



Virginia Department of Rail and Public Transportation

Agency Update

Virginia Association of Counties

June 15, 2017

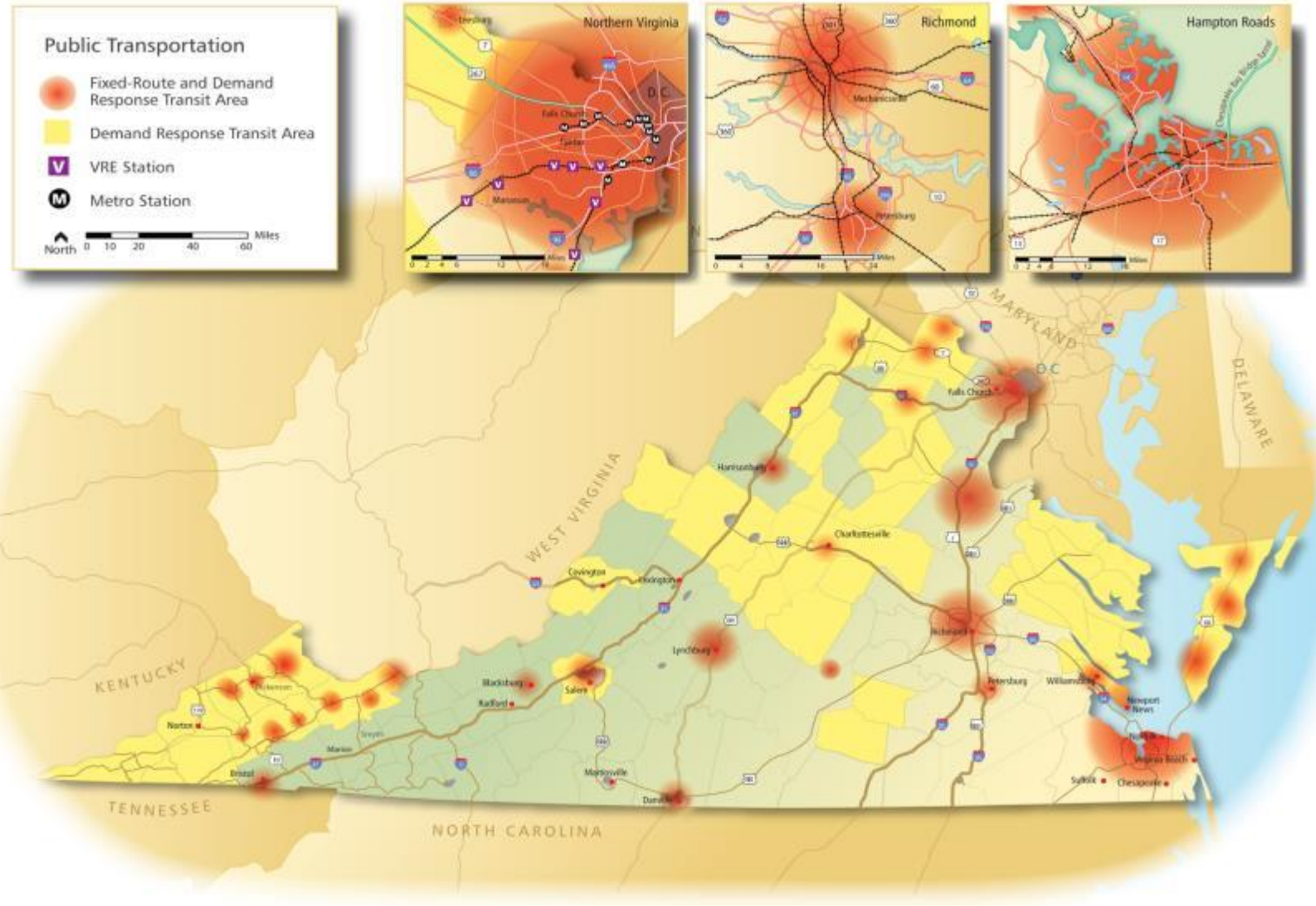
Jennifer Mitchell
Director

Rail and Public Transportation Systems

- 41 Transit Systems
- 76 Human Service Operators
- 1 Commuter Rail Operator (VRE)
- 18 Transportation Demand Management Agencies
- 15 Metropolitan Planning Organizations
- 9 Shortline Railroads
- 2 Class I Freight Railroads (CSX, NS)
- 1 Intercity Passenger Rail Operator (Amtrak)



