



# COMMONWEALTH TRANSPORTATION FUNDING

| Laura Farmer, Chief Financial Officer  
Virginia Department of Transportation

November 8, 2023

# Transportation Finance in Virginia

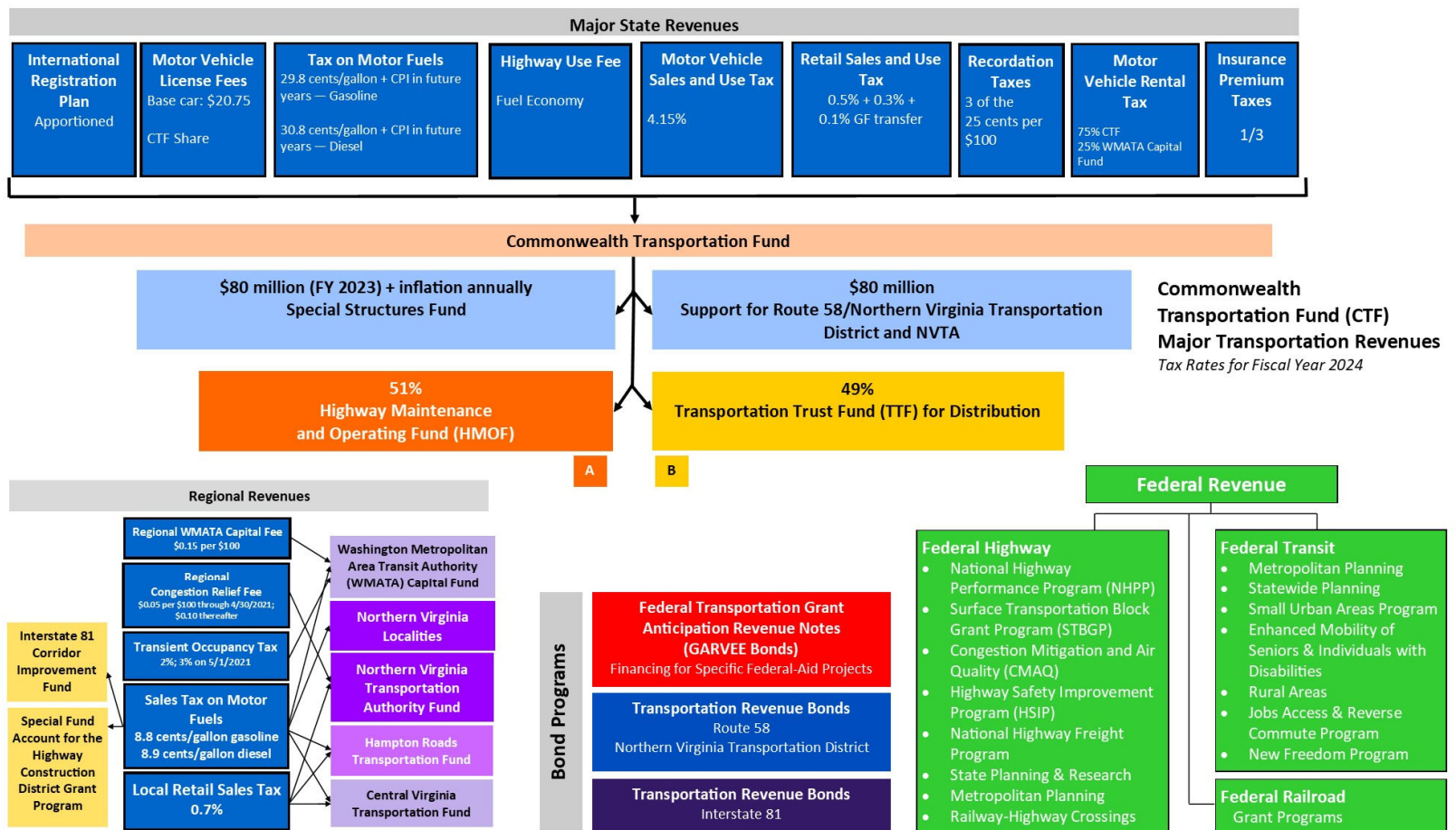
**Transportation needs are funded by a combination of state, federal, local and regional revenue resources.**

- **Federal funding is provided to the states from the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA).**
- **Major state revenue sources are dedicated to the Commonwealth Transportation Fund (CTF).**
- **Local and regional sources are dedicated to activities or projects by the appropriate governing body.**

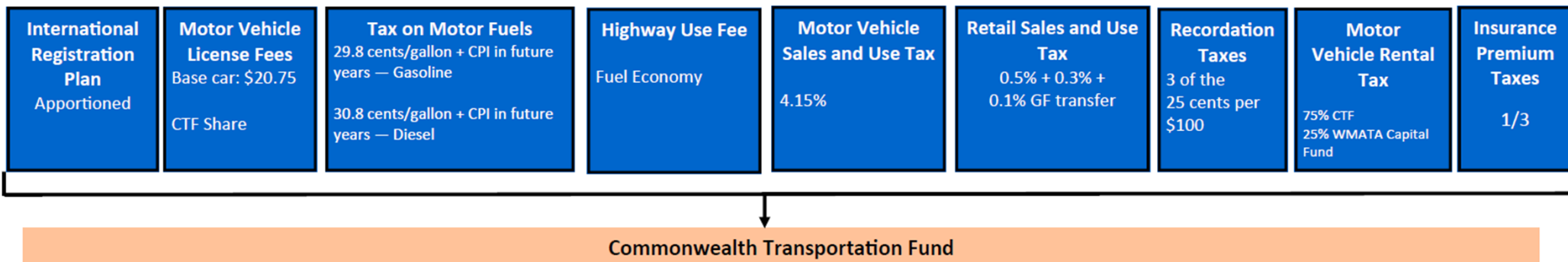
# Chapter 1230 and Commonwealth Transportation Fund (CTF) Revenues

- ❑ Chapter 1230 of the 2020 Acts of Assembly revised the composition of and increased available state revenues for transportation funding in the Commonwealth
- ❑ Under Chapter 1230, the CTF serves as the fund to which all transportation revenues are deposited and then distributed to programs and funds
- ❑ State funding is provided by a wide array of user fees and taxes:
  - ❑ State Fuels and Diesel Tax
  - ❑ Motor Vehicle Registration Fees
  - ❑ Highway Use Fee
  - ❑ Motor Vehicle Sales and Use Tax
  - ❑ Retail Sales and Use Tax
  - ❑ Recordation Tax
  - ❑ Motor Vehicle Rental Tax
  - ❑ Insurance Premium Taxes
  - ❑ International Registration Plan

