

Blue Item #3: FY2019 State Transit Assistance Applications



TO: Chairman Smedberg and NVTC Commissioners

FROM: Kate Mattice and Scott Kalkwarf

DATE: February 7, 2018

SUBJECT: FY2019 State Transit Assistance Applications

ACTION: Resolution #2355: Approve the FY2019 State Transit Assistance Applications

Resolution #2355 authorizes NVTC staff to submit the state assistance applications to the Virginia Department of Rail and Public Transportation (DRPT) for the following:

1. State Operating and Capital Transit Assistance, Rail Enhancement Fund

State operating and capital transit assistance applications are on behalf of NVTC's five WMATA jurisdictions for their local bus systems, and the NVTC jurisdictions' share of WMATA subsidies. The applications total \$579.4 million in eligible operating costs and \$151.3 million in total capital expenses for FY2019.

FY2019 state assistance applications on behalf of VRE include \$54.3 million in eligible operating costs, and \$26.3 million in total capital costs.

Detailed tables are provided showing the amounts of each form of assistance being requested, with comparisons to FY2018.

2. Intern Program

State assistance from DRPT's Intern Program is to support NVTC's Fellows Program for FY2019. Total cost as included in the FY2019 NVTC General and Administrative Budget for this program equals \$50,000, with a \$40,000 state share provided at 80 percent.

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RESOLUTION #2355

SUBJECT: FY2019 State Transit Assistance Applications

WHEREAS: The Northern Virginia Transportation Commission (NVTC) wishes to obtain state and federal grants to help defray NVTC, WMATA, local bus systems and Virginia Railway Express (VRE) operating and capital costs.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission's Executive Director is authorized, for and on behalf of NVTC and as an agent for its members:

- 1) To execute and file applications to the Virginia Department of Rail and Public Transportation (DRPT) for grants of public transportation assistance for FY2019 commencing July 1, 2018 in the amount of \$579.4 million in eligible operating costs to defray a portion of the public transportation cost of NVTC and its members for operations;
- 2) To accept from DRPT and execute grants in such amounts as may be awarded; and
- 3) To furnish DRPT such documents and other information as may be required for processing the grant requests.

BE IT FURTHER RESOLVED that NVTC's Executive Director is authorized, for and on behalf of NVTC and as an agent for its members:

- 1) To file applications to DRPT for grants of public transportation assistance for FY2019 for capital expenses totaling \$151.3 million in non-federal costs (\$178.7 million total costs) to defray the costs borne by NVTC and its members for capital expenditures, with a minimum four percent local participation required;
- 2) To revise the capital portion of the application to reflect refined estimates by WMATA or local governments when they become available;
- 3) To accept from DRPT and execute grants in such amounts as may be awarded; and
- 4) To furnish to DRPT such documents and other information as may be required for processing the grant request.

BE IT FURTHER RESOLVED that NVTC's Executive Director is authorized, for and on behalf of NVTC and PRTC and their members:

- 1) To file FY2019 VRE applications to DRPT in the amount of \$54.3 million in eligible operating costs, and \$26.3 million in non-federal costs for capital (\$67.3 million total costs);
- 2) To revise the application to reflect refined estimates by VRE;
- 3) To accept from DRPT and execute grants in such amounts as may be awarded; and
- 4) To furnish to DRPT such documents and other information as may be required for processing the grant request.

BE IT FURTHER RESOLVED that NVTC's Executive Director is authorized, for and on behalf of NVTC:

- 1) To file an application with DRPT under the Intern Program in the amount of \$50,000, with state funds anticipated at 80 percent;
- 2) To accept from DRPT and execute the grant in such amount as may be awarded; and
- 3) To furnish to DRPT such documents and other information as may be required for processing the grant request.

BE IT FURTHER RESOLVED that NVTC certifies that the funds for all of the above grants will be used in accordance with the requirements of Section 58.1 638.A.4 of the Code of Virginia, that NVTC will provide matching funds in the ratio required by the Act, that the records of receipts of expenditures of funds granted to NVTC may be subject to audit by DRPT and by the State Auditor of Public Accounts, and that funds granted to NVTC for defraying the public transportation expenses of NVTC shall be used only for such purposes as authorized in the Code of Virginia.

BE IT FURTHER RESOLVED that NVTC's Executive Director is authorized, for and on behalf of NVTC and its members, to furnish to the Transportation Planning Board, the Commonwealth Transportation Board, and other state and federal funding agencies such documents, information, assurances and certifications as may be required for pursuing the above grant requests and continuing previously awarded grants.

BE IT FURTHER RESOLVED that NVTC's Executive Director is authorized to amend the above described applications at the request of NVTC's member jurisdictions to include the most recent information and project costs.

Approved this 8th day of February 2018.

Paul C. Smedberg
Chairman

Katie Cristol
Secretary-Treasurer

NVTC
SUMMARY OF STATE CAPITAL AND OPERATING FORMULA GRANT ASSISTANCE APPLICATIONS
FY 2019

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
<u>NVTC</u>			
<u>CAPITAL ASSISTANCE APPLICATIONS</u>			
	<u>Non-Federal</u>	<u>Non-Federal</u>	<u>Non-Federal</u>
Local Systems Capital (Schedule A)			
Alexandria	4,076,000	4,150,000	(74,000)
City of Fairfax	-	23,000	(23,000)
Fairfax County	44,895,295	48,960,000	(4,064,705)
Arlington	20,044,368	13,951,939	6,092,429
Falls Church	-	-	-
Total	<u>69,015,663</u>	<u>67,084,939</u>	<u>1,930,724</u>
WMATA Capital (Schedule B)			
Capital Improvement Program	65,158,317	62,313,519	2,844,798
WMATA Debt Service	7,724,870	-	7,724,870
Jurisdiction Debt Service	8,453,585	2,574,700	5,878,885
Project Planning	1,000,000	825,000	175,000
Total	<u>82,336,772</u>	<u>65,713,219</u>	<u>16,623,553</u>
Total Capital	<u>151,352,435</u>	<u>132,798,158</u>	<u>18,554,277</u>

