




# WCCLRMA

WEBB COUNTY - CITY OF LAREDO  
REGIONAL MOBILITY AUTHORITY



## **Strategic Workshop II: Transportation Projects Delivery for Webb County/City of Laredo**

October 26, 2017

# AGENDA

- ❑ Welcome, Local Dignitary Introductions
- ❖ WCCL RMA Chairman Ruben Soto
- ❖ Recognize WCCL RMA Board Members
- ❖ Recognize Local Elected Officials and TXDOT Representatives
  
- ❑ Workshop Goals
- ❖ WCCL RMA Chairman Ruben Soto

## Role of the WCCL RMA in the Community (Chairman Ruben Soto)

- ❑ What can the RMA do for the Laredo Community? (Chairman Soto and GEC)
- ❑ Discuss Possible Funding Tools (Chairman Soto and GEC)
- ❑ Discuss Priority Projects (Chairman Soto and GEC)
- ❖ Webb County Perspective - Judge Tano Tijerina
- ❖ City of Laredo Perspective - Mayor Pete Saenz/ City Manager Horacio DeLeon
- ❖ TxDOT Perspective - District Engineer David Salazar/ District Administrator Melisa Montemayor
  
- ❑ Next Steps
- ❑ Adjournment

# Role of the WCCL RMA

An RMA is a political subdivision formed by one or more counties or certain cities to finance, acquire, design, construct, operate, maintain, expand or extend transportation projects.

Our role is to expedite the planning, financing and construction of multi-modal projects.

❖ **We were enacted by the State Legislature to get projects completed that TxDOT and Municipalities (Counties and Cities) could not accomplish on their own.**

# Role of the WCCL RMA

WEBB COUNTY, TEXAS                    §     BEFORE THE:  
   §                        §  
AND     §     TEXAS TRANSPORTATION COMMISSION  
   §                        §  
CITY OF LAREDO, TEXAS               §                        §  
   §                        §  
JOINT PETITIONERS                    §                        §

## AMENDED PETITION FOR AUTHORIZATION TO FORM A REGIONAL MOBILITY AUTHORITY

**WHEREAS**, on August 18, 2013, the Commissioners Court of Webb County, Texas, approved a Resolution and Order authorizing the County Judge to coordinate with and assist the City of Laredo, and to take those actions necessary to insure the creation of a Joint Webb County-City of Laredo Regional Mobility Authority; and

**WHEREAS**, on April 15, 2013, the City Council of the City of Laredo, Texas, authorized the City Manager to coordinate with, assist, and take those actions necessary to insure the creation of Joint County of Webb – City of Laredo Regional Mobility Authority; and

**WHEREAS**, pursuant to provisions of Texas Transportation Code Chapter 370 and 43 Texas Administrative Code (TAC) , Section 26.11, Webb County and the City of Laredo Texas are each authorized to petition the Texas Transportation Commission for the creation of a Regional Mobility Authority; and

**WHEREAS**, Webb County and the City of Laredo have jointly resolved to petition the Texas Transportation Commission for approval to create a Regional Mobility Authority; and

**WHEREAS**, an initial petition was submitted, reviewed by the Texas Department of Transportation (TxDOT), and TxDOT required the submission of additional information.

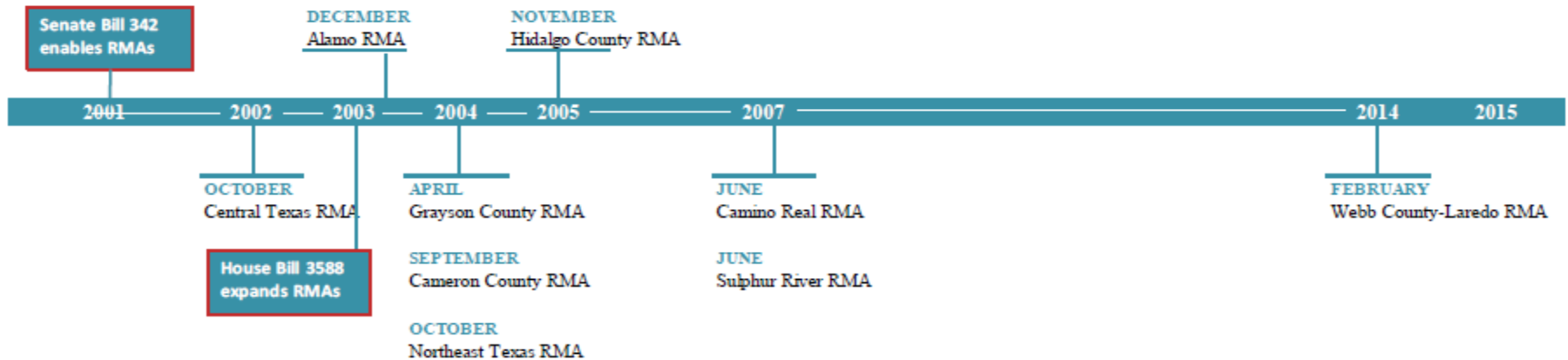
**NOW COME**, Webb County and the City of Laredo (hereinafter referred to as Petitioners) and tender this, their Amended Petition for Authorization to Form the Webb County – Laredo Regional Mobility Authority and, as required by 43 T AC Section 26.11 , the Petitioner submits the following in support of their petition.

### 1. WEBB COUNTY AND CITY OF LAREDO APPROVAL

On August 18, 2013 the Webb County Commissioners Court approved of the creation of the Webb County – City of Laredo Regional Mobility Authority (hereinafter referred to as Webb-Laredo RMA). A copy of the Webb County Commissioners Court Resolution is attached hereto as Attachment 1.

On April 15, 2013 the City Council of the City of Laredo approved of the creation of the Webb County – City of Laredo Regional Mobility Authority (hereinafter referred to as Webb - Laredo RMA). A copy of the City Council Resolution is attached hereto as Attachment 2.

