



## Northern Virginia Regional Commission

### Northern Virginia Mayors & Chairs

September 7, 2012

12:00 noon  
*lunch provided*

## AGENDA

- 1) End "local aid to the Commonwealth"  
See attached excerpt from VML 8/24/12 e-newsletter.
- 2) Follow-up to Urban Crescent letter (attached)
- 3) Are these meetings useful – should this group continue to meet? If yes, the next meeting will be November 2.
- 4) Other Business

The Honorable Robert F. McDonnell  
Governor  
Commonwealth of Virginia

The Honorable William T. Bolling  
Lieutenant Governor

The Honorable Thomas K. Norment, Jr.  
Majority Leader  
Senate of Virginia

The Honorable M. Kirkland Cox  
Majority Leader  
Virginia House of Delegates

Members,  
Fredericksburg Area General Assembly Delegation

Members,  
Northern Virginia General Assembly Delegation

Members,  
Richmond Area General Assembly Delegation

The Honorable William J. Howell  
Speaker of the Virginia House of Delegates

The Honorable Richard L. Saslaw  
Minority Leader  
Senate of Virginia

The Honorable David J. Toscano  
Minority Leader  
Virginia House of Delegates

Members,  
Hampton Roads General Assembly Delegation

Members,  
Petersburg Area General Assembly Delegation

Dear Governor McDonnell, Lieutenant Governor Bolling and Members of the Virginia General Assembly:

As local elected officials within the Urban Crescent, we appreciate your past efforts to address transportation funding. However, we have become increasingly alarmed by the transportation funding crisis currently facing the Commonwealth. We are writing to you to highlight the necessity for additional funding to address transportation infrastructure needs throughout our state.

On June 7, 2012, local elected officials from throughout the Crescent, which encompasses localities from Northern Virginia through the Richmond region to Hampton Roads, met to discuss these critical issues that affect the daily lives of all our residents. The consensus at the meeting was that Virginia's transportation system is significantly underfunded and the situation continues to deteriorate, as evidenced by some startling facts:

- State secondary and urban system construction funds have been eliminated.
- By 2017, no state funds will be available for highway construction, and the Commonwealth will be unable to fully match federal funds.
- Approximately 26 percent of VDOT-maintained roadways statewide are in poor condition, according to VDOT. However, that number is 34 percent for the Urban Crescent, including 39 percent in Northern Virginia, 36 percent in Hampton Roads and 31 percent in Richmond.
- Only 66 percent of Virginia's secondary roads currently meet pavement performance targets. The cost, using VDOT's estimates, of meeting VDOT's goal of 82 percent of secondary roads in fair or better condition could be \$1.3 billion to \$1.8 billion.

- As localities continue to address congestion by providing more transit options, transit funding provided by the Commonwealth is far short of what is needed.
- In the Richmond area, commuters waste 20 hours per year stuck in traffic.
- In Hampton Roads, commuters waste 34 hours, and in
- Northern Virginia, commuters waste 74 hours.
- The morning and evening rush hours in the Urban Crescent last as long as two and a half to seven hours each day.

While a strong transportation system is important to all regions of the Commonwealth, it is particularly critical to the Urban Crescent. Although the Urban Crescent only comprises 24 percent of the land area in Virginia, it comprises 68 percent of the population and generates 79 percent of the gross product of Virginia. We also experience some of the worst traffic in the nation, and the condition of our roads and bridges continues to decline.

Virginians from all walks of life depend on a strong transportation network – allowing residents to travel to job sites, educational institutions, leisure activities and other places they need to reach in daily life. An efficient transportation network links communities; sustains our important tourism industry; maintains Virginia’s critical role as a hub of national security efforts; allows businesses to move goods and provide services; and spurs economic development by drawing new businesses and revenues to our state every year. The Urban Crescent’s economic health is vital to the Commonwealth, and without new investments in multimodal transportation, each of our regions’ economies will decline, resulting in less revenue available to meet the myriad of Virginia’s needs. These repercussions are already beginning to be felt, as evidenced by the recent CNBC Rankings of “America’s Top States for Business.” In the study, which was released on July 13, 2012, the Commonwealth’s overall ranking in state competitiveness dropped from #1 to #3, and its ranking for Infrastructure and Transportation dropped from #10 to #33.

Though various efforts have been made in recent years to address the Commonwealth’s transportation needs, adequate and sustainable solutions have not been achieved. We believe that the time for action is now, and that inaction is a “traffic tax” on our localities, our residents, our visitors, and our businesses, through decreased productivity, diminished quality of life, higher fuel costs, higher maintenance costs, and increased pollution. In that regard, we have endorsed the attached “Statement of Purpose,” which asserts the need for further state investment in transportation infrastructure spending for all transportation modes. It is essential that this new investment come from stable, reliable, permanent, and balanced sources.

