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September 30, 2010

Mr. Todd Long, P.E., PTOE
Director of Planning
Georgia Department of Transportation
One Georgia Center
600 West Peachtree Street, NW
Atlanta, GA 30308

Dear Mr. Long,

**RE: Comments on Draft Criteria for the Development of the Investment List
Per the Transportation Investment Act of 2010 (HB 277)**

Introduction

The Coastal Region Metropolitan Planning Organization (CORE MPO) appreciates the opportunity to provide input on the draft criteria for development of the investment list as outlined in House Bill 277 – The Transportation Investment Act of 2010.

All of the CORE MPO board members and local agency staffs were invited to comment on the draft criteria. The invitations went to Chatham County and all eight of its municipalities, Chatham Area Transit, Georgia Ports Authority, Savannah – Hilton Head International Airport and other member agencies. Our letter also reflects comments heard at the Chatham Municipal Association meeting and from coordination meetings held with the chairs and staffs of the other two MPOs in our special taxing district (Hinesville Area and Brunswick MPOs).

We believed that it is important to comment not only on the proposed project development criteria, but also on how the Roundtable group should function. HB 277 provides little guidance to the Roundtable group on how to conduct its business.

Please review the comments contained in this letter, the attached annotated *Attachment C*, and the attached Comments to CORE MPO that provides our comments and those from others that were transmitted to us. We anticipate that some of our members will submit comments directly to the department.

Our comments are organized into the following sections:

- Concerns about HB 277
- Roundtable Process Suggestions
- Other Miscellaneous Comments
- Draft Criteria Comments
- Attachments:
 - Annotated *Attachment C*
 - Comments to CORE MPO

Concerns about HB 277

Several discussions, some of which were attended by department personnel, have occurred locally critiquing some provisions of the legislation. This section highlights some of the concerns discussed locally:

- Local recipients of the LMIG program are concerned about the fairness of the penalties incurred that would increase matching fund requirements for the state LMIG program if the Roundtable group cannot approve a project list (50% match vs. 10%) or the voters do not pass the sales tax referendum (30% match vs. 10%). Since individual counties may not opt out of or switch regions it unduly penalizes counties that vote for the project list or the voters within their county who support the referendum.
- Another issue is equity, particularly for a county like Chatham County. In our Special Tax District, which includes 10 counties, Chatham County comprises 40.3% of the region's population and collects 49.7% of the sales tax revenues (2009 LOST). Yet under this legislation it only has two members on the Roundtable group. So, for example, Long County that has 1.9% of the region's population and 0.4% of the sales tax collections has the same number of votes as Chatham County on the Roundtable group. Further, Chatham County is a significant donor county for the off-the-top distribution of 25% of the revenues from the Special District Transportation Sales and Use Tax. Over the ten year period, over \$128 million of revenues collected in Chatham County contribute to the formula share of the other counties. It is our suggestion that the formula be changed to assign a larger proportion of funds based on population to make it more balanced for more populous counties that have more lane miles of roadway (vs. centerline miles).
- Another concern with the legislation is how the scheduled referendum for the Special District tax in 2012 relates to referenda on other local sales tax renewals. Chatham County, for example, has the Education Local Option Sales Tax (E-LOST) and the Special Purpose Local Option Sales Tax (SPLOST). The concern is that the timing of imposing another tax on top of the existing taxes (thus raising Chatham County to 8% sales tax and especially without exemption on food and

drugs) will increase the burden of the taxpayers who are already suffering in this bad economy. The Special District Transportation Tax might endanger the local governments ability to pass the next round of SPLOST or E-LOST (e.g. public revolt against perception of too much taxing), thus putting too much pressure on local governments' already diminishing revenue base.

We understand the legislation is passed and it contains the "rules to play by" but we want to note the above concerns that we have heard locally to suggest that the Department can help the Special Taxing District Roundtable groups by providing more guidance in areas where the legislation is silent, such as described in the next section.