# History and Successes of the RMAs



## History/ Successes of RMAs

- ❖ **CTRMA** was the first RMA in Texas to use Toll Revenues to fund improvements. It was the result of the State Laws getting streamlined and clarified to **accelerate mobility projects**. It was formed for the implementation of **US 183A (1<sup>st</sup> Toll Road in the Travis County and Williamson County Area) and other projects**. CTRMA has helped lead to the growth of **High Paying Jobs!**
- ❖ **NETRMA (12 Counties)** was formed to develop **Loop 49 Toll Road** among other projects to **improve mobility and spur economic development**.
- ❖ **Sulphur River RMA (3 Counties)** was formed in order to pool funding between Hunt, Delta and Lamar Counties to obtain a \$38.5M SIB Loan to expand 10.4 miles of I-30 to **benefit mobility and spur economic development for all 3 Counties**.
- ❖ **CRRMA** is a City (El Paso) only sponsored RMA that has implemented the design build of the IH 10/ Loop 375 Interchange, led the procurement and management of the City Streetcar project, operate the City of El Paso Bike Share Program among others.
- ❖ **CCRMA** has incurred over \$419M in project costs for the implementation of a POE Expansion (Veterans International Bridge) and a new Rail POE (West Rail) to **improve freight movement**.
- ❖ **ARMA** secured AARA funding for the Loop 1604/ US 281 Interchange and is developing Managed Lanes for Loop 1604 from SH 16 to IH 35.

# Statewide RMA Project Summaries

RMA	Project Types	Total Incurred Project Costs	Funding Sources	Number of Tolled Facilities	Number of CDAs
Alamo	Highway Capacity and Operational Improvements Ramps, Interchanges Environmental Assessments	\$197.1 M (23)	CDAs, American Recovery and Reinvestment Act (ARRA), TIFIA, TxDOT, Proposition 12 and 14 funds (23).	2 Planned (24)	0
Cameron County	Highway Capacity Bridge Expansion Rail Improvements Environmental Assessments	\$419.6 M (25)	TxDOT Grants, Tiger II Grant, ARRA, Bonds based on Vehicle Registration Fee <sup>26</sup>	1 Open (27)	2 Planned (28)
Camino Real	Highway Capacity and operational Improvements Transit/Streetcar Bike share	\$348 M (29)	TxDOT Grants, SIB, CDAs, City of El Paso, El Paso MPO, UTEP	1 open, 1 Planned (29)	1 (28)
Central Texas	Highway Capacity and Operational Improvements Environmental Assessments	\$2.19 B (30, 31)	CDAs, TxDOT Grants, Federal TIFIA grants, Senior Lien Bonds	3 (27)	2 (28)
Grayson County	Aviation Improvements Highway Capacity Feasibility Study Thoroughfare Plan	\$95.4 M (32)	Federal ARRA, Grayson County, TxDOT Aviation Grant, Walton Development Funding Agreement, TxDOT Grant (33)	0	0
Hidalgo County	Highway Capacity International Bridge Environmental Assessment	\$14.21 M (3, 34)	CDAs, Bonds from \$10.00 vehicle registration fee, Intergovernmental agreements with local cities, TxDOT Grants (35).	0	2
Webb County	No project information.				
Northeast Texas	Highway 49 Toll Road Rail plan Transit Planning	\$242.2 M	TxDOT Financial Assistance, SIB, TxDOT Toll Equity Loans, Rusk Inter-local Agreement, TxDOT Grants (36)	1	2
Sulphur River	Highway Capacity	\$3.8 M (37)	SIB (38)	0	0

# Example Focus on CCRMA

## Construction Projects Developed:

	Project Complete	CCRMA Funds/ Bond Funds	State/Federal Funds Leveraged	Other Local Funds	Sources
Olmito Switchyard & RIP	2013	\$ 771,521	\$ 9,919,810	\$ 2,014,429	Federal, State, HRL, County (pending totals)
SH 550 1847	2011	2,345,000	8,080,897	-	Federal, State
SH 550 Port Spur	2013	6,198,978	47,902,939	-	Federal, State
U.S. 77/I-69 County Line & Sarita	2014	3,051,999	37,000,000	-	Federal, State
SH 550 Direct Connector	2015	56,091,211	39,141,590	-	Federal, Pass Through
West Rail Relocation (USA)	2015	4,488,594	39,266,076	5,184,516	Federal, FRA, State, County, CCRMA, COB (pending totals)
West Rail Relocation (Mexico)*	2015	-	90,000,000	-	Intl Coordination was managed by CCRMA secured funding from MX Fed Govt.
		<b>\$72,947,303</b>	<b>\$271,311,312</b>	<b>\$7,198,945</b>	

## Under Construction:

General Brant	Current	\$ 408,824	\$ 11,000,000	\$ 4,000,000	Federal, State, County, CCRMA
FM 803	Current	232,596	10,000,000	-	Federal, State, CCRMA
SH 550 GAP I	Current	525,000	6,000,000	-	State, CCRMA
		<b>\$1,166,420</b>	<b>\$27,000,000</b>	<b>\$4,000,000</b>	

