



# COMMUNITY TASK FORCE: PUBLIC TRANSPORTATION IN NORTHWEST OHIO



August 2019 – Final Report

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# I. INTRODUCTION

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On December 8, 2018, the Board of Lucas County Commissioners established a community task force made up of a broad cross-section of leaders throughout the region to appraise the state of public transportation in and around Lucas County. The Task Force was created to accomplish two primary objectives:<sup>1</sup>

1. To review the strengths, weaknesses, and public transportation needs in and around Lucas County; and
2. To develop recommendations focused on how to better serve the diverse constituencies for whom an effective public transit system is integral to meaningful participation in civic life throughout the region

During its assessment, the task force reviewed the following:

- The financial sustainability of the designated transit authority, TARTA;
- Whether and to what degree the TARTA operation meets the needs of residents to participate in work, commercial, and social activities in the Toledo area; and
- Whether current and future employers in our community can depend on the service to deliver reliable accommodation of the transportation needs of their workforce

The individuals who gave their time for this review represented diverse segments of our community, including members of the business, faith, advocacy, and social service communities. The task force members are: Kim Cutcher (LISC Toledo), Cheri Budzynski (Shumaker, Loop, and Kendrick, LLP), Opie Rollison (Marshall & Melhorn, LLC), Pastor Otis Gordon (Warren AME Baptist Church), Doni Miller (Neighborhood Health Association), Guisselle Mendoza McDonald (Latino Alliance of Northwest Ohio), Angie Goodnight (Toledo/Lucas County Commission on Disabilities), Michael Hampton (community member), Dan Rodgers (Cherry Street Mission), Sam Melden (ProMedica), Lexi Hayman Staples (Collingwood Arts Center), Jimmy Russell (University of Toledo student), Duke Wheeler (Wheeler Farms), Joe Luzar (Mosser Construction), Adele Jasion, CPA (Gilmore, Jasion Mahler LTD), Demetria Simpson (LMHA), and Frank Szollosi (National Wildlife Federation). The task force was chaired by Bruce Baumhower, President of the United Auto Workers Local 12.

## A. THE NEED FOR EFFECTIVE PUBLIC TRANSIT

There is ample evidence to support the notion that a vibrant public transportation system is essential to the success of a region, making positive contributions to the economy and facilitating the participation of residents to participate in all aspects of public life; these include work, social, commercial, and faith activities. Public transit is important for people without access to a personal vehicle, for individuals engaged in recreational activities, and as a tool of economic development. It certainly must serve communities in need. Decades of research has demonstrated that affordable transportation is a necessary ingredient for upward economic mobility. If Lucas County is truly a place

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<sup>1</sup> Toledo Area Transit Authority Task Force Charge. January 17, 2019.

for all to thrive, a strong transit system that meets the needs of the community is an essential component of public services.

## **B. TARTA CHALLENGES**

TARTA has been hampered by a decline characterized by insufficient revenues leading to service cuts that, in turn, bring about lower ridership, even lower revenue collection and further compromised service utility. For the task force to effectively offer recommendations about the ways the system might improve, it was important to identify some of the biggest challenges to the ongoing sustainability and growth of the operation. Among the most potent difficulties faced by the transit authority are:

- Ridership has declined over 70% since its peak in the 1970s and roughly 44% since 2007;
- Two of the nine member jurisdictions have exited TARTA, leading to lower local tax revenues and a more fragmented service area wherein passengers cannot rely on the service to reach several local attractions, shopping, medical appointments, places of worship, and workplaces;
- Many vehicles in TARTA's fleet are at or near the end of their useful lives, with 63% of them eligible for retirement;
- Service delivery for many passengers is inefficient and ineffective due to a disjointed service area that does not connect all of the major population and employment centers in the region;
- Cuts to service and fare increases that led to a more expensive, less useful system;
- An unsustainable funding model incapable of generating revenue sufficient to improve the system, followed by three unsuccessful campaigns to change the local tax revenue source from 2.5 mills of property tax to a 0.4% or 0.5% sales tax.

## **C. THE PURPOSE OF THE TASK FORCE**

The purpose of the task force is to evaluate the state of public transportation in and around Lucas County, using the information collected in that inquiry, to offer recommendations to the public as to how affordable, reliable transit services might be better delivered to numerous area stakeholders both now and in the future. The diverse community leaders who comprised this task force were charged with not only the assessment of the challenges faced by the regional transit authority, the Toledo Area Regional Transit Authority (TARTA), but also potential improvements that would ensure sustainable delivery of public transportation services throughout the region to meet both the needs of various passengers and area employers dependent on reliable transportation to ensure consistent workforce attendance. The following represents the task force's findings and recommendations.

## **II. THE INTEGRAL ROLE OF TRANSIT**

An affordable and robust transit system is essential to the success of a region. Effective mass transit investment positively impacts wages, spending, travel time and cost, and property values.<sup>2</sup> In fact, an estimated 87% of public transit trips taken provide a direct impact on the local economy.<sup>3</sup> Whether passengers are traveling to and from work, shopping, or participating in social or recreational activities,

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<sup>2</sup> Weisbrod, et.al. (2014). Economic Impact of Public Transportation Investment. *American Public Transit Association*.

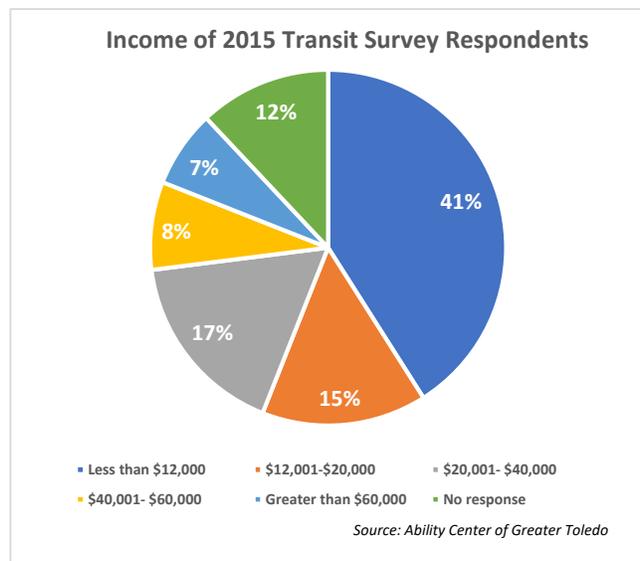
<sup>3</sup> Clark, Hugh. (2017). Who Rides Public Transportation. *American Public Transit Association*.

public transit agencies provide substantial economic value to the communities they serve. Far from being a mobility option solely for those without other options, a healthy transit system incorporates the needs of multiple stakeholders, including, but not limited to:

- Professionals
- Economic and workforce development professionals
- Consumers
- Persons with disabilities
- Individuals over the age of 65
- Business leaders in need of transportation for their workforce to job sites
- Students

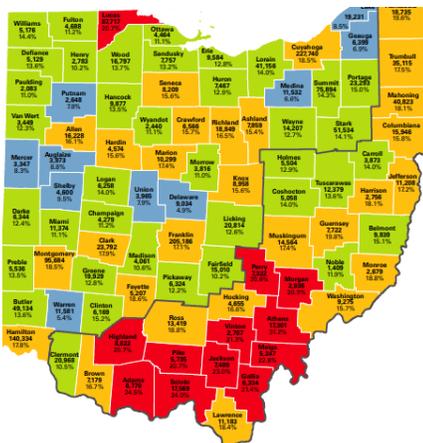
**A. SERVICE TO COMMUNITIES IN NEED**

To be sure, seniors, low-income individuals and persons with disabilities represent core transit constituencies to which an effective public transit system must be responsive. In and around Lucas County, the need for public transportation for individuals over the age of 65 and persons with disabilities cannot be overstated. In 2015, The Ability Center of Greater Toledo conducted a community-wide survey on community needs and attitudes related to transit. Individuals who responded to this survey were more likely to be older, have a disability and maintain a low-income. These characteristics are typically indicators positively associated with the use of public transportation.



Respondents required transportation for a host of purposes. Medical appointments (33%), shopping (53%), and work (21%) were commonly identified needs in the survey. Over 70% of respondents said that they were late or unable to attend scheduled doctor appointments and 46% reported that they had difficulty getting home from activities due to inadequate public transportation.