Virginia Transit Systems



Transit Programming Highlights



Focus on State of Good Repair

- 467 Replacement Revenue Vehicles
- 163 Buses to be Rehabbed/Rebuilt
- 132 Replacement Metro Railcars
- 360 Railcars to be Rehabbed
- WMATA PRIIA Match: \$50M/year through 2020



Limited Capacity Expansion

- 61 Service Expansion Buses
- 28 Service Expansion Metro Railcars
- Bus Bay Expansion at East Falls Church Metro Station
- Engineering for Extension of Transitway (Crystal City/Potomac Yard) to Pentagon City



Existing Transit Capital Revenue Sources



- Transportation Trust Fund – 1986 Session
 - 14.7% dedicated to transit; of this amount, 25% allocated to Transit Capital ~ \$37 M annually
- Recordation Taxes
 - \$0.01/\$100 ~ \$15 M annually
- Retail Sales and Use Tax – 0.3% increase in HB2313
 - 0.075% dedicated to transit; of this amount, 25% allocated to Transit Capital ~ \$20 M annually
- Sales Tax on Fuel
 - 5.1% tax; 3.11% of revenue dedicated to transit capital ~ \$28 M annually
- **CPR Bonds – 20% minimum; \$110 M annually**
- Federal Transit Administration ~ \$41 M annually

	2018	2019	2020	2021	2022	2023	Total
1986 Special Session (14.7%)	\$ 36.0	\$ 37.3	\$ 37.9	\$ 38.5	\$ 38.9	\$ 39.6	228.2
Retail Sales and Use Tax	19.3	20.3	20.6	21.0	22.4	22.8	126.4
Sales Tax on Fuel	27.2	27.4	27.6	27.9	28.2	28.5	166.8
Recordation Tax	15.6	15.3	14.4	14.4	14.4	14.4	88.5
Transportation CPR Bonds	110.0	77.3	50.0	-	-	-	237.3
Federal Transit Administration	41.0	41.0	41.0	41.0	41.0	41.0	246.0
Total	\$ 249.1	\$ 218.6	\$ 191.5	\$ 142.8	\$ 144.9	\$ 146.3	\$ 1,093.2

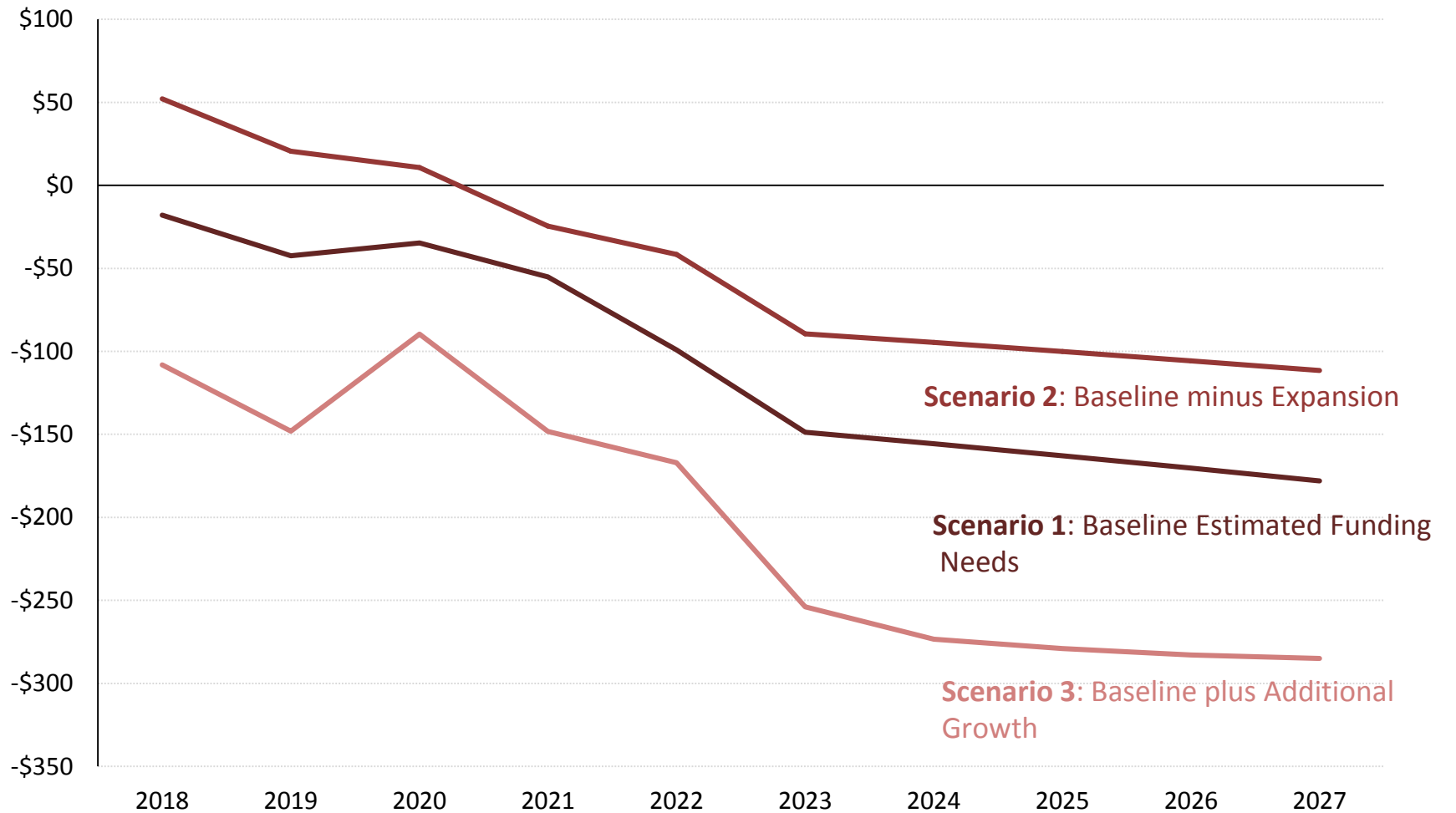
- Bond funds represent 44% of FY18 transit capital funding

