



FISCAL YEAR 2024-2025

APPROVED BUDGET



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Austin Transit Partnership
Texas**

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morrill

Executive Director



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AUSTIN LIGHT RAIL SOUTH SECTION

KEY DESTINATIONS:

- South Congress Avenue
- Education Facilities
- Mixed Residential, Retail & Office Development

- Lady Bird Lake to Street to I-35
- 3-4 stations
- Access to South Congress Business District
- Serves Lovely Middle School and Texas School for the Deaf
- High activity/mixed use pedestrian environment
- End of line connection opportunities at Street



Evaluate proposed end-of-line facilities and site locations.

DESIGN OPTION (STUDY AREA)

Study area to extend light rail bridge south of Lady Bird Lake



Introduction

MESSAGE FROM THE EXECUTIVE DIRECTOR

ATP Board of Directors,

I am pleased to present the Fiscal Year 2024-25 Budget for the Austin Transit Partnership (ATP). We are a mission driven organization – each day focused on advancing and delivering Austin Light Rail while investing in other elements of the Project Connect program led by our partners, the City of Austin and CapMetro.

And we are seeing great progress. Austin Light Rail Phase 1 officially entered the Project Development phase under the Federal Transit Administration’s Capital Investment Grants New Starts program – the competitive grant program that funds transit capital investments. Additionally, the National Environmental Protection Act (NEPA) effort is well underway, and we expect additional community engagement efforts in the Fiscal Year. Work with our federal partners will remain a priority in FY25, as the organization continues these federal processes.

This budget prioritizes resources to advance the planning, engineering and architectural and urban design, utilizing the On-Call contracts the Board recently approved. This budget also anticipates the planned selection of a Delivery Partner in FY25 that will work with ATP throughout the entirety of the project.

The process to advance the ATP Program Delivery plan has been done in conjunction with a look at ATP’s organization readiness model. As a purpose-built organization, we remain focused on investing in the excellence that is the ATP team. This budget funds our personnel at 66 full-time equivalents, delivering a personnel budget tailored to ATP’s project delivery requirements and augmented by – and integrated with – the expertise of our future Delivery Partner.

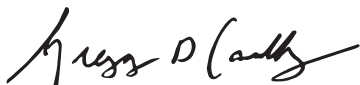
As we continue to build on our successes from prior years, we will remain committed to transparency in our day-to-day work. This Budget continues our investment in comprehensive community and public involvement efforts that is foundational to ATP’s work.

The implementation of Project Connect and delivery of Austin Light Rail remain ATP’s steadfast focus. I am grateful to the many stakeholders who contribute time and expertise to support ATP’s mission.

Thank you for your continued leadership.

Sincerely,

GREG CANALLY



Executive Director



ATP BOARD OF DIRECTORS



**VERONICA CASTRO
DE BARRERA**

*Chair, Community Expert in
Architecture and Engineering*



KIRK WATSON

*Vice Chair,
Austin City Council, Mayor*



JOHN LANGMORE

*Community Expert in
Finance*



JUAN GARZA

*Community Expert in
Community Planning or Sustainability*



**JEFFREY
TRAVILLION**

*CapMetro
Board of Directors*



DOTTIE WATKINS

*Ex Officio,
CapMetro
President and CEO*



ROBERT GOODE

*Ex Officio,
City of Austin
Assistant City Manager*

ORGANIZATIONAL OVERVIEW

► Planning, Community and Federal Programs

KEY SERVICES: *Project Controls, Planning and Reporting, and Community Participation and Involvement*

- Prepares ATP to successfully compete for funding and leads FTA coordination on federal funding opportunities.
- Oversees planning activities informed by community participation and public involvement.
- Implements scheduling, cost reporting, and document controls in compliance with federal requirements and industry best practices.

► Engineering and Construction

KEY SERVICES: *Engineering and Construction Services*

- Leads light rail engineering efforts, in close coordination with the Architecture and Urban Design team.
- Oversees light rail construction, collaborates closely on delivery preparation and integration elements for overall project design.

► Architecture and Urban Design

KEY SERVICES: *Architectural and Urban Design Services*

- Develops ATP processes, services, and products around User Centered Design principles.
- Ensures that the built environment for Austin Light Rail is pleasant, vibrant, and instills a sense of civic pride in all Austinites.

► Financial Services

KEY SERVICES: *Budget, Treasury, Accounting, and Grants Management*

- Executes Austin Light Rail financing, as envisioned by its stakeholders.
- Guides the Project Connect investment with transparency, accountability, and best practices.

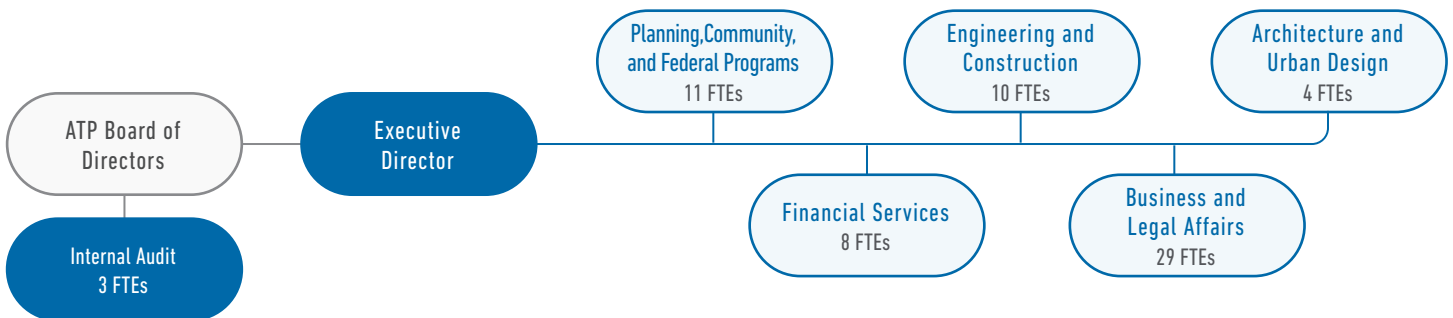
► Business and Legal Affairs

KEY SERVICES: *Procurement and Contract Administration, Legal, Real Estate, IT Services, Government Relations, Human Resources, Board Relations, and Communications Services*

- Supports the development and execution of the Austin Light Rail delivery and contracting strategy.
- Integrates organizational talent with input from industry, peer agencies, and consultants to deliver global expertise.
- Develops and implements legal, intergovernmental, and communications strategy for the project.

► Internal Audit

- Reports directly to the ATP Board and provides independent, objective audit and advisory services.
- Identifies improvements for ATP's governance, controls, and risk management for transparency and accountability.

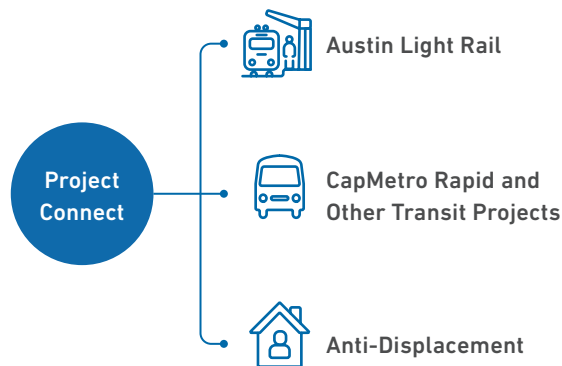




ABOUT ATP

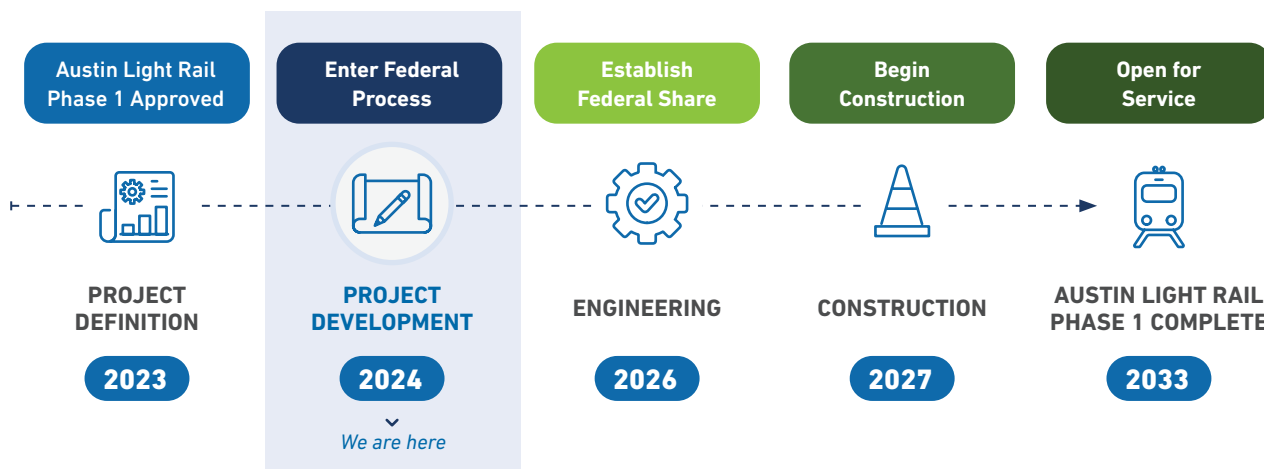
The Austin Transit Partnership is the local government corporation responsible for implementing Project Connect and leading Austin Light Rail. ATP is responsible for the day-to-day implementation, planning, financing, execution, and oversight of Austin Light Rail.

