



**ACTION SHEET**  
**ITEM FROM FINANCE COMMITTEE MEETING OF 11/30/15**  
**FOR CITY COUNCIL MEETING OF 12/09/15**

**ISSUE:**

26. Request for Approval of an Ordinance Amending Subsection 18-10 SFCC 1987 to Rededicate a Portion of the Municipal Gross Receipts Tax to Recreational Facilities, and Bike and Pedestrian Pathways. (Councilor Maestas) (Oscar Rodriguez)

**Committee Review:**

Parks and Recreation Commission (approved)	10/02/15
City Business Quality of Life Committee (postponed)	10/14/15
Public Works Committee (postponed)	10/26/15
Public Works Committee (postponed)	11/09/15
City Business Quality of Life Committee (not approved)	11/10/15
City Council (request to publish) (postponed)	11/10/15
Public Works Committee (scheduled)	12/07/15
City Council (request to publish)	12/09/15
City Council (public hearing)	01/13/16

Fiscal Impact – No

**FINANCE COMMITTEE ACTION:**

Approved as Discussion item.

**FUNDING SOURCE:**

**SPECIAL CONDITIONS OR AMENDMENTS**

**STAFF FOLLOW-UP:**

<b>VOTE</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA		X	
COUNCILOR LINDELL		X	
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ	X		

**ACTION SHEET  
ITEM FROM THE  
PUBLIC WORKS/CIP AND LAND USE COMMITTEE MEETING  
OF  
MONDAY, NOVEMBER 9, 2015**

**ITEM 9**

REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SUBSECTION 18-10 SFCC 1987 TO REDEDICATE A PORTION OF THE MUNICIPAL GROSS RECEIPTS TAX TO RECREATIONAL FACILITIES, AND BIKE AND PEDESTRIAN PATHWAYS (**COUNCILOR MAESTAS**) (**OSCAR RODRIGUEZ**)

**PUBLIC WORKS COMMITTEE ACTION:** Forward with No Recommendation; Return to PWC next meeting

**FUNDING SOURCE:**

**SPECIAL CONDITIONS / AMENDMENTS / STAFF FOLLOW UP:**

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON TRUJILLO			
COUNCILOR BUSHEE	X		
COUNCILOR DIMAS	X		
COUNCILOR DOMINGUEZ	X		
COUNCILOR IVES		X	

**ACTION SHEET  
ITEM FROM THE  
PUBLIC WORKS/CIP AND LAND USE COMMITTEE MEETING  
OF  
MONDAY, OCTOBER 26, 2015**

**ITEM 11**

REQUEST FOR APPROVAL OF AN ORDINANCE AMENDING SUBSECTION 18-10 SFCC 1987 TO REDEDICATE A PORTION OF THE MUNICIPAL GROSS RECEIPTS TAX TO RECREATIONAL FACILITIES, AND BIKE AND PEDESTRIAN PATHWAYS (COUNCILOR MAESTAS) (OSCAR RODRIGUEZ)

**PUBLIC WORKS COMMITTEE ACTION: Postpone/Return to 11/9 PWC meeting**

**FUNDING SOURCE:**

**SPECIAL CONDITIONS / AMENDMENTS / STAFF FOLLOW UP: Ask Councilor Maestas to be present**

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON TRUJILLO			
COUNCILOR BUSHEE	X		
COUNCILOR DIMAS	X		
COUNCILOR DOMINGUEZ	X		
COUNCILOR IVES	X		

# City of Santa Fe, New Mexico

## LEGISLATIVE SUMMARY

Bill No. 2015-42

### Municipal GRT Dedication

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**SPONSOR(S):** Councilor Maestas

**SUMMARY:** The proposed bill amends Section 18-10.4 SFCC 1987 to rededicate a portion of the municipal gross receipts tax to recreational facilities, and bike and pedestrian pathways.

**PREPARED BY:** Jesse Guillen, Legislative Liaison

**FISCAL IMPACT:** No

**DATE:** November 2, 2015

**ATTACHMENTS:** Bill  
FIR

**CITY OF SANTA FE, NEW MEXICO**  
**PROPOSED AMENDMENT(S) TO BILL NO. 2015-42**  
**Municipal GRT Dedication**

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Mayor and Members of the City Council:

I propose the following amendment(s) to Bill No. 2015-42:

1. On page 1, line 13 after "PATHWAYS" *insert* "; AND REMOVING THE PROVISION FOR ALLOWING THE USE OF EXCESS FUNDS FOR GENERAL MUNICIPAL OPERATIONS"
2. On page 4, line 8 add the following new sentence: "Allocations for these quality of life purposes shall not exceed eleven percent (11%) of the total amount received from the fifth one-quarter percent (1/4%) increment of the gross receipts tax."