# CTF Revenues



# Major State Revenue

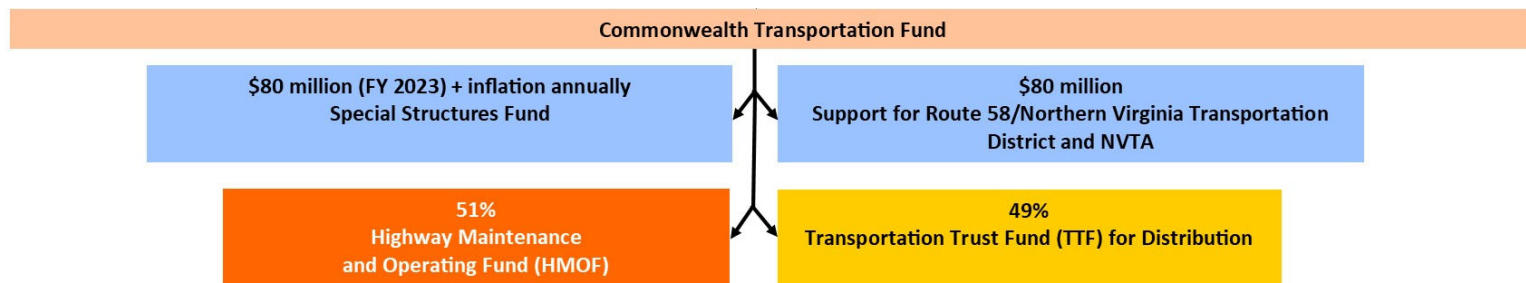


## Highlights

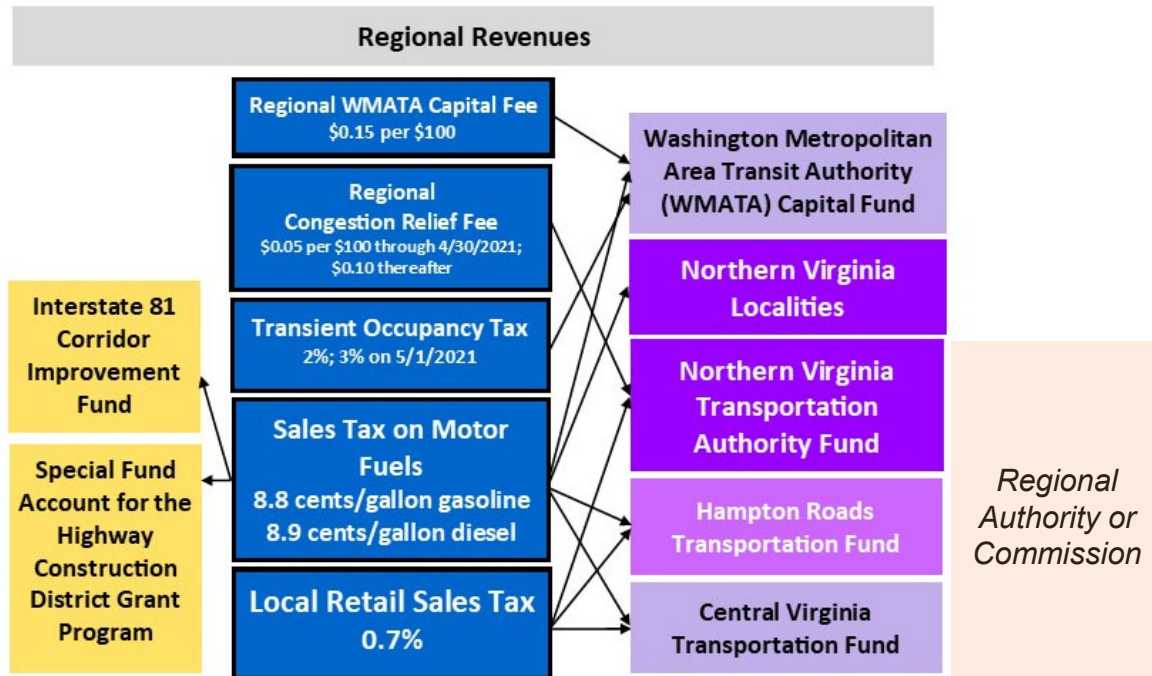
- **Statewide Tax on Motor Fuels – Set as cents/gallon in FY 2021; rate adjusted by CPI annually. Current rates:**
  - 29.8 cents/gallon on gasoline
  - 30.8 cents/gallon on diesel
- **Motor Vehicle Sales and Use Tax – 4.15%**
- **Retail Sales and Use Tax – 0.8% of the 5.3% statewide with 0.1% transfer from General Fund Share**
- **New source since FY 2021 – Highway Use Fee**

# Distribution of Funds from the CTF

- ❑ Chapter 1230 also amended the allocation of funds
- ❑ Before funds are distributed from the CTF to the Transportation Trust Fund (TTF) and the Highway Maintenance and Operating Fund (HMOF), certain amounts are directed as follows:
  - ❑ \$40 million annually will be deposited into the Route 58 Corridor Development Fund
  - ❑ \$40 million annually will be deposited into the Northern Virginia Transportation District (NVTB) Fund;
  - ❑ \$80 million annually (as adjusted annually based on changes in consumer price index for urban consumers) will be deposited into the Special Structure Fund
- ❑ The remaining funds in the CTF are then allocated 51% to the HMOF and 49% to the TTF



