



County of Fairfax, Virginia

Transportation Funding in Fairfax County

West Falls Church Active Transportation Study

Advisory Group

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Transportation in Fairfax County

- Background
- Transportation Funding – Programs and Sources
- Current Changes in Funding Situation
- Transportation Project Priorities (TPP)
- Questions and Answers



Background

- Prior to 1932, Virginia counties maintained their own secondary roads.
- During the Great Depression, counties struggled with road maintenance responsibilities, creating varying levels of road maintenance which affected the ability to conduct commerce.
- In 1932, the Virginia General Assembly (GA) passed the Byrd Act, which provided uniform maintenance on roads across Virginia and eased the financial burden on counties by creating the Secondary Roads System.
- Since the passage of the Byrd Act, the Virginia Department of Transportation (VDOT) has been responsible for secondary road maintenance and construction in all of the state's counties except Arlington and Henrico.
- Cities and towns with a population over 3,500 also maintain their own urban streets, aided by maintenance funding from the Commonwealth.
- Since the 1980s, Fairfax County has been supplementing the transportation construction funding available from VDOT to advance transportation infrastructure projects, including pedestrian and bicycle projects.





Funding for Transportation Projects

- Different strategies are used for capital projects and transit operations.
- It is rare to find large transportation projects funded by only one source.
- Often a combination of local, state, regional, federal and private sources are needed.
- Projects must be included in various transportation plans and programs related to those specific funding sources.





Transportation Programming / Revenue Sources

Programming - Scheduling and funding projects by committing expected revenues to transportation projects over several years. Each program and funding source has its own requirements:

Local Programming

- Annual County Budget
- Capital Improvement Program
- Transportation Priorities Plan

Local Revenue Sources Include:

- General Obligation Bonds
 - Backed by the County
 - Funds projects identified in the referendum
 - Metro, Roads, Pedestrian and Bicycle Projects
- Revenue Bonds
 - Backed by revenue source that is not General Fund
 - Funds a variety of projects (Metro parking, toll roads)
- General Funds
 - Approved annual by Board
 - Funds transit, department budget, bond debt service.
- Special Tax Districts
 - Revenues collected in a defined geographic area
 - Funds projects specified in ordinance language
 - Petition by landowners
 - Dulles Rail Phases I & II, Route 28
- Service Districts
 - Revenues collected in a defined geographic area
 - Funds projects specified in ordinance language
 - Board approved
 - Reston, Tysons
- Commercial and Industrial Property Tax
 - Currently 12.5¢ / \$100 valuation of property
 - Transportation projects that increase capacity
- NVTA 30% Local Funding
 - Provided from various revenue sources, most regionally derived.
- Developer Contributions / Proffers
- Transit Fares; Advertising; etc.



Transportation Programming / Revenue Sources



Regional Programming / Revenue Sources

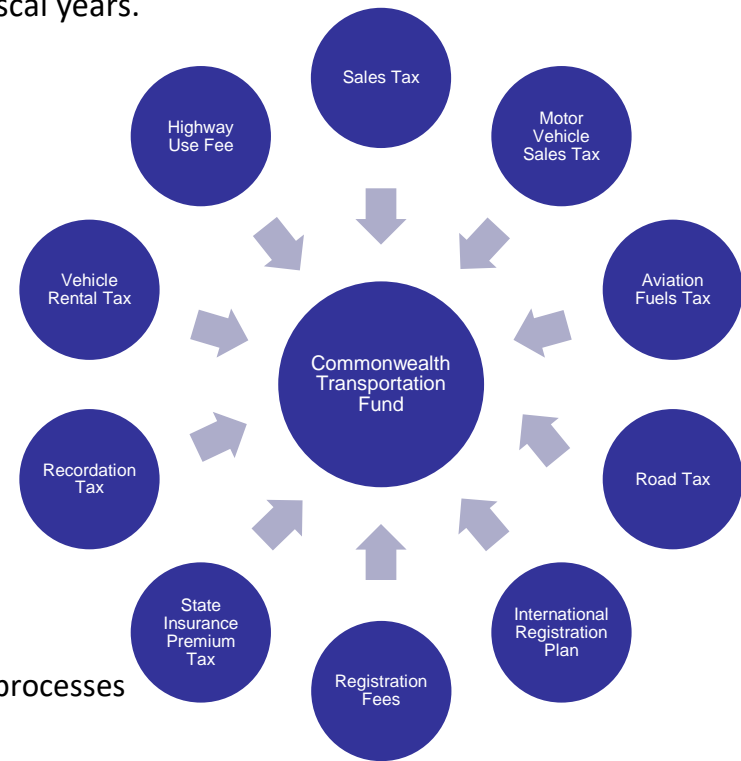
- Transportation Planning Board: Transportation Improvement Program: Six-year program for obligating federal funds to state and local projects.
- NVTA Six Year Program (SYP): Projects funded by NVTA 70% revenues (approx. \$200 million/yr for projects in Northern Virginia).
 - Regional Sales Tax; Grantors Tax; regional share of Interstate Operations and Enhancement Program; annual transfer from Commonwealth Transportation Fund
 - Evaluation based on quantitative analyses, including evaluation based on congestion mitigation, geographic and modal balance; leveraging of other funding sources, project readiness, past performance; and public input. **Required to** give priority to projects expected to provide the greatest congestion reduction relative to the cost of the project
 - Each locality's total long-term benefit must be approximately equal to the proportion of the total of the fees and taxes received by the Authority that are generated by or attributable to the locality
- Tolls / Concessionaire Agreements: Commuter Choice (I-66 Inside the Beltway, I-95/395); I-66 Outside the Beltway Concession Payment, etc. Future: I-495 Northern Extension
 - Used to fund projects within the toll facility corridor or that will benefit its toll road users. Transit service, roads, pedestrian projects
 - Approved by Regional Body (NVTA/NVTC) AND CTB
- Regional Gas Tax – Statutorily Directed to WMATA
 - 2.1% on tax on fuel
 - Used to fund a portion of the County's share of Metro operating



