8.0 FINANCIAL ANALYSIS

8.1 Capital Funding Strategy

A. Draft EIS Comments

<u>**State Agency Comments**</u>

Need to Provide Maximum Value for Public Monies

State Comment: Furthermore, as a public official, I know we all share the interest that we get the maximum value for the public monies we spend. We don't want to in the short run simply be cheap. Cheap such that we make a solution today and we have to multiply that in the future. In the long run we have ended up spending more money, inconvenienced a number of people. We need to go forward with a working solution for the long run. (0131, 0163-T –5)

> ***Response:*** *Chapter 10 of the Final EIS (Evaluation of Alternatives Carried Forward) presents a comparative evaluation of the alternatives carried forward in the Final EIS. The intent of the evaluation is to demonstrate the relative effectiveness of the alternatives in meeting the stated goals and objectives, and to highlight the key differences between alternatives to facilitate the decision-making process.*

Public and Private Funding Sources

State Comment: Fortunately, there seems to be consensus that the necessary state, local and federal funding, along with substantial private funding, must be found to move the project to construction as soon as possible. Two important funding sources are within reach. Thanks to the initiative of the business community, LEADER has been created to help provide private funding. Governor Warner's leadership has put full funding for the local share before the voters this fall as a part of the sales tax referendum. (0012, 0468-L –1)

> ***Response****: The Project Team recognizes the important role that LEADER provided in the innovative financing mechanism for the Fairfax County capital funding share. The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

Use of Innovative Pricing Strategies

State Comment: And finally, the final financial plan for using toll road revenues provides the opportunity to explore several innovative pricing strategies, including incentives to switch to the fast toll transponder to improve roadway capacity, high occupancy toll lanes, whereby single drivers can use the toll lanes for a price, the cost of which is determined by a pricing structure that controls congestion. (0131, 0131-T – 11)

State Comment: The financial analysis in the plan should emphasize restructuring of the Dulles Toll Road to reduce congestion and enhance the vehicle throughput of the road thus increasing roadway capacity for drivers. Incentives should be provided to encourage more people to use transponders to enhance the capacity of the tollbooths, and to carpool and vanpool to enhance person throughput. The high occupancy vehicle lanes could be converted to a high occupancy toll lane to make better use of the lane to carry more people and more vehicles while using pricing to control congestion. This creative use of tolls would address some of the political concerns about the impact of increased taxes in Northern Virginia. (0131, 0434-E –6)

Response: *The Commonwealth of Virginia will consider the operation of its toll collection system when and if the tolls increase as part of the Project's capital funding plan. The availability of the HOV lane and the increased toll will assist to encourage ridesharing and carpooling. To operate as a true HOT lane, the current HOV lane would require separation from the HOV lane and the mixed-traffic toll plaza.*

Different pricing strategies and use of innovative technologies may be part of the long-range planning of the Commonwealth for the Dulles Toll Road. However, this aspect is outside of the scope of the Final EIS.

Need to Explore Equity Concerns

State Comment: It is completely inappropriate to increase tolls on the Dulles Toll Road to pay for the construction of rail. Commuters in the Corridor have been paying for the Dulles Toll Road for the past eighteen years. No other Virginians north of Richmond have been subjected to tolls. A typical commuter driving to work in D.C. from Reston fifty weeks a year is paying $375 each year. If that commuter has lived here for eighteen years, he has already paid $6750! In addition, these same commuters have paid for construction of the Metrorail system for the rest of the Washington Metropolitan area. (0298, 0298-L – 2)

State Comment: The proposals in the Draft EIS that would increase tolls either $0.50 or $0.25 in 2003 and then an additional $0.25 every three years until 2015 are neither fair nor equitable. As the Draft EIS demonstrates, the benefits of rail to Dulles are extensive and far-reaching, accruing to the entire metropolitan region and the state as a whole. To expect commuters paying increased tolls to generate between $725 and $800 million in funding for construction is unreasonable and simply wrong. These ill-conceived proposals to raise tolls should be discarded immediately. Fortunately, there is an alternative. A portion of the undesignated funds that will be generated if the transportation referendum passes could be earmarked for this purpose. (0298, 0298-L –3)

Response*: The basis for funding extensions to the existing Metrorail system, such as the Dulles Corridor Rapid Transit Project, is stated in the WMATA Board of Directors Resolution #2000-35 extension resolution: "All design, engineering, construction and financing costs of an Extension, including revenue vehicles and required facilities and equipment, which is added to the Adopted Regional System (ARS), including costs associated with delay in receipt of federal funding and extraordinary costs, would be funded by the jurisdiction in which the Extension is located with local, state, federal and other funds, without cost to the other Compact member jurisdictions." The Dulles Corridor Rapid Transit Project would be considered an "Extension to the Adopted Regional System," and therefore the WMATA compact member jurisdiction (in this case, the Commonwealth of Virginia) would be responsible for providing the required non-Federal funding for the project. The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project's capital funding.*

For the Wiehle Avenue Extension, the Commonwealth is considering a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza. This modest increase is expected to provide sufficient revenues to meet the Commonwealth's obligations for the Extension.

To fund construction of the remainder of the Full LPA, the Commonwealth may consider other sources, including transportation appropriations, in addition to the Dulles Toll Road revenues. Chapter 8 of the Final EIS also describes the financial participation of Fairfax and Loudoun counties, and the Metropolitan Washington Airports Authority in the Full LPA funding.

Consider Costs of Obtaining and Maintaining Environmental Permits

State Comment: NRO is unable to assess whether the cost of obtaining and maintaining environmental permits is addressed in the Operations & Maintenance costs estimates. Permit application fees were raised as of July 1, 2002. Similarly, it is unclear if the possibility of paying for the cost of permit-driven sampling and analysis has been considered in estimates. Most VPDES permits require flow estimates and analysis for a variety of parameters, based on the activities conducted at a site and the reasonable potential for the discharge of pollutants. (0407, 0407-A –37)

> ***Response****: The cost of obtaining environmental permits for construction is contained within the capital cost estimate. The model for the estimate of operating and maintenance costs generates an estimate that contains the cost of environmental permits, but the model does not have a specific cost drive for such, since the cost is negligible in comparison to the drivers.*

Need to Address Currency Formatting

State Comment: Pg. 8-3: Table 8.2-2 - suggest adding: in $ million (0421, 0421-A –21)

> ***Response:*** *The capital cost tables of Chapter 8 of the Final EIS contain in their titles the phrase '(Millions YOE Dollars)'. The acronym 'YOE' represents Year-of-Expenditure and signifies that the costs have been inflated.*

Potential Local Funding Sources

State Comment: Fortunately, there seems to be consensus that the necessary state, local and federal funding, along with substantial private funding, must be found to move the project to construction as soon as possible. Two important funding sources are within reach. Thanks to the initiative of the business community, LEADER has been created to help provide private funding. Governor Warner's leadership has put full funding for the local share before the voters this fall as a part of the sales tax referendum. (0012, 0468-L –1)

> ***Response****: The Project Team recognizes the important role that LEADER provided in the innovative financing mechanism for the Fairfax County capital funding share. The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

<u>Regional Agency Comments</u>

Need for Further Explanation of Capital Costs

Regional Comment: The capital costs in the Draft EIS do not reflect earlier professional estimates. The original MIS completed in 1996 estimated $1.4 billion to build rail from the Orange Line though the Dulles Corridor to Loudoun County with three stops at Tysons Corner and part of the Tysons Corner section underground. Guesstimates given by knowledgeable people to the Dulles Corridor Task Force were of the order of $1.8 billion to $2.2 billion. Good civil engineers typically know within about 10% to 15% what a project will cost, particularly when it is an extrapolation of existing work, as is the case here. A 15% contingency on a $2.2 billion project would bring the projected cost to $2.53 billion. Another $615 million has been added in the Draft EIS as "soft costs." These "soft costs" reflect a 27% increase in the $2.2 billion estimate. (0133, 0405- L-15)

> ***Response****: The increase in the capital cost estimate of the Full LPA from the MIS Supplement is due to escalation to year-of-expenditure dollars, increased project scope, increased land acquisition, increased soft costs, and greater design detail. The capital cost estimate was prepared independently of the MIS estimate. The level of soft costs within the capital cost estimate is within the industry norm for design and construction of a large civil project.*

Need to Define Project Cost Controls

Regional Comment: Frankly, it will be difficult to justify $3 billion plus for the Dulles Corridor Rail when the DEIS, in comparison to the highway baseline offers: No timesaving; No air quality improvement; No reduction in energy consumption; Recovers only 38% of O&M from the fare box compared to 70% plus for the existing rail system. Requested Action: Refine and justify the projected capital cost for the locally preferred alternative; Define the cost controls that will be put in place by Virginia to avoid further cost escalation. (0133, 0405- L-16)

> ***Response****: The capital cost estimates of the two Build Alternatives of the Final EIS will be updated during the Project's preliminary engineering phase, which is now commencing. Those estimates will serve as the basis for the negotiation of the Federal Full Funding Grant Agreement. Cost controls in addition to the estimating process to date will include a value planning process, a value engineering process, risk analysis, the use of design-build procurement through the Virginia Public-Private Transportation Act, and continued use of project contingencies to account for design unknowns.*

Local Agency Comments

Passage of Transportation Referendum Critical to Project's Success

Local Comment: Integral to any public project of this size is an intelligent and practical funding plan. For Fairfax County, the funding pieces have come together in an unprecedented way; we are now uniquely positioned to capitalize on new, dedicated funding sources that will reduce or replace the County's local contribution. The November transportation referendum includes $350 million specifically for the Dulles corridor transit project: its passage is critical for the success of the project. That funding coupled with the revenues from the proposed special tax district will fund most of the local share. (0130, 0289-L –2)

Local Comment: Integral to any public project of this size is an intelligent and practical funding plan. For Fairfax County, the funding pieces that have come together are coming together in an unprecedented way. We are now uniquely positioned to capitalize on new and dedicated funding sources that will reduce or replace our kind of use, and the transportation referendum includes $350 million specifically for this project. Its passage, in my opinion, is critical for the success of the project. That funding, coupled with the revenues from the proposed special tax district, will give Fairfax County our local share. (0130, 0130-T – 2)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

Implement A Plan to Avoid Funding Delays

Local Comment: Loudoun County stands ready to support its share of this project financially and has a funding mechanism to accomplish this. We are concerned that other funding may not be available on the originally proposed schedule and strongly urge that all means necessary be taken to put a funding plan in place that will deliver this project on its current schedule. This project is too important to allow it to be delayed. (0240, 0240-T –2)

> ***Response:*** *The Project Team recognizes the significant financial commitment that Loudoun County has made to the Project and the need to maintain the Project schedule.*

Sales Tax Referendum is not a "Required" Element

Local Comment: Finally, we would like to note for the record that the proposed Virginia sales tax referendum does not incorporate the Dulles Corridor Rapid Transit Project and this project has a separate funding mechanism. In other words, the sales tax referendum should not be held up as a required element in order to financially realize this project. This fact has been publicly noted by some of our local officials, and we want to emphasize this important point again. (0233, 0426-M –44)

> ***Response:*** *The commenter is correct in stating that the Project's Financial Analysis in the Draft EIS did not include the then sales tax referendum as a funding source, but did acknowledge that it was a potential additional source that could have offset some of the proposed local funding sources. The capital funding strategy for the Full LPA also requires contributions from MWAA and Loudoun County, neither of which is currently proposing sales tax revenues or special tax districts.*

Need for Detailed Explanation of Funding Mechanisms

Local Comment: Every session has included statements that "the funding mechanisms are in place for funding of the rail system", however, no one ever goes into detail of what those funding mechanisms are. (0233, 0426-M –11)

> ***Response****: Chapter 8 of Final EIS identifies the capital cost funding mechanisms proposed for each jurisdiction. The specific funding instruments, timing and amounts are still subject to final agreements that DRPT, the project sponsor, will negotiate and execute prior the Project's Federal Full Funding Grant Agreement.*

Need for Further Explanation of Subsidies

Local Comment: Who pays for the subsidies that are going to be necessary for each ride taken on the rail (you have either heard or will hear about the subsidies that will be necessary for rail ridership (some have estimated that subsidy to be $26.00 per ride…some say higher). (0233, 0426-M –15)

> ***Response****: The WMATA Compact jurisdictions would pay the annual subsidy of the Project. Chapter 8 of the Final EIS lists the operating costs, revenues, subsidy and the subsidy allocation among the Compact jurisdictions for the Wiehle Avenue Extension and Full LPA In opening year and forecast year.*

Need Further Explanation of Federal Contribution Payments

Local Comment: There are two rumors floating around town (mind you I said they are rumors but I think they beg some answers if for no other reason than to stop them…if they are rumors): That the federal government's portion of the financing for rail will not come (if it comes) in a lump sum, but in appropriations over more than a fifteen year period. Gee, how does this rail thing get financed now, at what long term financing cost and at whose expense? (0233, 0426-M –19)

> ***Response****: The Project would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As documented in the Final EIS, the first phase of 11.6 miles would commence from a seamless connection with the existing Orange Line near West Falls Church, serve Tysons Corner and reach Reston at Wiehle Avenue. It is anticipated that this first phase, named the Wiehle Avenue Extension, would begin operations in 2011. The second phase of 11.5 miles would continue westward from Wiehle Avenue and serve Reston, Herndon, Dulles Airport and eastern Loudoun County by year 2015. Thus, the period of time of all capital funding would be fourteen years, from fiscal year 2004 through 2017. The capital funding strategy in Chapter 8 of the Final EIS does not include the cost of financing for the Full LPA, since the Federal government is currently advancing only the Wiehle Avenue Extension in its New Starts program.*

Need to Address Equity Concerns

Local Comment: Too much State and County funding is coming from the Corridor itself. The benefits are shared throughout the region and the state, and funding must be equitable. (0233, 0426-M –5)

> ***Response**: The capital cost amounts and percentages shown in Chapter 8 of the Final EIS are based on a preliminary agreement among the funding partners. The capital funding strategy in Chapter 8 derives from the WMATA Board of Directors Resolution #2000-35 stating that "All design, engineering, construction and financing cost of an Extension, including revenue vehicles and required facilities and equipment, which is added to the Adopted Regional System (ARS), including costs associated with delay in receipt of federal funding and extraordinary costs, would be funded by the jurisdiction in which the Extension is located with local, state, federal and other funds, without cost to other Compact member jurisdictions." In this case, the responsible WMATA compact jurisdiction is the Commonwealth of Virginia. The incremental annual subsidy of the Project's operating and maintenance costs is allocated among the WMATA Compact jurisdictions (Virginia, Washington D.C. and Maryland), based on the WMATA subsidy allocation formula outlined in Chapter 8 of the Final EIS.*

Local Comment: Doubling the current Dulles Access Toll Road toll to pay for rail rapid transit is unfair since the project will provide no direct benefits to residents of McLean and the indirect benefits, additional commuting capacity, is probably at least ten years away. (0233, 0426-M –26)

> ***Response:** The Commonwealth of Virginia will be responsible for 25 percent of the Project's capital costs. For the Wiehle Avenue Extension, the Commonwealth will use revenues from the Virginia Transportation Act of 2000 and Dulles Toll Road revenues. A planned toll increase would raise tolls at the main toll plaza to $0.75 and at each ramp toll plaza to$0.50. For the Full LPA, in addition to the two sources of the Wiehle Avenue Extension, the Commonwealth may consider other sources, including future transportation appropriations.*

Need Further Explanation of Public-Private Partnership Option

Local Comment: A project based on finding money that plainly is not going to be appropriated is not a solution to transportation in the Dulles corridor. Neither is a secret public-private partnership option, the details of which are negotiated without meaningful citizen involvement, but stick the taxpayers with increased payments, in this case higher tolls on the Dulles Toll Road. (0151, 0151-T –3)

Local Comment: A project based on finding money that plainly will never be appropriated is not a solution to transportation in the Dulles Corridor. (0151, 0297-E –3)

> ***Response:** The Public-Private Transportation Act (PPTA) requirements are contained in the 1995 legislation, as amended. 1995. The status of the PPTA consortium is described DRPT's web site, www.drpt.virginia.gov.*

Need to Explore Impacts of Increased Tolls

Local Comment: Could it be that no one pushing rail wants to talk very much about the additional toll increases that will be necessary "forever" to pay for rail??? $2.00 in each direction. Conversations I have had with many people on this subject have stated they will avoid the toll road if tolls go up (they can't afford more costs). That means more traffic on alternate routes…they very thing you are trying to stop. (0233, 0426-M –13)

> ***Response:** As described in Chapter 8 of the Final EIS, the Commonwealth of Virginia will be responsible for 25 percent of the Project's capital costs. For the Wiehle Avenue Extension, the Commonwealth will use revenues from the Virginia Transportation Act of 2000 and Dulles Toll Road revenues. A planned toll increase would raise tolls at the main toll plaza to $0.75 and at each ramp toll plaza to $0.50. For the Full LPA, in addition to the two sources of the Wiehle*

Avenue Extension, the Commonwealth may consider other sources, including future transportation appropriations.

Need to Remove Increased Tolls from the Financial Analysis

Local Comment: Urge Virginia Department of Public Rail and Transportation to remove from the financial analysis the increased tolls, at least until the construction of the earliest phase of the project. (0437, 0437-E –8)

> ***Response**: As described in Chapter 8 of the Final EIS, the Commonwealth of Virginia will be responsible for 25 percent of the Project's capital costs. For the Wiehle Avenue Extension, the Commonwealth will use revenues from the Virginia Transportation Act of 2000 and Dulles Toll Road revenues. A planned toll increase would raise tolls at the main toll plaza to $0.75 and at each ramp toll plaza to$0.50. In addition to the two sources of the Wiehle Avenue Extension, the Commonwealth may consider other sources, including future transportation appropriations. Any approved toll increases would be implemented in advance of construction to begin building reserves for the Project, perhaps as early as January 2005.*

Need for Further Explanation of Project Costs

Local Comment: The overarching problem is cost. $3.2 billion is simply unacceptable. Our independent experts are perplexed at this price tag for this project. The project should cost half this amount at most. The current cost projection is a red flag demonstrating that the whole project needs to be subjected to serious reexamination. We are heading for a train wreck of massive proportions if we launch this project with these inflated projections, knowing full well that the cost is going to escalate further as time goes by. (0151, 0151-T –2)

Local Comment: The overarching problem is cost. $3.6 billion is simply unacceptable. Our independent experts are perplexed at this price tag for this project. The project should half this amount at most. The current cost projection is a red flag demonstrating that the whole project needs to be subjected to serious re-examination. Those figures tell us in clear terms that we are NOT at one stage and need to focus on moving to the next. Those figures tell us that we need to go back and look at previous stages to find out what's already off the track. We are headed for a train wreck of massive proportions if we launch this project with these inflated projections, knowing full well that the cost is going to escalate further as time goes by. (0151, 0297-E –2)

> ***Response:** The project's capital cost estimates are comparable with projects of this size and are based on a methodology appropriate with the design stage of the Final EIS and the final General Plans. It should be noted that the medians of the Dulles Connector Road, Dulles Toll Road, and Dulles Greenway were reserved for high-capacity transit, saving the project significant money for right-of-way and access. The next phase of the project, preliminary engineering, will prepare an independent estimate of the capital costs of the two Build Alternatives.*

Description of Local Jurisdictions' Funding Plans

Local Comment: This is in response to your request for information and an update of the local jurisdictions' funding plans for the Dulles Corridor Rapid Transit Project (Project). I understand that other funding partners will also be providing information specific to their portion of the project cost. At the request of the Fairfax County Board of Supervisors, the Virginia General Assembly approved legislation in 2001 to allow the creation of a special transportation improvement district in the Dulles Corridor to help fund the County's portion of the Project. The landowners' group, Landowners' Economic Alliance for the Dulles Extension of Rail (LEADER), has been formed to push for the establishment of the tax district in the corridor. In addition to the transportation improvement district and county general obligation bonds, another possible revenue source is the upcoming transportation referendum this fall. The Board has endorsed the Transportation Sales Tax Referendum to increase the sales tax rate by one-half percent to fund important transportation projects in the region. In the list of projects to be funded by the sales tax revenue, the Dulles Corridor Rapid Transit Project is prominently featured with $350 million set aside for the Project, to be used for the locality share of the project capital cost. (0233, 0233-L –1)

> ***Response:*** *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share. The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding.*

Need to Explore Innovative Pricing Strategies

Local Comment: As the financial plan for the project is finalized, we suggest the Project Team consider Dulles Toll Road revenues to provide incentives for using the Fastoll transponder instead of paying cash; provide discounts for carpool and van pool drivers, and provide a demonstration of the high occupancy toll or HOT lane concept, which uses variable tolls to regulate use of the HOT lane. (0233, 0426-M –35)

Local Comment: What about paying for use of HOV lanes by those with LOV vehicles? Works great in LA. (0233, 0426-M –22)

> ***Response:*** *The Commonwealth of Virginia will consider the operation of its toll collection system when and if the tolls increase as part of the Project's capital funding plan. The availability of the HOV lane and the increased toll will assist to encourage ridesharing and carpooling. To operate as a true HOT lane, the current HOV lane would require separation from the HOV lane and the mixed-traffic toll plaza.*

Need Further Explanation on Tax District Boundaries and Rates

Local Comment: But the only way this ever gets to a conclusion is if the local group takes initiative that was actually started by the Board with legislation that was passed by the General Assembly and welcome back to you next time and this effort…Governor Holton and I are pleased to serve as Co-Chairs…. and present you with a petition. Which would….according to the law that was passed by the General Assembly and was in effect suggested mandated by this Board some time early next year after this process has been completed locally preferred alternative has been selected. And we'll come back to you at that point with a specific proposal as to what the particular boundaries of any tax district that might be created to fund such a project might be, and what the particular tax rate (this might be a district, it might be districts) but those decisions won't be made until after this part of the process has been completed. (0233, 0426-M –1)

Local Comment: Could it be that no one pushing rail wants to talk about raising the taxes on the commercial property by an additional .30 to .50 centers per $100 dollars of value?????? Is that good for my business??? The answer is NO!!! I will have to charge more for rent to keep up with taxes at a time when there is more vacancy in the corridor (and at Tysons) then there was during the early 90's. Some experts say the corridor recovery could take as long as 3 to 5 years (I hope not) but…now is not the time to raise my taxes. (0233, 0426-M –12)

> ***Response****: Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. Although payments will not be due until December 2004, on July 1, 2004, Fairfax County began charging commercial landowners an additional 22 cents per $100 of assessed value for their properties on top of the base real estate tax rate of $1.13. Fairfax County projects that the tax rate could eventually increase to 29 cents per $100 of assessed value once a Full Funding Grant Agreement is executed. The actual levy will be established each year based on current assessments and the amount of outstanding debt. The district, which had an assessed value of $6.8 billion in June 2004, is expected to generate up to $400 million for the construction of the Wiehle Avenue Extension.*

Need Explanation on Source of Funding for Maintenance Costs

Local Comment: Could it be that no one is pushing rail wants to talk about the additional taxes that will have to be raised from private citizens and businesses to pay for the annual estimated $125,000 to $185,000 in maintenance costs for rail…do you think businesses…which are already hurting because of the downturn in this economy are going to be pleased to get additional tax bills for rail which most of their employees won't use? (0233, 0426-M –14)

> ***Response**: The incremental annual subsidy of the Project's operating and maintenance costs is allocated among the WMATA Compact jurisdictions (Virginia, Washington D.C. and Maryland), based on the WMATA allocation formula. As presented in Section 8.2 of the Final EIS, the incremental annual subsidy of the Wiehle Avenue Extension in its opening year of 2011 is $20 million in year-of-expenditure dollars. Of this subsidy amount, the Fairfax County share is $7.5 million. There are no plans for the Transportation Improvement District revenues to be used for operation and maintenance subsidy assistance.*

Need for Cooperative Funding Approach

Local Comment: The Town of Herndon supports federal, state and local officials working together to achieve full funding for the Metrorail Alternative from federal, state and local sources. (0409, 0409-L –5)

> ***Response:** Comment noted.*

<u>Public Comments</u>

Need Further Explanation on Average Cost Per Rider

Public Comment: Because the ridership estimates are inflated, the average cost per rider also is suspect. (0112, 0462-L-7)

> ***Response:** The ridership estimates are based on the Metropolitan Washington Council of Governments' Round 6.3 cooperative land use forecasts of the region. This travel demand forecast model of the Final EIS contains these land use forecasts and mechanisms for estimating roadway and transit ridership with and without the Dulles project.*

