



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, VIRGINIA 23219-2000

DAVID S. EKERN, P.E.
COMMISSIONER

October 13, 2006

County Administrators/City & Town Managers

RE: Revenue Sharing Program for FY 2007

On October 11, 2006, the Commonwealth Transportation Board approved the new guidelines for the Revenue Sharing Program. These guidelines are based on changes made to the *Code of Virginia*, under Section 33.1-23.05, during the 2006 regular session of the General Assembly.

This new section allows all counties, as well as cities and towns, maintaining their roadways to apply for Revenue Sharing Funds up to \$1 million. It also sets out priorities/tiers for funding. The total program's budget is \$15 million for FY07.

The most significant change with the new program is a tiered approach to providing funds. All requests in the preceding tier must be funded before requests in the next tier are considered. Applications will be prioritized based on the following:

- Tier one provides funding when the governing body commits more than \$1 million in local funds for a \$1 million match. The locality's total requests are considered for tier one funding. If requests exceed funds available, tier one requests will be prioritized based on the amount of local funds committed above the matching funds. Please note, local matching funds must be available for use by April 1st and those in excess of the \$1 million match, must be spent prior to receiving state matching funds. The use of state Revenue Sharing funds requires that state laws, policies, and procedures must be followed.
- Tier two provides funding when the project is administered by the locality. Local administration must include all remaining phases of the project.
- Tier three provides funding to projects when the allocation will accelerate an existing project in the Six-Year Improvement Program or the locality's capital plan.
- Tier four projects include any other requests that have a matching allocation from the governing body.



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The current program guidelines and application forms can be reviewed at <http://www.virginiadot.org/business/local-assistance.asp>. If your locality wishes to participate in the program for the fiscal year ending June 30, 2007, the following items **must be provided by December 22, 2006**, to the Local Assistance Division:

- A resolution of the County Board of Supervisors or City/Town Council outlining their request to participate and support of the potential projects identified for possible funding from the program (sample on the website),
- A *Detailed Designation of Funds Form* for each project, which gives detailed project information (on the website), and
- A *Summary Designation of Funds Form* which summarizes and prioritizes the list of eligible projects (on the website).

Each locality will need to work directly with their Residency Administrator, Urban Program Manager or other designated VDOT representative in selecting eligible projects, developing estimates and submitting the necessary paperwork. A list of managers is also included in the Revenue Sharing Guide.

The Department looks forward to working with you on this during the upcoming months. If you have questions about the program changes this year, you may reach me at 804-786-2745 or by email at Michael.Estes@VDOT.virginia.gov.

Sincerely,



Michael A. Estes, P.E.
Director, Local Assistance Division