



DAVE LaROCK
POST OFFICE BOX 6
HAMILTON, VIRGINIA 20159

THIRTY-THIRD DISTRICT

COMMONWEALTH OF VIRGINIA

HOUSE OF DELEGATES
RICHMOND

COMMITTEE ASSIGNMENTS:
EDUCATION
TRANSPORTATION
SCIENCE AND TECHNOLOGY

June 14, 2019

The Honorable Shannon Valentine
Secretary of Transportation
Patrick Henry Building
1111 East Broad Street
Richmond, VA 23219

Secretary Valentine and CTB members:

On May 15, the Commonwealth Transportation Board (CTB) approved modifications to the January 15, 2019 SMART SCALE staff-recommending funding list.

In 2014, the legislature instructed the CTB to put in place a system which would guide the distribution of our limited transportation funds. That legislation directed the CTB to use objective, quantifiable data to rank projects, and was implemented as the SMART SCALE program.

As per House Bill 2 in 2014, the primary criteria for ranking projects in Northern Virginia must be congestion mitigation. The scores and project recommendations released in January 2019 by the Office of Intermodal Planning and Investment, which were to a large degree accepted by the CTB at their May 15 meeting, are very conspicuously dominated by projects that are intended to stimulate economic development rather than respect the legislative directive to mitigate actual congestion.

Congestion Mitigation Factor

House Bill 2 enactment clause #6 requires "That, for Northern Virginia and Hampton Roads highway construction districts, the Commonwealth Transportation Board... shall ensure that congestion mitigation... is weighted highest among the factors in the prioritization process."

While there is an appearance that congestion mitigation will be the dominant factor in scoring projects in Northern Virginia and Hampton Roads, it is not. Current Smart Scale methodology, which has evolved, allows one high-scoring project to obliterate the congestion value of other projects. The effect is that individual projects with high congestion mitigation potential are passed over and preference given to projects with non-congestion mitigation value.

The recommendations released on January 15, 2019, reveal the flawed methodology. Congestion mitigation was given 45% of the weighting in Typology A, yet no project in

Northern Virginia received more than 4.585 out of the possible 45 points. The reason for this was that all projects state-wide, including those in Northern Virginia, were scored against a project completely removed from Northern Virginia geographically by hundreds of miles, the Hampton Roads Bridge Tunnel (HRBT), which had a congestion mitigation score nearly 10x higher than any other project.

In the Northern Virginia district, this led to the final recommended project list approved by the CTB on May 15th only receiving 7.6% of their benefit points from Congestion Mitigation, with 58.3% from Land Use, and 19.4% from Environmental. Put directly, Northern Virginia projects recommended for state funding for two years will do virtually nothing to reduce congestion.

To achieve the clear legislative intent of HB2, the HRBT should be treated as an outlier and all the other projects scored against each other, causing all congestion mitigation weighted scores statewide to improve dramatically. By not treating the HRBT as an outlier, congestion mitigation benefit was effectively eliminated statewide, which especially effected projects in Northern Virginia, Hampton Roads, and Fredericksburg MPO due to the 45% weight.

Congestion Mitigation should carry greater weight in Typology A, as recommended by leading patrons of the HB2 in our May 19, 2015 letter (55%) or even 65%. Further, we must ensure that an outlier does not wipe out the Congestion Mitigation factor in future rounds of SMART SCALE.

Land Use Factor

HB2 enactment clause #6 requires “For metropolitan planning areas with a population over 200,000, the prioritization process shall also include a factor based on the quantifiable and achievable goals pursuant to subsection B of § 33.1-23.03 [now [33.2-353](#)] of the Code of Virginia.”

Subsection B of § [33.2-353](#) lists “congestion reduction and safety, transit and high-occupancy vehicle facility use, job-to-housing ratios, job and housing access to transit and pedestrian facilities, air quality, movement of freight by rail, and per capita vehicle miles traveled”

Most of those goals are included in other factors included in the SMART SCALE system, with the exception of “job-to-housing ratios” The measures used for “Land Use” in the FY2020 process are “based on (i) the amount of population and employment in 2025 and (ii) the non-work accessibility, or the number of key non-work destinations that are accessible within a reasonable walking distance.”

The Land Use factor yields similar results to the accessibility factor for most projects, and practically speaking, simply provides “bonus points” to projects in dense urban areas, without regard to any transportation benefit of the project. Land Use metrics should be corrected in future years to appropriately capture legislative intent, and the Land Use factor should be lowered to 5% instead of the 20% weighting used in the 2019 project recommendations.

