | <b>\$ 467</b>   | <b>29%</b>    |
| Total Federal Aid                 | \$ 51         | 88%                | \$ 150          | 10%                  | \$ 201          | 13%           |
| <b>Total Public Funds</b>         | <b>\$ 58</b>  |                    | <b>\$ 1,539</b> |                      | <b>\$ 1,597</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.22 North San Diego County Transit Development Board

#### Oceanside, CA

##### Institutional Structure

The North San Diego County Transit Development Board provides commuter rail, bus, and paratransit services for the North San Diego County area. The commuter rail is called the Coaster, which makes brief stops at seven stations heading south from Oceanside to Carlsbad Village, Carlsbad Poinsettia, Encinitas, Solana Beach, Sorrento Valley, Old Town, and Sante Fe Depot in downtown San Diego. The bus system has 34 routes that carry passengers in the North San Diego County region, which includes the area south to and including Del Mar, east to Escondido, north to the Orange County and Riverside County lines, and includes Camp Pendleton. In addition to fixed routes, the bus system also runs Express Buses for certain sporting and special events in San Diego.

##### Transit Funding Sources

The North San Diego County Transit Development Board receives 60 percent of its total public funds from local sources. Unlike many of the agencies studied so far, the North San Diego County Transit Development Board does not rely on the local general fund but on a dedicated sales tax for transit. The state Transit Assistance Fund provides a dedicated tax source (state sales tax on gas) for transit. Most of the federal funds are for capital purposes.

##### Local Dedicated Taxes

The North San Diego County Transit Development Board utilizes a sales tax and a sales tax on gas as dedicated sources to fund transit needs (see Table 29).

**Table 29**

| North San Diego County Transit Development Board |                 |                    |                  |                      |                  |               |
|--|-----------------|--------------------|------------------|----------------------|------------------|---------------|
| Source   | Capital Funds   | % of Total Capital | Operating Funds  | % of Total Operating | Combined Funds   | % of Combined |
| Local Dedicated Tax                              |                 |                    |                  |                      |                  |               |
| Income   | \$ -            |                    | \$ -             |                      | \$ -             |               |
| Sales  | \$ 1,193        |                    | \$ 21,558        |                      | \$ 22,751        |               |
| Property   | \$ -            |                    | \$ -             |                      | \$ -             |               |
| Gasoline   | \$ -            |                    | \$ -             |                      | \$ -             |               |
| Other  | \$ 2,653        |                    | \$ -             |                      | \$ 2,653         |               |
| Tolls  | \$ -            |                    | \$ -             |                      | \$ -             |               |
| <b>Total Local Dedicated</b>                     | <b>\$ 3,846</b> | <b>19%</b>         | <b>\$ 21,558</b> | <b>99%</b>           | <b>\$ 25,404</b> | <b>60%</b>    |
| Local Dedicated Aid (Non-Transit)                | \$ -            |                    | \$ -             |                      | \$ -             |               |

| North San Diego County Transit Development Board |                  |                    |                  |                      |                  |               |
|--|------------------|--------------------|------------------|----------------------|------------------|---------------|
| Source   | Capital Funds    | % of Total Capital | Operating Funds  | % of Total Operating | Combined Funds   | % of Combined |
| Local General Aid                                | \$ -             |                    | \$ -             |                      | \$ -             |               |
| <b>Total Local Aid</b>                           | <b>\$ 3,846</b>  | <b>19%</b>         | <b>\$ 21,558</b> | <b>99%</b>           | <b>\$ 25,404</b> | <b>60%</b>    |
| State Dedicated Tax                              |                  |                    |                  |                      |                  |               |
| Income   | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Sales  | \$ 346           |                    | \$ -             |                      | \$ 346           |               |
| Property   | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Gasoline   | \$ -             |                    | \$ -             |                      | \$ -             |               |
| Other  | \$ 3,997         |                    | \$ -             |                      | \$ 3,997         |               |
| <b>Total State Dedicated</b>                     | <b>\$ 4,343</b>  | <b>21%</b>         | <b>\$ -</b>      |                      | <b>\$ 4,343</b>  | <b>10%</b>    |
| State Dedicated Aid (Non-Transit)                | \$ -             |                    | \$ -             |                      | \$ -             |               |
| State General Aid                                | \$ -             |                    | \$ -             |                      | \$ -             |               |
| <b>Total State Aid</b>                           | <b>\$ 4,343</b>  | <b>21%</b>         | <b>\$ -</b>      |                      | <b>\$ 4,343</b>  | <b>10%</b>    |
| Total Federal Aid                                | \$ 12,263        | 60%                | \$ 233           | 1%                   | \$ 12,496        | 30%           |
| <b>Total Public Funds</b>                        | <b>\$ 20,452</b> |                    | <b>\$ 21,791</b> |                      | <b>\$ 42,243</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

### 3.4.23 Peninsula Corridor Joint Powers Board

#### San Carlos, CA

##### Institutional Structure

The Peninsula Corridor Joint Powers Board (JPB) was created on October 18, 1991. It is a nine-member board, made up of representatives from the counties of San Francisco, San Mateo, and Santa Clara. It is the governing board for the Caltrain service. However, the Joint Powers Agreement stipulates that the San Mateo County Transit District (SamTrans) is the managing agency for Caltrain, overseeing the day-to-day management, planning, and all support services necessary to operate the service. The JPB has contracted with Amtrak to provide the train operations and maintenance functions.

Currently, 60 trains per weekday operate between San Francisco and the San Jose Diridon Station, with 48 of the 60 trains traveling south to the Tamien Station. Less frequent service is also provided on weekends. Eight weekday trains serve five stations in South San Jose, Morgan Hill, San Martin, and Gilroy. The service to the Tamien Station provides a convenient connection to the Santa Clara Valley Transportation Authority's light rail system.

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## Transit Funding Sources

Funding for the operations of Caltrain comes from fare and parking revenues, federal capital assistance, state assistance, and operating subsidies from the three counties. The JPB has a formula to determine the amount of subsidy required by each JPB member for operating and administrative expenses. This formula is based on the number of morning commute boardings occurring in each member county and is updated annually based on actual ridership counts. Capital expenses are allocated equally among the three JPB members. Finally, per the Joint Powers Agreement, the Santa Clara Valley Transportation Authority contributes 100 percent of the net operating expenses for the extension to Gilroy. The state contribution is from a dedicated sales tax source.

## Local Dedicated Taxes

A part of the toll revenue is used as a dedicated source of funding at the local level. At the state level, a portion of the sales tax is used to support transit (see Table 30).

**Table 30**

| <b>Peninsula Corridor Joint Powers Board</b> |                      |                           |                        |                             |                       |                      |
|--|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                                | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                          |                      |                           |                        |                             |                       |                      |
| Income                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                     | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                     | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls  | \$ 6,180             |                           | \$ -                   |                             | \$ 6,180              |                      |
| <b>Total Local Dedicated</b>                 | <b>\$ 6,180</b>      | <b>6%</b>                 | <b>\$ -</b>            |                             | <b>\$ 6,180</b>       | <b>5%</b>            |
| Local Dedicated Aid (Non-Transit)            | \$ 2,853             |                           | \$ 23,626              |                             | \$ 26,479             |                      |
| Local General Aid                            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Aid</b>                       | <b>\$ 9,033</b>      | <b>9%</b>                 | <b>\$ 23,626</b>       | <b>100%</b>                 | <b>\$ 32,659</b>      | <b>26%</b>           |
| State Dedicated Tax                          |                      |                           |                        |                             |                       |                      |
| Income                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Sales  | \$ 52,099            |                           | \$ -                   |                             | \$ 52,099             |                      |
| Property                                     | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                     | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other  | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Dedicated</b>                 | <b>\$ 52,099</b>     | <b>52%</b>                | <b>\$ -</b>            |                             | <b>\$ 52,099</b>      | <b>42%</b>           |
| State Dedicated Aid (Non-Transit)            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| State General Aid                            | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total State Aid</b>                       | <b>\$ 52,099</b>     | <b>52%</b>                | <b>\$ -</b>            |                             | <b>\$ 52,099</b>      | <b>42%</b>           |
| Total Federal Aid                            | \$ 39,504            | 39%                       |                        |                             | \$ 39,504             | 32%                  |
| <b>Total Public Funds</b>                    | <b>\$ 100,636</b>    |                           | <b>\$ 23,626</b>       |                             | <b>\$ 124,262</b>     |                      |

*(figures in \$000s); Source: 2000 National Transit Database*

### **3.4.24 San Joaquin Regional Rail Commission**

#### **Stockton, CA**

##### **Institutional Structure**

In 1989, the San Joaquin Council of Governments, the Stockton Chamber of Commerce, and the Building Industry Association of the Delta began the development of a 20-year transportation plan for a future sales tax vote in San Joaquin County. The proposal, Measure K, was strongly supported and the Altamont passenger rail service was the number-one project on the list. In May 1997, the San Joaquin Regional Rail

Commission (SJRRRC), the Alameda Congestion Management Agency (ACCMA), and the Santa Clara Valley Transportation Authority executed an agreement to create the Altamont Commuter Express (ACE) Joint Powers Authority (JPA). Service began on October 19, 1998, with contract for operations and maintenance of equipment by Herzog Transit Services, Inc. The service provides two westbound morning trains and two eastbound evening trains. On February 21, 2000, an additional service was added to alleviate overcrowding in the Alameda to Santa Clara area. The service is called the Turn-Back train and provides for the first morning train to turn around in San Jose and return to the Pleasanton Station, thus creating a third morning service option.

### Transit Funding Sources

ACE received 80 percent of its total public funding from state sources in year 2000. This contribution is for capital use. A large portion of state funding came from the state general fund; however, a portion of the state sales tax is dedicated for transit. The federal contribution is minimal. As reported, a portion of the local income tax is dedicated to finance transit in the region; however, in an interview, Stacey Mortensen, executive director at the agency, indicated that no income tax is used for transit. The only dedicated tax used for transit is the state sales tax. According to Mortensen, almost 100 percent of operating funding comes from the three member counties after taking fare revenue into account.

### Local Dedicated Taxes

Both the state and local governments have a dedicated tax source for transit (see Table 31).