In November 2020, Austin voters approved a referendum (“Prop A”) to provide a dedicated revenue stream to fund investments in Project Connect, a program of transit improvements, including Austin Light Rail.

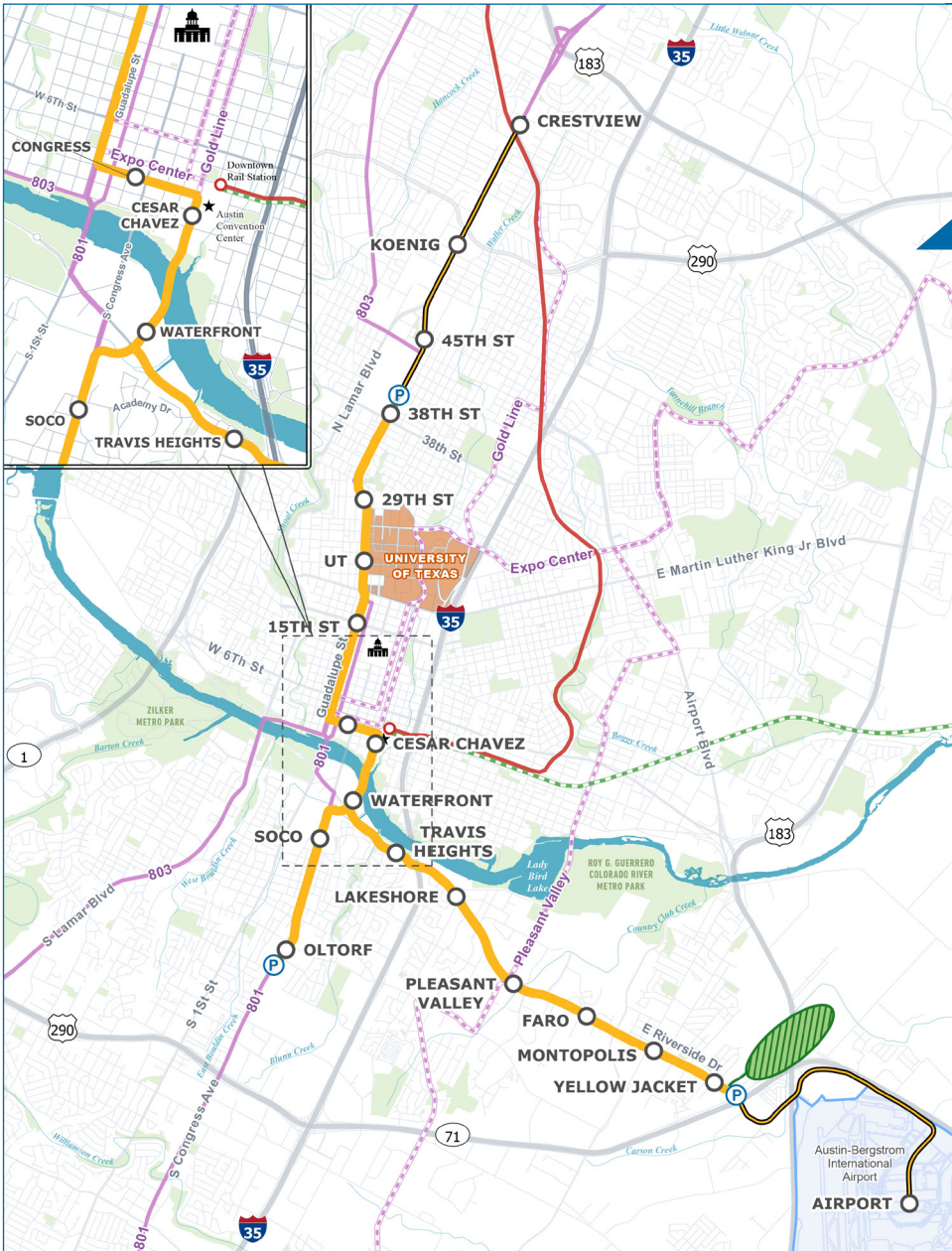


ADVANCING AUSTIN LIGHT RAIL

ATP is advancing Austin Light Rail Phase 1, working closely with our federal partners to complete the necessary documents to successfully compete for federal funding. Project development activities such as early design and environmental studies are already underway, and ATP has developed a delivery and contracting framework to prepare for next phases of design and construction of Austin Light Rail.



AUSTIN LIGHT RAIL PHASE 1



9.8
MILES OF NEW
LIGHT RAIL



15
LIGHT RAIL
STATIONS

Priority Extensions

- Not included in the National Environmental Policy Act analysis
- Could be accelerated if additional funding becomes available



▶ What's Happening Now?

- ATP is advancing the project for federal grant funding and environmental clearance
- This process requires evaluation of design options identified through previous public engagement

LEGEND

- Light Rail Station
- Light Rail - Phase 1
- Light Rail - Priority Extension
- ▭ Operations & Maintenance Facility (OMF) Study Area
- Ⓟ Park & Ride Study Area
- Ⓜ Texas State Capitol

Transit Routes

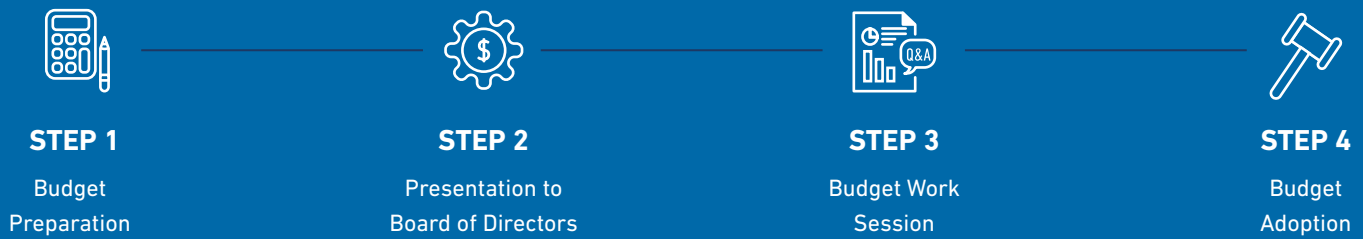
- Red Line
- Green Line (future)
- CapMetro Rapid
- CapMetro Rapid (future)



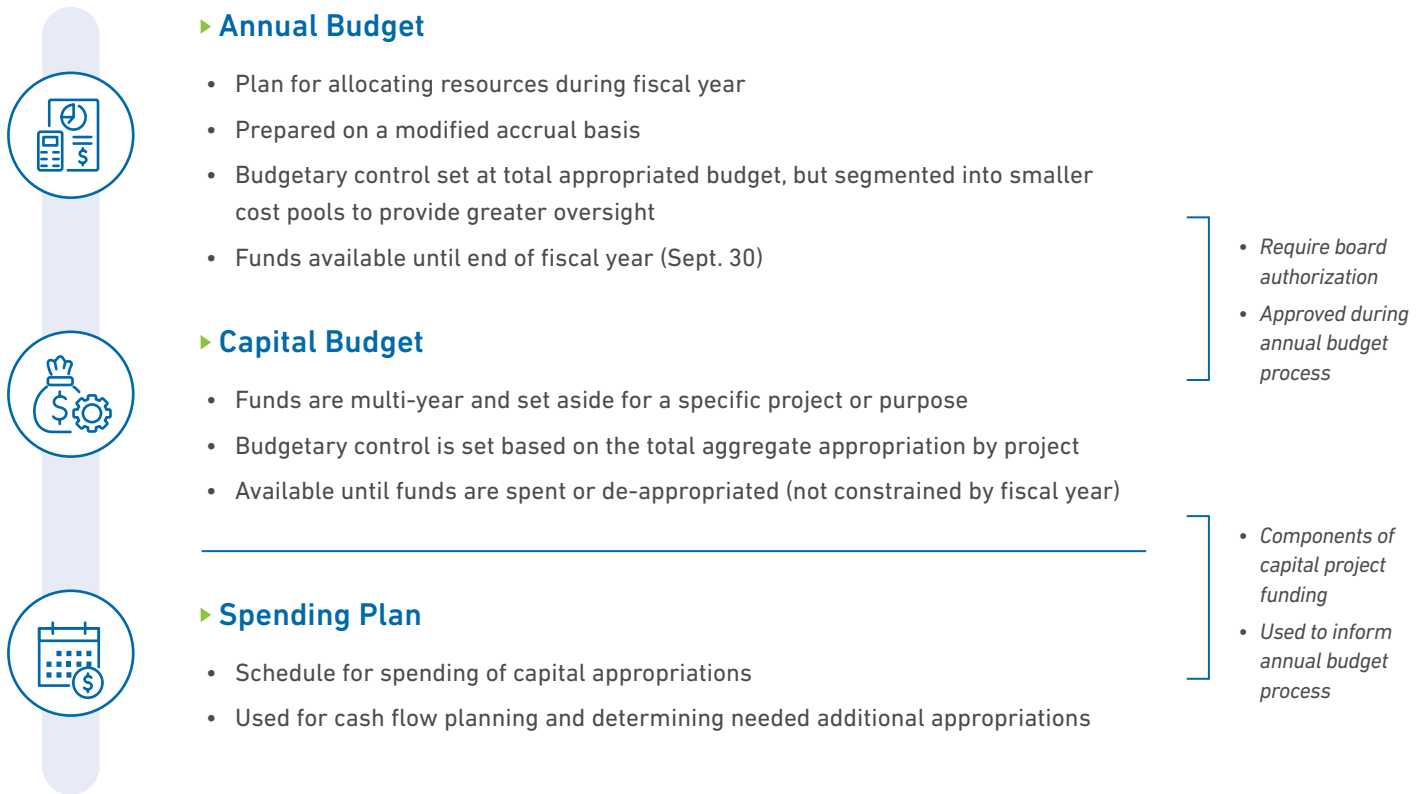
Source: CapMetro 2024, Project Connect 2021