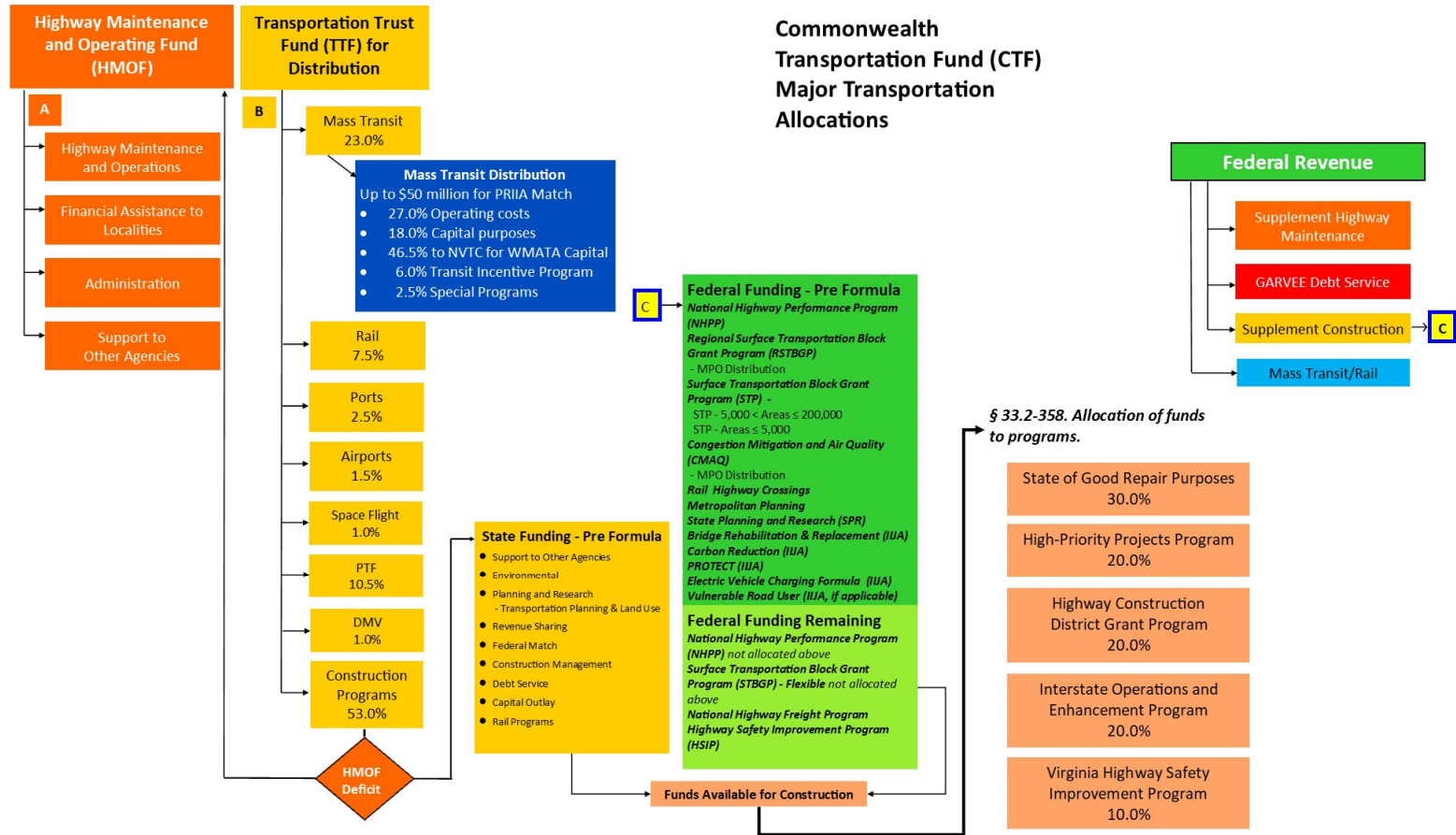
# State Revenue Dedicated to Regional Efforts



## NVTA, HRTAC, & CVTA

- Regional focus with state revenue dedicated from the region
- Some tolling authority and the ability to issue debt
- Membership includes elected representatives from several localities, as well as Commissioner of Highways and Director of DRPT

# Allocation Distribution from CTF



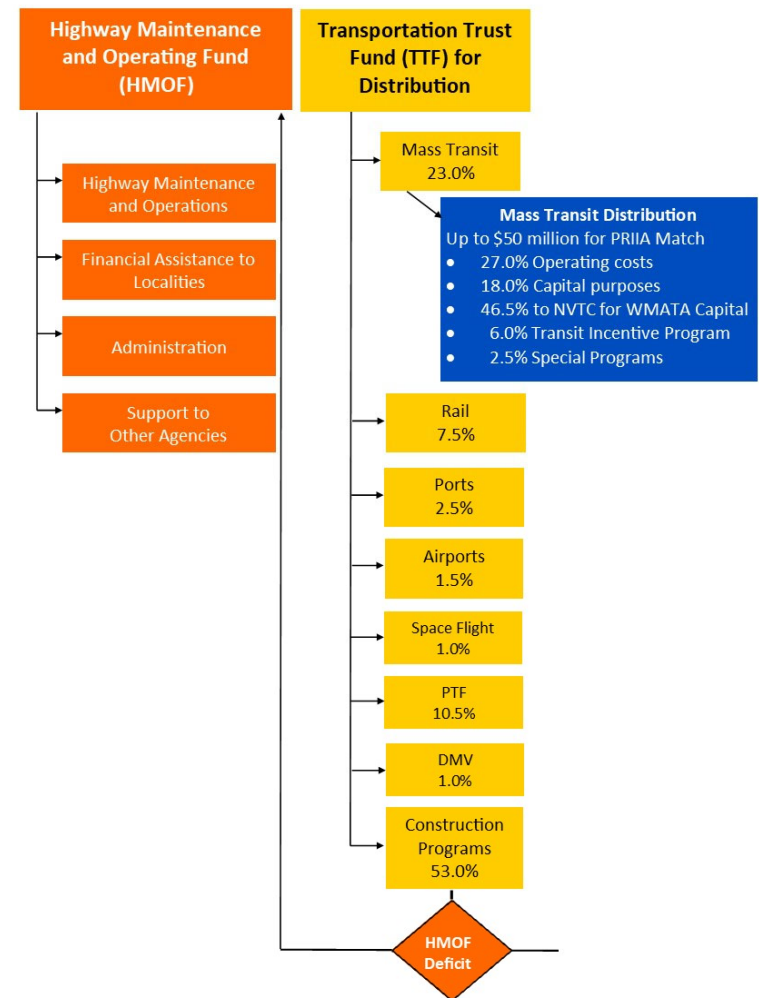
# Allocation and Distribution of HMOF and TTF

## Highway Maintenance & Operating Fund (HMOF)

- VDOT Highway Maintenance & Operations
- Financial Assistance to localities
- Administration
- Support to Others

## Transportation Trust Fund (TTF)

- Formula from *Code of Virginia* to support all modes and DMV (Administration)
- Construction Programs' share supports any deficit of the HMOF, budgeted for each year