Respectfully submitted,

\_\_\_\_\_  
Joseph M. Maestas, Councilor

ADOPTED: \_\_\_\_\_

NOT ADOPTED: \_\_\_\_\_

DATE: \_\_\_\_\_

\_\_\_\_\_  
Yolanda Y. Vigil, City Clerk

1                                   **CITY OF SANTA FE, NEW MEXICO**

2                                   **BILL NO. 2015-42**

3                                   **INTRODUCED BY:**

4  
5                                   Councilor Joseph M. Maestas

6  
7  
8  
9                                   **AN ORDINANCE**

10                                   **AMENDING SUBSECTION 18-10 SFCC 1987 TO REDEDICATE A PORTION OF THE**  
11 **MUNICIPAL GROSS RECEIPTS TAX TO RECREATIONAL FACILITIES, AND BIKE**  
12 **AND PEDESTRIAN PATHWAYS.**  
13

14  
15 **BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

16                   **Section 1.       Section 18-10 SFCC 1987 (being Ord. #1987-19, as amended) is**  
17 **amended to read:**

18                   **18-10 MUNICIPAL GROSS RECEIPTS TAX.**

19                   **18-10.1        Imposition of Tax.**

20                   There is imposed on any person engaging in business in this municipality, for the  
21 privilege of engaging in business in this municipality, an excise tax equal to one and one-quarter  
22 percent (1.25%) of the gross receipts reported or required to be reported by the person pursuant to  
23 the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be  
24 amended. The tax imposed under this section is pursuant to the Municipal Local Option Gross

1 Receipts Taxes Act as it now exists or as it may be amended and shall be known as the  
2 "municipal gross receipts tax."

3 **18-10.2 General Provisions.**

4 This section hereby adopts by reference all definitions, exemptions and deductions  
5 contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be  
6 amended.

7 **18-10.3 Specific Exemptions.**

8 No municipal gross receipts tax shall be imposed on the gross receipts arising from:

9 A. Direct broadcast satellite services;

10 B. Transporting persons or property for hire by railroad, motor vehicle, air  
11 transportation or any other means from one point within the municipality to another point outside  
12 the municipality; or

13 C. A business located outside the boundaries of a municipality on land owned by the  
14 municipality for which a state gross receipts tax distribution is made pursuant to subsection C of  
15 Section 7-1-6.4 NMSA 1978.

16 **18-10.4 Dedication.**

17 Revenue from the one and one-quarter percent (1.25%) municipal gross receipts tax will  
18 be used for the purpose(s) listed below:

19 A. Revenue from the first two (2) one-quarter percent (1/4%) increments of the  
20 municipal gross receipts tax is dedicated for the following purposes:

21 (1) Annual debt service for municipal gross receipts tax revenue bonds or  
22 other bonds for municipal projects issued for the construction, reconstruction,  
23 improvements and replacement of city facilities, parks, streets, sidewalks, utilities, and  
24 other public works projects including the related equipment and furnishings for the  
25 facilities.



1 (2) If there are proceeds remaining they may be used for:

2 (a) Construction, reconstruction, improvements, replacement,  
3 facility structural maintenance and repair, including related equipment and  
4 furnishings for the facilities.

5 (b) Operating expenditures necessitated by the expansion of services  
6 and facilities to the public.

7 (c) Personnel, operating, contractual, accounting, administration,  
8 equipment, vehicles and other costs related to the city's capital improvements  
9 program and operations of public works department.

10 (d) Computer hardware and software.

11 B. Revenue from the third and fourth one-quarter percent (1/4%) increments of the  
12 municipal gross receipts tax is dedicated to general fund.

13 C. Revenue from the fifth one-quarter percent (1/4%) increment of the municipal  
14 gross receipts tax is dedicated to the public bus system and quality of life purposes in the  
15 following manner:

16 (1) Finance the acquisition, operation, maintenance and any other expenses  
17 necessary for or incidental to the provision of a public bus system. In the event that the  
18 public bus system is ever discontinued, the funds allocated pursuant to this paragraph  
19 shall be used for general municipal operations and the discontinuance of the public bus  
20 system shall not affect the allocations set out in paragraph (2) below. The governing body  
21 shall not discontinue the public bus system until the notice and hearing requirements of  
22 subsections 2-2.3A, 2-2.3B, 2-2.4A, 2-2.4D, 2-2.6 SFCC 1987 have been met.

