



Fairfax County Commercial and Industrial Property Tax for Transportation

How the County uses locally generated funds to advance transportation projects

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Fairfax County Commercial and Industrial Tax for Transportation

- In April 2007, the Virginia General Assembly authorized Northern Virginia localities the authority to implement a supplemental tax on commercial and industrial property for transportation purposes.
- The Fairfax County Board of Supervisors approved an ordinance establishing the commercial and industrial property tax for transportation in September 2007.
- Staff within the County commonly refer to this source as the C&I revenues.
- The C&I tax is an \$0.11 assessment per \$100 of assessed value of commercial and industrial real estate within the County.
- Collection of this revenue source began in 2008.



How does Fairfax County use C&I revenue to advance transportation projects?

- The County's C&I revenue is just one piece in a sometimes complex puzzle of funding sources that are needed to fund transportation improvements.
 - Rare to find large projects funded by only one source.
 - Often a combination of local, state, and federal sources are needed.
- In tough economic times, the funding puzzle has become even more complicated.
 - Funding sources can be reduced or eliminated resulting in project delays or cancellations.
 - Funding may need to be shifted from projects that cannot be built in the near future to projects that are shovel-ready.
 - While some sources are eliminated, new sources may arise.



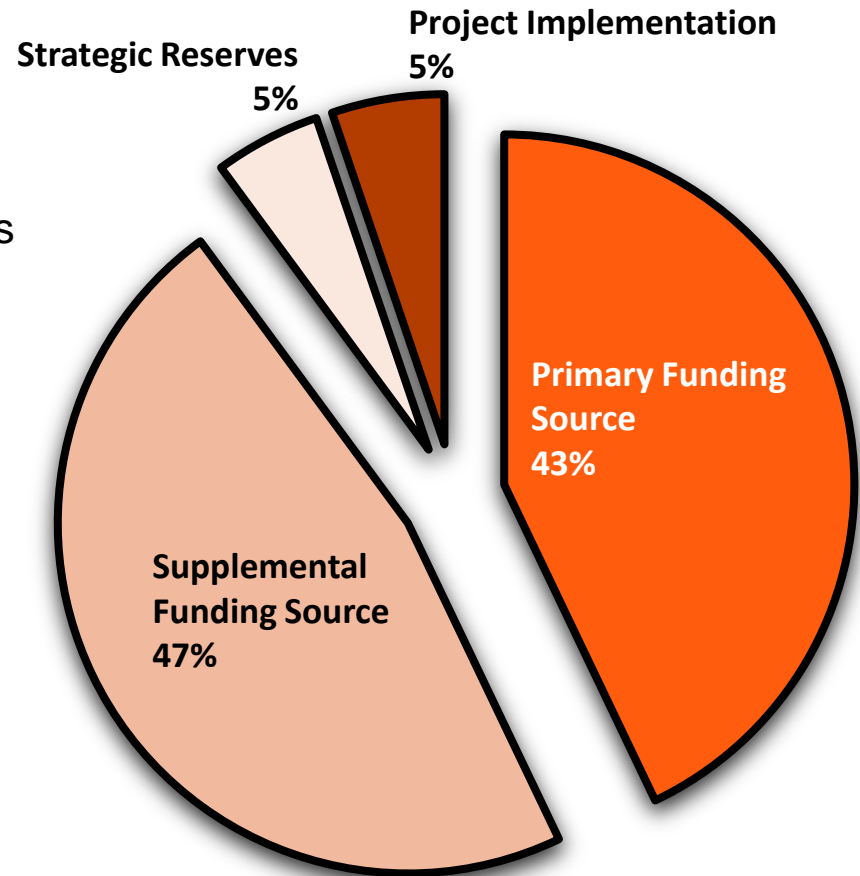
Fairfax County encountered dramatic changes in transportation funding over the past two years.

- Declining statewide revenue projections result in VDOT cutting \$4.6 billion statewide from its six-year transportation plan.
- The federal government passed several different economic stimulus programs which provided millions of one-time dollars to transportation projects.
- In the midst of this, the County strategically allocated C&I revenues to take advantage of these federal programs and fill in other remaining funding gaps resulting from VDOT's cuts.
- Initially, the County collected \$52 million (FY 2009) in C&I taxes. This amount has dropped to about \$43 million in FY 2011.