Revenue Advisory Board – Key Questions



- How much funding is needed?
 - Estimate state transit capital needs
- What are potential funding sources?
 - Examine potential revenue sources
- Which projects should be funded?
 - Develop approach for project prioritization
- How should funds be allocated to capital projects?
 - Develop approach for capital program structure

Annual Projected State Transit Capital Deficit by Scenario (FY18 – FY27)



Long List of Revenue Options Considered

- Airport use excise tax
- Alcohol tax
- Amusement taxes
- Building permit tax
- Dedicated value added taxes
- Energy & utilities taxes
- Fertilizer/pesticide taxes (agricultural chemicals)
- Hotel excise tax
- Disposal tax surcharge
- Improvement district tax
- Insurance premium taxes
- Litter control tax
- Marine facilities tax
- Marine fuels tax
- Restaurant/prepared food tax
- Tax on marine vessels
- Tax on personal watercraft (personal property)
- Vehicle titling tax
- Licensing and recreational fee
- Local aquifer protection fee
- Tobacco tax
- Voluntary "check off" designating a portion of state income taxes to go towards identified item
- Access rights fee
- Bicycle registration fee
- Construction fee
- Connection fee
- Commercial and industrial property tax
- Property tax
- Fuel Tax
- Hospitality tax
- Mortgage transaction fee
- Real estate transfer tax
- Recordation Taxes
- Rental car taxes
- Sales and use tax
- Toll increase/implementation
- Special regional transportation taxing districts
- Payroll Tax
- Road branding / providing advertising space on public facilities
- Local water/wastewater utility user fee
- Fees for trucks servicing the port
- Inspection/monitoring/testing fee
- Off and/or on-street parking space fee
- Project investment fee
- Septic system impact fee
- Solid waste disposal fee (tipping fees, septage/sludge fees)
- Special permitting fees
- State public water supply withdrawal fee
- Transportation/Infrastructure fee for non-profits/governmental organizations whose property is not subject to property taxes
- Utility rights application fee
- Vehicle registration fee for public colleges/universities
- Vehicle use fees based on mileage (payable w/ state inspection)
- Well permit/pumping fee
- Container truck surcharge
- Development of public-private partnerships
- Leasing of air space and right-of-way
- Lottery and/or casino revenue / dedicated lottery
- Tourist tolls on roadways as part of toll system
- Traffic violation revenues - percentage
- Cap and Trade
- Driver license fee
- HOT Lanes
- Franchise fee
- Taxes on Certain Transportation and Transmission Companies
- Petroleum Business Tax
- Tire Tax
- Occupational license tax
- Dedicate portion of commercial and/or residential real estate taxes or impose a separate special tax district
- Increase sales tax base to include more services - dedicate extra revenue transportation
- Impact fees / proffers for new development
- Car registration fees
- Car tax (personal property)
- Head tax (based on # of employees)
- Impact fees / proffers / contributions for new development
- Income tax for localities with the proceeds dedicated to transit
- Joint Development
- Naming rights

