

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, state, and regional 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, known as the Transportation Capital Fund (TCF) in 2008, and therefore, meets this requirement.

SIGNIFICANT BUDGET CHANGES

The FY 2018 adopted budget for the Transportation Capital Fund (TCF) is \$38,323,698, based on projected current year revenues. This is a five percent increase from the FY 2017 adopted budget. The complete spend down plan reflects utilization of current year revenues as well as fund balance as capital projects are rarely completed in a single year and require carryover of funds to be fully executed. The complete FY 2018 execution plan compared to the revised FY 2017 plan is shown in the fund statement. The FY 2018 adopted budget reflects:

- ↑ Revenues increase based on commercial real estate projections (\$1,640,387), and Northern Virginia Transportation Authority (NVTa) revenue projections (\$85,559).
- ↑ Increase of 4.0 FTEs including a Neighborhood Complete Streets Traffic Engineer position (\$133,000, 1.0 FTE) in the Traffic Engineering & Operations Bureau, a Design Engineer position (\$133,000, 1.0 FTE) in the Engineering Bureau to support the Neighborhood Complete Streets program, a Management & Budget Specialist position (\$113,050, 1.0 FTE) to support the overall transportation capital program, and the transfer of an existing position in the Real Estate Bureau from the Crystal City, Potomac Yard, and Pentagon City Tax Increment Financing Area (TIF) fund.

PROGRAM FINANCIAL SUMMARY

	FY 2016 Actual	FY 2017 Adopted	FY 2018 Adopted	% Change '17 to '18
Capital Projects	\$30,956,392	\$35,935,752	\$37,650,698	5%
Interest on Debt	672,449	662,000	673,000	2%
Total Expenditures	31,628,841	36,597,752	38,323,698	5%
Total Revenues	47,353,028	36,597,752	38,323,698	5%
Change in Fund Balance	\$15,724,187	-	-	-
Total Authorized FTEs	15.0	18.0	22.0	-

There are a total of 28.5 FTEs to support the transportation capital program. 22.0 FTEs are funded by the Transportation Capital Fund and 6.5 FTEs are funded by the Crystal City Tax Increment Fund (TIF). The FY 2018 budget includes the addition of a traffic engineer (1.0 FTE) and a design engineer (1.0) for the Neighborhood Complete Streets program, a management & budget specialist position (1.0 FTE) to support the overall transportation capital program, and the transfer of a real estate position (1.0 FTE) from the Crystal City TIF.

- This table reflects the FY 2018 spending plan of current year revenues and does not show the use of fund balance for the total projected FY 2018 expenditures. See the Fund Statement for the execution plan.

FY 2018 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 2017, utility undergrounding underway, general construction to start in FY 2018)
 - Clarendon Circle Improvements (design completion in FY 2017, utility and construction to start in FY 2018)
 - Washington Boulevard Improvements – Wilson to Kirkwood (design completion in FY 2017, utility and construction to start in FY 2018)
- **Crystal City Street Improvements:** Multimodal street improvements throughout Crystal City that will improve connectivity, access, and enhance private redevelopment opportunities. There are 17 projects in the current CIP, ranging from preliminary planning, engineering, and construction of the street network. 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 preparing engineering drawings for four segments of Columbia Pike and begin construction on the segment between Four Mile Run and the County line). Construction will be ongoing in phases through 2020. The following projects will be in construction during FY 2018:

- Columbia Pike from Four Mile Run to S. Jefferson Street
- Columbia Pike from S. Oakland Street to S. Wakefield Street
- Improvements Outside Major Corridors:
 - Lee Highway at Glebe Road Intersection Improvements – Undergrounding of overhead utilities around the vicinity of the intersection, sidewalk improvements, installation of left turn lanes along Glebe Road, upgraded traffic signals, street lighting, and improved bus stops to follow.
 - Five Points Intersection Improvements (Lee Highway/Old Dominion Dr. at N. Quincy St. and Military Rd.) – Multi-modal safety improvements that include: sidewalk improvements, three new bike lane segments, upgraded traffic signal, improved street lighting, crosswalks, and bus stops.
 - Pershing Drive Complete Streets project – Multimodal enhancements to improve pedestrian safety and access including curb extensions and high visibility crosswalks at several intersections, enhanced bicycle facilities and consolidation and upgrading of bus stops to improve bus/transit efficiency throughout the corridor between N. Barton and N. Piedmont Streets.
 - Walter Reed Dr. – 6th St. S. to Columbia Pike - Pedestrian safety and access improvements that include construction of sidewalks, bike lanes, curb extensions, crosswalks and bus stop 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. Major Signal upgrade projects for FY 2018 include the following:
 - S. Carlin Springs Rd at 3rd Street S.
 - S. Carlin Springs Rd at 5th Street S.
 - S. Carlin Springs Rd at 6th Street S.
 - Washington Blvd at N Quincy St.
 - Washington Blvd at Kirkwood Dr.
 - Washington Blvd at N Stafford S.
- 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 projects include upgrading the County's traffic signal system to allow for integration of existing components such as video detection, uninterrupted power supply (UPS), and Polara pedestrian push buttons into the central Traffic Management Center (TMC). Additionally, this program will work towards designing and installing new ITS strategies such as Variable Message Sign (VMS), passive detection, signal priority, and adaptive signal technologies. This program will also provide infrastructure for Transit Signal Priority (TSP) projects along Glebe Rd., Lee Highway, and Columbia/Crystal City/Rosslyn Ballston corridors.
- Strategic Network Analysis and Planning: This program funds the data collection and analysis 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