Need Further Explanation on Subsidy Costs Per Rider

Public Comment: Very few people are projected to use Amtrak to Dulles in spite of the outrageous costs that are projected, initial costs that are probably twice what it should cost to do either rail or Bus Rapid Transit, and crippling annual subsidies for the rest of our lives. (0162, 0162-M-5)

Public Comment: The reason Virginia has out competed Maryland for commercial development is simply the fact that Virginia has been a lower tax environment overall, an advantage which the proponents of this public-private partnership are threatening. The actual numbers for rail confirm what we at Dartrail suspected 15 years ago: a subsidy of $40 per ride, equivalent to an annual subsidy per taxpayer in Fairfax of $400 per year, for the indefinite future. These annual subsidies assume that $3.3 billion is magically available for this project - and we know the money is not there. (0162, 0162-M-8)

Public Comment: So those of you in the political sphere that are thinking of voting for rail now, just remember every time people pay for the Toll Road, they pay sales tax, and they pay the property taxes, they are paying for something that is of no extra benefit. It amounts to a $40-per-ride subsidy, which is obviously way too high. (0184, 0184-T –7)

Public Comment: In looking at your numbers and ridership on the rail, we're guesstimating by your numbers that there will have to be a subsidy per ride of $43 per subsidy ride on the rail, as opposed to

BRT. The reason we got to that is you look at the metro system in Washington now currently and has always run in a deficit position and has currently gone back for additional funding. (0252, 0252-T –3)

Public Comment: We also believe that in looking at your numbers again that there is going to have to be an additional subsidy of somewhere between 110 and 185 million dollars per year in subsidies for maintenance on the system. Where does that money come from? (0252, 0252-T –5)

> ***Response:*** *The Federal Transit Administration has established two cost-effectiveness measures as part of its equitable evaluation of New Starts projects. As presented in Section 10.2 in the Final EIS, for the Wiehle Avenue Extension in year 2025 in comparison to the New Starts Baseline, the cost per new transit trip is $24.73 and the cost per user benefit hour is $18.69 to $21.08.*

Need Further Explanation on Committed Federal Funds

Public Comment: I want to understand how much federal money is committed to this project, and have some idea whether it is likely to be forthcoming. If it is likely to be cut, what is our plan to replace these funds? (This question is why I copied Rep. Tom Davis). (0114, 0114-E –6)

> ***Response:*** *As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A total of $163.5 million in Federal New Starts funding has been appropriated for the Project through fiscal 2004 to support project planning, environmental review, and engineering activities. An additional $20 million of New Starts funding for the project is expected in FY 2005. In addition to these appropriations, DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension. The terms of the FFGA, including the level and timing of federal funding participation, will be finalized following completion of preliminary engineering activities.*

Need Further Explanation on Sales Tax Increase

Public Comment: Their entire project should be on hold until we see how the people vote re the sales tax increase. (0006, 0006-L –2)

Public Comment: I think this project is vital to improved economic health in the Dulles Corridor. But I (and my fellow voters) need to be shown that the sales tax increase will get us there. (0114, 0114-E –8)

Public Comment: I want to have enough plans in place, and publicly available (with an "executive summary" that we normal MBAs can read) so that I can have confidence that the organizations in place can make it happen. If that means requiring VDOT to have their budgets, estimates and schedules reviewed by someone with a better planning track record, then please get that review done before I vote on the tax. (0114, 0114-E –4)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

Need Further Explanation on Transportation Improvement Districts

Public Comment: Most of the burden should be borne by major employers in Tysons who import the workers. (0049, 0049-CC-2)

> ***Response:*** *Section 8.1of the Final EIS describes the creation of the Fairfax County Dulles Rail*

Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. Although payments will not be due until December 2004, on July 1, 2004, Fairfax County began charging commercial landowners an additional 22 cents per $100 of assessed value for their properties on top of the base real estate tax rate of $1.13. Fairfax County projects that the tax rate could eventually increase to 29 cents per $100 of assessed value once a Full Funding Grant Agreement is executed. Most of the commercial landownership of the district is in Tysons Corner.

Need to Explore Equity Concerns

Public Comment: Residents in Tysons should not be taxed to subsidize the cost of commuters. Many commuters are from MD. How long before rail is available along the beltway to service them & reduce such congestion. (0049, 0049-CC-1)

> ***Response:*** *The Dulles Rail Transportation Improvement District does not apply to owner-occupied residential properties in the Tysons area, or anywhere else along the corridor. Other proposed funding sources, including the revenues from the Dulles Toll Road, would not be specific to Tysons residents, and would apply to Maryland commuters and visitors. Rail along the Capital Beltway to connect Maryland and Virginia is not yet programmed project.*

Need Explanation on Allowable uses of Tax Increase Funds

Public Comment: I want to know that the money I'm voting to pay will be spent for this purpose. No more "it may be used by other road projects." Other projects are fine, but for me this is the most important, and if I'm not confident it will happen, I can't support increased taxes. (0114, 0114-E –5)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the project's financial analysis would have been updated accordingly.*

Need Explanation on Tax Increase Level

Public Comment: Increases sales tax 1% to help transportation funding in the NOVA region. Compared to other major metropolitan areas (NY, Chgo, LA) who are all ~7.5%, VA is unusually low. (0079, 0079-CC-3)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

Need Further Explanation of Contributions by Jurisdiction

Public Comment: Dulles Airport must contribute more money to rail option. (0092, 0092-CC-2)

Public Comment: The cost -- the Airports Authority I don't think is kicking in enough. I saw in the paper 134 million versus 152 million for Loudoun County residents, yet about 4500 of the riders are going to come from Dulles airport, which is not far ahead of the 3800 for BRT. And once again, BRT is just much cheaper. (0112, 0245-T –9)

> ***Response:*** *The project does benefit from the Metropolitan Washington Airports Authority proffer of the median of the Dulles International Airport Access Highway and Connector Road for Metrorail right-of-way at no cost to the Project. The amount and percentage of capital funding of the two Build Alternatives by jurisdiction are based on the preliminary allocation agreement among the non-federal funding partners.*

Need Funding Plan to Address Shortfalls

Public Comment: A more fundamental problem is the funding plan. There is no firm assurance that there will be a tax district to help in funding. The beneficiaries of the new system must provide adequate support. The specific contribution must be established. Based on the experience with the Route 28 Tax District (where VDOT was required to use funds from other Northern Virginia projects to cover the Districts shortfall in debt servicing). The sales tax increase in not ensured, the Federal contribution is not established, from a toll increase on the toll to help provide state support has many opponents. With cost increase examples of the Wilson Bridge and the Mixing Bowl interchange, it is very likely that the stated costs are understated. Specific plans should be advanced to cover this contingency because of the multiple agencies contributing to any finally approved project. (0119, 0119-L –3)

> ***Response:*** *Chapter 8 of the Final EIS presents the capital cost estimate and funding strategy for the two Build Alternatives. The estimates include a change order contingency, a design allowance, a complexity factor and inflation to year of expenditure. DRPT will prepare a final financial plan and risk assessment during the project's next phase, preliminary engineering.*

Need to Explore "More Equitable" Source of Funding

Public Comment: If there are insufficient funds "up front", Virginia Railway Express has proven that transit revenue bonds can be sold at favorable rates with no guarantees other than bond insurance against fraud. Fare revenues will support a bond issue of about $600 million. (Metrorail did get a letter of credit from local banks for $600 million to fund the construction of the final segments of the Green Line but by the time construction was completed, grant funds had become available to fully fund the completed project without drawing on the letter of credit). This is a more equitable source of funding than a tax district where abutting property owners would be double taxed for the project, once by the tax district and once by the appreciated property values. Over the life of the project, MetroRail will save more than it costs, for sure. (0013, 0013-L –29)

> ***Response:*** *Since the Metrorail system and any Metrorail extension operates at a deficit, there are no excess fare revenues for capital financing. Section 8.1 of the Final EIS describes the successful creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of capital costs for the Extension.*

Need for Public Distribution of Sales Tax Increase Details

Public Comment: I would like to say that I will vote for the sales tax increase for transportation in Northern Virginia. And I hope I'll be able to do so, I really do! However, I hope that before the election day you'll be able to provide me with enough credible information and plans that it makes sense. I'm sure many of my fellow Northern Virginians are in the same boat so hopefully you'll take my list seriously. (0114, 0114-E –1)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

Need for "What-If" Scenarios in the Financial Analysis

Public Comment: How can we afford their Rail with surprise deficits and other problems in Virginia, as mentioned in newspapers. (0006, 0236-L –2)

Public Comment: What about the - what happens if the Federal funding doesn't come forward? The metrorail requires that the Congress put up $200 million a year for the project, and yet our congressmen, Wolf and Moran, have both warned that it is unlikely that even half that amount is going to be available. And that was before the war on terrorism, homeland security program, and the rapid increase in the national debt began to take so much of the money that will be necessary. (0138, 0241-T –10)

> ***Response:*** *The Project would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A total of $163.5 million in Federal New Starts funding has been appropriated for the Project through Fiscal Year 2004 to support project planning, environmental review, and engineering activities. An additional $20 million of New Starts funding for the project is expected in FY 2005. In addition to these appropriations, DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension. The terms of the FFGA, including the level and timing of federal funding participation, will be finalized following completion of preliminary engineering.*

Need for Further Development of Financial Plan

Public Comment: The next thing we are really concerned about is the financial plan. The financial plan for this $3.3 billion undertaking is extremely short. It's just 24 pages out of 3000 pages total in the EIS, attempting to cover all of the following: The design and construction costs; capital funding issues; subsidy requirements; and financial risk management. And you're doing it for five alternatives, which - with a bunch of sub alternatives. We believe that this level of analysis is grossly inadequate for such a massive undertaking in such uncertain times. (0138, 0241-T –8)

Public Comment: WMATA's financial plan is incredibly speculative. The DEIS devotes only 24 pages in a 3,000 page study to cover all of the following: design and construction costs, capital funding, subsidy requirements, and financial risk management. That is grossly inadequate, especially since there are so many variations being considered. (0112, 0462-L –31)

> ***Response:*** *The financial analysis presented in the Final EIS summarizes the estimates of capital costs, operation and maintenance costs, revenues, and subsidy allocation for the two Build Alternatives. NEPA requires the environmental impact statements to succinctly describe the data and analyses used to understand the effects of the alternatives. In this case, it is a summary of the estimated costs and proposed funding sources. DRPT prepared a preliminary financial plan for the Wiehle Avenue Extension as part of its Request to Enter Preliminary Engineering (August 2003), and will prepare the final financial plan for that extension during preliminary engineering.*

Public Comment: All of the money - local, state, and Federal - dedicated to this project will be money that cannot be spent on other transportation projects; and, This project stands the likelihood of being the first, or among the first, in the nation ever to be presented to the Federal Transit Administration as a candidate for a Full Funding Grant Agreement with its local and state funding plans in place. (0154, 0225-M –9)

Public Comment: All of the money, local, state and Federal, dedicated to the project will be money that cannot be spent on other transportation projects. This project stands the likelihood of being the first in the nation ever to be presented to the Federal Transit Administration as a candidate for a full funding grant agreement with its local and state funding plans in place, thus enhancing its standing in the competition for federal funds. In the mind of LEADER's cochairman and board of directors, the huge environmental, social, and economic benefits of building Dulles rail now makes the project vital and the role of LEADER critical. (0154, 0182-T –5)

Public Comment: During the FEIS and rail PE process we need hard work on…Development of a plan for funding these and other improvements from the economic growth that will occur. (0173, 0213-M –11)

> ***Response:*** *DRPT prepared a preliminary financial plan for the Wiehle Avenue Extension as part of its Request to Enter Preliminary Engineering (August 2003) and will prepare the final financial plan for that extension during preliminary engineering.*
>
> *The Project Team recognizes the important role LEADER had in forming the Transportation Improvement District and in meeting the federal requirement to secure local funding in advance of federal commitment.*

Need Further Explanation of Federal Funding

Public Comment: Moreover, there is no money to build the Dulles Expansion. The federal government did not even have enough money to replace the Woodrow Wilson Bridge, which it owns. It will have even less money in 2010 when social security costs will begin to exceed social security tax revenues. (0140, 0200-E –2), (0140, 0140-T-2)

> ***Response:*** *The Federal funds for the Dulles Corridor Rapid Transit Project will come from Federal New Starts program. The Woodrow Wilson Highway Bridge is not eligible to compete for these funds. How the Federal government will address its budget needs in the context of Social Security funding is beyond the scope of the Final EIS.*

Need Further Explanation on State Funding

Public Comment: The state of VA has no money for the Metrorail expansion. It cannot even pay for overdue road improvements. There are no plans to increase the state's transportation revenue stream. The transportation fund is what the state raids to pay for schools and welfare during economic slowdowns. Transportation is government's lowest priority. (0140, 0200-E –3), (0140, 0140-T-3)

Public Comment: Believes that the response on page 366 of the *Public Hearings Report* is based on a misunderstanding of their recommendation because the opening phrase ("If these recommendations are accepted…") of their actual recommendation was omitted from the comment on page 365. They recommended a funding scenario that involves several toll increases, beginning about 2006, which would raise an estimated amount of bond revenue in excess of a half billion dollars. (0494 08)

> ***Response:*** *The Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act (VTA) of 2000 and Dulles Toll Road revenues.*
>
> *To fund the Commonwealth's share of the Dulles Corridor Rapid Transit Project with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations for the Wiehle Avenue Extension.*

Need Further Explanation on Sales Tax Referendum

Public Comment: The $5 billion in bond revenues that tax-referendum supporters cite is fraudulent. An annual revenue stream of $140M can support only $1.4 billion of bonds. Perhaps in another 10 years, another $1 billion could be floated, for a maximum of $2.4 billion. The remainder of the $5 billion would be paid for by our grandchildren. (0140, 0200-E –5)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have has allocated a minimum of $350 million for Dulles as part of the Fairfax and Loudoun County local shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly to reflect the sales tax referendum funds.*

Public Comment: I think the cost to the taxpayers is really abominable. I really can't understand how members of the Loudoun supervisors and their financial backers and the Piedmont Environmental Council and other environmental groups can oppose the sales tax referendum, which is going to cost about $90 a year to the average family, but these rail transit proposals will cost each commuter, by my estimate, about $480 to $500 a year. Because if you work 240 days out of the year and you've got to pay $2 more each day, just do the math. (0112, 0245-T –8)

Response: *Additional sources of revenue for the project beyond the use of the Dulles Toll Road revenues will be examined by the Commonwealth through the development of a preliminary financial plan for the remainder of the Full LPA.*

Need Further Explanation of Transportation Revenue Sources

Public Comment: The solution of building the Dulles Metrorail? And all other transportation improvements? Is to defeat the tax referendum and force government to let transportation compete with ineffective school and welfare programs for real estate and income tax revenues. (0140, 0200-E –7)

Public Comment: This year the [Fairfax] County is getting $270 million more than it would have if residential taxes had increased no faster than inflation. Where is the money going? It is going to public schools and welfare. There has been no significant increase in academic achievement in our schools, and our growing welfare spending is teaching citizens to depend on government handouts rather than to become self-sustaining. The basic problem is that state policy forbids the spending of income taxes on transportation. None of your state income taxes are spent on transportation. And county policy does not allow spending real estate taxes on transportation. These big buck revenue streams are off limits to transportation, they are monopolized by education and welfare, whose programs subsidize problems rather than solve them. The solution to building the Dulles metrorail and all other transportation improvements is to defeat the sales tax referendum and force government to let transportation compete with ineffective school and welfare programs for real estate and income tax revenues. (0140, 0140-T –7)

Response: *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share. The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding.*

Need for "Third Party" Review of Cost Assessment

Public Comment: The DEIS envisions a 50% federal commitment or about $1.7 billion. However, the federal government won't commit to any percentage, only a dollar amount. If our estimates are low, the bill to local taxpayers will be substantially higher. (0446, 0218-M –13)

Public Comment: Cost must be a major concern. While the EIS estimates may pass Federal transit muster, the alliance recommends an independent third party cost assessment be conducted in advance of any final funding package that is sent to Congress or the people of Northern Virginia. The study envisions a 50 percent Federal commitment, or about $1.7 billion. However, the Federal government won't commit to a specific percentage, only a dollar amount. If our estimates are low, the bill to local taxpayers will be considerably higher. (0446, 0146-T –12)

Public Comment: Cost must be a major concern. While EIS estimates may pass Federal Transit Administration muster, the Alliance recommends an independent third party cost assessment be conducted in advance of any final funding package that is sent to Congress or Northern Virginia residents. (0446, 0218-M –12)

Response: *The capital cost estimates of the two Build Alternatives of the Final EIS will be updated during the Project's preliminary engineering phase.. Those estimates will serve as the basis for the negotiations of the Federal Full Funding Grant Agreement. Cost controls in addition* *to the estimating process to date will include a value planning process, a value engineering process, risk analysis, the use of design-build procurement through the Virginia Public-Private Transportation Act, and continued use of project contingencies to account for design unknowns.*

Need to Avoid a "Rail Only" Strategy

Public Comment: Establish realistic expectations in terms of implementing and phasing a Locally Preferred Alternative. Do not adopt a "rail only" strategy for which adequate funding is far from certain and that would stand in the way of more immediate, flexible and affordable transit systems. Remember, no member of our congressional delegation has expressed optimism that the proposed total for federal matching dollars is available in the next decade. (0446, 0218-M –14)

> ***Response:*** *The selected LPA is the Metrorail Extension. It would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A total of $163.5 million in Federal New Starts funding has been appropriated for the Project through Fiscal Year 2004 to support project planning, environmental review, and engineering activities. An additional $20 million of New Starts funding for the project is expected in FY 2005. In addition to these appropriations, DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension. The terms of the FFGA, including the level and timing of federal funding participation, will be finalized following completion of preliminary engineering activities.*

Need for Further Explanation on Tax District

Public Comment: The cost of the system is approaching three to four billion dollars, not including debt services, which could be another two billion dollars. In addition, we are faced with a projecting annual operating budget deficit of one hundred and eight million per year. Regarding the cost of building the rail, Reston will bear an unfair amount of the construction, which will be over a billion dollars, with the federal government picking up the rest. Eight hundred million is projected from tolls and two to four million projected from a newly to be established tax district, which will include multi family. The tax district will most likely be expanded to include single families to offset the operating deficit. (0189, 0201-L –1)

Public Comment: There are two costs: The cost of building and operating this system, and the cost of our quality of life, both of which this rail proposed will have devastating impact as presently being presented. The cost of the system is approaching $3-4 billion, not counting debt service, which could add another $2 billion, as well as a projected annual operating budget of $108 million deficit. Regarding the costs of building the rail, Reston will have to bear the unfair amount of construction which will be over $1 billion, with the Federal government picking up the rest. $800 million is projected from tolls and $400 million projected from the newly established tax district, which will include multi-families and the tax district will most likely be expanded to include single families to offset the operating deficit. (0189, 0189-T –1)

> ***Response:*** *The Dulles Rail Transportation Improvement District, as created by Fairfax County in February 2004 based on a petition of commercial landowners, does not allow the district's tax levy to be applied to single-family owner occupied homes. Section 8.1 of the Final EIS presents the capital funding strategy of the two Build Alternatives. Section 8.2 of the Final EIS presents the operating costs, revenues and subsidy allocation of these alternatives.*

Need for Further Explanation of Funding Sources by Jurisdiction

Public Comment: The newspaper says that is the only source of funds [tolls] to pay for rail to Dulles. Suggestion - how about the Commonwealth allocate 100% of the funds that Northern Virginia sends to Richmond to come back to Northern Virginia instead of the 49% Richmond currently sends back. This would pay for rail and a whole lot more in road improvements here in Northern Virginia. (0203, 0203-L –8)

> ***Response:*** *As described in Section 8.1 of the Final EIS, the Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act of 2000 and Dulles Toll Road revenues. For the remainder of the Full LPA, in addition to the Virginia Transportation Act of 2000 funds and Dulles Toll Road revenues, the Commonwealth may consider additional sources, including future transportation appropriations, to fund construction.*

Need to Further Explore Equity Among Jurisdictions

Public Comment: The rest of the County and the State benefit by the transit friendly growth in the corridor, and should help fund it. The current emphasis on the Toll Road for state funding and small tax districts for county funding fails to recognize that all the environmental risks are borne by the Corridor, but the benefits are shared widely. (0210, 0210-M –5)

Public Comment: 2010 is a long time to wait for service. We may run out of money before we get there. Too much state and county funding is coming from the corridor itself since the benefits are shared throughout the region. (0170, 0170-T –3)

Public Comment: The rest of the county and the state benefit by the transit-friendly growth in the corridor and should help fund it. (0170, 0170-T –9)

Public Comment: The current emphasis on the toll road for state funding and small tax districts for county funding fail to recognize that all the environmental risks are born by the corridor but the benefits are shared widely. (0170, 0170-T –10)

> ***Response:*** *In addition to the Virginia Transportation Act of 2000 funds and Dulles Toll Road revenues that are planned to fund the Wiehle Avenue Extension, the Commonwealth may consider additional sources, including future transportation appropriations, to fund construction of the remainder of the full LPA. Section 8.1of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share.*

Dulles Rail Not Dependent on Sales Tax Referendum

Public Comment: We also want to distinguish Dulles rail from the sales tax debate. As Delegate Plum has noted, and contrary to public perception, Dulles rail has its own comprehensive financing plan that is independent of the sales tax funds. He has stated, "The financial analysis included in the draft environmental impact statement indicates that the project, as far as state and local governments are concerned, is essentially self-funded. A combination of Federal funds, excess toll revenues and receipts from a special tax district, make the project possible. It is not affected by the recent cutbacks in the state transportation budget. It can go forward regardless of the outcome of the fall sales tax referendum." (0251, 0251-T –5)

Public Comment: We are also want to distinguish Dulles Rail from the sales tax debate. As Delegate Plum has noted and contrary to public perception, Dulles Rail has its own comprehensive financing plan that is independent of the sales tax funds. He has stated: "The financial analysis included in the draft environmental impact statement indicates that the project as far as state and local governments are concerned is essentially self-funded. A combination of federal funds, excess toll revenues, and receipts from a special tax district make the project [Dulles Rail] possible. It is not affected by the recent cut-backs in the state transportation budget; it can go forward regardless of the outcome of the fall sales tax referendum." (0149, 0205-M –3)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for Dulles as part of the Fairfax and Loudoun County its local shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly to reflect the sales tax referendum funds.*

Need for Further Explanation of Special Tax Districts

Public Comment: We request a financing plan which would have the bonds on the toll road paid off no later than 2016, but preferably this decade, and without the necessity of any full time tolls on the Access Road beyond the bond payoff date, and without the necessity of any special tax districts outside Tysons Corner. (0162, 0162-M –18)

Public Comment: We request a financing plan which will have the bonds and the Toll Road paid off no later than 2016, which we think is quite possible. (0184, 0184-T –15)

Public Comment: A number of comments have been made concerning special [tax] task districts. I'm not sure the public understands what that actually means. It means that people along the Toll Road, where there are mostly businesses, and you're talking about promoting businesses, are actually going to suffer as a result of additional taxes coming up. We have heard as much as 30 to 50 cents per hundred in additional taxes for each building, for instance, that we own. That's a heck of a lot of money. (0252, 0252-T –4)

> ***Response:*** *DRPT prepared a preliminary financial plan for the Wiehle Avenue Extension as part of its Request to Enter Preliminary Engineering (August 2003) and will prepare the final financial plan for that extension during preliminary engineering. To fund the Commonwealth's share of the Dulles Corridor Rapid Transit Project with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations for the Wiehle Avenue Extension. A final decision on the revised toll structure would be made by the CTB after the completion of a formal traffic and revenue study and its administrative review process.*
>
> *Section 8.1of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. Although payments will not be due until December 2004, on July 1, 2004, Fairfax County began charging commercial landowners an additional 22 cents per $100 of assessed value for their properties on top of the base real estate tax rate of $1.13. Fairfax County projects that the tax rate could eventually increase to 29 cents per $100 of assessed value once a Full Funding Grant Agreement is executed.*

Need Further Explanation on Federal Share of Funding

Public Comment: Now I don't know why that wasn't done. You can only get 60 percent Federal funding with BRT now. Maybe someone has an explanation for that. I don't know. But I'd like to know what it is because money doesn't grow on trees, we don't have the Tooth Fairy in Washington like we did when we built the Metro with 80, 90 percent Federal money. (0136, 0136-T –1)

> ***Response:*** *The project is following Federal guidance for projects requesting New Start funding. The Conference Report accompanying the FY 2002 Department of Transportation Appropriations Act directs "FTA not to sign any new full funding grant agreements after September 30, 2002 that have a maximum federal share of higher than 60%". Federal commitments to fund New Start*

Projects are made by a Full Funding Grant Agreement (FFGA) between FTA and the project sponsor.

