



**Transit Strategic Plan
Financial Advisory Committee**

November 6, 2008

5:00 – 6:30

Poudre Fire Authority Station 14
2109 Westchase Drive, Fort Collins

Committee Members:

Present: Gary Thomas, Dan Gould, Donna Chapel, Kitty Wild, Mary Atchison, Dan Hill and Doug Johnson

Absent: Robert Heath

Others Present:

Facilitator: Tess Heffernan

Staff: Nicole Hahn(City of Fort Collins), Kathleen Bracke (City of Fort Collins), Marcy Abreo (City of Loveland), Ed Schumm (David Evans and Associates), and Adam Orens (BBC Research and Consulting)

Proceedings:

Meeting called to order at 5:00 p.m. by facilitator, Tess Heffernan.

1. *Introductions and agenda review*
2. *TSP Operations Planning Status:* Ed Schumm of David Evans and Associates updated the group on the parallel planning process. Ed presented three scenarios. The first scenario would include the Mason Corridor and provided modest transit growth for Fort Collins, and increased service in Loveland. The second scenario was planned under the assumption that there would be less constrained budget, and the final scenario would be the grid system. The plans were consistent with current City policies and included ADA minimum demand response service in Fort Collins; service in Loveland was in the Growth Management area. The group asked for a comprehensive funding scenario that includes potential costs including paratransit.
3. *Financing Mechanisms:* Adam Orens of BBC Research and Consulting began a discussion on financing mechanisms. Adam first discussed sales tax, which is the most common funding mechanism for transit in Colorado. Some of the pros mentioned in Adam's presentation include the fact that a sales tax raises a lot of money and spreads the burden over many people; it also allows cities to capitalize on visitors. The pain of a sales tax can be eased with restrictions on food for home consumption, farm equipment, and utilities. Some of the cons in

include the political palatability of a tax, and the sense that it might not be fair for citizens that have less money.

Adam will model chosen scenarios once the group has come to a consensus on a few options so the group can get a sense of the magnitude of each funding mechanism.

The next mechanism Adam discussed was property tax. Some of the pros include the potential to produce a substantial reliable revenue source, and can be imposed on those who benefit from the property value increases related to transit improvements. Some cons of this type of tax include the fact that commercial landowners pay a higher property tax per dollar value of property because of the uneven assessment ratios.

The group also discussed some creative ways to fund transit. One idea was to fund transit as a utility service and bill on a monthly basis. The group also discussed the importance of finding as much funding internally as possible. They came to the conclusion that this will help sell any kind of recommendation we have. They suggested that Fort Collins and Loveland look at any possible efficiencies that can be gained by joining dispatch centers, maintenance facilities etc. The group did not finish this discussion and will continue at a future meeting.

Meeting adjourned at 6:30 p.m.

Follow-up Actions

1. Staff will provide a detailed cost breakdown, including paratransit services.
2. Staff will provide information on improving efficiencies and a projected net savings from this improvement.

Next Meeting :

November 20, 2008

5:00 – 6:30 pm

Poudre Fire Authority Station 14

2109 Westchase Drive, Fort Collins

The focus of the meeting will be continuation of the presentation and discussion of potential financing mechanisms.