The Northern Virginia Transportation Authority and Implementation of HB 3202

June 22, 2007 Updated (July 20, 2007)





The Northern Virginia Transportation Authority (NVTA)

- The NVTA was created by the Virginia General Assembly on July 1, 2002, to offer a common voice for Northern Virginia on the transportation issues and options that confront us.
- The Authority is charged with:
 - Developing a regional transportation plan;
 - Working with Northern Virginia's communities to develop regional priorities and policies to improve air quality; and
 - Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments.

Authority Structure

- The Authority
 for Transportation in Northern Virginia
- The Authority embraces the Counties of Arlington,
 Fairfax, Loudoun, and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park.
- The NVTA has sixteen members as follows:
 - The mayors or chairs, or their designees, of the nine cities and counties that are members of the Authority;
 - Two members of the House of Delegates; one member of the Senate;
 and
 - Two citizens who reside in counties and cities embraced by the Authority, appointed by the Governor.
 - In addition, the Director of the Virginia Department of Rail and Public Transportation, or his designee, and the Commonwealth Transportation Commissioner, or his designee, will serve as non-voting members of the Authority

Voting Members

- Hon. Christopher Zimmerman, NVTA Chairman; Arlington County
- Hon. Martin Nohe, NVTA Vice Chairman; Prince William County
- Hon. William D. Euille, City of Alexandria
- Hon. Robert F. Lederer, City of Fairfax
- Hon. Gerald E. Connolly, Fairfax County
- Hon. David F. Snyder, City of Falls Church
- Hon. Scott K. York, Loudoun County
- Hon. Harry J. "Hal" Parrish, II, City of Manassas
- Hon. Bryan Polk , City of Manassas Park
- Hon. Jeannemarie Devolites Davis, Virginia Senate
- Hon. Vincent F. Callahan, Jr., Virginia House of Delegates
- Hon. Jeff Frederick, Virginia House of Delegates
- Margaret E. G. Vanderhye, Governor's Appointee
- Julia A. "Judy" Connally, Governor's Appointee, CTB Member

Non-Voting Members

- Dennis Morrison, Administrator, Northern District Office, VDOT
- Matthew O. Tucker, Director, VDRPT





Authority Responsibilities

- The Authority is responsible for long-range transportation planning for regional transportation projects in Northern Virginia.
- In carrying out this responsibility, the Authority, on the basis of a regional consensus, whenever possible, sets regional transportation policies and priorities for regional transportation projects.
- NVTA's policies and priorities are guided by performance-based criteria such as the ability to improve travel times, reduce delays, connect regional activity centers, improve safety, improve air quality, and move the most people in the most cost-effective manner.



Other responsibilities of the Authority include:

- Recommending to state, regional, and federal agencies regional transportation priorities and funding allocations.
- Allocating to priority regional transportation projects any funds made available to the Authority and, at the discretion of the Authority, directly overseeing such projects.
- Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments.
- Acting as a "responsible public entity" for the purpose of the acquisition, construction, improvement, maintenance and/or operation of a "qualifying transportation facility" under the Public-Private Transportation Act of 1995.