Need Further Explanation on Availability of Federal Funds

Public Comment: The second concern I have is since the Los Angeles subway was bagged a few years ago, the Federal DOT is not building underground - not funding underground transit systems any more. So I don't know whether the Tysons underground is going to be funded or not. Moreover, I haven't heard anyone guarantee there's going to be $100 million over the next 10 years to fund this project. Now maybe someone has something, more information than I have about that, and if they do, I would appreciate knowing about it. So these are two concerns. (0136, 0136-T –2)

Public Comment: So, you know, maybe this is a great thing, but let's at least get all the facts and information and let's wonder why we didn't go ahead and get the 80 percent Federal funding in 1999 when the project was only $1.9 billion and now it's 3.3 or thereabouts. How about the Federal funding? Is that available? I doubt it. When I hear the talk of the congress people, it's not. (0136, 0136-T –4)

Public Comment: There are two fundamentals I believe we have to look at: First of all, the availability of Federal money. This idea of the tooth fairy bringing $1.8 billion of Federal money in 10 years to Fairfax County and Loudoun County to build this system is just that, it's not going to happen, folks. And the people in Congress and the people in the Federal Transportation Administration will tell you that. So we ought to stop planning around something that is probably not going to happen. (0136, 0168-T –2)

Public Comment: The [Draft] EIS assumes the Congress will appropriate $200 million per year for this project, yet Congressmen Wolf and Moran both report that it's quite unlikely that even half that annual amount will be available. The congressmen's concerns were apparent even before the war on terrorism, the Homeland Security program, and the rapid increase in the national debt became such major issues. There's going to be a lot more competition for funding in the future. And if Federal funding is not forthcoming when scheduled, there are three possible outcomes, of course. Virginia and Fairfax County can make up the difference. We don't think that's likely, but if it were going to be the case, I think the taxpayers will want to know about it. Second, the project can be delayed until funding is available, and then you have the cost of delay, which I have mentioned before. (0138, 0138-T –4)

Response: *The Federal Transit Administration (FTA) does not have a policy against building underground, but does use a cost-effectiveness measure for New Starts projects, which considers the additional cost of building underground vs. a project's ridership.*

In 1999, the Project had not prepared an EIS as required under NEPA and could not have proceeded. Even in 1999, 80 percent of funding from FTA was not a given. The $1.9 billion estimate of the MIS did not have the benefit of more detailed engineering analysis, General Plan development, cost estimation, design contingencies, and updated year of expenditure escalation.

The selected LPA is the Metrorail Extension. It would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A total of $163.5 million in Federal New Starts funding has been appropriated for the Project through Fiscal Year 2004 to support project planning, environmental review, and engineering activities. An additional $20 million of New Starts funding for the project is expected in FY 2005. In addition to these appropriations, DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension. The terms of the FFGA, including the level and *timing of federal funding participation, will be finalized following completion of preliminary engineering activities.*

Need to Address Equity and Reliability of Funding Mechanisms

Public Comment: The proposed rail funding mechanisms are not equitable nor reliable. (0139, 0139-T –3) (0139, 0280-T –3)

Public Comment: What we have, is the state and the county once again taking advantage of us. Whereas, the projects of this size such as the Chesapeake, Monitor/Virginia, Hampton Road tunnels, Route 58 in South West Virginia and even the Manassas Commuter Train, were are all funded by the Commonwealth of Virginia, why not us? And, to further reinforce that fact, it only shows how inapt our local politicians are. But, in essence the method of funding which you propose, is not only unfair, it is immoral. And to mention your failure to have a full public hearing on the funding as you had stated that you would hold. (0189, 0201-L –2)

Public Comment: What we have is a state and a county is once again taking advantage of us, whereas projects such as the size as a Chesapeake, the Hampton Road tunnels, and Route 58 in southwest Virginia, and even the Manassas commuter rail, are funded all by the Commonwealth of Virginia. Why not us? In essence, the method of funding which is being proposed is not only unfair, it is immoral. (0189, 0189-T –2)

> ***Response:*** *The amount and percentage of capital funding of the two Build Alternatives by jurisdiction outlined in Chapter 8 of the Final EIS are based on the preliminary capital cost allocation agreement among the non-federal funding partners. The Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act (VTA) of 2000 and Dulles Toll Road revenues.*

Project Funding is Independent of Sales Tax Funds

Public Comment: I want to step aside for a second and talk about distinguishing Dulles rail from the sales tax debate. I think that is important. We learned today that Dulles rail does have its own comprehensive financing plan that is independent of the sales tax funds. For those who don't know, the Coalition for Smarter Growth has had a real problem with the sales tax being a new wish list for which the total costs have not been identified and includes an awful lot of road projects we have real concerns about and really no hook to better land use. Dulles rail, in contrast, has a good hook to better land use, has a specific funding plan that is independent of sales tax. (0149, 0149-T –9)

Public Comment: I also want to distinguish Dulles rail from the sales tax debate. For those who don't know, we have been opposed to the sales tax. I think it is important to note that Dulles rail has its own comprehensive financing plan that is independent of the sales tax fund, a plan that relies on a variety of sources including the special tax district. A special tax district seemed appropriate to us because local landowners, commercial landowners will realize significant land use value increases from the arrival of Dulles rail. Unlike the sales tax project list, which does not have a full cost assigned to it, and has very few -- has no links to land use, Dulles rail - we are working on the land use links and has a full funding formula. So we should not confuse the two. (0149, 0180-T –6)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*

Need to Further Explain Funding Partners

Public Comment: You could use the surplus from the Reston Community Center toward this if you can get it before they think up something else new to spend it on. (0082, 0082-CC-2)

Response: *The Reston Association is not a Project funding partner.*

Need to Explain Capital Repair Funding Sources

Public Comment: The other thing that is not being considered is that Metro says that it's going to need up to 9 billion in capital repairs over the next 20 years just for the existing 103-mile system. So where is the money going to come from? It's going to come from me. (0112, 0245-T –10)

Public Comment: Virtually no one believes that the referendum will solve our transportation crisis. <u>Remember the existing Metrorail has an unfounded capital requirement over the next 25 years of $4.5 billion. Where is the planning for this?</u> The reckless financial planning that brought us Enron and WorldCom are what is bringing us the sales tax referendum and the planning for the Dulles rail project. The referendum legislation now allows government to sell tax-supported bonds without having to hold a bond referendum. (0140, 0200-E –6) (0140, 0140-T-5)

Response: *DRPT and WMATA recognize that the infrastructure renewal and capacity improvements of the existing Metrorail system must be funded under the WMATA Capital Improvement Plan, of which the present Metro Matters program is the first element. Each WMATA Compact member jurisdiction will decide on the funding mechanism for its share of the Metro Matters program.*

Cost Estimates Inconsistent with Purple Line study

Public Comment: The cost estimates do not gel with Maryland's Purple Line study, which I'm quite familiar with, because I fought the inner Purple Line and the outer Purple Line when I lived in Montgomery County, and now I've become a passionate supporter of the inner line, and that's because what Maryland did in its Purple Line study was to determine, one, that it admitted that it offered no relief to traffic congestion. (0112, 0245-T –2)

Public Comment: The cost estimates do not gel with Maryland's Purple Line and Corridor Cities Transitway data. (0112, 0269-M –3)

Response: *The project capital costs are compatible with projects of this size, and are based on a methodology appropriate with the design stage of the Final EIS and the final General Plans. The Purple Line is presently undergoing definition as to its alignment, type of service (bus or light rail), schedule, and operation. These factors do not allow for a one-to-one comparison with the Dulles Corridor Metrorail Project capital cost estimates.*

Need to Investigate Project Cost Effectiveness

Public Comment: Prentiss Properties supports public transit being bought to the Dulles-Tysons corridor, as long as it is done in a fiscally responsible manner. After review of the EIS, we are very concerned about a number of issues. We understand that rail will likely move the most people, but it does not appear to be the best solution in terms of dollars invested per passenger. Rail may move double the passengers, but it will cost at least seven times as much. (0139, 0139-T –1)

Public Comment: Prentiss Properties supports public transit being brought to the Dulles/Tyson's Corridor, as long as it is done in a fiscally responsible, well conceived manner. After review of the EIS, we are very concerned about a number of issues. We understand that rail will likely move the most people, but it does not appear to be the best solution in terms of dollars invested per passenger. Rail may move double the passengers, but it will cost at least seven times as much! (0139, 0280-T –1)

Response: *The selection of the Metrorail Extension as the Locally Preferred Alternative was based on a number of objectives, among these being cost-effectiveness. Other goals and* *objectives include increasing transportation services, transit ridership, supporting future development, supporting environmental quality, and serving diverse populations.*

Need to Further Explore Willingness to Pay

Public Comment: Have you surveyed those in the special tax district to determine how much they would be willing to pay for being near the system? Only with their contribution do you have any hope of reducing the fares to an attractive level. (0166, 0166-T –3)

> ***Response:*** *Section 8.1 of the Final EIS describes the creation of the first Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. A new landowner's group, called the Western Alliance for Rail to Dulles (WARD), has formed to explore the potential of developing another tax district, similar to the Dulles Rail Transportation Improvement District, which would include properties within Fairfax County west of Wiehle Avenue. WARD has drafted a petition and began circulating it among landowners in July 2004.*

Need Further Explanation on Public-Private Funding

Public Comment: Page S-28 Funding Needs and Strategy lists the Capital Costs and the Operating and Maintenance Costs for the various alternatives. It also states that funding for these costs could be provided through a combination of public and private sector funding. However, no information is provided as to how this funding translates to increased tolls, additional real estate taxes, or special taxes levied. Before any judgment as to selection of an alternative can be made, specific data needs to be provided in this regard for each alternative. (0228, 0228-E –1)

> ***Response:*** *Section 8.1 of the Final EIS describes the funding partners, their proposed funding sources, and the current status, availability, and capacity of the funding sources. The section also presents a discussion on the resulting increase or change in rate to support the funding obligation..*

Tax Burden Will Constrain Other Projects

Public Comment: The Federal government is not going to support this project beyond $100 million per year, if that, and they probably shouldn't even step up at that level. This type of crippling tax burden will place severe constraints on the ability of our area to improve the Beltway, I-66, Route 28, Route 1, and other areas. I cannot see why supervisors from districts not served by this system would not vigorously oppose this wasteful expenditure of public money that will constrain the ability to solve transportation bottlenecks in their districts. (0162, 0162-M –9)

> ***Response:*** *The regional Transportation Planning Board (TPB) approves the long-range plan of transportation projects in accord with available funding over twenty-five years. The TPB has approved the Full LPA to be part of the region's long-range plan.. Members of the TPB include representatives of local governments; state transportation agencies; the Maryland and Virginia General Assemblies; the Washington Metropolitan Area Transit Authority; and non-voting members from the Metropolitan Washington Airports Authority and federal agencies,*
>
> *The Full LPA would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension.*

Follow Up On Rail Initiatives by Congressmen

Public Comment: As a result of the events of September 11th, our three congressmen, Wolf, Davis and Moran, wrote to the Secretary of Transportation, Norman Mineta, in October, requesting that the Secretary work on developing a financial plan that would expedite the bringing of rail service to Dulles airport. With the closing of Reagan National Airport following the attack on our city, the Congress was confronted with the difficulty in getting to Dulles, which became the primary functioning airport at that time. In light of these recent experiences, I think it is far more likely that Congress will appropriate funds for rail to Dulles than has been expressed tonight. What is absolutely certain is that if we do not follow up on the initiatives that our congressmen have started and request funding for Dulles rail, then certainly we will not see rail built. (0144, 0190-T –2)

Public Comment: My only other note that I wish to say is the fact that, since I live in Reston, the new tax that they're going to be doing as far as the Toll Road, possibly, and a sales tax-- we're paying for the rail, we've been paying for the rail through the tolls. We need to build it now. (0081, 0285-T –2)

> ***Response:*** *The selected LPA is the Metrorail Extension. It would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A total of $163.5 million in Federal New Starts funding has been appropriated for the Project through Fiscal Year 2004 to support project planning, environmental review, and engineering activities. An additional $20 million of New Starts funding for the project is expected in FY 2005. In addition to these appropriations, DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension. The terms of the FFGA, including the level and timing of federal funding participation, will be finalized following completion of preliminary engineering activities.*

Need Further Explanation on Cost Share by Jurisdiction

Public Comment: As outlined in the draft environmental impact statement, the Dulles rail is estimated to cost approximately $3.3 billion. Fairfax County's share of the cost is presently estimated at $514 million, or 15.6 percent of the total project's cost. All or a portion of this will be addresses by the LEADER initiative, but only if there is rail in the corridor. As part of the 25 percent local match required by the Federal Transit Administration, Fairfax County's share will be combined with Loudoun County's and a share from the airports authority. The combined local share will be matched with $800 million from the Commonwealth of Virginia, and this combined local state share will be matched with the Federal government's 50 percent share for the project's total cost. (0154, 0182-T –4)

> ***Response:*** *Section 8.1 of the Final EIS discusses the capital funding strategy of the selected LPA – the Metrorail Extension - including funding shares of the capital costs. The Full LPA would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time.*

Need More Information on Project Funding

Public Comment: We do not have enough information available to state that we support the taxation required to pay for the project, therefore, at this time we do not support the DCRTP. We will not support any alternative unless it is fully funded. (0021, 0021-L –1)

> ***Response:*** *Section 8.1 of the Final EIS discusses the capital funding strategy of the selected*

LPA – the Metrorail Extension - including funding shares of the capital costs. Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. Although payments will not be due until December 2004, on July 1, 2004, Fairfax County began charging commercial landowners an additional 22 cents per $100 of assessed value for their properties on top of the base real estate tax rate of $1.13. Fairfax County projects that the tax rate could eventually increase to 29 cents per $100 of assessed value once a Full Funding Grant Agreement is reached..

Draft EIS Not Competitive Under FTA Criteria

Public Comment: THE DEIS FAILS TO BE COMPETITIVE UNDER THE FEDERAL TRANSIT CRITERIA FOR FUNDING UNDER THE NEW STARTS PROGRAM. If a rapid transit proposal does not receive the 52% Federal share of funding, which in this case is up to $1.8 billion, it cannot be built. It's that simple. The competition for funds is intense and becoming more so each year as budget pressures mount. The Federal Transit Administration receives ten to twenty times more applications for funding each year than it can recommend for funding. Given that circumstance, wouldn't it have made sense to organize the DEIS and the local evaluation process around the criteria the FTA uses? We don't believe many of the people concerned with this issue have ever seen these criteria. We have copies of them and of two recent GAO reports to Congress for your review today. Bottom line: when reviewed against the FTA criteria, this DEIS fails to make a winning case for the MetroRail alternative, and it will take a lot of additional work to make the BRT proposal competitive as well. (0138, 0476-L –3)

> ***Response**: Several of the criteria used in the New Starts evaluation process can be used as measures to evaluate a project. However, it should be noted that the purpose of the evaluation of projects under the New Starts criteria does not directly correlate with the requirements for alternatives evaluation under the NEPA process, which is the intent of the Final EIS. The New Starts criteria are used to provide a consistent evaluation basis to compare very different technologies in very different regional settings, not to distinguish between multiple alternatives within the same corridor. As such, the New Starts process does not contain nearly enough information to satisfy the legal sufficiency requirements of NEPA or address all of the local issues identified during the scoping process. Information from the Final EIS is used to prepare the New Starts data for the selected Locally Preferred Alternative - the Metrorail Extension - and the financial analysis in Chapter 8 of the Final EIS is a component of those evaluations.*

Need for More Thorough Financial Analysis

Public Comment: The DEIS treated the financial analysis in a very superficial manner. (See pp 8-1 to 8-24) For a transit project of this magnitude and for a lack of funding sources, it is important to ensure that the planning process gives fully objective financial data that is available for citizen review and comment. Based upon the experiences of other major transit projects in the area as well as rail projects in other cities, what is expected cost overruns for each of the core transit sites to include Tysons Corner, Reston, Herndon-Monroe, Dulles Airport, and Loudoun? (0147, 0459-L –24)

> ***Response**: Chapter 8 of the Final EIS discusses the capital cost estimates and capital funding strategies of the two Build Alternatives. Every effort is being made to avoid cost overruns. The recent completion (January 2001) of the original Metro 103-mile system was done on or ahead of schedule and considerably under budget.*

Public Comment: For WMATA and the elected officials to select the Locally Preferred Alternative without first doing a much more thorough analysis of the financial aspects is extremely risky. Realistically, MetroRail service to Dulles will not start until at least 2015. That is because rail can't carry the first passengers until the last piece of track is laid and the last station finished, and big projects always take longer than projected. BRT saves time. BRT builds on the existing express bus system. Nothing gets discarded. Heavy construction is minimized. Significant improvements will occur in months, with full service to Dulles within two years. (0112, 0462-L –32)

> ***Response**: The selected LPA is the Metrorail Extension. The revised implementation schedule shows a 2015 opening year for the full LPA, dependent of the availability of funding. The existing Corridor express bus service will continue and be enhanced during the two phases of construction of the Full LPA.*

Public Comment: WMATA and VDRPT need to provide more than 24 pages of financial analysis to determine the true costs of the project. The project team provides no break down on the estimated $111 million subsidy for rail by county. It boldly proclaims a $1.1 billion benefit for the local economy, but provides no details on who benefits. Could it possibly be ONLY those owners of properties right at rail stations, plus WMATA and its unionized work force? What is the benefit to Loudoun County and Fairfax? (0112, 0462-L –50)

> ***Response**: The allocation of operating subsidy for the opening year and forecast year, by WMATA Compact member jurisdiction, is presented in Tables 8.2-1 and 8.2-2 of the Final EIS.*
>
> *As described in Section 5.1 of the Final EIS, the selected LPA would have a positive effect on the local economy as a result of capital expenditures, namely construction costs, vehicles, and systems. These effects include impacts on employment, output and earnings as these funds are spent and re-spent throughout the economy. These temporary effects vary for each alternative, based on the amount of construction expenditures, the type of expenditures and timing of the expenditures. Measuring these effects provides a measure of the relative effects of two Build Alternative as compared to the No-Build Alternative. While the analysis does account for funds that would have been spent within the counties whether a Build Alternative is implemented or not, it is important to note that these effects represent the redistributive economic effects of increased federal and state funding within Fairfax and Loudoun counties. These are one type of economic impact, and do not necessarily reflect the full cumulative effects of the project on the regional economy.*
>
> *The Project Team applied multipliers from the US Department of Commerce, Bureau of Economic Analysis' Regional Input-Output Modeling System (RIMS II). These multipliers, which reflect the industrial base of the region, are multiplied by the direct capital expenditures in order to calculate the total effects on the regional and state economy. The multipliers used reflect the economic base of Fairfax and Loudoun Counties combined, and as such the total effects cannot be broken out by County.*

Public Comment: Financing details are sketchy at best. Devoting only 24 pages of more than 3,000 in the EIS to financing is not good, particularly when the FTA's "new starts" program has only $6 billion to dole out. WMATA and VDRPT have not met the FTA criteria for having a "evidence of stable and dependable financing sources to construct, maintain and operate the proposed system or extension." However, there is sufficient funding to put express buses on the Dulles Access Road right now. (0112, 0462-L –8)

> ***Response**: The financial analysis presented in the Final EIS summarizes the estimates of capital costs, operation and maintenance costs, revenues, and subsidy allocation for the two Build Alternatives. NEPA requires the environmental impact statements to succinctly describe the data and analyses used to understand the effects of the alternatives. In this case, it is a summary of the estimated costs and proposed funding sources. DRPT prepared a preliminary financial plan for the Wiehle Avenue Extension as part of its Request to Enter Preliminary Engineering (August 2003), and will prepare the final financial plan for that extension.*

Public Comment: In your cost factors and in projecting ridership, as I understand it, in some of your models in terms of people using cars and people using mass transit, if you are anything like VDOT, which I think your models are, you use a standard inflation factor to project the cost of petroleum for fuels for cars. I would recommend that you do some sensitivity analysis and that you look out over the next 20 to 25 years and adjust your gasoline costs to say as much as 10 percent increase per year. (0258, 0258-T –3)

> ***Response:*** *The travel demand model used sensitivity tests as part of its calibration and validation procedure. Automobile costs are reflected in the model using a number of inputs, including highway costs, toll costs, and parking costs.*
>
> *For consistency with Metropolitan Washington Council of Government (MWCOG) regional planning assumptions, the project has used the regional assumptions on future costs, land use, and socioeconomic makeup. If the model were adjusted to reflect gasoline costs increasing at 10 percent per year for 25 years, the result would be gasoline costs that were $1.50 a gallon in 2000 would be $16.25 a gallon in 2025. This high gasoline cost would change the mode split and ridership results, likely resulting in higher transit ridership. The high gasoline costs over such a length of time would likely spur development of alternative fuels technology that would partially offset the increased gasoline costs, making the long range year 2025 results inconclusive.*

Need for Further Clarification of Proposed Funding Sources

Public Comment: What percent of the county's financial resources available for transit strategies will be consumed by each transit alternative? (0147, 0459-L –27)

> ***Response****: Each of the capital funding partners will decide on the funding mechanism for its share of the capital costs. Likewise, each WMATA Compact member jurisdiction will decide on the funding mechanism for its allocation of the operating subsidy of the Metrorail system. These funding agencies and jurisdictions conduct their own financial capacity analyses. During preliminary engineering of the Wiehle Avenue Extension, DRPT will prepare the Extension's final financial plan, which FTA will review for financial capacity as part of negotiations for a Federal Full Funding Agreement.*

Public Comment: Financing of Metro Rail would not only be a strong financial burden on the citizens in the corridor and particularly Reston, but it is unfair since the Virginia Commonwealth's portion is from the Dulles corridor (Dulles Toll Road and Dulles Corridor Tax District) instead of from the entire Commonwealth. In fact I believe this proposed funding plan in overly discriminatory and violates the civil rights of the citizens in the corridor, particularly those in Reston. (0189, 0448-E –6)

> ***Response****: As described in Section 8.1 of the Final EIS, the Commonwealth of Virginia will be responsible for 25 percent of the Project's capital costs. For the Wiehle Avenue Extension, the Commonwealth will use revenues from the Virginia Transportation Act of 2000 and Dulles Toll Road revenues. A planned toll increase would raise tolls at the main toll plaza to $0.75 and at each ramp toll plaza to$0.50. For the Full LPA, in addition to the two sources of the Wiehle Avenue Extension, the Commonwealth may consider other sources, including future transportation appropriations. Section 8.1.2.3 of the Final EIS also describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension.*

Public Comment: Why were there no full public hearings held as promised on the proposed funding? Financing the Metro rail is expected to cost 3 1/2 billion dollars. What is the debt service on this amount? What is the annual operating deficit? And who will have to pay it? Why is this project proposed not being decided by a public referendum? Who is the responsible public official(s) and final decision-maker on this proposed project? Who will own the system if built? How much longer will the tolls remain on the Dulles toll road to fund the rail? (0189, 0448-E –7)

> ***Response****: Three Public Hearings were held on the Draft EIS in July 2002 and two public*

hearings were held on the Supplemental Draft EIS in December 2003. At these Public Hearings the capital cost estimates and operating subsidies were presented for each Build Alternative. Chapter 8 of the Final EIS provides the capital and operating funding strategies. The project itself is not subject to a public referendum; however, individual jurisdictions may have hearing requirements for their share of the capital funding. The decision-making bodies are the Virginia Commonwealth Transportation Board (CTB), the WMATA Board of Directors, and the Federal Transit Administration. Commitment by individual funding partners to specific funding sources is not required until the project enters into a Full Funding Grant Agreement (FFGA) with the FTA. The duration of increased tolls as a source of revenue for the Wiehle Avenue Extension is through 2016, as presented in DRPT's preliminary financial plan of August 2003. However, the Commonwealth is currently conducting a rate adjustment study for the Dulles Toll Road. The results of the study and formal recommendations are expected in late 2004. Following this, a final decision on a revised toll structure would be made by the CTB in late 2004.

