



COMMONWEALTH *of* VIRGINIA
Office of the
SECRETARY *of* TRANSPORTATION

SMART SCALE Process Review Virtual Town Hall

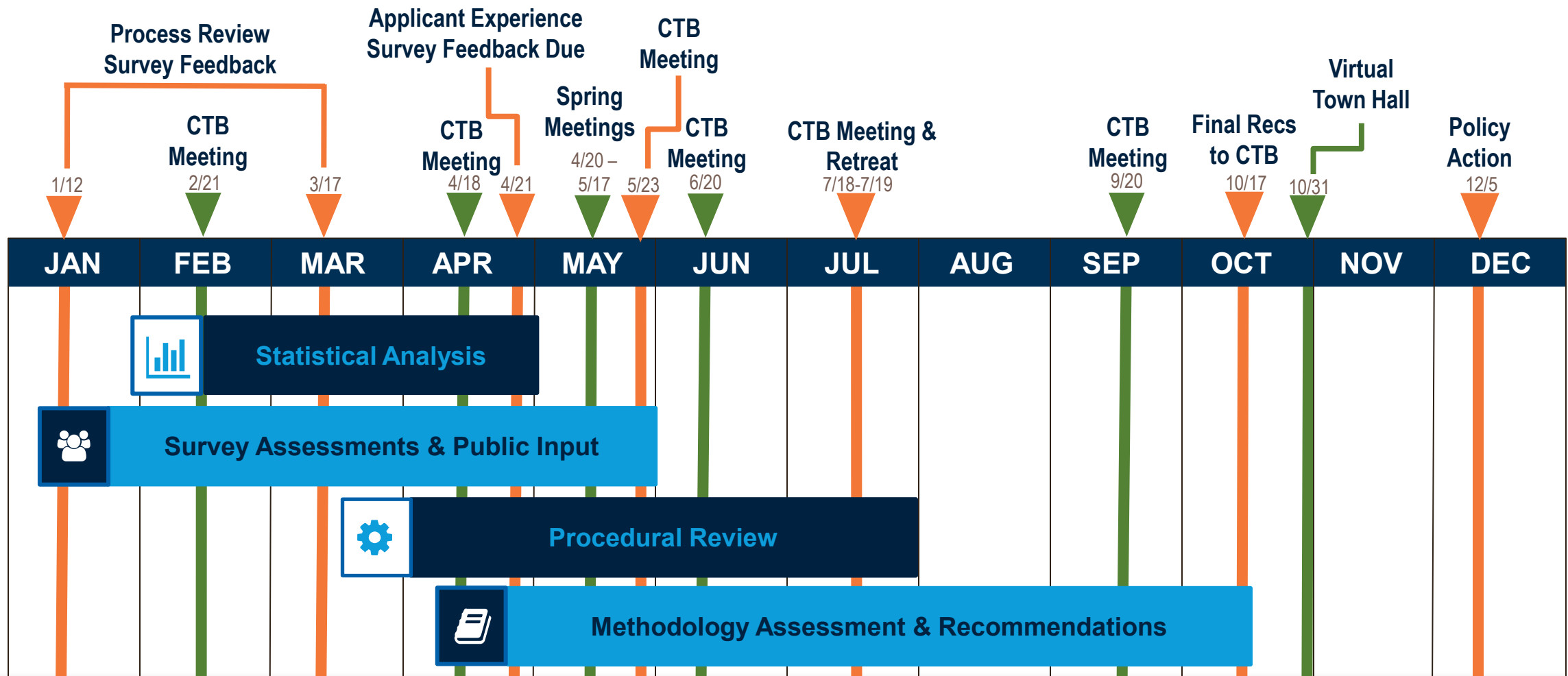
October 31, 2023
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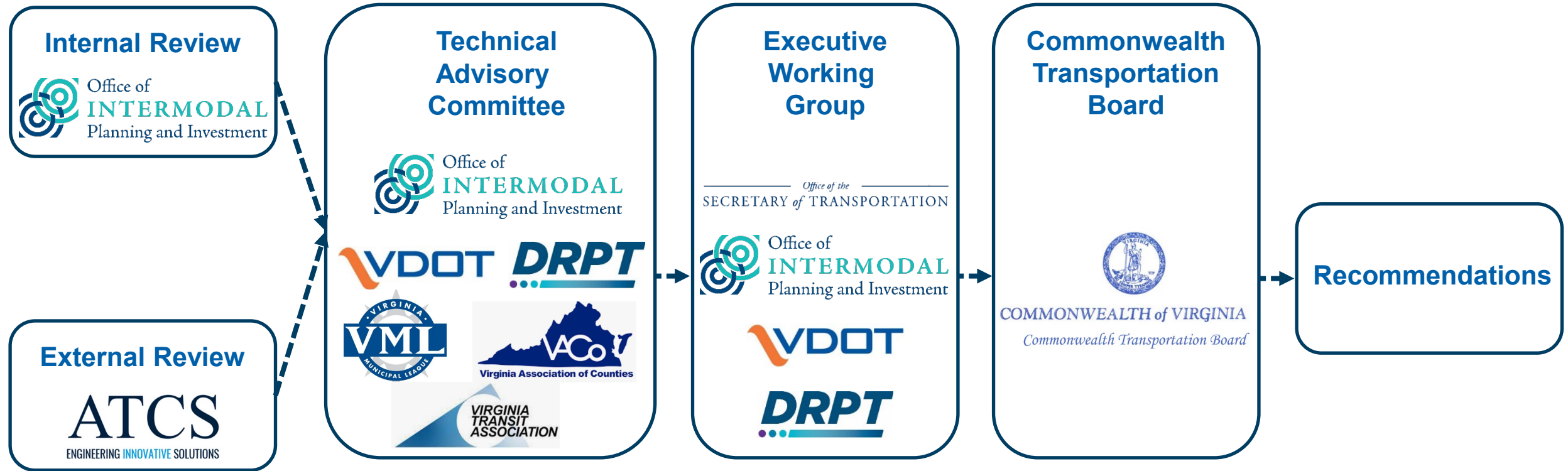
Virtual Town Hall Overview

