

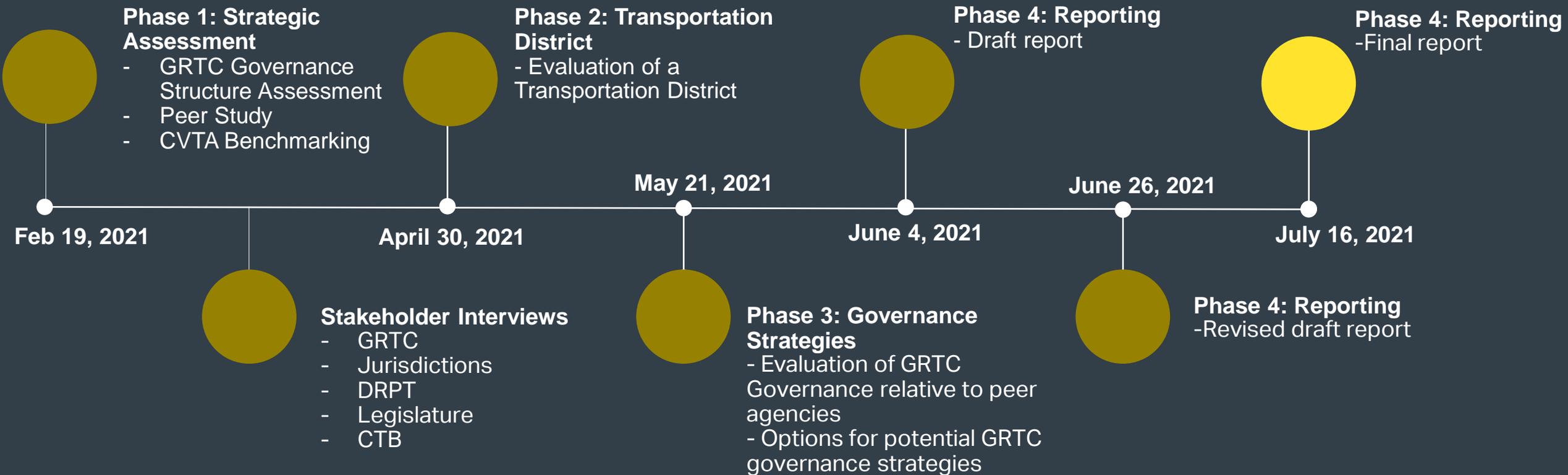
Evaluation of the Governance Structure of Transit Service in the Richmond Region and the Establishment of a Transportation District

Central Virginia Transportation Authority

CVTA TAC Update

07/12/2021

Study Timeline



Overview

1

Study purpose and objective

2

Approach

3

Stakeholder outreach and key governance issues

4

Study findings and recommendations

Background

1

Study Purpose and Objective

New Legislation

- 2020 General Assembly of Virginia legislation established the Central Virginia Transportation Authority (CVTA)

Authority Membership

- Counties and cities in Planning District 15
 - Regional sales and use tax
 - 0.7%
 - Wholesale gas tax
 - 7.6 cents per gallon of gasoline
 - 7.7 cents per gallon of diesel
 - Transit component
 - 15% provided for transit
 - Local maintenance effort for transit of at least 50% of

