Dulles Corridor Metrorail Project Update
Dulles Area Transportation Association
August 25, 2009

Patty Nicoson
President
Dulles Corridor Rail Association
Proposed Toll Rate Increase on Dulles Toll Road to Support Both Phases of Funding of the Dulles Corridor Metrorail Project

prepared for

LOUDOUN COUNTY
PUBLIC INFORMATION AND INPUT MEETING

July 29, 2009
Dulles Corridor Metrorail Project Route Map
Discussion Outline

- Obligations of the Airports Authority in the Dulles Corridor
- Dulles Corridor Metrorail Project Update
- Dulles Corridor Improvements
- Dulles Corridor Metrorail Project Finance Plan
- Toll Rate Proposal
- Toll Rate Setting Process
- Conclusions
Airports Authority Obligations

- Finance and construct the Dulles Metrorail Project from the vicinity of West Falls Church to Route 772 in Loudoun County,

- Use best efforts to achieve substantial completion of the Dulles Metrorail Project by December 31, 2016,

- Finance and construct other improvements in the Dulles Corridor consistent with VDOT and regional plans,

- Operate and maintain the Dulles Toll Road for 50 years consistent with agreed upon standards, and

- Establish toll rates for the Dulles Toll Road necessary to achieve the above obligations.
Phase 1 Milestones

- **July 2004**: Commenced Engineering
- **May 2008**: Commenced Final Design
- **June 2008**: Commenced Utility Relocation
- **March 2009**: FFGA Approved for Phase 1; NTP issued to Phase 1 Design-Build Contractors
- **July 2013**: Phase 1 Substantial Completion
- **December 2013**: Begin Service to Wiehle Station
Phase 2 Milestones

- **July 2009**: Issued RFP for Phase 2 Preliminary Engineering
- **January 2010**: Commence Phase 2 Preliminary Engineering
- **February 2011***: Phase 2 Preliminary Engineering Completed
- **Summer 2011***: Issue RFP for Phase 2 Design Build Contract
- **January 2012***: Issue NTP to Phase 2 Design-Build Contractors
- **December 2016***: Full Project Substantial Completion; Commence Service to Route 772

* Upon completion of Phase 2 preliminary engineering, the Airports Authority has the ability to adjust the Phase 2 milestones.
Dulles Corridor Improvements
2006 Proposed Planned Improvements

- Reinvesting all revenues into Dulles Corridor
- Improving the Dulles Toll Road travel experience
- Improving interchanges
- Improving key roads within the Dulles Corridor
- Upgrading traffic management infrastructure
- Improving sound walls
Physical conditions assessment of Toll Road and related facilities is complete.

Dulles Corridor/I-495 Interchange Improvements
- Currently under design

Route 606 Widening
- Regional Study Complete
- Preliminary Engineering to start in Fall 2009

Analyses Starting Fall 2009
- Toll Plaza Analysis
- Safety Enhancement Analysis
- Sound Wall Improvement Analysis
Total estimated capital cost of $5.25 billion includes the $2.75 billion budget for Phase 1 that has been evaluated and accepted by FTA and the $2.50 billion preliminary cost estimate for Phase 2.
Funding Sources - Phases 1 and 2

- Dulles Toll Road: 52.6%
- Federal: 17.1%
- Fairfax County: 16.1%
- Virginia: 5.2%
- Loudoun County: 4.8%
- Airports Authority: 4.1%

Percentages do not add up to 100% as numbers are rounded
## Sources of Capital Funds

(Thousands YOE Dollars)

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal - FFGA</td>
<td>$900,000</td>
<td>17.1%</td>
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<tr>
<td>Commonwealth of Virginia</td>
<td>275,000</td>
<td>5.2%</td>
</tr>
<tr>
<td>MWAA (Aviation Funds)</td>
<td>215,484</td>
<td>4.1%</td>
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<tr>
<td>Loudoun County</td>
<td>252,273</td>
<td>4.8%</td>
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<tr>
<td>Fairfax County</td>
<td>846,167</td>
<td>16.1%</td>
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<tr>
<td>subtotal Local</td>
<td>1,313,924</td>
<td>25.0%</td>
</tr>
<tr>
<td>DTR Funding</td>
<td>2,766,771</td>
<td>52.6%</td>
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</table>