Transportation Programming / Revenue Sources (continued)

Statewide Programming: Six-Year Improvement Program (SYIP): Annually updated state document that earmarks funds (from various sources) for transportation projects in the next six fiscal years.

- Approved by Commonwealth Transportation Board (CTB).
- Programs governed by various state processes:
 - Smart Scale
 - High Priority Projects; District Grant Program
 - Projects considered must meet a “need” in VTrans
 - Biannual competitive process based on congestion mitigation, economic development, accessibility, safety, and environmental quality.
 - State of Good Repair
 - Interstate Operations and Enhancement Program
 - Virginia Highway Safety Improvement Program
 - Special Structures
 - Revenue Sharing
 - 100% match state funding program
 - \$5M/per year per locality, \$10M/project
 - State Aid for Transit:
 - Merit: Performance-based operations / project-based capital processes
 - Transit Ridership Incentive Program (TRIP)
 - Zero Fare and Low-Income Programs
 - Regional Connectivity





Transportation Programming / Revenue Sources (continued)

Federal Programs

- Discretionary Grants (RAISE; INFRA; MEGA; FTA)
 - Facilitated by USDOT, highly competitive
 - Projects must meet eligibility criteria
 - Subject to federal guidelines
- Earmarks
- Defense Access Roads:
 - Can be used near military facilities.
- Transportation Alternatives (TA) Set-Asides
 - TA, Safe Routes to Schools, Boulevards from Divided Highways, Recreational Trails
 - Small scale projects: bike, pedestrian
 - Portions allocated by the CTB and the TPB
- Formula Grants:
 - Roadway funds largely allocated by CTB
 - Fairfax Connector does not receive federal transit funds.
- Congestion Mitigation and Air Quality (CMAQ):
 - Congestion relief, projects improving air quality
 - Subject to federal guidelines
 - Funding recommendations submitted by NVTA, in accordance with Federal Requirements. Final allocation by CTB
- Regional Surface Transportation Program (RSTP):
 - Broader category of projects eligible to use
 - Subject to federal guidelines
 - Funding recommendations submitted by NVTA, in accordance with Federal Requirements. Final allocation by CTB





Current Changes in Funding Situation

- Federal
 - Infrastructure Investment and Jobs Act
 - Increased funding for multiple competitive transportation construction program with different emphases. Increases funding for existing programs and creates new programs.
- State
 - Potential Elimination of Sales Tax of Groceries
 - Reduces funding to the Commonwealth Transportation Fund (CTF) by \$135 million annually. Funding used for maintenance, construction programs, transit
 - Potential Reduction in State Gas Taxes
 - House Budget includes language that reduces the gas tax by 5 cents and the diesel tax by 6.2 cents. Reductions would be in place until July 1, 2023, after which they would again be indexed to the consumer price index. Would decrease revenues to the CTF by \$275 million in FY 2023, with additional, significant reductions thereafter.
 - Governor has proposed suspending entire statewide gas tax May 1-July 31, then a 50% reduction August 1-31, and 25% reduction September 1-30. It also limits to the statutorily required indexing to 2% thereafter. The bill, being considered during the current special session, would reduce state transportation revenues by approximately \$437-476 million.
- Local
 - \$100 million for pedestrian and bicycle safety projects
 - First \$5 million was approved in January
 - Preparing recommendations for Board consideration



County Transportation Priorities Plan (TPP)

- The Board of Supervisors has adopted a Transportation Priorities Plan (TPP), which directs County priorities for transportation projects.
- In January 2014, after two years of public input and analysis, Fairfax County Board approved over \$1.4B in Transportation Priorities Plan (TPP).
 - Set priorities for transportation over a six-year period (FY 2015-FY 2020).
 - Included approximately 220 projects (including road widenings, bike and pedestrian improvements, transit service, etc).
 - The expected revenues included the funded that the County expected to reasonably receive from all funding sources.
- In December 2019, the Board approved an updated TPP, with approximately \$3.0 billion of transportation improvements.
 - The FY 2020-2025 TPP includes a list of projects to continue, as well as a list of numerous projects that will be deferred due to the diversion of significant regional revenues to WMATA state of good repair needs.
 - This includes projects funding through various programs/sources.





