



City of San Antonio

Agenda Memorandum

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Agenda Date: 8/10/2016

In Control: Transportation, Technology and Utilities Committee

DEPARTMENT: Transportation & Capital Improvements (TCI)

DEPARTMENT HEAD: Mike Frisbie

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on the recommendations by the Advanced Transportation District (ATD) Ad Hoc Committee to transfer a portion of the City's ATD Funds to VIA Metropolitan Transit.

SUMMARY:

This briefing by the City and VIA Metropolitan Transit staff will provide information on the creation and purpose of the Advanced Transportation District (ATD), the allocation of funds and expenditures, and the ATD Ad Hoc Committee's recommendation to provide a portion of the City's ATD Funds to VIA Metropolitan Transit.

BACKGROUND INFORMATION:

In 1977, VIA Metropolitan Transit was created and funded through a one-half cent sales tax approved by voters via the Metropolitan Transit Authority (MTA) tax under provisions of the Texas civil statues. Changes in the Texas Transportation Code in 1999 and 2003 permitted VIA to create an Advanced Transportation District (ATD), in partnership with the City of San Antonio, Bexar County and the Texas Department of Transportation (TxDOT), and specify a portion of sales tax to fund the ATD.

In November 2004, the ATD was approved by San Antonio voters and established a one-quarter cent increase in the sales tax within the VIA service delivery boundaries. This was, and remains, the first ATD in the State of Texas. The purpose of the ATD, as approved by the voters, was to reduce traffic congestion and increase mobility within San Antonio through the following five objectives:

- Improve traffic flow at busy intersections
- Add and improve sidewalks to enhance connectivity between neighborhood and major roadways
- Minimize highway congestion by expediting state projects
- Utilize technology to provide faster bus trips and extend bus service hours
- Offer more transit options, passenger facilities and other rider conveniences

The one-quarter cent tax increase, collected by VIA, is divided and allocated in the following manner, as approved by the voters.

- **VIA (50%)** - One-half of the tax proceeds is to be used for projects including advanced transportation services, operations, passenger amenities, equipment and other advanced transportation purposes.
- **City of San Antonio (25%)** - One-fourth is to be used to construct, improve and maintain streets, sidewalks and related infrastructure designed to improve mobility, and other advanced transportation or mobility enhancement purposes with the District.
- **TxDOT (25%)** - One-fourth is to be used as the local share for state and federal grants for improved highways, transportation infrastructure designed to improve mobility, and other advanced transportation or mobility enhancement purposes within the District.

Below is a breakdown of each partner's ATD program.

City of San Antonio

Since the ATD creation in November 2004, the City of San Antonio has received a total of \$129.5 million in ATD revenue, which has been used towards projects and staff focused on increasing mobility, reducing traffic congestion, and improving neighborhood connectivity and pedestrian safety through the construction of sidewalks, streets, intersection improvements, bike lanes, and traffic signal improvements citywide.

In FY 2016, the City anticipates to receive \$16.0 million in ATD revenues to fund 24 staff support positions and provide 130 projects such as signal system, sidewalk, bike, pedestrian safety, bus pads and intersection improvements. \$3 million is allocated to pay towards the \$31 million traffic signal synchronization project and \$388,000 towards transfers to General Fund indirect cost and to the San Antonio Bike Program.

VIA Metropolitan Transit

In FY 2016, VIA is anticipated to receive \$32 million in ATD revenues. VIA uses its ATD funds to fund the SmartMove Capital Program, Transit Technology (maintaining and upgrading AVL System), Vanpool services, express service (park and ride), and bus rapid transit (Primo service).

Texas Department of Transportation (TxDOT)

In FY 2016, Texas Department of Transportation (TxDOT) & Bexar County is anticipated to receive \$16 million in ATD revenues. TxDOT & Bexar County have been using the ATD funds to leverage additional federal and state funds. This leverage allows TxDOT/Bexar County to accelerate projects across the San Antonio region, sometimes by up to four to ten years.

Staff presented the policy issue to the Transportation, Technology, and Utilities Committee on November 4, 2015 and to the full Council during B Session on November 18, 2015. During the November 18, 2015 Council B Session discussion on ATD funding, Councilman Saldana suggested the establishment of a committee to review ATD, determine the amount needed for VIA Metropolitan Transit to provide optimal bus service, and

identify potential funding options.

ISSUE:

The ATD Ad Hoc Committee was established and charged to evaluate VIA's funding model and determine if the City should allocate all or a portion of the City's ATD to enhance VIA services. The committee was co-chaired by District 4 Councilman Rey Saldana and District 6 Councilman Ray Lopez. Committee members included Alex Briseno, Victor Boyer, Patti Radle, James Lifshutz, Darryl Byrd and Sid Martinez. The Committee held five meetings between February and June 2016 that included an overview of ATD, City's ATD Program, VIA's ATD Program, VIA's current and preferred level of service, and potential funding options.

At the final meeting held June 1, 2016, the Committee recommended that the City transfer \$10 million annually in ATD funds to VIA over a four year period with no funds in FY 2017, \$2.2 million in FY 2018, \$6.5 million in FY 2019 and \$10 million in FY 2020 and beyond. The Committee's recommendation also includes that the City's ATD Fund maintain at least \$5 million annually toward sidewalk funding, that the City's annual budget strive to maintain funding levels consistent with the FY 2016 levels at \$15 million and that the proposed 2017 Bond Program have a substantial sidewalk program.

The TTU Committee will evaluate this recommendation and potentially forward a recommendation on this issue to the full City Council for the Council's consideration.

ALTERNATIVES:

Rather than transfer the City's ATD Funds to VIA, the City and VIA could pursue alternative funding options during the 85th Legislative Session to enhance VIA's bus service.

FISCAL IMPACT:

In FY 2016, the City anticipates to receive \$16.0 million in ATD revenues to fund 24 support positions and 130 projects under the following programs.

- Sidewalk Programs
- Bike Facilities
- Intersection Safety Improvements
- Bus Pads
- Pedestrian Safety Improvements
- Traffic Signals

If VIA is provided the City's ATD revenue, this may result in either reducing or eliminating 130 projects under the above infrastructure programs and the 24 support personnel positions or identifying other City funding sources, which may result in the reduction or elimination of other City funded programs.

RECOMMENDATION:

City staff does not recommend allocating the City's ATD to VIA. Transferring City's ATD funds to VIA may result in reducing or eliminating ATD funded projects and staff positions, or reducing General Fund dollars to continue funding the City's ATD projects and staff positions. City staff recommends pursuing alternative funding options during the 85th Legislative Session.