

CONFRONTING VIRGINIA'S TRANSPORTATION CHALLENGE

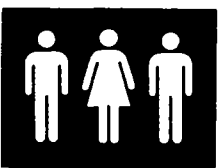
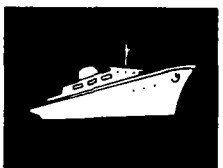
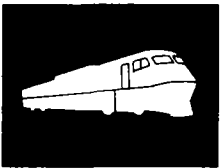
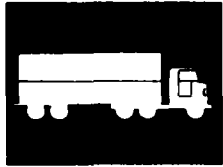
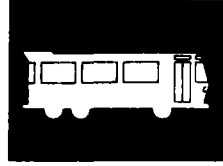
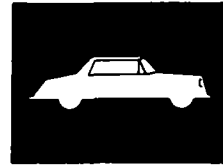
PHASE II Report of

**The Commission on Transportation
in the Twenty-First Century**

**CONFRONTING
VIRGINIA'S
TRANSPORTATION
CHALLENGE**

December 1987

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The Commission on Transportation
in the Twenty-First Century**



FOREWORD

December 7, 1987

The Honorable Gerald L. Baliles
Governor of Virginia
Commonwealth of Virginia
Richmond, Virginia 23219

Dear Governor Baliles:

It is with pleasure that I transmit to you the Phase II Final Report of the Commission on Transportation in the Twenty-first Century.

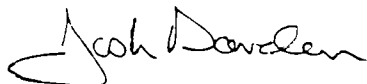
As you are aware, for the past twenty-one months this Commission has been hard at work to construct a foundation on which the Commonwealth can build an integrated transportation system to meet the needs of the next century. As pointed out in the Conclusion of this report, to a remarkable extent we feel we have succeeded.

During our first phase we confirmed the level of transportation needs within the Commonwealth and focused on the State's role in meeting such needs. In Phase II we have looked at transportation from a more local perspective. Specifically, we have:

1. Examined ways by which local transportation financing needs can be met;
2. Looked at how state and local relations can be improved; and
3. Evaluated a variety of ways by which transportation planning and management within the Commonwealth can be enhanced.

The legislation adopted as a result of our first phase of activities, went a long way towards addressing Virginia's transportation challenge. Nonetheless, from the local perspective many issues were left unresolved. We believe, the recommendations contained within this report deal with these issues in a very pragmatic fashion. We commend these recommendations to you and to the General Assembly.

Respectfully submitted,



Joshua P. Darden, Jr.
Chairman

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EXECUTIVE SUMMARY

MAJOR FINDINGS AND RECOMMENDATIONS

1. Existing conditional zoning statutes should be amended in order to permit those localities which do not currently possess it, the authority to proffer for the cost of off-site road improvements and right-of-way acquisition within areas of impact. Further, such amendments should include a mechanism obligating subsequent developers within the impact area to reimburse the initial developer for property improvements and right-of-way.
2. A legislative study commission should be appointed to determine the appropriateness of broadening the provisions within the *Code of Virginia* dealing with subdivision approval, in order to establish a mechanism whereby developers could voluntarily provide assistance for off-site improvements and right-of-way acquisition.
3. Increased privatization of transportation has been used in other states as a means of meeting growing transportation needs. The Commission examined this concept and proposed legislation related to private toll facilities. The Commission finds the proposal to allow private toll roads in the form of the draft Virginia Highway Corporation Act of 1988 may have merit, in that this proposal offers the Commonwealth another innovative option for transportation improvement. No recommendation as to the specific proposal for the Virginia Highway Corporation Act of 1988 is made.
4. It was clear to the Commission that local governments within the Commonwealth want additional local revenue options to fund transportation improvements. However, due to diversity of need and local capabilities no consensus emerged related to any specific option. The Commission, therefore, recommends that localities be encouraged to examine their own long range funding needs and to request, where necessary, authority on an individual basis to utilize new or expanded revenue sources.
5. Localities also need additional borrowing flexibility. The Commission recommends that localities be given such flexibility, through the use of the

Transportation Board to issue 9(d) debt on behalf of Transportation Improvement Districts.

6. Virginia Department of Transportation (VDOT) should more clearly articulate a planning process that considers the five-year update of the twenty-year needs inventory, a ten-year planning horizon, the six-year improvement program, and the annual updating process.
7. VDOT should make special efforts to coordinate and integrate its financial planning, with the planning document being clearly written and widely communicated to the public, local governments, the General Assembly and others.
8. VDOT should continue to emphasize modal linkages and be accountable for modal and intermodal considerations in establishing its planning objectives.
9. VDOT should exercise its authority under existing statute to acquire wider rights-of-way where planning flexibility is needed.
10. Section 15.1-458 of the *Code of Virginia* should be amended to clarify and simplify the requirements associated with official map procedures. Current law implies that the centerline should be established for all proposed transportation improvements shown in the comprehensive plan before the map becomes official. Further, Section 15.1-458 should be strengthened to enable local governments to acquire right-of-way once the statutory provisions of the official map are met.
11. VDOT's informal public hearing process, and public information meetings to provide earlier public involvement in the formulation and selection of alternatives to be studied, should be both continued and enhanced.
12. The General Assembly may wish to consider amending Section 33.1-90 of the *Code* to permit the State Transportation Commission to hold land acquired through purchase or through the powers of condemnations beyond the twenty year limit currently specified. The amendment could provide for an extension in cases where a project is included in the *Six-Year Improvement Program of the Commonwealth Transportation Board* or the

Six-Year Improvement Program for Secondary Roads for construction purposes and where clear actions have been taken to move forward.