OPERATING ASSISTANCE APPLICATIONS

Prior Year Actual Expenses		
WMATA (Schedule C)	461,511,943	474,143,320
Local (Schedule D)	117,851,546	116,101,760
Total	<u>579,363,489</u>	<u>590,245,080</u>

VRE

CAPITAL ASSISTANCE APPLICATION (see schedule E)

	<u>Non-Federal</u>	<u>Non-Federal</u>	<u>Non-Federal</u>
Budgeted Costs	<u>26,313,117</u>	<u>36,488,610</u>	<u>(10,175,492)</u>

OPERATING ASSISTANCE APPLICATION

Prior Year Actual Expenses	<u>54,325,038</u>	<u>52,232,279</u>
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NVTC
STATE TRANSIT CAPITAL ASSISTANCE
LOCAL SYSTEMS
FY 2019

SCHEDULE A

	As Applied		
	Total Costs	Federal	Non-Federal Costs
CITY OF ALEXANDRIA			
Purchase replacement 35-ft buses (8)	\$ 3,876,000	\$ -	\$ 3,876,000
Purchase hybrid bus battery packs (4)	200,000	-	200,000
Total	4,076,000	-	4,076,000
CITY OF FAIRFAX			
	-	-	-
Total	-	-	-
FAIRFAX COUNTY			
Design & construction of Springfield CBC parking garage	6,305,295	-	6,305,295
Design & construction of Innovation Center Metrorail garage	17,500,000	-	17,500,000
Design & construction of Herndon Metrorail garage	11,000,000	-	11,000,000
ITS implementation phase 2	3,000,000	-	3,000,000
Purchase fare collection equipment	1,500,000	-	1,500,000
Purchase passenger shelters	1,200,000	-	1,200,000
Purchase shop equipment	600,000	-	600,000
Purchase spare parts	450,000	-	450,000
Purchase support vehicles	90,000	-	90,000
Midlife bus rebuild program	3,250,000	-	3,250,000
Total	44,895,295	-	44,895,295
ARLINGTON			
Bus engineering & design of maintenance facility	311,765	-	311,765
Bus engineering & design of storage facility	2,220,589	-	2,220,589
Bus purchase maintenance facility	4,650,000	-	4,650,000
Construction of Ballston Metrorail improvements	1,647,059	-	1,647,059
Transit ITS and security program	1,117,648	-	1,117,648
Off-vehicle fare collection development & implementation	743,000	-	743,000
Eng.& design second entrance Crystal City Metrorail station	150,000	-	150,000
Purchase expansion 35-ft buses (14)	8,769,012	-	8,769,012
Purchase passenger shelters	435,295	-	435,295
Total	20,044,368	-	20,044,368
CITY OF FALLS CHURCH			
	-	-	-
Total	-	-	-
TOTAL LOCAL CAPITAL	\$ 69,015,663	\$ -	\$ 69,015,663

NVTC

SCHEDULE B

**STATE TRANSIT CAPITAL ASSISTANCE
WMATA CAPITAL SUBSIDIES
FY 2019**

	<u>Alexandria</u>	<u>Arlington</u>	<u>Fairfax City</u>	<u>Fairfax County</u>	<u>Falls Church</u>	<u>Total</u>
FY 19 CIP Program (a)						
Total Cost	\$ 22,239,950	\$ 11,080,596	\$ 1,629,030	\$ 55,949,607	\$ 1,593,222	\$ 92,492,405
Federal Share	6,572,526	3,274,625	481,424	16,534,671	470,842	27,334,088
Non-Federal Share	15,667,424	7,805,971	1,147,606	39,414,936	1,122,380	65,158,317
WMATA Debt Service (b)	1,773,356	-	111,358	5,608,396	231,760	7,724,870
Jurisdiction Debt Service (c)	944,197	7,509,388	-	-	-	8,453,585
Project Planning (d)	161,000	316,000	7,000	506,000	10,000	1,000,000
Reimbursable Projects (e)	-	-	-	-	-	-
Total	<u>\$ 18,545,977</u>	<u>\$ 15,631,359</u>	<u>\$ 1,265,964</u>	<u>\$ 45,529,332</u>	<u>\$ 1,364,140</u>	<u>\$ 82,336,772</u>

(a) Virginia Compact members' share of FY19 Capital Improvement Program eligible to be funded by DRPT, excluding PRIIA matching funds which are contracted directly with WMATA. Preventative maintenance has been excluded from the capital assistance request, but included in the operating assistance request according to DRPT requirements. The assistance request is based on the WMATA's proposed budget and the amount expected to be paid with sources eligible for DRPT reimbursement.

(b) Long Term debt service for WMATA Series 2017 bond issue (FY18 CIP) and Series 2009 bond issue for those jurisdictions not opting out of the Metro Matters financing. Debt service payments for the FY19 CIP bond issue is budgeted to begin in FY20.

(c) Long Term debt service to be incurred directly by jurisdictions on their share of debt used to opt out of the Metro Matters FY09 debt issue, and to fund the FY18 and FY19 capital improvement programs.

(d) Project Planning - a regional reimbursable capital program stated separately from the FY19 CIP

(e) Reimbursable projects - Non-regional projects that the individual jurisdictions include on their respective jurisdiction state capital grant requests based upon their understanding of the current year budgeted expenditures.