Public Comment: Counting on Congress to appropriate the required amount for MetroRail is unrealistic, too. MetroRail requires Congress to appropriate $200 million annually, yet Congressmen Wolf and Moran have warned that not even half that annual amount will be available. The War on Terrorism, the Homeland Security program, and the rapid increase in the National Debt are setting new priorities, and spending an extra $3 billion to get the same rapid transit results will not survive the appropriations process. (0112, 0462-L –36)

Public Comment: Primary concerns have been and continue to be the lack of any definitive federal funding commitment and of transit supportive densities/land use patterns. In terms of funding, the reality is that the timing and magnitude of the federal government's contribution will dictate what expanded transit services are provided and when. To date, no federal commitment has been made to anything other than BRT, and no member of our congressional delegation has expressed optimism that anything approaching $1.5 billion in federal money will be available in the foreseeable future. (0446, 0446-E –2)

***Response**: The selected LPA is the Metrorail Extension. It would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. As stated in Chapter 8 of the Final EIS, DRPT and its funding partners are seeking $760.7 million in Federal funding for the Wiehle Avenue Extension through FTA Section 5309 New Starts program. This funding level represents 50 percent of the estimated project costs, consistent with FTA's recent practice for major transit capital investments. A total of $163.5 million in Federal New Starts funding has been appropriated for the Project through Fiscal Year 2004 to support project planning, environmental review, and engineering activities. An additional $20 million of New Starts funding for the project is expected in FY 2005. In addition to these appropriations, DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. A Full Funding Grant Agreement will be required to secure any authorized federal New Starts funding for construction of the Wiehle Avenue Extension. The terms of the FFGA, including the level and timing of federal funding participation, will be finalized following completion of preliminary engineering activities.*

Public Comment: Regarding funding availability, we know that, in reality, the funding plan presented in the DEIS is dependent on a number of future actions including the passage of the Transportation Sales Tax referendum in November. Another even more significant concern is whether the authorization and appropriation of adequate level of federal funding will be approved by Congress and the President, no sure thing given the propensity of this administration to short change every program it undertakes. (0387, 0387-L –2)

***Response**: The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly. With respect to Federal funding, please see the response to the comment above.*

Public Comment: The EIS process is an exercise in futility if funding for the federal, state and local shares of providing some type of rapid transit system through the corridor cannot be expected. Funding should be reasonably assured before a Locally Preferred Alternative is selected. Rationale: There is currently no assurance of funding to fulfill the federal, state or local financial shares of providing rail in the corridor. (0402, 0402-L –2)

> ***Response**: The NEPA evaluation of alternatives and the New Starts evaluation of Wiehle Avenue Extension are two separate Federal processes. Under the New Starts program, DRPT has prepared a preliminary financial plan that justified the entry of the Extension into preliminary engineering. The preliminary financial plan and the Final EIS describe the capital and operating funding strategies.*

Public Comment: Fairfax County should take the lead in developing a financial program for implementing these recommendations. Three sources of funds should be seriously investigated and implemented in the appropriate manner: (a) use of windfall property tax receipts that will be realized from increases in commercial and residential property tax assessments in the station areas, (b) parking fee revenues, and (c) air-rights lease and sales revenues. The windfall property tax receipts will occur in the station areas, as has been realized in well-planned transit station areas throughout the country. For several years after a Full Funding Grant Agreement is negotiated, property assessments in the station areas will almost certainly increase at a significantly greater rate then the countywide average. Each year, all of the increase above the countywide average, or a portion thereof, can be put into a newly created Dulles Corridor Station Area Development Fund. This should be done in accord with a short- and long-range financial development and implementation program for the station areas, based on all the above recommendations. Part of the task of developing this program should be sufficient analysis of the impacts of such a program on overall County revenues and costs. It should not be difficult to demonstrate convincingly that many of above recommended programs will significantly increase net County revenues (i.e., revenues in excess of expenditures). For example, better pedestrian station access and air-rights development will both increase property values (and tax receipts) and decrease transit operating subsidies. Over the course of implementing this program, these impacts should be continuously and carefully monitored. Specific forecasts of expected impacts on County revenues and expenditures should be made and documented, so that the monitoring process can be refined each year with experience. This process will provide assurances that the policy and program is a significant net financial gain to all County taxpayers. Parking charges at park-and-ride facilities should be initiated at appropriate dates in the future, based on the work to be done in accord with recommendations above. The resulting parking revenues are likely to provide significant earlier amounts greater than the other two sources. However, the property tax windfall revenues are likely to provide greater amounts in years after Dulles rail operations begin. We recommend that air-rights lease and sale fees be set at a low level, perhaps just high enough to cover little more than administrative costs, in order not to discourage desirable forms of such development. Perhaps such fees should be waived in some cases (e.g., affordable housing) in order to encourage such development. (0478, 0484-E –26)

Public Comment: Who will profit from huge transit investments in the area - how will they contribute to the costs, how can they mitigate the costs (donate land, money, etc.) and how will they influence the decisions. (0235, 0235-E –6)

> ***Response:** Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. In effect, the landowners have elected for the County to tax their properties in order to establish a revenue stream for the County share of the capital costs. There is no expectation of net parking revenues nor are there plans for air rights development at the Project's stations.*

Public Comment: The costs to build the Tysons Corner DCRTP segment represents about 65% of the total costs of the rail option. It appears that the contribution of monies coming from the Tysons Corner area will cover about 50% of those costs leaving the remaining to be made up from Toll Road increases. (0427, 0427-E –7)

> ***Response**: The preliminary financial plan for the Wiehle Avenue Extension describes the Federal share of capital costs at 50 percent, the Commonwealth of Virginia share at 25 percent and the Fairfax County share at 25 percent.*

Concern for Cost Overruns

Public Comment: WMATA says MetroRail will cost $3.3 billion, but WMATA's projects average an 83% cost overrun, according to the Urban Mass Transit Fact Book. More than likely, Dulles Rail's complete buildout could exceed $5 billion. I make this assertion based on the gargantuan construction cost overruns that WMATA incurred in constructing the 103-mile Adopted Regional System (ARS), where costs balloons from an estimated $2.5 billion to more than $12 billion (or more than $20 billion in constant year 2000 dollars). Additionally, in research subject to peer review (unlike the Dulles Rail Model), published in the respected Journal of the American Planning Association, an international survey of 58 rail projects revealed an average cost escalation of nearly 45% (these are enormous cost overruns, but still smaller than those WMATA has managed to rack up in 30 years of building rail lines - see http://c1.planning.org/japa/pdf/japaflvvbjerg.pdf for the Journal of the APA article). (0112, 0462-L –33)

Public Comment: WMATA says Metrorail will cost $3.3 billion, but WMATA's projects average an 83% cost overrun, according to the Urban Mass Transit Fact Book, which is based on FTA data. More than likely, Dulles Rail's complete buildout could exceed $5 billion. (0112, 0462-L –9)

Public Comment: Cost - We are concerned that the estimated $3.3 billion cost for the proposed Dulles Corridor rail transit system will undoubtedly increase, perhaps appreciably, by the time a Locally Preferred Alternative is approved, funding is expected, and construction proceeds. Rationale: Recent examples of greatly underestimated project costs are the Mixing Bowl (95/495) and the Wilson Bridge. This necessitates borrowing from other projects to fulfill financial obligations. (0402, 0402-L –10)

Public Comment: I know from my own experience in real estate and construction, rarely do large projects get completed on time and on budget. There's always something unexpected about that arises. And the same will be true for the metrorail project. It will take longer to build, it will end up costing more than we think. Look at the Wilson Bridge and the Springfield interchange project as examples of that. (0183, 0183-T –3)

Public Comment: Members of this panel, I worry. I worry when I read that it is common for major transit projects to have 100 to 125 percent cost overruns. (0147, 0177-T –2)

Public Comment: The EIS projects metrorail to cost $3.3 billion to build, but that estimate contains no contingency, we understand, for costs incurred if Metro fails to meet the very ambitious deadline to commence service. In such event, revenues will not start when projected, costs will continue to escalate with inflation, and interest costs will run, whether those interest costs are recognized formally or not. Also, it's impossible to predict the cost of capital in these turbulent times, which makes a contingency even harder to come by. We believe the actual cost of the system will be at least 100 percent higher than the estimate which, by the way, is quite common with large infrastructure, transportation infrastructure projects in the United States. We have been told that the actual costs of the existing metrorail system, the 103-mile system now in effect, ended up being well in excess of double the original estimate back before the system was started. We are trying to find out how the actual costs of the recently opened Brentwood Line compares to the original estimate. This information should be made public before the decision is made to go forward. BRT, on the other hand, will cost $300-500 million, according to the EIS, but we believe that sum can be value-engineered to be more in line with similar systems built in the U.S. and elsewhere, and we believe it will be under $300 million. If there is a funding crisis, the system can adjust much more easily with BRT than metrorail. (0138, 0138-T –3)

Public Comment: The Dulles Corridor Transit project could be significantly under costed. Historically, cost overruns on projects of such significant scope are fairly routine. Cost overruns above 100 percent are not unusual. At the project information meeting at the CTI location, Mr. Hill stated that the financial analysis was still in process and was not available for community review. Citizens should have access to all the information, including the financial analysis. (0147, 0459-L –23)

Public Comment: States that all Metro projects cost 78% over budget, which means that this project will likely cost $5 billion. FTA would have to grant $200 million per year, using a 50-50% federal/state/local-matching ratio, to be open by 2025. (0112 8-2)

> ***Response**: The selected LPA is the Metrorail Extension. It would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time.*
>
> *The ultimate cost of the LPA relies on a number of assumptions, including project schedule, major cost drivers, inflation rates, expenditure forecast, funding availability, and financing requirements. During the project's next phase of preliminary engineering, DRPT will prepare the final financial plan, which will include an update of the capital cost estimate and a formal risk assessment. Section 8.3 of the Final EIS provides an initial discussion of risks and uncertainties.*
>
> *The Urban Mass Transit Fact Book is published by a public policy consulting firm and contains a number of independent assumptions regarding construction costs. The most recent WMATA construction program is the Fast Track Program adopted in December 1991 and competed in January 2001. The Fast Track Program included construction of the last 13.5 miles of the Adopted Regional System for $2.1 billion. By using an accelerated construction program with strategies designed to compress schedules and reduce costs, the program segments were completed on schedule or earlier, at or below budget. The $420 million in assured savings has been reserved for construction of the Branch Avenue Yard and procurement of additional rail cars.*

Need to Satisfy New Starts Funding Criteria

Public Comment: Also, Metrorail does not appear to satisfy the FTA "new starts funding" criteria. According to recent General Accounting Office (GAO) reports and testimony to Congress, BRT expansion is needed to expand the limited new starts funding under TEA 21. According to John Anderson, managing director, physical infrastructure issues for GAO, FTA will calculate "evidence of stable and dependable financing sources to construct, maintain and operate the proposed system or extension." (GAO-02-840T, page 4) It is my view that relying on a special taxing district and toll increase is not "stable and dependable financing." Most developers in the special taxing district are not going to be prime beneficiaries of "bonus densities." Furthermore, to raise $152 million in Loudoun County from the BPOL tax is absurd. Lastly, DRPT and WMATA have assumed that fares do not increase with inflation. Page 61 of the "methodology" special report states: "Early in the study, a decision was made to use a fare inflation rate equivalent to a third the rate of the consumer price index (CPI)." (0112, 0462-L –37)

> ***Response**: WMATA is unusual among the urban transit systems insofar as it does not have a dedicated source of funding; each WMATA Compact member jurisdiction has its own source of funding. The U.S. Secretary of Transportation determined on August 13, 1982 that these sources were stable and reliable. As part of the review of DRPT's final financial plan of the Wiehle Avenue Extension, FTA will likely evaluate the stability and reliability of the WMATA Compact jurisdictions to fund the infrastructure renewal of the Extension.*
>
> *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension.*

Loudoun County presently funds the local share of transportation projects through the use of the local gasoline tax and the Business Professional and Occupancy License (BPOL) revenue. In FY 2004, the adopted six-year Capital Improvement Plan (CIP) allocated $1.9 million from the County Public Transportation Fund and $23 million from BPOL pledge bonds for FY 2005-2010 to the Dulles Corridor Rapid Transit Project. Loudoun County is proposing the use of these funding sources for its share of the Full LPA capital costs..

The commenter is correct that the escalation of fares has been held to a rate one-third the rate of inflation. The fare escalation outlined in the Final EIS is based on current fare levels and recent WMATA fare increases. Metrorail fare revenues presently generate the highest fare recovery rate of any major transit system at over 70 percent of operating and maintenance cost.

Public Comment: During this last part of the planning phase, please put forth every effort to resolve outstanding design and operational issues described above and brought up by others during this public hearing process. You should also strive to maximize the potential of the transit proposed for this corridor, whichever mode it is. Emphasize the positive aspects of transit in the corridor. For the Dulles project to compete favorably against other possible transit projects nationwide for new starts money, it's important that the transit alternatives and particularly the locally preferred alternative are presented in the most favorable possible light. (0387, 0387-L –48)

***Response**: FTA has approved the DRPT Request to Enter Preliminary Engineering for the Wiehle Avenue Extension. Thus, the Project has entered the New Starts program. Moreover, DRPT received a Federal grant to fund the phase of preliminary engineering. DRPT will submit annual New Starts updates to FTA.*

The Final EIS and final General Plans have fully described the LPA in all aspects and prepared the Project for preliminary engineering.

Use of Toll Revenues to Fund Transit Improvements

Public Comment: Support the Commonwealth's use of toll revenues to provide transit improvements in the corridor in a timely manner. Use of toll revenues from the Dulles Toll Road should be limited to use in the corridor. (0396, 0396-L –5)

***Response**: The Commonwealth Transportation Board Policy is to direct toll revenues for highway and transit use in the corridor. The Commonwealth Transportation Board amended their policy in September 2001 to dedicate a minimum of 85 percent of excess Dulles Toll Road Revenue to public transportation in the corridor.*

Public Comment: As a former regular user of the Dulles Toll Road who is now a casual user of it, I wanted to add these comments to my suggestion that increased toll revenues should not be counted on as part of the financing package. Many of the people who use the Toll Road would not be using either the BRT or one of the rail options currently proposed for the corridor. I don't mean this to sound rude, but it is almost as if those who prepared the Draft EIS did not travel the Toll Road during the morning or afternoon rush hours. If they had, they would have observed that a goodly number of the cars using the Toll Road are traveling to/from Maryland or are traveling elsewhere in Virginia using the Outer Loop of the Beltway. Also, quite a few people use feeder roads that are perpendicular to the Toll Road and then use the Toll Road as part of their drive to their final destination. During the evening hours, there are quite a few people who exit at Route 7 and head to points west. Also, I'm certain there is a certain percentage of Toll Road use by people using it as part of a non-commuter related trip and for whom neither the BRT nor a rail option is something they would find useful in making such a trip. Increasing the toll to help fund the rapid transit project would be an inequitable solution to finding money for the rapid transit project. This is especially true because it appears an unelected group of people would be making this decision with, what appears to be, very little recourse for those who use the road and would not use BRT or a rail option. I'm sure those who use the Toll Road did not envision that revenue from it would be treated as a nearly unending supply of money for various other transportation projects. (0401, 0401- L-3)

Public Comment: What is the proposal for funding? I read in the Post you were talking about either raising tolls on the Dulles Toll Road by $1 or to $1 and over what period of time. Would the Greenway fares have to increase too? (0112, 0112-E –5)

Public Comment: Do Not raise our tolls. We are the only people in the metro area paying tolls now. Until all the other roads are charging $0.75, it is just not fair to make us pay more. (0082, 0082-CC-1)

Public Comment: In the last few weeks a new specter has arisen: a plan to double or triple the Dulles Toll Road tolls to pay for the same transit project that we're supposed to pay for with the sale tax. The worst thing you can do is to tell people they may have to pay twice for the same project, or just let hints in the newspaper stand…and see how many vote for the for the tax. Please clarify what this is all about, and whether we are expected to pay two different ways for the same project -- before the elections. (0114, 0114-E –7)

Public Comment: Increasing tolls on the Dulles Toll Road and creating a Dulles Corridor tax district will place a $1.3 billion tax burden on the Dulles corridor. This will drive businesses away from the new rail line, when we should be attracting businesses there. However, it may be just the thing to revitalize the Route 1 corridor. (0140,0200-E –4), (0140, 0140-T-4)

Public Comment: Please do not support the proposed expansion of Metrorail to Loudoun County via increasing tolls on the Dulles Toll Road. This expansion will cost billions and benefit only a few thousand residents of Loudoun County. Most of my neighbors in Ashburn work in either Loudoun or Western Fairfax County and would gain zero benefit but pick up the majority of the cost via the increased tolls. This is insane! (0295, 0295-E –1)

Public Comment: The cost to the taxpayers for this rail proposal, particularly the proposed $1 increase in tolls on the toll road, I think is going to lead to a taxpayer revolt. I'm finding that taxes here are rivaling what I paid in Montgomery County. (0112, 0245-T –4)

Public Comment: We are also concerned that the rail options will likely require tolls on the Dulles toll road to be raised substantially in order to fund the state's component of the capital costs. Raising these tolls may be theoretically feasible, but it will make the toll road corridor a less desirable place to locate businesses, thereby lowering property values as well as creating unmanageable congestion on alternate routes. Again, our competitive position versus other Virginia counties and Maryland may be further weakened. (0139, 0139-T –7)

Public Comment: If you must have rail, do it with no increase in the now unjustified toll. (0155, 0155-T –5)

Public Comment: I represent the users of the toll road who are fed up with the toll, long after the road has been paid for. I commute daily on my way to Columbia and back. We are the only commuters in the area who have to pay for the privilege of going to work. Now they want us to pay double for a train that we won't ride, subsidizing people who are as well off as we are. (0155, 0155-T –1)

Public Comment: The rail financing plan calls for turning the Dulles Toll Road into a bank by raising fares to $2.25 and use this for transit that will not service more than a fraction of commuters. It is unprecedented to use toll increases to finance Metrorail. This has never been done in Virginia and could lead to a situation where motorists are being asked to foot the bill for other transit projects. (0112, 0462-L –10)

Public Comment: But the Metrorail alternatives require raising tolls on the Toll Road to $2.25 each way and imposing a Special Tax District, raising the "BPOL" tax that businesses (like mine) pay in Loudoun, and possibly passage of the Sales Tax Referendum. Could there be a worse time to raise taxes and tolls for a project that costs ten times more than is necessary? The economy is in turmoil, business activity is down, unemployment is rising, and 13 million square feet of office space stands vacant in the Dulles Corridor. (0112, 0462-L –34)

Public Comment: The Commonwealth of Virginia share of the capital investment does not appear to be balanced on a cost-benefit basis. The user of the Dulles Toll Road (DTR) entering and exiting the Toll Road at the Hunter Mill Road, Wiehle Avenue, Reston Parkway, Fairfax County Parkway, and Centerville Road interchanges paid for the construction and expansion of the Dulles Roll Road. These same users are now expected to pay a disproportionately larger share of the costs of the DCRTF. The EIS does not provide and data on the use of excess DTR receipts to date. As substantial excess toll funds have been realized from the DTR and state statute precludes the use of these funds for other than Dulles Corridor transit projects, an accounting of the surplus funds expended to date is needed. (0427, 0427-E –6)

Public Comment: But there also is a bad precedent to use toll revenue for Metro. Tolls have never been used for rail transit expansion in Virginia. The Dulles Toll Road is nearly paid off. By raising tolls and maintaining them after 2015 when they were supposed to be eliminated, a system that will not alleviate congestion in this corridor will be financed on the backs of motorists and commercial property owners, most of whom will not benefit. Using a great facility such as the Dulles Toll Road to finance WMATA's rail program would put the Commonwealth of Virginia on a slippery slope - where toll and gas revenue is being robbed for highways to pay for transit programs that service a small minority. (0112, 0462-L –35)

Public Comment: The proposal to double the cost of the tolls on the Dulles Toll Road to provide funding for the state share of the cost of rail through the corridor seems exorbitant since current tolls are already providing a surplus. Rationale: There are currently excess funds from Dulles Corridor tolls that could be applied to the rail project. Also, increasing/doubling the tolls may cause users to find travel alternatives on other congested roads. (0402, 0402-L –4)

Public Comment: We believe that a refinanced Dulles toll road bond program can provide in excess of one half billion dollars. This will reduce the required additional state share to an amount that should not be difficult to fund from statewide transportation funding sources. If this were done, the total sate share that would be funded from statewide sources (as distinct from Dulles toll revenues) would still be well below the statewide share of economic benefits that are forecast in the DEIS (about 42% according to Chapter 5, pages 5-8 to 5-11 of the DEIS). (0478, 0484-E –12)

Public Comment: What I would like to say is while I think that some sort of transportation alternative is necessary, I am concerned with the idea of funding it through the Dulles Toll Road. (0262, 0262-T –1)

Public Comment: There is no other metrorail area that pays a similar premium. There is not a toll on I-66 or Wilson Boulevard, nor will there probably ever be. To equal the amount I currently pay for each round trip I take, which is $4.50, in the proposed half cent tax I would have to spend $900 for each round trip, and I really can't -- when the Dulles toll road first came in, were told that toll would be removed eventually, and in fact it's been extended continuously. (0262, 0262-T –2)

Public Comment: I am very concerned about the proposal to increase tolls on the Dulles Toll Road. Many residents have no viable alternative to using to Toll Road and will be financially impacted by an increase. (0273, 0273-L –2)

Public Comment: A big part of the project's cost, as I understand it, will be funded by increasing the tolls on the Dulles Toll Road. Round-trip travel from the Beltway to Reston would increase from $1.50 to $3.50. And who bears the burden of this cost? The low to moderate-income workers traveling from other areas in the region. These people are not rich. Many of them live from paycheck to paycheck. It discourages them from working in this area, and even more of a problem is it places an unfair burden on area employers to find suitable candidates from positions. Already many of these workers have had to pull out their maps to look for residential secondary streets to use to get to work in Reston. They have to. They can't afford to pay higher tolls. (0183, 0183-T –4)

Public Comment: I would like to see mitigation of tolls esp. for moderate-income people… (why not give them a break?) if possible. (0291, 0291-L –2)

Public Comment: The Toll Road users should have their fees go only toward maintaining and improving the road, including new lanes for the express buses (also available to car/vanpools). Since transit is by nature "public", taxpayers should agree to pay for the construction if they want it and users should thereafter pay to keep it running. If neither can do so, it doesn't have the support it needs and can quickly relegated to history. (0299, 0299-E –3)

Public Comment: What is this going to mean on the cost side? Well, they are going to double tolls on the Toll Road. The annual subsidies are going to amount to approximately $200 per individual taxpayer in Fairfax per year for the indefinite future, and the triple threat is another half-cent sales tax is going to help go finance this thing. We don't need any of that if we do BRT. (0184, 0184-T-6)

Public Comment: The Dulles access fee goes up to $1.75 in each direction, or a round trip of $3.50 per trip, when we were promised years ago that the Dulles toll would go away. (0252, 0252-T –2)

> ***Response**: The Commonwealth Transportation Board (CTB) amended its policy in September 2001 to reserve a minimum of 85 percent of excess Dulles Toll Road revenues for public transportation.*
>
> *To fund the Commonwealth's share of the Wiehle Avenue Extension with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations for the Wiehle Avenue Extension. A final decision on the revised toll structure will be made by the CTB after the completion of a formal traffic and revenue study and its administrative review process. Any approved toll increases would be implemented in advance of construction to begin building reserves for the project.*
>
> *The Final EIS does not provide any information on the use of excess Dulles Toll Road revenues that are not dedicated to the Wiehle Avenue Extension. That information can be obtained through the Virginia Department of Transportation. Dulles Greenway toll revenues are not part of the Project's capital funding strategy.*
>
> *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding. If it had passed, the Project's financial analysis would have been updated accordingly.*
>
> *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension.*

Public Comment: Funding should be from general funds and fed. dollars. Strongly oppose increasing tolls to build the rail system. General funds and Metro user fees should be the policy. (0090, 0090-CC-2)

> ***Response:** General funds are a potential funding source for both Loudoun and Fairfax counties.*

