

Questions and Answers About Rail North Texas
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If the initiative is called Rail North Texas, why is there not a greater focus on rail in the bill outline?

The bill outline was developed to be used statewide and other regions may want to focus on roadway improvements. The RTC may wish to amend the bill outline to bracket a section specific to the Dallas-Fort Worth region which states that the primary focus will be to design, build, finance, operate, and maintain passenger rail. This has long been the focus of Rail North Texas and will continue to be the focus.

Who is accountable under this model?

This is the strength of this approach. Three groups, working as partners, are all accountable. First, under this model, the Metropolitan Planning Organization policy body – the Regional Transportation Council in the Dallas-Fort Worth region – is responsible for making sure that projects stay on schedule. In DFW, the North Central Texas Council of Governments' Executive Board will hold the revenues, enter into interlocal agreements with implementing agencies, and disburse funds to local governments and transportation providers. Second, subarea roundtables through public involvement will select the projects. Third, transportation authorities will extend already proven services to construct the projects.

What if I have a problem with the taxes and fees and don't have a representative on the RTC or Executive Board? Is there a way to address those bodies?

No projects can be built, or taxes and/or fees imposed, that voters have not approved. Internet-based reports will keep citizens up to date. The transportation funding area will convene a meeting separate from the normal MPO policy board meeting to hear from citizens or local government on any concerns. The Regional Transportation Council has been planning and expediting projects for over 30 years.

How will projects be selected by the transportation funding area?

- The transportation funding area (the Regional Transportation Council in Dallas-Fort Worth) will issue a call for projects to transportation authorities, cities, counties, TxDOT, and NTTA.
- Existing transportation authorities will be primarily responsible to submit rail projects.
- All entities will submit project applications back to the transportation funding area.
- Transportation funding area staff will evaluate projects based on whether they met basic criteria.
- Subarea roundtables will be convened in each county and will be made up of elected officials and technical staff for the county, each city, and transportation providers within that county. Transportation funding area staff will also participate.
- The subarea roundtables will determine the priority ranking of projects within each county and make a recommendation to the transportation funding area.
- Passenger rail will be given priority. Warranted rail lines have already been established by task force members. Rail lines which cross multiple counties will need special priority attention if supported in neighboring counties.
- The transportation funding area will vote on the subarea roundtable recommendations.

This process is identical to recent projects selection efforts of the Regional Transportation Council.

How will taxes and fees be selected by the transportation funding area?

- When subarea roundtables are determining the projects they wish to fund, they will consider the revenue needed plus contingency construction funding for each project.
- Based on the revenue needed, the subarea roundtables will select an appropriate mix of taxes and fees at agreed-upon rates for that county and make a recommendation to the transportation funding area.
- The transportation funding area may propose a funding area-wide tax or fee for discussion during the subarea roundtable process.
- Subarea roundtables will approve the taxes and fees.
- The transportation funding area will vote on the subarea roundtable recommendation.

How will the election be held?

The transportation funding area will prepare a ballot for each county within the funding area and submit it to the elections administration of each county to be placed on the ballot. Voters will be asked to approve both the proposed projects and proposed taxes and/or fees. In each county where the majority of voters approve the taxes and/or fees for the transportation funding area, the taxes and/or fees will be imposed and projects constructed. Projects are fixed with the citizen elections and no changes can be made without voter approval.

Can a county opt out of Rail North Texas?

Yes, if the subarea roundtable determines not to select projects to participate in the Rail North Texas election within that county. If a regional revenue source was proposed by the transportation funding area, the subarea roundtable may wish to consider using that revenue source as a local match for projects through the Regional Toll Revenue Funding Initiative or subsequent funding initiatives.

What if a county votes no?

Through the Rail North Texas initiative, local elected officials looked at city-by-city, county-by-county, or regional votes. The county geography was selected as the most appropriate, but it could result in one or more counties voting not to join the funding area. Where this impacts construction of a passenger rail line in more than one county, the transportation funding area may have to postpone or delete the whole corridor due to lack of funding.

Will money raised in one county be used to subsidize projects in another county?

No. The transportation funding area will keep all funds raised in each county in separate accounts. Monthly reports will be distributed to the NCTCOG Executive Board, the transportation funding area, and the MPO policy board. An internet-based reporting system will be accessible to all cities, counties, and citizens of the region.

Will the taxes and fees ever go away?

Yes, for revenues raised for construction. There will be perpetual revenue needed to fund maintenance and operations of the passenger rail system, but this is a small part of the overall funding needed. Any taxes and/or fees for capital (building) expenses will expire when bonds are retired. If additional projects are identified by a subarea that will require additional revenue, a new vote called for by the transportation funding area within that subarea to build other projects could extend taxes and fees if a majority of voters approve.

Who will issue bonds?

