

**AGENDA**

Join Zoom Meeting

<https://us02web.zoom.us/j/86044652193?pwd=dIJvVm1lWWRyWU00NFQveWU4dUNlQT09>  
 (for Remote Participation in Compliance with Adopted Remote Meeting Policy, Guest Speakers, and Members of Public)

Meeting ID: 860 4465 2193 Passcode: 696608 Dial in: 1-646-931-3860

Item	Time†	Description
1	4:00 – 4:05	<b>Call to Order &amp; Attendance</b>
2	4:05-4:10	<b>Matters from the Public:</b> limit of 3 minutes per speaker Public are welcome to provide comment on any transportation-related topic, including the items listed on this agenda, and/or comment <u>during items</u> marked with an *
3	4:10-4:15	<b>General Administration</b> * - Sandy Shackelford, CA-MPO <ul style="list-style-type: none"> <li>• Review and Acceptance of the Agenda*</li> <li>• Approval of August 23, 2023 Meeting Minutes*</li> <li>• Approval of September 27, 2023 Meeting Minutes*</li> </ul>
4	4:15-4:45	<b>Moving Toward 2050 Plan Updates</b> - Sandy Shackelford, CA-MPO <ul style="list-style-type: none"> <li>• <a href="#">Public Engagement Feedback and Findings</a></li> <li>• Needs Prioritization Weighting</li> </ul>
5	4:45-5:00	<b>Regional Transit Governance Study</b> – Lucinda Shannon, CA-MPO <ul style="list-style-type: none"> <li>• Technical Memo</li> </ul>
6	5:00-5:15	<b>Socioeconomic Data for Travel Demand Model*</b> – Sandy Shackelford, CA-MPO <ul style="list-style-type: none"> <li>• Memo</li> <li>• <a href="#">Data</a></li> </ul>
7	5:15-5:40	<b>SMART SCALE</b> – Sandy Shackelford, CA-MPO <ul style="list-style-type: none"> <li>• Proposed changes to the Economic Development scoring process</li> <li>• CTB SMART SCALE Policy Update Schedule</li> <li>• Round 6 Project Eligibility</li> </ul>
8	5:40-5:45	<b>Staff updates</b> <ul style="list-style-type: none"> <li>• Safe Streets and Roads for All Grant – Curtis Scarpignato, CA-MPO</li> <li>• Monthly meetings will occur in FY24 until approval of the long range transportation plan is completed</li> </ul>
9	5:45-5:55	<b>Roundtable Discussion</b>
10	5:55	<b>Items Added to the Agenda</b>
11	5:55-6:00	<b>Additional Matters from the Public</b> Members of the Public are welcome to provide comment (limit of 3 minutes per speaker)
12	6:00pm	Adjourn

† Times are approximate \* Requires a vote of the Board

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<b>VOTING MEMBERS</b>
Ann Mallek, Albemarle
Ned Gallaway, Albemarle
Brian Pinkston, Charlottesville
Lloyd Snook, Charlottesville
Sean Nelson, VDOT
Stacy Londrey, VDOT (alternate)
<b>NON-VOTING MEMBERS</b>
Ted Rieck, Jaunt
Julia Monteith, UVA
Garland Williams, CAT
Tiffany Dubinsky, DRPT
Steven Minor, FHWA
Dan Koenig, FTA
Lee Kondor, CTAC
Christine Jacobs, TJPDC

**MPO Policy Board Meeting**

Minutes, August 23, 2023

**DRAFT**

Video of the meeting can be found here:

<https://www.youtube.com/watch?v=ObzexTu4Jgc>

VOTING MEMBERS & ALTERNATES		STAFF	
Ann Mallek, Albemarle	x	Lucinda Shannon, TJPDC	x
Ned Gallaway, Albemarle	x	Gretchen Thomas, TJPDC	x
Brian Pinkston, Charlottesville	x	Christine Jacobs, TJPDC *	x
Lloyd Snook, Charlottesville		Sara Pennington, Rideshare	x
Sean Nelson, VDOT	x	Ryan Mickles, TJPDC *	x
Stacy Londrey, VDOT (alternate)	x	Curtis Scarpignato, TJPDC	x
NON-VOTING MEMBERS		GUESTS/PUBLIC	
Ted Rieck, Jaunt	x	Ben Chambers, City of Charlottesville	x
Sandy Shackelford, TJPDC	x	Peter Krebs, PEC	x
Julia Monteith, UVA	x	Sean Tubbs *	x
Garland Williams, CAT *	x	Neil Williamson *	x
Steven Minor, FHWA		Daniel Wagner *	x
Dan Koenig, FTA		Darryl Beyers, CTB	x
Lee Kondor, CTAC *	x	Kevin McDermott	x
Chuck Proctor, VDOT			
Michael Barnes, VDOT (alternate)	x		
Tiffany Dubinsky, DRPT *	x		

\* attended online via Zoom

**1. CALL TO ORDER (MINUTE 0:48)**

The MPO Policy Board Chair, Mr. Brian Pinkston, presided and called the meeting to order at 4:01 p.m. Sandy Shackelford called roll.

**2. MATTERS FROM THE PUBLIC (MINUTE 1:30)**

- a. **Comments by the Public:** Stuart Gardner, Charlottesville resident, member of CTAC Advisory Committee, but here as citizen said the Smart Scale proposed changes would greatly reduce funding available for transit, bike, and pedestrian projects. He said he thinks our community wants those types of projects, and that those are things we should be encouraging, not discouraging. Second, by reducing or eliminating land use as a separate evaluation factor, they are failing to encourage smart growth. Economic development, transportation and land use should be evolving together and should be considered together. Both of the proposed changes in Smart Scale scoring limit the ability to do that.

Paul Grady, resident outside of Crozet, said he would like to make two presentations in the next couple of months. He said the shorter one is two revenue sharing projects that may result in a third-party picking up



part or most or all of the City or County's share. The other is a larger project that has to do with the Hydraulic/29/250 project. Brian Pinkston asked Mr. Grady to email him and/or Sandy Shackelford with the information for consideration.

Peter Krebs, Piedmont Environmental Council, said the changes envisioned in the Smart Scale said they are not only philosophically bad, but they are in conflict with the planning direction the City and the County and UVA are headed and go against sustainability and smart land use for the region. PEC is very concerned about the changes in Smart Scale. He wants the full picture of land use to be included. Mr. Krebs said that he appreciates the willingness of the CAMPO to collaborate with SAW-MPO.

**b. Comments provided via email, online, web site, etc.:** None.

**3. GENERAL ADMINISTRATION\* (MINUTE 8:04)**

Review and Acceptance of the Agenda

**Motion/Action:** There was a request from staff to add a discussion about adjustments to the PL funding allocation formula. Ann Mallek made a motion to approve the agenda as amended, Ned Gallaway seconded the motion and the motion passed unanimously.

Approval of the July 26, 2023 Meeting Minutes

**Motion/Action:** Ann Mallek made a motion to approve the minutes. Ned Gallaway seconded the motion and the motion passed unanimously.

**4. FY24-27 TRANSPORTATION IMPROVEMENT PROGRAM AMENDMENT (MINUTE 9:17)**

Sandy Shackelford described the amendment requested by Virginia Passenger Rail Authority (VPRA) using the Congestion Mitigation and Air Quality (CMAQ) funding for new state-supported passenger rail service from Roanoke to the eastern part of the state. The request is for approximately \$9.2 mil from fiscal years 2024-2027. Ms. Shackelford said the funding only includes costs estimated for service through the CA-MPO region.

**Motion/Action:** Ned Gallaway made a motion to approve the amendment as presented. Ann Mallek seconded the motion and the motion passed unanimously.

**5. MOVING TOWARD 2050 (MINUTE 13:03)**

Brian Pinkston noted that there was a fatal crash this morning and one on August 10. He says this to underscore the importance of the work done in this committee.

Sean Nelson said in the past few months there has been an uptick in fatal crashes in this region. VDOT goes out to the sites and determines if there is something they could do to help with the safety of the area in which the crashes occurred.

Sandy Shackelford gave an overview on the public engagement efforts to date. She gave a preview of the public feedback so far. To date, the total outreach count is 517 individuals. The MetroQuest survey has 315 responses and 1,135 map comments.

