

# 2022 ANNUAL MANAGEMENT REPORT



*Transforming Transit Together*



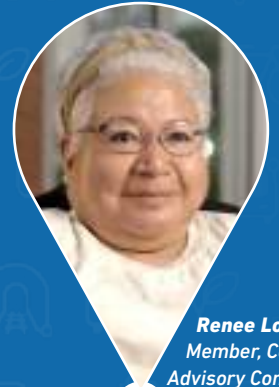
# **Building trust with the community to transform the future of Austin transit together.**



**Jennifer Pyne**,  
Chief of  
Planning & Risk  
Management



**Sofia Ojeda**,  
Director  
of Design



**Renee Lopez**,  
Member, Community  
Advisory Committee



**Lisa Storer**,  
Program Manager,  
Sustainability



**Yannis Banks**,  
Public Involvement  
Manager, MetroRapid



**Courtney Chavez**,  
Director, Equity  
& Inclusion



**Awais Azhar**,  
Chair, Community  
Advisory Committee



**Lonny Stern**,  
Interim Director,  
Community  
Engagement



**Manan Garg**,  
Senior Director,  
Design & Construction

# Table of Contents

---

<b>04</b>	<b>Introduction to ATP &amp; Project Connect</b>
<b>06</b>	<b>Letter from ATP Board Chair</b>
<b>07</b>	<b>Board of Directors</b>
<b>08</b>	<b>Creating Partnerships</b>
<b>09</b>	<b>Letter from Executive Director</b>
<b>10</b>	<b>Project Connect Values</b>
<b>11</b>	<b>ATP Update</b>
<b>23</b>	<b>CapMetro Update</b>
<b>33</b>	<b>City of Austin Update</b>
<b>38</b>	<b>Financial Update FY 2022–23</b>
<b>42</b>	<b>Looking Ahead to 2023–24</b>

# ***Introduction to ATP & Project Connect***



Over the past year, Austin Transit Partnership (ATP) has focused on building trust with the community and moving the Project Connect program forward through our partnerships with the City of Austin and CapMetro. This year was another crucial step in transforming the future of Austin together through Project Connect's transit initiatives. Through ATP's commitment to transparency and accountability, the community has been engaged in every step of the work this year and will continue to be as we move forward. Even when faced with challenges, ATP is committed to fulfilling the contract with voters to ensure we a positive impact on the community.

Project Connect is a transit system expansion designed to manage traffic demands from our region's rapid growth, expand options for commuters at all times of day, reduce climate change emissions from the transportation sector, decrease traffic fatalities, create jobs, and provide access to our daily needs. It will reach schools, health care, parks, and workplaces, as well as serve key destinations in our region for residents and visitors alike, including Austin-Bergstrom International Airport.

The project includes investments in neighborhood stabilization and affordable housing along transit corridors and a fixed rail and bus rapid transit system, including associated road, sidewalk, bike, and street design improvements, park & ride hubs, on-demand neighborhood circulator shuttles, and improved access for seniors and persons with disabilities.

*"This year is another crucial step to transforming the future of Austin together through Project Connect's transit initiatives."*

# Letter from ATP Board Chair



Veronica Castro de Barrera  
Board Chair

*“ATP continues its dedication to providing an equitable, sustainable and scalable light rail program, in partnership with the community, to design a transit plan that will offer the greatest good for our region.”*

I’m pleased to share the 2022 Project Connect Annual Management Report, as Chair of the Austin Transit Partnership Board of Directors. ATP’s mission is to deliver the light rail transit investment in partnership with CapMetro, the City of Austin, and the community in a way that embeds equity, for those who need the service the most, as well as a sustainable system that will last for generations.

This report shares an assessment of the overall program and its progress in meeting these objectives over this past year, and celebrates the accomplishments of the partners who are making Project Connect possible.

With every opportunity, ATP continues to work toward transparency and accountability. This can be seen in the numerous community meetings and workshops held throughout 2022 to seek feedback from community partners and neighborhood groups along the light rail corridors to learn about preferences on project design and community needs.

Additionally, several community workshops were held to determine how ATP can best fulfill its commitment of \$300 million to mitigate the displacement of vulnerable populations impacted by transit development and construction. This work continues to be guided by the Equity Tool led by the City of Austin, in collaboration with the Community Advisory Committee.

This commitment to transparency can also be seen in the effort to inform community partners about the challenges Project Connect is facing. The same cost increases impacting families, businesses and economies around the world are also affecting Project Connect. These include rapid changes in market conditions, rising inflation, and increased construction costs.

The team has begun reviewing program optimization opportunities this year that will focus on the viability of project components. As we progress forward, the community engagement team will work with the community to share ATP’s decision-making process and gather additional input that will inform project development.

ATP continues its dedication to providing an equitable, sustainable and scalable light rail program, in partnership with the community, to deliver a transit vision that will offer the greatest good for our region.

A handwritten signature in black ink, appearing to read 'Veronica Castro de Barrera'. The signature is stylized and written over a white background.

Sincerely,  
Veronica Castro de Barrera,  
ATP Board Chair

# Board of Directors

---



**Jeffrey Travillion**  
Board Member



**Juan Garza**  
Board Member



**Mayor Steve Adler**  
Vice Chair



**Tony Elkins**  
Board Member



**Veronica Castro de Barrera**  
Board Chair



**Dottie Watkins**  
Ex-Officio



**Gina Fiandaca**  
Ex-Officio

# Creating Partnerships

On November 3, 2020, City of Austin voters provided a dedicated revenue stream through an increase in their property tax rate to fund Project Connect. CapMetro and the City of Austin had come together to develop the Project Connect program to reflect what they had heard from Austin residents about what was needed in transit: a widely connected system that built equity for all Austinites, honored the shared value of sustainability and respect for the environment, and reflected the latest in technology and innovation in construction and transit operations.

The ballot referendum also authorized an independent board to oversee and finance the acquisitions, design and construction of the expansion program. In anticipation of a successful election, Capital Metro and the City authorized the execution of an interlocal agreement creating the Austin Transit Partnership. Our Articles of Incorporation were signed by the Secretary of State on December 23, 2020, establishing ATP as a local government corporation, and operations began on January 1, 2021.

## Roles & Responsibilities



- Responsible for the planning, design, financing, acquisition, procurement, equipping and construction of all light rail elements, including related facilities; and the Green Line
- Transfer \$300 million over 13 years to the City of Austin for anti-displacement
- Construct the MetroRapid, MetroExpress, Neighborhood Circulators, and Red Line components of system plan
- Operate assets once completed and to ensure operational readiness
- Commit revenues identified in the Estimated Long-Term Contribution
- Transfer dedicated property tax revenue to ATP
- Ensure adequate staffing resources related to design, utility relocation, permitting and anti-displacement programming
- Implement the transit-supportive, anti-displacement initiatives



# Letter from Executive Director

---

It's with great pleasure that I present the 2022 Annual Management Report. This collaborative report by the Project Connect partners captures our commitment to transparency, equity, and accountability in implementing Project Connect for the people of Austin.

As a new organization, Austin Transit Partnership's identity is deeply rooted in these core values and our strong partnerships with CapMetro, the City of Austin, and an incredible range of community leaders, stakeholders, and residents in every part of this community. We are cultivating an organizational culture and approach that - prior to decision-making - we listen actively, engage in dialogue wherever we can, and move forward with our community, together.

Together we have advanced early projects in the program - investing in MetroRapid expansion, MetroRail improvements, Pick-Up zones, and putting \$100 million towards our community's efforts for displacement prevention. These efforts have demonstrated that each of our partnership entities are collaboratively performing their roles and responsibilities to deliver for Austin.

Earlier this year, ATP directly addressed the financial realities and challenges facing the light rail program. These challenges are well-known to families and employers across Austin: rapid changes in market conditions, rising inflation, and increased construction costs and property values; in addition to early changes in the project's scope. ATP is thoughtfully and rigorously assessing all possible options that will then allow us to begin implementing the light rail program. Our work on this Updated Light Rail Implementation Plan is grounded in data and expertise, and it embeds equity, sustainability, and transparency as guiding principles.