Roundtable Process Suggestions

Although House Bill 277 – The Transportation Investment Act of 2010 clearly outlines the role of the Roundtable group, it is apparent from local meetings that the potential participants have many questions about the process. The legislation requires the Regional Roundtable group in part to:

- Meet at least twice not before November 11, 2010 and once after August 15, 2011
- Edit and adopt final selection criteria (if desired)
- Select projects using the criteria
- Select an Executive Committee that will develop a draft final project list and hold public hearings
- Amend and approve the final project list
- Notice the election superintendents if a project list is approved

Unfortunately the legislation provides no guidance that for most organizations is contained in their By-Laws document such as:

- Who chairs the meetings? (One of the non-voting legislators could do this for example)
- What is the voting process? (A weighted vote could mitigate the concerns about lack of proportional representation or as an alternative; the Roundtable group could develop and agree to a set of guiding principles that could ensure funding distribution balance. In this case the 25% off the top should be included in any equity formula)
- Who evaluates whether a project meets the criteria? Who estimates project costs and ensures its delivery schedule?

Other Miscellaneous Comments

- Having prior experience with these types referendums, we see two problems always emerge; higher costs than estimated and more revenue variability than anticipated. We suggest that each taxing district's plan include a contingency for cost variables and a required reserve for sales tax collection variability (could be one reserve

fund). At the end of the ten year period we want to produce all of the projects funded by the vote of the people and not misrepresent what we can do and not deliver every project promised.

- Can projects be partially funded in the project list using anticipated federal funding or other state funding sources?
- An amendment process should be made a component of the resolution authorizing the vote on the project list so the Roundtable group could consider amendments after the voters approve the lists but only for very specific circumstances, for example, to delete a project and add a substitute project for ones that cannot be built due to environmental barriers or due to lack of public support.
- It is not clear if the revenues anticipated from the successful vote can be used to issue short-term debt so that projects can be advanced within the ten-year term of the tax and not wait for the revenues to materialize.

Draft Criteria Comments

Our general comments on *Attachment C - Draft Criteria for Special Tax Districts outside of Atlanta Region* are provided in the following narrative. Other specific comments are provided in strike-through and underlined format directly on *Attachment C*.

- The CORE MPO agrees with the general concepts contained in the Draft Criteria. Projects should be consistent with the goals and objectives from the State Strategic Transportation Plan, within MPO areas be consistent with the long-range and vision plans of the MPOs, and be regional in character.
- From the MPO perspective it is important to note that the draft investment list to be developed by the Executive Committee and approved by the Roundtable group needs to meet the approved criteria or not be eligible for inclusion or funding. This may be a significant concern from a local governments' point of view, which could be that adhering to the approved criteria would make some desired local projects ineligible. However that requirement does not extend to the list of local transportation investments to be made by local governments using the prorated portion of the 25% of taxes returned to each local jurisdiction based upon the "LARP" formula. So that fund can be used for local projects.
- Although the projects selected should adhere strictly to the goals and guiding principles of the criteria, the Investment Allocations section of the criteria, should be flexible enough to permit funding of the regional projects desired and to allow room for negotiation among Roundtable members. Investment Allocation target ranges should be general guidance to select projects. The final mix of types of projects should be left to the consensus of the Roundtable members. For the purposes of demonstration of our perspective, we have made our suggested edits regarding the Investment allocations on *Attachment C*.

September 30, 2010

Comments on HB 277 Draft Criteria for Project Development

Page 5

- We suggest that a detailed ten-year work program be developed between the time the Project List is adopted by the Roundtable group and at least two months prior to the vote in 2012 for review by the public. It is important for the public to understand who will take the lead in implementing individual projects, the schedule of each phase and costs. It is also important for a financial plan to be developed at the front end of this process so a realistic picture of deliverability can be provided to assure the public the effective use of the funding. In order to accomplish the program within the ten-year period, this planning effort and the drafting of inter-local agreements should be underway prior to the referenda vote.
- What if a project can only achieve right-of-way acquisition in the time frame? We concur that deliverability of the final product should be a priority, however strategically it is important to keep the pipeline filled with projects that can be ready to build if a second ten year term of the Special District Transportation Sales and Use Tax is approved by voters or another source of funding becomes available. A balanced distribution of funding among planning, engineering, right-of-way acquisition and construction will produce a much more sustainable infrastructure delivery system.
- Our detailed comments for the Draft Investment Allocation Target Ranges are shown on the table in the annotated *Attachment C*. We would like to note here that our changes are meant to recognize that transit projects and non-motorized projects should have a larger minimum share of the investment project list. It is important to consider that not all citizens have access to automobiles to provide for their travel needs. Also, the minimum traffic operations and roadway maintenance categories were increased to recognize the benefits of better operating and maintaining existing infrastructure.

