

What are the Costs and Taxes?

Light Rail

| | | |
|---|------------------------|----------------------|
| Light Rail Orange Line | \$2,500,000,000 | |
| Light Rail Blue Line | \$1,300,000,000 | |
| Downtown Subway & Underground Retail Plaza | \$2,000,000,000 | |
| Residence Relocation Mitigation | \$ 200,000,000 | |
| Maintenance Facilities | \$ 200,000,000 | |
| Technology Systems | <u>\$ 20,000,000</u> | |
| | \$6,220,000,000 |\$6,220,000,000 |

Commuter Rail

| | | |
|---------------------------------|-----------------------|---------------------|
| Commuter Rail Green Line | \$ 370,000,000 | |
| Commuter Rail Red Line Upgrades | <u>\$ 25,000,000</u> | |
| | \$ 395,000,000 |\$ 395,000,000 |

Bus Service

| | | |
|---|-----------------------|---------------------|
| 3 MetroRapid Routes, Technology and Maintenance Facilities | \$ 280,000,000 | |
| 3 MetroExpress Routes & 9 Park-n-Rides | \$ 60,000,000 | |
| 15 Neighborhood Circulator Zones | <u>\$ 1,500,000</u> |\$ 341,500,000 |
| | \$ 341,500,000 | |

This is the breakdown of the **\$7.0 billion dollar** Transit Proposal after it was reduced from the original Project cost of **\$9.9 billion dollars** to make it more palatable for voters.

\$6,956,500,000

What are the Costs and Taxes?

The price tag of this Transit Proposal is in the multi-billions of dollars because the City of Austin decided to use Light Rail vehicles to increase the capacity of the existing MetroRapid and MetroBus vehicles serving both Route 801 and the southern portion of Route 20 instead of using larger buses. Those larger buses have two to three times the capacity of the existing MetroRapid and MetroBus vehicles. But the price tag got even bigger because the City of Austin decided to take the Light Rail vehicles underground in Downtown Austin via a subway and include in that an underground retail plaza to serve the subway patrons. If you choose larger RapidBus vehicles over Light Rail vehicles, the following is the result:

Larger RapidBus vehicles in lieu of Light Rail vehicles

| | |
|---|-----------------------|
| Light Rail Orange Line | \$ 2,500,000,000 |
| Saving using Larger Buses for The Orange Line | \$ -2,336,000,000 |
| Light Rail Blue Line | \$ 1,300,000,000 |
| Savings using Larger Buses for The Blue Line | \$ -1,224,000,000 |
| Downtown Subway & Underground Retail Plaza | \$ 2,000,000,000 |
| No Need For Downtown Subway & Underground Retail Plaza | \$ -2,000,000,000 |
| Residence Relocation Mitigation | \$ 200,000,000 |
| No Need For Residence Relocation Mitigation | \$ -200,000,000 |
| Maintenance Facilities | \$ 200,000,000 |
| Technology Systems | \$ 20,000,000 |
| Total Cost using Larger Buses in lieu of Light Rail vehicles | \$ 460,000,000 |

What are the Costs and Taxes?

Larger Buses in lieu of Light Rail Vehicles

| | | |
|---|-----------------------|---------------------|
| Larger Buses for the Orange Line | \$ 164,000,000 | |
| Larger Buses for the Blue Line | \$ 76,000,000 | |
| Downtown Subway & Underground Retail Plaza | \$ 0 | |
| Residence Relocation Mitigation | \$ 0 | |
| Maintenance Facilities | \$ 200,000,000 | |
| Technology Systems | \$ 20,000,000 | |
| | <u>\$ 460,000,000</u> |\$ 460,000,000 |

Commuter Rail

| | | |
|---------------------------------|-----------------------|---------------------|
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Bus Service

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|---|-----------------------|---------------------|
| 3 MetroRapid Routes, Technology and Maintenance Facilities | \$ 280,000,000 | |
| 3 MetroExpress Routes & 9 Park-n-Rides | \$ 60,000,000 | |
| 15 Neighborhood Circulator Zones | \$ 1,500,000 | |
| | <u>\$ 341,500,000</u> |\$ 341,500,000 |

This is the “revised” breakdown
of the **\$7.0 billion dollar**
Transit Proposal after replacing
the Light Rail vehicles with
larger MetroRapid buses
resulting in a much lower
Project cost of **\$1,196,500,000.**

\$1,196,500,000

What are the Costs and Taxes?

