

May 1, 2026

The Honorable Robert “Bobby” M. Dyer, Mayor
Members of the City Council

Subject: FY 2026-27 City Administration Reconciliation Requests

Mr. Mayor and Members of the City Council:

To keep the May 5, 2026, Reconciliation workshop focused on City Council’s recommended adjustments to the proposed budget, staff recommended changes are outlined within this document for your review and consideration. As always, staff will be available to answer any questions on these items.

Operating Budget

1. **East Coast Surfing Championships (ECSC)** – The Tourism Advertising Program (TAP) provides ECSC with \$25,000 annually. For its 64th year, the Virginia Beach Jaycees have requested additional funding to enhance the weeklong championship event. The TAP fund has the capacity to provide an additional \$100,000 through the existing dedication without an additional appropriation of funds.
2. **Additional Hours for Council Aides** – Currently, Council aides are permitted to work up to 20 hours per week. Several members of the City Council have requested the cap be updated to 30 hours per week at an estimated annualized cost of \$145,314. This amount will be absorbed by vacancy savings within the General Fund in FY 2026-27.
3. **Risk Management Position** – The Risk Management Division of Finance manages all workers’ compensation claims in collaboration with multiple City Departments. To better support the organization and streamline processes, one additional position is recommended. This role will assist employees in navigating Injury, Family Medical Leave, ADA, Workers’ Compensation, or Disability related processes. The cost of this position will be absorbed by existing budgeted appropriations within the Risk Management Internal Service Fund for FY 2026-27.
4. **Financial Services** – The initially proposed budget recommended the transfer of 6.0 FTEs from the Department of Finance to the Department of Information Technology. After the finalization of the agreement between the two departments, it was determined that Finance would retain 1.0 Administrative Specialist position.
5. **Police Position Conversions** – On April 21, 2026, the City Council approved the conversion of 3.2 part-time positions within the Police Department to 3.0 full-time positions. As this was not included

in the proposed budget, the total position count for the department in FY 2026-27 needs to be amended through the Reconciliation process. No changes to budgeted expenditures are necessary as the department has the flexibility to absorb cost increases associated with the addition of full-time benefits to the positions.

6. **Housing and Neighborhood Preservation** – The proposed budget included estimates for federal programs administered by the Department of Housing and Neighborhood Preservation. The United States Department of Housing and Urban Development recently provided updates, totaling a net of \$1,552,846, for federal fiscal year 2026 allocations, resulting in necessary adjustments to HOME, Community Development Block Grant, Emergency Shelter Grant, and the Housing Opportunities for Persons With AIDS (HOPWA) Program as outlined on the attachment. No changes to local funds are necessary as a result of this action.

Capital Improvement Program (CIP)

7. **Tolliver Road** – Capital Project #100048 “Burton Station Road Improvements III,” within the Economic and Tourism Section of the CIP shall be amended to enter into a cost-participation agreement for the extension of Tolliver Road for an access point to the new Veterans Affairs Outpatient Clinic. This project is proposed to be supported by \$6.9 million in Public Facility Revenue Bonds to be repaid by the General Fund with the debt service to be supported by the real estate revenue generated by the facility. The proposed detail sheet is attached to this document for your review and consideration.
8. **Centerville Turnpike Phase III** – Due to competing funding priorities within the CIP and reevaluation of corridor needs, in FY 2025-26, the status of Capital Project #100058 “Centerville Turnpike Phase III” was changed to “deleted.” As a result of this action, the City is no longer pursuing this phase of the project, and as such, the federal earmark of \$6 million needs to be removed from budgeted appropriations. The remaining SMART Scale Round 1 funds may be reallocated to a different Roadway project in the future, pending Virginia Department of Transportation and City Council approval. Remaining local funds of \$15,005,800 currently budgeted to the project are recommended to be transferred to Capital Project #100057 “Centerville Turnpike Phase II” to ensure project activities remain fully funded as this project nears construction.
9. **Oceana Gardens Constructed Wetlands** – Within the Proposed FY 2026-27 CIP, revenue estimates for Capital Project #100669 were revised based on actual project costs and eligible reimbursements from the Department of Environmental Quality. Following additional project reconciliations, additional reductions in appropriations and estimated state revenue in the amount \$9,000 are necessary. Total appropriations to the project will now be reflected as \$1,348,771.

10. **Atlantic Avenue Improvements** – After further review of Capital Project #100300 “Atlantic Avenue Improvements,” it has been determined that the addition of “private utility adjustments” and “site acquisition” to the scope is necessary in the event these activities are needed for project completion. No changes to the total project cost are necessary, and the project is reflected as fully funded at \$35 million.
11. **Holland Road Phase I & Independence/Edwin Drive** – In order to align with the Virginia Department of Transportation’s Six-Year Improvement Program, modifications to programmed state and federal funds for these two projects (#100564 and #100482) are necessary in FY 2028 and FY 2029 as outlined in the attached. The two projects remain fully funded following these adjustments.
12. **Traffic Safety Improvements** – In order to align with recent changes to Virginia law (HB994) effective in July 2026, regarding the use of speed enforcement revenue, all local funds (non-speed enforcement related) are recommended to be transferred from Capital Project #100730 “Traffic Safety Improvements V” to newly created Capital Project #100751 “Citywide Sidewalk Program” as outlined in the attachment to ensure speed enforcement revenues are appropriately expended. Virginia law states speed enforcement funds can only be used solely for planning, design and construction, implementation, administration, and operation of initiatives, projects, or programs that improve traffic safety, speed management, bicycle and pedestrian safety, public transit, and local systemic safety initiatives otherwise eligible for funding through the Virginia Highway Safety Improvement Program (HSIP).” HSIP does not typically fund sidewalks, so the segregation of funds is necessary. All sidewalk projects using speed enforcement revenue initiated prior to July 1, 2026, will be allowable with speed enforcement funds. In addition, all previously appropriated speed enforcement revenues within Capital Project #100423 “Traffic Safety Improvements IV” shall be transferred to Capital Project #100730 “Traffic Safety Improvements V.”