NVTC

SCHEDULE C

**STATE TRANSIT OPERATING ASSISTANCE
WMATA OPERATING SUBSIDIES
FY 2019**

FY 2019

FY 2017 Actual Operating Expenses	\$ 461,511,943
FY 2017 Ridership	108,954,932

FY 2018

FY 2016 Actual Operating Expenses	\$ 474,143,320
FY 2016 Ridership	121,919,948

NVTC

SCHEDULE D

STATE TRANSIT OPERATING ASSISTANCE

LOCAL SYSTEMS

FY 2019

LOCAL SYSTEMS

	<u>Alexandria</u>	<u>City of Fairfax</u>	<u>Fairfax County</u>	<u>Arlington County</u>	<u>Total</u>
FY 2019					
FY 2017 Operating Expenses	\$ 18,396,054	\$3,834,311	\$ 79,873,825	\$15,747,356	\$117,851,546
FY 2018					
FY 2016 Operating Expenses	\$ 17,117,042	\$4,037,333	\$ 80,874,793	\$14,072,592	\$116,101,760

**NVTC
STATE TRANSIT CAPITAL ASSISTANCE
VRE
FY 2019**

SCHEDULE E

	As Applied		
	<u>Total Cost</u>	<u>Federal</u>	<u>Non-Federal</u>
Construction of rail related facilities - equipment storage projects	\$ 21,770,701	\$13,497,835	\$ 8,272,866
Construction of rail related facilities - Union Station improvements	5,000,000	3,100,000	1,900,000
Debt service for 11 cab cars	1,931,357	1,545,086	386,271
Debt service for 60 railcars	4,673,071	3,738,457	934,614
Security enhancements	105,000	84,000	21,000
Equipment asset management program	3,420,000	2,736,000	684,000
Facilities asset management program	2,495,000	1,996,000	499,000
Rehabilitation of lifecycle overhaul facility	2,987,309	1,852,132	1,135,177
Track lease payments - CSX	8,030,000	4,015,000	4,015,000
Track lease payments - NS (multi-year)	16,930,376	8,465,188	8,465,188
	<u>\$ 67,342,814</u>	<u>\$ 41,029,697</u>	<u>\$ 26,313,117</u>

2017 Year in Review





NORTHERN VIRGINIA TRANSPORTATION COMMISSION

THE VOICE OF TRANSIT IN NORTHERN VIRGINIA

A Message from the Executive Director

WHY NVTC IS THE VOICE OF TRANSIT IN NORTHERN VIRGINIA

Whether inaugurating transit service in the I-66 corridor; pursuing sustainable, dedicated funding for transit throughout Northern Virginia; or advocating for reforms at the Washington Metropolitan Area Transit Authority, NVTC used its voice and expertise to ensure the availability of high-quality, high-capacity transit. NVTC's words and actions advanced public transportation at the local, state and regional levels throughout 2017. Numerous NVTC initiatives made clear the need for Northern Virginians to have access to safe, reliable and adequately funded transit options.

The value of transit to the region and the Commonwealth of Virginia became apparent through NVTC research and data analysis. In 2017, NVTC identified opportunities to strengthen the region's bus network, developed a tool to assist member jurisdictions in evaluating and planning local bus service, examined the economic benefit of rail transit to the Commonwealth, and refined emergency plans Virginia's Metrorail stations.

NVTC's history of fiscal responsibility allowed us to continue to serve our transit providers and to tackle new programs, such as the funding of transit in the I-95/I-395 corridor. We take the gift of taxpayer dollars seriously and are routinely recognized for being transparent and accountable in our financial endeavors.

None of our accomplishments would have been possible without talented staff members, who are individually and collectively dedicated to NVTC's mission and vision. Also key to NVTC's effectiveness are our Commissioners, who bring both knowledge and expertise to the table and work to find common ground on the issues that come before us each month. I have no doubt that together, as a region, we will be able to tackle whatever challenges the new year brings.



Executive Director



I-66 Commuter Choice

Virginia's Governor and Secretary of Transportation joined NVTC in September to inaugurate the first 10 transit and related projects in the I-66 corridor funded through I-66 Commuter Choice. Flanked by buses, bikeshare and a transit information display screen, Gov. Terry McAuliffe noted that the projects, which received a total of \$9.8 million in funding, would eventually move an additional 5,000 people through the corridor each rush hour. By year's end, seven projects were fully operational; three others were partially implemented.

A second call for projects, which closed in late December, received 18 applications for funding. NVTC staff will evaluate the proposed projects in the coming year, presenting them to the Commission for consideration by mid-2018.



Formerly known as Transform 66 Multimodal, NVTC rebranded the program in

June as I-66 Commuter Choice, developing a new logo, website, and collateral materials. The program uses toll revenue from the interstate to fund multimodal improvements that benefit the toll payers. The program is designed to identify and fund projects that move more people, increase opportunities to connect from one mode of travel to another, improve transit service, reduce roadway congestion, and increase travel options.



I-95/I-395 Express Lanes Multimodal Program

NVTC, along with the Potomac and Rappahannock Transportation Commission (PRTC), was selected by the Commonwealth to fund transit and related projects using toll revenues from the I-95/I-395 express lanes. The Commonwealth Transportation Board adopted a Memorandum of Agreement (MOA) with NVTC and PRTC in December, following the MOA's approval by the two commissions.

NVTC and PRTC will receive a yearly payment of \$15 million, which will escalate annually for 68 years, from Transurban, the HOT lanes concessionaire. The funds will support new transit and related projects that directly benefit toll payers in the I-95/I-395 corridor. New express lanes extending to the Potomac River should open in late 2019.

Today's milestone is one more step toward expanding the express lanes network in Northern Virginia, and providing travelers with much-needed travel choices to reach their destinations faster. The key benefit continues to be options, and we are ready to focus on delivering this new choice on 395.

