AGENDA

STATUS REPORT ON REGIONAL TRANSIT INITIATIVE EFFORT
NORTH CENTRAL TEXAS LEGISLATIVE DELEGATION BRIEFING

September 29, 2004
12:00 – 1:30 p.m.
Transportation Board Room

1. Welcome/Introductions

2. Executive Summary and Next Steps

3. Continued Discussion of Principles

4. Questions from Delegation

5. Other Business

5. Elements of Presentation to Legislative Delegation
VISION STATEMENT AND PURPOSE

Vision:
To provide a bottom-up process for the exchange of information and ideas among elected representatives, policy officials, and the general public regarding options for the implementation of a seamless transit system for North Central Texas.

Purpose:
Create a consensus position for implementation of regional rail throughout North Central Texas.
# CHALLENGES AND RESPONSES

## Plan for Institutional Capability or Not
- Create Regional Rail Authority

## Equity of “Economic Development” versus Transportation/Air Quality
- Increase Sales Tax Ceiling (i.e., Level Playing Field)

## Promote Air Quality Perspective
- Rail as Part of More Extensive Initiative

## Land Use Efficiency of Three Million New Customers
- Transit Oriented Development

## Today – 82 Transit Providers
- Create Regional Rail Authority

## City Opt Outs
- Regional/Countywide Vote

## Washington – One Voice Regarding “Rail Starts”
- Cooperative Partnership *(Section 10)*

## Phased Implementation of Service
- Staging of Rail Within the Regional Rail Corridor Study

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**SUMMARY: SEAMLESS AND BALANCED SYSTEM**
CONSENSUS PROCESS:
A “Bottom-Up” Approach

PROVIDE OPTIONS TO LEGISLATURE
David Cain

EVALUATE INSTITUTIONAL STRUCTURES
Lee Jackson

MATCH REVENUES TO NEEDS

IDENTIFY CAPITAL AND OPERATING COSTS

TRANSPORT RELATED NEEDS

EVALUATE FINANCING OPTIONS
Wendy Davis
REGIONAL RAIL CORRIDOR STUDY AND REGIONAL TRANSIT INITIATIVE Committee Coordination

Regional Rail Corridor Study Policy/Technical Committee Meetings (Committees 1 - 6)
  Six Rounds of Meetings (36)
    July, September and November 2003; March, May and August 2004

Additional Transit Needs for Mobility 2030 Meeting (Committee 7)
  May 2004

Regional Transit Initiative Meetings (Committees 8, 9 and 10)
  Eight Rounds of Meetings (8)
    January, March, April (2), May, June, July, August 2004

Quarterly Public Meetings
  Six Rounds of Meetings (18)
    July, August, October and December 2003; March, June 2004
## REGIONAL RAIL CORRIDOR STUDY AND REGIONAL TRANSIT INITIATIVE

<table>
<thead>
<tr>
<th>Committee</th>
<th>Recommendation</th>
<th>Consensus</th>
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<tbody>
<tr>
<td><strong>Regional Rail Corridor Study</strong></td>
<td></td>
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<tr>
<td>1. Carrollton to Frisco Plano to McKinney</td>
<td>Regional Rail Regional Rail/Intermediate Light Rail</td>
<td>August 2</td>
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<tr>
<td>2. Dallas to Waxahachie Dallas to Midlothian</td>
<td>Regional Rail Regional Rail</td>
<td>August 3</td>
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<td>3. Fort Worth to Dallas</td>
<td>Regional Rail</td>
<td>August 5</td>
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<td>4. Fort Worth to Cleburne</td>
<td>Regional Rail</td>
<td>August 4</td>
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<td>5. Southwest Fort Worth to DFWIA</td>
<td>Regional Rail</td>
<td>August 4</td>
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<tr>
<td>6. Carrollton to Denton</td>
<td>Regional Rail</td>
<td>August 2</td>
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<tr>
<td>7. Additional Transit Needs for Mobility 2030</td>
<td>Added Service When Warranted</td>
<td>May 20</td>
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<td><strong>Regional Transit Initiative</strong></td>
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<tr>
<td>8. Financial Options</td>
<td>Statement of Principles</td>
<td>July 29</td>
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<tr>
<td>9. Institutional Structures</td>
<td>Statement of Principles</td>
<td>July 29</td>
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<tr>
<td>10. Legislative Options</td>
<td>Statement of Principles</td>
<td>July 29</td>
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REGIONAL RAIL SYSTEM*

