

Austin Transit Partnership

Proposed Budget

FISCAL YEAR 2025-26



Austin Transit
Partnership



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Austin Transit Partnership
Texas**

For the Fiscal Year Beginning

October 01, 2024

Christopher P. Morill

Executive Director

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Introduction

Message from Chief Executive Officer

Dear Board of Directors,

I am pleased to present the Fiscal Year 2025-26 Budget for Austin Transit Partnership (ATP). This budget builds on our extensive work accomplished in Fiscal Year 2024-25 to advance Austin Light Rail.

The project is in the Project Development phase under the Federal Transit Administration's (FTA) Capital Investment Grants New Starts program, and we continue our steadfast focus on key milestones to solidly position the organization for the next phase in the federal funding process. This includes finalizing the Environmental Impact Statement and securing a Record of Decision from the FTA.

This Budget also positions resources to progress ATP's Project Delivery Plan including major solicitations with awards scheduled in FY26 – Progressive Design-Build for Civil, Rail, Stations and Systems (LRT) and the Operations and Maintenance Facility, as well as the contract for Light Rail Vehicles. Additionally, the Budget plans also for ongoing work related to planning and engineering work facilitated through the On-Call contracts.

Organizational readiness remains a priority as ATP prepares to onboard and integrate these new contractors, with a key emphasis on operational systems for the management and execution of the project. This Budget funds ATP's personnel at 65 full-time equivalents, delivering a personnel budget to support our next phase of work, while also staying true to our proven model that combines ATP + industry expertise to deliver light rail for Austin.

ATP's ongoing commitment to bringing new transit infrastructure to our community is also highlighted with the investments for programs administered by CapMetro and the City of Austin. This Budget allocates \$20 million for continued investment in anti-displacement activities administered by the City of Austin – representing a total of \$160 million in appropriations for these important community initiatives. The FY26 Budget includes an estimated \$55 million spending plan for Cap Metro component projects.

We look forward to the continued engagement of our community and the expertise of ATP's Board of Directors. Thank you for your leadership.

Sincerely,



Greg Canally

Chief Executive Officer





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ATP Board of Directors



Veronica Castro de Barrera

ATP Chair, Community Director



Kirk Watson

ATP Vice Chair, Austin City Council, Mayor



Juan Garza

Community Director



Kammy Horne

Community Director



Jeffrey Travillion

CapMetro Board of Directors, Chair

EX OFFICIOS



Jon Fortune

City of Austin Deputy City Manager



Dottie Watkins

CapMetro President & CEO



Organizational Overview



Planning, Community and Federal Programs

KEY SERVICES:

Project Controls, Planning and Reporting, and Community Participation and Involvement

- Prepares ATP to successfully compete for funding and leads FTA coordination on federal funding opportunities.
- Oversees planning activities informed by community participation and public involvement.
- Implements scheduling, cost reporting, and document controls in compliance with federal requirements and industry best practices.

Design and Construction

KEY SERVICES:

Design and Construction Services

- Leads preliminary engineering in support of NEPA and FTA Capital Investment Grants (CIG) Program requirements.
- Leads final design and engineering to develop construction plans and documents for all project elements including integration of light rail civil works, systems, stations, structures, utilities; Operations and Maintenance Facility; and light rail vehicles.
- Construction of all project elements, including permitting, building, inspections, testing, commissioning, safety certification and acceptance.
- Management of process to design, manufacture, inspect, test and accept light rail vehicles.

Architecture and Urban Design

KEY SERVICES:

Architectural and Urban Design Services

- Develops and implements ATP processes, services, and products around user-centered design goals.
- Ensures that the built environment for Austin Light Rail is pleasant, vibrant, and instills a sense of civic pride in all Austinites.

Financial Services

KEY SERVICES:
Budget, Treasury, Accounting, IT Services, and Grants Management

- Executes Austin Light Rail financing, as envisioned by its stakeholders.
- Guides the Project Connect investment with transparency, accountability, and best practices.

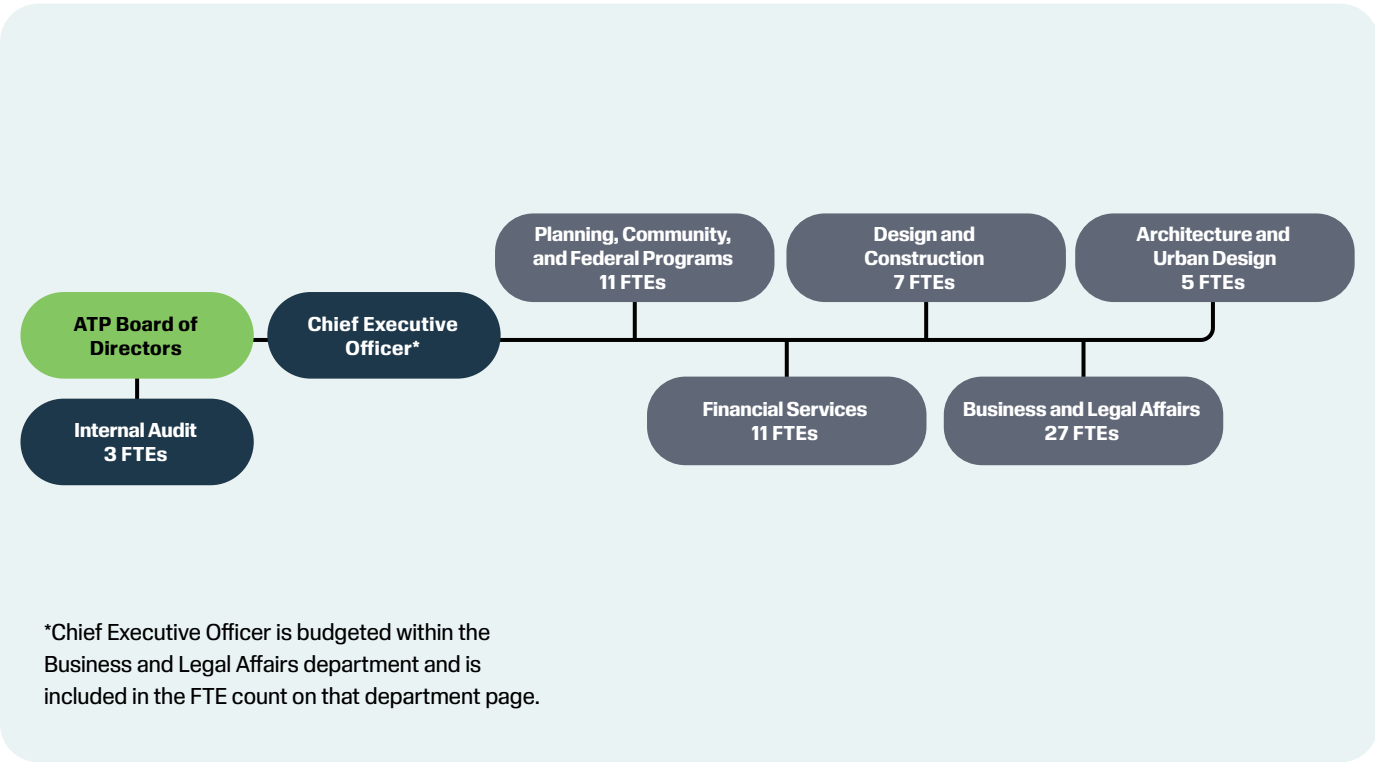
Business and Legal Affairs

KEY SERVICES:
Procurement and Contract Administration, Legal Services, Real Estate, Government Relations, Human Resources, Board Relations, and Communications Services

- Supports the development and execution of the Austin Light Rail delivery and contracting strategy.
- Integrates organizational talent with input from industry, peer agencies, and consultants to deliver global expertise.
- Develops and implements legal, intergovernmental, and communications strategy for the project.

Internal Audit

- Reports directly to the ATP Board and provides independent, objective audit and advisory services.
- Identifies improvements for ATP’s governance, controls, and risk management for transparency and accountability.



Austin by the Numbers

Austin is the capital of the state of Texas. Incorporated on December 27, 1839, it has been one of the fastest growing large cities in the United States since 2010.



General Facts

The city is the cultural and economic center of the Austin–Round Rock metropolitan area.

TOTAL POPULATION:

2,550,637

(Austin-Round Rock MSA)

AUSTIN POPULATION:

1,025,668

POPULATION DENSITY:

3,141

people per square mile

CITY SPANS

326.5 sq mi

Austin is...

#2 Most Populous
State Capital
(after Phoenix, AZ)

#13 Most
Populous
U.S. City

#5 Most Populous
City in Texas
(after Houston,
San Antonio, Dallas
and Fort Worth)

#26 Largest
Metropolitan
Area in the U.S.