**TOTAL SOURCES OF FUNDS**

5,255,695 100.0%

Approximately $134 million of the Metrorail Project capital cost was funded from Dulles Toll Road revenue from 2004 to 2008. Another $2.633 billion is anticipated to be funded from debt secured by toll revenue.
## Anticipated DTR Revenue Bond Issues

<table>
<thead>
<tr>
<th></th>
<th>Series 2009</th>
<th>Series 2010</th>
<th>Series 2011</th>
<th>Series 2013</th>
<th>Total</th>
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<tr>
<td>First Senior Current Interest Bonds</td>
<td>$110</td>
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<td>$110</td>
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<td>First Senior Capital Appreciation Bonds</td>
<td>-</td>
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<td>-</td>
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<td>Second Senior Current Interest Bonds</td>
<td>275</td>
<td>265</td>
<td>250</td>
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<td>790</td>
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<td>Second Senior Capital Appreciation Bonds</td>
<td>274</td>
<td>270</td>
<td>277</td>
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<td>820</td>
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<td>Subordinate Current Interest Bonds</td>
<td>110</td>
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<td>301</td>
<td>-</td>
<td>411</td>
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<tr>
<td>Subordinate Capital Appreciation Bonds</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Junior Lien Bonds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>825</td>
<td>825</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Par Amount of Bonds Issued</th>
<th>Investment Earnings</th>
<th>Total Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$769</td>
<td>534</td>
<td>527</td>
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<tr>
<td>Investment Earnings</td>
<td>7</td>
<td>6</td>
<td>7</td>
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<tr>
<td>Total Sources</td>
<td>$776</td>
<td>540</td>
<td>534</td>
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<table>
<thead>
<tr>
<th></th>
<th>Deposits to Metrorail Construction Fund</th>
<th>DTR and Corridor Capital Improvements</th>
<th>Debt Service Reserves and Issuance Costs</th>
<th>Total Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$590</td>
<td>481</td>
<td>475</td>
<td>1,087</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>86</td>
<td>60</td>
<td>59</td>
<td>38</td>
</tr>
</tbody>
</table>

Total Uses $2,976

Approximately $2.9 billion of DTR debt is expected to be issued over the next five years. Nearly half of that ($1.3 billion) may be sold over the next 18 months.
### Proposed Toll Increases

<table>
<thead>
<tr>
<th>Effective</th>
<th>Main Line Plaza</th>
<th>Ramps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friday, January 01, 2010</td>
<td>$0.75</td>
<td>$1.00</td>
</tr>
<tr>
<td>2-axle</td>
<td>$1.00</td>
<td>$1.25</td>
</tr>
<tr>
<td>3-axle</td>
<td>$1.25</td>
<td>$1.50</td>
</tr>
<tr>
<td>4-axle</td>
<td>$1.50</td>
<td>$1.75</td>
</tr>
<tr>
<td>5-axle</td>
<td>$1.75</td>
<td>$2.00</td>
</tr>
<tr>
<td>6-axle</td>
<td>$2.00</td>
<td>$2.25</td>
</tr>
</tbody>
</table>

Toll increases beyond 2013 will be analyzed based upon actual financial performance and potential receipt of any additional Federal monies.
## Toll Rate Proposal
### Toll Rates Across Virginia and the U.S.

