



FEDERAL ISSUES AGENDA

2010-2015 Surface Transportation Reauthorization & 2012 Appropriations

***Priority Projects:
Bexar County
City of San Antonio
Port San Antonio
Lone Star Rail
VIA Metropolitan Transit***

***SA-DC Trip
February 6-9, 2011***

***Hosted by: Greater San Antonio Chamber of Commerce and the
San Antonio Hispanic Chamber of Commerce***

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ISSUE PAPER**

Downtown Streetcar (High Capacity Transit) Circulator System

FY 2012 Federal Funding Request

TITLE: Downtown Streetcar Circulator System using technology to efficiently provide access while easing congestion and stimulating economic development.

BACKGROUND: San Antonio is the largest city in the U.S. without a high capacity transit option. VIA has been experiencing significant transit ridership growth over the last decade. Additionally, with the growth of the region and increased congestion, there has been heightened interest in the need for a high-capacity transit option beyond the conventional bus service.

VIA is in the final phase of completing a Long Range Comprehensive Transportation Plan, SmartWaySA, to identify corridors within the VIA service area that are viable candidates for high-capacity transit. Slated for completion in Spring 2011, this initiative will prioritize those corridors that are candidates for high capacity transit.

Demographic data indicates that growth in the San Antonio/Bexar County area will increase over the next several years. Over the next 30 years, Bexar County will experience a 41% increase in population and a 56% increase in employment. This growth, coupled with congestion on high capacity corridors, calls for different modes of transit and an attractive transportation option for commuters.

As part of SmartWaySA, VIA is pursuing a downtown streetcar circulator system. Elements for a downtown circulator system using modern, historic, or replica streetcar vehicles have been identified. Additionally, corridors providing geographic equity within the central business district have been proposed. The VIA Board of Trustees established a Commission on Intra-City Rail and Streetcar to provide guidance and a community perspective regarding the development of a modern streetcar service. A technical advisory committee, comprised of various planning agencies within Bexar County, has also provided skilled insight and expertise.

The Downtown Streetcar Circulator System will connect employment and activity centers along the identified corridors, as well as other existing and planned transit facilities. The Robert Thompson Transit Station (RTTS), an existing transit facility on the near East Side, as well as other major community and city assets, will be linked by this proposed system. Additionally, the starter line of this project will be 2.2 miles, connecting to bus rapid transit and the fixed-route bus system, improving circulation and reducing traffic congestion within the central business district. This modern streetcar service will provide the connectivity necessary to move people efficiently and safely.

VIA was recently awarded a \$900,000 FTA Alternatives Analysis Program Livability Funding Grant to conduct the alternative analysis street car study.

OBJECTIVE: For the FY2012 funding cycle, obtain \$10,000,000 to initiate conceptual and preliminary design for the starter route of a downtown streetcar circulator system. VIA is currently working with Federal Transit Administration to pursue \$150 million in federal funding through the small start process.

BENEFITS:

- Economic Development – Modern streetcars can serve as catalysts for economic development, allowing for the creation of efficient land use patterns and transit-oriented development. Additionally,

a streetcar system can provide an opportunity for revitalizing business districts that have been neglected and increase land values. As an example, the Memphis Streetcar Madison Street route saw property values along the corridor increase after the route became operational in 2003. Residential properties near the Madison Street route increased in aggregate value over 780 percent for the period between 2002, before the streetcar opening, and 2008. VIA is conducting an Economic Impact study to analyze the impact that a streetcar system will have on the San Antonio/Bexar County area.

- Energy Efficiency – Modern streetcars carry more passengers and utilize environmentally friendly technology thus reducing greenhouse gases and air pollutants.
- Efficient Mobility – Modern streetcars reduce travel time due to frequency of service and utilization of transit corridors developed specifically to accommodate rail transit. Streetcars can be designed to be part of a larger transit network, connecting rail to bus rapid transit and bus service, providing an affordable, safe and seamless trip to the customer.
- Economic Benefits – Modern streetcars can provide an affordable, safe and convenient alternative to the automobile. With fluctuating fuel prices and costs associated with owning and operating an automobile, riding public transit can lower household expenses.