Should you have any additional questions or concerns prior to Tuesday, please contact me or the Director of Budget and Management Services, Kevin Chatellier.

Sincerely,

Patrick A. Duhaney
City Manager

Attachments (11)

- CIP Detail Sheets (10)
- City Administration Reconciliation Requests Summary

City Administration Reconciliation Requests Summary: Capital Improvement Program

Item #	Project	Item	ATDs	FY27	FY28	FY29	FY30	FY31	FY32
Staff #7	Burton Station Road Improvements III	Tolliver Road Extension from Air Rail to Northampton Blvd (PFRB)	-	6,900,000	-	-	-	-	-
Staff #8	Centerville Phase III	Federal Revenue	(6,000,000)	-	-	-	-	-	-
Staff #8	Centerville Phase III	Available Local Funds - Transfer to Centerville Phase II	(15,005,800)	-	-	-	-	-	-
Staff #8	Centerville Phase II	Transfer From Centerville Phase III	15,005,800	-	-	-	-	-	-
Staff #9	Oceana Gardens Constructed Wetlands	State Revenue Update	(9,000)	-	-	-	-	-	-
Staff #10	Atlantic Avenue Improvements	Updated Schedule of Activities	-	-	-	-	-	-	-
Staff #11	Holland Road Phase I	State Revenue Update	-	-	-	-	500,000	-	-
Staff #11	Holland Road Phase I	Federal Revenue Update	-	-	(2,500,000)	-	-	-	-
Staff #11	Independence Blvd/Edwin Drive	State Revenue Update	-	-	-	-	500,000	-	-
Staff #12	Traffic Safety Improvements V	Local Fund Reduction & ATD Transfer from TSI IV	4,033,026	(3,122,976)	(2,957,515)	(2,957,515)	(3,154,172)	(2,957,515)	(2,957,515)
Staff #12	Traffic Safety Improvements IV	Speed Enforcement Funds transfer to TSI V	(4,033,026)	-	-	-	-	-	-
Staff #12	Citywide Sidewalk Program	Local Fund Swap with TSI V	-	3,122,976	2,957,515	2,957,515	3,154,172	2,957,515	2,957,515
		Total	\$ (6,009,000)	\$ 6,900,000	\$ (2,500,000)	\$ -	\$ 1,000,000	\$ -	\$ -

City Administration Reconciliation Requests Summary: Operating Budget

Item #	Department/Fund	Item	Revenue	Expenditure	FTE
Staff #1	CVB (TAP Fund)	East Coast Surfing Championship	-	-	-
Staff #2	Municipal Council	10 Additional Hours for Council Aides	-	-	-
Staff #3	Finance (Risk Management Fund)	Additional Position for Employee Support	-	-	1.00
Staff #4	Information Technology	Administrative Specialist	-	(103,633)	(1.00)
Staff #4	Finance	Administrative Specialist	-	103,633	1.00
Staff #5	Police	Part-Time Camera Operators	-	-	(3.20)
Staff #5	Police	Full-Time Business Application Specialist, Crime Analyst, Data Analysis Supervisor	-	-	3.00
Staff #6	Housing (Federal Housing Fund)	HOME Federal Revenue	5,223	5,223	-
Staff #6	Housing (CDBG Fund)	CDBG Federal Revenue	(234,060)	(234,060)	-
Staff #6	Housing (Grant Fund)	Emergency Shelter Grant Federal Revenue	9,224	9,224	-
Staff #6	Housing (Grant Fund)	HOPWA Federal Revenue	1,772,459	1,772,459	-
Total			\$ 1,552,846.00	\$ 1,552,846.00	0.80

**City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100048 Title: Burton Station Road Improvements III**

Status: Proposed		Category: Economic & Tourism Development		Department: PLANNING			Ranking: 0	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: 4				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
9,965,658	3,065,658	6,900,000	0	0	0	0	0	24,918,922

Description and Scope

This project will provide public roadways and infrastructure to connect areas for commercial and residential development in the Burton Station Strategic Growth Area. The second phase of Tolliver Road will extend from Burton Station Road south to Northampton Boulevard. Future phases will extend Tolliver Road north from an at-grade railroad crossing to Air Rail Avenue with new water and sanitary service utilities. Public Utilities will separately fund any needed pump station design and construction. Portions of this infrastructure will be delivered through cost participation agreement(s) with a developer(s) and the City of Virginia Beach.