- ART Fleet Expansion includes the purchase of 10 new 40-foot Clean Natural Gas (CNG) buses in FY 2018 to expand ART bus service.
- Ballston Multimodal Improvements include needed improvements to the Ballston-MU Metrorail station area to expand pedestrian circulation and relieve crowded conditions. (Begin construction in late spring 2017 with completion in FY 2019).
- Columbia Pike Transit Stations will provide improved shelter and increased seating, real time bus arrival information, enhanced lighting, and other safety features. Twenty-three new Transit Stations will be constructed to support the current extensive bus service and planned premium bus service on the Columbia Pike Corridor. (Start construction of six stations in FY 2018; design and construct remaining 17 stations from FY 2018 through FY 2020 in coordination with the Columbia Pike multimodal street improvements project. Completion of all 23 Transit Stations is expected by the spring of 2020.)

TRANSPORTATION CAPITAL FUND
FUND STATEMENT

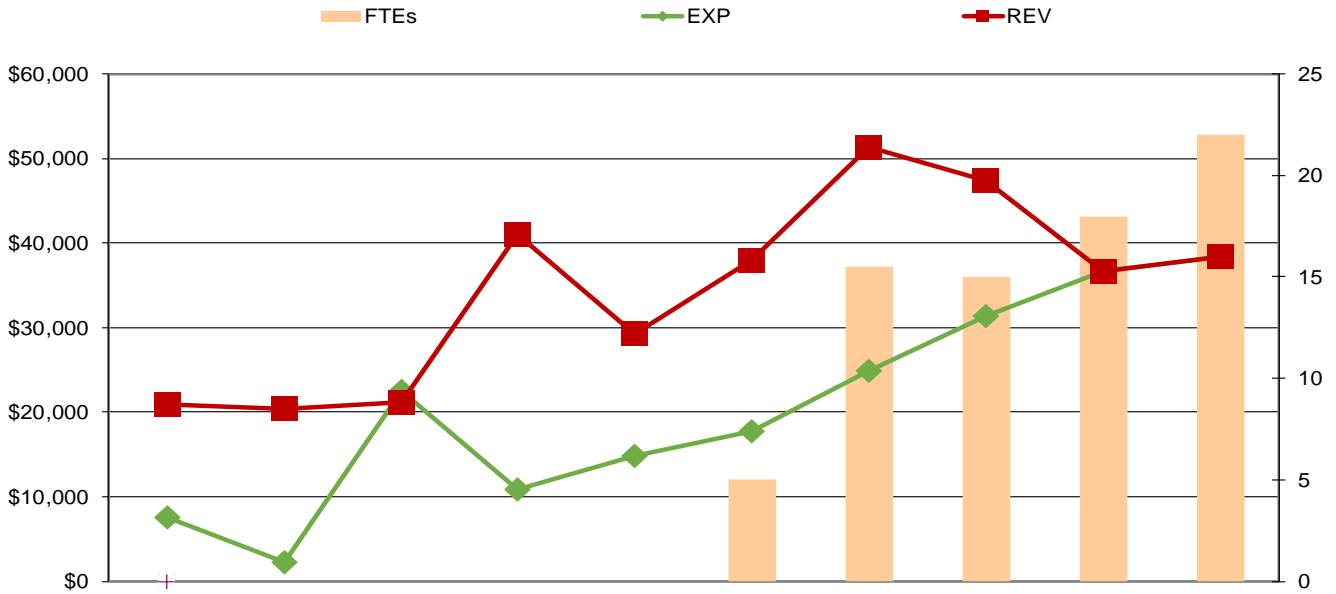
	FY 2016 ACTUAL	FY 2017 ADOPTED	FY 2017 RE-ESTIMATE	FY 2018 ADOPTED
ADJUSTED BALANCE, JULY 1				
Construction Reserve	\$128,292,072	\$128,292,072	\$144,016,259	\$137,921,265
Reserve	3,700,000	3,700,000	3,700,000	3,800,000
TOTAL BALANCE	131,992,072	131,992,072	147,716,259	141,721,265
REVENUES				
Commercial Real Estate Revenues	24,423,284	24,783,311	25,763,565	26,423,698
Developer Contributions	777,356	-	-	-
Capital Bikeshare - User Revenue	843,403	-	-	-
Misc. Revenues	2,159	-	-	-
FTA Revenues	1,292,412	-	-	-
NVTC Revenues ¹	7,238,834	-	-	-
NVTA Revenues - Regional	978,701	-	-	-
NVTA Revenues - Local	11,796,879	11,814,441	11,814,441	11,900,000
TOTAL REVENUES	47,353,028	36,597,752	37,578,006	38,323,698
TOTAL REVENUE & BALANCE	179,345,100	168,589,824	185,294,265	180,044,963
EXPENSES				
Current Year Capital Projects	30,956,392	35,935,752	37,578,006	37,650,698
Carryover Capital Projects		35,674,249	5,994,994	26,699,302
Interest on Debt	672,449	662,000	673,000	673,000
TOTAL EXPENSES	31,628,841	72,272,000	43,573,000	65,023,000
BALANCE, JUNE 30				
Construction Reserve	144,016,259	92,617,824	137,921,265	111,121,963
Reserve ²	3,700,000	3,700,000	3,800,000	3,900,000
TOTAL BALANCE	\$147,716,259	\$96,317,824	\$141,721,265	\$115,021,963