This report's theme, Transforming Transit Together, demonstrates how we will build a future that reflects our community's priorities. This management report offers a chance to reflect on where we've been, where we're going, and how our work will advance Austin's future.

As we begin ramping up toward Austin's transit future, ATP is building on trust and transparency. I want to thank our ATP Board, the Austin City Council and City staff, CapMetro's Board of Directors and staff, and all of the diverse voices across our community. I thank you all for your trust, hard work, patience, and friendship as we head into an exciting year in creating the transit system that Austin deserves.



Sincerely,  
Greg Canally  
ATP Interim Executive Director

*"We remain fully committed to implementing Project Connect transparently, accountably, and equitably; to building the project within approved costs, and to ensuring Austin's future is on track to success."*

# Project Connect Values

When voters approved Project Connect in November 2020, the desire for progress was greater than just adding more buses and trains. The endorsement reflected the need to build a region that embraces every community and provides connectivity for all residents to the beauty and opportunities in our community. A more equitable, sustainable and innovative region that lives up to its potential. These community values, which we've heard throughout our ongoing community engagement efforts, are reflected throughout each project in the program:



## OPPORTUNITY & EQUITY

- Project Connect will generate thousands of good local jobs and careers
- Connect more neighborhoods with a comprehensive rail and bus system reaching more areas of Austin and with higher frequency
- Make it easier for Austinites to access employment opportunities, healthcare, education, essential services, parks, and entertainment
- A \$300 million anti-displacement investment specifically to create and maintain more affordable places to live as well as ensure the benefits of Project Connect are equitably shared



## ENVIRONMENT & SUSTAINABILITY

- Project Connect will reflect the shared passion for the environment in Austin and the surrounding areas
- Commit to diligent stewardship of our climate during design, construction and operations of transit projects
- Set an industry standard for advanced green transit system operations by managing water use, landfill waste and carbon emissions in all operations
- Commit to a zero-emissions bus fleet



## INNOVATION & TECHNOLOGY

- Project Connect will embrace the spirit of innovation and tech in Austin to make transit easier, more efficient and safer
- Make it easier for customers to get to their destination with up-to-date, digital wayfinding technology and customer fare systems
- Integrate modern, innovative design into infrastructure throughout the system, with stations and bus stops that reflect the neighborhoods they are in

# ***Austin Transit Partnership Update***





***“Project Connect  
bridges communities,  
builds connections,  
and connects us all.”***

***— Alvin Livingstone, PE***

***Senior Director of Design  
& Construction***

# Light Rail

## LAYING THE FOUNDATION FOR LIGHT RAIL

Over the past three years, significant work has been done to progress the light rail program as part of Project Connect. This innovative program is a first for Austin and will increase connectivity to more neighborhoods and transform the Austin region into one of the most equitable, sustainable, and innovative areas of the country.

The work to identify the Project Connect investment began with a goal of identifying a transit expansion vision for the entire community. The CapMetro Board adopted Locally Preferred Alternatives (LPAs) for light rail and MetroRapid in 2020, identifying the best routes for proposed light rail and expanded MetroRapid service, and the LPAs were subsequently codified in the City's Austin Strategic Mobility Plan.

In early 2021, public scoping meetings were held to share project development details with the community and solicit feedback on design preferences.

Coordination with Federal Transit Administration (FTA), a key investor in light rail, continued throughout 2022 to ensure the project's compliance with federal program requirements as the light rail design progressed. The Project Connect team continues to meet regularly in person with FTA to discuss topics such as light rail costs, project development, and ongoing work plans.

As with any infrastructure project that must be retrofitted into a built environment, light rail design involves many complex challenges, and the solutions come with tradeoffs. Throughout 2021, additional project development meetings were held to share these challenges with the community and to discuss options.

To support this process, dedicated community Working Groups were established along the light rail corridors with regular meetings. These focused conversations have continued through 2022, and most recently included design workshops to dig into more detail for design at the neighborhood level.

**“I see our implementation plan coming to life. The community takes ownership and pride in the system we are co-creating.”**

— Sofia Ojeda, Director of Design

The technical team used the feedback to make refinements to, or further consider areas such as station design, accessibility, connectivity, anti-displacement and placemaking.



At the same time, the technical team was working to evaluate project components including utilities, water drainage, systems and vehicles, facilities and real estate.

## **PIVOTING TO MEET THE NEEDS OF TODAY**

In April 2022, we informed the community that Project Connect's projected light rail costs had increased from \$5.8 billion to \$10.3 billion. This is a result of the same cost increases impacting families, businesses and economies around the world — rapid changes in market conditions, rising inflation, and increased construction costs. Looking forward, it's expected that costs will continue to rise above the projections laid out in April.

With the projected light rail costs nearly doubling, ATP has responsibly implemented an intense, intentional technical and community process that will allow for an assessment of cost changes, consider options for addressing them without additional tax money, and update the light rail implementation plan.

This sort of effort is a routine and essential part of any robust, large-scale public transit project and by doing this work now, much more expensive adjustments can be avoided later.

ATP's technical team began reviewing this past year the options for project components that could be changed, reduced, removed, or deferred. Five key areas for possible optimization and cost savings opportunities were determined for further evaluation:

1. Scoping and Design
2. Phasing and Segmentation
3. Service Plan and Technology
4. Sources of Funding and Partnership
5. Risk and Delivery Strategy

ATP established interdisciplinary focus groups, which meet weekly, to evaluate the technical feasibility of the optimizations and cost saving ideas within these five key areas. These focus groups center on various areas of the light rail program, including: light rail end points, downtown route, combined maintenance facility, stations, systems and vehicles, river crossing options, street cross sections and construction technology and materials. The focus groups will continue to meet this fall to develop viable alternatives using technical data, financial analysis, evaluation criteria, community feedback gathered to date, and equity and sustainability factors.

These alternatives will be developed into scenarios and will be shared with the community, with a focus on priority communities (see right) and equity, in the coming months to solicit feedback. Using this community feedback and the evaluation criteria, the technical team will move forward with financially viable and community supported options. Once options are approved, the project will move forward with environmental approval, final design and construction.

*See the following page for a visual overview of our optimized light rail workplan.*

