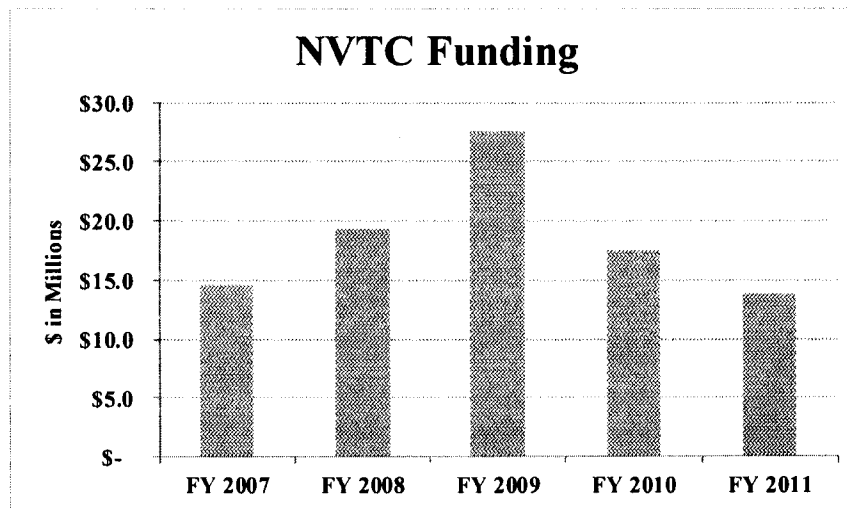


NVTC Funding

Budget memo #39 provides details on eligible uses of NVTC funding (i.e. State aid and regional gas tax). Specifically, these funds totaling \$93.0 million from FY 2007 – FY 2011 can only be used for WMATA expenditures and capital and operational expenses for eligible transit operators, such as DASH. This restricts City uses of this funding source, as street resurfacing and reconstruction, sidewalk and trail construction and repairs, and on-going maintenance issues are not eligible expenses. The chart below details the distribution of available NVTC funding from FY 2007 – FY 2011.²

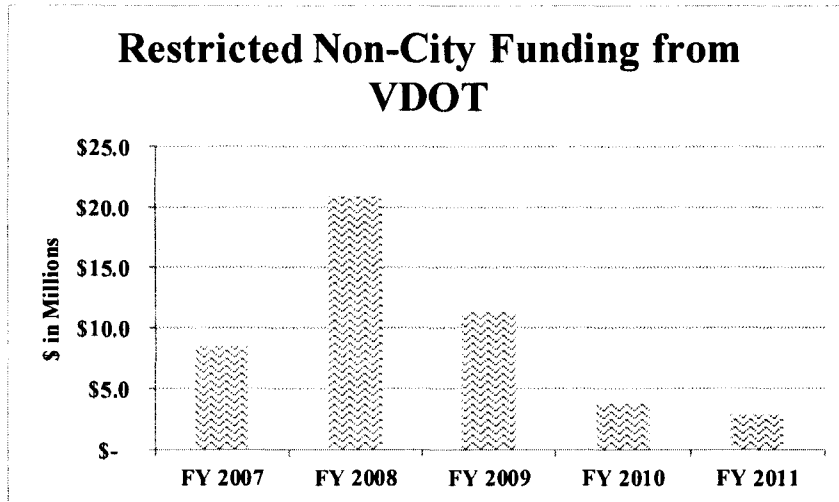


From a high of \$27.6 million in FY 2009, available revenues of \$13.9 million represent an almost 50% reduction in annual recurring revenues from NVTC. FY 2012 projects an increase in available revenues to \$16.5 million; however, that is still \$11.1 million below FY 2009 levels. It should be noted that the State transit capital funding formula causes some of the annual revenue swings. However, with FY 2009 not considered, the City is receiving less State transit aid.

VDOT Funding

The City of Alexandria receives state and federal funding on an annual basis through the Virginia Department of Transportation, as part of their Six-Year Improvement Plan (SYIP). Major sources of state funding include State Urban Funds and State Revenue Sharing (for eligible street and road repair projects). Major sources of federal revenue include Congestion Mitigation and Air Quality (CMAQ), Regional Surface Transportation Program, and Federal Transportation Administration funding. The chart on the next page details funding received by the City only from VDOT's SYIP for City transportation projects from FY 2007 – FY 2011. Funding for VDOT Interstate projects is not include in the numbers below, as the City does not have any local authority on how and when those dollars are spent.

² Funding figures represent annual revenues from the 2.1% motor fuel sales tax, Commonwealth of Virginia Transit Operating Assistance, and Commonwealth of Virginia Transit Capital Assistance. One-time use of fund balance in each fiscal year is not included, as the chart details annual revenue collections.



Mirroring the trend with NVTC funding, VDOT funding has decreased significantly over the past four years. From a high of \$21.0 million in FY 2008, the City is projecting just \$3.0 million in FY 2011 in VDOT funding, which represents a reduction of \$18.0 million. While the Commonwealth of Virginia has proposed a significant increase in transportation funding in the FY 2012 – 2017 SYIP, the majority of funding proposed for the City of Alexandria will go toward Interstate and BRAC-133 related improvements. It should be noted that VDOT Urban Funds are project based and not revenue based on a year to year basis. This causes the year to year comparisons to widely vary. However, it can be stated that the City previously received approximately \$10.0 million per year in State VDOT Urban Funds allocations, and in FY 2012 new Urban Funding from the State will be \$0.

ARRA Stimulus Funding

The City of Alexandria, through VDOT and NVTC, received \$13.2 million in American Recovery and Reinvestment Act (ARRA – Federal Stimulus) funding in FY 2010 (\$12.3 million) and FY 2011 (\$0.9 million) designated for transportation improvement projects. Most of the ARRA funding (\$8.5 million) is for the Route 1 high capacity transit dedicated transit lanes. While these funds helped offset reductions in other non-City funding sources in FY 2010 and FY 2011, they are one-time funding sources and will not be available in FY 2012 and beyond.