



Transportation Funding Outlook and Challenges

vision



San Antonio Mobility Coalition, Inc. (SAMCo)

June 16, 2008



The SAMCo Partnership

- Non-profit, public/private partnership formed in 2002
- Funded by City of San Antonio, Bexar County, VIA, chambers of commerce, and private sector firms
- Develops and advocates transportation funding solutions at the federal, state, regional, and local levels
- Accountability:
 - 17 Member Executive Committee (9 from public sector)
 - Annual professional services agreement (22 deliverables)
 - SAMCo Strategic Plan (updated bi-annually)
- 80 member entities; 2 person staff
- Annual funding: City (\$70,000); County (\$35,000); VIA (\$25,000); and chambers/private sector (\$150,000)



SAMCo Organizational Structure

- Executive Committee
 - 5 - City (Mayor, City Council, 3 Citizens Representatives)
 - 2 - Bexar County (Judge and 1 Citizens Representative)
 - 1 - VIA (Board of Trustees Chair)
 - 1 - MPO (Policy Board Chair)
 - 8 - Private sector, including two chamber of commerce seats
 - Meets monthly
- Executive Committee Staff
 - 50 plus staff representatives from members entities
- Board of Directors
 - About 80 individuals and growing; a function of membership
 - Elects the 8 private sector representatives on Executive Committee
 - Meets quarterly



Initial SAMCo Challenge

*SA lagged far behind in per capita funding during much of the 1990's.
(Initial SAMCo Goal: Seek larger slice of the funding pie!)*

2002 - SAMCo formed as public-private partnership

2003 - Key TxDOT funding categories transitioned to formula basis
(11 percent for San Antonio – much more equitable)

2004 - Advanced Transportation District (ATD) and ¼ cent sales tax
(\$340 million plus in new revenue over 10 years)

2005 - Commission approves ATD highway acceleration package
(\$300 million plus, 8 projects advanced 4 to 11 years)

2006 - \$30 million secured in federal earmarks (7 projects)

2007 - \$307 million bond program (City); \$7 million in earmarks

Results: \$1B plus in new funding and/or accelerated projects



Other SAMCo Partnership Accomplishments

- US 281 and Loop 1604 Toll Projects (\$1.325 Billion) – Financial plan approved by MPO December 3, 2007
- State Highway 130 – Segments 5 and 6 under contract (\$1.3 Billion)
- Pass Through Projects (Bexar County/TxDOT):
 - Blanco Road (\$30 million)
 - Culebra Road (\$23 million)



Significant Milestones & Successes - Completion Dates

- US 281/IH 410 Interchange – Early 2009 (\$155 M)
- IH 10/IH 410 Interchange Phase II – Summer 2008 (\$82 M)
- IH 10 Project (Fulton to Crossroads) – May 2008 (\$68 M)
- Loop 410 (Culebra to Ingram) – Fall 2008 (\$29.6 M)
- Loop 410 (Ingram to Callaghan) – Summer 2009 (\$75 M)
- Loop 410 (Nacogdoches to Austin Hwy) – Fall 2010 (\$117 M)
- 7 Other ATD Projects in various stages of construction
- City of San Antonio and VIA ATD Projects
- City of San Antonio - \$307 M Transportation Bond Program

VISION



Despite These Efforts, Significant Funding Gaps Remain...

SA/Bexar County MPO – Estimated Funding Gaps to 2030

- \$7.47 Billion – Added capacity/congestion relief
- \$7.44 Billion – Reconstruction/rehabilitation of existing roads
- \$2.9 Billion – Pedestrian (sidewalk) & bike paths
- \$1.0 Billion – Rail relocation
- **18.9 Billion – Total**

