

# DART Membership

December 2, 2025  
City Council Meeting



ADDISON

# Discussion Purpose

- Addison has been a member city of Dallas Area Rapid Transit (DART) **since its creation in 1983.**
- Addison **contributes a one-cent sales and use tax** to DART.
  - From 1984 to 2025, Addison has contributed over \$400.5 million to DART.
  - Last year, in FY2025, Addison contributed \$17.6 million to DART.
  - Town's contribution is greater than service value received.
- **Four cities (Plano, Highland Park, Farmers Branch, and Irving) have called elections in May 2026 to consider leaving DART.**
  - According to an EY report analyzing FY 2023, these four (4) cities' sales tax contributions equal \$242.4M amounting to 29.1% of the total sales tax collected by DART.
  - **If those elections are successful, the remaining costs and certain service reductions would be borne by the remaining cities.**

## 1. **DART Services in Addison**

- Transit Modes
- Independent Analysis and Service Value to Addison
- Timeline / Ongoing Discussions with DART

## 2. **Sales Tax**

- Sales Tax in Addison
- Local Option Sales Tax

## 3. **Withdrawal Election Process**

- Calling an Election
- After the Election and Withdrawal Obligation
- Goals for DART
- Next Steps

# **DART Services in Addison**



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# DART Services in Addison

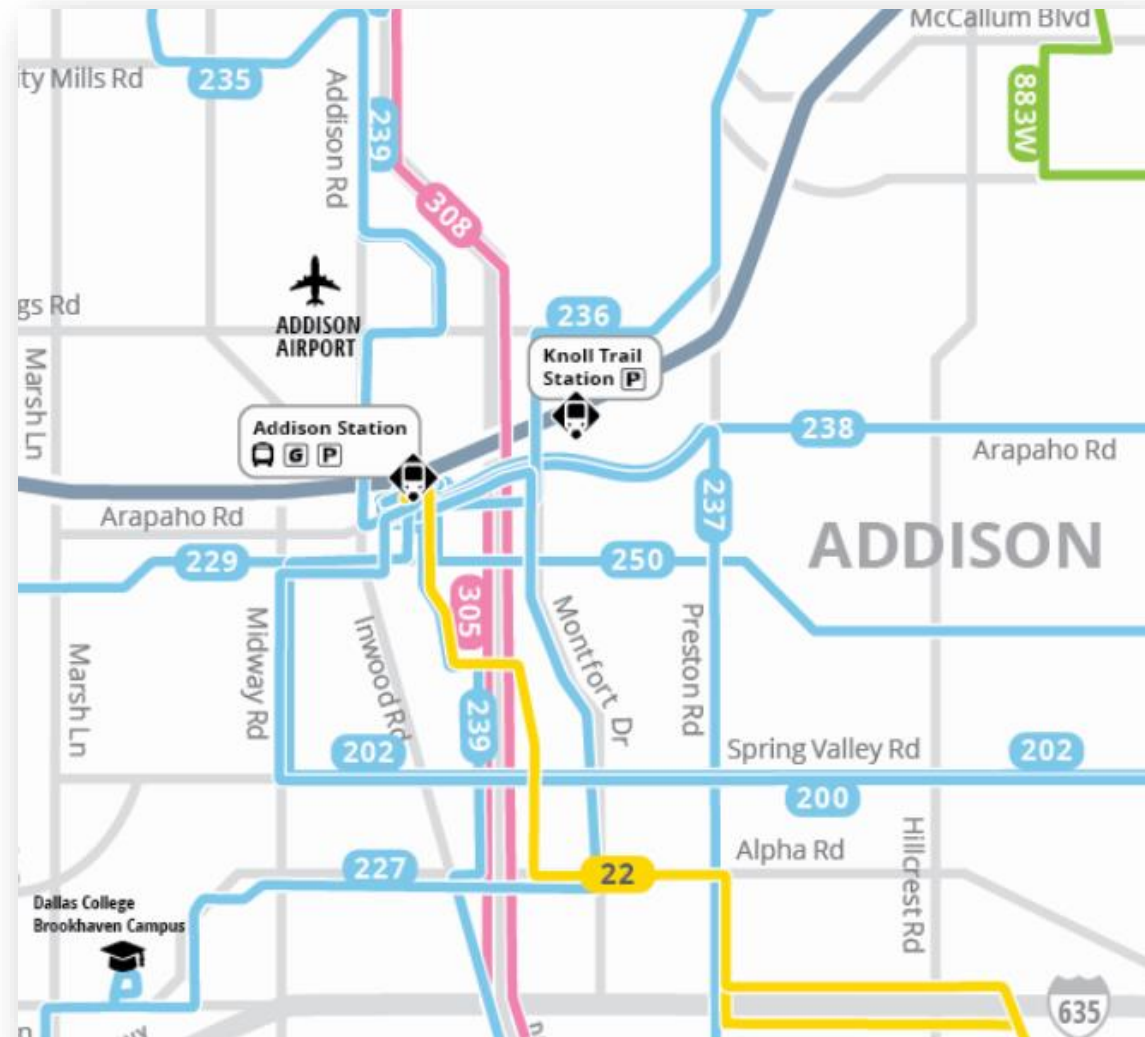
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- **Addison Transit Center**