23 (2) After satisfying the distribution provided for in paragraph C (1),  
24 [~~provision of a public bus system,~~] the remaining proceeds of the gross receipts tax shall  
25 be allocated [~~as set forth in subparagraphs (2)(a) and (2)(b) below.~~]

1 (a) — ~~Up to two thirds (2/3) of the proceeds remaining following the~~  
2 ~~distributions provided for in paragraph C(2) of the gross receipts tax shall be~~  
3 ~~used for general municipal operations.~~

4 (b) — ~~Up to one third (1/3) of the proceeds remaining following the~~  
5 ~~distributions provided for in paragraph C(1) of the gross receipts tax shall be~~  
6 ~~used]exclusively for the following quality of life purposes: [recreation]~~  
7 recreational facilities, bike and pedestrian pathways, [open space] libraries, and  
8 parks.

9 **18-10.5 Effective Date.**

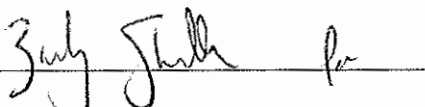
10 A. The effective date of the first two (2) one-quarter percent (1/4%) increments of  
11 the municipal gross receipts tax shall be January 1, 1982.

12 B. The effective date of the third one-quarter percent (1/4%) increments of the  
13 municipal gross receipts tax shall be July 1, 1983.

14 C. The effective date of the fourth one-quarter percent (1/4%) increments of the  
15 municipal gross receipts tax shall be July 1, 1988.

16 D. The effective date of the fifth one-quarter percent (1/4%) increments of the  
17 municipal gross receipts tax shall be ~~[January 1, 1992]~~ July 1, 2016.

18 APPROVED AS TO FORM:

19  
20   
21 KELLEY A. BRENNAN, CITY ATTORNEY

**City of Santa Fe  
Fiscal Impact Report (FIR)**

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

**Section A. General Information**

(Check) Bill:   X   Resolution: \_\_\_\_\_

(A single FIR may be used for related bills and/or resolutions)

Short Title(s): **A BILL AMENDING SUBSECTION 18-10 SFCC 1987 TO REDEDICATE A PORTION OF THE MUNICIPAL GROSS RECEIPTS TAX TO RECREATIONAL FACILITIES, AND BIKE AND PEDESTRIAN PATHWAYS.**

Sponsor(s): Councilor Joseph Maestas

Reviewing Department(s): Finance Department

Persons Completing FIR: Oscar Rodriguez Date: 9/21/15 Phone: 955-6530

Reviewed by City Attorney: *July Jalk for Kelly Beam* Date: 9/21/15  
(Signature)

Reviewed by Finance Director: *[Signature]* Date: 9-21-2015  
(Signature)

**Section B. Summary**

Briefly explain the purpose and major provisions of the bill/resolution:

This bill would rededicate a portion of the fifth ¼% municipal gross receipts tax from general municipal operations, recreation and open spaces to recreation facilities as well as bike and pedestrian pathways. This rededication would incur no additional fiscal impact as it is only moving existing revenue to other recipients.

**Section C. Fiscal Impact**

**Note:** Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)\*

**1. Projected Expenditures:**

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs  
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs  
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: *[Signature]*

X   Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

Personnel*	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Fringe**	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Capital Outlay	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Land/ Building	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Professional Services	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
All Other Operating Costs	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Total:	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____

\* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. \*\*For fringe benefits contact the Finance Dept.

**2. Revenue Sources:**

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
Total:	\$ _____	_____	\$ _____	_____	_____	_____

### 3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

The resolution will have the effect of formally designating the remaining funds from the last of the ¼% GRT tax after it is used for public transport needs. Currently this revenue (approximately \$1.2 million) goes to the General Fund, which in turn funds Libraries, Parks, and public trails maintenance. As an equal amount of funding for parks and trails maintenance goes away when the proceeds from the 2014 GRT bonds are used up next spring, this designation will help keep this important activity a priority when scarce resources come to be rationed in the next budget cycle.

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### Section D. General Narrative

**1. Conflicts:** Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

Amends current code that specifies how a portion of the municipal gross receipts tax is dedicated.