People and Economy

Median Home Sale Price

\$572,400

Median Household Income

\$91,501

For more information
about the City of Austin:
[AustinTexas.gov/
Demographics](https://austintexas.gov/demographics)



LEFT TURN
YIELD
ON GREEN
●

Austin Transit Partnership

In November 2020, Austin voters approved a referendum (“Prop A”) to provide a dedicated revenue stream to fund investments in Project Connect, a program of transit improvements, including Austin Light Rail.

The Austin Transit Partnership is the local government corporation responsible for implementing Project Connect and leading Austin Light Rail. ATP is responsible for the day-to-day implementation, planning, financing, execution, and oversight of Austin Light Rail.

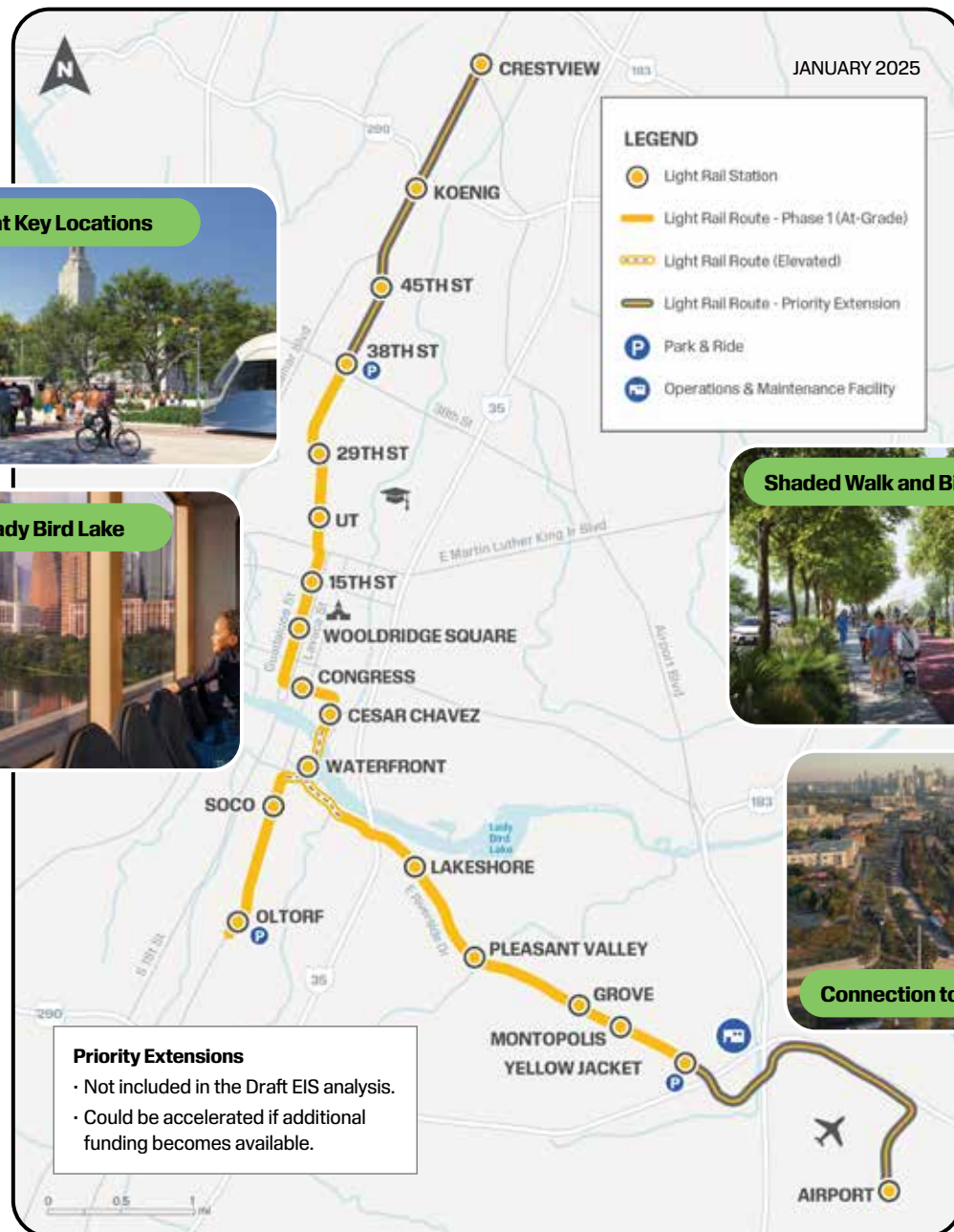


Performance Objectives

ATP is advancing Austin Light Rail Phase 1, working closely with our federal partners to complete the necessary documents to successfully compete for federal funding. Project Development activities such as early design and environmental studies are already underway, and ATP has developed a delivery and contracting framework to prepare for next phases of design and construction of Austin Light Rail.

2020–21	2022–23	2023–26	2026–27	2027–33	2033
1. Approved & Established	2. Defining Scope & Goals	3. Planning, Design & Project Development	4. Engineering & Permitting	5. Construction & Testing	6. Open for Service
Austin voters approved funding for a new light rail system. ATP was formed as a team of experts to implement that project.	Conducted a community-driven process to determine the project goals and formalize the Light Rail Implementation Plan.	ATP is currently working on preliminary design and engineering, environmental review, delivery planning, and completing key steps to fulfill federal funding requirements.	Detailed designs and technical specifications will be finalized, and all necessary permits and land will be secured.	The ground will be prepped and excavated. Light rail tracks, stations, and pedestrian and cyclist paths will be built. Trains will be manufactured, delivered and tested.	Austin’s light rail will officially open with 9.8 miles of track, stretching from 38th to Oltorf to East Riverside.
■ Completed Step	■ Current Step	■ Upcoming Step			

Austin Light Rail Phase 1

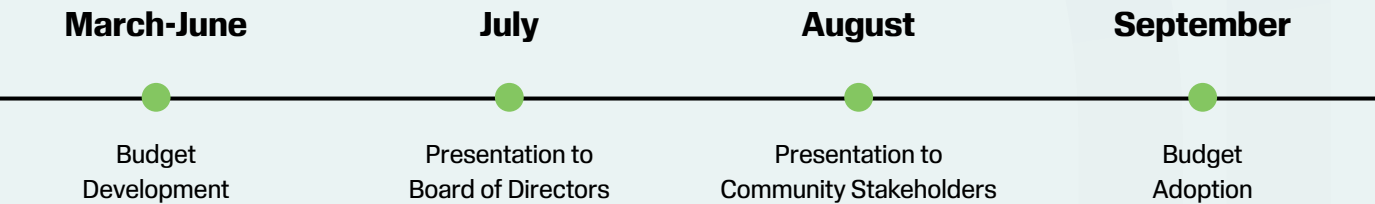


What's Happening Next?

- ATP is advancing the project for federal grant funding, which includes completing the environmental review process.
- ATP is procuring future contracts for continuing design and construction to prepare for next steps in 2026.

Budget Process

Budget Timeline



Budget Components

Annual Budget	<ul style="list-style-type: none">• Plan for allocating resources during fiscal year• Funds available until end of fiscal year (Sept. 30)	<div></div> <ul style="list-style-type: none">• Require board authorization• Approved during annual budget process
Capital Budget	<ul style="list-style-type: none">• Funds are multi-year and set aside for a specific project or purpose• Budgetary control is set based on the total aggregate appropriation by project• Available until funds are spent or de-appropriated (not constrained by fiscal year)	
Spending Plan	<ul style="list-style-type: none">• Schedule for spending of capital appropriations• Used for cash flow planning and determining needed additional appropriations	<div></div> <ul style="list-style-type: none">• Components of capital project funding• Used to inform annual budget process

Budget Amendments

Once approved, the budget may be amended by the ATP Board of Directors.



East Riverside

A new shaded walk and bike path along the line on East Riverside, designed to improve

Revenue

ATP's FY26 revenue is primarily made up of contract revenue received from the City of Austin pursuant to an interlocal agreement. With the approval of Proposition A, voters authorized an increase in the ad valorem tax rate equal to approximately 20% of the total Operations and Maintenance property tax collected by the City of Austin. In FY25, that revenue is estimated at \$176 million, an increase of \$4 million from budget, and in FY26 it is projected at \$185 million. Other sources of revenue include \$18 million in investment interest income revenues. In future years, sources of funding will include grant receipts and debt proceeds, but those are not anticipated for FY26.