Budget Process

BUDGET TIMELINE



BUDGET COMPONENTS



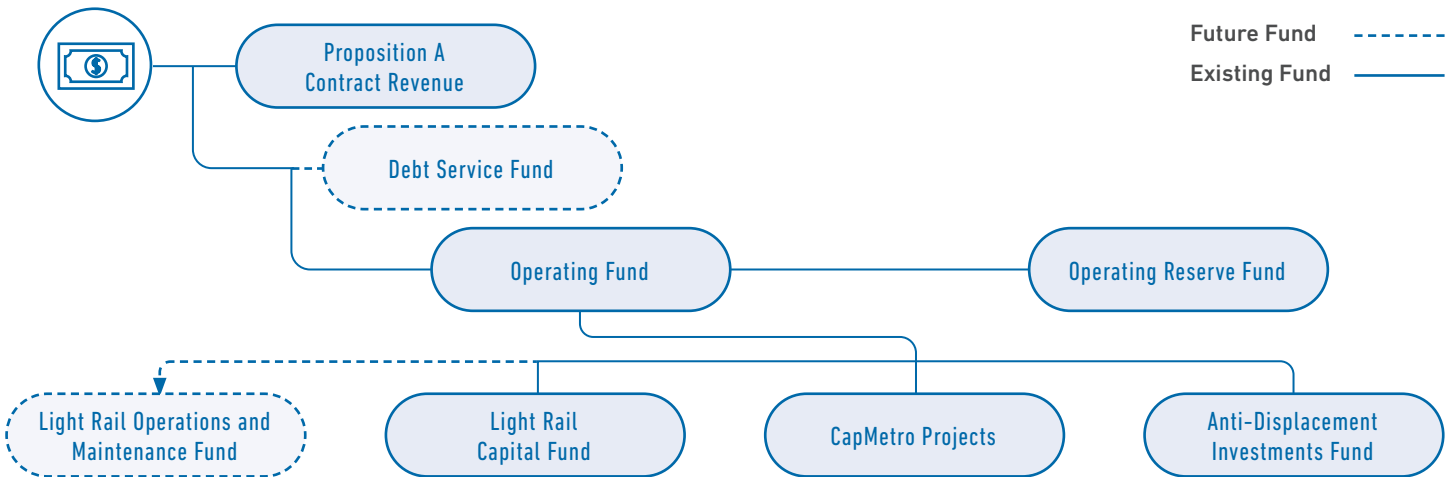
► **Budget Amendments** Once approved, the budget may be amended by the ATP Board of Directors.

FUND FRAMEWORK

► Funds Subject to Appropriation

The Austin Transit Partnership has established a series of funds to track the expenditures of separate activities. These funds, and their relationship to each other, are detailed below. Capital appropriations are multi-year and remain available until spent; therefore, appropriations may at times not necessarily equal planned spending.

► Relationships Between Funds Subject to Appropriation



PROPOSITION A CONTRACT REVENUE

On Nov. 3, 2020, Austin voters approved Proposition A, which provided a dedicated property tax revenue stream. Current year estimates and budget year projections are provided to ATP by the City of Austin and must be appropriated annually by the City of Austin.

DEBT SERVICE FUND

Debt service funds are utilized to account for the accumulation of resources for, and the payment of short- and long-term debt.

OPERATING FUND

The Operating Fund collects ATP revenues and disburses them to their respective functions. Proposition A contract revenue is ATP's primary revenue source and must be appropriated annually by the City of Austin.

OPERATING RESERVE FUND

The Operating Reserve Fund was established by financial policy to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and will maintain a reserve of at least 180 days of administrative expenses net of transfers.

LIGHT RAIL CAPITAL FUND

Capital project funds are used to account for financial resources to be used for the acquisition or construction of Austin Light Rail. Unlike an operating budget, capital budget funds are available until expended, typically over multiple years.

CAPMETRO PROJECTS FUND

In addition to Light Rail, Project Connect investments include CapMetro Rapid Bus Lines, Commuter Rail, and Park and Ride facilities. Funding for CapMetro-led delivery elements will be appropriated via budget amendment alongside governing interlocal agreements approved by both the CapMetro and ATP Boards.

ANTI-DISPLACEMENT INVESTMENTS FUND

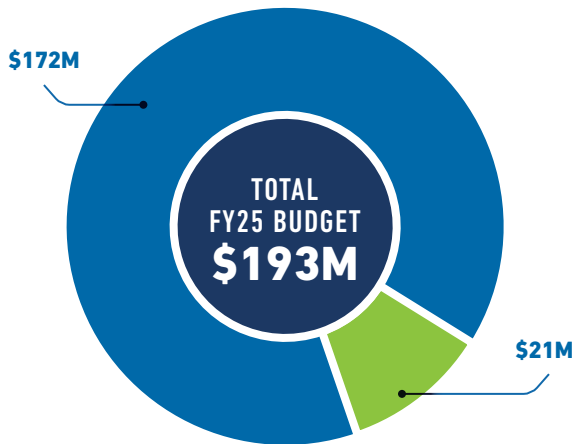
The funding approved on Nov. 3, 2020, via Proposition A included \$300 million to mitigate transportation investment-related displacement and ensure people of different incomes can benefit from the transportation investment. Per an interlocal agreement between ATP and the City of Austin, funds will be provided to the City of Austin on a reimbursement basis to administer and implement the Project Connect Anti-Displacement Programs.



↑ Station view at Pleasant Valley
Artist Conceptual Rendering

Budget Highlights

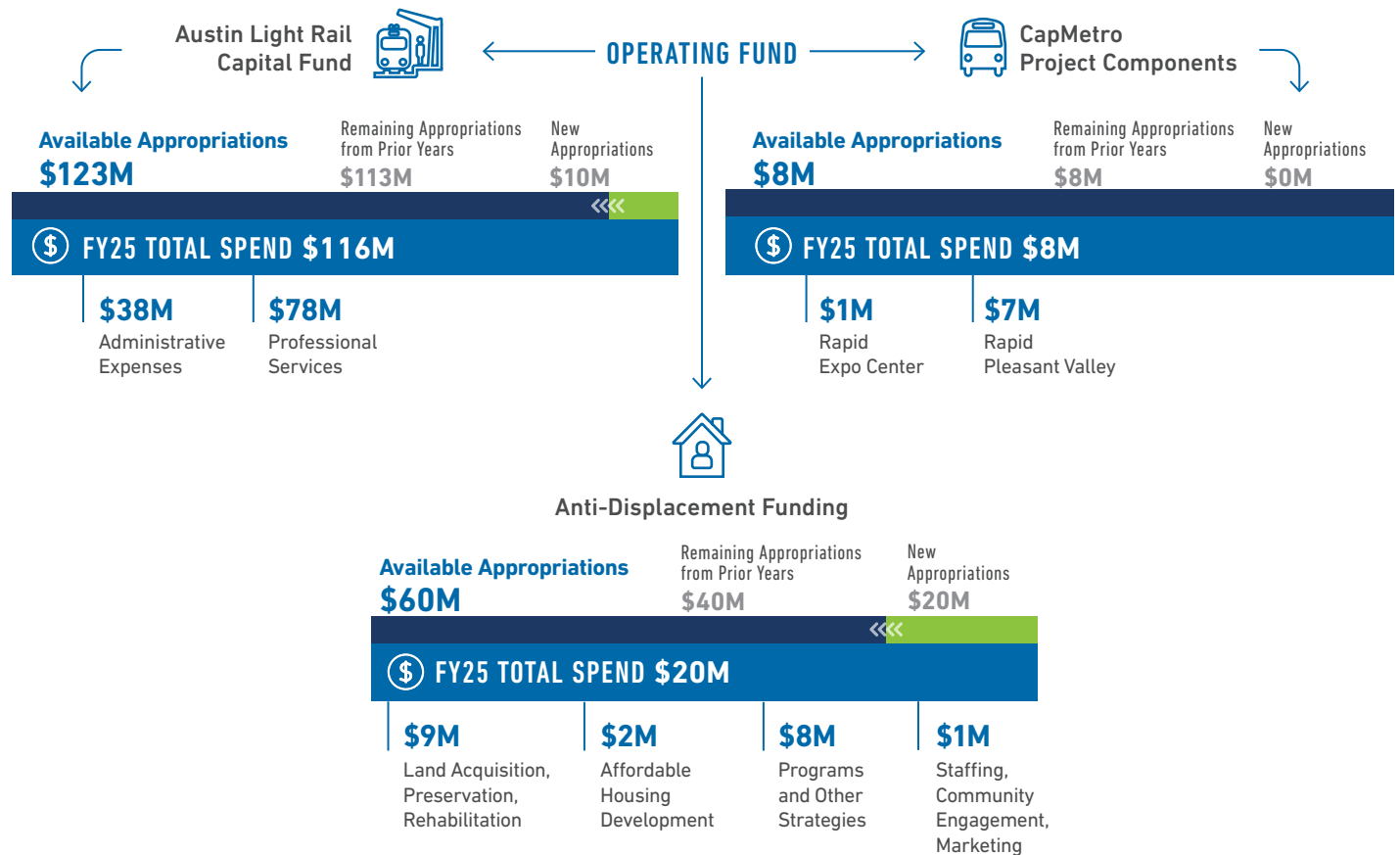
OPERATING FUND



	FY23 ACTUAL	FY24 PROJECTED	FY25 BUDGET
Prop A Contract Revenue	\$160M	\$166M	\$172M
Investment and Other Revenue	\$15M	\$21M	\$21M

Future Funding Sources Debt Proceeds **\$0M** Grant Funding **\$0M**

SPENDING



AUSTIN LIGHT RAIL CAPITAL FUND

The cornerstone of Project Connect is a new light rail system, Austin Light Rail. The project continues to progress through project development. Appropriations are multi-year and remain available until spent; therefore, appropriations will not necessarily equal planned spending. In FY25, \$10 million in new appropriations will support planned spending.