Closing

The CORE MPO appreciates the partnership that the Georgia Department of Transportation has exhibited in educating and providing for opportunities for MPOs and local governments to comment on how this legislation will be implemented. It is without a doubt that the state needs additional funding to meet our transportation needs. Please review and consider editing the *Draft Criteria* to include the changes suggested in this letter, the attached annotated *Attachment C*, and the attached Comments to CORE MPO. We look forward to being part of this effort as it proceeds.

Sincerely,



Thomas L. Thomson, P.E., AICP
Executive Director

Attachments

Annotated Attachment C

Attachment C

Draft Criteria for Special Tax Districts outside of Atlanta Region

(Note: At this time, the draft criteria are the same for all 11 districts outside of Atlanta. We expect some variation as the process continues)

Recommended Criteria for the Development of an Investment List of Projects and Program

Excludes 25% Local Share to be distributed by formula to Cities and Counties.

OVERVIEW

Outcomes -The following desired outcomes drove the development of the draft investment criteria:

- Strategic use of funds to achieve the best value for taxpayers' dollars and improvement of the region's transportation network.
- Transportation projects delivered on time and on budget.
- Public support for projects funded by the regional sales tax and public trust that state and local governments will deliver on their promises.

Guiding Principles -The following principles guided the development of the draft investment criteria:

- Investment list is developed with a focus on deliverability of each funded phase (planning, engineering, rights of way acquisition, and construction) with the overall goal of delivering the final project in a uninterrupted sequence.
- Projects are from existing plans and/or studies (for example, the GDOT work program, MPO long range plan, (both financially feasible and vision plans) and short range programs, county transportation studies, and other projects that can meet this criteria as determined by the Roundtable group and Planning Director, etc.).
- Investment list is consistent with the policies of the Statewide Strategic Transportation Plan and the MPO's plan if applicable.
- Investment list encourages effective multimodal solutions that appeal to a broad spectrum of the region's citizens.

Framework for Investment Criteria

The final investment list of projects to be funded by the Transportation Investment Act's (TIA) regional transportation sales tax referendum will be developed by first setting investment allocation target ranges for each program area (see #1 on page 2) based on the Statewide Strategic Transportation Plan (SSTP) and the MPO long range plan, if applicable. These will be used to align the Unconstrained Example Investment List (UEIL) with performance goals for each program area within the revenue expected to be available. Next, projects being considered for support by the TIA revenue will be evaluated using qualitative screening criteria (see #on page 2) designed to allow further consideration of projects that align with the SSTP and MPO plans(if applicable) and can be delivered within the timeframe of the regional sales tax.

The Transportation Investment Act also requires that the criteria include performance goals and that projects on the investment list include a "statement of expected public benefits." Performance goals and

public benefits analysis are inter-related and become one of the many tools to assist the Director of Planning to formulate the Unconstrained Example Investment List. The performance goals and public benefits will be provided along with the Unconstrained Example Investment List at a later date. The kind of metrics that will be used to determine the public benefit will come from the SSTP and MPO plans, if applicable. Ultimately, they are intended to assist the Roundtable in selecting the best projects and to allow the region’s citizens a solid evaluation of the use of their sales tax dollars.

