Greater Cleveland Regional Transit Authority

Recap of Funding Scenarios

Committee of the Whole

October 20, 2026

Connecting the Community

Agenda

- Learning Exchange Meetings
- GCRTA Financial Overview
- Service Impacts of Sales Tax Options

Learning Exchange Meetings (Completed)

Transit Authorities
- Central Ohio Transit Authority (COTA)
- Laketran
- Delaware County Transit
- Butler County Regional Transit Authority (BCRTA)
- Southwest Ohio Regional Transit Authority (SORTA)

Regional & Institutional Organizations
- Downtown Cleveland Inc.
- University Circle Inc.
- Port of Cleveland
- Greater Cleveland Partnership (GCP)
- Cuyahoga Community College (Tri-C)

Corporate
- Key Bank
- Browns / Haslam Sports Group (HSG)
- Cleveland Cavaliers / Bedrock

Labor
- Cleveland Building and Construction Trades Council (CBCTC)
- Amalgamated Transit Union (ATU Local 268)
- Fraternal Order of Police (FOP)

Government & Elected Officials
- City of Cleveland Mayor's Office
- Cleveland City Council Members: Blaine Griffin, Austin Davis, Kris Harsh, Tanmay Shah, Brian Kazy, and Nikki Hudson
- Cuyahoga County Council Members: Dale Miller, Meredith Turner and Robert Schleper
- Cleveland Hopkins International Airport
- Cleveland Heights City Council
- Franklin County
- City of Columbus

Nonprofits & Philanthropy Organizations
- Clevelanders for Public Transit (CPT)
- The Cleveland Foundation
- Cuyahoga County Developmental Disabilities
- Cleveland Sight Center

Learning Exchange Meetings (Key Reactions)

- Numerous people and organizations reacted by stating that they understand the importance of transit and are eager to spread the word
- People ask: “What is the Board’s decision regarding when and what amount?”
- Very few voiced a concern with 0.50%
- People ask: “Is this a property or a sales tax?”
  - **Sales Tax**

Learning Exchange Meetings (Key Reactions)

Transit Authorities
- ***"Our customers are your customers"***
- Understand the need to go to the ballot box (transit death spiral)
- Importance of operating funds dedicated to transit
- Understand unfunded mandate of Paratransit service

Regional & Institutional Organizations
- ***"Our residents are your customers"***
- Access to jobs / housing / healthcare / resources
- Equitable mobility options
- Economic impact to region
- Frequency and getting places on time
- Quality of life (healthcare, school, childcare, etc.)

Corporate
- ***"Our workforce are your customers"***
- Asks about return on investment (ROI)
- Significant interest in rail
- Surprised GCRTA hasn't gone in 50 years
- Interest in innovative solutions in transit

Labor
- ***"Our members are your employees"***
- Safety is critically important
- Future of work (more service = more jobs)
- Customer/employee experience
- Technology improvements to support roles

Government & Elected Officials
- ***"Our constituents are your customers"***
- Where new GCRTA funds will be used
- Over-taxation concerns
- Affordability
- Misunderstanding that fares cover operating expenses

Nonprofits & Philanthropy Organizations
- ***"Our customers are your customers"***
- Frequency improvements are important
- Understand difference of Federal capital support compared to Operations
- Sympathetic to not having gone in 50 years
- Understand importance of Paratransit service

Learning Exchange Meetings (Scheduled Oct.-Dec.)

Transit Authorities
- Stark Area Regional Transit Authority (SARTA) Canton, OH
- WeGo (Nashville, TN)

Regional & Institutional Organizations
- Team NEO
- Northeast Ohio Areawide Coordinating Agency (NOACA)
- Cuyahoga Metropolitan Housing Authority (CMHA)
- Cleveland Public Library (CPL)

Corporate
- Additional entities to be identified

Labor
- Additional entities to be identified

Government & Elected Officials
- City of Solon
- City of Westlake
- Northeast Ohio First Suburbs Consortium
- State Rep. Tristan Rader
- Mayors & Managers Association

Nonprofits & Philanthropy Organizations
- Sisters of Charity
- United Way
- University Hospital
- MetroHealth Hospital
- Cleveland Branch of NAACP
- Towards Employment
- Cleveland Leadership Center

Frequently Asked Questions (FAQ)

- **Q: How much is a 0.25% or 0.50% Sales Tax?**

Price of Sales Taxable Goods	Additional Tax Rate	Additional Cost
$100	0.50%	50¢
$100	0.35%	35¢
$100	0.25%	25¢



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Frequently Asked Questions (FAQ)

- **Q: What items are NOT charged a Sales Tax?**
  - In Ohio, the Sales Tax does **not** apply to:
    - Food at supermarkets/grocery stores
    - Gasoline & diesel fuel
    - Prescription drugs
    - Rent/Mortgage – **this is NOT a property tax!**
    - And more!