Purpose and Need

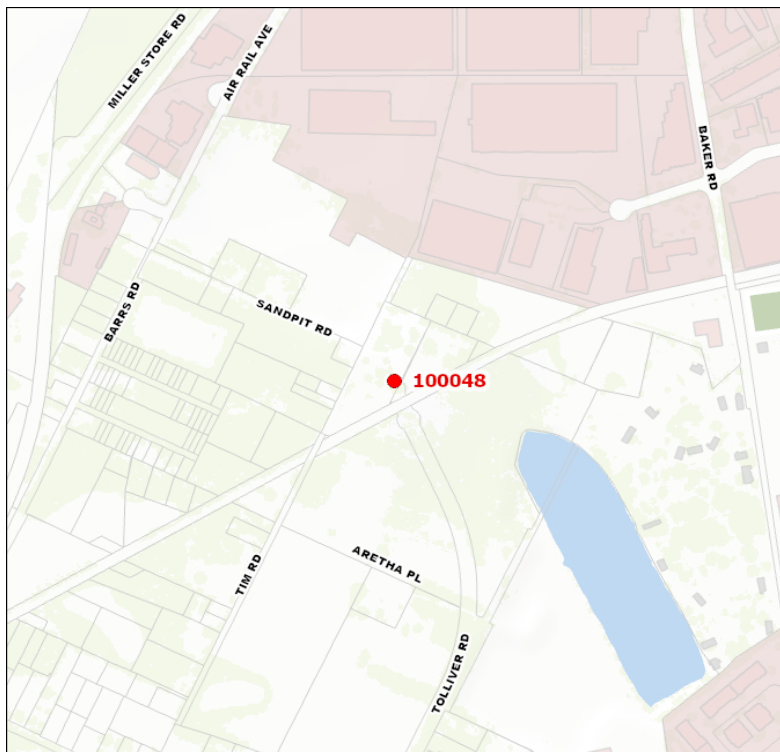
The purpose of this project is to provide new roadways, sidewalks, stormwater facilities, and utility connections throughout the Burton Station Strategic Growth Area, such as Tolliver Road between Northampton Boulevard and Air Rail Avenue and Burton Station Road between Northampton Boulevard and Miller Store Road. This project is consistent with the phasing and implementation goals recommended in the adopted Burton Station/Northampton Boulevard Corridor Strategic Growth Area Implementation Plan to facilitate area growth and development.

History and Current Status

This project first appeared in the FY 2011-12 CIP. The first phase of Tolliver Road between Burton Station Road and the railroad crossing was completed in 2019. In FY 2025-26 the Tolliver Road northern extension from the railroad crossing to Air Rail Avenue reached 90% design and \$14,545,807 in appropriations were transferred to project 100123 "Cleveland Street Improvements IV." In FY 2026-27, \$6,900,000 was appropriated to fund the southern extension of Tolliver Road between Burton Station Road and Northampton Boulevard through a cost participation agreement with the developer of an adjacent 234,000 square foot Veterans Affairs Outpatient Clinic. The southern Tolliver Roadway extension and Veterans Clinic will be constructed simultaneously, with completion expected in 2029.

Operating Budget Impacts

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Design	06/12 - 01/25	1,500,000
Site Acquisition	12/24 - 11/26	2,400,000
Construction	12/27 - 05/29	29,223,433
Contingencies	06/12 - 05/29	1,761,147
Total Budgetary Cost Estimate:		34,884,580

Means of Financing

Funding Subclass	Amount
Local Funding	9,965,658
Total Funding:	9,965,658

City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100058 Title: Centerville Turnpike Phase III

Status: Deleted		Category: Roadways		Department: PUBLIC WORKS			Ranking: 0		
Project Type				Project Location					
Project Type: New Facility Construction/Expansion				District: 7					
Programmed Funding									
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding						Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032		
14,760,121	14,760,121	0	0	0	0	0	0	0	

Description and Scope

VDOT UPC #109381. City Council identified this project as an Initiative under the Goal Improve the Transportation System in the 2018 Annual Report to City Council. This project is for the construction of a four-lane divided highway between Kempsville Road and Lynnhaven Parkway. The project will provide on and off road bike accommodations. The total distance is approximately 1.15 miles. Existing aerial utilities will be relocated to a new overhead location.

Purpose and Need

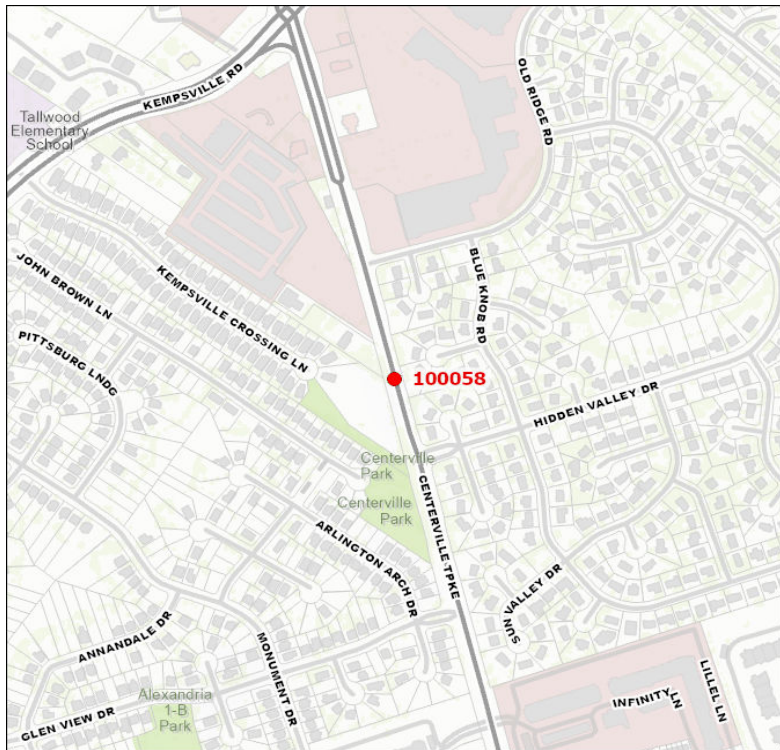
This project will address congestion in the Centerville area. The existing two-lane roadway carries 15,715 vehicles per day (2024) with a capacity of 13,200 vehicles. It has a projected volume of 30,000 vehicles by the year 2040. This corridor is ranked #19 of 311 in the 2017 Technical Ranking of Congested Roadway Segments list.