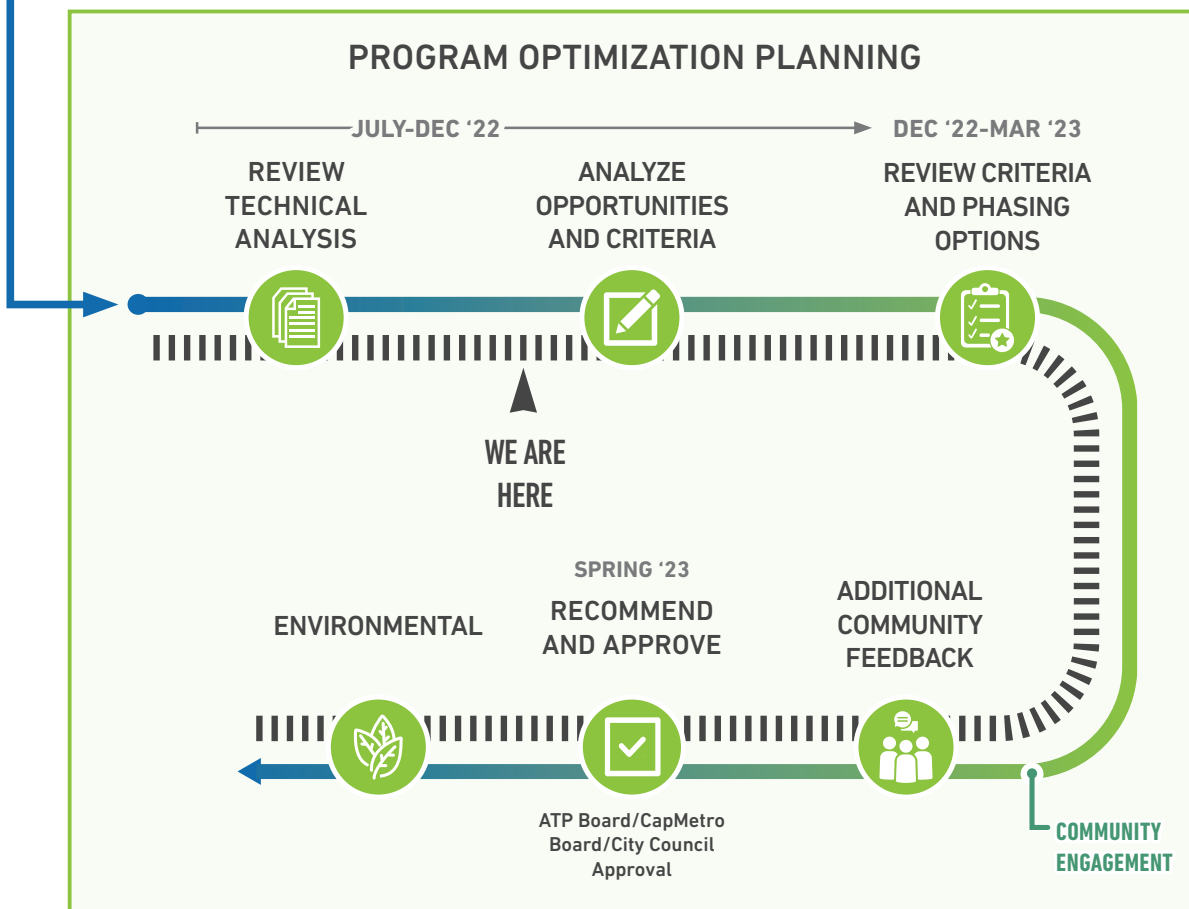
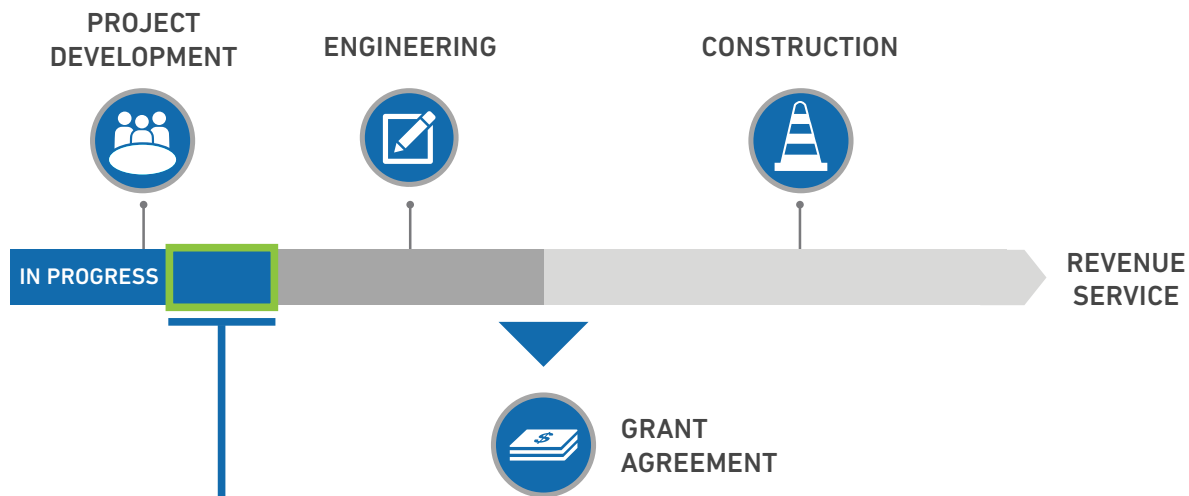
*Priority communities include those most likely to be impacted by Project Connect. For complete list, scan here:*



<https://bit.ly/atp-jpa>

# FEDERAL GRANT PROCESS & WORKPLAN

PARTNERSHIP





# Community Engagement



## COMMUNITY ENGAGEMENT IS CRUCIAL TO MOVING FORWARD TOGETHER

Project Connect has always been a community driven idea, a community driven vision. It is the responsibility of ATP, CapMetro, and the City of Austin to continue to make sure the community sees itself reflected in this investment in the future of public transit. Community engagement is essential to the molding of Project Connect through communicating aspirations of light rail implementation, equity, and hearing the voices of the community.

The ongoing community engagement efforts are built off the multitude of public meetings, joint CapMetro Board of Directors and Austin City Council work sessions, and the contributions of tens of thousands of community members who showed up to give feedback while Project Connect was being formed. People are at the center of Project Connect and crucial to the success of this collective community effort.

In spring and summer 2022 as light rail designs were underway, it was crucial to ensure the community provided input on design preferences. To obtain this input, ATP's Community Engagement (CE) team mounted a significant outreach and information campaign, using a wide variety of outreach methods. A total of 16 neighborhood-level working groups, public meetings and community design workshops were held from March–July 2022. These virtual meetings focused on how light rail line will interact within communities along the corridors. Participants had a chance

From left to right:  
**Lonny Stern**, Interim Director, Community Engagement  
**Yannis Banks**, Public Involvement Manager, MetroRapid  
**Jocelyn Vokes**, Public Involvement Manager  
**Vikram Sinha**, Public Involvement Manager

## COMMUNITY ENGAGEMENT EFFORTS — 2022 SNAPSHOT

**Outreach included:**



**79**

**In-person meetings**



**56**

**Virtual meetings**



**1**

**Hybrid meeting**

**25,000**



**Project Connect interactions with community members since start of program**

(continued)

to provide feedback regarding access to stations and preferred amenities, such as bike and pedestrian pathways. The input from these groups were used by the design teams to further develop design preferences for the light rail program.

The CE team also utilized innovative ways to gather community input during virtual meetings to get insight into neighborhood priorities and concerns. Participants were able to see their feedback in real-time using an online polling application. The benefits of this method included transparency and exposure to the diverse perspectives of others in the community. The information gathered from these surveys provided critical guidance to the Project Connect team.



**“As an attendee of these meetings, it was really exciting to give my feedback and see how my feedback relates to the experiences of all the other community members in the same space.”**

— Awais Azhar, Community Advisory Committee Chair

It’s important for the community to know their feedback matters and their voices are heard. To ensure the community had the opportunity to provide input and ask questions, a dedicated online community engagement library was developed to capture all meeting presentations and materials. Community members could visit the library to view past meetings and presentations, and then provide comments and feedback via email.

An emphasis was placed on describing the community feedback loop and how community input was received and incorporated into the decision-making process. To demonstrate how community feedback was incorporated, the CE team provided a summary of previous feedback themes and how they were incorporated into the overall light rail design.

At-stop outreach and flyer distribution were also implemented to ensure every meeting reached its maximum effectiveness and accurately represented the community. The team went out to current transit stops, plus businesses and homes in the area to hand out flyers about the meetings and other outlets through which stakeholders could give feedback.



**“Historically people with disabilities are often not taken into consideration. I’ve been really pleased Project Connect has talked to people with disabilities, different organizations around town. The best thing about this project is it listens to the citizens. That’s what’s going to make it work.”**

— Renee Lopez, Community Advisory Committee Member

In advance of the working group and community design workshops, ATP also began a series of more than 120 meetings with potentially affected property owners. To be open and transparent about Project Connect, property owners were notified via mailers and reached out proactively with phone calls and emails from the project team to set up one-on-one meetings. During these meetings, property owners were shown preliminary design schematics and potential right-of-way impacts for their properties. Feedback from these meetings helped provide crucial input and bring important issues facing businesses and property owners to the Project Connect team.

### **PROJECT CONNECT RECEIVED CORE VALUES AWARD FOR COMMUNITY ENGAGEMENT EFFORTS**

This September, Project Connect was recognized by The International Association for Public Participation (IAP2), with the Core Values Award for the different ways the team engaged, listened to and incorporated the community’s vision into the Project Connect program.

