COMMONWEALTH *of* VIRGINIA

Office of the

SECRETARY *of* TRANSPORTATION

Priority Project Recommendations

John Lawson, Deputy Secretary of Transportation

October 14, 2025

Advancing Priority Projects

- Available Funding
- Funding Recommendations
- Next Steps

Available Funding

- There is significant unallocated Priority Transportation Fund (PTF) amounts anticipated in the Six-Year Improvement Program
- GARVEE bond proceeds planned in the Six-Year Financial Plan have not been allocated
- These funds are not allocated through the SMART SCALE process
- The CTB can allocate these funds to eligible priority projects
- Staff is recommending the advancement of a select group of priority projects with these funds
  - Obtain the benefits sooner
  - Avoid the impact of inflation

Available Funding

Priority Transportation Fund (PTF)

- Fund receives 10.5% of the Transportation Trust Fund Distribution
- First use is debt service on Capital Projects Revenue Bonds
- May be allocated by the CTB to priority projects
- Residual funds have been made available for Transforming Rail in Virginia

- The projected available balance in the SYIP after these commitments is $296.5 million
- Due to FY 2025 Transportation Revenue Performance, excess revenue from the Highway Maintenance and Operating Fund, the Construction Fund, and the Mass Transit Fund is due to the PTF
  - Calculated amount is $103.5 million.
  - To make these funds available, a revised budget will be recommended to the CTB in November 2025.
- Total amount of PTF available is $400 million

Available Funding

GARVEE Bonds (Grant Anticipation Revenue Vehicle Bonds)

- **New application of GARVEE Bonds to projects is governed by language in the current Appropriation Act, Item 420, B. 10.**

  "The secretary shall ensure that any bonds issued pursuant to Article 4, Chapter 15 of Title 33.2 shall be programmed to projects eligible for funding through the Interstate Operations and Enhancement Program or to the High Priority Projects Program pursuant to § 33.2-370 or the Construction District Grant Program pursuant to § 33.2-371."

  – **Project must be eligible for Interstate Operations and Enhancement Program or the two Programs allocated through the SMART SCALE process**

- **GARVEE Bond proceeds of $319.3 million are available in the current SYIP**

Advance Additional Round 6 SMART SCALE Projects
High Priority Projects Program Eligible - $218 Million

Project	Locality	Requested Amount in Round 6	Recommended Amount	Additional Information
Business 17 (Lee Highway) Corridor Safety Improvement	Town of Warrenton	$20,447,204	$20,447,204	Allocation from PTF Recommended
Route 288 Southbound Hard Shoulder Running Lane	Goochland County	71,995,546	66,995,546	Allocation from GARVEE Bonds Recommended Locality contributed additional funds of $5 million to help advance the project
Route 294 (Prince William Parkway) Corridor Improvements	Prince William County	26,742,423	21,393,938	Allocation from PTF Recommended; Locality contributed additional funds of $5.3 million to help advance the project
I-395 Shirlington Rotary &S Glebe Rd Interchange Improvements	Arlington County/ City of Alexandria	31,462,633	31,462,633	Allocation from GARVEE Bonds Recommended
Short Pump Area Improvements - I-64/Gayton Road Diverging Diamond Interchange	Henrico County	*	34,200,000	Allocation from PTF Recommended Leveraging $123.2 million already committed to project
E. Parham Road Improvements – I-95 to Cleveland St	Henrico County	15,537,079	10,358,053	Allocation from PTF Recommended $2.5 million leverage offered in application; Locality contributed additional $2.7 million to help advance the project
B Port of Virginia Interchange / Commerce Road Streetscape	City of Richmond	25,554,090	16,063,089	Allocation from PTF Recommended $9.5 million leverage offered in application
US 11 (Main Street) Corridor Improvements	Town of Abingdon	17,963,221	17,213,221	Allocation from PTF Recommended Locality contributed additional $750,000 to help advance the project

***Amount requested ($247.2 million) was for suite of improvements; this represents funding for one of the projects with Henrico commitment to advance remaining projects in the future.**

Other Priority Projects
$497 Million

Project	Locality	Recommended Amount	Additional Information

Falmouth Bridge	City of Fredericksburg	$73,770,313	Allocation from PTF Recommended
			• Project is currently funded from SGR in the SYIP
			• Superstructure replacement is recommended
			  • Two lanes each direction (no capacity expansion)
			  • Replace deficient sidewalks with shared use path on one side

Meadowville Road (Route 618) at I-295 Bridge/Intersection	Chesterfield County	24,261,177	Allocation from PTF Recommended • Connect existing 4-lane typical sections on both sides of the bridge to a functioning 4-lane typical section throughout the interchange.
Route 220 • Intersection at Route 87 • Section 5 – Marrowbone Circle to US-58 Westbound Ramps	Henry County	 35,000,000 55,000,000	Allocation from PTF Recommended • Intersection Improvement – Continuous Green-T • Ramp and Intersection Improvements
Interstate 81 S Curves Realignment between Exit 167 and 168	Botetourt County	269,000,000	Allocation of $220 million from GARVEE Bonds and $49 million from PTF recommended
Long Bridge – Financing needed from I-66 Inside the Beltway	Arlington County/ Washington, DC	40,000,000	Allocation from PTF Recommended Addressing the estimated partial deficit in latest assumptions for financing available from I-66 Inside the Beltway

Next Steps

- **Recommended projects valued in excess of $25 million require a public hearing in the Highway Construction District prior to a CTB funding action. (*Code of Virginia, § 33.2-202)***
  - **The High Priority Program Projects were presented in the Spring Public Hearings**
  - **Some of the Other Priority Projects will require a public hearing**

- **Revised FY 2026 CTF and VDOT Budgets will be presented to allocate the $103.5 million of excess revenue to the Priority Transportation Fund to make the funds available for allocation**

- **Seek CTB approval of the project funding recommendations in November 2025**
  - **Action on the Allocation of Funds to the Priority Transportation Fund**
  - **Action on project additions and allocation of funds to the recommended priority projects**

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