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VIA PRIMO BUS RAPID TRANSIT (BRT) CORRIDOR

FY 2012 Federal Funding

TITLE: The Fredericksburg Road Bus Rapid Transit, VIA PRIMO, is the first corridor in VIA's system wide BRT plan. Fredericksburg Road is the first of three planned BRT corridors, and LEED guidelines will be used on this corridor to emphasize the sustainability benefits of BRT. This system will interface with the Downtown Westside Multi-Modal Transit Center that will initiate development of the Westside and create new neighborhood development. In addition to BRT serving this facility, a modern streetcar system or other high-capacity transit mode will operate in this area.

BACKGROUND: The Fredericksburg Road corridor connects two of San Antonio's major employment centers including the central business district (CBD) and the South Texas Medical Center with the University of Texas at San Antonio and USAA, the largest regional employer. The corridor serves as VIA's busiest corridor serving more than 12,000 patrons daily.

Implementing Bus Rapid Transit on this corridor would include the following characteristics: enhanced boarding stations, ITS applications (real-time bus arrival information), transit signal priority, and frequent service (headways of every 10 minutes from 6 am to 6 pm daily). These characteristics will create a more attractive transportation option. The overall objective of the BRT system is to reduce travel time and delays, increase schedule adherence and capacity, expand market share, and ultimately increase ridership of the transit system.

The project includes the construction of two transit center terminals (located along the western fringe of Downtown and the South Texas Medical Center) to serve as termini for BRT as well as 16 platforms (8 stations) along the corridor.

The BRT project on Fredericksburg Road is an element of VIA Metropolitan Transit's Long Range Comprehensive Service Plan, which calls for a redesign of VIA services to include high-capacity transit options along major corridors. *This project is authorized in SAFETEA-LU. The FY2008 transportation appropriations bill included \$4.9 million for Bus Rapid Transit. In FY 2010, VIA received an additional \$500,000 in appropriations funding.*

The VIA PRIMO project received a Finding of no Significant Impact in August 2010, is included in the State Transportation Improvement Plan, and is considered a shovel ready project.

The downtown terminus for BRT will be a transformational project, creating a public space for new development while community assets in the area, the University of Texas at San Antonio downtown campus, the University Health System and other downtown landmarks with an enhanced mode of public transportation, thereby reducing congestion, creating an a better transit rider experience and encouraging public/private development.

OBJECTIVE: For the FY2012 federal funding cycle, seeking an allocation of \$75 million for costs associated with final design and construction of the project. The total project cost is \$150 million.

BENEFITS: VIA is emerging as a local leader in the sustainability effort, and is taking on a larger role in transit oriented development. The role of the BRT project is to provide connections to VIA's planned Streetcar system, local bus service, passenger rail, and the two largest employment centers in the region. Routed through

the San Antonio Central Business District, VIA PRIMO will also be routed through a redevelopment area extending from the site of the Westside Multi-Modal Transit Center along the Houston Street Corridor.

The Houston Street Corridor will be served with BRT and has been identified as a potential alignment for VIA's streetcar system.

Although the VIA PRIMO project is funded with local sales tax revenues and formula funding, acquiring an allocation of \$50,000,000 would allow VIA to fully develop the Westside Multi-Modal Transit Center and the Houston Street corridor as a means of transforming a disadvantaged area of San Antonio. The project along Houston Street is aimed at re-invigorating a district within the city with mixed-use development by integrating on-going planning and development efforts. Other stakeholders in the area will include the University of Texas at San Antonio, the University Hospital System and Bexar County.

