



COUNCIL OF THE DISTRICT OF COLUMBIA
THE JOHN A. WILSON BUILDING
1350 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20004

March 14, 2018

The Honorable Muriel E. Bowser
Mayor, District of Columbia
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004

Dear Mayor Bowser:

We write with regard to the District's position on new, dedicated capital funding for the Washington Metropolitan Area Transit Authority (WMATA). The District's share should be equal to the dedicated funding from the Commonwealth of Virginia and the State of Maryland. Last week the Virginia legislature approved \$154 million (although not all of that money may be bondable), and earlier this month the Maryland Senate approved \$150 million (a fixed amount that will not grow with the economy). Accordingly, the District's share should be either \$154 or \$150 million. However, if the goal is \$500 million (bondable funding that grows with the economy), then each jurisdiction's share should be \$166.6 million.

The Council will have to approve tax increases to provide for this new, dedicated funding – increasing the sales tax, property tax, and possibly other taxes. Because our tax base is smaller than either Maryland's or Virginia's we will have to raise our rates higher, which will be a competitive disadvantage. We support doing this, however, recognizing the value of the transit system to the region and the importance of the District, Virginia, and Maryland contributing equally to the system.

Virginia has suggested that the three states' funding follow the projected, 2020 aggregated funding formula for WMATA. That is inconsistent with the recommendation of COG. The region's jurisdictions voted that the states' shares be equal. The formula approach also is contrary to the states' agreement 10 years ago on how to fund PRIIA. Under PRIIA, the three states contribute equally \$50 million per year for WMATA capital needs. The formula would require the District to pay 35.7%, or \$178.5 million per year, which is approximately \$36.3 million more than what Maryland and Virginia would contribute. Yet the District has only 32% of MetroRail's ridership, 32.5% of the track miles, and 15% of the region's population.

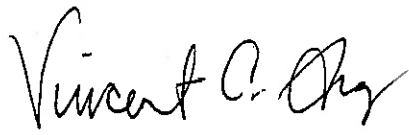
There is no question that WMATA is important to the region. The three states need to dedicate new capital funding. This should be done through an allocation that is fair to each: equal shares of \$166.6 million.

Sincerely,

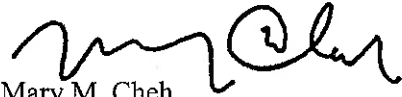
Phil Mendelson
Chairman

Kenyan R. McDuffie
Councilmember, Ward 5

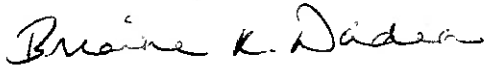




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Councilmember, Ward 3



Brianne K. Nadeau
Councilmember, Ward 1



David Grosso
Councilmember, At-Large