**Table 31**

| <b>San Joaquin Regional Rail Commission</b> |                      |                           |                        |                             |                       |                      |
|---|----------------------|---------------------------|------------------------|-----------------------------|-----------------------|----------------------|
| <b>Source</b>                               | <b>Capital Funds</b> | <b>% of Total Capital</b> | <b>Operating Funds</b> | <b>% of Total Operating</b> | <b>Combined Funds</b> | <b>% of Combined</b> |
| Local Dedicated Tax                         |                      |                           |                        |                             |                       |                      |
| Income                                      | \$ -                 |                           | \$ 2,102               |                             | \$ 2,102              |                      |
| Sales                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Property                                    | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Gasoline                                    | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Other                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Tolls                                       | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Dedicated</b>                | <b>\$ -</b>          |                           | <b>\$ 2,102</b>        | <b>39%</b>                  | <b>\$ 2,102</b>       | <b>12%</b>           |
| Local Dedicated Aid (Non-Transit)           | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| Local General Aid                           | \$ -                 |                           | \$ -                   |                             | \$ -                  |                      |
| <b>Total Local Aid</b>                      | <b>\$ -</b>          |                           | <b>\$ 2,102</b>        | <b>39%</b>                  | <b>\$ 2,102</b>       | <b>12%</b>           |
| State Dedicated Tax                         |                      |                           |                        |                             | \$ -                  |                      |

| San Joaquin Regional Rail Commission |                  |                    |                 |                      |                  |               |
|--------------------------------------|------------------|--------------------|-----------------|----------------------|------------------|---------------|
| Source                               | Capital Funds    | % of Total Capital | Operating Funds | % of Total Operating | Combined Funds   | % of Combined |
| Income                               | \$ -             |                    | \$ -            |                      | \$ -             |               |
| Sales                                | \$ -             |                    | \$ 1,766        |                      | \$ 1,766         |               |
| Property                             | \$ -             |                    | \$ -            |                      | \$ -             |               |
| Gasoline                             | \$ -             |                    | \$ -            |                      | \$ -             |               |
| Other                                | \$ 12,376        |                    | \$ -            |                      | \$ 12,376        |               |
| <b>Total State Dedicated</b>         | <b>\$ 12,376</b> | <b>100%</b>        | <b>\$ 1,766</b> | <b>32%</b>           | <b>\$ 14,142</b> | <b>79%</b>    |
| State Dedicated Aid (Non-Transit)    | \$ -             |                    | \$ -            |                      | \$ -             |               |
| State General Aid                    | \$ -             |                    | \$ -            |                      | \$ -             |               |
| <b>Total State Aid</b>               | <b>\$ 12,376</b> | <b>100%</b>        | <b>\$ 1,766</b> | <b>32%</b>           | <b>\$ 14,142</b> | <b>79%</b>    |
| Total Federal Aid                    | \$ -             |                    | \$ 1,573        | 29%                  | \$ 1,573         | 9%            |
| <b>Total Public Funds</b>            | <b>\$ 12,376</b> |                    | <b>\$ 5,441</b> |                      | <b>\$ 17,817</b> |               |

(figures in \$000s); Source: 2000 National Transit Database

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## 4. Future Conditions

This chapter discusses potential future conditions for bus and rail modes individually. However, the most significant element of future transit conditions in the Burlington area is the growth of a multimodal transit system. Bus and rail are already operating in Chittenden County. Expansions of both are planned, with the proposed expansions extending outside current service boundaries and, in some instances, outside the county itself. As the transit network expands, it will be important to treat it as an integrated system, rather than as independent services provided by separate modes.

### 4.1 Bus

As discussed previously, CCTA bus service is constrained within the member communities. A KFH Group study, “Operational Analysis, System Plan, and Funding Alternatives for the Chittenden County Transportation Authority,” which examined the locations of where people live and where they need to go, showed that it is difficult to maximize CCTA service for the region if the service is limited to the five member communities. The study showed that Colchester, Williston, and part of Milton can greatly benefit from transit service. KFH Group recommended several service changes within the current service area. The changes include revising existing schedules, changing the Essex local route, developing Shelburne local service, and developing the first direct-connect route between South Burlington, University Mall, and Winooski. Other recommendations came in packages and include:

- Colchester/Milton Service Package, three separate service units:
  - Extend the North Avenue Trunk Line to Malletts Bay, combined with implementation of the demand-responsive/route deviation feeder service.
  - Implement Milton commuter service, linked to park-and-ride development.
  - Add Milton Demand-Responsive Feeder Service.
- Williston Service Package, two separate service units:
  - Implement Williston Road Trunk Line to Tafts Corners, implement Williston Town Demand-Responsive/Route Deviation Connector.
  - Through-route South Burlington/University Mall/Airport Community Connector with the Riverside/Winooski Commuter Connector.
  - Implement Direct Connect from Williston/Tafts Corners to IBM, Essex Junction Village.
- Charlotte Service Package, two separate service units (coordinate with rail implementation, demand-responsive feeder can feed rail):
  - Implement Charlotte commuter service, linked to park-and-ride development.
  - Add Charlotte Demand-Responsive Feeder Service.
- Richmond Service Package, two separate service units:
  - Implement Richmond commuter service, service existing park and ride and village center.
  - Add Richmond Demand-Responsive Feeder Service.
- Underhill/Jericho Service Package, two separate service units:

- Implement Underhill/Jericho commuter service, linked to development of park-and-ride lots.
- Add Underhill/Jericho Demand-Responsive Feeder Service.
- Countywide Demand-Response Service: Could be implemented at any time through contract operator.

Many of the recommendations have not been implemented. However, a portion of the Williston service package has been implemented. For example, the trunk line recommendation which is a Job Access Reverse Commute route that is a direct connect from Williston/Tafts Corners to IBM, Essex Junction Village has been implemented. Several recommendations listed are in progress. For example, a proposal will be presented to the Essex select board in the fall to change the Essex local route. Progress is being made to implement the first direct-connect route between South Burlington, University Mall, and Winooski. A proposal was made to Colchester regarding service in the region was rejected.

The region is planning a multimodal center which will need connector services to link this facility to downtown, and these are anticipated to include the College Street Shuttle, a new Downtown Circular, and a revised North/South Circular.

## 4.2 Rail

The Burlington to Essex Rail Project will continue the Champlain Flyer service that runs from Charlotte to Burlington. The Burlington to Essex Rail Project is one component of the Rt. 15 Corridor Plan, which is a multimodal project. The other components of the Rt. 15 Corridor Plan include: an increase in bus service until the commuter rail is in place; feeder bus service when the commuter rail is in place; a bike/pedestrian route; and highway improvements, such as left-turn lanes at critical intersections, intelligent transportation system (ITS), and traffic signal optimization. A detailed description of these services can be found in the “Burlington-Essex Corridor Alternatives Analysis Phase 1A Report” by DMJM + Harris. Tables 32 and 33 summarize Rt. 15 Corridor Plan costs in FY 2002 \$.

**Table 32**  
Rt. 15 Corridor Plan Cost in FY 2002 \$

|                          |                      |
|--------------------------|----------------------|
| Major Transit Investment | \$ 21,244,000        |
| Bus Operating (3 years)  | \$ 1,560,000         |
| Bikeway                  | \$ 2,210,000         |
| Highway                  | \$ 1,832,000         |
| <b>Total</b>             | <b>\$ 26,845,000</b> |

The transit investment components costs, which include 25 percent contingency and 18 percent design-management costs, are presented in Table 33. These costs do not include the current and future needs of the Champlain Flyer which currently is operating under the CMAQ fund. A new funding source is

needed by 2003 for the long term operation of the Champlain Flyer. In addition, VTA is considering expanding rail service to Middlebury and St. Albans but a funding source has not yet been identified.

**Table 33**

| <b>Transit Investment Components</b> |                      |
|--------------------------------------|----------------------|
| <b>Capital Costs</b>                 |                      |
| Tunnel and Bridge                    | \$ 4,012,000         |
| Burlington Passing Siding            | \$ 460,000           |
| BED Plant Siding                     | \$ 496,000           |
| Mainline Improvements                | \$ 3,717,000         |
| Essex Junction Improvements          | \$ 2,100,000         |
| Grade Crossings including quiet zone | \$ 6,048,000         |
| Communication and Control            | \$ 1,092,000         |
| Stations                             | \$ 2,419,000         |
| Buses                                | \$ 900,000           |
| <b>Total</b>                         | <b>\$ 21,244,000</b> |
| <b>Annual Operating Costs</b>        |                      |
| Rail Operations                      | \$ 1,400,000         |
| Bus Feeder Service                   | \$ 520,000           |

The costs estimates in table 33 will be use in the FTA Financial Plan. The capital estimated cost for the major transit investment component totaled \$21,244,000 in FY 2002 \$. The annual operating costs of both the rail service and the incremental bus feeder service totaled \$1,920,000 in FY 2002 \$.

### **4.3 Other Projects**

The Burlington Multimodal Center is a facility that is being planned as an intermodal terminal to be located on a lot adjacent to Union Station in Burlington, which is on Main and Battery Streets. The proposed transportation terminal would be utilized by CCTA, Vermont Transit, Charlotte to Burlington Commuter rail, the proposed Burlington to Essex commuter rail project, and potentially Amtrak. The location will function as a transfer station for CCTA to connect riders to other transit modes. It will also include linkages to regional bicycle trails, ferry connections, and pedestrian access to the downtown retail core—as well as a 300-car parking garage. The bus components of the Multimodal Center would be located adjacent to the Union Station building on the block bounded by Battery, Lake, Main, and College Streets.

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## 5. Conclusion on Needs

### 5.1 The Need for One Entity

Currently, Chittenden County has no unified transit funding source or structure. The CCTA bus service utilizes the property tax in five member municipalities to fund shortfalls from fare revenue, limited charter revenue, revenue from advertising, revenue from service under contract to other entities, and federal and state grants. When member towns are unable to pay for their portion of costs, a reduction in service will result because raising fares is not perceived as a feasible option. CCTA as a transit provider would like to expand service instead of cutting services.

In comparison to CCTA, VTA is currently utilizing federal CMAQ funding, which is limited to three years of operations, and the state transportation fund for Champlain Flyer costs. It is not clear what funding source will substitute for the CMAQ portion once eligible use of the funds expires. Visibly, funding structures for Chittenden County's two major transit operators are different and there is no institution clearly responsible for funding regional transit improvements. The property tax is exhausted, already ranking third highest in the nation, and CMAQ funding will be statutorily denied to the Champlain Flyer after 2003. Furthermore, when the Burlington to Essex rail service began operation, additional operational funding is needed to sustain the service in the long run.