Board-Approved Light Rail Appropriations

APPROPRIATIONS	
Prior Years	\$303M
FY25	\$10M
Total Appropriations	\$313M
SPEND	
Prior Years	\$190M
FY25	\$116M
Total Spending	\$306M
Net Available Appropriations	\$7M

► Austin Light Rail FY25 Spending

● Administrative Expenses

Business Support Contracts

- Legal
- Marketing and Engagement
- Financial Services
- Risk/Procurement Advisor
- IT Systems
- Facility Lease and Management
- City of Austin Project Connect Office

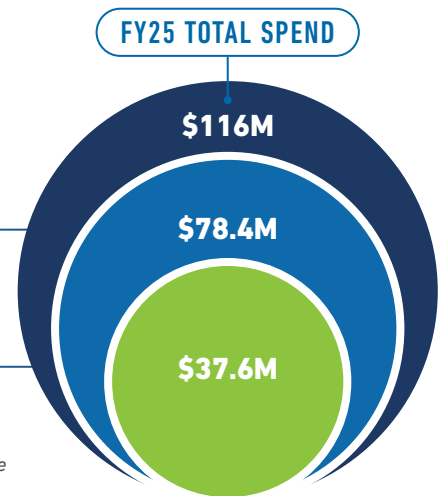
● Professional Service Contracts

- Program Management Support
- Environmental Analysis
- Conceptual Engineering
- Architectural Design and Real Estate Services

Personnel, Materials and Staff Development

- Labor
- IT Hardware
- Staff Development
- Material and Supplies

Includes administrative costs associated with light rail management and oversight.



Administrative Expenses by Fiscal Year

	FY23 ACTUAL	FY24 PROJECTED	FY25 BUDGET
Personnel	\$10.1M	\$11.0M	\$13.7M
Business Support Contracts	\$13.6M	\$18.8M	\$22.7M
Materials and Staff Development	\$2.6M	\$0.9M	\$1.2M
Total	\$26.3M	\$30.7M	\$37.6M



↑ Station view at Northshore
Artist Conceptual Rendering

► Staffing

FY25 budget development focused on organizational readiness and resource planning to balance staffing and contracting needs. This review resulted in a full-time equivalent (FTE) staffing level for FY25 of 66 positions, comprised of 54 currently filled positions and 12 vacant positions carried forward into the new fiscal year.

► Staffing Levels

Planning, Community and Federal Programs	● 9	● 2	Financial Services	● 5	● 3
Engineering and Construction	● 7	● 3	Business and Legal Affairs	● 28	● 2
Architecture and Urban Design	● 3	● 1	Internal Audit	● 2	● 1

66 TOTAL POSITIONS

○ 54 Currently Filled

● 12 Future Hires

► FY25 Pay and Benefits

ATP's interdisciplinary team brings a diverse range of expertise to implement the complexities of Austin Light Rail. In order to recruit and retain this level of expertise, ATP offers a robust benefits packet that includes, but is not limited to, health care with vision and dental benefits, a 401(k) retirement plan that includes employer contributions, leave program (to include paid parental leave), and tuition reimbursement. The FY25 Budget an across the board pay increase of 3.5% for eligible employees.



FY25 Overview and Outcomes

FY25 PRIORITIES OVERVIEW

The FY25 Priorities Overview provides an organizational performance framework to highlight the work during the fiscal year as ATP implements Project Connect and leads Austin Light Rail. These priorities will inform the department outcomes on the following pages.

► Design Development

ATP will continue to advance an integrated approach to Austin Light Rail design to advance the National Environmental Policy Act (NEPA) and Capital Investment Grant application process, as well as to successfully mitigate key project risks (e.g., utility relocations) to maximize available funding and enable successful project delivery. A key guidepost for work in FY25 will be finalizing the Draft Environmental Impact Statement (EIS) for Austin Light Rail.

► Organizational Capacity

The development and execution of ATP's project delivery and contracting strategy is foundational to the work in FY25. In conjunction with the delivery and contracting strategy, ATP will initiate creation of its long-term staffing model informed by resource planning over the last year.

► Financial Sustainability

ATP continues to advance its Federal Funding strategy by receiving FTA Grant eligibility and notification by the FTA. The organization has entered the Project Development phase of the FTA Capital Investment Grants Program New Starts process. Related to local investment, ATP will maintain a reliable reoccurring revenue stream to cover expenses and achieve financial results consistent with the expectations of the organization to include advancing the organization's bond issuance program.

► Board Relations

Uniquely positioned to advance community informed transit investments, ATP will leverage the Board's expertise to conduct the organization's work.

► Community Partnerships

Guiding ATP's work is community focused outreach supported by the broad ATP team to increase connection and collaboration with stakeholders and strengthen relationships with property owners and tenants along the Austin Light Rail alignment. Strategic investment and resourcing of the organization's DBE program is a primary objective -- including targeted, meaningful outreach with local businesses and Disadvantaged Business Enterprise (DBE) firms.



DEPARTMENT OUTCOMES

► Planning, Community and Federal Programs

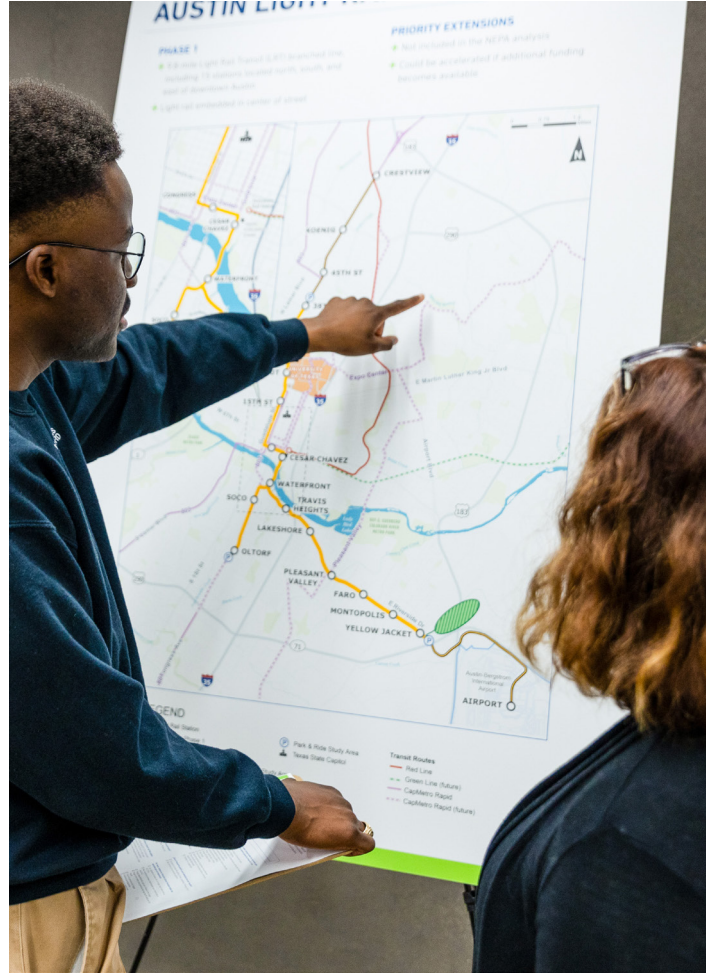
Planning, Community and Federal Programs contribute several key functions critical to delivering the light rail project.

Additional staffing included in the FY25 budget will enhance resources for project controls and risk management functions.

The Project Controls team implements scheduling, cost reporting, and document controls. These functions support the effective management of contracts within budget and schedule targets as well as compliance with FTA reporting requirements for federally funded projects.

The Planning team leads environmental regulatory compliance, with a focus on the National Environmental Policy Act (NEPA) process in 2024 and 2025. In addition, the team leads the coordination to integrate transit service planning and land use planning, and analyses to support the evaluation process required by the FTA's Capital Investment Grants (CIG) Program.

ATP conducts community engagement to build awareness and support for the project, solicit and analyze input, coordinates communications with stakeholders, disseminates educational information about the project and process. ATP also supports workforce development efforts in the region and local capacity-building to deliver the project.



DEPARTMENT OUTCOMES

- Execution of workplans to complete requirements for Project Development and Entry to Engineering as needed for federal funding.
- Development and implementation of effective processes and procedures for cost reporting and scheduling.
- Execution of a public involvement plan to educate and offer the community meaningful opportunities to offer input throughout the planning process.

