TRANSPORTATION DEVELOPMENT CREDITS (TDCs) REVOLVER FUND: 100 MILLION CREDITS FOR $10 MILLION

REGIONAL TRANSPORTATION COUNCIL

AUGUST 14, 2014
Transportation Development Credits = TDCs

TDCs are “earned” by the region when toll revenues are used to fund capital projects on public highways

465 million credits available in the DFW region

TDCs are not money or cash

They do not increase funding for a given project

Eligible “match” to federal funding award
## SUMMARY OF AWARDED AMOUNTS BY CATEGORY

<table>
<thead>
<tr>
<th>Category</th>
<th>Award Methods</th>
<th>Available (in millions)</th>
<th>Awarded (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strategic Awards to Small Transit Providers</td>
<td>≈5</td>
<td>1.9</td>
</tr>
<tr>
<td>2</td>
<td>Type 1 Call: RTC has Revenue Transportation Alternatives Program TxDOT/RTC Partnership for Reliability, Congestion Mitigation, and Air Quality</td>
<td>Proposed ≈1-2 ≈7.6</td>
<td>0 7.6</td>
</tr>
<tr>
<td>3</td>
<td>Type 2 Call: Local Agency has Revenue</td>
<td>≈50</td>
<td>16.76</td>
</tr>
<tr>
<td>4</td>
<td>Selling TDCs to other Metropolitan Areas/TxDOT</td>
<td>≈150</td>
<td>100 (pending approval)</td>
</tr>
<tr>
<td>5</td>
<td>Regional Programs/Management and Operations</td>
<td>≈10</td>
<td>5.2</td>
</tr>
</tbody>
</table>
Previously, the RTC approved staff to negotiate a transfer of up to 150 million in TDCs to other MPOs (50 million) and/or TxDOT (100 million), contingent on RTC approval of the final transfer.

Staff has been working with TxDOT on a transfer partnership since early 2014.

In June 2014, TxDOT approved a transfer of 100 million credits for $10 million to create an MPO Revolver Fund.
In July 2014, the RTC was briefed on this proposed partnership.

Initial conversations with TxDOT indicate that the transfer will likely occur through a funding exchange on a TxDOT project, thereby releasing State/local funds for the MPO Revolver Fund.

The MPO Revolver Fund would be used to provide cash flow to regional programs and projects implemented by NCTCOG that are funded with federal dollars.
Recommend approval of:

- Transferring 100 million TDCs in exchange for a $10 million MPO Revolver Fund.

- Creating the MPO Revolver Fund to be used to cash flow federally funded regional programs and projects implemented by NCTCOG.

- Returning to TDC pool for future reallocation:
  - Balance of 33.24 million TDCs under Category 3 (Type 2 Call – Local Agency Has Revenue) and
  - Fifty (50) million TDCs under Category 4 (Sell TDCs to MPOs and TxDOT)

- Administratively amending the Transportation Improvement Program (TIP)/Statewide TIP and other necessary administrative documents.
QUESTIONS?

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