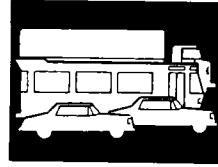
13. The General Assembly may wish to consider a statutory amendment to provide a freeze of up to three years on the rezoning of, or improvements to, land designated by the Department or local governments for road projects. The land so designated would be described by metes and bounds or centerline and typical cross-section and required for projects in the *Six-Year Improvement Program of the Commonwealth Transportation Board*, the *Six-Year Improvement Program for Secondary Roads*, or the capital improvement programs of local governments.
14. Amendments should be considered that would require railroads and electric utilities to advise the Department of Transportation well in advance of the cessation of use of any rights-of-way or lands held in fee and give the Department priority in acquiring them for transportation purposes if it elects to do so.
15. VDOT should continue the annual information and problem-solving meetings that have been initiated with developers, local governments and others involved in local issues.
16. VDOT should conduct a formal review and, as necessary, update the *Subdivision Street Requirements* at five-year intervals.
17. Consideration should be given to revising Section 15.1-466 of the *Code of Virginia* to specify that local subdivision ordinances require subdivision streets to be constructed at least to state geometric standards.
18. VDOT should expand its traffic management initiatives into a system of transportation management that would include mass transit and other modal alternatives.
19. VDOT should periodically report its progress in applying value engineering techniques and the outcomes of these efforts to the General Assembly and others interested in these activities.

20. VDOT should expand its cross-training in value engineering techniques to staff assigned to the Productivity Improvement Center so that additional personnel might be made available for value engineering projects.
21. VDOT should revise its procedures to enable the scheduling and advertising of a formal public hearing immediately after the first request for one during the conduct of the notice of willingness process. This step would rectify the present situation in which the notice of willingness process runs a full forty-five days, even if a request for a hearing occurs during the first day or two.
22. To gain more public input and increase the effectiveness of public hearings, the Department could adopt an alternate method for conducting hearings on selected projects. An informal hearing process could be instituted that would provide for testimony and responses for the record on an individual basis. The Federal Highway Administration (FHWA) has approved this method as appropriate to satisfy its hearing requirements.
23. VDOT should continue its local government roundtable meetings with local governments on an annual basis, as well as conduct special purpose functions as needed for more focused discussion and problem-solving.
24. The Commission urges exploration by individual counties and VDOT (where a county believes this to be in its best interest) regarding greater local responsibility in traffic management and road maintenance.
25. VDOT should continue to provide timely cooperation and full professional assistance to jurisdictions funding highway improvements from local sources of revenue. This assistance should also continue to be extended to private sector entities that contribute to identified state needs.
26. A study of transportation needs of Virginia's human service agencies should be conducted, with special emphasis on rural and intra-city transportation requirements. This study should include an action plan and examination of the sources of funding for both human service transportation and public

transportation, with a close look at how and when these sources can be pooled effectively. Such a study would be in accord with the preliminary plan for coordination for transportation services prepared by the Department for the Rights of the Disabled.

INTRODUCTION

Chapter 1



BACKGROUND

Recognizing an impending crisis in transportation, in January 1986 Governor Gerald L. Baliles and Virginia's General Assembly appointed this Commission to confront Virginia's transportation challenge and, in the words of the Governor, "to chart a course that will take Virginia into the Twenty-first Century."

The Commission first met in February of 1986. At that meeting the Governor issued his charge to the Commission, and requested that its work be done in two phases. In its first phase, the Commission was asked to:

1. Confirm the critical highway and transportation needs of the Commonwealth;
2. Explore alternative means of financing transportation; and
3. Examine the feasibility of establishing a separate fund for highway construction.

The Commission met this charge and issued its Phase I report to the Governor and to members of the General Assembly on August 1st of 1986.

Anticipating the receipt of the Commission's Phase I Report, the Governor called Virginia's General Assembly into Special Session to act upon the recommendations contained within. The legislature responded by enacting one of the most far-reaching legislative packages in its history. Among other things, this package:

- Established a 12 1/2 year, \$10 billion dollar road construction program for the Commonwealth;
- Created an integrated "Virginia Transportation Board" with the authority to coordinate the financing of all modes of transportation; and
- Increased funding by \$1.8 billion over ten years for Virginia's ports, airports and public transportation systems.



Results from Phase I: Governor Baliles at the Groundbreaking Ceremony for Route 58 improvements.

Phase I of the Commission's work and the legislation produced as a result of it, concentrated on Virginia's transportation problems from the State's perspective. In Phase II, the Commission was asked to shift its focus and to look at the pressing transportation needs being faced by Virginia's local governments. Specifically, the Commission was asked to:

1. Examine innovative financing techniques which could be made available to local governments for meeting intra and inter-jurisdictional transportation needs;
2. Determine if local units of government should be granted additional authority for controlling local transportation networks; and
3. Explore ways for improving cooperation between the Virginia Department of Transportation and local governments.

THE CURRENT REPORT

The report which follows summarizes the results of the Phase II activities of this Commission. It is divided into six major chapters.

Chapter 2 is concerned with the issue of local transportation financing and outlines how the

Commission believes local financing needs can best be addressed.

Chapter 3 examines issues associated with transportation planning and management. This chapter is based upon the supposition that simply providing more funds for transportation will not solve all our problems. Equally important is more effective planning and management of our transportation systems.

Chapter 4 looks at ways of improving the working relationships between the Virginia Department of Transportation and local governments. While the Commission recognized that great strides have been made during the last twenty-one months, additional steps need to be taken in order to improve communication and cooperation between state and local governmental agencies.