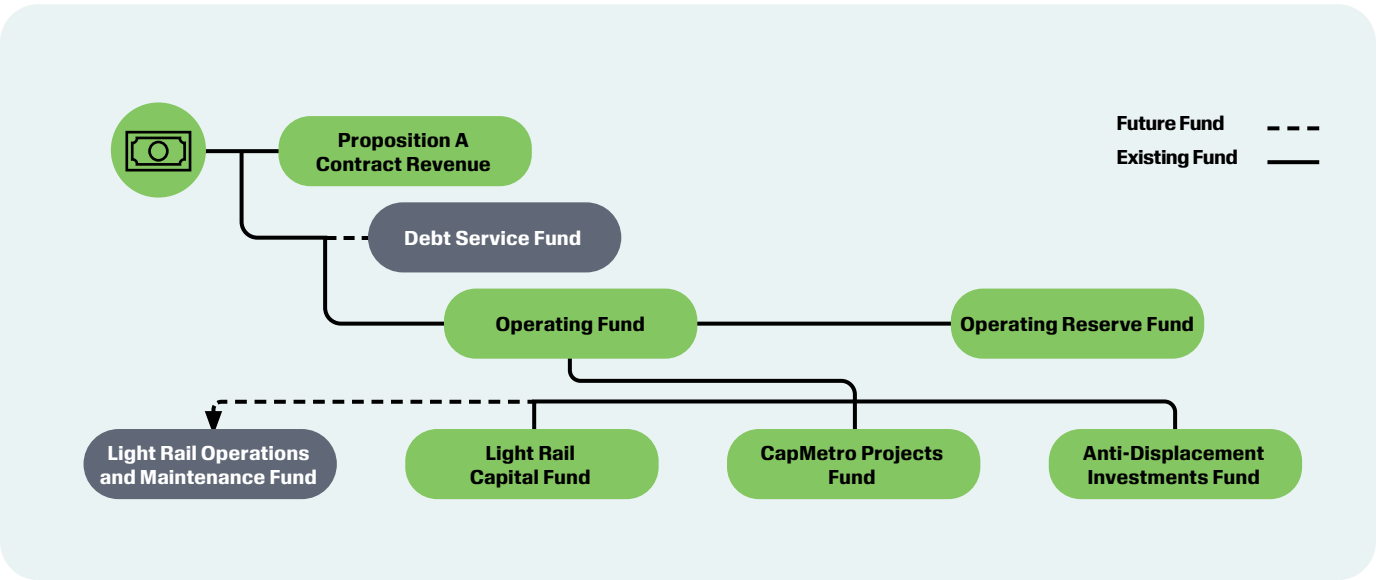
	FY25 BUDGET	FY25 PROJECTED	FY26 BUDGET
REVENUE			
Prop A Contract Revenue	\$172,000,000	\$176,000,000	\$185,000,000
Other Revenue	\$21,000,000	\$19,000,000	\$18,000,000
Total Revenue	\$193,000,000	\$195,000,000	\$203,000,000

Fund Framework

Funds Subject to Appropriation

The Austin Transit Partnership has established a series of funds to track the expenditures of separate activities. These funds, and their relationship to each other, are detailed below.

Relationships Between Funds Subject to Appropriation



PROPOSITION A CONTRACT REVENUE

On Nov. 3, 2020, Austin voters approved Proposition A, which provided a dedicated property tax revenue stream. Proposition A contract revenue is ATP's primary revenue source. Current year estimates and budget year projections are provided to ATP by the City of Austin and must be appropriated annually by the City of Austin.

DEBT SERVICE FUND

Debt service funds are utilized to account for the accumulation of resources for, and the payment of short- and long-term debt. To date, ATP has not yet issued any debt but will complete its first issuance of debt at the conclusion of the bond validation suit.

OPERATING FUND

The Operating Fund collects ATP revenues and disburses them to their respective functions. Proposition A contract revenue is ATP's primary revenue source and must be appropriated annually by the City of Austin.

OPERATING RESERVE FUND

The Operating Reserve Fund was established by financial policy to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and will maintain a reserve of at least 180 days of administrative expenses net of transfers.

LIGHT RAIL CAPITAL FUND

Capital project funds are used to account for financial resources to be used for the acquisition or construction of Austin Light Rail. Unlike an operating budget, capital budget funds are available until expended, typically over multiple years.

CAPMETRO PROJECTS FUND

In addition to Light Rail, Project Connect investments include CapMetro Rapid Bus Lines, Commuter Rail, and Park and Ride facilities. Funding for CapMetro-led delivery elements will be appropriated via budget amendment alongside governing interlocal agreements approved by both the CapMetro and ATP Boards.

