



## **Innovative Funding, Finance and P3 Committee Salons 10-13 (Lower B2 Level), San Francisco Marriott Marquis Sunday, June 29, 10:00 -11:30 a.m.**

**10:00:** Welcome and opening remarks from Committee Chair, *Charles DiMaggio*

**10:05:** Self-Introductions

**10:15:** APTA Update

- State and Local Funding highlights
- Federal updates

**10:25:** "Maximizing Transit Revenues from Real Estate" *Bruno Carr, Head of Strategy, Places for London, The Transport for London Property Company, London, UK*

**10:40:** "International Trends in Public-Private Partnerships" *Andrea Giurcin, Transport Economist, University of Milan, (Italy)*

**10:55:** IF2P3 Submission to TCRP: Study Update: *Local and Regional Funding Mechanisms for Public Transportation, Bob Tuccillo*

**11:00:** Subcommittee Updates:

- CFO Subcommittee: *Heather McKillop; Jaibala Patel*
- Real Estate Subcommittee: *Sasha Page; Dennis Wood; Sean Massey*

**11:20:** Information Sharing / Open Mic

**11:30:** Adjourn

**Upcoming meetings:** In conjunctions with APTA TRANSform Conference, Boston, MA

In-person IF2P3 Committee: Sunday, September 14, 2025

In-person meeting of the CFO Subcommittee: Monday, September 15:

- Monday, July 28, 2:00 pm ET: Virtual Meeting of the full IF2P3 Committee
- Wednesday, August 20, 2:00 pm ET: Virtual Meeting of the Real Estate Subcommittee, "Meds and Eds and TODs"

## **TCRP Study Update on Local and Regional Funding Mechanisms for Public Transportation**

### **RESEARCH PROBLEM STATEMENT**

Public transportation operating and capital expenses are financed through various funding mechanisms, including federal, state, and local government funds and directly generated funds (e.g. revenues generated by the transit agency, including passenger fare revenues, advertising revenues, and bond proceeds; donations; and taxes levied by the transit agency). Each of these sources of revenue are critical to the effective operation of public transportation services.

Many transit agencies face financial challenges as ridership has not yet returned to pre-pandemic levels, federal aid for pandemic recovery has halted and the cost of adding new services and keeping services in a state-of-good-repair is increasing. Considering what many see as a looming “transit fiscal cliff”, transit agencies need an inventory of funding and financing options that can help them plan for short and long-term stability.

TRB’s Transit Cooperative Research Program (TCRP) Report 129: Local and Regional Funding Mechanisms for Public Transportation and accompanying database provided an extensive list of funding mechanisms that were in use or could be used to support public transportation in 2009. This report provides a model to emulate; it is in need of an update / refresh.

### **OBJECTIVE**

We propose that this study be completed in two volumes. The first volume will be a short-term study of dedicated funds for transit. As soon as 2027, transit agencies searching for funding options should be able to access an up to date, interactive database of a comprehensive list of agencies with dedicated funds and revenues. This database will identify key characteristics of sources including type of tax (sales tax, property and other taxes), percentage dedicated and time period of dedicated funds.

The second volume we propose is a long-term comprehensive inventory of all transit funding sources that are in use or have the prospect of being used at the local and regional level to support public transportation. This includes: (1) traditional tax and fee-based funding sources; (2) common business, activity, and related funding sources; (3) revenue streams from projects; (4) new “user” or “market-based” funding sources; and (5) available financing mechanisms.

### **RESEARCH PROPOSED**

The requested report explores a series of transit funding mechanisms with a primary focus on traditional tax- and fee-based funding and common business, activity, and related funding sources. The report should include an online regional funding database that provides:

- Maintenance and repair – preventative maintenance and repair – preventative maintenance
- Key characteristics of sources.
- How sources are used.
- Frequency of sources used in differing locales and regions, in various types of agencies, and in support of differing service characteristics.
- Issues and circumstances in source selection and use.
- Advantages and disadvantages associated with each type of source.
- Strategies and steps to be considered in pursuing the implementation of new local and regional transit funding sources.

The report would have practical usefulness to public transportation systems, local and regional governments, and others interested in funding for public transportation services.

The Local and Regional Funding Database is intended to serve as an interactive repository of information gathered from transit systems about their local and regional funding mechanisms. This database can be updated in the future as additional information becomes available.

Guidance is needed on evaluating local and regional funding mechanisms, including the advantages and disadvantages of various sources and revenues, criteria that should be considered in selecting local or regional funding sources, and consideration of key contextual issues that are important in establishing a practical base of understanding to support local and regional funding alternatives.

The report will cover the following:

- A list of steps—emerging from the experiences of transit systems around the country that have successfully sought and enacted new or increased sources of funding—that should be used by transit systems trying to enact new local and regional transit funding mechanisms.
- A very brief description of the Local and Regional Funding Database and how to use it (more in-depth description of how to use the database, referring to the Local and Regional Funding Database User Manual); and
- A brief description of international experiences using local and regional funding for public transportation.

#### ESTIMATE OF THE PROBLEM FUNDING AND RESEARCH PERIOD

Recommended Funding: Estimated \$350,000 - \$500,000

Research Period:

- Volume One is requested in the first year.
- Volume Two is requested in the second year.

#### URGENCY AND PAYOFF POTENTIAL

As an important tool to help transit agencies achieve financial stability, the report can be the difference in whether or not communities have transit service. The anticipated payback is high as recovery from the pandemic varies across communities and traditional travel patterns prior to the pandemic remain in flux. Transit agencies nationwide will continue to struggle with financial challenges well into the future, and this research will remain an important resource.

#### PERSON(S) DEVELOPING THE PROBLEM STATEMENT

This proposal is a product of the APTA Committee on Innovative Funding, Finance, and Public Private Partnerships (P3s).

Submitted by Robert Tuccillo, WMATA on June 13, 2025