**Poverty Rate in Ohio Counties**



Source: Ohio Development Services Agency

With the area’s highest rate of poverty, there is no greater need for public transportation than Lucas County anywhere in the region. Based on data obtained from the 2016 U.S. Census Bureau’s American Community Survey, the Ohio Development Services Agency (ODSA) in their 2018 Ohio Poverty Report noted that Lucas

County is the poorest urban county in the State of Ohio.<sup>4</sup> At 20.7%, Lucas County's poverty rate has increased 19.65% since ODSA published its 2009 report.<sup>5</sup> Moreover, Lucas County's poverty rate is more than two percentage points higher than in Cuyahoga County, the urban Ohio county with the next highest rate. As the map on page 3 indicates, with respect to poverty rates, Lucas County is more closely aligned to the state's southern Appalachian counties wherein extreme poverty has persisted for generations. Affordable public transportation is integral to any urban environment, but the need is even more acute in communities such as Lucas County, wherein a significant percentage of the population is arguably not financially equipped to manage the expenses associated with maintaining a personal vehicle.

## **B. TRANSIT AS A TOOL OF UPWARD ECONOMIC MOBILITY**

Researchers have identified access to affordable, effective transportation as an essential tool in achieving upward economic mobility. The work of Stanford economist Raj Chetty focuses on how individuals, in particular children, from disadvantaged backgrounds have the best chances of securing economic prosperity. His research has found that the ability to overcome geographic isolation is a significant factor in the ability to achieve upward economic mobility.<sup>6</sup>

The lack of a strong regional transit system in Lucas County been noted as an obstacle by many in the local social sector. In 2019, Toledo Community Foundation commissioned the W.E. Upjohn Institute to undertake a Community Needs Assessment. As a part of this process, researchers convened focus groups of practitioners across all six of the Foundation's grantmaking priority areas (education, social services, physical and mental health, neighborhood and urban affairs, arts and culture and natural resources). The need to strengthen the region's transportation system emerged as a cross-cutting priority amongst all six focus groups. In order for Lucas County to become a community of opportunity for all residents, it is necessary to strengthen the regional transit system.

## **C. TRANSIT AS A TOOL OF ECONOMIC DEVELOPMENT**

While public transit must certainly attend to the needs of people who are elderly, economically challenged, and who have disabilities, robust transit systems are increasingly pivotal to the success of regions as a whole. Not only are these services important for passengers' ability to participate in social and consumer activities, but also are increasingly essential for businesses relying on workers to arrive on time every day. In fact, many regional chambers of commerce have recognized that the capacity of their members to be profitable and thus reinforce their local economies relies on effective public transit. In May of 2019, fifteen chambers of commerce announced the formation of a national coalition

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<sup>4</sup> Ohio Development Services Agency. 2018. The Ohio Poverty Report

<sup>5</sup> Ohio Development Services Agency. 2009. The Ohio Poverty Report

<sup>6</sup> Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States, Chetty, Hendren, Kline & Saez (2014).

to advocate for additional federal investment in public transportation as a means to attract and retain talent.<sup>7</sup>

Local industry also recognizes the pivotal role transit plays in regional economic growth. Among the respondents to the Ability Center survey, 46% were working full or part-time. The Toledo Regional Chamber of Commerce has commissioned a study to analyze the economic contribution transit plays in the local economy, for which it anticipates results by the end of summer 2019. Roslyn Wallace, Corporate Human Resource Manager of Detroit Manufacturing Systems (DMS), and Tonia Saunders, Director of the Lucas County Department of Planning and Development, each reported to the task force that the importance of reliable transportation is paramount to dependable workforce attendance. Indeed, TARTA reports that 60% of the fixed line trips it delivers every year are for transportation to and from work.<sup>8</sup>

Moreover, economic growth is increasingly dependent on high quality, plentiful, and accessible information. Millennials, who are more likely to possess the desired skills necessary to this “knowledge economy,” represent the most mobile American demographic, and they’re attracted to vital urban environments when considering employment options. The American Public Transportation Association (APTA) reports that a significant consideration for this population is the ability to live in walkable communities with nearby transit options. APTA data indicates that 41 percent of millennials cite public transit as important, compared to 33 percent of baby boomers.<sup>9</sup>

For transit systems to meet the needs of modern metropolitan areas, the system should meet the needs of a broad constituency. Communities that regard public transportation as one strictly for poor, disabled, and elderly residents not only fail to include many constituents who would elect to use an adaptable, efficient system, but poorly serve the vulnerable residents most reliant on it. The best transit system must serve multiple, diverse stakeholders. It must serve everyone and is vital to our region’s economic and workforce development.

#### **D. CREATION AND EXPANSION OF TARTA**

TARTA was formed as a Regional Transit Authority to replace the privately owned Community Traction Company, which operated trolleys throughout the area from 1921 to 1970.<sup>10</sup> In 1971, the City of Toledo, the Village of Ottawa Hills, the City of Sylvania, the City of Rossford, Spencer Township, and Sylvania Township formed the transit authority, approving a 1 mill operating levy 62,208 to 19,454 (76%) in January of that year.<sup>11</sup>

The City of Perrysburg joined in 1974, while the City of Maumee and the City of Waterville joined in 1975.<sup>12</sup> During this period, use of the service expanded rapidly, boasting annual ridership of 13 million

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<sup>7</sup> Short, A. (2019). Chambers of Commerce Come Around to Transit. *Streetsblog USA*.

<sup>8</sup> TARTA Presentation (2019). TARTA presentation to task force, delivered February 7, 2019.

<sup>9</sup> Prall, D. (2017). Millennials in transit. *American City and County*.

<sup>10</sup> Ohio Museum of Transportation. (n.d.) Retrieved on May 21, 2019.

<sup>11</sup> Toledo Blade. January 20, 1971. Archival article from the Toledo-Lucas County Public Library.

<sup>12</sup> Toledo Blade. June 26, 1975. Archival article from the Toledo-Lucas County Public Library.

in 1975.<sup>13</sup> For a time, TARTA even approved bus service for Bedford Township, Michigan.<sup>14</sup> Despite the utility of the service to the larger community, throughout this period, TARTA was plagued by revenues lagging behind operating costs. Fares were reduced while costs multiplied. Increased ridership could not compensate for increasing costs in part because the initial investment could not accommodate ridership increases.

Through the 1980s to the 2000s, TARTA membership remained constant, consisting of the Cities of Toledo, Maumee, Sylvania, Perrysburg, and Waterville; the Village of Ottawa Hills; and Sylvania and Spencer Townships. Local revenue sources supporting the service came to consist of 2.5 mills in property tax (1 mill and 1.5 mill levies).<sup>15</sup> These levies are subject to periodic voter renewal and comprise the non-fare local revenue contribution to TARTA to this day.

## **E. REGIONAL TRANSIT AUTHORITIES**

The purpose of a transit authority is to create, maintain, and operate a transit system capable of delivering passenger services within its specified boundaries. Under Ohio law, the primary means by which such transit authorities are formed are either as a County Transit Authority (CTA) or as a Regional Transit Authority (RTA). TARTA is formed as an RTA. CTAs may be established by boards of county commissioners so long as no jurisdiction within the borders of the county are members of an RTA.<sup>16</sup> Several Lucas County subdivisions are TARTA members, so, as the law is currently interpreted, Lucas County is not authorized to establish a CTA.

### i. Features of Regional Transit Authorities

According to Ohio Revised Code Section 306.32, any county, municipal corporation, or township, or any combination of the aforementioned types of jurisdictions, may create an RTA by the adoption of legislation by all jurisdictions intent on the creation of the RTA.<sup>17</sup> TARTA is made up of a combination of municipalities and townships but Lucas County is not a member of the transit authority.

An RTA may enter into contracts to meet its obligations. Matters RTAs may address in their bylaws include, but are not limited to:<sup>18</sup>

- Preservation of transit vehicles or transit property;
- Protection of property and passenger safety on transit vehicles or transit property;
- Regulation of fares; and
- Utilization of collected funds to acquire, build, improve, maintain and operate its transit facilities as well as to meet its obligations to creditors.

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<sup>13</sup> Toledo Blade. January 25, 1976. Archival article from the Toledo-Lucas County Public Library.

<sup>14</sup> Toledo Blade. January 25, 1976. Archival article from the Toledo-Lucas County Public Library.