Planning, Community and Federal Programs Budget

	FY24 PROJECTED	FY25 BUDGET
ADMINISTRATIVE EXPENSES	\$3.1M	\$3.1M
Personnel	\$2.0M	\$2.2M
Business Support Contracts	\$1.0M	\$0.8M
Materials and Other Expenses	\$0.1M	\$0.2M
PROFESSIONAL SERVICES	\$2.4M	\$2.7M
FTE Count	9	11



► Engineering and Construction

Engineering and Construction leads all phases of light rail engineering efforts and will manage light rail construction with ATP’s contracting partners. Engineering and Construction also manages integration of light rail program elements such as civil, rail, stations, and systems infrastructure with vehicles and operations and maintenance facilities. Engineering efforts include design development, associated stakeholder coordination and permitting; management of third party and utilities agreements; quality and safety management; and completion of design related requirements to ensure readiness for federal funding partnership.

Engineering and Construction Budget

	FY24 PROJECTED	FY25 BUDGET
ADMINISTRATIVE EXPENSES	\$2.1M	\$2.8M
Personnel	\$2.1M	\$2.8M
Business Support Contracts	-	-
Materials and Other Expenses	-	-
PROFESSIONAL SERVICES	\$30.6M	\$71.5M
FTE Count	7	10

Staffing included in the FY25 budget will expand resources for systems design as well as expertise related to the safety and security management plan (SSMP) for Austin Light Rail.

DEPARTMENT OUTCOMES

- Advance design to support federal requirements, including environmental analysis and documentation for NEPA. Develop base design plans to inform the Environmental Impact Statement.
- Advance definition of light rail project technical requirements (criteria, specifications, etc.) to prepare for future phases of final design/construction and vehicle solicitations.
- Develop and implement policies and procedures to successfully manage quality, safety, design, construction, systems integration and other requirements for project delivery.
- Identify and manage project risks through identification of advance utility relocation opportunities.
- Support strategic advancement of delivery planning and contracting implementation to develop organization readiness for project delivery through contracting partnerships.



↑ Station view at Oltorf
Artist Conceptual Rendering

► Architecture and Urban Design

Architecture and Urban Design leads Austin Light Rail’s architectural and urban design efforts and collaborates with internal and external technical teams to support a design that is high performing, people centered, and fully integrated into the surrounding urban context.

The FY25 budget includes funding for additional staff dedicated to architectural and urban design services as the project moves into future phases of design and construction.

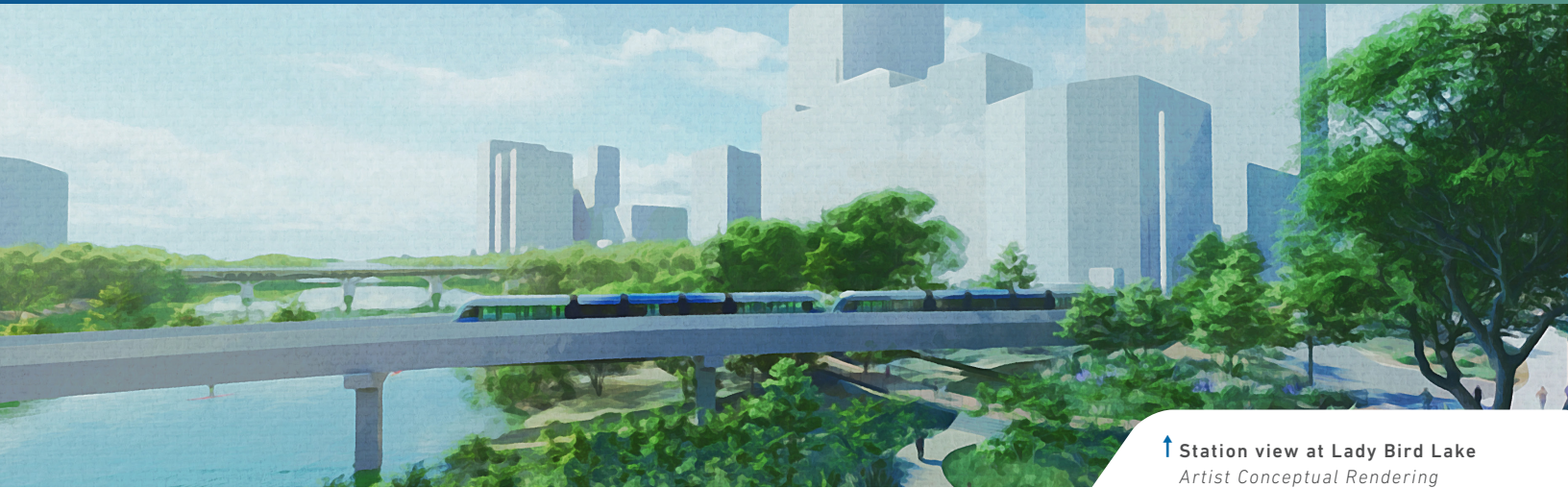
DEPARTMENT OUTCOMES

- Guide the design development of public-facing elements of Austin Light Rail, including stations, as well as systemwide elements and strategies via Architecture and Urban Design Guidelines. The Guidelines prioritize people centered design and provide a consistent system identity while responding to specific local climate and context.
- Develop and implement Austin Light Rail Sustainability Criteria and Guidelines to successfully prepare for future phases of design and construction, establishing efficient and effective metrics consistent with organizational goals.
- Complete Preliminary Design for all Phase 1 Stations, in collaboration with Engineering and Construction, and the Preliminary Engineering consultants.
- Support Preliminary Engineering concepts for the Lady Bird Lake bridge and provide Preliminary Design for integration of the bridge and potential bridge extensions into the surrounding public realm.
- In collaboration with the City of Austin Project Connect Office, develop guidelines for the design of back of curb and adjacent urban design elements, to enable multimodal integration with, and first-and-last mile connectivity to, Austin Light Rail.
- Support integrated and collaborative solutions with property owners and stakeholders adjacent to the light rail alignment.



Architecture and Urban Design Budget

	FY24 PROJECTED	FY25 BUDGET
ADMINISTRATIVE EXPENSES	\$0.7M	\$1.1M
Personnel	\$0.7M	\$1.0M
Business Support Contracts	-	-
Materials and Other Expenses	-	\$0.1M
PROFESSIONAL SERVICES	\$6.7M	\$2.8M
FTE Count	3	4



↑ Station view at Lady Bird Lake
Artist Conceptual Rendering

► Financial Services

ATP’s primary financial goal is to implement Austin Light Rail, as envisioned by its stakeholders, as efficiently and as effectively as possible. The Financial Services team is comprised of Budget, Treasury, Accounting, and Grant Management functions, all of which work in partnership to manage public investment with transparency and accountability throughout the program.

The FY25 budget includes funding for staffing to support accounting services and grant administration functions as ATP continues to ready the organization for the administration of federal funds.

Financial Services Budget

	FY24 PROJECTED	FY25 BUDGET
ADMINISTRATIVE EXPENSES	\$7.4M	\$7.4M
Personnel	\$1.1M	\$1.4M
Business Support Contracts	\$6.3M	\$5.9M
Materials and Other Expenses	\$0.1M	\$0.1M
PROFESSIONAL SERVICES	-	-
FTE Count	5	8

DEPARTMENT OUTCOMES

- Support the Austin Light Rail program’s advancement through the Capital Investment Grant program by ensuring the appropriate procedures are established for grant management tracking and reporting.
- Continue advancing Austin Transit Partnership’s financing program and successfully issue the first set of Contract Revenue Bonds for the Austin Light Rail program.
- Maintain a commitment to transparent reporting on the allocation and utilization of funds received by ATP.



↑ Station view at Northshore
Artist Conceptual Rendering

► Business and Legal Affairs

Business and Legal Affairs encompasses several key services and divisions of ATP, including: Procurement and Contract Administration; Real Estate Services; Legal Services; IT Services; Government Relations; Communications; Human Resources; and Board Relations.

Additional resources will expand procurement and contract management services, specifically including a position to lead ATP's Disadvantaged Business Enterprise (DBE) program activities.

DEPARTMENT OUTCOMES

- Develop and begin execution of a project delivery and contracting strategy, including the successful onboarding of a delivery partner who will help ATP advance the design, construction, and commissioning of Austin Light Rail.
- Continue to build out a cross-departmental process for efficient contract monitoring and management, as well as a strategy to successfully secure necessary third-party agreements and real property to deliver Austin Light Rail.
- Continue to improve ATP's operational resiliency through development of in-house capacity to support project delivery and business operations.
- Continue to advance the findings of the governance assessment to support successful project delivery.
- Implement delivery of independent IT system to support project delivery and business operations.
- Advance and protect ATP's funding sources at the local, state, and federal levels of government.
- Develop and implement ATP's communications and branding strategy to maintain public support for Austin Light Rail.



Business and Legal Affairs Budget

	FY24 PROJECTED	FY25 BUDGET
ADMINISTRATIVE EXPENSES	\$14.0M	\$19.1M
Personnel	\$4.7M	\$5.8M
Business Support Contracts	\$8.6M	\$12.6M
Materials and Other Expenses	\$0.6M	\$0.8M
PROFESSIONAL SERVICES	\$0.2M	\$1.4M
FTE Count	28	30

► Internal Audit

Internal Audit aims to help improve ATP’s governance, control, and risk management by providing objective audit and advisory services. Independent of ATP management, Internal Audit reports to the ATP Board and aims to strengthen ATP’s transparency and accountability to assist ATP with safeguarding government resources and achieving community goals.