### 2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

Status Quo.

### 3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

None.

### 4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.

This bill would move a small portion of funds from general municipal operations to recreational facilities and bike/pedestrian pathways. This would allow continued development and maintenance of the City's recreational amenities that make it a haven for outdoor enthusiasts.



# MEMORANDUM

TO: Mayor and Members of the City Council  
 FROM: Oscar S. Rodriguez, Finance Director  
 DATE: July 1, 2015  
 SUBJECT: Report on Resolution 2015-40

This memo provides staff's evaluation of the allocation and expenditure of Gross Receipts Tax revenue (GRT) from Section 18-10 SFCC 1987 as called for in your resolution of May 15, 2015.

You directed staff to evaluate the allocation and expenditure of GRT revenue collected from Section 10-10 SFCC 1987 so it could be determine whether there is a need to amend the dedication provision in the ordinance authorizing this tax. To comply with this directive, staff compiled all of the financial information stored in the City's financial accounting system and prepared the table shown below going back to 1996. While the Governing Body passed the enabling legislation for this tax in 1991, known today as the ¼¢ Municipal GRT, the stored data does not go that far back. Hard copies of the budgets for the years going back to 1991 can be found in the archives, but their format and reporting methods vary from the electronic files and do not allow for a proper comparison. Nevertheless, the 19 years available in the system provide enough of a trend to allow for meaningful conclusions to be drawn.

You will note that over this time period, transit-oriented funds have together consistently

Fund	19 FISCAL YEARS FROM 1996 UNTIL PRESENT, AS OF THE 29TH OF THE MONTH																			E % of Total																						
	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15																							
General 1001	1,585,740	1,590,840	1,590,840	1,470,563	1,456,787	1,523,554	1,395,507	1,353,642	1,435,071	1,586,338	1,996,844	2,067,940	1,939,667	1,121,911	852,500	1,178,163	943,217	1,254,266		22.3%																						
Capital Equip Reserve 2115							103,600	145,200	103,600											0.5%																						
Ride Fixers 2304											7,700	12,701	11,840	17,050	14,354	14,205	15,072	22,937		0.1%																						
Western 184 Rock & Roll 2203		50,000		100,000																0.3%																						
Section 9 Transp (MCO) 2127	303,611	298,085	352,688	352,660	352,850	352,860	570,906	590,057	561,009	582,529	590,828									4.1%																						
Quality of Life 2805	797,034	794,228	796,430	735,281	720,883	761,777	897,753	876,220	737,536	833,696	698,422	1,083,970	740,826	656,689	627,693	660,000	702,000	700,000		11.5%																						
Capital Outlay GRT 3102																14,589				0.0%																						
Transit CMI 5600	2,220,921	2,254,153	2,605,102	2,802,436	3,221,473	3,779,248	3,330,089	3,819,487	3,542,977	3,889,468	3,884,830	4,401,041	4,281,423	4,536,951	4,881,513	4,700,000	5,105,400	4,846,361		55.3%																						
Transit Fed Grants 5407		167,844	91,272	250,000	250,000	250,000														0.8%																						
Transit Fac Grant Match 5410							146,200	100,800	374,506											0.5%																						
Transit Bus Grant Match 5416										364,417	111,315	178,500	23,000						78,520	0.6%																						
Paratransit 5421													664,160	641,356	601,031	300,410	533,407	764,000	574,438	2.5%																						
	4,912,308	5,095,250	5,435,509	5,741,200	6,014,613	6,167,439	6,244,325	6,450,006	6,794,847	7,763,316	7,596,600	8,258,332	7,841,619	6,911,640	6,966,415	7,090,424	7,502,129	7,419,550		100.0%																						
Beginning Cash 2116 - Mun GRT		(6,694)	(17,683)	1,259	90,000	60,262	19,415	152,487	387,564	535,261	177,697	305,925	292,869	72,385	261,970	428,910	759,588	638,778	1,028,544																							
	<table border="1"> <thead> <tr> <th>Category</th> <th>%</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Transit</td> <td>74.473,097</td> <td></td> <td>61.3%</td> </tr> <tr> <td>Central</td> <td>26,785,092</td> <td></td> <td>22.3%</td> </tr> <tr> <td>Quality</td> <td>13,791,824</td> <td></td> <td>11.5%</td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td>4.4%</td> </tr> <tr> <td></td> <td></td> <td></td> <td>100.0%</td> </tr> </tbody> </table>																			Category	%	%	Transit	74.473,097		61.3%	Central	26,785,092		22.3%	Quality	13,791,824		11.5%	Other			4.4%				100.0%
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received more than 60% of the funds appropriated from the Municipal GRT Fund. The Transit Operating Fund, which underwrites the Transit Division, has accounted for almost all this distribution (56%). The General Fund has received the 2<sup>nd</sup> largest share (22%) of the total amount appropriated over the past 18 years. The transfers to the General Fund arrive with no effective designation and commingle with the many other revenue streams pouring into this fund. The Quality of Life Fund has been appropriated the 3<sup>rd</sup> largest share (12%). Along with the General and Quality of Life Funds, there are other funds that draw from the Municipal GRT Fund that are not specifically transit-oriented. As a group, however, these funds amount to less than 5% of the total disbursed since 1996.