* Based on Mobility 2025 – 2004 Update and refinements through the Regional Rail Corridor Study
INSTITUTIONAL COMMITTEE
MISSION

“To investigate fully institutional structure options that implement the unfunded transit elements of the metropolitan transportation plan.”
1. DCTA Service Area
2. FWTA Service Area
3. DART Service Area
4. Potential New Regional Rail Authority *

* Flexibility including but not limited to the following:
  - Creation of Regional Rail Authority Service Area
  - Able to Partner with other Authorities
  - Expand to Counties as Needed
  - Minimal “Feeder” Bus Service
  - Additional Funding Includes: Air Quality Projects, Local Match, Bottleneck Improvements, etc.
FINANCIAL COMMITTEE
MISSION

Determine How Much Revenue Is Needed to Implement the Entire Metropolitan Plan Transit Element

Investigate the Likely Sources of Revenues to Provide Those Funds

Recommend Likely Candidate Revenue Sources
### CANDIDATE FUNDING SOURCE PRINCIPLES

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Available Collection Mechanism</th>
<th>Equitable</th>
<th>Adjusts to Inflation</th>
<th>Already Used for Transit</th>
<th>Used by Others</th>
<th>Legal or Political Issues</th>
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</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Local Option Gas Sales Tax</td>
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<td>Local Option Motor Vehicle Sales Tax</td>
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<tr>
<td>Local Property Tax</td>
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<tr>
<td>Employment Tax</td>
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<td>X</td>
<td>X</td>
<td>X</td>
<td>--</td>
<td>X</td>
</tr>
</tbody>
</table>

- √ Funding source is consistent with principle
- X Funding source is not consistent with principle
- *If only collected outside existing transit authorities
### REVENUE SOURCES FOR REGIONAL RAIL AUTHORITY (RRA)

<table>
<thead>
<tr>
<th>Estimated RRA Capital and Operating Annualized Costs</th>
<th>Necessary Sales Tax Increase</th>
<th>Necessary Motor Fuels Sales Tax Rate</th>
<th>Necessary Motor Vehicle Sales Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$167.3M</td>
<td>1/2 Percent</td>
<td>6 3/8 Percent per gallon</td>
<td>2 3/8 Percent tax per sale</td>
</tr>
</tbody>
</table>

Includes possibility, at local discretion, of minimal feeder bus, air quality projects, bottleneck improvements, etc.
1. DCTA Service Area
   (.5¢ existing cities ; .5¢ proposed for entire county)
2. FWTA Service Area
   (.5¢ existing + .5¢ proposed = 1¢ Total)
3. DART Service Area
   (1¢ existing ; 1¢ proposed)
4. Potential New Regional Rail Authority *
   (.5¢ proposed)

* DCTA will work with cities within the Service Area to provide funding necessary for implementation of transit activities within non-DART and non-FWTA portions of Denton County.

** FWTA preference for distribution of FWTA Regional Rail Authority sales-tax to that of the FWTA Service Area.

*** Flexibility including but not limited to the following:
   • Creation of Regional Rail Authority Service Area
   • Able to Partner with other Authorities
   • Expand to Counties as Needed
   • Minimal “Feeder” Bus Service
   • Additional Funding Includes: Air Quality Projects, Local Match, Bottleneck Improvements, etc.
NEXT STEPS

Continue Regional Rail Authority Momentum

Regional Transit Initiative Legislative Effort

- Legislative Committee Leadership
- Judges/Mayors North Texas Legislative Conference
- Legislative Committee Chairpersons plus Governor, Lieutenant Governor, and Speaker of the House
- Create Legislative Partnerships with Education
- Legislative Proposal - Fall 2004
With a population that is expected to exceed 8.5 million by 2030, the need for a reliable transportation system in North Central Texas is particularly important. The proven ability of rail service to improve mobility will play a crucial role in meeting those future transportation needs.

