

LEGISLATIVE #

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GAINESVILLE REGIONAL TRANSIT SYSTEM

Vision, Funding, and Governance Study

Final Report



**Vision, Funding, and Governance
Final Report**



**Gainesville Regional
Transit System**

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Section 1 INTRODUCTION

The Gainesville Regional Transit System (RTS) is the transit service provider for the City of Gainesville in Alachua County, Florida. Since 1989, the City of Gainesville has contemplated the implementation of premium transit service, starting with the completion of a light rail feasibility study by the Florida Department of Transportation (FDOT). This desire was heightened when the City, RTS, FDOT, and Alachua County partnered with the University of Florida (UF) to establish the UF unlimited prepaid transit access program, which helped stimulate significant RTS system and ridership growth, especially for its transit services in and around the UF campus area. Another study, the Plan East Gainesville study, looked at potential economic development opportunities for the East Gainesville area through the implementation of premium Bus Rapid Transit services connecting the Gainesville Regional Airport, Downtown Gainesville, and UF.

The possibility of premium transit service in Gainesville and Alachua County became more tangible with the completion of a Bus Rapid Transit (BRT) Feasibility study for RTS in 2010, which identified the first potentially feasible BRT corridor alignment in the area. The process to complete this study helped generate greater community and local official interest in the possibility of additional premium transit corridors and modes in Gainesville and Alachua County. Many began to see the potential of such enhanced transit service for helping to spur economic development, serve as an agent for land use change, and further Gainesville's and the County's "green" program goals.

As a result of this new focus, RTS staff began addressing stakeholder desires for a more comprehensive premium transit outlook for the area by initiating the development of a Rapid Transit System Plan, including a key map depicting a possible future network of enhanced services in Gainesville and beyond. The draft plan and map have been successful in bolstering interest in pursuing such transit enhancements for the community. In addition, they also have begun raising questions and generating discussion about the funding of such an enhanced system, as well as the efficacy of a city-based transit department being able to successfully manage and operate it. This Vision, Funding, and Governance study is being funded by the Florida Department of Transportation (FDOT) to guide the discussion and answer questions related to the funding, administration, and management of enhanced transit services in the City of Gainesville and surrounding areas.

PURPOSE AND OBJECTIVES

A Vision, Funding, and Governance Study is underway to provide technical support and guidance to RTS in the completion of a two-phase effort that will help the transit agency meet the following objectives.

- Enhance and finalize its current Rapid Transit System Plan so that it will illustrate the most appropriate vision for an enhanced transit system network for Gainesville and Alachua County.
- Examine existing available funding sources and identify those that will be most feasible to pursue in the near- and long-term to fulfill the identified vision.

- Assess potential transit agency governance structures and determine the most suitable institutional arrangement for RTS to pursue as it seeks to implement its vision.

This technical memorandum presents a summary of the Rapid Transit Vision Plan development, transit agency funding and governance research, and initial funding and governance alternatives for RTS consideration.

ORGANIZATION OF REPORT

In addition to the Introduction section, this technical memorandum includes the following sections:

Section 2: The **Vision Plan** section summarizes the process used to develop the Vision Plan. Services included in the Vision Plan are described and estimates of probable costs for those services are also presented.

Section 3: This section includes **Funding and Governance Case Studies and Research**. The case studies and related research were used to inform the development of funding and governance alternatives.

Section 4: **Funding and Governance Alternatives** are presented in this section. A summary of governance alternatives is provided along with a description of the advantages and disadvantages of two preferred governance options. Funding options are also presented. The section is concluded with a summary of key actions and recommendations for RTS and its stakeholders to pursue as the next steps in this ongoing process.

Section 2 VISION PLAN

In addition to providing guidance in regard to transit funding and governance, this study also included tasks to provide technical support to RTS in the development of a transit services Vision. RTS initiated that effort in 2010 with development of the RTS Rapid Transit System Plan. The RTS Rapid Transit System Plan is based on service improvements outlined in several previously completed transportation and transit studies. Those studies include the Gainesville Metropolitan Transportation Planning Organization (MTPO) 2035 Long-Range Transportation Plan (LRTP), and the RTS 2010-2019 Transit Development Plan (TDP). Those plans include a host of long-term and short-term transit service improvements that have been integrated into a comprehensive system plan that is now reflected in the Vision Plan. This section presents the Vision Plan development process and the resulting service improvements and associated costs.

VISION PLAN PUBLIC OUTREACH

Prior to the compilation of service improvements outlined in the related reports and studies, a series of public involvement activities were held to gather feedback/opinion from the general public and stakeholders regarding which service improvements should be included in the Vision Plan and what other elements should be considered. The following is a summary of the public involvement activities performed and the service development guidelines.

Public Workshops

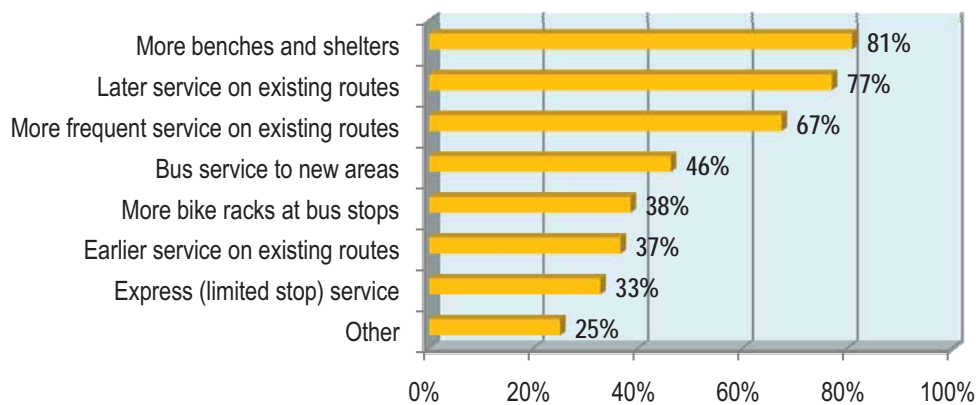
Five open house workshops were held to gather feedback from the public on the Vision Plan. Open house workshops held include the following:

- February 18, 2011 – Gainesville Regional Utilities (GRU) building.
- March 19, 2011 – Cinema Verde Film Festival
- April 12, 2011 – Santa Fe Community College
- April 12, 2011 – University of Florida
- April 12, 2011 – Rosa Parks Downtown Station

The workshops were conducted in an open-house style where participants were given the opportunity to tour workshop stations illustrating various services and components of the RTS Vision Plan. To allow participants to provide objective feedback, a short survey and map of the service area was provided on which participants identified and/or highlighted preferred areas for improved public transportation services, including existing service expansion, express bus, BRT, and streetcar. A copy of the survey instrument can be found in Appendix A. A total of 77 respondents responded to the survey and survey results were presented below. Actual participants exceeded total survey respondents and it is estimated that over 150 people approached the workshop tables, browsed information, and/or actively asked questions during the combined workshop effort.

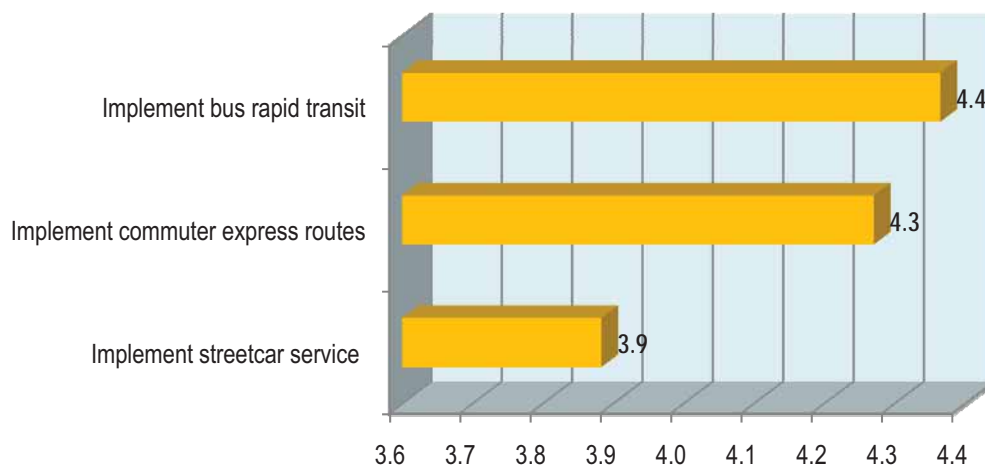
Question 1 of the survey provided a list of service improvements and asked the participants to select the most important ones according to their opinion. For some service improvements, respondents were given an opportunity to further specify which route(s) they would like to see for that improvement to occur. Figure 2-1 illustrates the results to this question. The top three service improvements indicated by participants include “More benches and shelters,” “Later service on the existing routes,” and “More frequent service on the existing routes.” For those respondent groups indicating “Later service on the existing routes” and “More frequent service on the existing routes,” respectively, they further listed Routes 43, 10, and 23 as the top three routes to apply these two service improvements.

Figure 2-1
Most Important Service Improvements



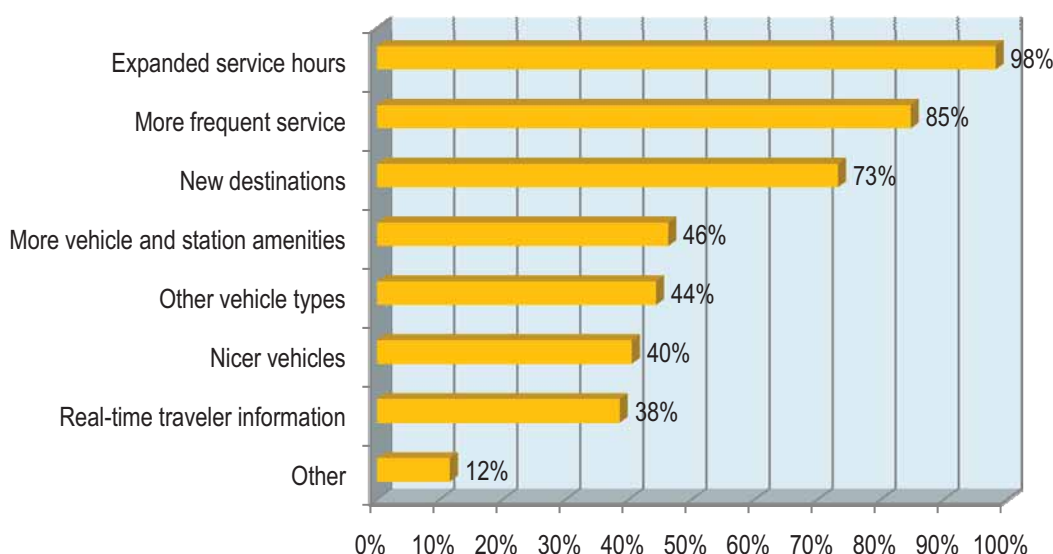
The second question of the survey asked respondents to indicate their level of agreement regarding the implementation of street car, BRT, and commuter express, respectively. Respondents were allowed to give a rating on a one-to-five scale, with “5” being “Strongly Agree” and “1” being “Strongly Disagree.” As shown in Figure 2-2, BRT and commuter express were given an average rating of 4.4 and 4.3, respectively.

Figure 2-2
Preferred Premium Transit Service



The last question of the survey lists some service improvements for the potential premium public transportation services. Respondents were asked to select which improvement(s) would encourage them to use the premium services. The top three service improvements preferred by respondents consist of expanded service hours, more frequent service, and new destinations. Respondents who selected more frequent service further indicated the most favorable frequency is 20 minutes. For those respondents indicating new destinations, they were given an opportunity to further specify what their preferred new destinations are. The most frequent destinations referenced by respondents include University of Florida, Downtown Gainesville, Santa Fe College, and Archer Road. Figure 2-3 presents the response details for the last survey question.

Figure 2-3
Service Improvements for Premium Transit Services



Stakeholder Interviews

Stakeholder interviews were conducted to involve representatives from a variety of community organizations and/or interest groups to gather their input on the Vision Plan. A total of 11 interviews were held with the representatives from the following organizations or jurisdictions. The number in the parentheses indicates the total number of interviews conducted with a representative from each specific group.

- University of Florida (2)
- Santa Fe State College (1)
- Alachua County Board of County Commissions (BOCC) (1)
- Shands (1)
- Center for Independent Living (1)
- City of Gainesville (2)
- Chamber of Commerce (1)
- Veterans Administration (1)

During each stakeholder interview, the representatives were introduced to the service elements incorporated in the RTS Rapid Transit System Plan to give them a general perspective on how the Vision Plan has developed. Several related issues, including perspective on priorities, funding, collaboration, and organizational structure/governance, were then raised to representatives for their specific input on each item. The key common themes from the stakeholder interviews are summarized as follows.

- Although representatives generally think public transit is necessary and good for the future, more taxation for transit improvements is not feasible at this time. RTS needs to optimize its existing services by taking a fresh look at its existing system design and transit market demand.
- The success of transit services marketed to students needs to be continued. Capturing the commuter market is another important opportunity to explore.
- Any transportation improvements must support the Plan for East Gainesville and phasing of the system plan and technology should be appropriate. In addition, the development of BRT and the methodical evaluation of extensions should be based on cost, available funding, and supportive land use, among others.
- Transit marketing perspective should aim at a holistic system design and the “choice” rider market in order to persuade a behavioral change.

In addition to the common themes mentioned above, the following bullets include some of the major stakeholder points that reflect mixed perspectives.

- The representatives hold different views on growth management policies and developer funding participation due to equity consideration.
- Although the increase of fuel costs may impact travel behavior, the actual impact will vary depending on the customer market.
- Investment in road infrastructure and transit infrastructure needs to be conducted in a “balanced” manner.

Table 2-1 includes the feedback received from stakeholders regarding each of the service elements in the RTS Rapid Transit System Plan.

**Table 2-1
Stakeholder’s Opinions on Vision Plan Service Elements**

Service Element	Feedback
Local Bus	<ul style="list-style-type: none"> • Need better frequency and span of service • Re-design/optimize entire system • Address East Gainesville
Limited-Stop Service	<ul style="list-style-type: none"> • Good concept for direct and faster trip travel
Express Bus	<ul style="list-style-type: none"> • Good concept, may not work initially in certain corridors • Park-n-Ride location and access needs to be addressed
Bus Rapid Transit (BRT)	<ul style="list-style-type: none"> • Archer Road is a priority segment • Needs to carefully analyze future segment
Streetcar	<ul style="list-style-type: none"> • Tested initially with rubber tired and enhanced amenities • Lower priority due to expensive investment

Project Review Committee Results

A meeting with the RTS Vision, Funding, and Governance Study Project Review Committee (PRC) was held on April 27, 2011, at the City of Gainesville City Hall. The PRC consists of elected officials and agency representatives who volunteered to provide guidance and recommendations throughout the course of the study. The following topics were covered during the meeting.

- Project status
- Vision Plan
- Public outreach completed to date
- Governance alternatives
- Schedule and next steps

In addition, two group exercises were facilitated with the PRC to gather feedback on the Vision Plan and the governance alternatives presented. The focus of the first group exercise was the RTS Vision Plan. As discussed previously, the Vision Plan consists of a host of transit modes and services, and represents the long-term network plan for public transportation services in the Gainesville area. A presentation of the Vision Plan modes, services, and preliminary cost estimates was given before the conduct of the group exercise.

Prior to proceeding with the first group exercise, PRC members were asked indicate on a worksheet with a “yes” or “no” whether they agree with each of the Vision Plan service networks as presented. Those networks include the following:

- Improvements to local service
- Bus rapid transit service
- Express bus service
- Streetcar

Although some members indicated agreement with the service networks in general, there still were specific elements to the services within those networks that needed some improvement or clarification. As a result, PRC members were asked to answer based on their initial instincts and were instructed that any “no” answers were to be used to encourage discussion.

Further, those persons who indicated a “no” answer to any of the networks were asked to clarify their reasons for not being in agreement with the services presented. The following is a summary of the discussion for those “no” answers and their corresponding Vision Plan service networks.

- **Local bus service improvements** – No one in the group disagreed with the improvements to the local bus network.
- **Bus rapid transit service** – Several of the BRT lines outside of the city were in question as there did not seem to be enough justification in terms of development and growth to warrant BRT in the unincorporated areas west of the City of Gainesville. In addition, members indicated that a more concise and realistic plan should be developed for BRT.
- **Express bus service** – Some members of the PRC indicated that express bus service does not seem to be a viable option because of the lack of specific trip origins. Many of the satellite communities in Alachua County are low in density and may not be well suited to support park-and-ride facilities and/or to serve as express trip origins for persons travelling to the City of Gainesville for work or other activities.
- **Streetcar** – The capital costs and permanence of the infrastructure needed to operate streetcar service were indicated as issues. It was noted that improvements to local bus service and bus rapid transit, specifically along Archer Road, should be a priority over streetcar service. In addition, UF officials indicated that the current study area, which includes portions of the UF campus, had not been discussed or presented to UF staff.

Counter-arguments to the streetcar “no” responses included the potential for economic development (i.e., Tampa Streetcar) and the existence of desirable land use patterns within the streetcar study area that may be supportive of streetcar service.

After presentation and discussion of the Vision Plan, the first group exercise then was discussed with the PRC (the second group exercise is discussed in Section 4). The group members were asked to write down brief phrases describing their three necessary improvements as the answer to the nominal question “What RTS service improvements should be priorities over the next 25 years?” After all the ideas were recorded by the facilitator on a flip chart, the ideas were then discussed and clarified to make sure ideas similar in intent were grouped together. The participants then were instructed to select their preference for the three most important improvements from the entire list of ideas displayed on the flip chart pages and record these improvements on separate response cards. In addition to that, participants were asked to rank in priority order the improvements listed on their cards from one (highest priority) to three (lowest priority). Finally, a weighted score was assigned to each participant’s indicated improvement preferences in the following manner: the highest ranked improvement (i.e., ranked #1) would receive a score of three, the next highest would receive a score of two, and the third-ranked improvement would receive a

score of one. In cases where a participant ranked two or more improvements similarly, all of these improvements would be given an identical corresponding score. In this manner, all of the participants' listed improvements were scored and totals were tallied to identify the three top-ranked service improvements.