Other transit providers described above depend on private funding from member institutions and student fees to finance services within each market. When all services in Chittenden County are examined, some economies of scale could be realized if cooperation and coordination were to occur among at least several of the transit providers in Chittenden County.

Each of the transportation entities operating in Chittenden County-whether public, non-profit, or private-has its own financing structure, governing board, staff, operations and maintenance personnel, and facilities. Each plans its services independently. Any coordination of services and schedules is voluntary and *ad hoc*. This situation leads to fragmented transportation services and duplicated costs. Transit users in Chittenden County could benefit from integration of existing service into an intermodal transit system. Given the variety of transit providers in the region, when SSTA, CATMA and the University's system are included, it is unlikely that all services could or should be combined into a single agency. A regional transit service coordinating council could be useful, however.

For the public transit services, integration is critical for several reasons. Major considerations are service integration, fare integration, and savings in administrative costs. Service and fare integration are primary. Coordination of bus and rail services and schedules are key to successful operation of an integrated transit system, and to operations of the individual modes. To date, scheduling of bus service to match the Champlain Flyer schedule has been problematic because no forum or liaison process is in place. With the expansion of rail service and the introduction of several new feeder routes, service coordination will

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become more important. Passengers make their decision whether to ride transit based, in great part, on the convenience of doing so, compared with driving. Dependable service with very short wait times for transfers between modes is the primary decision criterion. Accurate route and schedule information for combined bus and rail service is also important, as is joint marketing of services.

Fare integration, too, is key to successful transit operations. Present policies call for free transfers between CCTA bus and rail. However, fare payment methods are not compatible between the two modes. This is inconvenient for the transit operators, but the inconvenience to the passengers is even more important, as it affects their willingness to use the system. In addition, as ridership and intermodal transfers grow, the bus and rail services would greatly benefit from a coordinated fare accounting and revenue allocation system, so that each can receive appropriate credit for transferring passengers, use of intermodal monthly passes, etc.

The required integration of bus and rail services will be extremely difficult to accomplish as long as the two modes are operated by separate agencies reporting to different boards, with differing constituencies, regulations, and revenue sources. Efforts to coordinate are complex and require multiple levels of approval. Separation of the modes between agencies also entails duplication of certain administrative costs.

Finally, if bus and rail transit are funded through separate mechanisms, with separate requirements and restrictions, coordination and adjustment of service is made more difficult, and a culture of two competing modes could be fostered.

The consulting team recognizes that Chittenden County's current transit funding structure cannot meet the needs of the region. One recommended approach that Chittenden County may explore is to reform its transportation institutional structure to plan service improvements based on geographic commuting patterns, not on jurisdictional boundaries. Other critical roles for which an integrated or unified institutional structure would address are: to coordinate the evolution of transit improvement proposals (additional rail investments and bus expansions); to prioritize short- and long-range transit needs; to coordinate schedules, fares, and operations; and to implement an equitable funding structure so that all citizens of the region and service users bear an equitable share of the economic burden of the collective transit services.

## **5.2 Property Tax: The Barrier**

There is no doubt that the property tax is the primary barrier to non-member communities within Chittenden County joining CCTA. Currently, there are five of the county's eighteen communities who are members. Based on the KFH Group study discussed in Chapter 4, several non-member cities within Chittenden County can benefit from transit service including Colchester, Williston, and Milton. The demand is visible; CCTA can accommodate an expansion of service if the cities are willing to pay for it.

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There are several factors that allow the property tax to be a barrier to entry and to keep CCTA from expanding its service. First and foremost, Vermont is a state that highly values education and invests a tremendous amount of resources in education. Because education is financed through the property tax, transit is effectively competing for the same resources. Property taxes in Vermont are high by national standards and many tax payers are unwilling to accept an increased property tax burden to fund transit.

If the property tax is the main reason why other Chittenden County municipalities refuse to join CCTA, then the county should move away from the property tax and finance transit with another source. This issue has been examined by prior studies that also have documented that the property tax as a transit funding source is exhausted. Prior studies also showed that the state needs to provide more funding for transit and that a new source of funding is needed. The gasoline and sales taxes are the primary candidates, and that the governance of CCTA is subject to restructuring.<sup>6</sup>

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<sup>6</sup> The two most recent reports that documented these assumptions came from: 1) KFH Group, Operational Analysis System Plan, and Funding Alternatives for the Chittenden County Transportation Authority, May 1999; 2) Mudd & Associates, Ltd., Regional Strategy for Public Transit Expansion Final Recommendation and Action Plan, July 2000.

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## 6. Options and Evaluation

### 6.1 Institutional Models

To accommodate regional transit needs, Chittenden County should initiate a countywide reform that involves a new single transit authority to plan for the whole region. Currently there are three institutional models in Chittenden County that can act as the backbone for the new single transit authority. The models are the structures of CCTA, VTA, and the consolidated Water District. The five main elements of the existing structures are functions, governance, funding capacity, geographic scope, and addition of territory.

The legislation establishing CCTA, VTA, and the Water District was enacted by the State of Vermont. The functional role of CCTA is to provide land transportation services, while VTA is authorized to operate any railroad or transportation project. The Water District provides water services to members of the district.

Though they may provide different public services, their institutional components are in many ways similar. For example, CCTA and the Water District are governed by commissioners from their respective municipalities. In CCTA's case, the commissioners are appointed by the municipalities; in the Water District's case, the commissioners are popularly elected. CCTA authorizes two appointed commissioners from each municipality while the Water District allows at least one elected member from each member town. VTA differs from CCTA because the Governor appoints VTA's board of directors. Another difference between the VTA and CCTA boards is that the commissioners for VTA come from different regions throughout the state whereas CCTA's board members are all from member municipalities in the district. As such the Water District and CCTA are perceived to be more representative and responsive to local concerns. Currently, CCTA has ten commissioners representing the five member towns and VTA has five commissioners.

Similar to the governance structure, CCTA and the Water District have similar funding capacity. Both institutions have authority to assess cost to member towns through the property tax. However, this authority is limited to the property tax; to the extent that the member municipalities have already utilized the property tax, their CCTA commissioners may find the additional cost to be an unacceptable burden on this tax base. VTA has no such authority. It relies on state funding for its entire shortfall after federal aid and farebox recovery.

The geographic scope of both CCTA and the Water District is limited to the boundaries of the member towns that each serves. If towns in Chittenden or adjoining counties elect to join CCTA, they must do so through an election by majority vote. The Water District also requires towns or districts that elect to join to do so through a similar election procedure, but towns wishing to join are not theoretically limited to

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those in adjoining counties. VTA on the other hand has no such process because its geographic scope is statewide.

The new single transit entity could adopt a combination of the existing structures and be successful if cooperation exists among transit stakeholders in the region. It is recommended that a variation on one or more of these models form the basis of the new entity, because the legislation for these has been tested in the context of Vermont statutes and will have the confidence of the legislature.

## 6.2 Potential New Funding Sources

The consulting team prepared a brief analysis of numerous mechanisms that could be used to fund transit in Chittenden County. The first set, titled Revenue Mechanisms for High-Yield Sources, identifies tax bases that produce large-scale revenue levels. The second set, titled Revenue Mechanisms for Low-Yield Sources, describes several taxes that have moderate-to-low revenue yields. The entire list of revenue types considered for this study includes:

- **Local option sales tax.** Counties or cities have the option of imposing a higher local sales tax in addition to the state sales tax.
- **Corporate income tax.** Tax imposed on profits earned by businesses.
- **Personal income tax.** Tax on individual income earnings.
- **Local property tax.** Tax levy on assessed value of real estate or other property.
- **Motor fuel gallonage tax.** Fee levied per gallon of gas or diesel fuel purchased.
- **Employer payroll tax.** A percentage or fixed fee per assessed payroll amount paid by employer.
- **Mortgage recordation tax.** A percentage or fixed fee added to mortgage application.
- **Real estate transfer tax.** Tax imposed on the privilege of transferring title to real estate or a beneficial interest in a land trust.
- **Personal Property Tax (Auto).** Tax imposed on personal property which may include machinery, equipment, furniture, intangible personal property (bonds, stocks, etc.).
- **Vehicle rental tax.** A percentage or fixed fee added to the price of vehicle rental.
- **Motor vehicle registration fee.** A percentage or fixed fee on renewal of registration of motor vehicles.
- **Motor vehicle emission fee.** An annual flat fee that may be levied based on vehicle miles traveled.
- **Motor vehicle privilege fee.** Fee levied on the number of cars per household and paid as an annual flat fee.

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- **Surface parking fee.** Fee levy per parking space of surface parking.
  - **Parking receipt tax.** Tax levy on commercial parking revenues.
  - **Incremental tax financing district.** A financing mechanism by which a public investment is designed to stimulate private investment and thereby increase tax revenues. The incremental tax revenues are captured by the sponsoring municipality to pay for the infrastructure project.
  - **Benefit assessment district.** A fee on property with proceeds used to pay part or all of the cost of capital improvements enhancing the value of and benefiting the property.
  - **Existing Surplus Fund transfers.** Transferring funds from surplus fund accounts to needed accounts.
  - **Value capture.** A site-specific variant of the land value tax that is tied to benefits derived by developers as a result of a public investment.

These fees or taxes could be levied and collected at the local or regional level, or levied and collected at the state level and allocated back to the regions in which they were generated. Since Chittenden County currently does not have local taxing authority, there is no institution to collect taxes if the tax was levied only in Chittenden County. There are two options that could be implemented in Chittenden. The state can collect the taxes and allocate back to the county the additional tax imposed on the county or a tax collection mechanism could be created to collect the tax for the county.

Each revenue source examined in Table 34 contains a brief reference to financial, political, legal, and administrative implications. The financial section includes commentary on revenue stability, growth and yield, and effect of inflation. The political discussion includes commentary on public perceptions and equity and boundary issues. Competing rates are presented for potential applicable tax sources. The legal column contains an analysis of legislative impacts, ties to transportation, and additional legal implications. The administrative column looks at whether collection and assessment mechanisms currently exist at either the state or local level.

