

VIA Advanced Rapid Transit North/South Corridor Project
San Antonio, Texas
New Starts Project Development
(Rating Assigned November 2021)

Summary Description	
Proposed Project:	Bus Rapid Transit 11.7 Miles, 27 Stations
Total Capital Cost (\$YOE):	\$320.00 Million
Section 5309 CIG Share (\$YOE):	\$158.08 Million (49.4%)
Annual Operating Cost (opening year 2027):	\$12.06 Million
Current Year Ridership Forecast (2019):	7,100 Daily Linked Trips 2,308,800 Annual Linked Trips
Horizon Year Ridership Forecast (2040):	13,500 Daily Linked Trips 4,401,800 Annual Linked Trips
Overall Project Rating:	Medium-High
Project Justification Rating:	Medium
Local Financial Commitment Rating:	Medium-High

Project Description: VIA Metropolitan Transit (VIA) proposes to implement a Bus Rapid Transit (BRT) line from the San Antonio International Airport in the north, through downtown San Antonio, to Steves Avenue in the south. Approximately 75 percent of the project alignment includes dedicated transit lanes. The proposed project includes branded stations with off-board fare collection, next bus messaging, public announcement systems, bike parking, and safety features such as security cameras and lighting along with implementation of transit signal priority and procurement of 17 new low/no emission vehicles with level boarding. During weekdays, service is planned to operate every 10 minutes for most of the day and every 20 to 30 minutes during early morning and late-night hours. On weekends, service is planned to operate every 15 minutes for most of the day and every 30 minutes during early morning and late-night hours. The service is planned to operate from 4:00 AM to 1:00 AM during weekdays and weekends.

Project Purpose: The project connects several key destinations along the corridor including San Antonio International Airport, North Star Mall, Park North Shopping Center, San Pedro Springs Park, San Antonio College, VIA Metro Center, Baptist Medical Center, Downtown San Antonio, Roosevelt Park, Missions National Historic Park, and numerous high density commercial and residential areas. The project is intended to provide highly reliable, frequent, direct transit service with enhanced amenities, linking neighborhoods to key regional activity centers. It also is expected to reduce congestion, improve air quality, and support the region's land use vision and growth plans.

Project Development History, Status and Next Steps: VIA selected the locally preferred alternative (LPA) in October 2018. The LPA was adopted in the fiscally constrained long-range transportation plan in September 2020. The project entered New Starts Project Development in August 2021. VIA anticipates NEPA completion with receipt of a Categorical Exclusion in July 2022, receipt of a construction grant in 2024, and the start of revenue service in 2027.

Locally Proposed Financial Plan

<u>Source of Funds</u>	<u>Total Funds (\$million)</u>	<u>Percent of Total</u>
Federal: Section 5309 CIG	\$158.08	49.4%
Local: Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Repaid with Advanced Transportation District (ATD) II Sales Tax	\$105.25	32.9%
Keep San Antonio Moving Sales Tax Revenue Reserve Funds	\$56.67	17.7%
Total:	\$320.00	100.0%

NOTE: The financial plan reflected in this table has been developed by the project sponsor and does not reflect a commitment by DOT or FTA. The sum of the figures may differ from the total as listed due to rounding.

**City of San Antonio TX, Advanced Rapid Transit North/South Corridor Project
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Factor	Rating	Comments
Local Financial Commitment Rating	Medium-High	
Non-Section 5309 CIG Share	+1 level	<ul style="list-style-type: none"> The CIG share of the project is 49.4 percent.
Summary Financial Plan Rating	Medium	
Current Capital and Operating Condition (25% of local financial commitment rating)	Medium	<ul style="list-style-type: none"> The average age of the bus fleet is 4.8 years, which is younger than the industry average. The most recent bond ratings for VIA Metropolitan Transit (VIA), issued December 2020, are as follows Standard & Poor’s Global Ratings, AA+ (Sales tax revenue refunding bonds), and AA- (Farebox revenue refunding bonds) VIA’s current ratio of assets to liabilities as reported in its most recent audited financial statement is 4.9 (FY2020). There were no service cutbacks or cash flow shortfalls from 2015 to 2019.
Commitment of Capital and Operating Funds (25% of local financial commitment rating)	High	<ul style="list-style-type: none"> All of the non-Section 5309 CIG capital funds are committed or budgeted. Sources of funds include “Keep San Antonio Moving” (KSAM) Sales Tax Revenue Reserve Funds and a TIFIA loan repaid by VIA’s voter-approved Advanced Transportation District (ATD) I sales tax. Approximately 97.3 percent of the funds needed to operate and maintain the transit system in the first full year of operation are committed or budgeted, and the remaining are considered planned. Sources of funds include FTA 5307 Urbanized Area Formula funds, farebox revenue, sales tax revenue, parking lot revenue advertising revenues, leasing revenues, and annual City of San Antonio funds.
Reasonableness of Capital and Operating Cost Estimates and Planning Assumptions/Capital Funding Capacity (50% of local financial commitment rating)	Medium-Low	<ul style="list-style-type: none"> Assumed growth in capital revenues is optimistic compared to recent historical experience. The capital cost estimate is reasonable. Assumed growth in operating revenue from farebox collections is reasonable and contributions from Member Cities are conservative compared to recent historical experience. Operating cost estimates are reasonable compared to recent historical experience. VIA has access to funds via additional debt capacity, cash reserves, and other committed funds to cover unexpected cost increases or funding shortfalls equal to 15 percent of the total Project capital cost and 53.6 percent of annual system-wide operating expenses.