As the previous two slides indicate, using Larger Buses in lieu of Light Rail vehicles results in the Total Cost of this Transit Proposal going **from \$6,956,500,000 to \$1,196,500,000**. And with the FTA (Federal Transit Administration) covering 45% of that cost, Austin's share would be \$658,075,000 which would **NOT REQUIRE A TAX INCREASE!!!!**

One of the **consequences of voters approving this 25% tax rate increase** to pay for this \$7.0 billion dollar Transit Proposal will be to see the **annual tax bill** for retirees, the elderly and those at the lower income levels see their **2020 taxes double in 6 years, triple in 10 years and quadruple in 14 years**. This, in turn, will force many of those most affected by higher taxes and higher rents out of their homes.

The reason for the "Residence Relocation Mitigation" or as the City of Austin calls it "Transit Supportive Investments" is because the value of residential properties (Single Family as well as Multi-Family) along Light Rail corridors tend to go up which, in turn, raises taxes and apartment rents even more. So this "Mitigation" is intended to assist those home owners and renters to relocate when they get taxed out of their homes.

The following are charts for single family home owners and apartment renters to see the approximate effect this \$0.0875 per \$100 tax rate increase will have on their finances. **The result will be a 25% increase in your annual property taxes.**

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Apartment Renters

What is easy to forget when thinking about the high rents of Austin each month is that it's the renters who pay the taxes...not the landlord. The tax is buried in the monthly rent.

And for a city that struggles with “affordability”, one must wonder what benefit Renters would derive from voting for a Light Rail Plan that doesn't even help them with Mobility?

| unit sq ft | apartment unit value | year 2021 | | | | tax doubles in 6 years | | tax triples in 10 years | | tax quadruples in 14 years | |
|---------------|-------------------------|--------------------|----------|----------|----------|------------------------|-----------|-------------------------|-----------|----------------------------|-----------|
| | | year 2020 taxes | taxes | monthly | increase | year 2027 taxes | monthly | year 2031 taxes | monthly | year 2035 taxes | monthly |
| 700 | \$ 206,547 | \$ 909 | \$ 1,175 | \$ 22.14 | 29.2% | \$ 1,893 | \$ 81.97 | \$ 2,820 | \$ 159.22 | \$ 3,882.23 | \$ 247.77 |
| 800 | \$ 236,054 | \$ 1,039 | \$ 1,342 | \$ 25.26 | 29.2% | \$ 2,163 | \$ 93.64 | \$ 3,222 | \$ 181.93 | \$ 4,436.83 | \$ 283.12 |
| 900 | \$ 265,561 | \$ 1,169 | \$ 1,510 | \$ 28.42 | 29.2% | \$ 2,433 | \$ 105.34 | \$ 3,625 | \$ 204.67 | \$ 4,991.44 | \$ 318.51 |
| 1,000 | \$ 295,067 | \$ 1,299 | \$ 1,678 | \$ 31.57 | 29.2% | \$ 2,704 | \$ 117.05 | \$ 4,028 | \$ 227.41 | \$ 5,546.04 | \$ 353.91 |
| 1,100 | \$ 324,574 | \$ 1,429 | \$ 1,846 | \$ 34.74 | 29.2% | \$ 2,974 | \$ 128.76 | \$ 4,431 | \$ 250.16 | \$ 6,100.65 | \$ 389.30 |
| 1,200 | \$ 354,081 | \$ 1,559 | \$ 2,014 | \$ 37.89 | 29.2% | \$ 3,245 | \$ 140.46 | \$ 4,834 | \$ 272.89 | \$ 6,655.25 | \$ 424.69 |
| 1,300 | \$ 383,588 | \$ 1,689 | \$ 2,182 | \$ 41.05 | 29.2% | \$ 3,515 | \$ 152.16 | \$ 5,236 | \$ 295.63 | \$ 7,209.86 | \$ 460.08 |
| 1,400 | \$ 413,094 | \$ 1,819 | \$ 2,349 | \$ 44.20 | 29.2% | \$ 3,785 | \$ 163.87 | \$ 5,639 | \$ 318.37 | \$ 7,764.46 | \$ 495.47 |
| 1,500 | \$ 442,601 | \$ 1,949 | \$ 2,517 | \$ 47.36 | 29.2% | \$ 4,056 | \$ 175.57 | \$ 6,042 | \$ 341.11 | \$ 8,319.06 | \$ 530.86 |