<sup>15</sup> Ryan, C. September 11, 2008. Perrysburg council wants city to opt out of TARTA. *The Toledo Blade*

<sup>16</sup> 3 Ohio Rev. Code. § 306.01. (1995).

<sup>17</sup> 3 Ohio Rev. Code. § 306.32. (2010).

<sup>18</sup> 3 Ohio Rev. Code. § 306.35. (2015).

Further powers of RTAs include:

- Levy and collect taxes;
- Hold, encumber, control, acquire, use, lease, or sell property related to its operation and to issue bonds to execute its responsibilities to provide passenger services;
- Maintain funds that it considers necessary to provide passenger services;
- Enter into and supervise franchise agreements for the operation of a transit system; and
- Apply for and accept grants or loans from the United States, the state, or any other public or any private source for the purpose of providing for the development or improvement of transit facilities.

#### ii. Adding Jurisdiction to Regional Transit Authorities

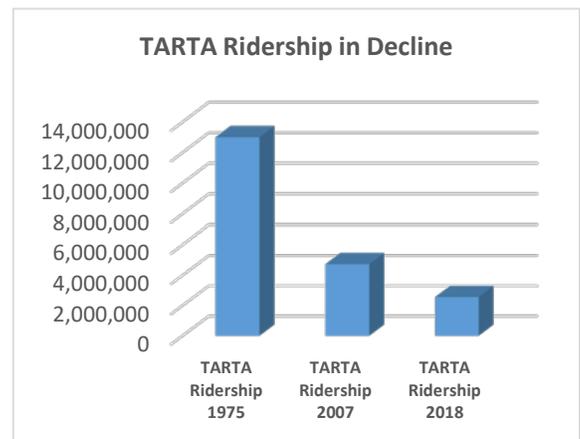
Additional jurisdictions (cities, villages, townships, or counties) may be added to RTAs only with the *unanimous* adoption of an amendment by every jurisdiction currently a member of the RTA.<sup>19</sup> There have been efforts to change state law to allow a majority of existing members of an RTA to approve new members, most recently in the biennial state transportation bill (Ohio House Bill 62).<sup>20</sup> The provision did not survive the final version of the bill, which was signed into law on April 3, 2019 by Governor Mike DeWine.

### **F. CHALLENGES FACED BY TARTA**

TARTA has experienced a declining ridership base and unpredictable, inadequate local funding for decades. These problems have not only led to reductions in services, but also deferred investment in badly needed new vehicles, technology, and routing updates.

#### i. Ridership Decline

As previously stated, TARTA ridership in the 1970s reached as high as 13 million trips annually.<sup>21</sup> Ridership has dropped since then. In 2007, ridership for the TARTA and TARPS (Toledo Area Regional Paratransit Service) services exceeded 4,500,000 annual trips. In 2018, ridership struggled to reach 3 million trips.<sup>22</sup> This represents a drop of over 70% from the peak of the agency's ridership and a 44% drop since 2007. As demonstrated above, the need for effective transit in the community seems clear. Still, ridership has declined dramatically as a result of funding struggles, rider utility, and vehicle quality.



<sup>19</sup> 3 Ohio Rev. Code. § 306.321. (2010).

<sup>20</sup> Ohio Legislative Services Commission. (2019). Ohio House Bill 62 as Reported by House Finance Committee-Bill Analysis.

<sup>21</sup> Toledo Blade. January 25, 1976. Archival article from the Toledo-Lucas County Public Library.

<sup>22</sup> TARTA Presentation (2019). TARTA presentation to task force, delivered February 7, 2019.

## ii. Other Means of Transportation

Given the tremendous need for transit in and around Lucas County, it begs the question as to how people, particularly low-income, senior citizens, and people with disabilities, are able to meet their work, social and commercial transportation needs in the region. In the 2015 transportation survey conducted by the Ability Center, 41.8% of respondents drove their own car, 16.3% utilized shuttles provided by social service agencies, and 15.5% made use of taxi service.<sup>23</sup> With 41% of the respondents in the survey reporting incomes significantly below the federal poverty level, the expenses affiliated with personal vehicles and taxis will clearly present undue financial hardship.

The fact that only 19.1% of survey respondents reported using TARTA regularly, despite widespread income challenges and disability demonstrates a need for a more comprehensive system. Though the reasons given for a lack of use varied, they were unified under a common perception: the service does not meet their needs. For instance, 29.5% reported that they don't use public transportation because stops are not near enough to their homes or don't know whether it is available to them.<sup>24</sup> As a consequence, an overwhelming majority (86%) of respondents said that public transportation improvement is necessary despite the fact that less than 20% regularly used the service.

## iii. Member Jurisdictions Exit

The loss of two member jurisdictions, one of which was Perrysburg, which is among the region's significant population centers and home to several large employers, played a significant role in further reduction of ridership and an already incomplete footprint of the transit authority. Several jurisdictions began to petition the state of Ohio for a legal means to exit the system. After years of wrangling, in 2011, a provision was included in House Bill 153 (the Biennial Budget Bill).

The rider added to House Bill 153 allowed jurisdictions with current membership in a Regional Transit Authority (RTA) that levies a property tax and is situated in a county with roughly 400,000 residents to withdrawal from the RTA until November of 2013.<sup>25</sup> TARTA was the only transit authority in the state to which these specific criteria applied. The law set aside the mandated unanimous consent ordinarily required to change transit authority membership; a jurisdiction would be permitted to submit to its own voters a ballot question to withdraw from TARTA. With a majority of the electors in the subdivision, the city, township, or village, it would be permitted to withdraw without the approval of other member jurisdictions. The law took effect on June 30, 2011.

Withdrawal from TARTA was considered by Perrysburg, Sylvania Township, Maumee, Rossford, and Spencer Township during the window permitted in House Bill 153. Ultimately, two jurisdictions

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<sup>23</sup> The Ability Center of Greater Toledo. (2015). Transportation Needs Survey Results

<sup>24</sup> The Ability Center of Greater Toledo. (2015). Transportation Needs Survey Results.

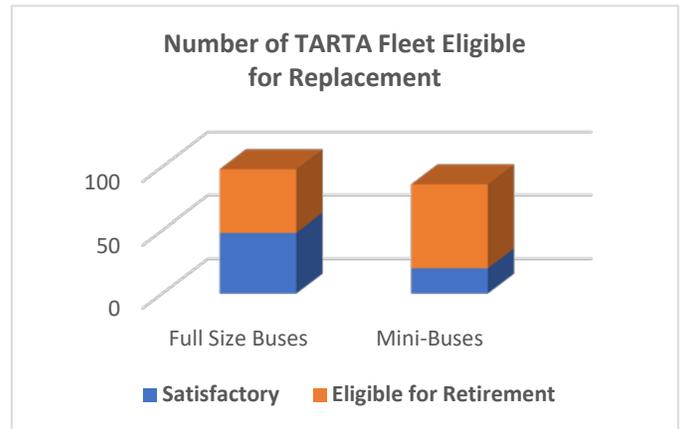
<sup>25</sup> Ohio House Bill 153. (2011). 129<sup>th</sup> Ohio General Assembly.

withdrew from the regional service. Spencer Township withdrew in 2013.<sup>26</sup> Spencer Township eventually briefly returned in 2015 on a contractual basis.<sup>27</sup>

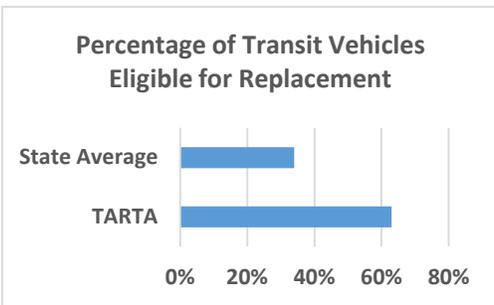
On November 6, 2012, voters in the City of Perrysburg chose to leave the transit system.<sup>28</sup> With that change, \$1.5 million in property tax upon which TARTA had relied was no longer a part of the agency’s budget and the nearly 67,000 rides provided by TARTA in the city further declined.