The fund's ending balances over this 18-year period have oscillated with no apparent pattern from a low of negative amounts in the early years to a high of \$0.76 million two fiscal years ago. The oscillation is just as pronounced in terms of percentage of either revenues or expenditures, with a low of 0% at the start of this period to a high of 10% recently. FY 2014-15 is projected to close with an ending balance of \$ ( %). The FY 2015-16 budget was approved with an anticipated ending balance of \$ ( %). To be sure, this fund is currently in an operating deficit. Recurring expenditures exceed recurring revenues, which are guaranteed to at best fall slowly with the sunset of the "hold harmless" GRT payment by the state. If the trend is not corrected, this fund will eventually come to draw funds from the General Fund instead of paying into it.

The pattern of appropriation of Municipal GRT funds appears generally consistent with the language of the legislation that prescribes how this revenue stream is to be distributed:

#### **18-10.4 C.**

*Revenue from the fifth one-quarter percent (1/4%) increment of the municipal gross receipts tax is dedicated to the public bus system and quality of life purposes in the following manner:*

- (1) Finance the acquisition, operation, maintenance and any other expenses necessary for or incidental to the provision of a public bus system. In the event that the public bus system is ever discontinued, the funds allocated to this paragraph shall be used for general municipal operations and the discontinuance of the public bus system shall not affect the allocations set out in paragraph (2) below. The governing body shall not discontinue the public bus system until the notice and hearing requirements of subsections 2-2.3A, 2-2.3B, 2-2.4A, 2-2.4D, 2-2.6 SFCC 1987 have been met.*
- (2) After satisfying the provision of a public bus system, the remaining proceeds of the gross receipts tax shall be allocated as set forth in subparagraphs (2)(a) and (2) (b) below.*



- (a) *Up to two-thirds (2/3) of the proceeds remaining following the distributions provided in paragraph C(2) of the gross receipts tax shall be used for general municipal operations.*
- (b) *Up to one-third (1/3) of the proceeds remaining following the distributions provided for in the paragraph C(1) of the gross receipts tax shall be used exclusively for the following quality of life purposes: recreation, open space, libraries, and parks.*

Veteran City staffers explain that the standing practice during the budget process has been to first attempt to meet the Transit Division's budget requests before allocating resources from this GRT to the General and other funds. The FY 2015-16 Budget continued this approach. To the extent that Transit Division has presented and the Governing Body has addressed the community's transit priorities during the annual budget development process, the GRT has been used to satisfy the public bus system funding needs with the available resources and appropriated the balance to quality of life purposes as set out in the ordinance. Based on this, staff does not recommend any changes to the ordinance at this time.

I am available to answer any questions you may have or provide further information as you require.



From: JON BULTHUIS [jbulthuis@ci.santa-fe.nm.us]  
Subject: Information Request: City Council Agenda Item #10j  
Date: May 12, 2015 at 2:10 PM  
To: JOSEPH MAESTAS [jmaestas@ci.santa-fe.nm.us]  
Cc: Brian Snyder [bsnyder@ci.santa-fe.nm.us], OSCAR RODRIGUEZ [osrodriguez@ci.santa-fe.nm.us]

Clr. Maestas –

As requested, the following bullet points provide a general overview of the ¼% Quality of Life GRT allocation to the Transit Division, along with an overview of the federal funding situation, and finally the operating/capital needs of the existing transit programs including Santa Fe Trails (fixed-route bus), Santa Fe Ride (para-transit vans), and Santa Fe Pick-Up (downtown/museum shuttle):