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LAND USE RATING: Medium

The land use rating reflects population density within one-half mile of proposed stations, employment served by the line, and the share of legally binding affordability restricted (LBAR) housing in the station areas compared to the share in the surrounding county.

- The average population density in station areas is about 4,600 persons per square mile, corresponding to a Medium-Low rating. Total employment served by a one-seat ride is about 101,600 jobs, corresponding to a Medium rating. The average daily parking cost in the central business district is \$10, corresponding to a Medium rating. The ratio of the proportion of LBAR housing units in all station areas to the proportion in the county is 2.50, corresponding to a High rating.
- The project corridor is organized into four segments. The first segment is near San Antonio International Airport and is mostly industrial and commercial uses. Moving south along the proposed corridor, the second segment has an increasing number of single-family neighborhoods. The third segment, which covers Downtown, has denser development with a mix of uses, major employment and trip generators, and historic districts. The fourth segment has commercial uses along the major roadway that are surrounded by single-family residential neighborhoods.
- Pedestrian facilities are present throughout the project corridor but facilities outside of downtown are punctuated by network gaps or obstacles (e.g., utility poles) or are in poor condition.

ECONOMIC DEVELOPMENT RATING: Medium-Low

Transit-Supportive Plans and Policies: Medium

- *Growth Management:* Long-range regional transportation and neighborhood vision plans support concentrating new and infill development around regional activity centers and transit corridors. San Antonio's *Unified Development Code* (UDC), which governs land use and development in the city, establishes a transfer of development rights program.
- *Transit-Supportive Corridor Policies:* Since 2010, the City of San Antonio has been updating authoritative planning documents to: support dense, mixed-use development; create pedestrian- and bicycle-friendly environments; and link land use decisions to transit investments. Some station areas have unique vision/development plans.
- *Supportive Zoning Regulations Near Transit Stations:* The station area zoning districts allow optional use of an alternative zoning code for transit-supportive special districts. The Transit-Oriented Development (TOD) Special District allows a denser mix of uses and more pedestrian-friendly environment with different standards for areas within one-quarter of a mile and one-half of a mile from high capacity transit stations. Permitted densities in the TOD Special District range from eight to 80 dwelling units per acre.
- *Tools to Implement Land Use Policies:* Significant changes to the UDC are expected as part of a forthcoming update and include tools to achieve zoning and land use goals. Regulatory and financial incentives have typically targeted the downtown area. There is a desire to expand these incentives, such as tax increment financing, to other areas of the city.