Trans_{Action2030}

Transportation for Today and Tomorrow



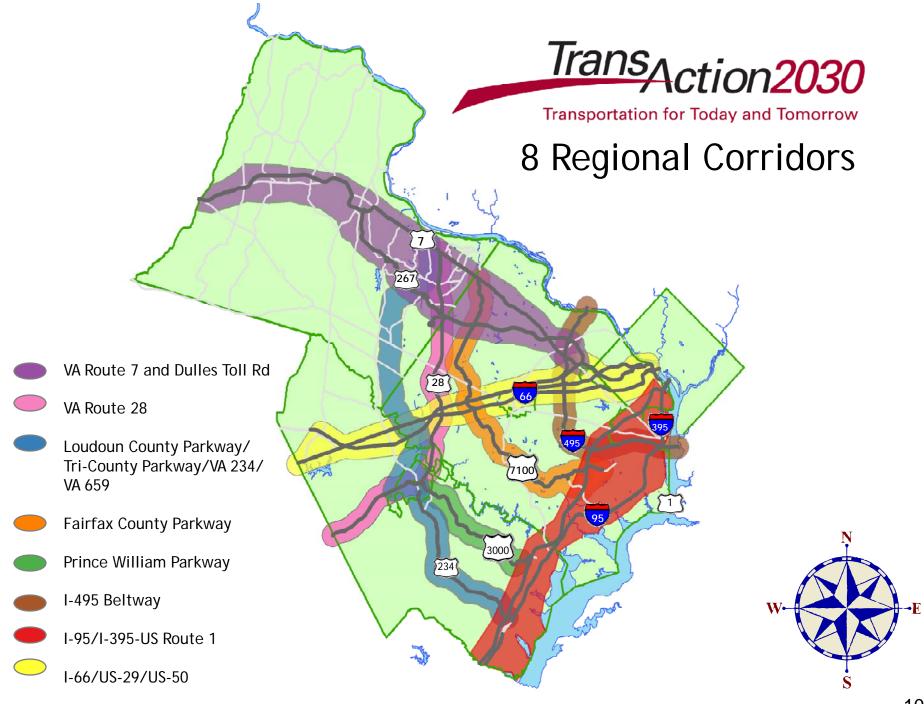


- The TransAction 2030 Plan—NoVa's update to its long-range transportation plan was approved by the Northern Virginia Transportation Authority (NVTA) on September 14, 2006, after over two years of work on the project.
- Before approving the Plan, the NVTA received endorsements for the TransAction 2030 Plan from all nine of its member jurisdictional Boards and Councils.



Some of the key study findings include:

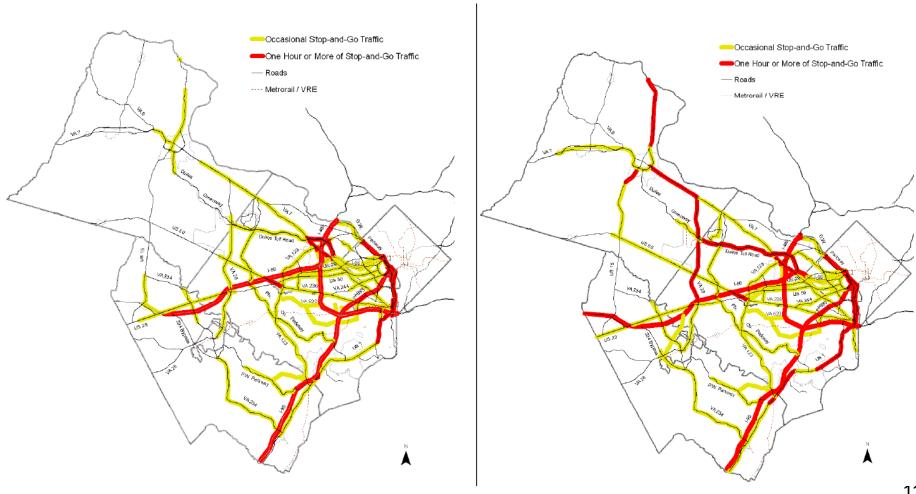
- Current transportation funding levels are insufficient to address roadway congestion and crowding on public transportation.
- Travel conditions worsen even with projected Constrained Long Range Plan (CLRP) investments of \$30 billion between 2005 and 2030. NoVa needs an additional \$16.6 billion, identified in TransAction 2030, to improve the road and transit network from current conditions, or approximately \$700 million per year for the next 25 years.
- Highway mileage operating with one hour or more of stop-and-go conditions under the 2030 CLRP network would drop by approximately two-thirds with the addition of all TransAction 2030 Plan highway and transit investments.
- In the May, 2005, a telephone survey of 1,263 NoVa households was conducted.
 Some of the key findings of the survey included:
 - The public believes that multimodal solutions are necessary to improve the system. Transit improvements were most popular on interstate corridors and road improvements were most popular on circumferential (parkway) corridors.
 - Those who chose a road widening project as their highest priority project were willing to pay, on average, nearly \$1.50 per day to get that project built. Those who chose transit as their top priority were willing to pay more than \$2.00 to get that transit project built.





