

**Phase 2 Dulles Rail  
Transportation Improvement District Commission**  
Fairfax County Government Center Conference Room 232  
April 2, 2019

MEETING MINUTES

**1. Call to Order**

Meeting called to order at 5:35 pm by Chairman Bulova

Phase 1 and 2 Commission members in attendance:

Sharon Bulova – Chairman, Fairfax County Board of Supervisors

Catherine Hudgins – Supervisor, Hunter Mill

Kathy Smith – Sully District

John Foust – Supervisor, Dranesville

Phil DeLeon – DRPT

Bill McKenna – Councilmember, Town of Herndon

Members absent:

Others present:

Jeff Fairfield

Joe LaHait

Mark Canale

Mike Coyle

Pam Rittenhouse

Jesse Herman

Patti McKay

JoAnne Carter

Galena Nedelcheva

Martha Coello

**2. Approval of Minutes, 2018 Annual Meeting, March 13, 2018**

Motion by Supervisor Foust, seconded by Supervisor Smith, and approved by unanimous voice vote.

**3. Dulles Rail Project Update – Mark Canale**

Mr. Canale's presentation was waived by the Commission.

**4. Tax District Implementation Staff Report – Joe LaHait and Jeff Fairfield**

Mr. LaHait notes that there has been 49 percent growth since inception of the district and 9 percent this year. In FY11 the tax district began at a rate of 5 cents. It has increased in 5 cent increments until it reached 20 cents in FY14. \$100 million has been collected to date. Per the petition, the rate will hold at 20 cents until passenger service begins for Phase 2.

The County has paid out \$400 million towards the Silver Line and \$527 million remains to be paid. The \$527 million will be paid through the TIFIA loan, Phase 2 Tax District, NVTAF funds, and cash or public bond sale. The TIFIA loan debt was split between the C&I Revenues and the Phase 2 Tax District. The Phase 2 Tax District's amount from TIFIA equals \$215 million. The TIFIA loan amount will have been expended shortly. Level debt service for TIFIA becomes due in FY24 at a locked, fixed interest of 2.73%. Mr. LaHait estimates that the debt service would roughly amount to \$14.5 million at that time. The \$114 million of the \$330 million required to fund Phase 2, per the tax district petition, may be achieved by the Phase 2 Tax District accruals and avoid the need for

public bond sale in the future since the district will have \$120 million accrued by 2020. Mr. LaHait comments that there does not appear to be a need to have the rate exceed 20 cents in the future based on projections. Intention to use accruals for prepayment of the TIFIA loan and draft financial policies similar to Phase 1. Discussion of the potential cost overages of the rail project and how the additional amount would not impact the tax district. Around the fall of 2020 County staff wishes to examine the development of a financial policy.

Mr. Fairfield reports that the Advisory Board members understands that the 20 cent tax rate is fixed per the petition and supports that rate.

**5. Resolution for Tax Year 2019**

To request to the Board of Supervisors of Fairfax County to levy and collect an annual special improvements tax for Tax Year 2019 on taxable real estate zoned for commercial or industrial use or used for such purposes and taxable leasehold interests within the District of \$0.20 per \$100 of assessed value.

Motion by Supervisor Smith and seconded by Supervisor Hudgins.

Resolution approved by unanimous voice vote.

**6. Other Business**

**1. Election/Reaffirm Commission Officers for Phase 2**

Motion to confirm the following slate of officers to the Commission:

Chairman – Sharon Bulova

Treasurer – Joe LaHait

Secretary – Martha Coello

Motion by Councilmen McKenna, seconded by Supervisor Smith, and approved by unanimous voice vote.

**7. Adjourn**

Meeting adjourned at 5:50 pm.