

October 24, 2023

Office of Intermodal Planning and Investment
SMART SCALE Process Review Team
SmartPortal@CTB.Virginia.gov

Re: 2023 SMART SCALE review update

Dear SMART SCALE Process Review Team:

On behalf of the Virginia Transit Association (VTA), thank you for the opportunity to submit comments regarding the 2023 SMART SCALE review and proposed policy changes.

While we appreciate the need to continue to refine the SMART SCALE process after every round to ensure that the multi-modal transportation investments made on behalf of the taxpayers of the Commonwealth are wisely spent; our overarching view is that the staff recommended changes would move us away from the much needed diversification of our transportation network in favor of a more roadway-centric investment strategy. We have several concerns about the staff recommended scenario and its impact on the submission of future public transportation SMART SCALE applications and the ability of those applications to secure funding.

During the first five rounds of SMART SCALE only **5.3 percent** of the 774 funded projects were public transit principal improvement projects, however those projects had an **average benefit score of 21.06** compared to the average benefit score of 6.75 for all 774 funded SMART SCALE projects. Nevertheless, the staff recommended scenario currently under review would have eliminated all 12 of the public transportation funded principal (2) or secondary (10) improvement projects funded in Round 5 while the recommended changes would have only added one transit secondary improvement project not previously funded.

The substantial modifications to transit funding eligibility in SMART SCALE mainly comes from three of the staff recommended changes:

1. Adjusting the High Priority Project (HPP) definition for eligible projects to focus on "*New Capacity Highway, Managed Lanes, New or Improved Interchanges, New or Improved Passenger Rail Stations or Service, Freight Rail Improvements, High-Capacity/ Fixed Guideway Transit, Transit Transfer Stations, and New Bridges*".

This recommendation would have eliminated 6 of the 12 principal or secondary Round 5 funded public transit projects.

2. Modifying the 'Land Use' scoring metric which is anticipated to be added as a multiplier to the other factor areas for SMART SCALE scoring. Public transportation previously scored very well in the 'Land Use' scoring metric because public transit and related transit-oriented-development helps to reduce congestion, lower greenhouse gas emissions, and improve accessibility.

This recommendation would have eliminated 5 of the 12 principal or secondary Round 5 funded public transit projects.

3. Reducing the number of Smart Scale applications that an entity (locality, MPO, PDC, and transit agency) can submit but adding a third population category for localities between

100,000 and 200,000 citizens and MPO, PDC, and Transit Agencies with a service population of 250,000 to 500,000. The fewer applications that a locality, MPO, or PDC can submit, the less likely it is that they will submit a SMART SCALE funding request for a transit-related project. Over the first five rounds of SMART SCALE, the program has barely averaged 410 out of the 1,120 potential maximum applications.

We would like to offer the following recommendations to amend the staff recommended SMART SCALE changes:

- Amend the proposed High Priority Project (HPP) definition to offer greater flexibility for potential transit investments. Our suggested change "*New Capacity Highway, Managed Lanes, New or Improved Interchanges, New or Improved Passenger Rail Stations or Service, Freight Rail Improvements, High-Capacity/ Fixed Guideway Transit (as defined in 49 USC 5302 (8)), Transit Transfer Stations and Facilities, and New Bridges*"
- We do not think that Land Use should be eliminated as a separate factor. However, if Land Use is eliminated as a separate factor, at a minimum 10 points should be given to projects that only score Land Use points as long as they score at least a 50 on Land Use to allow them to be considered for funding.
- We support the addition of a third population category, but believe that instead of reducing the number of applications that eligible entities may submit to the SMART SCALE program, we would like to see up-to 0.5 percent of the High Priority Projects and District Grant Program funding be dedicated to the Office of Intermodal Planning and Investment (OIPI) to hire additional staff to better accommodate the maximum number of SMART SCALE application submission levels.

Increasing the number of staff available to manage the SMART SCALE workload has a secondary benefit of increasing the level of staff assistance that a smaller locality or transit agency may receive as they navigate the SMART SCALE application process.

Furthermore, the best way to get the best projects funded is by first getting the best applications submitted. Further reducing the already anemic application participation levels will only result in good projects not being submitted.

Lastly, we would like to offer our support for the Board submitted recommendation that the "economic development" factor should support and sustain already growing in-place Virginia companies.

Thank you once again for allowing us to submit our comments and recommendations. If I may be of any assistance, please don't hesitate to reach out.

Regards,



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