- **Overview and Status of SMART SCALE Process Review**
- **CTB Briefings To Date**
- **Survey Results**
 - SMART SCALE Program Stakeholder Survey
- **Review of Staff Recommendations**
 - October Staff Recommendations
 - Review Illustrative Impacts Based on Round 5 Applications - District Example
- **Feedback Received**
 - Summary of CTB Member Comments Considered in Recommendation Development
 - October CTB Member Factor Weighting Discussion
 - Summary of Applicant Comments Considered in Recommendation Development
- **Questions and Comments**
 - Address Frequently Asked Questions
 - Public Comment Period

Since February, the CTB has been engaged in a holistic review of our nationally recognized, data-driven process for prioritizing multimodal transportation investments to determine if SMART SCALE is meeting its goal.



SMART SCALE Process Review



CTB Briefings To Date

Month	Topics
February	<ul style="list-style-type: none">• Process Review Overview
April	<ul style="list-style-type: none">• Survey Response Overview
May	<ul style="list-style-type: none">• Program History• Application Quality & Application Limit
June	<ul style="list-style-type: none">• Process Bias Analysis – Small Projects and Bike & Ped Projects• Modifications to Land Use Factor• Refine HPP Definition and Eliminate Step 2
July	<ul style="list-style-type: none">• Process Bias Analysis – Urban and Leveraged Projects• Forward-Looking Congestion and Economic Development Factors

CTB Briefings To Date (cont.)

