

*Our Mission: To provide critical transportation infrastructure to enhance the community's long-term economic and environmental sustainability.*

#### Transportation Capital Fund

- Allows the County to make major ongoing investments in multimodal transportation infrastructure that support the function, competitive position, and ongoing development of **Arlington's** commercial and mixed use districts such as the Rosslyn-Ballston Corridor, Crystal City, Pentagon City, Columbia Pike, and Shirlington. These commercial mixed use districts make up over **half of the County's tax base and include most of the County's office, hotel, retail, and multi-family housing stock.**
- Provides a predictable stream of capital funding for transportation projects that is over and above what would be available from County general obligation bond and Pay-As-You-Go sources.
- Provides the opportunity to leverage outside sources of funding from federal and state transportation programs as well as private sector partners.
- The 2013 Virginia General Assembly enacted legislation (House Bill 2313) which raises new transportation revenues for Northern Virginia through a series of state imposed regional taxes and fees. **Of these revenues, 70 percent ("Regional Funds") will be retained by the NVTA to fund regional transportation projects. The remaining 30 percent ("Local Share") will be returned** on a pro rata basis to the member localities, based on the amount of revenue generated by the taxes and fees within the locality, to be used for locally selected transportation projects.

As part of the HB 2313 legislation, localities must enact a Commercial and Industrial Property ("C&I") tax at \$0.125 per \$100 valuation or dedicate an equivalent amount for transportation. *Localities that do not fully implement this tax or an equivalent amount will have revenues reduced by a corresponding amount, the proceeds of which would be redistributed regionally.* The Arlington County Board adopted the required \$0.125 per \$100 valuation C&I tax, which provides funding for the Transportation Capital Fund (TCF), in 2008 and therefore meets this requirement.

#### SIGNIFICANT BUDGET CHANGES

The FY 2017 adopted expenditure budget for the Transportation Capital Fund (TCF) is \$36,597,752, a two percent increase from the FY 2016 adopted budget. The FY 2017 adopted budget reflects:

- ↑ Revenues and expenditures increase based on commercial real estate projections (\$79,849), and Northern Virginia Transportation Authority (NVTA) revenue projections (\$471,659). The revenue will be used to support major approved capital projects, listed on the following page.
- ↑ Personnel and non-personnel increases due to the addition of two Design Engineer Team Supervisors (2.0 FTEs) in the Engineering Bureau and one Principal Planner (1.0 FTE) for the Neighborhood Complete Streets Program. Other personnel changes are a reallocation of a **previously approved 1.0 position in County Attorney's Office to a 1.0 Capital Programs Management Coordinator** and reallocation of a previously approved 1.0 position in DES Real Estate to a 1.0 Engineering Design Section Manager.
- ↑ **Personnel increases due to employee salary increases and an increase in the County's cost for employee health insurance, offset by adjustments to retirement contributions based on current actuarial projections.**

## PROGRAM FINANCIAL SUMMARY

	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	% Change '16 to '17
Capital Projects	\$24,220,545	\$42,928,438	\$65,100,000	52%
Interest on Debt	673,618	662,000	662,000	-
Capital Project Contingency	-	4,292,844	6,510,000	52%
<b>Total Expenditures</b>	<b>24,894,163</b>	<b>47,883,282</b>	<b>72,272,000</b>	<b>51%</b>
<b>Total Revenues</b>	<b>51,359,942</b>	<b>36,046,244</b>	<b>36,597,752</b>	<b>2%</b>
<b>Change in Fund Balance</b>	<b>\$26,465,779</b>	<b>(\$11,837,038)</b>	<b>(\$35,674,248)</b>	<b>-401%</b>
<b>Total Authorized FTEs</b>	<b>15.5</b>	<b>15.0</b>	<b>18.0</b>	

There are a total of 25.5 FTEs to support major street and transit program elements. 18.0 FTEs are funded by Transportation Capital Fund and 7.5 FTEs are funded by the Crystal City Tax Increment Fund. The FY 2017 adopted budget reflects the addition of 2.0 engineers to support the planning and execution of streets and transit projects and 1.0 planner to support the Neighborhood Complete Streets Program. The FY 2016 budget included a 0.5 FTE reduction in TCF to properly reflect the grant compliance position, which must report to the Human Rights Office. The salary for this position remains fully charged to the Transportation Capital Fund.