Each year, IAP2 affiliates around the world celebrate excellence in the profession through the IAP2 Core Values Awards. The awards go to projects and organizations which best demonstrate IAP2’s Core Values and help to raise the bar in the field of public engagement. There’s still a lot of work to be done, but this award reflects the hard work of so many community partners.

As ATP updates the light rail implementation plan, community engagement will be a crucial part throughout this process. The community feedback gathered to date, as well as ongoing workshops with Project Connect committees and groups focused on evaluation criteria, will be vital to next steps ATP takes in assessing the development of scenarios for the light rail program.

**“Project Connect was overwhelmingly supported by voters, but to keep the community’s support we must be extremely transparent about the difficulties in bringing this system online in the coming years.**

— **Jeremy Hendricks, Community Advisory Committee Member**

As we move into 2023, ATP’s CE team will work with every part of the community to discuss options for delivering on the goals of Project Connect, and to gather additional input to inform implementation of the first investment of light rail in Austin. The CE team will also continue to work hand-in-hand with CapMetro and the City of Austin to foster more community involvement and continue to ensure Austinites see themselves as a vital part of Project Connect.



***“One dream.  
One team.  
One cause.”***

***— Manan Garg, PE***

***Senior Director of  
Design & Construction***



# Advisory Committees

A key element of engagement with the public is consultation with advisory committees, which meet routinely to advise the board, staff and consultants on specific areas of the program:

## **COMMUNITY ADVISORY COMMITTEE (CAC)**

Focus on how equity and sustainability are imbued throughout Project Connect with specific focus on the use of the \$300 million anti-displacement investments, development of key performance indicators (KPIs), and equitable transit-oriented development study. Additionally, the CAC provides input on program equity with EAC, FAC, and PSEC committees. Staffed by: Nefertitti Jackmon, Community Anti-Displacement Officer (City of Austin), Lonny Stern, Director of Community Engagement (ATP) and Courtney Chavez, Director of Equity & Inclusion (ATP).

*ATP staff and advisory committee members at a workshop on October 22*



## **ENGINEERING, ARCHITECTURE, CONSTRUCTION (EAC)**

Advisory Committee Focus on technical engineering, architecture, and construction. Staffed by: Peter Mullan, Chief of Architecture and Urban Design (ATP) and John Rhone, Deputy Program Officer (ATP). Board Liaison: Chair Veronica Castro De Barrera.

## **FINANCE AND RISK ADVISORY COMMITTEE (FAR)**

Focus on program budget, audit, and financing. Staffed by: Diane Siler, Interim Chief Financial Officer (ATP). Board Liaison: Tony Elkins.

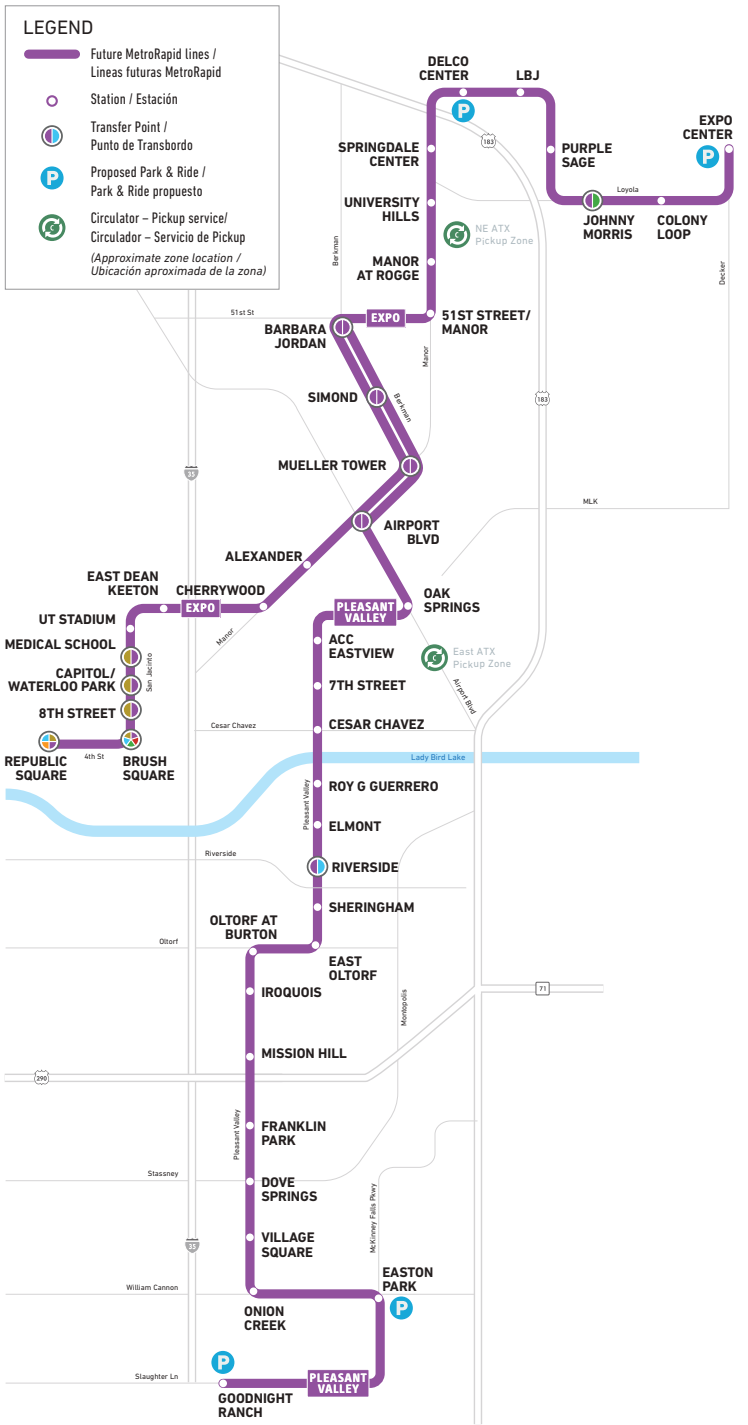
## **PLANNING, SUSTAINABILITY, EQUITY AND DBE ADVISORY COMMITTEE (PSEC)**

Focus on disadvantaged business enterprise and local business support programs, community planning and engagement other than anti-displacement funding, program equity, urban design, accessibility, sustainability, and environmental programs. Staffed by: Peter Mullan, Chief of Architecture and Urban Design (ATP), Courtney Chavez, Director of Equity & Inclusion (ATP), and Lisa Storer, Sustainability Program Manager of Sustainability (ATP). Interim Board Liaison: Gina Fiandaca.

# *CapMetro Update*



# MetroRapid Bus Projects



## TWO NEW METRORAPID ROUTES

Exciting progress has been made on two new MetroRapid routes: the Expo Center line and the Pleasant Valley line. These are the first MetroRapid routes to begin service as a part of Project Connect. These routes will bring additional high-capacity transit options to critical areas of the Austin region, utilizing a zero-emission fleet of new electric vehicles.

MetroRapid routes offer high frequency peak service with limited stops, traveling in traffic flow (with some priority lanes), transit signal priority treatments, and new zero-emission vehicles. The vehicles come with state-of-the-art technology, including plug-in and overhead vehicle charging, USB charging ports for riders’ devices, open seating floor plan and digital displays to provide customers with clear and timely communications. Station amenities will include cameras for enhanced security, improved lighting, ticket vending machines, and real-time arrival and departure technology. All stations will be fully accessible for all customers, providing multimodal connections with access for people walking and biking. The MetroRapid projects include four new station designs, instead of one standard, in order to be more responsive to the needs of the customers at each of the stations.

## EXPO CENTER LINE

A rousing performance from the LBJ Early College High School Band greeted State dignitaries, community members, CapMetro and ATP Board Members and staff, City Council Members, and students from LBJ ECHS when they all gathered to break ground on the Expo Center MetroRapid line on December 15, 2021.