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THE TRADE CORRIDOR PROJECT
(Formerly 36th Street Extension Project)

OBJECTIVE: To secure \$12,000,000 to complete the next phase of the regionally significant Trade Corridor project that extends through Port San Antonio. The Trade Corridor project will complete a major north-south corridor connecting the northwest suburbs to the southern portions of the metropolitan area, connecting the region, enhancing access to jobs and development sites and stimulating investment and economic growth. Within Port San Antonio, it will open 150 acres of developable land and provide the highway capacity for continued expansion of the Port, an economic engine for the region.

BACKGROUND: Port San Antonio is a political subdivision of the State of Texas with a Chairman and Board of Directors appointed by the City Council of San Antonio. Port San Antonio, the former Kelly AFB, is a 2,000 acre transit-oriented, mixed-use development under the single ownership of the Port Authority of San Antonio. The Port is the largest commercial and industrial real estate development and management firm in the city. It is through the leasing of its buildings and land that the Port generates its revenue and is operationally self sustaining. No government funds are used in the operation of Port San Antonio.

The Port has achieved significant success as an aerospace hub and international logistics platform with 76 customers employing approximately 14,000 people. The property is within five minutes of downtown San Antonio, the seventh largest city in the country. An economic impact study updated in March 2010 found that the Port is responsible for \$4.2 billion in economic benefits for the region, with that number continuing to grow. Fourteen aerospace related companies at Port San Antonio - including companies such as Boeing, Lockheed Martin, Pratt & Whitney and Standard Aero - alone employ over 4,300 highly skilled workers.

The Trade Corridor Project will connect US90 and Interstate 35 through Port San Antonio and provide what is essentially a “missing link” to create a continuous north-south Trade Corridor from northwest San Antonio, extending through the Port and connecting to the southwest quadrant of Bexar County. The Trade Corridor will link San Antonio’s fastest growing residential sectors with new and growing job generators at the Port and southward, stimulating further economic development, investment and job creation.

As depicted in the attached map, the Trade Corridor project is made up of five phases. Funding has been secured and work is either complete or ongoing for the first three phases. This request is for Phase IIIB to complete a vital 1.2 mile segment of the Trade Corridor through Port San Antonio. It will continue the progress that has already been made, take the region another significant step forward towards completing the entire Trade Corridor, and have immediate economic benefits by opening space within the Port for new tenants to bring even more jobs beyond the 14,000 already created at the Port.

REQUESTED FUNDING: \$12,000,000 in FY 2012 appropriations to complete Segment IIIB of the Trade Corridor Project.

CONGRESSIONAL SUPPORT: Seeking support from the Texas and Bexar County Congressional delegation.

BENEFITS:

- Trade Development – The Trade Corridor will tie together four interstate highways that provide regional connectivity to the nearby Ports of Corpus Christi, Brownsville and the Mexican Ports of Lazaro Cardenas and Manzanillo.
- Job Creation - The Trade Corridor will efficiently connect densely populated areas in northwest San Antonio with new and growing job generators at the Port and southward stimulating further development investments and opportunities.
- Energy Efficiency – Workers will have easier and quicker access to growing and future employment clusters.

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LONE STAR REGIONAL PASSENGER RAIL PROJECT

OBJECTIVE: Secure adequate federal funding through the upcoming transportation reauthorization bill and from annual appropriations to implement the Lone Star Regional Passenger Rail Project. Specifically:

- \$1.8 million FY2011-2012 appropriation for program management
- Grant/loan funding for final design, property acquisition, and construction of regional passenger rail project
- Grant/loan funding for freight rail relocation program
- Coordination between various State DOTs on project as Nationally Significant Trade Corridor

BACKGROUND: The Lone Star Rail passenger rail project is a key initiative in Central and South Texas to help alleviate the congestion and safety problems on I-35 due to extraordinary population growth and increased NAFTA traffic. The regional rail project (adopted by the San Antonio and Austin MPOs in 2005) is a 120-mile passenger rail system located in the existing Union Pacific rail corridor for most its length. Up to 16 stations are planned along the route, which is anchored by the Austin and San Antonio metropolitan areas with additional stations in Schertz, New Braunfels, San Marcos, Kyle/Buda, Round Rock and Georgetown. The intercity passenger rail operation will provide travel times competitive with, if not faster than, travel by automobile. In January 2010, Lone Star Rail initiated the environmental approval process on the passenger rail project.