Month	Topics
July - Retreat	<ul style="list-style-type: none">• SMART SCALE Process Overview• Summary of Briefings and Feedback Received to Date• Summarized statewide impact of all staff solutions to date
September	<ul style="list-style-type: none">• Main Retreat Takeaways• VEDP Economic Development Recommendations• Project-level impact scenarios of all staff solutions to date
October	<ul style="list-style-type: none">• Revisit Economic Development Factor• Mid-Level Application Tier Analysis• Project-level impact scenarios of the final staff recommendations

SMART SCALE Program Stakeholder Survey

Potential Biases Exist

Feelings of potential biases exist toward urban and smaller projects; however, external survey respondents largely indicate a positive impression towards the SMART SCALE process

Funding the Right Projects

71% of external survey respondents who responded feel that SMART SCALE is funding the right projects, with 50% indicating they feel a good mix of projects are funded

Changes to SMART SCALE process

Scoring criteria and the application process were the top two answers for what should change and what should remain the same in the SMART SCALE process

Familiarity with SMART SCALE

Most external survey respondents felt moderately or extremely familiar with the SMART SCALE process, and indicated that they have applied for a SMART SCALE project in the past

October Staff Recommendations

Staff Recommendation	Improvement	Scenario
Refine High-Priority Projects Program (HPP) Eligibility	Clarify CTB Policy to ensure HPP projects are of statewide or regional significance.	A*
Eliminate Step 2	Distribute all HPP program funds based on statewide rankings of SMART SCALE scores, rather than district-wide rankings.	B*
Calculate congestion benefits for 10 years in the future	Better align with project design requirements that are based on future growth volumes and consider future economic growth.	C
Modify Land Use factor to a multiplier of all other factor areas and modify factor weightings	Reduce the influence of the one-factor majority on the total benefit score to emphasize what the project's benefits are versus where the project is located.	D
Utilize forward-looking economic development factor developed by VEDP	Reflect best-in-class economic impact assessments currently used by VEDP to incorporate key economic priorities of the Commonwealth.	F

*Scenario A & B do not impact the SMART SCALE Score

October Staff Recommendations

Refine HPP Eligibility

- **Code of Virginia (§ 33.2-370) defines the “where”:**
 - “High-priority projects” means those projects of regional or statewide significance, such as projects that reduce congestion or increase safety, accessibility, environmental quality, or economic development”
 - “Where” is identified as Corridors of Statewide Significance and Regional Networks
- **Recommend refining the definition to include “what” type of projects:**
 - Projects that include the following feature types: 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 Bridge
- **Purpose is to ensure HPP projects are of statewide or regional significance**

October Staff Recommendations

Remove Step 2

- **The current funding steps are as follows:**
 - Step 1 allocates each VDOT construction district's grant program funding on a **district-wide basis**.
 - Step 2 allocates HPP funding on a **district-wide basis** for projects that would've been funded through each district's grant program if they had been by a locality.
 - Step 3 allocates HPP funding on a **statewide basis**.
- **HPP program is statewide funding and should be distributed accordingly, not by district**
 - In Round 5 Step 2, 49 percent of HPP funds were distributed with a district focus, not a statewide focus
 - Total of \$557 million available in HPP - \$274 million distributed in Step 2 based on district ranking
- **Discontinue current Step 2 which provides statewide HPP funds to projects based on district rankings**
- **New process would distribute all HPP program funds based on statewide rankings of SMART SCALE scores**

October Staff Recommendations

Modify Land Use Factor to a Multiplier and Modify Factor Weightings

- Two Step Process

- Assign current Land Use factor weighting to other factor categories

Staff Recommended Weighting						
Factor	Safety	Congestion	Accessibility	Land Use	Economic Development	Environment
Type A	20% (+15%)	50% (+5%)	15%	Up to 100% Added	5%	10%
Type B	25% (+5%)	25% (+10%)	20%		20%	10%
Type C	30% (+5%)	20% (+5%)	15%		25%	10%
Type D	40% (+10%)	10% (+0%)	10%		30%	10%

- Use the normalized Land Use factor as a multiplier on all other benefits (1+Normalized Score/100)

October Staff Recommendations

Staff Recommendation	Improvement
Streamline the SMART Portal process by obtaining OIPI, VDOT, and DRPT approvals prior to submission	Improve application quality and readiness to only score completed applications.
Create a three-tier application limit at 3,4,6. <i>Increased from original staff recommendation of two-tier limit at 2 and 5.</i>	Focuses on applicant priorities to improve overall outcomes and increase application success rate.
Tie consensus funding decisions to performance in delivering projects	Consider applicant deliver performance in final consensus funding decisions