**Table 34**  
Revenue Mechanisms for High-Yield Sources

| Source/<br>Dedicated<br>User               | Financial  |   |   | Political   | Legal   | Administrative  |
|--|--|---|---|---|---|---|
|  | Revenue Growth/<br>Stability   | Revenue Yield   | Indexing  | Public Perception/<br>Equity  | Legality/Tie to<br>Transportation   | Assessment and<br>Collection  |
| <b>Local Option or<br/>State Sales Tax</b> | <ul style="list-style-type: none"> <li>▪ Tax revenue is affected by economic conditions.</li> <li>▪ Provides reliable revenue flow if state economy remains strong.</li> </ul> | <ul style="list-style-type: none"> <li>▪ There is potential for large revenue yield, especially as population and median income levels grow.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Sales tax revenues have a direct relationship to price levels and inflation.</li> </ul>                                  | <ul style="list-style-type: none"> <li>▪ Tax is regressive; lower-income individuals spend greater portion of disposable income.</li> <li>▪ Tax is unpopular with local retailers who fear a negative impact on business.</li> <li>▪ Boundary issues if State level tax:<br/><b>VT</b> at 5%<br/><b>NH</b> at 0%<br/><b>MA</b> at 5%<br/><b>NY</b> at 4% + 4.5%<br/>= 8.5%</li> </ul> | <ul style="list-style-type: none"> <li>▪ Sales tax has no direct tie to transportation.</li> <li>▪ Legislation required to impose new sales tax rates.</li> <li>▪ Legislation required to institute local option tax</li> </ul> | <ul style="list-style-type: none"> <li>▪ Mechanism in place to collect the state tax, potential mechanism is available to collect local-generated tax revenue.</li> </ul> |
| <b>Corporate<br/>Income Tax</b>            | <ul style="list-style-type: none"> <li>▪ Revenue growth can be affected by economic conditions and existing industry mix.</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Corporate income tax revenue is cyclical and follows state and local business patterns.</li> </ul>             | <ul style="list-style-type: none"> <li>▪ Tax has an indirect tie to inflation because corporate income reflects price levels over longer time periods.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Indirect negative impact on investment and corporate growth.</li> <li>▪ Boundary Issues:<br/><b>VT</b> 7% &gt; \$0<br/>8.1% &gt; \$10K<br/>9.2% &gt; \$25K<br/>9.75% &gt; \$100K<br/><b>NH</b> 8.5% &gt; \$0<br/><b>MA</b> 9.5% &gt; \$0<br/><b>NY</b> 7.5% &gt; \$0</li> </ul>  | <ul style="list-style-type: none"> <li>▪ No direct tie to transportation.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ State mechanism in place to collect corporate income tax revenue.</li> </ul>   |

| Source/<br>Dedicated<br>User    | Financial  |   |   | Political  | Legal  | Administrative  |
|---------------------------------|--|---|---|--|--|---|
|                                 | Revenue Growth/<br>Stability   | Revenue Yield   | Indexing  | Public Perception/<br>Equity   | Legality/Tie to<br>Transportation  | Assessment and<br>Collection  |
| <b>Employer<br/>Payroll Tax</b> | <ul style="list-style-type: none"> <li>Tax paid by employers and is based on gross payroll paid to employees.</li> </ul>   | <ul style="list-style-type: none"> <li>Potential for sufficient long-term yield if employment levels continue to grow.</li> </ul> | <ul style="list-style-type: none"> <li>Inflation has indirect effect if payrolls try to keep pace with increasing costs of living.</li> </ul> | <ul style="list-style-type: none"> <li>Tax may face opposition from local business community.</li> <li>None in VT.</li> </ul>  | <ul style="list-style-type: none"> <li>No tie to transportation.</li> </ul>  | <ul style="list-style-type: none"> <li>No collection mechanism at either the state or local level.</li> </ul> |
| <b>Personal<br/>Income Tax</b>  | <ul style="list-style-type: none"> <li>Salary and wage distributions account for majority of the revenue collected.</li> <li>Tax normally produces stable revenue flow.</li> </ul> | <ul style="list-style-type: none"> <li>Traditionally, personal income tax has reliable revenue yield.</li> </ul>                  | <ul style="list-style-type: none"> <li>Inflation has an indirect effect in so far as salaries and wages keep pace with inflation.</li> </ul>  | <ul style="list-style-type: none"> <li>Raising the tax is politically unpopular.</li> <li>Opponents claim increasing the tax has a negative economic impact and inhibits income generation and resulting productivity.</li> <li>Boundary issues:<br/> <b>VT</b> 7% taxable income<br/> <b>NH</b> at 0%<br/> <b>MA</b> at 5.6%<br/> <b>NY</b> at 4.0-6.85%</li> </ul> | <ul style="list-style-type: none"> <li>Legislation required to impose new income tax rates.</li> <li>No direct tie to transportation.</li> </ul> | <ul style="list-style-type: none"> <li>Collection mechanism in place.</li> </ul>                              |

| Source/<br>Dedicated<br>User                     | Financial   |  |   | Political   | Legal   | Administrative  |
|--|---|--|---|---|---|---|
|  | Revenue Growth/<br>Stability  | Revenue Yield  | Indexing  | Public Perception/<br>Equity  | Legality/Tie to<br>Transportation   | Assessment and<br>Collection  |
| <b>Real Estate<br/>Property Tax</b>              | <ul style="list-style-type: none"> <li>Stable revenue source, but fluctuates with real estate trends and property values.</li> <li>Revenue growth contingent on property trends.</li> </ul> | <ul style="list-style-type: none"> <li>Sufficient revenue yield, but any increase would tend to reduce municipal revenue potential.</li> </ul>       | <ul style="list-style-type: none"> <li>Property values do not always follow inflationary trends.</li> </ul> | <ul style="list-style-type: none"> <li>Tax is already heavily burdened; potential for stiff public opposition.</li> <li>Boundary issues:<br/>Rates are per \$100 for 2000:<br/>Burlington, VT \$2.06<br/>Manchester, NH \$3.05<br/>Boston, MA \$1.32<br/>New York City, NY \$.80</li> </ul> | <ul style="list-style-type: none"> <li>No direct tie to transportation.</li> </ul>                                    | <ul style="list-style-type: none"> <li>Collection mechanism in place at local level.</li> </ul>                                       |
| <b>Personal<br/>Property Tax<br/>(e.g. auto)</b> | <ul style="list-style-type: none"> <li>Revenue stability affected by personal property value fluctuations.</li> </ul>   | <ul style="list-style-type: none"> <li>Adding intangible property (securities and related investments) increases yield and progressivity.</li> </ul> | <ul style="list-style-type: none"> <li>Some personal property values will track price levels.</li> </ul>    | <ul style="list-style-type: none"> <li>None in VT and NY. MA has fees based on value of the car. NH has fees based on weight of car at state level.</li> </ul>  | <ul style="list-style-type: none"> <li>Tax has direct tie to transportation if levied against auto values.</li> </ul> | <ul style="list-style-type: none"> <li>Complex tax that is difficult to enforce.</li> <li>No collection mechanism in place</li> </ul> |

| Source/<br>Dedicated<br>User                   | Financial  |   |   | Political  | Legal  | Administrative   |
|--|--|---|---|--|--|--|
|  | Revenue Growth/<br>Stability   | Revenue Yield   | Indexing  | Public Perception/<br>Equity   | Legality/Tie to<br>Transportation  | Assessment and<br>Collection   |
| <b>Motor Fuel<br/>Gallage Tax</b>              | <ul style="list-style-type: none"> <li>Stable revenue flow as long as economic conditions remain strong.</li> <li>Limited revenue growth potential as technical advances improve fuel efficiency.</li> </ul> | <ul style="list-style-type: none"> <li>A local option fuel tax tends to reduce statewide tax increase potential. A statewide tax has no such impact.</li> </ul> | <ul style="list-style-type: none"> <li>Must be indexed to inflation because tax is based on a gallonage method.</li> <li>Potential long-run yield not as reliable as a percent of motor fuel tax or other indexed bases. Larger revenue output if consumers were taxed based on a percent of total fuel purchased.</li> </ul> | <ul style="list-style-type: none"> <li>Boundary issues:<br/><b>VT</b> at \$.20/gal<br/><b>NH</b> at \$.19/gal<br/><b>MA</b> at \$.21/gal<br/><b>NY</b> at \$.226/gal</li> <li>Opportunity to promote the tax as pro-environment (i.e., represents effort to achieve clean air goals).</li> </ul>                                     | <ul style="list-style-type: none"> <li>Tax has a direct tie to transportation.</li> <li>Levy is actually a user charge rather than a “traditional” tax.</li> </ul> | <ul style="list-style-type: none"> <li>State collection mechanism in place.</li> </ul> |
| <b>Motor Vehicle<br/>Registration<br/>Fees</b> | <ul style="list-style-type: none"> <li>Stable revenue if the per-capita automobile ownership grows with the state’s economy.</li> </ul>  | <ul style="list-style-type: none"> <li>Yield is generally lower than motor fuel tax and often lower than personal property tax.</li> </ul>                      | <ul style="list-style-type: none"> <li>Fee would have to be indexed for inflation.</li> </ul>   | <ul style="list-style-type: none"> <li>Boundary issues:<br/><b>VT</b> Varied with type, size, weight, and purpose of vehicle. Average \$43<br/><b>NH</b> Varied with type. Average \$31.20<br/><b>MA</b> Average \$50<br/><b>NY</b> Varied with type, weight, county of residence, and custom plate fees. Average \$22.50</li> </ul> | <ul style="list-style-type: none"> <li>Registration fees have a direct tie to transportation.</li> <li>The levy is a user charge not a tax.</li> </ul>             | <ul style="list-style-type: none"> <li>State collection mechanism in place.</li> </ul> |