There are four general ways the County uses C&I revenue to advance projects.

- To date, the County's Board of Supervisors have approved project allocations for anticipated C&I revenues through FY 2012.
- Approximately \$251 million has been allocated to transportation projects countywide.
- In general, C&I revenues help advance transportation projects in four different ways:
 - Primary funding source
 - Supplemental funding source
 - Strategic reserves
 - Project implementation





Primary Funding Source

- C&I revenues are used as the sole or primary funding source for a variety of transportation projects. This means that without C&I revenues, it is unlikely these projects would ever be advanced without some other new funding source.
 - Fairfax Connector: expanded bus service, fleet purchases, maintenance facility upgrades
 - Old Keene Mill Park-and-Ride Lot
 - More than 50 pedestrian, bike, and spot intersection projects that relieve bottlenecks and provide common sense connections for pedestrians and bicyclists.

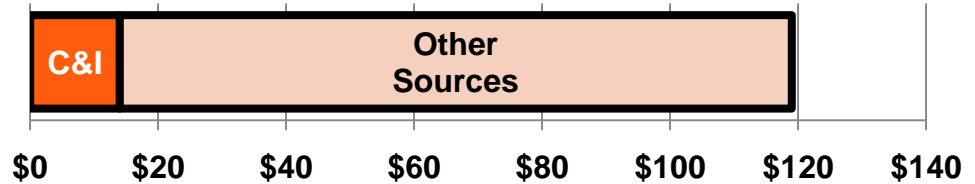




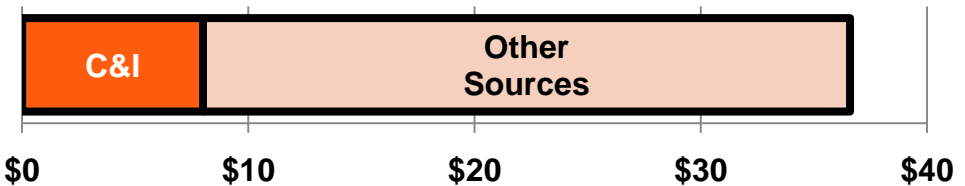
Supplemental Funding Source

- C&I revenues are also used as the last remaining funding piece for large projects with multiple funding sources.
- Many times, C&I revenues are used in this way to respond to unexpected situations such as the reduction or elimination of previously allocated funding or an increase in a project's cost estimate.
- As a supplemental funding source, C&I revenues complete the funding for long awaited projects and ensure that other projects aren't delayed due to lack of funding.

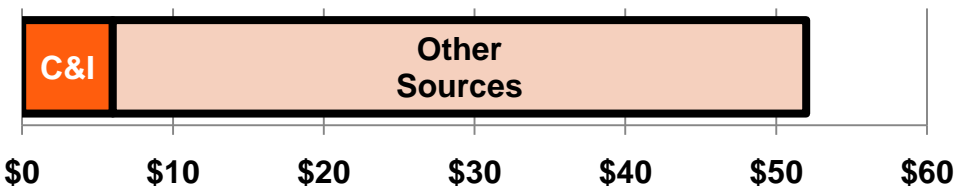
Route 29 at Gallows Road Intersection Project
Project cost: \$119 million



Route 7 Widening – Rolling Holly Dr to Reston Ave
Project cost: \$36.6 million



Stringfellow Rd Widening – Fair Lakes Pkwy to US 50
Project cost: \$52 million





Strategic Reserves and Project Implementation

- Small amounts of C&I revenue are held in reserve to take advantage of opportunities. This might mean pursuing the purchase of land for a future project at below market values or initiating planning and design work for future projects. Reserves are also held so that the County can take advantage of new grant opportunities that require matching funds.
 - Right-of-way purchases for future projects: Annandale, Springfield, and Telegraph Road
 - Studies and preliminary engineering for: Dulles Toll Road connections to Tysons Corner, Columbia Pike streetcar, Richmond Highway widening, Route 123 and Braddock Road interchange
- C&I revenues allow the County to implement more transportation projects than it would otherwise be able to do under existing funding sources. A small portion of C&I revenues is used to fund project management.