Virginia Transportation Secretary Aubrey Layne

Virginia Railway Express

25th Anniversary Celebration

U.S. Sen. Tim Kaine joined NVTC and the Potomac and Rappahannock Transportation Commission (PRTC) to celebrate the VRE's 25th anniversary on June 16 in Fredericksburg. VRE, which is co-owned by the two commissions, began providing commuter rail service on its Manassas Line in June of 1992 and on its Fredericksburg Line a month later. VRE has grown from serving fewer than 5,000 daily commuters during its inaugural year to nearly 20,000 riders per day in 2017.



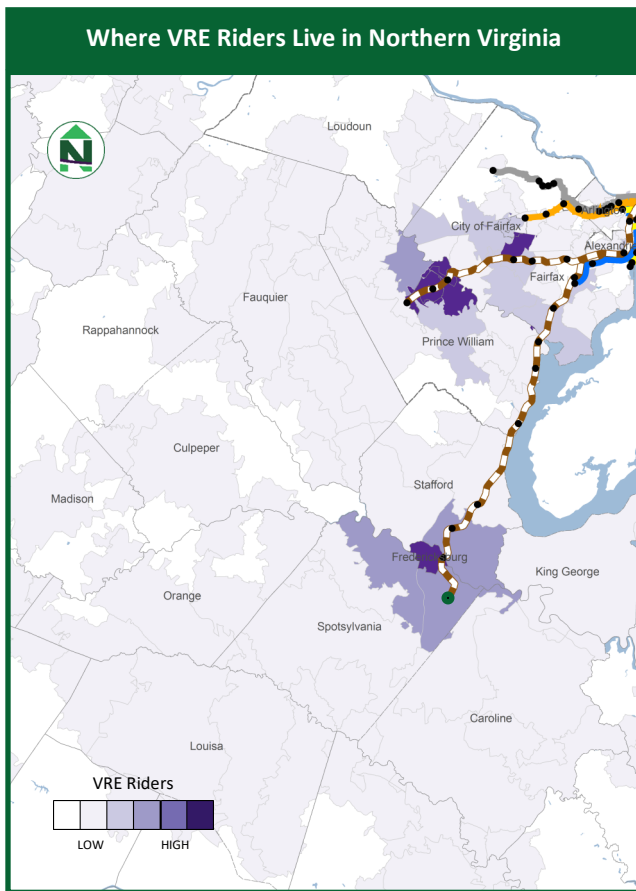
U.S. Senator Tim Kaine offers celebratory remarks at VRE's 25th Anniversary event in June.



Virginia Railway Express

Annual Ridership Survey

NVTC again verified the results of VRE's ridership survey. Using a geographic information system, which NVTC first employed last year, staff mapped the location of survey respondents' residences. As required, VRE conducts an annual passenger survey to determine the jurisdiction of residence of its riders. The results of this survey are used to allocate the local jurisdiction subsidy for the following budget year.



Washington Metropolitan Area Transit Authority

Reform Initiatives

NVTC adopted resolutions expressing priorities for reforms to improve WMATA's safety, governance and finances. The first endorsed the direction and spirit of the WMATA general manager's action plan, which outlined steps to control costs. The second articulated NVTC's principles for WMATA governance structure, board member compensation, board composition and experience, fiduciary and other conflicts of interest, as well as changes to the jurisdictional veto. The resolutions responded to a legislative mandate that NVTC participate in WMATA reform discussions.

Through its engagement with former U.S. Transportation Secretary Ray LaHood – commissioned by Virginia's Governor to develop WMATA reform proposals – NVTC's resolutions helped shape the Commonwealth's recommendations. A point of departure was in the size of the WMATA Board of Directors, with Sec. LaHood recommending five members and NVTC favoring 12. In a letter to Gov. Terry McAuliffe, following release of Sec. LaHood's report, the Commission stated that "NVTC should continue to appoint representatives to the WMATA Board and be a partner with the Commonwealth on the implementation of WMATA reforms now and in the future."



Former U.S. Transportation Secretary Ray LaHood (second from right) shares his preliminary WMATA reform recommendations with NVTC Commissioners at their October meeting.

NOW, THEREFORE, BE IT RESOLVED that, as a first step in the effort to reform WMATA, NVTC endorses the direction and spirit of Mr. Wiedefeld's proposal.

BE IT FURTHER RESOLVED that NVTC supports WMATA's approach to operate both within fiscal parameters and under policies and practices that assure high levels of safety and efficiency.

Resolution 2399; Approved this 1st day of June 2017

WMATA Board Member Forums

To illuminate Northern Virginians about the challenges and opportunities in getting Metro back on track, NVTC sponsored three forums with the Virginia members of the WMATA Board of Directors. Held in January in Reston, June in Alexandria and November in Arlington, each forum attracted more than 50 attendees, including some from Maryland and the District of Columbia. Funding Metro was the primary topic of interest. Questions touched on how to stem the pending transit fiscal cliff, bolster the 2.1 percent regional gas tax, improve WMATA's bond rating, and advocate for additional resources from Richmond.



Virginia's WMATA board members (from left to right: Cathy Hudgins, Paul Smedberg, Christian Dorsey and Jim Corcoran) discuss the value of Metrorail to the region and state as part of a public forum in November.

WMATA SafeTrack

April marked the end of the final SafeTrack surge to physically take place in Virginia, though residents continued to feel the effects of Metrorail line segment shut-downs and single-tracking through mid-June. SafeTrack was an accelerated plan that allowed Metro to complete three years of track work in 12 months. Four of SafeTrack's 15 safety surges occurred in 2017. With two-thirds of all safety surges involving tracks in the Commonwealth, NVTC coordinated Northern Virginia's SafeTrack response. Weekly calls clarified issues, allowing local transit systems to modify service so that residents, employees and visitors had travel options as Metro addressed track issues affecting passenger safety.

