



CAMINO REAL
REGIONAL MOBILITY
AUTHORITY

PRESENTATION

TRANSPORTATION REINVESTMENT ZONES IN EL PASO, TEXAS

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Camino Real Regional Mobility Authority



Transportation Reinvestment Zones - Value Capture Tool

1. Texas Regional Mobility Authorities
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Texas Regional Mobility Authorities – In General

- A regional mobility authority (RMA) is a political subdivision of the State of Texas. RMAs are intended to develop, operate and maintain *transportation projects* that assist in the improvement of the regional and statewide transportation systems.
- A *transportation project* is broadly defined and includes: highways/roadways (toll and non-toll), rail facilities, ferries and airports, pedestrian and bicycle paths, parking facilities/meters, intermodal hubs, international crossings and mass transit systems.

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El Paso's CRRMA – Brief History

- Created by the City of El Paso in 2007
- Board of Directors: Chair is appointed by Governor, remaining six Directors are appointed by City Council
- Jurisdictional boundary is the City of El Paso; however, CRRMA is authorized to operate into the County of El Paso, into the State of New Mexico and the Country of Mexico (e.g. international bridges)
- CRRMA is an unfunded agency; no taxing authority
- Each project must have funding identified by the sponsoring agency

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El Paso's CRRMA – Brief History

- Involved in over \$1 billion worth of major transportation projects since the CRRMA's creation in 2007
- Involved in various types of transportation projects to date, including: toll roads, international bridge tolling facilities, heavy highway, pedestrian/aesthetic improvements, bike share, major arterial construction, aerial tramway, etc.
- Provided different roles in the various transportation projects pursued to date, including planning, financing, design, construction, operation and maintenance

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SAMPLE CRRMA PROJECTS



State Spur 601 (Inner Loop)

Pass-Through Tolling

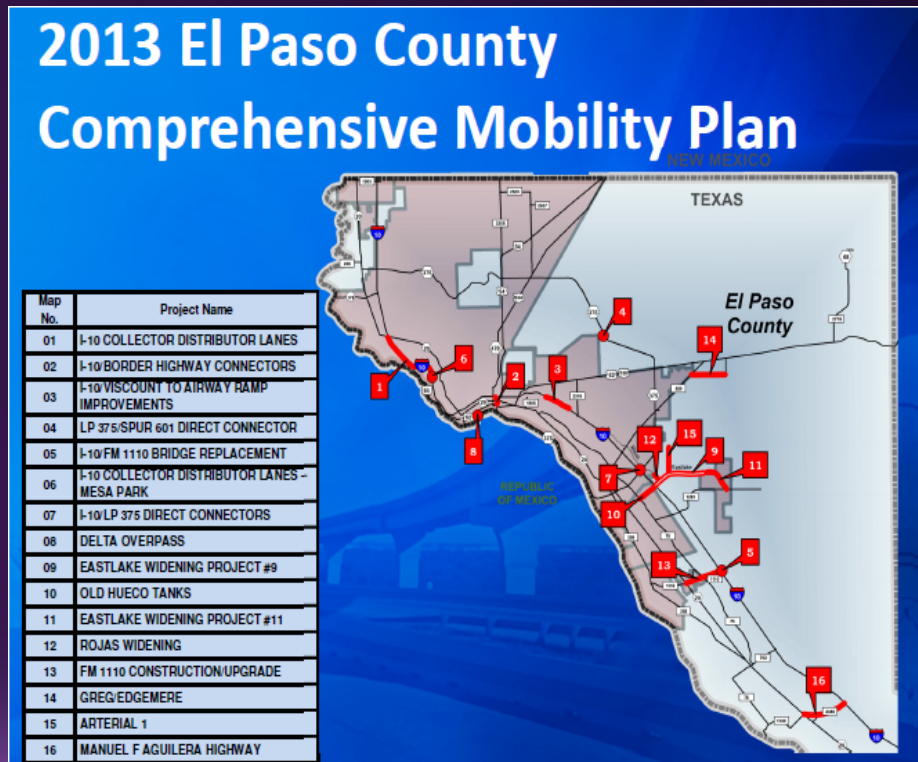


- Inaugural CRRMA bond issuance of \$233,355,000
- First Texas bond issuance that was supported solely by Pass-Through Toll proceeds
- Innovative partnership that reduced project costs for an important regional, State and Federal priority (BRAC)