Background

1

Study Purpose and Objective

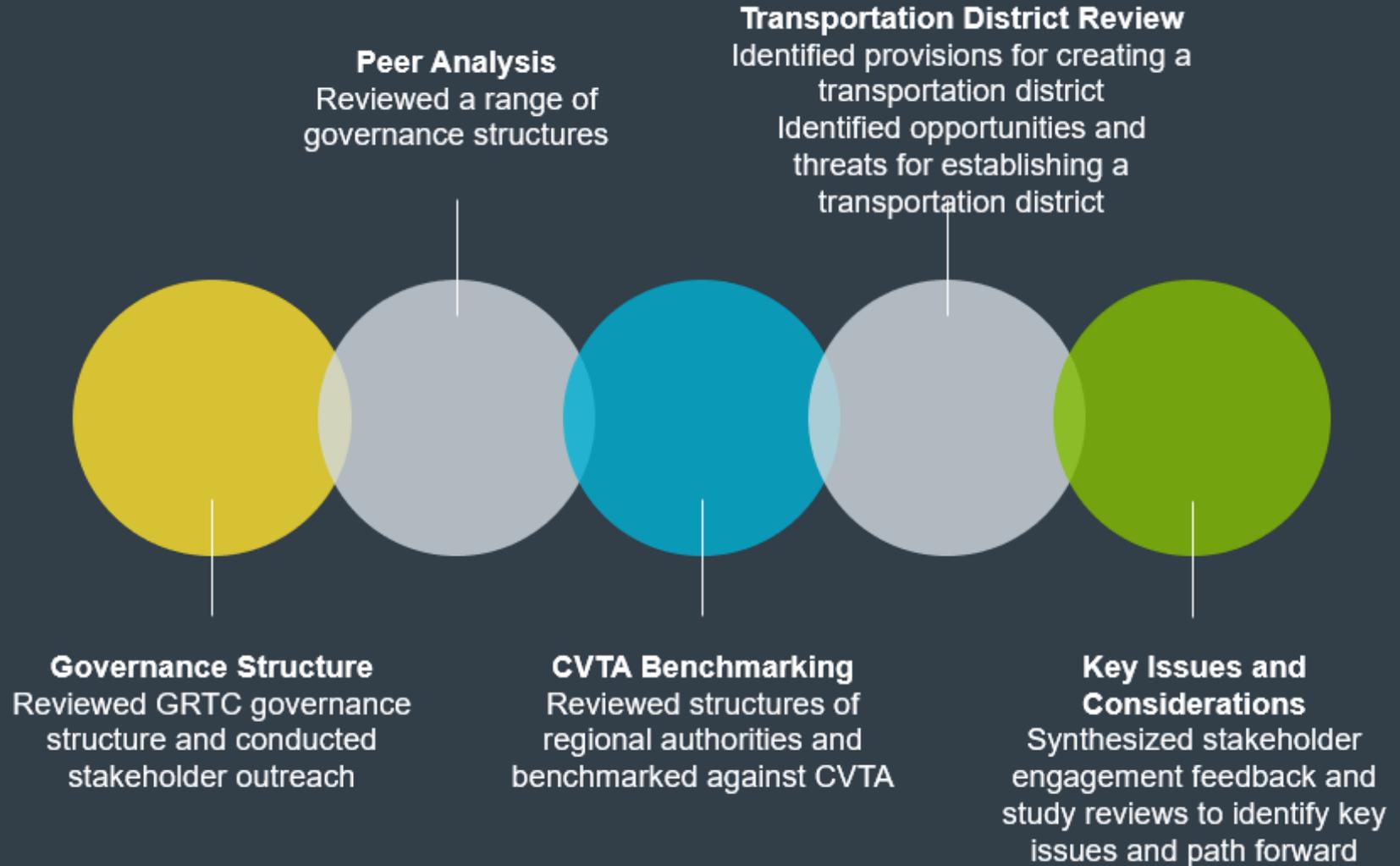
Objectives

- Evaluate the governance structure of GRTC
- Evaluate the establishment of a transportation district in the Richmond Region
- Provide options related to GRTC and/or the establishment of a transportation district