Building on its successful coordination of SafeTrack surges in 2016, NVTC convened a call of Northern Virginia transit providers to share logistical details and coordi-

nate changes in service plans related to January's Presidential Inauguration. The call featured discussion of emergency response, including a "walk out" plan routing pedestrians to Pentagon City.



Metro Safety Commission (MSC)

NVTC urged the General Assembly to pass legislation establishing a federally mandated state rail safety oversight entity. Following adoption of a resolution of support in Dec. 2016, NVTC met with state lawmakers, informing them of the critical need for legislation creating the safety oversight agency, as the Federal Transit Administration had announced it would hold back 5 percent of transit funding until the MSC was certified. Virginia Delegate Jim LeMunyon and Senator George Barker sponsored legislation – which was required to be identical to that in Maryland and the District of Columbia – to establish the new entity. The Governor signed the bill in March and appointed Virginia's two MSC members in October.



Gov. Terry McAuliffe signs legislation creating a Metro Safety Commission.

Emergency Preparedness

NVTC continued its effort to create and update incident response plans that provide for local and regional transit coordination in the event of service disruptions at Northern Virginia Metrorail stations. Based on the lessons learned from SafeTrack and the publication of WMATA's own Emergency Response and Evacuation plans, NVTC refined and simplified a plan framework that better reflects the needs of transit providers. NVTC will continue updating draft plans in 2018.



ENVISION ROUTE 7

Envision Route 7

With bus rapid transit (BRT) the preferred mode for future high capacity transit on Route 7, NVTC worked with the four affected jurisdictions — the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax — to develop the scope of and identify funding sources for a conceptual engineering study. Roughly half of the funding for the study will come from Virginia's Department of Rail and Public Transportation. A request for proposals will be issued in early 2018.

BRT on Route 7 is planned to run for 11 miles between the Spring Hill Metrorail Station in Tysons and Mark Center in Alexandria, with a connection to the East Falls Church Metrorail Station. NVTC adopted the preferred mode and alignment in mid-2016.



Outreach

Op-Eds & Letters to the Editor

The Washington Post and Washington Business Journal published several opinion pieces from NVTC Commissioners. Chairman Jeff McKay's op-ed on the inability of Virginia jurisdictions to afford increasing WMATA subsidies appeared in the Business Journal in

March. His op-ed on the value of Metrorail and VRE to the Commonwealth ran in The Post in September. A week later, an opinion piece on the same topic by NVTC Vice Chairman Paul Smedberg appeared in the Business Journal. A letter to the editor by Katie Cristol, who co-chairs NVTC's Legislative and Policy Committee, on the need for federal tax reform legislation to retain the commuter transit tax benefit appeared in The Post in late November.

Opinions Virginia gets more from Metro than it gives



Conductor Lisa Walker chats with a longtime rider on the way to Fredericksburg in 2015. (Katherine Frey/The Washington Post)

By Jeffrey C. McKay September 15
McKay is chairman of the Northern Virginia Transportation Commission, a member of the Revenue Advisory Board and a Fairfax County supervisor.

Opinions Don't repeal the commuter tax benefit



The legislative change proposed to the federal commuter transit benefit, while seemingly minor, would be devastating for our region's transit riders, local transit providers and even those who choose to commute by car. As the Nov. 26 *Washington Post* article "Commuter benefits could be squeezed by tax overhaul bills" noted, the House and Senate versions "would repeal a tax deduction for employees who provide parking or transit passes as a fringe benefit for their employees."

Viewpoint: Transit is an investment worth every penny

➔ SUBSCRIBER CONTENT: Sep 21, 2017, 4:01pm EDT

Imagine being guaranteed a 250 percent annual return on an investment. Who could resist? After all, only four of the more than 3,000 Nasdaq stocks outperformed that number last year.

Now imagine your tax dollars providing that kind of return on investment. It may seem impossible, but a new study by the [Northern Virginia Transportation Commission](#) (NVTC) demonstrates that for every dollar the commonwealth of Virginia spends on Metrorail and the [Virginia Railway Express](#), taxpayers earn more than \$2.50 in state revenue.

Metrorail and VRE move more than 290,000 people each day in Northern Virginia. With a safer, more reliable Metrorail system and a boom in high-density commercial and residential development clustered around Metro and VRE stations, that number is bound to grow. This development, in addition to other economic activity driven by public transit, brings significant revenue to the commonwealth that funds priorities like infrastructure, schools and parks.

NVTC's analysis shows that the additional 85,000 households and 130,500 jobs that Metrorail and VRE make possible generate over \$600 million each year in sales and income tax revenues, or just over 3 percent of the commonwealth's general fund contributions in fiscal year 2016.



Outreach

Virginia Transit Association

With NVTC Commissioner David Snyder serving as VTA president and Executive Director Kate Mattice on its board, NVTC played an integral role in VTA governance and provided significant staff support, including:

- Annual conference planning and moderation of a panel, Transforming 66 with Transit, in May at the Hilton Crystal City.
- Updating the “What Transit Means to Virginia” legislative handouts that NVTC staff first created in 2015.
- Developing presentation materials on what the transit capital funding gap will mean to transit agencies in the Commonwealth.
- Chairing the awards jury and creating the criteria for a new Unsung Hero award.



NVTC Executive Director Kate Mattice (second from right) moderates a VTA roundtable discussion on I-66 transit with (from left to right) Loudoun County’s Kathleen Leidich, NVTC’s Patricia Happ, and Arlington County’s Cristin Tolen.



"Let ART Be Your Weekend Ride" received an honorable mention for marketing from the VTA awards jury, which was chaired by NVTC staff. The successful initiative increased awareness of and ridership on ART’s weekend bus routes.