## Pre-Development/Environmental Phase:

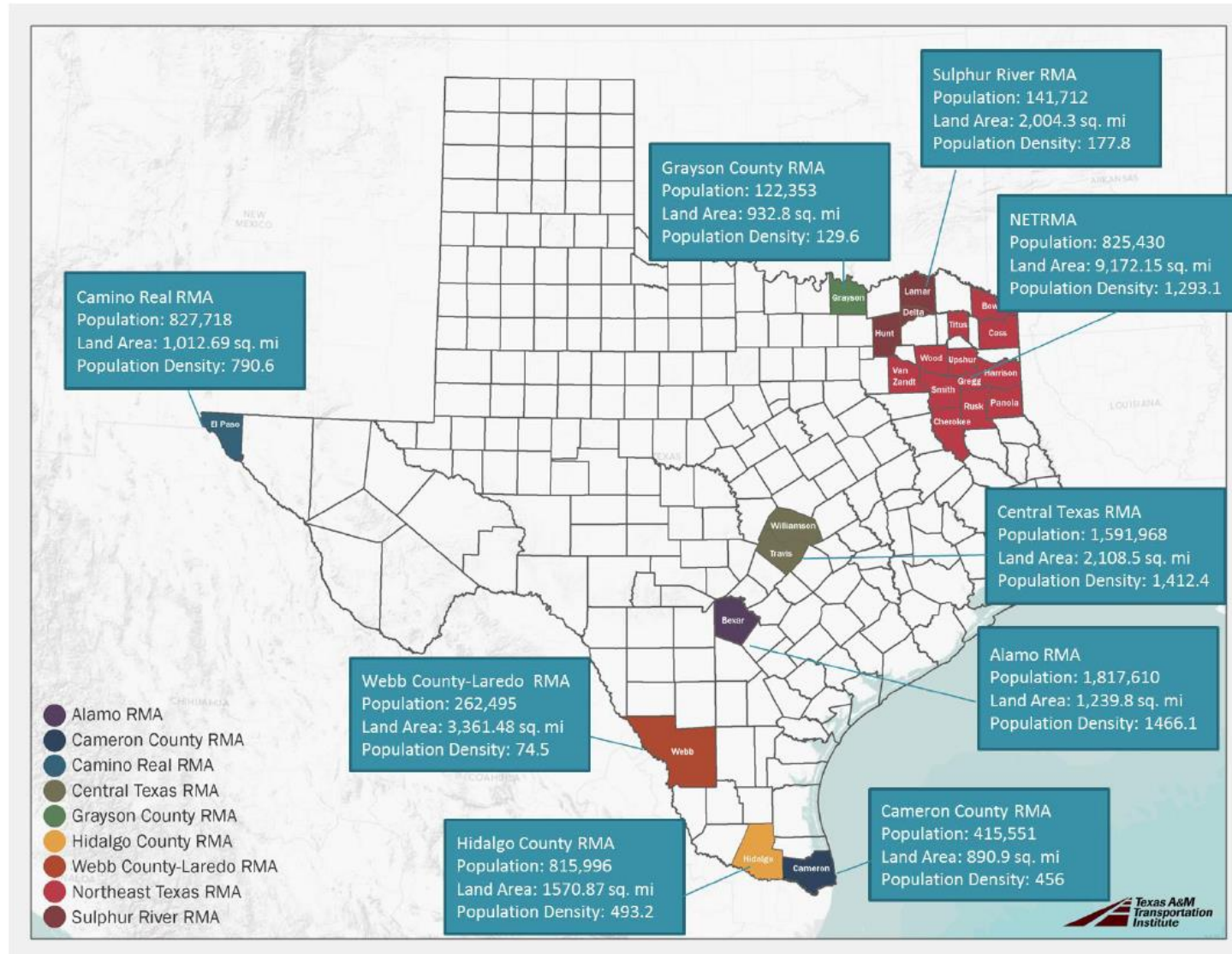
SH 550 Gap II	Current	\$ -	\$ 13,100,000	\$ -	Federal, State
SPI 2nd Access	Current	187,578	17,800,000	-	State, CCRMA
SH 32 East Loop	Current	4,092,135	47,250,000	150,000	Federal, Pass Through, COB
Outer Parkway	Current	474,454	5,000,000	-	State, CCRMA
FM 1925	Current	250,000	2,000,000	750,000	State, HCRMA
281 Connector	Current	79,566	-	-	CCRMA
Port Isabel Access Rd	Current	112,160	-	-	CCRMA
FM 509	Current	-	686,000	200,000	Federal, County
Commerce Street Realignment	Current	-	480,000	-	FRA
Spur 54	Current	28,913	8,500,000	-	CCRMA, Federal, State
		<b>\$5,224,806</b>	<b>\$94,816,000</b>	<b>\$1,100,000</b>	

Summarized Totals:

**\$79,338,529**      **\$393,127,312**      **\$12,298,945**      **\$484,764,786**

Total CCRMA & Local Funds:	91,637,474
Total State / Federal Leveraged:	393,127,312
Percentage Leveraged:	81.10%

# RMA in Texas





# Role of the WCCL RMA

		TxDOT							RMA						
		Design	Own	Acquire	Finance	Build	Maintain	Operate	Design	Own	Acquire	Finance	Build	Maintain	Operate
<b>Highways</b>	Non-Tolled Road	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Toll Road	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<b>Rail</b>	Freight	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	High Speed	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Commuter	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<b>Transit</b>	Regional Transit		*	*	*	*	*	*	*	*	*	*	*	*	*
	Bus								*	*	*	*	*	*	*
<b>Other Modes</b>	Airports								*	*	*	*	*	*	*
	Maritime/Ports	*			*	*			*	*	*	*	*	*	*
	Ferry	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	GIWW	*			*		*	*	*	*	*	*	*	*	*
	Pedestrian/Bicycle	*	*	*	*	*	*	*	*	*	*	*	*	*	*
	Conveyor Belts								*	*	*	*	*	*	*
	Freight Shuttle	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<b>Utilities</b>	Electric								*	*	*	*	*	*	*
	Water								*	*	*	*	*	*	*
	Cable/Telecom								*	*	*	*	*	*	*
	Pipelines								*	*	*	*	*	*	*
	Utility Adjustments				*		*		*	*	*	*	*	*	*
<b>Other</b>	Facilities		*	*	*		*	*	*	*	*	*	*	*	*
	Parking Facilities								*	*	*	*	*	*	*
	Intermodal Hub								*	*	*	*	*	*	*
	Border Crossing								*	*	*	*	*	*	*
	Inspection Station (except in Laredo)								*	*	*	*	*	*	*