She continued by presenting the performance-based planning process for the Growth and Accessibility Planning (GAP) technical assistance program. She described the process for the identification of needs and gave an explanation of performance measures and how raw scores are calculated for performance measure on eligible features.

Regarding the Roadway Safety performance measure, Ms. Shackelford noted that MPO Tech recommended

that all PSI intersections and PSI segments with three or more crashes in a five-year analysis period should be considered as the threshold for eligibility.

She continued by presenting on Pedestrian Safety and the threshold for eligibility on that performance measure.

Ms. Shackelford continued by discussing the Access to Jobs performance measure, the multi-modal accessibility scoring category includes four performance measures: bike, transit, and automobile access to jobs and access to jobs by disadvantaged populations. It was decided that the performance measure matrix would include all segments where population weighted for (look at video) – MPO Tech’s suggestion.

The Congestion Mitigation and Travel Time Reliability performance measure was next in the presentation.

Bus Transit On-Time Performance (OTP) was the next performance measure discussed. The recommendation was to use the stops where OTP is less than the system average OTP from the previous year.

Ms. Shackelford described the Walk Access to Non-Work Destinations performance measure. The threshold decided upon was all segment in “somewhat walkable” census tracts (VTRANS WalkScores greater than 49).

Lastly, she described the Exposure to Historical Inland/Riverine Flooding performance measure.

#### **6. SMART SCALE (MINUTE 1:13:06)**

##### Summary of Discussions from May, June & July CTB meetings

Ms. Shackelford presented the MPO/TJPDC projects eligible under the adjusted HPP definition (Rounds 1 – 5) that would still be eligible (or not) in Round 6 with the proposed new criteria. The next work session at the CTB will be on September 19 and 20.

##### Review of comments received

Ms. Shackelford reviewed the comments received regarding the Smart Scale application cap reduction, application completeness and readiness, project delivery performance, future congestion conditions, high priority program funding steps, land use coordination score, factor weighting, overall impacts,

#### **7. STAFF UPDATES (MINUTE 1:42:30)**

Ms. Shackelford said there is a SAW-MPO joint meeting on September 27 from 10:00 am – 12:00 noon at Fishburne Military Academy in Waynesboro, VA.

She also noted that meetings will occur on a monthly basis in FY24 until approval of the LRTP is completed.

#### **8. ROUNDTABLE DISCUSSION (MINUTE 1:43:20)**

**VDOT:** Sean Nelson said there is a public hearing scheduled for an Albemarle project on September 19. He said there were some concern about issues of the design of the Fontaine Avenue project, so they are looking at alternatives for that area.

**DRPT:** Tiffany Dubinsky said that on August 11 DRPT held a post-award workshop for all grantees that were a recipient of any of their state funding. A recording of that workshop and the presentation can be found on the DDRPT website. She also said that DRPT provided a notice of funding opportunity for transit-oriented development. More information on that opportunity is currently on the website.

**Albemarle:** Kevin McDermott said the revenue sharing projects are submitted. He said the three projects include continuing projects of Commonwealth Drive and Dominion Drive sidewalk, Berkmar Drive shared use path, and Berkar Drive extension to Airport Road. He described the other two projects that they are holding on for now.

Mr. McDermott reported that the Three Notch'd Trail project agreements are ready to be signed and that they will be looking for a consultant soon.

Lastly, He said they will be looking at the Reconnecting Communities grant that was initially not funded, but are now having discussions on how to reapply for that grant in the future.

**Charlottesville:** Mr. Chambers reported there a great deal of paint projects going on the roads for Safe Routes to School. He mentioned that they are also painting dockless mobility hubs. He noted that the County is also working with CAT on the alternative fuel study.

**CAT:** Garland Williams said they received six new buses to help with reliability. He noted that these buses were ordered 22 months ago, and they are getting prepped to get into service. He is hoping that within the next couple of months, they will have received all the vehicles they ordered in the last two years.

**Jaunt:** Ted Reick said they will be kicking off their micro-transit operations analysis study. He noted that Jaunt is looking to put fast-charging stations at strategic points in rural areas.

**UVA:** Julia Monteith reported that the students are back on grounds. She also reported that UVA will be getting their first battery-powered bus this Fall. Scott Silsdorf has replaced Becca White as Director of UTS after she retired in June.

