



Highlights of Contract Terms Proposed by Lone Star Rail District
For Commuter Rail Station in Kyle
Terms As of April 17, 2014

The following are some of the major contract terms as proposed by the Lone Star Rail District (LSRD) to the City of Kyle in order to provide a commuter rail station in Kyle. These contract terms are as of April 17, 2014 and are subject to change based on City Council's consideration and final decision.

1. Term of Contract: 36 years with an option to renew for another 20 years upon approval by City Council and LSRD
2. Service Level: Not guaranteed, initial service goals include:
12 total round trips per weekday
60 minute headway on peak
120 minute headway off peak
Weekend and holiday service; not defined
3. City's Cost Responsibility: Allocated costs for operations & maintenance costs of the LSRD system for smaller cities which include Georgetown, Round Rock, Buda, Kyle, San Marcos, New Braunfels and Schertz
4. Cost Allocation Percentage: 13.1% of allocated costs for operations & maintenance costs of the LSRD system for smaller cities
5. Funding Mechanism: Creation of a half-mile "transportation infrastructure zone" (TIZ) around the rail station in Kyle to capture the incremental increase in the property tax base and associated property tax revenue as well as sales tax.
6. Funding Sources:
50% of incremental increase in property tax revenue assessed from properties within the 1/2 mile TIZ boundary will be due to LSRD.
50% of incremental increase in sales tax revenue collected from businesses located within the 1/2 mile TIZ boundary will be due to LSRD.
100% cost responsibility of the City for all operations and maintenance costs for the rail station in Kyle including utilities, custodial, security, landscape, repairs, etc.
Annual membership dues to be paid by the City to LSRD.