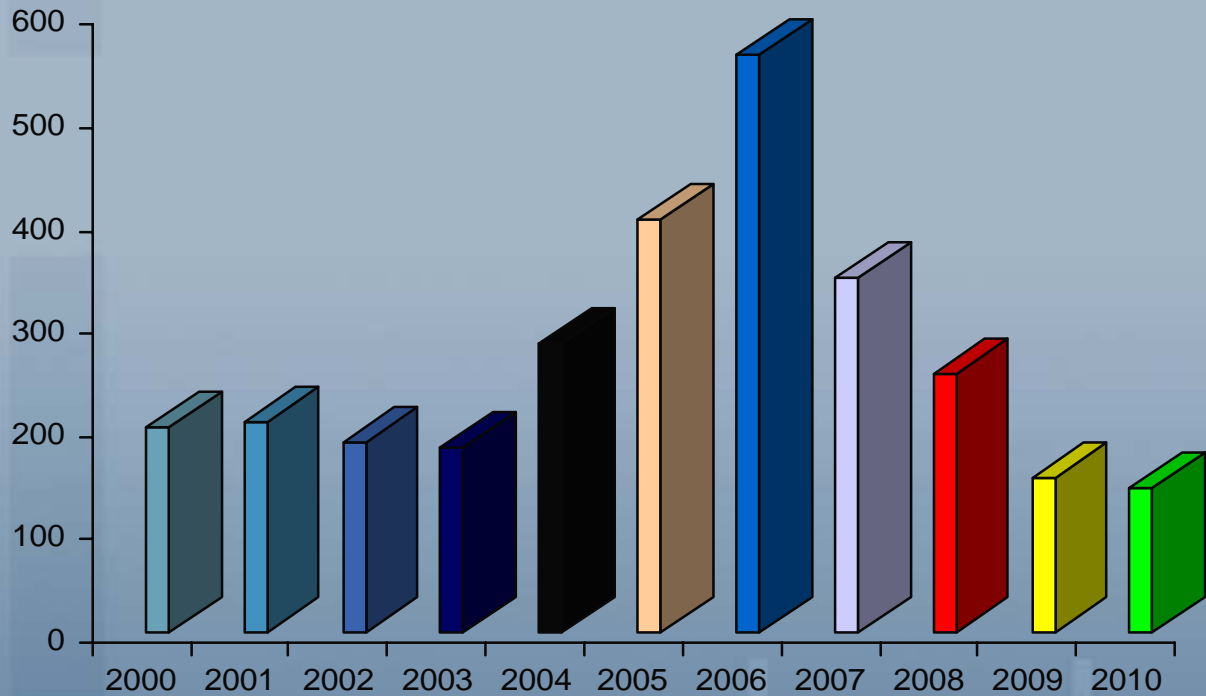
Source: 2006 Estimate – Bexar County/SA MPO

Note: Total has likely grown with double digit construction inflation and recent state and federal funding cutbacks.



San Antonio District Annual Construction Volumes (Non-Toll) Actual to 2007; Projected 2008 - 2010

Millions



VISION



Factors Behind Funding Gaps...

- Federal rescissions - \$1 billion loss to Texas over past 18 months and growing
- Federal Highway Trust Fund - \$4 billion deficit projected by FY 2009
- Legislative diversions (Fund 6) - \$1.57 billion total for 2008/09 biennium
- Legislative diversions total \$10.8 billion since 1986
- 73 percent inflation in HCI (Highway Construction Index) since 2002
- Federal/state gas taxes not adjusted since 1991



Federal/State Funding Cuts – Impact on San Antonio District/MPO

- In April 2007, the MPO Policy Board was forced to eliminate **\$132M** in planned projects from the 2009-2018 plan. (24 percent)
- In September 2007, the MPO was required to cut **\$58 M** more from its FY 2008 plan. (eliminated 3 of 6 projects)
- In April 2008, MPO was notified by TxDOT that 2009-2019 UTP (Category 2) will be reduced by 20 percent statewide to adjust for overly optimistic revenue assumptions and over-programming of projects, resulting in a “delay beyond 2019” of **\$419 M** in projects (includes the \$132M and \$58M totals)



Federal/State Funding Cuts – Impact on San Antonio District/MPO

- The April 2008 reductions for the San Antonio district (\$419 M) resulted from a 20 percent statewide reduction in the 2009-2019 UTP.
- The cuts were applied across-the-board to all major metropolitan areas in Texas.
- Of the remaining \$28.2 billion available for letting statewide (2009-2018), only \$3.26 billion is now designated for metropolitan mobility.
- Most of the remainder has been designated for maintenance/reconstruction (\$17.3 billion) over the ten-year period.