The entity carrying out construction will issue bonds for each project. That will be either a transportation authority, city, county, TxDOT, or NTTA. Authority to issue debt is included in the bill outline because other areas of the state may wish for the transportation funding area to undertake this task, but Dallas-Fort Worth will be exempt from that authority.

Who will build the projects?

In the Dallas-Fort Worth region, the transportation funding area will not build projects. Projects will be built by Dallas Area Rapid Transit, Denton County Transportation Authority, The T, Texas Department of Transportation, North Texas Tollway Authority, cities, or counties.

If the transportation funding area isn't building projects, why should we create a transportation funding area?

Many of the passenger rail projects that are needed in the Dallas-Fort Worth region cross county boundaries. There is a need to coordinate the planning, financing, and implementation across the entire region, so a regional entity is best equipped to do that. In addition, in the DFW region, there is an established process to hold and disburse funds within the RTC/NCTCOG process so each county won't have to develop a new accounting and agreement system to implement multiple projects with different entities.

How long will it take to see rail being constructed?

That depends on several factors such as current freight rail use of the rail lines, environmental reviews, transportation authority staff availability, number of projected riders, and many other items. Generally, the rail lines in the plan could be open to riders starting in 2011 through 2030. The timeline will be known to voters and included in the subarea elections.

Aren't the taxes and fees regressive, meaning harder to be paid by lower income citizens?

In some cases, yes, but each subarea will be able to select the best taxes or fees for its residents. The rail lines proposed will benefit lower income populations by providing a transportation option at a much more affordable rate than owning a vehicle. The region will push for the vehicle registration fee to be implemented based on the value of the vehicle.

Transit carries such a small percent of overall commuters, why even bother?

While that may be true if you look at the whole region, our current transit system does not serve the entire region. Looking at highway corridors where there is parallel transit service, about one lane of traffic in each direction is removed by transit service. This benefits the people using transit and the people using the roadway that see reduced congestion. Looking at the rail map, new rail lines are proposed next to extremely congested corridors such as I-35W in Fort Worth, US 75 in Collin County, US 287 in Tarrant and Johnson counties, and SH 121 in Tarrant County. Rail in the U.S. 75 corridor carries the equivalent of two freeway lanes in each direction.

Will TxDOT just take away traditional funding if our region starts funding transportation from local sources?

We will make sure that doesn't happen and there is precedent for protecting state and federal funds. When our region began building toll roads, we obtained assurances from the Texas Transportation Commission, the TxDOT policy body, for state and federal funds to never be reduced to Dallas-Fort Worth. Similarly, the Legislature has required continued federal and state funds even after private-sector concession payments on toll roads. The bill outline contains a similar provision for Rail North Texas that advocates will seek during the upcoming legislative session.

Why not just try to get more federal and state funds?

That is part of the comprehensive legislative package to improve transportation, and we are actively seeking an increase in those funds as well. However, local funds are far more flexible and have less bureaucratic red tape so projects can be built for less money and much more quickly. So, by raising local funds to stay in our region, we are saving taxpayer dollars in the long run. Local funds are not impacted by donor/donee losses and revenue diversions.

Transit won't work in the Dallas-Fort Worth region because it's too spread out, why are we trying to do this?

The success of light rail through Dallas Area Rapid Transit as well as the success of the Trinity Railway Express proves that rail transit will work here. DART, DCTA, and The T have seen skyrocketing increases in passengers this year as gasoline prices soared. Even as gas prices start coming down, the transportation authorities are keeping most of those new passengers. Other areas of the country with density similar to or even less than Dallas-Fort Worth also have successful transit systems (San Francisco, Minneapolis, St. Louis, etc.)

Shouldn't we be able to elect or vote out of office people raising our taxes?

Most of the members of the Regional Transportation Council are elected officials and each city is represented by a member of the RTC. Alternatively, the boards of directors of the current transportation authorities – with authority to impose a sales tax – are not elected positions, in fact the members are not elected officials at all. Every person registered to vote will have the opportunity to vote for or against the taxes for the transportation funding area. These taxes will be for specific projects that can not be changed after the election. Elected officials (through the subarea roundtables) and citizens (through the election) will control the taxes and fees for selected projects.

Is this adding another level of government?

No. It will be adding a new tax or fee, but there will not be a new entity created with a new board and new staff. The existing Regional Transportation Council and NCTCOG Executive Board will oversee the funding area finances. These are unpaid positions. NCTCOG staff will administer all of the funds and contracts. While some additional staff may be needed, the administrative expenses will be minimal. Whether administered through a transportation funding area housed at the NCTCOG or through the existing transportation authorities, additional taxes and/or fees are needed to implement the regional rail system.

How will voters know what they're getting for the money?