Table 2-2 summarizes all of the service improvement ideas identified by PRC members during the workshop, along with the results of the voting and prioritization process. The three top priorities are identified below.

1. Improvements to local service (20 points)
2. Implementation of BRT service along Archer Road (12 points)
3. Implementation of streetcar service between Downtown Gainesville and the University of Florida (5 points)
3. Improvements to the vehicle fleet (5 points)

**Table 2-2
PRC Group Exercise Results on Service Improvement Priority**

Nominal Question: "What RTS service improvements should be priorities over the next 25 years?"			
Initial Brainstorming Ideas	Initial Number of Votes	Weighted Score	Final Prioritization
Improvements to local service	8	20	1
Bus fleet improvements – technology, capacity	2	5	3 (T)
BRT along Archer Road	7	12	2
Streetcar service – Downtown to UF	2	5	3 (T)
Streetcar service – UF to Butler Plaza	1	1	
Express services	0	0	
Smart bus bays	1	1	
Express service in urban areas	2	4	
Transfer hubs	1	2	
New local service	1	1	
Station platforms/level boarding	0	0	
Noticeable/visible fixed-guideways	0	0	
Park-and-Ride facilities	1	1	

VISION PLAN SERVICES

Based on the results of the public workshops, stakeholder interviews, and PRC input, a variety of service improvements and expansions were recommended to be included in the RTS Vision Plan. In addition, service development guidelines were prepared to facilitate the organized development and implementation of service improvements in the Vision Plan.

Service Development Guidelines

As indicated, service development guidelines were developed to organize and define service improvements in the Vision Plan. The service development guidelines can be used by RTS to guide the development of routes that fulfill a specific service objective and/or serve a specific transit market. Defining service objectives allows the agency to specify the service type needed to be provided and assists in defining operating characteristics for any new service. Identifying a transit market can also give insight into the operating characteristics of a given bus route and also defines the boundary or extent of the service area in which the route should operate. Defining these elements can assist in developing an organized system of routes and avoid haphazard, band-aid approaches to the provision of new service that responds to service requests and service enhancement.

Bus service elements should address mobility between and/or accessibility to/from transit-supportive land uses and development in the RTS service area.

- **Mobility** – The ability to travel freely and/or quickly between origins and destinations.
- **Accessibility** – The ability to travel among and provide access to/from various origins and destinations.

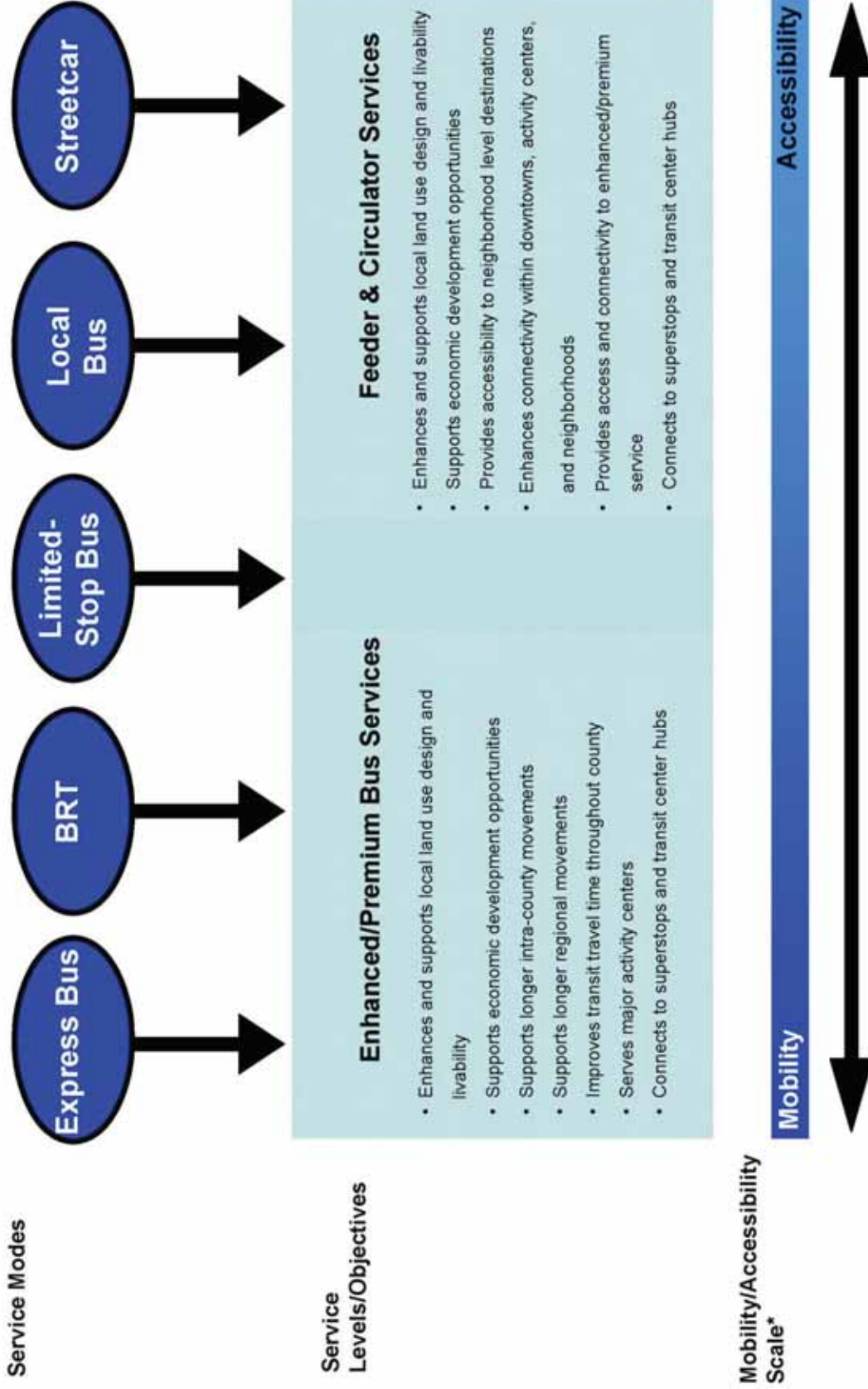
The relationship between the two is a negative correlation where one decreases whenever the other increases. Using that relationship, the application of various transit services (i.e., door-to-door, feeder & circulator services, premium bus, express bus) can be determined depending on the corridor, bus ridership volumes, and travel markets that they will serve.

Figure 2-4 illustrates service development guidelines developed to guide RTS when developing new services. Specific service modes presented in the RTS Rapid Transit System Plan were grouped into the corresponding bus service levels shown to reflect their service objectives and transit markets. A mobility and accessibility scale bar is presented at the bottom to reflect the relationship between mobility, accessibility, and the service levels.

The resulting service modes included in the Vision Plan are presented in Table 2-3. That table shows the operating characteristics for each service mode along with a photo illustration. The five major service improvement types included in the Vision Plan are:

- Existing service with enhancements
- New service
- Express service
- BRT service
- Streetcar service

Figure 2-4
RTS Vision Plan Service Design Guidelines



**Table 2-3
Service Operating Characteristics Summary**

Service Type	Photo illustration	Stops per Mile	Average Speed (mph)	Vehicle	Service Frequency (Minutes)
Local Bus		4 to 8	10-12	30' to 60' Bus	10 to 60
Limited-Stop Local Bus		3 to 4	12-15	35' to 40' Bus	10 to 30
Express Bus		1 to 2	15-25	40' Bus	<30
BRT		1 to 2	20-25	40' or Articulated Bus	5-10 peak; 12-15 off-peak
Streetcar		4 to 6	8-10	Electric Streetcar or Rubber Tired Trolley	10 to 15

VISION PLAN COSTS

Detailed operating and capital costs were developed for each service type included in the Vision Plan. Tables 2-4 and 2-5 present the summary of operating and capital cost for each service type, respectively. Costs are based on 2010 dollar values.

Table 2-4
Summary of Vision Plan Annual Operating Costs

Description	Number of Vehicles	Service Hours per Year	Operating Cost	Comments
Existing Service Enhancements ¹	24	56,932	\$3,700,580	20-min frequency and service until midnight
New Service ¹	29	39,879	\$2,592,135	New routes 23, 25, 26, 37, 39, 44, 45, 46, 47, 62, 88, and 91
Express Service ²	17	29,988	\$2,249,100	Create five new express routes
BRT service ³	68	189,504	\$17,055,360	Create seven routes and two route extensions
Streetcar Service ⁴	5	14,364	\$2,413,152	Create one streetcar route connecting Downtown Gainesville and UF
Total Costs	143	348,748	\$28,010,327	

Note: Cost based on 252 days per year and rates of ¹\$65/hour; ²\$75/hour; ³\$90/hours; ⁴\$168/hour.

Table 2-5
Summary of Vision Plan Capital Costs

Description	Number of Vehicles	Total Cost ¹
Existing Service Enhancements	24	\$9,600,000
New Service	29	\$11,600,000
Express Service	17	\$8,500,000
BRT service	68	\$276,250,000
Streetcar Service	5	\$152,500,000
Other Capital ²	N/A	\$66,150,000
Total Costs	143	\$524,600,000

¹Cost based on \$3,000,000 per mile for BRT and \$25,000,000 per mile for Streetcar.

²Includes maintenance facility expansion capital cost.

Map 2-1 illustrates the existing routes with enhancements and new services planned for 2011 to 2015, and 2016 to 2019, respectively. These service improvements correspond to the services described in the first two rows of Tables 2-4 and 2-5, respectively.

Maps 2-2 through 2-4 show the proposed express services, BRT service, and streetcar service, respectively. These proposed new services correspond to the services described in the last three rows of Tables 2-4 and 2-5, respectively.



RTS Vision, Funding and Governance

Legend

Existing Routes

2011-2015 Planned Local Bus Routes

2016-2019 Planned Local Bus Routes

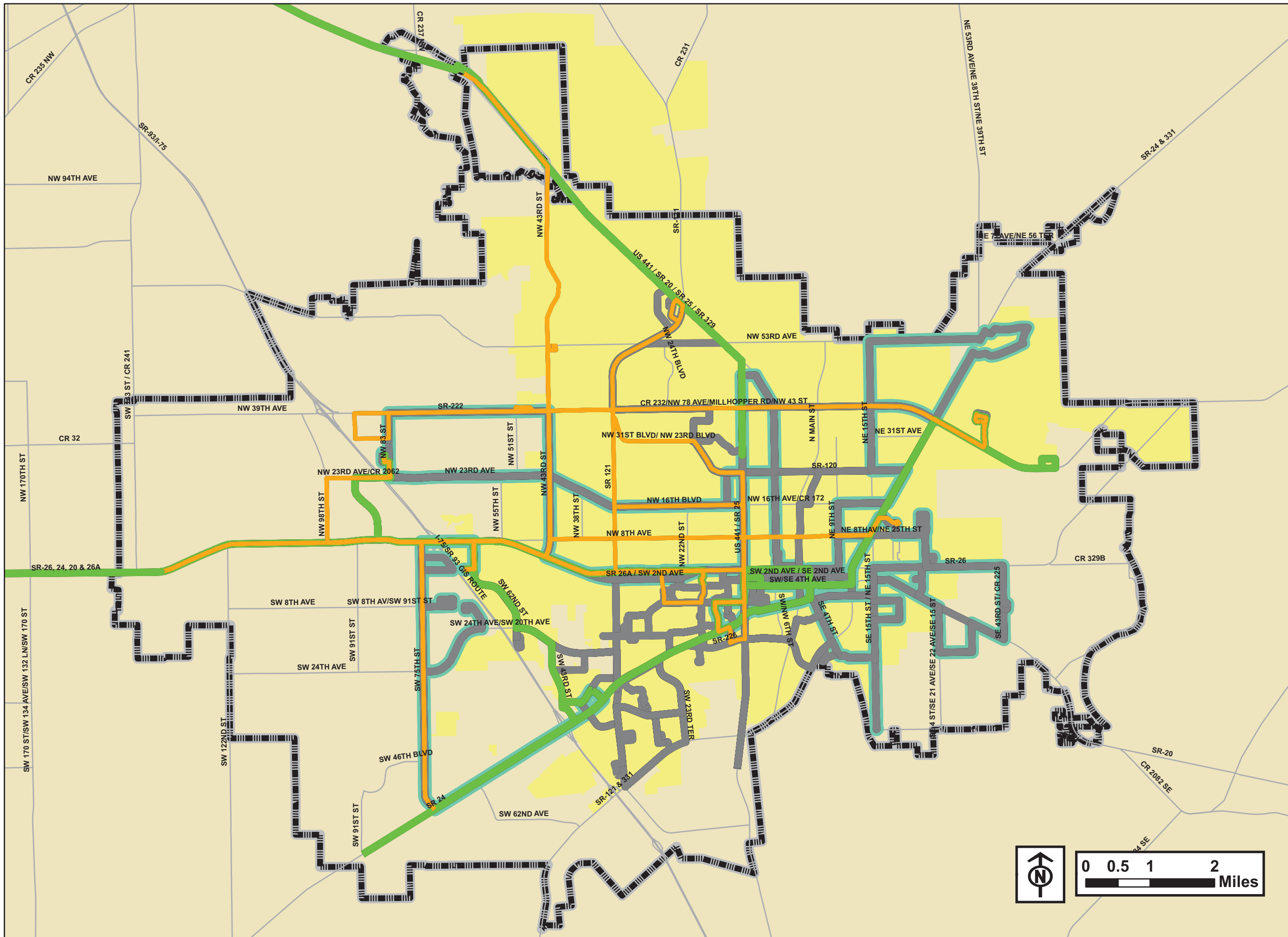
Routes with Enhancements

MTPO 2025 Boundary

City of Gainesville

Map 2-1

Enhancements to Existing & New Local Bus Services





RTS Vision, Funding and Governance

Legend

Existing Routes

Proposed Express Routes

Park-and-Ride Facility



MTPO 2025 Boundary

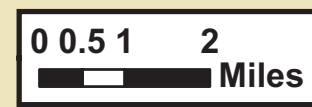
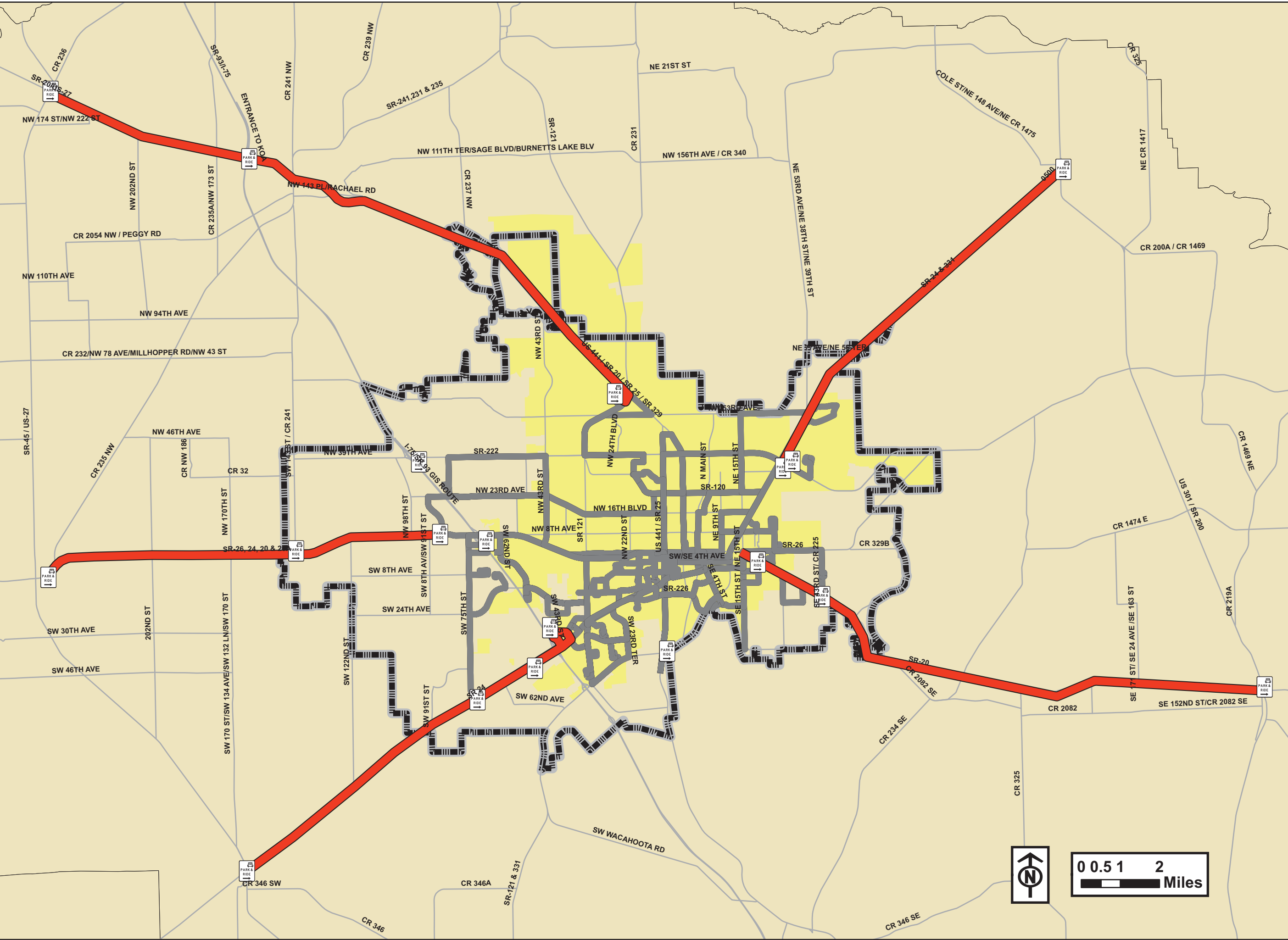


City of Gainesville



Map 2-2

Proposed Express Bus Routes





RTS Vision, Funding and Governance

Legend

Proposed BRT Corridors

- Blue Line
- Blue Line Extension
- Blue Line Alternative
- Brown Line
- Green Line
- Grey Line
- Orange
- Purple Line
- Red Line

Existing Routes



Proposed BRT Station



MTPO 2025 Boundary



City of Gainesville



The Blue BRT Line is proposed as the first BRT corridor in the City of Gainesville and will be included in an upcoming Alternatives Analysis. The Alternatives Analysis process is a Federal Transit Administration (FTA) federal funding application requirement and is scheduled to begin in early 2012.