# **FY 2024 – 2029 Commonwealth Transportation Fund (CTF) Six-Year Financial Plan**

## **FY 2024 CTF and VDOT Budgets**



# Commonwealth Transportation Fund Revenue Estimate

Sources of Funds	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL
Retail Sales and Use Tax	\$ 1,388.2	\$ 1,435.4	\$ 1,472.7	\$ 1,486.0	\$ 1,502.2	\$ 1,541.4	\$ 8,825.9
Motor Vehicle Sales and Use Tax	1,078.2	1,218.2	1,249.6	1,269.4	1,284.9	1,279.6	7,379.9
Motor Fuels Tax	1,499.5	1,561.2	1,611.7	1,657.4	1,701.1	1,744.2	9,775.1
Aviation Fuels Tax	2.0	2.0	2.0	2.0	2.0	2.0	12.0
Road Tax	71.2	72.0	72.7	73.7	73.5	73.2	436.3
International Registration Plan	118.2	119.6	120.0	120.3	120.7	121.0	719.8
Registration Fees	218.4	219.5	221.4	221.0	221.4	221.8	1,323.5
State Insurance Premium Tax	214.5	223.5	235.2	246.4	256.0	256.0	1,431.6
Recordation Tax	52.4	54.5	56.7	59.0	61.3	61.3	345.2
Vehicle Rental Tax	38.9	38.5	38.5	38.5	39.2	39.8	233.4
Highway Use Fee	64.4	66.3	68.3	68.3	68.3	68.3	403.9
<b>Total Commonwealth Transportation Fund</b>	<b>\$ 4,745.9</b>	<b>\$ 5,010.7</b>	<b>\$ 5,148.8</b>	<b>\$ 5,242.0</b>	<b>\$ 5,330.6</b>	<b>\$ 5,408.6</b>	<b>\$ 30,886.6</b>

*December 2022 Forecast; Rental Tax excludes share dedicated to WMATA Capital*

# Commonwealth Transportation Fund (CTF) Fiscal Years 2024 – 2029 Six-Year Financial Plan Overview

- ❑ The Six-Year Financial Plan (SYFP) identifies the planned funding for allocation to Highways, Rail, Transit, Ports, Aviation, DMV, and Space Flight
- ❑ The Preliminary Fiscal Years 2024 – 2029 SYFP allocates \$55.4 billion
- ❑ Includes the use of \$988.6 million of Route 58 Corridor Bonds and I-81 Financing
- ❑ Transfers \$5.96 billion to the three regions for transportation improvements and \$913 million in dedicated revenue for WMATA Capital Fund
- ❑ Includes \$570 million of dedicated fuel tax revenue for the I-81 Corridor Improvements
- ❑ Dedicates \$16.2 billion for Maintenance and Operations
- ❑ Provides \$18.2 billion for Construction

Approximately \$4.1 billion of Construction Funding represents Local and Regional Funding for Projects

# Commonwealth Transportation Fund Fiscal Years 2024 – 2029 Six-Year Financial Plan Estimated Revenues (in millions)

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2024-2029 Total	Previous FY 2023-2028	Difference
<b>State Transportation Revenues</b>									
Commonwealth Transportation Fund	\$ 4,804.0	\$ 5,010.6	\$ 5,148.7	\$ 5,241.9	\$ 5,330.5	\$ 5,408.5	\$ 30,944.2	\$ 28,318.8	\$ 2,625.4
General Fund	110.0	-	-	-	-	-	110.0	483.2	(373.2)
Prior year funding	-	-	-	-	-	-	-	191.4	(191.4)
Local & Regional Project Participation/Revenue	1,286.8	1,200.0	511.8	825.0	205.9	185.0	4,214.5	3,480.5	734.0
Other Fund Revenue	530.8	427.2	434.1	442.7	446.3	440.7	2,721.7	2,438.9	282.9
<b>Total</b>	<b>6,731.6</b>	<b>6,637.8</b>	<b>6,094.6</b>	<b>6,509.6</b>	<b>5,982.7</b>	<b>6,034.2</b>	<b>37,990.5</b>	<b>34,912.8</b>	<b>3,077.7</b>
<b>Federal Revenues</b>	<b>1,671.9</b>	<b>1,607.8</b>	<b>1,636.1</b>	<b>1,526.6</b>	<b>1,556.1</b>	<b>1,586.1</b>	<b>9,584.5</b>	<b>9,684.4</b>	<b>(99.9)</b>
<b>Total Revenues</b>	<b>8,403.5</b>	<b>8,245.6</b>	<b>7,730.7</b>	<b>8,036.3</b>	<b>7,538.8</b>	<b>7,620.3</b>	<b>47,575.0</b>	<b>44,597.2</b>	<b>2,977.8</b>
<b>Other Financing Sources</b>									
Interstate 81 Financing	237.9	-	272.9	251.4	-	-	762.2	652.8	109.4
GARVEE Bonds	-	-	-	-	-	-	-	19.2	(19.2)
Route 58	-	152.2	74.2	-	-	-	226.4	226.4	-
<b>Total</b>	<b>237.9</b>	<b>152.2</b>	<b>347.1</b>	<b>251.4</b>	<b>-</b>	<b>-</b>	<b>988.6</b>	<b>898.4</b>	<b>90.2</b>
<b>Total Operating Revenues and Other Financing Sources</b>	<b>\$ 8,641.4</b>	<b>\$ 8,397.8</b>	<b>\$ 8,077.8</b>	<b>\$ 8,287.6</b>	<b>\$ 7,538.8</b>	<b>\$ 7,620.3</b>	<b>\$ 48,563.6</b>	<b>\$ 45,495.6</b>	<b>\$ 3,068.0</b>
<b>Revenue Supporting Transfer Payments</b>									
Regional Transportation Funds	1,005.6	951.0	978.1	994.5	1,008.3	1,020.7	5,958.2	5,295.0	663.2
WMATA Capital Fund Revenue	152.3	150.4	151.2	152.0	153.1	154.2	913.3	814.6	98.7
<b>Grand Total</b>	<b>\$ 9,799.3</b>	<b>\$ 9,499.2</b>	<b>\$ 9,207.1</b>	<b>\$ 9,434.1</b>	<b>\$ 8,700.2</b>	<b>\$ 8,795.2</b>	<b>\$ 55,435.1</b>	<b>\$ 51,605.3</b>	<b>\$ 3,829.9</b>