Review Illustrative Impacts Based on Round 5 Applications

District Example

Individual Impacts

Cumulative Impacts

Application Information												Official Round 5 Staff Scenario Results*		Scenario A: Refine HPP Definition			Scenario B: Eliminate Step 2			Scenario C: Future Congestion				Scenario D: Land Use as a Multiplier			Scenario F: ED.1 and ED.2			Scenario E (A+B+C+D): September Recommended Changes			Scenario G (A+B+C+D+F): Final Staff Recommended Changes		
App Id	Area Type	District	Organization	Title	Principal Improvement	Secondary Improvement	DGP	HPP	Total Cost (millions)		Total Request (millions)	Funded	Program	Funding Result	Program	HPP Eligible?	Funding Result	Program	Funding Result	Program	Change in Rank	Funding Result	Program	Change in Rank	Funding Result	Program	Change in Rank	Funding Result	Program	Change in Rank	Funding Result	Program	Change in Rank		
8949	C	LYN	Campbell County	Route 29 Safety Improvements - Southern Section	Highway	None	x	x	\$10.7	\$10.7	\$10.7			Stays Out		X	Stays Out		Stays Out		-10	Added	DGP	84	Added	DGP	164	Added	DGP	78	Added	DGP	205		
9139	D	LYN	Pittsylvania County	US Route 29 at Malmaison Road Roundabout	Highway	None	x	x	\$19.0	\$19.0	\$19.0			Stays Out			Stays Out		Stays Out		-8	Added	DGP	88	Stays Out		-16	Added	DGP	84	Added	DGP	66		
9193	D	LYN	Danville City	Riverside Dr. Improvements - Arnett Blvd. to Main St.	Highway	BikePed	x	x	\$28.7	-\$28.7	\$28.7	X	DGP	Stays In	DGP		Stays In	DGP	Stays In	DGP	-6	Dropped		-1	Dropped		2	Dropped		-8	Dropped		-10		
9327	C	LYN	Amherst County	Route 29B at Amherst Highway - Dillard Road and Lakeview Dr	Highway	BikePed	x	x	\$6.7	-\$6.7	\$6.7	X	DGP	Stays In	DGP		Stays In	DGP	Stays In	DGP	-7	Dropped		-28	Dropped		-2	Dropped		-37	Dropped		-43		
9399	D	LYN	Halifax County	US 501/Sunshine Dr Realignment and Pedestrian Improvements	Highway	BikePed	x		\$9.6	\$9.6	\$9.6			Stays Out		X	Stays Out		Stays Out		-5	Stays Out		-130	Added	DGP	62	Stays Out		-130	Stays Out		11		
9106	D	LYN	Danville MPO	Piedmont Drive Pedestrian Accommodations	Bike/Pedestrian	None		x	\$6.7	-\$6.7	\$6.7	X	HPP	Dropped			Stays In	HPP	Stays In	HPP	-3	Stays In	HPP	3	Stays In	HPP	1	Dropped		-10	Dropped		-9		
9398	D	LYN	Halifax County	Town of Halifax Pedestrian Improvements	Bike/Pedestrian	None	x		\$2.5	-\$2.5	\$2.5	X	DGP	Stays In	DGP		Stays In	DGP	Stays In	DGP	-6	Dropped		-259	Stays In	DGP	-2	Dropped		-261	Dropped		-269		

*Official Round 5 Staff Scenario funded 12 projects

	Official Round 5 Scenario	Scenario A: Refine HPP Definition	Scenario B: Eliminate Step 2	Scenario C: Future Congestion	Scenario D: Land Use as a Multiplier	Scenario F: ED.1 and ED.2	Scenario E (A+B+C+D): September Staff Recommended Changes	Scenario G (A+B+C+D+F): Final Staff Recommended Changes
Projects Added	-	0	0	0	2	2	2	2
Projects Dropped	-	1	0	0	3	2	4	4
Net SS Award (millions)	\$124.8	-\$6.7	\$0.0	\$0.0	-\$8.2	-\$15.1	-\$14.8	-\$14.8
Unallocated HPP (millions)	\$8.9	\$8.9	\$8.9	\$8.9	\$17.1	\$24.0	\$17.1	\$17.1