Map 2-3 Proposed BRT Service



RTS
Vision, Funding
and Governance

Legend

Potential Streetcar Alignment



Streetcar Study Area



MTPO 2025 Boundary

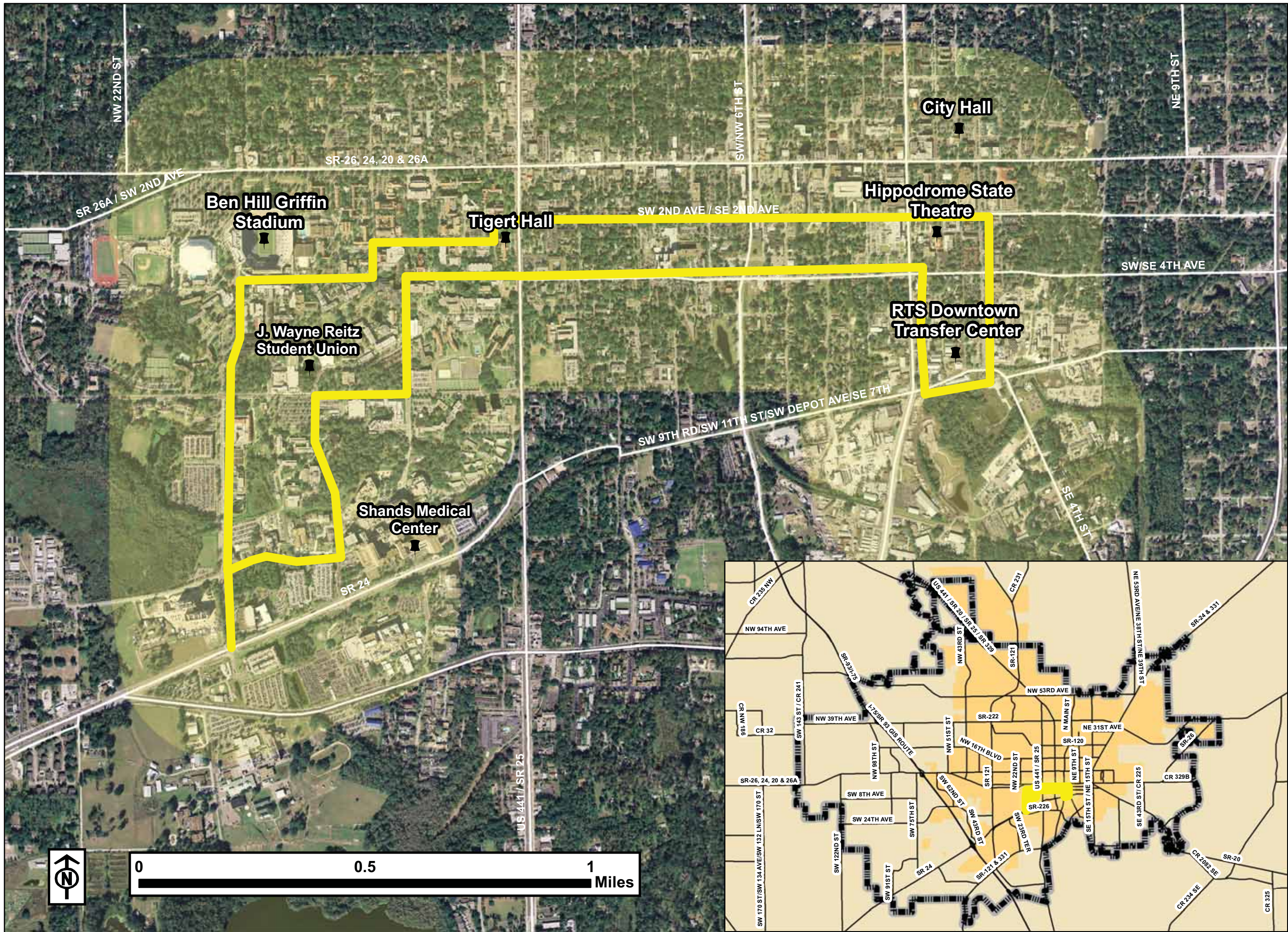


City of Gainesville



Map 2-4

**Downtown to UF
Streetcar Study Area**



Section 3 FUNDING AND GOVERNANCE CASE STUDIES AND RESEARCH

To prepare funding and governance alternatives, a review of potential funding sources and governance structures was performed. To supplement the research on funding and governance options, a review of four case studies was completed. The case studies provide practical examples of the advantages and disadvantages of various funding and governance structures in actual day-to-day use. Additional research associated with trends in governance structures for Florida transit agencies and service efficiencies resulting from those governance structures is also included in this section.

CASE STUDIES

As part of the evaluation of funding and governance alternatives, this section presents a review of four case studies. The candidate selection process for the case studies was based on the following steps:

1. Preliminary candidates were identified based on existing or committed BRT service.
2. Existing or committed BRT transit systems were then screened based on the presence of colleges/universities within the service area and their level of transit use.
3. Remaining candidates were then filtered based on operating and performance characteristics similar to those of RTS.

The final selection of candidates consists of two transit authorities and two city-operated transit services. Table 3-1 lists these candidates and provides general operating and performance statistics.

**Table 3-1
Operating Characteristic Matrix: RTS and Case Study Agencies**

Alt. No.	City	State	University/College	Total Enrolled	Transit Agency	BRT Status	Service Area Population	Annual Vehicle Revenue Hours	Total Ridership 2009
	Gainesville	FL	University of Florida	51,725	RTS		151,294	248,819	8,979,708
1	Eugene	OR	University of Oregon at Eugene	20,332	Lane Transit District	Existing	291,600	381,271	11,924,010
2	Lansing	MI	Michigan State University	46,045	CATA	Alternatives Analysis	277,316	412,336	11,373,828
3	Ft. Collins	CO	Colorado State University	27,569	Transfort	Committed*	118,652	96,583	1,945,947
4	Chapel Hill	NC	UNC Chapel Hill	28,136	Chapel Hill Transit	partial-BRT	71,069	189,279	7,996,088

*Source: National Transit Database, 2009

The case study information collected is presented for each case study agency individually based on four areas of interest: (1) operating environment and characteristics, (2) governance structure, (3) funding mechanism, and (4) challenges and opportunities. Systems having substantial experience with BRT implementation contain a brief summary of that experience as well.

Case Study #1: Lane Transit District (LTD) – Eugene, Oregon
Governance Structure: Transit Authority

Operating Environment & Characteristics

Lane Transit District operates in a mid-sized urban-metro area, providing service to an area of approximately 241 square miles. LTD serves the City of Eugene, the City of Springfield, several outlying rural communities, the University of Oregon at Eugene, and Lane Community College, one of the largest community colleges in the state. The service area population in 2009 was 291,600 and annual ridership was 11,924,010 with 381,271 annual revenue hours of service. LTD is the sole transit provider within its service area.



Governance Structure

In 1970, the Oregon state legislature established LTD as a special purpose district, overseen by the Governor and an appointed board. The board consists of seven members appointed by the Governor and confirmed by the state senate. Each member represents a sub-district within the service area. The board makes all final decisions including boundary changes and finance decisions. They have the authority to adjust the payroll tax rate within the cap established by the state legislature. They are required to approve all service changes consisting of a change of 25 percent or more of service hours on a route. However, past pattern has been to seek board endorsement of minor service changes, as well. There is no established advisory board for the authority, however frequent public meetings and workshops are held to collect public opinion and preference.

Funding

The major source of funding is through the ability to administer a local payroll tax. This ability was authorized by the state legislature but was capped. LTD is not currently assessing the maximum allowable payroll tax and the board has the authority to adjust the tax in the future. The University of Oregon provides contractual funding to LTD but that share has been minimal, less than 3 percent of total agency revenues. Thus, students ride fare-free. LTD receives 4 percent of its funding from federal assistance and uses that assistance for capital and preventative maintenance. LTD collects 19 percent of its operating revenues from fares. A full list of the funding breakdown is provided in Figure 3-1 and Table 3-2 below.

Figure 3-1
Funding Break-Down: Operations (Lane Transit District)

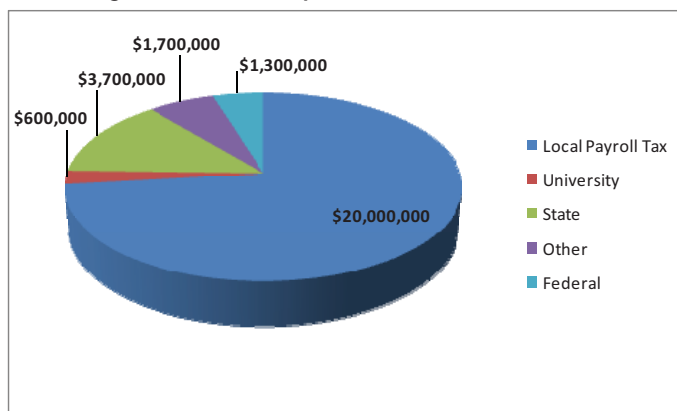


Table 3-2
Funding Break-down: Capital (Lane Transit District)

% Total Funding	Category	Description	Amount
95%	Federal	5307	\$11 M
5%	State	State of Oregon	\$700K
>1%	Local	Payroll Tax - local	\$26K

*Source: National Transit Database, 2009

Challenges & Opportunities

- The payroll tax has provided a historically strong funding source with good flexibility; however, the recent economic downturn has significantly reduced the funds collected from this source.
- There is local interest in developing a higher capacity BRT service. A new source of funding must be identified in order to undertake this.
- Paratransit continues to demand more and more out of the general fund.
- Locally, the proposal of implementing a sales tax to fund transportation has not received positive support; however, public opinion is slowly changing and it might be a viable option in the near future. This would require consciously branding any tax as a “transportation tax,” not just a “transit tax.”

Experience with BRT Implementation

Funding for operating the service came from the general fund; no dedicated funding source was established for this project. Capital costs were funded through discretionary grants and Small Starts grants. Cost was the deciding factor behind choosing BRT when considering all forms of premium transit. Cost analysis shows that BRT is more effective operationally than fixed-route transit.

Case Study #2: Capital Area Transit Authority (CATA) – Lansing, Michigan
 Governance Structure: Transit Authority

Operating Environment & Characteristics

Capital Area Transit Authority operates in Lansing, the capital city of Michigan, providing service to an area of approximately 136 square miles. CATA serves the City of Lansing, City of East Lansing, the Delhi Township, Meridian Township, Lansing Township, as well as Michigan State University and a major hospital. Service area population in 2009 was 277,316 and annual ridership was 11,373,828 with 412,336 annual revenue hours of service. CATA is the major transit service provider within its service area.



Governance Structure

In 1972, the Michigan state legislature established CATA as an independent transit agency, overseen by a Board of Directors. The board consists of 11 voting members, five from the City of Lansing, two from the City of East Lansing, two from Meridian Township, and one from each Lansing Township and Delhi Township. There are also two non-voting members from Ingham County and Michigan State University. CATA has ad valorem tax levying rights within its jurisdiction. Ingham County (the county seat) also has funding rights and contracts with CATA to provide service within the county. The Board of Directors also consults with a Local Advisory Committee of 12 independent citizen members.

Funding

The major source of funding is through the local three-mill property tax in Ingham County. Currently, Ingham County assesses the highest property tax in the state. This generates \$17-18 million annually and comprises half of CATA's operating revenues. The State of Michigan is required by law to cover half of CATA's operating costs, but has not been able to provide this amount in its entirety since 1999.

CATA is the primary service provider for Michigan State University. However the agency receives only about \$2 million in contractual fees from the school, making up less than 10 percent of its operating revenues. These fees subsidize only student transit costs, and students are required to purchase individual passes to ride CATA. CATA collects 21 percent of agency revenues through the farebox. CATA receives three percent of its funding from federal assistance. That assistance is used for capital costs. A full list of the funding breakdown is provided in the figure and table below.

Figure 3-2
Funding Break-Down: Operations (CATA)

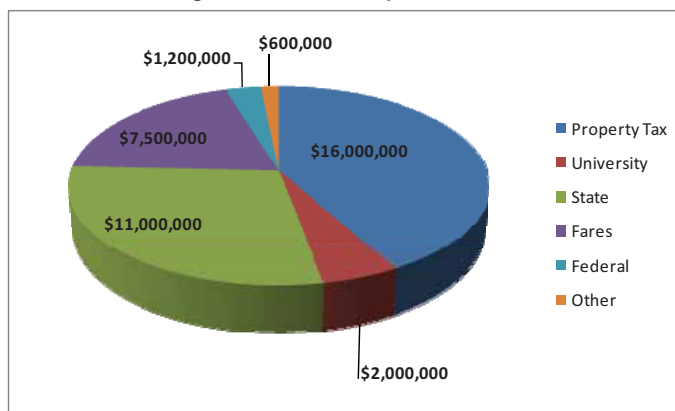


Table 3-3
Funding Break-Down: Capital (CATA)

% Total Funding	Category	Description	Amount
86%	Federal	5307	\$4M
13%	State	State of Michigan	\$700K
<1%	Other		\$10K

*Source: National Transit Database, 2009

Challenges & Opportunities

- The State is in great financial need and, thus, the ability to continue to receive funding from the State is a concern.
- CATA has experienced increasing demand as a result of stable employers in the area: a major university, a major hospital, and the State Capitol and related employers. The region is also growing in the area of insurance services.

Experience with BRT Implementation

The agency received Small Starts funding to fund the BRT alternatives analysis. The approach taken was that of a “transportation” study and not a “transit” study, integrating bicycle, pedestrian, automobile, and transit. While funding BRT is not finalized at this point, a diversification of many resources will likely be the solution. CATA plans on seeking State “Trunkway” funding, State highway funding, local roadway funding, and Federal New Starts, and will be providing some funds for operations from local revenue sources. While the alignment may shift, the corridor that is being examined stretches nearly nine miles and serves the Michigan State University campus as well as a major shopping mall and the State Capitol.

Case Study #3: TRANSFORT – Ft. Collins, Colorado
 Governance Structure: City Department

Operating Environment & Characteristics

TRANSFORT operates in the mid-sized urbanized City of Ft. Collins and provides service to a 47 square mile area. TRANSFORT serves the City of Ft. Collins and Colorado State University. The service area population in 2009 was 118,652 and annual ridership was 1,945,947 with 96,583 annual revenue hours of service. TRANSFORT is the major transit service provider within its service area.



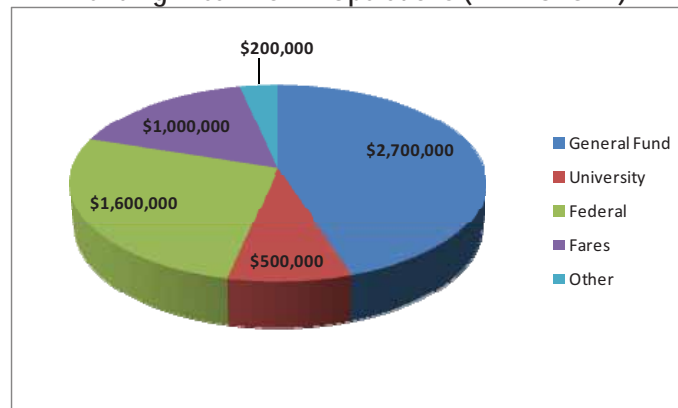
Governance Structure

The City of Ft. Collins began providing transit service in the 1970s and, today, TRANSFORT still operates as a municipal department of the City of Ft. Collins. There is no official partnership with the Colorado State University (CSU). However, the Associated Students of CSU holds a contractual agreement with TRANSFORT contributes a portion of the student fees to TRANSFORT. TRANSFORT is the major transit provider in the City and surrounding urbanized area. Larimer County operates service in the rural areas of the county. The City Council of Ft. Collins holds authority over the agency and controls policy decisions, decisions on major service changes, and controls the budget. A Citizen’s Advisory Committee of seven members was created to provide recommendations to the City Council in regard to TRANSFORT service planning efforts and budget.

Funding

The major source of funding is through the City’s general fund and there is no dedicated funding source for transit. Approximately 60 percent of the operating revenues come from these local funds. TRANSFORT receives \$500,000 annually from contractual fees with the student association at the University of Colorado. Thus, students ride fare-free. TRANSFORT receives 22 percent of its operating revenues from Federal assistance and 13 percent from fare revenues.