## FY 2017 MAJOR PROJECTS

### Complete Streets

- Rosslyn-Ballston Corridor Improvements: Multimodal street improvements throughout Rosslyn that meet the planning goals outlined in the Master Transportation Plan (MTP) and area sector plans. These projects will provide significant street and sidewalk safety and functionality improvements. Projects include:
  - Lynn Street Esplanade and Rosslyn Circle Improvements, including Custis Trail Improvements (design completion in FY 2015, construction completion in FY 2017)
  - Clarendon Circle Improvements (design completion in FY 2017, construction in FY 2018)
- Crystal City Street Improvements: Multimodal street improvements throughout Crystal City will provide better connectivity and access and enhance private redevelopment opportunities. Work includes preliminary planning and engineering of various street network. Construction will be ongoing in phases. The timing of some projects is dependent on private development projects.
- Columbia Pike Corridor Street Improvements: Multimodal improvements along the entire corridor that will increase pedestrian safety and access, provide improved bicycle facilities and improve traffic flow (continue preliminary planning and engineering of entire corridor - construction will be ongoing in phases through 2019).
- East Falls Church Streets: The primary intent of the program is to create more complete streets with better facilities for pedestrians, bicyclists, and transit service. Specific projects have yet to be determined; staff will solicit input from the community in establishing priorities.
- Improvements Outside Major Corridors:
  - Old Dominion Drive – Glebe Road to 38<sup>th</sup> St. N. - Sidewalk improvements where none currently exist, traffic signal upgrades, and installation of street lighting and bus stops (currently under construction)

- Lee Highway at Glebe Road Intersection Improvements – Undergrounding of overhead utilities around the vicinity of the intersection; sidewalk improvements, installation of left turn lanes, upgraded traffic signals, and lighting to follow
- 12th St. S. (USPS. West of S. Glebe Rd.) - Extension of 12<sup>th</sup> St. S. from Glebe Road to east of S. Monroe St. will provide for better pedestrian and bicycle connectivity
- Five Points Intersection (Lee Highway at N. Quincy St. and Military Rd.) – Multi-modal safety improvements
- Walter Reed Dr. – 6<sup>th</sup> St. S. to Columbia Pike - Pedestrian safety and access improvements
- Arlington Blvd. Intersection Safety Improvements (at N. Irving St., Park Dr. and N. Manchester St.) – Multi-modal safety and traffic signal improvements
- WALK Arlington:
  - Clarendon Blvd. at Courthouse – Pedestrian safety and access improvements
- Transportation Systems & Traffic Signals: This program includes the upgrade and reconstruction of existing outdated traffic signals and also allows for the implementation of Transportation Operations and Management systems and system components.
- Intelligent Transportation System (ITS): This program will allow the County to expand ITS system capabilities/upgrades with the help of recently installed fiber in the County. These upgrades include upgrading the County's traffic signal system to allow for integration of existing components (video detection, UPS, Polara, etc.) into the central TMC. Additionally, this program will work towards designing and installing new ITS strategies such as passive detection, signal priority, and adaptive signal technologies. This program will also provide infrastructure for Transit Signal Priority (TSP) projects along Glebe Road, Lee Highway, and Columbia/Crystal City/Rosslyn Ballston corridors.
- Strategic Network Analysis and Planning: This program will allow for the collection of multimodal traffic count services throughout the County needed for traffic engineering and operation projects. The typical projects include all-way stop analysis, signal warrant analysis, and safety studies. The services are to include multimodal counts at (signalized and unsignalized) intersections, crossings, and trails that will capture volumes for all travel modes, speed, and classification. The program will also allow for miscellaneous services that cater to specific project tasks such as gap studies, saturation flow measurements, and speed radar studies.

## Transit

- Arlington Transit (ART) Fueling and Bus Wash Facility includes compressed natural gas (CNG) fueling station, bus wash, and light duty maintenance bay to support ART program needs to maintain the quality and growth of the services in future years. (Construction contract awarded in FY 2015 and completion in FY 2017).
- Ballston Multimodal Improvements includes needed improvements to the Ballston-MU Metrorail station area to expand pedestrian circulation and relieve crowded conditions. (Begin construction in late FY 2016 and completion in FY 2017).
- Columbia Pike Transit Stations will provide improved shelter and increased seating, real time bus arrival information, enhanced lighting, and other safety features. Twenty-four new Transit Stations will be constructed to support the Pike Ride bus service and any future enhancements to surface transit in the Columbia Pike Corridor. (Start of construction of eight stations and complete design of phases three through five in FY 2017; construction of remaining stations through FY 2019).