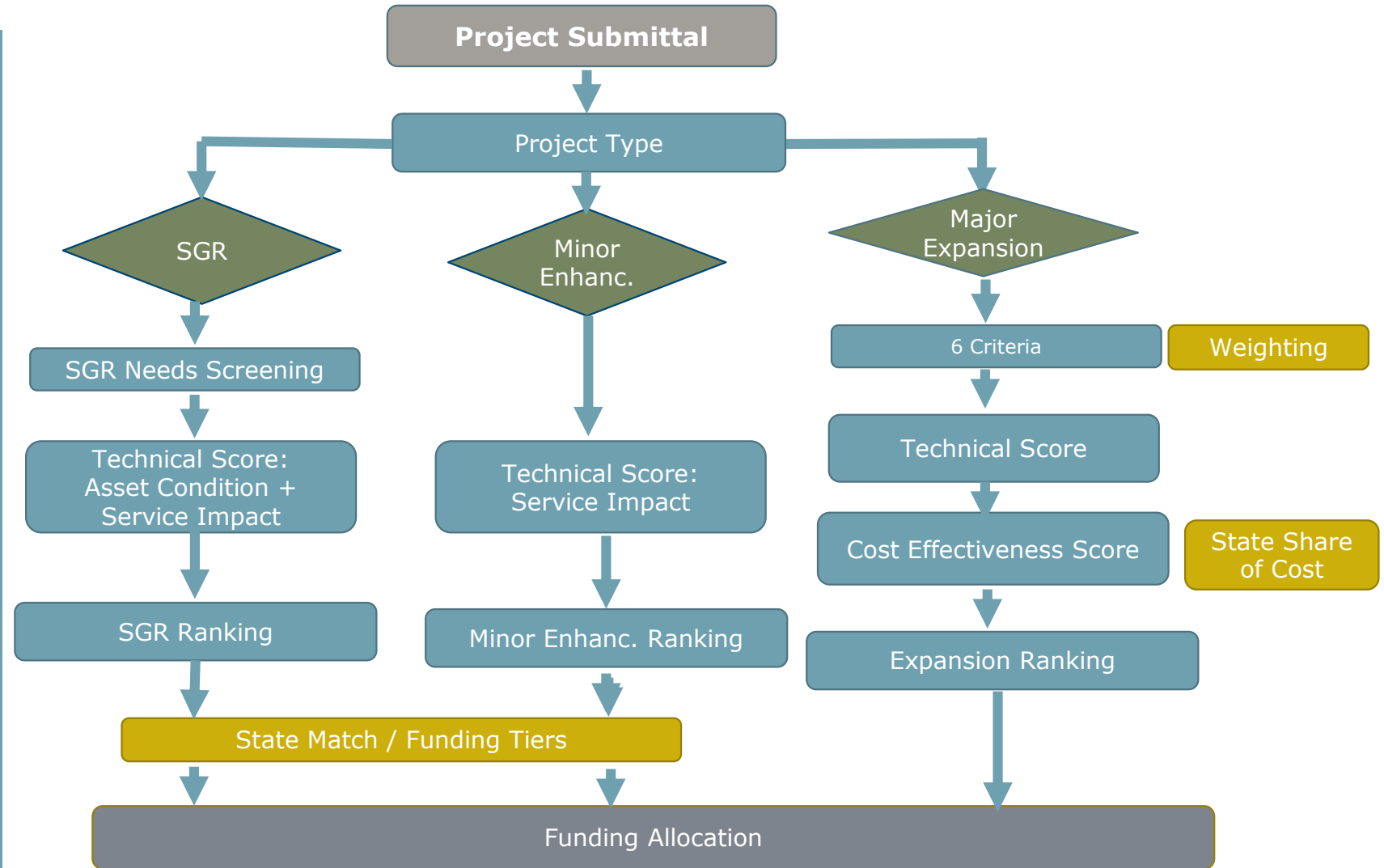


Recommendations for Transit Capital Revenue



- Consider a package that includes a variety of sources
- Consider a combination of statewide and regional options
 - Regional funds should be dedicated and prioritized regionally
- Consider incremental implementation of revenue enhancements (3 to 5 year phase-in)
- Consider implementation of a floor on regional gas taxes as part of solution
- Consider dedication of additional PTF revenues to transit capital
- WMATA needs are not fully factored into the analysis and may result in additional revenue needs beyond replacement of the PRIIA resources.

