

# Transit Capital Funding Issues



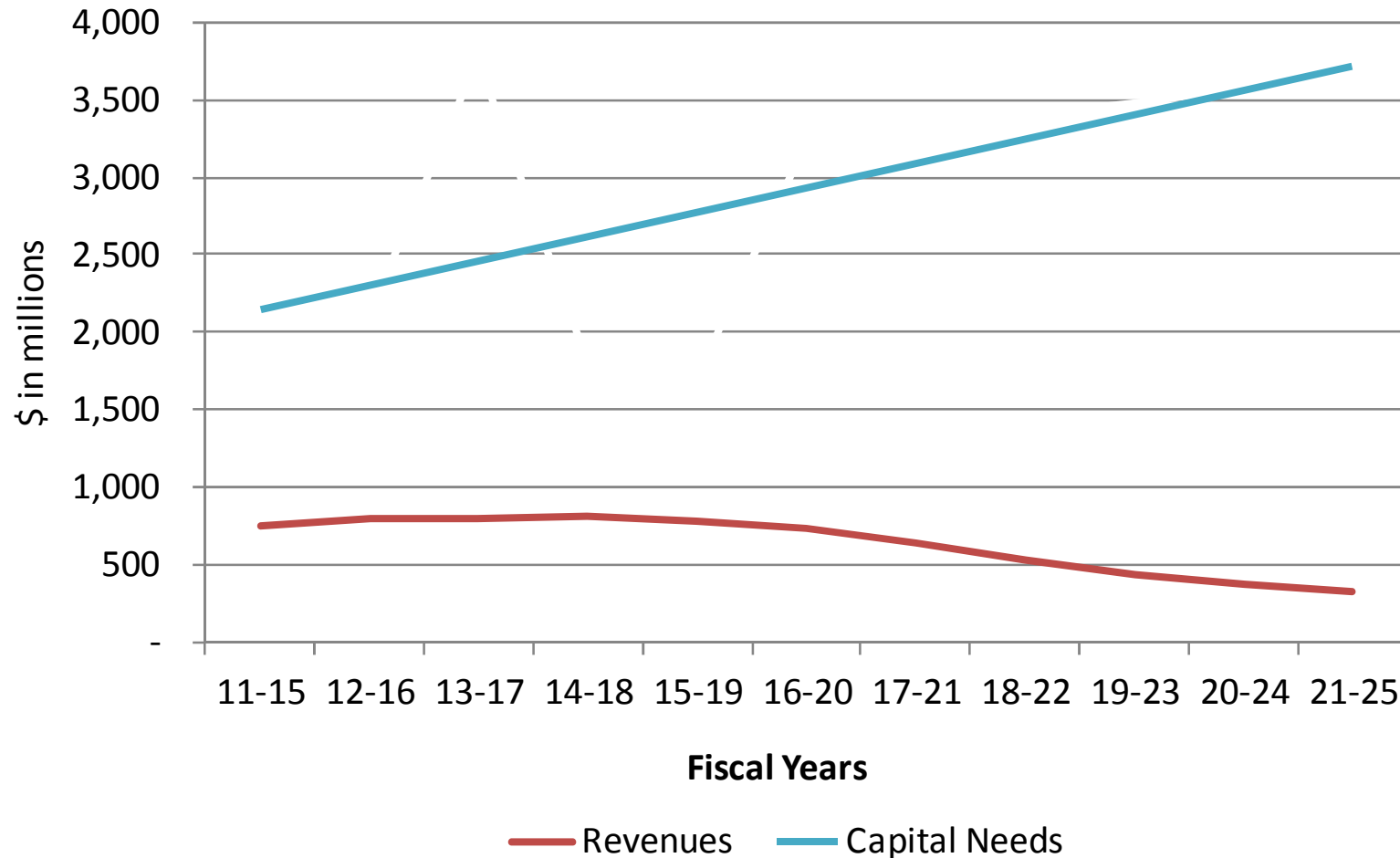
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Commonwealth Transportation Board  
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# Transit Funding

## CTB Transit Formulas

- New capital and operating formulas adopted in December 2013
- Performance metrics based on:
  - Net cost per rider (50%)
  - Customers per revenue hour (25%)
  - Customers per revenue mile (25%)
- Systems are sized equally based on ridership and operating costs – sized relative to all transit operators eligible for state assistance
- Capital allocations based on set percentages for asset categories

