

General Mobility Program

Board Proposals: Possible Scenarios

Friday - August 3, 2012



Starting Point Assumptions: Inside METRO

- Maintain current bus service hours overall
- Complete three planned Park & Ride projects
- Continue bus shelter program
- Complete three rail lines under construction
- Continue annual bus acquisitions
- Fares at current levels
- Minimal State of Good Repair
- Continue move to financial sustainability



Starting Point Assumptions: Outside METRO

- Service area population grows per H-GAC
- Economy and sales tax grow per Barton Smith projections
- Future New Starts grants at 50% match
- Other federal grants grow only modestly
- No catastrophic events



And overall...

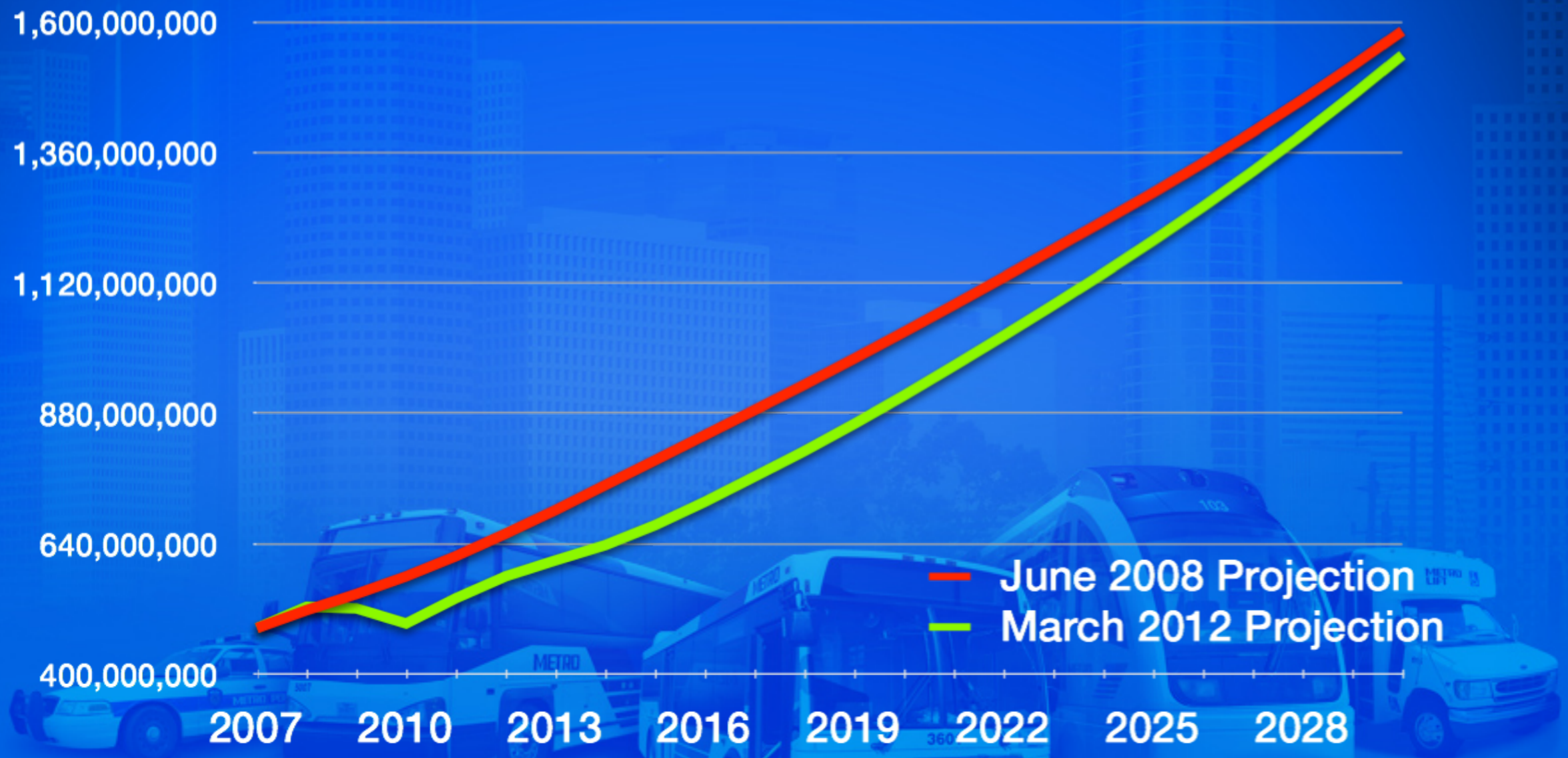
- Maintain a “Smart Service” approach.
- Use the right transit tool to meet each need.
- Buses and other tools are just as critical as rail.



