



FY2015 Transportation Funding Strategy

City Council Worksession
November 26, 2013

Purpose

To obtain City Council feedback on staff's strategy for using available transportation funding sources.

Overview

- New funding available in FY2015
 - HB2313 anticipated to generate \$23-\$25M annually for City benefit
 - One of numerous available funding sources
- City staff evaluating projects & programs holistically
 - Prioritize capital and operating improvements
 - Evaluate most effective use of each available funding source
 - Leverage local and matching funds

Transportation Funding Sources



Source	Agent	Capital/ Operating	Anticipated Annual Funding
CMAQ	Federal	Cap/Oper	\$2.1M - \$2.8M
RSTP	Federal	Capital	\$1.0M - \$1.45M
NVTA 30%	State	Cap/Oper	\$6.8M - \$7.5M
NVTA 70%	State	Capital	\$15.9M - \$17.4M
TIP 2.2¢*	Local	Cap/Oper	\$7.5M
City Cash & GO Bonds	Local	Cap/Oper	\$14.9M - \$17.5M
DRPT Capital	State	Capital	Discretionary
Urban Funds	State	Capital	Discretionary
New Freedom Grant	Federal	Capital	Discretionary
Transportation Alternatives	Federal	Capital	Discretionary
Section 5309/Small Starts	Federal	Capital	Discretionary
Total Anticipated Formula Funding			\$48M - \$54M

*Capital, operating, & debt service

Congestion Mitigation Air Quality (CMAQ)

- Annual revenue: \$2.1 – \$2.8M
- Eligibility:
 - Projects that reduce emissions
 - Operating costs for first 3 years of new/expanded service
 - Project development (e.g., AA/EAs), preliminary engineering
 - Emphasis on hybrid replacements/retrofits
- Recommended uses:
 - DASH bus replacements
 - Non-motorized capital improvements
 - Transportation demand management
 - Policies and programs that reduce or redistribute travel demand

Regional Surface Transportation Program (RSTP)

- Annual revenue: \$1.0 – \$1.45M
- Eligibility:
 - Very flexible; funds projects that improve or preserve transportation infrastructure
 - Includes technology improvements, ADA, trails, transportation management, research, studies, transit capital, non-motorized, etc.
- Recommended uses:
 - Non-motorized capital improvements
 - DASH bus replacements
 - Transportation demand management
 - Traffic management
 - Planning/studies

NVTA Funding

- Significant new funding for the region approved by the General Assembly through HB2313
 - Revenue generated by 0.7% retail sales tax, 2.0% transient occupancy tax, grantors fee of \$0.15 per \$100 property value
- 70% of funding to be distributed by Northern Virginia Transportation Authority (NVTA)
 - \$291M for regional NVTA projects
 - Estimated \$16M/year for regional projects within City
 - Funding by year will vary
- 30% of funding distributed directly to local jurisdictions
 - More flexible funding source
 - Estimated \$7M/year for City
- Jurisdictions must demonstrate that local funding on transportation spending meets maintenance of effort standard

NVTA 30%

- Annual revenue: \$6.8 - \$7.5M
 - Revenue generation began in FY14; FY15 CIP will include both FY14 and FY15 funds
- Eligibility:
 - Very flexible, use determined by locality, includes:
 - Public transportation
 - Expansion or replacement; operations or capital
 - Urban/secondary road construction
 - Capital improvements that reduce congestion
 - Transportation capital improvements in NVTA long range plan
- Recommended uses:
 - Transit/non-motorized operating expenses
 - DASH/WMATA capital costs
 - Non-motorized capital improvements
 - Transportation demand management
 - Traffic management

NVTA 70%

- Annual revenue: \$15.9 - \$17.4M
- Eligibility:
 - Projects must address regional need
 - Road projects must be included in regional plan
 - Mass transit projects must increase capacity
 - Funds distributed by NVTA; jurisdiction to recoup anticipated revenues over long term
- FY14:
 - NVTA call for projects that met above criteria *and* could be implemented in FY14
 - Approved City project list included:
 - DASH Bus Expansion - \$3.25M
 - Amtrak/VRE Parking Lot Improvements - \$0.5M
 - Traffic Signal Upgrades/Transit Signal Priority \$0.7M
 - Shelters and Real-Time Information for DASH/WMATA \$0.5M
 - Potomac Yard Metrorail Environmental Impact Statement - \$2M

NVTA 70%

- FY15 and beyond:
 - Call for projects anticipated in December 2013
 - Proposed project list to Transportation Commission and Council in January 2014
- Recommended uses:
 - Potomac Yard Metrorail station
 - Metrorail station improvements
 - Dedicated transitways
 - DASH expansion
 - Real-time adaptive traffic signal system

Transportation Improvement Program

- In FY12, Council approved 2.2 cents on the base real estate and additional General Fund cash capital to create the Transportation Improvement Program (TIP)
- Annual revenue: \$7.5M
 - Includes capital, operating, and debt service
- Eligibility:
 - Expanded transportation capacity (capital and operations)
- Recommended uses:
 - New/expanded non-motorized capital improvements
 - Transportation demand management
 - Capital Bikeshare
 - Project development and implementation
 - TIP funds can also be used for new/expanded operating expenses
- Will compete with other General fund capital and operating budget needs and initiatives

Developer Contributions

- Contributions associated with new development
- Leveraged to fund specific transportation infrastructure
- Current examples:
 - Potomac Yard Metrorail - \$49M
 - Beauregard Ellipse - \$27.3M
 - Van Dorn-Beauregard Transitway - \$27.2M
 - Capital Bikeshare - \$0.25M

Funding Strategies

- Reserve NVTAA 70% for major capital investments with regional impacts
 - Focus on a small number of major capital projects
 - Deliver high priority projects and expedite projects in the out years
- Rely on CMAQ, RSTP, and 30% funds for non-motorized, project development and implementation, ADA improvements, and transit capital maintenance
- Focus 30% funds and TIP funds on operating expenses in out years
 - As capital projects get built, operating needs will increase
- Continue to pursue discretionary grant funding for non-motorized projects and dedicated transitways
- Continue to pursue Public Private Partnerships and developer contributions where feasible

Funding Strategies (cont.)

- General Fund has historically been used to support:
 - Street resurfacing of major roads
 - Sidewalks capital maintenance
 - Shared use paths
 - WMATA capital contributions
 - Other existing asset maintenance
- FY15 strategy:
 - Budget most restrictive funding first (e.g., NVTa, grants, TIP)
 - Pursue General Fund dollars as secondary source to fill in funding gaps
 - Ensure maintenance of effort standard defined in HB2313 is maintained

Transportation Commission Priorities

- Maintain funding for highest priorities set by Transportation Commission
- Allocate NVTa 70% funds for high priority major capital investments with regional impacts
 - Leverage non-city funds and/or accelerate project delivery
- Funding sources with least restrictions (i.e. CMAQ, RSTP, NVTa 30%) should fund:
 - Non-motorized,
 - Project development,
 - ADA improvements,
 - Maintenance and operations

Transportation Commission Priorities

- Commit adequate operating funds to provide project management, procurement and management staff resources necessary to implement new capital projects and programs efficiently
- Ensure city transportation funding is maintained or increased above the required maintenance-of-effort requirements of HB2313
 - Provide new transportation capacity and enhanced transportation services and programs while also maintaining existing assets in a state of good repair

Questions?