1. Draft Investment Allocation Target Ranges

a. Minimum and maximum investment goals (for the 10-year period) for program areas will support implementation of the Statewide Strategic Transportation Plan and MPO plan, if applicable. The State Strategic Transportation Plan include the following goals (please see the full plan for a complete list of goals and objectives):

- 1. Supporting Georgia’s economic growth and competitiveness
- 2. Ensuring safety and security
- 3. Maximizing the value of Georgia’s assets, getting the most out of the existing network
- 4. Minimizing impact on the environment

a.b. Program areas and allocation ranges:

	Target Ranges
Roadway Capital	50-70% <u>45-60%</u>
Transit Capital	0-10% <u>10-15%</u>
Transit Operations and Maintenance	0-10% <u>10-15%</u>
Safety	15-30%
Traffic Operations	0 <u>5</u> -20%
Non-motorized (Bike/Pedestrian)	0-5% <u>5-10%</u>
Freight and Logistics	2-10% <u>5-10%</u>
Aviation	0-5%
Roadway and Bridge Maintenance(Asset Management)	0-5% <u>5-10%</u>

2. Draft Screening Criteria by Program Area

a. Roadway Capital

- i. The projects that qualify under “roadway capital” serve origins or destinations of trips to/from employment and activity centers throughout the region. These projects could be roadway widening, interchanges, interstate improvements, economic development corridors, etc.
- ii. Emphasis will be on the construction phase, but projects can be included in the Unconstrained Example Investment List which are able to demonstrate assurances of deliverability of any funded phase within the 10 year sales tax period, including preliminary engineering, environmental reviews, and right-of-way.
- iii. The Director of Planning recommends prioritization of the project selection as follows: *(Tiers reflect the level of certainty in deliverability)*

- a) Tier One – Projects that have construction phases which can begin within six years of the start of the regional sales tax.
- b) Tier Two – Projects which have an approved concept report with no other work completed.
- c) Tier Three – Projects recommended and endorsed by the local governments, MPO, or legislators but which have not reached the milestones noted above.

b. Transit Capital

- i. Generally, projects included in the investment list should have shown considerable progress to assure deliverability within the 10 year sales tax period. Emphasis will be placed on the construction phase or acquisition of capital equipment.
- ii. Transit capital projects should have a contingency plan to operate or liquidate assets if future operating funds are based on a renewal of HB 277.
- iii. Transit service for the proposed project should ultimately connect to employment centers or activity centers in the region and provide increased mobility for individuals.
- iv. Capital expenditures may include new, systematic replacement, upgrades, refurbishment, etc

c. Transit Operations and Maintenance

~~i. Any funding must first serve to enhance the existing local or regional transit systems in operation as of January 1, 2011. After the existing systems are brought up to a state of good repair, operations and maintenance funding from the regional sales tax would then be allocated to new transit capacity projects. (The only requirement should be to maintain the current levels of service as measured in hours of service so the term-limited sales tax revenues do not replace the local funds currently allocated to the transit system).~~

d. Safety

- i. Projects which align with the key emphasis areas of the Governor’s Strategic Highway Safety Plan (SHSP.)
- ii. Priority is given to projects that correct or improve a road location or feature with high potential for safety improvement, or addresses a specific highway safety deficiency. The objective of each project is to reduce fatalities and serious injuries.
- iii. Projects may include intersection improvements to address safety concerns, shoulder widening, pedestrian/bicycle safety improvements, projects that eliminate hazards at rail-roadway crossings, traffic calming measures, installation of guardrails, crash attenuators, traffic signals, signage, and pavement marking improvement projects, etc.

e. Traffic Operations and High Tech Traffic Solutions

- i. Projects which improve or enhance the region’s intelligent transportation system

network, incident management program, or signal coordination and timing where applicable.

