



**To:** Austin Transit Partnership Board of Directors  
**From:** Jamie Atkinson, Budget Director  
**Date:** December 8, 2023  
**Subject:** FY23 Preliminary Quarterly Performance Report as of September 30, 2023

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Attached is the Austin Transit Partnership's (ATP) preliminary quarterly performance report through September 30, 2023. Note that all data included in this report is prior to year-end closing and audit entries, since year-end close activities are ongoing. ATP's audited financial statements are expected to be delivered in Spring 2024 and will include these final adjustments. As a reminder, the FY23 budget approved on September 21, 2022 was for a 12-month fiscal year beginning October 1, 2022.

As ATP's budget continues to evolve, quarterly update reports will adjust to accommodate any additional financial information requested. Please let me know if you wish to see additional financial information.

xc: Greg Canally, Executive Director



**AUSTIN**  
**TRANSIT**  
PARTNERSHIP

# AUSTIN TRANSIT PARTNERSHIP

FY23 Preliminary Quarterly Performance Report as of  
September 30, 2023

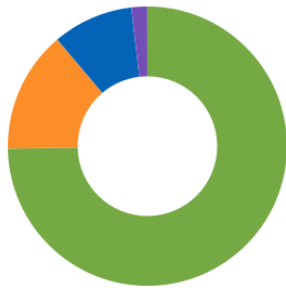


## About the Austin Transit Partnership (ATP) and Project Connect

Austin Transit Partnership is a local government corporation created to deliver Austin’s first light rail project. Formed as a requirement of the City’s November 2020 Proposition A tax rate election, ATP is accountable for the financing, design, construction, and overall implementation of Project Connect. ATP’s charge is to deliver on the voters’ transit vision in partnership with the community, in a way that embeds equity, sustainability, and transparency as overarching priorities. ATP is committed to meeting voters’ goals and honoring Austin’s values.

The FY23 annual budget reflects a twelve-month fiscal year from October 1, 2022 through September 30, 2023, and includes budgets for revenue, administrative expenses, capital expenditures, as well as reimbursements to the City of Austin for Transit-Supportive Anti-Displacement Investments and reimbursements to CapMetro for shared services provided during the period. These budgets are described in more detail in the sections that follow as well as unaudited actual spending for the full fiscal year (October 1, 2022 through September 30, 2023).

**Figure 1: FY23 Budgeted Total**



- Prop A Property Tax **\$159.0**
- CapMetro Contributions **\$30.0**
- Prior Year Fund Balance **\$19.9**
- Investment & Other Income **\$3.9**

**Figure 2: FY23 Budgeted Total**



- Administrative Expenses **\$35.6**
- Transfer to Anti-Displacement Fund **\$35.0**
- Transfer to Operating Reserve **\$20.0**
- Transfer to Capital Fund **\$10.7**

## Revenues

ATP’s annual revenues come primarily from ATP’s share of the City of Austin’s ad valorem property tax rate, as approved by the voters with the approval of Proposition A in November 2020, and a small amount of investment and other revenues. These revenues along with unspent prior year fund balances, comprise ATP’s total available funds (Figure 3).

**Figure 3: Revenues through September 30, 2023 (in millions)**

Source	FY23 Budget	FY23 Actuals
Balance from Prior Year	\$19.9	\$65.7
Proposition A Voter-Approved Revenue	159.0	159.9
CapMetro Project Connect Funds	30.0	0.0*
Other Revenue	3.9	15.2
<b>Total</b>	<b>\$212.8</b>	<b>\$240.7</b>

\*Monies committed by CapMetro will be retained by CapMetro for the components they are responsible for implementing pursuant to the Supplement to the Joint Powers Agreement executed on June 6, 2023.

### ***Administrative Expenses***

A total of \$24.4 million was expended through September 30, 2023 (Figure 4) for administrative expenses, which funded staff labor costs, including salaries, taxes, and fringe benefits; business support contracts, including legal contracts, financial advisory services, administrative office space, and reimbursements to the City of Austin and CapMetro for project support; and materials and other expenses. Significant savings were realized within Business Support Contracts due to the consolidation of ATP and partner staff at ATP's new headquarters offices and closing the satellite office space at 301 Congress Avenue.

