The General Mobility Program

Special Public Meeting
Monday – June 18, 2012
How is METRO funded?
METRO’s Continuing Revenue Sources - FY2012 Budget

- Sales Tax: 10%
- Farebox: 7%
- Recurring Grants: 83%
Current Distribution of METRO Sales Tax

25% METRO
75% GMP
Sales Tax for General Mobility Program

25%
Distribution of General Mobility Program Payments

- City of Houston: 18%
- Harris County: 16%
- Multi-Cities: 62%
- M.A.P.: 4%
“What If” Scenarios

Scenario 1: What if GMP continues at 25%?

Scenario 2: What if GMP ends completely?
Starting Point Assumptions
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
Scenarios: Consider five key areas

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

Scenario 1: GMP Continues
- Limited increase of service hours for local and commuter routes
- Limited increase in frequency on existing routes
- Fall further behind in meeting transit needs

Scenario 2: GMP Ends
- Increased service hours for local and commuter routes
- Increased frequency, additional routes, and more amenities
- Significantly shrink gap in meeting transit needs
### Bus Acquisition

#### Scenario 1: GMP Continues
- Provides for alternate service vehicles
- Cash basis for bus purchases by 2025
- Provides for very modest expansion of fleet

#### Scenario 2: GMP Ends
- Provides for alternate service vehicles
- Cash basis for bus purchases in 2015
- Provides for significant expansion of fleet
Capital Programs/State of Good Repair

**Scenario 1: GMP Continues**
- Maintain facilities in current conditions
- Limits bus shelter program
- Minimal Park & Ride expansion

**Scenario 2: GMP Ends**
- Accelerates maintenance program
- Expands bus shelter program
- Significant Park & Ride expansion
METRORail Service

Scenario 1: GMP Continues
- Resume environmental, engineering, and right-of-way acquisition by 2024
- Resume METRORail construction by 2028 to 2030

Scenario 2: GMP Ends
- Resume environmental, engineering, and right-of-way acquisition by 2015
- Resume METRORail construction by 2018 to 2020
Financial Capacity

Scenario 1: GMP Continues
• Bonding* capacity available by 2025 to 2027
• No capacity for matching grants on major projects until 2025 to 2027

Scenario 2: GMP Ends
• Bonding* capacity available by 2015
• Additional capacity for matching grants on major projects by 2015

* Issuance of bonds subject to voter approval
Next Steps:

• Board gathers public input
• Board considers proposed ballot language
• Board approves ballot language
• Board calls election

Voters decide the future of GMP.