Public Comment: What would happen if all or a greater portion of the anticipated users of the Toll Road were to shift their mode of transportation to a DCRTF? Where would the required revenue to retire the construction bonds then be realized? (0427, 0427-E –8)

> ***Response**: While the Dulles Toll Road operates at a surplus, the Metrorail system operates at a deficit. Diverting Toll Road users to Metrorail would lower the deficit but could not generate net revenues for the Project.*

Public Comment: We recommend that the state share of the Dulles Rail Now alternative not include revenues from any toll increase before rail service begins. In the Financial Analysis chapter of the DEIS, three possible scenarios are described on pages 8-9 and 8-10: (a) one involving refinancing of the bond program with no toll increase, which generates an estimated $200 million, much more than enough to fund the entire state share of the BRT alternative, (b) a program involving a 25 cent increase in tolls in 2003 and another 25 cent increase every 3 years through 2015, generating an estimated $725 million, approximately enough to fund the state share of the Metrorail Alternative, and (c) a program involving a 50 cent increase in tolls in 2003 and another 25 cent increase every 3 years through 2015, generating an estimated $800 million, approximately enough to fund the entire state share of the Phased Implementation Alternative. (0478, 0484-E –10)

Public Comment: One acceptable scenario is to initiate 25 cent toll increase at the Tysons toll barrier in 2006 or when rail service to Tysons begins. It is not fair to Dulles toll road users to begin paying an increase in tolls until they receive some benefit in relief of congestion and associated environmental benefits. We also recommend that tolls not be increased beyond Tysons until rail service is extended beyond Tysons. (0478,0484-E –11)

> ***Response**: For the Wiehle Avenue Extension, the Commonwealth of Virginia is currently conducting a rate adjustment study for the Dulles Toll Road. This study will evaluate various tolling options and be used to secure financing supported by the Dulles Toll Road revenues. The results of the study and formal recommendations are expected in late 2004. Following this, a final decision on a revised toll structure would be made by the CTB. Any approved toll increases would be implemented in advance of construction to begin building reserves for the project.*

Tax Legislation to Provide Project Funding

Public Comment: This area should not be taxed extra (or in exclusion of the entire state). *This has been the developers' plan from the beginning. Who runs this state anyhow? I am disappointed in our new governor. (0006, 0236-L –3)

Public Comment: Without rail there will be no tax district(s) and without the tax district(s) there will be no rail. (0154, 0225-M –10)

Public Comment: We are concerned that the preliminary metrorail funding plan assumes commercial property owners pay up to $400 million in the form of a tax district in order to fund Fairfax County's allocated portion of the capital costs. To quote Mr. Kenneth Klinge from the Commonwealth Transportation Board in a prior presentation, "No tax district, no rail." As one of the largest property owners in the potential tax district, we are alarmed by the undue burden this proposed tax might create. We project that such a district is unlikely to be created because it provides such a disparate benefit to the members who in turn must voluntarily petition for its creation. A building owner located close to the Metro station will receive increased density credits and likely higher rental income for his property. Owners not within walking distance will receive no such benefit but by statute would pay the same additional tax to fund the system. Also what about the owners already in the Route 28 tax district? Would they pay two special taxes? (0139, 0139-T –5)

Public Comment: The burden on properties in the potential [tax] district is up to 40 cents per 100 of assessed value, according to the enabling legislation. By way of example, this tax would increase costs by 1.5 million per year for Prentiss Properties, an increase of 10 percent in our overall operating expenses. Such an increase is punitive and will serve to weaken the competitive position of property owners in the district versus Arlington County and Maryland, where metrorail service is provided at no cost to the property owner. We find it unlikely that such a tax district can be formed which will provide fair and equitable cost versus benefit for the diverse membership. (0139, 0139-T –6)

Public Comment: If an increase in the Sales Tax is voted, how much money is expected to be used from this source of revenue? (0427, 0427-E –9)

Public Comment: Virtually no one believes that the referendum will solve our transportation crisis. Remember the existing Metrorail has an unfounded capital requirement over the next 25 years of $4.5 billion. Where is the planning for this? The reckless financial planning that brought us Enron and WorldCom are what is bringing us the sales tax referendum and the planning for the Dulles rail project. The referendum legislation now allows government to sell tax-supported bonds without having to hold a bond referendum. (0140, 0200-E –6) (0140, 0140-T-5)

Public Comment: The reckless financial planning that brought us Enron and WorldCom is what is bringing us the sales tax referendum and the planning for the Dulles rail project. The referendum legislation now allows government to sell tax-supported bonds without holding a referendum. The irony is that while transportation budgets are being slashed, our taxes are mushrooming. To get elected in 1999, the chairman of the board of supervisors told the press that taxes would not be raised. Since that statement was made, real estate taxes for the typical Fairfax County household have increased $900 in three yrs. (0140, 0140-T –6)

Public Comment: Support the landowners' interest in assisting with financing through a special tax district and acknowledge the role the transportation referendum can plan in helping provide the local share of the project's capital costs. (0396, 0396-L –4)

Public Comment: Support the establishment of a Transportation Tax District along the corridor to be served to provide the local share of funding for the rapid transit project. The beneficiaries of the new system must provide adequate funding support. The existence of one or more Tax Districts and the expected contributions must be established so that any additional Fairfax County contribution can be determined. Rationale: The November 2002 referendum includes $350 million for Dulles Corridor rail. Should the referendum not be successful, then an alternative local revenue source will be needed. The Tax District(s) must ensure no shortfall in funding, as in the case of the Route 28 Tax District, where other Northern Virginia VDOT projects have been delayed to offset the District funding shortfalls in paying the debt service. (0402, 0402-L –3)

Public Comment: The Draft EIS suggests that the Fairfax County share of the project cost might be provided by one or more Tax Districts. Should there be District funding shortfalls, there is no indication of how this would be remedied. Rationale: The Tax District that was to have funded Route 28 improvements could not meet its obligations, necessitating other Northern Virginia projects to be delayed so their funding could make up the District funding shortfalls. (0402, 0402-L –5)

Public Comment: I also would just like to correct something that one of the persons who spoke earlier tonight in regard to Loudoun County supervisors being against a sales tax which he purported to support this project. I believe, if I am not mistaken, that the Loudoun County Board of Supervisors actually voted in favor of that. (0265, 0265-T –3)

Public Comment: If Metro is selected - I will definitely vote against the sales tax increase because if you throw your money down the drain today, you'll probably do it tomorrow. (0294, 0294-E –5)

Public Comment: The substantial tax burden and toll use charges are not adequately addressed in the Draft EIS. (0510 8-2)

> ***Response***: *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project capital funding.*
>
> *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. The tax levy will be only upon commercial and industrial*

properties within the district. Although payments will not be due until December 2004, on July 1, 2004, Fairfax County began charging commercial landowners an additional 22 cents per $100 of assessed value for their properties on top of the base real estate tax rate of $1.13. Fairfax County projects that the tax rate could eventually increase to 29 cents per $100 of assessed value once a Full Funding Grant Agreement is reached. The actual levy will be established each year based on current assessments and the amount of outstanding debt. The district, which had an assessed value of $6.8 billion in June 2004, is expected to generate up to $400 million for the construction of the Wiehle Avenue Extension. If Transportation Improvement District revenues are not sufficient, Fairfax County may consider supporting its capital obligations for the Wiehle Avenue Extension using general obligation debt.

A new landowner's group, called the Western Alliance for Rail to Dulles (WARD), has formed to explore the potential of developing another tax district, similar to the Dulles Rail Transportation Improvement District, which would include properties within Fairfax County west of Wiehle Avenue. WARD has drafted a petition and began circulating it among landowners in July 2004. A determination regarding overlap within the Route 28 tax district would be addressed by WARD and Fairfax County. Property owners within the second district will be able to comment on that district's details during the Fairfax County hearing process.

Public Comment: The LEADER board of directors represents businesses in the Dulles corridor which collectively own about 40 percent of the commercially and industrially zoned land in the corridor, and the LEADER board has accepted the charge of the Commonwealth of VA and the County of Fairfax to petition the county to assemble one or more districts along the corridor for the purposes of levying a tax assessment which will finance all or a portion of Fairfax County's share of the cost of building metrorail in the Dulles corridor. (0154, 0154-T –2)

Public Comment: Additionally, LEADER has obtained expressions of support for the creation of the tax district and the construction of metrorail from several other commercial landowners in the corridor. Collectively these landowners and the LEADER board of directions represent approximately 60 percent of the commercially and industrially zoned land in the corridor. By law, the petition, when submitted to the Fairfax County board of supervisors, must bear the signatures of the owners of at least 51 percent of the commercially and industrially zoned land within the proposed district. (0154, 0154-T –3) (0154, 0225-M –3)

Public Comment: The LEADER Board of Directors, representatives of 30 businesses in the Dulles Corridor -- from the eastern edge of Fairfax County to the western border of the county - which own collectively nearly 40 percent of the commercially and industrially zoned land in the corridor, has accepted the charge of the Commonwealth of Virginia and the County of Fairfax to petition the county to assemble one or more districts along the corridor for the purpose of levying a tax assessment which will finance all or a portion of Fairfax County's share of the cost of building Metrorail in the Dulles Corridor. (0154, 0225-M –2)

Public Comment: The LEADER board of directors is comprised of representatives of businesses in the corridor form the eastern edge of Fairfax County to the western border of the County. These businesses collectively own 40 percent of the commercially and industrially zoned land in the corridor. The board of directors of LEADER has been created to consider drafted a petition which will assemble one or more districts along the corridor for the purposes of levying a tax assessment which will finance all or a portion of Fairfax County's share of the cost of building metrorail in the Dulles Corridor. By law the petition, when submitted to the Fairfax County Board of Supervisors, must bear the signatures of 51 percent at least of the commercially and industrially zoned landowners within the district. (0154, 0182-T –2)

Response: *The Project Team recognizes the important role that LEADER and the business community have had in the development of the financial plan of the Dulles Corridor Rapid Transit Project.*

Public Comment: In particular: We wish to know if the sponsorship of the current public-private partnership will wish to continue if the final choice is Bus Rapid Transit combined with Private Transit, with no firm commitment to the wasteful extension of rail beyond Tysons Corner. We suspect that, contrary to the PR campaign, BRT is being pooh-poohed as only an interim step to rail, and that BRT will not happen without the imposition of an unneeded special tax district and the delegation of the ability to raise taxes therein and also on the toll road arbitrarily. (0162, 0162-M –11)

> ***Response:*** *The selected LPA is the Metrorail Extension. Its first phase, the Wiehle Avenue Extension, will have Corridor express bus service for the remainder of the LPA. FTA has approved DRPT's entry into preliminary engineering. DRPT has engaged Dulles Transit Partners under the PPTA legislation to be its consultant for preliminary engineering services. See above responses and Chapter 8 of the Final EIS on the creation of a transportation improvement district and on the use of excess revenues of the Dulles Toll Road as part of the capital funding strategy for the Metrorail Extension.*

Public Comment: Relying on creation of a special taxing district is not "stable and dependable financing." Most developers in the special taxing district are not going to be prime beneficiaries of "bonus densities." Furthermore, to raise $152 million in Loudoun County from the "BPOL" tax is absurd. At present, there is 13 million square feet of empty office space in the Dulles corridor. A tax increase would be a real killer. Some of WMATA's assumptions for inflation also are dubious. In contrast, BRT costs $3 billion less. BRT is estimated to cost $300 to $400 million, and WMATA includes unnecessary features that could be eliminated and fails to consider other alignments outside the Dulles Access Road, which could facilitate ridership. (0112, 0462-L –11)

> ***Response****: Section 8.1.2.3 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension.*
>
> *Loudoun County presently funds the local share of transportation projects through the use of the local gasoline tax and the Business Professional and Occupancy License (BPOL) revenue. In FY 2004, the adopted six-year Capital Improvement Plan (CIP) allocated $1.9 million from the County Public Transportation Fund and $23 million from BPOL pledge bonds for FY 2005-2010 to the Dulles Corridor Rapid Transit Project. Loudoun County is proposing the use of these funding sources for its share of the full LPA capital costs.*

Public Comment: I hope that the project will move forward expeditiously. I am willing to pay my fair share of the cost through increases in toll road fees, local sales tax increase, and by other appropriate means. (0194, 0194-T –6)

> ***Response:*** *Comment noted.*

Operating Subsidies

Public Comment: The Dulles Corridor rail system may offer the best possible opportunity, within the overall regional rail system, for reducing the operating subsidy requirement, and possibly eliminating it entirely or making the system profitable, at least on an operating and maintenance cost basis. The reasons for this include (a) the Dulles corridor line might possibly be operated as a separate, but fully-integrated system under state control, so that key factors affecting operating costs such as fare policy, parking pricing, station design and operation, air-rights development, and provisions for station access and control could more readily be used to achieve this goal, (b) the corridor has more jobs than any other suburban corridor and therefore has the potential to attract more reverse commuters, which produces significant additional revenue without any significant operating cost increase (i.e. it fills the nearly empty return trips), (c) the two counties have begun adopting policies to encourage mixed-use-transit-oriented development, which will attract much more reverse commuting and off peak transit use, again creating significant additional revenue without any significant operating cost increase, (d) the Dulles tolls largely avoid the subsidy of motor vehicle usage, particularly during peak periods, thus encouraging greater transit use, (e) the Dulles Toll Road offers the possibility of initiating peak period pricing in order to both eliminate peak period congestion and further encourage transit use, and (f) the residents and property owners of the Dulles corridor have begun to recognize the potential community benefit of air-rights development, which can create opportunities for much greater transit-oriented development than at other sites, thus further enhancing transit ridership, particularly during off-peak periods and in the reverse peak direction. We recommend that each of the two counties join with the Dulles Corridor Rapid Transit Project to establish a working group charged with developing a range of strategies to achieve the goal or reducing operating subsidies in the near-term and eliminating them entirely and creating a profitable system in the long-term. (0478, 0484-E –20)

> ***Response**: The LPA, as a seamless Metrorail Extension, will be fully integrated into the WMATA Adopted Regional System with respect to fare structure and revenue collection; operations, maintenance and related costs; and subsidy allocation and payment. The system and any extension will operate at a deficit, despite continued ridership growth, including reverse commuting.*
>
> *While DRPT is the project sponsor and initial owner, its intent is to lease the Extension to WMATA for operations and maintenance, and later to convey ownership to WMATA. The two counties will be the beneficiaries of higher tax assessments due to induced development and might use the additional assessments to offset their allocation of subsidy.*
>
> *With respect to air rights development above Metrorail stations, the Project Team acknowledges that the two Counties govern land use and that FAA, MWAA, VDOT and TRIP II, as the owners and operators of the DIAAH, Dulles Toll Road and Dulles Greenway, must be involved. Therefore, the Project Team will await any initiative of the two Counties with the involvement of the highway owners and operators.*

Public Comment: Have you surveyed the potential users to determine if they are willing to pay the fare required to break even? Your data implies the fare must be at least $7 a ride for buses and $11 a ride for rail. (0166, 0166-T –2)

> ***Response:** The LPA as a seamless Metrorail Extension will be fully integrated into the WMATA Adopted Regional System with respect to fare structure and revenue collection. In the analysis in support of the Final EIS, Metrorail fares and station parking fees are assumed to increase every 3 years at the 3-year average of the Consumer Price Index. As such, the system and the extension will operate at a considerable deficit and never cover costs with revenue.*

Public Comment: At present rates of fare, except for the artificial fare "cap", Dulles Rail Line revenues should approximate $61 million per year, including station parking and minimal station and car advertising. This will result in an incremental revenue-to-cost ratio of 91 percent, one of the highest such ratios anywhere in North America, if not the highest. MetroBus earns a revenue-to-cost ratio of only 35% (which is above average) and Fairfax Connector and Ride-On in the suburbs earn only 25 percent. In other words, the Dulles MetroRail line will need only ten cents of subsidy for every dollar of fares. Fairfax Connector (or Ride-On) needs $3 of subsidy for every dollar of fares. That is a stark contrast. It should be understood that many highly rated bus systems, such as Houston or Seattle do no better. Buses are the low cost mode for light travel because of rail's high fixed cost, but for higher volumes of travel, rail becomes the lowest cost mode. (0013, 0013-L –34)

> ***Response**: Fare box recovery is the ratio of total annual revenue over annual operating costs. The LPA as a Metrorail Extension will have lower fare box recovery than the Metrorail system as a whole. The Metrorail system does have a higher fare box recovery than Metrobus system.. Tables 8.2-1 and 8.2-2 of the Final EIS present operating cost and revenue estimates for the two Build Alternatives in the opening year and forecast year (2025) in year-of-expenditure dollars.*

Public Comment: I am completely bewildered by the acceptance by quite a few people in our country of that concept that rail should be self-supporting. We know the enormous subsidy that we give and have given to cars and roads, and we know the enormous subsidies that we give to planes and airports. Why in the world should we think that rail is self-supporting? It isn't in most places, and shouldn't be. (0195, 0195-T –1)

> ***Response:*** *The comment is correct. The LPA as a seamless Metrorail Extension will be fully integrated into the WMATA Adopted Regional System with respect to fare structure and revenue collection; operations, maintenance and related costs; and subsidy allocation and payment. The system and any extension will operate at a deficit, despite continued ridership growth.*

Passenger Facility Charges

Public Comment: It may be concluded that the DCRTF will offer a substantial savings to those passengers selecting to transit to DC by rail. This amounts to a subsidy by the residents/businesses of the Dulles Corridor for DIA passengers. It is suggested that the MWAA be authorized to collect an additional amount of the $3.00 (or more) per passenger that would contribute $80M per year to defray the construction and O&M costs. This would permit the elimination of the projected increase in toll road fees, as well as provide and improved assurance to retire the bonds. (0427, 0427-E –11)

> ***Response**: MWAA is proposing the use of Passenger Facility Charges (PFC's) as a revenue source for the capital funding for the Dulles Corridor Rapid Transit Project. This is currently $4.50 per airline passenger. FAA allows the use of PFC for airport-related facility costs, such as contributions toward transit projects to serve the airport. The Federal Aviation Administration would not allow airport revenues to be used for operations and maintenance expenses or for non-airport purposes, such as eliminating the proposed Toll Road fees.*

Capital Costs

Public Comment: The sooner you get the approval & implementation the cheaper the cost will be and the public will use it. (0070, 0070-CC-2)

> ***Response:*** *Comment noted.*

Public Comment: VDR&PT must do more with value engineering for the Dulles Rail Project. It should not cost more than $2.69 billion for completion by 2010. Half a billion must be taken out of the DEIS estimates. It is not necessary to buy enough cars for 2025. Sufficient cars for 2010 will suffice as MetroRail will be buying cars continually as the 1976 Rohr cars wear out. (0013, 0013-L –2)

Public Comment: Given that MetroRail is the only practical choice, it is necessary to construct it at the least possible quality cost and operate it much more cost effectively than proposed in the DEIS. With the mid-year of construction 2008, construction costs will have risen 38.5 percent over the cost of the Springfield-Franconia extension of MetroRail.

With 24 miles, Dulles MetroRail should cost $1.1 billion plus $627 million for stations, $48 million for ground level parking, $51 million for garage parking, $167 million for subway and elevated construction in Tyson's Corner for Route T-9, $132 million for shops and yards, $265 million for cars and $300 million for contingencies, a grand total of $2.69 billion should be the limit, saving up to half a billion dollars under some of the estimates in the DEIS.

The annual cost of the project over its cycle should not exceed $67.3 million which is estimated to average 23 cents per passenger-mile. With an equal or lesser amount for operating expenses, the total cost of 46 cents per passenger-mile is far below MetroBus or Ride-On costs of 75 cents per passenger-mile including capital. The difference of 29 cents per passenger-mile is worth about $87 million per year in favor of MetroRail. (0013, 0013-L –26)

Response: *The capital cost estimates of the two Build Alternatives of the Final EIS were based on the project's final General Plans and include right-of-way, station and line facilities, service & inspection yards, vehicles, contingency and soft costs. The estimates of capital costs will be updated during preliminary engineering. A value planning process is currently underway during the start of preliminary engineering; a value engineering process will be undertaken during the end of preliminary engineering. Both processes seek to reduce the capital costs. The Project's procurement of rail cars will be for the opening years and not for the forecast year of 2025.*

The operating and maintenance cost estimates of the two Build Alternatives were based on the WMATA cost model, which uses input from the operating plan and ridership forecasts. The operating costs and revenues in the Final EIS allow comparison with the No-Build Alternative. Comparison of the cost per passenger mile is not the basis to predict savings.

Public Comment: Number two, the cost of rail has been complained of and yet the cost of this project is in the range of other major transportation projects such as widening the beltway, proposed Interstate 81 improvements in southwest Virginia, even the Woodrow Wilson Bridge project. The Airports Authority plans improvements in the same range of costs for Dulles airport. Thus, the scale of costs we are discussing is not out of line with other major transportation projects that provide none of the smart growth benefits that occur with the rail, and the cost will be a lot higher in the future if we delay. (0144, 0144-T – 4)

Response: *The commenter is correct that each of the referenced projects is a major investment. The Project does offer the potential to provide Smart Growth benefits to the corridor.*

Public Comment: How much per mile would the extension of transit cost? I have heard $100 million per mile, and I have also heard that it could be $130 million per mile. (0147, 0147-T –9)

Response: *The Wiehle Avenue Extension is currently estimated to cost $131 million per mile and the . Full LPA is $150 million per mile (in year of expenditure dollars), exclusive of any required financing costs. .*

Public Comment: If the bridge associated with the Tysons West Station is only to be used with the BRT phase of the rail extension, why are the costs associated with the acquisition of right-of-way and construction not considered "sunk costs," rather than "capitalized" costs? (0135, 0391-L –20)

Public Comment: We do not believe the costs or impacts of the bridge, or the elimination of the private access easement across the Templeton Property, were considered or evaluated as part of the DEIS, despite the potential harm to a woman-owned small business that is the primary revenue source for its owners. Accordingly, we respectfully contend that the DEIS is inaccurate in its representations concerning the displacement of business and the costs of constructing the BRT facilities under the BRT/Metrorail and Phased Implementation alternatives (including the $194 million in "sunk costs"). (0135, 0391-L –8)

Public Comment: TMS is concerned that the so-called sunk costs associated with BRT are not fully accounted for in the $194 million figure cited in the DEIS. Our concern is that the costs are much higher than that. For example, there is proposed a bridge connection from the Tysons West parking structure for BRT buses to access the toll road access road for the BRT buses running up and down the Dulles corridor. It's a 50-foot right of way to be constructed. It's designed to appear in function like the numerous bridges and overpasses that are now dotting the landscape in the Springfield mixing bowl area, and would provide BRT buses direct access to the toll road. Possibly, we think, to avoid the surface transportation impacts of the adjacent 2000-vehicle parking structure. While it's a laudable goal to provide access for the BRT buses to the access road, in the abstract, it complicates other goals of the project. We note that the costs of constructing this bridge are not included in the sunk costs but are instead capitalized costs, as we understand it, under the DEIS. (0135, 0135-T –4)

***Response**: The bridge to and from the Dulles International Airport Access Highway and Tysons West is included as a cost and right-of-way requirement associated with the BRT/Metrorail and Phased Implementation Alternatives only, which were evaluated in the Draft EIS but were not carried forward in the Final EIS.*

Public Comment: Capital cost estimates should be re-examined in great detail by a team of engineers that are entirely independent of DRPT and WMATA. The work could be overseen by COG/TPB staff, or some other independent, respected organization, and must be free of interference and spin by WMATA. Substantially more work must be done to answer questions that raised above, such as alternatives to financing if tolls cannot be raised and if the special taxing district fails to reach a mandatory 51% vote majority of commercial property owners. (0112, 0462-L –38)

***Response**: The DPRT consultant for preliminary engineering, Dulles Transit Partners, will prepare a new estimate of capital costs for the two Build Alternatives of the Final EIS at the end of preliminary engineering, will prepare a firm, fixed price proposal for the design/build contract of the Wiehle Avenue Extension.*

Public Comment: We request a financing plan for parking related to this [project] and the spillover effect of traffic. (0184, 0184-T –18)

***Response:** All parking and related roadway modifications for station access are included in the project's capital cost estimates, which is the major input to the capital funding strategy. Section 8.1 of the Final EIS lists the major categories of the Project's capital cost estimate.*

Need for Cost Comparison of Alternatives

Public Comment: We request that the next round of the study produce a matrix showing a comparison of the lowest cost alternatives for transit in the Dulles Corridor. In order to calculate this matrix, it will be necessary to place monetary value on commuter time, which should be explicitly stated. (0162, 0162-M –13)

Public Comment: We request that an extra study produce a matrix showing a comparison of lowest cost alternatives for transit in the Dulles corridor. (0184, 0184-T –10)

Response: The consideration of alternatives commenced with alternatives from past studies and those suggested during the formal scooping process of Summer 2000. These were reduced in number through initial and interim screening. The alternatives that were fully evaluated in the Draft EIS were those that best fulfilled the goals and objectives of the Project and the needs of the Corridor. Therefore, not all low cost transit alternatives are in the Draft EIS. The Project's Final Alternatives Analysis Report does offer a review of other transit alternatives, such as light rail or personal rapid transit, that the Team eliminated from consideration during screening.