The current regional transportation plan for North Central Texas contains a number of future rail investments where service will be needed, but that fall in areas outside current service boundaries. The successes of Dallas Area Rapid Transit (DART), Denton County Transportation Authority (DCTA), and the Fort Worth Transportation Authority (The T) have moved this region to a point where interest and need is outstripping service delivery areas.

The Regional Transportation Council of the North Central Texas Council of Governments and the transportation authorities are working to develop innovative solutions to these challenges.

After studying needs, financing and organizational options through the Regional Rail Corridor Study and the Regional Transit Initiative, committees established to develop solutions reached consensus to move ahead with a new Regional Rail Authority.

The proposed structure would include the continued growth of DART, DCTA and The T, along with a new Regional Rail Authority. This would provide over 350 miles of rail service, reaching residents in communities outside current transportation authority service boundaries.

The committee chairpersons embraced a Statement of Principles, which calls for a new Regional Rail Authority, funded through additional sales tax capacity and allowing for a region-wide local option election.

The next steps to continuing this momentum include gathering support for necessary legislative change and developing the organizational structure to plan and implement the Regional Rail Authority system.
WHEREAS, area leaders serving on committees of the North Central Texas Regional Transit Initiative have met over the past year to address the region’s rail transit needs, rail funding requirements, and institutional arrangements to meet the region’s rail transit needs as defined in Mobility 2025 – 2004 Update, the metropolitan transportation plan for the Dallas/Fort Worth Metropolitan Area; and

WHEREAS, there is an agreement on a demonstrated need for the provision of regional rail services in Collin, Dallas, Denton, Ellis, Johnson, and Tarrant Counties to address the projected increase in population, employment, and congestion; and

WHEREAS, funding for regional rail services should be shared by all residents of the counties receiving regional rail services; and

WHEREAS, regional rail services should offer the region’s citizens a seamless system of rail transit services.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. A new revenue stream is required that would be dedicated to the development and ongoing operation for regional rail service. There is a strong preference for additional sales tax capacity allowing for a region-wide local option election that could provide such revenues.

Section 2. Local governments, transit entities, and the State should have a common base for taxable goods and services, including any goods and services newly taxed by the Legislature.

Section 3. The continued growth of the existing transportation authorities, through the addition of new cities, is encouraged.

Section 4. A new Regional Rail Authority (RRA) should be created to provide funding and represent the area as shown on Exhibit 1.

Section 5. The new RRA would work cooperatively with the existing transportation authorities to provide the public with regional rail services throughout the region.

Section 6. A seamless system of rail transit services should be offered throughout the region.

Section 7. The three existing transportation authorities will maintain their respective funding, responsibilities, and commitments (Dallas Area Rapid Transit, Denton County Transportation Authority, and the Fort Worth Transportation Authority).

Section 8. There should be a provision for representation for the three existing transportation authorities in the governance of the new RRA to encourage continued cooperation and coordination.

Section 9. There should be a mechanism (in the permissive legislation) for additional geographic areas (counties) to join the new RRA.

Section 10. There should be cooperation throughout the region to maximize the amount of federal funding for regional rail.

Wendy Davis  
Chairperson, Financial Committee

Lee Jackson  
Chairperson, Institutional Committee

David Cain  
Chairperson, Legislative Committee
Four Transportation Authorities

- **DCTA Service Area**
  - (.5¢ existing cities; .5¢ proposed for entire county)
- **FWTA Service Area**
  - (.5¢ existing + .5¢ proposed = 1¢ Total)
- **DART Service Area**
  - (1¢ existing; 1¢ proposed)
- **Future Regional Rail Authority** *
  - (.5¢ proposed)

Growth of existing transit authorities, through additional new cities is encouraged.

