

Department of Planning and Budget 2002 Fiscal Impact Statement

1. Bill Number HB1366

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Ware

3. Committee House Transportation

4. Title Richmond Metropolitan Authority.

5. Summary/Purpose:

Transfers control of the Richmond Metropolitan Authority's (RMA) toll roads to the Commonwealth upon the redemption and retirement of all the Authority's outstanding bonded indebtedness.

6. Fiscal Impact Estimates are preliminary: See #8.

7. Budget amendment necessary: No.

8. Fiscal implications:

RMA highway facilities include the Downtown Expressway, the Powhite Parkway, and the Boulevard Bridge, which total approximately six miles for all three facilities. The Department of Transportation (VDOT) currently pays for only ordinary maintenance (snow removal, grass cutting, patching, etc.) on the Downtown Expressway and the Powhite Parkway; maintenance replacement (more extensive rehabilitation) is performed by the RMA itself. The department does not provide ordinary maintenance for the Boulevard Bridge.

A 1998 analysis by VDOT stated that the bonds are scheduled for retirement by 2022. Transfer of these facilities at that time would impose a new financial obligation on the department for their operation and complete maintenance expenses. At this time, the extent of these future costs cannot be determined with any specificity. However, personnel at the RMA provided the following information to provide some idea of the current costs for all three facilities involved for which VDOT is not responsible:

- costs for maintenance replacement has averaged \$5.1 million annually over the last decade;
- costs for lighting the road facilities for FY01 is budgeted at \$92,000 (VDOT currently provides some financial assistance for lighting); and,
- costs for lighting and heating the administrative buildings is budgeted for the current year at \$65,000.

The department is unable to accurately estimate the inflation factors for these expenses twenty years in the future, but they are certain to be greater than expenses now incurred by RMA.

Although the department may benefit from acquiring the administrative buildings associated with these facilities, there could be additional expenses for lighting, heating, building maintenance, and security, plus any costs associated with remodeling.

9. Specific agency or political subdivisions affected: The Department of Transportation, Richmond Metropolitan Authority, and localities adjacent to RMA facilities.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 02/11/02/jlm

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cc:Secretary of Transportation