History and Current Status

This project first appeared in the FY 2013-14 CIP. In 2017, the project was selected for Smart Scale Round 1 funding of \$6 million. In 2021, this project was incorporated into the U.S. Senate's Transportation - Housing and Urban Development Appropriations bill as a Congressionally Directed Spending request sponsored by Senator Tim Kaine. As a result, \$6 million in federal revenue was estimated to this project in FY 2022-23.

Operating Budget Impacts

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Construction	02/27 - 06/29	14,760,121
Total Budgetary Cost Estimate:		14,760,121

Means of Financing

Funding Subclass	Amount
State Contribution	4,290,000
Local Funding	8,760,121
Federal Contribution	1,710,000
Total Funding:	14,760,121

**City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100057 Title: Centerville Turnpike Phase II**

Status: Proposed		Category: Roadways		Department: PUBLIC WORKS			Ranking: 0	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: 7				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
90,746,226	89,957,623	788,603	0	0	0	0	0	0

Description and Scope

VDOT UPC #103005. City Council identified this project as an Initiative under the Goal Improve the Transportation System in the 2018 Annual Report to City Council. This project is for the construction of a four-lane divided highway within a 130 foot right-of-way from Indian River Road to Kempsville Road, a distance of 1.85 miles. This project will provide improvements at the Kempsville Road and Indian River Road intersections, including triple left turn lanes onto Indian River Road from Centerville Turnpike. This project will also include sidewalk, dedicated on-road bike lanes, landscaping, and relocation of existing aerial utilities to a new overhead location.

Purpose and Need

This project will address congestion in the Centerville area. The existing two-lane roadway carries 19,078 vehicles per day (2023) with a capacity of 13,200 vehicles. It has a projected volume of 36,000 vehicles by the year 2040. This corridor was ranked #1 of 311 in the 2017 Technical Ranking of Congested Roadway Segments list.

History and Current Status

This project first appeared in the FY 2011-12 CIP as Centerville Turnpike Interim Improvements. In FY 2012-13, a separate project, Centerville Turnpike-Phase II appeared along with the interim project. Additional funding enabled the merger of Phase II initiatives into the funded interim project; therefore, this project was re-titled and now incorporates all Centerville Phase II activities. At the request of VDOT, the City Council adopted an ordinance on February 25, 2013 that transferred \$10,326,327 in aid from the Commonwealth (\$5 million) and local Revenue Sharing funding from this project to Lesner Bridge Replacement due to Lesner's higher construction bids. The City was able to replace the local funding through appropriations-to-date transfers and new Revenue Sharing funding. In 2019, Centerville Phase II received \$1,380,901 from VDOT through the Highway Infrastructure Program. In FY 2025-26, this project received \$2.9m in RSTP funding. In FY 2026-27, \$15,005,800 was transferred from project #100058 "Centerville Phase III."

Operating Budget Impacts

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Total Operating Budget Impacts	0	0	0	0	103,645	105,718

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Inspections and Support	07/26 - 01/30	7,342,056
Tree Mitigation	05/22 - 01/30	327,467
Design	09/13 - 12/25	3,137,385
Site Acquisition	05/22 - 02/26	5,598,450
Utility Adjustment	02/26 - 12/26	2,650,000
Construction	07/26 - 01/30	64,598,290
Contingencies	09/13 - 01/30	7,092,578
Total Budgetary Cost Estimate:		90,746,226

Means of Financing

Funding Subclass	Amount
State Contribution	17,848,584
Local Funding	41,340,042
Federal Contribution	31,557,600
Total Funding:	90,746,226

City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100669 Title: Oceana Gardens Constructed Wetlands

Status: Proposed		Category: Stormwater		Department: PUBLIC WORKS			Ranking: 0	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: 5				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
1,339,771	1,339,771	0	0	0	0	0	0	0

Description and Scope

This project will install a stormwater management facility on property owned by the City in the Oceana Gardens neighborhood. The new stormwater management facility is a constructed wetland that will reduce phosphorus, nitrogen, and suspended solids from stormwater runoff that flows into the Lynnhaven River. The new constructed wetland includes the installation of pretreatment forebay, and two constructed wetland cells. The wetland areas help remove nutrients by using them for plant growth. There is minor temporary construction easement required for work within the right-of-way to direct stormwater to the new facility.

