



**Transit Strategic Plan
Financial Advisory Committee**

November 20, 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: Kurt Ravenschlag, Nicole Hahn(City of Fort Collins), 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. *Agenda review and group comments:* Tess will keep us updated on state proposals for transportation funding. There is discussion of the possibility of a state wide sales tax that would potentially have a strong local share back.
2. *Financing Mechanisms:* Adam Orens of BBC Research and Consulting continued a discussion on financing mechanisms. Adam concluded his discussion on property tax by explaining the assessment ratio between residential and commercial properties. The question about a “de-Gallager” was raised and staff will provide more information about Tabor and Gallagher.

Adam then moved onto the Motor Vehicle Registration Fees. Some of the advantages include the fact that it is directly tied to transportation and assessed on motorists who contribute to congestion. This is a reliable, steady income. This mechanism does not create as much revenue as a sales tax or a property tax, and must be used in combination with other funding sources. The fee is capped at \$10 per registered vehicle.

The group then discussed impact fees. An impact fee is charged on new commercial or residential construction. The revenues fund capital expansion projects. Fort Collins already has a fund like this that is called the Street Oversizing Fund and internal discussions are going on to determine how transit

can benefit from this revenue. This mechanism is also not as productive as others and is limited to only capital improvements.

Adam discussed farebox recovery and described that this is a limited funding source that has to be priced within the range of low income riders. In most transit agencies the fare box recovery makes up only a small percentage of revenue. Another option that could increase revenue would be to increase negotiated agreements like the agreement with CSU, and possibly pursue an agreement with PSD or Thompson Valley.

One group member discussed the option of working with Colorado Carbon Fund and allow companies to invest in transit as part of their effort to reduce their carbon footprint.

3. *Next Steps:* Staff will provide a matrix or list of potential funding mechanisms discussed thus far. The Committee will discuss any additional mechanisms (e.g. fees that might be imposed), clarify what criteria will be used to evaluate the options, and narrow the list from there. Tess will provide a structure for that discussion, beginning with the December 4th meeting.

Meeting adjourned at 6:30 p.m.

Follow-up Actions

1. Staff will provide a complete list of funding mechanisms for the December 4th discussion.
2. Staff will provide a detailed analysis of funding needed for each build-out scenario (later).

Next Meeting :

December 4, 2008

5:00 – 6:30 pm

Poudre Fire Authority Station 14

2109 Westchase Drive, Fort Collins