**FHWA:** No report.

**FTA:** No report.

**CTAC:** Lee Kondor had nothing to report.

**PDC:** Christine Jacobs had nothing to report.

## **9. PL FUNDING ALLOCATION FORMULA UPDATE (MINUTE 1:55:03)**

Ms. Shackelford reported that the funding allocations are based on a formula VDOT developed in consultation with MPOs. The formula is reviewed every 10 years based on the 2020 consensus in urban area populations. She went on to explain the population-based funding allocations. She presented the changes in the Charlottesville urbanized area.

She reported that using the same PL funding allocation formula that was used in 2010 will reduce the allocations to MPOs that demonstrated population reductions.

The formula is currently under consideration.

She noted that VDOT has reached out to the MPOs throughout the state for input. There is a meeting to be scheduled in September between VDOT and MPO staff to discuss preferred funding allocation formulas. She

also noted that Virginia Association of MPOs (VAMPO) is working to determine if consensus can be reached prior to final recommendations.

**12. ADDITIONAL MATTERS FROM THE PUBLIC (MINUTE 2:06:54)**

None.

Committee materials and meeting recording may be found at  
<https://campo.tjpd.org/committees/policy-board/>

**CA-MPO Joint Policy Board with SAWMPO**

Minutes, September 27, 2023

**DRAFT**

**An audio recording of the meeting can be found here:**

<https://soundcloud.com/tjpd/mpo-policy-board-2023-09-27>

SAW-MPO	CA-MPO	Guests/Speakers
Phil Thompson	Brian Pinkston	Jessican Hersh-Ballering
Adam Campbell	Christine Jacobs	Alberic Karina-Plun
Don Komara	Sandy Shackelford	Allie Hill
Leslie Beauregard	Darrell Byers	Ben Chambers
Todd Stevens	Ann Mallek	Peter Krebs
Todd Ward	Lloyd Snook	Leslie Tate
Tim Fitzgerald	Ned Gallaway	Scott Keesecker
Amanda Kaufman	Sean Nelson	Todd Wood
Jim Wood	Ted Reick	Jason Espie
Brad Arrowwood	Tiffany Dubinsky	Darrell Byers
Ann Cundy	Stacy Londry	Shane McCabe
Bonnie Riedesel	Julia Monteith	Adam Campbell
Carolyn Bragg	Gretchen Thomas	David Wagner
Allyson Finchum	Lucinda Shannon	Zach Trogdon
Steve Wilson	Ryan Mickles	Devon Thompson
Zach Beard	Curtis Scarpignato	Dwayne Jones
Paula Melester	Michael Barnes	Amanda Kaufman
		Leslie Beauregard
		Alisane Tombarge
		Michael Stumbaugh
		Don Komara
		Cady Huffman
		Scott Silsdorf
		Matt Dana

**1. Call to Order**

Carolyn Bragg called the SAWMPO meeting to order at 10:00.

Brian Pinkston called the CA-MPO meeting to order at 10:01.

The Fishburne Color Guard presented colors and the group recited the pledge of allegiance.

**2. Welcome to Fishburne**

Col. Randall Brown introduced himself and presented information and background about Fishburne Military School and the students who are enrolled.



### 3. Opening Remarks and Introductions

Brian Pinkston asked attendees to introduce themselves.

Carolyn Bragg introduced Zach Trogdon and Darrell Byers and Mr. Byers spoke briefly about SMART SCALE.

### 4. Reaffirmation of MPO Joint Planning Memorandum of Understanding (MOU)

Bonnie Riedesel introduced herself and thanked everyone for coming. She noted that SAWMPO and CA-MPO are the only two MPOs in the state that meet on a regular basis. She named several of the projects the two MPOs have worked on together in the past and those that are ongoing. She recognized and thanked her staff.

Christine Jacobs thanked Ms. Riedesel for hosting and planning the meeting. She recognized and thanked her staff. She explained the current MOU.

**Motion/Action:** SAWMPO's Tim Fitzgerald made a motion to reaffirm the MPO joint planning MOU. Brad Arrowwood seconded the motion. CA-MPO's Ann Mallek made a motion to reaffirm the MPO joint planning MOU. Ned Gallaway seconded the motion. The motion was approved unanimously by both MPOs.

