

MEMO FUNDING/COST MANAGEMENT SUBCOMMITTEE

Date: Dec. 5, 2007
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This is in response to a report put on the website called “funding/cost management subcommittee report.” No authorship is attributed to the report so it is difficult to identify the report more fully or to know whether any of the items were voted on and approved by subcommittee members. To my knowledge, the subcommittee has **not** voted on many of the items and the basis for making a recommendation is unclear.

1. **Types of funding** include alternative funding sources and unlimited ride pass programs. In my mind this is very confusing because the issue of public/private funding is both a marketing issue *and* a funding issue whereas the unlimited ride pass programs is both an increased ridership issue *and* a funding issue. If we are to follow the marketing matrix, neither issue is a funding issue. If the involvement of business *is* a funding issue, then we need to have some idea of what various activities might cost (something we have been asking of the marketing people for months) and we need to better identify what some of these activities would be. That has not been done except that there has been some talk of advertising revenue. Off the top of my head, I can list some ideas but they have to be augmented and modified by a more systematic analysis:
 - a. **Public/private Partnerships**
 - i. **Advertising** (1% of budget could be a minimum if this were pursued aggressively)
 - (1) On the outside of buses
 - (2) On the inside of buses
 - (3) On garbage receptacles in buses and at bus stops
 - (4) At bus shelters
 - (5) On bus transfers
 - (6) In ride guides?
 - ii. For Metro **sales outlets**, give those outlets free community recognition as way to help to thank them for being community-minded as they are not charging for the service.
 - iii. Sell **naming rights** for
 - (1) Bus stops (e.g. at Main & Carroll)
 - (2) Bus routes (e.g. on UW campus, to Dean Clinic)
 - iv. **Plaques** acknowledging donation of bench and/or shelter
 - v. **Marketing** initiatives could in large part be donated if **projects** were given a cost and the donation of that cost were publicized. Currently, Marketing accounts for only 4% of Metro’s budget, but that should be increased perhaps two or three fold.
 - b. **Unlimited Ride Pass Programs** We have not talked about this at all. Strategically, how does one go about this? We can recommend that the county and state governments provide a pass similar to what UW or St. Mary’s does now. We can get more Health Organizations involved. This would seem to be a Marketing or Increased Ridership project. What is this doing under Funding?
 - c. **Paratransit** I am glad that this is being brought up. We need to discuss this more. It is unclear to me that the State could not do more but this is an area about which I know very little.
 - d. **Epic and Reverse Commute** My understanding could well be incorrect but the way this is using funds seems to be a gross miscarriage of justice. I thought that the funds were meant for low income jobs. I do not think that the money is being used to facilitate low income people getting to jobs at Epic in Verona.
 - e. **Income tax deduction** Another way the State could use its income tax to help underwrite transit use is more of a negative tax than a positive tax. There can be something similar to the Federal Commuter Choice program on the State level in which employers, employees or both can get a tax benefit for using transit instead of driving to work. Benefits are greatest if using transit saves on the cost of parking – something that could be helped by having a better parking-transit policy.
2. **Regional Transportation Authority** We need to show flexibility with this except to insist that bus service be the backbone of any transit system. The main point is that the state should not feel that it can pull back on its financial support for Metro because there is an RTA. Any monies derived from altered taxation would be *in addition* to state funds, *not instead of* state funds. It is also important that

we respect the fact that the City of Madison and the County Executive are not the only important government decision makers in this region. We cannot be arrogant.

3. **Increased State/Federal Revenues** The state needs to go back to underwriting at least 42% of Metro's operating cost. Only one-third of the cost is not acceptable. RTA revenue should go toward expanding the service. Madison has been gutting service inside the city to finance its inadequate service farther out. It cannot keep stretching its funding. It needs to **add** funding.
4. **MISC RECOMMENDATIONS** UW's use of parking revenue to help fund transit is a good example of how parking and transit need to be tied together. Planners need to develop a Parking Policy in which there is no free parking in Madison. That's true now, but just as grocers will deduct total price if you do not use one of their bags, merchants need to be upfront about the cost to them or the City of parking facilities, especially ones that need to be cleared of snow and ice. More publicity needs to be given to what those costs are, who is paying, etc.
5. **COST MANAGEMENT ISSUES** These are dealt with elsewhere.