

Northern Virginia Transportation Authority

Summary Minutes
MARCH 14, 2007

held at the Northern Virginia Regional Commission
3060 Williams Drive, Suite 510
Fairfax, Virginia 22031

Members
(those present are highlighted)

Timothy B. Lovain (alternate)
Christopher Zimmerman
Robert Lederer
Gerald E. Connolly
David Snyder
Scott K. York
Harry J. "Hal" Parrish, II
Bryan Polk
Martin Nohe
Jeannemarie Devolites Davis
Vincent F. Callahan, Jr.
Jeff Frederick
Judy Connally
Margaret E. G. Vanderhye
Matthew Tucker
JoAnne Sorenson (alternate)

Alexandria City Council
Arlington County Board; NVTA Chairman
Mayor, City of Fairfax
Chairman, Fairfax County Board of Supervisors
Falls Church City Council
Chairman, Loudoun County Board of Supervisors
Vice Mayor, City of Manassas
Manassas Park City Council
Prince William Board of County Supervisors
Virginia Senate, District 34
Virginia House of Delegates, District 34
Virginia House of Delegates, District 52
Governor's Appointee – CTB Member
Governor's Appointee
Director, VDRPT (non-voting member)
VDOT, No. Va. District (non-voting member)

Staff Present

Linda Summerall

Executive Secretary, NVRC

Call to Order

Chairman Zimmerman called the meeting to order at 4:39 p.m.

Roll Call

The roll was called and members present or absent were noted for the record.

Approval of Minutes

Mr. Connolly moved approval of the minutes of the February 1 meeting. **The motion was seconded and carried, with Messrs. Polk, Lederer, Parrish and Lovain abstaining** since they did not attend the meeting.

Discussion on Transportation Legislation

Chairman Zimmerman noted there has been an ongoing discussion of the transportation bill by local governments throughout Virginia. The Governor wants to offer amendments to the bill and wants to hear the position of the counties and cities.

Chairman Zimmerman pointed out the five documents pertaining to the discussion:

- 1) Draft NVTA Major Comments on HB 3202
- 2) Draft NVTA Specific Amendments on HB 3202
- 3) Chart of Draft Alternative Northern Virginia Transportation Package Using Select Hampton Roads Taxes and Fees
- 4) Transportation Bill
- 5) Hampton Roads' Recommendations to the Governor

Delegate Callahan discussed bonds, pointing out that the Commonwealth has used General Fund revenue for bonds for as long as he has been a member of the House.

Delegate Frederick suggested offering an alternative to the Transportation Trust Fund formula. While the members found the idea attractive, they agreed that this was not the vehicle in which to do so.

The items in the Draft Major Comments document were reviewed, including the fact that the Prince William Board of Supervisors wants the state to raise a minimum of one-half of the revenue [Delegate Frederick opposed], with amendments offered and adopted on several items. Delegate Frederick also opposed the members' position of increasing the Northern Virginia gas tax from 2% to 4%; **position carried** (Delegate Callahan left the meeting before this vote).

The comments as amended (attached) were adopted, with Senator Devolites Davis and Delegate Frederick opposed. Senator Devolites Davis stated she agreed with the vast majority of the changes made at this meeting – including the revenue sources, but cannot support the first bullet under “Northern Virginia Revenues.”

Mr. Lederer expressed concern that the two state members don't support the proposed changes that will be sent to the Governor. Mr. Connolly talked about regionalism, noting that it is the local elected officials who will be in the position of being expected to impose the revenue sources; if the bill cannot be made to be more palatable, the local officials will not impose same. Mr. Snyder noted that NVTA's adopted changes provide a balanced, rational way to try to provide significant new revenue for roads and transit in Northern Virginia, and that tonight's discussion shows that NVTA's General Assembly members put a great deal of effort into this. Mr. Zimmerman concurred, adding that NVTA has worked within the framework of the bill; if these changes to the bill are made, then the bill has a chance of being implemented in Northern Virginia. Mr. Zimmerman also noted that Chairman York, who was unable to attend tonight's meeting due to a death in the family, supported the draft comments.

Mr. Nohe stated it was clear from last week's meeting with the Governor that the Northern Virginia local elected officials want a transportation bill. Mr. Connolly said absent acceptable amendments to make the bill work, his board would call on the Governor to veto it.