| Source/<br>Dedicated<br>User             | Financial  |   |  | Political   | Legal   | Administrative   |
|--|--|---|--|---|---|--|
|  | Revenue Growth/<br>Stability   | Revenue Yield   | Indexing   | Public Perception/<br>Equity  | Legality/Tie to<br>Transportation   | Assessment and<br>Collection   |
| <b>Parking<br/>Receipt Tax</b>           | <ul style="list-style-type: none"> <li>Reliable revenue (i.e., will have inflationary growth) if number of drivers continues to grow.</li> </ul>                   | <ul style="list-style-type: none"> <li>Because tax applies only to paid parking, tax base is a small portion of county-wide parking; revenue yield is low.</li> </ul> | <ul style="list-style-type: none"> <li>Tax is not related to current price levels.</li> </ul>  | <ul style="list-style-type: none"> <li>If receipts are taxed, not visible to commuters, tax is embedded in parking price.</li> <li>Directly affects parking providers, who will likely oppose the tax as anti-business.</li> </ul>                | <ul style="list-style-type: none"> <li>Relationship to transportation is that tax revenue is generated by drivers.</li> </ul> | <ul style="list-style-type: none"> <li>No collection process in place at either state or local level.</li> </ul>   |
| <b>Surface<br/>Parking<br/>Surcharge</b> | <ul style="list-style-type: none"> <li>Reliable revenue if number of drivers grow.</li> <li>If successful, this revenue source will diminish over time.</li> </ul> | Because charges are generally applied only to paid parking, base is a small portion of county-wide parking; revenue yield is low.                                     | <ul style="list-style-type: none"> <li>Levied as a flat fee surcharge priced as an absolute dollar amount.</li> <li>Not indexed to increase with the cost of parking.</li> </ul> | <ul style="list-style-type: none"> <li>Parking rates currently low.</li> <li>Downtown commercial occupants likely to oppose.</li> <li>City of Burlington likely to oppose, as they are the major parking owned/operator in the region.</li> </ul> | <ul style="list-style-type: none"> <li>Tie to transportation in that tax revenue is generated by drivers.</li> </ul>          | <ul style="list-style-type: none"> <li>Implementation will require coordinating with private parking vendors and businesses located in Chittenden County and with the City of Burlington.</li> </ul> |

| Source/<br>Dedicated<br>User | Financial  |  |  | Political  | Legal   | Administrative  |
|------------------------------|--|--|--|--|---|---|
|                              | Revenue Growth/<br>Stability   | Revenue Yield  | Indexing   | Public Perception/<br>Equity   | Legality/Tie to<br>Transportation   | Assessment and<br>Collection  |
| <b>Rental Car Tax</b>        | <ul style="list-style-type: none"> <li>▪ Tax levied on the amount charged for auto rental.</li> <li>▪ Small tax base and limited growth potential.</li> <li>▪ Revenue flow affected more by non-resident traffic.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Low yield may be deterrent.</li> </ul>                                  | <ul style="list-style-type: none"> <li>▪ Tax may be levied on a per-day basis or as a percent of the total rental charge.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Considered more of a burden to non-residents.</li> <li>▪ Boundary issue should not be a deterrent:<br/><b>VT</b> 5%<br/><b>NH</b> 8%<br/><b>MA</b> 5%<br/><b>NY</b> 13.25%</li> </ul> | <ul style="list-style-type: none"> <li>▪ Tax has a tie to transportation.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ State level collection mechanism in place.</li> </ul>  |
| <b>Vehicle Emissions Fee</b> | <ul style="list-style-type: none"> <li>▪ Normally paid as an annual flat fee but may be levied based on vehicle miles traveled.</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Limited revenue growth; revenue yield may be a disincentive.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Levied as a flat fee priced as an absolute dollar amount.</li> </ul>                        | <ul style="list-style-type: none"> <li>▪ May limit other auto usage revenue, such as a gas tax increase.</li> <li>▪ Palatable to public if tax improves quality of life.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Emissions tax has a direct link to transportation.</li> <li>▪ Will require legislation to change existing emission standards.</li> </ul> | <ul style="list-style-type: none"> <li>▪ State level collection mechanism in place.</li> </ul>  |
| <b>Vehicle Privilege Fee</b> | <ul style="list-style-type: none"> <li>▪ Fee levied on the number of cars per household and paid as an annual flat fee.</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Limited revenue growth; revenue yield may be a disincentive.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Levied as a flat fee priced as an absolute dollar amount.</li> </ul>                        | <ul style="list-style-type: none"> <li>▪ Fee is a user charge; may be unpopular.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Fee has a tie to transportation.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ No collection mechanism in place; could be collected with personal property or vehicle registration fees.</li> </ul> |

| Source/<br>Dedicated<br>User            | Financial   |  |   | Political  | Legal   | Administrative   |
|---|---|--|---|--|---|--|
|   | Revenue Growth/<br>Stability  | Revenue Yield  | Indexing  | Public Perception/<br>Equity   | Legality/Tie to<br>Transportation   | Assessment and<br>Collection   |
| <b>Real Estate<br/>Transfer Tax</b>     | <ul style="list-style-type: none"> <li>▪ Tax that applies to the transfer value of real property deeds.</li> <li>▪ Unreliable growth; tax collections can be infrequent and unpredictable.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Revenue yield may not be sufficient due to infrequency of transfers.</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Tax values are contingent on the value of transferred property.</li> </ul>                             | <ul style="list-style-type: none"> <li>▪ Opposition from real estate partnerships, realtors, or other ventures managing extensive property holdings.</li> <li>▪ Boundary Issues: This rate is for real estate deed recordation and transfer tax rates (per \$500 of consideration):<br/><b>VT</b> \$2.50 on first \$100K, \$6.50 on rest<br/><b>NH</b> \$3.75<br/><b>MA</b> \$2.28<br/><b>NY</b> \$2.00</li> </ul> | <ul style="list-style-type: none"> <li>▪ No tie to transportation.</li> </ul> | <ul style="list-style-type: none"> <li>▪ VT state currently taxes in an amount equal to the federal credit for state death taxes.</li> </ul> |
| <b>Mortgage<br/>Recordation<br/>Tax</b> | <ul style="list-style-type: none"> <li>▪ Excise tax on recorded mortgages.</li> <li>▪ Low revenue growth because tax is a one-time levy on the recording of a mortgage.</li> </ul>                    | <ul style="list-style-type: none"> <li>▪ Low yields where property purchases and mortgage recordings are below the national average and/or declining.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Tax collections are based on the recorded liens.</li> <li>▪ Inflation has no direct effect.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Tax could be unpopular with general public; a real estate property tax is already collected at the local level.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ No tie to transportation.</li> </ul> | <ul style="list-style-type: none"> <li>▪ collection mechanism at either the state or local level.</li> </ul>                                 |

| Source/<br>Dedicated<br>User              | Financial   |   |   | Political  | Legal  | Administrative   |
|---|---|---|---|--|--|--|
|   | Revenue Growth/<br>Stability  | Revenue Yield   | Indexing  | Public Perception/<br>Equity   | Legality/Tie to<br>Transportation  | Assessment and<br>Collection   |
| <b>Fund Balance Transfers</b>             | <ul style="list-style-type: none"> <li>Interfund transfers among municipal agencies.</li> <li>Growth depends on volume of surplus funds from existing accounts.</li> </ul>              | <ul style="list-style-type: none"> <li>Low revenue yield and uncertain revenue source.</li> <li>Many variables affect a municipality's ability to run fund surpluses.</li> </ul>  | <ul style="list-style-type: none"> <li>Fees collected from the general public are not indexed to price levels.</li> </ul> | <ul style="list-style-type: none"> <li>Revenue transfers are not visible to the public.</li> </ul>                   | <ul style="list-style-type: none"> <li>No tie to transportation.</li> </ul>  | <ul style="list-style-type: none"> <li>transfer process in place potentially in place.</li> </ul>  |
| <b>Incremental Tax Financing District</b> | <ul style="list-style-type: none"> <li>Surcharge on the incremental increase of selected property values.</li> <li>Revenue growth affected by property value fluctuations.</li> </ul>   | <ul style="list-style-type: none"> <li>Low revenue yield.</li> </ul>  | <ul style="list-style-type: none"> <li>Does not need to be tied to property values.</li> </ul>                            | <ul style="list-style-type: none"> <li>Surcharge may face opposition from property owners and developers.</li> </ul> | <ul style="list-style-type: none"> <li>If the assessment district is based on transportation benefits, then tie to transportation.</li> <li>Limited geographically and tied to capital improvements</li> </ul> | <ul style="list-style-type: none"> <li>No collection mechanism.</li> <li>Modifications are needed to govern the setup of new districts.</li> </ul> |
| <b>Benefit Assessment District</b>        | <ul style="list-style-type: none"> <li>Surcharge levied on property within defined areas that has benefited from local improvements.</li> </ul>   | <ul style="list-style-type: none"> <li>Low revenue yield.</li> </ul>  | <ul style="list-style-type: none"> <li>Property values are not indexed to current price levels.</li> </ul>                | <ul style="list-style-type: none"> <li>Surcharge may face opposition from property owners and developers.</li> </ul> | <ul style="list-style-type: none"> <li>If the assessment district is based on transportation benefits, then tie to transportation</li> </ul>   | <ul style="list-style-type: none"> <li>District must be defined and collection mechanism put into place.</li> </ul>                                |
| <b>Value Capture</b>                      | <ul style="list-style-type: none"> <li>Public/private partnership where private sector compensates public agency for transit development costs that generate economic value.</li> </ul> | <ul style="list-style-type: none"> <li>Yield dependent upon the economic value of the completed transit facility or project.</li> <li>Not a table source for financing ongoing operations throughout region.</li> </ul> | <ul style="list-style-type: none"> <li>Value capture is not indexed to current price levels.</li> </ul>                   | <ul style="list-style-type: none"> <li>Can be a popular way to enlist private investment.</li> </ul>                 | <ul style="list-style-type: none"> <li>If facility or project involves transportation, then there is a tie to transportation.</li> </ul>   | <ul style="list-style-type: none"> <li>Projects would have to be identified and developed to assess value capture opportunities.</li> </ul>        |

## 6.3 Potential Revenue Sources for Vermont

Table 35 presents estimated revenue per unit of tax as reported by the Vermont Joint Fiscal Office. These yields are based on estimated revenue for FY 2002 and FY 2003.