The Expo Line is a 12-mile route with 44 stations designed to provide a one-seat ride between the Travis County Exposition Center and downtown. The route will establish high-quality service east of I-35, providing



access to major destinations, including UT, the Capitol, Mueller, Delco Activity Center, and Travis County Expo Center. The northeast end of the route will be a 150 space Park & Ride at the Expo Center. The Expo Line also includes future connections to light rail and Red and Green rail lines, giving customers even more transit options to move throughout the city.

**PLEASANT VALLEY LINE**

In February, CapMetro broke ground on the second Project Connect MetroRapid route, the Pleasant Valley line. State dignitaries, CapMetro and ATP Board Members and staff, City Council Members, and other elected officials and community members spoke about the importance of the Pleasant Valley line to address historically underserved areas in Austin.

The Pleasant Valley line is a 14-mile route with 43 planned stations designed to provide fast, frequent bus service between Mueller and Goodnight Ranch mixed-use communities on Slaughter Lane. This route will provide service from northeast to southeast Austin and establish high-quality transit service east of I-35. The new route will connect customers to multiple other destinations including the Springdale Shopping Center, ACC Eastview, Austin Lighthouse for the Blind, Dove Springs, Easton Park and Goodnight Ranch.



*(Top) LBJ Early College HS Band performs at Expo groundbreaking  
(Right) Leaders break ground at Pleasant Valley event*



# MetroRail Red Line Projects

## REGIONAL RAIL ENHANCEMENTS

MetroRail Red Line improvements filled 2021–22 with groundbreakings and project kickoffs. The regional rail service operates from downtown Austin through Central and Northwest Austin, up to the city of Leander. The Red Line enhancements funded through Project Connect will support increased commuter rail service, bolstering ridership and mobility options to support continued population growth. The Red Line will provide connections to the larger light rail transit system, as well as MetroRapid and MetroBus routes.

The Project Connect financial model includes \$25 million towards Red Line improvements, including the following projects, which are all necessary to deliver on the commitment of enhanced service for CapMetro customers along the Red Line:

- Incorporating double-tracking for higher frequency service and improved reliability
- Adding the new McKalla & Broadmoor Stations
- Incorporating quiet zones along the route
- Designing a grade separation between vehicle lanes and the Red Line near Crestview Station (North Lamar/Airport)

## RED LINE TO LEANDER DOUBLE-TRACKING

Double-tracking construction kicked off in 2022, a significant improvement to key areas of the Red Line route. This additional track enables increased service frequency and on-time reliability by allowing trains to move in either direction at the same time rather than sharing a single track. Double-tracking is currently being constructed between Lakeline and Leander Stations and achieved substantial completion in fall 2022.

## MCKALLA STATION CELEBRATION

On July 18, the Project Connect team, soccer fans, elected officials, ATP and CapMetro Board members, City of Austin staff and members of the public celebrated to kick off the new Red Line McKalla Station, being built adjacent to Austin FC Q2 Stadium. Funded as part of Project Connect, McKalla Station will provide increased mobility and transit options for the vibrant, growing North Burnet area. Scheduled for completion in late fall 2023, the station is located along the east side of Q2 Stadium, near Delta Drive, on the MetroRail Red Line between Braker Lane and Rutland Drive. The McKalla Station project also includes enhanced bicycle and pedestrian amenities through a partnership between CapMetro and the City of Austin, which will also improve connections to existing multi-modal facilities.

*Drummer of La Murga de Austin, playing at the McKalla Celebration*



Regarding the importance of McKalla Station to area mobility enhancements, CapMetro Board Member and Austin City Council Member Leslie Pool stated, “This partnership is a shining example of private and public organizations working together for the benefit of our city to bring affordable and connected living opportunities to our residents. This station will connect the entire city to the emerging businesses and mixed income neighborhoods in the area, as well as address traffic and increase access for essential workers.”

**BROADMOOR STATION**

In January 2022, CapMetro, City of Austin dignitaries, and representatives from Charles Schwab gathered to celebrate the public/private partnership formed to develop the Broadmoor Station, which will be a key multimodal station on the Red Line. Broadmoor will be located about a half-mile north of the existing Kramer Station (Kramer will close when Broadmoor opens) on the Red Line. The new station is supportive of the Project Connect transit expansion program and leverages a parcel of land donated from Charles Schwab & Company’s 50-acre Gracy Farms campus. Broadmoor will provide multimodal transit options for people to get to the Domain, and will feature two double-length, covered platforms, over half a mile of new track, more than 400 shared parking spaces for transit users, pedestrian and bike-friendly pathways, and safety and security enhancements. The station will also enable easy transition to MetroRapid lines, ensuring connection to the wider transit system. Permitting is almost complete; construction will start in early 2023, and the station is currently scheduled to open in late 2024.

**QUIET ZONES**

To minimize the impact of higher frequency trains and improve the experience for riders as well as neighbors of the Red Line, CapMetro has instituted four additional “Quiet Zones” at Kramer, Braker, Rutland and Rundberg crossings. These quiet zones along the Red Line are areas where train conductors do not blow their horns as they pass cross streets on their routes. The quiet zones will be constructed as part of the McKalla Station double-track and drainage improvement project, which is scheduled to be completed in late 2023.

**CRESTVIEW GRADE SEPARATION DESIGN**

This is a locally-funded project to design a grade-separated rail crossing for MetroRail and freight operations. The project will enhance safety and mobility by using an underpass at the intersection of North Lamar and Airport to separate rail traffic from road traffic. Benefits of grade separation include significantly enhanced safety as car traffic and commuter/freight rail are separated, a decrease in traffic congestion and auto accidents, and a quieter intersection as there is no need for train horns. Preliminary design is complete and environmental clearance on the project is pending from TxDOT, expected in late fall 2022. A grant application for federal funding to complete the design will be submitted in late fall, and CapMetro will continue to partner and coordinate with ATP & TxDOT on this opportunity.



Artist conceptual rendering

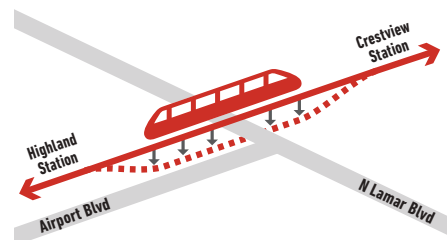


Diagram of grade-separated rail crossing

# Equitable Transit Oriented Development



With Project Connect, Austin has a once-in-a-generation opportunity to invest in major public infrastructure that reflects the community's values: equitable opportunity, a shared passion for the environment, and embracing the spirit of innovation and technology. Transit Oriented Development (TOD) is a way to build cities that prioritize tightly connected neighborhoods with a mix of residential and commercial uses. Equitable Transit Oriented Development (ETOD) ensures an equity lens on TOD in order to:

- Create new economic opportunities for residents of all income levels;
- Mitigate displacement and potential adverse outcomes of new development
- Encourage market-supported development along transit corridors.

## WHAT DOES IT MEAN AND WHAT IS THE OUTCOME? WHO IS DOING IT?

Project Connect investments will certainly increase the demand for housing and services near the new transit stations, requiring a commitment to equitable outcomes

that benefits people who have not historically benefited from infrastructure projects in Austin. CapMetro, the City of Austin and ATP are working with communities along Project Connect's future transit corridors to develop policies and principles for ETOD. These ongoing community discussions will help the Project Connect team make the most of the opportunity provided by the \$300 million anti-displacement fund created by voters in 2020 to create a more just and inclusive transit network in Austin.

## TURNING UP THE VOLUME ON COMMUNITY VOICES

Community engagement is at the forefront of project plans for the ETOD project. A major engagement initiative in 2022 was community ambassador program. The CapMetro team formed a diverse group called the "Community Connectors." They helped engage residents and businesses to ensure underrepresented communities are part of the ETOD efforts and recommendations. The Connectors also support one of Project Connect's main objectives: to consider all future transportation investments through an equity-based framework.