Other Potential Sources of Funding

Public Comment: But bus rapid transit is not only a faster mode of travel but the lanes used for BRT can be used for HOV and "HOT" lanes. This means motorists who want to drive alone can pay a fee to use these lanes, thus defraying some of the costs. Plus, HOV and vanpooling has proven successful in the D.C. area, particularly in reduction of cars on the road. (0112, 0269-M –6)

***Response:** BRT was an alternative evaluated in the Draft EIS but not carried forward into the Final EIS. BRT would have used the lanes of the Dulles International Airport Access Highway, which is available for mass transit but not for HOV nor HOT usage.*

Public Comment: What I present here is the outlines of the program for this national transportation emergency, which is being put forward by Democratic Presidential pre-candidate Lyndon LaRouche, a program which I fully support. LaRouche is the world's most credible economist, having forecast the demise of the scam called the New Economy, and the current depression collapse - and put forward the only alternative, an FDR-style recovery drive, based heavily upon rebuilding our national physical infrastructure. LaRouche's program begins with the recognition that our national transportation system is effectively a {public utility}, and is thus the responsibility of the Federal Government, which has a Constitutional commitment to the General Welfare of the population. To fulfill this obligation, we need billions of dollars of low-interest credit made available to public and private companies responsible for our transportation system, in the "public works" mode that Franklin Roosevelt used. (0482, 0482-E –2)

> ***Response:*** *The Project is operating on a "pay-as-you-go" financing philosophy among the Federal and non-federal funding partners. The present assumption is that the Federal participation are capital grants (New Start 5309 Grant Program), and therefore do not have to be repaid. DRPT has prepared a preliminary financial plan for the Wiehle Avenue Extension, which is reflected in Chapter 8 of the Final EIS.*

General Concern for Future Availability of Funding

Public Comment: My concern is funding and how financially there can be incentives for the public to afford the rail 10 years from now. (0070, 0070-CC-3)

> ***Response:*** *Chapter 8 of the Final EIS provides the capital and operating funding strategies of the two Build Alternatives. During its review of the DRPT final financial plan for the Wiehle Avenue Extension, FTA will evaluate the stability and reliability of the funding of infrastructure renewal of the Metrorail system and the extension.*

Public Comment: What will be the cost to level a space for a possible future station at Wolftrap? I understand from the literature that some 1700 feet of material will need to be brought in to grade the foundation at the time track is laid. Point is - how much more will it cost to allow for a station "sometime in the future?" (0060, 0060-CC-1)

> ***Response:*** *The design of the Metrorail Alternative allows a future side-platform station at Wolf Trap by creating a level track grade along the vertical alignment. Fill and retaining walls up to 20 feet in height are required in the median of the Access Road. The additional cost is estimated at over $5 million (YOE). The accommodation for a possible future station would not require any widening of the Dulles International Airport Access Highway or Dulles Toll Road, or require additional track. The future cost of a station at Wolf Trap would depend on the design of the station and the location of the stations support facilities (park-and-ride layout and size, access roads, pedestrian connections). No station design has been completed and therefore a cost estimate also has not been developed.*

Public Comment: I guess the other thing I would like to note is, you know, it's real important to get a consensus around what you want to do very quickly, because the T-21 funding comes up next year, and unless there is both a Locally Preferred Alternative and political consensus to move ahead, the next time you are eligible for funding is in six years. So if you don't - I am not downplaying in any way the legitimate concerns that have been raised here tonight, but I would urge those to move quickly to identify those concerns and bring them forward. Otherwise, you'd be in a situation where you're actually delaying any project for a minimum of six years. (0186, 0186-T –7)

> ***Response:*** *DRPT has requested that $600 million in additional New Starts funding be authorized for the Dulles Corridor Rapid Transit Project in the pending transportation reauthorization. This will be in addition to a total of $163.5 million in New Starts funding that has been appropriated for the Project through FY 2004 to support project planning, environmental review, and engineering activities and in addition to $20 million of New Starts funding expected in FY 2005.*

Costs Related to Mitigation

Public Comment: At many of the intersections it is stated that the level of service will experience deterioration even to the point this could negatively impact station access. To mitigate these negative impacts, certain improvements were identified, to include interchange improvements such as road widening of intersections and other improvements. These mitigation efforts will come with a price tag. Therefore, my request is that the conceptual cost estimates be prepared for the construction and implementation of the improvements recommended to mitigate this anticipated traffic operating condition. (0147, 0249-T –1)

Public Comment: Also, how much will it cost to widen all of these roads leading to the various stations, plus add sidewalks for pedestrian/bike access? (0112, 0382-L –23)

> ***Response:*** *The proposed roadway modifications for station access are not high in number nor in costs. The capital cost methodology for the Final EIS does not include an estimate for each modification but rather uses "top down" method, whereby an order-of-magnitude cost is determined for the modifications. Modifications of sidewalks and trails are not the responsibility of the Dulles Corridor Rapid Transit Project, but rather of the two counties and VDOT.*

Public Comment: What are the indirect impacts caused by the direct impacts? For example, with the financial deficit of VDOT, mitigation measures such as extra lanes, turn lanes, etc. will not be built. Therefore, expand on the cumulative direct impacts regarding traffic shifts, neighborhood parking, etc. (0147, 0459-L –15)

> ***Response:*** *The secondary, often defined as indirect, impacts are assessed in Chapter 9 of the Final EIS and are not related specifically to direct effects. Secondary effects are those that are caused by the Federal action, in this case construction of the Build Alternatives, but are removed in either time or distance, from the Build Alternatives. As specified in the Final EIS, the greatest potential for indirect effects are those associated with the increase in densities at the transit station areas that would be permitted. These effects include induced traffic demand, the creation of additional impervious surfaces, loss of open space, and additional demand for public services. The financial status of VDOT is not part of the consideration as it would be impossible to project for year 2025, which is the timeframe for evaluation of indirect effects; so it is not correct to assume that VDOT, or the localities involved who are most directly responsible for mitigating the effects of secondary development growth, would not be able to regulate and/or mitigate for these effects. As defined in the Final EIS, most of the indirect effects will occur in the station areas and are expected to have minimal effect on the study area.*

Costs Per Rider

Public Comment: The Automobile is the primary means of travel so must be considered as the base line for cost. The AAA, Runzheimer and Federal Bureau of Transport Statistics all agree that automobile travel costs an average of 37 cents per passenger-mile for movement plus parking plus highway investment. For the Dulles Corridor, parking for commuting will average 31 cents per passenger-mile additional and highway widening is out of sight. If a new lane of urban freeway costs $10 million a mile (very low compared to the Beltway estimates), the subsidy per passenger-mile after allowance for fuel taxes paid, will be about eight (8) cents more, a total of 76 cents per passenger-mile full cost. Metro-Rail complete will cost only 46 cents as noted on page 5. (0013, 0013-L –37)

> ***Response:*** *Comment noted.*

Public Comment: Can you also tell me the cost per rider in terms of operating and capital cost? What is the FTA target for costs per rider? (0112, 0112-E –2)

> ***Response:*** *The Federal Transit Administration has established two cost-effectiveness measures as part of its equitable evaluation of New Starts projects. As presented in Section 10.2 in the Final*

EIS, for the Wiehle Avenue Extension in year 2025 in comparison to the New Starts Baseline, the cost per new transit trip is $24.73 and the cost per user benefit hour is $18.69 to $21.08.

Need for Cost Benefit Analysis

Public Comment: How do you expect the costs and benefits of the metrorail line from Rosslyn to Vienna to compare to the actual costs and benefits? (0166, 0166-T –5)

> ***Response:*** *An analysis of the existing Metrorail system between Rosslyn and Vienna was outside the scope of work for the Final EIS, was not necessary to document the potential effects of the two Build Alternatives carried forward in the Final EIS, and therefore was not conducted.*

Public Comment: Have you had an organization with absolutely no vested interest evaluate the costs and benefits of the proposed system? The current decision makers have a conflict of interest. They favor construction because their jobs are to oversee it. I think an outside agency with no vested interest should evaluate the cost-benefit analysis and include behavior changes in that analysis. (0166, 0166-T –7)

> ***Response:*** *Comment noted. The evaluation of alternatives in the Draft, Supplemental Draft and Final EIS has been coordinated extensively with public agencies, and the selection of the Locally Preferred Alternative has been made by the Commonwealth Transportation Board and the WMATA Board of Directors in coordination with the Federal Transit Administration, and in cooperation with FAA, Fairfax County and Loudoun counties, Town of Herndon and MWAA.*

Public Comment: More Information on Experience of Comparable Heavy Rail Extensions. It also would be useful to know whether comparable examples exist in this country of heavy rail extensions to largely suburban areas 30 miles beyond the urban core and what their experience has been in terms of projected versus actual costs and ridership. (0446, 0446-E –7)

> ***Response:*** *An analysis of comparable heavy rail extensions was not necessary to document the potential effects of the two Build Alternatives, and therefore was not conducted for the Final EIS. In addition, the existing Metrorail system extends into suburban areas throughout the region, and experience over the last 30 years has shown that the system provides substantial transportation benefits.*

Costs Related to Infrastructure Improvements

Public Comment: WMATA and VDRPT also should calculate the financial cost to the Virginia taxpayers of paying for various road and sidewalk improvements to facilitate Dulles Rail and BRT. It should be noted that most of the intersections near proposed transit stations are at levels of service of D, E or F without these road and intersection widenings. (0112, 0462-L –39)

> **Response**: *The proposed roadway modifications for station access are not high in number nor in costs. The costs will be borne by the Project rather than by the two counties and VDOT.*

Costs Related to Widening the Dulles Toll Road

Public Comment: Finally, in the interests of a fair and complete study, you should look at the cost to simply widen the Dulles Toll Road to accommodate the traffic that would be the equivalent of the rail or BRT ridership. Such a widening would most likely pay for itself through increased toll revenues from the increased traffic volume and would, unlike Metro, not require a perpetual tax subsidy to operate. (0464, 0464-L –6)

> ***Response****: There is little, if any, available land on either side of the Dulles Toll Road to accommodate an additional lane of traffic. The addition of a single lane would not meet the long-term capacity requirements of the corridor, nor would it meet the land-use and environmental goals outlined in the project's purpose and need.*

Public Comment: Commenter believes that an independent group that has no vested stake in the project should analyze the financial plan.(0294 8-1)

> ***Response:*** *Comment noted. The DPRT consultant for preliminary engineering, Dulles Transit Partners, will prepare a new estimate of capital costs for the two Build Alternatives of the Final EIS and, at the end of preliminary engineering, will prepare a firm, fixed price proposal for the design/build contract of the Wiehle Avenue Extension. During the preliminary engineering of the Wiehle Avenue Extension, DRPT will prepare the Extension's final financial plan, which FTA will review for financial capacity as part of negotiations for a Federal Full Funding Agreement.*

Public Comment: Did not see any reference to a public/private partnership, and expected it to be considered. (0123 8-1)

> ***Response:*** *Under the Commonwealth of Virginia Public-Private Transportation Act, as amended, DRPT has entered into a PPTA contract with Dulles Transit Partners to engineer, design and build the project. Additional information on the contract and its benefits is available at the DRPT web site, www.drpt.virginia.gov.*

Loudoun County Project Funding

Public Comment: I also would just like to correct something that one of the persons who spoke earlier tonight in regard to Loudoun County supervisors being against a sales tax which he purported to support this project. I believe, if I am not mistaken, that the Loudoun County Board of Supervisors actually voted in favor of that. (0265, 0265-T –3)

> ***Response:*** *The sales tax referendum of Fall 2002 did not pass; it would have allocated a minimum of $350 million for the Fairfax and Loudoun County shares of the Project's capital funding.*

Local Funding Source

Public Comment: My only other note that I wish to say is the fact that, since I live in Reston, the new tax that they're going to be doing as far as the Toll Road, possibly, and a sales tax-- we're paying for the rail, we've been paying for the rail through the tolls. We need to build it now. (0081, 0285-T –2)

Public Comment: What really this boils down to is who has the money and who is going to get it. (0191, 0191-T –2)

> ***Response:*** *Chapter 8 of the Final EIS provides the capital funding strategy for the two Build Alternatives.*

B. Supplemental Draf EIS Comments

<u>**Local Agency Comments**</u>

Need to Secure Adequate Project Funding

Local Comment: Has funding for the project been secured? What is the current projected time table the property in the Tysons West area will be required? (0134 8-1)

> ***Response:*** *DRPT has developed a preliminary financial plan for the Wiehle Avenue Extension, which identifies capital funding sources and shares for each of the Project's funding partners. Chapter 8 of the Final EIS reflects the preliminary financial plan*

DRPT estimates that right-of-way acquisition would be conducted from late 2005 to early 2007. A detailed acquisition plan and schedule will be developed during preliminary engineering.

Phasing Implication for Transportation Improvement District Funding

Local Comment: Moving the terminus for Phase I to Herndon-Monroe is a means to guarantee immediate value for landowners in the western end of the district. Under the current funding and construction phasing proposals, these owners face the possibility of paying taxes to support Phase I construction bonds for thirty years or more, even in the event of a failure to get Federal funding for any subsequent phase. Under the best case scenario, these owners would be taxed from 2004 through at least 2015 before seeing any transit facilities in the Herndon area.
0132 0171-1

Local Comment: In short, the proposed phasing scheme provides significant uncertainties for the implementation of a future phase. The Town Council opposes a single tax district, as proposed by the LEADER group, with the phasing scheme that does not extend the system to the Herndon-Monroe Station within the first phase.
0132 0171-02

> ***Response:*** *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. The tax levy will be only upon commercial and industrial properties within the district.*
>
> *For the remainder of the Full LPA, a new landowner's group, called the Western Alliance for Rail to Dulles (WARD), has formed to explore the potential of developing another tax district, similar to the Dulles Rail Transportation Improvement District, which would include properties within Fairfax County west of Wiehle Avenue. WARD has drafted a petition and began circulating it among landowners in July 2004.*

Local Comment: Please enter the attached Town Council Resolution 03-G-144 of December 2, 2003 into the public hearing record for the Draft Supplemental EIS. This resolution does support the LPA but conditions Town approval of the Transportation Improvement District on a Phase I interim terminus at Herndon-Monroe, as a means to assure rail service to the western part of the Dulles Corridor. The Herndon resolution recommends removing language that would have allowed landowners to veto Phase 2 implementation with one or more failures to obtain federal funding. The resolution also provides for minor adjustments to the boundaries of the tax district within the Town of Herndon.
0132 0171-03

> ***Response:*** *Comment noted. The Herndon Town Council Resolution was added to the public hearing record for the Supplemental Draft EIS. Specific comments or questions on the transportation improvement district should be directed to the Fairfax County Board of Supervisors or Fairfax County staff.*

<u>Public Comments</u>

Costs Related to Widening the Dulles Toll Road

Public Comment: Again, I requested the project team address the conflicts in the Purpose & Need as stated above, particularly your outlandish statements that is cheaper to build rail in the middle of the Dulles Toll Road at $135 million a mile than to add new lanes, which could cost at a minimum $15 million a mile.

Again, I requested the project team address the conflicts in the Purpose & Need as stated above, your build schedule for Dulles Rail vis-à-vis the Largo extension, etc. This was not done in the SDEIS hearing report. (0112 8-1)

> ***Response:*** *There is little, if any, available land on either side of the Dulles Toll Road to accommodate an additional lane of traffic. The addition of a single lane would not meet the long-term capacity requirements of the corridor, nor would it meet the land-use and environmental goals outlined in the project's purpose and need. The opening year of the first phase of the Full LPA, being the Wiehle Avenue Extension has been moved forward from 2009 to 2011.*

Concern for Cost Overruns

Public Comment: Finally, on p 119, your response to the questions about cost overruns and what happens if the project runs out of money is not satisfactory. WMATA has consistently had cost over-runs and has been criticized extensively for its failure of long range planning. Therefore, there is a lack of confidence that this project will be any different. (Jody Bennett)

> ***Response:*** *WMATA has proven itself in project delivery. For completion of its 103-mile program, opening between 1997 and 2002, WMATA was under budget by $286 million, and on-time or early by 10 months aggregate. Moreover, DRPT is primarily accountable for the cost-effective delivery of this Project as its owner and contracting authority. DRPT has entered into a PPTA contract with Dulles Transit Partners for the benefits of PPTA, which are explained at DRPT's web site, www.drpt.virginia.gov.*

Use of Toll Revenues to Fund Transit Improvements

Public Comment: Another irritant for me and thousands of others in the Reston-Herndon area is the proposal to increase tolls. In the first place, why are we the only residents of the entire Washington Metropolitan area that are burdened with tolls? How about implementing tolls on I-66? How about I-95/395? With all the millions and millions of dollars being spent on ONE interchange (Springfield), how come the residents in that area are not being charged? (0143 8-1)

> ***Response:*** *The Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act (VTA) of 2000 and Dulles Toll Road revenues. In September 2001, the Commonwealth Transportation Board (CTB) directed that a minimum of 85 percent of available revenues be dedicated to public transportation initiatives in the Dulles Corridor. To fund the Commonwealth's share of the Dulles Corridor Rapid Transit Project with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations for the Wiehle Avenue Extension. A final decision on the revised toll structure would be made by the CTB after the completion of a formal traffic and revenue study and its administrative review process.*

Use of Toll Revenues to Support Project

Public Comment: [GRCC would support] - A limited increase in tolls, parking and other user fees to help fund the state's portion of the rail project; and (0023 0024-6)

Public Comment: I am willing to pay higher tolls in the Dulles Corridor to allow the subterfuge that Virginia is paying its fair share of the Dulles Rail system. (0041 0042-3)

Public Comment: People will complain about toll increases on the Dulles Toll road. I think most people are not aware that this is coming. If this is done, no one will ever vote for a project like the Dulles Toll Road. The promise of removing the tolls should be kept. (0044 0045-4)

Public Comment: As a resident living one mile from the proposed Wiehle temporary rail terminus, I fully support the Dulles Rail plan as outlined. People don't generally support additional taxes or costs, such as increased toll road costs, but if I knew those costs were going to fund rail, it would be worth the additional costs. (0057 0058-1)

> ***Response**: The Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act (VTA) of 2000 and Dulles Toll Road revenues. In September 2001, the Commonwealth Transportation Board (CTB) directed that a minimum of 85 percent of available revenues be dedicated to public transportation initiatives in the Dulles Corridor. To fund the Commonwealth's share of the Dulles Corridor Rapid Transit Project with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations for the Wiehle Avenue Extension. A final decision on the revised toll structure would be made by the CTB after the completion of a formal traffic and revenue study and its administrative review process.*

Public Comment: Let's start with the proposal to double the tolls on the Dulles Toll Road. The burden is inequitable in that it will fall directly on those of us who live along the corridor and use the toll road. Yet the rail we are asked to fund will benefit travelers from all over the region - indeed from all over the world if it ever makes it to Dulles Airport. In fact, it appears the only reason that Wiehle Avenue was added as the terminus so late in the game was to fabricate a station in the Dulles Corridor and thus legitimize the use of the toll road monies. (0027 0028-1)

Public Comment: The financial plan as proposed has placed an unfair burden of the citizens along the Dulles corridor by the Commonwealth of Virginia. The Commonwealth should assume "all" the non federal share. This share should not include funds from the Toll Road, but should be totally funded by bonds. Just like Rt.58 and the Harbor Tunnels. (0033 0034-1)

Public Comment: Our research indicates that the Dulles Toll Road has taken $400 million in revenue since it was built for an initial cost of $55 million. It is time to get rid of full-time tolls. Let's take the pork out of politics and the tolls off the toll road. (0061 0069-14)

Public Comment: When the toll road was proposed, there was a promise to people that the tolls would be used to pay off the construction bonds. This has not happened and, to go further and increase the tolls at this point is simply, I think, a betrayal of the public trust. (0071 0080-2)

Public Comment: Furthermore, these increased tolls will provide a disincentive for people to use the toll road during hours in which congestion isn't a problem, like weekends, off-hours, middle of the day, late at night. No one is going to want to pay those tolls if they can use Route 7 or some of the back roads, Lawyer's Road, to commute east-west. (0071 0080-3)

Public Comment: Full time tolls should be taken off the Toll Road. There is enough money in the reserve funds to do this. The toll plazas should go. Confirm or deny the existence of enough money to pay off the current bonds outstanding on the Toll Road. (0061 0117-23)

> ***Response**: The Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act (VTA) of 2000 and Dulles Toll Road revenues. In September 2001, the Commonwealth Transportation Board (CTB) directed that a minimum of 85 percent of available revenues be dedicated to public transportation initiatives in the Dulles Corridor. To fund the Commonwealth's share of the Dulles Corridor Rapid Transit Project with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations*

for the Wiehle Avenue Extension. A final decision on the revised toll structure would be made by the CTB after the completion of a formal traffic and revenue study and its administrative review process.

Funding Plan Concerns

Public Comment: Here are three examples of what is unfair about the funding plan. (1) The plan raises tolls $2.00 per day per rail rider, some are even proposing $2.00 per day per automobile driver. The driver's benefit is only $0.25 per day per rail rider. (2) The plan taxes those within 2 miles of the rail line. The benefit by those who live more than one-quarter of a mile from the stations is almost zero. (3) The plan takes Federal and State funds so that wealthy Northern Virginians, especially those currently owning land near the stations, can profit. The benefit to those in Danville, Virginia, for example, who will be paying State taxes into this project is zero. (0048 0049-1)

Public Comment: Now is the time to reconstitute a funding plan which is fair and equitable to the parties involved. A taxing mechanism should be proposed which matches the benefits of service to the burden of the tax. That is just common sense and good business. We stand ready to participate in a new dialogue with the Project proponents, Fairfax County, the Town of Herndon, and property owners in the Dulles Corridor and Tysons Corner. We need new leadership to emerge to help move the funding component of this project forward. We stand ready to assist in that effort. This time, let's make it fair, equitable, and open so that it can achieve broad based support. (0028 0029-3)

***Response**: Major transportation improvements in the Washington, DC region have historically been funded through combinations of federal, state and local assistance. The Dulles Corridor Rapid Transit Project would have many beneficiaries, including users and non-users, and would contribute to regional goals for land use, mobility and access. As such, the capital funding strategy of the Wiehle Avenue Extension distributes the costs of the project among three funding partners: the federal government at 50 percent, the Commonwealth of Virginia at 25 percent and Fairfax County at 25 percent. The Commonwealth of Virginia will be responsible for funding 25 percent of the Wiehle Avenue Extension capital costs, approximately $380.4 million (YOE), using Virginia Transportation Act (VTA) of 2000 and Dulles Toll Road revenues. The majority of the Commonwealth's share would be funded through tolls on the Dulles Toll Road, and not through statewide transportation funds that would otherwise be directed to projects in other parts of the Commonwealth.*

In September 2001, the Commonwealth Transportation Board (CTB) directed that a minimum of 85 percent of available revenues be dedicated to public transportation initiatives in the Dulles Corridor. To fund the Commonwealth's share of the Dulles Corridor Rapid Transit Project with available revenues and limited use of short-term financing, a toll increase is planned. Based on an initial analysis of current traffic and growth projections, a toll of $0.75 at the main toll plaza and $0.50 at each interchange ramp toll plaza provides sufficient revenues to meet the Commonwealth's obligations for the Wiehle Avenue Extension. A final decision on the revised toll structure would be made by the CTB after the completion of a formal traffic and revenue study and its administrative review process.

Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. The tax will be levied only on commercial and industrial properties within the district. Specific comments or questions on the proposed transportation improvement district should be directed to the Fairfax County Board of Supervisors or Fairfax County staff.