Before going to voters in an election, subarea roundtables will select projects with specific timelines and related taxes and/or fees. Representatives of the counties, cities, transportation funding area, and other advocates will present the plans to the public in public meetings, brochures, websites, and other means before the election is held. This will be similar to bond issuance votes that occur periodically in cities and counties throughout the region. With voter approval, the projects are fixed in each subarea.

Would tax dollars be better spent on highways since transit doesn't pay for itself?

Almost no transit system in the world pays for itself out of passenger fares. Some amount of government assistance through taxes or fees is required. The Dallas-Fort Worth region has an extensive plan to build both rail and highway improvements. In order to serve an expected population of 9 million by 2030, we will need all modes of transportation to move people and goods within and through our region. Passenger rail systems are very reliable and run on schedule. Roadways often are unreliable due to incidents, accidents, weather, and construction.

Will the transportation funding area start telling the transportation authorities what to do?

The transportation planning process is extremely collaborative. Projects will be built that have been in the metropolitan transportation plan for decades. The transportation authorities will be assisting in the refinement of the rail plans for each subarea. Transportation authority board members sit on the RTC and are vital to the planning process and are the implementers of transit projects. The transportation funding area will not be involved with decisions the transportation authorities make on projects funded through current sales tax revenue. This is merely a way to generate and disburse additional money for projects that can't be built with existing revenues.

Sales tax has been the way transit is funded up to this point, why is sales tax no longer a funding option?

During the last two legislative sessions the region has tried to get additional sales tax authority for transit, but it has been rejected. We have worked closely with the business community – the strongest opponents to raising the sales tax – to find new revenue options. Business is supportive of transit as a way to move employees and customers reliably. The Legislature has also asked repeatedly for the region to look at other options. The RTC is trying to balance the needs of all interested parties. The State may need sales tax to fund additional needs for Texas in the future.

Why are we not using the tri-party agreement from 2006?

Over 100 local governments and chambers of commerce signed onto the tri-party agreement, which called for the three existing transit authorities to work together to implement regional rail and called for an additional sales tax of up to 1 percent to be imposed outside of the DART and DCTA service areas. The support for that effort was overwhelming, but the Rail North Texas process is fundamentally different. Local governments and organizations should have an opportunity to evaluate the Rail North Texas proposal and choose to support it or not based on the new taxes and fees proposed and the idea to create an infrastructure fund for DART cities. Even though sales tax will not be used, the same three transportation authorities will be asked to design and construct the additional rail lines.

Will DART cities be double taxed?

Any new taxes and/or fees will be imposed for an entire county, so if Dallas County or Collin County vote to approve new taxes or fees, DART cities will pay these new taxes and/or fees as well as the current 1 percent DART sales tax. This will be for new service as agreed to by the cities within DART. It could be to speed up the construction of rail lines by decades or it could be to improve bridges or streets. All new revenues in the DART service area will remain for that service area to construct additional transportation. This special account is the result of not being able to add sales tax to non-DART cities.

Could the transportation funding area reallocate money away from transit projects when there is a shortfall of highway dollars?

No. By taking a set of specific projects with specific funding sources to the voters, the transportation funding area will be making a commitment to fund those projects. An internet-based tracking system will be created so anyone can see how much money is dedicated to each project and how it is being spent.

Will creating a transportation funding area slow down the process of building the rail lines?

No. The fact is that none of the rail lines on the map can be built until our region identifies funding. There are very few cities along the rail lines that can join a transportation authority because the sales tax cap has been met in nearly every city in the region. So, by using the transportation funding area to raise revenue, the region can move to construction. Additionally, the transportation funding area will pass along funds as the transportation authorities begin work.

Why are roadway improvements part of something called Rail North Texas?

The primary focus of Rail North Texas is funding a passenger rail system. Because a previous effort to allow higher sales taxes on a city-by-city basis failed, the Regional Transportation Council began looking at other taxes and fees, all of which need to be implemented on at least a county-by-county basis to be successful and not unduly influence buying or living decisions. This means that taxes or fees could be imposed over DART residents. Not wanting to double tax anyone for the same service, local elected officials determined that funds generated in the DART service area could be used to build supplemental roadway projects. In addition, because a fee may be used in 12 counties, revenues for areas that do not yet have warranted rail projects could go to roadway projects.

Why not just let the revenues go straight to the transportation authorities?

There must be supreme confidence that the money generated will be used for the purposes stated at the time of the vote. The RTC and its staff have already developed this type of accounting system for the State Highway 121 toll road payment. In addition, because rail projects will cross county, and sometimes transportation authority, boundaries, it makes sense for a regional entity to administer the funds. Finally, because roadway projects will most likely be involved, a regional planning agency will already have established processes for transferring funds to either TxDOT, cities, counties, or NTTA to implement projects.