Frequently Asked Questions (FAQ)

- **Q: Will a 0.50% Sales Tax prevent Cuyahoga County from increasing its sales tax, when the limit is 8.75%?**

	Current Sales Tax	Allowable Sales Tax
State of Ohio	5.75%	5.75%*
GCRTA	1.00%	1.50%
Cuyahoga County	1.25%	1.50%
Total	8.00%	8.75%*

*State can change this amount

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Myth about GCRTA Funding

GCRTA collects most operating funding from passenger fares

FACTS:

- Sales Tax is GCRTA's largest source of operating funding
  - The Ohio legislature provided for sales taxes as the primary funding source for regional transit authorities like GCRTA when it created these systems over 50 years ago
- Passenger fares account for less than 10% of GCRTA's operating funding

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General Fund Projections

STARTING POINT - 2027 DRAFT Budget @ 10/14/2026						
FULL ADDITIONAL SERVICE BY 2033						
TRANSFER TO CAPITAL = 5% (2026-2028) 10% (2029+)						
Sales Tax Levy worst case - November 2027 - Sales Tax GCRTA receives July 2028						
	.25% Sales Tax Increase		.35% Sales Tax Increase		.50% Sales Tax Increase	
	Year 1 (2028)	Ten Year (2028-2037)	Year 1 (2028)	Ten Year (2028-2037)	Year 1 (2028)	Ten Year (2028-2037)
Additional Annual Service by 2033	$15 million		$19 million		$25 million	
Projected Additional Service	$ 1,000,000	$ 124,939,518	$ 1,266,667	$ 158,256,723	$ 1,666,667	$ 208,232,531
Projected Transfer to Rolling Stock Reserve	$ 5,000,000	$ 72,500,000	$ 5,000,000	$ 72,500,000	$ 5,000,000	$ 72,500,000
Projected Transfer to Capital (excluding Rolling Stock)	$ 11,781,958	$ 315,339,291	$ 12,527,823	$ 345,769,743	$ 13,646,620	$ 391,415,420
Projected Additional Sales Tax	$ 37,293,240	$ 779,407,906	$ 52,210,536	$ 1,091,171,069	$ 74,586,480	$ 1,558,815,813
Projected Ending Balance < 1 month	2041		2052		2068	

GCRTA Financial Overview

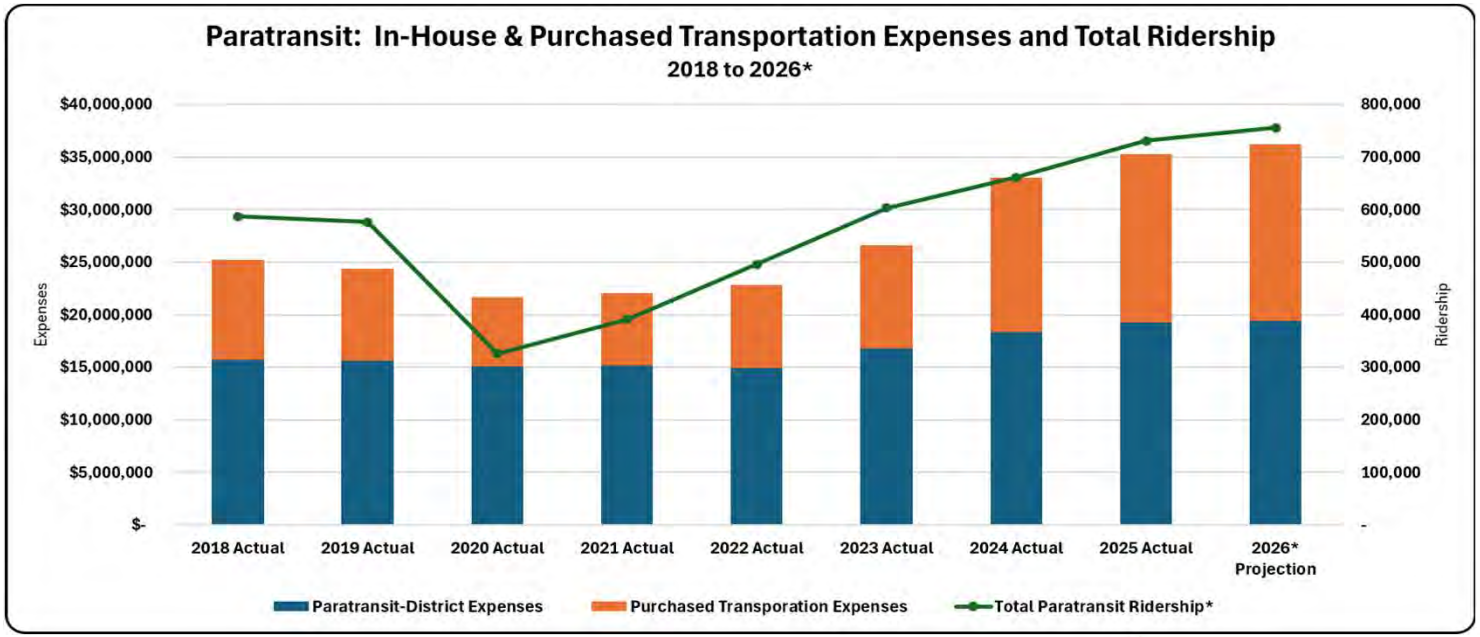
Option	Additional Annual Revenue	Service Impacts	Reserve Sustainability
No New Revenue	$ -0-	Service Reductions	Budget Cliff 2029
0.25% Levy	Est. $ 70M	Est. $15M by 2032	Budget Cliff 2041
0.35% Levy	Est. $112M	Est. $19M by 2032	Budget Cliff 2052
0.50% Levy	Est. $140M	Est. $25M by 2032	Through 2068+

