

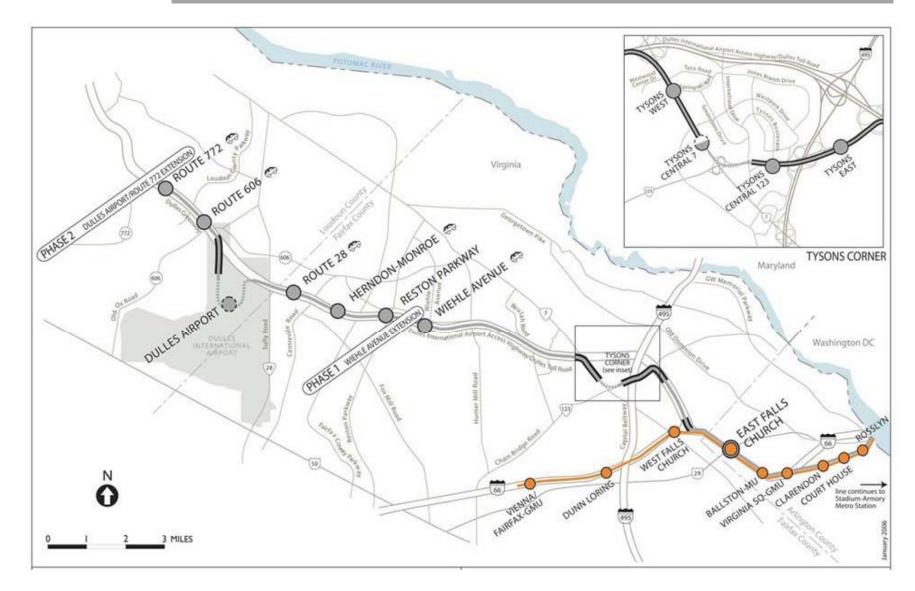
Fairfax County, Virginia

Dulles Metrorail Project Briefing to Fairfax County Board of Supervisors Transportation Subcommittee

March 6, 2009



### Phase I & II Map





### **Project Schedule**

- Project Activities Schedule
  - Design
  - Utility Work
  - Station Special Exceptions
  - Full Funding Grant Agreement
    - Congressional Review
    - MWAA/FTA Execute FFGA
  - Rail Construction
    - Orange Line/DCR
    - Tysons Corner Area
    - DIAAH and Wiehle Ave
    - Trackwork, Power, Wayside
  - Passenger Service Begins:

60+% complete; continuing as design/build project 1<sup>st</sup> quarter 2010 March 9, 2009

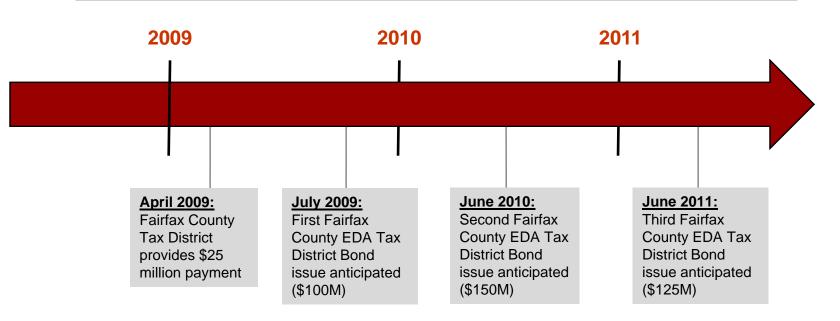
March 9, 2009 Within 2 weeks

- 3<sup>rd</sup> Q'09 3<sup>rd</sup> Q '11
- 2<sup>nd</sup> Q '09 1<sup>st</sup> Q '12
- 3<sup>rd</sup> Q '09 3<sup>rd</sup> Q '11
- 2<sup>nd</sup> Q '10 2<sup>nd</sup> Q '13

November 2013



## **Preliminary Cash Flow – Tax District Payments**



- \$108 million of tax revenue currently on hand will be used to:
  - Fund \$25 million payment to MWAA in April 2009
  - Pay debt service while rail line is under construction
  - Fund reserves
  - Reduce bond issuance



# **Tax District Bonds Structure**

- Economic Development Authority requested to issue the following series of bonds to fund the cash flow requirements:
  - \$100 million in summer, 2009
  - \$150 million in June, 2010
  - \$125 million in June, 2011
- Up to 25% of outstanding bonds may be issued in variable rate mode
  - May be redeemed at any time with 30 days notice
  - Could be retired early with any excess cash flow
- Estimated minimum debt service coverage requirement of 1.1 times
- Amortized over 30 years, level debt service
- Bond interest during construction is capitalized, or paid from tax revenue on hand



## **Tax District Bonds Security**

- Revenue collected by the Transportation Improvement District
  - \$108 million collected to date
  - 22 cent current tax rate
  - Must reasonably anticipate 29 cent or lower tax rate at 1.5% average annual assessed value growth
  - 40 cent maximum tax rate under Statute
- Debt Service Reserve Fund, approximately equal to maximum annual debt service on the bonds
- Revenue Stabilization Fund, funded in an amount up to the maximum annual debt service on the bonds
- Rating agency assessment March 2009
- Additional credit enhancement may be required (the market has changed)



#### Phase II

- Total project cost (Phases I & II) = \$5.2 billion
- Fairfax County share = \$837.2 million (16.1%)
- Phase I TID funding = \$400 million
- Phase II TID funding = to be determined
- Anticipate funding gap, after Phase I & II TID contributions, of \$100 million to \$150 million
- Countywide commercial and industrial tax revenues planned to cover gap