

**FY 2017 Budget:
Transportation Capital Fund (TCF) &
Crystal City, Potomac Yard and Pentagon City
Tax Increment Financing (TIF)**

County Board Worksession

April 5, 2016

TCF - Commercial & Industrial Tax

- Authorized by General Assembly in 2007; adopted by County Board in 2008, eligible uses of the Commercial & Industrial Tax include:
 - New road construction, or expansion of existing roads that add capacity, service, or access;
 - New public transit construction, or expansion of existing transit that adds new capacity, service, or access;
 - Other capital costs related to new transportation projects and directly-related operating costs; or
 - The issuance costs and debt service on bonds to support capital costs above
- Cannot be used to supplant existing commitments
- Has served as a basis for leveraging state and federal transportation funds for major capital projects
- Vacancy rates impact revenues resulting in tax fluctuations
- **\$24.8M anticipated in FY 2017**

See Handout #1, Tax Code of Virginia, code section 58.1-3221.3: Use & Level of Effort Requirements for the Commercial & Industrial Real Estate Tax

TCF - HB 2313 (NVTA Local)

- In 2013, the Virginia General Assembly enacted transportation funding legislation (House Bill 2313), which raises new transportation revenues for Northern Virginia
 - Includes the Regional Sales Tax, Grantor's Tax, and Transient Occupancy Tax
- 30% of revenues will be returned to localities to be used for locally selected transportation projects. Eligible uses include:
 - Additional urban or secondary road construction;
 - Other capital improvements that reduce congestion;
 - Other transportation capital improvements included in NVTA's long range transportation plan;
 - Public transportation purposes
- **\$11.8M anticipated in FY17**, included in the Transportation Capital Fund, as required by legislation

See Handout #2, HB 2313 - Excerpt of Funding Uses and Maintenance of Effort Language

- *Staff must submit an annual Maintenance of Effort analysis to NVTA to demonstrate that the County is in compliance*