**Figure 4: Administrative Expenses through September 30, 2023 (in millions)**

Categories	FY23 Budget	FY23 Actuals	Remaining Budget
Personnel	\$11.8	\$9.4	\$2.3
Business Support Contracts	21.9	13.4	8.5
Materials & Other	1.9	1.5	0.4
<b>Total</b>	<b>\$35.6</b>	<b>\$24.4</b>	<b>\$11.2</b>

### ***Transit-Supportive Anti-Displacement Investments***

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

- To acquire real property for transit supportive development that will preserve and/ or increase the amount of affordable housing proximate to the transit corridors, or
- For financing tools and other anti-displacement strategies related to the implementation of Project Connect.

ATP appropriated \$100 million in its first three years and will appropriate another \$200 million over the next ten years. Due to the timing of the expenditures, funds allocated to the program may not be entirely consumed in the same fiscal year. The remaining unspent funds will be reserved in the Anti-Displacement Fund for future needs.

**Figure 7: ADI Expenditures through September 30, 2023 (in millions)**

Project	Total Appropriations	ITD Actuals*	Remaining Appropriations
Anti-Displacement Expenditures	\$100.0	\$24.9	\$75.1
<b>Total</b>	<b>\$100.0</b>	<b>\$24.9</b>	<b>\$75.1</b>

\*ITD Actuals include all expenditures from inception to the time-period of this report.

**Capital Expenditures**

The capital budget funds the total cost of acquiring or constructing an agency asset, including design, bidding, project management, right-of-way acquisition, and construction. Unlike the operating budget, which appropriates funding annually, capital budget funds are available until expended, typically over multiple years. Through September 30, 2023, \$152.0 million was expended on Project Connect capital projects, primarily Light Rail, MetroRapid routes, and McKalla Station. Major project contracts are detailed in Figure 6 and project-specific highlights are described in the Project Connect Performance Updates section.

Note: Per the governing interlocal agreement with CapMetro for the McKalla Station, ATP is responsible for reimbursing 43% of costs incurred. In FY21 and FY22 ATP reimbursed 100% of invoices received so the remaining amount is credited against the FY23 cost, reducing the total ITD Actuals amount for that project. This does not impact the total appropriations for that project, just the reimbursement schedule.

**Figure 5: Capital Expenditures through September 30, 2023 (in millions)**

Project	Total Appropriations	ITD Actuals*	Remaining Appropriations
Light Rail Projects	\$205.1	\$117.7	\$87.3
McKalla-MLS RedLine Station	25.0	10.2	14.8
MetroRapid Expo Center	17.7	12.4	5.3
MetroRapid Pleasant Valley	18.0	8.8	9.2
Other CapMetro Projects	27.5	2.9	24.6
<b>Total</b>	<b>\$293.2</b>	<b>\$152.0</b>	<b>\$141.2</b>

\*ITD Actuals include all expenditures from inception to the time-period of this report.

**Major Project Contracts**

In accordance with ongoing efforts to transition to an independent governance model, ATP awarded several major professional services contracts in FY23. These project-specific contracts with HDR for project management support, AECOM and HNTB for advanced conceptual engineering work, and architectural and urban design firms HKS, UNStudio, and Gehl—referred to as ‘HUG’—for systemwide architecture, urban design, and engineering services are detailed in Figure 6, which includes all paid invoices during the service period.

**Figure 6: Major Project Contracts (in millions)**

Contract	July	Aug	Sept	Total	Description
<b>HDR</b>	\$0.1	\$2.5	\$1.5	\$4.1	Program Development, Management Services, NEPA Services for Austin Light Rail
<b>AECOM</b>	0.1	0.2	0.0	0.3	Conceptual Engineering Services for Austin Light Rail
<b>HNTB</b>	0.1	0.1	0.2	0.4	Conceptual Engineering Design / Environmental Support
<b>HUG</b>	0.0	2.3	1.2	3.5	Systemwide Architecture, Urban Design and Engineering Services

## *Project Connect Performance Updates*

Following the June adoption of the Austin Light Rail Implementation Plan, ATP staff are moving forward with the implementation of Austin's first light rail project and construction continued on MetroRapid and Red Line improvements.