Figure 3-3
 Funding Break-Down: Operations (TRANSFORT)



**Table 3-4
Funding Break-Down: Capital (TRANSFORT)**

% Total Funding	Category	Description	Amount
92%	Federal	5307	\$1.5 M
8%	Local	General fund - City of Ft. Collins	\$120K

*Source: National Transit Database, 2009

Challenges & Opportunities

- Funding is the primary challenge at this point. Larimer County and several nearby cities have had difficulty maintaining funding due to a tough economy and competition from other municipal departments for City general fund dollars.
- A reevaluation of funding sources will be necessary in the near future.

Experience with BRT Implementation

Construction on the five-mile BRT corridor will begin in 2011. TRANSFORT received 90 percent of the \$85 million construction costs from State dollars combined with a federal match program. Less than 10 percent came from the local general fund. The BRT corridor will access and serve Colorado State University.

Case Study #4: Chapel Hill Transit (CHT) – Chapel Hill, North Carolina

Governance Structure: City Department

Operating Environment & Characteristics

Chapel Hill Transit operates in a mid-sized suburban area, providing service to 25 square mile. CHT serves the City of Chapel Hill, the City of Carboro, the University of North Carolina at Chapel Hill, and a major hospital. The service area population in 2009 was 71,069 and annual ridership was 7,996,088 with 189,279 annual revenue hours of service. Chapel Hill Transit is the major transit service provider within its service area.



Governance Structure

Chapel Hill Transit was established in 1974 as a municipal department of the town of Chapel Hill. CHT partners with the Town of Carboro and the University of North Carolina at Chapel Hill. The City Council oversees CHT with the assistance of the Town Manager and a 12-member Transportation Board made up of 9 appointed citizens, one representative from the Chapel Hill-Carboro City School District, one City Council liaison, and one representative from CHT. The board makes recommendations on policy and budget decisions, as well as advice, oversight, and direction. The University of North Carolina (UNC) operates a small, late-night service, but holds a contractual agreement with CHT for fixed-route service.

Funding

Chapel Hill Transit has operated fare-free to passengers as of January 2002. The majority of CHT’s funding comes from contractual fees with UNC in the amount of \$6 million per year. Another \$2 to 3 million is received from the City of Chapel Hill, and \$1 million from the Town of Carboro.

Figure 3-4
Funding Break-Down: Operations (Chapel Hill Transit)

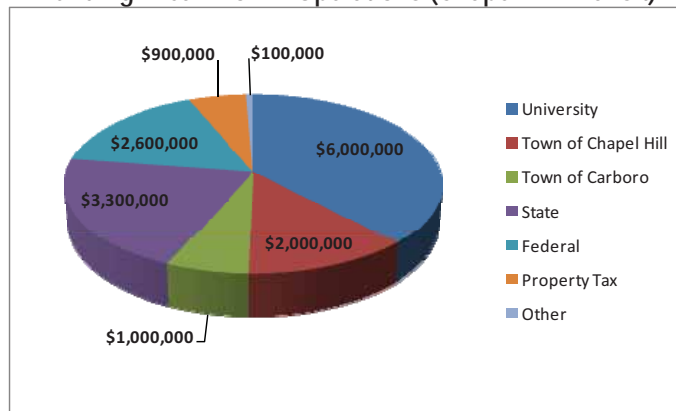


Table 3-5
Funding Break-Down: Capital (Chapel Hill Transit)

% Total Funding	Category	Description	Amount
100%	Federal	5307	\$4.4M

*Source: National Transit Database, 2009

Challenges & Opportunities

- There have been significant increases in ridership due to the parking policies of the university. Keeping up with the university demand is a constant challenge. This is due to the fact that no Federal assistance is available for operating costs.

BRT Implementation

A BRT-similar service is already active on several corridors on a number of routes. On those routes, peak hour headways are 15 minutes or less. However, there is no dedicated right-of-way nor signal priority for buses. There is a real-time mobile vehicle locator available online and fare-free passes that contribute to reduce boarding times. There is currently a signal priority study being conducted to potentially implement the technology on existing routes.

Regionally, there is an effort underway for light rail and commuter rail services. Triangle Transit, an agency in nearby Raleigh is coordinating that effort. Rail service would likely connect the University of North Carolina in Chapel Hill and Raleigh/Durham. Last year, the State legislature passed legislation allowing counties to collect a half-cent sales tax for transportation. The measure would require voter referendum, but might prove to be a viable funding source in the future.

Summary

This section summarizes the important issues and salient points of each transit agency described previously. This section provides an assessment of these agencies to compare with RTS.

Use of Advisory Boards

The use of authorizing boards and advisory boards varies across the different service providers. The two independent agencies, LTD (Eugene) and CATA (Lansing), are overseen by a Board of Directors who holds authority over the agency in terms of major service changes, budget decisions, and boundary changes. CATA consults with a separate advisory board, the Local Advisory Committee, made up of appointed citizens who provide recommendations on transit matters. LTD does not have a citizen advisory board. The two municipal departments, CHT (Chapel Hill) and TRANSFORT (Ft. Collins), report to their City Councils for authorization of all major service changes, budget decisions, and boundary changes. They each also refer to citizen's advisory committees for recommendations and input on decisions. Both advisory committees are dedicated to all transportation decisions in their respective municipalities, not only transit.

Relationships with Local Universities

Three of the four transit providers, CHT, LTD and CATA, hold a seat on their advisory committees for a representative from the local university. They all also hold contractual agreements with their local university to provide service to campus. TRANSFORT holds an agreement with the Associated Students of Colorado State University (ASCSU), the university's student association, rather than the university administration. ASCSU compensates TRANSFORT from a portion of the student fees collected with tuition. All of these agencies, except CATA (Lansing), provide a fare-free service to students with valid identification from the participating institution. Michigan State University students may purchase a subsidized pass at a discounted rate. Across the four service providers, the university contribution ranges from less than 3 percent of all operating revenues for LTD, to 42 percent of all operating revenues for Chapel Hill.

BRT: Funding for Capital

Only one transit service provider is currently running a fully-functional BRT service, LTD in Eugene, Oregon. LTD currently provides two routes, totaling almost six miles of BRT. CHT provides a BRT-like service with accelerated peak-hour headways and a real-time mobile vehicle locator on all vehicles. A signal priority study is currently underway. But, at this point CHT has no plans to implement traditional BRT with a dedicated right-of-way. TRANSFORT will begin construction later this year on a five-mile BRT route. CATA is underway with an Alternatives Analysis to determine an alignment of the approximately 8.5-mile BRT route.

Funding the capital costs for these BRT projects has relied upon Federal and State dollars. Very little, if any, local funds were used for construction. LTD (Eugene), CATA (Lansing), and TRANSFORT (Ft. Collins) combined federal New Starts and/or Small Starts funding and matched those federal resources with state funding for construction.

General Funding for Operations

The two independent agencies, LTD (Eugene) and CATA (Lansing), use dedicated sources of funding established through their authorizing mechanism. LTD collects a payroll tax and CATA assesses a three-mill county property tax. The two municipal departments use general municipal funds. However, the majority of CHT's funding comes from the University of North Carolina at Chapel Hill. The two different types of service providers, the municipal department and the independent agency, were virtually indistinguishable in terms of financial constraints. The municipal departments must justify their budgets relative to other municipal departments as they pull from the general municipal fund. The independent agencies, however, must rely upon established funding sources. Ingham County's property tax is currently the highest in the state, so the likelihood of an increase to fund CATA operations is slim. LTD collects a payroll tax, and the agency's board has authority to increase the tax up to the cap set by the State legislature. No voter referendum would be required, so this may be a feasible source of new funding. The mix of funding provides a range of alternatives with which to compare to RTS.

THE FLORIDA EXPERIENCE

To determine an appropriate governance structure, it is beneficial to look at trends and relationships between agency size and variations in governance structures. An evaluation of fixed-route transit services in the State of Florida gives insight to where RTS stands in terms of governance structure among its state peers. To conduct that evaluation, National Transit Database (NTD) information for fiscal year (FY) 2009 was collected for all fixed-route transit services in Florida. NTD information collected included service area population, revenue hours, and peak vehicles. In addition to the NTD data, the governance structure for each of the transit agencies was identified. Table 3-10 includes the information collected for the Florida fixed-route agency governance structure comparison. As shown in that table, governance structures consist of three types; city, county, and transit authority.

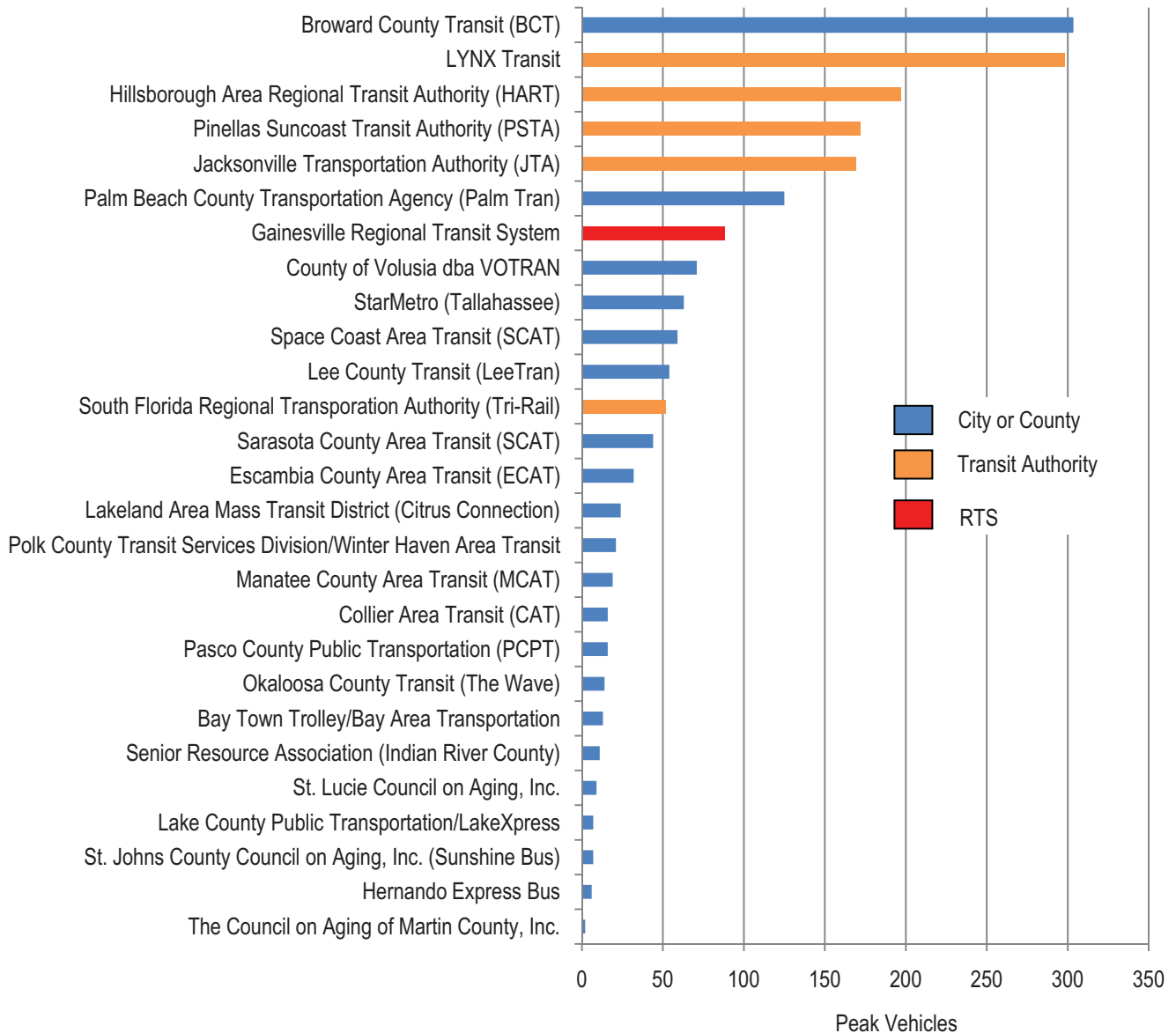
A relationship can be drawn between the type of governance structure and the size of the service operated. A positive trend can be derived between governance structure and the two variables, revenue hours and peak vehicles. As the amount of service (i.e., revenue hours, peak vehicles) increases, so does the occurrence of transit authorities. Outliers in this trend include the South Florida Regional Transportation Authority, Miami-Dade Transit, and Broward County Transit.

**Table 3-6
Florida Fixed-Route Transit Agency Governance Structures**

Agency	Governed by:	Service Area Population (2009)	Revenue Hours (2009)	Peak Vehicles (2009)
Miami-Dade Transit (MDT)	County	2,402,208	3,104,860	1,023
Broward County Transit (BCT)	County	1,751,234	1,189,097	303
LYNX Transit	Transit Authority	1,811,366	1,055,387	298
Hillsborough Area Regional Transit Authority (HART)	Transit Authority	821,306	612,449	197
Pinellas Suncoast Transit Authority (PSTA)	Transit Authority	883,631	611,629	172
Jacksonville Transportation Authority (JTA)	Transit Authority	827,453	605,315	169
Palm Beach County Transportation Agency (Palm Tran)	County	982,900	408,777	125
Gainesville Regional Transit System	City	151,294	248,819	88
County of Volusia dba VOTRAN	County	468,670	170,209	71
StarMetro (Tallahassee)	City	162,310	181,869	63
Space Coast Area Transit (SCAT)	County	554,698	99,989	59
Lee County Transit (LeeTran)	County	444,837	188,282	54
South Florida Regional Transportation Authority (Tri-Rail)	Transit Authority	5,448,962	135,460	52
Sarasota County Area Transit (SCAT)	County	398,854	189,150	44
Escambia County Area Transit (ECAT)	County	307,220	104,396	32
Lakeland Area Mass Transit District (Citrus Connection)	City	110,000	79,235	24
Polk County Transit Services Division/Winter Haven Area Transit	County	153,924	34,984	21
Manatee County Area Transit (MCAT)	County	103,000	86,978	19
Pasco County Public Transportation (PCPT)	County	462,715	66,508	16
Collier Area Transit (CAT)	County	333,032	67,043	16
Okaloosa County Transit (The Wave)	County	170,498	36,643	14
Bay Town Trolley/Bay Area Transportation	County	85,458	36,967	13
Senior Resource Association (Indian River County)	County	107,555	32,474	11
St. Lucie Council on Aging, Inc.	County	265,108	19,011	9
St. Johns County Council on Aging, Inc. (Sunshine Bus)	County	149,300	17,678	7
Lake County Public Transportation/LakeXpress	County	97,497	20,828	7
Hernando Express Bus	County	164,907	17,491	6
The Council on Aging of Martin County, Inc.	County	137,956	2,473	2

Figure 3-5 was prepared to further highlight the relationship between peak vehicle requirements and governance structures. In that figure, transit authorities, highlighted in orange, are clustered towards the top of the bar chart which is where agencies operating the largest peak vehicle fleets are shown. Although RTS ranks near the cluster of transit authorities at the top of the figure, RTS service levels are still well below the service levels of the transit authorities shown. For example, the Jacksonville Transit Authority (JTA) peak vehicle requirement in 2009 was 169. The RTS peak vehicle requirement in 2009 was 88.

Figure 3-5
Governance Structures and Peak Vehicle Requirements (2009)*



*Miami Dade Transit, an outlier in terms of the number of peak vehicles, is not included.

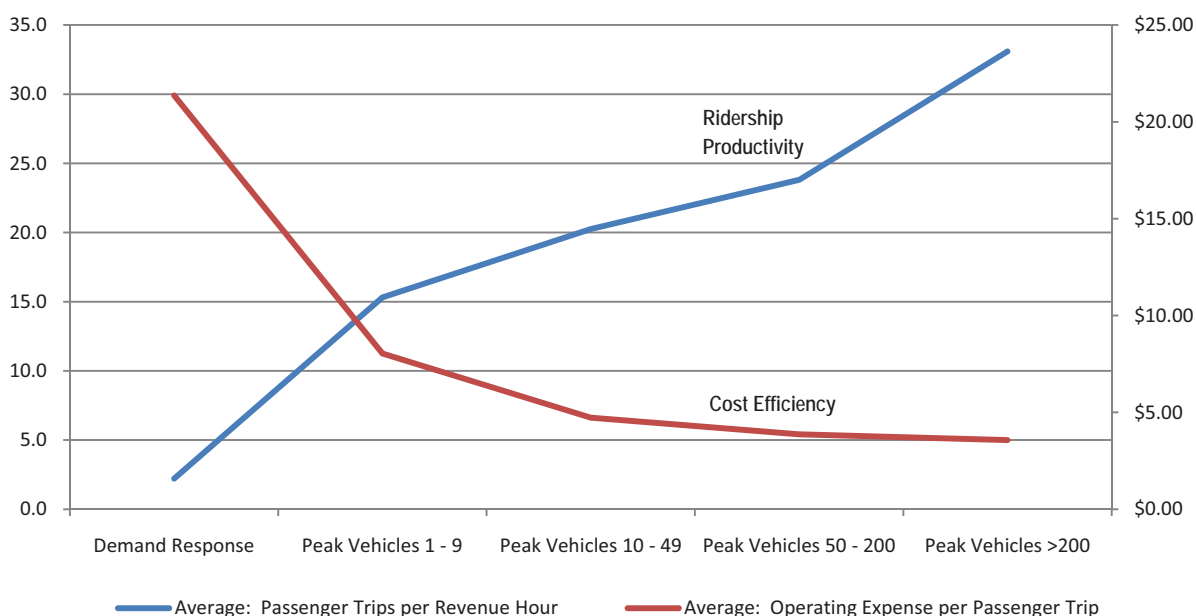
SERVICE EFFICIENCY

To set the stage for the funding and governance alternatives, it is important to understand transit service efficiency in the context of this study and the transit operating environment in Gainesville. This discussion of transit efficiency is intended to provide a framework for decision-makers to develop reasonable expectations for public transit in smaller communities. Transit efficiency does not necessarily mean that spending less on public transit is the answer. A broader view of public transit may suggest the need to increase transit investment, enhance productivity, and enhance the quality of life for residents and visitors in the local communities.