Introductions & Speaking Engagements

NVTC’s executive director, in partnership with WMATA, met with leadership from many of Northern Virginia’s chambers of commerce, confirming the business community’s support for sustainable and dedicated funding for Metro, VRE and local bus systems. Ms. Mattice also presented at meetings and forums sponsored by the League of Women Voters, Action Committee for Transit, Dulles Area Transportation Association, and Committee for Dulles.



NVTC Commissioner David Snyder (left) and Executive Director Kate Mattice (third from right) join representatives from VDOT, the City of Falls Church, NVTA and the League of Women Voters after speaking at a Metro forum.

The Value of Metrorail & Virginia Railway Express to the Commonwealth of Virginia

Recognizing that rail transit is vital to the economic well-being of Northern Virginia, NVTC conducted a study to measure what, if any, benefits Metrorail and VRE convey to the Commonwealth. The results show that the additional 85,000 households and 130,500 jobs that the rail systems make possible in Northern Virginia generate over \$600 million annually in sales and income tax revenues that flow to Richmond. For each dollar the state invests in Metrorail and VRE, it receives \$2.50 in return.

250% ROI

The study also revealed impacts associated with a lack of rail transit in Northern Virginia:

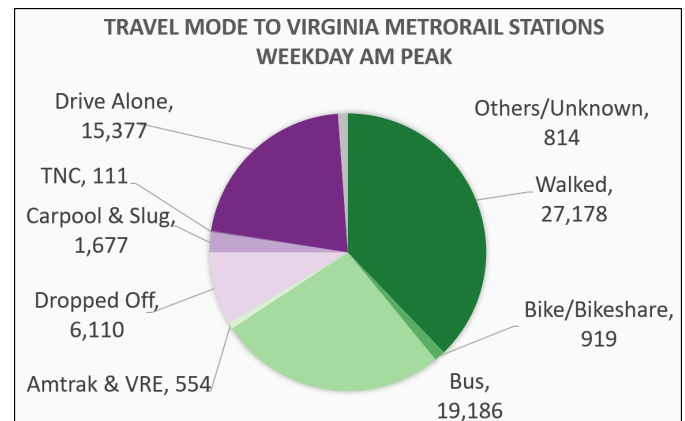
- 56,500 more lane miles of congestion on arterial roadways;
- 50 percent fewer transit trips in the peak period;
- 80 percent decrease in jobs accessible by transit for Northern Virginia households; and
- 130,000 fewer transit trips each weekday.

NVTC's study was informed, reviewed and supported by peers in the transportation community. The results were widely reported and shared with local, state and federal lawmakers, nonprofit groups, and transit agencies.

Who Rides Metrorail in Virginia?

NVTC released the organization's first in-depth analysis of Virginia's Metrorail riders in October. The review was based on data from WMATA's 2016 Metrorail Passenger Survey. Among the findings:

- Over 90 percent of Virginia riders reside in one of NVTC's six jurisdictions.
- Virginia has the highest percentage of riders in the region who are federal workers (37 percent).
- Virginia leads the region in the percentage of Metrorail riders with household incomes over \$100,000 (50 percent).
- Walking is the way most (37 percent) Virginians get to a Metrorail station in the morning peak period, followed by riding the bus (27 percent) and driving alone (21 percent).



We can thank Metro — along with the Virginia Railway Express (VRE) — for more than \$600 million in sales and income tax revenue to the state each year, according to a September report from the Northern Virginia Transportation Commission (NVTC). For every dollar invested by Virginia in Metro and VRE, we receive an impressive 250 percent return, making the investment worth it several times over.

If we allow Metro to decline, the region's annual tax revenue has been projected by some to decrease by as much as \$1 billion by 2025. The truth is, if Metro fails, Virginia fails, and our state budget would be crippled. We gain from Metro and VRE tens of thousands of dollars more than what Virginia spends on public safety and higher education combined. Without the tax revenue generated by Metro, what would the commonwealth have to do to fund these two critical programs that impact every part of the state?

Barry DuVal, CEO, Virginia Chamber of Commerce
 Bryan K. Stephens, CEO, Hampton Roads Chamber
 Writing in the Nov. 22, 2017 issue of the Richmond Times-Dispatch

