

# Transit Reform and Governance: Pre-Introduction Draft Outline

Senator Winter and Representatives Lindstedt and Froelich

The purpose of this document is to provide additional context for the pre-introduction draft. The goal is to solicit feedback on all aspects of this draft legislation, acknowledging that these provisions are subject to change.

**Background:** Coloradans deserve to have a public transportation system that works for them, is held accountable, and helps to achieve Colorado’s housing and climate targets. Our transit agencies, and RTD especially, are central to meeting those goals, and we need to ensure that our RTOs have the tools to provide the best service possible to Coloradans.

## Key Planks of Transit Reform:

- 1) Improve Decision Making and Coordination with Land Use Decisions
  - 2) Support Training for Transit Operators Statewide
  - 3) Accountability and Budget Transparency
  - 4) Board Reform
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## 1) Improve Decision Making and Coordination with Land Use Decisions

Section 2: Coordination with local governments - district size and services - Alignment with local land use decisions

**I. Bring RTD into the DRCOG process so local governments can participate in the transit planning process.**

- Require RTD to submit proposed fixed-route service plans to DRCOG for review and input
  - *In response to stakeholder feedback, DRCOG will NOT have authority to approve or deny service plans*
- Ensure RTD service decisions are in line with DRCOGs Regional Transportation Plan

**II. DRCOG will contract with a third party to study the size of the district and improve transit service with a focus on increasing ridership, efficiency, and equity, including:**

- Examining the geographic scope of current and future transit lines and planning
- Exploring adding additional service providers to support the service area
- Determining the most adequate, efficient, and cost-effective delivery methods for transit in the service area
- A determination of how to best meet the needs of a wide range of transit-reliant riders, as outlined in the draft.

- *In response to stakeholder feedback, part of this study includes directly considering transit reliant riders. Please highlight any impacted communities that are not already included in this iteration of the study.*
- An exploration of expanding multi-modal transportation to connect communities and maximize ridership
- Determining how to align RTD’s mission with the region and state’s climate goals while considering the needs of the groups considered above.

**III. Ensure RTD can make nimble service decisions**

Section 15:

- Eliminate barriers to transit agencies redeveloping underutilized properties
  - Remove the restriction that agencies must obtain fair market value for use of agency-owned property
  - Make it easier for transit agencies to build density around transit in collaboration with their local partners

Section 13:

- Direct the District to take advantage of opportunities to increase and build ridership by
  - Working with entities that hold events to facilities ridership to and from those events
  - Working with groups to increase ridership among youth
  - Consider recommendations and requests for services or schedule changes that would increase ridership

Section 3:

- Clarify that RTD and other transit agencies do not have exclusive rights over transit services within their operating areas.

**The sponsors welcome additional language to strengthen accountability to disproportionately impacted communities and transit-dependent riders.**

**2) Support Training for Transit Operators Statewide**

Section 16

One of the biggest barriers to expanding transit service is the shortage of bus drivers and rail operators. To address this, the bill directs the Colorado Department of Transportation (CDOT) Division of Transit and Rail (DTR) to develop a training program to assist with the development and placement of public transit bus operators both for CDOT-sponsored transit service and, potentially, for other public mass transit operators in Colorado.

Training is one component of maintaining a stable workforce. Competition for professional drivers is fierce amongst those who employ them, such as school districts, freight operators,

retail delivery drivers, and the like. Therefore, ensuring a consistent stream of potential employees is available to operate transit vehicles is a critical piece of the puzzle to providing reliable public transit service to Coloradans.

**In this area, the sponsors are open to hearing specific approaches to improve employee retention in addition to training.**

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### **3) Accountability and Budget Transparency**

#### **I. Accountability**

##### Section 12:

- Ten year strategic plan that includes:
  - Being open to public comment
  - Plans and strategies to significantly increase ridership,
  - Updates to RTD’s land use and parking policies to enable more housing and job opportunities near transit,
  - Performance measures to align service plans with state and regional climate goals,
  - Identifying additional funding opportunities to improve transit and expand service,
  - Creating a public dashboard for progress on the components of the ten year plan
  - Must take into account the results of the DRCOG study.

#### **II. Budget Transparency**

##### Section 14:

- Add requirements for:
    - Yearly updates on the financial plan must include all projects in a detailed report format
    - Posting a basic budget overview document on an easy-to-access website in an easily-digestible format.
    - Capital project schedule and expenditure information must be updated and posted quarterly and annually.
  - Project List or Financial Plans must be posted on the RTD website and updated regularly
  - Strategic plan should be aligned with the state’s climate and housing goals
  - A dashboard or report (similar to CDOT 10-Year Plan) showing specific allocated funding and status for all capital projects.
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## 4) Board Reform

### Sections 4-11

#### **Why does the board need to change?**

The board is too large to provide meaningful oversight of an organization with a budget upwards of a billion dollars and with 3 million people in its service area. Per APTA, the majority of transit boards have an average of nine members. Medium-sized boards from seven to ten members are the predominant size.

There are few transportation boards that are as large as RTD, and even fewer are elected. Per APTA, only three percent of transit boards are directly elected to that office. Elected boards we know of govern the Regional Transportation District (Denver, CO); AC Transit (Oakland, CA); San Francisco Bay Area Rapid Transit (Oakland, CA); and Salem-Keizer Transit (Salem, OR) Boards in most major metropolitan areas are appointed by a combination of state and local governments (6 in 10, per APTA).