**Table 35**  
Estimated Revenue Per Unit of Tax  
(Selected Taxes; Dollars in Millions)

| Revenue Source    | FY 2002 | FY 2003 | Existing Tax Rate | Unit of Tax | Yield/Unit of Tax FY 2002 | Yield/Unit of Tax FY 2003 |
|-------------------|---------|---------|-------------------|-------------|---------------------------|---------------------------|
| Personal Income   | \$456.2 | \$446.2 | 24% <sup>7</sup>  | @1%         | \$19.01                   | \$18.59                   |
| Sales and Use     | \$230.0 | \$213.5 | 5%                | @1%         | \$46.00                   | \$42.7                    |
| Telecommunication | \$15.8  | \$14.7  | 4.36%             | @1%         | \$3.61                    | \$3.37                    |
| Meals and Rooms   | \$100.3 | \$99.4  | 9%                | @1%         | \$10.3                    | \$9.94                    |
| Cigarette         | \$23.7  | n/a     | \$.44/pack        | @penny      | \$0.54                    | n/a                       |
| Bank Franchise    | \$8.9   | \$8.3   | .0096%            | @.0001%     | \$0.09                    | \$0.09                    |
| Gasoline          | \$64.1  | \$64.5  | \$0.19/gallon     | @penny      | \$3.37                    | \$3.39                    |
| Diesel            | \$20.0  | \$16.8  | \$0.25/gallon     | @penny      | \$0.80                    | \$0.67                    |
| Purchase and Use  | \$75.0  | \$77.8  | 6%                | @1%         | \$12.5                    | \$12.97                   |

Of the transportation related taxes, the motor fuel tax has the highest yield, best established collection process (provided the tax is statewide), and considerable support from community leadership. The sales tax has a higher yield, has been shown by surveys in other regions to be perceived as the least onerous, and could be more easily implemented on a local basis than the motor fuels tax. The consulting team believes that the sales tax and the gasoline tax are the two probable sources for new transit funding because first, the sales tax has a potential to yield high revenue. As Table 35 indicates, \$0.12 to \$0.13 per gallon of gasoline would be required to equal the yield of a 1 percent sales tax increase. However, taxing gasoline consumption for transit is indirectly taxing the activity that creates pollution and congestion; this represents some efficiency in taxation policy.

## 6.4 Statewide or Local Option Revenue Measures

In the process of selecting a new source of funding for transit, the legislature need to determine which tax makes the most sense and whether it should apply across the entire state or on an area-by-area basis. Most taxes that apply to less than the entire state are authorized by the legislature but are enacted by a specified process at the regional, county, or municipal level as a local option tax. The general criteria for deciding

<sup>7</sup> Act 67 of the 2001 re-coupled from federal tax liability to federal taxable income for tax years 2002 and 2003. Now the Vermont tax is equal to 24% of the pre-EGTRAA federal liability.

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on a statewide or local option tax are discussed below, followed by a brief summary of the issues regarding Chittenden County transit funding.

### **6.4.1 General Advantages of Statewide Measures**

#### **Few Boundary Inequities or Inefficiencies**

An obvious advantage of statewide taxation is that fewer boundary competition problems and associated inequities occur. The issue of boundary competition has been discussed above as one of the criteria for selecting an activity or condition to be taxed. When a tax is imposed on a statewide basis, problems arise only at the state boundaries vis-à-vis neighboring states (or, in Vermont's case, also with Canada). Thus the statewide tax avoids the inefficiency of causing citizens to transfer their activity (e.g., purchases of major household goods subject to a sales tax or purchase of gasoline) from one jurisdiction within Vermont to another.

In addition to the inefficiency of transferring activity, and the economic loss it represents to the jurisdiction with the higher tax rate, there are also inequities at taxing boundaries. Because almost all economic activity and selected public service benefits extend across boundaries, inequities can result. For example, commuters who enter a region to work, as is the case with Chittenden County, may benefit from transportation investments and the relief of traffic congestion; but if the investment is supported by property taxes, they may not pay a proportionate share of the cost. Conversely, if a jurisdiction is a retail sales center, and citizens from surrounding areas travel there to make purchases, again, like Chittenden County, and if local education is supported by a sales tax, then residents outside the jurisdiction help pay for the jurisdiction's school system.

#### **Uniform Management of Tax Structure**

Perhaps the most persuasive argument in favor of statewide taxes is that it preserves the uniformity and potential of the state's funding capacity. This argument holds that there are points of rapidly increasing resistance as a specific tax rate rises. Therefore, if taxes are not uniform across the state, then the state will reach those points of resistance in areas where the rates are already high, and will be inhibited from increasing the taxes to that level in the remainder of the state. For example, if a local option gas tax were permitted and 10 cents per gallon were added in Chittenden County, raising the combined Chittenden County tax to 27 cents, then the state would find it difficult to add a statewide gas tax of 10 cents; although most of the state would only reach 27 cents per gallon, Chittenden County would object to the perceived intolerability of a rate of 37 cents. Thus, the most efficient use of each tax is a uniform statewide tax.

Where the object of expenditure is either statewide in nature or no distribution formula is to be applied (e.g. based on return to source or proportionate need, such as lane-miles of roadway), statewide taxes generate more revenue at tolerable taxation rates, or conversely require only moderate rates to generate a

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needed level of revenue. If spending is concentrated in specific areas such as Chittenden County, those areas will perceive a benefit. As the graph entitled “Comparison of County Funding Sources” in the appendix shows, Vermont spending is managed in a manner that results in lower state funding per capita in Chittenden County than statewide average; return-to-source and distribution formulas are partially responsible.

## **6.4.2 General Advantages of Local Revenue**

### **Local Choice and Control**

The obvious advantage of a local option tax is the local choice, control, and accountability that it facilitates. In addition to the local nature of the decision, there is the added significant process of popular referendum, which accompanies many local option taxes, but very few statewide taxes.

### **Public Services Spending in Densely Developed Areas Is Higher than in Other Areas**

A second argument for local taxes is that the need for public services differs by area, and therefore should have differing tax rates. Generally, densely developed areas tend to spend more per capita on public services and more specifically on mass transit, than do sparsely developed areas.

Previous sections presented a broad spectrum of potential tax options and amount of revenue streams projected from selected taxes. This section offers a discussion of an FTA sponsored report that concludes sprawl developments are fiscally more costly than controlled development.<sup>8</sup> The report’s model takes into account cost and revenue projections for 2000-2025. The results support the need for Vermont to be fiscally responsible and allow Chittenden County taxing authority so it can finance the type of public services that are needed and demanded in the county.

Population density analysis for the 14 counties in Vermont shows that population density ranged from 10 persons per square mile to approximately 272 persons per square mile. Chittenden County is by far the most densely populated region in the state with 272 persons per square mile. This correlates to 2,800 percent more density than the least dense (Essex County) region in the state.

The Transit Cooperative Research Program (TCRP) study of Local Public Service Costs (*Transit Cooperative Research Program Report 74: Costs of Sprawl-2000*) based on 1992 data shows that nationally, annual public service expenditure for developed areas are approximately \$1,940 and \$1,625 for undeveloped areas. The cost per capita for developed areas is approximately 16 percent more compared to its counterpart. Compared to the national average Vermont spends less per capita in both categories, with expenditure of \$1,644 per capita in developed areas and \$1,509 per capita in undeveloped

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<sup>8</sup> Transit Cooperative Research Program Report, Costs of Sprawl-2000, sponsored by the FTA, 2001

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areas. Vermont expends about 8 percent more per capita for developed areas compared to undeveloped areas.

The demand for public transit is inherently much higher for high-density areas, so that higher public expenditure is justified because the level of demand is available to absorb such service. It is economically inefficient to expend an equal amount per capita for all areas of Vermont, because not every county in the state exerts the same level of demand for public services to justify the same level of cost. Counties with higher public service demand should be able to tax themselves to serve the demand of the county. Therefore, the state should transfer some of its taxing authority to local government.

### **Greater Equity and Efficiency**

Several of these arguments converge to suggest that tax rates should be tailored to region-by-region needs. In cases subject to Vermont's return-to-source or proportionate need formulas, the upward pressure on overall tax rates exerted by the demand for public services in denser areas will lead to waste or excess appropriations in less-dense areas unless rates are tailored to the region. Thus, local choice and accountability may lead to greater efficiency. Cross-subsidy from the lesser spending regions to the higher spending regions may also result. Thus, local taxes may be more equitable than statewide uniform rates of taxation.

## **6.4.3 Advantages of Statewide Gas or Sales Tax for Chittenden County Transit**

### **Uniform Management of Tax Structure**

In Chittenden County's situation, the general practice has focused on statewide taxation. Vermont has generally retained most taxing authority at the state level, but has largely ceded the authority to tax property to the local governments. This has enabled Vermont to maintain a uniform, statewide tax structure.

If the gas tax is considered for transit funding, the statewide argument would be that gas taxes should remain uniform across the state, and that some diversion at the boundaries would result from intra-Vermont competition on gas tax rates. Allowing a local option gas tax could result in limiting the state's ability to realize all that it optimally should from the gas tax on a statewide basis.

If the sales tax is considered, some of the same arguments apply. Diversion of purchases across intrastate boundaries is even more problematic than with the gas tax, and the inequity caused by the concentration of retail activity in selected jurisdictions makes a statewide tax advantageous. However, the eastern portion of the state competes for retail activity against New Hampshire, and Vermont is reluctant to allow any increase in the statewide sales tax. Therefore, it is questionable whether a western Vermont local option sales tax would affect the state's overall financial capacity, in that competition from New Hampshire will continue to exert downward pressure on the statewide sales tax rates.

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## **Broader Support**

If a statewide tax is considered, the contrast between the need for mass transit funding in Chittenden County and other areas of the state will be relevant. It is more likely that the tax would be available for both highway and transit funding, than if the tax were local. With all parts of the state benefiting and a tax that serves both highway (including bridge) and transit needs, there is the potential for much broader interest and support in the measure and also greater revenue potential.

## **Management of State Transportation Program**

A statewide tax, particularly one available for both transit and highways, would also augment the existing state transportation program. This would permit VTrans, within the bounds set by the legislature, to manage the transportation funds in the manner that emerged as most efficient under changing circumstances.

### **6.4.4 Advantages of Local Gas or Sales Tax for Chittenden County Transit**

#### **Matches Those Who Receive Transit Benefit With Those Who Pay**

The local control and accountability arguments in favor of local taxes generally apply in the case of a transit tax. Because transit is uniquely prominent in Chittenden County, a regional tax would match those who benefit with those who pay. Local officials are in a good position to assess the need for transit and the advantages and disadvantages of an incremental local tax to fund transit. They can be accountable for the performance of the investment in transit through the governance of, and reporting by the local transit operation.

Chittenden County stands out as a region remarkably different from the remainder of Vermont. Although this has caused some friction in intrastate and legislative relations, there is little question that, as measured by most demographic and economic statistics, Chittenden County's needs are distinct from much of the rest of Vermont's. On the one measure that was found nationally to correspond to the need for public services, i.e., population density, Chittenden County displays a large difference from the other Vermont counties, as seen in Table 36.

#### **Reduces Total Taxes Required in a Period of Fiscal Constraint**

Clearly, if taxes are implemented in small areas, or one area of the state, such as Chittenden County, there will be a tendency to collect less revenue in total than if all measures are enacted on a statewide basis. It can be argued that this is only true on an incremental basis, and that the proliferation of such local taxes may total more than would be imposed if the rates were uniform. However, in a period of fiscal restraint, the incremental approach carries additional weight. Stated from another perspective, the choice in these times may not be between a local tax and a statewide tax, but between a local tax and no tax at all.