Chapter 5 discusses rural public and human service transportation needs. The Commission was asked to examine the issues related to such transportation needs by legislation of the 1987 General Assembly Session (SJR 122).

Chapter 6 concludes the report by discussing the implications of the Commission's recommendations. These basic chapters are supplemented with a brief Executive Summary and a Bibliography of previously published Commission reports.



LOCAL OPTIONS FOR FUNDING AND FINANCING TRANSPORTATION

Thanks in large part to the courageous actions of the General Assembly in Special Session in September of 1986, state funding for transportation construction has increased substantially during the past year. In fact, funding levels are now 370% above what they would have been if no action had been taken. Nonetheless, many local projects, particularly within the rapidly growing urban areas of the state, continue to go begging for funds. Without additional sources of revenue, the local demand for transportation improvements and service will continue to outstrip the financial capabilities of local governments.

Given these facts, a major challenge before the Commission was to determine ways by which additional local participation in the state's transportation initiatives could be achieved. A variety of options were considered in this regard, including:

1. Extension of conditional zoning;
2. Privatization;
3. Local revenue options; and
4. Debt financing.

Our findings and recommendations related to each of these are presented below.

CONDITIONAL ZONING

The June 5th report of the Commission's "Local Government Advisory Committee" very articulately explains the status of conditional zoning within the Commonwealth. As stated in that report:

Since 1978, every Virginia jurisdiction has been authorized to employ "conditional zoning" as part of its land use regulations. Under conditional zoning, localities may accept "proffered" conditions that are in addition to the general, uniform zoning regulations. These new provisions introduced into Virginia law largely at the request of the development community, can be very useful to a locality by

allowing an applicant to tailor his particular development plan to the specific needs of the area. Without this ability to tailor a request to meet specific needs, the locality has only two choices—approval or denial. Conditional zoning allows the locality and the owner/developer to find an acceptable and mutually beneficial middle ground that would make an unacceptable project more acceptable. Conditions and restrictions proffered by the applicant, once accepted by the locality, become a part of the rezoning itself and are binding on the property.

There are two types of conditional zoning in Virginia. Prior to 1978, jurisdictions in Northern Virginia and on the Eastern Shore were given the authority to accept reasonable conditions that are in addition to the general regulations of the zoning ordinance. This is called "old conditional zoning." In 1978, Section 15.1-491.1 of the Code of Virginia provided for conditional zoning to be available to all local governments. This is called "new conditional zoning." Under this type of conditional zoning, each proffered condition must arise from the rezoning application itself and have a reasonable relationship to the rezoning. Conditions may not include cash contributions to the locality, nor dedications of real or personal property for open space, parks, schools, fire stations, or other facilities, or off-site improvements not expressly authorized under subdivision enabling legislation. Each condition must be related to the physical development or operation of the site and be in conformance with the local Comprehensive Plan.

A survey by the Local Government Advisory Committee indicated that there was strong interest on the part of local governments within the state, for the extension of "old" conditional zoning state-wide. Such an extension would provide local governments greater flexibility, and allow them the opportunity to obtain proffers for the cost of off-site improvements and right-of-ways for highway construction.

Following intense discussion on this subject, the Commission recommends that:

1. Existing conditional zoning statutes be amended in order to permit those localities which do not currently possess it, the authority to proffer for

the cost of off-site road improvements and right-of-way acquisition within areas of impact. Further, such amendments should include a mechanism obligating subsequent developers within the impact area to reimburse the initial developer for property improvements and right-of-way, based on a ratio of traffic flow generation.

2. A legislative study Commission be established to determine the appropriateness of broadening the provisions within the *Code of Virginia* dealing with subdivision approval, in order to establish a mechanism whereby developers could voluntarily provide assistance for off-site improvements and right-of-way acquisition.

PRIVATIZATION

The Commission's discussions related to the issue of privatization focused on draft legislation known as the "Virginia Highway Corporation Act of 1988." If adopted this legislation would allow private corporations operating within well defined guidelines to construct and operate private toll road facilities within the Commonwealth. Following extensive debate and the receipt of input from the private sector and from several localities likely to be impacted by the passage of such legislation, the Commission finds as follows:

The proposal to allow private toll roads in the form of the draft Virginia Highway Corporation Act of 1988 may have merit, in that this proposal offers the Commonwealth another innovative option for transportation improvement. No recommendation as to the specific proposal for the Virginia Highway Corporation Act of 1988 is made.

Additional details on this proposed legislation are contained in the final report of the Commission's Subcommittee on State and Local Relations (Commission Document No. 9).

LOCAL REVENUE OPTIONS

Over its twenty-one month history the Commission has perhaps spent more time examining options which could be made available to localities for augmenting transportation revenue than any other subject. In Phase

I, the Commission's Legal Advisory Committee undertook an extensive review of the legal and constitutional issues associated with such options (see Commission Document No. 7). In the early stages of Phase II, the Commission's Local Government Advisory Committee examined the advantages and disadvantages of such options, and surveyed every local government in the state to determine their preferences (see Commission Document No. 8). Finally, the Commission's Subcommittee on Local Financing Options, conducted a statewide public hearing and did a detailed analysis of the feasibility of some eighteen options (see Commission Document No. 10).

While eighteen options were considered, analysis indicated that only six were legal, administratively practical, and capable of raising sufficient revenue to fund costly transportation projects. These options were:

- The property tax;
- Recordations and land transfer taxes;
- Regional taxes;
- Special assessment districts;
- Transportation districts; and
- Sales tax (increase the local options tax rate).