The ETOD discovery intentionally turned up the volume on voices from Austin’s BIPOC (Black, Indigenous, People of Color) community, low-income earners, people with disabilities, non-English speakers, transit users and elderly residents. Along with the Connectors, to reach this goal, the project team (1) defined targeted methods for reaching these key communities in unconventional ways, and (2) turned down the volume of voices that traditionally have dominated public engagement forums. Pictured below are the three project phases representing: extensive in-person outreach, including events and meetings, focus groups, surveys, and virtual meetings.

**ETOD PHASES**



**MOVING ETOD FORWARD**

After all data has been analyzed near the end of 2022, the final ETOD results will be shared. Then, guided by the data, the City of Austin will develop policies for pursuing and accurately measuring equitable outcomes across station areas and populations as Project Connect is implemented in the Austin area.

Through this project and beyond, CapMetro, the City of Austin and ATP are committed to listening to underrepresented communities in Austin and ensuring that all of Austin’s diverse communities will benefit from implementing Project Connect. Below are the principles that the ETOD process (engagement, study, agency input) has concluded are the main objectives and goals as policies are implemented. Beyond ETOD, these principles will help support Project Connect and the future of Central Texas transit.

Equitable Transit Oriented Development (ETOD) in Austin supports these principles:

- Enabling Austin area residents to benefit from safe, sustainable, and accessible transportation
- Helping to close the racial health and wealth gaps
- Preserving and increasing housing opportunities that are affordable and attainable
- Expanding access to high-quality job and career opportunities
- Supporting healthy neighborhoods that meet daily needs
- Sustaining Austin’s diverse cultural heritage and small businesses

# New Equitable Fares

---

Project Connect transit services and assets will be operated and maintained by CapMetro once completed, and fares will be established as part of CapMetro's fare policy and structure. Light rail fare media, the methods by which fares are paid or issued, will be the same across all CapMetro-operated modes. In 2022, stemming from the desire to make transit fares more equitable for everyone in the Austin-area community, CapMetro conducted a fare structure analysis and identified two programs that will drive enhanced equity for CapMetro riders:

- **FARE CAPPING:** limits how much a rider pays for all trips in a day or month
- **EQUIFARE:** An additional discounted fare category for income-eligible customers

Customers using the MetroRapid lines and Red Line enhancements will benefit from access to these critical programs beginning in early 2023.

For modeling purposes, the staff's current assumptions are that light rail fares will be the same as local service, and we are noting this assumption publicly as fare-related engagement continues. We see this as an equity approach and a similar strategy that peer transit systems are moving toward because of the similarities in services provided. However, fare pricing and structure are policy decisions for CapMetro's Board to make; a future CapMetro Board can choose to make their own decision regarding fare pricing and structure when they consider this topic.

## FARE CAPPING

Fare capping prevents customers from being charged more than a day pass in a single day, and more than a month pass over the course of a month, eliminating the need to purchase a pass upfront to save. Under a fare capping system, the rider who pays separately for each individual trip will pay no more than someone who pays in advance for a weekly or monthly pass.

This means that customers paying for individual bus fares as they ride get exactly the same benefits as customers who pay upfront for a discounted pass, increasing equity and transit access. Benefits of fare capping for passengers:

- Guarantees customers are charged the best fares and are never overcharged for their daily/monthly trips
- Customers don't have to determine the best value pass to buy upfront, which enables customers to pay-as-you-go and receive the same benefit as purchasing a fare pass in advance – particularly important for customers who struggle to purchase the pass upfront, or whose travel is spontaneous or unpredictable
- Facilitates flexible fares to support today's commuter environment

Benefits of fare capping for transit agencies:

- Helps social equity and accessibility of best fares for all customers without discrimination
- Incentivizes greater and easier use of public transit
- Helps to reduce dwell time at bus stops with more customers using smart cards or mobile devices
- CapMetro can set fare cap parameters according to service provided

### HOW FARE CAPPING WORKS – 1 DAY



### EQUIFARE

In addition to fare capping, the CapMetro Board authorized the creation of another fare category to enhance equity in the fare structure: Equifare. This fare category provides a reduced price fare to eligible customers. People who are eligible/qualified for certain social service and assistance programs or who have a household income below 200% of federal poverty level are eligible to receive Equifare transit pricing.

		CURRENT FARE TYPES		APPROVED
PASS TYPE		Standard	Reduced †	Equifare
Local Bus	Single Ride	\$1.25	\$0.60	\$1.00
	Day Pass	\$2.50	\$1.25	\$2.00
	Month Pass	\$41.25	\$20.60	\$33.00
Commuter Bus & Rail	Single Ride	\$3.50	\$1.75	\$3.00
	Day Pass	\$7.00	\$3.50	\$6.00
	Month Pass	\$96.25	\$48.10	\$77.00

† Eligible groups: seniors 65+, Medicare card holders, active-duty military personnel & riders with disabilities

(continued)



## HOW IT WORKS

To access the new fare programs, customers will use an Amp account in the form of either a physical smart card or new version of the CapMetro App. Amp technology tracks rides to provide customers with the money-saving benefits of our new fare programs.

Money can be loaded by using a credit card connected to the rider's account or by loading at one of the 250+ participating retail outlets in the Austin area. When launched, CapMetro will utilize bilingual street teams, community engagement events, social media, and at-stop distribution of cards to gain participation and community awareness of the new programs.

Staff will also be working with non-profits and agencies that provide housing, healthcare, education and unhoused services to educate and sign up their clients in person, including organizations like Foundation Communities, Austin Area Urban League, Casa Marianella, ECHO, and many others. Community-based organizations, community leaders, and local agencies are critical to spread the word and gain widespread adoption of AMP and the new fare structures.

This new technology supports CapMetro values and uses the latest technology to enhance rider experience; values which are also shared across the Project Connect program. The proposed fare structure ensures that as fares adjust over the years costs for transit passes remains affordable for low-income customers.

## NEXT STEPS

- Work with community and stakeholders to collaborate to improve existing fare programs using the new fare technology and programs
- Engage in a deliberative and thoughtful approach that withstands the test of time
- Work with social service providers and partner agencies to reduce administrative barriers and increase access to transit service for unhoused and low-income customers

## TIMING

The Amp card and the new technology is currently in test phase to remedy challenges before the program launches in 2023.



# ***City of Austin Update***



# Project Connect Office



*From left to right:  
Jenn Golech, Liane Conte,  
Annick Beaudet, John Powell,  
Alyssa Hedge, George Adams,  
Nan Dowling, Beth Robinson*

This year the City of Austin Project Connect Office (PCO) continues to work in close collaboration with ATP and CapMetro on all aspects of the Project Connect program. Two significant achievements that are critical to this early phase of the project are a foundational ordinance to ensure regulations and

permitting procedures are tailored to the unique needs of light rail and the Utility Rules of Practice that serves as a shared methodology for utility relocation.

## **A FOUNDATIONAL ORDINANCE ADDRESSING THE NEEDS OF PROJECT CONNECT**

In November 2022, City Council approved an ordinance that lays an initial foundation to support the permitting and construction of Project Connect. This work was initiated through a resolution that directed staff to review City Code, Criteria Manuals and permitting procedures to identify impediments to Project Connect implementation.

The need for this review was in part inspired by a 2021 Eno Center for Transportation report that identified local regulation, permitting, and decision-making procedures in the U. S. as an obstacle to achieving viable, cost-effective transit systems. The report also noted that successfully constructed mass transit systems apply modified regulations and review procedures to accommodate the unique challenges of transit construction.

The ordinance is not predicated on a specific design or scope, but rather creates a place for transit-specific regulations, expands permitting options, clarifies uses, and provides a programmatic approach to construction noise mitigation. As we learn more about design and construction in the coming months and years, additional amendments may be proposed.