The FY25 budget includes funding for an additional auditor to support internal audit projects and initiatives.

Internal Audit Budget

	FY24 PROJECTED	FY25 BUDGET
ADMINISTRATIVE EXPENSES	\$0.5M	\$0.7M
Personnel	\$0.4M	\$0.6M
Business Support Contracts	\$0.1M	\$0.1M
Materials and Other Expenses	-	-
PROFESSIONAL SERVICES	-	-
FTE Count	2	3

DEPARTMENT OUTCOMES

- Enhance accountability and transparency by conducting constructive and helpful audits and advisory services.
- Help build an ethical, community-driven, and improvement-focused culture by operating ATP’s ethics hotline and providing resources, guidance, and training to ATP staff.
- Build an internal audit function and annual risk assessment process to address ATP’s critical risks and the Board’s expectations in accordance with the ATP Internal Audit Charter and professional auditing standards.

► FY24 Review

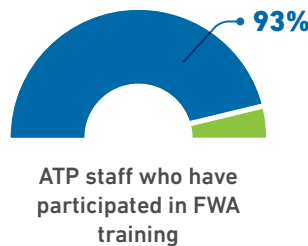
Internal Audit anticipates completing six projects by the end of this fiscal year. Beyond this work, expanded services include training for ATP staff on fraud, waste, and abuse, as well as ATP’s ethics policy expectations and reporting opportunities. Additionally, Internal Audit began conducting follow-up reviews and developed a dashboard to share information with the public about the progress management is making to address risks noted in audits. ATP staff and management are surveyed after each engagement, and feedback was positive overall.

Risk Topics Considered in Projects this Year

- Joint Powers Agreement
- Human Resources: Recruiting and Hiring
- Board Engagement with Industry Personnel
- Contract Monitoring
- IT Cybersecurity (est. completion: Aug. 2024)
- Language Access (est. completion: Sept. 2024)

Fraud, Waste, and Abuse Training

Internal Audit provided multiple trainings and resources on identifying and reporting fraud, waste, and abuse (FWA) at ATP.



Risk Topics Considered in Projects this Year

Internal Audit added value by assisting in improving your operations and internal controls.



Audit staff members were professional, competent, and courteous throughout the audit process.





↑ Grand Opening of McKalla Rail Station, Feb. 2024

Partner Project Connect Components

CAPMETRO PROJECTS

The ATP Board of Directors approved investments in CapMetro-led Project Connect elements, which include two Rapid bus lines and Red Line Improvements. These three elements, Rapid Expo Center and Pleasant Valley routes and McKalla Rail Station, are fully appropriated and construction is underway. Funding for additional CapMetro-led projects will be appropriated via budget amendment alongside interlocal agreements approved by both the CapMetro and ATP Boards.

CAPMETRO PROJECTS	PRIOR YEAR APPROPRIATIONS	EST. SPEND THROUGH PRIOR YEAR	FY25 PROJECTED SPEND
McKalla Station	\$25.0M	\$25.0M	-
Rapid Expo Center	\$17.7M	\$16.3M	\$1.4M
Rapid Pleasant Valley	\$18.0M	\$11.2M	\$6.7M
Total	\$60.6M	\$52.5M	\$8.1M

► McKalla Station

McKalla Station is a new regional rail transit station constructed as part of Project Connect that provides increased transit options for the North Burnet area and at Q2 Stadium, Austin’s Major League Soccer stadium. The station, which opened in February 2024, is located on the MetroRail Red Line between Braker Lane and Rutland Drive, along the east side of Q2 Stadium.

► New Rapid Lines

Plans for Rapid includes an all-electric expanded bus service, newly designed stations, and an improved customer experience. Expo Center and Pleasant Valley Rapid Lines will serve some of the highest ridership corridors in the CapMetro system. They are currently under construction and anticipated to open in 2025.

RAPID EXPO CENTER LINE

- Approximately 12-mile route along Trinity St., San Jacinto Blvd., Manor Rd., and Loyola Ln.
- Local funding match of \$17.7 million fully appropriated via FY22 budget amendment.

RAPID PLEASANT VALLEY LINE

- Approximately 15-mile route along E. William Cannon Dr., Pleasant Valley Rd., and Airport Blvd. corridors.
- Local funding match of \$18.0 million appropriated via FY22 budget amendment.



ANTI-DISPLACEMENT INVESTMENTS

► Anti-Displacement Updates

The funding approved on Nov. 3, 2020, via Proposition A included \$300 million to mitigate transportation investment-related displacement and ensure people of different incomes can benefit from the transportation investment. Per an interlocal agreement between ATP and the City of Austin, funds will be provided to the City of Austin on a reimbursement basis to administer and implement the Project Connect Anti-Displacement Programs.



Voter approved Prop A included

\$300M for anti-displacement funding as a companion to Project Connect



ATP has appropriated

\$140M for long-term and short-term strategies to address potential displacement

Anti-Displacement Anticipated Expenditures

	FY24	FY25
Land Acquisition, Preservation, Rehabilitation	\$30M	\$9M
Affordable Housing Development	\$15M	\$2M
Programs and Other Strategies	\$7.5M	\$7.5M
Staffing, Community Engagement, Marketing	\$2.5M	\$1.5M
Total Anticipated Spend	\$55M	\$20M

Anti-Displacement Investment Categories:

- 1 Affordable Housing Development
- 2 Land Acquisition and Preservation
- 3 Programs and Other Anti-Displacement Strategies

This has allowed the City to mitigate potential transit-induced displacement of vulnerable residents along the Project Connect lines.

► The People Community Initiated Solutions (CIS), was introduced to mitigate the pressures of transit-induced displacement.

13 DISTINCT PROGRAMS
devised by community-based organizations



RECEIVED
\$18.1M



To tackle issues related to:

- Tenant Stabilization
- Homeownership Preservation and Expansion
- Economic Mobility

CIS-awarded organizations also received support through capacity building and technical assistance from the Housing Department.

CIS programs served
850+ HOUSEHOLDS
with direct assistance

Reached
70K+ PEOPLE (classes, flyers, etc.)
through education, outreach efforts, and events

50% OF SERVICES PROVIDED
has been in active displacement risk areas

Highlights of recent efforts from this year:

Austin Voices for Education and Youth (AVEY) provided:

- Direct Rental Assistance
- State Benefits Enrollment Assistance
- AVEY Central Texas Food Bank Food Distributions
- Adult Academy
- Parent Leadership Opportunities

Del Valle Community Coalition provided education to over 200 individuals on:

- Estate Planning
- Property Taxes
- Appraisals
- Financial Planning

Business and Community Lenders of Texas launched:

Community Land Trust (CLT) Accelerator program with Guadalupe Neighborhood Development Corporation and other developers and community organizations interested in exploring and implementing a CLT in historically underserved Austin area communities.

► The Places

In FY24, the Housing Authority of the City of Austin (HACA), through its subsidiary Austin Housing Finance Corporation (AHFC), purchased 66 acres of vacant land adjacent to Phase 1 of Austin Light Rail. In the coming years, the HACA will work collaboratively with the community and the CapMetro Community Advisory Committee (CAC) to program the site with deeply affordable housing and other transit-supportive investments.



AHFC has awarded

\$37M in Project Connect funds

to **8 DEVELOPMENTS**



906

income restricted units

in gentrifying areas in proximity of Project Connect



5/8 PROJECTS
are under construction

2 PROJECTS

Open Summer 2024

- Foundation Communities Parker Apts.
- Austin Habitat for Humanity Loyola Neighborhood

Fund Summaries

OPERATING FUND

	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY24 PROJECTED	FY25 BUDGET
Beginning Fund Balance	\$211,992,931	\$65,668,705	\$147,964,834	\$148,545,765	\$217,545,765
REVENUES					
Prop A Contract Revenue	\$155,386,024	\$159,850,073	\$166,000,000	\$166,000,000	\$172,000,000
CapMetro	\$23,366,128	-	-	-	-
Investments and Other Income	\$2,832,991	\$15,034,837	\$21,000,000	\$21,000,000	\$21,000,000
Total Revenue	\$181,585,143	\$174,884,910	\$187,000,000	\$187,000,000	\$193,000,000
Total Available Funds	\$393,578,074	\$240,553,615	\$334,964,834	\$335,545,765	\$410,545,765
EXPENDITURES AND TRANSFERS					
Administrative Expenses	\$21,101,804	\$26,303,979	-	-	-
Transfer to Light Rail Capital Fund	\$169,207,681	-	\$98,000,000	\$98,000,000	\$10,000,000
Transfer to CapMetro Projects Fund	\$72,599,884	\$10,703,871	-	-	-
Transfer to Anti-Displacement Fund	\$65,000,000	\$35,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Transfer to Operating Reserve Fund	-	\$20,000,000	-	-	-
Total Expenditures and Transfers	\$327,909,369	\$92,007,850	\$118,000,000	\$118,000,000	\$30,000,000
Reserved for Future Project Needs (Total Available Revenues Net Expenditures)	\$65,668,705	\$148,545,765	\$216,964,834	\$217,545,765	\$380,545,765
Operating Reserve Fund	-	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000

CapMetro committed revenue will still be utilized for Project Connect projects but will remain with CapMetro. FY24 Budget includes the \$65M budget amendment approved on March 27, 2024.