# Transit Capital Needs / Revenues Ten-Year Trend Analysis



# Transportation Capital Projects Revenue (CPR) Bonds

## Va. Code § 33.2-365

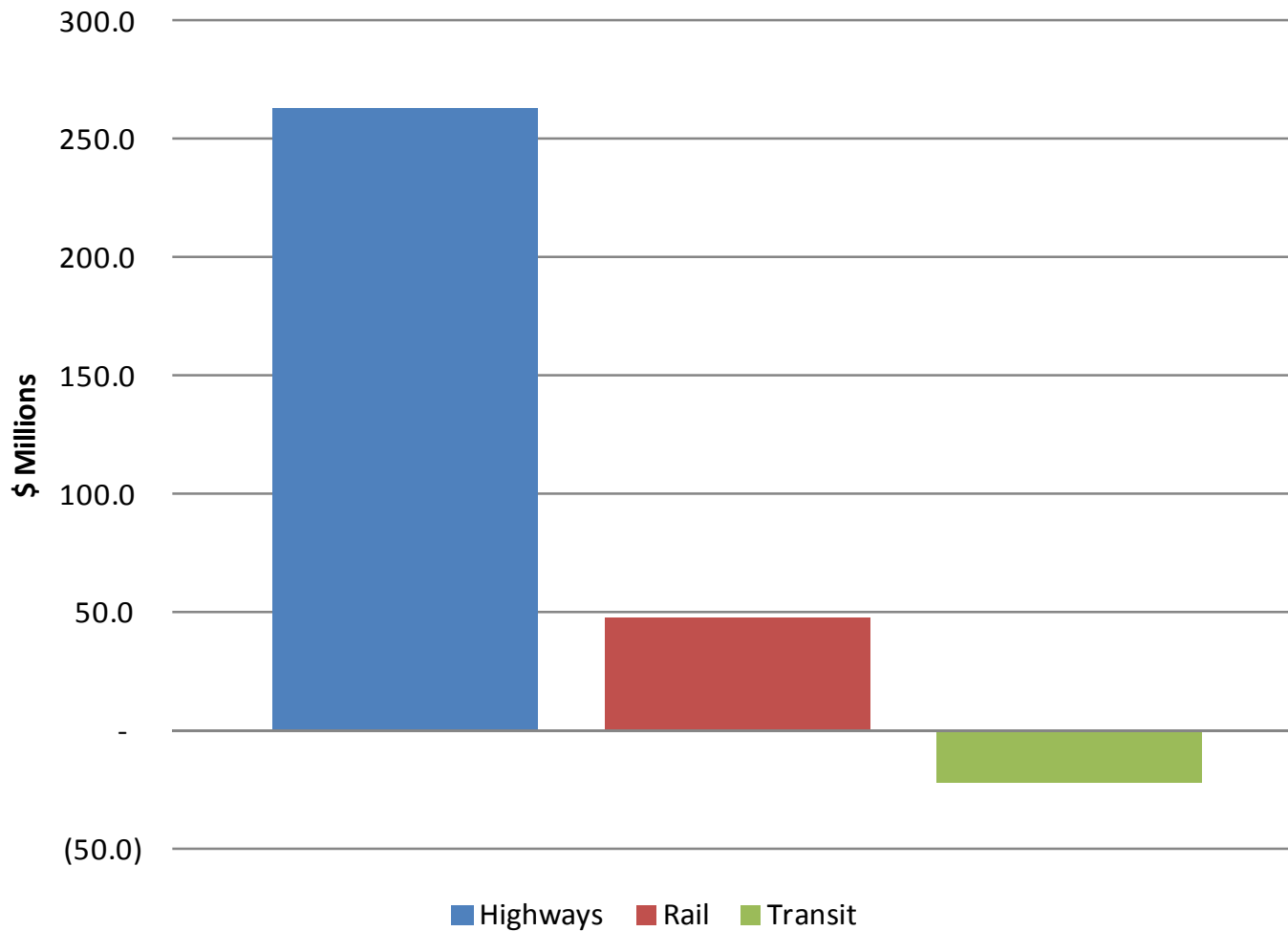
- In 2007, the Commonwealth Transportation Board authorized to issue CPR bonds for transportation projects
- \$3 billion total bond authority
- A **minimum** of 20% dedicated to transit capital (\$60 million annually)
- Transit elected to receive funding over a ten-year period versus the accelerated bond allocations adopted by highways
- Above the **minimum**, \$50 M per year over ten years allocated to WMATA PRIIA match