Starting Point Assumptions: Outside METRO

A caveat on the effects of the recession

**METRO 1 Cent Annual Sales Tax Revenue
Difference between June 2008 and March 2012 Projections**



Board Member Proposals



Board Member Proposals

1 Board Members Ballanfant,
Castañeda, Siegel and Stobb

2 Chairman Garcia

3 Board Member Watson

4 Board Member Jefferson

5 Board Member Spieler

6 Board Member Patman



1

Board Members Ballanfant, Castañeda, Siegel and Stobb

Vote Yes or No

Shall METRO continue to dedicate twenty-five percent (25%) of METRO's sale and use tax revenues for street improvements and related projects, as authorized by law and with no increase in the current rate of METRO's sale and use tax.



2

Chairman Garcia

Choose A or B

A

Continue METRO's General Mobility program at the fiscal year 2014 amount through 2030.

B

Continue METRO's General Mobility program for all jurisdictions to get 25% of METRO's sales tax revenue collections from within their jurisdictions through 2030.



3

Board Member Watson

Vote Yes or No

Increase bonding limit, not to exceed \$200 million (\$200,000,000.00), for the express purpose of partnering with any local agency or state created authority to plan, design and construct non-rail transit projects. Partnering agency/authority must commit a minimum of fifteen percent (15%) to the projects construction costs.



3

Board Member Watson

Vote Yes or No

Continue the General Mobility plan (GMP) funding at a minimum of twenty-five percent (25%) of METRO's annual tax revenues received during METRO's 2014 fiscal year. The funding will remain at that fixed/capped level until September 30, 2030. Allocation of funds shall be renegotiated with METRO's GMP partners, similar to current allocations, but no less than twenty-three percent (23%) of the one cent sales tax collected in a city or unincorporated area.

3

Board Member Watson

Vote Yes or No

Develop and implement a user fare plan that improves point of sale technology and allows users to manage usage and maximize transfer benefits.

The plan shall include board approval for fare changes necessary to implement technology improvements and adjust for other variable costs of operation and maintenance.



4

Board Member Jefferson

Choose A or B

A

Should METRO continue the General Mobility program, setting aside 25% of its one-cent sales tax for road projects in the City of Houston, Harris County and the Multi-Cities.

B

Should METRO discontinue the General Mobility program, retaining full use of the one-cent sales tax for transit purposes.

5

Board Member Spieler

Vote Yes or No

The referendum passed by the voters in 2003 (the “1st referendum”) included a first phase of 4 rail lines as well as a General Mobility program lasting from 2009 to 2014. Since these rail lines have not been completed, both General Mobility and rail construction will continue until voters can make a decision on future transit expansion and General Mobility.

5

Board Member Spieler

Vote Yes or No

The General Mobility program shall continue at exactly 25% of METRO's sales tax for another 5 years to 2019, thus doubling the voter-approved term. Each member jurisdiction shall be allocated 25% of the sales tax collected within its jurisdiction to spend on any transportation projects authorized by the state transportation code.



5

Board Member Spieler

Vote Yes or No

METRO's sales tax bonding authority shall be increased by \$640 million, thus doubling the voter-approved authority. Bonds may be issued only based on the 75% of METRO's sales tax currently allocated to transit purposes, and may only be issued if METRO is in a financial position to uphold all other terms of this referendum.



5

Board Member Spieler

Vote Yes or No

METRO shall continue work on the last of the four first-phase lines in the 2003 referendum, from Wheeler station to Hillcroft Transit Center via Greenway Plaza, with future connections to Uptown, along a combination of Richmond and Westpark. To recognize the benefit to the city's infrastructure from this project, the roadwork, utility and right-of-way portion of this project (but not the transit facility itself) will be funded from the City of Houston's allocation of General Mobility.

5

Board Member Spieler

Vote Yes or No

Until 2019, METRO shall not decrease the level of bus service (measured in yearly revenue hours, excluding service funded by contract) below the FY2012 level.



5

Board Member Spieler

Vote Yes or No

METRO shall hold a third referendum by 2019 laying out a plan for the next phase of transit expansion and a proposal for the future of the General Mobility program.

If this second referendum does not pass, the METRO board shall not build any more rail lines other than those currently under construction, and shall cease General Mobility payments, instead placing 25% of METRO's sales tax into an escrow fund, until the voters do pass a referendum on future transit expansion and General Mobility.