Note - CTB Member Consensus Modifications
 Unfund from DGP
 App ID 9327 Route 29 Business at Amherst Highway - Dillard Road and Lakeview Drive for \$6.7M
 Fund with DGP
 App ID 9336 Dillard Road Right Turn Lane for \$3.2M
 App ID 9354 Manor House Drive Turn Lanes for a reduced amount of \$2.6M

Note: All 394 scored applications were tested, but the illustrative example only depicts projects impacted by testing in the Lynchburg District example. Funded projects that always remained funded are not shown. Unfunded projects that always remained unfunded are not shown.

Summary of CTB Member Comments Considered in Recommendation Development

- **Overarching Process Review Comments**

- Process seems to be transparent; however, would be helpful if simplified
- The SMART SCALE process works, but look for opportunities to be more forward-thinking
- Concerns regarding cost estimation and contingencies – consider requiring local funding commitment
- Applicants are focused on projects that will be selected and not necessarily add value

- **Small Projects**

- Potential favoritism towards smaller projects and not higher priority projects that are needed
- Need projects that are efficient to deliver and fewer projects that are more impactful
- Focus on standards that make facilities for non-motorized modes comfortable for users

- **Factor Weighting**

- Safety factor weighting is too low (and surveys showed that safety is the most important factor)
- Land use weighting is too high
- Different views on weighting for congestion factor
- Economic Development Factor is not working the way it is intended

Summary of Applicant Comments Considered in Recommendation Development

- **Overarching process review comments**
 - SMART SCALE process benefits smaller projects
 - Examine mid-range option for application cap limit reduction
 - Concern regarding potential workload shift to MPOs/PDCs due to potential application cap limit reduction
 - Enhance coordination between VDOT and MPOs on projects of regional significance
- **Suggestions on adjustments to project scoring / factors**
 - Emphasize equity and environmental quality (greenhouse gas emissions) in project scoring
 - Refine multimodal accessibility measure
 - Adjustments to specific thresholds / metrics
- **Suggestions on improving the SMART SCALE applicant experience**
 - Reconsider requirement of cost estimation as part of application submittal
 - Ensure consistency in applicant requirements for small and large communities
 - Change Tier 1 application limits to meet the needs of medium sized areas in Virginia

October CTB Member Factor Weighting Discussion

- **Uses weighting alternative to staff for consideration**
 - Area Type A: 20% Safety, 40% Congestion, 25% Accessibility, 5% Economic Development, and 10% Environment
 - Area Type B: 25% Safety; 20% Congestion, 25% Accessibility, 20% Economic Development, and 10% Environment
 - Area Type C: 35% Safety; 15% Congestion, 15% Accessibility, 25% Economic Development, and 10% Environment
 - Area Type D: 40% Safety; 10% Congestion, 10% Accessibility, 30% Economic Development, and 10% Environment
- **Weighting change within the three Accessibility measures from 60/20/20 to 40/20/40 to increase the weighting of A.3**
- **Congestion Factor - split 50% current and 50% future**

Address Frequently Asked Questions

- Host will read out questions received, and SMART SCALE Team will answer
- PDF of Presentation, Questions and Answers, and Video recording will be posted to the SMART SCALE Website

Public Comment Period

- **When announced, public comment can be made.**
 - Speakers have been notified prior to today's event
 - Speakers will be muted until it is their time to speak
 - Individuals offering public comment should limit their remarks to not more than three minutes
- **Additional comments can also be provided by November 14, 2023, by:**
 - Email: SmartPortal@CTB.Virginia.gov
 - Online Feedback Form: http://smartscale.org/contact_us/default.asp



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Thank you



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