- ÿ A “transfer-in” from the ¼% GRT is made during the budget process to support ongoing operations of the transit services being delivered and approved by City Council (existing service plan)
- ÿ Demand for increased services, expressed through the Transit Master Plan process (currently underway), are considered on a case by case basis as funding is available (i.e. service to SFCC on Saturdays, more frequent service on existing routes, new routes to serve new destinations, etc.)
- ÿ The “periodic assessment” of how the ¼ % GRT collected is budgeted and expended has not occurred, to my knowledge, during my tenure with the City of Santa Fe
- ÿ Federal operating funds have remained fairly stable in recent years (although uncertainty exists in that the U.S. DOT’s funding awaits Congressional re-authorization)
- \* ÿ Federal capital funds have decreased from an average of approximately \$1M+ per year to \$100K+ per year forcing local governments to pick up the difference
- \* ÿ Fleet replacement funding requirements for Santa Fe Trails fixed-route bus fleet, alone, average \$1.5M/year (needed for cyclical replacement of the 30 bus fleet, with 10-year life buses, at a pace of 3 buses/year, at a cost of +/- \$500K per bus)
- \* ÿ Costs to replace Santa Fe Ride Paratransit vehicles, Santa Fe Pick-Up vehicles, and support vehicles are in addition to the fixed-route fleet replacement needs
- \* ÿ Costs to place and maintain street furniture (shelters and benches), in addition to the Downtown and Southside Transit Centers, fall in part to the city as well once competitive discretionary grant funds are exhausted

***The key long-term funding shortfall for the Transit Division is fleet replacement. Unless the future Federal Transportation Act includes capital funding allocations at levels of years past, the need for +/- \$1.5M per year to keep the fleet on a regular replacement schedule will fall to the City of Santa Fe.*** As you know, we recently were forced to cut the level of service delivery in order to free-up operating funds to

cover the debt service required to purchase replacement buses. That was a necessary one-time fix, but not a sustainable practice. Note that the New Mexico Transit Association is also working with the State Legislature to address this funding shortfall, but as yet, New Mexico remains one of just a handful of states that does not support local transit capital or operating costs with state revenues.

The systems capital needs are fairly straightforward and quantifiable, as described above, but please let me know if you have any questions or would like further information prior to Wednesday's City Council meeting.

Jon

GROSS RECEIPTS TAX				FY 14-15		FY 14-15	
FOR EVERY \$1 IN SALES, \$1875 CENTS IS CURRENTLY COLLECTED IN GROSS RECEIPTS TAX						Budget FY 14-15	
DISTRIBUTED TO:	CENTS	ALLOCATION TO CITY 2014/15 BUDGET	PLEDGED DEBT SERVICE	OPERATIONS	Budget Debt Payments	OPERATIONS	
The State (1.225 is returned to the city)	4.6250	40,328,962	40,328,962			40,328,962	
State increment in lieu of food GRF	0.5000	N/A (included in other listed City categories)					
Mun. G.R.T. Operations	0.1875	N/A (SF County)					
Capital Outlay	0.0500	N/A (SF County)					
GRM/Medical	0.0500	N/A (SF County)					
Co Operations/Jail	0.0500	N/A (SF County)					
Regional Transit	0.1250	N/A (SF County)					
City Capital Improvement Plan	0.5000	15,594,000	15,594,000		12,511,882	3,082,118	
General City Operations	0.5000	15,805,316		15,805,316		15,805,316	
Mun. G.R.T. (Bus Systems, Quality of Life, Revenue Loss)	0.2500	2,797,189		7,797,000	329,205		
General Fund						1,254,266.04	
RMC/Inders						22,837.04	
Quality of Life						702,000	
Transit Bus Operations						4,046,361.04	
SP Trails Welfare to Work						80,000.04	
SF Transit Operations						574,436.04	
Mun. G.R.T. Environmental (WW)	0.9625	1,926,500	1,926,500		1,538,550	387,950	
Mun. G.R.T. Infrastructure:							
Solid Waste	0.0625	1,926,500	1,926,500		1,307,660	618,840	
Rallyard	0.0625	1,926,500	1,926,500		1,880,711	45,789	
Police	0.0625	1,966,800		1,966,800		1,868,800	
Chavez Center	0.0625	1,926,500		1,926,500		1,926,500	
Water	0.2500	2,695,000		7,695,000	7,695,000	0	
Mun. Equivalent Distrib		350,000		350,000		350,000	
<b>TOTAL</b>	<b>8.1875</b>	<b>97,244,078</b>	<b>61,702,462</b>	<b>35,541,616</b>	<b>25,263,008</b>	<b>71,881,070</b>	<b>97,244,078</b>