If any increase in local revenues is considered to be necessary, it appears that property taxes and recordation taxes are the most attractive. However, an increase in the authorized local recordation tax would require legislative action.

While localities indicated a general need for additional sources of revenue to fund transportation, no consensus emerged related to a specific revenue option. One reason for this lack of consensus may be the wide variation that exists in terms of need and in ability of localities to generate additional revenue or to support additional debt.

As there appears to be no one answer to this perplexing problem, the Commission recommends that localities be encouraged to examine their own long-range funding needs and to request, where necessary, authority on an individual basis to utilize new or expanded revenue sources.

FINANCING OPTIONS

Additional revenue sources are only one of the ingredients necessary in the development of a comprehensive local transportation financing program. A second important ingredient is the identification and provision of local debt financing mechanisms. In all, eleven distinct debt options for financing local government transportation projects were considered by the Commission (see Commission Document No. 10). Seven of these options appear to be feasible for use in either local financing programs, or with the assistance of the state, in state/local financing partnerships.

Partially feasible local financing options include:

- Local General Obligation Bonds
- Local Tax/Revenue Supported Revenue Bonds
- Local Special Tax Revenue Bonds
- Local Project (self-amortizing) Revenue Bonds

The issuance of these types of debt instruments would be almost exclusively a matter of local concern. The localities would have to take whatever steps are necessary to authorize the issuance of the debt instruments and would be responsible for the administration and control of the financing program. The impact of resources at the state level would be negligible.

Potentially feasible state/local financing partnership options include:

- State Section 9(d) Revenue Bonds
- State Transportation Bond Bank
- State-Local Joint Financing

These options enjoy a high degree of market acceptance and fairly strong financial capacity. They also provide a balance between the localities and the State in terms of involvement and control.

As is the case with the revenue options, some of the financing options explored would require two steps for implementation:

- First, action by the General Assembly would be necessary to make the option available to a locality or to authorize the State to participate in the option;
- Second, approval by a local government would be necessary to implement the option.

The final decision as to which options are to be used rests with the citizens and governing body of each locality.

Increasing Local Borrowing Flexibility: The 1987 Session of the General Assembly passed legislation authorizing the creation of Primary Highway Transportation Improvement Districts in either multi-county areas or individual counties. A district is created by resolution of the Board of Supervisors of each county upon petition of the owners of 51% of the land zoned industrial or commercial. The District may then request each Board of Supervisors to impose a special improvements tax of up to .20¢ per \$100.00 on the commercial and industrial real estate in the district to pay for transportation projects. At the present time such districts can only be created by Fairfax, Prince William, and Loudoun Counties or Fairfax and Loudoun Counties jointly.

Although the legislation permitted the special improvements tax to be used to pay debt service, no borrowing authority was provided to the special assessment districts. Therefore, in order for projects in transportation improvement districts to be financed by bonds, additional legislative action will be required. Such action could permit borrowing for projects in transportation improvement districts by the district itself, the localities involved or the state.

Four options were considered for increasing local borrowing flexibility. They were:

1. Borrowing by a Transportation Improvement District;
2. Borrowing by a County using Lease Revenue Bonds;

3. Borrowing by the State using Transportation Board 9(d) Bonds; and
4. Borrowing by the State using Virginia Public Building Authority (VPBA Bonds).

The Commission believes that the third option: the issuance of 9(d) revenue bonds by the Transportation Board, would be the most appropriate mechanism to use for issuing debt on behalf of transportation improvement districts. In order to accomplish this, changes in two pieces of legislation would be necessary. First, it would be necessary to modify the Transportation Board Legislation to permit the Board to issue debt on behalf of Transportation Improvement Districts. Second, the Primary Highway Transportation Improvement District Legislation would need to be amended in order to:

- Give the district itself the power to impose and levy the special improvements tax;
- Provide that the counties act as collection and paying agent for the special improvements taxes within their respective jurisdictions;
- Authorize the district to contract with the Transportation Board and pledge the special improvements tax revenue to secure the districts' obligation under that contract; and
- Provide that the pledge of special improvements tax revenue be affirmed by a referendum of the qualified voters in the district prior to any pledge (since such a pledge would constitute a debt of the district).

Once the necessary legislation was in place, the issuance of such bonds would be very straightforward. The Governor and the General Assembly would first authorize the specific project to be built and authorize its financing by bonds. These bonds would be issued by the Board and be secured by revenues from appropriations by the General Assembly. The Board would enter into an agreement with the transportation improvement district, whereby the district would pay its share of the debt service over the life of the bonds from the special improvements tax revenue.

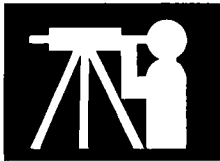
The mechanism outlined above has a history of use and is well-known to the General Assembly and the investment community. The clear advantages to this option include:

- Strong credit rating of the bonds;
- Control by the General Assembly; and
- Does not involve the full faith and credit of the Commonwealth.

The Commission, therefore, recommends that localities be given increased borrowing flexibility, through the use of the Transportation Board to issue 9(d) debt on behalf of Transportation Improvement Districts.



Senator Andrews and a Member of his Local Financing Options Subcommittee, discussing the draft of their final report.



TRANSPORTATION PLANNING AND MANAGEMENT

As suggested within the introduction of this report, additional funding alone will not solve Virginia's transportation problems. Equally important is more effective planning and management of the State's transportation system.