<table>
<thead>
<tr>
<th>Commonwealth Toll Roads:</th>
<th>Facility Name</th>
<th>Length of Facility</th>
<th>Trip Rate</th>
<th>(Maximum 2 Axle)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dulles Toll Road</td>
<td>14 miles</td>
<td>$1.75 (2010)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dulles Greenway</td>
<td>14 miles</td>
<td>$4.50 *</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chesapeake Expressway</td>
<td>17 miles</td>
<td>$2.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pocahontas Parkway</td>
<td>8.8 miles</td>
<td>$2.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Powhite Parkway</td>
<td>12 miles</td>
<td>$2.15</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other US Toll Roads:</th>
<th>Facility Name</th>
<th>Length of Facility</th>
<th>Trip Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dulles Toll Road</td>
<td>14 miles</td>
<td>$1.75 (2010)</td>
<td></td>
</tr>
<tr>
<td>San Joaquin Hills Corridor (CA)</td>
<td>17 miles</td>
<td>$5.25</td>
<td></td>
</tr>
<tr>
<td>Tampa Crosstown Expressway (FL)</td>
<td>14 miles</td>
<td>$3.00</td>
<td></td>
</tr>
<tr>
<td>Miami Dade Expressway (FL)</td>
<td>16 miles</td>
<td>$2.25</td>
<td></td>
</tr>
<tr>
<td>Northwest Parkway (CO)</td>
<td>11 miles</td>
<td>$2.50</td>
<td></td>
</tr>
<tr>
<td>Mass. Turnpike, Boston Extension</td>
<td>13 miles</td>
<td>$2.50</td>
<td></td>
</tr>
</tbody>
</table>

* This price is for a.m. and p.m. peak periods
Toll Rate Setting Process

- Comments can be made via web-site: www.mwaa.com

- Public Hearings—Held in the following venues to inform and solicit input on proposed increases
  
  - **Monday, August 24 from 5:00 to 8:00pm**
    Ashburn Elementary School
    44062 Fincastle Drive, Ashburn, VA 20147
  
  - **Thursday, September 3 from 5:00 to 8:00pm**
    McLean High School
    1633 Davidson Road, McLean, VA 22101
  
  - **Wednesday, September 9 from 5:00 to 8:00pm**
    South Lakes High School
    11400 South Lakes Drive, Reston, VA 20191
Toll Rate Setting Process

(continued)

• **October 2009**: Joint meeting of Airports Authority Finance Committee and Dulles Corridor Committee
  - Report on public hearings is presented; final staff recommendation presented to the Committees

• **November 2009**: Airports Authority Board Meeting to determine toll increases for 2010 through 2012
Toll Rate Proposal
How Will the Toll Revenues be Spent?

<table>
<thead>
<tr>
<th>Year</th>
<th>DTR Operations &amp; Maintenance</th>
<th>Metrorail Construction &amp; Financing</th>
<th>Reserves and Corridor Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$87 M 27.1%</td>
<td>$97 M 25.3%</td>
<td>$107 M 23.7%</td>
</tr>
<tr>
<td>2011</td>
<td>$87 M 47.1%</td>
<td>$97 M 51.2%</td>
<td>$107 M 61.5%</td>
</tr>
<tr>
<td>2012</td>
<td>$87 M 61.5%</td>
<td>$97 M 14.7%</td>
<td>$107 M 14.7%</td>
</tr>
</tbody>
</table>

Millions
The Airports Authority and its funding partners have demonstrated a strong and continuous commitment to financing and constructing the Dulles Corridor Metrorail Project and making improvements to the Dulles Corridor.

A key component of the financing plan for the Metrorail Project is the issuance of approximately $2.9 billion of Dulles Toll Road revenue bonds over the next five years.

To generate sufficient gross toll revenue to support the anticipated amount of toll revenue debt, the Airports Authority will need to increase toll rates.

Conclusions
Conclusions (continued)

An initial toll increase in 2010 of $0.25 at the mainline toll plaza and $0.25 at the ramp toll plazas will be consistent with the Commonwealth Transportation Board’s original plans.