- Served by 12 bus routes and anchors one GoLink zone (Keller Springs)
  - 1,800 boardings each weekday
  - 50,000+ boardings monthly
  - Includes bus transfers at the Transit Center

- **Bus Routes including:**

- Route 235
- Route 239 (Dallas-Addison-Legacy)
- Route 305 – Express Bus, Addison Transit Center to Downtown Dallas  
*(Will be discontinued January 2026)*



[DART System Map Link](#)

# DART Services in Addison

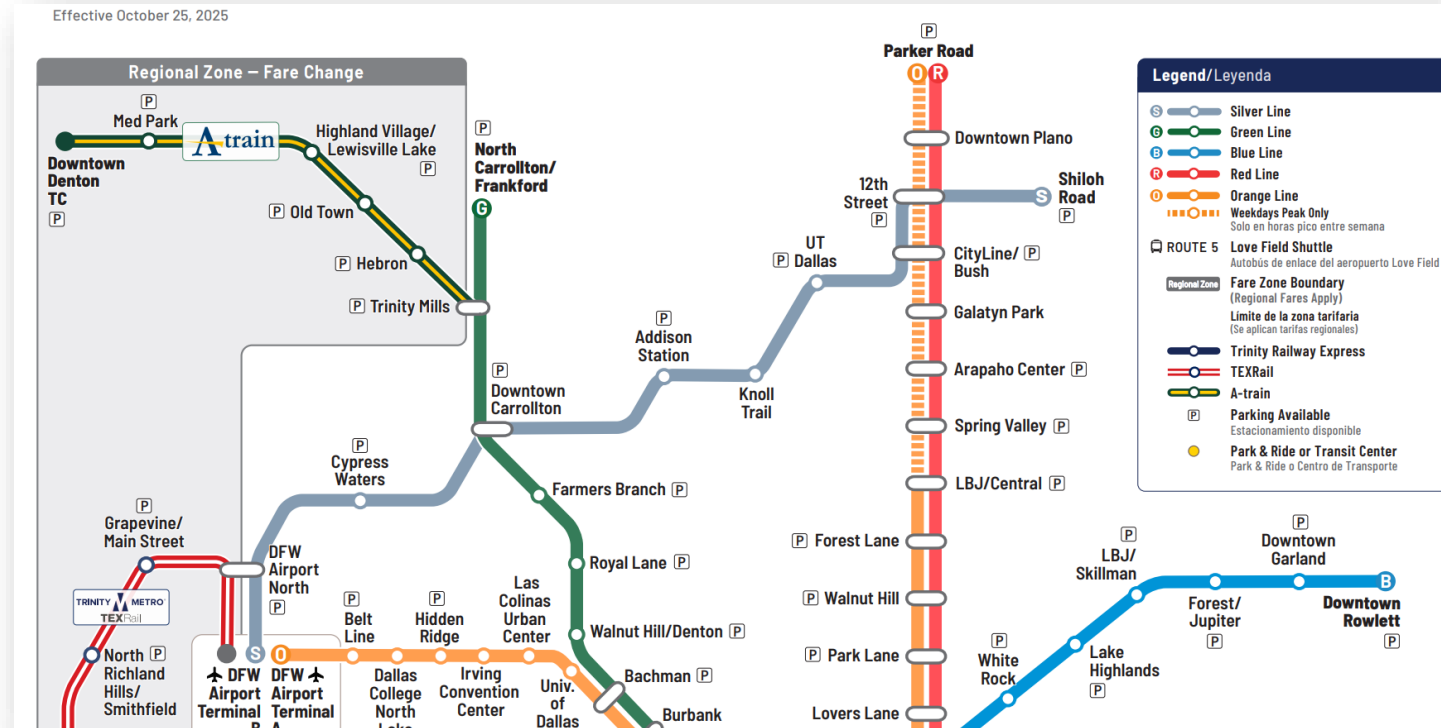
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## • Rail

- Silver Line recently opened in October 2025 with a station in Addison

## • GoLink / Circulator

- Currently, no GoLink zone serving all of Addison.
- In Nov. 2024, Town staff reached out to request additional services.
- In FY2026 Budget, DART approved funding for additional services for Addison.
  - Funding for an Addison GoLink zone was approved. Preliminary communication from DART that the zone should be operational April 2026. Provides for travel within Addison zone only.
  - Partial funding (50%) approved for a circulator concept, if Town funds other half.



