

The attached chart shows how the transportation project plan would be amended to accommodate this \$4.3 million in FY 2012 revenue loss caused by a phase-in. In general, to accommodate the phase-in, the following changes to the proposed plan have been made (list major changes):

- Delay \$2.4 million in funding for Transit Corridor C (Beauregard) from FY 2012 to FY 2013;
- Delay the Old Cameron Run Trail project by a year;
- Shift \$900k in construction funding for Mt. Vernon Avenue & Russell Road intersection from FY 2012 to FY 2013 (perform design in FY 2012); and
- Shift \$500k in construction funding for the King/Quaker/Braddock Intersection project from FY 2012 to FY 2013 causing a small implementation delay.

Transit Corridor C (Beauregard) is considered to be one of the highest priority projects on this project list, but this revised plan would shift some funding back a year. Finding the \$4.3 million in necessary FY 2012 savings is difficult to accomplish without touching the largest project in that plan year. Not including the Corridor C project would potentially mean that almost all of the other FY 2012 capital projects would need to be delayed in order to balance the first year of the plan.

While the phased-in approach would not necessarily change the projects proposed for implementation over the next decade, the \$4.3 million in FY 2012 revenue loss would have a few negative impacts. First, implementation of the projects listed above would be delayed somewhat. Second, the overall level of general obligation borrowing required over the ten years to support this plan would increase by \$6.5 million, which would impact the City's debt guidelines. Finally, the overall ten-year cost of the plan increases by \$3.2 million (from \$171.1 million to \$174.3 million). This cost increase is due to additional debt service costs resulting from the increase in bonds issued. The actual capital expenditures over the ten years are not impacted by this plan. Alternatively, if the borrowing is not increased over the ten years, then \$4.3 million of projects would need to be cut from the plan.

Finally, the City Attorney has confirmed that under State law one can further refine the phase-in by adopting two different rates in one calendar year (for example, a 6-cent rate for June of 2011, a 9-cent rate for November 2011 and then plan for a 12.5 cent rate for all of calendar year 2012). While this is a more gradual phase-in, it would represent a greater complexity to explain to property owners and to administer (i.e., software reprogramming, calculating interest on past due real estate tax bills, etc.). It may also create difficulties for a few commercial property buyers and sellers in accurately apportioning real estate tax bills when a property is sold during a calendar year where the real estate taxes paid or due in the year need to be calculated and accurately allocated between the buyer and the seller. While a single calendar year rate is preferable for administrative reasons, a split-rate for a single calendar year can be administratively accommodated if that is Council's policy direction.

Attachment:

Revised Transportation Add-On Tax Project List – Phased-in Approach

CITY OF ALEXANDRIA, VIRGINIA
PROPOSED FY 2012 - FY 2021 TRANSPORTATION ADD-ON TAX PLAN
PROJECT SUMMARY - UPDATED 04/07/2011

Transportation Add-On Tax Summary of CIP Subsections	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total FY 12-FY 21
High Capacity Transit Corridors	\$3,700,000	\$7,400,000	\$7,250,000	\$7,250,000	\$7,550,000	\$12,650,000	\$10,000,000	\$10,000,000	\$0	\$0	\$65,800,000
Peak Period Bus Service	5,850,000	0	3,500,000	2,600,000	0	0	0	0	0	0	11,950,000
Transit Station Improvements	2,200,000	0	0	0	600,000	2,700,000	2,700,000	0	2,000,000	0	10,200,000
Non-Motorized Transportation Initiatives	750,000	4,300,000	3,700,000	3,500,000	500,000	500,000	500,000	500,000	500,000	1,500,000	16,250,000
Street Enhancements and Extensions	700,000	6,300,000	0	0	0	0	0	0	210,000	3,100,000	10,310,000
Total CIP Transportation Tax Expenditures	\$13,200,000	\$18,000,000	\$14,450,000	\$13,350,000	\$8,650,000	\$15,850,000	\$13,200,000	\$10,500,000	\$2,710,000	\$4,600,000	\$114,510,000