2013 El Paso County CMP

Optional Vehicle Registration Fees

- Over \$400 Million in regional priorities identified by TxDOT, El Paso County and CRRMA
- County imposed a \$10 vehicle registration fee (VRF) that was pledged to the CRRMA
- VRF pledge was used by CRRMA for two bond issuances (\$72M & \$36M) to develop 10+ previously unfunded regional priorities



2013 El Paso County CMP



2013 EL PASO COUNTY COMPREHENSIVE MOBILITY PLAN

PROJECTS

-  Eastlake Phase I
-  Old Hueco Tanks Road
-  Eastlake Phase II
-  Rojas Drive
-  Greg/Edgemere Extension
-  Mission Ridge Boulevard
-  Vista del Sol Drive
-  Darrington Road
-  Pellicano Drive



El Paso Streetcar Project

City Design and State Grant Funds



El Paso Streetcar Project

City Design and State Grant Funds



I-10 at Airway - Aesthetics



SunCycle – El Paso Bike Share



SUBSCRIBE!



RIDE!



HYDRATE!



Wyer Aerial Tramway



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EL PASO'S TRANSPORTATION REINVESTMENT ZONE NO. 2



Transportation Reinvestment Zones

A Transportation Reinvestment Zone (TRZ) in Texas is an area identified by a City within which incremental increases in property or sales tax are captured for use, often to satisfy debt incurred for a transportation project.

- **A project funded by a TRZ must be located within that TRZ.**
- **TRZ must be within the limits of the entity creating such TRZ.**
- **TRZ must be a contiguous zone.**
- **The incremental increase is often attributed to a new transportation project that gave rise to the TRZ.**

Transportation Reinvestment Zones

Simplified Example:

- City receives \$100 in property taxes on a parcel in 2021, the year the TRZ is created (TRZ base year).
- City taxes assessed on the parcel in 2022 increase to \$110.
- City continues to receive the \$100 in tax revenue established in the base year, while the **TRZ Fund** receives the additional \$10 (incremental value).
- The **TRZ Fund** is used as the repayment source for debt incurred on the transportation project giving rise to the TRZ.

2008 El Paso Comprehensive Mobility Plan



Background

Regional El Paso partners agreed to prioritize a slate of projects in the region, which were bundled together as the 2008 El Paso Comprehensive Mobility Plan (2008 CMP).

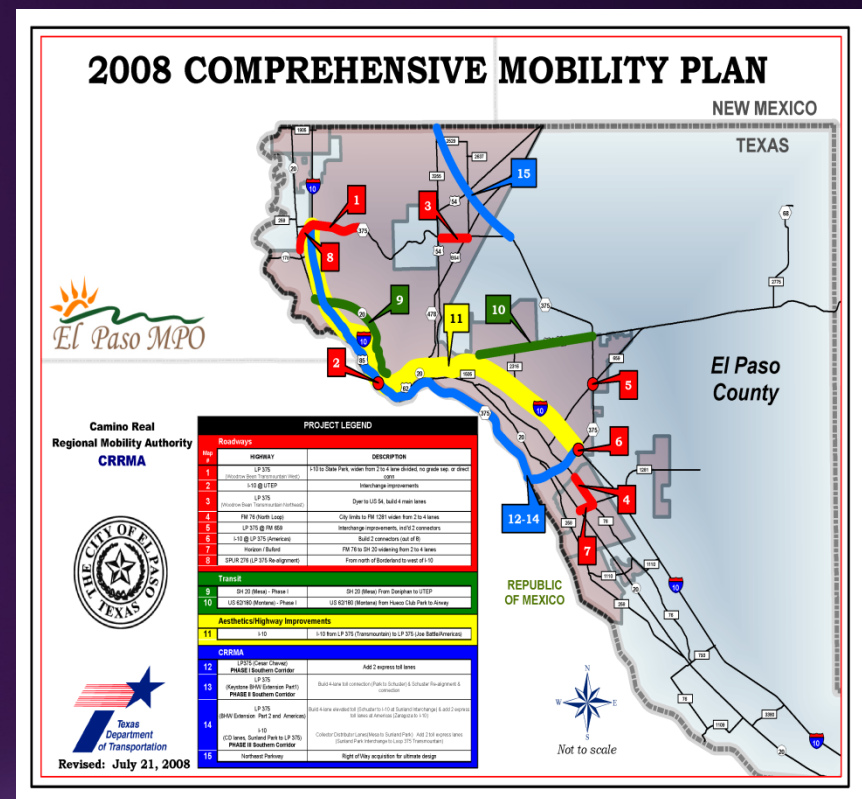
One project from the 2008 CMP was the I-10/Loop 375 Americas Interchange Project.