1999 Highway Peak Period Performance

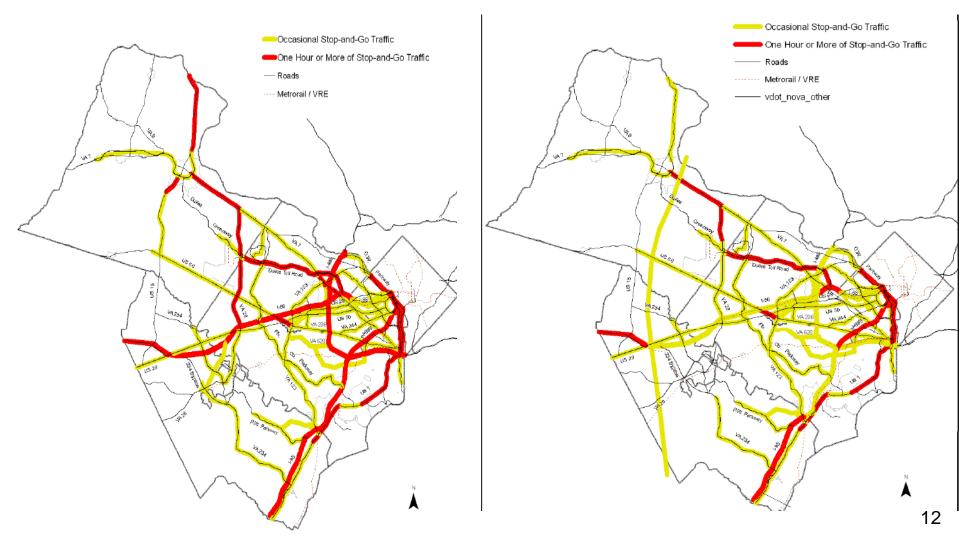
2005 Highway Peak Period Performance





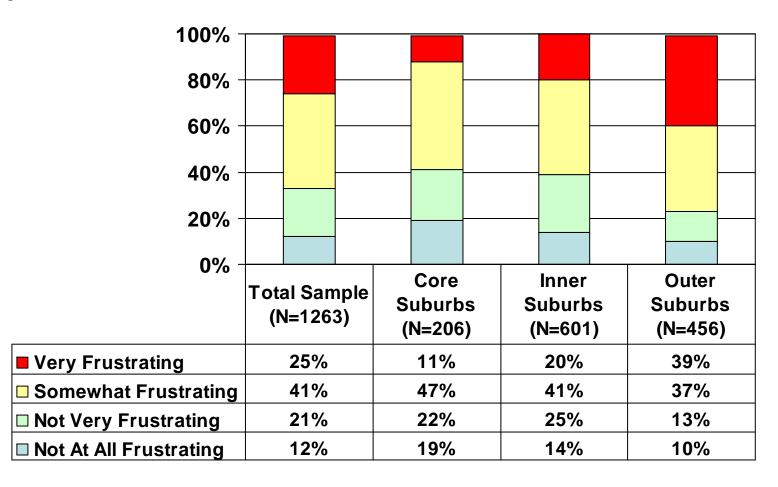
2030 CLRP Peak Period Performance

TransAction 2030 Peak Period Performance



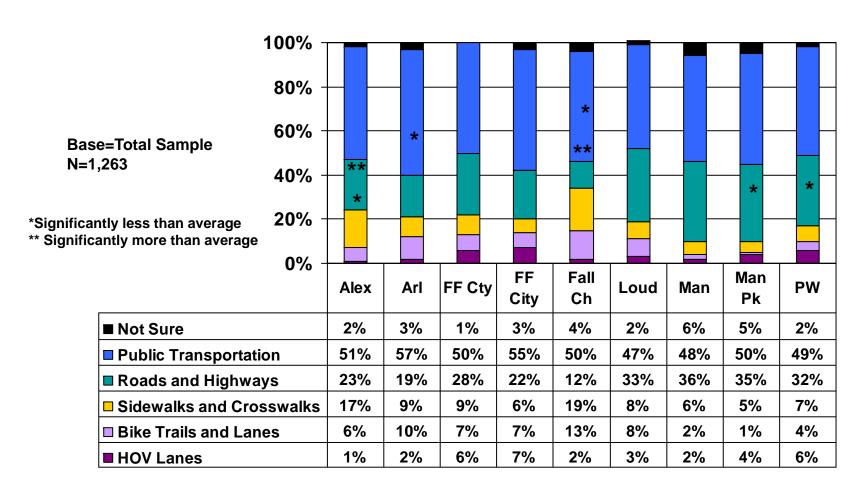


2/3 of respondents were frustrated with their commutes and 86% quote traffic as their main frustration with travel.