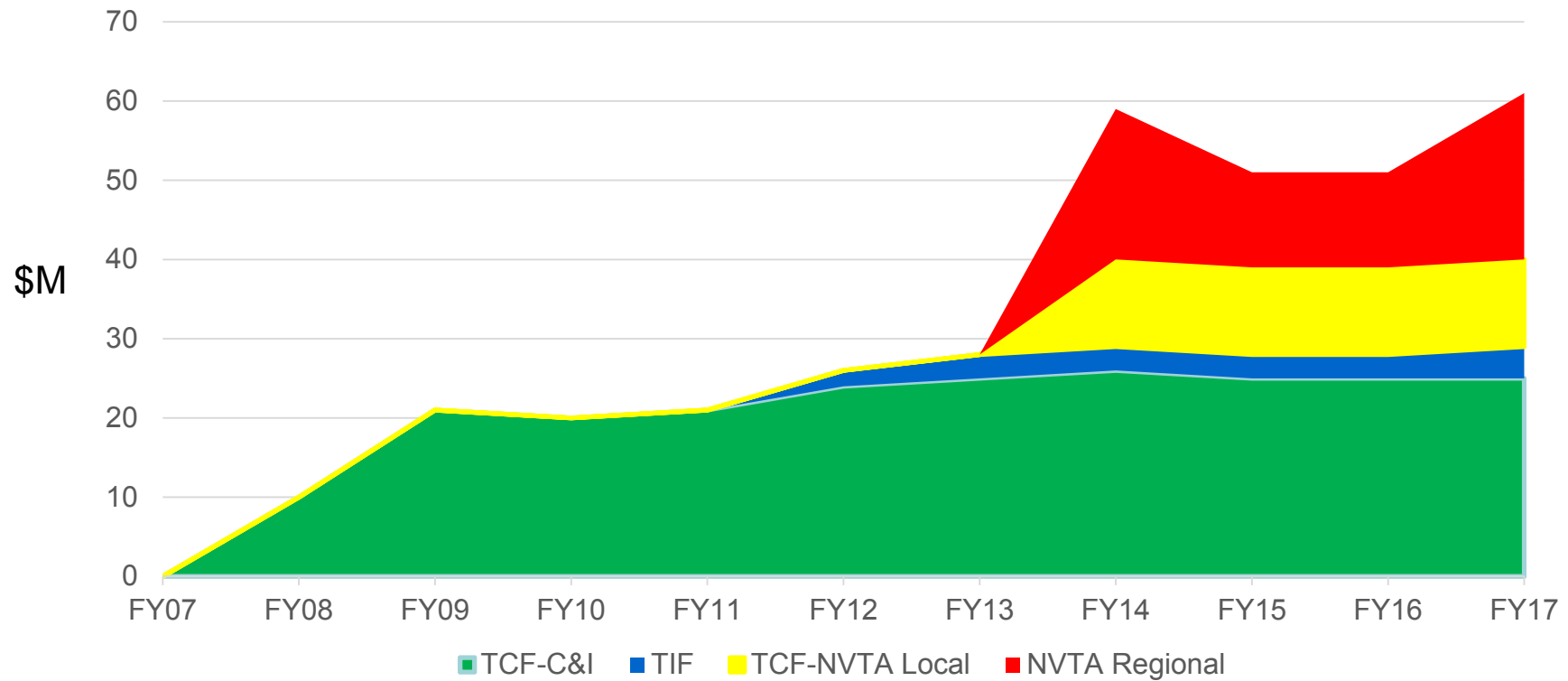
FY 2017 TCF Fund Balance

As more transportation projects proceed through design and into construction, fund expenditures are increasing

(in \$ Millions)	FY 2015 Actual	FY 2016 Re-estimate	FY 2017 Proposed
Opening Balance, July 1	105.5	132.0	132.0
Revenues - Tax Increment Area			
Commercial Real Estate Revenues	24.5	24.8	24.8
NVTC State Aid Reimbursements	7.7		
Other Revenues	8.0		
NVTA Revenues – Local*	11.2	11.6	11.8
Total Revenues	51.4	36.4	36.6
Total Balance & Revenues	156.9	168.4	168.6
Expenses	(24.9)	(36.4)	(72.3)
Closing Balance, June 30	132.0	132.0	96.3

**The County began receiving NVTA (HB 2313) Local Revenue in FY 2014.*

TCF, TIF & NVTA Regional Revenues



NVTA Regional funding is allocated through an external competitive process; figures represent awards by fiscal year.

Resources Needed to Execute CIP

Primary mechanism to secure additional support for the transportation program will be professional services contracts.

- Services to be provided will be based on development of annual work plan and may include:
 - *Program management support & project controls*
 - *Project management*
 - *Cost estimating*
 - *Civil & transportation engineering*
 - *Construction management*

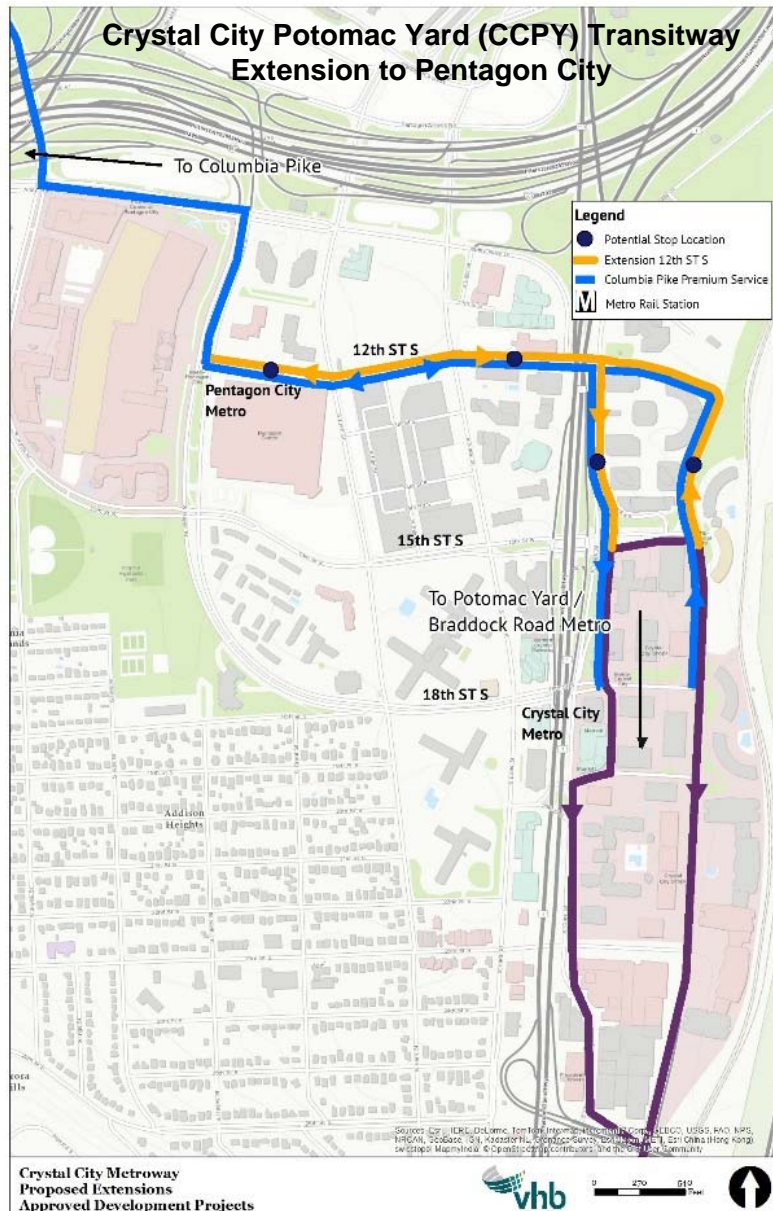
New FTEs requested to support the capital program:

- 2 Design Engineering Team Supervisors in the Engineering Bureau

Other changes include:

- Reallocation of 1 FTE in the County Attorney's Office to a Capital Programs Management Coordinator
- Reallocation of 1 FTE in DES Real Estate to an Engineering Design Section Manager

Investments – Route 1



Projects:

Complete streets:

- 18th St. S. – S. Fern St. to S. Eads St.
- S. Hayes St. – Pentagon City Multimodal – Army Navy Dr. to 15th St. N.
- 27th St. S. – US1 to Crystal Drive
- Crystal Drive – US 1 to 27th Street
- Clark/Bell Streets – 12th to 18th Streets
- Clark/Bell Streets – Vicinity of 15th Street
- 18th Street – US 1 to Crystal Drive
- S. Eads Street – 15th to 23rd Streets
- 12th Street S. – S. Eads to S. Clark Streets
- Airport Viaduct Removal
- Viaduct Trail Access to National Airport
- 12th St. S. – S. Fern St. to S Eads St.
- 23rd St. S. – US1 to Crystal Drive

Transit:

- CCPY Transitway Extension to Pentagon City
- Crystal City Metro Station East Entrance

Benefits:

- Improve pedestrian, bicycle, vehicle and transit access and safety.
- Improve Metrorail station access and safety.

Investments – Columbia Pike

Projects:

Complete Streets:

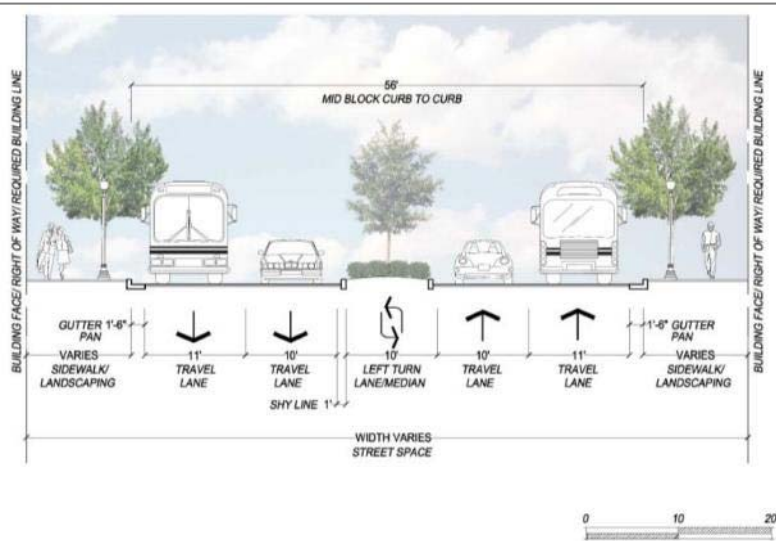
- Columbia Pike:
 - S. Frederick St. to Jefferson St
 - Oakland St. to S Wakefield St.
 - S. Garfield St. to Quinn St.
 - Orme St. to Joyce St.
 - Courthouse Road to S. Quinn St.
- Bike Boulevards – Bicycle facility improvements
- 12th St. S. – Glebe Rd. to Monroe St.
- 11th St. S. – Glebe Rd. to Monroe St.