The Commission's Subcommittee on State and Local Relations examined a variety of issues related to transportation planning and management, including:

- Transportation planning;
- Right-of-way acquisition;
- Subdivision street requirements;
- Traffic/transportation management; and
- Value engineering.

IMPROVING VIRGINIA'S TRANSPORTATION PLANNING PROCESS

Transportation planning in the Commonwealth is broad-based, with major responsibilities for VDOT, as well as other state, regional and local agencies. Local planning Commissions and local governments prepare and adopt comprehensive plans, capital improvement programs and subdivision ordinances. At the regional level, activities of the transportation district commissions include administration of specialized transit activities. Those of the planning district commissions cover the development of regional plans and planning assistance to local governments. At the state level, the agencies involved in transportation planning include the Virginia Port Authority, the Virginia Department of Aviation and VDOT.

Thus, a variety of organizations are involved in transportation planning. Each of these organizations has its own set of goals and objectives. Although there is a great deal of communication, and in some cases established structural relationships among these different organizations, each has its own distinctive planning

process through which it attempts to achieve its goals and objectives.

Given this climate for transportation planning, the Commission looked at:

1. The transportation planning process currently being employed by VDOT;
2. How VDOT's transportation planning program relates to planning efforts at the local and regional levels; and
3. How planning for alternative modes of transportation can be more effectively integrated.

The Commission was pleased to learn of, and hereby endorses a number of refinements that VDOT has recently proposed or initiated to improve transportation planning within the Commonwealth. These enhancements, which complement the State's expanded transportation program, include:

- The allocation of additional resources to examine existing long-range transportation plans;
- The initiation of a series of public hearings to obtain additional local input for the statewide highway needs update;
- The expansion of technical planning assistance to local governments;
- Increased planning emphasis on linkage among all modes of transportation; and
- The development of a subregional planning process for Northern Virginia.

With regard to the latter area, the Commission commends the Governor's Northern Virginia planning initiative as a worthy model for cooperative ventures in other jurisdictions and recommends that this initiative be expanded in a timely manner to include other urban regions.

Recognizing that data exchange is both a state and local responsibility, the Commission encourages increased communication among VDOT, the Planning District Commission and localities to ensure that they have the quality data needed for effective planning. In addition,

we recommend that the Department more clearly articulate the planning process that considers the twenty-year needs inventory, a ten-year planning horizon, the six-year improvement program, and the annual updating process. We also recommend that the Department place high priority on the integration and coordination of its financial planning, with the planning documents being clearly written and widely communicated to the public, local governments, the General Assembly, and others. Finally, we emphasize to the Department the importance of continued attention to modal and intermodal interests in establishing planning objectives.

RIGHT-OF-WAY ACQUISITION

The acquisition of right-of-way is an activity undertaken by both VDOT and local governments. In an age of rapid land development, right-of-way acquisition has become an area of increasing concern and legal complexity.

The Commission viewed the issue of right-of-way acquisition from two perspectives. From the perspective of the State and local governments, it was clear to the Commission that additional flexibility was needed in both securing right-of-ways and in protecting prospective transportation corridors from pressures of development. Without such flexibility, costs will be needlessly high, and the attempts by governmental agencies to implement their transportation plans in a timely fashion will be frustrated.

At the same time, the Commission recognizes the legitimate right of individual property owners. Such rights are protected by both the state and federal constitutions, and have recently been further defined by several decisions of the United States Supreme Court.

With the advice and counsel of its Legal Advisory Committee, the Commission has attempted to strike a balance between the often competing interests of the public and private sectors. Within this context, the Commission offers six recommendations on ways of improving existing right-of-way acquisition procedures (see Commission Document No. 9 for additional discussions on these recommendations). Specifically, the

Commission recommends that:

1. The Virginia Department of Transportation should exercise its authority under existing statute to acquire wider rights-of-way where planning flexibility is needed.
2. Section 15.1-458 of the *Code of Virginia* be amended to clarify and simplify the requirements associated with official map procedures. Current law implies that centerline should be established for all proposed transportation improvements shown in the comprehensive plan before the map becomes official. Further, Section 15.1-458 should be strengthened to enable local governments to acquire right-of-way once the statutory provisions of the official map are met.
3. VDOT's informal public hearing process, and public information meetings to provide earlier public involvement in the formulation and selections of alternatives to be studied, should be both continued and enhanced.
4. The General Assembly may wish to consider amending Section 33.1-90 of the *Code* to permit the State Transportation Commission to hold land acquired through purchase or through the powers of condemnations beyond the twenty year limit currently specified. The amendment could provide for an extension in cases where a project is included in the *Six-Year Improvement Program of the Commonwealth Transportation Board* or the *Six-Year Improvement Program for Secondary Roads* for construction purposes and where clear actions have been taken to move forward.
5. The General Assembly may wish to consider a statutory amendment to provide a freeze of up to three years on the rezoning of, or improvements to, land designated by the Department or local governments for road projects. The land so designated would be described by metes and bounds or centerline and typical cross-section, and be required for projects in the *Six-Year Improvement Program of the Commonwealth Transportation Board* , the *Six-Year Improvement Program for Secondary Roads* , and the capital improvement programs of local governments.

6. Finally, an additional amendment should be considered that would require railroads and electric utilities to advise the Department of Transportation well in advance of the cessation of use of any rights-of-way or lands held in fee and give the Department priority in acquiring them for transportation purposes, if it elects to do so.

SUBDIVISION STREET REQUIREMENTS

Subdivision streets built by developers are added to the state system of secondary roads at the rate of about 140 miles per year. Inclusion of these streets in the state system is well grounded in statute and has been regulated by the Commonwealth Transportation Board since 1949.