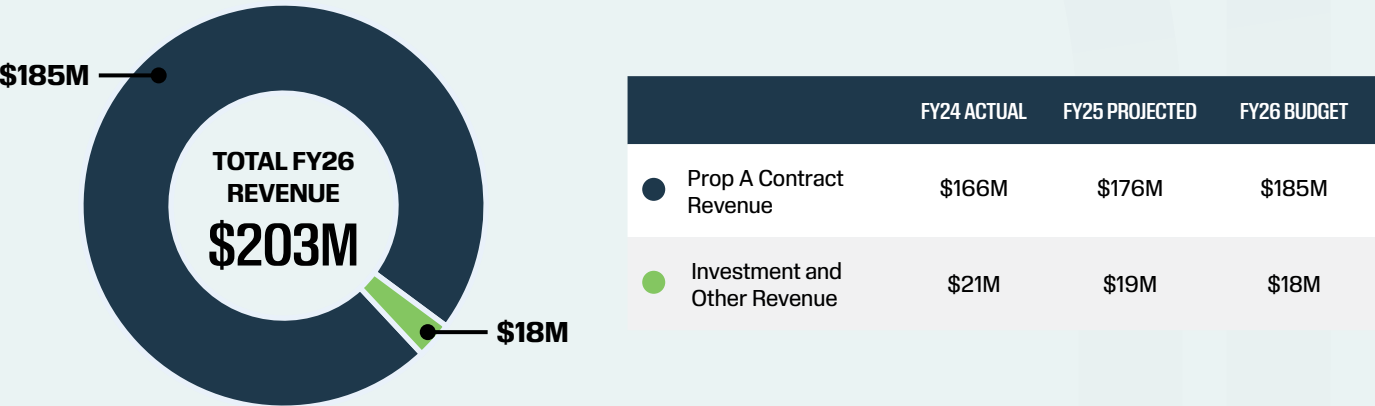
ANTI-DISPLACEMENT INVESTMENTS FUND

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

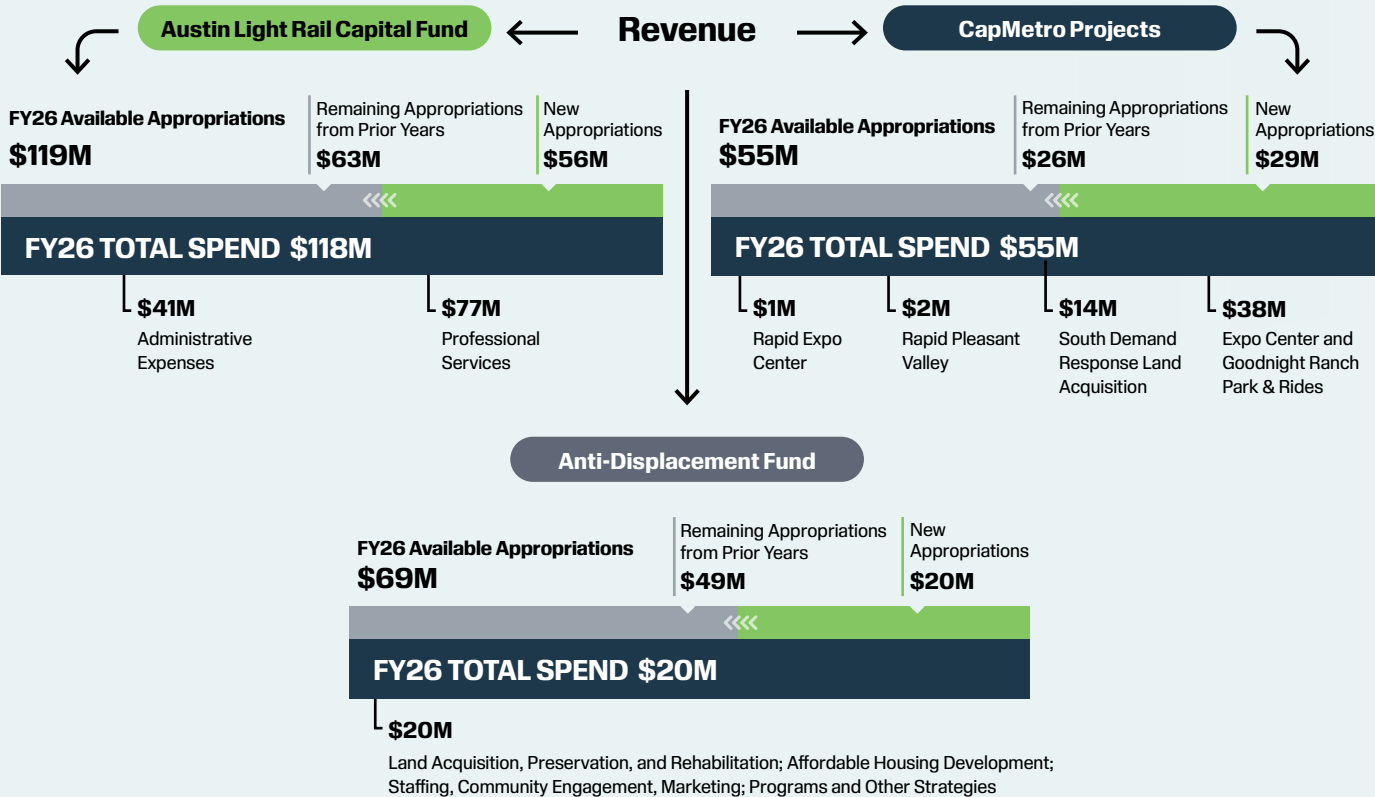


Budget Highlights

Revenue



Spending





Artist Conceptual Visualization

Austin Light Rail Capital Fund

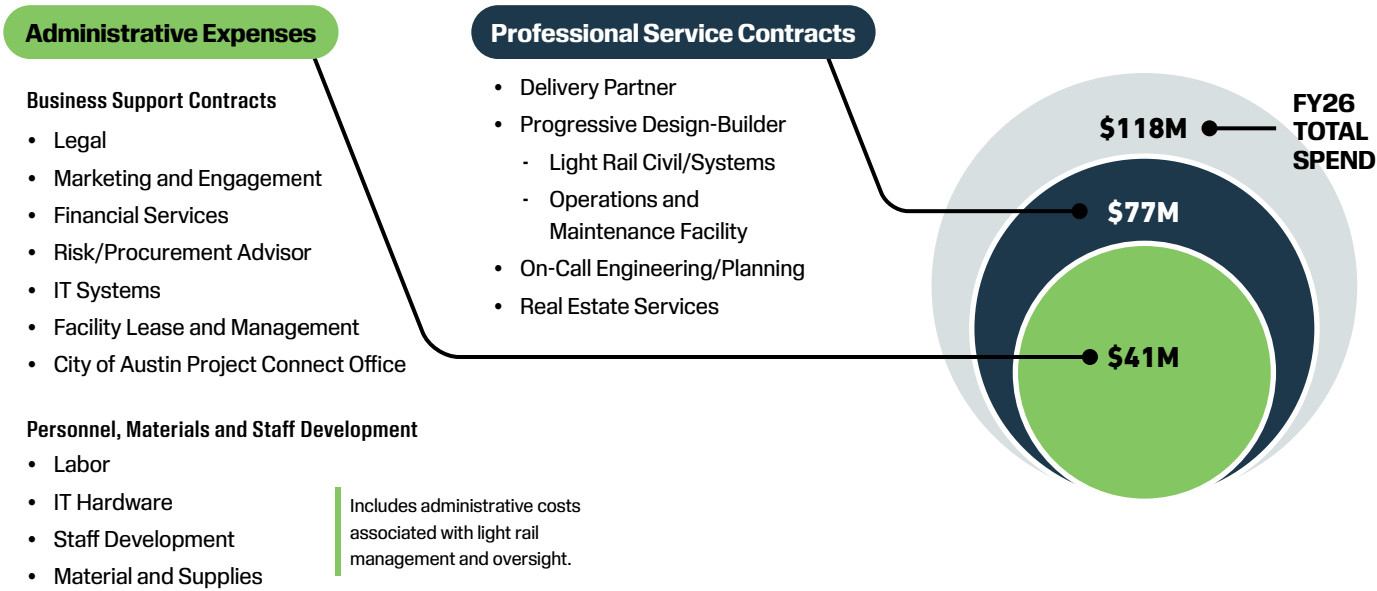
The cornerstone of Project Connect is a new light rail system, Austin Light Rail. The project continues to progress through Project Development. Capital appropriations are multi-year and remain available until spent; therefore, appropriations may at times not necessarily equal planned spending.

Board-Approved Light Rail Appropriations

APPROPRIATIONS	
Prior Years	\$313M
FY26	\$56M
Total Appropriations	\$369M
SPEND	
Prior Years	\$250M
FY26	\$118M
Total Spending	\$368M
Net Available Appropriations	\$OM

Note: Figures do not add due to rounding

Austin Light Rail FY26 Spending



Administrative Expenses by Fiscal Year

	FY24 ACTUAL	FY25 PROJECTED	FY26 BUDGET
Personnel	\$10.9M	\$11.4M	\$14.5M
Business Support Contracts	\$18.3M	\$18.9M	\$25.8M
Materials and Staff Development	\$1.4M	\$1.2M	\$1.3M
Total	\$30.6M	\$31.5M	\$41.6M



Staffing

FY26 budget development focused on organizational readiness and resource planning to balance staffing and contracting needs. This review resulted in a full-time equivalent (FTE) staffing level for FY26 of 65 positions, comprised of 57 currently filled positions and 8 vacant positions carried forward into the new fiscal year.



Staffing Levels

Planning, Community and Federal Programs	10	1
Engineering and Construction	7	0
Architecture and Urban Design	3	2
Financial Services	8	3
Business and Legal Affairs	27	1
Internal Audit	2	1

TOTAL POSITIONS

65

- 57 Currently Filled
- 8 Future Hires

FY26 Pay and Benefits

ATP's interdisciplinary team brings a diverse range of expertise to implement the complexities of Austin Light Rail. In order to recruit and retain this level of expertise, ATP offers a competitive benefits packet, but is not limited to, health care with vision and dental benefits. ATP offers a 401(k) retirement plan that includes employer contributions, leave program (to include paid parental leave), tuition reimbursement, and as well as stability pay, presenting an annual lump sum payment to eligible employees to acknowledge years of service. The FY26 Budget includes an across the board pay increase of 3.5% for eligible employees.

FY26 Overview and Outcomes

FY26 Priorities Overview

The FY26 Priorities Overview provides an organizational performance framework to highlight the work during the fiscal year as ATP implements Project Connect and leads Austin Light Rail. These priorities inform the department goals, outcomes, and overall performance reporting.

Federal Process

ATP will continue to prepare preliminary engineering design as required for the FTA CIG application process and compile project-wide requirements and reference materials for Progressive Design-Build (PDB) onboarding. A key guidepost for work in FY26 will be to complete the Final EIS and prepare the Record of Decision (ROD) for Austin Light Rail.

PDB Readiness and Organizational Performance

ATP will continue to advance its project delivery plan, progressing three major solicitations: PDB for Civil, Rail, Stations and Systems (LRT), Operations and Maintenance Facility (OMF), and Light Rail Vehicles, with the scheduled award for the LRT PDB during FY26. ATP will expand operational readiness efforts to successfully onboard progressive design-build and light rail vehicle contractors by establishing processes, procedures, and structures for project governance, management and execution.

Financial Sustainability

ATP continues to advance its Federal Funding strategy by completing requirements for Project Development and consideration for entry into the Engineering phases of the FTA CIG Program New Starts process. Related to local investment, ATP will maintain a reliable reoccurring revenue stream to cover expenses and achieve financial results consistent with the expectations of the organization to include advancing the organization's financing program.

Community Partnerships

Guiding ATP's work is community-focused outreach supported by the Board and the ATP team to increase connection and collaboration with stakeholders. The goal being to strengthen relationships with property owners and tenants along the Austin Light Rail alignment. An essential part of ATP's work in FY26 will be expanding education about the benefits of Austin Light Rail through a public awareness campaign. The campaign is designed to broaden public outreach, increase awareness, and continue to build support for the project.



Artist Conceptual Visualization

Department Outcomes

Planning, Community and Federal Programs

Planning, Community and Federal Programs contribute several key functions critical to delivering the light rail project.

The Project Controls team implements scheduling, cost reporting, and document controls. These functions support the effective management of contracts within budget and schedule targets as well as compliance with FTA reporting requirements for federally funded projects.

The Planning team leads environmental regulatory compliance, with a focus on the National Environmental Policy Act (NEPA) process. In addition, the team leads the coordination to integrate transit service planning and land use planning, and analyses to support the evaluation process required by the FTA's CIG Program.

ATP conducts community engagement to build awareness and support for the project, solicits and analyzes input, coordinates communications with stakeholders, and disseminates educational information about the project and process. ATP also supports workforce development efforts in the region and local capacity-building to deliver the project.



DEPARTMENT OUTCOMES

- Execution of workplans to complete requirements for Project Development and Entry to Engineering as needed for federal funding.
- Development and implementation of effective processes and procedures for cost reporting and scheduling.
- Execution of a public involvement plan to educate and offer the community meaningful opportunities to offer input throughout the planning process.