Quantitative evidence does exist to support the assertion that larger investment in transit service does in fact equate to improved service efficiency over time. In the transit industry, service performance is generally measured by combining service performance statistics. For example, operating costs, passenger trips, and revenue hours of service are combined to generate unit-based measures that can be utilized to compare the performance of the service to other agencies or to evaluate historical trends throughout the life of the service. Service efficiency is summarized by looking at an agency's operating cost per passenger trip. Productivity is gauged by looking at the number of trips per revenue hour.

A relationship between transit agency size, service efficiency, and productivity can be drawn by looking at the experience of transit agencies in the southeastern United States. To understand that relationship, 2009 NTD data were collected for all transit agencies that operate a fixed-route bus service in the southeastern United States. Figure 3-6 illustrates the relationship between ridership productivity (passenger trips per revenue hour), cost efficiency (operating cost per passenger trip), and transit agency size (based on the number of peak vehicles).

Figure 3-6
Transit Agency Size and Service Efficiency



*Source: National Transit Database, 2009

Two major conclusions can be drawn from the analysis. These include:

- Demand response or paratransit service is by far the least efficient transit service.
- As fixed-route bus service expands (more peak vehicles), the ridership productivity (trips per hour) increases while cost per trip gradually declines.

In order to assess the status of transit service in Gainesville within the transit efficiency framework described, trend comparisons of fixed-route passenger trips per revenue hour and operating cost per passenger trip for RTS were prepared using NTD data for FY 2005 through FY 2009. Table 3-7 includes a trend analysis for RTS service between FY 2005 and FY 2009, and Figure 3-7 illustrates the service ridership productivity and cost efficiency analysis for RTS.

The ridership productivity and cost efficiency analysis for RTS reveals several facts about the efficiency of transit service in the service area.

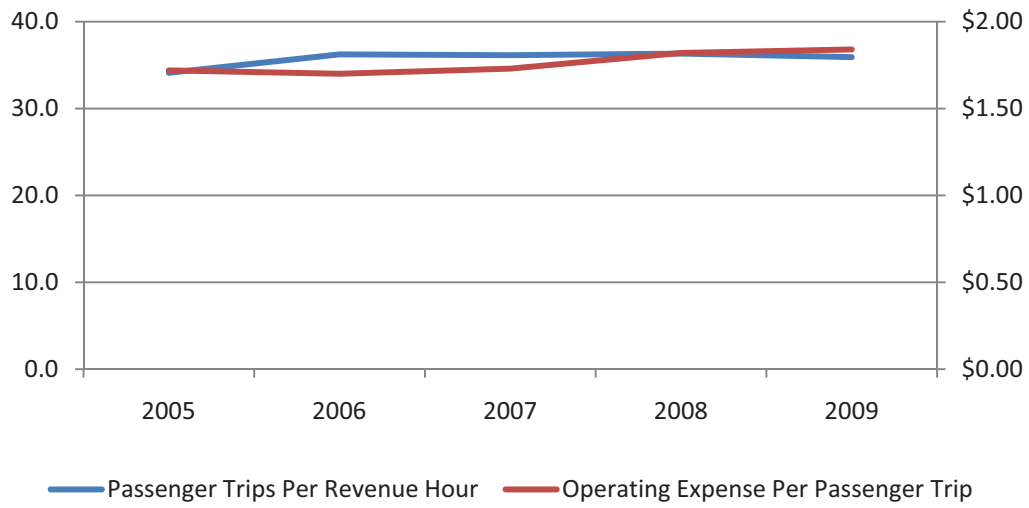
- The number of peak vehicles, 88, remained constant each year between 2005 and 2009.
- Potential service inefficiencies resulting from increases in operating costs, 18.8 percent between FY 2005 and FY 2009, have been offset by increases in passenger trips and small increases in revenue hours of service.
- As shown in Figure 3-7, ridership productivity and cost efficiency are flat. This is consistent with the performance analysis performed for transit agencies in the southeastern United States. A constant peak vehicle requirement over the five-year service period has resulted in no significant increases, or decreases, in service efficiency.

Table 3-7
RTS Trend Analysis

Measure	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	% Change
Passenger Trips	8,041,803	8,562,284	8,939,334	9,004,928	8,939,980	11.2%
Revenue Hours	235,765	236,312	247,350	247,834	248,819	5.5%
Operating Cost	\$13,822,902	\$14,568,635	\$15,491,531	\$16,396,697	\$16,424,542	18.8%
Operating Expense Per Passenger Trip	\$1.72	\$1.70	\$1.73	\$1.82	\$1.84	7.0%
Passenger Trips Per Revenue Hour	34.11	36.23	36.14	36.33	35.93	5.3%
Vehicles Operated in Maximum Service	88	88	88	88	88	0.0%

*Source: National Transit Database, 2009

Figure 3-7
RTS Fixed-Route Service Efficiency Trend



*Source: National Transit Database, 2009

Section 4

FUNDING AND GOVERNANCE ALTERNATIVES

Currently, RTS is a city department and the City of Gainesville City Council makes final decisions regarding budget, changes in service, and other policy and administrative issues. To implement the Vision Plan, it may be necessary to eventually transition the administration and operation of public transportation services in Gainesville to a different governance structure. This section examines various governance structures, the various funding sources available under each governance structure, and provides an evaluation of those options in terms of their suitability for Vision Plan implementation. The funding and governance structures are designed to meet the transit service needs of the City of Gainesville and Alachua County while positioning the area for future transit service and infrastructure expansion.

GOVERNANCE OPTIONS

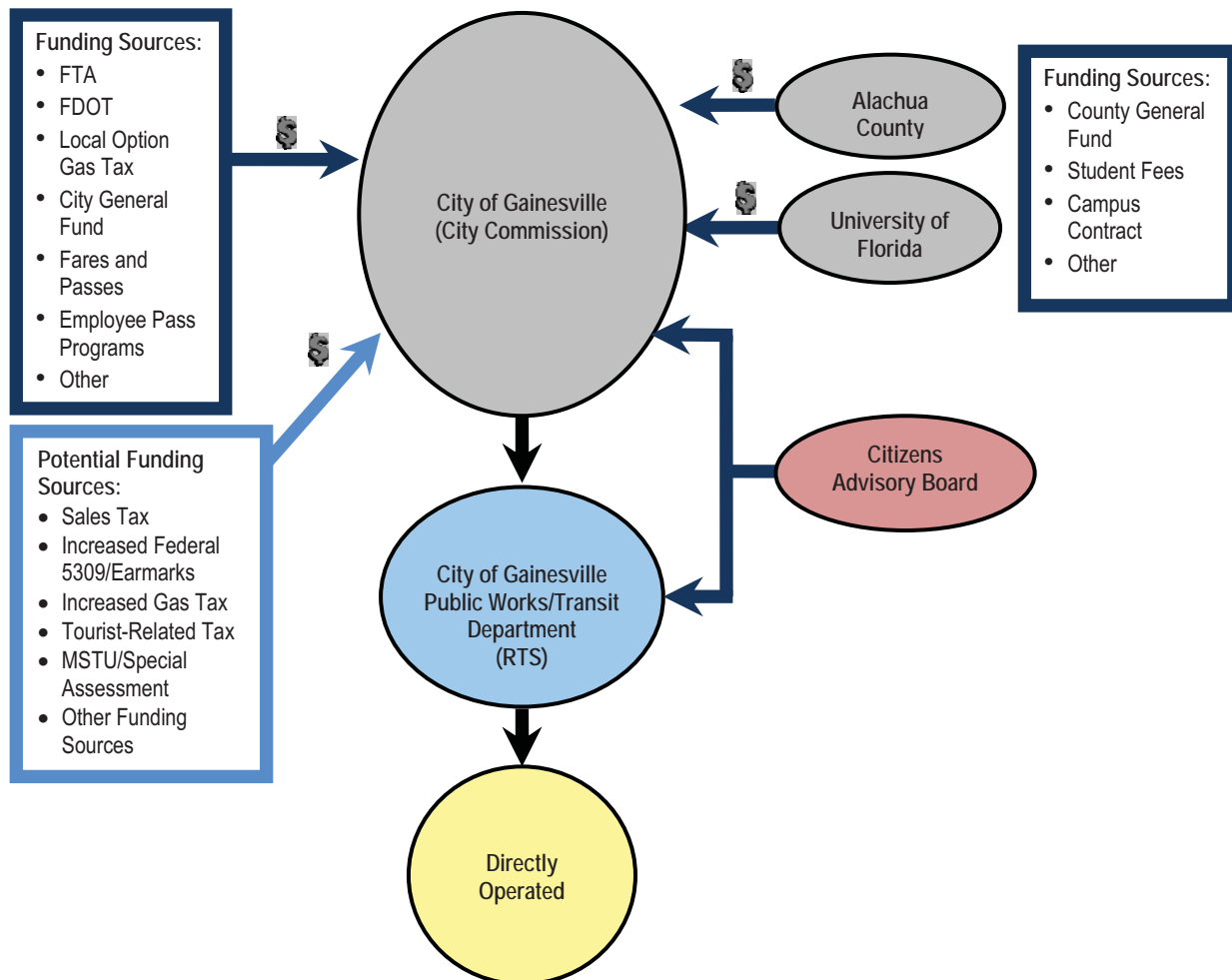
An appropriate transit governance structure should be in place to support the administration, management, and oversight of the area's transit services. Governance options are structured to meet the organizational demands of transit services for the area. Consequently, important to the development of governance structures is inclusion and participation by all benefiting jurisdictions.

Based on the case study research presented in Section 3, five governance options are presented. As structured, the governance options presented are not intended to be rigid and inflexible adaptations of potential governance structures. Components of each can be combined, overlapped, and integrated to determine the most appropriate transit governance structure for the area. Each governance option is discussed in detail and flow charts are included to illustrate the relationship among the various components of each governance option. Components of each governance option include participating jurisdictions and entities, and funding flows with directions.

Governance Option 1: City Department (Status Quo)

This option continues the current governance structure for RTS. For this option, RTS operates under the management of the City of Gainesville (City Commission) and still functions as a city department. A Citizens Advisory Board is responsible for routine input on the operation and administration of RTS. The City is eligible to receive funding from the Federal Transit Administration (FTA), FDOT, Alachua County, the University of Florida, and other possible sources. Figure 4-1 illustrates Governance Option 1.

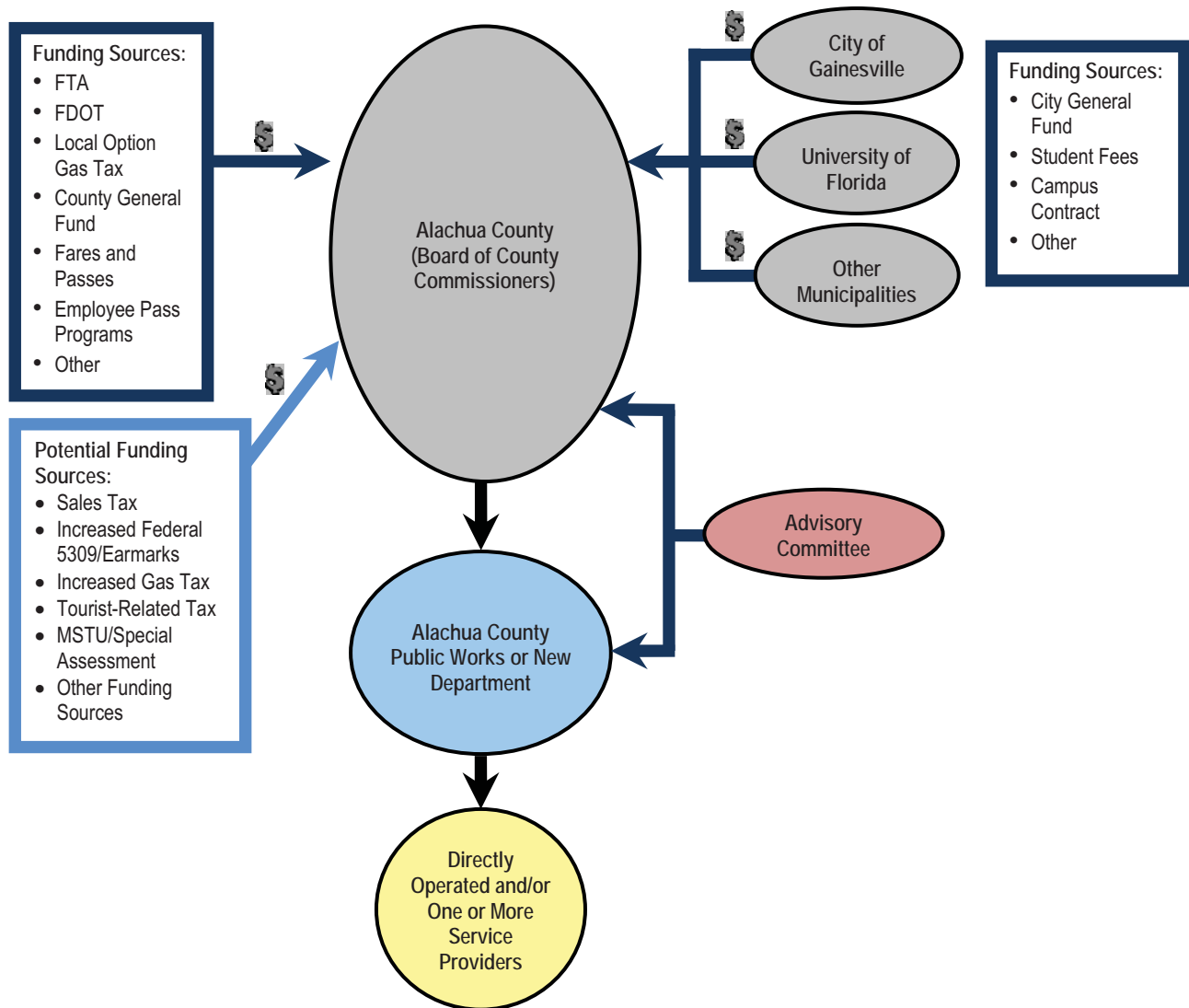
Figure 4-1
Option 1: City Department (Status Quo)



Governance Option 2: County Department

A regional consideration was incorporated into Governance Option 2. Under this option, County Public Works or a newly-established department will be responsible for the provision of transit service to the participating municipalities/entities within the county. The transit service can be either directly operated by the department or provided by contracted service providers, or both. The feasibility of this option is contingent upon the participation of other municipalities/entities in addition to the City of Gainesville and the University of Florida. Alachua County is the sole recipient of funding coming from FTA, FDOT, the City of Gainesville, the University of Florida, other municipalities, and other possible sources. The Board of County Commissioners would oversee the administration of the department while an advisory committee would be established to provide routine input regarding service operation and governance administration issues. Compared with Option 1, the new funding sources of this governance option include the County General Fund and funds from other participating municipalities/entities. See Figure 4-2 for an illustration of Governance Option 2.

Figure 4-2
Option 2: County Department

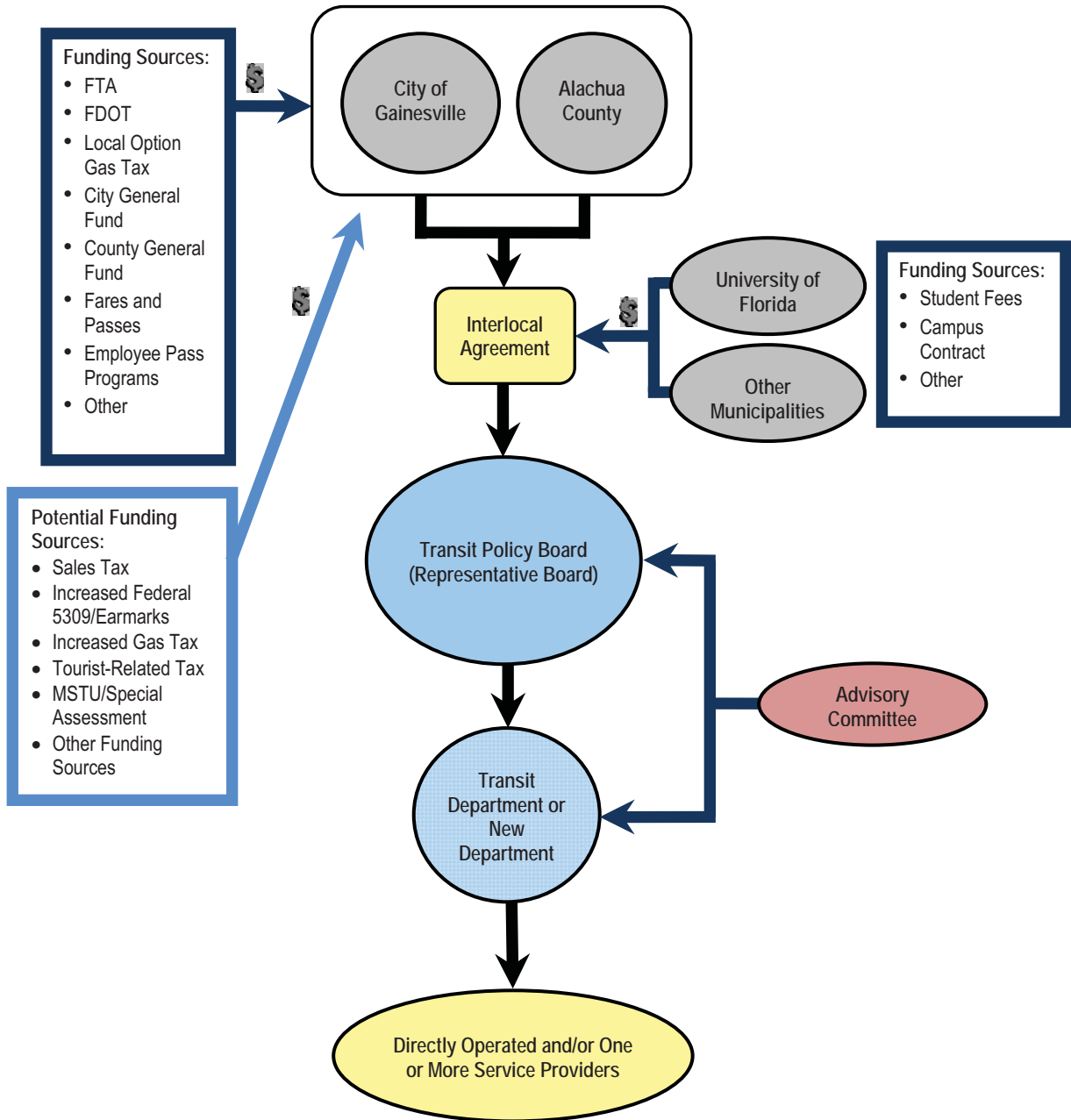


Governance Option 3: City and County Agreement

Option 3 also emphasizes regional coordination of transit services. Different than Option 2, the City of Gainesville and Alachua County would combine together to play a leading role in creating a transit policy board through interlocal agreement with the University of Florida and other municipalities/entities. The interlocal agreement would stipulate the board's actual composition and the funding responsibilities for each participating municipality or entity. The transit policy board would oversee the administration and operation of the transit services for the entire region. A transit department would be created to administer and manage the day-to-day operation of services and could contract out part of its service to other service providers. An advisory committee comprised of citizens would provide input to the transit policy board and transit department regarding service operation and governance administration

issues. Under this option, the City of Gainesville and Alachua County would collect the funding received from FTA, FDOT, the Local Option Gas Tax, the City General Fund, the County General Fund, and other potential sources, while the University of Florida and other municipalities/entities would be responsible for collecting their own contributions. Figure 4-3 illustrates governance option 3.

