

# Best Route To Regional Transit

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## Revising the Municipal Partnership Act

Revising the Municipal Partnership Act (MPA) will create a foundation for Oakland, Wayne, and Washtenaw counties to create a three-county regional transit plan. It also allows for Macomb County to join later should their transportation needs expand beyond their full county SMART structure.

The MPA was enacted in 2011 to allow greater regional cooperation between local governments (counties, cities, townships, and villages) to foster more efficient and effective service delivery. With voter approval, municipal partnerships can levy millages to fund specific operations.

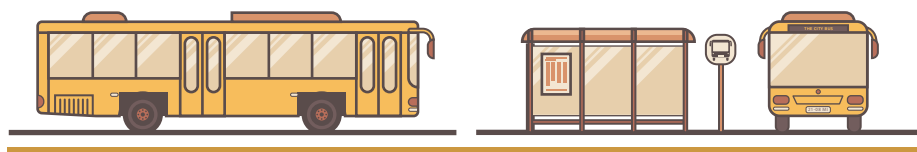
The proposed revision to the Municipal Partnership Act (MPA) will allow for three critical changes to improve the MPA process.

## The Revised Legislation:

- Allows for approval of a municipal partnership levy by a majority vote within each participating jurisdiction;
- Exempts municipal partnerships from millage caps in the same way as other regional initiatives, such as the DIA and Zoo authorities, are exempt. This eliminates the possibility of millage rollbacks to improve bonding capacity and ensures cost-effective borrowing;
- Protects municipal partnership tax revenues from DDA or TIF captures, so funds are guaranteed to go to the specific purpose approved by voters.

## The Path to a Three-County Regional Transit Solution

1. Secure approval for the proposed MPA revisions in Lansing.
2. Public engagement on transit within Oakland, Wayne, and Washtenaw communities.
3. Approval of municipal partnership agreement by leaders in Oakland, Wayne, and Washtenaw counties, as well as the city of Detroit.
4. Voter approval of regional transit levy in all three participating counties in November 2020.



## Frequently Asked Questions

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### **Is this a transit plan?**

The proposed MPA reform is not a transit plan. The MPA is not exclusive to transit. This is another tool that southeast Michigan governments can use to negotiate a regional transit plan. The development of any transit plan will require public engagement and, ultimately, the approval of voters in each of the participating jurisdictions. The MPA provides a mechanism to finance that plan.

### **Why is revising the MPA the chosen path to pursue regional transit?**

An intergovernmental agreement between local governments (in this case Oakland, Wayne, Washtenaw counties) to finance joint public services like transit is one of the reasons the MPA was enacted in the first place. The proposed revision is a technical change to provide clarity on the collection and use of revenue to support a municipal partnership.

The leaders of Oakland, Wayne, and Washtenaw counties as well as the City of Detroit are exploring a potential municipal partnership on transit because they believe it is the best tool currently available to implement a regional transit plan to benefit their residents.

### **What systems would be funded by a potential municipal partnership for transit?**

Leaders in the three participating counties and the city of Detroit will negotiate an agreement outlining specifics before the question is put to voters. However, broadly speaking, millage revenue raised by a municipal partnership for transit would be allocated to existing providers, including AAATA, DDOT and SMART, to provide better transit connections between and improve service within all three counties.

### **What does this mean for the RTA?**

The four-county RTA will continue to be the Designated Recipient for the region's federal transit funds. The RTA will also continue to provide planning and system coordination for the region's transit services. If a municipal partnership for transit is agreed to by voters in the three counties, the RTA would be a party to the agreement and provide administrative services as well as bonding capacity.

### **What does this mean for Macomb County?**

Macomb County is and will continue to be a valuable regional partner. Leaders in Macomb County have made clear that they are comfortable with the current level of transit service in the county and they do not wish to ask Macomb voters to support more transit funding at this time. The flexibility created by the proposed revised MPA allows the rest of the region to pursue their transit goals while allowing for the potential to add Macomb County at a later date.

### **Will the MPA allow for opt outs or shorter taxing jurisdictions?**

The MPA is legislation that allows the participating governments to determine what areas will receive services and pay for those services.

### **When can we expect to see a transit plan?**

If parties can agree on a service area, we will engage in a public process to develop a transit plan. We hope to start this in the spring of 2020 so there is enough time to raise awareness with the public prior to November election.

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