Transit Sustainability & Investment Policy

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Deputy Director
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Executive Order 37 – Transportation Accountability Commission

- Transportation Accountability Commission established by Executive Order 37 in October 2006

- Directed to:
  - Review existing methods used to measure transportation system and agency performance and accountability
  - Recommend improvements to ensure that the transportation system delivers the maximum value to taxpayers and transportation agencies are held accountable for their performance

- Fall 2007, report issued by the Commission
Principles of 2007 Transportation Initiative

- **Accountability**
  - Established the Joint Commission on Transportation Accountability
  - Key duty: To make performance reviews of operations of transportation agencies to ensure that funding is expended for purposes intended and to evaluate the effectiveness of programs in accomplishing legislative intent

- **Land Use Reform**
## 2007 Transportation Initiative Funding

On-going Impact of New Funding
SYIP FY 09 – 14
($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>Public Transit</th>
<th>Rail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Funding</td>
<td>$ 885.7</td>
<td>$ 192.5</td>
</tr>
<tr>
<td>Recordation Tax</td>
<td>195.9</td>
<td>-</td>
</tr>
<tr>
<td>Capital Bonds</td>
<td>340.0</td>
<td>73.1</td>
</tr>
<tr>
<td></td>
<td>535.9</td>
<td>73.1</td>
</tr>
<tr>
<td>Percentage Increase</td>
<td>61%</td>
<td>38%</td>
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</tbody>
</table>
## DRPT Assessment – Responsibilities

**Code of Virginia 33.1-391.5**

<table>
<thead>
<tr>
<th>Category</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic &amp; Financial Analysis Capabilities</td>
<td>Present future needs and economic feasibility</td>
</tr>
<tr>
<td></td>
<td>Develop uniform financial &amp; operating data &amp; evaluation criteria for agency programs</td>
</tr>
<tr>
<td>Accountability</td>
<td>Evaluate and monitor the performance of agency programs and rail/transit operations in VA</td>
</tr>
<tr>
<td>Planning and Programming</td>
<td>Formulate and implement plans and programs</td>
</tr>
<tr>
<td></td>
<td>Improve mobility and promote safety</td>
</tr>
<tr>
<td></td>
<td>Provide training and technical support</td>
</tr>
<tr>
<td>Coordination</td>
<td>With VDOT, local/federal agencies, task forces, other entities</td>
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</tbody>
</table>
DRPT Assessment - Results

Adequate Performance:

- Allocation and disbursement of existing grant funds
- Rail programs and use of public benefit analysis are industry leaders

Needs Improvement:

- **Needs assessments:** required to help inform decision-making
- **Planning:** lack of ability to conduct proactive planning and participate actively in key planning processes throughout VA
- **Policy-making:** DRPT under-represented in most major decision-making institutions and processes
- **Accountability:** limited accountability requirements for DRPT and its grantees
- **Evaluating performance:** DRPT does not evaluate the performance of its programs based on public benefit criteria including congestion management, social and economic benefits
2008 Appropriations Act

Item 449.E.

- “It is the intent of the Governor and General Assembly that the principles of local maintenance of effort, transit sustainability, public benefit, and asset management shall be incorporated into all public transportation programs for which funds are appropriated by the General Assembly and allocated by the Commonwealth Transportation Board.”
Transit Sustainability and Investment Policy

- Development of the Transit Capital and Operating Sustainability and Investment Policy
  - provides a framework for the efficient and effective expenditure of transit funds and for realizing the highest return on investment
  - intended to assist the Board, local policy-makers, and stakeholders in their reviews and decision making processes for funding requests submitted to DRPT through the use of evaluation tools
  - Not intended to screen out projects or force mode decisions
Policy Goals

- Increase transit ridership per capita by at least 3 percent annually;

- Maintain existing transportation assets as the first funding priority;

- Support improved land use, protection of our environment, and maximize the use of funding.
Policy Core Principles

- Develop a financially sustainable transit program;
- Match new investments with quantifiable service needs and local participation and commitments;
- Improve transportation system integration and efficiency; and
- Improve quality of life for Virginians.
Resource Allocation Evaluation Tools

- **Asset Management**
  - A *strategic* and *systematic* process of operating, maintaining, and expanding physical assets *effectively* through their life cycle.

- **Service Design Guidelines**
  - Provide guidance on the actions and conditions necessary to effectively implement and operate various modes of transit service.

- **Capital Project Programming and Evaluation Process**
  - The process that DRPT utilizes to determine the funding allocation recommendations to the Board
  - Key elements
    - Project readiness
    - Sufficient justification and clear need
    - Use of asset management principles
    - Program guidance
Resource Allocation Evaluation Tools

- Operating Maintenance of Effort
  - State funding for transit is increased, and it is the intent of the Commonwealth to improve and expand transit services in VA.

- Program Guidance
  - Shall develop, maintain, and distribute program guidance for all transit programs administered by DRPT.

- Public Benefits
  - Individual projects evaluated for new starts (major capital projects) and discretionary programs
  - Public benefits of entire program quantified on an annual basis to demonstrate return on investment
Policy Benefits

- Most efficient use of limited resources
- Increased technical assistance from DRPT
- Power of information
  - Dependable data demonstrate the results achieved through Virginia transit operations
  - Actual needs vs. declining need in current SYIP
- Dependable levels of state capital funding
- Accountability for Commonwealth resources
- Transparent administration of DRPT programs
Appropriation Act - Implementation Timeline

- For FY 2009 allocations - establishment of a maintenance of effort requirement to ensure sustained local investment.

- By June 30, 2009 - report to the Governor, the General Assembly, and the Board on the establishment and incorporation of all principles.

- For FY 2010 allocations - The Board shall incorporate all principles.
Questions?