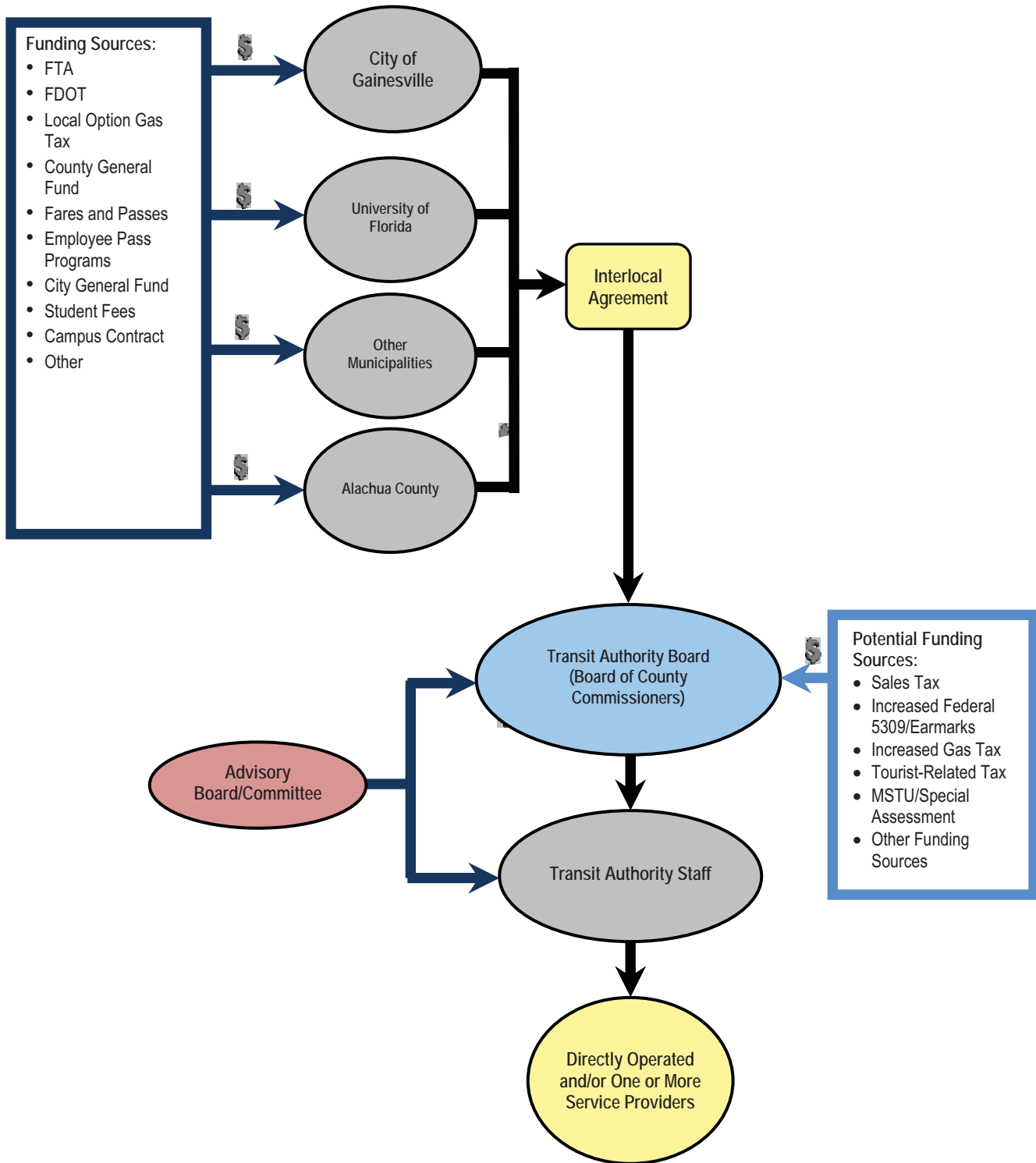
Figure 4-3
Option 3: City and County Agreement



Governance Option 4: Dependent Transit Authority

A dependent transit authority represents a higher level of regional coordination that integrates the City of Gainesville, the University of Florida, Alachua County, and other participating municipalities/entities at the same level. A representative transit authority board, created through an interlocal agreement, would oversee the administration and operation of the transit service of the entire region. The transit authority board members can be either designated by the existing Board of County Commissioners or identical to the existing Board of County Commissioners. The interlocal agreement would stipulate the funding responsibilities for all participating municipalities and entities. The dependent transit authority can collect local funding contributions from the participating municipalities and entities in the region for the service provided. The transit authority board would assume the responsibility of appointing transit authority staff to administer and manage the day-to-day operation of transit services in the region. An advisory board/committee comprised of citizens would routinely provide input to the transit authority board and transit authority staff on service operation and governance administration issues. The creation of a dependent transit authority may require state-enabling legislation. See Figure 4-4 for an illustration of this governance option.

Figure 4-4
Dependent Transit Authority*

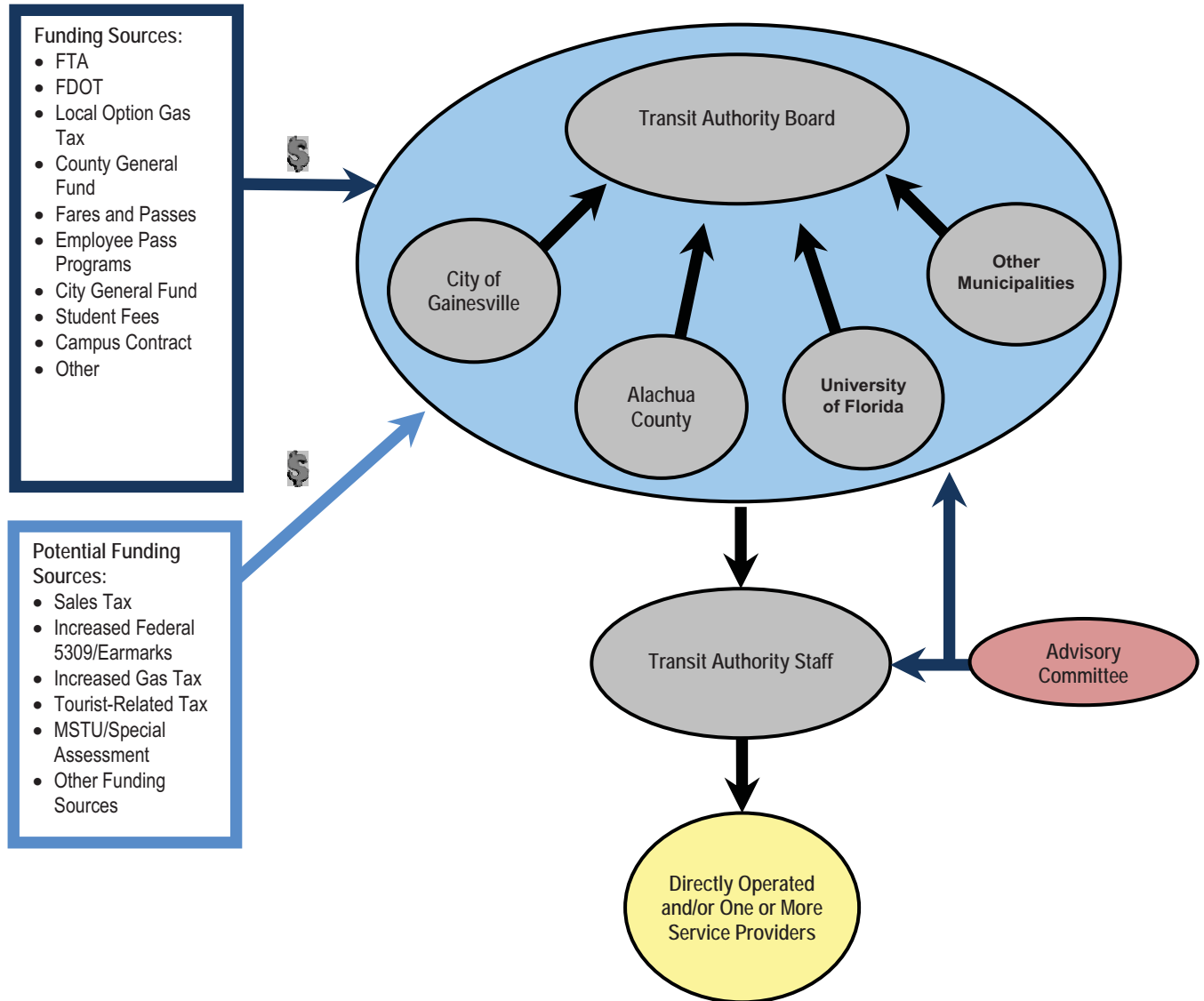


*May require State-enabling legislation

Governance Option 5: Independent Transit Authority

An independent transit authority represents the governance option with the highest level of coordination among the five options in that a brand-new agency operates as an independent government body, setting region-wide policy for transit service and serving as the single designated Federal and State transit funding recipient. In general, an independent transit authority must be created by state-enabling legislation. An independent transit authority can be afforded funding powers, such as the assessment of ad valorem taxes, sales taxes, and bond issuance, and may also collect local funding contributions from the participating municipalities or entities in the region for service provided. An advisory board/committee comprised of citizens would routinely provide input to the transit authority board and transit authority staff on service operation and governance administration issues. The transit authority board assumes the responsibility of appointing transit authority staff to administer and manage the day-to-day operation of transit services in the region. Figure 4-5 illustrates this governance option.

Figure 4-5
Independent Transit Authority*



*Requires State-enabling legislation

Project Review Committee Results

The second group exercise conducted at the meeting with the PRC held on April 27, 2011, involved the identification of a preferred governance structure. The five governance structures described previously were presented to the group and a brief discussion of those governance structures and their relevance to the area was facilitated. Following presentation and discussion of the governance structures, the nominal question for the second exercise was presented, "What elements should be included within the governance structure of future public transportation services in the study area?" PRC members were asked to indicate either one of the governance structures presented or to indicate elements within those governance structures that they thought were the most important.

The same process followed for the first exercise was followed for the second exercise. Table 4-1 summarizes all of the governance structure ideas identified by PRC members during the workshop, along with the results of the voting and prioritization process. The three top priorities are identified below.

1. City governance (14 points)
2. Independent transit authority (6 points)
2. Focus on core areas (6 points)
3. Access to funding (4 points)

**Table 4-1
PRC Group Exercise Results on Governance Options**

Nominal Question: "What elements should be included within the governance structure of future public transportation services in the study area?"			
Initial Brainstorming Ideas	Initial Number of Votes	Weighted Score	Final Prioritization
City governance	5	14	1
Independent transit authority	3	6	2 (T)
City/County agreement	0	0	
Focus on core areas	3	6	2 (T)
Dependent transit authority	0	0	
Expanded role of the advisory board	2	3	
Balanced funding partnership	1	2	
Professional staff with oversight	1	2	
Taxpayer accountability	2	2	
User accountability	1	2	
Access to funding	2	4	3
Decision-making delegated to service area	0	0	

Advantages and Disadvantages of Two Priority Options

After the review of governance structures and based on the discussions and input received from the PRC, two options rose to the top as the potential preferred governance structures. These include the City Department (Status Quo) and an Independent Transit Authority. Table 4-2 presents a detailed list of advantages and disadvantages of each governance option. Advantages and disadvantages are organized into three subject areas, Governance Board Focus, Local Priorities, and Implementation and Funding.

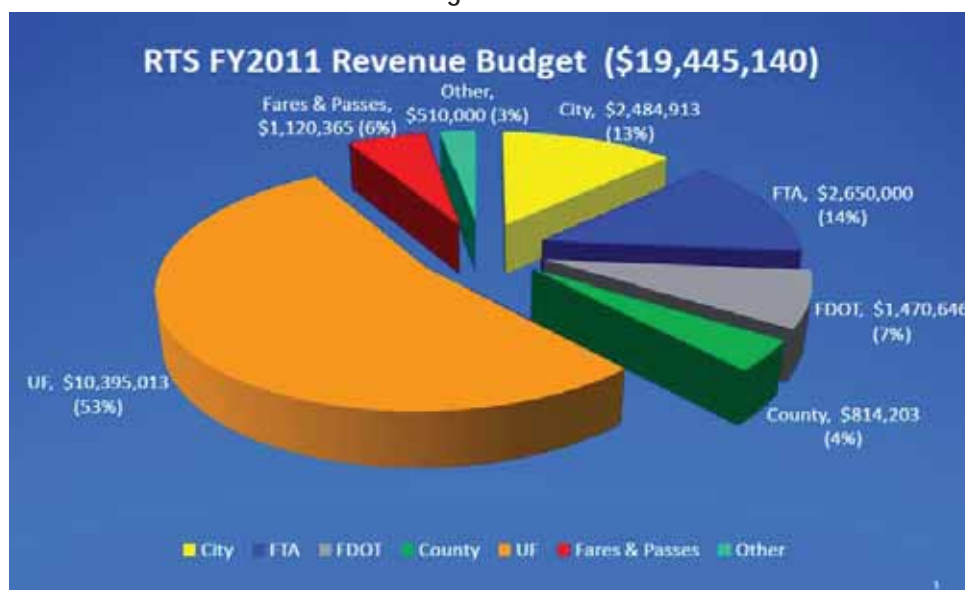
**Table 4-2
Advantages and Disadvantages of Two Priority Options**