[DART Rail System Map](#)

# Service Value to Addison

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- Member cities requested additional information regarding DART's level of annual expenditures within each city (2022 / 2023)
- DART engaged EY to perform an independent cost allocation analysis which accounted for regional benefits of the system while identifying expenditures & revenues allocated to each city (2023 / 2024)
- Addison identified as a “donor” city** contributing more than the Town's investment  
**According to the report, in FY23, the Town contributed \$16.3 million, while only \$9.5 million was spent in Addison.**
- Due to allocation methodology for bus service in the report, *the bus service value attributed to Addison is likely overstated.*

Table 1. Total FY 2023 expense allocation by city, \$m

| City            | Operating expenses | Capital depreciation expenses <sup>3</sup> | Interest expenses <sup>4</sup> | Total          | Sales tax contribution |
|-----------------|--------------------|--|--------------------------------|----------------|------------------------|
| Addison         | 8.5                | 0.7  | 0.3                            | 9.5            | 16.3                   |
| Carrollton      | 19.6               | 11.9                                       | 5.9                            | 37.3           | 48.3                   |
| Cockrell Hill   | 2.4                | 0.3  | 0.1                            | 2.8            | 0.6                    |
| Dallas          | 412.5              | 186.3                                      | 91.7                           | 690.5          | 407.8                  |
| Farmers Branch  | 12.7               | 5.5  | 2.7                            | 20.8           | 24.3                   |
| Garland         | 41.3               | 14.3                                       | 7.1                            | 62.7           | 45.2                   |
| Glenn Heights   | 1.3                | 0.1  | 0.1                            | 1.5            | 1.1                    |
| Highland Park   | 1.7                | 0.1  | 0.0                            | 1.9            | 6.3                    |
| Irving          | 59.1               | 43.1                                       | 21.2                           | 123.5          | 102.2                  |
| Plano           | 35.0               | 6.4  | 3.2                            | 44.6           | 109.6                  |
| Richardson      | 34.9               | 10.6                                       | 5.2                            | 50.7           | 56.9                   |
| Rowlett         | 7.1                | 6.0  | 3.0                            | 16.1           | 9.2                    |
| University Park | 1.7                | 0.1  | 0.0                            | 1.8            | 6.4                    |
| <b>TOTAL</b>    | <b>638.0</b>       | <b>285.3</b>                               | <b>140.5</b>                   | <b>1,063.7</b> | <b>834.4</b>           |

Source: EY analysis. Sales tax contribution amounts provided by DART.



# Service Value to Addison

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According to the report, in FY 2023, DART's total operating costs were \$638M of which \$8.5M was spent in Addison

| DART FY2023               | Total Operating Cost | Spent in Addison |
|---------------------------|----------------------|------------------|
| Bus Service               | \$304.1M             | \$7.3M           |
| Paratransit               | \$35.7M              | \$100k           |
| System Admin              | \$58.6M              | \$1.1M           |
| Light Rail Service        | \$189.4M             | \$0              |
| GoLink                    | \$14.9M              | \$0              |
| Commuter Rail / Streetcar | \$35.3M              | \$0              |

## Of \$7.3M of Bus Service, the allocation factors used are likely not reflective of value to Addison

- Includes data from the Addison Transit Center
- Bus Boardings based on location of boarding (including transfers at Addison Transit Center) rather than destination

