

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 20, 2016

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: CARRIE SANDERS, ACTING DEPUTY DIRECTOR, T&ES

SUBJECT: AGENDA ITEM #5 - FY 2017 – FY 2026 PROPOSED TRANSPORTATION BUDGET

ISSUE: Provide an update on the FY 2017 – FY 2026 transportation budget.

RECOMMENDATION: That the Transportation Commission hold a public hearing, and review and provide final comment on the proposed FY 2017 – FY 2026 transportation budget.

BACKGROUND: Each year the City Manager presents a proposed City Budget to the City Council for consideration and action. As part of the budget process, a ten-year Capital Improvement Program (CIP) is developed that programs funding for major capital projects in the City. Funding for the CIP comes from the City's general fund, grants, and other non-City sources of funding including developer contributions. The City Manager presented the proposed FY 2017-2026 budget to City Council on February 23, 2016 and the entire document is posted to the City website (<http://alexandriava.gov/Budget>). The FY 2017- FY 2026 Transportation and Transit Summary is detailed in Attachment 1 and is also posted on the City website (<https://preview.alexandriava.gov/budget/info/default.aspx?id=89952>).

As part of the Council's Strategic Plan, one of the objectives is to *develop local, reliable funding mechanisms to support a fiscally constrained transportation plan*. In FY 2011, the Council approved a 2.2 cent reservation of the property tax to fund transportation projects. This funding has provided the opportunity to fund many of the projects on the Long Range Transportation Plan (LRP) over the next ten years. In addition, House Bill 2313 was signed into law and levies additional taxes and fees to generate additional revenue for transportation projects. However, there are still a number of unmet funding needs, and the WMATA funding needs continue to put significant pressure on the transportation budget.

DISCUSSION: In October 2015, the Transportation Commission provided its guidance to Council on the FY 2017 budget, requesting among a number of items 1) the preservation of the 2.2 cent transportation reservation; 2) that the City's transportation funding levels be maintained, and; 3) that Council explore opportunities to fund regional transportation needs beyond the City's transportation resources. In October and November 2015, the City hosted four public meetings. Community input influenced City Council's budget guidance, the City Manager's Budget Priorities, and the proposed budget that was released in February and presented to the Transportation Commission at its March 16, 2016 meeting. In part due to this engagement, the proposed budget incorporated five priorities: 1) Housing Affordability; 2) Parking Management & Traffic Management; 2) Generating new General Fund Revenues; 4) Investment in

Information Technology; and 5) Pre-Kindergarten and/or Childcare Programs. Some of the significant changes being considered in the proposed transportation budget are included in Attachment 2

At its March 16, 2016 meeting, the Transportation Commission held a public hearing and discussed the City Manager's proposed budget. In a memorandum dated March 23, 2016 to the Council (Attachment 3), the Commission noted that two of its original guidance requests had not been fully addressed, including maintenance of funding for highest priorities as determined by the Transportation Commission in the Transportation Improvement Program, and that the Council should explore opportunities to fund regional transit needs beyond the City's transportation resources. The Commission further recommended that contributions to WMATA's capital and operating expenses be made using monies from other sources, and that if additional resources become available within the TIP, that the first \$1 million go toward the City's Complete Streets program, and any remaining resources be used to fund priority projects in the Transportation Long Range Plan (LRP).

Upcoming meetings:

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| April 26, 2016 | Preliminary Add /Delete (Council Legislative meeting) |
| May 2, 2016 | Final Add / Delete Budget Work Session |
| May 5, 2016 | Final Budget Adoption |

ATTACHMENTS:

- Attachment 1 – FY 2017 - FY 2026 Transportation and Transit Summary
- Attachment 2 – Summary of Significant Transportation Changes in Proposed FY2017 Budget
- Attachment 3 – Mar. 26, 2016 Letter to Council re: proposed FY17 budget