Impact on SA District/MPO

- As of May 2008, the proposed cutbacks leave the San Antonio District with **\$21.5 million** per year in Category 2 funds for the ten year period (2009 to 2019).
- This compares with an average of **\$164 million** per year between 2004 and 2008 – when the San Antonio District aggressively leveraged future funding.

vision



Impact on SA District/MPO

- Projects delayed beyond FY 2019:
 - Loop 1604 at Randolph AFB
 - 36th Street (Port Authority)
 - FM 3009 from IH 35 to FM 2252
 - IH 10 from Huebner to Loop 1604
 - FM 1957 from Loop 1604 to Medina County Line
 - SH 211 from FM 1957 to FM 471
 - FM 1103 (ROW only)
 - Wurzbach Parkway
 - US 281/LP 1604 Toll Equity (a portion of this)
 - \$132 million in projects that were delayed in 2007, including \$88M reduced on IH 35 Corridor
- **THESE PROJECTS WERE ALREADY FUNDED - NOT PART OF SAN ANTONIO'S \$19 B FUNDING GAP!!!**



Meanwhile, back in San Antonio...

- One million new residents by 2030
- 57,000 additional cars per year
- 156 cars per day; 6.5 per hour
- Congestion already at Level F on several sections of US 281 and Loop 1604
- San Antonio had second highest increase in congested hours in the nation from 2006 to 2007



Present and Future SAMCo Challenge:

Developing new/expanded transportation funding sources in an era of declining state and federal commitments:

- Federal Agenda
- State Agenda
- Regional and Local Agenda

"The critical issue before us now is to restore/rebuild the transportation funding base (i.e. – new pie or pies) rather than fighting over slices of yesterday's shrinking pie."



SAMCo Federal Agenda

- 2010-2015 Transportation Reauthorization Bill
 1. Eliminate Federal Highway Trust Fund deficit
 2. Increase national investment in highways, freight rail, passenger rail (inner-city and local), and mass transit
 3. Provide funding to reconstruct aging infrastructure
 4. Continue to reduce donor/non-donor state disparities
 5. Implement appropriate mix of funding sources (gas tax increase & tolling solutions where feasible)
 6. Consolidation of existing federal programs/flexibility
 7. Continue efforts to streamline the NEPA process



SAMCo Federal Agenda

- Appropriations Earmarks – 2009 and Beyond
 - Fort Sam Houston Access: Rittiman/Harry Wurzbach (\$3,080,050)
 - Fort Sam Houston Access: IH 35 and George Beach (\$1,191,000)
 - 36th Street Extension/Port San Antonio – Phase IIIA (\$4,100,000)
 - Bus Rapid Transit (BRT) – Fredericksburg Road (\$7,000,000)
 - Modernization of VIA's Bus Fleet and Bus Facility (\$8,900,000)
 - Austin-San Antonio Regional Inter-City Passenger Rail Project:
 - \$5 million for additional planning, engineering, environmental
 - Grant/loan funding for freight rail relocation program
 - Grant/loan capital funding for Amtrak operational requirements
 - Grant/loan funding for construction of commuter rail
 - RRIF loan fund for commuter rail infrastructure
 - Coordination between various DOT entities on project as Nationally Significant Corridor



SAMCo Federal Agenda

- January 14-16, 2008 – SAMCo DC Trip
- June 22-25, 2008 – SA-DC Trip
- Briefings/tours on priority San Antonio projects for Congressional staff
- Team approach
- “Let’s Rebuild American” Coalition – Luncheon featuring Janet Kavinsky - June 18, 2008