Table 11. Allocation factors by member city

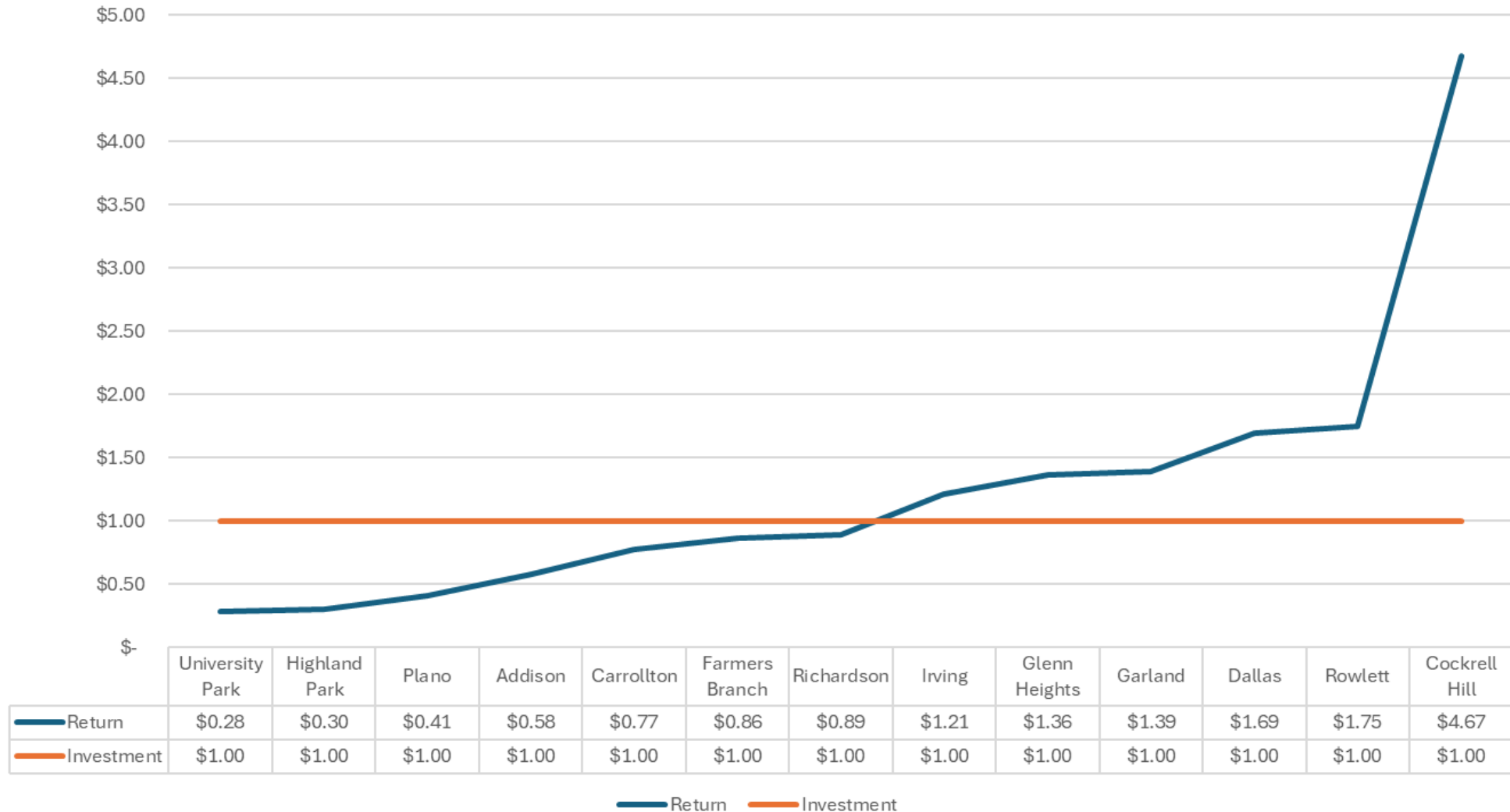
| Mode  | Metric                              | City    |            |               |         |
|---|-------------------------------------|---------|------------|---------------|---------|
|   |                                     | Addison | Carrollton | Cockrell Hill | Dallas  |
|  | Bus Stop Count                      | 1.15 %  | 2.18 %     | 0.36 %        | 67.89 % |
|   | Bus Route Miles                     | 1.90 %  | 1.90 %     | 0.40 %        | 67.72 % |
|   | Bus Revenue Hours                   | 1.47 %  | 1.53 %     | 0.50 %        | 74.29 % |
|   | Bus Revenue Miles                   | 1.59 %  | 1.62 %     | 0.49 %        | 72.61 % |
|   | Bus Boardings                       | 2.89 %  | 1.23 %     | 0.89 %        | 74.19 % |
|   | Bus Vehicles during Peak            | 9.29 %  | 2.58 %     | 2.80 %        | 48.46 % |
|   | Bus Modal Admin (Derivative Metric) | 2.40 %  | 1.63 %     | 0.76 %        | 70.58 % |