# Commonwealth Transportation Fund Fiscal Years 2024 – 2029

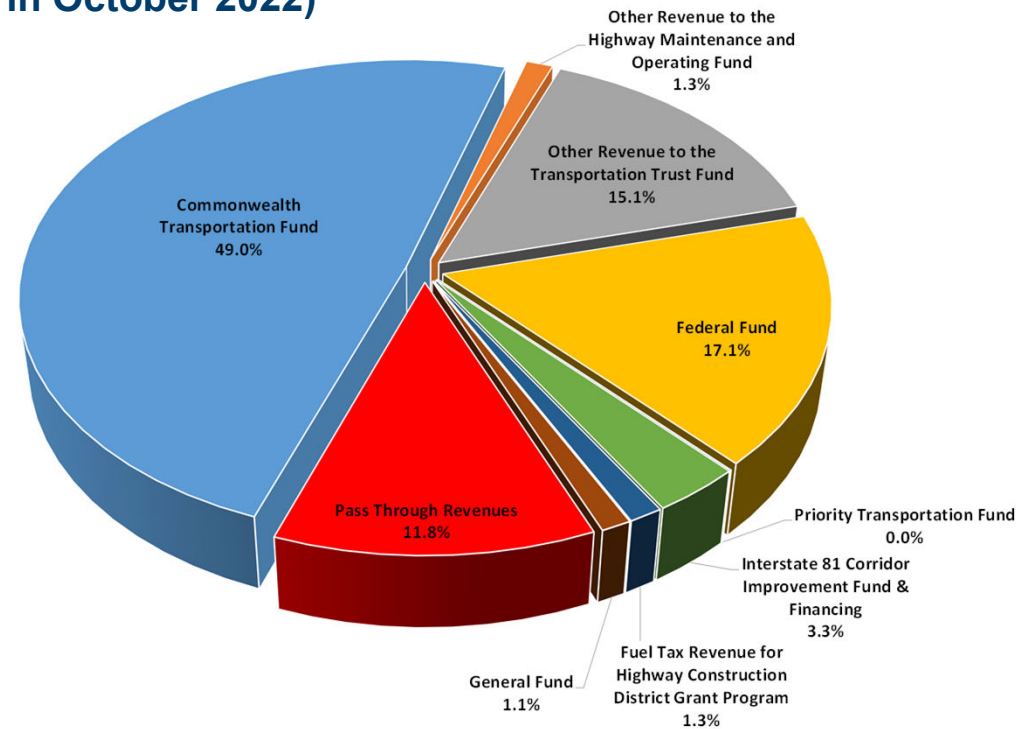
## Six-Year Financial Plan Estimated Allocations (in millions)

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2024-2029 Total	2023-2028 SYFP	Difference
Debt Service	\$ 409.4	\$ 418.0	\$ 431.0	\$ 425.0	\$ 431.3	\$ 442.7	\$ 2,557.3	\$ 2,476.8	\$ 80.5
Other Agencies & Transfers	49.3	50.5	50.6	51.8	52.0	53.3	307.5	303.5	4.0
Maintenance & Operations	2,727.3	2,591.2	2,645.0	2,702.3	2,760.9	2,763.4	16,190.2	15,246.1	944.1
Administration & Other Programs	598.4	603.5	580.1	589.3	601.3	613.4	3,586.0	3,318.9	267.1
Toll Programs	94.0	105.9	107.5	109.1	109.1	97.3	622.9	585.4	37.5
Special Structures	85.0	87.3	89.1	91.0	93.0	95.1	540.6	509.4	31.2
Public Transportation	655.9	645.4	671.0	684.8	676.8	681.3	4,015.3	3,725.4	289.9
Virginia Passenger Rail Authority	163.6	206.9	209.9	211.3	216.7	177.3	1,185.6	1,314.1	(128.5)
DRPT Rail Assistance	15.2	15.7	15.9	16.1	16.4	16.6	95.9	91.9	4.0
DRPT Administration	19.6	20.2	20.8	21.4	22.1	22.7	126.8	146.2	(19.4)
Port Trust Fund	57.7	60.2	61.3	62.4	63.5	64.4	369.5	340.3	29.2
Airport Trust Fund	34.7	36.2	36.9	37.5	38.2	38.7	222.3	206.0	16.3
Commonwealth Space Flight Fund	22.7	23.7	24.1	24.6	25.0	25.4	145.4	135.0	10.4
Department of Motor Vehicles	22.7	23.7	24.1	24.6	25.0	25.4	145.5	142.1	3.4
Construction	3,644.4	3,469.3	3,070.5	3,196.4	2,367.6	2,463.3	18,211.5	16,714.5	1,497.0
<b>Total Operating Programs</b>	<b>\$ 8,600.1</b>	<b>\$ 8,357.8</b>	<b>\$ 8,037.8</b>	<b>\$ 8,247.6</b>	<b>\$ 7,498.8</b>	<b>\$ 7,580.3</b>	<b>\$ 48,322.3</b>	<b>\$ 45,255.6</b>	<b>\$ 3,066.7</b>
Pass Through Programs									
WMATA Capital Fund	172.3	170.4	171.2	172.0	173.1	174.2	1,033.3	934.6	98.7
Central Virginia Transportation Fund	258.3	236.2	242.7	246.1	249.8	253.3	1,486.4	1,221.6	264.8
Northern Virginia Transportation Authority Fund	442.8	425.1	436.1	441.0	446.7	451.0	2,642.7	2,412.0	230.7
Hampton Roads Regional Transit Fund	41.3	37.7	38.2	38.8	39.3	39.5	234.8	245.1	(10.3)
Hampton Roads Transportation Fund	284.5	272.0	281.1	288.6	292.5	296.9	1,715.6	1,546.3	169.3
<b>Subtotal</b>	<b>1,199.2</b>	<b>1,141.4</b>	<b>1,169.3</b>	<b>1,186.5</b>	<b>1,201.4</b>	<b>1,214.9</b>	<b>7,112.8</b>	<b>6,349.6</b>	<b>763.2</b>
<b>Total</b>	<b>\$ 9,799.3</b>	<b>\$ 9,499.2</b>	<b>\$ 9,207.1</b>	<b>\$ 9,434.1</b>	<b>\$ 8,700.2</b>	<b>\$ 8,795.2</b>	<b>\$ 55,435.1</b>	<b>\$ 51,605.2</b>	<b>\$ 3,829.9</b>