SAMCo State Issues Agenda

1. Proposition 12 General Obligation Bonds (\$5B) *– Support Authorization by Legislature*

- *Const. Amendment approved by voters Nov 6, 2007*
- *Up to \$5 billion in new revenue for highway projects*
- *Projects to as much as \$350 - \$550 M for SA region*
- *Requires legislature to adopt enabling legislation*
- *Legislature may dedicate to particular uses – restore maintenance, toll equity, pass through, or place in formula*
- *Backed by general revenue – not gas tax*



SAMCo State Issues Agenda

2. Fund 6 Diversions – *Support elimination of diversions of gas tax revenue to non-transportation programs.*
 - *\$1.6 billion per biennium; 80 percent to DPS*
 - *\$10.5 billion since 1987*
 - *Defeated several times in recent sessions*
 - *Legislative leaders have recently indicated willingness to reduce diversions to help TxDOT use more of its bonding authority*
 - *A cap on future diversions is also being discussed*



SAMCo State Issues Agenda

3. State Motor Fuel Tax – *Support indexing to CPI or appropriate construction index*
 - *Prevent further deterioration in funding base*
 - *Provide predictable funding for reconstruction projects*
 - *Potential for some new projects: In 2006, the Governor's Business Council (GBC) estimated that over \$50 billion would be raised over 25 years with a one-time increase and indexing of the fuel tax.*
 - *Since 1991, construction inflation (about 10-15 percent in recent years) has seriously eroded the value of the gas tax.*



SAMCo State Issues Agenda

4. Texas Mobility Fund – *Support recapitalization*

- *Revenues allocated to the Mobility Fund will be fully committed to debt service by 2009.*
- *No new project funding from TMF until new injection of revenue.*
- *HB 422 (Phillips) & SB 126 (Carona) were filed to move \$290M from the General Fund to the TMF.*
- *Specifically, revenue associated with motor vehicle rental taxes, revenues from certificates of title, motor carrier permits, salvage dealer licenses, personalized license plates, driving safety courses, etc.*



SAMCo State Issues Agenda

5. Other priority issues supported by SAMCo

- *Continued local control of toll projects*
- *Support capitalization of the Texas Rail Relocation Fund (\$17 B statewide need; \$2-3 B in Austin-SA)*
- *VIA Legislative Issues (under development)*
- *Air Quality/TERP Issues (under development)*

vision



SAMCo State Issues Agenda

6. Local Option Transportation Revenue "Menu"

- *Under development by a SAMCo working group*
- *Similar discussions taking place in other urban areas*
- *Enabling legislation would provide framework for urban counties (or perhaps other regional entities) to assess new transportation fees or taxes for local projects*
- *Voters would approve new taxes/fees and project package – much like a bond program*
- *Potential uses – Mass transit (BRT and/or light rail), commuter rail, highway projects, major arterials, etc.*



SAMCo State Issues Agenda

6. Local Option "Menu" – Continued...

- *Local funding options for the "menu" might include vehicle registration fee, new resident vehicle registration fee, sales tax on gasoline, and/or a regional transportation property tax.*
- *Each urban area/county could pursue the local funding option best for their particular community.*
- *Team approach recommended – like the ATD*
- *Project priorities to be recommended by MPO with input from City, County, VIA, Alamo RMA, etc.*
- *SAMCO's role – develop concept and enabling legislation; education; advocacy; etc.*



SAMCo State Issues Agenda

- Bexar County Delegation – Individual and Group Issue Briefings
- Austin Team – Lobbyists Chris Shields and Vic Boyer, SAMCo Executive Director
- Alliance with Austin, Dallas, Ft. Worth, El Paso, and Houston urban mobility coalitions
- Other potential allies – TUTA, Team Texas, Tex-21, TSRT