6

Board Member Patman

Vote Yes or No

METRO shall dedicate 25% of METRO's sales and use tax revenues through September 30, 2016, to street improvements and related projects as authorized by § 451.065 of the METRO act [with no increase in the current rate of METRO's sales and use tax] with METRO to call an election before September 30, 2016, seeking a local determination by voters regarding METRO's continuing support after September 30, 2016 for improvements of the types described in § 451.065 of the METRO act.

Scenarios: Consider five key areas

- METROBus Service
- Bus Acquisition
- Capital Programs & State of Good Repair
- METRORail Service
- Financial Capacity



METROBus Service

Growth in Service 2015 - 2030



- 1 Ballanfant et al.
- 2 Garcia
- 3 Watson
- 4 Jefferson
- 5 Spieler
- 6 Patman



Bus Acquisition

Pay-As-You-Go



- 1 Ballanfant et al.
- 2 Garcia
- 3 Watson
- 4 Jefferson
- 5 Spieler
- 6 Patman



Capital Programs & State of Good Repair

New Shelters 2015 - 2030



- 1 Ballanfant et al.
- 2 Garcia
- 3 Watson
- 4 Jefferson
- 5 Spieler
- 6 Patman



Capital Programs & State of Good Repair

New Park & Ride Facilities by 2030

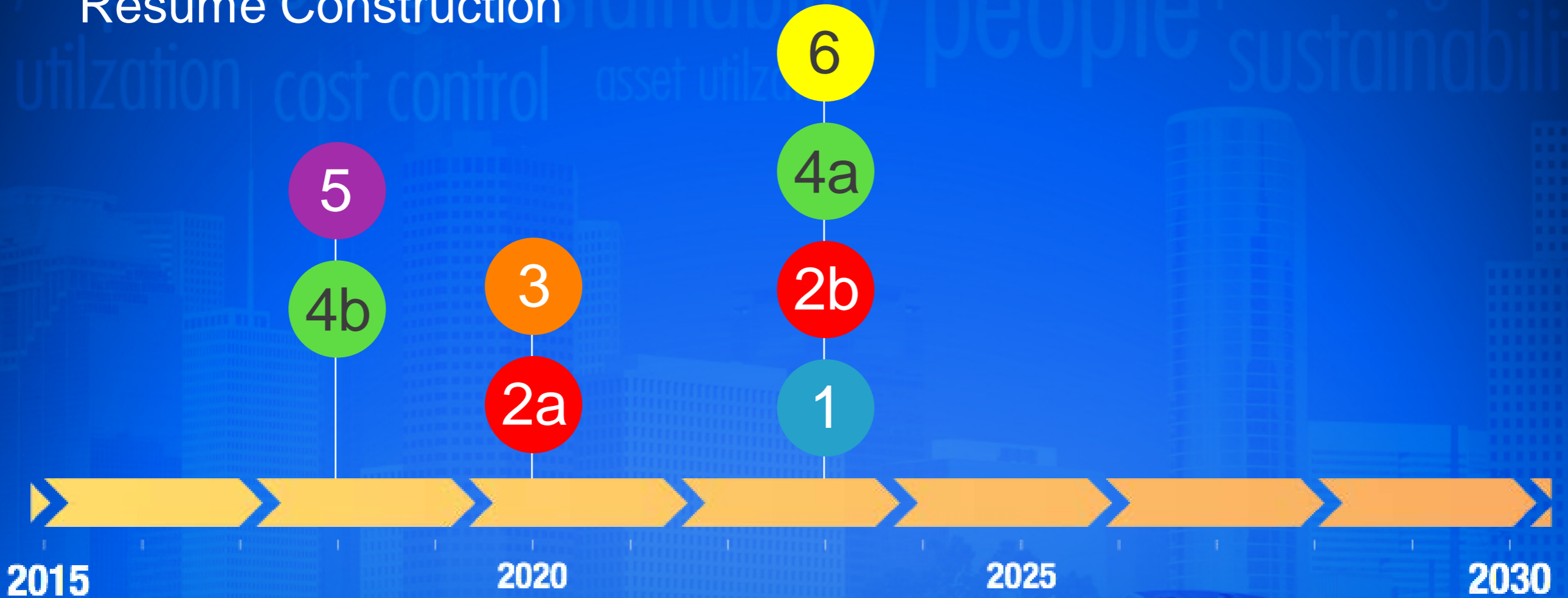


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METRO Rail Service

Resume Construction



- 1 Ballanfant et al.
- 2 Garcia
- 3 Watson
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- 6 Patman



Financial Capacity

\$45 Million Bond/Match Threshold



2015 2020 2025 2030

- 1 Ballanfant et al.
- 2 Garcia
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New
METRO
Going Places