50% of respondents (both regionally and by jurisdiction) said that additional transit improvements were their first priority





The TransAction 2030 Plan also included some innovative planning tools and accomplished some notable actions, such as:

- The NVTA agreed upon a set of project and network-based evaluation criteria for the TransAction 2030 Plan.
- For the first time, NoVa's elected leadership reached consensus on investment priorities based on the approved set of evaluation criteria.
- Cutting edge planning analysis has provided decision-makers with the tools they need for multi-modal planning and investment. NoVa now understands the performance of the system from the perspective of all users—the motorist, the pedestrian, the bicyclist, and the transit rider. Whereas previously, planning analysis had been done primarily from the perspective of the motorist.
- Transit level-of-service was measured to the same extent as highway levelof service.
- The NVTA conducted a statistically valid public opinion survey to gauge the public's interest in new projects and their willingness and method to pay for those projects.



Conclusions from TransAction 2030:

- TransAction 2030 identifies a set of prioritized projects that NoVa needs in order to improve its rapidly declining transportation system.
- The solution for NoVa's congestion problems needs to be multimodal.
- NoVa needs approximately \$700 M a year (in 2005 dollars) in additional funding beyond current allocations, for the next 23 years, to implement the TransAction 2030 Plan.
- This does not include all of the funding needed to address the Base Realignment and Closure (BRAC) commission recommendations which were released after the major technical analysis for TransAction 2030 was completed.
- More information on TransAction 2030 is available at the website: www.TransAction2030.com

Status of HB 3202 Implementation





Background:

- General Assembly approved the Governor's Amendments to HB 3202 on April 4, 2007.
- The bill contains three major portions affecting Northern Virginia, Hampton Roads and the entire state. This presentation is primarily focused on Northern Virginia portion of the bill.
- The bill is effective on July 1, 2007.



Tax/Fee Authorized	Rate
Grantor's Tax	40¢/\$100 valuation
Motor Vehicle Rental Tax	2% of total
Transient Occupancy Tax	2% of total
Safety Inspection Fee	\$10/year
Sales Tax on Auto Repairs	5% of total
Regional Registration Fee	\$10/year
Initial Vehicle Registration Fee	1% of value



Grantor's Tax

- Description: Tax applied to the sale price of property in the NVTA region. Tax is paid by the seller.
- **Rate**: 40¢/\$100 valuation
 - Example: On the sale of a \$400,000 home, the tax is \$1,600.
- Estimated Funding: \$171 million annually
- Collection: Clerk of Courts. Same of existing tax. Specified in law.



Motor Vehicle Rental Tax

- Description: Tax applied to the rate of rental cars in the NVTA region.
- Rate: 2% of total rental rate
 - Example: On a \$39.99 rental, the tax is \$0.80
- Estimated Funding: \$9 million annually
- **Collection:** By rental car company and transmitted to Department of Motor Vehicle. Same as existing tax. Specified in law.



Transient Occupancy Tax

- Description: Tax applied to the rental of hotel rooms in the NVTA region.
- Rate: 2% of total rental rate
 - Example: On a \$99 room, the tax is \$2.00
- Estimated Funding: \$25.3 million annually
- Collection: Proposed: By lodging establishment. Transmitted to localities. Same as existing tax.



Safety Inspection Fee

- Description: Fee for annual state vehicle safety inspections conducted in the NVTA region.
- Rate: \$10 per year
- Estimated Funding: \$16.2 million annually
- Collection: Proposed: Collection by service station.
 Transmitted to State Police or directly to NVTA.



Sales Tax on Auto Repairs

- Description: Sales and Use tax on the parts, materials and labor associated with automotive repairs.
- Rate: 5% of labor and service charges.
 - Example: On \$200 in labor charges, the tax is \$10
- Estimated Funding: \$33.2 million annually
- Collection: Service station. Transmitted to Department of Taxation. Specified in law.



