

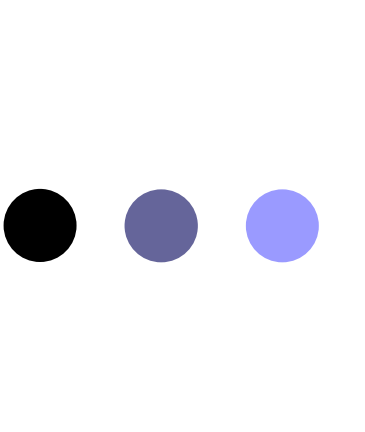


***STATEMENT TO
THE COMMONWEALTH TRANSPORTATION
BOARD***

Comments on the six year transportation program

APRIL 19, 2005

In its Fall, 2004 pre-allocation statement, NVTTC emphasized:



Growth of transit ridership and local transit funding in Northern Virginia far outpaces the remainder of the state. We need the CTB to allocate to this region its fair share of statewide resources and to join us in advocating increased statewide funding for public transit.

Since then, NVTC has reported that in FY04, No VA transit systems provided an average of 428, 977 trips each weekday



More Places. More Often. More Columbia Pike.



Potomac and Rappahannock
Transportation Commission



● ● ● | **PUBLIC TRANSIT INVESTMENTS YIELD**
HEALTHY DIVIDENDS

- Current transit riders in Northern Virginia save 8,150 tons of pollutants in a year and 59 million gallons of motor fuel.



PUBLIC TRANSIT INVESTMENTS YIELD HEALTHY DIVIDENDS

- The Texas Transportation Institute found that the Washington region saves \$1.2 billion annually in congestion costs as a result of its transit investments. Without transit, congestion costs would exceed \$3 billion annually.
- KPMG's study for NVTC found that Metrorail creates 90,000 permanent professional jobs and yields state tax revenues in excess of state investments of \$1.2 billion during the period 1995-2010 for an astounding 19.2 percent annual rate of return.

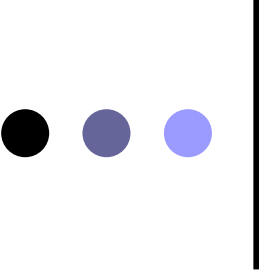


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STATE TRANSIT ASSISTANCE HAS BEEN DEFICIENT... BUT IS ON THE UPSWING

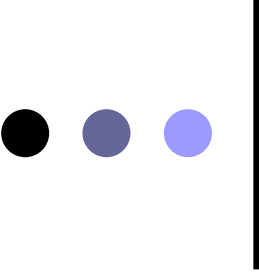
- In FY 2005 NVTC will receive \$81.4 million from the commonwealth, but if state programs were fully funded NVTC would receive nearly \$100 million more. The statutory state transit assistance target is up to 95 percent of eligible net transit expenses; for FY 2005 the commonwealth covers only 48 percent of operating costs and 38 percent of capital costs.
- The 2005 General Assembly did provide some additional funding for FY 2006 but it does not provide a dedicated sustainable funding source.





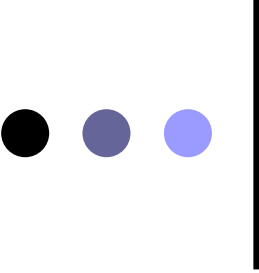
What does the new six year program
accomplish for transit in NVTC's jurisdictions?

- A FY06 62% capital matching ratio (versus 38% in FY05) for WMATA, local buses and VRE.
- \$91.2 million of formula funding (vs. \$81.4 million)
- Additional new funding of \$40 million for WMATA railcars, \$20 million for VRE railcars, and \$1.9 million for local buses.
- Remaining VTA 2000 funding for Metrorail capital of \$20 million.
- Possible additional allocations from the new rail enhancement fund to help VRE, along with continued use of statewide STP for VRE track leases of \$5.9 million.



The One Time Increase of State Aid is Welcome, but Northern Virginia Local Transit Contributions Remain High

- The expected doubling of state aid for transit in NoVA for FY 2006 is a one-time event. No relief is provided to local taxpayers since the new state aid does not replace local funds. The state matching ratio for transit capital is forecast to drop back below 40% in FY2007.
- From FY 2001 through FY2004 actual payments for Metro and local bus systems in Northern Virginia using local funds have grown by 34.1 percent while state aid received by NVTC fell by 4.3 percent.



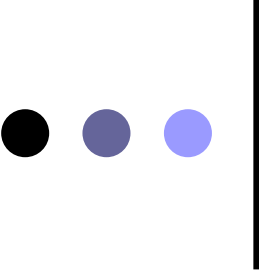
The One Time Increase of State Aid is Welcome, but Northern Virginia Local Transit Contributions Remain High

- According to the most recent estimate of the Department of Rail and Public Transportation, Northern Virginia's per capita payments for transit of \$126 of local funds is at least four times larger than any other locality in the commonwealth.



ENORMOUS UNMET NEEDS REMAIN

- Northern Virginia's governments have formally committed to WMATA to provide another \$252 million through 2010 and \$259 million from 2011 through 2024 for rail cars and other critical capital needs identified in the *Metro Matters* campaign. We need our state and federal partners to do their share.
- The additional cost to Northern Virginia's jurisdictions for Metro Matters is up to \$73.5 million more through 2025 for borrowing compared to a pay-as-you-go approach that could be possible with a dedicated source of funding.



ACCORDING to VTRANS 2025 and our own regional studies, Northern Virginia needs up to a billion dollars annually of additional funding for transit just to barely maintain current transit services in the future.

WHAT CTB CAN DO TO HELP?



With these enormous unfunded needs, CTB should continue to be an advocate with the Governor, General Assembly and public for new sustainable sources of state and local revenue for public transit.

WHAT CTB CAN DO TO HELP?



- **Recognize that transit is a sound investment** and work with NVTC, PRTC and NVTA to fund this region's top priority transit projects:
 - **Rolling stock (Metrorail cars, VRE bi-level cars and locomotives, clean fuel buses)**
 - **Parking**
 - **Station improvements**
 - **Service enhancements**