SAMCo State Issues Agenda

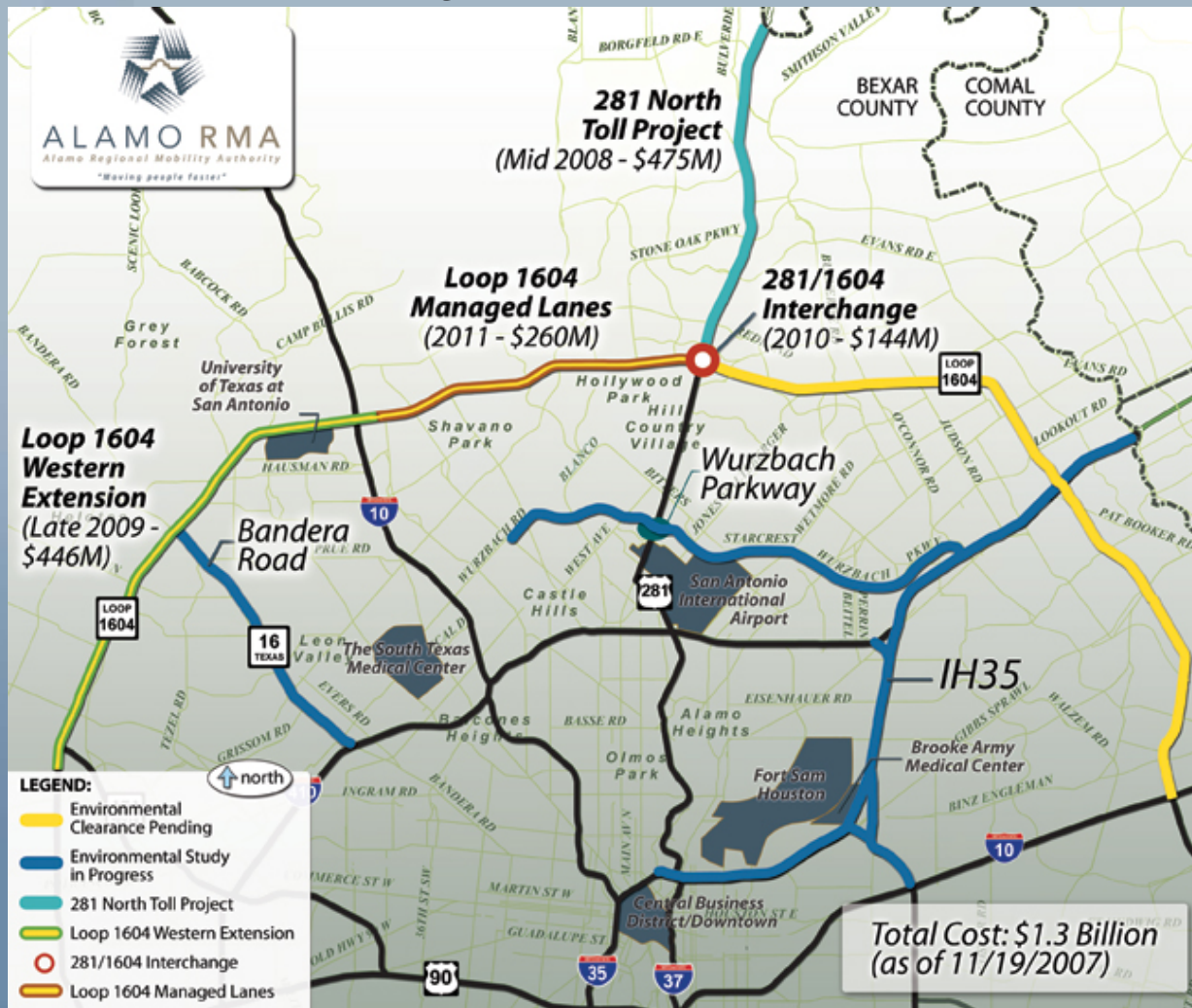
Sunset Review of TxDOT:

- *Legislators seeking greater accountability & transparency*
- *Legislature will likely resolve this first, best case by March or April of 2009 session*
- *Some discussion about two-year extension of Sunset*
- *Funding issues are likely to be address after Sunset*
- *Concepts under discussion: Single Commissioner, Legislative Oversight Committee, Business Plan, Smaller Staff, Consolidation of Districts, Management Entity v. Engineering/Planning Entity; etc...*



SAMCo – Local and Regional Issues

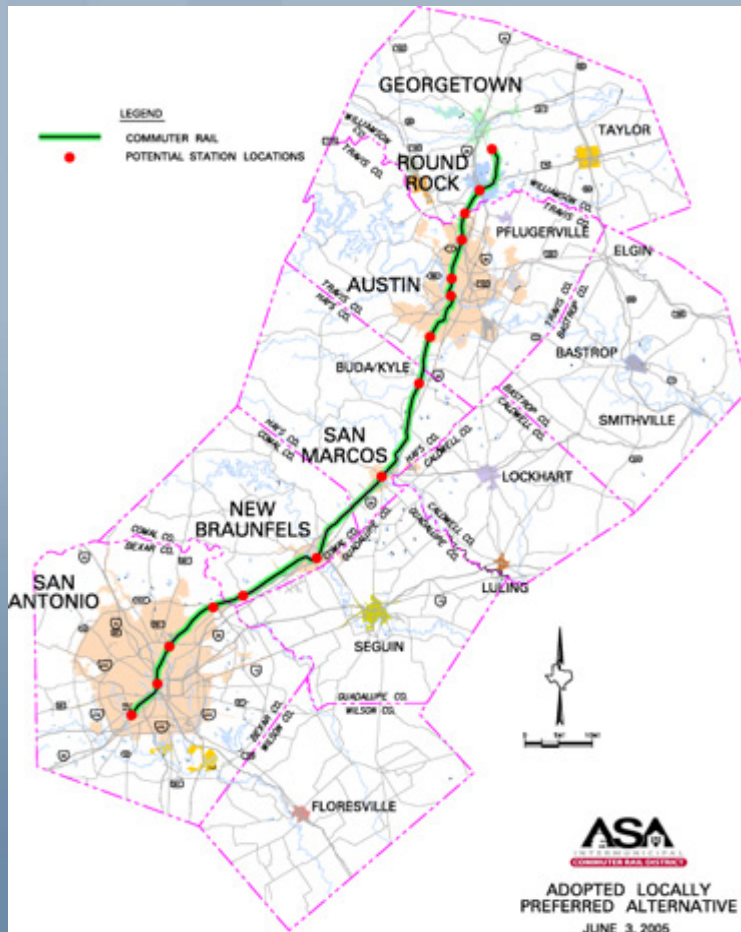
Alamo RMA Toll System/US 281 and Loop 1604





SAMCo – Local and Regional Issues

Austin-San Antonio Intermunicipal Passenger Rail





SAMCo – Local and Regional Issues

- ❑ **Advanced Transportation District (ATD)** – Time to start planning for renewal in 5 to 6 years.
- ❑ **City of San Antonio Bond Program** – Support for potential 2010 program.
- ❑ **City of San Antonio** – Support for Rolling (5) Year Infrastructure Maintenance Plan and greater investment in street maintenance.
- ❑ **City of San Antonio** – Support for Traffic Signal System Modernization (TSSM) Program.
- ❑ **Bus Rapid Transit, Express Buses, Commuter Rail** – Find Ways to Expedite!



Emerging “Big Picture” Issues...

- ❑ Mass Transit Discussion – Light Rail, BRT, etc.
- ❑ New Commissioners/Hope’s Departure
- ❑ Rising Gas Prices/Gas Tax Holiday/Etc.
- ❑ Keeping San Antonio Competitive with Other Urban Areas (fair and equitable funding)
- ❑ Airport/Aviation

vision



Transportation Funding Outlook and Challenges

vision



Questions? Discussion. Thank you!