Regional Registration Fee

- Description: An annual fee for the registration of vehicles within the NVTA region.
- Rate: \$10 per year
- Estimated Funding: \$17 million annually
- Collection: Proposed: Department of Motor Vehicles



Initial Vehicle Registration Fee

- Description: A one-time registration fee on the purchase of vehicles, based on the purchase price, or vehicles registered in Northern Virginia for the first time.
- Rate: 1% of total vehicle value.
 - Example: On a \$20,000 vehicle, the tax is \$200.
- Estimated Funding: \$64.6 million annually
- Collection: Proposed: New car purchase dealer; move in from other state – Department of Motor Vehicles; Move in from elsewhere in Virginia – first contact, DMV or local government.

The Authority for Transportation in Northern Virginia

Background (continued):

- The Hampton Roads area was permitted to establish its own transportation authority which may enact the same seven taxes and fees.
- In addition, HB 3202 allows Northern Virginia localities to enact a commercial real estate assessment and a local vehicle registration fee.
 - Localities were also given impact fee authorities in certain circumstances.
- If NVTA adopts all of the taxes and fees, it could raise more than \$300 million annually for transportation projects.
- Local taxes and fees, not including impact fees, could generate about \$100 million annually, based on all jurisdictions implementing the commercial property tax at a \$.10/\$100 valuation rate.
- Note: Together, the local and NVTA taxes and fees could raise move than \$400 million per year, but still short of the \$700 million needed, according to TransAction 2030.

Allocation for NVTA Funds

The Authority for Transportation in Northern Virginia

Background (continued):

- 40% to localities in which funds are raised.
 - Priorities:
 - 50% on urban and secondary roads, except Alexandria, Arlington and Falls Church.
 - Remainder for urban and secondary road projects, projects in long range plan (TransAction 2030) or transit.
- Alexandria, Arlington and Falls Church can use all of their revenues for urban and secondary road projects, projects in the long range plan or transit.
- 60% to NVTA.
 - Priorities:
 - debt service on any bonds issued;
 - \$50 M per year for Metro capital expenses;
 - \$25 M per year for VRE capital and operating expenses.
- Overall, funds must generally be distributed to projects and services benefiting the localities proportionally, based on where the funds were raised.

Public Outreach:

Briefings, Meetings and Hearings



- NVTA Public Comment Period in Fairfax County on May 10, 2007
- Briefings to Alexandria City Council and Fairfax County Board of Supervisors
- Public Hearings in Loudoun County, Falls Church, Fairfax City and Prince William County
- New NVTA website has been established: <u>www.thenovaauthority.org</u>.
- NVTA public hearing held on July 12, 2007.
- Comments on the recommendations were also accepted by mail and via email address (<u>theauthority@thenovaauthority.org</u>).



NVTA Actions:

- On May 10, 2007, NVTA established five working groups to review various aspects of the bill and NVTA's authorizing legislation, and to make recommendations to NVTA.
- The five working groups are: Legal, Financial, Project Implementation, Public Outreach and Organizational.
- Working groups were directed to prepare recommendations by June 1, 2007.
- On June 6, 2007, each working group formally presented their recommendations to NVTA.

NVTA Actions on July 12, 2007

- Following the public hearing, NVTA:
 - adopted each of the seven taxes and fees by large margins;
 - approved the short term project list;
 - approved the issuance of bonds to fund these projects;
 - approved a bond validation suit to test the revenue sources;
 - approved a request for short term financial assistance;
 - approved establishing legal support;
 - approved a number of actions to establish NVTA's financial processes;
 - approved a job description for an executive director;
 - approved the establishment of several committees to assist with long term planning and project selection;
 - Approved a position regarding unsolicited Public Private Transportation Act proposals.



Legal Working Group (LWG)



- Prepare the following documents for NVTA consideration on July 12, 2007:
 - proposed resolutions for adopting each of the taxes and fees;
 - a proposed resolution of intent to issue debt for specifically identified projects; and
 - a proposed resolution authorizing the filing of a bond validation suit on July 13, 2007.
- Develop a scope of services and interview, select, and retain bond counsel subject to extension and amendment by NVTA on July 12, 2007.
- Establish a small "Council of Counsels," consisting of attorneys from the City of Alexandria, and Arlington, Fairfax, and Prince William Counties to provide legal advice, legal support, and legal services to NVTA.