Most capital projects span multiple years, from design to construction completion. The FY 2016 Actual and FY 2017 Re-Estimate columns reflect that funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds. The FY 2018 adopted budget column is presented in a similar fashion to show planned execution of projects in the fiscal year. These are estimates based on preliminary plans and design and construction schedules.

Notes:

1. The FY 2016 NVTC revenues represent state aid reimbursement transfers received from the Northern Virginia Transportation Commission. Reimbursements of State transit aid are drawn down annually from NVTC and credited to the original funding source of the capital expenditure.
2. Balances equivalent to a minimum of ten percent of annual budgeted TCF revenues are held in a reserve in accordance with the County Board's financial and debt policies.

EXPENDITURE, REVENUE AND FULL-TIME EQUIVALENT TRENDS



	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Adopted Budget	FY 2018 Adopted Budget
EXP	\$7,509	\$2,244	\$22,468	\$10,818	\$14,883	\$17,742	\$24,894	\$31,329	\$36,598	\$38,324
REV	\$20,936	\$20,370	\$21,169	\$41,007	\$29,278	\$38,012	\$51,360	\$47,353	\$36,598	\$38,324
FTEs	0.00	0.00	0.00	0.00	0.00	5.00	15.50	15.00	18.00	22.00

There are a total of 28.5 FTEs to support major street and transit program elements. 22.0 FTEs are funded by Transportation Capital Fund and 6.5 FTEs are funded by the Crystal City Tax Increment Fund.

Fiscal Year	Description	FTEs
FY 2009	<ul style="list-style-type: none"> ▪ 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. ▪ 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 	
FY 2010	<ul style="list-style-type: none"> ▪ 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. ▪ 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. ▪ 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. 	
FY 2011	<ul style="list-style-type: none"> ▪ 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. 	

TRANSPORTATION CAPITAL FUND
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2012	<ul style="list-style-type: none"> ▪ 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. 	
FY 2013	<ul style="list-style-type: none"> ▪ 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. 	
FY 2014	<ul style="list-style-type: none"> ▪ 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. ▪ 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). ▪ <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> 	<p style="text-align: right;">5.0</p> <p style="text-align: right;">10.0</p>
FY 2015	<ul style="list-style-type: none"> ▪ 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). 	
FY 2016	<ul style="list-style-type: none"> ▪ Revenues and expenditures decrease based on commercial real estate projections (\$558,195), and Northern Virginia Transportation Authority (NVTA) revenue projections (\$57,218). ▪ 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. ▪ As part of budget adoption, \$412,000 of funding for bike-pedestrian projects were shifted from decal fees (PAYG) to HB2313 local. ▪ ART Service Enhancements (\$155,638) and Supplemental ART service (\$425,000) are funded by HB 2313 local funds. 	<p style="text-align: right;">(0.5)</p>

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| FY 2017 | <ul style="list-style-type: none"> ▪ 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 |
| FY 2018 | <ul style="list-style-type: none"> ▪ Revenues increase based on commercial real estate projections (\$1,640,387), and Northern Virginia Transportation Authority (NVTA) revenue projections (\$85,559). ▪ Increase of 4.0 FTEs including a Neighborhood Complete Streets Traffic Engineer position (\$133,000) in the Traffic Engineering & Operations Bureau, a Design Engineer position (\$133,000) in the Engineering Bureau to support the Neighborhood Complete Streets program, a Management & Budget Specialist position (\$113,050) to support the overall transportation capital program, and the transfer of an existing position in the Real Estate Bureau from the Crystal City, Potomac Yard, and Pentagon City Tax Increment Financing Area (TIF) fund. | 4.0 |