The initial increase, together with additional increases of $0.25 at the mainline toll plaza in 2011 and in 2012 will generate the required toll revenue and help to establish an investor base for future Dulles Toll Road revenue bond issues.
Dulles Corridor Improvements

Proposed Improvements

- Reinvesting all revenues into Dulles Corridor
- Improving the Dulles Toll Road travel experience
- Improving interchanges
- Improving key roads within the Dulles Corridor
- Upgrading traffic management infrastructure
- Improving sound walls
Dulles Corridor Improvements
Status Update

- Physical conditions assessment of Toll Road and related facilities is complete
- Dulles Corridor/I-495 Interchange Improvements
  - Currently under design
- Route 606 Widening
  - Regional Study complete
  - Preliminary Engineering to start in Fall 2009
- Analyses Starting Fall 2009
  - Toll Plaza Analysis
  - Safety Enhancement Analysis
  - Sound Wall Improvement Analysis
Phase 2 Tax District

- Website [www.dullesmetro.com](http://www.dullesmetro.com)
- Phase 2 extension in Fairfax including 3 Metrorail stations: Reston Parkway, Herndon-Monroe and Route 28
- Cap: $330 million
- Rate: 5 cents per $100 valuation in 2010; 10 cents in 2011; 15 cents in 2012 and 20 cents in 2013 continuing until service is operational
- Ultimate tax 25 cents per $100 valuation
Phase 2 Tax District 2

- Memorandum of Essential Understandings
- Don’t raise C&I tax
- Protect against downzoning
- Fairfax commits to process to amend Comprehensive Plan starting in September 2009 and ending in late 2010
Source: Handout from Interjurisdictional Meeting on Route 28 Planning Issues, July 28, 2009
Route 28/Toll Road Area

Objectives

- Improve regional connectivity and mobility
- Improved accessibility to planned rail station(s)
- Create grid system in Loudoun County adjacent to future Metro stop
- Include Toll Road crossing
- Protect existing residential areas in nearby Herndon
- Focus on conceptual corridors/general alignments not capacity of roads

Source: Handout from Interjurisdictional Meeting on Route 28 Planning Issues, July 28, 2009
Route 28/Toll Road Area Regional Transportation Concepts
Interjurisdictional Staff Working Group

Source:
Interjurisdictional Meeting on Route 28 Planning Issues,
July 28, 2009
Phase 2 Stations

- 6 stations
  - Reston Parkway
  - Herndon Monroe
  - Route 28
  - Dulles Airport
  - Route 606
  - Ashburn/Ryan Road
Dulles Station

Dulles Station, a mixed use development, abuts the future Route 28 Station on the east and south. The approved intensity is 0.99 FAR or about 2,715,000 sq ft (1,505,000 sq ft of office, 42,000 sq ft of retail and about 1,200 multifamily units)
Location: Below ground in front of the passenger terminal
Type of Station: Underground
Station Facilities: 1 station entrance in tunnel in front of main terminal
Loudoun Station, Route 772

Project Overview
Loudoun Station, Route 772, North Side
Approved by Loudoun County Board, December 2003
Moorefield Station
Moorefield Station Government Center Proposal

View of the Metro Bridge, Plaza and Government Center Building from across the Dulles Greenway. Note the bus and metro access from the transit center.
Capturing the Value of Transit
November 2008

Land Use                  Property Value Premium
• Single Family Resid.    +2% to 32%
• Condos                  +2% to 18%
• Apartment               +4% to +45%
• Office                  +9% to 120%
• Retail                  +1% to 167%

Mixed use at transit stations results in increased property values and reduces vehicle trips and congestion

Prepared by  Center for Transit Oriented Development
Demand for Housing Near Transit

• Loss of income to other jurisdictions (WATF Study)
• Demographic trends creating demand for TOD
• HH sizes smaller
• Car ownership significantly lower in TOD zones
• Significantly fewer residents commute by car
• Demand for TOD – singles, couples without children, households over 65
• DC Transit zones, 30% commute by transit, 8% bus, 10% walk
• 2025 Potential HH in transit zones – demand 650,000 HH out of 2.6 million in DC region

Hidden in Plain Sight, September 2004, Center for TOD
Next Steps

- Complete Engineering for Phase 2
- Creation of Tax District for Phase 2
- Maintain business and community support
- Ensure expeditious adoption of Tysons Plan amendments
- Update plan to support TOD at corridor stations
- Vacate restrictive covenants in Reston
- Complete site plan application for redevelopment of Wiehle Park and Ride site as TOD. Lease Agreement approved 9/09
- Support TOD projects at stations.