## **UTILITY RULES OF PRACTICE**

PCO coordinated with ATP and City utility departments to write the Utility Rules of Practice (UROP) as a methodology for reviewing and approving utility conflicts along the proposed light rail alignments. The document is a comprehensive solution to the effort to relocate utilities for the purpose of implementing high-capacity transit. The UROP will be administratively approved and will guide the utility design work for the light rail program.



# Housing and Planning Dept.

---

## **\$300 MILLION FOR ANTI-DISPLACEMENT INVESTMENTS AND STRATEGIES**

In addition to the transit system investment, voters approved \$300 million in funding to mitigate indirect displacement of existing residents as cost of living rises due to new transit infrastructure. The main goals of the investment are to protect those most vulnerable to displacement, preserve existing affordable housing, and produce opportunities to expand housing options. The City of Austin's Housing and Planning Department will be responsible for the implementation of the \$300 million investment.

## **FRAMEWORK AND TOOLS GUIDING INVESTMENTS**

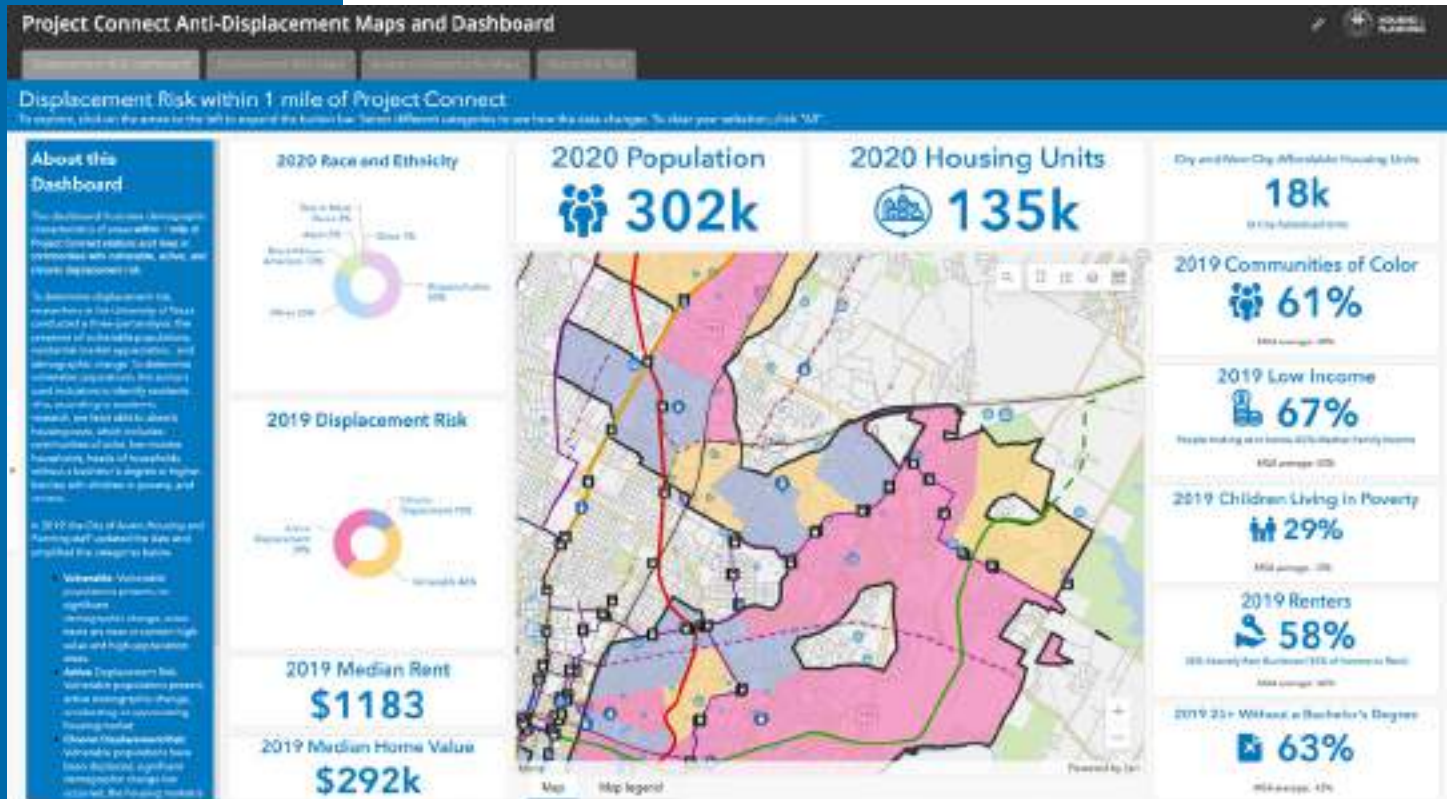
Austin has often been known as a city of innovation. Project Connect anti-displacement investments are a bold opportunity for the city to demonstrate our innovation by thinking and acting differently and centering vulnerable residents in our decision-making processes.

The City is pushing the boundaries beyond mere innovation, and centering community innovation as the focal point of the anti-displacement investments. The Equity Tool has helped to establish community priorities. The "Nothing About Us Without Us" Report & Equity Tool, which were released to the public February 1, 2022, allows decision-makers and community members to evaluate how to spend the anti-displacement dollars, prioritizing community-generated solutions and projects that help those most at-risk of displacement near transit lines. The Equity Tool can also be used to assess how transit investments may impact vulnerable communities.

With finite resources, it is imperative that we be smart and intentional about where the dollars are spent in order to have a meaningful impact on the communities we are seeking to preserve. The multi-pronged approach that informs the investment strategy consider:

- who is most vulnerable
- where displacement may occur near Project Connect lines
- what needs to happen to prevent displacement
- when investments should be made, and
- how the voices of those most impacted are centered in decision-making

*(continued)*



Anti-Displacement Maps & Dashboard provide relevant data on neighborhood vulnerability risk. This information will help focus where to make investments and provide guidance on how we invest, with the goal of protecting vulnerable households. The dashboard illustrates demographic characteristics of areas within one mile of Project Connect stations and lines in communities with vulnerable, active, and chronic displacement risk. A companion Public Performance Dashboard will track progress of investments made and the impact to communities. The Public Performance Dashboard will be released in 2023.

**INITIAL INVESTMENT OF \$65 MILLION FOR ANTI-DISPLACEMENT INITIATIVES**

The \$300 million for anti-displacement initiatives will be invested over 13 years. \$100 million is distributed over the first three years, with \$23 million for FY 2020-21, \$42 million for FY 2021-22 and \$35 million for FY 2022-23. \$20 million will be available each year for the remaining 10 years.

The \$65 million investment for the first two years has been allocated to three focus areas:

**LAND ACQUISITION:** \$23 million is available for land acquisition, which is further divided into two tranches. \$8 million is available in zero-interest loans to eligible 501(c)(3) nonprofits to preserve and develop affordable housing and purchase land for future development. The remaining \$15 million will be used by the Austin Housing Finance Corporation to acquire multifamily properties and extend or preserve affordability along Project Connect lines.



- **ACHIEVEMENTS:** As of September 2022, 110 units of naturally occurring affordable housing have been acquired.

**COMMUNITY-INITIATED SOLUTIONS:** \$20 million in funding is available for Community Initiated Solutions, a community driven and informed process that centers community strategies to address displacement recognizing that people who are closest to problems have expertise and knowledge to contribute to solving some of the challenges that they face.

Community-based organizations were provided with resources to focus on the needs of vulnerable neighborhoods. Thirty-seven nonprofit organizations and partnerships submitted proposals for initiatives designed to prevent the displacement of renters and homeowners and create economic mobility opportunities, and a total of 14 organizations were selected for funding.

Critical to the success of the Community-Initiated Solutions were the community evaluation panelists who were recruited to identify successful applications. The community evaluation panel was composed of 25 practitioners, academics, and stakeholders from communities most impacted by displacement. Panel members were selected from a pool of 88 applications. The panel reviewed and scored proposals using criteria informed by the “Nothing About Us Without Us” Report & Equity Tool. The list of scored and ranked proposals was then provided to a working group of the Project Connect Community Advisory Committee (CAC). The CAC then made final recommendations, which were approved by the Austin Housing Finance Corporation in September 2022.

