

VIA throws in its lot with San Antonio on November sales tax vote

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VIA Metropolitan Transit buses are seen in the foreground last April at its headquarters north of downtown San Antonio.

Photo: William Luther /Staff

Calling it a historic day for San Antonio, emotional VIA Metropolitan Transit board members voted unanimously Thursday to put a ballot initiative before voters Nov. 3 that they said would guarantee the struggling agency a long-lasting source of funding.

The election decision was coordinated with the city, the result of a long-discussed and complicated solution to a simmering funding feud between the transit agency and Mayor Ron Nirenberg.

The VIA board approved the measure while acting in the capacity of its own taxing authority, the Advanced Transportation District.

The City Council on Thursday also approved taking its part of the plan to the voters.

It would reallocate a portion of the city sales tax that currently funds protection of the Edwards Aquifer and maintenance of linear parks, steering it to an economic recovery plan for its first few years, then to VIA to solidify the transit agency's shaky funding.

Its passage in November, even though it doesn't raise new taxes, is anything but certain. The ballot language is convoluted, and proponents of the move worry that virus-weary voters might reject anything complicated that appears to ask for money.

Last year, before the coronavirus wreaked havoc on the city budget, Nirenberg supported a plan to let VIA get the 1/8-cent share of the sales tax as part of a mass transit expansion, campaigning for it with Bexar County Judge Nelson Wolff and former Mayor Henry Cisneros.

But the mayor pivoted when the pandemic left tens of thousands unemployed amid what he and other leaders consider a fundamental inequity of resources and opportunities, including education, jobs and transportation. So, he advocated for the \$38 million per year expected from the aquifer sales tax to instead be diverted to the city's economic recovery plan.

Board members at VIA, historically underfunded and now facing staggering deficits due to the pandemic's gutting of ridership, were adamant about the need for the sales tax revenue but had little hope of winning voters' support without the vocal help of Nirenberg and Wolff.

After weeks of negotiation, with Cisneros lending a hand, the parties worked out a deal that requires VIA to wait four years before drawing on the sales tax.

The city would get the money first. Lacking specifics yet, its plan calls for spending \$154 million from the 1/8-cent sales tax over four years on job training and higher education.

Backers describe it as a once-in-a-generation opportunity to strengthen San Antonio's economic foundation and ensure a broad-based, lasting recovery once the pandemic recedes.

Board chairwoman Hope Andrade urged her colleagues to approve "a common-sense solution." If they didn't go with the city's deal, it would cripple VIA as it contends with growth expected to bring a million more residents to its service area in 20 years, she said.

Board member Bob Comeaux thanked Andrade "for her exquisite leadership" and said the board would stand on the shoulders of VIA leaders from the 1970s who helped the city become what it is today.

VIA CEO Jeff Arndt even choked up when he said the day might have been the highlight of his 30-year career in transportation.

But some acknowledged the ballot language left them with an unpleasant marketing problem. It starts with this proposition:

"To provide enhanced public transportation and public transportation mobility options, the Advanced Transportation District will utilize a one-eighth of one percent sales and use tax. The one-eighth of one percent sales and use tax proceeds shall be used for advanced public transportation purposes or public transportation mobility enhancement purposes.

"The district's local sales and use tax will increase by a rate of one-eighth of one percent to a rate of three-eighths of one percent, with such an increase to begin on January 1, 2026. This is a reallocation of an existing sales and use tax resulting in no net tax increase."

The question presented to the voters is as follows:

"The increase by one-eighth of one percent of the local sales and use tax rate to three-eighths of one percent to begin on January 1, 2026."

Board member David Marne lamented that the word "increase" was legally required.