# Role of the WCCL RMA

## Powers of an RMA

- Develop a transportation project
- Issue revenue bonds
- Establish tolls
- Acquire property for transportation projects
- Use surplus revenue to finance other local transportation projects
- Enter into a Comprehensive Development Agreement (CDA)
- Note that SB 1730 (83rd Legislature, 2013) specifically identifies projects that can be developed under a CDA.*
- Apply for federal highway and rail funds
- Enter into contracts with other governmental entities and Mexico
- Apply for State Infrastructure Bank loans
- Maintain a feasibility fund
- Set speed and weight limits consistent with state guidelines
- Enter into agreements with other governmental entities to develop a transportation project on behalf of that entity.

# What can the RMA do for the Laredo Community?

- ❑ Historically throughout the State of Texas, Communities with an RMA have been able to advance their mobility goals further than communities without. **It's a local organization that is focused on transportation and gives our community a better chance of successfully developing and implementing our mobility goals.**
  
- ❑ RMA brings the extra funding in the form of the Vehicle Registration Fees. **This can be leveraged as extra bonding capacity for both the County and the City as part of the local match for State and Federal Funding.**
  
- ❑ With their funding, the RMA can take the lead in the Long Term Planning Efforts for the Community:
  - ❖ North Laredo/ Webb County Transportation Planning Study
  - ❖ Outer Loop Planning Study
  - ❖ Long Term Transit Plan
  - ❖ Long Term Bike/ Pedestrian Mobility Plan

# What can the RMA do for the Laredo Community?

RMA can be the **Main Delivery Vehicle** for all of the major mobility projects on behalf of the County and the City.

- RMA can utilize its monies on-hand to begin the environmental clearance for these projects and make them attractive for additional state and federal funding. **Make them Shovel-Ready! Note that monies dedicated to advance these projects can act as the local match!**
- With ILAs, the RMA can get projects started sooner while AFAs are still in process.

# Funding and Financing tools

## Funding Tools

- Vehicle registration fee
- Transportation Reinvestment Zone
- Grants
  - TIGER Grant Program
  - INFRA Grant Program
- TxDOT funding
  - Category 7
  - Category 10 (Rider 11B)
  - Proposition 1
  - Proposition 7

## Financing Tools

- Pass-through Finance
- RMA Bonds
- City/County Bonds
- SIB Loan
- TIFIA Loan
- P3: Design-Build-Finance

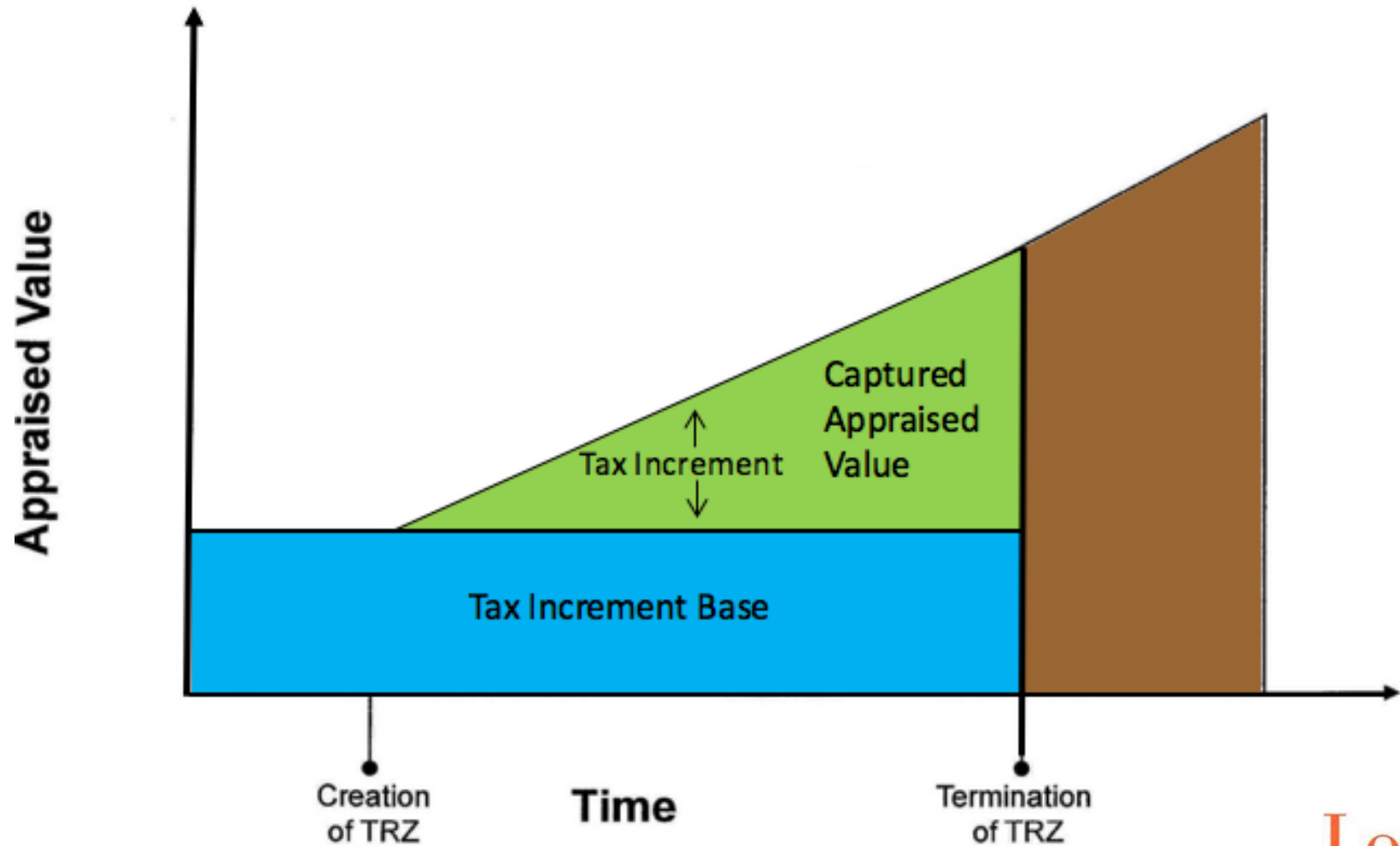
# Transportation Reinvestment Zone (TRZ)

