



Citizens Advisory Committee

Meeting Summary

May 9, 2024

3:30-5:30 PM

1. Introduction/Comments

John Fussa provided an update on his recent presentation at the RTD Board meeting, focusing on revenue diversification and support for a referred measure on TABOR to preserve tax revenues for service delivery. He plans to attend the upcoming Board meeting on May 28 to provide further updates on the CAC's charter and work plan.

2. Subregional Service Council Call for Projects

John Gardaki/RTD presented on the Subregional Service Councils' call for projects. The program aims to address local mobility needs through partnerships with municipalities and transportation management organizations, leveraging RTD and local funding. He outlined the application process, funding availability, project selection criteria, and timeline.

Questions were raised about the program's funding, potential expansion, and the importance of community engagement in promoting the opportunity. The Board has allocated \$2 million each year for 2024-2026. The CAC voiced interest in expanding the program, and discussed encouraging local governments to talk with RTD about program expansion along with the CAC encouraging the Board to do so during CAC updates at monthly Board meetings. Andrea shared her efforts to encourage Arapahoe County to apply for the program.

3. Final Legislative Update

Jennifer Webster provided an update on the final status of relevant legislation from the 2024 legislative session. Also see attached legislative summary from Michael Davies.

HB 24-1447 regarding RTD governance. This bill, which would have revised the governance structure of the RTD Board, did not make it to the House floor for a vote. The RTD Board opposed this bill. A similar bill is anticipated to be introduced again during the 2025 legislative session.

SB 24-184 regarding Front Range Passenger Rail (FRPR). This bill passed. It provides state funding for the FRPR District, with a focus on the Northwest Rail corridor and Denver to Fort Collins. Funding is provided through a \$3/day car rental free, which is expected to generate \$50-\$60 million annually. The bill requires RTD to conduct studies and report back to the legislature on various aspects, including a plan to complete unfinished aspects of the Fast Tracks program by 2034.

Car rental companies believe the passage of this bill violates federal law because the revenue generated by the \$3 fee is not for airport use. Also related, there is now a citizen initiative for a ballot measure that would require voters to approve all new transit fees.

SB 24-032 regarding methods to increase transit use. This bill passed. RTD hoped it would include funding for the Zero Fare for Better Air program, but it did not. However, it allocates \$5 million to RTD that will fund one year of the Zero Fare for Youth program.

SB 24-230 regarding oil and gas production fees. This bill passed. It includes a new oil production fee set aside for transit and passenger rail. The revenue would be allocated as follows: 10 percent awarded via competitive grants, focused on both operations and capital projects; 20 percent set aside for passenger rail, with priority given to completing Northwest Rail; and 70 percent awarded through formula allocations, focused on service/operations.

No more than \$100 million can go into the SB 24-230 account for each of the next two years because voters capped the dollar amount that can go to enterprise funds during the first five years of their existence; however, this cap expires in two years, so more than \$100 million could go into the account in years 3 and beyond.

This bill also established accountability requirements, including a public-facing dashboard for RTD.

HB 24-1313 regarding transit-oriented communities. This bill passed, but it wasn't closely tracked by the RTD Board. It allows the state to enforce housing density plans around public transit within metropolitan planning organizations.

SB 24-214 regarding implementation of state climate goals. This bill passed. Among other things, it removes the requirement for fair market value to be paid for land and rent in station areas, meaning RTD can now accept lower offers to sell, lease, or rent property around stations.

There were questions and clarifications regarding the governance bill, upcoming disruptions, the state auditor's audit of RTD, and the addition of transparency and accountability measures in various bills.

4. CAC Letter to RTD Board Supporting Referral of a Ballot Measure for TABOR Exemption

A formal letter to the RTD Board was drafted to express the CAC's support for a potential referred ballot measure regarding TABOR exemption (attached). The CAC reviewed and discussed the letter and agreed it should be included in the agenda packet for the May Board meeting.

Polling results on support for the TABOR exemption are being discussed at the May Finance and Planning Committee meeting; initial data indicates positive support for it, with about 68-70 percent support, including with no sunset clause. Concerns were raised about potential opposition arguing against the measure due to recent bills that provide state funding to RTD. The group also discussed whether RTD would be able to keep all the new funding without a TABOR exemption; this will need to be looked into.

5. CAC Letter to RTD Board Regarding Revenue Diversification

A formal letter to the RTD Board was drafted providing a summary of CAC comments on funding sources for RTD consideration (attached). The letter summarizes individual CAC members' comments on various revenue sources, including maintaining and expanding existing revenue streams, exploring new revenue sources such as transit support districts and toll revenue, and considering longer-term strategies like reducing costs or expanding revenues. There was a discussion about recent state legislative actions impacting local jurisdictions and concerns raised by community members regarding land use issues. The CAC reviewed and discussed the letter and agreed it should be included in the agenda packet for the May Board meeting.