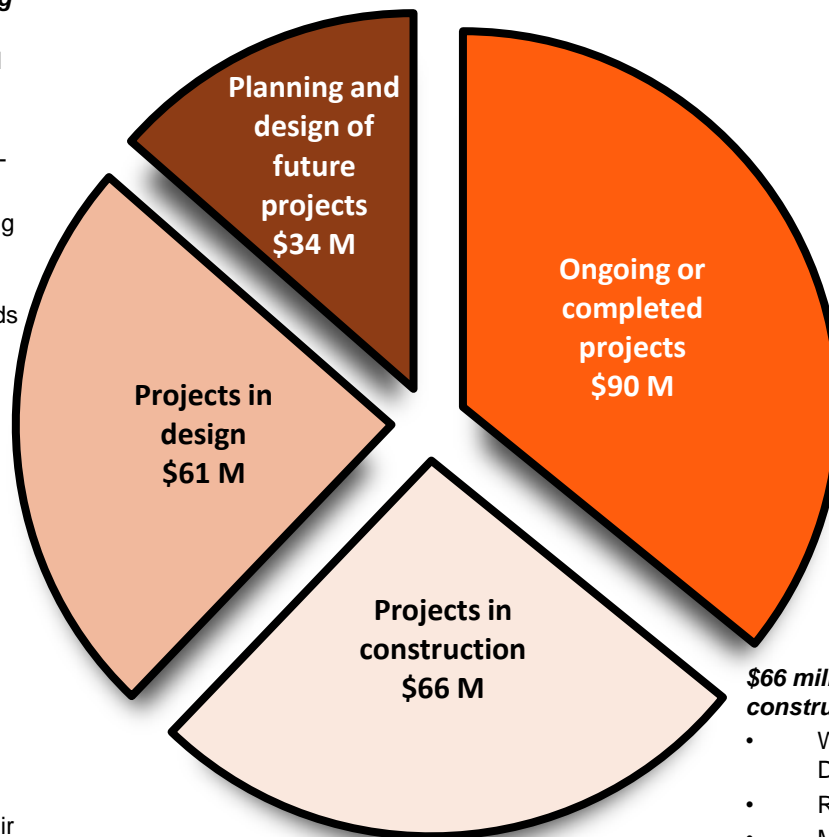
What projects are currently funded with C&I revenues? \$251 Million Allocated to Projects in Various Stages

\$34 million allocated to planning for future projects

- Tysons Corner / Dulles Toll Rd ramp connections
- Columbia Pike Streetcar
- Reserves for future right-of-way purchases
- Reserves for future planning studies and preliminary engineering
- Reserves for matching funds for future grants

\$61 million allocated to projects currently in design

- West Ox Bus Facility bus storage expansion
- Route 7 widening : Rolling Holly Dr to Reston Ave
- Route 29 widening: Centreville to Fairfax City
- Braddock Rd: Route 123 to Roanoke Dr
- Lorton Rd widening: Route 123 to Silverbrook Rd
- Eskridge Rd extension to Williams Dr
- Stringfellow Rd widening: Fair Lakes Pkwy to US 50
- Richmod Hwy widening: Mulligan Rd to Fairfax County Pkwy



\$90 million allocated to ongoing projects or recently completed projects

- Georgetown Pike/Walker Rd Right Turn Lane
- Old Keene Mill Park-and-Ride
- Braddock Rd/Route 123 Interchange Study
- Right-of-Way Purchases for future projects in Annandale, Springfield, and Telegraph Rd
- Fairfax Connector bus purchases for expanded service
- Fairfax Connector service expansions

\$66 million allocated to projects currently in construction

- Wiehle Ave Metrorail station parking garage and Dulles Rail
- Route 29 and Gallows Rd intersection
- Mulligan Rd and Telegraph Rd widening
- More than 50 pedestrian, bike, and spot intersection projects in various stages of design and construction



Questions?