The local jurisdictions' transportation and legislative staffs were acknowledged for their assistance in drafting the proposed changes.

Adjournment

Chairman Zimmerman adjourned the meeting at 6:13 p.m.

Northern Virginia Transportation Authority
Major Comments on HB 3202
March 14, 2007

NVTA appreciates the General Assembly's efforts to provide additional statewide transportation revenues and the authority for Northern Virginia jurisdictions to raise new transportation revenues. NVTA recognizes that the General Assembly's passage of HB 3202 is significant; however, the bill as passed is seriously flawed, and requires significant modification if it is to be implemented.

NVTA appreciates Governor Kaine's willingness to meet with representatives of our local governments to discuss our concerns. NVTA calls on the Governor to propose amendments to HB 3202 to address these concerns; in particular, the following items:

Secondary Road Devolution

- Language making planning and construction of the secondary road system the responsibility of a Northern Virginia county by virtue of the county adopting the new Northern Virginia taxes and fees must be deleted or, at a minimum, changed to make this provision a local option. If this is not changed, Northern Virginia counties will not support the bill.
- The provisions of the bill related to adopting new standards for accepting secondary roads for maintenance should be modified to require NVTA's concurrence with the new standards. In addition, streets within subdivisions that have already been appropriately zoned before the effective date of the new standards (or that met the VDOT standards at the time of zoning) should be accepted into the state system, whether or not they meet the new standards. After new subdivision street standards are developed, pursuant to SB1181, all Northern Virginia counties' want to ensure that **all** new subdivision streets will continue to be accepted into the State system for maintenance.
- A state funding source should be identified for the per lane mile maintenance payment to counties associated with the Urban Transportation Service Districts. This funding source should not deplete other existing state funding sources or negatively impact urban street payments currently being made to cities, towns and Arlington County.

Statewide Revenue

- Although the NVTA would prefer a funding formula that allocates transportation dollars with consideration to traffic volume and congestion, all new statewide transportation revenues including bonds, abusive driver fees, increased fees on overweight vehicles and increased vehicle registration fees should be allocated by the Transportation Trust Fund formula, rather than the Highway Maintenance and Operations Fund formula, as proposed. The overall amount of statewide revenues should be increased to more closely meet the demand and to provide additional revenue sources for bonded indebtedness.
- Public transportation is vitally important to Northern Virginia; unfortunately, in the current fiscal year, the state's share of eligible transit operating and capital costs are at 19.7 % and 22 %, the lowest level in a decade. (Virginia statute [58.1-638] authorizes up to 95 percent.) As passed, HB 3202 would only cover about a tenth of the gap.
- Local governments are disappointed in the use of \$172 million in new General Fund commitments to service the proposed bonded indebtedness for transportation annually. However, we are comfortable with the use of one-half of any annual budget surplus and the automobile insurance premium taxes as proposed.

Northern Virginia Revenues

- The responsibility for levying the Northern Virginia taxes and fees should be shared equitably between the state and the jurisdictions rather than solely the responsibility of the jurisdictions as proposed in the bill.
- The Northern Virginia jurisdictions should be allowed to use the revenue sources granted to, and requested by, Hampton Roads, as set forth in the attached table, to reduce the rate of the commercial property tax surcharge proposed for Northern Virginia. The commercial property surcharge should be lowered to a \$0.10/\$100 valuation rate (with any level above \$0.10 being solely at local option). In addition, jurisdictions should be permitted to implement the surcharge on all commercial property in the jurisdiction (including existing tax districts if a locality chooses to do so) with the following exceptions: It is vital that units of committed affordable housing be excluded from the levy (as appears to be the intention of HB 3202 as passed). The potential to exclude market-rate affordable housing should also be examined. [Local staffs are currently working on exact affordable housing language].
- Each jurisdiction that raises the new Northern Virginia taxes and fees should receive a share of all the new taxes and fees equal to the percentage of these taxes and fees that are raised in that jurisdiction, regardless of whether these funds are returned to the locality directly or given to NVTA to spend.

Other Provisions

- Language in the bill requiring that NVTA and local governments “consult” with members of the General Assembly in the selection of projects to be funded must be deleted. There are already General Assembly members on NVTA (as well as NVTC and PRTC), and NVTA has already agreed – following an extensive public process – to a prioritized list of long range transportation projects.