## Southside Transit Center - Cost Estimates

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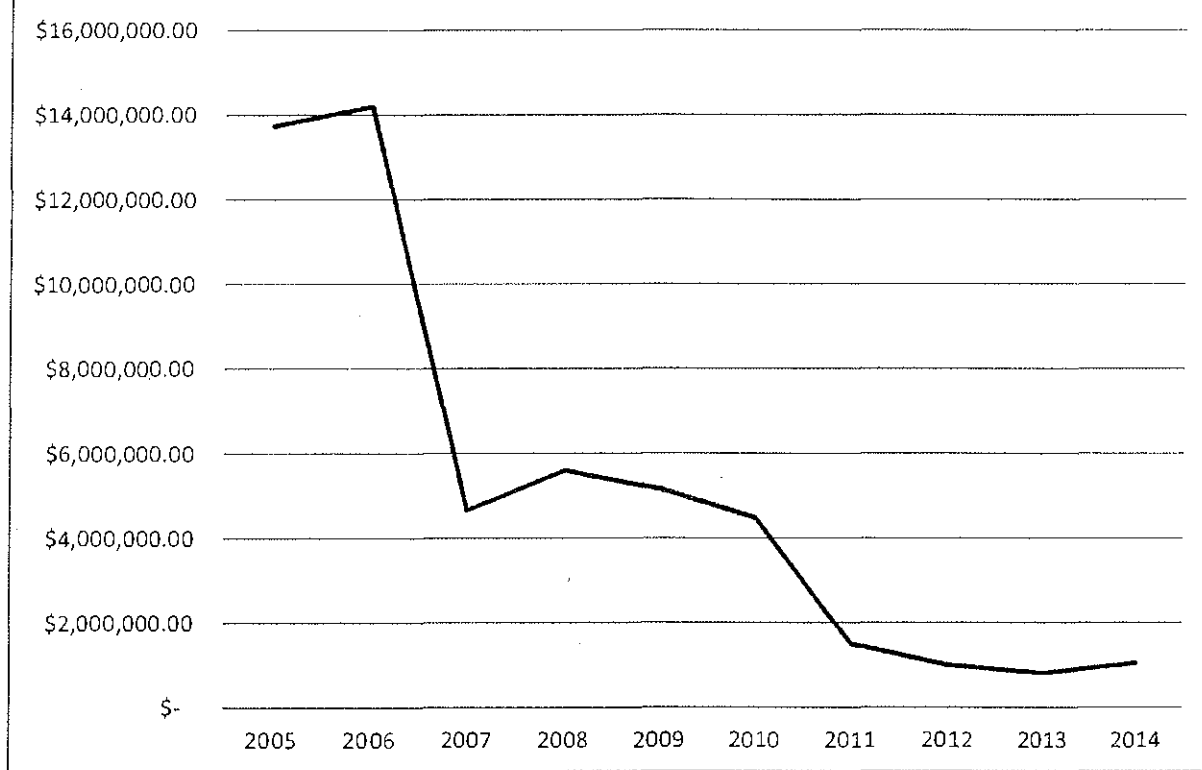
Option #1 - Exterior Work Only (w/o parking)	\$1,116,789
Option #1 Modified - Exterior Work (w/ minimal parking)	\$1,200,000
Option #1A - Exterior Work (w/ minimal parking) <i>Plus minimal interior remodeling to allow indoor waiting area, public restrooms, customer service window, and staff office spaces (diagram)</i>	\$1,500,000

## Southside Transit Center - Funding Sources

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FTA Grant Award <i>Funds remaining after purchase of bus shelters</i>	\$544,093
Sale of Adjacent Land	\$248,000
Dedication of Roadway Impact Fees <i>(\$1,950,000 current account balance)</i>	\$707,907
Total Project Cost	<hr/> \$1,500,000

### FTA Discretionary Grant History: 2005 - 2014



DEPARTMENT OF TRANSPORTATION 2005

Award Amount

Section 5309 20.500 NM030026 \$3,942,820  
Section 5309 20.500 NM03X022 \$977,186  
Section 5309 20.500 NM03X048 \$381,370  
Section 5309 20.500 NM030034 \$4,429,201  
Section 5309 20.500 NM030035 \$2,999,029  
Section 330 20.500 NM700001 \$993,500  
\$13,723,106

