

City's proposed plan: Collect sales tax for 4 years before revenue goes to VIA

Jackie Wang August 7, 2020



The City is proposing to collect the one-eighth-cent sales tax revenue for four years to fund post-pandemic economic recovery efforts. After that, VIA would start collecting the revenue indefinitely. Credit: Scott Ball / San Antonio Report

In asking voters to approve shifting revenue from a one-eighth-cent sales tax away from aquifer and trails funding, the City of San Antonio and VIA Metropolitan Transit have come to an agreement about the future timeline for using that revenue.

The City is proposing to collect the one-eighth-cent sales tax revenue for four years to fund post-pandemic economic recovery efforts, VIA board Chair Hope Andrade said at the San Antonio Mobility Coalition State of Transit event Friday. After that, VIA would start collecting the revenue indefinitely.

Voters must approve both proposals first, however. The sales tax propositions will appear on the November ballot. Both VIA and City Council must approve the final language of their proposals and call for the election by Aug. 17.

The sales tax that currently funds Edwards Aquifer protection and linear creekway trails is projected to hit the revenue collection cap for that purpose by next summer. VIA had lobbied to reallocate that funding to support public transit but compromised with the mayor <u>in July</u> to allow the City to use that revenue first.

"The tax will generate about \$38.5 million per year," Andrade said Friday. "And this will definitely fund the plan to keep SA moving."

VIA pivoted from its transit expansion plan "VIA Reimagined," which included an advanced rapid transit system, to a plan called "Keep SA Moving" after the onset of the coronavirus pandemic. The transit agency is still working on the specifics of Keep SA Moving and gathering public input through community comments and tele-town halls.

"The building blocks are consistent," VIA President and CEO Jeff Arndt said of the new plan. "What varies by the plan is how much money is available to implement the plan. Our plans are always designed around the funding that is reasonably available. And so that's really the major difference between ... Keep San Antonio Moving and VIA Reimagined is how much money we have and therefore how tall we can build the structure with the funding we have."

If voters approve both proposals for the one-eighth-cent sales tax in November, the City of San Antonio will first use the revenue to provide workforce development and educational opportunities to people whose jobs have been affected by the coronavirus pandemic. VIA is also key to post-pandemic economic recovery in San Antonio, Arndt said. According to the transit agency, 67 percent of riders come from a household that makes less than \$25,000 a year, and 58 percent have no motor vehicle at home.

"Probably the most important factor, as we talk about recovery, is that our riders cannot work from home," Arndt said. "The kinds of jobs that our riders have are not the kinds of jobs that people can work from home. You cannot clean hotel rooms, you cannot serve food at a restaurant, you can't work the front desk at a clinic, working from home. And so, as the recovery progresses, we expect that our ridership will again return, because those people have to get to work. They have to be physically present.

Keep SA Moving plans to increase the transit service area in Bexar County by about 34 percent, Arndt said. And the campaign to get San Antonians to vote "Yes on Transit" launched Thursday, Andrade said.

Because the pandemic makes in-person campaigning more difficult, Andrade told listeners Friday that the "Yes on Transit" team would reach out to as many people as possible before November, including people without internet access.

The sales tax proposition campaign team plans to join virtual events with organizations such as neighborhood associations, and "we'll have some mail pieces that are going out," Andrade said. "So, we're just working on that plan, but I assure you that we're going to reach as many as we possibly can."