

Memorandum



DATE October 31, 2008

TO Members of the City Council Legislative Ad Hoc Committee: Dr. Elba Garcia, Vonciel Jones Hill
Linda Koop, Pauline Medrano, Ron Natinsky, Dave Neumann, Mitchell Rasansky, and Steve
Salazar

SUBJECT Rail North Texas Legislative Initiative

On Monday, November 3, 2008, you will be briefed on the Rail North Texas Legislative Initiative.
Attached are the briefing materials for you to review prior to Monday's discussion.

Please contact me if you have any questions.



Mary K. Suhm
City Manager

RAIL NORTH TEXAS LEGISLATIVE INITIATIVE



City of Dallas Legislative Ad Hoc Committee

November 3, 2008

www.nctcog.org/trans



Regional Transportation Council

WHY IS PASSENGER RAIL NEEDED?

To Provide Transportation Options

Having a rail system provides people the opportunity to choose their travel options. It also allows people without vehicles to be more mobile. This will lead to greater reliability, reduced roadway impacts and a more sustainable future.

Rising Gas Costs

Gas costs more now than ever and is expected to remain high for the foreseeable future. Having access to rail means driving less, which saves money. Fuel availability cannot always be assumed.

To Promote Better Air Quality

Most of the pollution in our region comes from motor vehicles. The more people that park their cars and get onto trains, the less pollution and more clean air for all of us.

To Reduce Congestion

The Dallas-Fort Worth region has grown rapidly and is expected to continue to grow. As more people move to the region, the more congested our roadways will become; resulting in more time wasted sitting in traffic.

To Create a Seamless Transportation System

Having a rail system allows people to travel throughout the region with ease. Seamless connections within the transit system allow people to move from home to work or play and back again.