Financial Working Group (FWG)

- The Authority
 for Transportation in Northern Virginia
- Direct the FWG to work with jurisdictions and its regional organizations to begin the financial implementation of HB 3202 until NVTA directs and/or hires appropriate staff or consultants to do so.
- Begin the process of developing a scenario for providing the Chief Financial Officer (CFO) and staff accountant functions.
- Direct the FWG, to develop an estimate of start-up costs assuming initial, short-term, assistance from jurisdictions and contract assistance from a financial consulting firm.
- Contract with the appropriate bond counsel and financial advisor to put together the financing package to include in the bond sale and to develop a bond resolution for an initial small issuance for the NVTA's consideration at the July meeting. The issuance will be used to support a bond validation suit.

Financial Working Group (FWG)



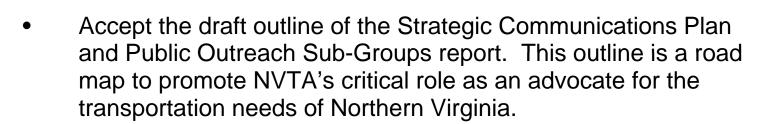
- Authorize preparation of a plan to procure banking services
 and establish separate bank accounts to deposit initial tax and fee
 revenues, until such time as a CFO is hired/procured and appropriate
 accounting software obtained by NVTA for the July meeting.
- Authorize development of an interim MOU with a local government or existing transportation agency to utilize its existing computer system to account for NVTA's revenue.
- Authorize drafting of a model MOUs and explore implementation strategies that can be used with member localities and the state for the administration of NVTA's fees and taxes.

Project Implementation Working Group (PIWG)



- Task the ITC to recommend a general project development process tailorable to specific projects by November 1, 2007.
- Task the ITC to recommend a project prioritization process for projects in the adopted CLRP using previously adopted criteria.
- Task the ITC to recommend a six-year project implementation program with funding streams by November 1, 2007.
- Task the LWG, with the ITC, to develop a tailorable general project management agreement.
- Recognizing their benefits and staff resources needed to manage them, adopt a policy that no unsolicited PPTA proposals will be accepted until NVTA has sufficient management resources to review, analyze and negotiate them.

Public Outreach Working Group (POWG)





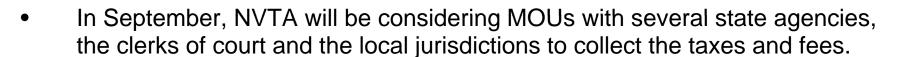
- Appoint an acting Public Information Officer (PIO) for NVTA.
- Approve a series of town hall meetings to be held prior to the July 12, 2007
 Public Hearing, if the NVTA intends to move forward with adoption of the taxes
 and fees authorized by the General Assembly -- and if desired by the local
 jurisdictions. (See List)
- Direct staff to establish and build relationships with Northern Virginia residents, stakeholder groups, businesses, media, transportation agencies, special interest groups.
- Direct staff to further develop short-term, mid-term and long term communications objectives for NVTA's consideration.

Organizational Working Group (OWG)

- Approve a job description and advertisement for an executive director to be hired under contract to the NVTA for an initial period of two years. Establish a small group of individuals to manage the hiring process and conduct initial interviews with the intent of having an executive director hired by September 2007.
- Establish the Technical Advisory Committee and the Planning Coordination Advisory Committee.
- Direct the OWG to seek, on a temporary basis, a business address and phone number, and a location suitable for up to five employees/contractors, and for NVTA and its committees to meet.
- Continue to rely on existing administrative arrangements, local staff support, and working group support, combined with the three committees, until an executive director arrives and leads the further transformation of the NVTA.

Next Steps:

- In August, NVTA will be interviewing executive director candidates.
- The bond validation suit will be heard by the Circuit Court at the end of August.



- Between now and November, various NVTA committees and working groups will be preparing recommendations regarding the development of a Six Year Program for NVTA, procedures for selecting future projects and services, a model project management agreements and a formal communications plan.
- Collection of the taxes and fees is expected to begin on January 1, 2008.
- Local government consideration of commercial property tax increase, local registration fee and impact fees.