- A geographical area that dedicates a percentage of **future** tax revenue over time to fund transportation
- Assumes new road project(s) substantially increases land value of surrounding area, thus increasing the future tax value - growth helps to pay for itself.
- Captures only the difference between the current tax value and the future tax value over the life of the TRZ.
  - A percent increment of the future tax value difference can be specified to go to the TRZ (100%, 50%, 10%, etc.)
- **IS NOT A TAX INCREASE**

# What's the Benefit of a TRZ?

- **TRZ can serve multiple benefits**
  - **At a minimum it provides a steady source of funding for an area strictly for transportation improvements.**
    - ❖ **It can be used to fill gap in funding for transportation projects within the zone or help to make projects more attractive for additional state and federal funding within the zone.**
  - **Based on the projections of revenue produced, a TRZ can be used for bonding to help accelerate transportation projects.**
    - ❖ **Extra benefit of bonding to accelerate projects results in an increase in land development; thus, increasing the surrounding property value and increasing the amount of revenue that can be produced by the TRZ .**

# Generation of TRZ Funds





# TRZ Financing - Use of Revenues

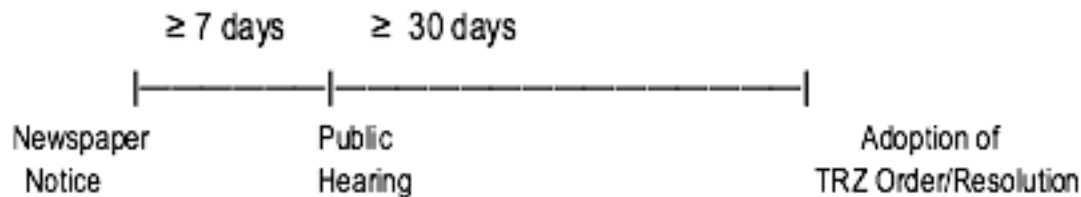
- Constrained to the physical boundaries of the Zone, the Community can:
  - pay ongoing costs as incurred
  - reimburse itself for other project expenditures
  - assign revenue stream to the WC-CL RMA
    - RMAs have express authority to receive TRZ assignments
  - Enter into an agreement with Design Build Developer for the use of the monies.

# High Level Steps to form a TRZ

1. Designate an area for the proposed zone. Note the zone revenue can only be utilized within its geographical limits.
2. Perform a feasibility study on the potential revenue produced by the zone.
3. If outside the City limits, City must annex the area.
4. Begin the process of enacting the zone by passing a City resolution. Resolution includes a public comment period. Zone is enacted upon completion of Public Comment Period.

# Formation – Public Hearing

- Community must hold a public hearing at least 30 days before it designates the TRZ
- At least 7 days prior, notice of the hearing must be published in the newspaper
- Interested persons are permitted to speak for or against the designation of the TRZ and/or its boundaries



# Termination of a TRZ

TRZ terminates on:

1. December 31 of the year in which the county/city complies with any contractual requirement regarding the assignment of money generated by (or through) the TRZ; OR
2. December 31 of the 10th year, if before that date the county/city has not used the zone for the purpose for which it was designated

# TxDOT Pass-Through Finance

This innovative financing tool was developed in the early 2000s when funding was tight for State Highway Fund Projects. The Pass-Through Program was designed to help local governments advance projects faster than TxDOT could fund the projects.

## Basics of the Pass-Through Agreement in the Program Calls

- TxDOT will reimburse the construction costs based upon the rate per vehicle mile travelled determined in the agreement
- Minimum payment per year
- Maximum payment per year
- Financing costs are not a reimbursable expense
- 1<sup>st</sup> TxDOT payment due 60 days after substantial completion of the project.
- If the local entity issued bonds, typically a pledge of the Pass-Through Agreement payment was made, which lowered the bond costs. The local entity could also build project with cash, and receive reimbursements from the Pass-Through Agreement.
- A typical reimbursement period is approximately 12-15 years.

**TxDOT currently has 41 pass-through agreements State Highway Fund Projects which represent a future obligation of \$1.2 billion in future expenditures over time. TxDOT is currently accepting applications for Pass-Through Finance. LOOP 20 IS A GREAT CANDIDATE!**

# Priority Projects – Two Approaches

## Individual Project Approach

- ❑ **Loop 20**
  - International Blvd. to US 59
  - World Trade Bridge to IH 35
  - US 59 to US 83
- ❑ **FM 1472**
  - Loop 20 to SH 255 (Camino Columbia)
- ❑ **Vallecillo Road**
- ❑ **Hachar Loop**
- ❑ **Outer Loop Phase 1 - US 59 to SH 359**
- ❑ **IH 35/ IH 69W (MILO Interchange) Improvements**
- ❑ **IH 69W – US 59 to Duval County Line**
- ❑ **Bridge 5**
- ❑ **East Rail By-Pass**

## System Infrastructure Approach

- ❑ **North Laredo/Webb County Regional Project**
  - World Trade Bridge Fast Lane
  - IH 69W - World Trade Bridge to IH 35
  - FM 1472 - Loop 20 to SH 255 (Camino Columbia)
  - Vallecillo Road
  - Hachar Loop
  - River Road
  - IH 35/ IH 69W (Milo Interchange) Improvements
- ❑ **South Laredo/ Webb County Regional Project**
  - Loop 20 - International Blvd. to US 59
  - Cuatro Vientos Overpasses
  - Southern Extension of Cuatro Vientos
  - International Bridge No. 5
- ❑ **Outer Loop**
  - East Rail By-Pass
  - Outer Loop – Camino Columbia to Bridge 5.
- ❑ **Complete IH 69W**
  - IH 69W – US 59 to Duval County Line
  - IH 69W – Duval County Line to Nueces County Line.