# Service Value to Addison

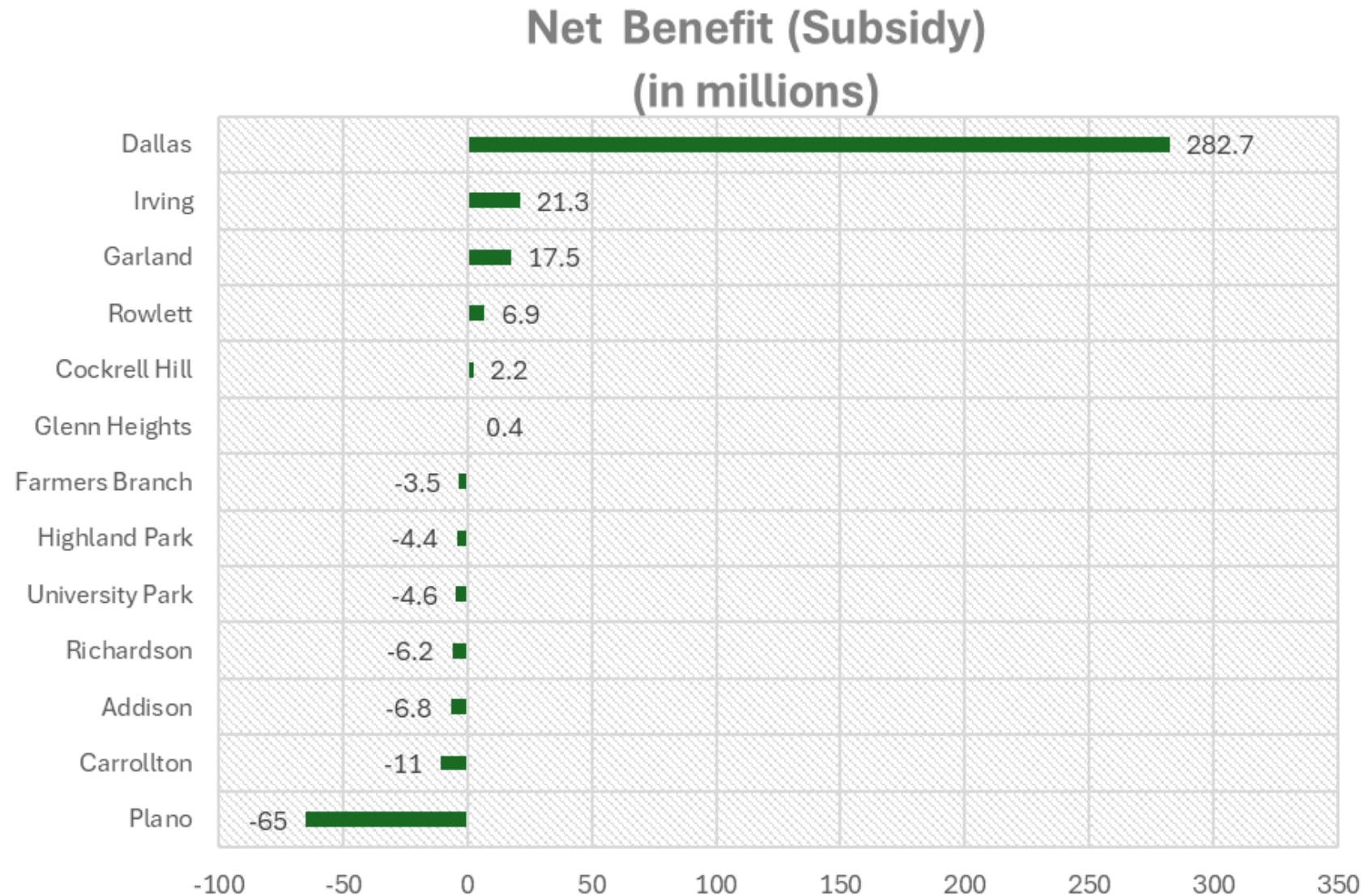
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Return for Every \$1 in DART Contributions



# Service Value to Addison

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# Timeline / Ongoing Discussions

- 2025 - Member Cities have **continued to engage DART on discussions regarding governance and alternatives** for contribution models.
- January 2025 - **Legislation introduced** in 89<sup>th</sup> State Legislative Session to address.
  - HB 3187 / SB 1557 – annual rebate of up to 25% of sales tax to each jurisdiction for use on eligible projects.
  - HB 5049 / SB 2118 – DART Board make-up change to allow one vote for each city, except City of Dallas is entitled to 3 votes.
- February 2025 - With introduced legislation, **DART asked cities to engage in collaborative discussions to resolve and to create a model to provide funding back to donor cities** rather than through state legislation.
  - Addison passed a resolution of support for continued full funding and **working collaboratively with DART, neighboring cities, and regional partners to advocate for sustainable, equitable, and accessible transit solutions** that benefit all residents of the North Texas region.

# Timeline / Ongoing Discussions

- March 2025 - DART **approved creation of a General Mobility Program (GMP)** “in response to demands by certain member cities and to avoid proposed state legislation.”
  - Program would **reallocate 5% of DART’s annual sales tax revenue to seven (7) donor cities** as identified in the EY Cost Allocation Study: Addison, Carrollton, Farmers Branch, Highland Park, Richardson, Plano, and University Park.
- July 2025 – DART notifies donor cities that to receive funds from the GMP, the City Council would need to pass a resolution and agreement committing to not seek further efforts or actions for legislation that would reduce or divert any portion of DART’s voter-approved one-cent sales tax.
  - Agreement would require reimbursement of any funds to DART if legislation passes that results in the redirection or reduction of any portion of DART’s voter approved one cent sales tax.
  - Effectively, binding future Councils and any policy or advocacy actions by a donor city indefinitely.
  - **Staff and Legal would not advise to approve the GMP as written and have made our concerns known to DART.**

# Sales Tax

The logo for Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font. The text is centered within a white circle, which is itself set against a blue background. The blue background is part of a larger graphic element on the right side of the slide, consisting of a blue triangle with a white circle and a grey triangle in the top right corner.

