

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chair Phyllis J. Randall and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Chief Executive Officer

DATE: March 3, 2022

SUBJECT: Approval of the Programming Recommendations of the FY2028 Congestion Mitigation Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) Funds

1. **Purpose.** To seek Northern Virginia Transportation Authority (NVTA) recommendation of Commonwealth Transportation Board (CTB) funding approval of the attached list of projects for funding for FY2028 CMAQ and RSTP funds.
2. **Suggested Motion:** *I move Authority recommendation to the Commonwealth Transportation Board, funding approval of the proposed projects for FY2028 CMAQ and RSTP funds, as presented in the attachment.*
3. **Background.** The NVTA established a deadline of Friday, January 14, 2022, as the submission deadline for FY2028 CMAQ and RSTP applications. NVTA staff, in coordination with the jurisdictions and agencies who applied during this cycle of funding, developed the attached recommended list of projects and the proposed funding allocations.

42 CMAQ and RSTP applications were received, totaling \$244,225,782.

The estimated funding available for distribution in FY2028 is \$80,576,424 (subject to change based on final Federal allocations):

CMAQ	\$23,713,070
RSTP	<u>\$56,863,354</u>
Total:	<u>\$80,576,424</u>

VDOT provides the local matches for both the CMAQ and the RSTP funds, provided that the projects utilize the funds within established timelines. For the CMAQ program, the recipient has 24 months to obligate the funds and then 48 months to expend the funds. For the RSTP

program, the recipient has 12 months to obligate the funds and then 36 months to expend the funds.

Per Authority recommendation, the FY2028 CMAQ and RSTP funding recommendations will be forwarded to the CTB for inclusion in the Six Year Improvement Program (SYIP). It is anticipated that the CTB will take action on the SYIP at the June 2022 meeting.

The FY2028 CMAQ/RSTP funding recommendations were reviewed and discussed by the Regional Jurisdiction and Agency Coordination Committee (RJACC) at its February 24, 2022, meeting.

While there was general agreement among the RJACC on most of the proposed funding recommendations, the RJACC expressed the following comments and concerns regarding the proposed funding of the Transportation Emissions Reduction Measures (TERMs) projects, particularly the Commuter Operations Center and Northern Virginia Transportation Demand Management (TDM) Measures project:

- The TERMS program was established over 30 years ago to respond to the non-attainment status of the Washington metro region. At that time, the Commonwealth funded the TERMS projects to help the region advance projects that improve air quality to reach attainment status. The Commonwealth continued to fund the TERMS projects when the region reached attainment status and should continue doing so -not divert this responsibility to the region.
- The General Assembly is considering suspending the gas tax (for one year) eliminating the grocery tax which will reduce state dedicated transportation funding without identifying a replacement revenue source with a belief that greater state and federal transportation revenue will not result in any negative impact on the FY23 and FY24 transportation budget. The increased state transportation revenue should be used to fund the TERMS projects.
- NVTAs are still seeking restoration of \$38.5 million in revenues due to the 2018 diversion to help pay Virginia's share of \$154M of the \$500M for Metro's State of Good Repair needs.

The concerns of the RJACC are valid and shared by NVTAs CEO. Therefore, the recommendation of the CEO is that the TERMS and other projects in the attachment funding per the attachment. The funding recommendations are inclusive of the following:

- Northern Virginia has and will likely continue supporting and recommend the programming of some of the regional CMAQ funds to implement the TERMS projects. However, given the belief that the reduction and repeal of the gas and grocery tax will not impact transportation, the Commonwealth should work diligently to identify additional funding needed for FY28 and beyond, to continue its agreement with the Transportation Planning Board, to fund the TERMS projects.
- Given that the TERMS projects are a top priority for the region, we would like to know how long is the Commonwealth' committed to fund the Amazon projects. While benefiting the region, the funding decision made by the Commonwealth.
 - At the end of this time period, the Commonwealth should resume its previous commitment to fund the TERMS projects.
- The Commonwealth should also confirm if there are any unprogrammed/ residual CMAQ funds that can be used to support the TERMS projects.

NVTA staff and I will be available at the NVTA meeting on March 10, 2022, meeting, to answer questions.