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Residential Homeowners and Renters

What's clear about this Light Rail Plan is the majority of funds are benefiting the Downtown Developers and no help is being provided to the Suburbs to relieve the congestion on the highways of Austin (i.e. Mopac, U.S. 183 North, Ben White, IH-35, etc.)

For those living in the Urban Core, how does removing a traffic lane from major roadways (i.e. North Lamar, Guadalupe, South Congress, Riverside) improve your Mobility?

| | home value | year 2020 | | year 2021 | | Tax doubles in 6 years | | Tax triples in 11 years | | Tax quadruples in 15 years | |
|---|------------|-----------|----------|-----------|----------|------------------------|-----------|-------------------------|-----------|----------------------------|-----------|
| | | taxes | taxes | monthly | increase | taxes | monthly | taxes | monthly | taxes | monthly |
| | \$ 250,000 | \$ 1,035 | \$ 1,337 | \$ 25.15 | 29.2% | \$ 2,154 | \$ 93.29 | \$ 3,082 | \$ 170.64 | \$ 4,234 | \$ 266.60 |
| * | \$ 325,000 | \$ 1,343 | \$ 1,735 | \$ 32.65 | 29.2% | \$ 2,796 | \$ 121.07 | \$ 4,001 | \$ 221.47 | \$ 5,495 | \$ 346.01 |
| ** | \$ 415,000 | \$ 1,717 | \$ 2,218 | \$ 41.76 | 29.2% | \$ 3,575 | \$ 154.83 | \$ 5,115 | \$ 283.21 | \$ 7,026 | \$ 442.46 |
| | \$ 500,000 | \$ 2,069 | \$ 2,673 | \$ 50.31 | 29.2% | \$ 4,308 | \$ 186.57 | \$ 6,165 | \$ 41.29 | \$ 8,468 | \$ 533.20 |
| | \$ 750,000 | \$ 3,104 | \$ 4,010 | \$ 75.46 | 29.2% | \$ 6,462 | \$ 279.86 | \$ 9,247 | \$ 511.93 | \$ 12,702 | \$ 799.80 |
| * Median value of Austin Homes in 2020 Project Connect - Joint Special Session - 27July2020 | | | | | | | | | | | |
| ** Median price of Austin Homes as of March 2020 Austin Housing Market Report from the "Austin Board of Realtors" Austin Real Estate Market 2020 Overview | | | | | | | | | | | |

What are the Costs and Taxes?

In summary, there are three issues with this City of Austin Light Rail Plan:

- 1) There is **\$5.76 billion dollars of unnecessary cost** associated with the use of Light Rail vehicles when larger RapidBus vehicles would serve the same purpose and achieve the same objective of greater vehicle Capacity;
- 2) **Removing one traffic lane in each direction from all of the roadways** in both the Orange and Blue Light Rail corridors does not by any definition or explanation constitute improving Mobility; and,
- 3) The Mobility Crisis in Austin resides on the Highways and not the Urban Core roadways. That, in turn, leads one to ponder **why the \$5.76 billion dollars** of unnecessary cost in this Transit Proposal associated with the flawed decision to use Light Rail vehicles in lieu of larger RapidBus vehicles **isn't being used to help Suburban commuters** who are faced with God awful traffic congestion each and every day.

Voters need to ask themselves: **"are you in the habit of spending money on services that you don't receive"**? The Light Rail portion of this Transit Proposal doesn't make the lives of most Austinites any better. So why would voters raise taxes to pay for it?