Planning, Community and Federal Programs Budget

	FY25 PROJECTED	FY26 BUDGET
ADMINISTRATIVE EXPENSES	\$2.6M	\$2.8M
Personnel	\$2.0M	\$2.5M
Business Support Contracts	\$0.2M	\$0.2M
Materials and Other Expenses	\$0.4M	\$0.1M
PROFESSIONAL SERVICES	\$1.6M	\$2.0M
FTE Count	10	11

Design and Construction

Design and Construction is responsible for all phases of light rail engineering efforts and will manage light rail construction with ATP's contracting partners. This team manages integration of light rail program elements such as civil, rail, stations, and systems infrastructure with the light rail vehicles and the operations and maintenance facilities.

Engineering efforts include design development, associated stakeholder coordination and permitting; management of third party and utilities agreements; quality and safety management; and completion of design requirements to develop plans and documents required for construction.

Construction efforts include permitting, building, inspecting, testing, commissioning, and certifying all light rail project elements. Design and Construction will manage the process to design, manufacture, inspect, test and accept the light rail vehicles.



DEPARTMENT OUTCOMES

- Advance design to support federal requirements, including environmental analysis and documentation for NEPA as well as FTA CIG requirements for New Starts projects.
- Define light rail project technical requirements (criteria, specifications, scope of services, etc.) and design guidelines to be implemented by the design-build contractors and the light rail vehicle manufacturers.
- Collaborate with design-build contractors to identify project innovation opportunities, including value engineering, constructability improvements, construction phasing and sequencing concepts and early works activities (such as advance utilities relocations).

- Implement policies and procedures to successfully manage quality, safety, design, construction, systems integration, cost, schedule, risks and other requirements for project delivery.

Design and Construction Budget

	FY25 PROJECTED	FY26 BUDGET
ADMINISTRATIVE EXPENSES	\$1.8M	\$2.1M
Personnel	\$1.8M	\$2.1M
Business Support Contracts	-	-
Materials and Other Expenses	-	-
PROFESSIONAL SERVICES	\$35.8M	\$70.0M
FTE Count	7	7

Architecture and Urban Design

Architecture and Urban Design leads Austin Light Rail’s architectural and urban design efforts and collaborates with internal and external technical teams to support a design that is high performing, people centered, and fully integrated into the surrounding community and urban context.



DEPARTMENT OUTCOMES

- Guide the design and implementation of public-facing elements of Austin Light Rail, including stations, systemwide elements and strategies for design integration.
- Oversee the design and implementation of Austin Light Rail high performance infrastructure to successfully prepare for future phases of design and construction, establishing efficient and effective metrics consistent with organizational goals.
- In collaboration with the City of Austin Project Connect Office, develop and implement standards for the back of curb and adjacent urban design elements (pedestrian, bicycle, and landscape), to enable multimodal integration with, and first- and last-mile connectivity to, Austin Light Rail.
- Support integrated and collaborative solutions with property owners and stakeholders adjacent to the light rail alignment.
- Establish and support the Austin Light Rail Public Art Program to integrate community-based art into stations and systemwide elements.

Architecture and Urban Design Budget

	FY25 PROJECTED	FY26 BUDGET
ADMINISTRATIVE EXPENSES	\$0.6M	\$1.3M
Personnel	\$0.6M	\$1.3M
Business Support Contracts	-	-
Materials and Other Expenses	-	-
PROFESSIONAL SERVICES	\$1.9M	-
FTE Count	3	5

Financial Services

ATP's primary financial goal is to implement Austin Light Rail, as envisioned by its stakeholders, as efficiently and as effectively as possible. The Financial Services team is comprised of Budget, Treasury, Accounting, IT Services, and Grant Management functions, all of which work in partnership to manage public investment with transparency and accountability throughout the program.



DEPARTMENT OUTCOMES

- Integrate Project Management Information Systems into the Enterprise Resource Planning system to enhance and strengthen financial reporting.
- Support the Austin Light Rail program's advancement through the FTA CIG program by ensuring the appropriate procedures are established for grant management tracking and reporting.
- Continue advancing Austin Transit Partnership's financing program and successfully issue the first set of Contract Revenue Bonds for the Austin Light Rail program.
- Maintain a commitment to transparent reporting on the allocation and utilization of funds received by ATP.

Financial Services Budget

	FY25 PROJECTED	FY26 BUDGET
ADMINISTRATIVE EXPENSES	\$5.5M	\$13.3M
Personnel	\$1.0M	\$2.3M
Business Support Contracts	\$4.4M	\$10.4M
Materials and Other Expenses	\$0.1M	\$0.6M
PROFESSIONAL SERVICES	-	-
FTE Count	5	11

Business and Legal Affairs

Business and Legal Affairs encompasses several key services and divisions of ATP, including: Procurement and Contract Administration; Real Estate Services; Legal Services; Government Relations; Communications; Human Resources; and Board Relations.



DEPARTMENT OUTCOMES

- Continue implementation of project delivery and contracting strategy, including the successful evaluation and award of two Progressive Design-Build contracts for the final design and construction of the (i) Operations and Maintenance Facility and (ii) nearly every other aspect of the light rail system, as well as a fixed price contract for light rail vehicles.
- Implement ATP's real estate acquisition strategy, including an interlocal agreement with the City of Austin for coordinated acquisition and priority acquisition activities.
- Continue to improve ATP's operational resiliency, building on processes and procedures to support business operations and the successful integration of contracting partners for project delivery.
- Advance ATP's federal strategy to advance Austin Light Rail in the CIG New Starts application process with the FTA.
- Implement ATP's educational campaign for Austin Light Rail to promote public understanding and support for the project.

Business and Legal Affairs Budget

	FY25 PROJECTED	FY26 BUDGET
ADMINISTRATIVE EXPENSES	\$18.6M	\$17.6M
Personnel	\$5.5M	\$5.7M
Business Support Contracts	\$12.4M	\$11.3M
Materials and Other Expenses	\$0.7M	\$0.6M
PROFESSIONAL SERVICES	\$0M	\$5.0M
FTE Count	30	28

Internal Audit

Internal Audit improves ATP’s governance, control, and risk management by providing objective audit and advisory services. Independent of ATP management, Internal Audit reports to the ATP Board and strengthens ATP’s transparency and accountability to safeguard government resources and achieve community goals.

DEPARTMENT OUTCOMES

- Enhance accountability and transparency by conducting constructive and helpful audits and advisory services.
- Help promote an ethical, community-driven, and improvement-focused culture by operating ATP’s ethics hotline and providing fraud, waste, and abuse resources and training to ATP staff.
- Oversee and direct an internal audit function and annual risk assessment process to address ATP’s critical risks and the Board’s expectations in accordance with the ATP Internal Audit Charter and professional auditing standards.

Internal Audit Budget

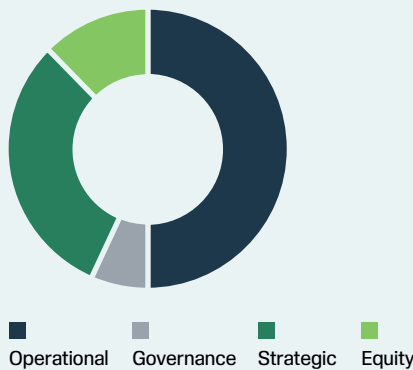
	FY25 PROJECTED	FY26 BUDGET
ADMINISTRATIVE EXPENSES	\$0.4M	\$0.7M
Personnel	\$0.4M	\$0.6M
Business Support Contracts	-	\$0.1M
Materials and Other Expenses	-	-
PROFESSIONAL SERVICES	-	-
FTE Count	2	3

Topics Considered in Projects this Year

- Contractor Onboarding
- User Roles in Key Systems
- Planning for Workforce Needs
- Disadvantaged Business Enterprise Goals (est. completion Aug. 2025)

Progress On Addressing Noted Risks

Recommendations issued by category



As of July 2025, all outstanding audit recommendations have been confirmed as implemented

Fraud, Waste, and Abuse Training



94%

ATP staff who have attended fraud, waste, and abuse training

Partner Project Connect Components

CapMetro Projects

The ATP Board of Directors approved investments in CapMetro-led Project Connect elements, which include new Rapid bus lines and additional transit improvements. The FY26 Budget includes \$29 million in new appropriations to fully fund \$55 million in anticipated spending on these Project Connect elements. Funding for additional CapMetro-led projects will be appropriated via budget amendment alongside interlocal agreements approved by both the CapMetro and ATP Boards.