Economic development is also an important benefit of this project; a recent study conducted by the Lone Star Rail District estimates, if this project were implemented, personal income in the region could increase by \$20B over the next 30 years with state and local tax revenues increasing by \$2.3B. Additionally, the project will improve the safety of numerous at-grade rail crossings along the existing freight railroad that goes through the centers of the cities along the corridor. The project is key to efficient movement of \$900 billion in annual NAFTA trade flow.

In October 2010, Lone Star Rail and Union Pacific executed a Memorandum of Understanding that states the Rail District and UP will study the feasibility of relocating UP's through freight to a new route. If an appropriate route is identified, UP will consider moving its through freight—which makes up the bulk of the freight traffic—to a new line in exchange for the existing freight line. In November 2010, the Rail District launched the initial study in the freight rail relocation effort—a fatal flaw analysis of alternative routes for the through freight. Although UP's local freight will remain on the existing mainline, the exchange and movement of through-freight operations will allow the Rail District to provide passenger rail service on the existing mainline.

The capital cost of the passenger rail project is estimated at \$800M (2010 dollars), with an annual operating cost of \$21M for initial service and \$41M for full build out. Significant technical work has been completed for the proposed rail project, including conceptual engineering, station location and station economic impact studies, operating plans, and a financial and economic benefits study. Costs, ridership, operating plans, and financial plans are being updated in the current environmental impact studies.

Objectives for Lone Star regional passenger rail project include:

- Express and Local trains:
 - Express: 90 minutes or less Austin CBD- San Antonio CBD
 - Local: 105 minutes with stops at all stations
- Operations (full service)
 - 6 am to 11 pm
 - Every 30 minutes – during peak hours
 - Every 60 minutes – during off-peak hours
- Passenger trains will have priority over freight trains

Recent milestones and accomplishments include:

2008

- Awarded federal metropolitan mobility funds from Capital Area MPO: \$5 million in FY09 and \$5 million in FY10
- Conducted meetings and discussions with Union Pacific executive-level staff on rerouting and exchange of existing right-of-way
- Completed high-level feasibility analysis of SH 130 corridor as possible future route for regional passenger rail service

2009

- Re-branded the Rail District, changed name to Lone Star Rail
- Legislature approved \$182 million for the State Rail Relocation and Improvement Fund for the biennium (subject to certification by State Comptroller)
- Legislature appropriated \$8.7 million for the Austin-San Antonio rail corridor
- Executed agreements with Union Pacific Railroad for initial feasibility studies on freight bypass

2010

- Launched environmental clearance and preliminary engineering on passenger rail project
- Executed Memorandum of Understanding (MOU) with Union Pacific
- Launched fatal flaw analysis of freight rail relocation routes
- Added Rail Operations Manager to Rail District staff

CONGRESSIONAL SUPPORT: Requesting support from U.S. Senators Kay Bailey Hutchison and John Cornyn and all members of the Bexar County Congressional Delegation.

REQUESTED FUNDING:

- \$1.8 million FY2011-2012 appropriation for program management
- Grant/Loan funding for freight rail relocation program
- Grant/Loan funding for construction of regional passenger rail

BENEFITS: Implementation of the passenger rail project will:

- Improve mobility throughout the Austin-San Antonio Corridor
- Improve safety in the 1-35 corridor
- Maintain air quality status (Austin and San Antonio both near-non-attainment areas)
- Create a seamless regional multi-modal transportation system
- Provide a predictable, reliable travel choice
- Create economic development opportunities
- Improved NAFTA trade flow efficiencies by expanding rail freight capacity and velocity
- Reduced volume of slower, longer freight trains through town centers
- Reduced highway-rail at-grade crossings in the corridor