Illustrative Structure for Capital Program Prioritization





Policy Principles for Prioritization

- It is possible and desirable to prioritize transit capital projects using quantitative and qualitative measures
- Prioritization policies should be developed by CTB, in a manner similar to Smart Scale, via Board policy
- Allow for input/outreach to transit partners and ongoing process improvement



Principles for Transit Capital Program Structure

	State of Good Repair and Minor Enhancement (80%)		Expansion (20%)
	SGR (95%)	Minor Enhancement (5%)	
	 		
Funding Level	Minimum funding level (floor) for SGR Funding can be moved from expansion to SGR based on need		Funding level to be determined based on review of needs, funding can be moved to SGR but not from SGR to expansion
Illustrative State Match	up to 80%	up to 80%	up to 50%



Next Steps

- July 2017 – CTB Resolution endorsing final report with legislative recommendations
- August 1 – Report due to General Assembly
- Future:
 - Development and implementation of CTB policy on transit capital prioritization



WMATA

• DRPT •

- Large backlog of deferred rail maintenance
- Ridership declines due to reduced reliability and SafeTrack service disruptions
 - Ridership is also falling in other cities although not as much
- Unlike other major transit systems, no dedicated non-federal funding source
- \$150 million/year special federal capital funds since 2009; expires in 2018
- WMATA has identified a total of \$15.5B in additional capital needs over 10 years; only \$10.5B funded

Virginia Legislative Mandate



- *"objective review of the operating, governance and financial conditions at WMATA"*
 - Legal and organizational structure
 - Composition of board; qualifications of members; length of terms
 - Labor costs, including employee benefits
 - Options to lower costs and improve efficiency
- Compare WMATA to other transit systems at least 35 years old with 35 or more miles of rail
- Request participation of DC and Maryland

WMATA Consensus Building Effort

- Gov. McAuliffe recruited former USDOT Secretary and U.S. Congressman Ray LaHood to develop recommendations
- LaHood will consult officials in the region to look for a path forward
- Initial Recommendations expected in September; Report due to General Assembly in November



Recommendations



- Sec. LaHood asked to make recommendations
- May involve changes to board, management, costs, funding
- Implementation of recommendations could be through changes to Interstate Compact or other means
- Changes to Compact require legislation in VA, MD and DC, and Act of Congress
- Legislative mandate to report back to VA General Assembly by November 15, 2017