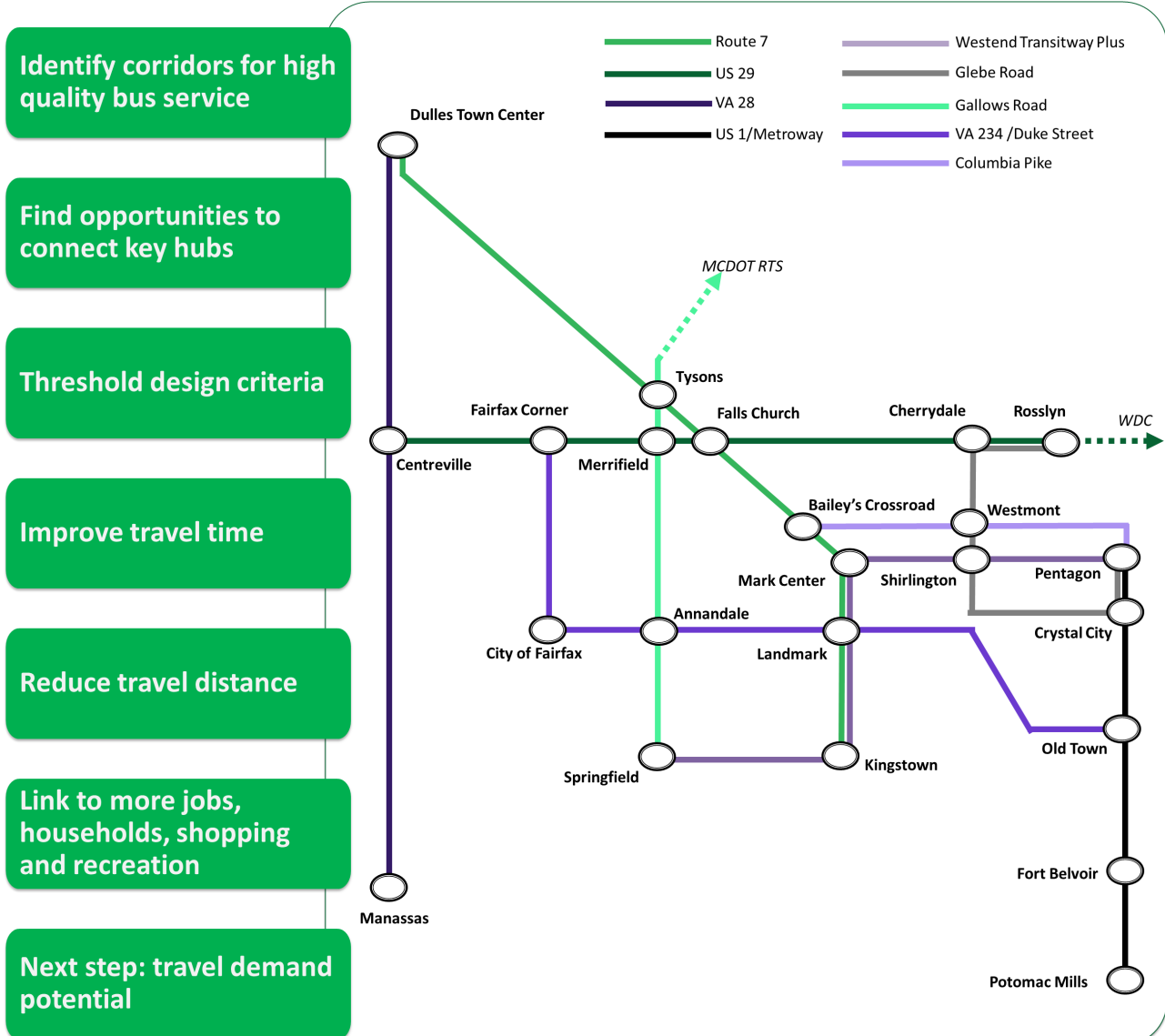
Regional Bus Analysis

Identifying opportunities to strengthen the region's bus network was the aim of NVTC's Regional Bus Analysis, released in November. The seven systems operating in Northern Virginia provide 120,000 miles of service each day or 41 million passenger trips annually. While the analysis found no significant regional gaps in service, it did identify corridors that could benefit from upgraded service levels.

TBEST

Using its Regional Bus Analysis as a springboard, NVTC developed and launched a tool to assist member jurisdictions in evaluating and planning local bus service. The initiative uses an analytical package known as the Transit Boardings Estimation and Simulation Tool (TBEST), developed by the Florida DOT. Using census data, employment projections, land use information, and transit network and ridership data, TBEST estimates transit demand at bus stops and projects the information into a geographic information system. NVTC, which has used TBEST to model transit systems serving the cities of Alexandria and Fairfax, will continue to adapt the planning tool for use throughout the region.

What Is the Future for Regional Bus and High-Quality Bus Service?



Legislative & Policy Agenda

Maintaining and expanding opportunities for dedicated, sustainable transit funding in Northern Virginia is a top priority of NVTC's Legislative and Policy Agenda. The document guides NVTC's response to state and federal legislative and regulatory actions. Five updated NVTC issue briefs provide greater detail on topics ranging from the potential reduction in state transit capital funding to the need for a floor on the regional gas tax to reauthorization of the federal Passenger Rail Investment and Improvement Act of 2008.

Legislative & Policy Briefing

A dozen state legislators, both veterans and newly elected members, and more than 100 local elected officials, federal and state legislative staff, and area business leaders joined NVTC and PRTC in early December to learn more about federal and state issues affecting transit in Northern Virginia. Transit industry leaders – from Metro, Virginia Railway Express, and the Department of Rail and Public Transportation – addressed the critical funding and policy challenges facing our region and transit-savvy business leaders – from EY, Comstock Partners, Monumental Sports and Entertainment, and Inova – spoke to the importance of bus and rail to our economy and quality of life.



Regional transit leaders, including WMATA GM Paul Wiedefeld (at podium) address the need for sustainable, dedicated transit funding.



Northern Virginia business leaders speak to the need for high-quality, high-capacity transit service in the region.



More than 100 leaders from throughout Northern Virginia attended the NVTC/PRTC legislative briefing in Springfield.



The NVTC/PRTC legislative briefing provided state legislators and their staffs an opportunity to better understand transit issues in Northern Virginia.

Transit Policy Panels

As Virginia Transit Association's representation to the states' Transit Service Delivery Advisory Committee, NVTC Executive Director Kate Mattice worked to identify sustainable revenue sources to fund transit capital needs and ways to equitably prioritize the use of that revenue. The committee's work served to inform members of the Transit Capital Project Revenue Advisory Board, a legislatively mandated panel tasked with providing the General Assembly with options for replacing revenues from bonds, due to expire in fiscal year 2019, that have funded transit capital investments for the past 10 years. In comments to the Revenue Advisory Board in June, prior to the panel's final recommendations, Mattice reiterated NVTC's stance that a statewide program should be supported primarily by revenues generated at the state level and that additional funding will be needed for WMATA and VRE.

In December, then Gov.-elect Ralph Northam assembled a group of some of the state's most knowledgeable transportation leaders to assist in his transition. The transportation transition team — led by Aimee Perron Seibert of the Commonwealth Strategy Group and John Milliken, a former Virginia Secretary of Transportation, —included NVTC Executive Director Kate Mattice, who was to advise on transit issues.