Purpose and Need

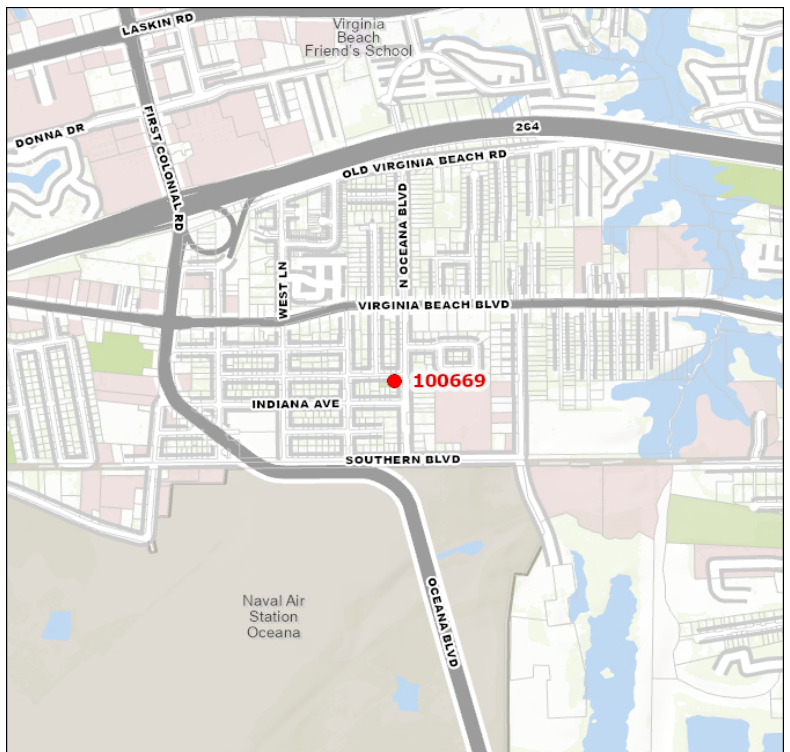
The City is regulated through a Municipal Separate Storm Sewer System (MS4) permit to discharge stormwater from its system to local waterways. The MS4 permit is issued by the Virginia Department of Environmental Quality (DEQ) under authority of the Environmental Protection Agency and the Clean Water Act. The MS4 permit requires the City implement water quality improvements to reduce stormwater pollutants to meet the Chesapeake Bay Total Maximum Daily Load (TMDL) requirements.

History and Current Status

This CIP was established in FY 2024-2025. The City was awarded a Stormwater Local Assistance Fund (SLAF) grant funding from the Department of Environmental Quality in the amount of \$1,308,750 and appropriated in the FY 2023-24 budget. A portion of the project funds were placed on hold in FY 2025-2026 to allow the Eastern Shore Drive flood protection projects (CIPs 100150, 100153, and 100167) to move forward with construction. Construction is ongoing as of Fall 2025. In FY 2026-27 \$505,000 was transferred from this project to Chatham Hall Water Quality Improvement Project (CIP 100566) and Stormwater Local Assistance Fund (SLAF) grant funding from the Department of Environmental Quality was reduced by \$396,229. In FY 2025-26, \$400,000 was transferred from this project to Eastern Shore Drive Flood Protection projects.

Operating Budget Impacts

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Tree Mitigation	11/25 - 07/27	50,000
Design	03/24 - 08/24	300,000
Construction	11/25 - 07/27	839,100
Contingencies	03/23 - 07/27	150,671
Total Budgetary Cost Estimate:		1,339,771

Means of Financing

Funding Subclass	Amount	
State Contribution	903,521	
Local Funding	436,250	
Total Funding:		1,339,771

**City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100300 Title: Atlantic Avenue Street Improvements**

Status: Proposed		Category: Economic & Tourism Development		Department: ECONOMIC DEVELOPMENT			Ranking: 0	
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: 6, 5				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
35,000,000	35,000,000	0	0	0	0	0	0	0

Description and Scope

This project provides funding for the design and construction of streetscape improvements along Atlantic Avenue. Project scope of work includes the design of improvements identified by the Atlantic Avenue Task Force to include) sidewalk replacement, raised crosswalks in select areas, site acquisition, roadway remarking, updates to street furnishings), lighting upgrades, enhanced plantings and street trees, and establishing wayfinding, placemaking and a sense of arrival.

