



COMMONWEALTH of VIRGINIA
Office of the
SECRETARY of TRANSPORTATION

SYIP and HB1887/HB2

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SYIP Historical Context

- **Full Six-Year Improvement Program updated annually with a new sixth year fully programmed**
- **Funding added incrementally to phases of a project**
 - **Majority of funds go to advancing existing projects**
 - **Many projects take years to receive full funding and advance to construction**
- **Opaque and inefficient process with funds spread out, often to ‘keep peace in the valley’**

HB1887 and HB2 Context

FY 2016 – 2021 SYIP

- **Three major funding categories**
 - State of Good Repair - \$575.7M
 - High Priority Projects - \$648.6M
 - Construction District Grants - \$648.6M
- **Specialized Programs**
 - Revenue Sharing - \$185M to \$50M (\$635M total)
 - Highway Safety Improvement Program - ~\$50M annually
 - CMAQ - ~\$65M annually
 - Regional STP - ~\$90M annually
 - Transportation Alternatives - ~\$22M

HB1887 and HB2 Context

- **State of Good Repair funds must be made available for projects using a needs-based formula based on priority ranking system**
- **High Priority Projects and District Grants Programs projects must be evaluated using HB2 Statewide Prioritization Process**
- **Both require significant effort and coordination with local governments**

Considerations with HB2 and HB1887

- **Goal with HB2 to make full funding awards to projects selected by the Board**
 - **Increases certainty for local communities and businesses**
 - **Allows new projects to be considered in each solicitation cycle rather than incremental additions to existing partially funded projects**
- **Annual evaluation cycle for HB2 may limit ability to focus on project development due to pressure to compete**

Considerations with HB1887 and HB2

- Full funding awards may be difficult with annual solicitation due to available funding and HB1887 formulas
- Annual funding for District Grant Program in FY 2021 based on formula

| Bristol | Cul'per | F'burg | HR | L'burg | NOVA | Ric | Salem | Stnton |
|---------|---------|--------|--------|--------|--------|--------|--------|--------|
| \$12.3 | \$10.8 | \$12.0 | \$35.2 | \$12.5 | \$36.2 | \$25.2 | \$16.8 | \$13.6 |

Recommended SYIP Update Cycle

- **Board would continue to update SYIP annually but would program two years of funding for certain programs**
 - **Even-number year updates**
 - Specialized programs
 - Revenue Sharing
 - **Odd-numbered year updates**
 - High Priority Projects
 - Construction District Grants
 - **State of Good Repair program would be programmed annually**
- **Transition period for FY17-22 and FY18-23 updates**

Benefits of Two-Year Cycle

- **Provides higher level of certainty for projects**
 - Full funding awards for projects
 - Reduces number of updates for each funding program
- **Doubles the amount of funding available for each program allowing both small and larger projects to receive funding**
- **Provides additional time for project development and coordination with local communities during off-cycle**
- **Provides Board with increased oversight ability**

FY17 and FY18 SYIP Transition

- **FY17-22 Update**
 - HB2 programs – all funds prior up to FY21
 - HSIP/CMAQ/RSTP – all funds through FY22
 - Revenue Sharing – FY17
 - Transportation Alternatives – FY17 and FY18
- **FY18-23 Update**
 - HB2 programs – FY22 and FY23 (start 2 year cycle)
 - HSIP/CMAQ/RSTP – no update
 - Revenue Sharing – FY18

FY17-22 Update

| Program | Available Funds |
|------------------------|-----------------|
| High Priority Projects | ~\$600M |
| District Grants | ~\$600M |
| HSIP/CMAQ/RSTP | \$317M |
| Revenue Sharing | \$150M |

FY18-23 Update

| Program | Available Funds |
|------------------------|-----------------|
| State of Good Repair | - |
| High Priority Projects | \$389M |
| District Grants | \$389M |
| HSIP/CMAQ/RSTP | - |
| Revenue Sharing | \$100M |

Moving Forward

- **Recommend Board adopt a resolution outlining its preference for process governing the development of future six-year improvement programs this Fall**
 - **State of Good Repair recommendations under development**
 - **Smart Roadway Technology and Unpaved Road recommendations under development**
- **Staff are working on draft process for developing programs for High Priority Projects and District Grant Programs from evaluated list of projects**