CAPMETRO PROJECTS	EST. SPEND THROUGH FY25	FY26 PROJECTED SPEND
Rapid Expo Center	\$16.4M	\$1.3M
Rapid Pleasant Valley	\$16.0M	\$2.0M
South Demand Response Center	-	\$13.5M
Expo Center and Goodnight Ranch Park & Rides	-	\$37.5M
Total	\$32.4M	\$54.3M

New Rapid Lines

Plans for Rapid Lines include an all-electric expanded bus service, newly designed stations, and an improved customer experience. Expo Center and Pleasant Valley Rapid Lines will serve some of the highest ridership corridors in the CapMetro System. The Expo Center (837 Rapid) and Pleasant Valley (800 Rapid) Lines are both in introductory service as construction moves closer to completion.

RAPID EXPO CENTER LINE (837)

- Approximately 12-mile route along Trinity St., San Jacinto Blvd., Manor Rd., and Loyola Ln.

RAPID PLEASANT VALLEY LINE (800)

- Approximately 15-mile route along E. William Cannon Dr., Pleasant Valley Rd., and Airport Blvd. corridors.

Expo Center and Goodnight Ranch Park & Rides

Accompanying the 837 and 800 Rapid Lines are a community investment of two new Park & Rides at the end of each route. The Expo Center Park & Ride will be the eastern terminus for the 837 Rapid Line and provide customer parking spaces, transfers to additional CapMetro routes and Pickup, fleet charging infrastructure and customer amenities adjacent to the Travis County Expo Center.

The Goodnight Ranch Park & Ride will be the southern terminus of the 800 Rapid Line and will be integrated into the Goodnight Ranch development with customer parking spaces, transfers to additional CapMetro routes, fleet charging infrastructure and customer amenities. Construction on both Park & Rides has begun with completion expected in 2026.



Anti-Displacement Investments

Anti-Displacement Updates

Proposition A included \$300 million to mitigate transportation investment-related displacement and ensure people of different incomes can benefit from their investment in their own community. The Displacement Prevention program uses short-term strategies to support current residents along the Project Connect corridors and long-term investments to create and preserve housing opportunities so more of the community can benefit from Austin Light Rail and other Project Connect services. The City of Austin administers the anti-displacement program initiatives from the \$300 million Project Connect displacement prevention funds.

Anti-Displacement Categories:

- 1 Affordable Housing Development
- 2 Land Acquisition and Preservation
- 3 Programs and Other Anti-Displacement Strategies

The People

Community Initiated Solutions (CIS) supports residents at risk of transit-related displacement, providing funding, capacity building, and technical help through the Housing Department.

FY25 HIGHLIGHTS:

In FY25, the City of Austin supported residents through programs focused on three key areas: stabilizing housing, expanding homeownership, and boosting economic mobility. These efforts help protect vulnerable communities as the city grows with Project Connect.

Key initiatives included:

- Rental and homeownership support for older adults
- Workforce training that leads to higher-paying jobs
- “Cradle to Contributor” programs offering early childhood education, youth academic support, and workforce development for families

Voter approved Prop A included

\$300M

for anti-displacement funding as a companion to Project Connect

With the FY26 Budget approval, ATP will have appropriated

\$160M

for long-term and short-term strategies to address potential displacement

Distinct programs

13

coordinated through the City of Austin and implemented by community-based organizations

Funding received

\$29M

CIS programs served:

2,192

HOUSEHOLDS

with direct assistance

157K+

PEOPLE REACHED

through education, outreach efforts, and events (classes, flyers, etc.)

The Places

FY25 PROJECT CONNECT INVESTMENT UPDATE

\$5.5M

in Project Connect Funds

used to purchase former El Gallo Restaurant Site

+\$5M

in other City Dollars

located on South Congress, ½ mile from the south end of the Austin Light Rail Phase 1 alignment

PLANNING FOR FUTURE DEVELOPMENT

The City has begun the development process of

66 ACRES

along East Riverside, adjacent to the rail line

This includes:

- Site analysis
- Community engagement efforts

WHAT IS NEXT

In coming years, The City will work collaboratively with:

- The community
- Project Connect Community Advisory Committee

With the goal to program the sites with:

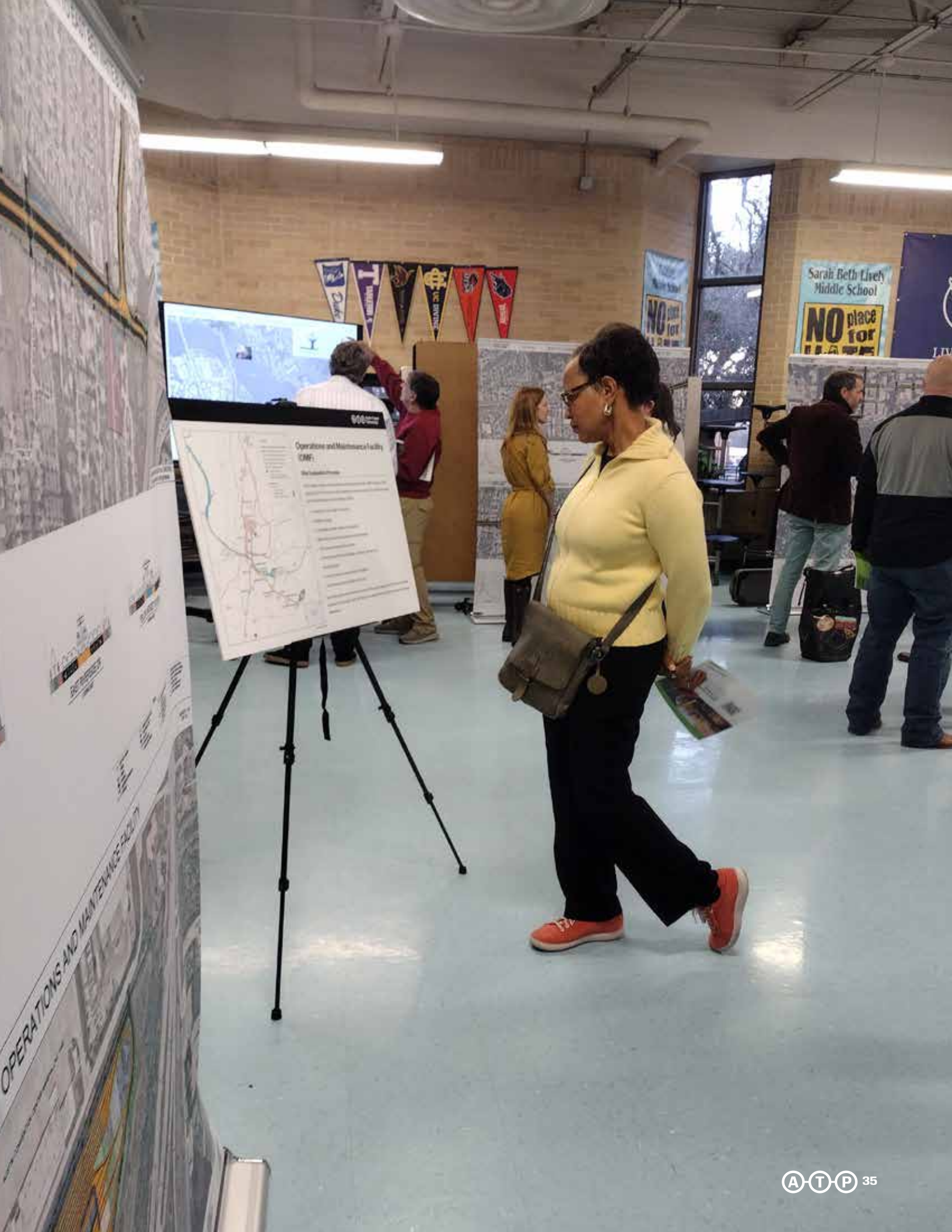
- Deeply affordable housing
- Other transit-supportive investments



Fund Summaries

Operating Fund

	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 PROJECTED	FY26 BUDGET
Beginning Fund Balance	\$65,668,705	\$147,165,525	\$217,545,765	\$216,733,730	\$381,733,730
REVENUES					
Prop A Contract Revenue	\$159,850,073	\$166,388,368	\$172,000,000	\$176,000,000	\$185,000,000
Investments and Other Income	\$15,034,837	\$21,179,837	\$21,000,000	\$19,000,000	\$18,000,000
Total Revenue	\$174,884,910	\$187,568,205	\$193,000,000	\$195,000,000	\$203,000,000
Total Available Funds	\$240,553,615	\$334,733,730	\$410,545,765	\$411,733,730	\$584,733,730
EXPENDITURE AND TRANSFERS					
Administrative Expenses	\$27,684,219	-	-	-	-
Transfer to Light Rail Capital Fund	-	\$98,000,000	\$10,000,000	\$10,000,000	\$56,000,000
Transfer to CapMetro Projects Fund	\$10,703,871	-	-	-	\$29,000,000
Transfer to Anti-Displacement Fund	\$35,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Transfer to Operating Reserve Fund	\$20,000,000	-	-	-	-
Total Expenditure and Transfers	\$93,388,090	\$118,000,000	\$30,000,000	\$30,000,000	\$105,000,000
Available for Future Project Needs	\$147,165,525	\$216,733,730	\$380,545,765	\$381,733,730	\$ 479,733,730
Operating Reserve Fund	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000



