

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: October 6, 2017

SUBJECT: De-allocation of \$300 Million from the I-66/Rt. 28 Interchange Project

1. **Purpose:** To seek Northern Virginia Transportation Authority (NVTVA) approval of the de-allocation of \$300 million approved for the I-66/Rt. 28 Interchange Project in the FY2017 Program.
2. **Suggested Motion:** *I move Authority approval for the de-allocation of \$300 million approved in the FY2017 Program for the I-66/Rt. 28 Interchange Project and cancellation of the project.*
3. **Background:**
 - a. On July 14, 2016 the Authority adopted the FY2017 Program.
 - b. Program adoption reserves the resources of the Regional Revenue Fund for the approved projects.
 - c. The I-66/Rt. 28 Interchange Project received \$300 million in Regional Revenue Fund resources as follows:
 - i. \$100 million in cash.
 - ii. \$200 million from a future debt issuance (bonds). These bonds were never issued.
 - d. The Commonwealth of Virginia through the Transform 66 Outside the Beltway Project, is entering into a public private partnership with I-66 Express Mobility Partners.
 - e. The I-66/Rt. 28 interchange improvements will be constructed as part of the Transform 66 Outside the Beltway Project.
 - f. Authority action is required for project de-allocation and project cancellation.
 - g. All funds from de-allocated/cancelled projects are returned to the Regional Revenue Fund for future project assignment as determined by the Authority.
4. **Fiscal Impact:** De-allocation/cancellation of the I66/Rt. 28 Project has the following fiscal impacts:
 - a. Since a Standard Project Agreement (SPA) was never submitted for the project the Authority has no project liabilities.
 - b. No preparations were made or expenses incurred related to the \$200 million in proposed financing. Therefore, these resources remain in full as unused Regional Revenue Fund debt capacity.
 - c. The \$100 million in cash reserved for the project becomes available to the Authority to fund the FY2018 to FY2023 Six Year Program.