We welcome the opportunity to discuss our concerns with you and to assist you with the development of a solution. We look forward to your leadership on this issue. We understand that our representatives cannot solve this problem alone, and it is our intention to engage our business communities and residents in support of this effort. It is our hope that, with all of us working together, we can come to a solution that truly addresses our transportation needs.

Sincerely,

## **STATEMENT OF PURPOSE**

- A modern, efficient multimodal transportation system is essential to the Commonwealth, and is intrinsically tied to continued economic development, growth, job creation and the ability to compete in a global economy. Continued inaction, or a piecemeal approach, to the issue of transportation funding imposes an additional tax on our residents, families and businesses, through decreased productivity, diminished quality of life, higher fuel costs, higher vehicle maintenance costs and increased pollution and a lowered attraction to tourists and business leaders.
- Current state transportation revenues are vastly insufficient to maintain and build the multimodal infrastructure Virginia needs to remain an active and dynamic participant in a 21<sup>st</sup> Century economy. The gap identified between transportation needs and available revenues continues to widen dramatically each year.
- Transportation is fundamentally a state responsibility. As such, the Commonwealth must lead the efforts to provide more revenue for our transportation infrastructure.
- The Commonwealth of Virginia is facing a transportation funding crisis that must be addressed. Virginia needs real transportation solutions that provide significant increases in state transportation funding for all modes from new stable, reliable, permanent, and balanced source(s).
- Individual representatives from the Urban Crescent cannot solve this crisis alone. We, the mayors and chairs of the Urban Crescent, support the General Assembly and encourage our elected state leaders to take bold action to address this crisis.

## Local Aid to the Commonwealth

Excerpted from August 24, 2012 VML e-newsletter

In light of ending the past three fiscal years (FY10, FY11 and FY12) with surpluses, state support for state-mandated and state priority programs has declined. For example, in the current fiscal year, state support is \$400 per pupil less than in FY09.

Since FY09, cities and counties have been forced to either remit local funds to the state or to turn back state appropriations under the state's aid to locality reduction program. This "local aid to the commonwealth" will generate a total of \$270 million for state coffers by the end of the fiscal year. In FY12, cities and counties coughed up \$60 million, which padded the state's fiscal bottom line.

Also, during these years of state budget surpluses, the state forced localities to assume the costs for the Line of Duty program. And, the state cut law enforcement assistance for cities, towns and counties with police departments.

VML suggests city councils/ county boards adopt the following resolution and send it to the governor, copying their state senator(s) and delegate(s):

Whereas, state financial assistance for mandated and high priority programs, including public education, health and human services, public safety and constitutional officers, was \$800 million less in FY12 than in FY09 and almost \$500 million less in FY13 than in FY09; and

Whereas, cities and counties must balance their budgets during a time in which future state assistance is unreliable, federal stimulus dollars are depleted, and real estate assessments are either stagnant or in decline; and

Whereas, the Appropriation Act contains \$50 million in across-the-board cuts to cities and counties for FY13 and \$45 million in FY14, under which localities are required to either elect to take reductions in particular state aid programs, or to send the State a check for the amounts determined by the Department of Planning and Budget ("Local Aid to the Commonwealth"); and

Whereas, the reductions are applied to essential services, including law enforcement, jail administration, foster care and child protection services, election administration and social services; and

Whereas, the City (County) of \_\_\_\_\_ does not have the authority to unilaterally decide to discontinue providing services such as election administration or to refuse to house and care for state prisoners in local and regional jails; and

Whereas, the state budget cuts are not accompanied by any reductions in state-imposed mandates, standards and service requirements, nor do they provide any administrative flexibility for local agencies; and

Whereas, the City (County) of \_\_\_\_\_ remitted \$XXX in FY12 and will be required to remit another \$XXX in FY13; and

Whereas, cities and counties will have provided the state with \$270 million by the close of FY13 for this "Local Aid to the Commonwealth" program; and

Whereas, these reductions shift state costs to local taxpayers and artificially increases the amount of state surplus revenue; and

Whereas, state revenues have continued to recover and the state has experienced a budget surplus for the third consecutive year; and

Whereas, revenue collections for the City (County) of \_\_\_\_\_ continue to reflect the struggling housing market; and

Whereas, the state should not shift its share of the costs for mandates and responsibilities to local governments; now, therefore, be it

Resolved, that the City Council (Board of Supervisors) of \_\_\_\_\_ asks Governor Bob McDonnell to submit a budget amendment to the 2013 session of the General Assembly to reverse the \$50 million-a-year reduction for the current year, FY13, and to eliminate the aid to localities reduction in FY14; and further, be it

Resolved, that the members of the General Assembly support a budget amendment to the 2013 session of the General Assembly to reverse the \$50 million-a-year reduction for the current year, FY13, and to eliminate the aid to localities reduction in the budget for FY14.