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## Permits Further Utilization of Sales Tax Without Diverting Sales to New Hampshire

The implementation of a regional transit tax, particularly if it were a sales tax, would match some of the constraints of Vermont's tax structure. The property tax is exhausted, so the traditional reliance on the property tax for those programs that are locally sponsored is no longer valid. With the property tax among the highest in the nation, Vermont can no longer afford to reserve all other means of taxation to the state level. Further, Vermont is hampered in use of the sales tax on a statewide basis because of cross-border competition with New Hampshire: If the statewide sales tax were increased, some purchasing activity would be diverted to New Hampshire (Vermont's sales tax is 5 percent and New Hampshire has none). Note that Chittenden County's retail centers are on the opposite side of the state from New Hampshire, reducing the likelihood of diversion. Therefore, if the region is leaning toward a sales tax as the method for funding transit, the issues of state vs. local taxation favor a regional approach.

**Table 36**  
Vermont Population Density

| <b>Counties</b> | <b>Population Density<br/>(persons/square mile)</b> |
|-----------------|---|
| Chittenden      | 272   |
| Washington      | 84  |
| Grand Isle      | 83  |
| Franklin        | 71  |
| Rutland         | 68  |
| Windsor         | 59  |
| Windham         | 56  |
| Bennington      | 55  |
| Lamoille        | 50  |
| Addison         | 47  |
| Caledonia       | 46  |
| Orange          | 41  |
| Orleans         | 38  |
| Essex           | 10  |

*2000 Census Data*

## 6.5 Transit Funding Future

The institutional solution that addresses both (a) the need to present a financial plan that provides for operation of the Burlington-Essex service without jeopardizing existing transit service, and (b) also responds to the longer-range need for institutional and financial reform in regional transit service is the proposal for a single operating authority for transit service in the Chittenden County region. The actions

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of CCTA, VTA, and MPO and statements by representatives of VTrans demonstrate interest to establish such an entity.

The consulting team proposes that the new entity be a regional entity authorized by the state, or a state entity with regional support and governance. Both the state and local governments will be represented in the governance structure. The number of representatives and manner of appointment should be based on principles of governance such as proportional representation, the efficacy of local control, accountability for the funding utilized, protection of minority interests against the collective dominance, and the efficacy of the collective perspective in the face of splintered interest groups.

Of the feasible options for funding the new entity, a consensus is needed to transition Chittenden County from the current property tax mechanism for financing transit to a sales and/or a gas tax. Either a sales or a gas tax could be levied at the state level with local dedication to roads/transit and/or at the local level as an optional tax for transit.

## **6.6 Burlington-Essex Rail Project**

Due to the constraints associated with the existing federally funded earmark, the project must proceed while the new entity is being formed. The consulting team recommends that during the construction phase, the state manage both the acquisition and construction components of the project, and finance this by using New Starts Section 5309, state transportation fund, and toll credits.

In the project-operating phase, the Chittenden County restructured transportation entity would provide all transit service in Chittenden County. Sources of funding would come from passenger revenue, any federal formula funds generated as a result of the operation of the service, and \$1 million to \$2 million annually from the state transportation fund.

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## 7. Next Steps

The state legislature has enacted H 764 which provides in pertinent part:

*The General Assembly hereby creates a temporary task force to produce a report that contains recommendations on the following:*

*(1) Alternative, sustainable, regional revenue sources to replace the local property tax to support operating expenses for public transportation.*

*(2) Improving the institutional relationships between public transportation providers in the region, which may include a proposal to integrate organizations or services, or both.*

*(3) An Intermodal public transportation system in the region that optimally serves the needs of the public at large, including human service agencies, economic development, commuters, tourists and other visitors to the state.*

The Task force will attempt to document as much agreement as possible among the constituent agencies (Chittenden County Metropolitan Planning Organization, Chittenden County Transportation Authority, Vermont Transportation Authority, Special Services Transportation Authority, and Vermont Agency of Transportation) on the legislated topics. This agreement could take the form of draft legislation endorsed by each constituent agency, or a recommendation of certain legislative actions, with suggestions or a limited list of options on other aspects of the issues.

One determinant of the task force's success in reaching agreement will be the extent to which the constituent agencies empower their delegates to the task force to work out solutions to the issues within boundaries with which the respective agencies are comfortable. To this end, each delegate should ask its governing body for objectives and constraints on the task force. This will speed progress by the task force toward the objective of as much agreement as is possible, without requiring more compromise by any agency than the agency believes is consistent with its responsibilities to the public.

If the consensus among the agencies rises to the level of mutually supportive resolve, they may wish to document their resolve in jointly adopted resolution or a formal agreement. This agreement process allows the key parties to empower representatives to negotiate the best compromise and come back to the bodies with as much detail as is feasible at this point. The resulting agreement may also substantiate the Route 15 Corridor (Burlington-Essex) financial plan for purposes of submission to FTA.

Elements of the joint resolution or agreement that the parties may wish to agree upon include:

- Parties, background, and purpose
- Legal authority
- Intent to create an Intermodal institutional structure
- Nature of operations and services

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- Specific powers and authority of the recommended institutions
  - Geographic scope of operations and services
  - Additions/deletions of territory
  - Funding
  - Governance and composition of board
  - Transfer of transit property to the resulting institution(s)
  - Specific actions to be taken to support legislative approval
  - Burlington-Essex commuter rail project
  - Funding of Burlington-Essex project
  - Specific agreement in support of Burlington-Essex project
  - Agreement for interim status until the state enacts each legislative proposal
  - Term, consideration, severability, and survival

During the planning process, the consulting team recommends that CCMPO seek state/local consensus on long-term transit funding and institutional structure. It is imperative that the local delegation agrees to submit funding and institutional proposals to the state legislature. The proponents should actively educate the legislature regarding Chittenden County's need for a new funding source for transit.

The resolution of some of the outstanding issues and the task force report would provide a framework for the financial planning process. The financial plan to be submitted to the FTA New Starts program is very much dependent on the outcome of the task force, particularly with respect to project sponsorship, geographic scope of services, and potential funding sources. Once these issues are resolved, a cash-flow analysis of the sponsoring agency will be performed, taking into account its existing and future commitments for services already provided as well as revenues and expenditures related to the proposed plan. A sensitivity analysis will also be performed to investigate the financial feasibility of the proposed project under adverse economic conditions.

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## 8. Appendices

Systems Comparison 1 of 2

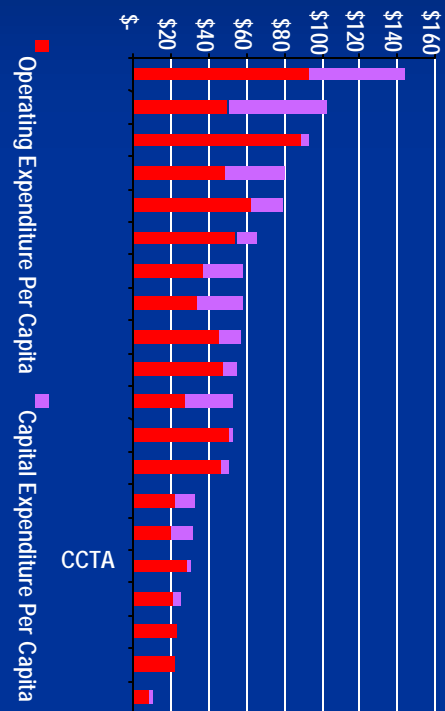
| Transit Agencies                                    | Transit City      | Budget Ranking | Annual Operating Budget (\$ Millions) | Miles Ranking | Annual Passenger Miles Per Capita | Rides Ranking | Annual Ridership Per Capita |
|---|-------------------|----------------|---------------------------------------|---------------|-----------------------------------|---------------|-----------------------------|
| Centre Area Transportation Authority                | State College     | 14             | \$ 5.19                               | 1             | 151                               | 1             | 88                          |
| Tompkins Consolidated Area Transit                  | Ithaca            | 12             | \$ 6.27                               | 4             | 133                               | 2             | 52                          |
| University of Iowa                                  | Iowa City         | 23             | \$ 1.60                               | 11            | 53                                | 3             | 47                          |
| Madison Metro Transit                               | Madison           | 3              | \$ 29.19                              | 2             | 143                               | 4             | 42                          |
| Greater Lafayette Public Transportation Corporation | Lafayette         | 15             | \$ 4.89                               | 6             | 115                               | 5             | 28                          |
| Brockton Area Transit Authority                     | Brockton          | 6              | \$ 10.64                              | 5             | 115                               | 6             | 22                          |
| Cambria County Transit Authority                    | Johnstown         | 16             | \$ 4.82                               | 8             | 76                                | 7             | 20                          |
| Norwalk Transit District                            | Norwalk           | 10             | \$ 6.73                               | 9             | 57                                | 8             | 19                          |
| Southeastern Regional Transit Authority             | New Bedford       | 7              | \$ 9.66                               | 13            | 50                                | 9             | 19                          |
| Montachusett Regional Transit Authority             | Fitchburg         | 11             | \$ 6.69                               | 3             | 135                               | 10            | 19                          |
| <b>Chittenden County Transportation Authority</b>   | <b>Burlington</b> | <b>21</b>      | <b>\$ 3.51</b>                        | <b>10</b>     | <b>54</b>                         | <b>11</b>     | <b>18</b>                   |
| Muncie Indiana Transit System                       | Muncie            | 18             | \$ 4.68                               | 17            | 42                                | 12            | 16                          |
| Chemung County Transit System                       | Elmira            | 19             | \$ 4.20                               | 15            | 49                                | 13            | 10                          |
| Greater Portland Transit District                   | Portland          | 20             | \$ 3.79                               | 19            | 34                                | 14            | 10                          |
| Berkshire Regional Transit Authority                | Pittsfield        | 22             | \$ 3.50                               | 14            | 50                                | 15            | 10                          |
| Chattanooga Area Regional Transportation Authority  | Chattanooga       | 8              | \$ 9.36                               | 18            | 34                                | 16            | 8                           |
| York County Transportation Authority                | York              | 17             | \$ 4.74                               | 20            | 31                                | 17            | 8                           |
| San Joaquin Regional Rail Commission                | Stockton*         | 9              | \$ 8.03                               | 7             | 86                                | 18            | 8                           |
| North San Diego County Transit Development Board    | Oceanside*        | 2              | \$ 42.52                              | 16            | 44                                | 19            | 5                           |
| Nashua Transit System                               | Nashua            | 24             | \$ 0.99                               | 21            | 16                                | 20            | 3                           |
| Peninsula Corridor Joint Powers Board               | San Carlos*       | 1              | \$ 52.32                              | 12            | 52                                | 21            | 2                           |
| Connecticut Department of Transportation            | Newington*        | 5              | \$ 11.58                              | 22            | 15                                | 22            | 1                           |
| Northern Indiana Commuter Transportation District   | Chesterton*       | 4              | \$ 24.53                              | 23            | 15                                | 23            | 1                           |
| Pennsylvania Department of Transportation           | Harrisburg*       | 13             | \$ 5.34                               | 24            | 4                                 | 24            | 0                           |