**TRANSPORTATION CAPITAL FUND  
FUND STATEMENT**

	<b>FY 2015 ACTUAL</b>	<b>FY 2016 ADOPTED</b>	<b>FY 2016 RE-ESTIMATE</b>	<b>FY 2017 ADOPTED</b>
<b>ADJUSTED BALANCE, JULY 1</b>	\$105,526,293	\$102,538,150	\$131,992,072	\$131,992,072
Construction Reserve	103,026,293	98,838,150	128,292,072	128,292,072
Reserve	2,500,000	3,700,000	3,700,000	3,700,000
<b>TOTAL BALANCE</b>	<b>105,526,293</b>	<b>102,538,150</b>	<b>131,992,072</b>	<b>131,992,072</b>
<b>REVENUES</b>				
Commercial Real Estate Revenues	24,533,145	24,703,462	24,789,599	24,783,311
Developer Contributions	1,005,496	-	-	-
Revenue from Fairfax County	367,530	-	-	-
Capital Bikeshare - User Revenue	351,552	-	-	-
State Transportation Grant Revenue:	69,968	-	-	-
FTA Revenues	5,384,847	-	-	-
NVTC Revenues <sup>1</sup>	7,681,007	-	-	-
NVTA Revenues - Regional	797,696	-	-	-
NVTA Revenues - Local	11,168,701	11,342,782	11,628,520	11,814,441
<b>TOTAL REVENUES</b>	<b>51,359,942</b>	<b>36,046,244</b>	<b>36,418,119</b>	<b>36,597,752</b>
<b>TOTAL REVENUE &amp; BALANCE</b>	<b>156,886,235</b>	<b>138,584,394</b>	<b>168,410,191</b>	<b>168,589,824</b>
<b>EXPENSES</b>				
Capital Projects - Current Year	24,220,545	32,167,495	32,505,563	32,668,865
Capital Projects - Carry-Over	-	10,760,943	-	32,431,135
Interest on Debt	673,618	662,000	662,000	662,000
Capital Project Contingency	-	4,292,844	3,250,556	6,510,000
<b>TOTAL EXPENSES</b>	<b>24,894,163</b>	<b>47,883,282</b>	<b>36,418,119</b>	<b>72,272,000</b>
<b>BALANCE, JUNE 30</b>				
Construction Reserve	128,292,072	87,001,112	128,292,072	92,617,824
Reserve <sup>2</sup>	3,700,000	3,700,000	3,700,000	3,700,000
<b>TOTAL BALANCE</b>	<b>\$131,992,072</b>	<b>\$90,701,112</b>	<b>\$131,992,072</b>	<b>\$96,317,824</b>