- ii. Projects address an existing operational issue resulting in an improved level of service or reduction in delay or other congestion costs.

f. Non-motorized

- i. Projects which are identified in a Bike/Ped Plan.
- ii. Projects which provide connectivity to a regional employment or activity center.
- iii. Projects which provide connection to existing or planned transit including bus stops and multi-modal centers. ~~(Note: Off roadway paths/streetscapes, etc. should be pursued using the 25% discretionary share.)~~ Off road way paths can be funded if the route can be beneficial for non-recreational trip purposes.

g. Freight and Logistics

- i. Projects which address the demand for goods movement into, out of, and within the state as identified through the Statewide Freight and Logistics Study (ongoing).
- ii. Projects which enhance the flow of freight transported by trucks and/or rail.
- iii. Projects which facilitate the transfer of freight between modes. In particular, projects that improve the flow of freight into/out of Georgia's existing ports.

h. Aviation

- i. Projects at new or existing non-commercial service airports which are contained in the airport's 5-year Airport Capital Improvement Program submitted annually to the GA DOT and FAA. The types of projects included in this area are runways, taxiways, aprons, and navigational aids.
- ii. Projects which are consistent with the goals and objectives of Georgia's Statewide Aviation System Plan.

i. Roadway and Bridge Maintenance (asset management)

- i. Priority for resurfacing/rehabilitation needs is on state routes or routes that are considered regionally significant as defined by roads that connect regional employment centers. Priority will be based on PACES and bridge ratings provided by GDOT. (Note: Off-system resurfacing should be pursued using the 25% discretionary share.)

Comments to CORE MPO

Comments to CORE MPO on the Transportation Investment Act of 2010 Draft Criteria

Concerns	Commenter	Comment
Criteria Lacking Local Flexibility in General	City of Savannah	The criteria as drafted, particularly the Investment Allocation Target Ranges, do not allow sufficient flexibility to link various projects to Savannah and Chatham County. For example, the criteria should offer flexibility to allow greater choice on the mix of transportation projects within Chatham County as related to economic development, e.g. ports versus bridges versus rapid transit. The criteria should also allow more local flavor in deciding on the types of transportation projects within Savannah and Chatham County.
Criteria Lacking Local Flexibility in Transit Investments	City of Savannah	The criteria seem to limit the City's flexibility on the investment of capital in construction, operations and maintenance. For example, transit services would have to connect employment centers or activity centers in the region. Such connectivity is both desirable and necessary. Still, the criteria could be interpreted to mean that eligible transit projects must go across jurisdictions or encompass multiple jurisdictional boundaries. This may not be realistic in Savannah-Chatham where we have passenger ferry and streetcar transportation services. There should be flexibility for purely local transit options.
Roadway and Bridge Maintenance Range Too Low	City of Savannah	The Target Allocations specify a range of 0-5%. Based upon local needs this may be unrealistic. The allocation should be related to cost as opposed to locking in the City or County at a five percent range.
Prioritization of Projects should be determined by local.	City of Savannah	The current criteria set forth Tiers One, Two and Three for prioritization of projects. Such prioritization should be left to the discretion of the Regional Transportation Roundtable.
Summary	City of Savannah	In summary, the GDOT's allocation of specific percentage ranges of revenue for certain types of transportation projects could lead to inflexibility at the local level and not reflect the actual priorities and types of projects needed and acceptable to the voters in Savannah-Chatham County. Consideration should be given to criteria that set forth a fiscally unconstrained example investment list.
Project to be selected consistent with land use.	City of Savannah	Borrowing from Project DeRenne, consideration should be given to projects which preserve the integrity of existing neighborhoods; promote implementation of adopted future land use initiatives and promote revitalization of existing commercial properties; enhance visual appearance and promote a sense of place that is representative of the local character; improve