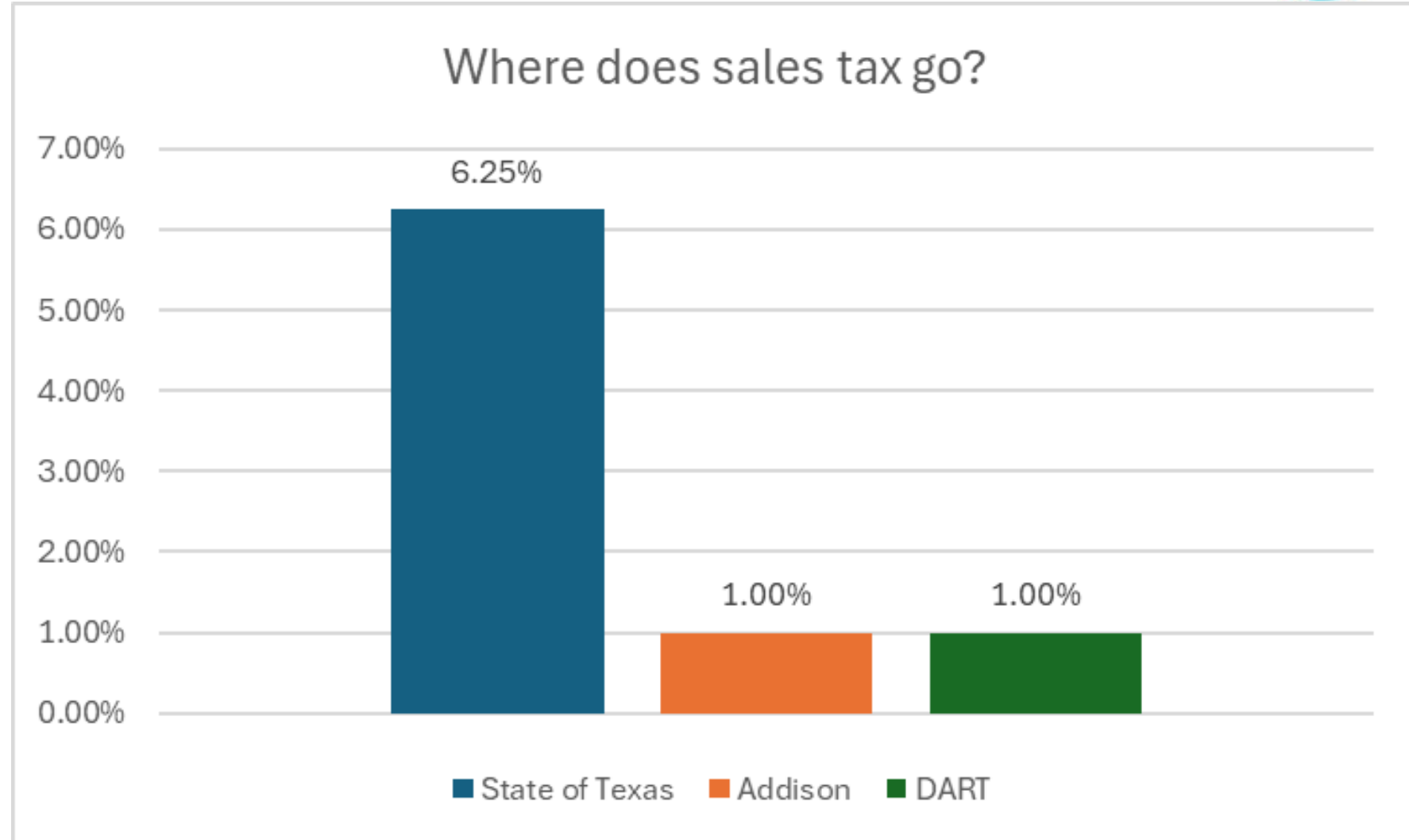
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# Sales Tax in Addison