**iv. Aged Transit Vehicles in Need of Replacement**

The vehicles TARTA uses in its routes are considerably older, with higher mileage, and in poorer condition than those utilized by other transit systems throughout the State of Ohio. TARTA management reports that rather than appropriating money for new buses, many were acquired from the Central Ohio Transit Authority (COTA), which serves the Columbus area, when they upgraded their vehicles. Of the 98 full-size buses used for fixed line routes as of January 2019, 50 (51%) are eligible for retirement.<sup>29</sup>



Source: TARTA



Source: TARTA

The state of TARTA’s mini-bus fleet is even more alarming. The transit authority owns 86 mini buses, which are used for services such as paratransit transportation. An astonishing 66 (77%) of the mini-buses owned by TARTA are eligible for retirement. Taken together, 116 of the 184 vehicles used by TARTA (63%) are near the end of their useful life. According to TARTA management, the state average for vehicles eligible for retirement is only 34%.<sup>30</sup> These statistics will come as no surprise to passengers or casual observers.

Many buses have faded paint, visible COTA branding, and expansive rust, communicating a constant state of disrepair.

**v. Inefficient Delivery Service**

TARTA is compromised by a coverage area that does not include the Cities of Oregon and Perrysburg as well as Monclova, Springfield, Spencer, and Jerusalem Townships. Medical providers such as St. Charles Hospital is outside of the service area. Major area employers not served by TARTA include First Solar in Perrysburg, the BP Refinery in Oregon, the Chrysler Toledo Machining plant in Perrysburg, and Senator International in Monclova Township. Also not served by TARTA are regional shopping

<sup>26</sup> Patch, D. (2013). Spencer Township residents decide to leave TARTA. The Toledo Blade.

<sup>27</sup> Rowland, K. (2015). Spencer Township OKs returning to TARTA. The Toledo Blade.

<sup>28</sup> Russon, G. (2012). Perrysburg opts out of bus service. The Toledo Blade.

<sup>29</sup> Funding Public Transit in Lucas County. (2019). TARTA presentation to task force, delivered March 21, 2019.

<sup>30</sup> TARTA Presentation (2019). TARTA presentation to task force, delivered February 7, 2019.

destinations and attractions like Levis Commons, Bowling Green State University, and the Toledo Metropolitan Airport.

Particularly striking is the image of TARTA passengers employed at shops in and near the Spring Meadows Shopping Center in Holland walking more than a mile on a bridge over I-475 to their workplaces on Airport Highway because TARTA service stops at the Toledo border. This gap in transportation damages the regions employer’s ability of retain employees, thereby dampening the strength of a vital retail corridor.

vi. ADA Compliance

In 2015 and 2017, TARTA was the subject of an Americans with Disabilities Act (ADA) Paratransit Compliance Review by the Federal Transit Administration (FTA). There were findings of deficiencies by the FTA.<sup>31</sup>

vii. Cuts to Services and Fare Increases

TARTA has responded to budgetary constraints by the implementation of service reductions and higher fares. In 2008, the agency eliminated transfers, meaning that every time a passenger boarded a bus, the full fare was to be required. Previously, if a passenger’s destination necessitated boarding more than one bus, subsequent boarding privileges were sold at a reduced rate.<sup>32</sup> In 2009,

TARTA Service Cuts and Fare Increases	
2008	Transfers Eliminated
2009	Services Cut by 12%
2013	Sunday Bus Service Reduced
2015	Fare Raised from \$1.00 to \$1.25
2019	All Sunday and Holiday Services Eliminated
2019	Fare Raised from \$1.25 to \$1.50
2019	TARPS Fare Raised from \$2.50 to \$3.00

Source: The Blade

TARTA cut services by 12% and considered the elimination of Sunday services.<sup>33</sup> In 2013, TARTA dropped Sunday bus service from 2:00 P.M. to 4:45 P.M., citing low ridership during this time.<sup>34</sup> Fares were increased from \$1 to \$1.25 in 2015.<sup>35</sup>

On January 1, 2019, citing budgetary constraints, TARTA eliminated Sunday and holiday transit bus service throughout the service area.<sup>36</sup> These cuts impacted all services, from fixed-line routes, Call-A-Ride, and paratransit services. TARTA had an additional fare increase, this time from \$1.25 to \$1.50.<sup>37</sup> TARPS service rose from \$2.50 to \$3.00 as well.

The reduction of service has had an adverse impact on the individuals and businesses reliant on an effective transit service. The Fiat Chrysler Toledo North Assembly Plant, where the Jeep Wrangler and Gladiator are built, and tier-1 parts suppliers such as DMS and Dana Inc. are affected by these cuts.

<sup>31</sup> FTA ADA Stop Announcement and Route Identification Review. (2015). TARTA FTA Paratransit Compliance Review: Final Report (2017).

<sup>32</sup> Patch, D. (2009). TARTA eyes service cuts, fare hike as income falls. *The Toledo Blade*

<sup>33</sup> Patch, D. (2009). TARTA will keep holiday, Sunday runs. *The Toledo Blade*

<sup>34</sup> Patch, D. (2013). TARTA bus schedule to change for Sundays. *The Toledo Blade*

<sup>35</sup> The Toledo Blade. (2015). BRIEF: TARTA trustees approve fare increases

<sup>36</sup> Patch, D. (2018). TARTA board approves service cuts. *The Toledo Blade*.

<sup>37</sup> The Blade. (2019). TARTA fare hikes begin Monday.

DMS reported to this task force some employees have been unable to show up for their early Sunday shifts after the cuts were made as a result of the lack of transportation availability.

### viii. Previous Analyses

In 2004, the Toledo Metropolitan Council of Governments (TMACOG) published its TMACOG Regional Transit Study. The study found that nearly 90% of the region was not supported by reliable, fixed line transportation, 30% of dense population and employment centers were not served by public transit, and fixed-route service was not available to nearly one half (47%) of the regional population (these statistics were gathered *prior* to the exit of Perrysburg and Spencer Township).<sup>38</sup> Major regional destinations and attractions were outside the TARTA service area, high density population and employment centers were underserved, and evening and weekend service was lacking. To remedy, the TMACOG study offered several recommendations. The regional planning organization separated their advice into short and long-term objectives:

#### Short Term

- Add direct service between non-downtown destinations;
- Expand evening, weekend, and holiday service in all transit service areas;
- Increase service frequency;
- Work with stakeholders to better serve the transportation needs of senior citizens, workforce development, Medicare, and social service;
- Continue to provide ADA-compliant paratransit service to the growing disabled population in transit service areas;
- Reimagine transit marketing;
- Work with local governments to improve pedestrian access to bus stops; and
- Explore ways to add service in Oregon, Northwood, Holland/Springfield, and Perrysburg Township.

#### Long Term

- Add service in Monroe County and connect Bowling Green to the metro area;
- Reorganize the system to serve all of Lucas County; and
- Coordinate with adjacent rural county transit systems.

Again working with TMACOG in 2009, TARTA commissioned a thorough analysis of its operations.<sup>39</sup> The study carefully sought public input, and was guided by the evidence that transit has a vital role in all urban environments, is crucial to economic development, and acknowledged that all transit systems require substantial government investment. Some of these observations were set forth in the 2004 study. Among the recommendations offered were:

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<sup>38</sup> Dysard, D. et. al. (2004, republished 2007). TMACOG Regional Transit Study.

<sup>39</sup> De León, M. et. al. (2009). TARTA: Comprehensive Operations Analysis.

- A county-wide 0.5% sales tax would be the best means of local funding because it would allow service to expand to currently unserved areas and connect passengers currently disconnected from attractions throughout the region;
- The development of a single downtown hub rather than multiple hubs (the downtown loop); and
- The addition of five new routes: an express Airport route with six stops each way, a crosstown Detroit Avenue route, a McCord Road crosstown route, a Navarre Road route through Oregon, a Woodville Road route through the southeast side of Toledo.

Funding has impacted the ability to implement many of the recommendations. Some of those same recommendations are set forth in this report. TARTA has been forced to provide fewer services and make cuts instead of expanding the services.