# Priority Projects – High Level Cost

## ❑ ***North Laredo/Webb County Regional Project - \$668M\****

- World Trade Bridge Fast Lane - \$12M
- Loop 20 - World Trade Bridge to IH 35 - \$15M
- FM 1472 - Loop 20 to SH 255 (Camino Columbia) - \$450M
- Vallecillo Road - \$20M
- Hachar Loop - \$50M
- River Road - \$6M
- IH 35/ IH 69W (MILO Interchange) Improvements - \$115M

## ❑ ***South Laredo/Webb County Regional Project - \$813M\****

- IH 35 to US 59 - \$400M
- Cuatro Vientos Overpasses - \$102M
- Southern Extension of Cuatro Vientos - \$105M
- International Bridge No. 5 - \$206M

\* Planning-level estimates. Cost will be refined through more detailed project development

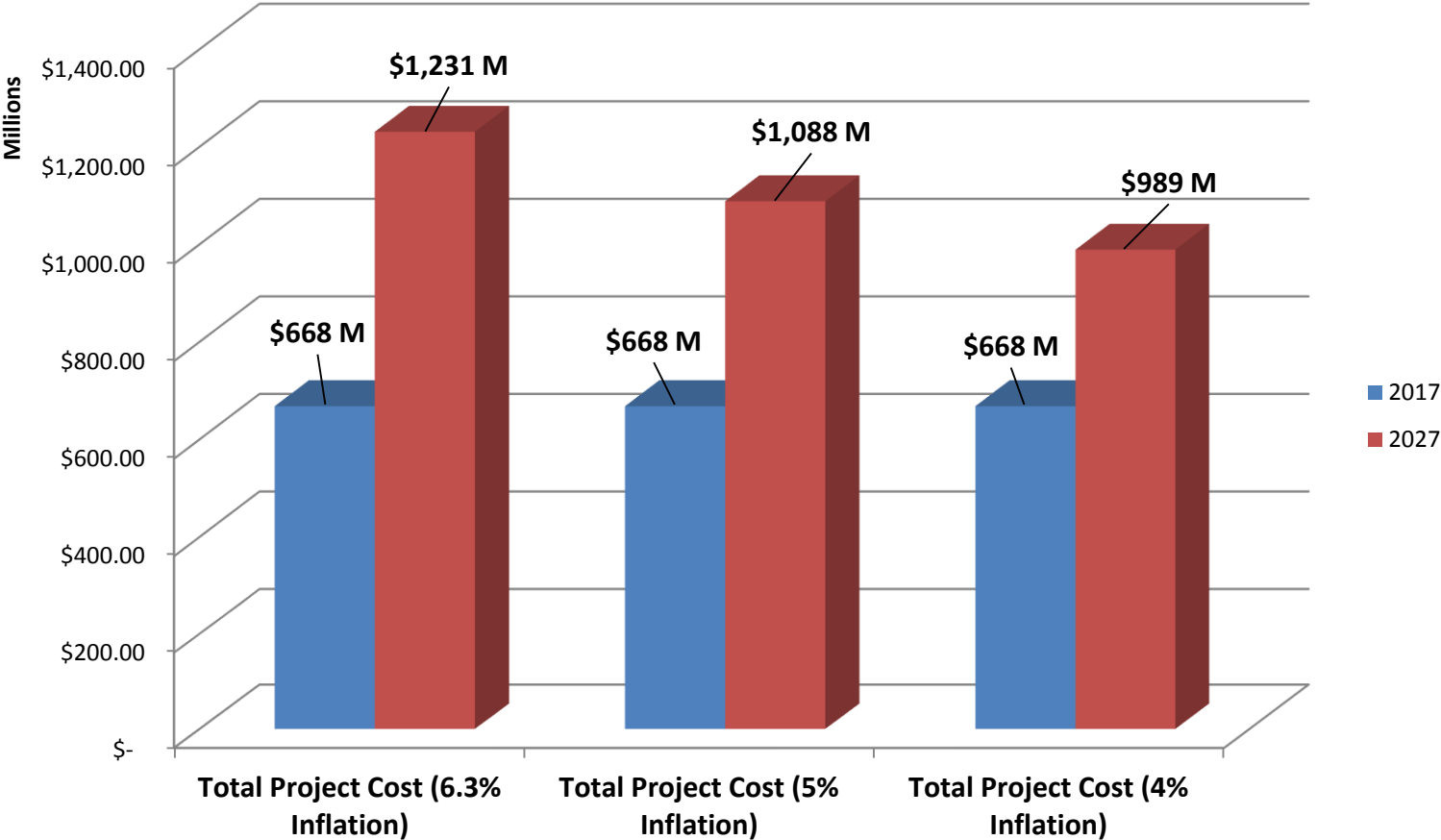
# Priority Projects – Implementation Schedule