Subject Area	Pro/Con	City Department (Status Quo)	Independent Transit Authority
Governance Board Focus	Pro	Good overall community vision and direction	Single focus when meeting with transit board
	Con	Priorities pull them many ways, including decision time	Lack authority to improve community policies
	Pro	Many who get committee assignment want to serve transit	Depending on how appointed, board can help guide appointments
	Con	Constant education, re-education, and extra efforts to brief or ensure all on same page	Potentially less turn over, and less re-education; more time to keep all on same page
	Pro	Little attention spent on little things, most effort on big items	Single focused meetings, their attention on transit
	Con	Smaller timeslots within bigger meetings, little involvement	Can be too much involved in the trivial aspects of transit
	Pro	Perceived to have more accountability to citizens	Can be set up to have plenty of acceptable accountability to citizens, and for public transit, is much more likely to be accountable
	Con	Committees are often more commonplace and more difficult to gain consensus as loyalties divided	Advisory committees tend to be more focused and more unified
	Pro	Can work good to bring coordination among local jurisdictions	Can be a regional entity bringing local jurisdictions together, and structure could better represent stakeholders than using one board only
	Con	Turnover can result in lack of needed support and coordination, sometimes overnight due to elections	Elections can impact board, but seldom results in board members who want to hurt system
Local Priorities	Pro	Decisions should be in-line with local priorities	Despite local priorities, best transit decisions can be made
	Con	Competing for priorities on funding, especially local funding for match	Limits competing with local decisions on some local grant matching funds
	Pro	Big budget and business capability behind the system	Free to hire drivers as needed as there may be fewer policies to obstruct hiring efforts
	Con	Constantly competing against city-wide decisions on hiring policies, grant funded expansion, budget revisions	Limited budget, may impact desired expansion and hiring
	Pro	May have better integrated plans with local desires for growth and development patterns, leading to better land use decisions on growth	Prime concern on growth and development of transit system, and may overcome limited vision to better meet the needs, and foster integrated land use and transportation decisions
	Con	Local growth patterns may favor development that is not transit friendly and could compete at board level in economic decision-making	May run into resistance trying to implement system growth when not fully consistent with local desires
	Pro	Transportation priorities can bubble up to county, MPO, and state levels, but still be clearly local	Greater opportunity to support regional goals and connections
Implementation and Funding	Con	Decisions typically based on local needs and could exclude more universal needs and regional concerns.	Municipalities and local jurisdictions may have different goals and may opt out of supporting policies, priorities, and other activities
	Pro	Easy to move ahead	Requires legislation
	Con	Status Quo, will it always meet regional needs?	Municipalities may choose to opt out
	Pro	New financial resource options fairly open and have numerous choices	Can include bonding, and may be easier to get new funding source because not the same establishment
	Con	New funding may be competing against all city needs, limiting choices and chance to get implemented	Funding options may be limited due to public sentiment. Good outreach and education required, and it will likely only come from authority.
	Pro	Pursuit for new funding becomes city-wide effort and concern; it may be easier to get approval when partnered or prioritized by Commission	Funding options can be broad, depending on how well the enabling legislation is written, and may be able to use special region taxation authority to levy instead of full referendum
	Con	City limitations on innovative implementation could hinder progress	Make-up of the authority board members may cause divided allegiances to be a hindrance to progress
	Pro	Progressive city means a progressive transit system, if given priority	Independent nature may provide room for change and innovation
	Con	Public sentiment can too easily dictate implementation and funding pursuits, as it gives an out to those not truly supportive	Can be subject to public resistance and ridicule if too many taxes or fees are perceived
	Pro	May more easily implement core services and use of ROW for premium services if locally preferred	Can more easily implement and manage services across multiple jurisdictions, reducing the imaginary lines on the maps and helping to promote more unified customer service to all stakeholders and citizens
	Con	May have limiting factor towards customers and serve core area of travel patterns only	May focus too broadly for individual travel patterns and needs
	Pro	Customer service focused on core area and reduced topics and concerns	Customer service focused on system and broader needs and connections no matter where travelling
	Con	Fare policies may be subject to city funding crises or priorities	Funding may be limited for innovative fare reduction programs
	Pro	If local board decides innovative fare policy (i.e., reduction) they tend to have resources to make happen	Fare policy concerned only with transit patrons and transit budget and jurisdictional lines not a determining factor
	Con	Coordination with travel demand management programs may be limited if implemented by other jurisdictions, and results in fragmented program	Can divide priorities if implementing too many modes, limiting the ability to implement one well
	Pro	Core area has largest congestion potential, and transit can be used to help congestion management strategies	Authority can implement, or coordinate with complementary programs to implement regionally and provide best impact of travel demand and congestion management strategies
	Con	Marketing and outreach campaigns limited to approval by local jurisdictions with many faceted programs	Marketing can be repetitive with other services offered in the area
	Pro	Marketing campaigns can build on identity and effort of city and tourism boards	Marketing campaigns can be more innovative and open to new ideas, while building on local efforts of cities, tourism boards, and economic groups
	Con	Limited in ability to enter partnerships with private entities for joint ventures and marketing	May get pulled too many ways if not careful with partnering ventures
	Pro	Provides excuse to deny ability to partner when necessary	Open to partner with public and private entities more easily to implement joint ventures, marketing campaigns, and services
	Con	Chances of getting dedicated funding reduced due to competing priorities	Security costs sole responsibility of authority
	Pro	More security as part of broader range of government services	Better chance of gaining dedicated funding source
	Con	Limited ability to implement IT applications due to firewall and security levels	Reduced shared services with other departments that could cause delays
Pro	Using governmental resources to expand buying power (i.e., maintenance department)	May allow for assessing multiple member jurisdictions for capital and operating costs	
Con		Insurance costs likely higher	
Pro	Bigger resources to help implement IT needs	Provides better chance to utilize IT applications in innovative and unique ways	
Pro	Shared insurance costs can make them lower		

FUNDING OPTIONS

The Vision Plan includes a number of service improvements that will require additional funding sources to be identified. Figure 4-6 shows the RTS operating budget for FY 2011, which totals approximately \$19 million. As shown in that table, RTS relies on the University of Florida as its largest source of operating revenue. All together, operating funds received from the University of Florida, FTA, and the City of Gainesville add up to 80 percent of total operating funds. The county contribution represents only four percent of total funding revenue.

Figure 4-6



Source: RTS

If all Vision Plan service improvements are implemented, annual operating costs are estimated to increase to \$47 million, an increase of over 140 percent. Additional local revenues will be needed to support the operational costs associated with the Vision Plan. The focus on operating costs is typical for most transit agencies in the United States as transit agencies generally experience difficulty in generating enough operating revenues on a year-to-year basis to provide and maintain adequate service levels. Although capital costs can also be prohibitive, capital funding is generally made available through federal and state grant programs, and transit agencies typically use those non-local funding sources to develop capital facilities and meet fleet requirements. Many federal and state capital grant capital programs do require a local match, but the more common shortfalls are tied to operations.

To address the operating shortfall associated with the Vision Plan, several local funding options were researched. They include the following:

- City of Gainesville General Fund
- Sales Tax
 - Charter County Transportation Surtax

- Local Government Infrastructure Surtax
- Tourist Development Tax
- Rental Car Surcharge
- Local Option Fuel Taxes
 - 1 to 6 Cents Local Option Fuel Tax
 - 1 to 5 Cents Local Option Fuel Tax
 - Ninth-Cent Fuel Tax
- Special Assessments
- Mobility Fee
- Other Partners, i.e., Alachua County and UF

A summary of each of the listed local funding sources is provided below. A supplementary list of potential federal and state funding sources is included in Appendix B. That Appendix provides a brief description of various funding sources and includes a summary assessment of the advantages and disadvantages of each.

The City of Gainesville General Fund/Ad Valorem Taxes

The City's general fund consists of a number of different revenue sources including ad valorem taxes, or property taxes. Ad valorem revenue can be used to fund public transportation, either through the general fund, a dedicated millage from the general fund, or some type of dedicated revenue source established through a transit or transportation authority. RTS received about \$199,000 from the general fund in FY 2011.

Charter County and Regional Transportation System Surtax

According to section 212.055, F.S., Alachua County, being a charter county, may levy a discretionary sales tax at a rate up to one percent. Proceeds from this surtax can be used for transit operating and capital costs. A levy at a rate of one percent would generate an estimated \$32 million annually in Alachua County for transportation system improvements. Alachua County currently does not impose this surtax and a referendum would be needed in order to do so.

Alachua County One-Half Percent Discretionary Sales Surtax (Local Government Infrastructure Surtax)

In January 1, 2009, an additional Alachua County one-half percent discretionary sales surtax (Alachua County Wild Spaces/Public Spaces Surtax) was implemented. The combined sales tax rate for the county is 6.75 percent (6.25 percent county rate plus 0.50 percent surtax). This surtax expired in December 2010. A continuation of this surtax after January 1, 2011, can be dedicated for transportation system improvements including transit. The limitation with this surtax is that proceeds can be used only for capital.

Tourist Development Tax

The tourist development tax, commonly recognized as the bed tax, is a tax on transient rental transactions. Transient rental transactions include rental payments for living quarters and accommodations in a hotel, motel, rooming house, trailer camp, etc. The authorization to levy and administer tourist development taxes is stated in Section 125.0104, Florida Statutes, and in Chapter 212, Florida Statutes. Currently, Alachua County levies the maximum amount of allowable tourist development taxes, five percent. Tourist development taxes can be used only for capital expenses associated with tourist development and facilities.

Rental Car Surcharge

Rental car surcharges are charges typically added to the costs of the short-term lease or rental of vehicles. Florida legislation limits the use of rental car surcharges for transit for the implementation and operation of commuter rail services. At this time in Florida, only the South Florida Regional Transit Authority (SFRTA) utilizes proceeds from this funding source. SunRail, the proposed commuter rail service in central Florida, is also eligible to use these funds. Commuter rail services are not proposed in the RTS Vision Plan. Consequently, this funding source is not a viable option for funding the plan.

Local Option Fuel Taxes

Local Option Fuel Taxes include the 1-6 cents fuel tax, the 1-5 cents fuel tax, and the ninth cent fuel tax. The 1-5 cents tax can be used only for capital improvements in the local Comprehensive Plan. The other two gas tax options can be used for both capital and operating. RTS currently receives approximately \$1.8 million and \$400,000 in gas tax revenues from the City and County, respectively. At this time, all allowable local option fuel taxes, 12 cents, are levied in Alachua County. Consequently, there is no possibility for the County to levy additional fuel taxes. A reallocation of gas tax revenues would need to be agreed upon and performed in order to increase the share of gas taxes being used to enhance public transportation.

Special Assessments

Special assessments are charges assessed against the property of some particular locality because that property derives some special benefit from the expenditure of the money. There are two types of special assessments: Municipal Service Taxing Units (MSTUs) and Municipal Service Benefit Units (MSBUs). MSTU assessments are levied on an ad valorem basis, while MSBU assessments are levied on a per-unit basis. Since MSBUs are not taxes, a benefit to the property bearing the assessment must be proven.

MSTUs are generally imposed as an ad valorem tax and are currently being used by some counties in Florida to fund transit services, i.e., St. Lucie County. Such an assessment may benefit certain agencies that may be interested in limiting their service area.

Mobility Fees

In 2009, the Florida Legislature passed Senate Bill 360 (SB 360), which amended the Growth Management Act to eliminate State transportation concurrency requirements for Dense Urban Land Areas (DULAs). As an alternative to maintaining roadway level of service standards, DULA cities and counties are required to develop Mobility Plans that integrate transportation and land use and identify strategies to fund multimodal mobility.

One funding strategy, brought forward by SB 360, is the use of a mobility fee. A mobility fee is similar to a transportation impact fee, but it considers bicycle, pedestrian, and transit infrastructure along with roadway capacity. Currently, lack of enabling legislation and anticipated fluctuations in mobility fee revenues make this source less than ideal to fund transit operations. Although operating funding is the critical concern of most transit agencies, additional capital funding and coordination with local agency mobility planning processes also are important.

To optimize local agency mobility planning and mobility fee initiatives, transit agencies should evaluate the completeness of their capital plans and consider measures to develop plans that increase service quality and transit ridership through infrastructure improvements, such as:

- Bus stop facilities;
- Bicycle and pedestrian connectivity and safety enhancements; and
- Bus rapid transit infrastructure (e.g., signal priority, queue jump lanes, off-board fare collection).

Other Partners

RTS generates approximately 50 percent of its operating revenue through various contracts with UF. As the county, city, and the transit service continue to grow, options with partnering with other benefitting agencies should continue to be explored. Specifically, new services to unproven outlying areas can be provided and tested for effectiveness and efficiency through agreements and cooperative efforts.

Project Review Committee Results

The second meeting with the RTS Vision, Funding, and Governance PRC was held on July 19, 2011. At this meeting, the local funding options were presented to and feedback was solicited from the PRC.

After presentation and discussion of the funding alternatives, a group exercise was performed with the PRC. The group members were asked to write down brief phrases describing their three necessary funding elements as the answer to the nominal question “What elements/components should be included and/or prioritized in regard to your preferred funding source?” After all the ideas were recorded by the facilitator on a flip chart, the ideas were then discussed and clarified. Duplicate ideas were identified on the flip chart with an additional check mark for each additional vote received. The participants then were instructed to select their preference for the three most important funding ideas from the entire list of ideas displayed on the flip chart pages and record these funding ideas on separate response cards. In addition to that, participants were asked to rank in priority order the funding elements

listed on their cards from one (highest priority) to three (lowest priority). Finally, a weighted score was assigned to each participant's indicated funding preferences in the following manner: the highest ranked preference (i.e., ranked #1) would receive a score of three, the next highest would receive a score of two, and the third-ranked funding element would receive a score of one. In cases where a participant ranked two or more funding elements similarly, all of these funding elements would be given an identical corresponding score. In this manner, all of the participants' listed funding ideas were scored and totals were tallied to identify the three top-ranked concepts.

Table 4-3 summarizes all of the funding ideas identified by PRC members during the workshop, along with the results of the voting and prioritization process. The two top priorities are identified below.

1. Sales Tax (12 points)
2. Multi-Modal Transportation Management/Mobility Fee (8 points)

Table 4-3
PRC Group Exercise Results on Funding Options

Nominal Question: "What elements/components should be included and/or prioritized in regard to your preferred funding source?"			
Initial Brainstorming Ideas	Initial Number of Votes	Weighted Score	Final Prioritization
Sales Tax	4	12	1
Multi-Modal Transportation Management/Mobility Fee	4	8	2
Tax Increment Financing (TIF)	2	2	
Gas Tax	2	2	
Special Assessment	2	3	
Employer-Based Fees	1	3	

NEXT STEPS

As RTS proceeds in its effort to implement an innovative and progressive transit infrastructure and service, further exploration of viable governance structures and funding opportunities will need to continue to be performed. Decisions on those issues will ultimately need to be determined by community leaders and, consequently, an effort to develop consensus among that leadership should also be performed. The following steps have been developed to guide RTS in that consensus-building process.

- **Present Vision, Funding, and Governance Study to Decision-Making Body**

Results of the Vision, Funding, and Governance Study need to be presented to the appropriate decision-making bodies. Initially, these entities should include Alachua County, the City of Gainesville, and UF. RTS should also include representation of some of the satellite communities in the rural parts of the County. A potential county-wide referendum would require buy-in from those communities.

- **Facilitate a Consensus-Building Process**

County and City leadership will need to operate and function as a united front in order to successfully fund and implement projects in the Vision Plan. Consensus will need to be developed in regard to both the governance and administration of transit services and also in terms of how to fund that service. This effort may require multiple meetings with a number of entities.

- **Formulate Action Plan**

The consensus-building process should result in a series of actions that will direct RTS to the agreed upon governance structure and, more importantly, set the agency on a path to secure the funding needed to implement the Vision Plan. The Action Plan should consist of specific steps, a timeline, and should clearly designate roles and responsibilities for each action in the plan.

- **Perform Alternatives Analysis**

In addition, to the steps indicated above, defining the BRT and/or streetcar project will assist in selling the Vision Plan, and its associated costs, to the public. At this time, costs in the Vision Plan for BRT and streetcar services reflect general capital and operating estimates. The Alternatives Analysis process required for Federal New Starts funding will further define alignments and costs for either of the two proposed premium transit services. A well-defined and palatable plan has been proven to serve as a better selling point to the general public.

Appendix A Workshop Survey



Workshop Survey

Now that you have learned about different types of transit service and the transit planning process, please take time to complete this brief survey. Responses will be used to inform policy makers about your opinion on the future of public transportation in the City of Gainesville and Alachua County.

1. Which of the following improvement(s) to RTS service do you think are most important? (Please ✓ all that apply)

More benches and shelters at bus stops.

Earlier service on existing routes. Which routes? _____

More bike racks at bus stops.

Later service on existing routes. Which routes? _____

Bus service to new areas. (See Question 5)

More frequent service on existing routes. Which routes? _____

Express (limited stop) service.

Other (Specify) _____

2. Please indicate your agreement with the following statements:

	Strongly Agree		Neutral		Strongly Disagree
The City of Gainesville should consider implementing streetcar service as a premium service to connect downtown Gainesville, UF, and the Shands Medical Center.	5	4	3	2	1
The City of Gainesville should consider implementing bus rapid transit as a premium service along major roads such as Archer and University.	5	4	3	2	1
The City of Gainesville should consider implementing commuter express routes as a premium service for regional travel throughout the county and surrounding areas.	5	4	3	2	1

3. The RTS Rapid Transit System Plan may include “premium” public transportation services such as express bus, bus rapid transit, and streetcar services. Which of the following improvements might encourage you to use those services? (Please ✓ all that apply)

New destinations. (See Question 4)

Added amenities on the vehicles or at the stations.

More frequent service. How frequent? Every _____ minutes.

Readily available transit traveler information.

Expanded service hours (earlier/later).

Other types of vehicles, such as rail-like trolleys.

Nicer vehicles.

Other (Specify) _____

4. Please list desirable destinations in Gainesville and Alachua County that should be served by “premium” transit service?

a. _____

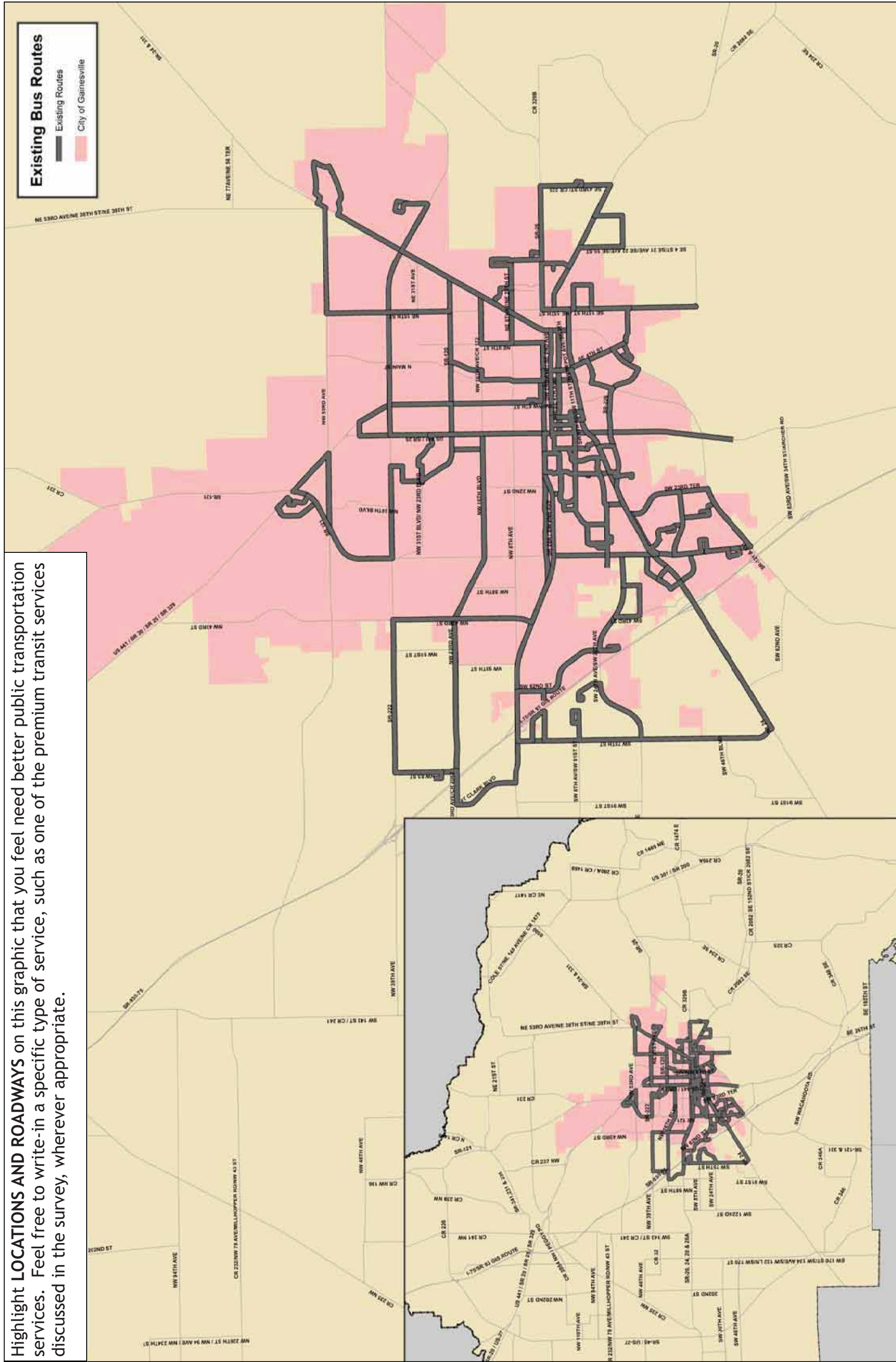
b. _____

c. _____

5. Please turn to the back of this survey to indicate where in the city or county you would like to see better and/or expanded transit services.