- TARTA still provides few crosstown traffic routes, instead relying primarily on a “wheel-and-spoke” routing system, wherein the majority of routes terminate and originate in Downtown Toledo
- Evening and weekend services have been reduced, become less frequent, and Sunday and holiday service has been altogether eliminated
- Employers, workers, and consumers of social services report insufficient levels of service
- Despite 100% ADA compliant vehicles, people with disabilities routinely report being late or unable to attend medical appointments and social activities because lifts are in disrepair on fixed-line buses and TARPS vehicle routing is inefficient and hard to navigate
- Bus stops generally continue to be the property of the municipalities in which they are located and are routinely in poor condition, are inaccessible, and snow is often not removed (*Note: Toledo City Council member Nick Komives introduced a proposal to improve and maintain City of Toledo-owned bus stops, paid for through advertising revenue at the stops in 2019*)<sup>40</sup>
- Service throughout the region has contracted; Oregon, Perrysburg Township, and Holland/Springfield remain without TARTA service, Bowling Green and Monroe aren’t integrated, and two members have withdrawn from the authority
- The long-awaited single downtown opened this year<sup>41</sup>

#### ix. 2018 TARTA Report

In 2018, TARTA released its strategic plan, titled *Move Toledo: TARTA's Vision for the Future*.<sup>42</sup> The plan established focus groups, sought input from numerous stakeholders, and gathered feedback from employees. The report found that perception of the service is overwhelmingly negative. Many also indicated that they regarded TARTA as an option of last resort for only the most desperate passengers. In the same report, employees also expressed dissatisfaction with TARTA. Like focus group respondents, they sought newer, safer buses. They wanted consistent, timely bus routes. Employees

<sup>40</sup> Elms, S. (2019). Toledo considers new benches to beautify bus stops, generate revenue. *The Toledo Blade*.

<sup>41</sup> Patch, D. (2019). TARTA dedicates new bus hub. *The Toledo Blade*.

<sup>42</sup> TARTA. (2018). *Move Toledo: TARTA's Vision for the Future*

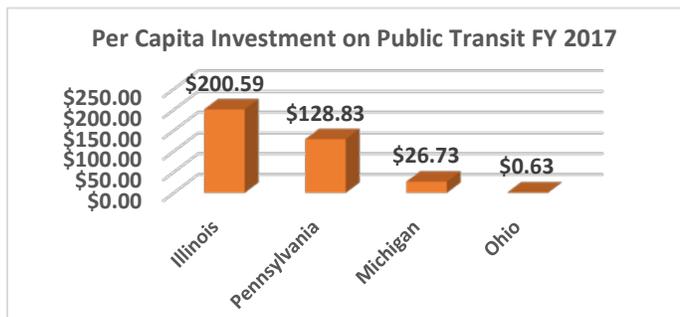
asked that modern technology, such as Global Positioning System (GPS), be utilized to improve routing and communicate real-time data to passengers.

One-on-one stakeholder interviews in *Move Toledo* revealed tremendous dissatisfaction as well.<sup>43</sup> Business leaders, government officials, and nonprofit representatives expressed impatience with the lack of change. These leaders often recognized the fundamental role transit plays in the ability of residents to participate in civic life and employers to maintain a workforce necessary to bring their products and services to market. Nonprofits noted that transit is essential to the communities they serve.

In discussions with this task force, many nonprofit and social service agencies reported that they have to provide resources to transit to account for weaknesses in the public transit system. The Ability Center of Greater Toledo, the Lucas County Department of Job and Family Services, and the Lucas Metropolitan Housing Authority all report that they have had to subsidize transportation for their respective constituencies, thereby reducing revenue available for other services related to their core missions. In 2015, the Lucas County Department of Planning and Development also piloted a transit service designed to get employees without cars to work.

#### x. Unsustainable Funding

Funding problems have continued to plague TARTA. From obsolete buses to inadequate service delivery and cuts in service are largely related to a funding structure out-of-step with the comparable communities within Ohio and a state that underinvests in public transportation. Simply stated, there is not sufficient revenue for the transit authority to live up to its obligations.



Source: AASHTO

#### xi. Per Capita State Funding

The State of Ohio has not invested in public transportation at a level sufficient for local transit authorities to create dynamic, adaptable systems capable of meeting the needs of multiple stakeholders. Ohio ranks near the bottom of all 50 states in per capita expenditures for its

residents. According to the American Association of State Highway and Transportation Officials (AASHTO), Ohio invested a meager 63 cents per person on public transportation in federal fiscal year 2017.<sup>44</sup> By contrast, AASHTO also reported that during the same period, Illinois invested \$200.59, Pennsylvania invested \$128.83, and Michigan invested \$26.78. Indiana and West Virginia also spent more per capita on public transportation

<sup>43</sup> TARTA. (2018). *Move Toledo: TARTA's Vision for the Future*

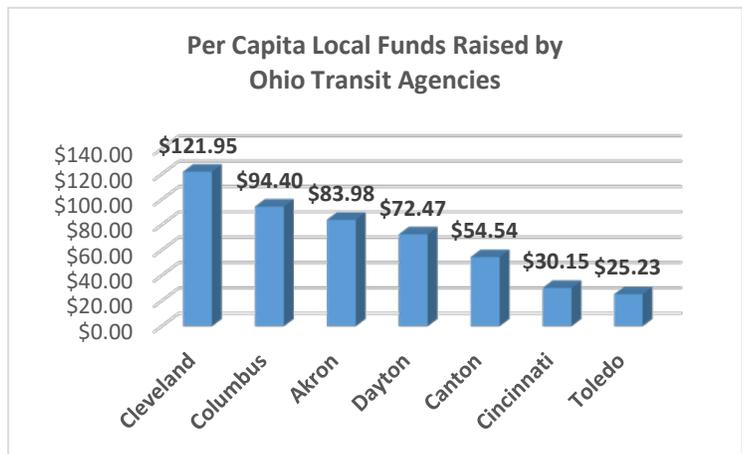
<sup>44</sup> TARTA Presentation (2019). TARTA presentation to task force, delivered February 7, 2019.

than Ohio did during this period. The result of the State of Ohio’s lack of funding is to shift the burden to local government and its citizens.

xii. Local Funding in Ohio

Even within the State of Ohio, funding in for TARTA has lagged behind comparable communities. Of the seven largest metro areas in the State of Ohio, the transit authority for the Toledo Metropolitan Area generated the lowest amount of locally sourced money in 2017.<sup>45</sup> The Greater Cleveland Regional Transit Authority (Greater Cleveland RTA) generated \$217,147,375, whereas TARTA generated only \$12,805,657 over the same period. Of course, the Greater Cleveland RTA is situated in a metro area with a population of 1,780,673, which is more than 2.5 times that of TARTA’s 507,643 people, so it would stand to reason that the Greater Cleveland RTA would generate more money than TARTA. Still, the local revenue generated by the Greater Cleveland RTA dwarfed TARTA’s intake, generating not just 2 or 3 times, but *15 times* as much money.

Metro areas in different parts of the state have varying population levels. Larger population centers would naturally be expected to raise more money. Consequently, a more useful measure to compare TARTA to other transit agencies may be *per capita* local revenue generation. Even adjusting for population, TARTA generates less local source tax revenue than any transit agency serving Ohio’s largest metro areas. Cleveland’s RTA generated \$121.95 per person in 2017, compared to the \$25.23 generated by TARTA. Even considering communities with similar population levels, such as the Dayton (724,091) and Akron (569,499) metro areas, TARTA’s local revenue trails far behind, producing less than half than what is generated in our sister communities per person. (Note: the *per capita* funds raised cited here are related to the population of the metropolitan statistical area, which may differ from the population served by the transit authority.)



Source: Federal Transit Administration

<sup>45</sup> Federal Transit Administration. (2019). 2017 Funding Sources.

### xiii. Local Funding

#### Structure

The difference between TARTA and other major metro transit agencies with respect to the generation of local funds is significant.