Rail Lines Under Consideration

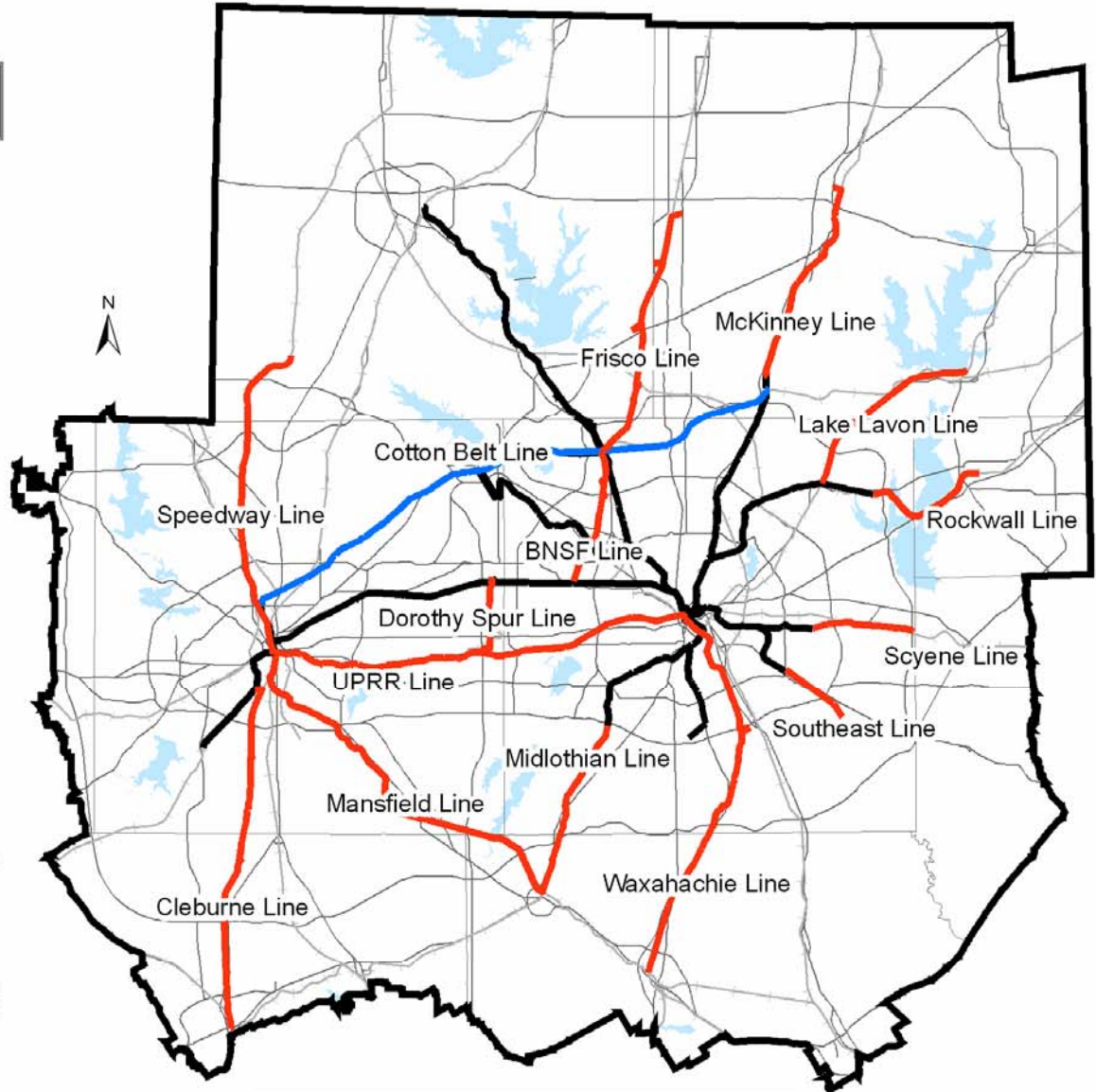
Legend

- Existing Service, Programmed Projects and Projects Under Development
- Projects Pending Alternative Funding
- Cotton Belt- Potential Funding through Public Private Partnership
- +++ Existing Rail Corridors
- Highways

Fort Worth CBD



Dallas CBD



251 Rail Miles Pending Funding

Corridor specific design and operation characteristics for the Intercity Passenger, Regional Passenger and Freight Rail Systems will be determined through capacity evaluation and ongoing project development. Refined rail forecasts are necessary to determine technology and alignment in Future Rail corridors.

All existing railroad rights-of-way should be monitored for potential future transportation corridors. New facility locations represent transportation needs and do not reflect specific alignments.

Institutional structure being reviewed for the region.

The need for additional rail capacity in the Dallas CBD, Fort Worth CBD, DFW International Airport, and other inter-modal centers will be monitored. A grade separation is needed for the Dallas CBD second alignment.

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Costs for Regional Rail*

(\$ Millions)

DRAFT

	Capital	Operating & Maintenance	Total
Total Cost (2008 \$)	\$4,700	\$875	\$5,575
Total Cost	\$8,163	\$1,430	\$9,593
Annualized Cost	\$389	\$68	\$457

***Cost estimate expected to change due to reducing duplicative service or postponing unwarranted service**

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Revenue Options

Vehicle Registration Fee – up to \$150 per vehicle

Motor Fuels Tax – up to \$0.10 per gallon

Mileage Fee – up to \$0.01 per mile

Property Tax – up to \$0.05 per \$100 value

Driver's License Fee – up to \$50

New Resident Fee – up to \$250

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Creation of Transportation District

Authorized by the Texas Legislature

Regional Transportation Council would serve as
the Board of Directors – 2/3 vote of the RTC

NCTCOG Executive Board serves as fiduciary
agent

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Project and Revenue Selection Process

Transportation District issues a call for projects to local governments and transportation providers

RTC staff provides preliminary technical evaluation of projects

County roundtables (county and city representatives) select projects to fund and determine the necessary taxes/fees and rates

Transportation District calls election and contracts with counties to hold the election

If a majority of voters approve the ballot, the district is created and fees/taxes imposed

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Project Implementation

The NCTCOG Executive Board will be the fiduciary agent to hold and invest revenues

Transportation District creates special “DART Service Area”

Funds will be passed through to transportation entities to construct, maintain, and operate projects:

- Dallas Area Rapid Transit
- Denton County Transportation Authority
- Fort Worth Transportation Authority
- Others: TxDOT, NTTA, etc.