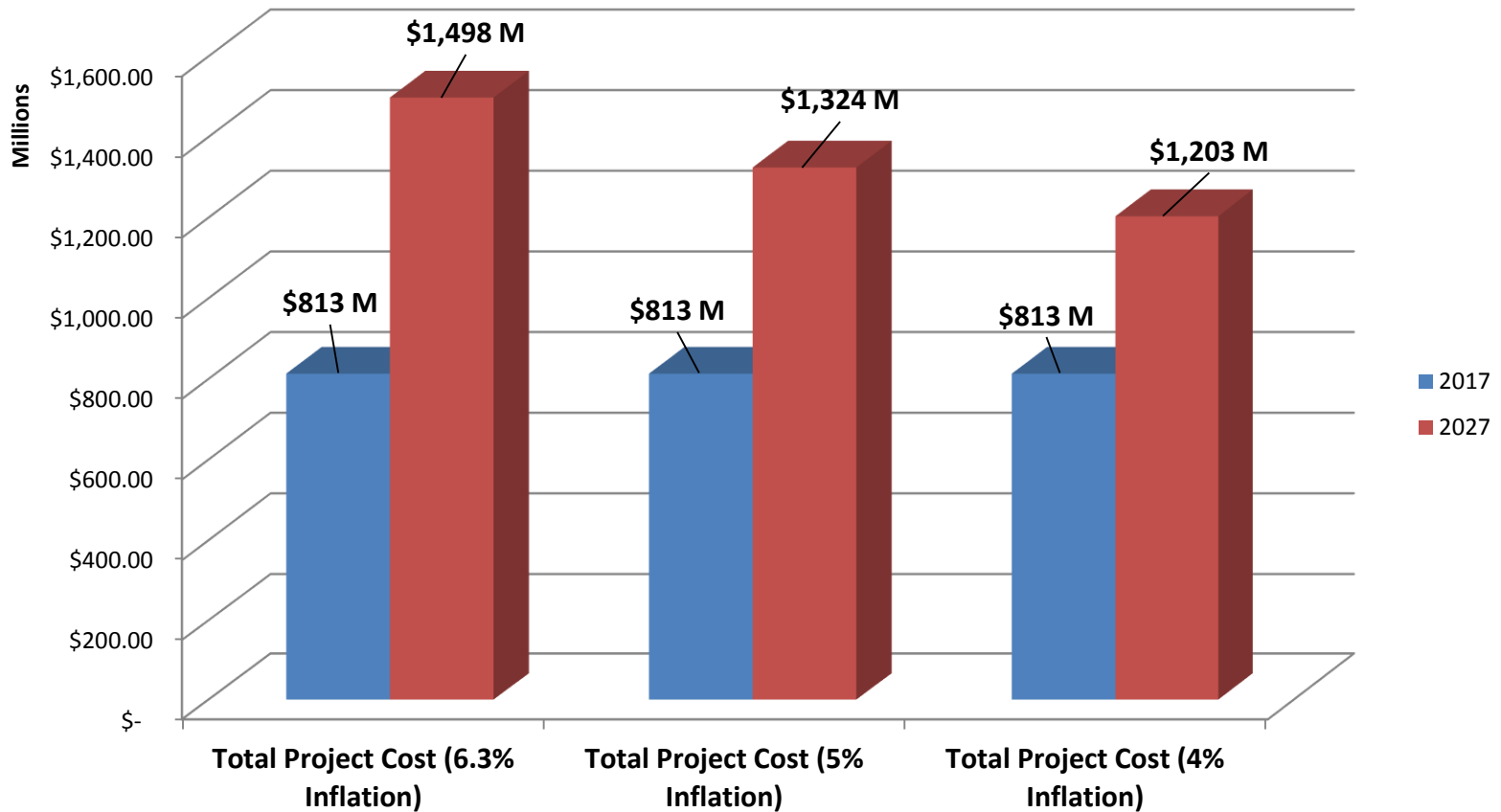
# North Laredo/ Webb County Regional Project

## Total Project Cost Inflation Comparison



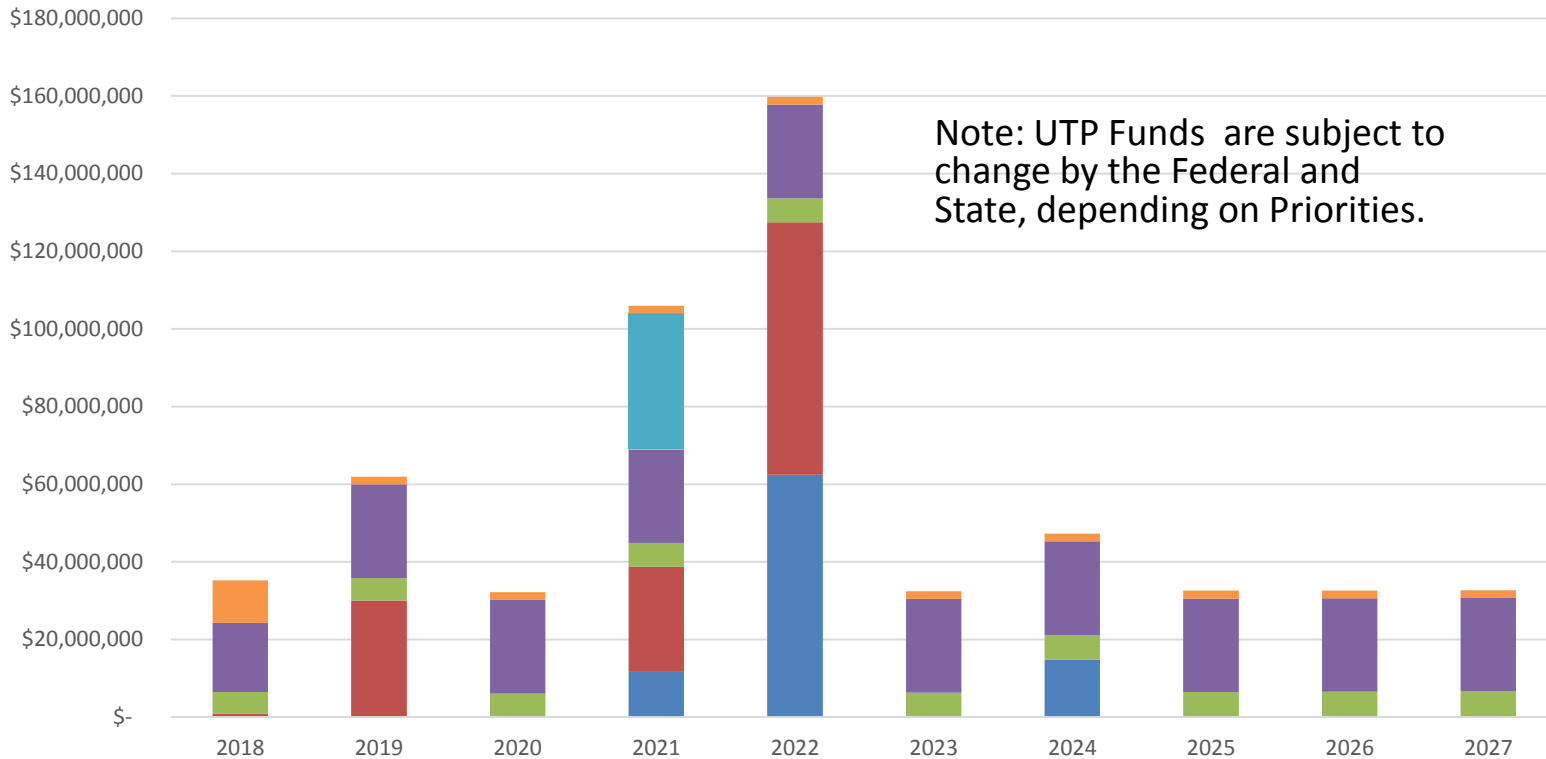
# South Laredo/ Webb County Regional Project