Transit:

- Transit Stations

Benefits:

- Improve pedestrian, bicycle, vehicle and transit access and safety



Columbia Pike Complete Street cross-section

Columbia Pike Multimodal Street Improvements



Investments – Rosslyn - Ballston



Proposed Court House Station Second Elevator



Proposed Ballston - MU Station West Entrance

Projects:

Complete Streets:

- Rosslyn-Ballston Corridor Accessibility
- Rosslyn Esplanade – N. Lynn St. & Custis Trail
- 13th St. N. Phase III – Hudson St. to Ivy St.
- Hudson St. & Wilson Blvd.
- Washington Blvd. – Wilson Blvd. to Kirkwood Rd.
- 10th St. N. at Fairfax Dr.
- Clarendon Circle Pedestrian Improvements
- Wilson Blvd. – N. Lincoln Street to 10th Street N.

Transit:

- Court House Metro Station Second Elevator
- Ballston Metro Station Multimodal Improvements
- Ballston-MU – Metro Station West Entrance

Benefits:

- Improve pedestrian, bicycle, vehicle and transit access and safety
- Improve Metrorail station access and safety

Investments – County-wide



Capital Bikeshare

Projects/Programs:

- Capital Bikeshare
- East Falls Church Streets

Transit:

- ART Light Maintenance Facility and Satellite Parking
- Bus Stop & Shelter Program
- Bus Stop Accessibility Improvements
- Transit ITS & Security Program
- STAR Call Center Office

Traffic Engineering & Operations:

- Transportation Systems & Traffic Signals Program
- Parking Meters & Technology

Benefits: Improve pedestrian, bicycle, vehicle and transit access and safety.

ART Light Duty Maintenance Facility



TIF - Background & Overview

The Tax Increment Financing fund was established in 2010 as an implementation tool for the Crystal City Sector Plan.

- The Plan establishes a vision and planning framework for the future of Crystal City that will enable it to thrive following the BRAC decision.
 - The commercial vacancy rate in Crystal City was 20% at the end of 2015
- The TIF is an important means of paying for infrastructure improvements that further the revitalization of Crystal City, Potomac Yard and Pentagon City.
- Projects funded via TIF will provide critical transportation and open space infrastructure needed to support future development.
- Redevelopment in these areas is expected to return to the County additional tax revenues significantly above the TIF-supported investments made in public infrastructure.



FY 2017 TIF Fund Balance



- Revenues anticipated to increase by \$1.3M from FY 2015 to 2017
- Expenditures anticipated to increase by \$8.5M from FY 2015 to 2017

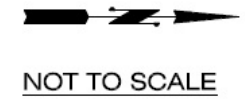
(in \$ Millions)	FY 2015 Actual	FY 2016 Re-estimate	FY 2017 Proposed
Opening Balance, July 1	6.8	9.3	11.3
Revenues*	3.5	4.2	4.8
Total Balance & Revenues	10.3	13.5	16.1
Expenses	(1.0)	(2.2)	(9.5)
Closing Balance, June 30	9.3	11.3	6.6

**Includes some NVTC state aid reimbursements & state transportation grant revenues.*

Crystal City & Pentagon City Projects

Project Legend

- | | | | |
|---|---|---|---|
|  | Crystal Drive Two-Way Conversion Phase 3 |  | South Eads Street Design Concept (Army Navy Dr. to Four Mile Run) |
|  | Crystal Drive - US1 to 27th St. South/33rd St. South Two-Way Conversion Phase 4 |  | 12th Street South - South Eads to South Clark Street |
|  | 18th Street South Multi-Modal Center - South Eads Street to South Bell Street |  | South Bell Street Two Way Conversion - 15th Street South to 20th Street South |
|  | Clark-Bell - 12th Street South to 20th Street South |  | 18th Street South - South Hayes Street |
|  | 23rd Street South* |  | Transit Way |
|  | 18th Street South |  | Future Translt |
|  | 15th Street South Extension |  | Metrail 2nd Entrance (Study) |
|  | ART House Frontage Improvements |  | Station Location <small>(To be constructed with the transitway project)</small> |
|  | South Eads Street - 15th Street South to 23rd Street South | | |
|  | Airport Viaduct Ramp Removal | | |
|  | Army Navy Drive Cycle Track - Complete Street | | |



15TH Street Park

- An approximately 33,500 square-foot park positioned as the central feature of the reconfiguration of 15th Street between Crystal Drive and Clark-Bell Street
 - Will include significant landscaping, paved walkways and seating areas, and focal features such as a water feature and pavilion
- The park will be the first County project that implements parks and plazas identified in the Crystal City Sector Plan
- Design funded in FY 2016; Civic engagement planned for second half of FY 2017

