



Legislation Text

File #: R2024-116, Version: 1

Consider approving Resolution No. 2024-116 to support capping the sales and use tax revenues paid by the Farmers Branch to the Dallas Area Rapid Transit Authority; and take appropriate action.

BACKGROUND:

The Dallas Area Rapid Transit Authority (DART) services Addison, Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Highland Park, Irving, Richardson, Rowlett, Plano, and University Park. All member cities contribute one cent (\$0.01) of the sales and use tax to DART.

DISCUSSION:

Since the pandemic, DART has experienced a significant drop in ridership. The City is concerned that the DART services provided to taxpayers may not be commensurate with the City's current contribution to DART. Additionally, many of our residents have expressed concerns about the cleanliness, safety, and overall conditions of the DART services.

Despite the challenges faced by DART, sales and use tax revenue has continued to grow, surpassing \$200 million over the last five years, a roughly 35% increase. In contrast, ridership has remained well below pre-pandemic levels.

On June 24th, the Plano City Council approved a resolution supporting a cap on the sales and use tax revenues allocated to DART. Other DART member cities are considering adopting similar resolutions. The proposed resolution aims to reduce and cap our sales and use tax allocations to DART from one cent to three-quarters of a cent, ensuring our taxpayer dollars are being spent equitably and effectively.

FISCAL IMPACT:

NA

DISTRICT:

Citywide

POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2024-116 as presented.
2. I move to approve Resolution No. 2024-116, with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENT(S):

1. Resolution No. 2024-116
2. News Article regarding Plano's DART contribution
3. Presentation
4. FY 2022 Cost of Services by City