Ohio Metro Transit Authorities Local Tax Sources 2017			
Hub City	Funding Model	Local Taxes 2017	% of Total Budget
Cleveland	1.0 % Sales Tax	\$217,147,375	83.15%
Columbus	0.5% Sales Tax	\$119,284,890	79.70%
Cincinnati	0.3% Earnings Tax	\$48,983,308	49.04%
Dayton	0.5% Sales Tax	\$49,358,816	66.53%
Akron	0.5% Sales Tax	\$40,508,512	80.93%
Canton	0.25% Sales Tax	\$13,139,367	65.49%
Toledo	2.5 Mills Property Tax	\$12,444,979	42.91%

Sources: TARTA and Federal Transit Administration

Though local funding consists of a number of factors, the largest portion of local funding for transit authorities is typically the means by which the community is taxed to support the service. Above all others, one factor is responsible for the stark variation: TARTA is funded by two property tax levies (one for 1 mill and another at 1.5 mills for a total of 2.5 mills), whereas, with the exception of the Cincinnati's Southwest Ohio Regional Transit Authority, the other metropolitan transit agencies in the state are funded through a sales tax.<sup>46</sup>

According to TARTA management, the local tax is the single greatest source of revenue for the service. At \$12,805,657, it comprised 46.3% of the agency's revenue in 2018, up 3.39% from the previous year. This is not an atypical figure. In fact, compared to other transit agencies throughout the state, local taxes for TARTA represents a smaller percentage of the total agency budget. Indeed, a vibrant, responsive public transportation system requires local support. For Dayton's transit authority, local sales tax comprises 66.53% of the agency budget. In Akron, the percentage is even higher at 80.93%.<sup>47</sup>

The value of the property tax to TARTA has declined since 2008. In 2009, the agency collected over \$18 million in property tax receipts.<sup>48</sup> Since then, despite economic recovery, the value of the 2.5 mills of property tax has plummeted to just over \$13 million in 2018 as a result of revaluations by the office of the Lucas County Auditor that set the taxable value of properties within Lucas County at a lower rate than was forecast.<sup>49</sup>

#### xiv. Failed Levy Attempts

Property tax as the primary local funding source generates an inadequate sum of money to meet the transit needs of our community. To address the current issues of the system, the agency has attempted to convince TARTA member jurisdictions to add Lucas County as a member jurisdiction to expand transit service county-wide and to provide a means of local funding sufficient to transform TARTA into a service capable of meeting the transportation needs of diverse communities in a changing social and economic climate. Elected officials in member jurisdictions have not approved Lucas County as a member.

<sup>46</sup> TARTA Presentation (2019). TARTA presentation to task force, delivered February 7, 2019.

<sup>47</sup> Federal Transit Administration. (2019). 2017 Funding Sources.

<sup>48</sup> TARTA Funding Slideshow. (2019). TARTA

<sup>49</sup> Elms, S. (2019). State tax commissioner orders property value increases for Lucas County. *The Toledo Blade*.

No sales tax proposal for a transit system can move forward without the inclusion of at least one county as a member jurisdiction because county subdivisions do not have the authority to levy sales taxes. No jurisdiction can be added without the unanimous consent of all existing members. This effort failed on three attempts.

Jurisdictions cited a variety of reasons for their rejection of the inclusion of Lucas County and the eventual replacement of property tax as a means to fund the transit authority with a sales tax. Among them include a general anti-tax sentiment and the loss of Tax Increment Financing (TIF) revenue generated by the property tax diverted to pay bonds for economic development projects.

#### a. 2010 Effort to Implement Sales Tax

In 2010, a proposal was made to change TARTA's primary local funding from the combined 2.5 mills property tax to a 0.5% sales tax, touting the cost cutting measures the agency had instituted beginning in 2008 at the height of the Great Recession.<sup>50</sup> While six jurisdictions passed resolutions permitting the addition of Lucas County to the transit authority (Toledo, Ottawa Hills, Spencer Township, Sylvania, Perrysburg, and Rossford), two member jurisdictions (Sylvania Township and Maumee) ultimately voted against the plan.<sup>51</sup>

#### b. 2012 and 2014 Efforts to Implement Sales Tax

In April of 2012, five TARTA board members volunteered to serve on an ad-hoc study committee to investigate the possibility of again putting a ballot question in front of voters, converting local TARTA funding to a sales tax.<sup>52</sup> Although some board members were eager to examine the question, the transit system ultimately determined that by the time they considered the transition, sufficient time did not remain to do the work to persuade member jurisdictions to add Lucas County as a member and meet board of elections deadlines to have the question placed on the November ballot.

In 2014, members of Local 697 and other area unions provided support for a move from a property tax to sales tax.<sup>53</sup> Business Manager Carly Allen argued that the funding of transit through a property tax was antiquated, not only preventing improvement of the system but in fact contributing to its decline.

#### c. 2017 Effort to Implement Sales Tax

TARTA again began the process of replacing the property tax used to fund the system with a 0.5% sales tax in 2017.<sup>54</sup> To persuade member jurisdictions apprehensive about the switch, TARTA offered to distribute some of the revenues collected to the county, township and municipality local street-maintenance authorities for projects such as street and sidewalk repairs, transit shelter construction, and snow removal along and near TARTA routes. Passage would raise the sales tax in Lucas County a

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<sup>50</sup> Gee, J. (2010). TARTA tax plan for better service. *The Toledo Blade*.

<sup>51</sup> Patch, D. (2010). TARTA's board mulls next move on funding replacement, renewal of levy among options. *The Toledo Blade*.

<sup>52</sup> Patch, D. (2012). TARTA not likely to place sales tax vote on fall ballot. *The Toledo Blade*.

<sup>53</sup> Patch, D. (2014). TARTA unions seek funding switch. *The Toledo Blade*.

<sup>54</sup> Patch, D. (2017). Not all on board with TARTA sales-tax plan. *The Toledo Blade*.

half percent to 7.75% but would also reduce property taxes for member jurisdictions by \$87.20 for the owner of a \$100,000 home.<sup>55</sup>

Building consensus among member jurisdictions again proved to be difficult. In July 2017, the Toledo Regional Chamber of Commerce (Chamber) opposed the half percent sales tax.<sup>56</sup> Chamber representatives said that while they approved of a change to the funding model in principle, the Chamber was concerned that TARTA proposed “raising more money than it needs,” returning a portion of revenue collected to jurisdictions for infrastructure projects. The Chamber also noted that the state legislature changed a long-standing provision in state law that mandated changes in sales tax levels occur in increments of 0.25%, instead allowing 0.10% increases beginning in 2018 and argued that it may be prudent to wait until then.

By July 2017, Ottawa Hills and Rossford had approved TARTA’s proposal to add Lucas County as a member and pursue a change in funding from a property tax to a sales tax.<sup>57</sup> In the City of Sylvania, however, many members of city council raised issues.<sup>58</sup> On July 18, the Sylvania Township Trustees rejected the TARTA proposal.<sup>59</sup>

#### d. 2018 Effort to Implement Sales Tax

In 2018 TARTA vowed not only to revise the proposal, but also to develop "a community-driven strategic plan" to address the shortcomings perceived by critics of the proposal.<sup>60</sup> In May of 2018, TARTA released the aforementioned strategic plan, *Move Toledo*.<sup>61</sup> The report identified changing trends in public transit, which included redesign of routes, the use of advanced technologies, branding, and bus stop amenities.<sup>62</sup> The plan also recommended a number of improvements. Among them were the replacement of the downtown loop with a centralized hub in the central business district, a process of examination of bus stop locations to ensure that they were optimally located for passengers, and an upgrade to the obsolete, high maintenance older fleet of buses.

The attempt incorporated a change in state law, which authorized taxing entities to adjust by increments of 0.10%, rather than the previously required 0.25%.<sup>63</sup> The agency withdrew from the

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<sup>55</sup> The Toledo Blade. (2017). TARTA looks to replace existing property tax.

<sup>56</sup> Troy, T. (2017). Toledo Chamber opposes TARTA tax move. *The Toledo Blade*.

<sup>57</sup> Elms & Skeebea. (2017). Ottawa Hills, Rossford OK with TARTA sales-tax plan. *The Toledo Blade*.

<sup>58</sup> Elms, S. (2017). Sylvania councilmen wary of TARTA plan. *The Toledo Blade*.

<sup>59</sup> Elms, S. (2017). Sylvania Twp. rejects TARTA plan; 2-1 vote likely kills effort to switch from property to sales tax. *The Toledo Blade*.

<sup>60</sup> Patch, D. (2017). TARTA; Sales tax plan to get a 2nd try next year; General manager addresses audience. *The Toledo Blade*.

<sup>61</sup> Patch, D. (2018). TARTA seeks Lucas County sales tax; Change in funding aims to improve transportation. *The Toledo Blade*.

<sup>62</sup> TARTA. (2018). *Move Toledo: TARTA's Vision for the Future*

<sup>63</sup> Patch, D. (2018). TARTA to take third crack at sales-tax proposal. *The Toledo Blade*.

previously requested 0.5%, instead recommending a 0.4% sales tax, with an infrastructure payment of 20% to jurisdictions.