Purpose and Need

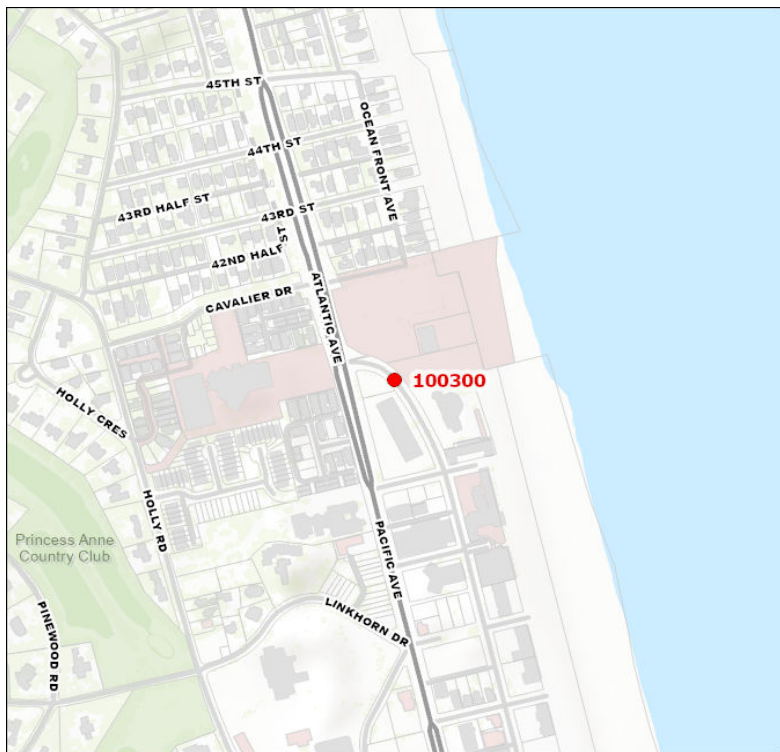
The streetscape of Atlantic Avenue is showing its age and requires a new level of investment to improve the aesthetic impact and functionality for its users. In 2017 grassroots advocacy from business operators on Atlantic Avenue formed the Atlantic Avenue Association and began to advocate for its rehabilitation. An "Activate Atlantic Avenue" visioning study was conducted by the City from 2017-2018. Improvements to Atlantic Avenue are a top priority of the 2030 Resort Area Strategic Action Plan (RASAP) and Resort Area Mobility Planning efforts (RAMP). An Atlantic Avenue Task Force was formed in 2025 to Develop recommendations to the City Council for how for an approach to implementing capital improvements to the three different sections of Atlantic Avenue. This project will advance the recommendations of the task force as well as contribute to Council's goal to be a competitive first-class resort for residents, businesses, and tourists.

History and Current Status

This project first appeared in the FY 2020-21 CIP. This project is funded using Public Facility Revenue Bonds and the associated debt service will be paid out of the Tourism Investment Program fund. A three-block demonstration project area between 17th and 20th Streets was tested in 2022 and preliminary construction design began in fall of 2022. The Project is being procured via a Progressive Design-Build contract. In FY 2024-25 the Design-Build contract received Notice to Proceed in April 2024 and 30% design was achieved in October 2024. In 2025 construction cost estimates came in above the programmed funds. A task force was established to develop recommendations to City Council on how to allocate \$30 - \$35 million for the improvements to Atlantic Avenue. The project will be implemented in phases in accordance with the Summertime moratorium, with the first full construction phase anticipated to begin in the fall of 2027.

Operating Budget Impacts

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Design	05/26 - 06/27	3,500,000
Site Acquisition	09/27 - 06/30	150,000
Utility Adjustment	09/27 - 06/30	50,000
Construction	09/27 - 06/30	28,000,000
Contingencies	05/22 - 06/30	3,300,000
Total Budgetary Cost Estimate:		35,000,000

Means of Financing

Funding Subclass	Amount	
Public Facility Bonds	35,000,000	
Local Funding	0	
Total Funding:		35,000,000

City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100482 Title: Independence Blvd/Edwin Drive Intersection

Status: Proposed		Category: Roadways		Department: PUBLIC WORKS			Ranking: 6	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: 3				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
25,025,477	1,100,000	6,038,863	0	0	9,200,000	0	8,686,614	0

Description and Scope

This project will convert left-turn movements in both directions of South Independence Boulevard at Edwin Drive to median left-turns upstream and downstream of the mainline intersection (Median U-Turns) and widen east-bound and west-bound approaches on Edwin, Drive to 2-Lefts, 1-Thru, and 1-Right. The project will also include continuous five-foot sidewalk on both sides of Independence and Edwin with a connection to existing shared-use path on Edwin as well as installation of bus shelters at two existing bus stops.

Purpose and Need

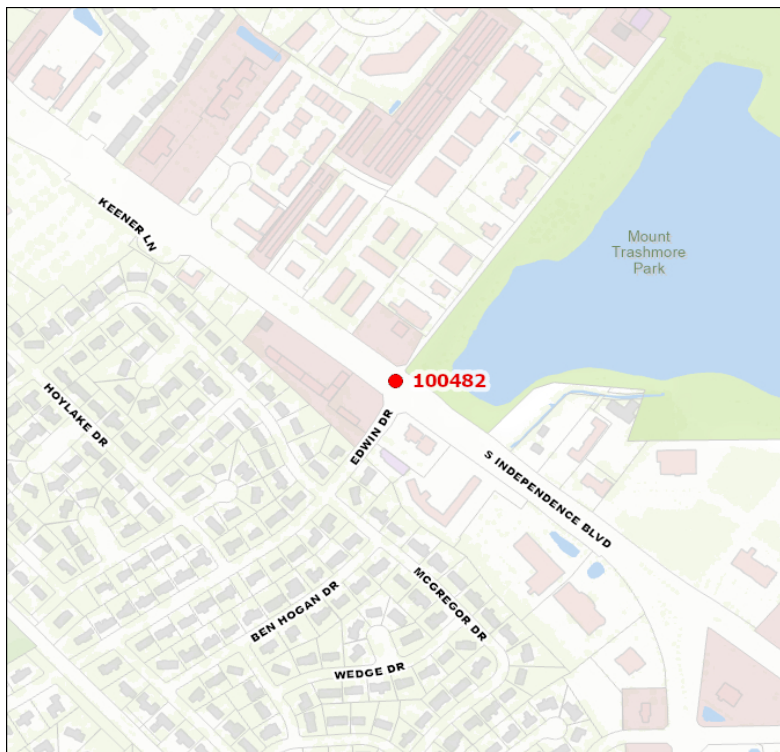
The purpose of this project is to reduce congestion and improve traffic flow for the Holland Road/Independence Boulevard Corridor and surrounding areas.