Study Approach

2

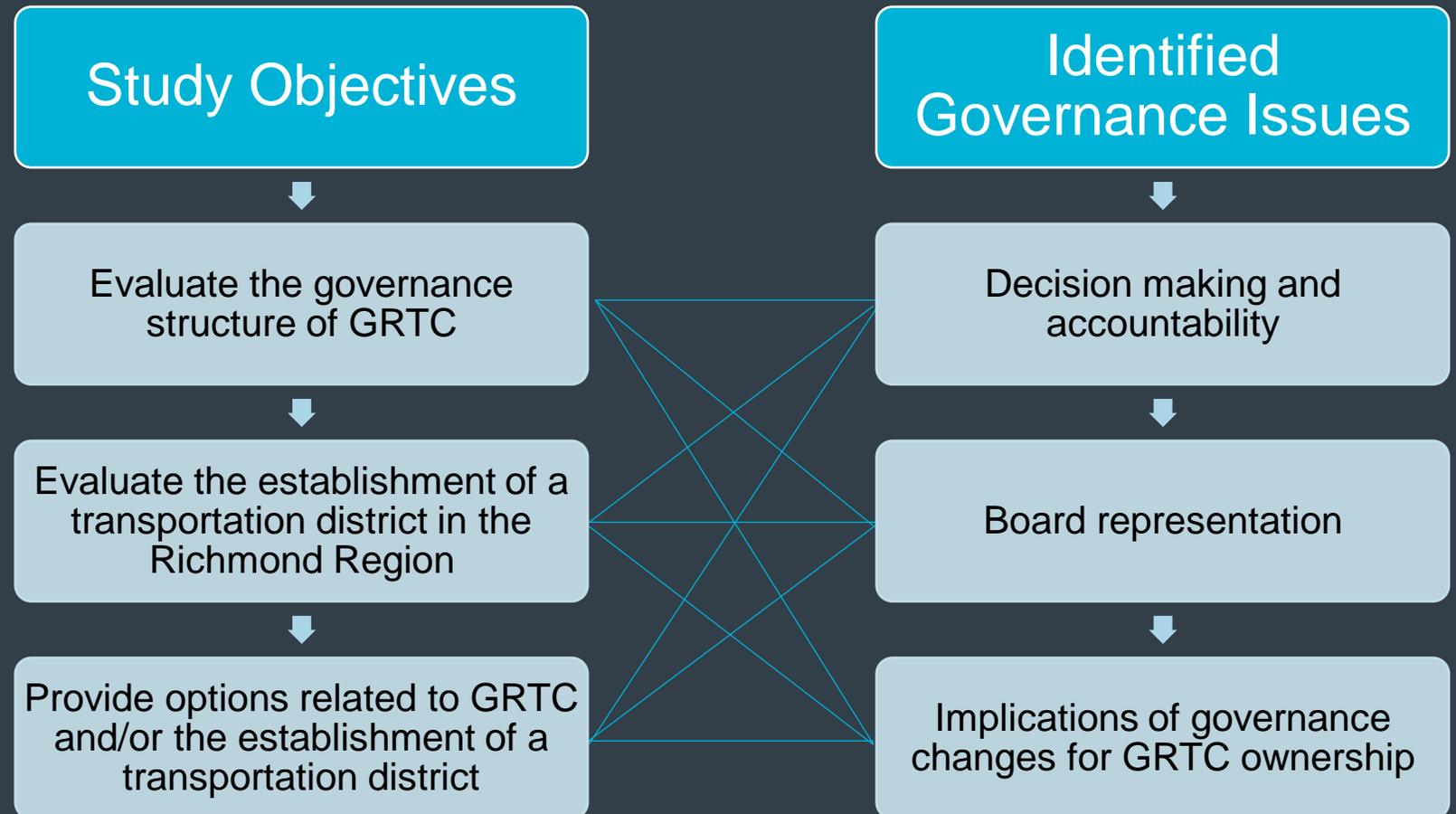
Study Approach



Study Objectives and Identified Governance Issues

3

Stakeholder Outreach
and Key Governance
Issues



Key Governance Issues



Decision Making and Accountability

- Role of elected officials in current structure



GRTC Board Representation

- Henrico representation on GRTC Board
- Rural/suburban area board representation and potential for new service
- Equity in decision making considering historical investments



Implications of Governance Changes for GRTC Ownership

- Implications for current shareholders
- Potential implications for future partners

Decision Making and Accountability

4

Study findings and recommendations

- The following mechanisms were identified as ways of ensuring accountability for CVTA transit funding
 - Accountability provided by presence of elected officials on CVTA Board
 - Funding oversight and accountability provided through CVTA
 - Accountability provided through development of the Regional Public Transportation Plan by GRTC in collaboration with the Richmond Regional Transportation Planning Organization participation (RRTPO)
 - Funding oversight and accountability through CVTA Finance Committee
 - Funding oversight and accountability through CVTA Technical Advisory Committee

Existing mechanisms are sufficient to ensure accountability of the 15% transit component of the CVTA tax and to involve elected officials in decision making regarding those funds.

GRTC Board Representation

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Study findings and recommendations

GRTC Board Representation for Henrico County

- Continue dialogue between City of Richmond, Chesterfield County, Henrico County and GRTC needed to determine the specifics regarding board composition and voting
- Unresolved issue of City of Richmond's financial stake in GRTC

Board composition and voting criteria include:

- Revenue miles and revenue hours of service within each jurisdiction by mode,
- Local funding support for fixed route services, and
- Funding contributions to fixed-route complimentary paratransit services and extended paratransit services.

City of Richmond, Chesterfield County, and GRTC should consider including Henrico County in the current GRTC Board structure

GRTC Board Representation

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Study findings and recommendations

GRTC Board Rural/Suburban Area Representation

- **Dissatisfaction in contributing to GRTC without directly receiving any or enough service**
 - CVTA legislation – 15% contributions to be placed in a separate fund for regional purposes
 - Regional Public Transportation Plan – collaborative plan with regional partners
- **Concern of potentially subsidizing transit in areas outside their local jurisdictions**
 - Regional Public Transportation Plan – review viable markets and appropriate needs and cost for transit service
- **Dissatisfaction of not having direct input on the GRTC Board**
 - Opt-in clause for areas receiving future service
 - Minimum size, density and/or service need of locality, and
 - Minimum commitment to financial responsibility and stability of the regional system by locality

GRTC Board Representation

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Study findings and recommendations

GRTC Board representation for rural/suburban CVTA member jurisdictions cannot be based solely on CVTA contributions but once future service is established, consider:

- *service need*
- *service viability*
- *financial commitment*

The region should continue to assess possible opportunities as the regional network continues to be developed.

GRTC Board Representation

4

Study findings and
recommendations

Implications of Governance Changes for GRTC Ownership

- 50%-50% ownership for City of Richmond and Chesterfield County
- Changes to board structure inevitably have implications on ownership structure
- Collaborative discussions between City of Richmond, Chesterfield County and GRTC are needed to determine ownership amount for new shareholders

Current shareholders, City of Richmond and Chesterfield County should consider either:

- (1) change/eliminate GRTC's shareholder structure or***
- (2) equate board membership with quantity of shares***

Evaluation of Transportation District

4

Study findings and recommendations

Transportation District

- Purpose: implemented where joint action by the political subdivisions is needed for planning and provision of major capital improvements
- Study sought to determine if a transportation district would further enhance the accountability of CVTA funding
 - Would the marginal benefit outweigh the potential challenges?

There was no clear evidence that benefits of creating a transportation district to address the identified transit governance issues would outweigh the alternative strategies proposed for addressing governance issues

Study Objectives

Evaluate the governance structure of GRTC

• Completed

Evaluate the establishment of a transportation district in the Richmond Region

• Completed

Provide options related to GRTC and/or the establishment of a transportation district

• Completed

Thank you. Questions?