# Commonwealth Transportation Fund FY 2024 Recommended Budget

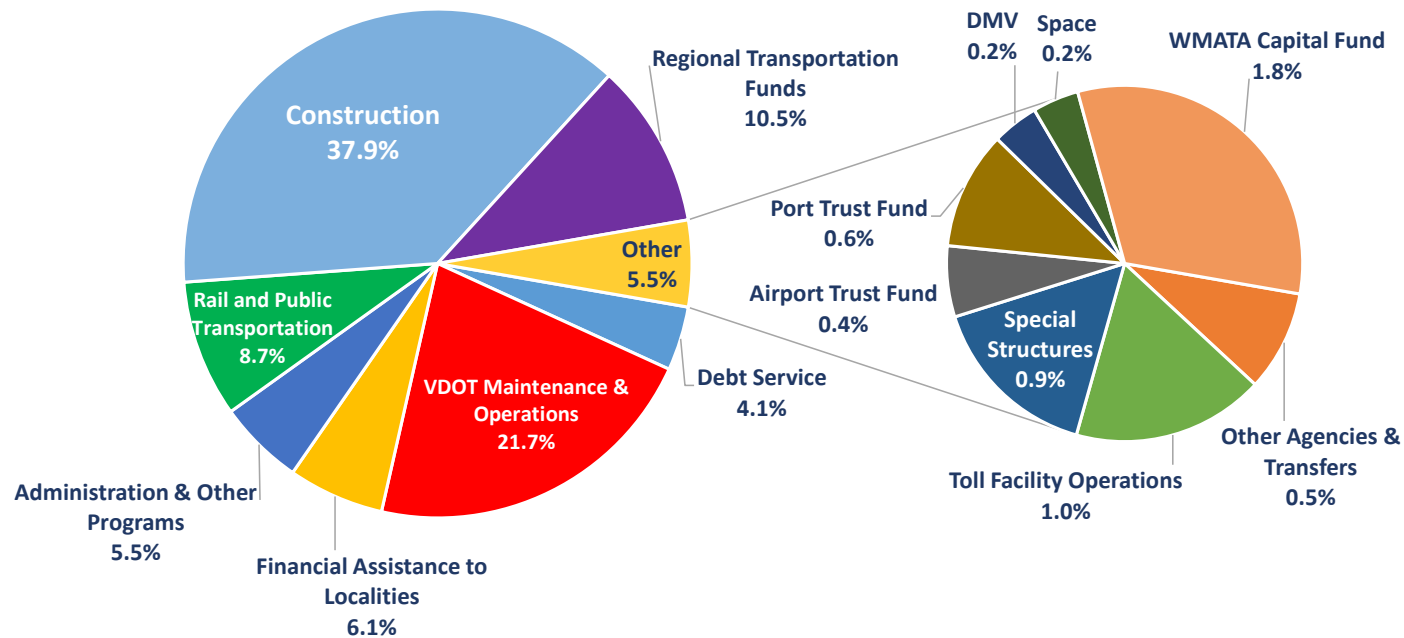
Revenue (in millions)	Total Estimate
Commonwealth Transportation Fund	\$ 4,804.0
Other Revenue to the Highway Maintenance and Operating Fund	124.5
Other Revenue to the Transportation Trust Fund	1,479.8
Federal Fund	1,671.9
Priority Transportation Fund	1.3
Interstate 81 Corridor Improvement Fund & Financing	324.7
Fuel Tax Revenue for Highway Construction District Grant Program	123.8
General Fund	110.0
Bonds	-
<b>Total Operating Revenues</b>	<b>\$ 8,640.1</b>
<b>Pass Through Revenues</b>	
WMATA Capital Fund	152.3
Central Virginia Transportation Fund	258.3
Northern Virginia Transportation Authority Fund	422.8
Hampton Roads Transportation Fund	284.5
Hampton Roads Regional Transit Fund	41.3
<b>Subtotal</b>	<b>\$ 1,159.2</b>
<b>Total</b>	<b>\$ 9,799.3</b>

CTF Revenues total \$9.8 billion, an increase of 2.9 percent from the Second Revised FY 2023 CTF Budget (adopted in October 2022)



# FY 2024 Recommended Allocations

- Highway Maintenance, including VDOT maintained and Locality Maintained, represents 28 percent of budget
- Highway Construction represents 38 percent of the total with support of regional / local funding
- Funding for Rail and Public Transportation is 9 percent of budget



# FY 2024 VDOT Budget Highlights

**VDOT budget totals \$7.6 billion net of regional programs; grand total of \$8.7 billion**

**The Highway Maintenance and Operating Fund (HMOF) has an expected deficit of \$645 million which will be filled with \$282 million of federal funds and the crossover of \$363 million of state funds from the Construction Fund.**

# FY 2024 VDOT Recommended Allocations

	(in millions)		
	Revised FY 2023	Adopted FY2024	Increase (Decrease)
<b>VDOT Programs</b>			
Environmental Monitoring and Evaluation (514)	\$ 18.0	\$ 20.0	\$ 1.9
Ground Transportation Planning and Research (602)	107.0	144.4	37.4
Highway Construction Programs (603)	3,588.6	3,649.0	60.4
Highway System Maintenance (604)	2,064.9	2,129.3	64.4
Commonwealth Toll Facilities (606)	74.6	94.0	19.5
Financial Assistance to Localities (607)			
VDOT Programs	582.1	616.6	34.5
Regional Programs	910.9	1,044.2	133.3
Non-Toll Supported Transportation Debt Service (612)	386.8	398.7	11.8
Special Structures (614)	85.0	85.0	0.0
Administrative and Support Services (699)	319.9	344.4	24.5
VDOT Capital Outlay (998)	40.0	60.0	20.0
<b>Total VDOT Programs</b>	<b>\$ 8,177.8</b>	<b>\$ 8,585.5</b>	<b>\$ 407.8</b>
Support to Other State Agencies	49.2	49.3	0.2
Support to DRPT Programs & Virginia Passenger Rail Authority	125.1	34.7	(90.3)
<b>TOTAL</b>	<b>\$ 8,352.0</b>	<b>\$ 8,669.6</b>	<b>\$ 317.6</b>
<b>TOTAL OPERATING BUDGET (Net Regional Programs)</b>	<b>\$ 7,441.1</b>	<b>\$ 7,625.4</b>	<b>\$ 184.3</b>

# Federal Funding

**Major federal funding programs under FAST ACT continued through federal fiscal year 2022 with new programs added in through Infrastructure Investment and Jobs Act (IIJA)**

## **Continued Programs**

- National Highway Performance Program (NHPP)**
  - Surface Transportation Block Grant Program (STBGP)**
  - Congestion Mitigation and Air Quality (CMAQ)**
  - Highway Safety Improvement Program (HSIP)**
  - National Highway Freight Program (NHFP)**
- 
- Federal funds are not distributed as lump sum grants to states – states are reimbursed for expenses after the fact.
  - VDOT bills for federal funds every day. In federal FY 2023, VDOT collected \$1.53 billion from the Federal Highway Administration.