History and Current Status

This project first appeared in the FY 2021-22 CIP. This project includes Round 4 SMART SCALE Funding.

Operating Budget Impacts

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Design	02/26 - 06/30	1,629,860
Site Acquisition	10/29 - 06/31	1,552,389
Utility Adjustment	07/31 - 06/32	1,689,422
Construction	08/32 - 12/33	15,982,893
Contingencies	02/26 - 12/33	4,170,913
Total Budgetary Cost Estimate:		25,025,477

Means of Financing

Funding Subclass	Amount
State Contribution	10,300,000
Local Funding	14,725,477
Total Funding:	25,025,477

City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100564 Title: Holland Road Phase I

Status: Proposed		Category: Roadways		Department: PUBLIC WORKS			Ranking: 5	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: 10, 3				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
36,652,574	11,712,740	8,447,557	1,403,790	3,005,987	1,097,483	0	10,985,017	0

Description and Scope

This project will reconfigure Holland Road as a six-lane superstreet by adding additional through lanes in both directions from South Independence Boulevard to South Plaza Trail and by installing Restricted Crossing U-Turn (R-CUT), which helps reduce crashed, intersections at the intersections that lack a traffic signal. The project will also include continuous five-foot wide sidewalk on both sides of Holland Road, as well as LED street lights and installation of bus shelters at four existing bus stops. The project will also support a \$1 million payment to VDOT for prior phases of Holland Rd.

Purpose and Need

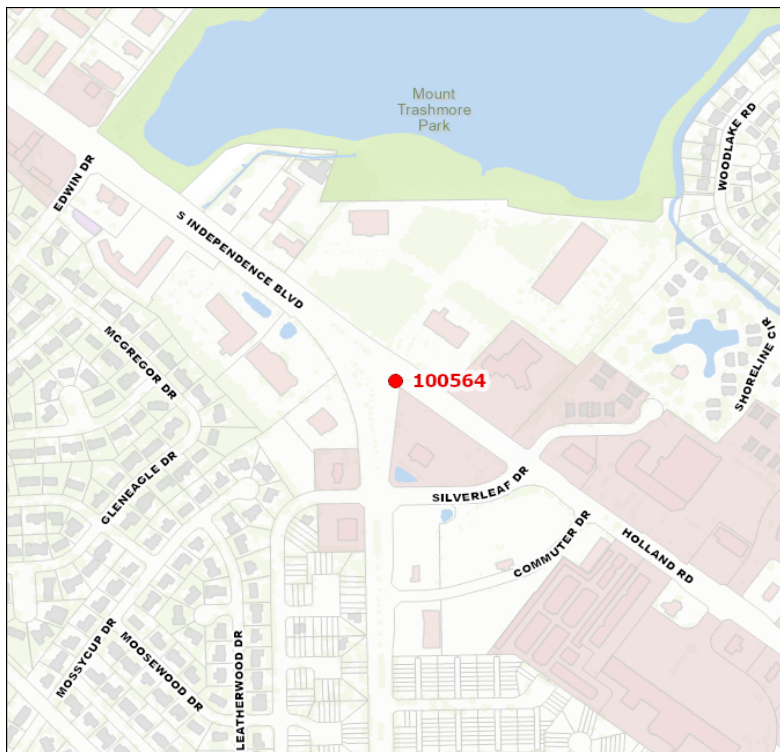
The purpose of this project is to reduce congestion and improve traffic flow for the Holland Road/Independence Blvd Corridor and surrounding areas. In 2023, this corridor experienced a traffic volume of 40,100 vehicles per day.

History and Current Status

This project first appeared in the FY 2021 - 22 CIP. This project includes Round 4 SMART SCALE Funding. In the FY 2024 - 25 CIP \$16.8 million in state/federal funds were appropriated. Due to changes in VDOT's schedule, some of these funds were reduced in FY 2025 - 26 "Attachment D" and reprogrammed across all six years.

Operating Budget Impacts

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Design	08/25 - 06/30	3,787,866
Site Acquisition	07/29 - 06/31	6,734,818
Utility Adjustment	07/31 - 07/32	2,207,445
Construction	08/32 - 07/34	17,980,349
Contingencies	08/25 - 07/34	5,942,096
Total Budgetary Cost Estimate:		36,652,574

Means of Financing

Funding Subclass	Amount	
State Contribution	17,300,000	
Local Funding	19,352,574	
Total Funding:		36,652,574

**City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100730 Title: Traffic Safety Improvements V**

Status: Proposed		Category: Roadways		Department: PUBLIC WORKS			Ranking: 0	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
18,860,099	4,033,026	786,943	3,708,026	3,208,026	2,708,026	2,208,026	2,208,026	0

Description and Scope

This project provides for modification of existing roadways by constructing turn lanes and bypass lanes, realignment of existing roadways, installing traffic signals, installing guardrails, installing sidewalks, removing visual obstructions, and funding various other traffic safety improvements. This project also provides for collecting traffic data, assessing required roadway capacity, acquiring needed property and easements, and constructing safety improvements. This annual program includes competitively obtained funding for various projects awarded by the Virginia Department of Transportation (VDOT) through the following grant programs: Transportation Alternatives Program (TAP); Bicycle and Pedestrian Safety Improvement Program (BPSP); Congestion Mitigation and Air Quality (CMAQ); and Highway Safety Improvement Program (HSIP).