GCRTA Healthcare Actuals & Budget

	2024 Actual	2025 Actual	2026 Budget	2026 Projected	2027 Budget
Medical	$ 21,411,318	$27,329,415	$36,361,400	$ 22,800,000	$ 30,000,000
Prescription	9,358,654	10,897,054	13,915,000	11,300,000	10,113,533
Medical Admin Fees	1,135,106	1,286,974	1,500,000	1,500,000	1,668,713
Dental	965,529	1,107,692	1,256,300	1,100,000	1,505,145
Vision	111,045	116,572	120,700	116,000	112,327
Life Insurance	323,698	381,699	380,000	375,000	318,412
FSA Admin Fees	14,175	19,633	20,000	16,000	18,044
Cobra Admin	16,080	16,710	20,000	15,000	20,000
Total GCRTA Expense and Projections	**$ 33,335,605**	**$41,155,750**	**$53,573,400**	**$ 37,222,000**	**$ 43,756,174**

Differences due to rounding

Paratransit Ridership & Cost



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Differences due to rounding

Paratransit is Critical

- Paratransit trips have significantly increased on an annual basis
  - Paratransit trips have increased by over 50% since 2019
- 61% of GCRTA Paratransit trips take people to receive medical care
- 70% of GCRTA Paratransit customers are age 65 and over
  - Senior population continues to grow and is estimated to reach 30% by 2030
  - Service provides freedom of mobility and supports aging in place