# Transit Capital Funding

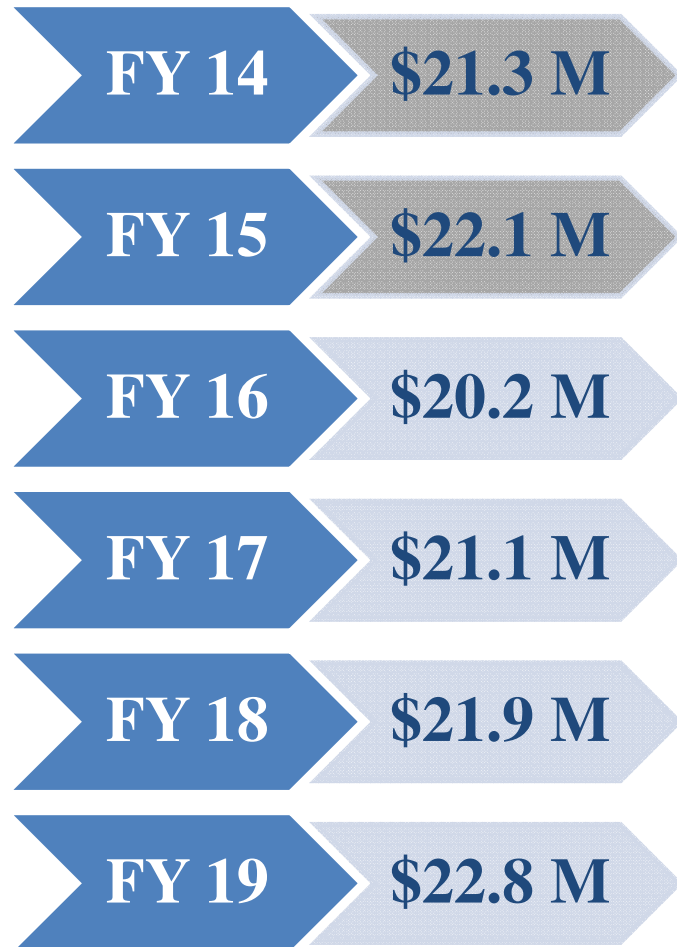
## Other Considerations

- In 2013, HB2313 provided approximately \$15 million of revenue to transit capital on an annual basis
- For FY 2015, a total of \$158 million of revenue was available to be allocated for transit capital projects
  - \$48 million came from sustained sources
  - \$110 million came from CPR bond revenues
- By FY 2020 the amount of state transit revenues will only equal 10% of total needs

# Commonwealth Transportation Revenues Change from FY 13 – FY 21



# Marketplace Fairness Act



Failure of federal government to pass MFA results in net loss to transit

Funds deposited to the Mass Transit Trust Fund split:

