

Millage Service Proposal – Presentation Script

Matt Carpenter, CEO

Well, I'm Matt Carpenter, the CEO of the Ann Arbor Area Transportation Authority. It's my pleasure today to provide you with the presentation about our 2022 Service and Millage Proposal. What I'd like to do quickly is share my screen.

As we go through this video, I would encourage everyone listening to visit our website at TheRide.org, where you can find additional information and details about this proposal. If you scroll down to this Essential for Everyone's button and click there, it'll help lead you directly to the detailed written proposal that provides all the information that we'll be covering here, but in much greater detail about the costs, the elements of the proposal, the benefits of it, hyperlinks to additional outside information. Each element of the proposal is described in detail, as well as provided with summary tables and start dates.

So, with that, I'd like to move to walking through our quick presentation. In this I would like to spend some time with you walking you through the elements of this proposal, as it will appear on the August 2022 primary ballot. We need to talk about our Long-Range Plan, the Millage Proposal specifically, and then our next steps. So key points about the proposal it is a five-year proposal for 2.3 mill property tax. The ride already levies a property tax in Ann Arbor, Ypsilanti, and Ypsilanti Township, but .7 mills, so this would be a net increase of 1.68 mills. This proposal follows extensive public involvement and builds on policy directions we've taken from other member municipalities. It provides extensive benefits for seniors, persons with disabilities, and persons with low income as well as many other parts of the community. TheRide is fortunate to be able to leverage a lot of outside funding. For every \$1 our local community provides to us we can leverage another \$1.40 in outside federal and state funding, but we do need the local property tax support mill to do that. So, with that our proposals are clearly identified and itemized as part of either our Long-Range Plan or our Millage Proposal.

In order to discuss them. I'd like to first start with the context. That is the Long-Range Plan. This project has been in development now for several years. And it provides a 25-year vision and blueprint for public transit in the Ann Arbor-Ypsilanti area. It includes five, five-year millages - so every five years the voters will be able to tell us whether we're going too fast or too slow. The built-in voter input and if you will, the short-range plan, which is this five-year millage proposal is really just the first five years of this 25-year vision. Now the goals that are driving the plan and the millage are really derived from the values of the communities we serve in Arbor, Ypsilanti, and Ypsilanti Township. We see a lot of broad consensus on some of the most important things out there - projects to increase social equity, policy documents about the importance of climate change, and managing the transportation system, but also building up local businesses. These are all reflected in the goals that our board has laid out directly for us, increasing social equity, access to jobs, education, housing, helping the environment and reducing air pollution, and helping existing and new businesses by providing labor mobility and connecting people to jobs. I think it's important to note here that many of the plans approved by local councils in for example, the A2 Zero Plan are the transportation master plan, but certainly other plans as well all call for increased public transit investment.

We've also been working extensively with you and members of the public, and our riders and passengers here in the area, to help us craft this vision for the future in the near term. Our long-range planning efforts have been ongoing now since 2019, actually, and they include a wide variety of public and virtual public meetings, surveys, online telephone surveys - we've talked to well over 1,000 individuals as part of this effort. When last fall we presented the communities with different options, we were really impressed to see very strong support for increased public investment. We presented a variety of options, some of which included no additional investment or tax requirements to heavy additional investment, and we put price tags on all these options. We wanted to be very clear, with anyone reviewing it, that we'd love to provide additional services, but they do come at a cost, and we need to be upfront with each other about that. Nevertheless, we were very impressed to see a very decisive majority of people saying they wanted a higher degree of public transit service, and they were willing to pay for it.

We've also had some good momentum here recently. With some I think quick wins. Thank you to Senator Gary Peters for as a funding opportunity to help us advance planning for the Ypsilanti bus terminal, and Ann Arbor City Council has made some important steps recently as well. With that, I'd like to break down the 2022 Millage Proposal for you. So, what does it do? First of all, it maintains all of our existing services. It provides targeted expansion in a couple of key areas; it aligns with goals like a A2 Zero and maximizes the amount of state and federal funding that we can bring to the community. Now the proposal has 10 elements that are organized into two categories: either they're for maintaining services or expanding services. So, I'd like to walk you through those 10 elements.

Now the first category about maintaining services is made up of four elements: Renewing our existing millage, an allowance to help deal with a structural deficit we've been grappling with for several years, an allowance for inflation, which is a new reality for everyone, and an allowance to bring back some staffing positions. It's not widely known, but over the last several years, the office staff at TheRide has shrunk by about 9%. And we have a very dedicated and productive workforce, nevertheless, it's pretty apparent that we need to begin restoring some of these positions in order to meet the community's ongoing expectations. This brings us to the second category of elements to this proposal.