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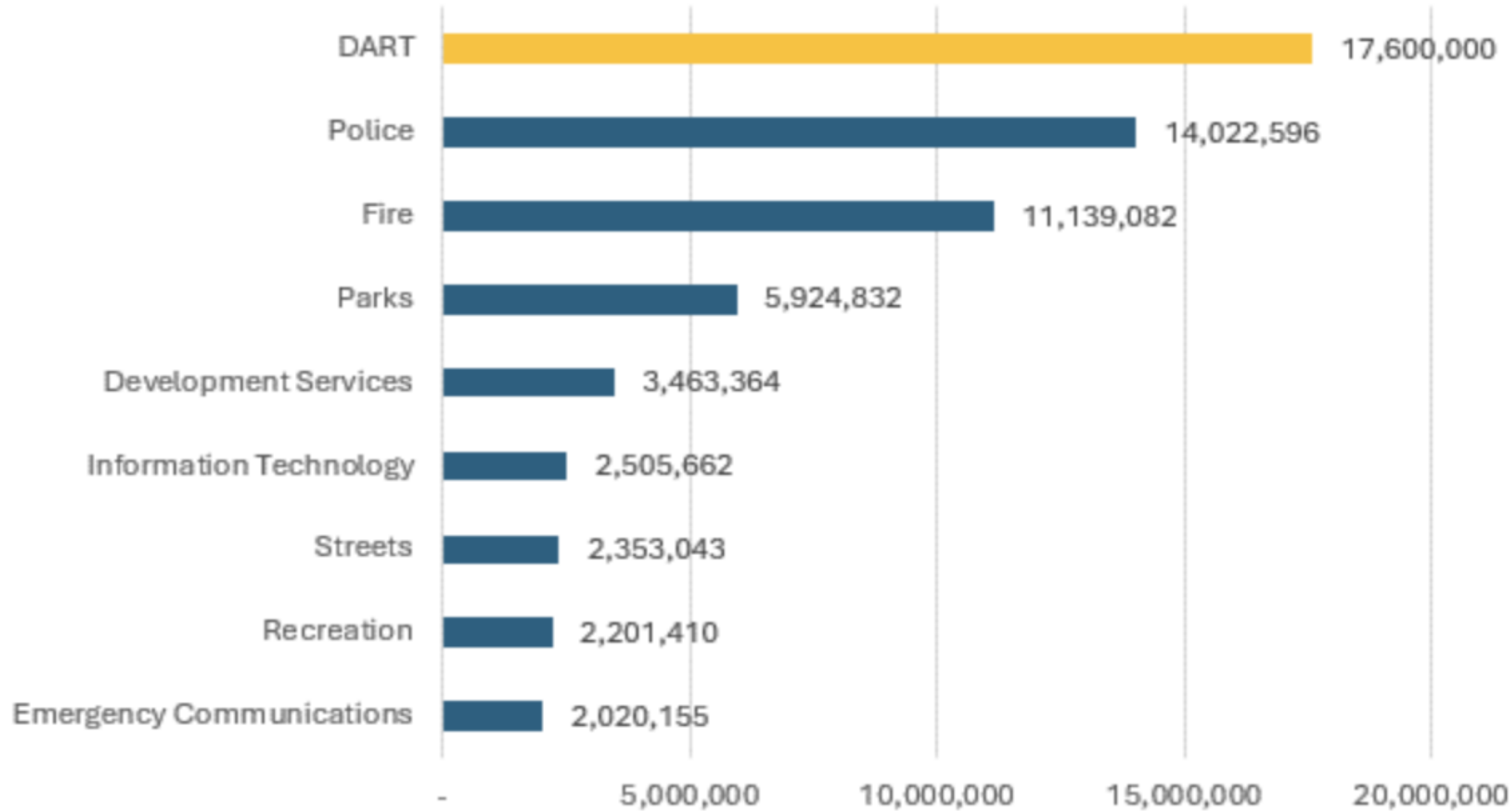
Last year, in FY2025, Addison's one-cent contribution to DART totaled **\$17.6 million**.

From 1984 to 2025, Addison has contributed over \$400.5 million to DART.



# General Fund Expenses by Type

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This chart shows the annual operating expenses in the Town's General Fund by department.

**The Town's annual contribution to DART represents more than any department, including the Addison Police Department.**



# Local Option Sales Tax

**A city that is not a member city with DART, or withdraws from DART, is eligible to utilize the 1% sales tax as a local option sales tax.**


Below are some examples of what local options sales taxes can fund:

- Economic Development (4A and/or 4B Corporation)
- Alternative Transportation Solutions
- Police and Fire (Crime Control District/Fire Control District)
- Parks/Recreation/Trail Uses (4B Corporation)
- Street Maintenance
- Property Tax Relief

For Addison, uses other than transportation would provide some type property tax relief as they replace property tax funding for services currently funded by the General Fund.

- In 2025, Addison collected over \$17 million in sales taxes.
- **\$17 million is approximately 25 cents on the property tax rate.**

# Withdrawal Election Process

The logo for Addison Community College, featuring the word "ADDISON" in blue, uppercase, sans-serif font inside a white circle. The circle is set against a blue background that has a diagonal white line running from the top-left to the bottom-right, creating a triangular shape. The top-left triangle is white, and the bottom-right triangle is dark grey.

**ADDISON**

# Calling an Election to Withdraw

- Per State law (Chapter 452-Subchapter Q of the Texas Transportation Code), a **Member City has the right to withdraw from DART, but only once every six years.**
  - 2026 is an eligible “out” year for DART member cities.
- Member cities may consider adding the question of DART withdrawal to the voters in 2026.
  - For the May 2026 election, a city must pass an ordinance calling for a withdrawal election by February 13, 2026.
  - Once a city passes the ordinance, the Secretary of State, Comptroller, and DART must be immediately notified (certified mail sent the next day).
  - A city that has passed an ordinance to call a withdrawal election may choose to rescind it any time before 45 days before the election.

- If a withdrawal election is successful, all DART service stops the day after.
- The DART Board calculates the amount owed by the city at the time of the election.
  - The calculation is found in Chapter 452 of the Texas Transportation Code
  - DART projected this calculation for each city in 2024 – see *next slide with Addison's repayment estimated to be 3 years.*
- The city's sales tax is committed to DART until the amount owed is satisfied.
  - Once the outstanding obligation is paid, the city can take the full one cent to a vote of the citizens for any use allowable by law (streets, economic development, property tax relief, public safety, etc.).
- Withdrawal does not affect DART's right to travel through a withdrawing member city.

# Withdrawal Obligation



Here is the prior information provided by DART for all Member Cities for FY2024.