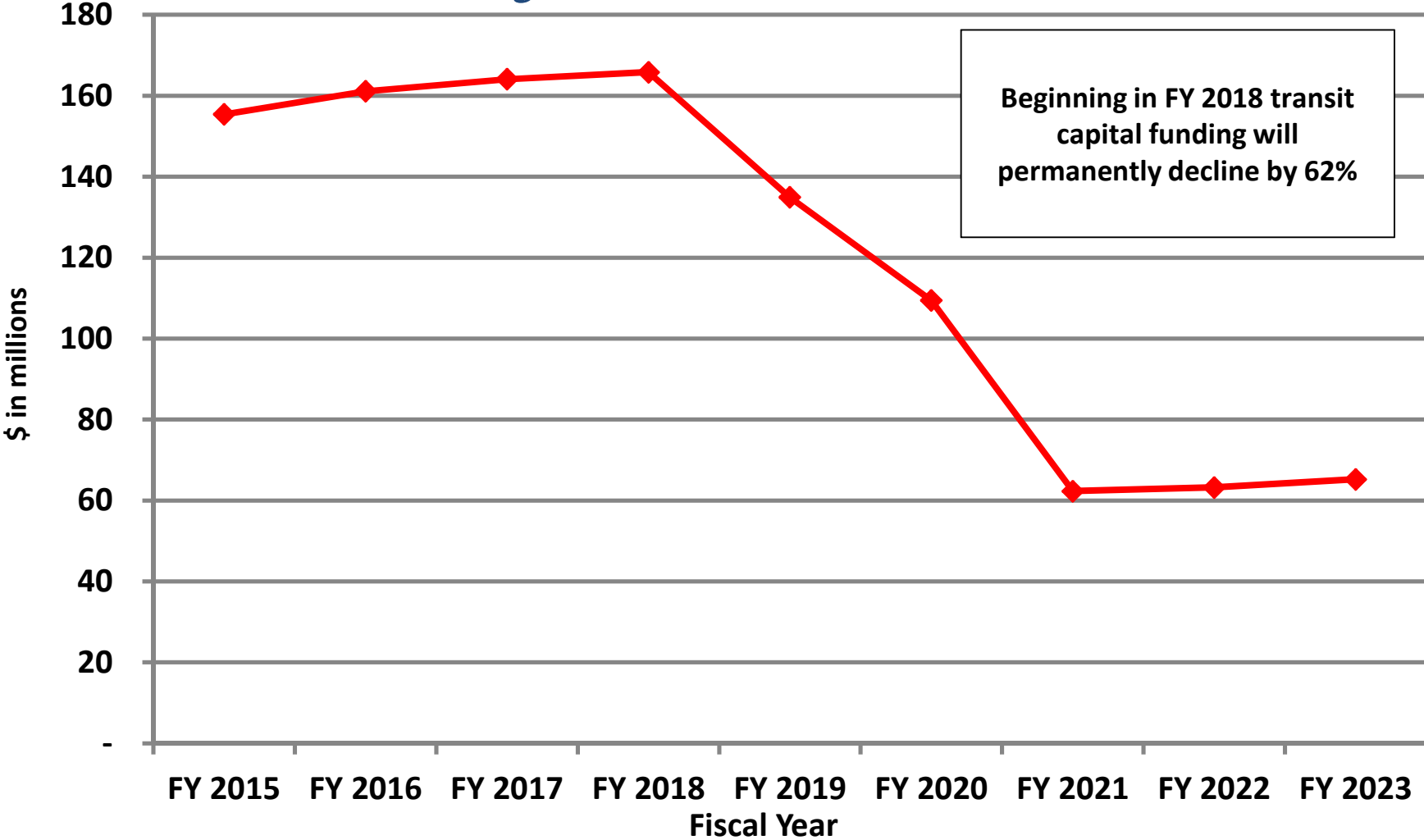
72% for operating

25% for capital

3% for special programs

**Total loss of \$129.5 million by FY 19**

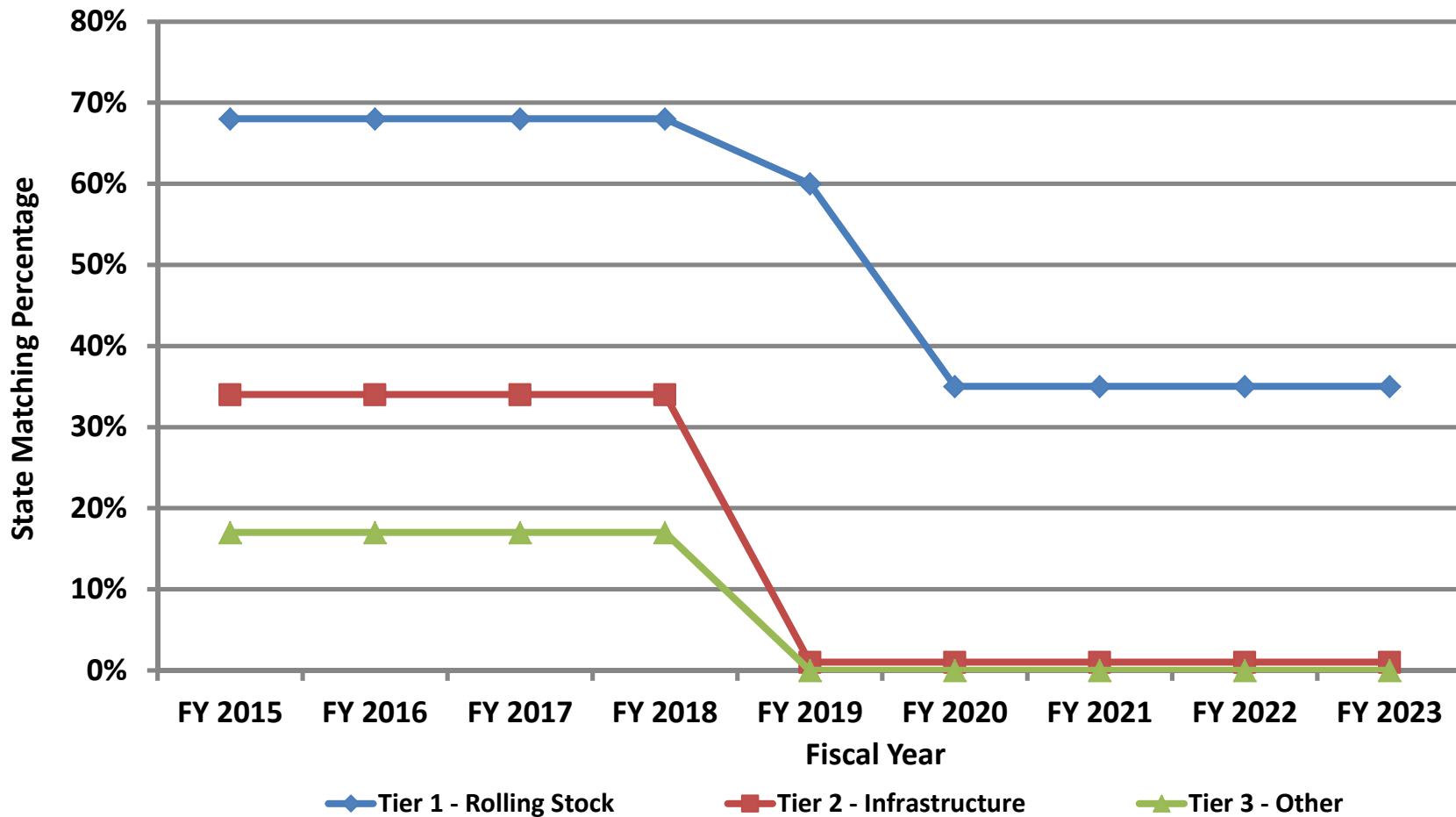
# Transit Capital Projected Revenues





# Transit Capital

## Projected State Matching Percentage



# Impacts on Local Operators

- Reduced state match will cause local shares to increase significantly
- Local governments will need to fill gaps or make extensive service cuts
- Potential difficulty in matching federal funds
- Deferral or cancellation of many capital projects
- Deferred capital needs possibly leading to higher O&M costs, shorter asset lifecycles, and lower reliability

# Representative Impact Based on FY 2015 Capital Program

Transit Provider	FY15 Funding	Capital Cliff FY 15	Decrease	Percentage Reduction
Fairfax Connector	\$ 22,261,480	\$ 8,171,500	\$ (14,089,980)	63.3%
Hampton Roads Transit	14,947,626	5,304,655	(9,642,971)	64.5%
Lynchburg Transit	3,960,638	12,800	(3,947,838)	99.7%
Blacksburg Transit	649,892	231,799	(418,093)	64.3%
Williamsburg Area Transit Authority	100,456	47,947	(52,509)	52.3%

# Impact of Funding Reductions

## Fairfax Connector Unfunded Projects\*

### Design and/or Construction:

- Annandale NVCC Transit Center
- GMU Transit Center
- Richmond Highway Transit Center
- Springfield CBC Parking Garage
- Pedestrian Connector for Herndon Metrorail Garage
- Pedestrian Connector for Innovation Center Garage
- Stringfellow Road parking lot expansion
- Bus Rehabilitation and Renovation of Herndon Garage
- West Ox Bus Construction Maintenance Facility expansion
- Reston Town Center Facility Renovations