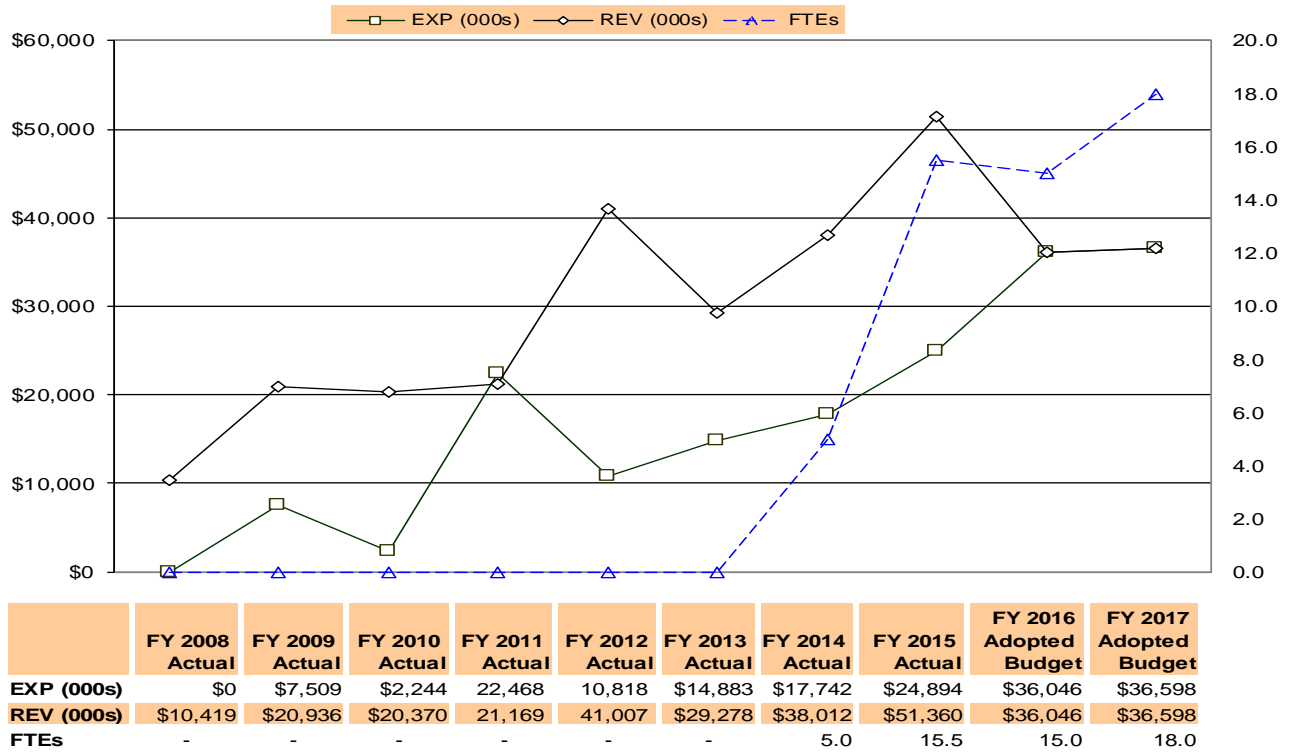
Most capital projects span multiple years from design to construction completion. The FY 2015 Actual and FY 2016 Re-Estimate columns reflect that funding for capital projects are carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds. The FY 2017 adopted budget column is presented in a similar fashion to show planned execution of projects in the fiscal year. These are staffs' best estimates based on preliminary plans and design and construction schedules.

Notes:

1. The FY 2015 NVTC revenues represent state aid reimbursement transfers received from the Northern Virginia Transportation Commission.
2. Balances equivalent to a minimum of ten percent of annual budgeted revenues are held in a reserve in accordance with the County Board's financial and debt policies.

**TRANSPORTATION CAPITAL FUND**  
TEN-YEAR HISTORY

**EXPENDITURE, REVENUE AND FULL-TIME EQUIVALENT TRENDS**



There are a total of 25.5 FTEs to support major street and transit program elements. 18.0 FTEs are funded by Transportation Capital Fund and 7.5 FTEs are funded by the Crystal City Tax Increment Fund.

<b>Fiscal Year</b>	<b>Description</b>	<b>FTEs</b>
FY 2009	<ul style="list-style-type: none"> <li>▪ The Transportation Investment Fund (subsequently renamed the Transportation Capital Fund) was established by the County Board in CY 2008 by adopting a commercial real estate tax rate of \$0.125 per \$100 of assessed value of real property. This tax rate applies to all properties used for or zoned to permit commercial and industrial uses and excludes residential uses including apartments. Any unspent balances in FY 2008 were carried over to FY 2009 in the form of fund balance.</li> <li>▪ The County Board added 6.0 FTEs and administrative expenses for Transportation Investment Fund services to the Department of Environmental Services and the Department of Real Estate Assessments (Department of Management and Finance) in the General Fund (\$513,684). The costs for these positions are paid for by the Transportation Investment Fund through a transfer to the General Fund</li> </ul>	
FY 2010	<ul style="list-style-type: none"> <li>▪ In FY 2009, the Department of Environmental Services and Department of Management and Finance were authorized 6.0 FTEs to perform administrative services for the Transportation Investment Fund. These FTEs, budgeted in the respective departments, were paid for through a transfer to the General Fund from the Transportation Investment Fund. Due to changes made by the 2009 State General Assembly, only 4.0 FTEs will be paid for through the Transportation Investment Fund and these positions will be charged directly to projects in the fund and will not be shown as a transfer to the General Fund.</li> <li>▪ Revenue increases reflect an increase in the assessment base of commercial properties for the CY 2009 assessment. The adopted commercial real estate tax rate is \$0.125 per \$100 of assessed value, which is expected to generate \$21,038,453 in FY 2010.</li> <li>▪ Beginning July 1, 2009, the Virginia General Assembly capped the Commercial Real Estate Tax at \$0.125 per \$100 of assessed valuation, down from the previous cap of \$0.25. Arlington County set its rate at \$0.125 beginning on July 1, 2008, so it is not able to raise the current Commercial Real Estate Tax.</li> </ul>	
FY 2011	<ul style="list-style-type: none"> <li>▪ The adopted FY 2011 revenues and expenditures decreased by 13 percent from the FY 2010 adopted budget and seven percent from the FY 2010 re-estimate, based on projections for the commercial real estate tax. These estimates were revised in January 2011 based on increased commercial tax revenue estimates. The re-estimated number was \$19.7 million, compared to \$18.4 million that was adopted. This re-estimate was a decrease of three percent compared to FY 2010 actuals rather than the 13 percent decrease originally anticipated. The adopted commercial real estate tax rate is \$0.125 per \$100 of assessed value, which is re-estimated to generate \$19,735,913 in FY 2011.</li> </ul>	