- ***Most expensive service to operate***

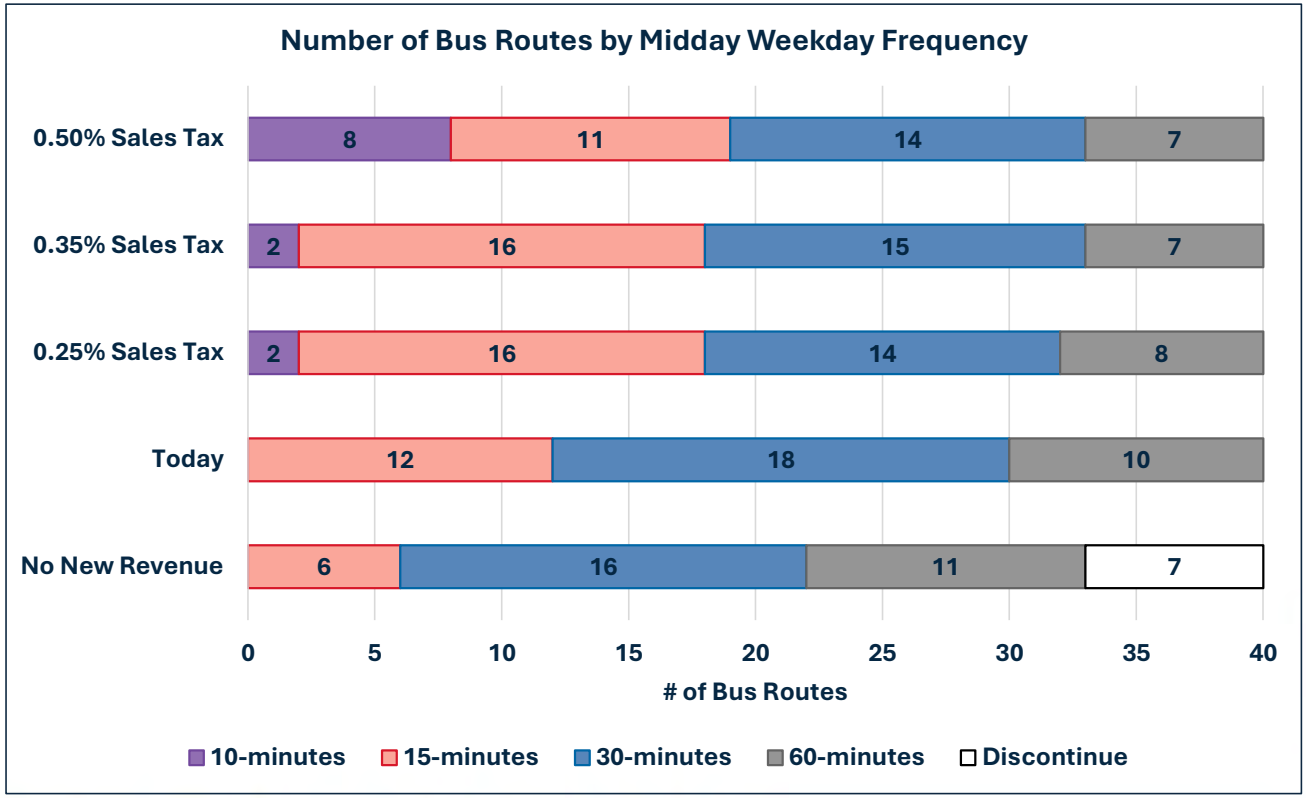
Service Impacts of Sales Tax Options

Service Category	No New Funds	0.25% Sales Tax	0.35% Sales Tax	0.50% Sales Tax
Rail (Service Pattern)	Blue/Green Lines to Tower City	Extend Blue/Green Lines to the Airport	*Same as 0.25%*	*Same as 0.25%*
Rail (Frequencies)	Reduced span on Green Line	Every **5 min.** from the Airport on Weekdays	*Same as 0.25%*	*Same as 0.25%*
HealthLine	No change	Every **10 min.** on Weekdays	*Same as 0.25%*	Every **7.5 min.** on Weekdays
Bus Rapid Transit (BRT) Projects	Dependent on Federal and State grants	Fund studies (grants for construction)	Construct **some** BRT Project improvements	Construct BRT Project improvements
Park-N-Rides (PNRs)	Discontinue #251	Reinstate PNRs (#263 and #246)	*Same as 0.25%* ***plus*** pilot new PNR to University Circle	*Same as 0.35%*

Service Impacts of Sales Tax Options

Service Category	No New Funds	0.25% Sales Tax	0.35% Sales Tax	0.50% Sales Tax
Bus Route Impacts	**Reduced service** on up to **75%** of all bus routes	**Improve service** on **50%** of all bus routes	**Improve service** on **56%** of all bus routes	**Improve service** on **75%** of all bus routes
Paratransit	Reduced coverage and span of service	Expand supply-side to match demand	*Same as 0.25%*	*Same as 0.25%* ***plus*** grow Paratransit and bring more in-house
Innovations	GCRTA will continue to seek expense reductions and seek new revenue options (parking revenues, TOD)	TOD expansion, research options	*Same as 0.25%* ***plus*** support downtown, University Circle, and County initiatives	*Same as 0.35%* ***plus*** microtransit and job/healthcare access opportunities, explore rail extensions