The Sylvania Township Trustees rejected the proposal to move to a sales tax.<sup>64</sup>

### III. RECOMMENDATIONS

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The Toledo Metro Area needs an adaptable, responsive, and affordable public transit system capable of meeting the needs of multiple stakeholders, including employers, workers, senior citizens, people with disabilities, and recreational riders. Public transportation is an essential investment in our community that has a positive effect on wages, business attraction, and consumer spending. Moreover, transit service is a vital tool for low-income individuals as they build the resources needed to lift themselves from poverty. Finally, effective and inexpensive public transportation is crucial for the inclusion of people in commerce, work, social, and faith activities who are unable to drive personal vehicles due to disability and age.

With these concepts in mind, the Public Transit Citizens Task Force met from February until April of 2019 as a larger group and then spent May and June in subcommittees to more deeply investigate potential resolutions to the many obstacles confronting TARTA. The Task Force went about the process of learning from TARTA leadership, riders, business and workforce leaders, transit experts, and representatives of technological innovators in the transit segment to evaluate, from a community perspective, the strengths and weaknesses of TARTA as the designated transit authority for the area in and around Lucas County.

We were also asked by the Lucas County Commissioners to develop a series of recommendations that may result in improvement of transit service throughout Lucas County. Proposals were divided into three distinct categories for the sake of easy comprehension of the challenges faced by TARTA and their potential solutions:

- A. Short term – Budget constraints led to dissolution of all Sunday and holiday TARTA services;
- B. Vision for a sustainable transit future – For public transit to not only survive, but thrive in Northwest Ohio, a vision with widespread community buy-in is vital. It remains essential for a comprehensive vision with respect to public transportation to be developed; and
- C. Sustainable funding – It has become clear that, whatever the future of public transportation may be in Lucas County, reliable and sufficient funding must be established.

#### **A. SHORT TERM SOLUTION TO 2019 SERVICE CUTS**

At the first meeting of the task force, Billie Johnson, the President and CEO of the Area Office on Aging of Northwest Ohio, addressed the members about the recently implemented cuts to Sunday and holiday service. While restoration of all TARTA services on Sundays and holidays was determined to be

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<sup>64</sup> Patch, D. (2018). Sylvania Twp. Rejects TARTA proposal. *The Toledo Blade*.

beyond the purview of community leaders outside of TARTA to address, Ms. Johnson proposed an initiative to raise the necessary money to restore TARPS service from April 7 until December 31, 2019.

Ms. Johnson informed the task force that federal 5310 dollars could be utilized if a 50% local match could be raised. Federal 5310 funds come in the form of both formula and discretionary funds administered through the U.S. Department of Transportation’s Federal Transit Administration to improve mobility for seniors and individuals with disabilities.<sup>65</sup> The total estimate of the cost to restore Sunday and holiday TARPS service was \$328,575. With passenger fares estimated to generate \$36,075 and a 50/50 split of the remaining \$292,500, a local match of \$146,250 would be required.

Immediately following the meeting, community leaders Ms. Johnson and Tim Harrington of the Ability Center of Greater Toledo were joined by Lucas County Commissioners Tina Skeldon Wozniak and Pete Gerken to lead the effort to contact a variety of community partners, including government entities, social service agencies, and private entities.

The first three contributions were made by the entities whose leaders were guiding the effort. The Area Office on Aging made the largest contribution, with a donation of \$50,000, the Ability Center of Greater Toledo contributed

<b>TARPS Sunday &amp; Holiday Service Restoration</b>	
<b>Costs to Restore Services April 1, 2019-December 31, 2019</b>	
\$328,575	Estimate to Restore TARPS Services April -December 2019
\$36,075	Passenger Fare Estimate
\$146,250	Federal 5310 Transportation Funds
<b>\$146,250</b>	<b>50% Mandatory Match Requirement</b>
<b>Pledges as of July 2019</b>	
<b>\$159,500</b>	<b>Total Current Pledges</b>

\$20,000, and the Lucas County Commissioners donated \$10,000. By the end of March, the matching funds necessary to access 5310 funds were raised. To date, \$159,500 has been pledged to the effort. Sunday and holiday TARPS service has been restored for the balance of 2019. Without additional funds secured for 2020, however, the permanence of the restoration is uncertain.

Although the restoration of TARPS services in 2019 is a testament to the commitment of area leaders to safeguarding effective public service in the region, it is ultimately the responsibility of TARTA to find a more permanent solution to ongoing public transportation challenges. It is incumbent upon TARTA leadership to develop an institute a plan for next year that at the very least, restores Sunday and holiday service to 2018 levels for all passengers and stakeholders dependent on public transit.

**B. VISION FOR A SUSTAINABLE TRANSIT FUTURE**

The restoration of TARPS services on Sundays and holidays does not address the broader sustainability of the system as a whole. The new vision must be transformative, embrace environmental as well as financial sustainability and create a system that works for everyone.

<sup>65</sup> Federal Transit Administration. (n.d.) Enhanced Mobility of Seniors & People with Disabilities Fact Sheet.

## I. Rebranding

*Move Toledo* advised a new branding of TARTA may be beneficial in the eyes of many in the Toledo region.<sup>66</sup> TARTA's brand concept was developed in the 1970s when the service was established. This task force recommends a rebranding of TARTA that includes:

- A new public facing name that conveys progress and looks toward the future;
- Updated colors, graphic design, and signage throughout the community;
- A new, more user-friendly website; and
- New vehicles and uniforms for drivers.

## ii. Reimagine Transit Service Delivery

The population density of the TARTA service area is roughly 2,465 people per square mile.<sup>67</sup> By comparison, the City of Chicago has a population density of 11,948 people per square mile.<sup>68</sup> Moreover, as population and employment centers spread to areas currently without TARTA service, it may be necessary to expand the transit authority's footprint (Oregon, Monclova, Bowling Green, Perrysburg), thereby reducing the population density of the service area even further.

The dramatic difference in population density between Chicago and the TARTA service area indicates vastly different approaches available to planners of public transportation in the two regions. The extreme population density in Chicago lends itself to rail and many fixed line bus routes occurring at regular intervals. In Lucas County, a different approach is in order. The task force recommends an evaluation into whether the reliance on large, fixed-line routes is still prudent in a service area with the density of TARTA's. Considerations should include:

- Explore faster, less confusing and more frequent routes from community hubs (nodes) that are connected by main arteries (for example, connect Sylvania and Toledo via an express bus down Monroe Street; connect Maumee and Toledo via an express bus down Anthony Wayne Trail; connect Toledo and Oregon via an express bus down 280 and Navarre);
- Deemphasize fixed-line routes by augmenting them with a robust network of on-demand, smaller transit vehicles that can pick up passengers at or near their homes and can deliver them directly to their destinations or to nodes in the service area (Downtown Toledo, Downtown Maumee, Downtown Sylvania, etc.) where passengers can then board an express vehicle;
- Employ modern technology to develop and enhance the recently launched app that can track transit vehicles in real time, pay their fares, and offer passengers reasonable and predictable estimated times of arrival by choosing the most efficient route (Via, whose representative made a presentation to the task force, is just one example);
- Integrate the app and on-demand service into transit authority branding so for the consumer, the experience is seamless; and

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<sup>66</sup> TARTA. (2018). *Move Toledo: TARTA's Vision for the Future*

<sup>67</sup> U.S. Census Bureau. (2017). *American Factfinder*.

<sup>68</sup> [Censusreporter.org](https://www.censusreporter.org). (n.d.) Chicago, IL.

- Provide multiple means by which passengers can pay their fares (app, prepaid card, cash) to include riders who have not adopted smartphone technology or are unbanked.

