

ADDENDUM

MARTINSVILLE CITY COUNCIL AGENDA

September 27, 2016

7:30 pm – REGULAR SESSION ADDENDUM

1. Hear an update from Senator Bill Stanley regarding I-73

Meeting Date: September 27, 2016

Item No: Addendum 1

Department: City Manager

Issue: Hear an update from Senator Bill Stanley regarding I-73

Summary: Senator Stanley will be providing an update on I-73 to both the Henry County Board of Supervisors at their September 27th afternoon meeting, and the same update for City Council.

The I-73 Coalition group met on Tuesday, August 2nd in Rocky Mount to discuss the I-73 project and potential funding. Much of the discussion centered around possible funding for the project and it was specifically noted that other areas of the state have developed regional transportation authorities (Northern Virginia & Hampton Roads) and have generated significant transportation funding through a regional sales tax add-on. That same concept is being discussed for the I-73 corridor.

Attachments: A copy of a draft resolution developed by the City of Roanoke supporting a regional transportation authority for regional transportation projects, including but not limited to I-73. Also attached is a spreadsheet showing how much funding can be generated through a 0.7% sale tax add-on in the region.

Recommendations: No action by Council is requested at this meeting. It is anticipated this matter will be placed back on Council's agenda for the October 11th meeting to consider adoption of a resolution in support of creation of a regional transportation authority.

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

A RESOLUTION urging the General Assembly to establish a regional transportation district for the New River-Roanoke- Southside region.

WHEREAS, the development of transportation infrastructure is a critical component in economic development throughout the Commonwealth of Virginia;

WHEREAS, the economies of Southside Virginia and Southwestern Virginia lag the economies of Hampton Roads and Northern Virginia, in part due the significant differences in the amount of spending for transportation infrastructure between Northern Virginia and Southside Virginia and Southwestern Virginia;

WHEREAS, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) defined High Priority Corridor 5, as the "I-73/74 North–South Corridor" from Charleston, South Carolina, to Detroit, Michigan, and in Virginia this route would run from Henry County to Roanoke County to Giles County;

WHEREAS, the Commonwealth Transportation Board has studied a route for Interstate 73 and has begun to develop an Environmental Impact statement, required under the National Environmental Policy Act, for permitting processes required by the US Army Corps of Engineers;

WHEREAS, a report by Chmura Economic and Analytics states that in Virginia, 5,303 worker employed each year during 9 year construction phase;

WHEREAS, in Virginia, annual travel efficiency and cost saving is estimated to be 141.2 million in 2020, and \$161 million in 2025;

WHEREAS, development of Interstate 73 is estimated to generate an additional \$13.8 million in state taxes in Virginia and an additional \$9.2 million in local taxes per year upon completion, and an \$17.1 million state tax and \$10.9 million local tax per year five year after completion;

WHEREAS, more than 50,000 permanent jobs are projected to be created in the Interstate 73 region upon completion;

WHEREAS, additional highway funding is critical and essential in order to commence the process of construction of Interstate 73;

WHEREAS, the region that will be most positively impacted and benefited by the development and construction of Interstate 73 must provide some of this funding in order for the Commonwealth Transportation Board to approve the construction of Interstate 73;

WHEREAS, the funding mechanisms created for the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission provide effective models for highway funding and regional transportation management cooperation;

WHEREAS, the lack of such a regional transportation funding management organization within Southwestern Virginia is detrimental to the further economic development of the Roanoke Valley, the New River Valley and Southside Virginia;

WHEREAS, the creation of a New River-Roanoke-Southside transportation funding and management organization would significantly benefit this region of the Commonwealth and expand the economic and cultural development of this region of the Commonwealth; and

WHEREAS, only the Virginia General Assembly can establish such an organization.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Roanoke as follows:

1. City Council hereby urges the Virginia General Assembly to create a regional transportation authority similar to the Northern Virginia Transportation Authority or the Hampton Roads Transportation Accountability Commission for our region of the Commonwealth with the stated purpose of improving our region's transportation network, including but not limited to the construction of Interstate 73.

2. City Council requests that our delegation to the Virginia General Assembly to support this effort and to persuade their colleagues throughout the Commonwealth of Virginia to provide our region with this authority to improve our transportation system to benefit our region of the Commonwealth.

3. The City Clerk is directed to deliver copies of this Resolution to the Honorable John Edwards, the Honorable David Suetterlein, the Honorable Christopher Head, the Honorable Terry Austin, the Honorable Sam Rasoul, and the Honorable Greg Habib.

ATTEST:

City Clerk.

Department of Taxation, FY 2015
Local Sales Tax Distribution, Table 4.3

Locality	FY 2015 Local Option	x .7=
Planning District 4		
Floyd County	824,397	577,078
Giles County	1,834,450	1,284,115
Montgomery County	11,574,926	8,102,448
Pulaski County	3,934,248	2,753,973
Radford City	839,334	587,533
	19,007,355	13,305,147
Planning District 5		
Alleghany County	934,857	654,400
Botetourt County	2,698,446	1,888,912
Covington City	1,236,465	865,525
Craig County	173,419	121,393
Franklin County	4,373,782	3,061,647
Roanoke City	20,293,415	14,205,390
Roanoke County	11,097,856	7,768,500
Salem City	6,558,394	4,590,876
	47,366,634	33,156,643
Planning District 12		
Danville City	8,397,280	5,878,096
Henry County	4,005,681	2,803,977
Martinsville City	1,974,971	1,382,480
Patrick County	1,143,640	800,548
Pittsylvania County	2,144,695	1,501,286
	17,666,267	12,366,387
GRAND TOTAL	84,040,256	58,828,177

"Local Option" equals the 1 cent sales tax collected by each Virginia locality

"x .7=" represents 7/10s of a penny

Added to current statewide sales tax of 5.3%, this additional sales tax would bring the sales tax in these localities to 6% (same as NOVA and HR)

Source: Virginia Department of Taxation, Annual Report, Fiscal Year 2015

http://www.tax.virginia.gov/sites/tax.virginia.gov/files/Annual_Report_FY_2015.pdf