In order to develop the Americas Interchange, a Transportation Reinvestment Zone was implemented to provide a portion of the project funds needed.

2008 El Paso Comprehensive Mobility Plan



- Over \$1 Billion in regional priorities identified by TxDOT, City of El Paso, MPO & CRRMA
- Plan included toll and non-toll roadways, bus rapid transit and pedestrian and aesthetic improvements
- Each plan partner agreed to manage various components from the plan



2008 El Paso Comprehensive Mobility Plan



The City of El Paso agreed to create one or more TRZs to generate \$70 million (plus finance and interest costs) for three CMP projects. The City also agreed to assign such revenues to the CRRMA.

The CRRMA agreed to use the pledge of TRZ funds to issue debt, design/construct the projects, including the Americas Interchange.

The City originally created TRZ #1 for this purpose, but later replaced it with two separate TRZs:

- TRZ #1* (2008) – 3 Projects
- TRZ #2 (2010) – 2 Projects (Americas Interchange & Zaragoza DCs)
- TRZ #3 (2010) – 1 Project (Transmountain NE Mainlane Widening)

*TRZ No. 1 was rescinded in 2010.

TRZ No. 2

Americas Interchange Project



TRZ No. 2

Americas Interchange Project



Four-level, fully directional interchange between I-10 and Loop 375 in far east El Paso

- 15 miles east of downtown El Paso, Texas
- Constructed in 3 phases
- Phase 1 was completed in 2013

Phase 1 included the construction of 3 direct connectors between Loop 375 and I-10

- Southbound Loop 375 to westbound I-10
- Northbound Loop 375 to westbound I-10
- Eastbound I-10 to Northbound Loop 375