The approval process for subdivision or site plans is conducted and coordinated by the resident engineer, who analyzes the plan's technical features for adherence to the standards, and sometimes refers more complex plans to district or central office personnel for additional review. Following completion of the review, the resident engineer either advises the developer that she/he is in compliance with design requirements, or returns the plans with a notation of specific revisions that are needed. Any revision to initial plans must be returned to the resident engineer for re-evaluation and written approval.

Differences of opinion between the developer and VDOT about the interpretation and application of the requirements are usually resolved informally. However, a formal appeal process is available that provides for reconsideration by a district appeals committee, and, if the developer wishes, a final appeal to the Commissioner. Moreover, the annual meetings that VDOT has initiated with developers, local governments, and others involved in local issues are providing the additional communication and understanding needed to ward off major disputes in this area.

The Commission was interested in the subject of subdivision street requirements and approval procedures for two reasons:

1. To ensure that the public interest is protected as subdivision streets are built by developers and taken into the state system; and
2. To ensure that the approval process for inclusion within the state system is an expedient one, as consumers benefit when developer costs are reduced through the minimizing of work delays.

The Commission recognizes and commends the recent efforts by VDOT related to the subdivision street approval process. We recommend that the Department continue its annual meetings with builders and others at the local level. We also recommend that the Department review and, as necessary, update the *Subdivision Street Requirements* at five year intervals. Further, we urge that consideration be given to revising Section 15.1-466 of the Code of Virginia to specify that local subdivision ordinances require subdivision streets to be constructed at least to state geometric standards.

TRAFFIC/TRANSPORTATION MANAGEMENT

While most public attention related to the Commission has focused on the construction program, the need for improved "traffic management" is also very important. "Traffic management" is a term applied to ongoing efforts to ensure that the existing system is operating at optimum efficiency and safety. With the increased construction program initiated by the Commission last year, improved traffic management in both rural and urban areas of the Commonwealth is becoming increasingly important.

The Commission found that VDOT has undertaken a number of initiatives related to its traffic management program during the past several years. In the traditional areas of traffic management—signs, signals, and pavement markings—the Department's initiatives include contracting with the private sector for traffic signal repair and installation, as well as the establishment of a new traffic signal grant program designed to improve traffic flow, save fuel, and enhance safety. In the area of engineering techniques, the Department is using a

variety of approaches throughout the Commonwealth, such as: Computerized traffic signalizations, reversible lanes, park and ride facilities, ride sharing, mass transit coordination, and motorist services. The Department is working more closely with the trucking industry, local government officials and citizens to balance the needs of truck access with citizen and vehicle safety. In addition, the Department has just completed the development of new rules and regulations for transportation of hazardous materials through tunnel facilities. Other innovations include better safety programs, use of new and innovative technology, and increased attention to work zone safety.

In summary, it is clear to the Commission that the Department has undertaken aggressive steps to implement new traffic management and safety programs, actions that the Commission commends and supports. These initiatives have been no less important than those associated with the expanded construction program, as it is critical that the Commonwealth utilize existing roadways to the best possible and safest advantage. This is an area that cannot be effectively legislated; hence, the Commonwealth must continue to depend on the Department's ongoing efforts in this regard.

The above facts notwithstanding, the Commission is compelled to offer one major recommendation related to the Department's current traffic management practices. This recommendation is necessitated by the fact that ours is increasingly a multi-modal society in which highway traffic problems frequently cannot be adequately addressed, without looking to other modes of transportation. The Commission therefore recommends that the Department expand its traffic management initiatives into a system of transportation management that would include mass transit and other modal alternatives.

VALUE ENGINEERING

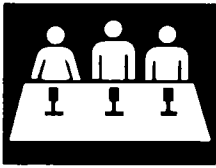
A final area examined by the Commission related to transportation planning and management, was that of "value engineering." Value engineering for transportation focuses on economy and efficiency in road and bridge construction, and thereby can maximize the utilization of the increased transportation funding provided by the General Assembly in the Special Session of 1986.

The general concept of value engineering first took hold in a major way during World War II, when it was applied to the cost evaluation of substitute defense material. The Department has applied this approach to road and bridge construction since 1974. Value engineering at VDOT consists of a systematic evaluation approach that:

1. Identifies the function of a product or service;
2. Establishes a worth for that function;
3. Generates creative alternatives and evaluates their costs; and
4. Recommends how the needed functions may be provided at the lowest cost.

The Commission's review of VDOT activities suggests that the Department is rapidly becoming a national leader in value engineering for transportation. During the past eighteen months alone, some \$21 million in potential savings were identified on seventeen road and bridge projects within the state, with \$18 million of recommendations already adopted for implementation. The Department reports that Virginia is one of only eight states with a full-time coordinator for value engineering and was recently tied for second place nationally in the dollar value of savings resulting from review of roadway designs.

It is clear to the Commission that value engineering is an extremely useful process that has increased in importance with the expanded construction program. We recommend that the Department periodically report its progress in the application of value engineering techniques to the General Assembly and others interested in this activity. Further, we urge VDOT to consider the cross-training of personnel assigned to its Productivity Improvement Center to increase the availability of staffing for value engineering activities.



State/Local Relations is a subject that is discussed to one degree or another in virtually every chapter of this report. This is by necessity, as virtually anything VDOT does impacts localities of the Commonwealth and the citizens within them. Despite the fact that this subject has been touched upon elsewhere, members of the Commission feel aspects of this topic are deserving of special attention, as they are frequently topics of discussion with local governments. This is an area within the Department's operation where it is felt improvements are possible.