These community driven processes are not simply innovation, it is community innovation to propel the City of Austin toward transportation and housing solutions that are equitable for Austinites.

- **ACHIEVEMENTS:** The Austin Housing Finance Corporation approved the allocation of the \$20 million to 14 organizations in September 2022.

**LAND DEVELOPMENT:** \$21 million will support the acquisition, rehabilitation, and construction of affordable housing. The funds will provide private and nonprofit developers with state tax incentives and bonds and be administered through the City’s existing development assistance programs.

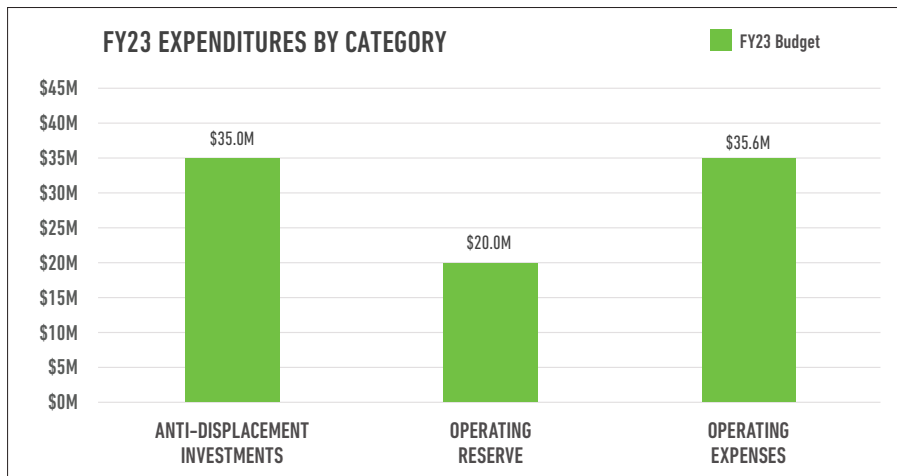
- **ACHIEVEMENTS:** This funding has been pooled with other City funding to support five developments resulting in 380 rental units affordable below 50% MFI and 23 ownership units affordable below 80% MFI within one mile of Project Connect in areas vulnerable to displacement.

# ***Financial Update***



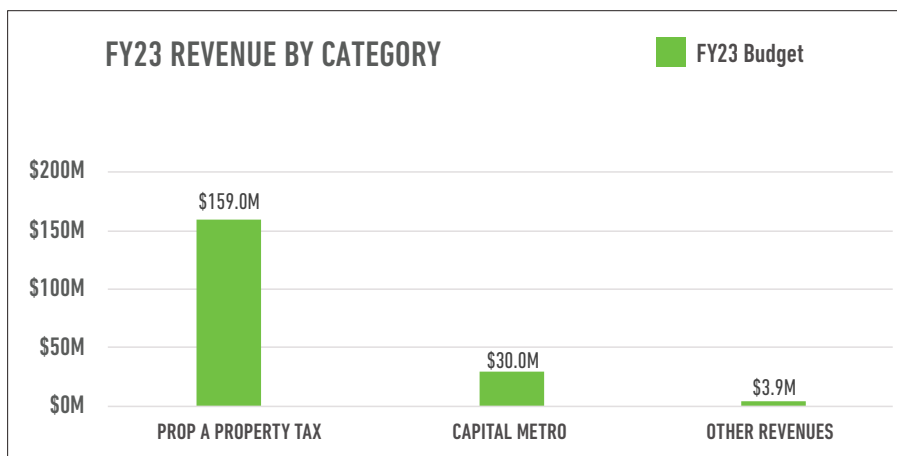
# FY 2022–2023

The FY 2022–23 Budget, Austin Transit Partnership's second full-year budget, totals \$90.6 million, with 39% of the funding, or \$35.0 million, budgeted for transit-supportive anti-displacement investments, 22% to seed a new operating reserve with \$20.0 million, and the remaining 39% funding operating expenses. ATP accounts for all operating costs within the Operating Fund.



## SOURCES OF FUNDS OPERATING

ATP's FY23 total revenue is projected to be \$192.9 million. The property tax revenue represents approximately 20% of the total operations and maintenance property tax collected by the City of Austin. CapMetro contributions to ATP total \$30.0 million: \$10.0 million from the Capital Expansion Fund and \$20.0 million in sales tax receipts. New in FY23 are \$3.9 million in investment interest income revenues.



(continued)

## **CAPITAL**

There are no transfers of funds in FY23 for capital projects. Existing appropriations of \$205.1 million from prior years are sufficient to allow continuation of project development. Planned spending in the fiscal year is \$50.0 million for the existing project management and engineering contracts and new contracts for architectural services, systems and vehicles, and real estate services.

Both the Pleasant Valley and Expo Center MetroRapid bus line projects are under construction. A local funding match of \$35.6 million has been fully appropriated through FY22. The interlocal agreement between ATP and CapMetro governing the funding contribution was approved by both Boards in July 2022. The capital budget for the remaining Project Connect elements will be appropriated concurrent with approval of project-specific ILAs.

## **NEW OPERATING RESERVE**

It is essential that governmental organizations maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures). New in FY23, ATP is adding an operating reserve of at least 180 days of operating expenses and seeding that fund with \$20.0 million. Staff will continue to evaluate the need for and appropriate levels of various reserves, to potentially include a capital and debt service reserve in future years.

## **ANTI-DISPLACEMENT**

In FY23, ATP will transfer \$35.0 million into the Anti-Displacement Initiatives Fund. With this third allocation, the total funds set aside to reimburse the City of Austin for anti-displacement activities is \$100.0 million.

## **SUPPORT SERVICE AGREEMENTS**

In anticipation of the approval of support service agreements with CapMetro and the City for administrative and project support, \$3.8 million and \$3.5 million, respectively, has been included in the budget. The reimbursement provided to CapMetro will include salaries for staff supporting ATP business activities and IT software and hardware. The City will be reimbursed for its efforts to assist with the overall coordination of input from relevant City departments and for the design review, permitting, and inspection of Project Connect.

## **STAFFING**

Starting in FY23, the ATP Board will begin formally approving staffing levels along with the adoption of the budget. This best practice recommended by organizations such as the Government Finance Officers Association ensures that the Board has a key tool in effective strategic planning and proper financial oversight.

In FY23, ATP's authorized personnel will grow from 84.5 to 87 positions. The new positions in FY23 are two Senior Auditors to support the audit workplan and an increase



in the Executive Director position from part-time to full-time, as directed by the Board.

Currently, ATP has 35 vacancies and will need to fill a few positions critical to furthering organizational independence. An IT Director will be essential to moving ATP onto a stand-alone network and working with consultants to finish the final phase of the enterprise resource planning (ERP) implementation. Prior to filling the remaining vacancies, leadership will be engaging in a rigorous and intentional review of program needs.



Employees are ATP’s most valuable resource — without a dedicated, expert staff, the goals of Project Connect would not be possible. In order to recruit and retain this level of expertise, ATP, in partnership with CapMetro, offers a robust benefits packet that includes, but is not limited to, health care, retirement, paid time off, tuition reimbursement, a wellness program, and childcare. The FY23 budget also includes \$240,000 for a 4% wage increase planned for October 2022. Total pay and benefits for FY23 is \$11.7 million.

## **FINANCIAL POLICIES**

Along with the Board’s adoption of the FY23 Budget, ATP’s financial policies will be approved to ensure sound financial management practices based on industry best practices are maintained. The financial policies help ensure thoughtful, cautious, and pragmatic oversight of the agency’s financial resources. Included are 23 policies covering accounting, budget, purchasing, reserves, investments, and debt. New in FY23 is a financial policy establishing an operating reserve and specifying how and when that funding shall be accessed and replenished.

# Looking Ahead to 2023–24