6. CAC Charter for Board Action at May Board Meeting

John Fussa provided a brief update on the CAC charter, noting the RTD Board will take action to approve the charter at the May meeting.

7. 2024 CAC Work Plan Finalization

CAC members reviewed and approved the final work plan for the coming year (attached). CAC members asked that the work plan include tracking of transit-related legislation in the 2025 session.

8. Member Input from Communities

CAC members shared updates and concerns from their respective communities, including issues related to RTD transit service levels, operator shortages, and maintenance and repairs.



Citizens Advisory Committee

May 13, 2024

RTD Board of Directors
1660 Blake Street
Denver, CO 80202

Dear Directors of the RTD Board,

The RTD Citizens Advisory Committee is writing to express our support for a referred measure on the November 2024 ballot regarding an exemption for RTD from TABOR's revenue and spending limitations, with no sunset provision.

Citizens Advisory Committee (CAC) members represent regions across the District and provide a range of experience with transit, from daily RTD riders to transit professionals to local and regional agency staff. Since 2006 the CAC has advised the Board on the FasTracks program, RTD's Strategic Plan and long-term vision, and other matters. In 2024, our committee has discussed revenue diversification measures to enhance RTD's financial sustainability. We believe retaining 100 percent of the tax revenue collected by RTD is the highest priority in maintaining the agency's financial sustainability.

The CAC is therefore highly supportive of placing an RTD Debrucing measure on the ballot this year, allowing RTD to retain all tax revenues collected, with no sunset provision. We believe the high voter turnout during a presidential election year will help pass the measure.

Sincerely,

RTD Citizens Advisory Committee Members



Citizens Advisory Committee

May 13, 2024

RTD Board of Directors
1660 Blake Street
Denver, CO 80202

Dear Directors of the RTD Board,

The RTD Citizens Advisory Committee is writing to provide comments on revenue sources for consideration by the Board in enhancing RTD's financial sustainability.

Citizens Advisory Committee (CAC) members represent regions across the District and provide a range of experience with transit, from daily RTD riders to transit professionals to local and regional agency staff. Since 2006 the CAC has advised the Board on the FasTracks program, RTD's Strategic Plan and long-term vision, and other matters. In 2024, our committee has discussed revenue diversification measures to enhance RTD's financial sustainability. We support a TABOR exemption and state funding for RTD, and our members have suggested additional revenue sources for consideration by the Board.

TABOR exemption

The CAC supports a referred measure on the November 2024 ballot exempting RTD from TABOR's revenue and spending limitations with no sunset provision; we have previously provided a letter to the Board in support of a ballot measure.

State of Colorado funding

We were pleased to learn about the recently adopted legislation (SB24-230) to create the first dedicated, long-term state funding for local transit service. We look forward to collaborating with RTD to identify the most effective uses of that new funding to improve service quality and boost ridership.

Other funding sources

In addition to our support of a TABOR exemption and state funding, individual CAC members have provided the following comments on additional revenue sources for consideration.

Maintain and expand existing sources of revenue

- Farebox recovery. Maintain fares for service and implement free or reduced fares only when public or private sector partners are willing to fund in whole or part the elimination or reduction of fares.
- Advertising and media. Continue and expand revenue generation from advertising, station naming, and digital media.
- Parking fees. Increase fees for parking longer than 24 hours at Park-n-Rides.
- College passes. All student tuition for public colleges and universities within RTD's boundaries would contribute to a college pass for each student, whether individual students use the college pass or not. This assumes RTD is not permanently fare-free for students or the general public.

Develop new sources of revenue

- Transit Support Districts. Create Transit Support Districts within 0.5 mile of high frequency rail, bus rapid transit, or express bus routes. Similar to urban renewal areas, these districts would generate property and sales tax over time, above the designated baseline, that is due in part to RTD transit service. RTD would share in a portion of the additional tax revenue over the designated baseline.
- Transit-oriented development (TOD) on RTD-owned property. Update RTD parking replacement and equitable TOD policies to enable more development on RTD property, and seek exemption from local zoning regulations, allowing RTD to develop station areas with TOD in partnership with developers. RTD would derive revenue from the sale of land for development (one-time) or the long-term ground lease of land for development (recurring), while also developing existing large surface parking lots at transit stations that are wasteful from a land use standpoint.
- Highway toll revenue. Add a transit service fee or percentage to highway tolls within RTD's district. SB24-184 directs the Colorado Transportation Investment Office to create a new Multimodal Strategic Capital Plan with toll revenue by March 1, 2025. We encourage RTD to participate in this process so RTD can use toll revenue to fund transit service. Toll prices can also create an improved price signal for drivers that supports mode shift to transit.
- Sale and lease back of capital assets. If the federal tax code still permits, sell and lease back train cars, buses, and other assets to generate upfront revenue and reduce cost over time for the assets.
- Seek federal funding sources. Identify and leverage federal funding opportunities to expand transit and improve service.

