

FY 2021 SYIP and Budget: Approach and Proposed Actions

October 20, 2020

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FY2021 Plan

- Update the project analysis and review performed in March of 2020
- Propose allocation of funds targeting FY21
 - Utilize updated revenue data from August 2020
 - Meet operating needs at a minimum of FY20 levels
 - Deliver on long term commitments
- Adjust the rail allocations to accommodate establishment of the Virginia Passenger Rail Authority as of July 1, 2020
- Propose a final DRPT budget for FY21 using updated information since March

Transit FY2021 SYIP Approach

- Focus on FY21 allocations for projects that are needed such as operating assistance and critical capital projects that will move forward
- Five year transit capital budget not included due to uncertainty of post-pandemic capital needs; expected to be developed for FY22 SYIP
- Transit district detail with program allocations sorted by transit provider to be provided in December

Transit Operating Assistance

- COVID has significantly increased operating expenses and decreased revenues for transit agencies
- Total funding level \$101.6M for FY21 (slight increase from FY20)
- Individual agencies will see fluctuations based on 2020 performance metrics



Transit Capital Funding

- Prioritized under MERIT process – primarily state of good repair
 - CTB briefed on prioritization in March 2020
- Prioritized projects reevaluated in October for readiness:
 - Availability of local matches and other funding commitments
 - Updated project schedules
- Capital recommendations reflect both prioritization and updated readiness evaluation



WMATA Operating and Capital Funding

- WMATA is facing significant challenges due to the impacts of COVID
- Draft FY21 SYIP recommendations:
 - Maintain \$50M for PRIIA Match
 - \$173.6M to NVTC to support WMATA operating and capital needs (increase of \$14.6M from FY20)
 - Maintain \$154.5M in dedicated capital funding, part of \$500M regional commitment including MD and DC
 - *If this commitment is not met by VA, DC or MD, WMATA's total capital program would be reduced proportionally*

WMATA Funding Recommendations

GOAL

- Meet long term, annual commitment of \$154.5M to the capital funding program of WMATA

RECOMMENDATION

- Cover the estimated shortfall in the Dedicated WMATA Capital Fund of \$17.6M using unobligated funds in the Mass Transit Capital Fund (§ [33.2-1526.2.](#))
- Approximately \$25M in remaining unobligated transit capital funding available for needs in FY22 and FY23 as the Transportation Omnibus bill is fully phased-in

Proposed Transit Allocations Summary

<u>\$ in millions</u>	<u>FY20</u>	<u>FY21</u>	<u>Variance</u>
Operating	\$125	\$119	(\$6)
Capital	198	135	(63)
Other	11	7	(4)
WMATA	364	379	15
Total	<u>\$698</u>	<u>\$640</u>	<u>(\$58)</u>

- Operating does not include ~\$15M of normal FTA 5311 allocations covered by CARES Act allocations from FY2020
- FY2020 included several large capital projects related to the Amazon HQ project

Commonwealth Rail Fund

- 2020 Transportation Omnibus bill established the Virginia Commonwealth Rail Fund
 - Receives 7.5% of the Transportation Trust Fund (\$96.8M for FY21 with anticipated growth to ~\$150M by FY26)
 - 7% dedicated to DRPT freight and planning projects
 - 93% dedicated to Virginia Passenger Rail Authority (VPRA) to develop program for passenger rail operations and capital improvements
 - VPRA share is directly disbursed based on Code language

Commonwealth Rail Fund Distribution

COMMONWEALTH RAIL FUND DISTRIBUTION

\$96.8M - FY2021

COMMONWEALTH RAIL FUND

7%

93%

DRPT

VIRGINIA PASSENGER RAIL AUTHORITY

DRPT RAIL FUNDS

UP TO \$4M ANNUALLY

REMAINING FUNDS

RAIL PRESERVATION FUND

FREIGHT PROGRAM AND RAIL PLANNING

+ \$4M ANNUALLY FROM THE BIENNIAL BUDGET

Recommended Rail Program Allocations

Rail Preservation

- Recommending FY21 Allocations total **\$5.5M**
 - Eight new grant awards - \$3.1M
 - Allocations to Existing Projects - \$2.4M

Freight Rail and Planning

- **\$5.1M** of FY21 allocations – primarily to existing Port Authority rail projects
- Planning Grants - **\$1.2M** for station assessment and statewide rail plan



Transforming Rail in Virginia Initiative

Proposed Allocations of State Controlled Funds

\$ in millions

Source	Prior	FY21	FY22	FY23	FY24	FY25	FY26	Total
PTF - Excess	-	53	19	21	8	26	31	158
PTF - AG	75	33	33	33	32	-	-	206
I66 Tolls / Financing	-	4	6	22	24	614	29	699
Total	75	90	58	76	64	640	60	1,063

- PTF AG – existing allocations to the 2018 Atlantic Gateway initiative that is now a part of the broader project
- I66 Inside Toll Funding – peak only, and net of existing MOA

DRPT FY2021 Budget

	\$ in millions		
	Proposed FY21	Adopted FY20	Increase / (Decrease)
Public Transportation Programs	\$604.8	\$590.7	\$14.1
Other Programs	25.6	29.7	(4.1)
Rail Programs	20.0	95.6	(75.6)
Agency Operating Budget	17.2	14.5	2.7
Other Transfers - VPRA	393.2	0.0	393.2
Agency Total	<u>\$1,060.8</u>	<u>\$730.5</u>	<u>\$330.3</u>

- Rail programs reflect shift to VPRA of passenger rail activities and funding

Next Steps

- Complete transit district details
- CTB public hearing process
- Revise allocations and budget as necessary
- CTB action in December 2020 on proposed allocations and budget
- In January 2021, begin SYIP process for FY22-FY27