Light Rail Capital Fund

	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 PROJECTED	FY26 BUDGET
Beginning Fund Balance	\$121,679,548	\$87,085,587	\$113,287,944	\$124,030,210	\$63,030,210
NEW APPROPRIATIONS					
Transfer from Operating Fund	-	\$98,000,000	\$10,000,000	\$10,000,000	\$56,000,000
Total New Appropriations	-	\$98,000,000	\$10,000,000	\$10,000,000	\$56,000,000
Total Available Appropriations	\$121,679,548	\$185,085,587	\$123,287,944	\$134,030,210	\$119,030,210
EXPENDITURES					
Professional Services	\$34,593,961	\$30,427,146	\$78,380,000	\$39,500,000	\$77,000,000
Administrative Expenses	-	\$30,628,231	\$37,620,000	\$31,500,000	\$ 41,670,000
Total Expenditures	\$34,593,961	\$61,055,377	\$116,000,000	\$71,000,000	\$118,670,000
Ending Balance	\$87,085,587	\$124,030,210	\$7,287,944	\$63,030,210	\$360,210



CapMetro Projects Fund

	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 PROJECTED	FY26 BUDGET
Beginning Fund Balance	\$60,251,817	\$54,572,853	\$32,733,706	\$34,080,605	\$25,981,560
NEW APPROPRIATIONS					
Transfer from Operating Fund	\$10,703,871	-	-	-	\$29,000,000
Total New Appropriations	\$10,703,871	-	-	-	\$29,000,000
Total Available Appropriations	\$70,955,688	\$54,572,853	\$32,733,706	\$34,080,605	\$54,981,560
EXPENDITURES					
CapMetro Rapid Expansion	\$13,088,262	\$5,015,580	\$8,099,045	\$8,099,045	\$3,300,000
Red Line Improvements	\$3,750,645	\$15,476,668	-	-	-
Other CapMetro Projects	(\$456,072)	-	-	-	\$51,000,000
Total Expenditures	\$16,382,835	\$20,492,248	\$8,099,045	\$8,099,045	\$54,300,000
Ending Balance	\$54,572,853	\$34,080,605	\$24,634,661	\$25,981,560	\$681,560

Anti-Displacement Investments Fund

	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 PROJECTED	FY26 BUDGET
Beginning Fund Balance	\$65,000,000	\$75,139,687	\$40,140,727	\$48,994,137	\$48,994,137
NEW APPROPRIATIONS					
Transfer from Operating Fund	\$35,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Total New Appropriations	\$35,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Total Available Appropriations	\$100,000,000	\$95,139,687	\$60,140,727	\$68,994,137	\$68,994,137
EXPENDITURES					
Anti-Displacement Services	\$24,860,313	\$46,145,550	\$20,000,000	\$20,000,000	\$20,000,000
Total Expenditures	\$24,860,313	\$46,145,550	\$20,000,000	\$20,000,000	\$20,000,000
Ending Balance	\$75,139,687	\$48,994,137	\$40,140,727	\$48,994,137	48,994,137

Light Rail Financial Forecast

Estimated Capital Requirements

In the FY26 budget year, ATP expects to award and issue a notice to proceed for each of its most significant contracts for designing and constructing the Austin Light Rail project. Those contracts will consist of one for the civil, rail, stations and systems components, one for the Operations and Maintenance Facility, and one for the procurement of light rail vehicles. In order to make funding available for these contracts, ATP's Board will formally appropriate (or allocate) available revenues to cover the costs associated with design and ultimately construction of the system. It is anticipated that "work packages" will be developed and negotiated over the course of the design and initial construction phases. Revenues appropriated by the ATP Board will be sized to consider the estimated cost of near-term work packages while providing sufficient flexibility to meet ATP's funding requirements as cost estimates continue to evolve across the three contracts. The authorization of any spending will continue to contemplate ATP's capital affordability envelope to ensure conformance with available Prop A revenues.



Contracting Timeline

Final Design & Construction

ATP plans to issue the following solicitations, preceded by drafts for industry review and engagement:

- Light Rail PDB: Civil/ Rail/ Stations/ Systems
- Operations and Maintenance Facility (OMF) PDB
- Light Rail Vehicles

Q1-Q2 2025

Industry Review and Engagement

Q2-Q4 2025

Staggered RFQs followed by RFPs

2026

Contract Awards

Final Design & Construction Contracts

Civil/ Rail/ Stations/ Systems

RFI: February 2025

RFQ: June 2025

RFP: August 2025

Operations and Maintenance Facility

RFI: April 2025

RFQ: August 2025

RFP: October 2025

Light Rail Vehicles

RFI: May 2025

RFP: October 2025

Key Terms:

PDB:

Progressive Design-Build

RFP:

Request for Proposals

RFI:

Request for Information

RFQ:

Request for Qualifications

Under this procurement and delivery strategy, ATP has grouped the following SCC scope items and selected the following delivery methods per contract:

SCC CATEGORY	ATP CATEGORY	DELIVERY METHOD
Guideway & Rail	Civil & Rail	→ PDB
Stations, Stops, Terminals, Intermodal	Stations	
Systems	Systems	
Right of Way (ROW), Land, Existing Improvements	ROW	
Siteworks & Special Conditions	Utilities	
Supporting Facility	Maintenance Facility	→ PDB
Vehicles	Vehicles	→ Fixed Price

Estimated Capital Requirements

As ATP proceeds through the Project Development and Engineering phases of the FTA's CIG New Starts grant process, costs will be incurred to continue its planning efforts and prepare for the construction phase of the project. These costs are reflective of the resources, both internal and external, required to meet the milestones. Both the Estimated Spend and Sources and Uses graphics provide an estimated view on the capital expenditures required to progress through these critical planning stages and the resources available to meet each of these needs.

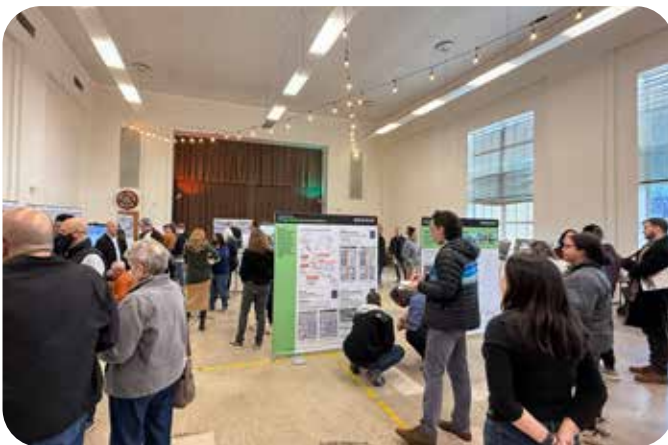
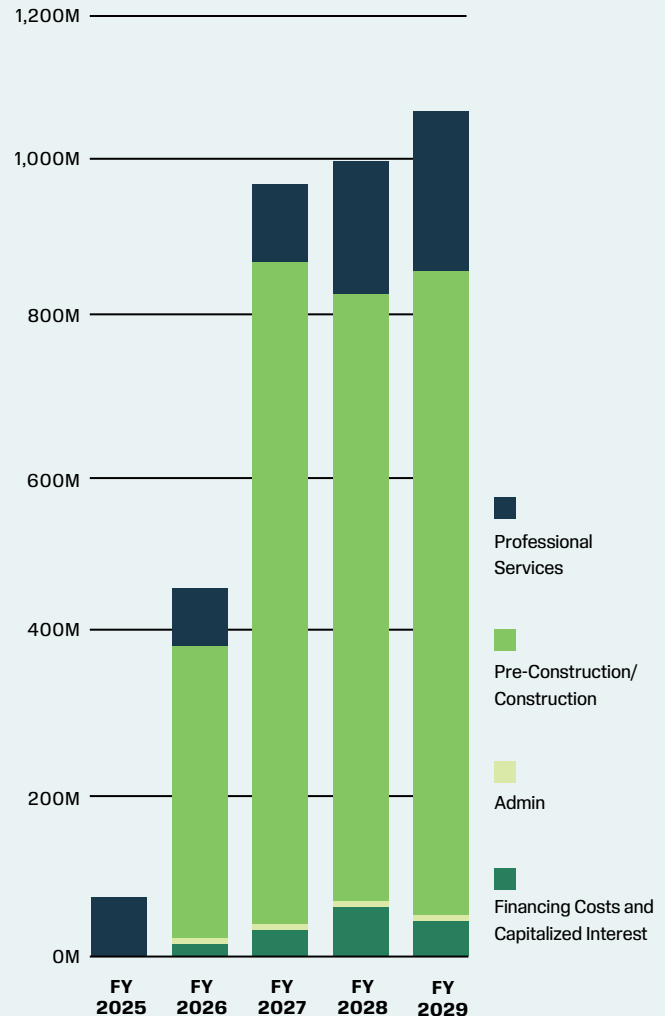
Project Development