* Flexibility including but not limited to the following:
  - Creation of Regional Rail Authority Service Area
  - Able to partner with other authorities
  - Expand to counties as needed
  - Minimal “feeder” bus service
  - Additional funding includes: air quality projects, local match, bottleneck improvements, etc.

350 Miles of Rail

- New Area Regional Rail
- Mobility 2025 - 2004 Update Rail
- Roadway

Regional Rail Vision

Exhibit 1
$167 million per year will be required to support rail capital and operations for the future Regional Rail Authority (RRA) system (shown in red), as well as minimal feeder bus service to stations in the RRA area.

A new 1/2 cent sales tax revenue in The T and the RRA areas (pink and green on the map) would support the needs. A greater number of cities paying sales tax in the DCTA (yellow) would be necessary.

Sales tax is recommended to fund the annual costs because it adjusts to inflation, has an available collection mechanism and allows for equity across jurisdictional lines.

Raising the sales tax cap by a 1/2 cent would:
- provide room for more cities to vote to join an existing transit authority;
- allow for voting by residents in the RRA area to form and fund the RRA;
- allow for voting in The T area to fund the RRA system in The T area, and;
- allow DART member cities individual city votes for crime districts or economic development.

The new RRA would be able to partner with the existing authorities to provide efficient, seamless service throughout North Central Texas.

Before a funding vote, the RRA would develop a detailed service plan for its entire proposed service area. The Regional Transportation Council will continue to identify warranted rail improvements in the 9-county region.
Regional Transit Initiative Legislative Committee

Chad Adams, Judge, Ellis County
Euline Brock, Mayor, City of Denton
David Cain, Former Senator (Chair), Texas Legislature
Robert Cluck, Mayor, City of Arlington
Don Dillard, Chairman, North Texas Tollway Authority
Charles Emery, Chairman, Denton County Transportation Authority
Sandy Greyson, Councilmember, City of Dallas
Huelon Harrison, Chairman, Dallas Area Rapid Transit
Ron Harris, Judge, Collin County
Mary Horn, Judge, Denton County
Margaret Keliher, Judge, Dallas County
Laura Miller, Mayor, City of Dallas
Mike Moncrief, Mayor, City of Fort Worth
Hershel Payne, First Chair, Fort Worth Transportation Authority
Gary Slagel, Mayor, City of Richardson
Oscar Trevino, Mayor, City of North Richland Hills
Tom Vandergriff, Judge, Tarrant County
B. Glen Whitley, Commissioner, Tarrant County

Staff

Agency Directors
Gary Thomas, President/Executive Director, Dallas Area Rapid Transit
John Hedrick, Executive Director, Denton County Transportation Authority
Dick Ruddell, President/Executive Director, Fort Worth Transportation Authority
Michael Morris, Director of Transportation, North Central Texas Council of Governments

Legislative Resources
Amanda Oneacre, VP/Government Relations, Greater Dallas Chamber
James McCarley, Executive Director, Dallas Regional Mobility Coalition
Tim Keleher, VP/Governmental & Urban Affairs, Fort Worth Chamber
Vic Suhm, Senior Consultant, North Texas Commission
Brandon Aghamalian, Manager/Governmental Relations, City of Fort Worth

Map inside
The North Central Texas Council of Governments (NCTCOG) is a voluntary association of local governments within the 16-county North Central Texas region. The agency was established in 1966 to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. North Central Texas is a 16-county region with a population of 5.5 million and an area of approximately 12,800 square miles. NCTCOG has 229 member governments, including all 16 counties, 162 cities, 23 independent school districts, and 28 special districts.

What is NCTCOG?

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Since 1974, NCTCOG has served as the Metropolitan Planning Organization (MPO) for transportation in the Dallas-Fort Worth Metropolitan Area. The Regional Transportation Council is the policy body for the Metropolitan Planning Organization. The Regional Transportation Council consists of 39 members, predominantly local elected officials, overseeing the regional transportation planning process. NCTCOG’s Department of Transportation is responsible for support and staff assistance to the Regional Transportation Council and its technical committees, which comprise the MPO policy-making structure.