Richmond Business Meeting

With the legislature in session and NVTC's six Commissioners from the General Assembly busy in Richmond, NVTC took its February meeting to the state capital. There Commissioners heard from Transportation Secretary Aubrey Layne and Commonwealth Transportation Board Member Marty Williams, who was chairing the panel working to identify future funding and develop a prioritization process for transit capital projects. Several state delegates and senators also joined the meeting.

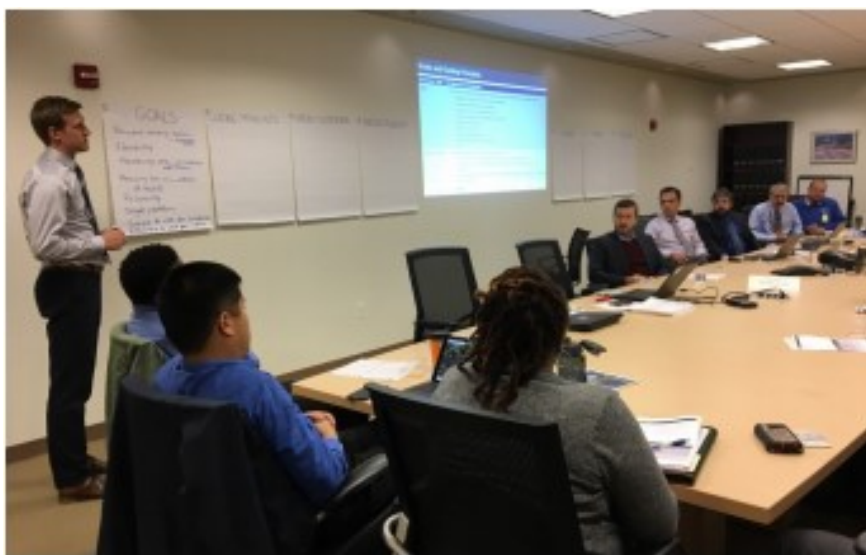


From left to right: Virginia Transportation Secretary Aubrey Layne, Commonwealth Transportation Board Member Marty Williams and DRPT Director Jennifer Mitchell brief Commissioners during NVTC's February meeting in Richmond.

Fare Collection Technology

Prolonging the life of the region's aging fare collection system is a necessity. As NVTC focuses on developing a long-term vision for the region, it is working with WMATA and local bus systems on a stop-gap measure to update current fare collection methods. That entails replacing and upgrading equipment and software. At year's end, WMATA was preparing to test updated fareboxes on 15 buses. Fairfax Connector and Loudoun County Transit will then follow suit. NVTC will continue to coordinate the purchase of equipment by Northern Virginia transit operators so that all can begin farebox upgrades on their entire fleets by late fiscal year 2018.

As part of its fare technology coordination efforts, NVTC hosted a workshop in November that explored emerging fare collection technologies. Staff from NVTC's transit agencies, as well as WMATA and the Federal Transit Administration attended. Participants expressed interest in off-board payment, mobile ticketing, and student passes. NVTC will continue gathering input for a long-term regional fare collection strategy.



Staff from NVTC's jurisdictions participate in a November workshop on emerging fare collection technologies.

National Transit Database Training

To help local transit agencies meet their federal reporting requirements, NVTC hosted a two-day training session in mid-September on the National Transit Database. Those receiving grants from the Urbanized Area Formula Program or Rural Formula Program are required to submit certain data to the Federal Transit Administration (FTA). The reporting requirements have allowed the FTA to make information – such as agency funding sources, inventories of vehicles and maintenance facilities, safety event reports, measures of transit service provided and consumed, and data on transit employees – available to the public.



Staff from NVTC's jurisdictions attend a Federal Transit Administration training session hosted by NVTC.

Financial & Grants Management

NVTC served as the grantee or agent of funds totaling more than \$260 million in fiscal year 2017.

- State assistance for WMATA, through NVTC, came to \$144.1 million.
- Revenues from the 2.1 percent regional gas tax, which NVTC received for eventual disbursement to WMATA for operating and capital requirements, equaled \$30.6 million.
- State assistance, for which NVTC applied on behalf of its member jurisdictions' transit systems, came to \$43.5 million.
- Federal grants on behalf of two NVTC jurisdictions totaled \$20 million, of which \$3.7 million was received in fiscal 2017. NVTC served as grantee for the awards and ensured its jurisdictions' compliance with FTA requirements.
- DRPT transit assistance to VRE, for which NVTC served as grantee, totaled \$40.5 million.

NVTC Fiscal Year 2017 Financial and Compliance reports yet again received clean audit opinions. The opinions cover the financial position and change in financial position of NVTC's activities, internal control over financial reporting, and compliance with laws, contracts, regulations, grant agreements and other matters. NVTC also received a clean opinion on compliance with each major federal program and its internal control over compliance.

NVTC's financial structure included three governmental funds: a general fund, a special revenue fund for transit activities, and a special revenue fund for I-66 toll revenue. NVTC also maintained a jurisdiction trust fund for transit activity, and an enterprise fund, recognizing NVTC's share of ownership of VRE, which equaled \$212.4 million as of June 30, 2017.

The general fund included NVTC's general, administrative and project activities. During fiscal 2017, the transit special revenue fund allocated state and regional assistance to member jurisdictions, which came to \$172.0 million. The special revenue fund for toll revenue received, held and disbursed funds for the I-66 Commuter Choice program, which totaled \$9.8 million in fiscal 2017. The jurisdiction trust fund held and disbursed funding for WMATA and local transit systems. In fiscal 2017, \$174.7 million was for WMATA and \$36.7 million for local system needs.

**The 2017 Year in Review is a product of
the Northern Virginia Transportation Commission**

Kate Mattice, Executive Director

Jeffrey C. McKay, Chairman