Longer-term efforts to reduce cost or expand revenue

- Encourage CDOT to fund projects that improve transit service. We encourage RTD to participate in CDOT's upcoming 10-year planning process, to allocate funding to projects that improve transit service, which also supports the state's GHG Roadmap goals.
- Local agency transit operation. Cities and counties fund and operate lower-ridership local and subregional routes, while RTD focuses resources on regional routes and high-volume local and subregional routes. Cities and counties also augment service on high-volume routes to increase service frequency. This may result in a difficult tax reallocation exercise initially but could reduce costs in the long-term.
- Reduce the size of RTD's district. RTD may need to repay local agencies no longer in the district but could potentially reduce costs and inefficiencies in the long-term by reducing the district's size.
- Sales and/or property tax. Once RTD has made more progress in completing the FasTracks program and service levels are more similar to pre-pandemic levels, consider a ballot measure to increase RTD sales tax and/or allow RTD to collect property tax revenue within the district.
- Congestion pricing district. Similar to cities like London and New York, create a fee or toll cordon around major driving destinations that provides revenue to RTD.
- Vehicle miles traveled fees. Similar to vehicle user fees/road usage charges that fund highway facilities, implement a vehicle miles traveled user fee that supports RTD transit service. This would also support state climate and greenhouse gas reduction goals by increasing the price point of driving and supporting mode shift to transit.
- Restore federal formula funding. Partner with APTA and other transit agencies to lobby Congress to restore annual, recurring transit operating assistance on a formula basis.

We appreciate the opportunity to provide input on revenue diversification measures for consideration by the Board, to contribute to the long-term sustainability of RTD services.

Sincerely,

RTD Citizens Advisory Committee Members

Legislative Summary from Michael Davies/RTD to RTD Board

From: Michael Davies <michael.davies@rtd-denver.com>

Sent: Thursday, May 9, 2024 11:51 AM

To: Board Members <Board.Members@RTD-Denver.com>

Cc: Debra Johnson <debra.johnson@rtd-denver.com>; Board Office <board.office@rtd-denver.com> **Subject:** 2024 Colorado General Assembly Session Summary

Greetings Chair and Members of the Board:

The Colorado General Assembly adjourned sine die on May 8, 2024. Below is a summary of notable bills that were discussed with the RTD Board of Directors throughout the legislative session. Lastly, attached is an updated legislative tracking chart with the most recent actions taken at the end of session on all bills RTD staff tracked. RTD staff will continue to track bills as they are considered for signature by the Governor.

HB24-1447 Transit Reform

The bill never received a final hearing in the Senate Appropriations Committee and therefore was not passed during the 2024 legislative session. One section of HB24-1447 that removed the state requirement for RTD to receive fair market value when leasing land was added in the closing days to SB24-214 which passed.

SB24-184 Support Surface Transportation Infrastructure Development

This was passed and is headed to the Governor for signature. As a result of this bill, which uses car rental fees to fund surface transportation infrastructure projects, RTD is required to coordinate with Front Range Passenger Rail District, Colorado Department of Transportation, and High Performance Transportation Enterprise to assist in a series of reports related to NW Rail and the designated first phase of front range passenger rail from Denver to Fort Collins. The first report is due September 20, 2024 with a secondary report due March 1, 2025.

SB24-230 Oil and Gas Production Fees

This bill was passed and is headed to the Governor for signature. Beginning July 1, 2025, a oil

production fee will start to be collected. 80% of the fees collected will be distributed to transit and passenger rail operations and capital expenses through three separate programs. 70% of the transit/passenger rail funding will be distributed by formula that will be developed by the Clean Transit Enterprise Board. 10% of funding will go to a competitive grant process and can be used on operations, capital, and planning new Regional Transportation Authorities. 20% of the fund will be available to passenger rail projects that meet certain regional and statewide goals. Lastly, RTD is required to produce a report by July 1, 2025 on how to complete the unfinished aspects of FasTracks by 2034.

SB24-032 Methods to Increase the Use of Transit

This bill was passed and is headed to the Governor for signature. RTD was appropriated \$5 million to use on transit operations as long as the agency offers a zero-fare for youth program for an entire year. Due to funding constraints at the state level there was not enough to grant another round of funding for RTD Zero Fare for Better Air. Lastly, the tax credit for employers to provide transit passes to employees was removed from SB24-032 and amended to HB24-1036 which passed.