Two topics in particular were of interest to this Commission:

1. The Department's public hearing procedures; and
2. State/local relations in road construction and maintenance.

PUBLIC HEARING PROCEDURES

The Commission feels that the public hearing process is a critical component of VDOT's construction program. Through public hearings, Virginia's citizens are apprised of road proposals, informed of plans that affect them, and are given the opportunity to participate in decision-making.

VDOT utilizes a number of techniques to inform citizens of their actions and to obtain input from them. These techniques range from merely issuing a "notice of willingness" to hold a hearing, to informal meetings, and to formal location and design hearings. These citizen participation efforts are guided by the Department's *Public Involvement Policy Manual*.

It is clear to the Commission that the Department has a well structured public hearing process, and that the Department is genuinely interested in increasing public participation within its programs, as evidenced by the recent establishment of a "public participation unit" within its central office. Nonetheless, the Commission feels additional refinements in the public hearing process are necessary.

The Commission believes that the following three proposals would work to expedite the public hearing process and/or increase the level of meaningful citizen input:

1. The time required to complete the hearing process could be shortened in instances where a notice of willingness process results in a request for a public hearing. At present, the notice of willingness period runs a full forty-five days, even if a request for a hearing occurs during the first day or two. By scheduling and advertising a public hearing as soon as the first request for one occurs, up to two months time might be saved. The Department believes this change could be implemented on state-funded projects by revising the *Public Involvement Manual*, and on federal-aid projects with the concurrence of the Federal Highway Administration (FHWA).
2. The Department should make every possible effort to notify owners of abutting properties about the location and design of projects under its consideration. Additional efforts may be necessary to ensure that such notification takes place.
3. Finally, to gain more public input and increase the effectiveness of public hearings, the Department should adopt an alternate method for conducting hearings on selected projects. An informal hearing process could be instituted that would provide for testimony and responses for the record on an individual basis. Citizens could attend the hearing and be provided with all required information, then provide input in a quiet, unthreatening atmosphere, rather than before a group of people and panel of experts. States that use this format exclusively or an optional method believe that it produces more meaningful citizen input.

The Commission also supports an upcoming change in the current Federal Highway Administration regulation that reduces by fifteen days the amount of time environmental documents must be available to the public prior to a public hearing. We believe that this reduction of time will expedite the hearing process while still affording ample time for citizens to become fully informed about the environmental issues associated with particular projects.

STATE/LOCAL RELATIONS IN ROAD CONSTRUCTION AND MAINTENANCE

The Commission received briefings on the working relationships of the Virginia Department of Transportation and localities in making decisions about maintenance and construction projects. Input from local governments occurs principally through public hearings (discussed above) to influence the allocation, location, and design of projects, roundtable meetings around the state; ongoing formal resolutions transmitted to VDOT; and personal contacts with local officials, organizations, and citizens by the Commissioner, board members, district and resident engineers, and other VDOT staff. In addition, the Office of Policy Analysis, Evaluation, and Inter-governmental Relations, as well as the Highway Helpline, have been established within the past year to facilitate communications with local governments and citizens.

Much of the Department's communication with local governments is guided by requirements of the *Code of Virginia*. These statutory mandates are associated with the regular allocation of funds for roads within the four administrative systems (interstate, primary, secondary, and urban), as well as those for special programs.

Other *Code* provisions requiring state-local communications and collaboration include those that address:

- The transfer of primary routes into the secondary system;
- The hard-surfacing of country roads carrying more than 50 vehicles per day;
- The acceptance of local roads into the state system for maintenance and construction;
- The establishment of new roads or the altered location of existing ones;
- County contributions for road construction; and
- Expenditure of funds by certain counties for their own projects.

The Commission was pleased to learn that the agency has moved beyond basic efforts to satisfy statutory requirements for communication with local governments, to the exploration of innovative ways to enhance the quality and usefulness of those communications. One new activity that has produced particularly useful input is the roundtable meetings initiated with localities during the past year. During these meetings, conducted in each construction district across the state, Department officials responded directly to the concerns and questions of local officials and other interested parties. For example, during some of the roundtable meetings, the issue of cooperative purchase of heavy equipment was discussed. As a result, VDOT has recently implemented a purchasing procedure to address cooperative buying. Additional follow-up relations to other concerns and questions has occurred since the roundtable meetings which are now planned as an annual event.

The Commission concludes the current statutory provisions provide a sound framework for communications between state and local governments. However, many of the higher quality interactions appear to evolve from constructive working relationships that have been developed outside statutory parameters. The Commission encourages the Department to further expand the opportunities to work effectively with localities at all points in the process.

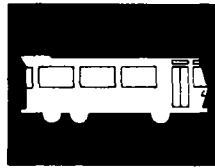
The Commission would like to commend the Department for the roundtable meetings initiated with local governments during the past year. We believe that efforts like these build effectively on relationships established through other contacts. The Commission recommends the continuation of the roundtable meetings, as well as the conduct from time-to-time of special purpose functions to serve as arenas for focused discussion and problem solving. In addition, we encourage local governments to fully participate in and utilize these forums.

The Commission recommends additional concentration in two other areas. First, we urge exploration by individual counties and VDOT (where the county believes this is to be in its best interest) regarding greater local responsibility in traffic management and maintenance. Second, the Commission urges VDOT to continue its emphasis in ensuring timely coordination and full professional assistance to jurisdictions funding highway

improvements from local sources of revenue. This assistance should also continue to be extended to private sector entities contributing to identified state needs.