## Total Project Cost Inflation Comparison



# Existing funding sources thru 2027

- \$572 M of “Projected Total Funds” per the 2018 UTP up to 2027.
- \$326 M of “Projected Unallocated Funds” per the 2018 UTP up to 2027



- WCCL RMA (VR & TxDOT Match)
- Category 12 - Clear Lanes Initiative (IH 35 at Shiloh and UPRR, Loop 20 Overpass at Jacaman Road)
- Category 11 - District Discretionary (Rider II, IIB, Energy Sector)
- Category 7
- Category 4 - Statewide Connectivity (IH 35 Overpass at Uniroyal, Shiloh and UPRR, I-69 DC No. 5, Webb/ La Salle Cty Line)
- Category 2 (Loop 20 Overpasses at Shiloh, University, Del Mar, Jacaman and Airport)

# Potential TRZ Revenue for North Region

- TRZ numbers are high-level estimates extrapolated from Vallecillo TRZ Study commissioned by WCCL RMA in 2016.
- WC-CL RMA is prepared to commission a new study for the North Region.
- Below are extrapolated results showing potential revenue

One Mile Corridor – 50% Allocation	30 Yrs	5% PV
Extrapolated Estimate	\$272 M	\$101 M

# Potential TRZ Revenue for Loop 20 Corridor

- TRZ numbers are high-level estimates extrapolated from Muncipal TRZ Study commissioned by TxDOT in 2013.
- WC-CL RMA is prepared to commission a new study for the Loop 20 Corridor
- Below are extrapolated results showing potential revenue
- Assumes a one-mile wide TRZ corridor from US 59 to US 83 in addition to the two-mile wide TRZ corridor from IH 35 to US 59.

50% Allocation	30 Year Growth	5% NPV
Extrapolated Estimate	\$678 M	\$260 M

# Funding and Financing tools

## Funding Tools

- Vehicle registration fee
- Transportation Reinvestment Zone
- Grants
  - TIGER Grant Program
  - INFRA Grant Program
- TxDOT funding
  - Category 7
  - Category 10 (Rider 11B)
  - Proposition 1
  - Proposition 7

## Financing Tools

- Pass-through Finance
- RMA Bonds
- City/County Bonds
- SIB Loan
- TIFIA Loan
- P3: Design-Build-Finance

## How do you accelerate construction?

- “Cash in Hand” and financing tools
- Pay back over time utilizing a **leveraged revenue stream**
- Interest expense is partially offset by construction inflation cost savings
- Double positive – **Build Projects** sooner and obtain flexibility for other transportation priorities.

# Why should we try to accelerate construction?

- Decrease traffic congestion
- Increase traffic safety; thus, minimizing accidents
- Increase mobility; thus, decreasing pollution from queued motor vehicles
- Spurs economic development (i.e., increased job growth, increased property value, increased revenue from sales tax)



## What does it take to get there?

- **Cooperative, collaborative partnering to *leverage* all funding opportunities from all partners...**
  - WC-CL RMA
  - City of Laredo
  - Webb County
  - TxDOT Laredo District

# Who Leads the Charge?

The WCCL RMA Leads the Charge. We are the “Tip of the Spear” for **all of these projects**. This is why you created us!

1. RMA can utilize their monies or leverage their monies to get these projects shovel ready!
2. RMA is the bridge between the City of Laredo, Webb County, Laredo MPO and TxDOT!
3. We can do it, but we need your support to work as a Community to lead this effort and get these **projects done**.
4. **Which Project First? All of them! Which project within the next 5 Years? Loop 20 and FM 1472!**

# Round Table Thoughts

1. City of Laredo Perspective
  - ❖ Mayor Pete Saenz
  - ❖ City Manager Horacio DeLeon
  - ❖ Members of City Council Attending
2. Webb County Perspective
  - ❖ Judge Tano Tijerina
  - ❖ Members of Commissioners Court Attending
3. TxDOT Perspective
  - ❖ District Engineer David Salazar
  - ❖ District Administrator Melisa Montemayor

# Action Items for Next Steps