

Basic RTA Structural Principles

1. **Two-level approach to regional transit** – RTA structure will consist of an umbrella RTA responsible for KRM commuter rail planning and construction. The umbrella RTA will continue KRM planning efforts already underway. Independent local sub-RTAs will be responsible for local transit. Over time, the sub-RTAs will merge with the umbrella RTA.
 - a. **Local revenues remain local** – Sub-RTA revenues will fund transit within their jurisdiction.
2. **Umbrella RTA representation** – Representation on the umbrella RTA board will be proportional to population. Full representation on the board will be contingent on revenue commitment and transit outcomes.
3. **Transit dedicated 0.5% sales tax for Milwaukee** – Funding for the Milwaukee sub-RTAs may come from a 0.5% sales tax, which has already been approved by referendum in that county. The Milwaukee RTA may also use any option on the menu of revenue options provided to Racine and Kenosha counties.
4. **Menu of revenue options for Racine and Kenosha County** – Sub-RTAs created in Racine and Kenosha counties may be funded through a combination of currently authorized local revenue. New transit revenue sources not authorized under current law are subject to referenda requirements.
5. **Maximum revenue commitment** – The maximum amount of revenue commitment of the RTA will be based on local transit needs, including funding necessary to construct and operate the KRM commuter rail link.
6. **Incentive funding** – A pool of funding will be created to provide an incentive for local governments to create sub-RTAs. Incentive pool may consist of rental car fee revenue, funding from the transportation fund or some other source of funds.
7. **Federal Transit Administration approval** – The transit authority will be crafted with the intention of strengthening the KRM commuter rail project New Starts grant application with Federal Transit Administration.