Transportation Add-On Tax CIP Projects (Continued) Subsection/Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total FY 12-FY 21
High Capacity Transit Corridors											
1. Transit Corridor "C" Construction	\$2,100,000	\$7,400,000	\$5,000,000	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$19,500,000
2. Transit Corridor "A" Widening	600,000	0	0	0	0	0	0	0	0	0	600,000
3. Transit Corridor "A" Streetcar Conversion	1,000,000	0	2,250,000	2,250,000	6,850,000	6,850,000	0	0	0	0	19,200,000
4. Transit Corridor "B" Construction	0	0	0	0	700,000	1,800,000	10,000,000	10,000,000	0	0	22,500,000
5. Streetcar Maintenance Facility	0	0	0	0	0	4,000,000	0	0	0	0	4,000,000
Peak Period Bus Service											
6. DASH Fleet Expansion	5,850,000	0	0	2,600,000	0	0	0	0	0	0	8,450,000
7. Expanded Trolley/Circulator/Transit Service	0	0	3,500,000	0	0	0	0	0	0	0	3,500,000
Transit Station Improvements											
8. Eisenhower Avenue Metro Station Platform Ext.	0	0	0	0	0	0	0	0	0	0	0
9. Bradlee Transit Center	0	0	0	0	0	0	0	0	1,000,000	0	1,000,000
10. King Street Station Improvements	2,200,000	0	0	0	0	0	0	0	1,000,000	0	3,200,000
11. Landmark Transit Station	0	0	0	0	600,000	2,700,000	2,700,000	0	0	0	6,000,000
Non-Motorized Transportation Initiatives											
12. Holmes Run Greenway/Eisenhower East	250,000	3,300,000	0	0	0	0	0	0	0	0	3,550,000
13. Transportation Technologies	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000
14. Old Cameron Run Trail	0	500,000	3,000,000	0	0	0	0	0	0	0	3,500,000
15. Backlick Run Multi-Use Paths	0	0	200,000	3,000,000	0	0	0	0	0	0	3,200,000
16. Van Dorn Metro Multimodal Bridge	0	0	0	0	0	0	0	0	0	1,000,000	1,000,000
Transportation Add-On Tax CIP Projects (Continued) Subsection/Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total FY 12-FY 21
Street Enhancements and Extensions											
17. King/Quaker/Braddock Intersection	600,000	5,400,000	TBD	0	0	0	0	0	0	0	6,000,000
18. Mt. Vernon Ave/Russell Road Intersection	100,000	900,000	0	0	0	0	0	0	0	0	1,000,000
19. Duke Street Complete Streets	0	0	0	0	0	0	0	0	210,000	2,100,000	2,310,000
20. High Street Construction	0	0	0	0	0	0	0	0	0	1,000,000	1,000,000
Total CIP Transportation Tax Expenditures	\$13,200,000	\$18,000,000	\$14,450,000	\$13,350,000	\$8,650,000	\$15,850,000	\$13,200,000	\$10,500,000	\$2,710,000	\$4,600,000	\$114,510,000

CITY OF ALEXANDRIA, VIRGINIA
PROPOSED FY 2012 - FY 2021 TRANSPORTATION ADD-ON TAX PLAN
PROJECT SUMMARY - UPDATED 04/07/2011

Transportation Add-On Tax CIP Projects (Continued)											Total
Subsection/Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 12-FY 21
Transportation Add-On Tax Operating Expenditures											
Transit Corridor "C" Operations	\$0	\$0	\$0	\$0	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$9,600,000
Transit Corridor "A" Operations (Streetcar)	0	0	0	0	0		2,500,000	2,500,000	2,500,000	2,500,000	10,000,000
Transit Corridor "B" Operations	0	0	0	0	0	0	0	0	1,600,000	1,600,000	3,200,000
DASH Bus Expanded Service	0	1,332,000	1,332,000	1,332,000	1,768,000	1,933,000	1,933,000	1,933,000	1,933,000	1,933,000	15,429,000
Expanded Trolley/Circulator Service*	500,000	1,000,000	1,000,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	7,400,000
<i>Transitway Implementation Staff</i>	\$161,352	\$147,900	\$150,858	\$153,875	\$156,953	\$160,092	\$163,294	\$166,559	TBD	TBD	\$1,260,883
Transportation Tax Debt Service	\$0	\$136,010	\$638,797	\$1,023,691	\$1,215,375	\$1,332,127	\$1,729,293	\$2,139,815	\$2,327,448	\$2,316,308	\$12,858,864
Total Operating Transportation Tax Expenditures	\$661,352	\$2,615,910	\$3,121,655	\$3,209,566	\$5,440,328	\$5,725,219	\$8,625,587	\$9,039,374	\$10,660,448	\$10,649,308	\$59,748,747

* The operating funding planned in FY 2012 - FY 2014 includes a built-in assumed portion for the leasing of capital equipment.

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
											FY 12-FY 21
Grand Total, Transportation Tax Expenditures	\$13,861,352	\$20,615,910	\$17,571,655	\$16,559,566	\$14,090,328	\$21,575,219	\$21,825,587	\$19,539,374	\$13,370,448	\$15,249,308	\$174,258,747