## Projected Financial Obligations of DART Service Area Cities

Estimated Values as of September 30, 2024

| Service Area City | Allocation Percentage (1) |                | General Obligations    | Specific Obligations* | Less: Assets           | Net Obligation**       | FY 2024 Sales Tax Receipts (2) | Repayment (In Years) (3) |
|-------------------|---------------------------|----------------|------------------------|-----------------------|------------------------|------------------------|--------------------------------|--------------------------|
|                   | General Obligation        | Assets         |                        |                       |                        |                        |                                |                          |
| Addison           | 0.66%                     | 1.53%          | \$64,715,448           | \$1,381,452           | (\$11,409,237)         | \$54,687,663           | \$16,721,354                   | 3.0                      |
| Carrollton        | 5.31%                     | 5.33%          | 518,290,683            | 1,295,361             | (39,799,613)           | 479,786,431            | \$47,657,474                   | 8.3                      |
| Cockrell Hill     | 0.15%                     | 0.10%          | 14,818,404             | 0                     | (754,082)              | 14,064,323             | \$602,656                      | 16.4                     |
| Dallas            | 51.88%                    | 52.03%         | 5,066,530,893          | 529,991,030           | (388,792,843)          | 5,207,729,080          | \$423,239,148                  | 9.9                      |
| Farmers Branch    | 1.43%                     | 2.22%          | 139,797,952            | 13,240,533            | (16,613,695)           | 136,424,791            | \$23,509,256                   | 5.1                      |
| Garland           | 9.78%                     | 7.33%          | 955,594,806            | 8,631,002             | (54,757,828)           | 909,467,979            | \$42,983,299                   | 15.2                     |
| Glenn Heights     | 0.63%                     | 0.35%          | 61,444,911             | 306,108               | (2,630,029)            | 59,120,991             | \$1,230,179                    | 27.0                     |
| Highland Park     | 0.35%                     | 0.48%          | 34,429,970             | 0                     | (3,612,103)            | 30,817,867             | \$8,440,615                    | 3.3                      |
| Irving            | 10.21%                    | 10.63%         | 997,024,190            | 157,698,390           | (79,431,290)           | 1,075,291,290          | \$103,130,123                  | 8.6                      |
| Plano             | 11.35%                    | 12.04%         | 1,108,929,361          | 30,084,308            | (90,011,742)           | 1,049,001,927          | \$115,971,060                  | 7.6                      |
| Richardson        | 4.75%                     | 5.37%          | 464,047,167            | 37,518,717            | (40,113,327)           | 461,452,557            | \$51,970,249                   | 7.5                      |
| Rowlett           | 2.49%                     | 1.73%          | 242,901,419            | 0                     | (12,917,853)           | 229,983,566            | \$9,477,525                    | 16.9                     |
| University Park   | 1.01%                     | 0.87%          | 98,186,009             | 0                     | (6,464,359)            | 91,721,650             | \$6,850,695                    | 10.6                     |
| <b>TOTAL</b>      | <b>100.00%</b>            | <b>100.00%</b> | <b>\$9,766,711,212</b> | <b>\$780,146,901</b>  | <b>(\$747,308,000)</b> | <b>\$9,799,550,114</b> | <b>\$851,783,633</b>           | <b>N/A</b>               |

# Withdrawal Obligation



- Town staff used the latest financial information provided by DART's 06/30/2025 interim financial reports to replicate DART's calculation provided in the previous slide for FY2024.
- **Based on this calculation from DART and latest financial information, staff preliminarily estimates that Addison would repay its portion and withdrawal obligation in 2.88 years.**

| Member City | Allocation % | General<br>Obligation | Specific<br>Obligation | Less: Assets | Net Obligation | FY 2025 Sales Tax<br>Receipts | Repayment<br>(In Years) |
|-------------|--------------|-----------------------|------------------------|--------------|----------------|-------------------------------|-------------------------|
| Addison     | 0.67%        | 58,645,878            | 5,989,440              | (13,871,959) | 50,763,359     | 17,634,389                    | 2.88                    |

# Goals for DART

- **Create a financial model** to support the growing and evolving region.
  - Make it financially attractive for other cities to join to have a true regional system.
  - Cost borne by member cities should be lower to allow them to be financially competitive with non-member cities in the area.
- **Create an adaptable, scalable model.**
  - Developing a model for cities to select, choose, and pay for service based upon transit mode would help to achieve these goals.
- **Reimagine the governance model** created in 1983 (42+ years old).
  - Each member city would have a member on the DART Board entitled to a weighted vote.
- **Find innovative solutions to mobility needs.**
  - Leverage technology and private-partnership solutions.
  - Enhance data and performance metrics to monitor and adapt services.



- A withdrawal election may be called once every 6 years by member cities of DART. 2026 is an eligible year.
- For the May 2026 election, a city must pass an ordinance calling for a withdrawal election by February 13, 2026.
- If a withdrawal election is called,
  - Town would continue to work with DART on potential solutions that advance the goals.
  - Should a withdrawal election be successful, the Town is prepared to have alternate transit solutions in place.
    - Staff has begun to have initial discussions with providers and could explore these options further, as well as partnering with DART or other transit agencies for specific transit modes.

# Questions