Comments to CORE MPO on the Transportation Investment Act of 2010 Draft Criteria

Concerns	Commenter	Comment
		the modal accommodations for alternate travel modes and travel demand management; and improve current and future transportation operations and travel safety.
Clarifying Question	City of Savannah	One of the guiding principles is that the projects come from already existing plans. Are existing plans limited to MPO plans or do they include local government plans that may not necessarily be in the MPO plans? If MPO plans are the controlling factor then jurisdictions may be forced to move a lot of projects into the MPO LRTP/TIP in order to qualify the projects for funding.
Clarifying Question	City of Savannah	Will projects need to be in the State Transportation Improvement Plan in order to be considered consistent with the Statewide Strategic Transportation Plan? Integration into the STIP is largely controlled by the MPO. Would the MPO assist in moving projects into the STIP?
Clarifying Question	City of Savannah	The Transit Operations Criteria states that systems must be brought up to “good repair” before system expansion projects can be considered. How will “good repair” be determined and who will determine it?
Clarifying Question	City of Savannah	First Priority for non-motorized projects is that they exist in the current bike/pedestrian plan. Is that exclusive to the MPO’s bike/pedestrian plan or can other local plans be considered?
Clarifying Question	City of Savannah	LARP (Local Assistance Road Paving) is already being replaced with LMIG (Local Maintenance Improvement Grant), which can be used for paving plus other road maintenance such as bridge repairs and milling before paving. Paving without milling contributes to street flooding. Under the proposed criteria, will milling be funded and if so how?
Opposing to Tax	Louis Wilson	I am not sure that I am understanding the nature of this correspondence. If the purpose of HB 277 is to provide new funding through new taxation, I do not support that idea. I support the use of stimulus funds; they are already in place for this kind of infrastructure. If you are asking if I support the draft as written, I think that it is very comprehensive.
Support Transit	Dale Thorpe	My only comment is that Roadway capital is getting too big a portion of the funding. Transit capital and non-motorized transportation should receive more funding if we are ever going to correcting the total dependency on gasoline. We need more emphasis on public transportation.

Comments to CORE MPO on the Transportation Investment Act of 2010 Draft Criteria

Concerns	Commenter	Comment
Support Transit	Patrick Shay	<p>My comments are in regards to the proportion of the ranges for allocation of proceeds under the “Non-Atlanta” districts. I will leave the comments on the political make-up of the governing and voting structure to others.</p> <p>I did not see this allocation list in your attachments, but remember it from our local presentation by GDOT representatives, and at the CORE MPO meeting. This allocation may be something that is left to the regional commission Roundtable to vote on, but was submitted by the GDOT Director of Planning as a template. That template is generic for Non-Atlanta and seems to be tailored for rural and suburban areas.</p> <p>In our Roundtable district, the majority of citizens and voters live in urban conditions even if they are less densely populated than most other urban areas due to our unique coastal geography. Building more highway lanes and miles will no longer adequately serve the needs of most of our citizens. For this reason, the percentage of distribution allowable for mass mobility capital improvements (not just transit), and public transit operations and maintenance should be increased to allow <i>at least</i> 40% of TSPLOST discretionary proceeds to be spent in this way. Because federal funding for these mass mobility improvements are “fiscally constrained” and those for highways are not, the only way that we can leverage local funding for mass mobility is to be able to pledge significant operations and maintenance funding in the future.</p> <p>TSPLOST would provide non-property tax revenues to do this in one of only two states in the U.S. that don’t provide operations and maintenance assistance to local transit systems. If Georgia cannot see fit to allow her citizens without daily dependable access to private automobiles to have some funding for alternatives, then her government should at least allow us to decide if we want to tax ourselves to keep up with the rest of the world and invest in mass mobility!</p> <p>The range for all forms of alternative mobility under the GDOT template provided starts with 0% and ranges up to 5 or 10%.</p> <p>Since the rural counties are already guaranteed 25% of the TSPLOST revenue allocated by road miles if the referendum passes, they have their incentive “built in” to the program. People who cannot drive their own cars to work, to schools, to buy food, or to seek health care are</p>

Comments to CORE MPO on the Transportation Investment Act of 2010 Draft Criteria

Concerns	Commenter	Comment
		<p>guaranteed nothing. People who want to have an acceptable alternative <i>choice</i> (sidewalks, bike lanes, transit) also must swim against the same tide.</p> <p>If the current template limits are adopted as sent to us by the GDOT, then there is no way that TSPLOST can be used to build the kind of mobility infrastructure that our citizens in Chatham County will need to succeed in the future. The template should be amended before it is placed in front of the Roundtable. Since the ranges add up to much more than 100%, there is no reason to take significantly better alternative mobility off the table before they meet.</p> <p>I believe that missing the opportunity to fund significant transportation improvements for people who cannot drive their own cars will ultimately cause the referendum to fail for everyone.</p>