

# Greater Cleveland Regional Transit Authority

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Greater Cleveland Regional Transit Authority



# Greater Cleveland RTA

Created in 1975

- Combined 11 systems into RTA
- Pledged 1% of Cuyahoga County Sales Tax
  - Never asked for an increase
  - County Population has dropped 23%
- Common revenue sources for public transit
  - Sales Tax
  - Property Tax
  - Payroll Tax

# Greater Cleveland RTA

## Understanding our Customers

- 60% of trips are to & from work
- 23% of trips are to & from school
- 9% of trips are to & from Healthcare
- 8% of trips are to & from entertainment

# Greater Cleveland RTA

RTA provides a significant level of service

- In 2017, RTA's 40 million customers traveled 220 million miles on RTA buses and trains
- RTA provides approximately 400 trains trips daily, over a span of 20 plus daily hours.
- RTA has 50 bus routes:
  - 28% operate 24X7
  - 62% operate 18 hours/day, 7 days/week

# Greater Cleveland RTA

- Many are requesting that RTA provide additional connectivity, not less.
  - Serve unserved areas of county/region
  - Better serve medium/low density areas with a greater span and frequency of service.
  - As a result of recent cuts in funding, without additional resources, the only option will be to provide less service, not more service.

# Greater Cleveland RTA

## Understanding our Customers

- 50% of our customers choose to use RTA over other travel options.
- 50% of our customers use RTA as their only travel option.

# Greater Cleveland RTA

## Annual Budget

- Operating Budget
  - Approximately \$300 million
  - \$750,000 per day
- Capital Budget
  - Approximately \$80 million
  - \$500 million backlog
    - \$300 Million to replace rail cars

# Greater Cleveland RTA

Where does the money come from?

- Sales Tax revenue - \$200 million
  - Loss of \$20 million MCO beginning in 2018
- Passenger Fares - \$45 million
- FTA - \$45 million (capital)
- State of Ohio - \$5 million (capital)
- Advertising Revenue - \$2 million



# Greater Cleveland RTA

## Managing Effectively and Buying Time !

- FY 2012 - 2016 - \$53 million good of budget
- FY 2017 - \$24 million good of budget
- FY 2018 - Supplemental MCO State funding
- Can maintain through 2019
- 2020 - numbers turn negative
  - New Revenue or Reduce Expenses

# Greater Cleveland RTA

## Raising Funding Levels

- Through a Political Action Committee
  - Significant limitations on RTA employee involvement
- Tasks/Functions
  - Campaign Committee
  - Campaign Consultants
  - Fundraising
  - Market Research/Polling
  - Media Consultants

# Greater Cleveland RTA

- Source of Funding
  - *Sales Tax*
- Level of Funding
  - Examples
    - Each 0.10% of sales tax = \$20 million annually, or \$14.00 per year per capita.
    - Can be increased in one-tenth or one-quarter of one percent increments, up to 1.5% maximum.
    - No action needed by City or Municipalities.

# Greater Cleveland RTA

- Source of Funding
  - *Property Tax*
- Level of Funding
  - Examples:
    - Each 1.0 mill increase in property tax = \$26 million annually, or \$45 per year for the average homeowner.
    - Limit of 5 mill, and for period not to exceed 10 yrs.
    - No required action by County or Municipalities

# Greater Cleveland RTA

## Preparatory Study Efforts Underway

- CSU – Economic Impact Study
  - Return on taxpayer investment?
- GCP Operational Improvement Task Force
  - Is RTA employing the best management practices?
- Fare Study
  - How best to address fares and ridership
- System Re-design Study
  - How does RTA best invest in re-designing current service, and prioritizing new services (Mobility Management).

# Greater Cleveland RTA

## Key Short Term and Long Term Events

- Community Meetings
  - Integral in Fare Study
  - Integral in System Redesign study
- Significant Community Input
  - Current Customers
  - All taxpayers

# Greater Cleveland RTA

- Significant Statewide Discussion
  - TARTA – no go - each county must approve
  - SORTA – no go - not ready for fall 2018
  - Dayton RTA – Montgomery County only
- Good national success for transit initiatives:
  - Since 2000 – 71% success rate
  - 2016 – 69% passed
  - 2017 – 90% passed

# Greater Cleveland RTA

## Critical Dates

- For November 6, 2018 Election
  - August 8 to submit resolution of necessity
- For May 7, 2019 Election
  - February 4, 2019 to submit resolution of necessity
- For November 5, 2019 Election
  - August 7, 2019 to submit resolution of necessity.