Criteria for TPP Evaluation

Projects were evaluated based on various factors, including (not in priority order):

- Congestion Reduction*
- Mode Balance
- Safety
- Travel Time Savings*
- Community Input
- School and Park Access
- Healthy Communities Initiative
- Countywide Balance
- Access to Transit Centers
- Air Quality*
- Economic Development (support for revitalization areas and major Activity Centers)
- Regional Consideration (included in NVTa TransAction)
- One Fairfax
 - Economically Disadvantaged Populations
 - Disabled/Elderly Populations
 - Cultural Diversity



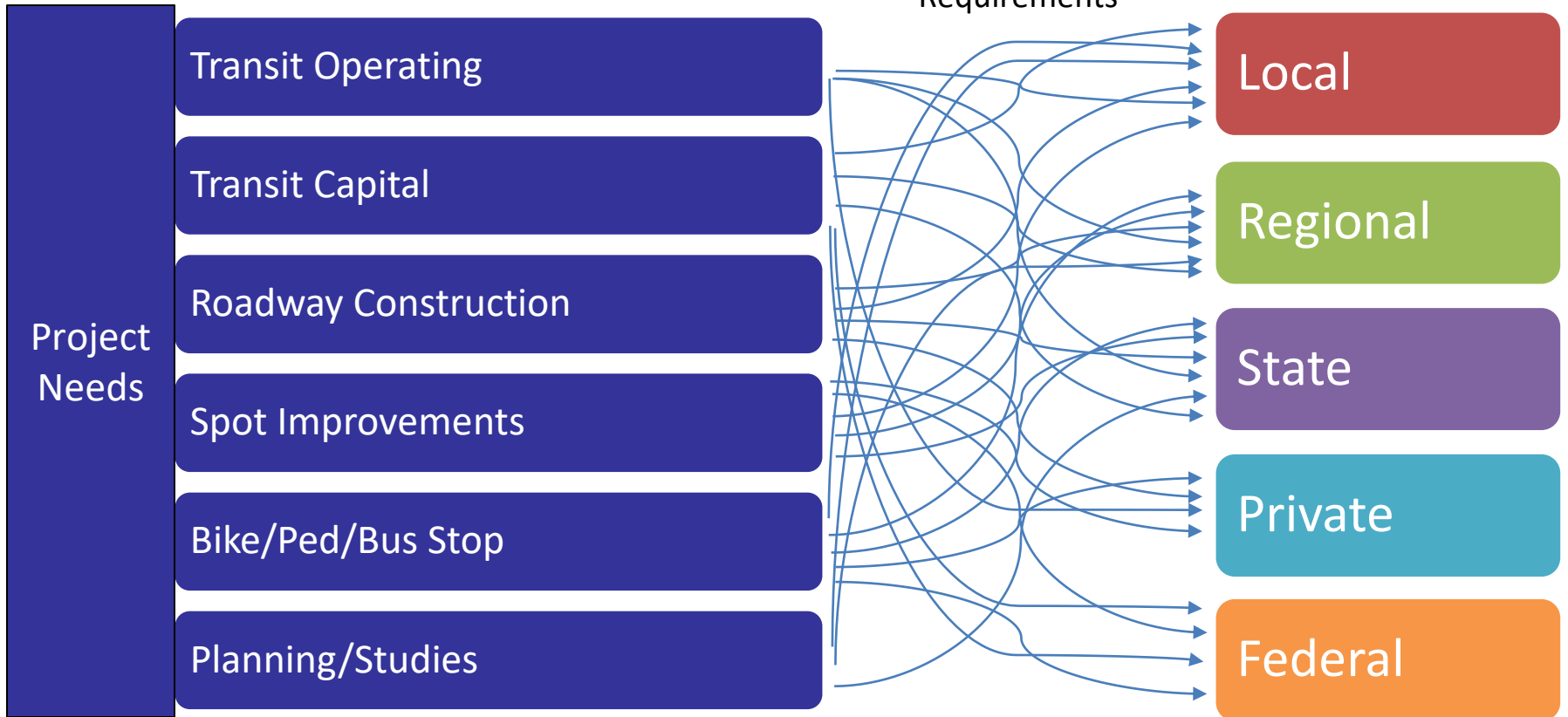


Matching Projects & Funding Sources

Prioritized Projects/Programs
For Board Consideration and Approval

Optimizing
Revenues / Source
Requirements

Funding Sources





Questions?