Metropolitan Mobility Local Option Bill

DRAFT Outline

The bill shall authorize the eight Transportation Management Areas within Texas to form a transportation district. The purpose of the transportation district is to levy fees and taxes to generate revenue necessary to fund identified metropolitan area mobility needs.

The metropolitan planning organization (MPO) policy making body may establish a transportation district by a two thirds vote of its members following a public hearing.

The boundary of the metropolitan planning area shall be the boundary of the transportation district. If the metropolitan planning area boundary changes, the boundary of the transportation district changes identically and simultaneously. If the metropolitan planning area boundary splits a county and the commissioners court of that county resolves that the entire county be included in the transportation district, then the district boundary shall expand to include the entire county.

The transportation district shall be governed by a board of directors. The board of directors of the district shall be the MPO policy making body, unless the MPO policy making body elects not to serve as the district board of directors, in which case it may establish an alternative board of directors. At least two thirds of the membership of any alternative board of directors shall consist of local elected officials of cities and counties within the district.

The bill shall authorize a transportation district to:

- Levy fees and taxes subject to voter approval
- Issue debt
- Fund operations, maintenance, capital and debt service expenses for passenger rail, transit, roadways and freight rail.
- Contract with other entities to provide mobility services and implement projects

The transportation district shall use revenue generated from fees and taxes in a particular county to fund mobility needs in that county. The district may levy the following fees and taxes if approved by voters at an election on a date authorized by statute:

- A vehicle registration fee, not to exceed \$150 per vehicle per year
- A motor fuels excise tax, not to exceed \$0.10 per gallon
- A mileage fee, not to exceed \$0.01 per vehicle mile driven
- A property tax, not to exceed \$0.05 per \$100 appraised value
- A driver's license fee, not to exceed \$50
- New resident impact (vehicle registration), not to exceed \$250 per year

The transportation district shall use the established process and criteria of the MPO in identifying mobility needs and selecting projects to fund, using the following protocol:

- The MPO/Transportation District issues a call for projects
- Cities, counties, and transportation authorities within the transportation district submit projects
- The MPO/Transportation District evaluates and ranks projects on a county-by-county basis. County roundtables of elected officials and technical staff provide input on project rankings and the taxes and fees needed to meet the highest ranked project needs
- The MPO/Transportation District develops a sample ballot listing the highest ranked projects and recommended fees and taxes to generate revenue to fund the projects, correlating projects on the sample ballot to estimated revenues generated by fees and taxes levied on a county basis so that the fee and tax revenue generated in a particular county funds projects in that county
- The MPO/Transportation District contracts with the elections department of each county to administer the election

Ballot language adopted by the district board shall list:

- each tax or fee to be levied,
- the rate of each tax or fee to be levied,
- the month and year in which the tax or fee levy shall begin,
- the transportation operations, maintenance and capital projects to be funded,
- the month and year in which a tax or fee levied for a capital project shall cease, and
- the estimated time frame for the implementation of each project.

The vote results shall be tabulated on a county basis. Fees and taxes will be levied only in a county in which a majority vote is cast in favor of the projects, fees and taxes listed on the ballot.

The bill shall indemnify metropolitan areas: Metropolitan planning areas shall not be penalized in terms of losing traditional transportation funding by virtue of their establishing a transportation district and their voters agreeing to pay additional transportation taxes or fees. TxDOT shall not reduce any allocation of traditional transportation funding to any of its districts by virtue of a district being in a metropolitan planning area that establishes a transportation district and levies additional transportation taxes or fees.