Public Meeting Schedule

Falls Church - Monday, June 25, 2007; 7:30 p.m.

Council Chambers, City of Falls Church Offices

300 Park Ave

Falls Church, Virginia

Fairfax City - Tuesday, June 26, 2007; 7:00 p.m.

Council Chambers, City Hall

10455 Armstrong Street

Fairfax, Virginia

Prince William/Manassas/Manassas Park - Thursday, June 28, 2007; 7:00 p.m.

Verizon Auditorium

George Mason University, Prince William Campus

10900 University Blvd

Manassas, VA 20110

Fairfax County – Board of Supervisors Briefing; Monday, July 9, 2007; 10:00 a.m.

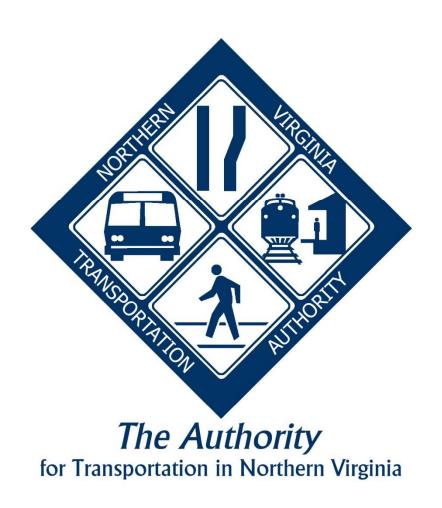
Board Auditorium, Fairfax County Government Center

12000 Government Center Parkway

Fairfax, Virginia



NVTA Transportation Bond Project List



NVTA Transportation Initial Bond Offering Project List



Transit Projects	\$ 39,208,820
Multi-modal Projects	\$ 6,246,000
Highway Projects	\$ 56,545,180
TOTAL	\$102,000,000

Transit Projects



Project Title		<u>Funding</u>
•	The Crystal City/Potomac Yard Transit Improvements (Arlington County and Alexandria)	\$11,458,820
•	Richmond Highway Public Transportation Initiative	\$10,000,000
•	Purcellville Park-and-Ride Lot	\$ 1,400,000
•	Route 15 Park-and-Ride Lot	\$ 1,000,000
•	Escalator Canopy at Huntington Metrorail Station	\$ 2,000,000
•	Upgrade of station signage at 20 Virginia Metrorail Stations	\$ 6,100,000
•	Upgrade of platform at West Falls Church and Vienna Metrorail Stations	\$ 3,500,000
•	VRE Locomotives	\$ 3,750,000
	TOTAL	\$39,208,820

Multi-modal Projects



Project Title		<u>Fundii</u>	<u>ng</u>
•	Wilson Boulevard improvements; Oakland to Randolph (Phase II)	\$ 2,000	0,000
•	Old Dominion Drive Multi-modal Improvements (Phases 2-5)	\$ 1,500	0,000
•	Improvements at Chain Bridge Road (Route 123) and Eaton Place	\$ 2,500	0,000
•	Citywide sidewalk replacement and construction (Falls Church)	\$ 240	6,000
	TOTAL	\$ 6,240	6,000

Highway Projects

Project Title

Eundina

Project little		<u>Funding</u>	
•	Intersection improvements at Lee Highway and Harrison Street	\$ 800,000	
•	Fairfax County Parkway/Fair Lakes Parkway and Monument Drive Interchange	\$28,850,000	
•	Pacific Boulevard between Nokes Boulevard and Severn Way	\$ 2,600,000	
•	Complete Battlefield Parkway between Route 621 and New Bridge	\$ 3,000,000	
•	Intersection improvements at Loudoun County Parkway and Evergreen Mills Road	\$ 230,000	
•	Bull Run Post Office Road Improvements	\$ 1,500,000	
•	Traffic calming on Route 50 at Village of Aldie	\$ 915,180	
•	Maple and Main Intersection Improvements (Purcellville)	\$ 1,150,000	
•	Route 28 Overpass in Manassas	\$ 2,000,000	
•	Intersection improvements on Manassas Drive in Manassas Park	\$ 350,000	
•	Prince William Parkway widening from Hoadly Road to Old Bridge Road	\$14,900,000	<u></u>
	TOTAL	\$56,545,180	44



Questions?