The North Central Texas Regional Transit Initiative is a collaborative effort between Dallas Area Rapid Transit, Denton County Transportation Authority, Fort Worth Transportation Authority, and the Regional Transportation Council.

If you have questions or comments regarding regional rail in North Central Texas or would like additional information, please contact the North Central Texas Council of Governments Transportation Department at (817) 695-9240 or by email transinfo@nctcog.org.
Sales Tax Cap Raised

Cities In Existing Authority
- Increase Existing Authority Tax
- Increase Tax for Other Purpose (4a, 4b, etc.)

Cities Not In Existing Authority
- Join Existing Authority
- Join Regional Rail Authority

(At Least .05 Percent Must be Dedicated to Transit.)
Sections 1, 4, and 8: Elections

State Legislature will be asked to raise sales tax cap from 8.25 percent to 8.75 percent.

If city wants to go above 8.25 percent, at least 0.5 percent should be dedicated to transit, or 0.5 percent of tax used for transit should be exempt from sales tax cap. (Fort Worth Transportation Authority at 1.0 percent.)

Transit portion can either be used to join existing authority or new Regional Rail Authority (similar to creation of Denton County Transportation Authority).

Those already in existing transit authority would vote independently to:
  - Raise their existing authority tax, i.e., from 0.5 percent to 1.0 percent (as authority), or
  - Use the additional 0.5 percent for non-transit purposes, i.e., 4a or 4b (city by city)

Regional Rail Authority election scenarios:
  - Regionwide (new area only) – all communities’ votes tabulated together (Denton gets their cities)
  - Countywide – votes for each county separated, may vote in or out independently
  - Sub-county – portion of county included/excluded (e.g., northern 2/3 of Ellis County)
  - City-by-city – each city votes independently (swiss cheese problem)
    - Level playing field
      - Own time frame
      - Own progress
    - Tax and vote at same geography

Section 5

Regional Rail Authority could implement service through:
  - Independent/autonomous service
  - Agreement with existing authority
  - As part of TRE

Board governance options:
  - Each participating city/county gets direct representation (one person, one vote), existing authorities as ex-officio
  - Existing authorities as voting members
  - Existing authorities represented as an advisory committee
April 30, 2004

The Honorable Terri Hodge  
Texas House of Representatives  
P.O. Box 2910  
Austin, Texas 78768

Dear Representative Hodge:

As you may be aware, in August of 2003, an historic meeting of transportation officials from around the Dallas-Fort Worth (DFW) metroplex convened at the Irving Transit Summit. At this meeting, officials pledged to work cooperatively to find a method of providing a seamless transit system throughout the area. Since that time, regional leaders have worked to select appropriate types of rail, in each corridor under study, and to identify new corridors, and financing and institutional structure options for a regional transit system. Our Committee is studying legislative options to make this vision a reality and I am sending this correspondence on behalf of this committee.

As you meet in the coming weeks for the Special Session on public school finance reform, the Regional Transit Initiative Legislative Committee would like you to consider its guiding principle. Our guiding principle states that local governments, transit entities, and the State should have a common base for taxable goods and services, including any goods and services newly taxed following the Special Session. As you review an expanded sales tax base for education, please keep this principle in your consideration.

The Dallas-Fort Worth region appreciates the leadership that you have shown on transportation issues and looks forward to working with you in the future to expand mobility options for Dallas-Fort Worth residents. Should you have any questions, please contact me at (214) 871-4900.

Sincerely,

David Cain  
Chair, Regional Transit Initiative  
Legislative Committee

AC:lk

cc: RTI Legislative Committee Members  
Key Legislative Contacts
STATEMENT OF PRINCIPLES FOR THE IMPLEMENTATION OF  
A REGIONAL RAIL SYSTEM IN NORTH CENTRAL TEXAS

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EXHIBIT 1

REGIONAL RAIL SYSTEM
Keep Existing Authorities

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