DEPARTMENT OF TRANSPORTATION 2006

Award Amount

Section 5309 20.500 NM030026 \$3,942,820  
Section 5309 20.500 NM03X022 \$977,186  
Section 5309 20.500 NM03X048 \$381,370  
Section 5309 20.500 NM030034 \$4,429,201  
Section 5309 20.500 NM030035 \$2,999,029  
Section 5309 20.500 NM03X045 \$1,457,667  
\$14,187,273

DEPARTMENT OF TRANSPORTATION 2007

Award Amount

Section 5309 20.500 NM03X0042 \$196,736  
Section 5309 20.500 NM030035 \$2,999,029  
Section 5309 20.500 NM03X045 \$1,457,667  
\$4,653,432

DEPARTMENT OF TRANSPORTATION 2008

Award Amount

Section 5309 20.500 NM03X0042 \$196,736  
Section 5309 20.500 NM030035 \$2,999,029  
Section 5309 20.500 NM58X001 \$445,500  
Section 5309 20.500 NM58X002 \$500,000  
Section 5309 20.500 NM03X045 \$1,457,667  
\$5,598,932

DEPARTMENT OF TRANSPORTATION 2009

Award Amount

Section 5309 20.500 NM03X0042 \$196,736  
Section 5309 20.500 NM030035 \$2,999,029  
Section 5309 20.500 NM58X002 \$500,000  
Section 5309 20.500 NM03X045 \$1,457,667  
\$5,153,432

DEPARTMENT OF TRANSPORTATION 2010

Award Amount

Section 5309 20.500 NM03X0042 \$196,736  
Section 5309 20.500 NM030035 \$2,999,029  
Section 5309 20.500 NM58X002 \$500,000  
Section 5309 20.500 NM03X056 \$490,050  
Section 5309 20.500 NM04X006 \$294,000  
\$4,479,815

DEPARTMENT OF TRANSPORTATION 2011

Award Amount

Section 5309 20.500 NM58X003 \$500,000  
Section 5309 20.500 NM58X004 \$700,000  
Section 5309 20.500 NM04X006 \$294,000  
\$1,494,000

DEPARTMENT OF TRANSPORTATION 2012

Award Amount

Section 5309 20.500 NM58X004 \$700,000  
Section 5309 20.500 NM04X006 \$294,000  
\$994,000

DEPARTMENT OF TRANSPORTATION 2013

Award Amount

ARRA-Section 5309 20.500 NM96X003 \$797,882

DEPARTMENT OF TRANSPORTATION 2014

Award Amount

ARRA-Section 5309 20.500 NM96X003 \$797,882  
Section 5309 20.507 NM04X0032 \$240,000  
\$1,037,882

Fixed Route Bus Replacement Schedule																
09/12/2013																
Purchases(Retirements)																
Bus Yr	Bus Type	Existing	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	End Qty
2001	Bluebird	R	10	0	-10											0
2002	Bluebird	R	7		-7											0
2008	Eld EZRider II	R	6					-3	-3							0
2009	Eld Passport	R	4				-4									0
2011	Eld EZRider II	R	6										-3	-3		0
2012	Gillig	R	2												-2	0
2014	Gillig	N			5											5
2015	Bus	N				7										7
2016	Bus	N					3									3
2017	Bus	N						3								3
2018	Bus	N							3							3
2019	Bus	N								2						2
2020	Bus	N									2					2
2021	Bus	N										2				2
2022	Bus	N											2			2
2023	Bus	N												1		1
2024	Bus	N													1	1
Annual Change			35	0	-5	0	-1	3	0	-1	2	2	-1	-2	-1	31
Total Buses in Fleet			35	35	30	30	29	32	32	31	33	35	34	32	31	
Peak Puliout			23	23	23	23	23	23	23	23	23	23	23	23	23	0
Spare Ratio			52%	52%	30%	30%	26%	39%	39%	35%	43%	52%	48%	39%	35%	
Contingency Fleet																
Bus Yr	Bus Type	Existing	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	End Qty
2002	Bluebird	R				3			-3							0
2008	Eld EZRider II							3	3			-3	-3			0
2011	Eld EZRider II												3	3	-2	4
2012	Gillig														2	2
Annual Change			0	0	0	3	0	0	0	3	0	-3	0	3	0	6
Total Buses in Cont. Fleet			0	0	0	3	3	3	3	6	6	3	3	6	6	