Michael Davies

Government Relations Officer

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Regional Transportation District
1660 Blake Street, BLK-35
Denver, CO 80202

CITIZENS ADVISORY COMMITTEE APRIL 2024 – MARCH 2025 WORK PLAN

The April 2024 – March 2025 CAC Work Plan is aligned to the activities of the RTD Board of Directors and focuses on those topics for which CAC member experience and input are most relevant.

Key topics the CAC will focus on in April 2024 – March 2025 are:

- CAC Charter update and associated Board action approving charter update
- RTD plans for revenue diversification and potential referred measure on TABOR
- Safety on the RTD system, focused on conversations with the RTD Police Department
- Transit service changes and Subregional Service Council Partnership Program projects
- Customer bill of rights
- RTD public-facing return on investments dashboard

CAC Charter

Context

The CAC has revised the CAC charter adopted by the Board of Directors in 2016 and is requesting Board adoption of the revised charter.

Action

- The CAC charter will go before the Board for adoption at the May 2024 Board meeting. CAC members have provided input on and approved the charter.
- The charter will be discussed at the Board Executive Committee meetings in April and May 2024 prior to appearing on the agenda at the May Board meeting.
- Once adopted, the CAC and Board will revisit the charter and CAC roles no later than three years after charter adoption or future amendment.

Timing

- April and May 2024

RTD Revenue Diversification Measures

Context

The Board is discussing additional sources of revenue for RTD operations and has requested CAC input.

The CAC has provided input in early 2024 on other potential sources of revenue, and these comments have been relayed to the Board.

Action

- CAC input on revenue diversification will be an ongoing work item for the CAC throughout the timeframe of this work plan. As the Board narrows its focus on specific sources, the Board will request input from the CAC on an as-needed basis.

Timing

- Ongoing

Referred Measure on TABOR

Context

The Board is discussing referral of a measure on the November 2024 ballot to debruce RTD.

Action

- The CAC has voiced support for a referred measure and will develop a letter of support for the measure, to be presented to the Board at the May 2024 Board meeting.

Timing

- May 2024

RTD System Safety

Context

RTD amended its Customer Code of Conduct in 2023 and is currently discussing increasing the number of police officers with a decrease in the number of security officers. CAC members have continued to voice concerns about safety on RTD's system.

Action

- The CAC will invite the RTD Police Department to provide an update to the CAC, as they do at Board Operations and Safety Committee meetings bi-annually.
- The CAC will provide input to the Police Department regarding the customer experience from a safety standpoint.

Timing

- Timing of discussions, and whether they occur once or twice a year, is to be determined

Transit Service Changes

Context

RTD enacts service changes several times a year.

Action

- When RTD's proposed service changes are announced, the CAC will receive a link to proposed service changes for review.
- The CAC will provide input in writing on proposed service changes and discuss input at CAC meetings, to be provided to RTD staff.

Timing

- Upon release of proposed service changes

Subregional Service Council Partnership Program Projects

Context

RTD releases an annual call for partner projects that RTD will provide funding for, and these projects are reviewed by Subregional Service Councils. The 2024 applications are due June 3, will be reviewed by SSCs, and selected projects will be announced in August 2024.

Action

- Project applications will be a topic of discussion at the June and/or July CAC meetings. The CAC is able to provide input on the project reviews through those members who attend Subregional Service Council meetings.

Timing

- June and July 2024

Customer Bill of Rights

Context

The Board Operations and Safety Committee will be considering a Customer Bill of Rights over the course of 2024.

Action

- RTD staff will provide information to the CAC on the Customer Bill of Rights as it is developed. CAC members will provide input from the customer perspective on the content of the Bill of Rights, for consideration by RTD staff and the Board Operations and Safety Committee.

Timing

- Timing of this topic will depend on RTD staff and Board timing, which has not yet been finalized.

Public-Facing Dashboard for Return on Investments Information

Context

RTD is developing a public-facing dashboard for the RTD website that will provide information about returns on investments, for public transparency.

Action

- RTD staff will provide information to the CAC on the dashboard elements and framework at the May 2024 CAC meeting. CAC members will provide input on the elements and framework, for use by RTD staff and the Board Finance and Planning Committee May meeting.

Timing

- June 2024, with a follow-on update from RTD staff at a time still to be determined, dependent on dashboard development

Transit-Related Legislation

Context

Transit-related matters will likely to continue to be a component of legislative initiatives during the 2025 state legislative session, and these initiatives affect RTD's planning and operations.

Action

- Monthly updates on relevant legislation will be discussed by the CAC during the legislative session.
- CAC members will provide verbal input on legislation during meetings and provide written comments to be shared with the Board and/or state legislators.

Timing

- January – March 2025