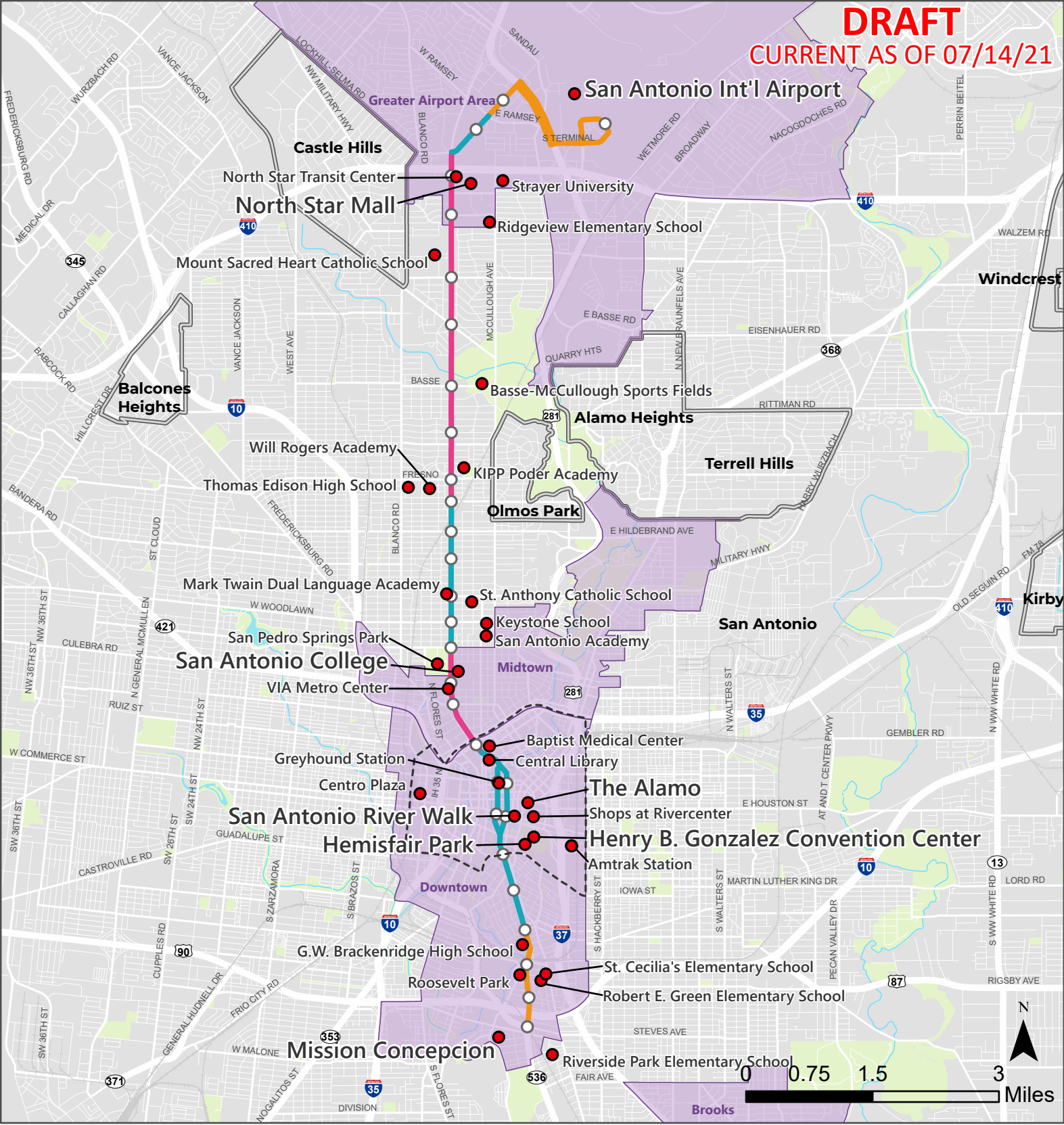
Performance and Impacts of Policies: Medium-Low

- *Performance of Land Use Policies:* The recently expired Center City Housing Incentive Policy resulted in about 8,000 new housing units in Downtown between 2010 and 2020. It is unclear how the city's policies affected the 18 development examples provided in the submission.
- *Potential Impact of Transit Investment on Regional Land Use:* Approximately 76 acres of land is vacant or under utilized within the station areas and is zoned for transit-supportive uses. The project corridor is forecast to outpace regional population and employment growth by about three times and 11 times, respectively. There are approximately 170 development applications and 200 preliminary and recorded plat records within the project corridor from 2021.

Tools to Maintain or Increase Share of Affordable Housing: Medium-Low

- Approximately 2,200 housing units are documented LBAR housing in the project corridor. Little information was provided on the need for LBAR housing in the corridor.
- City-issued bonds can be used to finance construction of affordable housing units. Various state and city tax credits are given to developers or homeowners to construct, maintain, or rehabilitate affordable housing.
- Little information was provided on preserving affordable units long-term.

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CURRENT AS OF 07/14/21



VIA Metropolitan Transit ART North/South Corridor Project (San Antonio, Texas)
Project Corridor

VIA ART North/South Corridor

- Center Running Transit Lane
- Business Access Transit Lane
- Mixed Traffic
- N/S Stations

- COSA Boundary
- Regional Centers
- Central Business District
- +— Rail Lines
- Major Trip Generators