**TRANSPORTATION CAPITAL FUND**  
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2012	<ul style="list-style-type: none"> <li>▪ The adopted FY 2012 revenues and expenditures increased by 14.6 percent from the FY 2011 adopted budget and 6.8 percent from the FY 2011 re-estimate, based on projections for the commercial real estate tax. The adopted commercial real estate tax rate is \$0.125 per \$100 of assessed value, which is expected to generate \$21,082,282 in FY 2012.</li> </ul>	
FY 2013	<ul style="list-style-type: none"> <li>▪ The adopted FY 2013 revenues and expenditures increased by 13.8 percent from the FY 2012 adopted budget and 4.4 percent from the FY 2012 re-estimate, based on projections for the commercial real estate tax. The adopted commercial real estate tax rate is \$0.125 per \$100 of assessed value, which is expected to generate \$24,000,000 in FY 2013.</li> </ul>	
FY 2014	<ul style="list-style-type: none"> <li>▪ The adopted FY 2014 revenues and expenditures increased by 0.5 percent from the FY 2013 adopted budget and FY 2013 re-estimate, based on projections for the commercial real estate tax. The adopted commercial real estate tax rate is \$0.125 per \$100 of assessed value, which is expected to generate \$23,862,600 in FY 2014.</li> <li>▪ There are a total of 8.0 authorized FTEs in FY 2014, of which 5.0 FTEs are funded by Transportation Capital Fund (TCF) and 3.0 FTEs are funded by Crystal City Tax Increment Fund (TIF).</li> <li>▪ <i>As part of the FY 2013 closeout appropriation, 10.0 new FTEs were authorized from Transportation Capital Fund to support major street and transit program elements.</i></li> </ul>	<p style="text-align: right;">5.0</p> <p style="text-align: right;">10.0</p>
FY 2015	<ul style="list-style-type: none"> <li>▪ Revenues and expenditures increased based on commercial real estate projections (\$1,399,057) and the addition on local Northern Virginia Transportation Authority (NVTA) revenue approved by the General Assembly in 2013 (\$11,400,000).</li> </ul>	
FY 2016	<ul style="list-style-type: none"> <li>▪ Revenues and expenditures decrease based on commercial real estate projections (\$558,195), and Northern Virginia Transportation Authority (NVTA) revenue projections (\$57,218).</li> <li>▪ The authorized FTEs were decreased 0.5 to properly reflect the grant compliance position reporting to the Human Rights Office. The salary for this position remains fully charged to the Transportation Capital Fund.</li> <li>▪ As part of budget adoption, \$412,000 of funding for bike-pedestrian projects were shifted from decal fees (PAYG) to HB2313 local.</li> <li>▪ ART Service Enhancements (\$155,638) and Supplemental ART service (\$425,000) are funded by HB 2313 local funds.</li> </ul>	<p style="text-align: right;">(0.5)</p>

- FY 2017
- Revenues and expenditures increase based on commercial real estate projections (\$79,849), and Northern Virginia Transportation Authority (NVTA) revenue projections (\$471,659). The revenue will be used to support major approved capital projects.
  - Personnel and non-personnel increases due to the addition of two Design Engineer Team Supervisors (2.0 FTE) in the Engineering Bureau and one Principal Planner (1.0 FTE) for the Neighborhood Complete Streets Program. Other personnel changes are a reallocation of a previously approved 1.0 position in County Attorney’s Office to a 1.0 Capital Programs Management Coordinator and reallocation of a previously approved 1.0 position in DES Real Estate to a 1.0 Engineering Design Section Manager.
- 3.0