CAPITAL FUNDS

Funds appropriated within the Capital Funds (Light Rail Capital Fund, CapMetro Projects Fund, and Anti-Displacement Investments Fund) are multi-year. The appropriated funds are available until either the funds are utilized or de-appropriated, which typically takes place at the end of the project lifecycle. The following Fund Summaries reflect appropriated dollars and expected spend within the respective funds.

► Light Rail Capital Fund

	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY24 PROJECTED	FY25 BUDGET
Beginning Fund Balance	-	\$121,679,548	\$82,000,000	\$85,847,944	\$113,287,944
NEW APPROPRIATIONS					
Transfer from Operating Fund	\$169,207,681	-	\$98,000,000	\$98,000,000	\$10,000,000
Total New Appropriations	\$169,207,681	-	\$98,000,000	\$98,000,000	\$10,000,000
Total Available Appropriations	\$169,207,681	\$121,679,548	\$180,000,000	\$183,847,944	\$123,287,944
EXPENDITURES					
Professional Services	\$47,528,133	\$35,831,604	\$134,000,000	\$39,910,000	\$78,380,000
Administrative Expenses	-	-	\$46,000,000	\$30,650,000	\$37,620,000
Total Expenditures	\$47,528,133	\$35,831,604	\$180,000,000	\$70,560,000	\$116,000,000
Reserved for Future Project Needs (Total Available Appropriations Net Expenditures)	\$121,679,548	\$85,847,944	-	\$113,287,944	\$7,287,944

FY24 Budget includes the \$65M budget amendment approved on March 27, 2024.

↓ Station view at Republic Square
Artist Conceptual Rendering



► **CapMetro Projects Fund**

	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY24 PROJECTED	FY25 BUDGET
Beginning Fund Balance	-	\$60,263,134	\$40,475,187	\$53,875,145	\$32,733,706
NEW APPROPRIATIONS					
Transfer from Operating Fund	\$72,599,884	\$10,703,871	-	-	-
Total New Appropriations	\$72,599,884	\$10,703,871	-	-	-
Total Available Appropriations	\$72,599,884	\$70,967,005	\$40,475,187	\$53,875,145	\$32,733,706
EXPENDITURES					
CapMetro Rapid Expansion	\$8,834,295	\$12,629,726	\$19,135,976	\$6,375,947	\$8,099,045
Red Line Improvements	\$3,478,710	\$4,459,668	\$3,509,874	\$14,765,492	-
Other CapMetro Projects	\$23,745	\$ 2,464	-	-	-
Total Expenditures	\$12,336,750	\$ 17,091,858	\$22,645,850	\$21,141,439	\$8,099,045
Reserved for Future Project Needs (Total Available Appropriations Net Expenditures)	\$60,263,134	\$53,875,145	\$17,829,337	\$32,733,706	\$24,634,662

CapMetro-led Project Connect projects will be appropriated via budget amendments along with interlocal agreements approved by both the CapMetro and ATP Boards.

► **Anti-Displacement Investments Fund**

	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY24 PROJECTED	FY25 BUDGET
Beginning Fund Balance	-	\$65,000,000	\$74,600,000	\$75,140,727	\$40,140,727
NEW APPROPRIATIONS					
Transfer from Operating Fund	\$65,000,000	\$35,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Total New Appropriations	\$65,000,000	\$35,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Total Available Appropriations	\$65,000,000	\$100,000,000	\$94,600,000	\$95,140,727	\$60,140,727
EXPENDITURES					
Anti-Displacement Services	-	\$24,859,273	\$51,500,000	\$55,000,000	\$20,000,000
Total Expenditures	-	\$24,859,273	\$51,500,000	\$55,000,000	\$20,000,000
Reserved for Future Project Needs (Total Available Appropriations Net Expenditures)	\$65,000,000	\$75,140,727	\$43,100,000	\$40,140,727	\$40,140,727

Light Rail Financial Forecast

ESTIMATED CAPITAL REQUIREMENTS

With formal acceptance into the FTA's Capital Investment Grant New Starts program, ATP has entered into a planning period formally called Project Development within the New Starts program. This period will be followed by the Engineering phase which culminates with the execution of a Full Funding Grant Agreement. While ATP continues to evaluate and evolve its comprehensive financial plan as new cost information becomes available, this Financial Forecast focuses on the approximate three-year period which aligns with these two critical phases. It is a time period over which ATP's objectives, and associated costs to achieve them, have been well defined through its initial planning efforts and the guardrails established by the Federal grant process.

► Project Development

The FTA New Starts phase lasts two years and focuses on the advancement of engineering and design, the completion of required federal environmental processes, demonstration of the commitment of local resources and general readiness of the organization to act as a grant recipient and Project sponsor.

► Entry to Engineering

The FTA New Starts Engineering phase requires further advancement of design, the commitment of all nonfederal funding to complete the Project, progressing elements related to advance utilities and early right of way acquisitions and importantly, locking in the requested federal commitment to Austin Light Rail.

► Project Timeline



ESTIMATED CAPITAL REQUIREMENTS

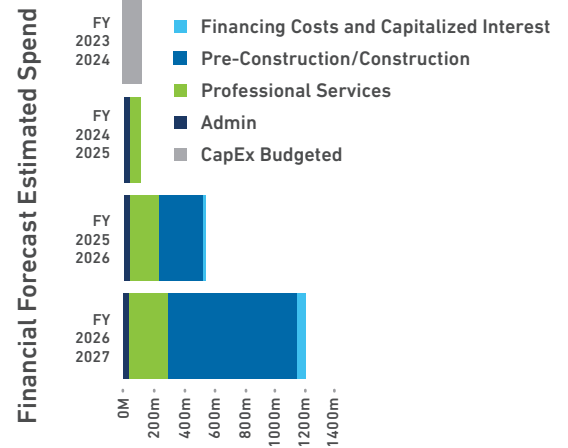
As ATP proceeds through the Project Development and Engineering phases of the FTA's New Starts grant process, costs will be incurred to continue its planning efforts and prepare for the construction phase of the project. These costs are reflective of the resources, both internal and external, required to meet the milestones. Both the Estimated Spend and Sources and Uses graphics provide an estimated view on the capital expenditures required to progress through these critical planning stages and the resources available to meet each of these needs.

► Project Development

- Complete 30% engineering and design
- Complete federal environmental review process under NEPA
- Obtain 30% commitment of non-federal funding

► Entry to Engineering

- Advance level of engineering and design complete
- Grant funding request equal to ~50% of project eligible costs
- Obtain commitment of all nonfederal funding
- Advance utilities and pre-construction activities



The funding and financing sources needed to cover the anticipated expenditures in the following years will be derived from:

- 1 Cash on hand (existing fund balance, future Prop A Contract Revenue and interest income)
- 2 Federal contributions disbursed in accordance with an expected full funding grant agreement
- 3 Debt proceeds raised through both short and long term obligations, that are issued on an as needed basis in consideration of the project's affordability envelope

With the strong revenue stream afforded by Prop A Contract Revenue, ATP has the ability to leverage a variety of funding and financing tools thoughtfully based on market conditions and the progress of the Project.

► Estimated Capital Requirements

	FY2024-2025 BUDGET	FY2025-2026 FORECAST	FY2026-2027 FORECAST
CAPITAL USES			
Administrative Expenses	\$38M	\$40M	\$41M
Professional Services	\$78M	\$203M	\$248M
Pre-Construction/Construction	-	\$285M	\$864M
Financing Costs	-	\$5M	\$59M
Total Capital Uses	\$116M	\$532M	\$1,212M



↑ Station view at UT
Artist Conceptual Rendering

Projected annual expenditures required to implement Austin Light Rail represent a combination of eight major elements that will constitute ATP's capital investment from Project Development and Engineering and into the construction phase. The investment in each of the elements described below are anchored by detailed, preliminary engineering estimates and independent cost appraisals developed along with the Light Rail Implementation plan and continually honed as we work through the Project Development and Engineering phase in anticipation of construction.

► Capital Investment Elements



SUPPORT FACILITIES

An operations and maintenance facility (OMF) will store and service Light Rail Vehicles and equipment, and house administrative functions such as light rail operational control and oversight.



SYSTEMS

Systems to power light rail include train control and signals, traffic protection, communication with operators and passengers, security, and fare collection systems.



GUIDEWAYS AND TRACKS

The Austin Light Rail branched line stretches 9.8-miles north, south and east of downtown Austin. This includes guideways at grade, aerial structures, and track elements.



SITWORK and SPECIAL CONDITIONS

An advanced utilities contract will be implemented to enable early coordination with utilities and expedite utility work required before major construction begins, thus mitigating potential delays.



VEHICLES

Americans with Disabilities Act (ADA) - compliant light rail vehicles, propelled by electricity collected from overhead wires, will provide live information for passengers, and can be coupled to expand capacity.



STATION, STOPS, and TERMINALS

Features 15 Americans with Disabilities Act (ADA)-accessible light rail stations spaced ½ - 1 mile apart providing access to transit supportive land use; connections to transit; and destinations such as jobs, education, and healthcare.



LAND and EXISTING IMPROVEMENTS

Real property acquisition of necessary land and improvements for the light rail project and any relocation of owners, businesses and tenants.



PROFESSIONAL SERVICES

Contracts to support the agency through project management, planning, engineering, legal and real estate services, construction, testing and commissioning, and system start-up activities.