- Complete 30% engineering and design
- Complete federal environmental review process under NEPA
- Obtain 30% commitment of non-federal funding

Entry to Engineering

- Advance level of engineering and design complete
- Grant funding request equal to ~50% of project eligible costs
- Obtain commitment of all nonfederal funding
- Advance utilities and pre-construction activities

FINANCIAL FORECAST ESTIMATED SPEND



The funding and financing sources needed to cover the anticipated expenditures in the following years will be derived from:

1. Cash on hand (existing fund balance, future Prop A Contract Revenue and interest income)
2. Federal contributions disbursed in accordance with an expected full funding grant agreement
3. Debt proceeds raised through both short and long-term obligations, that are issued on an as-needed basis in consideration of the project's affordability envelope

Projected annual expenditures required to implement Austin Light Rail represent a combination of eight major elements that will constitute ATP's capital investment from Project Development and Engineering and into the construction phase. The investment in each of the elements described below are anchored by detailed, preliminary engineering estimates and independent cost appraisals developed along with the Light Rail Implementation Plan and continually honed as we work through the Project Development and Engineering phase in anticipation of construction.

Capital Investment Elements

SUPPORT FACILITIES

An Operations and Maintenance Facility will store and service Light Rail Vehicles and equipment, and house administrative functions such as light rail operational control and oversight.

SITework AND SPECIAL CONDITIONS

An advanced utilities contract will be implemented to enable early coordination with utilities and expedite utility work required before major construction begins, thus mitigating potential delays.

LAND AND EXISTING IMPROVEMENTS

Real property acquisition of necessary land and improvements for the light rail project and any relocation of owners, businesses and tenants.

SYSTEMS

Systems to power light rail include train control and signals, traffic protection, communication with operators and passengers, security, and fare collection systems.



VEHICLES

Americans with Disabilities Act (ADA) - compliant light rail vehicles, propelled by electricity collected from overhead wires, will provide live information for passengers, and can be coupled to expand capacity.

PROFESSIONAL SERVICES

Contracts to support the agency through project management, planning, engineering, legal and real estate services, construction, testing and commissioning, and system start-up activities.

GUIDEWAYS AND TRACKS

The Austin Light Rail branched line stretches 9.8-miles north, south and east of downtown Austin. This includes guideways at grade, aerial structures, and track elements.

STATION, STOPS, AND TERMINALS

Features 15 ADA-accessible light rail stations spaced ½ - 1 mile apart providing access to transit-supportive land use; connections to transit; and destinations such as jobs, education, and healthcare.

Appendix

Financial Policies

The Government Finance Officers Association considers the adoption of financial policies to be a best practice in that they “are central to a strategic, long-term approach to financial management.” Well-written policies can institutionalize good financial management practices, help the organization avoid unnecessary risk, support favorable bond ratings to reduce the cost of borrowing, and clearly communicate the policy framework within which staff is working.

Accounting Policies

1. ATP will establish accounting practices that conform to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) for governmental entities.
2. ATP’s annual financial report will be audited by an independent certified public accounting firm and will be issued no later than six months following the end of the fiscal year. The annual report will include a government-wide Statement of Net Position and a government-wide Statement of Activities, which are accounted for on a full-accrual accounting basis and an economic-resources focus, using accounting methods similar to those used by private-sector companies. ATP’s annual report will also include fund financial statements that provide more detailed information about ATP’s most significant funds, rather than for the entity as a whole.
3. The audit firm will report the results of the annual audit to ATP’s Board within 60 days after the issuance of the annual report. The Chief Financial Officer will ensure the timely resolution of audit recommendations as applicable.
4. The Internal Auditor shall be responsible for conducting performance audits. The Executive Director shall be responsible for establishing a process to ensure timely resolution of audit recommendations.
5. Only assets with a value of at least \$10,000 and a life of at least four years shall be capitalized, per Texas State Comptroller standards. Capital assets shall be recorded at cost and depreciated over their useful lives using the straight-line method.
6. All grants and other federal and state funds will be managed to comply with grantor’s laws, regulations, and guidance.
7. Grant revenue will be recognized when all eligibility requirements have been met. The grantor will retain a reversionary interest in the capital asset over the estimated useful life of that asset.



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 Austin Trans Partnership

Budget Policies

1. The Board shall adopt an annual budget no later than its September board meeting immediately preceding the start of the fiscal year. The proposed budget will be made available for public review at least 21 days prior to the board meeting.
2. Budget accountability rests primarily with individual departments. Department Executive Vice Presidents (EVP) will review budget variances on a quarterly basis with ATP's Budget Director. Significant budget variances will be further evaluated by the Budget Director and the responsible EVP to determine whether remedial action is required. If remedial action is required, the Budget Director will make recommendations to the Chief Financial Officer to address the variance.
3. Quarterly reports on year-to-date spending compared to budget will be provided to the Board; such reports will be reported no later than 45 days after the close of each quarter, with the 4th Quarter report reported no later than 60 days after the close of the year.

Reserve and Contingency Policies

1. A Revenue Reserve of at least 180 days of administrative expenses shall be budgeted annually and used for unanticipated events that reduce or delay revenue collection. Funds shall be allocated from the Revenue Reserve by the ATP Board through a budget amendment. Funds shall be allocated each year in the budget process to replace any use of the Revenue Reserve during the preceding fiscal year or in response to an increase in administrative expenses to maintain the balance of the Revenue Reserve at the level set above.
2. Reserves and contingencies may be set aside periodically for specific future purposes. These funds are to be used at the discretion of the Chief Financial Officer.

Debt Management Policies

1. ATP shall establish a sinking fund to ensure that cash is available to make timely debt service payments when debt obligations are issued.
2. Refunding of outstanding debt obligation should produce overall positive net present value savings of at least approximately 4.25% of the refunded par.
3. ATP shall issue debt by selling bonds competitively, by negotiated sale, or through private placements. The method of sale shall be determined prior to the issuance of debt and will be dependent on market conditions.
4. ATP shall use competitive procurement methods to select professional firms in the bond issuance process.
5. The term of debt obligations issued by ATP should be equal to or less than the useful life of the item being financed.
6. ATP may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable state and federal laws.



Glossary

Appropriation

The legal device by which a governing body authorizes the spending of government funds for specific purposes. Operating appropriations are approved for a single fiscal year, but capital improvement appropriations are multi-year and remain in place until exhausted.

Balanced Budget

A budget in which revenues are equal to expenditures.

Bond

A debt instrument that requires repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate.

Bond Issuance

The process where an entity sells bonds as a means of borrowing capital for projects. The entity then repays this debt to the lender over a period of time similar to the manner in which a homeowner pays a mortgage.

Capital Budget

A plan of proposed projects or investments for fixed assets (primarily infrastructure) and the means of financing them. The annual capital budget is the primary means by which most of the acquisition and construction activities for facilities and major improvements of the entity occur.

Expenditure

A decrease in net financial resources. They include current operating expenses that require the current or future use of net current assets, debt service, and capital outlay.

Fiscal Year (FY)

A 12-month period for which an organization plans the use of its funds, which does not necessarily correspond to a calendar year. The fiscal year adopted by Austin Transit Partnership is from October 1 through September 30.

Full-Time Equivalent (FTE)

A position converted to the decimal equivalent of a full-time position based on a 2,080-hours-per-year work schedule.

Fund Balance

A measure of financial position calculated as total revenues minus total expenditures.

Grant

Revenue from another government body or organization, usually in support of a specific program or function.

Interlocal Agreement (ILA)

A contractual agreement between two or more governmental entities to provide a governmental function or service that each party to the contract is authorized to perform individually. Governed by Chapter 791 of the Texas Government Code.



Local Government Corporation (LGC)

A local government corporation may be created under Texas Transportation Code Chapter 431 to aid and act on behalf of one or more local governments to accomplish any governmental purpose of those local governments. A local government corporation has the powers of a transportation corporation authorized for creation by the Texas Transportation Commission, which among other powers, includes the power to issue bonds and notes.

Reserve

An account in which a portion of the fund balance is set aside for a future use and which is, therefore, not available for further appropriation or expenditure.

Revenue

The income generated from contract revenue, grants, and other revenue. Also includes transfers from other governmental entities.

Transfer

The authorized exchange of cash or other resources between funds, departments, accounts, or other entities. Must include a revenue-to-expense transaction.





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