There are six items here for expanding the public transit services in our area, I'd like to go through each one of them in turn. The first is the creation of a new express bus from downtown Ann Arbor to downtown in Ypsilanti and back. This is important because it'll really bring these two communities, their social and labor pools closer and closer together. So right now, today, it takes about 45 minutes to go from downtown to downtown on a bus. We can reduce that to about a half an hour. This is important because it can save about half an hour a day, two and a half hours a week, 10 hours a month and over 100 hours a year in commuting time. That's a real benefit that's very meaningful to regular commuters. Regularly every year, we hear requests for longer hours of service. So, this element of the proposal would simply allow us to start the bus services earlier and run them later into the evening. This would be system wide across the entire network and all our communities. Similarly, we also hear frequent requests to provide more frequent service on the weekends. So, what this would look like is if there's a bus for example, every 60 minutes on a Saturday afternoon, we could increase the frequency to have a bus every 30 minutes. This doubles the frequency of the service. This is important because as we like to say, frequency equals freedom. This is a meaningful way to make transit more attractive and provides a lot more flexibility and independence for people traveling at these times of the week.

Now there are a couple of proposal elements here that deals specifically with social equity, and this is the first. For many years we've provided an overnight transit service in Ann Arbor and parts of Ypsilanti and Ypsilanti Township. The service is called Night Ride and you can see on the map here the area in red where the service has historically been provided. The challenge here is that we haven't provided this service for much of the city of Ypsilanti or Ypsilanti Township. This element would change that by expanding that overnight service into the area represented in the dotted yellow line. This is important because we should be providing the same amount of service across our entire jurisdiction. Similarly, we've had customer service agents at our downtown Ann Arbor bus terminal for many years, but not at our downtown Ypsilanti bus terminal. So, the ninth proposal here would simply provide additional staffing to have real, in-person customer service agents during normal business hours at the Ypsilanti transit terminal. We would be able to provide directions, answer questions, sign people up for discounted fare programs, all of the services that we currently provide at the Ann Arbor bus terminal.

The final element of this proposal is a set aside for major capital projects. In the Long-Range Plan and from the community we see a lot of interest in some major transit projects, bus rapid transit, zero emissions, propulsion technology, new garages, new bus terminals. These are wonderful projects, and we look forward to delivering them. However, they're very expensive - large price tags - and we will need some seed funding locally to be able to provide these. Now, we're fortunate that the United States federal government traditionally can provide about 50% of the funding for such large capital projects. But even with some state support, we're going to need to provide about 40% of these funds from local sources. This is the element by which we will raise the funds to be able to provide that local match. Now in that written summary that I guided you to on our website, you can find this table. We're very proud that our budget proposal, our Millage Proposal, I should say is very itemized and very transparent. You can read about all of these details and greater all these elements in greater detail I should say. And tables like this, help everyone to see the costs, the contributions from the millage that are going to be necessary as well as the start times. I want to take a moment just to talk about the timelines and the implementation. Because of how the millages work, we will ask voters to weigh in on this proposal in August of 2022. However, the millage money will not arrive to us until July 2024. That lag is important because it allows us to do planning, engage the community in good discussions about the details of some of these proposals during 2023 and early 2024. However, when the money arrives in July of 2024, we are committed to very rapidly putting the service on the street. We expect to have it up and running within about 30 days of receipt of the funds. So tentatively scheduling for August of 2024 for most of these services to start.

Our timeline, just in summary, as I've said, we've been talking to the public and stakeholders for quite some time now. March and April of this year were sort of crunch time for us. The proposals became public, we provided additional opportunities for the public to give us feedback, our board debated this and ultimately did reach a decision in April to put this on the ballot. So, it is there, and it will be on the primary ballot on August 2, 2022. So, in summary, and in closing, this is a five-year proposal for 2.38 mills, it is an increase of 1.68 mills from our current level, and all this will be used to maintain and expand public transit services. All of these funds will be invested directly in the communities we serve, follows extensive public input, and flows from policy and debate discussions that have been approved by local councils, benefits everyone in the community really, but particularly seniors, persons with disabilities and persons with low income.

TheRide is fortunate enough to be able to leverage some outside funding and with the additional support of local tax funding, we will be able to increase the amount of outside funding we leverage. And we're very happy that all of our proposals can be very clearly itemized transparently on our website, theride.org to look at the elements of our Long-Range Plan or this Millage Proposal. So, in closing, we still welcome feedback and questions if you have any.

Please feel free to contact me, Matt Carpenter directly either at mcarpenter@theride.org or at 734-794-1767. That's Matt Carpenter - marpenter@theride.org or 734-794-1767. With that, thank you very much for your time. We look forward to seeing you at the polls on August 2nd. Take care.