DRPT Passenger and Freight Rail Projects

Passenger and Freight Projects in Virginia

Legend

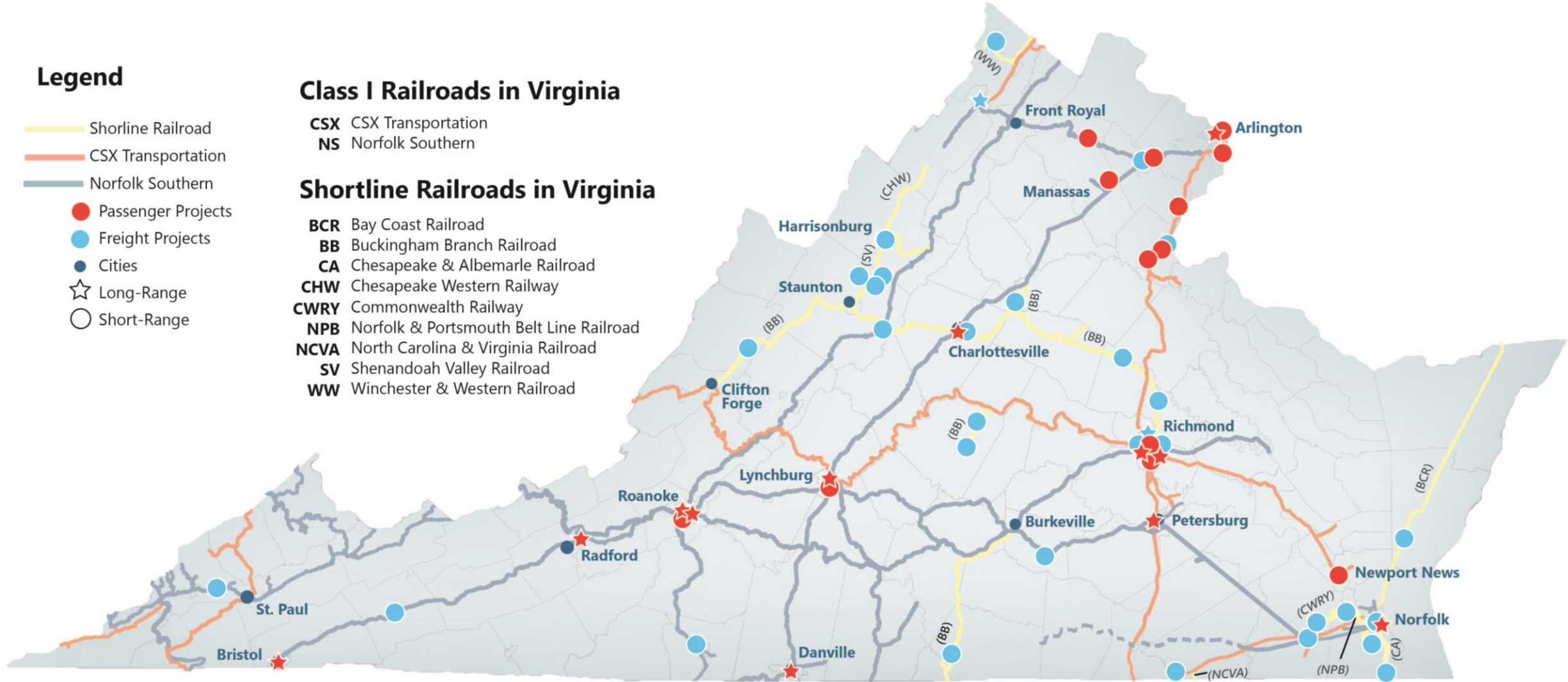
- Shorline Railroad
- CSX Transportation
- Norfolk Southern
- Passenger Projects
- Freight Projects
- Cities
- ☆ Long-Range
- Short-Range

Class I Railroads in Virginia

- CSX** CSX Transportation
- NS** Norfolk Southern

Shortline Railroads in Virginia

- BCR** Bay Coast Railroad
- BB** Buckingham Branch Railroad
- CA** Chesapeake & Albemarle Railroad
- CHW** Chesapeake Western Railway
- CWRY** Commonwealth Railway
- NPB** Norfolk & Portsmouth Belt Line Railroad
- NCVA** North Carolina & Virginia Railroad
- SV** Shenandoah Valley Railroad
- WW** Winchester & Western Railroad