In addition to being outside of the norm for board structure, there currently are no requirements for specialized skills or transit expertise. Moreover, choosing a board using low turnout elections for poorly compensated positions makes drawing in and keeping transit and transportation expertise a significant challenge. Many board members have been appointed by vacancy or elected as write-in candidates, further contributing to the lack of expertise that the current system draws to the board.

Lastly, inadequate compensation severely limits who can run for and serve on the RTD board

#### **Proposed Change to the Board:**

##### **Proposed Board**

#### **A hybrid board composed of 7 voting Directors, 3 ex-officio (non-voting) Directors**

##### **7 Voting Directors:**

###### 2 - Governor Appointed - Senate Approved

- Budgeting, public financing, or audit
- Expertise in transit ridership and user experience

###### 5 - Elected - no write-in candidates

- 2 at-large
- 3 by district, but elected at-large

##### **3 Ex-officio Directors**

###### 1 - CDOT Director or their designee

## 2 - DRCOG Appointments

- 1 City Councilmember or Mayor
- 1 County Commissioner

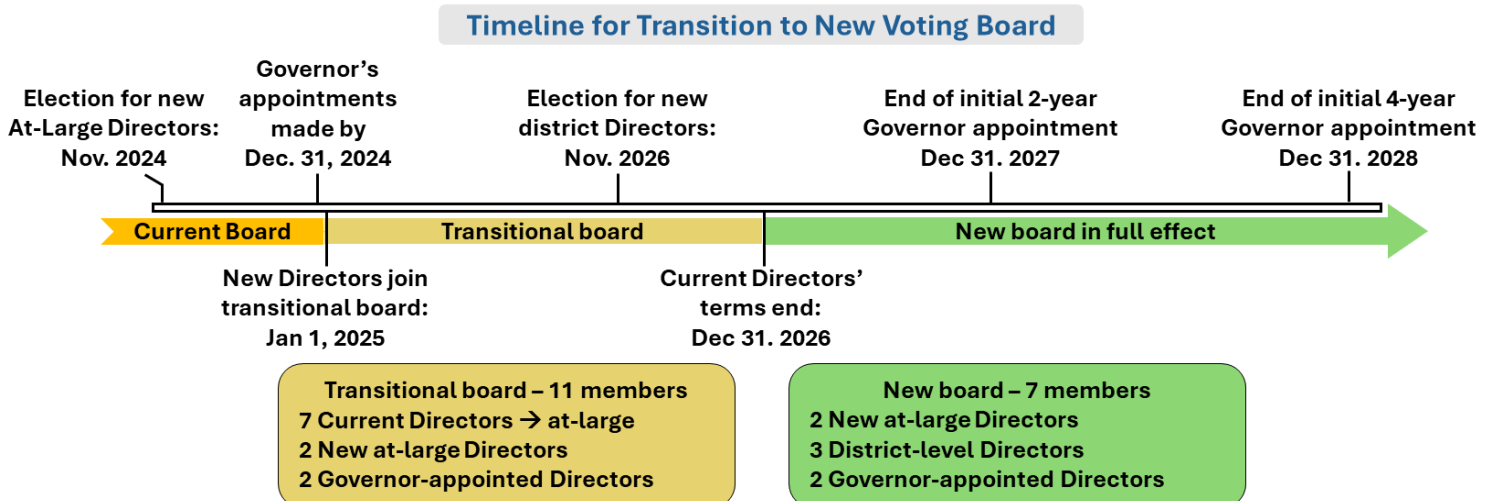
### Proposed Compensation:

- Part time
- 20% of a judicial appointee (~\$35,000) unless already employed full time
- Full state benefits if needed

### Proposed Transition plan:

The goal of the transition plan is to:

- 1) Create continuity between the current and new board
- 2) Ensure the new board is directly involved in the 10 year plan
- 3) Ensure there is a functioning board if members of the current board leave for any reason



before the end of their term.

### Transition timeline:

- Governor-appointed Directors will be appointed by December 31, 2024, then confirmed by the Senate during the 2025 legislative session.
  - Appointments will be staggered so one Director will serve a 2-year term, and the other will serve a 4 year term.
- The 2024 district elections will be replaced with an election for the 2 at-large Directors.
  - These two directors will serve 4 year terms.
- All new Directors will become full voting members of the transitional board on January 1, 2025.
- Current Directors (elected in 2022 or appointed by vacancy) will serve out the remainder of their terms, except that:

- If there is a vacancy for any of the 7 current Directors on the transitional board, they will not be replaced.
- All Directors currently serving on the board will become at-large to ensure fair representation during this transitional period.
- The election for the new three District Directors will occur in November of 2026.
  - One will serve a 2-year term, two will serve 4 year terms
  - Each Director must live in their district, but are elected at-large.
- The new board will take full effect on January 1, 2027.
- All Directors will be brought to the new compensation level.

**The sponsors welcome any specific feedback on how the board composition could be improved to adequately represent disproportionately impacted communities and transit dependent riders.**

**In addition, please share any feedback on the transition between the current elected board and new hybrid board.**

### **Connection to TOC Legislation**

- Removes barriers to affordable and attainable housing near transit through Housing Opportunity Goals that also ensure adequate density to support transit ridership
- Supports local government efforts with:
  - TOC Infrastructure Fund (\$35M) that mirrors DOLA's Strong Communities Program by funding public infrastructure and affordable housing projects in TOCs
  - TOC Affordable Housing Tax Credit (\$30M) that increases state affordable housing tax credit for transit areas
- In the Denver metro, only 7.5% of rail stations and 15% of transit corridors have the housing needed to support frequent transit service.
- TOCs need an average zoning density of 40-60 units per acre to allow affordable housing to "pencil" out financially and to support frequent transit service.