Economic Development

HB2 enactment clause #7 requires “...the Commonwealth Transportation Board shall ensure that no project shall be undertaken primarily for economic development purposes.” This year’s allocations approved in May would result in nearly 78% of Northern Virginia’s funding going to projects in Alexandria, Arlington, and Fairfax County with ties to the Amazon HQ2 project. Such concentration of funding in the area surrounding the nation’s largest economic development project is highly questionable and would reasonably be considered a violation of Enactment Clause #7.

Three-Step Process of Funding Allocation

In the recommendations announced January 15, the breakdown between the three “steps” of funding was as follows:

- Step 1 (DGP) funded 84 projects for \$379,222,302: West End Transitway Corridor Investments was \$57.2 million; no other project cost more than \$15.7 M. The lowest-funded DGP project in each district set the threshold below which no HPP projects could be funded in Step 2. This threshold also varied greatly between districts.
- Step 2 (HPP) funded 11 projects for \$81,602,389: Crystal City Metro East Entrance received \$52,900,000; no other projects above \$6.6M; due to the threshold set in Step 2, very few projects were funded in this step, even though the largest pot of money was available. Due to the disparity of the threshold between districts, the projects were not held to a single statewide standard of eligibility for funding in Step 2.
- Step 3 (HPP) funded 3 projects for \$280,931,704. For this step, only projects with a SMART SCALE score higher than the median were eligible, but then these projects were funded based entirely on benefit points, not taking cost into account. While some provision should be made for funding large, costly but necessary projects, the current implementation of this step seems to violate the intent of § [33.2-214.1](#) subsection B paragraph 1: “The prioritization process *shall be based on* an objective and quantifiable analysis that considers, at a minimum, the following factors *relative to the cost of the project or strategy*: congestion mitigation, economic development, accessibility, safety, and environmental quality.” (emphasis added)

March-May 2019 Revisions to January 2019 Staff Recommendations

At the March CTB Meeting, Deputy Secretary Donohue presented a plan to re-allocate \$107.7M in unallocated High Priority Project (HPP) funds. However, his plan was to divide these between the districts, rather than maintain their use for top projects statewide. This is a direct violation of the intent of [HB 1887, passed by the General Assembly in 2015](#). This “spreading around” of the statewide high-priority funds prevented the funding of some high-scoring but costly projects, including two critical congestion mitigation projects in Northern Virginia: Prince William County’s Rt. 1 at Rt. 123 Interchange Improvements, and Loudoun County’s Rt. 7 (Rt. 9 to Dulles Greenway) widening, which held the #6 and #7 highest Congestion benefit points statewide, respectively. All higher-ranking congestion mitigation projects were funded.

Further, there was very little transparency in how these additional projects were selected for funding. When the Deputy Secretary announced the “new money” in March, he indicated that newly-added project recommendations would come to the CTB in April. Instead, those new projects may have been mentioned at the spring SYIP public hearings in each district, but were not publicly available until the Deputy Secretary’s presentation on May 14th, less than 24 hours before the CTB’s action. In fact, an additional \$60 million or so “appeared” at the same May 14th presentation. How these newly-recommended projects were arrived at was not explained- for instance, did the new DGP money lower the “Step 2” threshold for HPP projects? Were the HPP funds distributed to projects based on the “Step 2” criteria, according to SMART SCALE Score, or the “Step 3” process of only considering total benefit points?

As was communicated to you, madame Secretary, in the letter from Del. LaRock and Del. Hugo dated January 18, 2019, the Smart Scale recommendations released on January 15, 2019 indicate the SMART SCALE system is broken and does not respect the intent of the legislation which put this rating system in place. The recommendations made on-the-fly by Deputy Secretary Donahue in May also violate the expectations that funding be guided by a system which is transparent and objective.

We urge you and the members of the CTB reconsider the slate of projects given preliminary approval in your May meeting and ensure that legislative intent is heeded in this and future allocations of state transportation funding.

Sincerely,

Speaker M. Kirkland Cox
Virginia House of Delegates, 66th District

Delegate Timothy D. Hugo
Virginia House of Delegates, 40th District
HB2 (2014) Co-patron

Delegate David A. LaRock
Virginia House of Delegates, 33rd District
HB2 (2014) Co-patron

Delegate Mark L. Cole
Virginia House of Delegates, 88th District
HB2 (2014) Co-patron

The Honorable J. Randall Minchew
Virginia House of Delegates, 2012-2017
NVTM Member 2013-Present
HB2 (2014) Chief Co-patron

The Honorable Richard L. Anderson
Virginia House of Delegates, 2010-2017
PRTC Commissioner, 2010-2018
HB2 (2014) Co-Patron