Importance of Passenger Rail to the I-95 Corridor



CSX CARRIES
APPROXIMATELY



83,000
TONS OF FREIGHT

VRE CARRIES
APPROXIMATELY



18,000
PEOPLE

TRUCKS CARRY
APPROXIMATELY



271,000
TONS OF FREIGHT

CARS AND BUSES
CARRY
APPROXIMATELY



350,000
PEOPLE

METRORAIL
CARRIES
APPROXIMATELY



90,000
PEOPLE

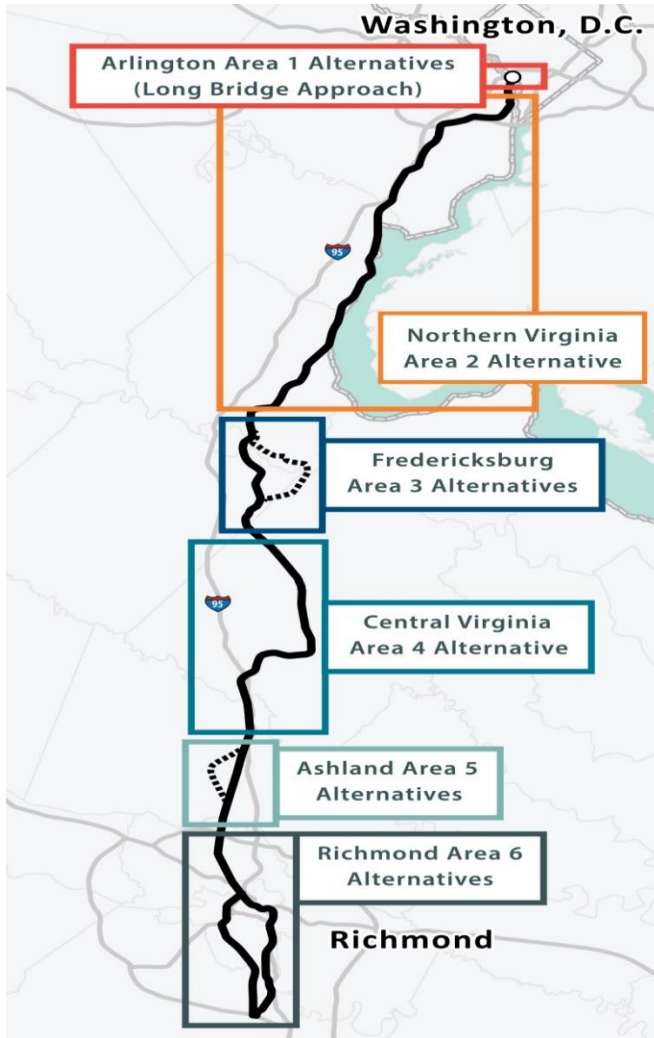
AMTRAK CARRIES
APPROXIMATELY



4,500
PEOPLE

DRPT.

DC₂RVA Study Area



Ashland Hanover Community Advisory Committee



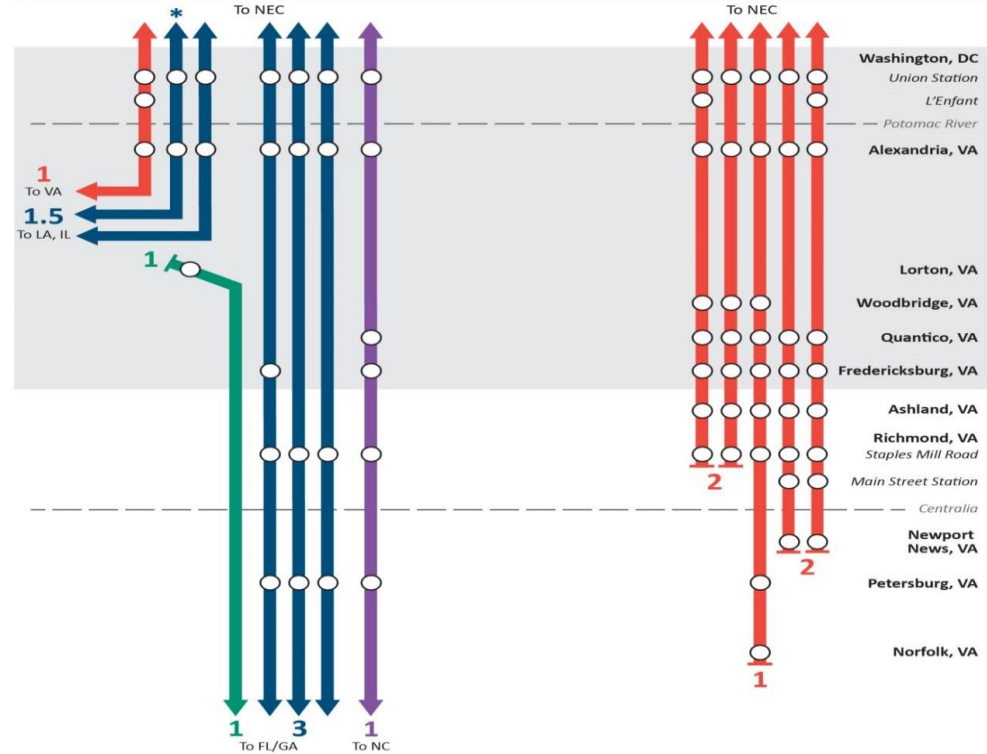
- Advise and inform DRPT on DC2RVA alternatives and issues in Ashland/Hanover
- Review alternatives studied to date
- Recommend modifications or new alternatives
- Identify and represent the concerns of members' communities
- Apply a structured transparent approach seeking consensus
- Expected to meet monthly through October

Existing and Proposed Round Trips

Existing (2015)