### Vehicle/Equipment Purchase:

- Purchase spare parts, ACM items (engines, transmissions)
- Purchase of three support vehicles
- Purchase of passenger/bus shelters

\*List illustrates the potential impact of funding cuts

# Impact of Funding Reductions

## Blacksburg Transit Unfunded Projects\*

### Design and/or Construction:

- Maintenance building roof replacement
- Engineering and design of administration and maintenance building

### Vehicle/Equipment Purchase:

- Shop equipment
- ADP Hardware
- ADP Software
- Security cameras for buses & facilities

\*List illustrates the potential impact of funding cuts

# Impact of Funding Reductions

## Hampton Roads Transit Unfunded Projects\*

### Design and/or Construction:

- Downtown Norfolk Transit Center (DNTC)
- Transit Asset Management Program
- Purchase route signage (bus stop signs)
- Business Continuity and Disaster Recovery
- Critical system upgrades with real-time info capabilities
- LRT overhead contact system
- Ferry dock structural improvements and expansion
- Norfolk Naval Station Transit Extension DEIS

\*List illustrates the potential impact of funding cuts

# Impact of Funding Reductions

## Lynchburg Transit Unfunded Projects\*

- Construction of business administration and maintenance facility
- Bus engines
- Support vehicle
- Passenger shelters

## Williamsburg Unfunded Projects\*

- Three support vehicles
- Lease of business administration & maintenance facilities
- Bus shelters and shelter amenities

\*List illustrates the potential impact of funding cuts

# Questions?

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