Purpose and Need

There are intersections and road segments where minor modifications can increase traffic capacity and safety. Without this project, minor improvements to upgrade existing traffic safety problems cannot be expedited to meet changing traffic demands. This would delay needed minor improvements to the City's Transportation Infrastructure System.

History and Current Status

This project first appeared in the FY 2026-27 CIP and is a continuation of project 100423 "Traffic Safety Improvements IV". Appropriated funding in the amount of \$4,033,026 was moved from project 100423 "Traffic Safety Improvements IV" in FY 2026-27.

Operating Budget Impacts

Project Map

NO MAP REQUIRED

Schedule of Activities

Project Activities	From - To	Amount
Design	07/26 - 06/32	5,463,805
Construction	07/26 - 06/32	9,753,760
Contingencies	07/26 - 06/32	3,642,534
Total Budgetary Cost Estimate:		18,860,099

Means of Financing

Funding Subclass	Amount	
Miscellaneous Funding	18,860,099	
Local Funding	0	
Total Funding:		18,860,099

**City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100423 Title: Traffic Safety Improvements IV**

Status: Completed		Category: Roadways		Department: PUBLIC WORKS			Ranking: 0	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
34,017,583	34,017,583	0	0	0	0	0	0	0

Description and Scope

This project provides for modification of existing roadways by constructing turn lanes and bypass lanes, realignment of existing roadways, installing traffic signals, installing guardrails, installing sidewalks, removing visual obstructions, and funding various other traffic safety improvements. This project also provides for collecting traffic data, assessing required roadway capacity, acquiring needed property and easements, and constructing safety improvements. This annual program includes competitively obtained funding for various projects awarded by the Virginia Department of Transportation (VDOT) through the following grant programs: Transportation Alternatives Program (TAP); Bicycle and Pedestrian Safety Improvement Program (BPSP); Congestion Mitigation and Air Quality (CMAQ); and Highway Safety Improvement Program (HSIP).

Purpose and Need

There are intersections and road segments where minor modifications can increase traffic capacity and safety. Without this project, minor improvements to upgrade existing traffic safety problems cannot be expedited to meet changing traffic demands. This would delay needed minor improvements to the City's Transportation Infrastructure System.

History and Current Status

This project first appeared in the FY 2016-17 CIP and continues the activities of "Traffic Safety Improvements III." Beginning with the FY 2012-13 and continuing through FY 2029-30, this project will receive funding from Dominion Power for use of property in the Norfolk Southern Right-of-Way. By the agreement, these funds must be used for transportation purposes. In FY 2023-24, \$4.3 million was appropriated to this project from the sale of property to Dominion for their offshore wind project. Beginning in FY 2025-26, approximately \$4 million annually is programmed to this project from the revenue generated from speed enforcement cameras.

Operating Budget Impacts

Project Map	Schedule of Activities
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NO MAP REQUIRED

Project Activities	From - To	Amount
Construction	07/16 - 06/31	34,017,583
Total Budgetary Cost Estimate:		34,017,583

Means of Financing

Funding Subclass	Amount
State Contribution	473,132
Miscellaneous Funding	800,543
Local Funding	22,910,177
Sale of Property	4,264,888
Lease of Properties	981,720
Federal Contribution	4,587,123
Total Funding:	34,017,583

**City of Virginia Beach FY 2027 thru FY 2032 Capital Improvement Program
Project: 100751 Title: Citywide Sidewalk Program**

Status: Proposed		Category: Roadways		Department: PUBLIC WORKS			Ranking: 0	
Project Type				Project Location				
Project Type: New Facility Construction/Expansion				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2027	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
18,177,208	0	3,122,976	2,957,515	2,957,515	3,154,172	2,957,515	3,027,515	0

Description and Scope

This program includes design and construction of sidewalk projects in locations citywide. The program includes all design, permitting, site acquisition, and utility adjustments necessary to construct.

Purpose and Need

The program is needed to construct sidewalks in areas of need around the city to provide safe routes amongst communities. Small sidewalk projects were previously funded out of 100423 Traffic Safety Improvements IV (TSI), however the cost of these projects continues to rise and impacts other projects planned in the TSI program. This program provides a dedicated funding stream for these sidewalk projects and allows the TSI program to fund other needed safety improvement projects.

History and Current Status

This project first appeared in the FY 2026-27 CIP

Operating Budget Impacts

Project Map

NO MAP REQUIRED

Schedule of Activities

Project Activities	From - To	Amount
Construction	07/26 - 06/32	18,177,208
Total Budgetary Cost Estimate:		18,177,208

Means of Financing

Funding Subclass	Amount
Local Funding	18,177,208
Total Funding:	18,177,208