

***Governor Kaine's
2007 Transportation Proposal***

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- Accountability and Reform
 - Lock up the Transportation Trust Fund
 - JLARC oversight of VDOT asset management methodology
 - Continued reform at VDOT

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- Coordination of Land Use and Transportation
 - Clarify Local Authority to Plan Local Growth
 - Increased Standards for Subdivision Streets
 - Implementation of Comprehensive Access Management Policy
 - Enhanced Multimodal Planning

Governor Tim Kaine's 2007 Transportation Revenue Proposal
(\$ in millions)

Proposed Sources	Proposed Increase	FY08	FY09	FY10	FY11	FY12	FY 13
One-time General Fund		\$ 500.0		50% of nonrecurring GF surplus			
Increase Motor Vehicle Sales & Use Tax	2%	360.7	405.5	417.6	424.3	432.3	433.0
Dedicate Auto Insurance Premiums	existing GF revenue	109.8	115.4	120.8	127.9	135.8	144.2
Increase Motor Vehicle Registration Fees	\$15/\$20	107.6	109.7	148.8	148.8	148.8	148.8
Collect Fees from Abusive Drivers	8+ demerits; varies by conviction	57.5	80.5	108.1	108.1	108.1	108.1
Increase Heavy Truck Registration Fees	varies by weight	24.6	24.6	24.6	24.6	24.6	24.6
Total Proposed Sources		\$ 1,160.1	\$ 735.7	\$ 820.0	\$ 833.7	\$ 849.6	\$ 858.7

Proposed Uses	FY08	FY09	FY10	FY11	FY12	FY 13
Address Highway Maintenance Deficit*	\$ 370.0	\$ 417.6	\$ 490.3	\$ 493.7	\$ 497.7	\$ 498.0
Address FRAN Debt Service**	109.8	115.4	120.8	127.9	135.8	144.2
Finance One-Time Project Costs	500.0		50% of nonrecurring GF surplus			
Finance On-Going Partnerships						
95% Share of Transit Capital	95.0	104.5	115.0	119.5	124.3	129.3
2006 Expanded Revenue Sharing Program	35.0	35.0	35.0	35.0	35.0	35.0
Rail Enhancement Program	23.5	24.2	24.8	25.5	26.2	26.9
Transportation Partnership Opportunity Fund	26.8	39.1	34.1	32.1	30.6	25.3
Total Proposed Uses	\$ 1,160.1	\$ 735.7	\$ 820.0	\$ 833.7	\$ 849.6	\$ 858.7

*VDOT is addressing a portion of the maintenance deficit by using eligible federal funds and reducing its internal costs

**Beginning in FY 2012, FRAN debt service does not require all insurance premiums; balance for priority projects as in current law

Governor's 2007 Transportation Budget

- Governor's budget amendments provides \$500 million GF in the first year for select transportation initiatives
 - Builds upon the achievements of the last five years
 - Appropriates one-time funding to projects that reflect the strong partnerships in all modes of transportation
 - Does not address the underlying need for sustainable transportation funding

Rail Projects - \$65 million

- \$65 million to the Rail Enhancement Fund
 - Approximately \$18-25 million to be used to complete five I-95 corridor rail projects; upon completion, MOU allows for 4 additional daily VRE trains
 - Remaining funds dedicated for rail improvements between Manassas and Front Royal to support I- 81 rail needs and shift freight from truck to rail

Highway and Demand Management Projects - \$305 million

- \$305 million to the Transportation Partnership Opportunity Fund (TPOF)
 - TPOF limited to design-build and PPTA projects
 - 5 requests submitted in first year for \$59 million with more than \$39 million awarded
 - Negotiated procurements underway or initiated with funding
 - Flexibility essential to support Commonwealth's₈ negotiating position

Project	Status	Use of Funds	Project Outcome
Capital Beltway HOT Lanes	Negotiation of comprehensive agreement underway; financial close summer 2007	Address material cost increases & constituent scope changes; allows financing w/o long-term tax-supported debt	Addresses congestion thru capacity and road pricing; adds transit options; will open to traffic 2012
Hillsville Bypass	Design & ROW complete; existing PPTA agreement	6-mile project requires additional funding to authorize construction by current PPTA partner	Allows freight traffic to bypass Hillsville; direct access between I-77 and Route 52
I-64/I-264 Interchange	Final environmental summer 2007	Design-build for dual lane interchanges and construct CD roads as well as widening	Adds capacity; accelerates construction to relieve congestion
Rte 50 in Fairfax & Loudoun Counties	Early design	Design-build for 3-mile widening from 4 to 6 lanes (between two existing 6 lane sections)	Accelerates construction, relieves congestion and adds capacity

Transit Capital - \$60 million

- \$45 million to be leveraged with local and federal investments in critical mass transit initiatives
 - \$20 million to WMATA for rolling stock
 - \$15 million to VRE for rolling stock
 - \$10 million to HRT Light Rail rolling stock
- Additional \$15 million to increase state support for transit capital to 40%

Port - \$50 million

- Up to \$40 million for the Route 164 median rail relocation to complement federal funding
 - Port Authority to manage long-planned transportation improvement to support port growth
 - Eliminates 14 at-grade rail crossings to improve safety and reduce local impacts
 - Enables enhanced on-dock rail service to new APM/Maersk facility and Craney Island Terminal
 - First segment of Heartland Corridor
 - Firm-fixed price contract

Port - \$50 million

- No less than \$10 million to initiate preliminary engineering, design and permitting activities for development of Craney Island Marine Terminal
 - Additional terminal essential to meet long-term port capacity needs and maintain global competitiveness
 - Preliminary activities must begin this year to remain on-schedule for 2017 opening

Regional Technology Initiatives - \$20 million

- Engaged the technology companies of Northern Virginia and Hampton Roads in dialogue and challenge
- NoVA Technology Summit – December 2006
- HR Technology Summit – Spring 2007
- Public solicitation of technology, demand management and congestion management proposals
- Solicitations developed and evaluated jointly with technology communities
- Program to encourage private sector innovation in addressing public needs

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