RURAL PUBLIC AND HUMAN SERVICE TRANSPORTATION

Chapter 5



Legislation introduced in the 1987 session of the General Assembly (SJR 122) requested the Commission to "include an investigation of the mass transportation needs of Virginia's rural population within its study." The Commission met this charge by examining both rural "public transportation" and "human service" transportation within the Commonwealth.

The Commission was informed that eighteen rural public transportation systems are currently operating in Virginia. In fiscal year 1986, these systems operated over 3.5 million miles of transit service at a cost of \$4.6 million, and provided more than 2.8 million passenger trips to citizens of rural Virginia. During the 1988 fiscal year \$1.7 million in federal aid and \$1.2 million in state aid will be provided to Virginia's rural public transportation operators. Federal and state funding for rural public transportation is less than the funding appropriated to urbanize transit systems in Virginia. However, the proportionate shares of public transportation expenses that local governments currently bear are essentially the same in rural and urbanized areas (approximately 19% of operating costs).

VDOT enumerated very specific responsibilities in supporting rural public transportation, including:

1. Promoting the establishment and expansion of rural public transportation systems;
2. Administering federal financial assistance (the Urban Mass Transportation Administration Section 18 Program) and state aid;
3. Providing technical assistance and training; and
4. Monitoring and evaluating performance.

Human service transportation is provided in virtually every city, county, and town in Virginia. Over one hundred local service agencies supported by fourteen different "parent" state agencies are involved in this activity. Many of these agencies work together to coordinate travel schedules and share transportation resources. Accurate information on the total miles of

service, total expenditures, and ridership is not readily available. However, a report submitted to the 1983 General Assembly estimated that approximately \$10 million in state funds was spent for client transportation by human service agencies in the prior year.

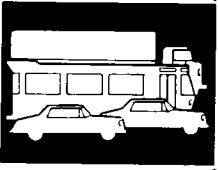
Until recently VDOT's role in supporting human service transportation has been somewhat limited. For thirteen years, the Department has administered a federal program which provides capital funding to private, nonprofit human service agencies. VDOT has stressed the importance of coordinating agency transportation services in its administration of this program, and has conducted a number of technical studies to facilitate this coordination.

As a result of new federal funding, the Department will be expanding its support for human service transportation, providing technical assistance and training for both human service and public transportation operators in rural areas. In addition, an Interagency Coordinating Council for the Transportation Disadvantaged, which VDOT chairs, has been formed to improve the provision and coordination of human service agency transportation.

Because of increased state support, the outlook for both rural public transportation and human service transportation is promising. While there have been reductions in federal funding, Virginia has new state funding for public transportation, initiated as a result of the recommendations of this Commission. This additional state aid will allow some growth in both existing and new rural programs. The key to growth in rural public transportation will be the development of local government support. The work of the Interagency Coordinating Council for the Transportation Disadvantaged and the new VDOT initiatives should work to improve human service transportation in Virginia.



The Commission's examination of rural public and human service transportation was of necessity preliminary and general in nature. We feel that a more comprehensive examination is warranted. The Commission, therefore, recommends that a study to complement and update previous reports on the transportation needs of Virginia's human service agencies should be conducted, with special emphasis on rural and intra-city transportation requirements. This study should include an action plan and examination of the sources of funding for both human service transportation and public transportation, with a close look at how and when these sources can be pooled effectively to improve mobility in rural areas of Virginia. Such a study would be in accord with the preliminary plan for coordination of transportation services prepared by the Department for the Rights of the Disabled.



CONCLUSION

On February 17, 1986, in his opening remarks to the Commission, Governor Gerald L. Baliles pointed out that:

... of all people, Virginians know that the future is not a gift, it is an achievement; it must be anticipated and met with plans, expectations, and confidence...

The Governor went on to challenge the Commission,

... to leave a legacy that will be admired and applauded by those who will live in the next century, a plan of action, a set of goals, that will help sustain the vitality and vibrancy of our economy.

Since these opening remarks some twenty-one months ago, the Commission on Transportation in the Twenty-first Century has been hard at work to meet this challenge. To a remarkable extent, we feel we have succeeded.

As pointed out in the introduction of this report, during Phase I of our activities the Commission focused on the State's role in meeting transportation needs. These efforts, coupled with the actions taken by the General Assembly in the Special Session of 1986, resulted in a resounding reaffirmation of state responsibilities and launched a stable, integrated, adequately funded program that is being looked to nationwide.



In Phase II our efforts have focused on transportation needs from a more local perspective. Findings and recommendations from this Phase suggest...

- Ways by which local transportation funding and financing needs can be met;
- That private financing is important to timely provision of an adequate transportation network;
- That transportation planning should involve a greater role for local governments, on an individual and on a regional basis;
- That access to public hearings should be increased;
- That the right-of-way acquisitions process should be more flexible and efficient;
- That subdivision street requirements and traffic management should be clarified for the private sector and local governments alike; and -
- That rural public and human service transportation needs require additional attention.

Once the recommendations from this phase have been enacted, the Commonwealth will have a comprehensive framework on which to build a transportation system for the Twenty-first Century. How successful Virginia will ultimately be in utilizing this framework, of course, remains to be seen. But, given the mounting concern for transportation voiced by the citizens of our Commonwealth through the Commission's public hearings; the outstanding support provided to this Commission by state, local and regional agencies, and most importantly, the commitment exhibited by our General Assembly in their recent legislative actions, the Commission cannot help but conclude that Virginia's transportation future looks bright!

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Document 7:

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Document 8:

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Document 9:

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Document 10:

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