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Attachments: 1. NVTA Fact Sheet, 2. 01-22-18 TOV Capital Budget Update

Date	Ver.	Action By	Action	Result
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Subject:
Capital Improvement Plan Update

BACKGROUND SUMMARY :

A Capital Improvement Plan (CIP) is prepared by the Budget Committee (BCOM) with input from each department every fall. The 2018 CIP was presented to Council at the September 18, 2017 Work Session and approved by Council at the September 26, 2017 meeting. One key component of the 2017 CIP was a 1% increase in Meals Taxes to fund a parking garage at the Patrick Henry Library on Maple Avenue in partnership with Fairfax County.

Since that time the Town became aware of an opportunity for a parking garage on Mill Street and another potential property acquisition that the Town might be interested in. The Town also became aware of and applied for funding under the Northern Virginia Transportation Authority’s (NVTA’s) Six Year Program 70% funds for multi-modal transportation projects. From discussions with NVTA, this could be applied to parking garage projects that decrease traffic. The Mill Street parking, with its proximity to the W&OD Trail, bus lines to Metro’s Silver line and I-66 carpool lanes could be such a project. DPW applied for 50% financing for the Mill Street parking garage in December, 2017.

These items were not identified when the 2018 CIP review was being developed in the late summer of 2017. It seemed appropriate to review the CIP to see what other alternative scenarios would be available for including these two potential projects and NVTA financing.

OVERVIEW :

With the possibility for funding some projects with NVTA funds, the BCOM reviewed the 2017 CIP with the focus of strategies to eliminate the increase in Meals Taxes and include the new potential projects.

We came up with three scenarios outlined in the package attached which allow us to both eliminate

the Meals Tax increase and maintain a healthy balance in the Debt Service Fund to address future bond payments.

Scenario 1, the base scenario, features a re-working of the Meals Tax forecast, increases the 2020 bond only to a 20 year bond from a 15 year bond, replaces the Library Parking project with 100% NVTA funds, adds the new projects with 50% NVTA funding and shifts some projects to later years.

Scenario 1A, same assumption as Scenario 1 with these changes:

- Assume Library Parking all funded with bond funding
- Move the Library Parking from 2020 to 2028
- Increase all bond funding to 20 year bonds

Scenario 1B, same assumption as Scenario 1 with one change:

- Increase all bond funding to 20 year bonds.

SUMMARY/STAFF IMPRESSIONS :

The purpose of this exercise was to demonstrate there are several options available for the Town to finance desired projects without increasing Meals Taxes. An increase in Meals Taxes could be a part of the equation, but doesn't have to be.