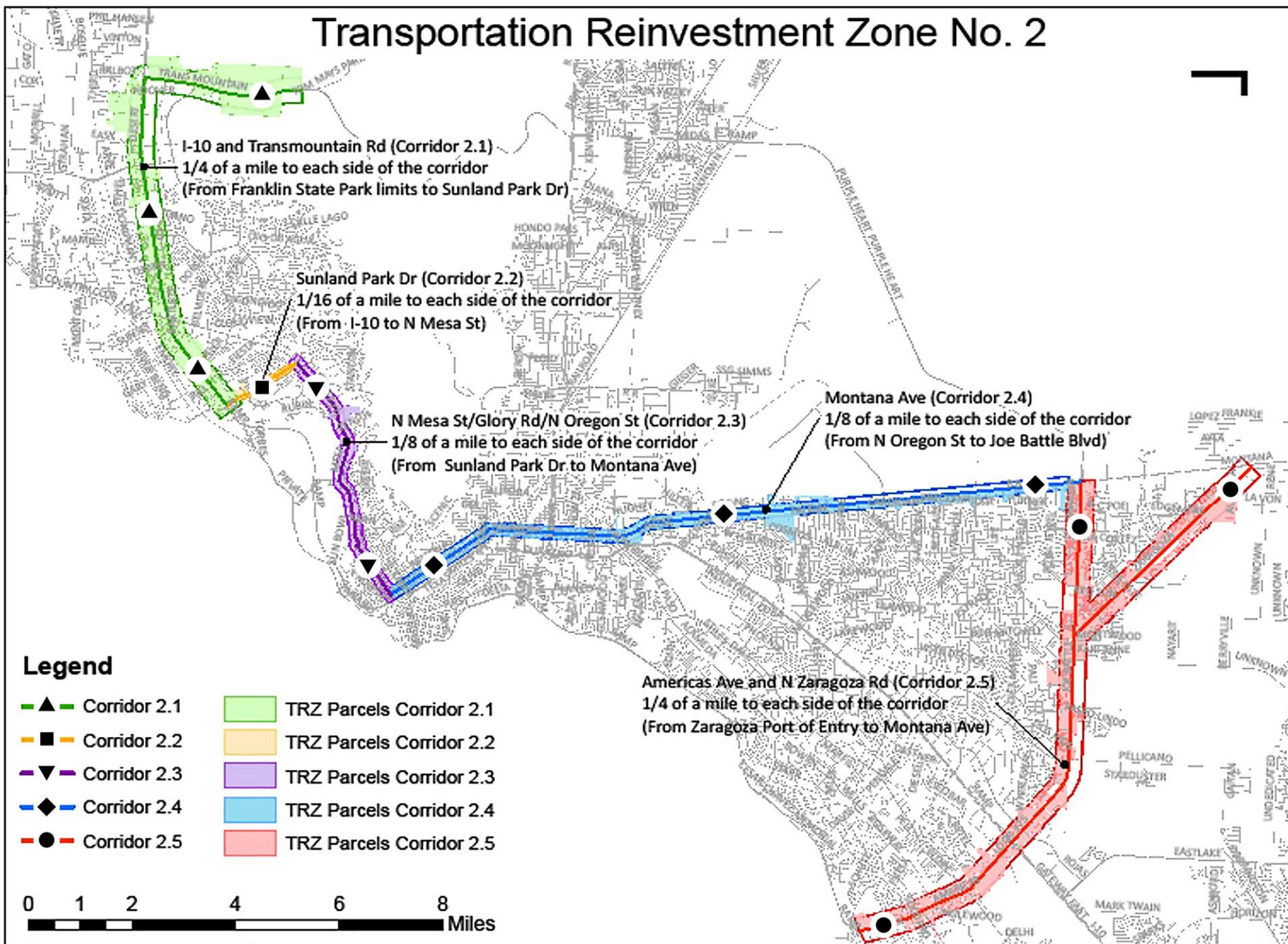
TRZ No. 2

Americas Interchange Project



- Americas Interchange Phase 1
Project Cost: \$141,000,000
- \$96M – American Recovery & Reinvestment Act (ARRA)
- \$15M – Coordinated Border Infrastructure (CBI)
- \$30M – CRRMA Loan from the Texas State Infrastructure Bank (SIB) to be repaid with TRZ revenues assigned from City

Transportation Reinvestment Zone No. 2



TRZ No. 2

Americas Interchange Project



CRRMA's Use of TRZ No. 2 Increment

TRZ Revenues	Assigned by the City to the CRRMA as repayment source for a SIB loan
2010 SIB Loan	\$30M loan to the CRRMA, as a Build America Bond (BAB, Subsidy)
Interest Rate	4.95% (City General Fund Guarantee)
Loan Repayment	Interest Only: 2011 – 2012 Payment Dates: 09/15, 2011 – 2040
BAB Subsidy	35% of each interest payment City and CRRMA split BAB subsidy City portion reduces debt CRRMA portion is unrestricted

TRZ No. 2

Other 2008 CMP Projects

As noted, the City of El Paso agreed to implement one or more Transportation Reinvestment Zones to serve as the repayment source for CRRMA debt (up to \$70M) for the completion of these projects from the 2008 CMP:

- I-10/LP375 Americas Interchange (\$30M);
- FM659 Zaragoza Direct Connectors (\$20M); and
- LP375 Transmountain NE Mainlane Widening (\$6M).

TRZ No. 2

I-10 Widening Project

TRZ No. 2 – Additional Debt

- TRZ No. 2 revenues have exceeded projections;
- City of El Paso and TxDOT-El Paso agreed to the joint development of the I-10 Widening Project - \$170M total project cost;
- I-10 Widening Project adds 2 lanes, reconfigures ramps, reconstructs frontage roads and includes operational improvements along 11 miles of I-10, to New Mexico State line;
- **City amended its assignment to the CRRMA to permit the issuance of an additional \$30M, to be used for the I-10 Widening Project;**
- CRRMA closed on the additional \$30M SIB loan in June of 2021.

Horizon City TRZ

Eastlake Boulevard Project



TRZ No. 2 – Additional TRZ Uses

- **Town of Horizon City, El Paso County, and CRRMA jointly agreed to develop the Eastlake Blvd. Project, a portion of which runs through Horizon City**
- **Horizon City and El Paso County were to fund the project, while the CRRMA was to design and construct**
- **Horizon City created TRZ No. 1 to fund its portion of Eastlake**
- **CRRMA utilized County funding (VRF) to complete the project, with Horizon City providing TRZ funding to reimburse the County for a portion of the work**
- **TRZs are useful value capture tools that can be used in innovative ways as needed by local communities**

Lessons Learned

TRZ Lessons Learned

- **Include City's financial team in the development of TRZ boundaries, not just engineers;**
- **Engage the appropriate consultants to develop projections that will drive the TRZ boundaries;**
- **Make sure public is educated on TRZs well in advance of any final vote (not a new tax);**
- **TRZ revenues are minimal in the early years – debt should be structured accordingly (backstop may be required); and**
- **Be conservative with TRZ projections – better to have more incremental revenues than less.**

Questions?



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