# **Six-Year Improvement Program (SYIP) and Process**



# Overview

- **The Six-Year Improvement Program (SYIP) is developed annually and identifies the planned use of funds available for highway construction and rail and public transportation**
- **For highway construction, the SYIP identifies for each project, the timing, amount, and type of funding planned to be available over the upcoming six years**
- **The rail and transit section of the SYIP identifies the planned use of available funding for transit and rail capital for six years, as well as the planned support for transit operations and other programs administered by DRPT for the next year**

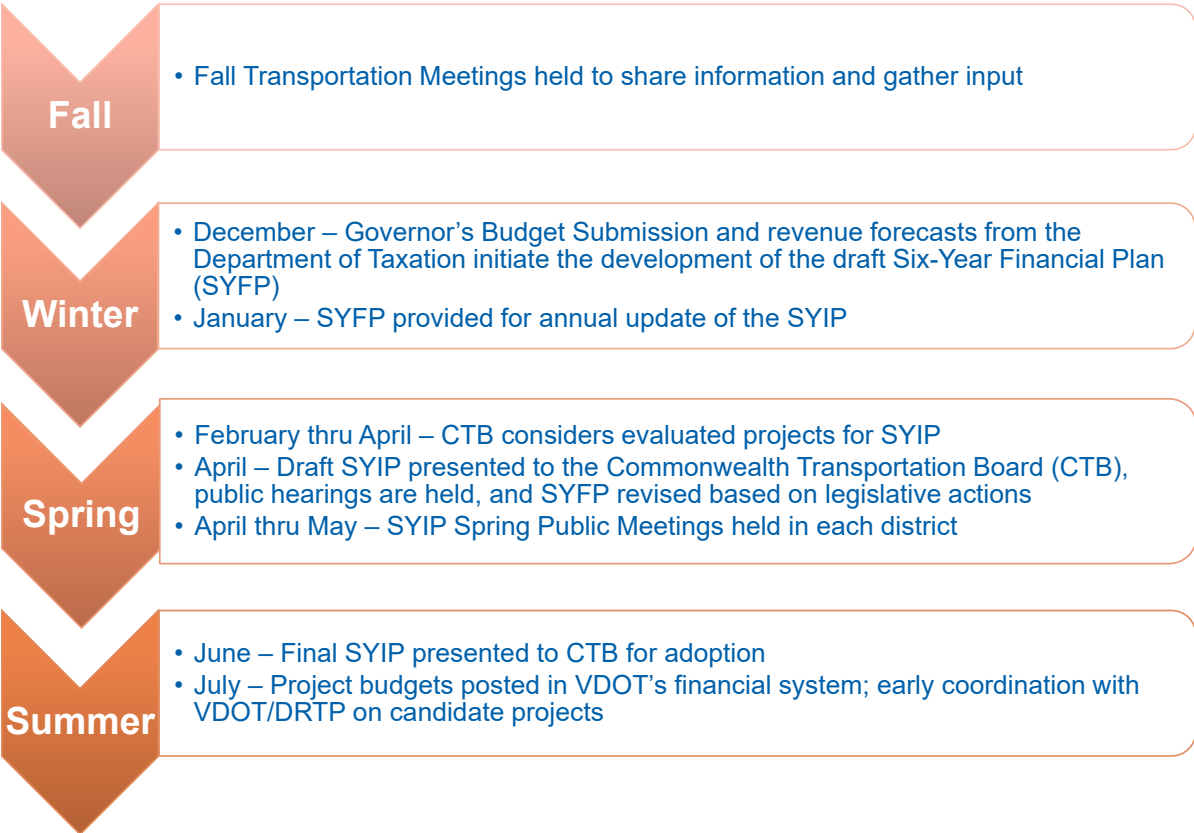
# Evolution of the Construction Funding Formula

- **In 2015, HB 1887 removed the 40-30-30 formula (Primary, Secondary, and Urban) put in place in by the 1986 Special Session legislation**
- **CTB Alternate Formula expired FY2020**
  - 25% Bridge Reconstruction and Rehabilitation
  - 25% Deteriorated Interstate and Primary System Pavements
  - 25% High Priority Projects
  - 15% PPTAs
  - 5% Unpaved Roads
  - 5% Innovation and Technology Transportation Fund
- **HB1887 construction formula fully implemented by FY 2021**
  - 45% State of Good Repair
  - 27.5% High-Priority Projects Program
  - 27.5% Highway Construction District Grant Programs

# Evolution of the Construction Funding Formula

- **In 2020, the Transportation Omnibus Bill implemented several changes to the construction formula and established new programs**
  - 30% State of Good Repair
  - 20% High-Priority Projects Program (allocated based on SMART SCALE)
    - Includes a portion reserved for the Innovation and Technology Transportation Fund (ITTF)
  - 20% Highway Construction District Grant Programs (allocated based on SMART SCALE)
    - Includes a portion reserved for Unpaved Roads
  - 20% Interstate Operations and Enhancement Program
  - 10% Virginia Highway Safety Improvement Program
- Special Structure Program was created with a funding stream to address the maintenance, rehabilitation and replacement of very large, indispensable, and unique bridges and tunnels throughout the Commonwealth.

# Six-Year Improvement Program Schedule



# Programming Rules

- **Fully fund projects by construction completion; outstanding claims, work orders, unanticipated cost increases may be funded within 12-months of construction completion**
- **In general, a project must be fully funded through construction in order to authorize any phase**
- **Certain projects are required to be fully funded within the six-year window**
  - SMART SCALE (HPP and DGP)
  - State of Good Repair Program
  - Interstate Operations and Enhancement Program
  - Virginia Highway Safety Improvement Program

# SYIP Development Priorities - Federal Obligation Plan

- **SYIP programming guidelines support the Department's plan to obligate federal funds**
  - States must utilize all their annual Obligation Authority (OA) each year or lose it – VDOT budgets at the OA level; obligations are supported by allocations
  - Federal fiscal year of October 1-September 30 versus state fiscal year of July 1-June 30
  - Allocations are programmed in the SYIP based on project schedules and estimates, which determine when funds can be obligated in order to make the most efficient use of available federal funds
  - In general, VDOT develops all projects as federal projects in order to maximize the use of federal funds

# Final FY 2024-2029 Six-Year Improvement Program (SYIP)

## Final FY 2024-2029 SYIP

Highways*	\$19.6 billion
Rail & Public Transp.	\$6.3 billion
Total SYIP	\$25.9 billion

\*Excludes debt service.