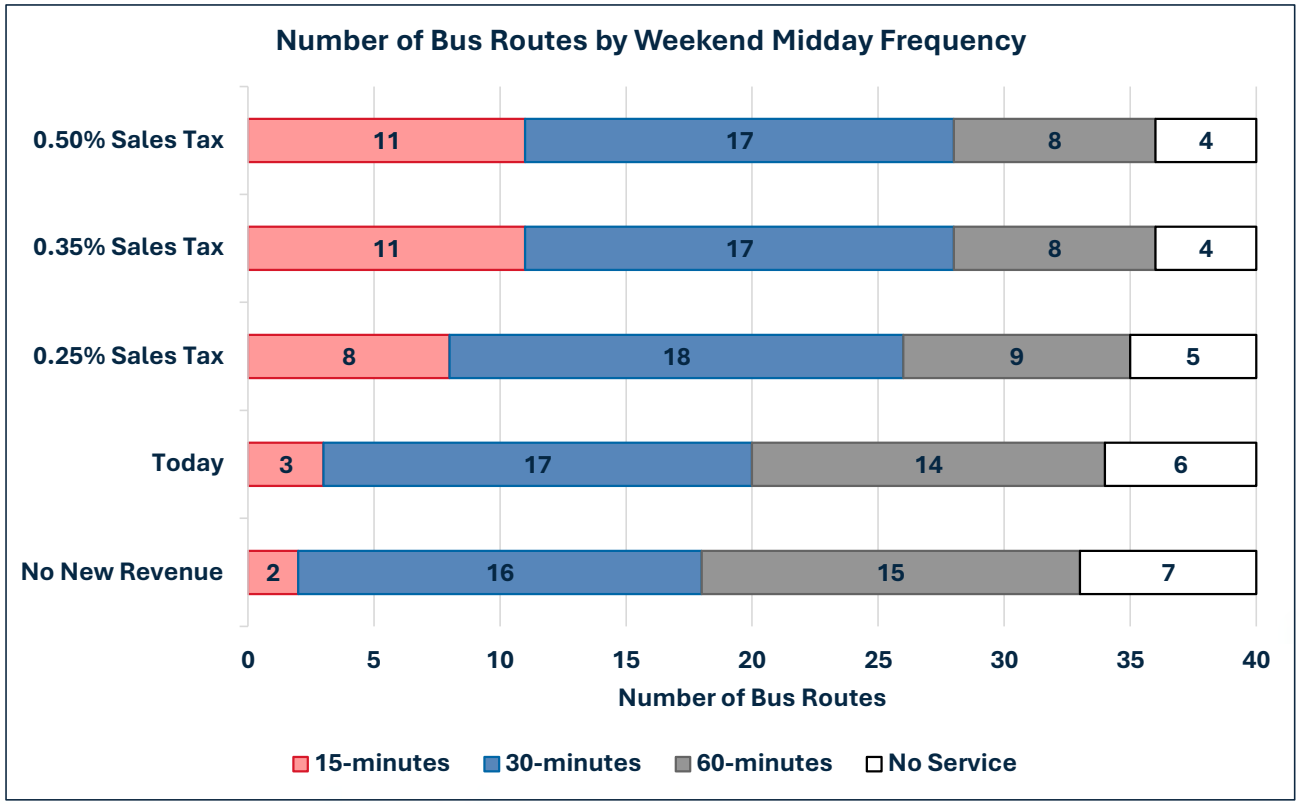
Service Impacts of Sales Tax Options



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Service Impacts of Sales Tax Options



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Sales Tax Ballot Initiatives in Ohio

Agency	Service Area (Metro)	Election Date	Ballot Type	Outcome	% Voted in Favor
Laketran	Lake County	November 2019	0.25% Sales Tax Increase	Passed	58.2%
SORTA	Hamilton County (Cincinnati)	May 2020	New 0.8% Sales Tax (includes local infrastructure)	Passed	50.4%
TARTA	Lucas County (Toledo)	November 2021	New 0.5% Sales Tax	Passed	55.0%
COTA	Franklin and Surrounding Counties (Columbus)	November 2024	0.5% Sales Tax Increase (includes local infrastructure)	Passed	56.7%
SARTA	Stark County	May 2026	0.1% Sales Tax Increase	Failed	48.6%

Key Election Dates

Key Dates	Details	May 2027	November 2027
Filing Deadline	State of Ohio deadline to file for a ballot issue.	February 3, 2027	August 4, 2027
Election Date	Date of the election.	May 4, 2027	November 2, 2027
Sales Tax Effective Date	Date the new sales tax takes effect.	October 1, 2027	April 1, 2028
GCRTA Receives Funds	Month when GCRTA receives an increase in funds from the new sales tax.	January 2028	July 2028
GCRTA Service Reduction (if ballot initiative fails)	If the ballot initiative fails, when GCRTA will begin reducing service.	August 2027	January 2028

Comparable Voter Turnout (Cuyahoga)

Voter Turnout (%)	May Odd-Year Elections*	November Odd-Year Elections
2019	35,872 (21.2%)	222,648 (26.2%)
2021	38,307 (18.9%)	232,149 (26.5%)
2023	27,896 (12.6%)	403,221 (46.1%)**
2025	99,037 (11.1%)***	226,104 (26.2%)

***Note:** May elections are typically only municipal elections, so the higher voter turnout percentage is due to a smaller pool of eligible voters.*

****Note:** The November 2023 election had two state-wide ballots: one on a Constitutional right to abortion and another on marijuana legalization.*

*****Note:** The May 2025 election had a state-wide ballot: Funding for the State Capital Improvement Program*

Questions