Public Comment: The rest of the rail system was not paid for by tolls on roads and local tax districts. Why is it proposed for here? (0098 0114-3)

Response: *Federal funding for the construction of the initial Metrorail system was provided from sources that are no longer available. All new major fixed guideway capital investments, including extensions to the Metrorail system, are funded under FTA's New Starts (Section 5309) program. This program is discretionary and relies upon local project sponsors to contribute a significant portion of funding for proposed projects. Under current law, the maximum share of Federal funding for New Starts transit projects is 80 percent, although Federal participation of 50 percent is typical for New Starts projects. DRPT is currently seeking $760.8 million in Federal "New Starts" funding for Phase 1 of the project. This funding level represents a 50 percent share of the estimated project costs and assumes that annual Federal contributions would be maintained at a consistent and reasonable annual level through the proposed construction period. The remainder of the project costs for the Wiehle Avenue Extension would be funded by the Commonwealth of Virginia and Fairfax County. See response to the above comment.*

Public Comment: The potential costs of a rail project are substantial, and our members will bear a large portion of the funding responsibility, including potential sales tax and real estate tax increases, as well as increased tolls paid by our employees and customers; (0023 0024-2)

Response: *Comment noted. Your participation in the public hearings and your opinions regarding what you believe would best serve the needs of the Dulles Corridor and region are important to us and were considered by decision-makers in revising the LPA, as evaluated in the Supplemental Draft EIS.*

Public Comment: the rail proposal is so flawed that it would make financial sense to decommission the Silver Line the day it opened, even if its enormous construction costs could be magically covered. (0061 0069-1)

Response: *Comment noted. Your participation in the public hearings and your opinions regarding what you believe would best serve the needs of the Dulles Corridor and region are important to us and were considered by decision-makers in revising the LPA, as evaluated in the Supplemental Draft EIS.*

Public Comment: The capital investment in Dulles Rail should not be a problem. Federal law designates eighty percent federal support and Congress has increased the appropriation. True, FTA is reluctant, but Congress earmarks these grants. Utah gets sixty percent for rail. Why can't we? Even at fifty percent, Virginia has pledged 25 percent and the Airport has pledged about four percent. That leaves 21 percent for Fairfax and Loudoun counties, with 1.3 million people. The local share of $714 million is easily manageable. (0054 0090-4)

Public Comment: I think it is misleading the public to keep saying the federal government is going to pay for 50 percent of this. All that is in the application that is pending at FTA for funding is $600 million in addition to the money that Frank Wolfe has already gotten, $150 million more, $750 million. (0072 0082-6)

Response: *Under current law, the maximum share of Federal funding for New Starts transit projects is 80 percent, although Federal participation of 50 percent is more typical for New Starts projects. DRPT is currently seeking $760.8 million in Federal "New Starts" funding for the Wiehle Avenue Extension. This funding level represents a 50 percent share of the estimate Project costs, and assumes that annual Federal contributions would be maintained at a consistent and reasonable annual level through the proposed construction period. The specific amount and timing of Federal funds will be negotiated through a Full Funding Grant Agreement (FFGA) once a Record of Decision is issued and preliminary engineering is completed. Section 8.1 of the Final EIS provides the anticipated funding sources for each jurisdiction.*

Project Phasing

Public Comment: Please explain why it is necessary to justify Phase I based on the completion of Phase II, particularly when funding for Phase II is not even being considered at this time. (0063 0151-7)

> ***Response:*** *The Full LPA would be constructed in two phases in order to reduce annual Federal funding needs by spreading the construction costs over a longer period of time. At this time, the FTA is considering only the first phase of construction, the Wiehle Avenue Extension for New Starts funding from the pending six-year reauthorization of the New Starts program. FTA may consider the subsequent phase for FTA funding in the future, but has made no commitment to do so. Furthermore, FTA has determined that the first phase now being considered for funding has independent transportation utility even if the subsequent phase is never built. (The first phase serves the high employment area of Tysons Corner.) Therefore, FTA will make a decision on the funding of the first phase without regard to possible future phases.*

Public Comment: Please explain how it is in the public's interest to treat Phases I and II as separate projects for purposes of funding, but not for purposes of the NEPA analysis. Why is this not misleading, given that funding for Phase II appears unlikely? (0063 0151-8)

> ***Response:*** *See the above response on the construction phasing of the project. The Final EIS does evaluate the Full LPA as a Build Alternative since it fulfills the goals and objectives of the project more fully than the Wiehle Avenue Extension.*

Alternative Funding Approaches should be considered

Public Comment: Rail-revenue bonds could cover construction costs. Fares would cover the debt, operating and maintenance costs. Billions of taxpayer dollars would be saved, perhaps allowing funding, for example, of a DC hospital. (0048 0049-3)

> ***Response:*** *Since the Metrorail system and any Metrorail extension operates at a deficit, there are no excess fare revenues for capital financing.*

Investment per Passenger

Public Comment: The capital "cost" of Dulles Rail is NOT a cost. It is an investment. The $1.5 or $1.6 billion on grant money is $39 million per year, or $1.96 per passenger. This must be disclosed. There is no other way to get such mobility for so low a cost. (0054 0055-4)

> ***Response:*** *Comment noted. Your participation in the public hearings and your opinions regarding what you believe would best serve the needs of the Dulles Corridor and region are important to us and were considered by decision-makers in revising the LPA, as evaluated in the Supplemental Draft EIS.*

Concern about Cost of Studies and Project Development

Public Comment: Furnish an accounting for the amounts expended and the sources for the cost of the DEIS and SDEIS studies, for any future studies, and an equivalent calculation for the cost and funding of preliminary engineering. (0061 0117-18)

> ***Response:*** *The budget for the current environmental review phase of the Project is $45.6 million, of which $43.7 million has been expended through August 2004. The sources of the funds are the Federal Transit Administration and the Commonwealth of Virginia. The environmental review phase, known as the NEPA process, includes: the scoping process; early and ongoing public involvement and agency coordination; alternatives analysis; environmental, engineering and financial analyses; preparation of the Draft EIS, Supplemental Draft EIS, Final EIS, and Revised General Plans; public hearings; and a Federal Record of Decision. In addition to the above, the*

Project has also responded to the requirements of the Federal New Starts program. Under New Starts, FTA evaluates and recommends projects for Federal funding. The requirements have included the Request to Enter Preliminary Engineering, project justification criteria, preliminary financial plan, and development of supporting materials.

For the next phase of the Project, preliminary engineering of Wiehle Avenue Extension, DRPT has a budget of $68 million. This budget includes DRPT's administrative and consultant costs, WMATA's administrative and consultant costs, and costs for professional consultant services. The sources of the PE funds are the Commonwealth of Virginia and the Federal Transit Administration.

Regional Funding Needs and Impact on State and Local Funding for WMATA

Public Comment: The current metro system in Washington has a $1.5 billion emergency capital deficit, and a longterm $12 billion capital deficit. Where is Virginia's share of this money coming from? And if Dulles Rail is implemented, won't Virginia's share of both figures increase? Shouldn't these questions be asked and answered up front prior to considering Virginia's further involvement in money-losing old-transit technology? (0061 0168-3)

Public Comment: Please identify the resources and plan to upgrade the Metrorail system to be able to accommodate eight car trains. Where will the money come from, and how will the job be completed in time for the opening of the Silver Line? (0063 0151-13)

Public Comment: Explain, and forecast, how the addition of the 23 mile Silver Line will affect Fairfax County, and the State of Virginia's portion of 1) the $1.5 billion emergency capital shortfall WMATA has announced, and 2) the $12 billion long term capital program WMATA says it needs. (0061 0117-22)

Public Comment: At a recent meeting of the Dulles Corridor Steering Committee, WMATA reportedly stated that it must get its $1.5 billion in core capital funding before Dulles Rail gets built. Moreover, MWAA reportedly stated that unless there is a financial commitment to build rail to Dulles Airport, it may not allow the use of its right of way for Phase I. Clearly, this is critical information that could seriously impact the integrity and environmental impact of the project. Please explain why it was not disclosed, particularly at the December 11, 2003 public hearing, which occurred after the Dulles Corridor Steering Committee meeting. Please explain whether the information will be disclosed and whether the public will be given an additional opportunity to comment. (0063 0151-21)

Public Comment: Please explain how the project team plans to meet the contingencies set forth by WMATA and MWAA, and what alternative plans may be under consideration. For example, if MWAA refuses to grant use of its right-of-way, what other alignments may be considered? Similarly, if WMATA does not get its $1.5 billion in core capital funding, how will the project proceed without their participation? (0063 0151-22)

Response: *In preparing the Final EIS , the Project Team developed and evaluated the No-Build Alternative with the assumption that WMATA would be funding and implementing eight-car train operations to satisfy forecast demand prior to the Project. WMATA has been emphasizing to the Commonwealth of Virginia and to the Project's other funding partners the critical importance of the implementation of eight-car train operations. Under its Metro Matters campaign (see www.wmata.com/about/metro-mattersfactsheet.pdf), WMATA is presently seeking the funding of its near-term capital needs to sustain the Metrorail and Metrobus systems. Within the $1.5 billion Metro Matters campaign, there is over $600 million for the eight-car train operations. In addition, WMATA has fully informed the region's Transportation Planning Board of the near term and long-term capital needs.*

In November 2002, MWAA endorsed the Metrorail Alternative. In its December 29, 2003 letter, MWAA has stated that its continued support of the Project is subject to three conditions: 1) The FTA reauthorization process needs to recognize the ultimate goal to complete the rail line out to *and beyond Dulles Airport; 2) Advanced additional engineering must proceed beyond the initial segment and include the entire project; and 3) There needs to be a Memorandum of Understanding among the local partners that captures a joint commitment to see the entire project through to completion.*

Public Comment: Remember transportation (not tons of metal) is the goal and there is an entire region to serve. Throwing a boatload of money at the Dulles Corridor will leave nothing for other areas with traffic problems just as bad or worse than Dulles. (0044 0045-5)

Response: *Section 8.1 of the Final EIS provides the capital funding strategy for the two Build Alternatives. The non-Federal funding proposed for the project would come from sources dedicated to transportation improvements in the Dulles Corridor, and would not impact available funding for projects in other areas of the Commonwealth. The regional Transportation Planning Board (TPB) approves the long-range plan of transportation projects in accord with available funding over twenty-five years. The TPB has approved the Full LPA to be part of the long-range plan. Members of the TPB include representatives of local governments; state transportation agencies; the Maryland and Virginia General Assemblies; the Washington Metropolitan Area Transit Authority; and non-voting members from the Metropolitan Washington Airports Authority and federal agencies,*

Crowd Control Measures

Public Comment: Metro is having difficulty handling the crowds they now have traveling from Vienna into downtown. What will be the impact to the present system when the projected additional riders will be added to the present system? Analyze in terms of new capital cost and operating cost that will be spent towards crowd control. (0109 0128-3)

Response: : *In preparing the Final EIS , the Project Team developed and evaluated the No-Build Alternative with the assumption that WMATA would be funding and implementing eight-car train operations to satisfy forecast demand prior to the Project. WMATA has been emphasizing to the Commonwealth of Virginia and to the Project's other funding partners the critical importance of the implementation of eight-car train operations. Under its Metro Matters campaign (see www.wmata.com/about/metro-mattersfactsheet.pdf), WMATA is presently seeking funding of its near-term capital needs to sustain the Metrorail and Metrobus systems. Within the $1.5 billion Metro Matters campaign, there is over $600 million for the eight-car train operations. In addition, WMATA has fully informed the region's Transportation Planning Board of the near term and long-term capital needs.*

How are Cost Over-Runs Handled

Public Comment: who pays for the cost-over runs? (0109 0128-22)

Public Comment: The federal government is not going to contribute one penny towards those cost overruns. All that money is going to come out of the local taxpayers, the people who ride the toll road and the people who are paying your special tax in the tax district. (0072 0082-7)

Public Comment: What happens if we run out of money? Tunneling is very expensive. (0073 0083-3)

Public Comment: Inadequate Local Financial Commitment and Financial Plan: There currently is no local financial plan in place, and to the extent one might be advanced in the future, the cooperation of commercial property owners has been to date solicited based on substantial misrepresentations of the risks of additional costs that will fall on local and state taxpayers when the Federal Government does NOT contribute "50% of the costs" as the SDEIS and the rail proponents have claimed. In fact, the Federal government has made it crystal-clear that it will not by policy advance more than the specific number of dollars to which it commits when it signs the FFGA. The Application now pending at the FTA is for $600 Million of Federal funding, and the FTA has been very clear that it has no obligation or intent to pay 50% of whatever excess costs might occur in the future. (0072 0150-10)

Public Comment: Cost Overruns are a virtual certainty: Environmental mitigation, interest costs, geotechnical considerations, and life-safety requirements that are not anticipated are certain to dramatically increase the Project cost above the estimated amount. As one small example, the citizens are demanding sound-walls where none have been proposed. (0072 0150-11)

> ***Response:*** *Obviously, with any large complex project, schedule and cost risks are real. WMATA has proven itself in project delivery. For completion of its 103-mile program, opening between 1997 and 2002, WMATA was under budget by $286 million, and on-time or early by 10 months aggregate. Moreover, DRPT is primarily accountable for the cost-effective delivery of this Project as its owner and contracting authority. DRPT has entered into a PPTA contract with Dulles Transit Partners for the benefits of PPTA, which are explained at DRPT's web site, www.drpt.virginia.gov. Through the Federal Full Funding Grant Agreement, FTA will not participate in the funding of any cost overruns.*

Accuracy of Cost Estimates

Public Comment: A close look at these numbers reveals something very peculiar. Note the guideway estimate of 301.3 million. The 11.6 mile section included in Phase 1 has one mile of tunnel and 4 miles of elevated section, along with the remaining 6.6 miles of surface guideway. This is stated to cost 137 million less than the remaining 12.5 mile section that contains no tunnels and less than one mile of elevated section. This is obviously wrong. (0095 0111-2)

Public Comment: The cost breakdown between Phase One and Phase Two does not appear to be reasonable. Tunneling, aerial construction, and right-of-way requirements indicate a much higher level of construction cost and risk for Phase One than for Phase Two where tunneling is limited to Dulles Airport, and where most risk has been eliminated through excavation off the proposed station during the recent reconstruction of the Dulles terminal. Phase One involves five stations, Phase Two, six stations. There is no significant difference in length between the phases. Yet the proposed cost for Phase One is $1.5 billion versus $1.9 billion for Phase Two. (0108 0127-10)

> ***Response:*** *The cost estimates for both the Full LPA and Wiehle Avenue Extension are based on the project's General Plans. It should be noted that the medians of the Dulles Connector Road, Dulles Toll Road and Dulles Greenway were reserved for high-capacity transit, saving the project significant money for right-of-way and access. The remainder of the Full LPA, west of Wiehle Avenue, includes a section of underground line and station at Dulles International Airport, a major service and inspection yard and two park-and-ride structures in Loudoun County. The capital cost estimates are reported in year of expenditure dollars; therefore, expenditures in later years reflect annual inflation.*

Public Comment: The cost of the proposed LPA Phase 1 is projected to be $1.5 billion. This is not the real bottom line of cost, however, because no where in the budget is the cost of money and other financing charges. The public needs the whole story. Please revise the budget to include financing charges as well as all sources of financing. (0109 0128-20)

Public Comment: Forecasting the cost and performance of major infrastructures projects with a reasonable degree of approximation is very difficult. However, proponents, including county, state, and federal politicians, DRPT and WMATA paint a rosy picture that the federal government will pay 50%. The average citizen believes that all is needed is to dig the hole in Tysons and the federal government will pay 50% of whatever costs are incurred in all stages. However, SDEIS, 8.2.1 states, these estimates do not include the cost of financing for delays or annual shortfalls in Federal funding. (0109 0128-21)

> ***Response:*** *According to DRPT's preliminary financial plan for the Wiehle Avenue Extension, no long-term financing of any shortfall in Federal funds for the Extension is anticipated. Short-term*

financing, through a letter of credit or similar mechanism, may be required if annual Federal funding levels do not match the terms of the Full Funding Grant Agreement. As prepared during preliminary engineering, the final financial plan will provide additional detail on potential financing costs. The final terms and timing of any short-term financing would be determined once a shortfall was projected, based on market conditions existing at that time.

Because FTA is now advancing only the Wiehle Avenue Extension in the New Starts program, a detailed financing approach has not been developed for the Full LPA. A preliminary financial plan for the full LPA will be developed subsequently, when DRPT seeks approval from FTA to advance that portion of the project into preliminary engineering. As with the Wiehle Avenue Extension, a more detailed financial plan would then be developed to support an FFGA for the remainder of the full LPA.

High Cost of Proposed Improvements

Public Comment: The enormous cost is really staggering. For this option alone, the capital cost is estimated to be $1,050.4 billion excluding finance costs. The proposal calls for the Commonwealth of Virginia to be the Project sponsor furnishing 25% or $262.6 million and Fairfax County furnishing 25% or $262.6 million for this option. The total Federal share 50% or $525.2 million. Considering the huge current funding deficits, the large costs for the Woodrow Wilson Bridge and the Mixing Bowl, and the failure of the transportation tax increase in Northern Virginia, it does not appear to be wise to pursue such an undertaking. (0102 0119-1)

Response: *The project's capital cost estimates are comparable with projects of this size and are based on a methodology appropriate with the design stage of the Final EIS and the final General Plans. Section 8.1 of the Final EIS provides the capital funding strategy of the two Build Alternatives. Section 8.3 of the Final EIS provides an initial discussion of risks and uncertainties. The ultimate cost of the Build Alternatives relies on a number of assumptions, including project schedule, major cost drivers, inflation rates, expenditure forecast, funding availability, and financing requirements. During the project's next phase of preliminary engineering, DRPT will prepare the final financial plan, which will include an update of the capital cost estimate and a formal risk assessment.*

Cost and Funding of Mitigations

Public Comment: What is the cost for each proposed mitigation option that is identified in, Table 6.2-7? (SDEIS, 6-22) (0107 0125-1)

Public Comment: Proposed mitigation measures for LPA and the LPA Phase 1 are identified, however, the DEIS and the SDEIS are silent in regards to cost and funding sources. This information should have been provided to the public prior to the hearings and comment periods. What is the cost for each mitigation measure and what is the funding source? Please do not justify your response by stating that during the PE this information will be available. The whole point of the NEPA process is to get in early with all available data and that data to undergo a rigorous analysis. This includes reporting all impacts, including the financial impacts that some agency (probably the citizens) will have to shoulder. (0109 0128-23)

Public Comment What is the funding source for each of the proposed mitigation options? (0107 0125-2)

Public Comment: Is the funding of the proposed mitigation options part of the cost over-runs that we are to expect from this megaproject? (0107 0125-3)

Response: *The proposed roadway modifications for station access are not high in number nor in costs. The capital cost methodology for the Final EIS does not include an estimate for each modification but rather uses "top down" method, whereby an order-of-magnitude cost is* *determined for the modifications. This method was also applied to environmental mitigation measures.*

More Detailed Costs

Public Comment: A defensible breakdown of cost data – both capital costs and annual O&M costs – needs to be evaluated in the SDEIS. This is particularly needed in light of the huge costs and funding sought (e.g., $1,500,000,000.00 in capital costs (YOE) for Phase 1, with $48,700,000.00 in annual O&M costs (YOE), plus Phase 2-total projected capital costs of $3,400,000,000.00 (YOE) and $101,600,000.00 in annual O&M costs (YOE). (0068 0173-16)

> ***Response:*** *The Project Team has two Technical Memoranda, Capital Cost Methodology and Metrorail Operating Subsidy, to record the determination of capital and operating costs. Since these are not public documents, they may be viewed at the Project office.*

Concerns about Local Taxing District and Local Funding

Public Comment: I WANT TO INFORM YOU THAT I WANT THE COUNCIL VOTE TO AMEND THE ORIGINAL PETITION, OR VOTE NO!!! WE VIRGINIA RESIDENTS ARE PAYING TOO MUCH ON TAXES FOR DIFFERENT REASONS. THIS ONE WILL NOT BE ONE OF THEM. I WANT YOU ALL TO COME UP WITH A BETTER PLAN FOR ALL MIDDLE CLASS, UPPER COMMUNITIES, AND TAX PAYERS. (0018 0019-1)

Public Comment: An additional tax on my business will have a significant detrimental impact and could well lead to my re-evaluation of the business location I have enjoyed for many years. (0019 0020-1)

Public Comment: As the owner of a small business in the Bowman Green business townhouse section adjacent to the Reston Town Center, I understand that my business is to be levied with a supplementary real estate tax to support the development (maintenance?) of the rail extension. I can categorically state that my business will see no material benefit from this project. My business, a pediatric speech therapy practice, serves a local clientele comprised overwhelmingly of physically impaired infants and young children. Parent and caregivers served by my practice arrive by car from about a ten-mile circumference. For practical reasons involving the physical impairments of their charges, they will not, and arguably could not, avail themselves of the proposed rail link. My suggestion, as a Reston business owner, is that my eventual tax on local business be levied in a manner that it takes into consideration the direct benefit of the transit link to the business. This could include evaluation of employee demographics, i.e., percent of employees commuting from points along the expanded rail system and the businesses proximity to the local rail station; evaluation of customer demographics, i.e., realistic recognition of catchment area; and finally, a threshold related to business size that would determine whether the business is appropriate in size to support an additional tax. (0019 0020-2)

Public Comment: There is potential for overlapping tax districts that would additionally impact commercial property owners in Reston in the future; (0023 0024-3)

Public Comment: [GRCC would support] - A two-phased tax district approach that supports the local funding portion of the rail project while fostering a connection between those who will help pay for rail and those who will directly benefit from the project, to correspond with the phased construction; (0023 0024-7)

Public Comment: [GRCC would support] - Reforming the existing LEADER petition to remove the requirement of the land owners to approve tax district funding for subsequent phases of Dulles Rail. (0023 0024-8)

Public Comment: With regard to the tax district, the proposal is to collect a tax from commercial property owners all the way to Loudoun County to fund Fairfax County's share of building the rail line, while only bringing the rail to Tysons Corner. The plan as it now stands would allow the Tysons Corner commercial property owners, who would be the first and largest beneficiaries of rail, to opt out once phase one was completed. That leaves the commercial property owners along the Dulles corridor holding the financial bag as it were. They pay all along to fund construction of rail to Tysons and once the Tysons rail is constructed, Tysons property owners can drop out of the tax district, thus shrinking the tax base. This leaves the Dulles corridor property owners, who paid for Tysons rail, with increased property taxes to cover funding for phase two, which is their section of the rail. (0027 0028-2)

Public Comment: This leads to point #2: The Tax District funding mechanism for Fairfax's local share, as presented, is not fair nor equitable. Businesses in Herndon and Reston should not pay 10 years or more in advance to support construction of a rail line for their competitors to use in Tysons Corner. There is no guarantee that Phase 2 would ever be built and no commitment on timing. There are other problems with the flawed petition as well, such as the infamous poison pill provisions that give the majority of the district, controlled by Tysons Corner owners, the ability to back out of the funding for Phase 2. These issues have been well documented in testimony to the Herndon Council, and I will not elaborate again on them here. (0028 0029-2)

Public Comment: To be fair, the funding must be such that people are paying in proportion to their gain. Everybody in the tax district does not gain equally. I ask you to provide a quantitative analysis that identifies who gains and by how much they gain. You can start with my paper, but you must do the analysis and the cost allocation, then report these to the public. (0048 0049-4)

Public Comment: The tax-district funding mechanism for Fairfax's local share as presented is not fair or equitable. Businesses in Herndon and Reston should not pay ten years or more in advance to support construction of a rail line for their competitors to use in the Tysons Corner. There is no guarantee that Phase 2 would ever be built and no commitment on timing. (0028 0064-2)

Public Comment: There are other problems with the tax-district petition as well. Time will not permit me to go into them, but they have been well documented; for example, the infamous poison pill which gives the majority of the district control by Tysons owners the ability to back out of the funding for Phase 2. (0028 0064-3)

Public Comment: A taxing mechanism should be proposed which matches the benefits of safety to the burden of the tax. That is just common sense and good business. (0028 0064-4)

Public Comment: It is our hope and expectation that the tax district supporting Phase 1 will be implemented in time to meet the Federal New Start appropriation schedule in the first quarter of 2004. The Phase 2 tax district may follow within 90 – 120 days following implementation of Phase1. (0113 0132-1)

Public Comment: The vote last week by the Herndon Town Council should be looked at very seriously for its message and not merely as a setback in the rush for federal funding. The uncertainty demonstrated by the town council, the businesses being asked to invest in an extension that won't benefit them yet, and the local citizens is the canary in the mine shaft. (0115 0135-1)

Public Comment: The sponsors of the special tax district have publicly declared that plan "dead." Please explain how the project remains financially viable. (0063 0151-19)

Public Comment: Please explain how the local financial commitment criteria of TEA-21 will be met, given that two recent attempts to raise the local share have failed to gain public support (i.e., sales tax referendum and special tax district). (0063 0151-20)

> ***Response:*** *Section 8.1 of the Final EIS describes the creation of the Fairfax County Dulles Rail Transportation Improvement District as the County source of revenues for its capital funding share of the Wiehle Avenue Extension. As stated in that section, Fairfax County and the landowners group have structured the district to provide sufficient revenues to cover the County's share of costs for the Extension. The tax levy will be only upon commercial and industrial properties within the district. Although payments will not be due until December 2004, on July 1, 2004, Fairfax County began charging commercial landowners an additional 22 cents per $100 of*

assessed value for their properties on top of the base real estate tax rate of $1.13. Fairfax County projects that the tax rate could eventually increase to 29 cents per $100 of assessed value once a Full Funding Grant Agreement is reached. The actual levy will be established each year based on current assessments and the amount of outstanding debt. The district, which had an assessed value of $6.8 billion in June 2004, is expected to generate up to $400 million for the construction of the Wiehle Avenue Extension. If Transportation Improvement District revenues are not sufficient, Fairfax County may consider supporting its capital obligations for the Wiehle Avenue Extension using general obligation debt.