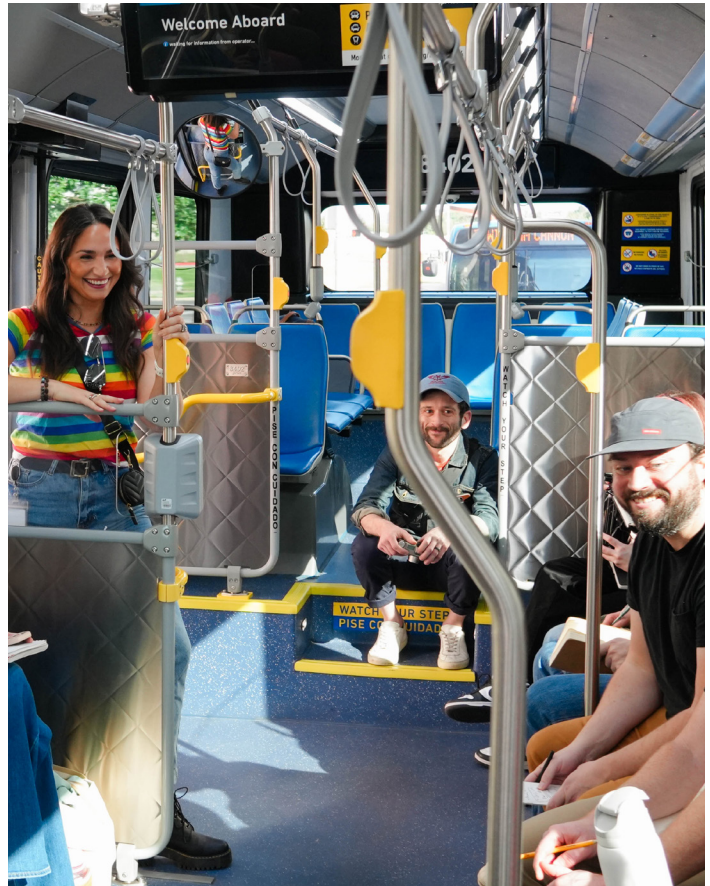
Appendix

FINANCIAL POLICIES

The Government Finance Officers Association considers the adoption of financial policies to be a best practice in that they “are central to a strategic, long-term approach to financial management.” Well-written policies can institutionalize good financial management practices, help the organization avoid unnecessary risk, support favorable bond ratings to reduce the cost of borrowing, and clearly communicate the policy framework within which staff is working.

► Accounting Policies

1. ATP will establish accounting practices that conform to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) for governmental entities.
2. ATP’s annual financial report will be audited by an independent certified public accounting firm and will be issued no later than six months following the end of the fiscal year. The annual report will include a government-wide Statement of Net Position and a government-wide Statement of Activities, which are accounted for on a full-accrual accounting basis and an economic-resources focus, using accounting methods similar to those used by private-sector companies. ATP’s annual report will also include fund financial statements that provide more detailed information about ATP’s most significant funds, rather than for the entity as a whole.
3. The audit firm will report the results of the annual audit to ATP’s Board within 60 days after the issuance of the annual report. The Chief Financial Officer will ensure the timely resolution of audit recommendations as applicable.
4. The Internal Auditor shall be responsible for conducting financial and performance audits. The Executive Director shall be responsible for establishing a process to ensure timely resolution of audit recommendations.
5. Only assets with a value of at least \$5,000 and a life of at least four years shall be capitalized. Capital assets shall be recorded at cost and depreciated over their useful lives using the straight-line method.
6. All grants and other federal and state funds will be managed to comply with grantor’s laws, regulations, and guidance.
7. Grant revenue will be recognized when all eligibility requirements have been met. The grantor will retain a reversionary interest in the capital asset over the estimated useful life of that asset.





► Budget Policies

1. The Board shall adopt an annual budget no later than its September board meeting immediately preceding the start of the fiscal year. The approved budget will be made available for public review at least 21 days prior to the board meeting.
2. Budget accountability rests primarily with individual departments. Department Executive Vice Presidents will review budget variances on a quarterly basis with ATP's Budget Director. Significant budget variances will be further evaluated by the Budget Director and the responsible EVP to determine whether remedial action is required. If remedial action is required, the Budget Director will make recommendations to the Chief Financial Officer to address the variance.
3. Quarterly reports on year-to-date spending compared to budget will be provided to the Board; such reports will be reported no later than 45 days after the close of each quarter, with the 4th Quarter report reported no later than 60 days after the close of the year.

► Reserve and Contingency Policies

1. A Revenue Reserve of at least 180 days of administrative expenses shall be budgeted annually and used for unanticipated events that reduce or delay revenue collection. Funds shall be allocated from the Revenue Reserve by the ATP Board through a budget amendment. Funds shall be allocated each year in the budget process to replace any use of the Revenue Reserve during the preceding fiscal year to maintain the balance of the Revenue Reserve at the level set above.
2. Reserves and contingencies may be set aside periodically for specific future purposes. These funds are to be used at the discretion of the Chief Financial Officer.

► Debt Management Policies

1. ATP shall establish a sinking fund to ensure that cash is available to make timely debt service payments when debt obligations are issued.
2. Refunding of outstanding debt obligation should produce overall positive net present value savings of at least approximately 4.25% of the refunded par.
3. ATP shall issue debt by selling bonds competitively, by negotiated sale, or through private placements. The method of sale shall be determined prior to the issuance of debt and will be dependent on market conditions.
4. ATP shall use competitive procurement methods to select professional firms in the bond issuance process.
5. The term of debt obligations issued by ATP should be equal to or less than the useful life of the item being financed.
6. ATP may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable state and federal laws.

GLOSSARY

APPROPRIATION

The legal device by which a governing body authorizes the spending of government funds for specific purposes. Operating appropriations are approved for a single fiscal year, but capital improvement appropriations are multi-year and remain in place until exhausted.

BALANCED BUDGET

A budget in which revenues are equal to expenditures.

BOND

A debt instrument that requires repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate.

BOND ISSUANCE

The process where a taxing entity sells bonds as a means of borrowing capital for projects. The taxing entity then repays this debt to the lender over a period of time similar to the manner in which a homeowner pays a mortgage.

CAPITAL BUDGET

A plan of proposed projects or investments for fixed assets (primarily infrastructure) and the means of financing them. The annual capital budget is the primary means by which most of the acquisition and construction activities for facilities and major improvements of a government occur.

EXPENDITURE

A decrease in net financial resources. They include current operating expenses that require the current or future use of net current assets, debt service, and capital outlay.

FISCAL YEAR (FY)

A 12-month period for which an organization plans the use of its funds, which does not necessarily correspond to a calendar year. The fiscal year adopted by Austin Transit Partnership is from October 1 through September 30.

FULL-TIME EQUIVALENT (FTE)

A position converted to the decimal equivalent of a full-time position based on a 2,080-hours-per-year work schedule.

FUND BALANCE

A measure of financial position calculated as total revenues minus total expenditures.

GRANT

Revenue from another government body or organization, usually in support of a specific program or function.

INTERLOCAL AGREEMENT (ILA)

A contractual agreement between two or more governmental entities to provide a governmental function or service that each party to the contract is authorized to perform individually. Governed by Chapter 791 of the Texas Government Code.

LOCAL GOVERNMENT CORPORATION (LGC)

A local government corporation may be created under Texas Transportation Code Chapter 431 to aid and act on behalf of one or more local governments to accomplish any governmental purpose of those local governments. A local government corporation has the powers of a transportation corporation authorized for creation by the Texas Transportation Commission, which among other powers, includes the power to issue bonds and notes.

RESERVE

An account in which a portion of the fund balance is set aside for a future use and which is, therefore, not available for further appropriation or expenditure.

REVENUE

The income generated from taxes, fees, payments, grants, and other revenue. Also includes transfers from other governmental entities.

TRANSFER

The authorized exchange of cash or other resources between funds, departments, accounts, or other entities. Must include a revenue-to-expense transaction.



*Austin Transit Partnership Board of Directors Resolution
Meeting Date: 9/18/2024
ATP-2024-019
Approval of the ATP Fiscal Year 2025 Budget*

Subject: Approval of a resolution adopting the ATP Fiscal Year 2024-2025 Budget

Fiscal Impact: Establishes the FY2025 light rail spend plan at \$116,000,000 with new appropriations totaling \$30,000,000 and authorizes 66.0 full-time equivalent positions.

Executive Summary: The Austin Transit Partnership FY2025 spend plan totals \$116,000,000, comprised of \$78,380,000 for professional services and \$37,620,000 for administrative expenses, which includes funding for 66.0 full-time equivalent positions. \$113,287,944 remains available from prior year capital appropriations, so this budget includes \$10,000,000 in new appropriations to fully fund the \$116,000,000 light rail spend plan. This budget also approves new appropriations totaling \$20,000,000 for transit-supportive anti-displacement investments.

Procurement Summary: None.

Disadvantaged Business Enterprise Program Summary: None.



RESOLUTION OF THE AUSTIN TRANSIT PARTNERSHIP
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

Resolution ID: ATP-2024-019

Resolution approving the ATP Fiscal Year 2025 Budget

WHEREAS, Austin Transit Partnership (“ATP”) staff has developed a budget for Fiscal Year 2025 to administer the spend plan for all related funds during the fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of ATP that the ATP Fiscal Year 2024-2025 budget is hereby adopted, including amendments, attached hereto as Exhibit A.

DocuSigned by:
Brandon Carr
C0F2044BFCE478...

Brandon Carr
Secretary of the Board

9/19/2024 | 8:28 AM PDT

Date



Visit us at www.atptx.org



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