- **Highway Construction Program (FY 2024 – 2029) \$19.6 billion**
  - Additionally includes \$809 million in debt service
  - Provides funding to more than 4,700 projects
  - Current program includes \$3.0 billion to be provided by others

# State of Good Repair (SGR)

- **Provides funding for VDOT and locality maintained deficient pavements and bridges**
  - Reconstruction and rehabilitation of deteriorated pavements on the Interstate and Primary Systems, including Primary Extensions
  - Replacement and rehabilitation of structurally deficient bridges on all systems
- **Funding is allocated to each district based on a needs prioritization methodology; all nine construction districts receive funding, with no district receiving less than 5.5% or more than 17.5% of the funds in a given year**
- **Two cap waivers are permitted by Code**
  - Allocate the SGR funds to a key need or project
  - Allocate 20% of the funds to secondary pavements if VDOT does not meet its secondary pavement performance targets
- **Paving**
  - Prioritization process considers mileage, condition, and costs
  - Funding allocated in the first year of the SYIP
- **Bridges**
  - Prioritization considers number, condition, and costs
  - Funding allocated in the last two years of the SYIP

# SMART SCALE

- **Applications may be submitted by MPOs, PDCs, public transit agencies, and localities**
- **Projects must address a need identified in VTrans on a Corridor of Statewide Significance, Regional Network, Urban Development Area, or address a documented Safety need**
- **Two pathways for funding**
  - High Priority Projects Program (statewide)
  - Construction District Grant Program (district)
- **Project benefits are calculated based on several factors: Safety, Congestion Mitigation, Accessibility, Environmental Quality, Economic Development, and Land Use**
- **Projects are scored based on benefit relative to cost**
- **CTB members make the final decisions on which projects to fund**
- **Funds are generally allocated in the last two years of the SYIP**

# Interstate Operations and Enhancement Program

- **Provides funds to I-81, I-95, I-64 and Other Interstates to improve the safety, reliability and travel flow along interstate highway corridors**
- **Projects must be identified in VTrans or an Interstate Corridor Plan approved by the Board**
- **By Code, priority must be given to operational and transportation demand management strategies**
- **Funds are allocated across all six years of the SYIP**

# Virginia Highway Safety Improvement Program

- **Newly established program to reduce fatalities and severe injuries on highways**
- **Current programming is consistent with the Board's Highway Safety Improvement Program Project Prioritization Policy (December 2019), which prioritizes systemic safety improvement projects on VDOT maintained roads until FY2024**
- **Per the Code, the Board must adopt an investment strategy to guide investments**
- **Beginning in FY2024, after program administration costs, funds must be allocated as follows**
  - 54% for infrastructure projects
  - 29% for behavioral strategies
  - 17% for other strategies in the Board's investment strategy
- **Funds are allocated across all six years of the SYIP**

- Revenues available for transportation are distributed based on legal direction
- Significant updates in 2020 updated the distribution methodology for the Commonwealth
- Budget distribution is provided through the Commonwealth's Biennial Budget, Agency Budgets and Six-Year Improvement Program

Methodology based on legal requirements and CTB Policies



# APPENDIX – ADDITIONAL RESOURCES



# Revenue Sharing

- **Application-based program provides 50-50 cost sharing for eligible projects**
  - Certain statutory limitations on the amount of state funds authorized per locality apply
- **Eligible applicants include counties, cities, and urbanized towns**
- **Funding priority is established as follows**
  1. Construction projects that have previously received Revenue Sharing funding
  2. Construction projects that meet a transportation need identified in the Statewide Transportation Plan or projects that will be accelerated in a locality's capital plan
  3. Projects that address deficient pavement resurfacing and bridge rehabilitation
  4. All other projects
- **Funds are allocated in years 3 and 4 of the SYIP**

*Resource: VDOT Local Assistance Division*

# Transportation Alternatives

- Provides federal funding for non-traditional transportation projects focusing on pedestrian and bicycle facilities and other community improvements
- Program will reimburse up to 80% of eligible project costs and a 20% local match is required
- Funds are awarded by the CTB and the MPOs in Virginia's Transportation Management Areas (TMAs)
- Eligible applicants include local governments, regional transportation authorities, transit agencies, natural resource or public land agencies, school districts, local educational agencies, schools, tribal governments, and any other local/regional entity with responsibility for oversight of transportation or recreational trails
- Projects are evaluated based on the following criteria
  - Project funding
  - Project concept
  - How the project improves the existing transportation network
  - Sponsor's experience administering federal-aid projects
  - Project's readiness to proceed
- Funds are allocated in years 1 and 2 of the SYIP

*Resource: VDOT Local Assistance Division*

# Virginia Transportation Infrastructure Bank (VTIB)

- **VTIB is a special non-reverting, revolving loan fund that is a sub-fund of the Transportation Trust Fund.**
- **The bank was created for the purpose of making loans and other financial assistance to localities, certain private entities and other eligible borrowers and grants to localities to finance transportation projects.**
- **As provided in § 33.2-1500 of the Code of Virginia, the act and the bank are intended to alleviate, in part, a critical need for additional sources of funding to finance present and future needs of the Commonwealth of Virginia for the design and construction of roads and highways. This includes including toll facilities, mass transit, freight, passenger and commuter rail, including rolling stock, port and airport and other transportation facilities.**
- **The purpose of the bank is also to encourage the investment of both public and private funds in the development of eligible transportation projects and to provide an alternative source of financing for present and future transportation needs in the commonwealth.**

# Virginia Transportation Infrastructure Bank (VTIB)

- The management agreement (with Virginia Resources Authority), program guidelines, and selection criteria for the VTIB were approved by the Commonwealth Transportation Board (CTB) in 2016.
- Funded with 2/3 of the interest earnings from VDOT's two operating funds, HMOF and Construction Fund
- As of June 30, 2023, \$182.5 million was available for future awards.
  - *2023 General Assembly Special Session Budget recommended the transfer of \$75 million to the Transportation Partnership Opportunity Fund*

Guidelines and Selection Criteria; Projects with Awards

[https://www.virginiadot.org/projects/virginia\\_transportation\\_infrastructure\\_bank.asp](https://www.virginiadot.org/projects/virginia_transportation_infrastructure_bank.asp)

# Transportation Partnership Opportunity Fund (TPOF)

- As provided in § 33.2-1529.1 of the Code of Virginia, monies are to be awarded from the fund by the governor as grants, revolving loans, or other financing tools and equity contributions to an agency or political subdivision of the Commonwealth of Virginia to address the transportation aspects of economic development opportunities.
- Guidelines updated as a result of 2023 General Assembly legislation – See May 2023 CTB Presentation on TPOF
- Funded with 1/3 of the interest earnings from VDOT's two operating funds, HMOF and Construction Fund
- **Process for Funding Applications**
  - Current Guidelines approved by the CTB in June 2023
  - Rolling application cycle
  - Applications reviewed by VDOT staff
  - Recommendations to an Advisory Panel chaired by Deputy Secretary of Transportation
  - If recommended for funding, decision brief considered for award by the Governor

*Guidelines and Application:* <https://www.virginia.gov/projects/tpof.asp>

# Interstate 81 Corridor Program

- **Details on Corridor Program found at: <https://improve81.org/>**
- **Financing Project Delivery**
  - **Financing Plan shared with CTB and Advisory Committee in 2022 related to TIFIA Loan; Updated frequently based on project activity and financial assumptions**
  - **First bond issuance in August 2021**
  - **First two TIFIA Loans were closed in December 2022**
  - **Peak construction activity occurs in Fiscal Years 2025 – 2028**