A new landowner's group, called the Western Alliance for Rail to Dulles (WARD), has formed to explore the potential of developing another tax district, similar to the Dulles Rail Transportation Improvement District, which would include properties within Fairfax County west of Wiehle Avenue. WARD has drafted a petition and began circulating it among landowners in July 2004. A determination regarding overlap within the Route 28 tax district would be addressed by WARD and Fairfax County. Property owners within the second district will be able to comment on that district's details during the Fairfax County hearing process.

8.2 Operating Funding Strategy

A. Draft EIS Comments

<u>Regional Agency Comments</u>

Operating Subsidies

Regional Comment: The Commonwealth has a great opportunity to make the Dulles corridor transit a shining example for user-friendly, service-oriented, 21st century transit, with very low, and possibly even zero, subsidy operation. It has been done in other countries, it can be done here. (0133, 0133-T –7)

> ***Response:*** *With respect to the comment on zero subsidy operation, the Metrorail system and any Metrorail extension operates at a deficit. Section 8.2 of the Final EIS provides the operating costs, revenue and subsidy allocation of the two Build Alternatives.*

<u>Public Comments</u>

Need for More Thorough Financial Analysis

Public Comment: Assessment of financial implications is insufficient. A more comprehensive presentation and assessment of financial analysis is needed. (0510 8-1)

> ***Response:*** *Chapter 8 of the Final EIS reflects DRPT's preliminary financial plan for the Wiehle Avenue Extension. Section 8.3 of the Final EIS provides an initial discussion of risks and uncertainties. During the project's next phase of preliminary engineering, DRPT will prepare the Extension's final financial plan, which will include an update of the capital cost estimate and a formal risk assessment.*

Operating Subsidies

Public Comment: The projected annual operating subsidy for a rail line to Dulles is $180 million per year. This is five times more than Fairfax County's current transportation subsidy payment. It is also more than the anticipated revenues from the 1/2-penny sales tax increase. To repeat, the revenues from the proposed sales tax hike would not even cover the Dulles Metrorail operating subsidy, much less pay for any other transportation improvements. (0140, 0200-E –1)

Public Comment: The annual operating subsidy for the Dulles metrorail extension would be $180 million a yr. This is five times more than Fairfax County's current transportation subsidy payment. It is also more than the anticipated revenues of the one-half penny sales tax increase. To repeat, the revenues from the proposed sales tax increase would not even cover the Dulles metro operating subsidy, much less pay for any other transportation improvements. (0140, 0140-T –1)

Response: *The subsidy amounts that are presented in Section 8.2 of the Final EIS are in year-of-expenditure dollars, that is, the amounts are inflated to year 2025 dollars. So, it is improper to compare the forecast subsidy of the Full LPA to the current operating assistance of Fairfax County. The sales tax referendum of Fall 2002 failed.*

Public Comment: During the FEIS and rail PE process we need hard work on…Strategies for reducing operating subsidy requirements and making the system profitable. (0173, 0213-M –8)

Public Comment: Believes that harmonized land use, good design, and cost control should enable the 24-mile proposed Metrorail extension to "break even" operationally. Since the Dulles Line will be one of the most heavily used sections of the Metrorail system, attention to user-friendly design, customer service, and fare levels should enable WMATA to recover 100 percent of the operating cost from the farebox. Acknowledges that this comment may be more properly directed to the Commonwealth. (0133 8-1)

Response: *With respect to the comment on a profitable system, the Metrorail system and any Metrorail extension operates at a deficit. Section 8.2 of the Final EIS provides the operating costs, revenue and subsidy allocation of the two Build Alternatives. WMATA has recently reduced its operating costs in face of higher deficits.*

Public Comment: As indicated by the following numbers, the subsidy for rail represents a minimal increase over the bus rapid transit return. The Metrorail system has a much higher fair box recovery (75-84 percent) than the bus system (30 percent range). Operating Subsidy. Table 6.3-12 Annual Operations and Maintenance Costs indicated $533.53 million for the baseline, 553.19 for BRT 1 and $601.40 for the T-9 rail alternative or only 7-8 percent higher than BRT. Table 10.19 indicates that O and M Costs per passenger mile in 2025 are nearly identical for BRT 1 $0.264 and T6/9 rail $0.27. Table 10.1-21 The Cost per new rider is $16.62 for BRT 1 and $24.63 for T-9. If the additional riders from the transit-related development in Fairfax County (Loudoun's TOD was not modeled for additional ridership) only are added in the figure for rail is $17.40. It reflects the additional capital and O&M costs to carry each new rider attracted to the regional system. (0141, 0443-E –16)

Response*: The commenter is correct, the operating cost per passenger mile in 2025 for each Build Alternative that was evaluated in the Draft EIS is very similar, as indicated in Chapter 10 of the Draft EIS. The selected LPA is the Metrorail Extension.*

Public Comment: How does the annual operating budget for rail and bus break down, Loudoun vs. Fairfax? I am told that the $21 million BRT and $111 million rail operating budgets are subsidies. Is that correct? (0112, 0382-L –14) (0112, 0462-L –42)

Response*: Tables 8.2-1 and 8.2-2 in the Final EIS present the estimated opening year and forecast year operating subsidies for each WMATA Compact member jurisdiction, including Fairfax County and Loudoun County. For example, in the opening year of the Full LPA, the project's Metrorail operating and maintenance subsidies for Fairfax and Loudoun counties are estimated to be $11.4 million and $8.0 million respectively. The project total operating and maintenance subsidy is allocated to all WMATA Compact members in Virginia, Washington, DC, and Maryland via the formula described in Section 8.2.4 of the Final EIS.*

Operating and Maintenance Costs

Public Comment: Do the operating costs include maintenance of Metro equipment, gasoline for buses, labor costs, etc.? (0112, 0112-E –3)

> ***Response:*** *The operating and maintenance costs include all costs to operate the bus and/or Metrorail system.*

Public Comment: I also ask you to tone down the annual operating cost estimates without depreciating the quality of the service. Operating costs should be estimated at current cost levels to compare against current fare levels. (0013, 0013-L –3)

Public Comment: That details on operating subsidies and their potential to escalate are sketchy at best. (0446, 0218-M –11) (0446, 0146-T –11)

> ***Response:*** *The annual operating costs were derived using established WMATA cost models, fare structure, and the results of the operating plan for the Build Alternatives in year-of-expenditure dollars.*

Public Comment: The operating expenses in the early years should not exceed $67 million additional per year for the 71,900 weekday passengers envisioned. (2002 dollar values) The $108 million estimate in the DEIS needs to be restudied and reworked. If the $108 million is correct, it must include existing "tripper" operations between West Falls Church and New Carrollton that will become part of the Dulles operation. It will not be added expense. Approximately 44 cars are now involved in this "pre-Dulles" operation on the Orange Line. Only 100 additional cars will be required (for 71,900 weekday passengers) plus 15 spares and shopping margin. Each added car will cost only $172 per car hour in current dollar values because very little added station and tunnel expense will incurred east of Falls Church. The only added costs will be for rail wear and minimal added wear and tear on existing facilities, plus the additional moving cars. (0013, 0013-L –30)

> ***Response:*** *The $108 million estimate of the Draft EIS is in year 2010 dollars (not year 2002 dollars), and the cost reduction by using the existing and growing tripper service have been incorporated into the results. The annual operating costs were derived using established WMATA cost models, fare structure, and the results of the operating plan for each Build Alternative in year-of-expenditure dollars.*

Public Comment: How will that money for operating costs be raised and divided among Fairfax and Loudoun? An estimate of Loudoun's share of the operating costs for rail and BRT would be helpful. (0112, 0382-L –15) (0112, 0462-L –43)

> ***Response****: The selected LPA is the Metrorail Extension. Section 8.2 of the Final EIS provides the operating funding strategy for the two Build Alternatives, being the Full LPA constructed in two phases. Fairfax County uses a combination of state aid and general funds for their current share of WMATA Metrorail, Metrobus and MetroAccess programs. Loudoun County has not yet identified their anticipated operating subsidy funding source for the project. The project total operating and maintenance subsidy is allocated to all WMATA compact members in Virginia, Washington, DC, and Maryland via the formula described in Section 8.2 of the Final EIS.*

Public Comment: States that the Project Team needs to explain or correct information about operating costs on Page 24 of the *Public Hearings Report* (Section 3.6). The bus costs appear to be for the shuttle bus service west from West Falls Church to Loudoun County for less than one-minute headway service. (0013 8-2)

> ***Response:*** *The costs shown in the Draft EIS Public Hearings Report reflect high-capacity, 60-foot articulated BRT vehicles. The headway service is as described in the Transit Operations and Maintenance Plan Draft Technical Report (June 2002).*

Public Comment: Metrorail will need 104 scheduled cars on the extension, but this can be reduced to 88 by turning alternate peak trains back at Herndon to avoid too many empty cars to Loudoun County. The annual future cost of 104 cars may be $72.8 million, not the quoted $106 million. (0013 8-3)

Response: *The four stations west of Herndon-Monroe have high ridership and therefore short turning alternate trains at Herndon-Monroe would hurt this important market of riders and would ultimately lower total ridership on the line because rail service would not be as convenient for Loudoun County riders as under an operating plan where all trains run through. The suggested operating plan would negatively impact an extremely large and important ridership market for the line.*

Escalation of Operating Costs

Public Comment: We will have inflation, but fares will inflate, also. Until fares inflate, we must not inflate costs. Please instruct your estimators to recognize that Dulles Rapid Transit operations between Falls Church and the Anacostia River will be on existing trackage already staffed so added car-miles will come at much lower than average costs. Metro is already operating some of these car-miles, so again, new costs will be less than average. (0013, 0013-L –4)

Response: *Both revenues and operating and maintenance costs are presented in inflation adjusted dollars. The existing Metrorail service between Falls Church and the Anacostia River has been incorporated into the each alternative's operating plan based on WMATA model for operating and maintenance costs.*

Editorial Comment

Public Comment: Cannot find Section 6.9 in the *Public Hearings Report*. (0013 8-1)

Response: *Section 6.9 begins on Page 197 of the Draft EIS Public Hearings Report.*

Concerns Regarding BRT Funding

Public Comment: We also recognize that the assumptions regarding future bus service may be highly unrealistic. We think that it is unlikely that BRT would be implemented as assumed in the DEIS without absorbing significant amounts of funds now used for local and express bus service. This DEIS assumption is particularly unrealistic given the fact that the BRT would be using the same funds (surplus toll road revenues and Fairfax County general revenues) as are now being used for local and express bus service. (0478, 0484-E –8)

Response: *For purposes of analyses in support of the Draft EIS, BRT was considered an extension of the WMATA Adopted Regional System (ARS). It was assumed that the WMATA Compact member jurisdictions, including Fairfax County, would pay the incremental annual subsidy of BRT, according to the Metrorail subsidy allocation formula. Under this assumption, BRT operations would not have been substantially funded from sources presently funding local and express bus service."*

B. Supplemental Draft EIS Comments

<u>State Agency Comments</u>

Need Clear Understanding of Financial Commitments for WMATA Member Jurisdictions

State Comment: Montgomery County believes that the Washington Metropolitan Area Transit Authority Board should address the operating and maintenance cost sharing formula so that all member jurisdictions have a clear understanding of their financial responsibility for both phases of the project. The Dulles Corridor Rapid Transit Project is potentially a 23 mile extension to a 103 mile system for a 22 percent increase In the system size, and this large a system expansion should be thoroughly reviewed by the funding partners at WMATA. Such a review can then be used by all jurisdictions to guide future system expansions. (0079 0092-2)

Response: *In support of the Final EIS, the Project Team, in coordination with WMATA staff, has analyzed the estimated Metrorail operating and maintenance costs, revenues and deficits of the No-Build Alternative, the Full LPA and Wiehle Avenue Extension in the opening year and in the forecast year. The Team allocated the operating deficit among all the Compact member jurisdictions in accordance with the current WMATA formula. Similar information was published in the Draft EIS of June 2002 and Supplemental Draft EIS of October 2003 and in DRPT's preliminary financial plan for the Wiehle Avenue Extension . In addition, the WMATA staff presented the costs, revenues and deficit of the No-Build and Build Alternatives of the Draft EIS to the Planning and Development Committee of the WMATA Board of Directors in March and April 2002 and to the WMATA Jurisdictional Coordinating Committee in March 2002. This information should be sufficient for the Compact member jurisdictions to discuss the Project's financial aspects.*

Public Comments

Fairfax County Share of Operating Assistance

Public Comment: How will Fairfax County pay for its share of the operating deficits projected to be millions of dollars a year? Will other Fairfax County programs be reduced, or will other taxes be increased to cover these deficits? 90038 0039-6)

Response: *Currently, Fairfax County provides funds for Metrorail operating assistance through its General Fund. The Fairfax County Board of Supervisors would be responsible for determining the funding sources that would be used by the County for its portion of the WMATA operating and maintenance subsidy under the WMATA Compact. Additionally, the Commonwealth of Virginia supports WMATA operations with funding from DRPT formula assistance, which is passed to Northern Virginia localities through the Northern Virginia Transportation Commission to support local transit operating needs, including Metrorail subsidies. Specific comments or questions regarding the funding sources used to cover Fairfax County's share of Metrorail operating assistance for the Wiehle Avenue Extension and the Full LPA should be directed to the Fairfax County Board of Supervisors or Fairfax County staff.*

Public Comment: There will be an operating deficit and, if I read the Draft EIS correctly, in Year 1, that will be $9 million. In 2025, that will be $23 million. That is just Fairfax County's share and no one, as yet, has determined where that money will come from. (0062 0070-4)

Response: *As provided in Section 8.2 of the Final EIS, the estimated Fairfax County contribution to the annual incremental Metrorail operating subsidy for the Wiehle Avenue Extension will be $7.5 million in 2011 and $12.6 million in 2025, in year of expenditure dollars. It should be noted that operating costs and subsidy are reported in year of expenditure dollars; therefore, expenditures in later years reflect annual inflation. Specific comments or questions regarding the funding sources used to cover Fairfax County's share of Metrorail operating assistance for the Wiehle Avenue Extension and the Full LPA should be directed to the Fairfax County Board of Supervisors or Fairfax County staff.*

Rail Passenger Fare Levels

Public Comment: A fair funding plan would have the rail riders pay approximately $16 per day, an amount they can afford because they would save that much on automobile and garaging costs. Those owning property near the rail line would not realize excess profits because the fare would be at its fair market value. No new taxes or fees would be required. The system would pay for itself. (0048 0049-2)

Response: *In accordance with WMATA policy, Metrorail fare revenues are set at levels to recover a portion of systemwide operations and maintenance costs, optimize ridership, and provide equitable access to the system for all potential users. For the purpose of NEPA analysis,* *estimated fare revenues, which would cover a portion of the project's operations and maintenance costs, are based on the current fare levels set by the WMATA Board with modest increases approximately every three years. The majority of operating revenues would come from farebox revenues and annual subsidy payments provided by member jurisdictions of the WMATA Compact.*

Public Comment: Rail transit can and should open up jobs throughout the region to lower income households and provide those households with lower-cost mobility than the automobile. This social goal can be accomplished by means other than undermining the system's operating efficiency by subsidizing the ticket price. The system in the Dulles Corridor at least should be designed and managed primarily as a transportation system. Service standards and fares should reflect the nature of the market being served and be structured to operate without subsidy. (0108 0127-4)

Response: *Comment noted. Few public transit systems in the U.S. operate without a subsidy. The current Metrorail system averages approximately a 70 percent farebox recovery. For the purpose of NEPA analysis, future fares are the current fares escalated at a rate one-third the rate of inflation. Ridership forecasts incorporate the expected fares in calculating the projected ridership.*

Public Comment: The Dulles Corridor line likely would be among the most heavily used sections of the Metro rail system. Yet in the DEIS, WMATA projected only a 38% recovery of operating cost from the fare box! This does not make sense. (0108 0127-5)

Response: *Few public transit systems in the U.S. operate without a subsidy. The current Metrorail system averages approximately 70 percent farebox recovery. The outer limits of the system will have lower recovery, while the core of the system will have a very high recovery.*

Public Comment: According to a recent article published in the Washington Post, there has been a 0.36% reduction in riders for the Metro system with each 10% fare hike. If Metro's operating budget is funded by money from fareboxes, how will this reduction in ridership affect the operating cost for LPA Phase 1? (0109 0128-17)

Response: *The travel demand forecast model that the Project Team uses for estimating ridership and revenue is sophisticated. It includes the application of regular Metrorail fare increases for the purpose of NEPA analysis and incorporates formulas to address traveler's sensitivity towards the costs of different transportation modes. So, the ridership and revenue forecasts already reflect the effect of fare increases*.

Operating Cost Subsides Required

Public Comment: it would cost $200,000 for each new rider attracted to Dulles Rail. It would be cheaper to buy a car for every driver in the typical Fairfax family. Do you dispute this calculation? (0061 0069-4)

Public Comment: Heavy rail systems such as the proposed Silver Line typically require subsidies, annual subsidies, greater than the average income of the community at the twentieth percentile. Please confirm or deny these figures. (0061 0069-5)

Public Comment: We do not understand the methodology of calculation of cost per new rider. This needs to be explained. (0061 0117-9)

Response: *Using the methodology used by the Federal Transit Administration for New Starts projects, the total cost per passenger is estimated to be approximately $24.73 (in 2004 dollars) per new rider. This is based on total annualized capital and operating costs divided by the number of new transit riders, which is estimated in the travel demand forecasting process.*

Public Comment: The incremental cost of initial operation in Stage or Phase I may be $48.7 million per year, so with 53,600 initial riders, the cost per passenger will be $3.25 for a long ride, for a revenue-to-cost ratio of 81 percent, almost unheard of in public transit. This financial windfall, or lack of substantial deficit, is crucial to the SDEIS and should be so stated. (0054 0055-2)

Public Comment: The public needs to know that the Dulles rail subsidy will be only 24 cents per dollar of passenger fare. (0054 0055-3)

> ***Response:*** *Comment noted. Chapter 10 of the Final EIS includes several comparative measures of cost-effectiveness, including operating cost per passenger mile.*

Public Comment: Heavy rail systems such as the proposed Silver Line have, in other places, required annual subsidies at the level of the gross income at the 20th income percentile of the community. Please confirm or deny this calculation. (0061 0117-5)

> ***Response:*** *The estimated incremental annual operating costs, revenue and subsidy are provided in Section 8.2 of the Final EIS..*

Public Comment: A study done by BART (Bay Area Rapid Transit) in San Francisco indicated that a similar heavy rail system would cost a total of $47,000 per round trip commuter in annual subsidies. Please compare the costs of that proposal (Hayward to San Jose) with the Silver Line projections and indicate any differences that would affect the $47,000 subsidy number (0061 0117-6)

Public Comment: A study done by the Bay Area Rapid Transit in San Francisco indicates that a similar heavy-rail system will cost $47,000 in annual subsidies per round-trip commuter. Please compare the cost of that proposal, Hayward to San Jose, with the Silver Line projections. (0061 0069-10)

> ***Response:*** *There are many ways of calculating subsidy per rider. Without having the methodology used in the BART study referenced by the commenter, it is difficult to provide a "subsidy per commuter" figure for the Dulles Corridor Rapid Transit Project that can be compared accurately to the measures used by BART for the above-referenced project. However using the methodology used by the Federal Transit Administration for New Starts projects, the total cost per passenger is estimated to be approximately $24.73 (in 2004 dollars) per new rider. This is based on total annualized capital and operating costs divided by the number of new transit riders, which is estimated in the travel demand forecasting process.*

Public Comment: Operating Subsidy is grossly understated: The operating subsidy will be far higher than the SDEIS purports, because the lower ridership means lower farebox receipts. (0072 0150-4)

> ***Response:*** *Ridership forecasts were developed using a travel demand forecasting model that is consistent with the Metropolitan Washington Council of Government (MWCOG) model, as well as regionally-adopted land use and demographic data. The annual operating costs and revenues were derived using established WMATA cost models, fare structure, and the results of the operating plan for each alternative in year-of expenditure dollars. Section 8.3 of the Final EIS presents a discussion of the operating cost and revenue risk factors.*

Funding Impacts for WMATA Member Jurisdictions

Public Comment: It is unfair to assess the state of Maryland $6.9 million in yearly operating costs for this LPA Phase I and $0.00 for Loudoun County. I would guesstimate that more Loudoun residents will use the LPA Phase I than Marylanders or D.C. residents, especially when you propose spending $2.8 million a year in "premium bus service" to Loudoun County. (0016 0122-20)

> ***Response:*** *To date, the Northern Virginia Transportation Commission has waived the participation of Loudoun County in the Metrorail subsidy allocation. Otherwise, funding for operations and maintenance of the Metrorail system is governed by the WMATA Compact.*

WMATA Compact jurisdictions contribute to the agency's annual operating budget in accordance with Board-approved Metrorail subsidy allocation formula. Per a WMATA Board of Directors Resolution in year 2000, the operating deficits of an extension (such as the Dulles Corridor Rapid Transit Project) will be allocated among member jurisdictions in accordance with the formula in effect at the time of the extension.

8.3 OTHER FINANCIAL ISSUES

A. Draft EIS Comments

No comments pertaining to this topic were received.

B. Supplemental Draft EIS Comments

Public Comments

Costs for Mitigation Measures

Public Comment: [I]nclude in the project budget post-construction study of the noise, visual and traffic impacts on neighborhoods and contingency funds to pay for additional mitigation if the impact is greater than anticipated. (0026 0067-1)

Public Comment: What are the estimated expected costs and the sources of proffers or funding for connections and mitigations? (0042 0043-8)

> ***Response:*** *The proposed roadway modifications for station access are not high in number nor in costs. The capital cost methodology for the Final EIS does not include an estimate for each modification but rather uses "top down" method, whereby an order-of-magnitude cost is determined for the modifications. This method was also applied to environmental mitigation measures. ,*

Cost per New Rider

Public Comment: Our calculations are that the cost to remove one car from the road through Dulles Rail is $900,000. Confirm this number or come up with another one. Compare and contrast this $900,000 figure with the $700 per vehicle we estimate it costs to expand the traffic capacity. (0061 0069-3) (0061 0117-3) (0061 0136-4)

> ***Response:*** *In general, every "new rider" generated by the project could result in one less automobile on the Dulles toll Road or other regional roadways. Using the methodology developed by the Federal Transit Administration for determining the cost per new rider for New Starts projects, the total cost per passenger is approximately $24.73 (in 2004 dollars) per new rider for the Wiehle Avenue Extension. This is based on total annualized capital and operating costs divided by the number of new riders, which is estimated in the travel demand forecasting process.*