Daily Roundtrips	REG (VA)	LD	AT	LD	IC (NC)	IC (SEHSR)	REG (SEHSR)	REG (VA)	Total: 12.5
	1	1.5*	1	3	1	0	0	5	

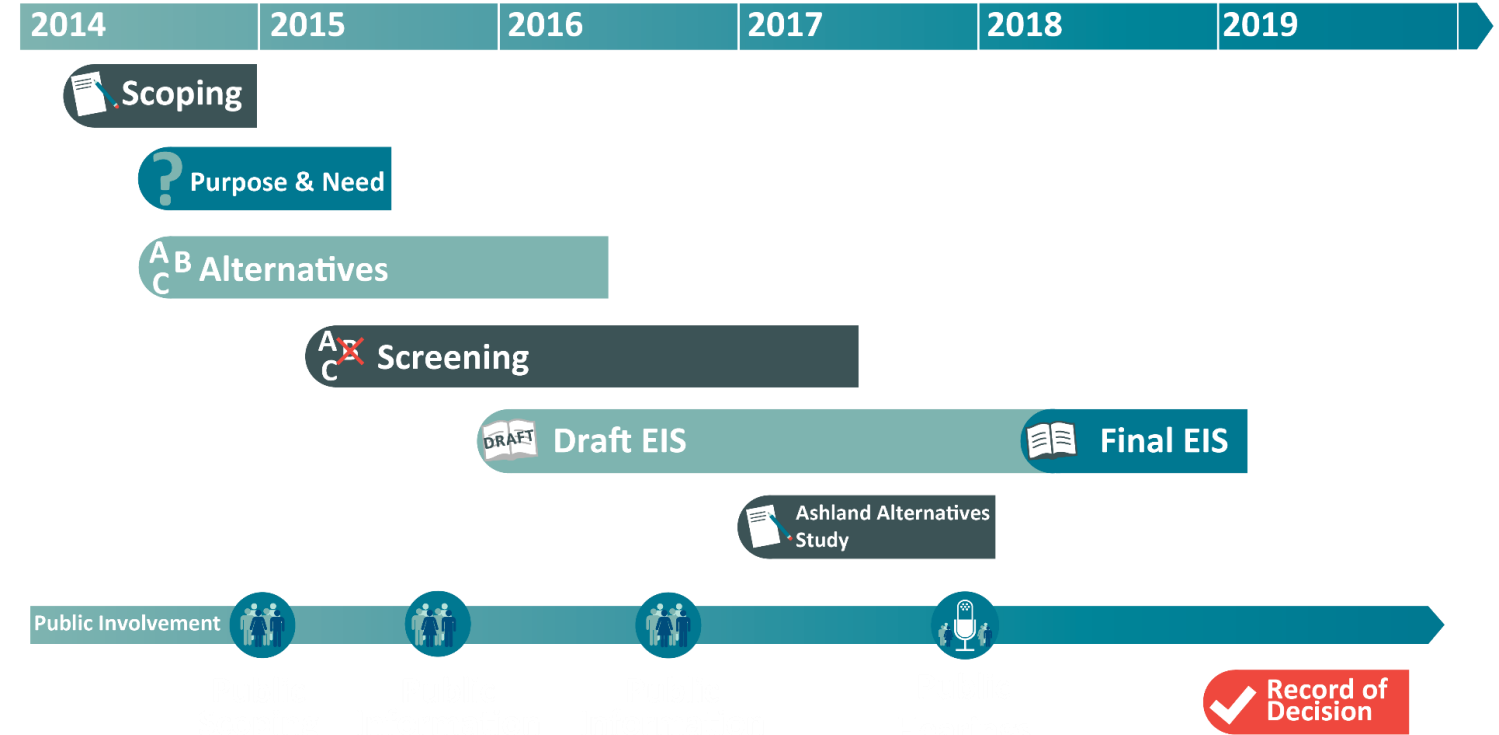
Note: Frequencies do not include VRE commuter trains



- Long Distance
- Northeast Regional (Virginia)
- Interstate Corridor (Carolinian)
- Auto Train
- Northeast Regional (Southeast High Speed Rail)
- Interstate Corridor (Southeast High Speed Rail)
- Existing train extended to Norfolk
- City also served by VRE commuter trains
- Station Stop
- Operates 3x/week



Expected EIS Schedule





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June 20, 2017

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