Systems Comparison 2 of 2

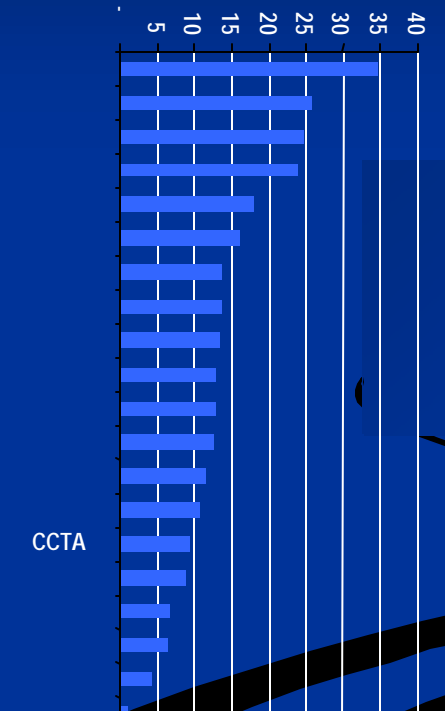
| Transit City      | Population Ranking | Urbanized Area Population | Vehicle Miles Ranking | Annual Vehicle Revenue Miles per Capita | Capital and Operating       |                          |                             |                          |                                       |                                    |
|-------------------|--------------------|---------------------------|-----------------------|---|-----------------------------|--------------------------|-----------------------------|--------------------------|---------------------------------------|------------------------------------|
|                   |                    |                           |                       |   | Local Income Burden Ranking | % of Local income burden | State Income Burden Ranking | % of State Income Burden | Local and State Income Burden Ranking | % of Local and State Income Burden |
| Ithaca            | 24                 | 50,132                    | 1                     | 35                                      | 2                           | 0.14%                    | 2                           | 0.25%                    | 1                                     | 0.39%                              |
| Madison           | 8                  | 244,336                   | 2                     | 26                                      | 3                           | 0.13%                    | 4                           | 0.18%                    | 2                                     | 0.31%                              |
| Johnstown         | 19                 | 77,841                    | 12                    | 11                                      | 14                          | 0.04%                    | 1                           | 0.26%                    | 3                                     | 0.29%                              |
| Stockton*         | 7                  | 262,046                   | 20                    | 2                                       | 12                          | 0.04%                    | 3                           | 0.24%                    | 4                                     | 0.28%                              |
| Fitchburg         | 18                 | 82,249                    | 3                     | 25                                      | 6                           | 0.05%                    | 5                           | 0.16%                    | 5                                     | 0.21%                              |
| Muncie            | 16                 | 88,073                    | 11                    | 13                                      | 1                           | 0.14%                    | 12                          | 0.06%                    | 6                                     | 0.20%                              |
| State College     | 22                 | 61,239                    | 5                     | 18                                      | 17                          | 0.02%                    | 6                           | 0.15%                    | 7                                     | 0.18%                              |
| New Bedford       | 11                 | 139,082                   | 8                     | 14                                      | 10                          | 0.04%                    | 7                           | 0.13%                    | 8                                     | 0.16%                              |
| Pittsfield        | 23                 | 55,047                    | 6                     | 16                                      | 13                          | 0.04%                    | 8                           | 0.11%                    | 9                                     | 0.14%                              |
| Elmira            | 21                 | 66,612                    | 4                     | 24                                      | 16                          | 0.03%                    | 9                           | 0.10%                    | 10                                    | 0.13%                              |
| Brockton          | 9                  | 160,910                   | 7                     | 14                                      | 15                          | 0.03%                    | 11                          | 0.08%                    | 11                                    | 0.11%                              |
| Lafayette         | 14                 | 100,103                   | 9                     | 13                                      | 7                           | 0.05%                    | 13                          | 0.05%                    | 12                                    | 0.10%                              |
| Norwalk           | 13                 | 108,888                   | 10                    | 13                                      | 19                          | 0.01%                    | 10                          | 0.09%                    | 13                                    | 0.10%                              |
| <b>Burlington</b> | <b>17</b>          | <b>87,088</b>             | <b>14</b>             | <b>9</b>                                | <b>5</b>                    | <b>0.06%</b>             | <b>19</b>                   | <b>0.02%</b>             | <b>14</b>                             | <b>0.08%</b>                       |
| Chattanooga       | 6                  | 296,955                   | 16                    | 7                                       | 8                           | 0.05%                    | 17                          | 0.03%                    | 15                                    | 0.07%                              |
| Iowa City         | 20                 | 71,372                    | 15                    | 9                                       | 9                           | 0.04%                    | 18                          | 0.02%                    | 16                                    | 0.07%                              |
| Portland          | 12                 | 120,220                   | 17                    | 6                                       | 4                           | 0.06%                    | 24                          | 0.00%                    | 17                                    | 0.07%                              |
| York              | 10                 | 142,675                   | 13                    | 11                                      | 21                          | 0.01%                    | 14                          | 0.05%                    | 18                                    | 0.05%                              |
| San Carlos*       | 3                  | 3,629,516                 | 21                    | 1                                       | 18                          | 0.02%                    | 16                          | 0.03%                    | 19                                    | 0.05%                              |
| Newington*        | 5                  | 546,198                   | 22                    | 1                                       | 23                          | 0.00%                    | 15                          | 0.04%                    | 20                                    | 0.04%                              |
| Oceanside*        | 4                  | 2,348,417                 | 19                    | 4                                       | 11                          | 0.04%                    | 21                          | 0.01%                    | 21                                    | 0.04%                              |
| Chesterton*       | 1                  | 6,792,087                 | 23                    | 0                                       | 22                          | 0.00%                    | 20                          | 0.01%                    | 22                                    | 0.01%                              |
| Nashua            | 15                 | 96,791                    | 18                    | 4                                       | 20                          | 0.01%                    | 23                          | 0.00%                    | 23                                    | 0.01%                              |
| Harrisburg*       | 2                  | 4,222,211                 | 24                    | 0                                       | 24                          | 0.00%                    | 22                          | 0.00%                    | 24                                    | 0.00%                              |

# Public Funding vs. Utilization Level

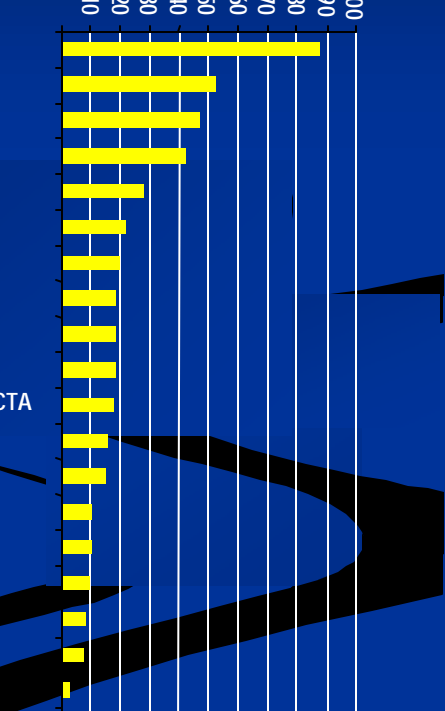
Public Funds Expenditure Per Capita



Annual Vehicle Revenue Miles Per Capita



Annual Unlinked Trips Per Capita

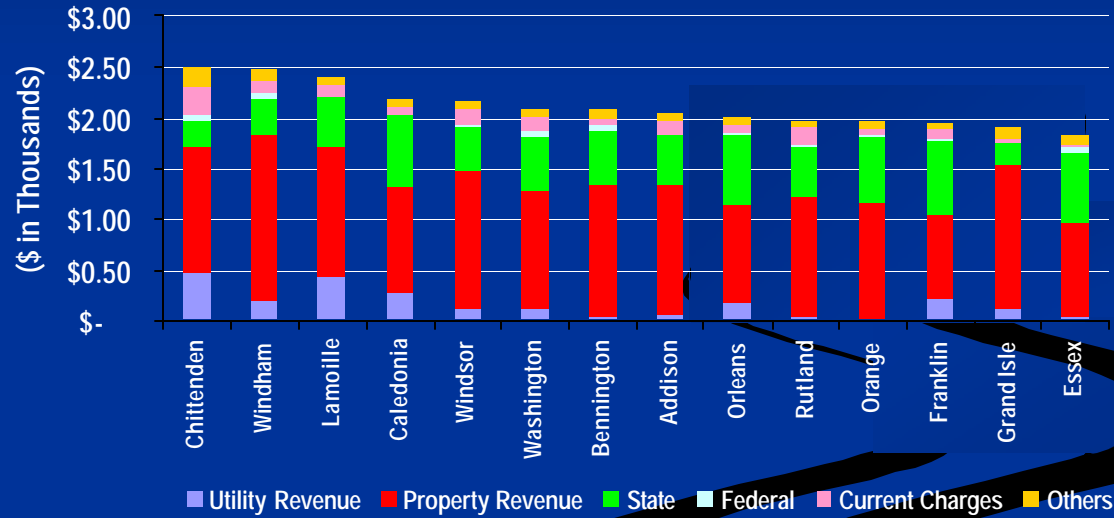


Source: NTD 2000 Data, excludes systems without bus

### Comparison of County Funding Sources

- Chittenden County is the most dense county in VT with highest expenditure per capita
- Chittenden County has one of the lowest state transfer per capita compared with other counties

#### Local Government Fund Sources Per Capita



Source: 1997 US Census Bureau "Compendium of Government Sources: Volume 4, Government Finances"