Highlight **LOCATIONS AND ROADWAYS** on this graphic that you feel need better public transportation services. Feel free to write-in a specific type of service, such as one of the premium transit services discussed in the survey, wherever appropriate.



Appendix B Federal and State Funding Sources

Federal Sources

Transit Investments in Greenhouse Gas and Energy Reduction (TIGGER)

Initiated within the American Recovery & Reinvestment Act (ARRA) of 2009, the TIGGER program has been continued through the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act 2010 (Pub. L. 111-68), enacted December 16, 2009. It provides direct funding to public transit agencies to implement new strategies for reducing greenhouse gas emissions or reduce energy usage from their operations. These strategies can be implemented through operational or technological enhancements or innovations. Grants are 100 percent funded with no local match required.

Energy Efficiency and Conservation Block Grant Program (EECBG)

The EECBG program is a newly-created funding program to help deploy the cheapest, cleanest, and most reliable energy technologies across the U.S. It was funded for the first time by the American Recovery and Reinvestment Act (ARRA) of 2009 and modeled after the Community Development Block Grant (CDBG) program administered by the Department of Housing and Urban Development (HUD). It is intended to assist cities, counties, and other eligible areas to develop, promote, implement, and manage energy efficiency and conservation projects and programs. The 2009 ARRA appropriated \$3.2 billion for the EECBG program and the City of Gainesville received \$1,198,500.

Transportation, Community, and System Preservation Program (TCSP)

Authorized by Section 1117, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) legislation, the TCSP program provides funding for a comprehensive initiative including planning grants, implementation grants, and research to investigate and address the relationship between transportation, community, and system preservation. States, metropolitan planning organizations, local governments, and tribal governments are eligible for TCSP Program discretionary grants to plan and implement strategies that improve the efficiency of the transportation system; reduce environmental impacts of transportation; reduce the need for costly future public infrastructure investments; ensure efficient access to jobs, services, and centers of trade; and examine development patterns and identify strategies to encourage private sector development patterns that achieve these goals. This grant requires 80-20 Federal-State/local match.

FTA New Starts, Small Starts, and Very Small Starts Programs (Section 5309)

The New Starts program is the federal government's primary financial resource for supporting locally planned, implemented, and operated major transit capital investments. It provides funds for construction of new fixed guideway systems or extensions to existing fixed guideway systems. According to RTS Vision Plan, a streetcar system is proposed in the Downtown Gainesville/University of Florida campus area. RTS may seek a New Starts grant to fund that streetcar system.

The FTA Small Starts program includes low cost projects that qualify for a highly simplified project evaluation and rating process by FTA. Specifically, the Small Starts program provides funds to capital projects that either (a) meet the definition of a fixed guideway for at least 50 percent of the project length in the peak period or (b) are corridor-based bus projects with 10 minute peak/15 minute off-peak headways or better while operating at least 14 hours per weekday. The Federal assistance provided or to be provided under Section 5309(e) must be less than \$75 million and the project must have a total capital cost of less than \$250 million, both in year of expenditure dollars. The Small Starts program is an important funding source for RTS to pursue for its BRT implementation.

The FTA Very Small Starts projects include simple, low-risk projects that qualify for a highly simplified project evaluation and rating process by FTA. The total project cost must be less than \$50 million.

Urban Circulator Program

Urban Circulator Program grants, created as part of the U.S. Department of Transportation's (USDOT) Livability Initiative to help American families in all communities gain better access to affordable housing, more transportation options, and lower transportation costs, provide funding for projects that meet the livability principles. The program funds urban circulator systems such as streetcars and rubber-tire trolley lines that provide a transportation option that connects urban destinations. RTS may pursue this funding source for its streetcar system implementation.

Congestion Mitigation and Air Quality (CMAQ) Improvement Program

This is Federal Highway Administration (FHWA) program that was conceived to support surface transportation projects and other related efforts that contribute to air quality improvements and providing congestion relief. The funds of this program are transferred to FTA for transit projects. This funding source is available for projects in areas that do not meet National Ambient Air Quality Standards (non-attainment areas) or former non-attainment areas now in compliance (maintenance areas) for ozone, carbon monoxide, and small particulate matter. Gainesville is currently neither a non-attainment nor maintenance area. Therefore, it is not an eligible recipient of this funding source at this time.

State Sources

FDOT Block Grants

RTS currently receives approximately \$1.5 million annually from FDOT Block Grants. This funding source is a formula allocation that is based on population, ridership, and revenue miles of service. Funds can be used for capital and/or operating projects.

Transit Corridor Program

Corridors eligible for funding under this program are those "included in a local or statewide Congestion Management Plan/Mobility Management Plan (CMP/MMP) where increased traffic congestion and overcrowding are causing an

inefficient transportation system.” Funds typically require a 50/50 match, but may go up to 100 percent based on regional significance.

FDOT Service Development Grants

FDOT has long history of supporting the development of new transit services at RTS. FDOT funding support helped begin the UF prepaid unlimited access program and funding support continues today with more recent assistance to begin Sunday service and the new Route 22. The current maximum amount of FDOT assistance available to Gainesville-RTS is \$400,000 annually. Eligibility for these funds is contingent upon the provision of a 50 percent local match. Over the past decade, the University of Florida has matched the FDOT contributions to create new transit services. These funds are generally available for one year with a one-year extension upon request.

Florida New Starts Program (NSTP)

The NSTP was established by the 2005 Florida Legislature to assist local governments in developing and constructing fixed guideway and BRT projects to accommodate and manage urban growth and development. A secondary purpose of the program is to leverage State of Florida funds to generate local transportation revenues and secure FTA New Starts or Small Starts program funding for Florida projects. It provides transit agencies with up to a dollar-for-dollar match of the local (non-federal) share of project costs for transit fixed guideway projects and facilities that qualify under the FTA New Starts program. This program also allows a dollar-for-dollar match of local funds towards project costs for projects funded with State and local funds only.

County Incentive Grants Program (CIGP)

The CIGP was created by the 2000 Legislature and is codified in Section 339.2817, FS. The purpose of this program is to provide up to 50 percent grant match to counties to improve a transportation facility, including transit, that is located on the State Highway System (SHS) or that relieves traffic congestion on the SHS. Municipalities are eligible to apply and can do so by submitting their application through the county. CIGP funds are distributed to each FDOT District office by statutory formula.

Strategic Intermodal System (SIS) Funds

Florida’s SIS was established in 2003 to enhance Florida’s economic competitiveness by focusing limited state resources on those transportation facilities that are critical to Florida’s economy and quality of life. The SIS created a system of statewide intermodal facilities and services of regional significance. This system is comprised of transportation hubs of ports and terminals and the highways, railroads, and waterways connecting these hubs. Projects that are part of the SIS network or that expand and improve the SIS network may be eligible for special funding. About one-third of all State and Federal funds available to FDOT will be available for SIS capacity projects. Funding for all capacity projects, both SIS and non-SIS, will be approximately \$2.4 billion in 2014, including \$100 million specifically earmarked for the SIS.

State Infrastructure Bank (SIB)

The SIB is a revolving loan and credit enhancement program consisting of two separate accounts. The Federally-funded SIB account is capitalized by Federal money matched with State money as required by law; the State-funded SIB account is capitalized by bond proceeds and State money only. Highway and transit projects are eligible for SIB participation.

Intermodal Development Program

The Intermodal Development Program was established to provide funding for major capital investments in fixed guideway transportation systems; provide access to seaports, airports, and other transportation terminals; and provide for the construction of intermodal or multimodal terminals. Eligible projects include major capital investments in public rail and fixed guideway transportation facilities and systems that provide intermodal access; road, rail, intercity bus service, or fixed guideway access to, from, or between seaports, airports, and other transportation terminals; construction of intermodal or multimodal terminals; development and construction of dedicated bus lanes; and projects that otherwise facilitate the intermodal or multimodal movement of people and goods.

Park-and-Ride Lot Program

The statewide Park-and-Ride Lot Program was initiated in 1982 to provide organized, safe parking for vehicles constantly congregating on roadsides. The program provides for the purchase and/or leasing of private land for the construction of park-and-ride lots, the promotion of these lots, and the monitoring of their use.

FDOT funds up to one-half the non-federal share of park-and-ride lot capital projects. If a local project is in the best interest of FDOT, then the local share may be provided in cash, donated land value, or in-kind services. If federal funds are involved, federal match guidelines shall be used.

Table B-1 presents all the Federal, State, and local funding sources summarized previously, with implementation requirements, advantages and disadvantages, implementation complexity, and estimated revenue generated corresponding to each funding option. The following is an explanation of the terms used to describe advantages, disadvantages, and the definition of implementation complexity.

- **Stability** – This term describes how reliable the funding source is. High stability means that the funding source, if secured, will be a reliable source of revenue for a given period of time.
- **Flexibility** – This term refers to the use of the funding source. Low flexibility reflects only a specific use for expenditure of the funds generated through the corresponding funding source. For example, funds allocated from the Florida NSTP are dedicated for capital expenditures associated for the development of fixed guide-way or BRT projects while funds received from bus advertising can be dedicated to capital and/or operating expenditures.

- Implementation Complexity (High, Medium, and Low) – The definition of implementation complexity refers to the degree of difficulty in securing the funding source. For example, to secure FTA Section 5309 grant funding for bus rapid transit or streetcar development, RTS will need to perform an Alternatives Analysis which involves following a complex and competitive grant funding process. Therefore, a high implementation complexity is given to this funding source.

Table B-1
Transit Funding Sources Summary

Funding Source	Implementation Requirements	Advantages	Disadvantages	Implementation Complexity	Estimated Revenue Generated
Federal					
Transit Investments in Greenhouse Gas and Energy Reduction (TIGGER)	Granted by competitive basis with 100 percent Federal funds with no Local match required.	<ul style="list-style-type: none"> High stability No Local match 	<ul style="list-style-type: none"> Low flexibility Competition with other eligible recipients 	Medium	N/A
Energy Efficiency and Conservation Block Grant Program (EECBG)	Majority of funds granted by allocation formula and remaining granted by competitive basis.	<ul style="list-style-type: none"> High stability 	<ul style="list-style-type: none"> Low flexibility 	Low	N/A
Transportation, Community, and System Preservation Program (TCSP)	Granted for eligible projects deemed by Secretary; 80% Federal and 20% State/Local.	<ul style="list-style-type: none"> High stability 	<ul style="list-style-type: none"> Low flexibility Competition with other eligible projects Local match required 	Medium	N/A
FTA New Starts, Small Starts, and Very Small Starts Programs (Section 5309)	Granted by competitive basis; 80% Federal and 20% State/Local.	<ul style="list-style-type: none"> High stability 	<ul style="list-style-type: none"> Low flexibility Competition with other eligible projects Local match required 	High	N/A
Urban Circulator Program	Discretionary grants under Section 5309 granted by competitive basis; 80% Federal and 20% State/Local.	<ul style="list-style-type: none"> High stability 	<ul style="list-style-type: none"> Low flexibility Competition with other eligible projects Local match required 	High	N/A
Congestion Mitigation and Air Quality (CMAQ) Improvement Program	Grants distributed to states via statutory formula based on population and air quality; 80% Federal and 20% State/Local.	<ul style="list-style-type: none"> High stability 	<ul style="list-style-type: none"> Low flexibility Local match required 	Medium	N/A

Table B-1
Transit Funding Sources Summary (Continued)

Funding Source	Implementation Requirements	Advantages	Disadvantages	Implementation Complexity	Estimated Revenue Generated
State					
FDOT Block Grants	Granted by formula allocation; 50% State and 50% Local.	<ul style="list-style-type: none"> • High stability • High flexibility • Eligible for capital and operating cost 	<ul style="list-style-type: none"> • Local match required 	Low	Approximately \$1.5 million annually
Transit Corridor Program	Granted for selective corridors; 50% State and 50% Local and up to 100% State funding.	<ul style="list-style-type: none"> • Eligible for capital and operating cost 	<ul style="list-style-type: none"> • Low stability • Local match required 	Medium	N/A
FDOT Service Development Grants	Discretionary funds granted by FDOT; 50% State and 50% Local.	<ul style="list-style-type: none"> • High stability • High flexibility • Eligible for capital and operating cost 	<ul style="list-style-type: none"> • Local match required 	Low	Maximum \$400,000 annually
Florida New Starts Program (NSTP)	Granted by competitive basis; 50% State and 50% Local.	<ul style="list-style-type: none"> • High stability • Used to secure FTA New Starts and Small Starts program for Florida 	<ul style="list-style-type: none"> • Eligible for capital cost only • Competition with other eligible projects • Local match required 	Medium	N/A
County Incentive Grants Program (CIGP)	Granted to recipients by application; 50% State and 50% Local.	None	<ul style="list-style-type: none"> • Eligible for capital cost only • Local match required 	Medium	N/A

Table B-1
Transit Funding Sources Summary (Continued)

Funding Source	Implementation Requirements	Advantages	Disadvantages	Implementation Complexity	Estimated Revenue Generated
State					
Strategic Intermodal System (SIS) Funds	Special funding allocated for projects benefiting SIS system.	<ul style="list-style-type: none"> • High stability • No Local match 	<ul style="list-style-type: none"> • Competitive with other eligible projects • Eligible for capital cost only 	Medium	N/A
State Infrastructure Bank (SIB)	Offering zero or low interest for all or part of a project.	<ul style="list-style-type: none"> • High stability • High flexibility • No Local match 	<ul style="list-style-type: none"> • Eligible for capital cost only 	High	N/A
Intermodal Development Program	Granted by FDOT for selective intermodal projects; 50% State and 50% Local.	<ul style="list-style-type: none"> • High stability 	<ul style="list-style-type: none"> • Local match required • Eligible for capital cost only 	High	N/A
Park-and-Ride Lot Program	Granted by FDOT for case-by-case basis.	<ul style="list-style-type: none"> • No Local match 	<ul style="list-style-type: none"> • Eligible for capital cost only • Low stability • Low flexibility 	Medium	N/A

Table B-1
Transit Funding Sources Summary (Continued)

Funding Source	Implementation Requirements	Advantages	Disadvantages	Implementation Complexity	Estimated Revenue Generated
Local					
Alachua County One-Half Percent Discretionary Sales Surtax	Requires a majority of the County's governing body or approved by voters in a countywide referendum.	<ul style="list-style-type: none"> High stability Long-term nature 	<ul style="list-style-type: none"> Eligible for capital cost only 	Medium	\$16 million annually if levied at rate of 0.5%
Charter County Transportation System Surtax	Requires a majority of the County's governing body or approved by voters in a countywide referendum.	<ul style="list-style-type: none"> High stability Long-term nature High flexibility Eligible for both capital and operating cost 	<ul style="list-style-type: none"> Requires referendum 	Medium	\$32 million annually if levied at rate of 1%
Local Option Fuel Tax (1-6 cents)	Requires a majority of the County's governing body or approved by voters in a countywide referendum.	<ul style="list-style-type: none"> High stability Long-term nature High flexibility Eligible for both capital and operating cost 	None	Medium	\$3.1 million annually at current share
Ad Valorem Tax	Received from general fund.	<ul style="list-style-type: none"> High flexibility 	<ul style="list-style-type: none"> Low stability 	Low	N/A
Tourist Development Tax	Tourist development tax.	<ul style="list-style-type: none"> High stability Long-term nature 	None	Low	\$3.5 million annually

Table B-1
Transit Funding Sources Summary (Continued)

Funding Source	Implementation Requirements	Advantages	Disadvantages	Implementation Complexity	Estimated Revenue Generated
Local					
Mobility Fees	Appropriated by SB 360.	N/A	<ul style="list-style-type: none"> • Low stability • Eligible for capital cost only 	Medium	N/A
Special Assessment	Determined by Board of County Commissioners.	<ul style="list-style-type: none"> • High stability • Eligible for both capital and operating cost 	<ul style="list-style-type: none"> • Low flexibility 	High	N/A