For TARTA to earn the confidence of skeptical passengers and employers in this community, the agency needs to devise and implement an inclusive forward-looking strategy that makes the best use of contemporary industry standards with respect to routing, technology, and branding. *Move Toledo: TARTA's Vision for the Future* strategic plan unveiled in 2018 was a good start, but an update is in order. This task recommends the following to reengage stakeholders and reimagine the public transit system in the region:

- Rebrand the system to include a new public facing name, colors, graphic design, uniforms, and signage so that riders and stakeholders can begin to develop more positive associations with the service;
- Replace most of the outdated, dilapidated diesel buses with smaller vehicles that can offer adaptable routing not dependent on fixed-line scheduling;
- Engage complimentary forms of public transportation; and
- Update *Move Toledo* to incorporate additional front-end input from organizations representing populations disproportionately reliant on affordable public transportation

### iii. Re-engage Stakeholders to Create a Transit System that Works for Everyone

In their 2018 *Move Toledo* strategic plan, TARTA reported that they engaged a host of stakeholders. Examples include passengers, focus groups, government leaders, the Toledo Regional Chamber of Commerce, TARTA staff, and a number of unnamed nonprofit organizations.<sup>69</sup> These entities and individuals most certainly are essential stakeholders. Notably absent from the organizations specifically cited in *Move Toledo*, however, were organizations with daily contact with consumers mostly likely to benefit from a strengthened transit system in Northwest Ohio. Examples of organizations that should be engaged for a revised and updated series of policies and procedures include, but are not necessarily limited to:

- The Ability Center of Greater Toledo
- The Lucas Metropolitan Housing Authority
- The Area Office on Aging of Northwest Ohio
- Advocates for Basic Legal Equality (ABLE)
- The Lucas County Department of Job and Family Services
- The Lucas County Department of Planning and Development (OhioMeansJobs Lucas County)
- Individual major manufacturing and healthcare employers throughout the service area

We recommend an open and thorough planning process update wherein these entities are engaged for meaningful input.

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<sup>69</sup> TARTA. (2018). *Move Toledo: TARTA's Vision for the Future*

### C. SUSTAINABLE FUNDING AND SALES TAX SCENARIOS

There are no more cuts to make. For TARTA to not only survive, but to become a thriving, central piece of the region’s public framework, it must be valued by the community. A sales tax must be implemented. Through enactment of this more sustainable means of funding the local transit authority, a more adaptable service can be realized. At the request of this task force, TARTA management prepared three scenarios of sales tax collection, each with a 20% payment to jurisdictions for infrastructure related to public transit.

0.3% Sales Tax Scenario 2021	
Property Tax Receipts	\$13 million
Sales Tax Receipts	\$18.5 million
Sales Tax Receipts (-20%)	\$13.7 million

Source: TARTA

The first, a 0.3% sales tax, appears insufficient. This scenario would do little to improve the financial position of the organization, generating approximately \$18.5 million in 2021. While that is certainly an improvement over the roughly \$13 million in projected property tax receipts, the money collected would not go as far. Because the sales tax would be collected on a county-wide basis, TARTA would be obligated to use that revenue to develop county-wide transit availability. In other words, TARTA would be expected to serve areas not currently invested in the transit authority for an amount of money comparable to property tax collected in 2008, eleven years ago.<sup>70</sup> Further, it would do little to address ongoing concerns, such as replacement of old, inadequate transit vehicles and would not generate sufficient revenue for the recommended rebranding effort.

A 0.4% sales tax scenario would to some extent improve the fiscal position of the organization over both the 0.3% sales tax and the current 2.5 mills in property tax. Under the 0.4% scenario, \$24,900,000 would be collected in 2021, approximately \$11,900,000 more than both the 0.3% sales tax proposal and the 2017 property tax receipts. This scenario would generate revenue for TARTA to implement *some, but not all* of the objectives outlined in *Move Toledo*.

0.4% Sales Tax Scenario 2021	
Property Tax Receipts	\$13 million
Sales Tax Receipts	\$24.9 million
Sales Tax Receipts (-20%)	\$19.9 million

Source: TARTA

First, Sunday and holiday service would be restored *for all passengers*. Revenue projections also indicate that a county-wide TARTA plan would finally be possible and TARPS services would be available to eligible passengers throughout the service area. TARTA could begin to replace its aging fleet. The Walleye and Mud Hens shuttles could be restored. The agency could also launch clean slate routing, begin its rebranding effort, and start the process of executing a real-time vehicle tracking service similar to those employed by Uber or Lyft. A shortcoming under a 0.4% sales tax, however, is a limited expansion of second and third shift routes. Additional service during these times is essential for employers, particularly in the health care and manufacturing sectors, establishments that often run 24-hour per day operations and need a reliable means to get their employees to work.

<sup>70</sup> TARTA. (2019). Funding Public Transportation in Lucas County.

<b>0.5% Sales Tax Scenario 2021</b>	
Property Tax Receipts	\$13 million
Sales Tax Receipts	\$31.2 million
Sales Tax Receipts (-20%)	\$24.9 million

Source: TARTA

To truly elevate our regional transit system into one able to meet the needs of this community, a 0.5% sales tax is necessary. At this rate, approximately \$31,200,000 would be raised in 2021. Even subtracting the 20% for infrastructure requested by some of the member jurisdictions, \$24,900,000 would be retained by TARTA. This scenario will

provide the necessary resources to institute regional public transportation capable of meeting the needs of senior citizens, people with disabilities, employers, workers, and recreational users. Not only would the replacement of the diminished property tax with this substantially more sustainable revenue source allow for the proposed additions under the 0.5% scenario, but also achieve much more. It would collect sufficient revenue to:

- Launch an on-demand service similar to Uber or Lyft (through shared rides);
- Improve frequency of service to more than the once-per hour pickup currently available at many stops;
- Expand service county-wide
- Launch clean slate routing;
- Provide extremely improved second and third shift routes to remove transportation as a barrier to employment for many area residents;
- Substantially improve TARPS service by offering it to *all* senior citizens, making it available on the same day as requested, and instituting an online reservation option;
- Improve bus stops;
- Rebrand the organization;
- Provide Wi-Fi on transit vehicles; and
- Purchase state-of-the-art zero-emissions electric buses.

**i. Tax Savings for Property Owners Currently in the TARTA Service Area**

A 0.5% sales tax will effectively expand the tax base supporting TARTA. With more widely shared responsibility for transit, not only would substantially more money be raised, but the average homeowner currently inside the TARTA service area would pay less. More specifically, the owner of a home at the median value would realize a net tax savings of \$31.42 per year once the property tax is replaced. Essentially, the plan achieves three goals that should be welcomed in the community: it lowers taxes for property owners, it substantially improves public transportation, and it provides additional desperately needed resources for roads and other infrastructure everywhere in Lucas County and in Rossford.

<b>Net Tax Savings for Property Owners</b>	
Median Home Value	\$190,000.00
Annual TARTA Property Tax Collections	\$165.77
Median Household Income	\$76,773.00
Average annual amount spent on sales taxable items	\$26,871.00
Projected sales tax for median household income	\$134.35
<b>Net Annual Tax Savings</b>	<b>\$31.42</b>

Source: TARTA

#### ii. Replace the 2.5 Mills of Property Tax with a 0.5% Sales Tax

To implement the ambitious goals outlined in both this report and TARTA's own *Move Toledo* plan, there simply is not a sufficient revenue stream. The 2.5 mills of property tax among current member jurisdictions not only isolates potential passengers who do not reside in jurisdictions with current TARTA membership, but also fails to raise sufficient revenue for effective operations now, let alone make the improvements vital to successful public transit.

This task force recommends the simultaneous elimination of the 2.5 mill property taxes and the addition of a county-wide 0.5% sales tax. This will require the addition of Lucas County as a member of the transit authority. For that to occur, the universal consent of all member jurisdictions must be obtained under Ohio law. Member jurisdictions should welcome Lucas County as a member of TARTA so the replacement of the property tax with a 0.5% sales tax can be put before voters in Lucas County and Rossford. This may require meticulous attention by TARTA Leadership to the diverse interests of member jurisdictions, particularly to those currently reliant on the use of tax increment financing (TIF) to fund local infrastructure projects.

## IV. CONCLUSION

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We are at a crossroads with respect to public transportation in and around Lucas County. Employers need public transit to ensure that their workforce can arrive on-time to work. Economic and workforce development practitioners need it to attract new businesses and the highly skilled workers they employ so the regional economy can grow. Workers need it to secure and retain the gainful employment vital to self-sufficiency. Our aging community members and those with disabilities need it to participate in all aspects of public life. Recreational passengers need it to arrive safely to attractions throughout the region.

Leaders of the subdivisions should invite Lucas County as a member of the system so our community can establish a sustainable means of transit funding through a 0.5% sales tax to replace the insufficient property tax that every other major metropolitan transit authority in Ohio replaced years ago. The TARTA Board should actively pursue a sales tax levy. While the TARTA Board has the primary responsibility to effectuate these changes, all community agencies should assist in pursuing the levy and recommended changes. Some of the recommendations may be implemented at this time and the task force requests consideration for all of the recommendations in developing a new transit system. This new funding will allow TARTA and communities to implement the new model of public transportation identified as successful in other communities.