Light Rail – ATP continues to advance engineering and design and initiate environmental analyses that are required by the National Environmental Policy Act (NEPA). Staff is coordinating with the Federal Transit Administration (FTA) to publish an updated Notice of Intent (NOI) in early 2024, a key milestone in the NEPA process. This notice will officially clarify and define the project under federal environmental review and reflect the Austin Light Rail Implementation Plan adopted in June 2023.

Project delivery planning is ongoing and has been informed by extensive engagement with peer agencies and industry on delivery models, risk management strategies, and contracting needs. Staff is also considering ATP's organizational capacity and developing a risk management approach. ATP will present updates on the delivery strategy this fall, including near-term contracting needs and anticipated solicitations.

In August, ATP hosted FTA Region 6 representatives to provide an update on the progress of the Light Rail Implementation Plan. Key topics include demonstrating federally compliant procurement policies and civil rights program plans, policies to guide financial management, and the technical capacity to deliver light rail. ATP looks forward to continued collaboration and partnership with FTA as the project advances through NEPA and the Capital Investment Grants (CIG) Program.

This fall, ATP will be initiating a broad discussion to assess the community's preferred light rail user experience, which will inform future design principles and requirements. The team will be sharing research on Austin's transit user needs and experiences as a starting point to guide the design of a human-centered light rail system.

MetroRapid – Project Connect includes new Pleasant Valley and Expo Center MetroRapid routes.

CapMetro continued coordination with the City of Austin to advance design, utility clearance, and permitting, issuing stations to contractors for construction as plans are ready. In February, CapMetro communicated that Expo Center and Pleasant Valley routes are now anticipated to open in 2025. This is later than originally estimated 2023 revenue service date due to supply chain delays and the end-of-line charging stations required for the new electric vehicles.

Red Line Improvements – Enhancements to the Red Line include additional track to increase capacity and safety as well as new stations, including McKalla Station at Q2 Stadium that will open in 2024.

CapMetro continues to advance construction on the Red Line double-tracking and continues expedient work on the construction of McKalla Station to be located along the east side of the Q2 Major League Soccer Stadium. This project is a new regional transit station being constructed as a part of Project Connect to increase mobility and transit options for the North Burnet area. Construction progress includes work necessary to complete the double-tracking on the Red Line with drainage improvements to reduce flooding, water line relocation, traffic and pedestrian signals improvement, and quiet zone development.

# FY 2023 Operating Fund Summary

	2023 Budget	2023 Actuals (Unaudited)
<b>Balance from Prior Year</b>	<b>19,855,174</b>	<b>65,668,705</b>
<b>Revenue</b>		
Prop A Property Tax	158,970,567	159,868,215
CapMetro Contributions*	30,000,000	-
Investment & Other Income	3,924,235	15,172,022
<b>Total Revenue</b>	<b>192,894,802</b>	<b>175,040,238</b>
<b>Total Funds Available</b>	<b>212,749,976</b>	<b>240,708,943</b>
<b>Expenditures</b>		
Administrative Expenses	35,552,489	24,362,494
Transfer to Light Rail Capital Fund	-	-
Transfer to Operating Reserve	20,000,000	20,000,000
Transfer to Anti-Displacement Investments Fund	35,000,000	35,000,000
Transfer to CapMetro Projects Fund	10,703,871	10,703,871
<b>Total Expenditures</b>	<b>101,256,360</b>	<b>90,066,365</b>
<b>Reserved for Future Project Commitments</b>	<b>111,493,616</b>	<b>150,642,578</b>

*\*Monies committed by CapMetro will be retained by CapMetro for the components they are responsible for implementing pursuant to the Supplement to the Joint Powers Agreement executed on June 6, 2023.*