The MOU was then signed by both Executive Directors and both Chairs of the MPOs.

### 5. Presentations

Afton Express Launch and Expansion (Click [here](#) for full presentation)

Paula Melester, Regional Planner CSPDC presented the committee with information on Afton Express's background, fares, and types of passengers who use the service. She explained how the DRPT grant helped to start the service and improve its viability. She noted that there has been an expansion because of the success of the service so far. She said their new bus allows for two new routes. She noted there has been strong and persistent growth of the service. She explained what Afton Express is working on and what is next for them. She noted that the Wilson Workforce has been using Brite Bus for a long while, and now they will be able to use Afton Express to get to and from Charlottesville. There will be APCs (automatic passenger counters) installed on the buses, which is an upgrade from the paper and pencil now used. There will be a new parking lot in 2025 at Staunton Crossing and not Staunton Mall. There are plans to stop at the planned Crozet Park & Ride near exit 107 as well.

Kendall Howell, Assistant Director of Transportation at UVA, provided comments on how the service has been received by employees at UVA. He noted that currently, there are 6-7 riders daily using the Afton Express to get to UVA's central Grounds, and another 16 to get to UVA Health (the hospital). He said he thinks they can double the ridership. He also said UVA will help to do everything they can to support the Afton Express because they are actively running out of parking.

Crozet Blue Ridge Tunnel (Click [here](#) for full presentation)

Dwayne Jones, Director of Parks & Recreation for the City of Waynesboro and President of the Blue Ridge Runnel Foundation, presented the committee with an update on the Blue Ridge Tunnel and how they are forging the Crozet Tunnel Greenway.

He gave a history of the tunnel and its current state. He noted that there have been 257,000 visitors to the tunnel since opening in November 2020 and that there were over 60K visitors in the month of

November 2020 alone.

He noted there is a non-profit associated with the tunnel: [www.BlueRidgeTunnel.org](http://www.BlueRidgeTunnel.org)

He said the cracks in the portal stone prompted them to be removed and plans were made to install them at VMI. Those stones have not yet been installed, so now the plan is to place those stones back at the tunnel at the West Entrance on display. There will be a fundraiser to get this project underway and completed.

Mr. Jones noted that the trail is an economic boom for the area. There is a plan for the Rockfish Gateway Trail to extend the tunnel trail. He noted the City of Waynesboro is building Sunset Park at the top of the trail. They are also creating mountain biking trails to connect to Sunset Park.

He continued by describing the Jones Hollow State Park FY24 Forest Legacy Project to keep out development. He said there is interest in bringing a state park to the edge of Jones Hollow State Park. The final price has not been settled upon as of this date. They are still interested in pursuing it and he believes it will eventually happen.

There was a question-and-answer period at the end of the presentation.

Three Notched Trail (Click [here](#) for full presentation)

Jessica Hersh-Ballering, Principal Transportation Planner for Albemarle County, and Allie Hill, Chair of the Three Notched Trail Planning Group, presented the committee with the background and current state of the Albemarle County RAISE grant that has funded the Three Notched Shared Use Path Master Plan.

Ms. Hersh-Ballering shared the master plan scope of work, project background and benefits, the timeline for the project and next steps.

She noted they have built in several ways to get community buy-in to get a preferred alignment of the trail. Once the County has that information, County staff will develop an implementation plan for the trail.

She handed off the presentation to Allie Hill. Ms. Hill gave a project background and timeline for the work that has been completed and planned to get this project off the ground.

Ms. Hersh-Ballering noted that there has been long-held local and regional interest in the project. She noted that it meets both transportation and recreational needs. This trail will build connections to other successful projects throughout Virginia.

Ms. Hersh-Ballering continued by presenting the project benefits, including reducing greenhouse gas emissions, significant economic impacts, and equity issues.

She noted that the County is looking to get a signed grant agreement from FHWA in October 2023. Once the agreement has been signed, the County can begin spending the money that was awarded.

She continued by laying out the timeline for the project.

Allie Hill presented the potential connectivity of the trail to other trails throughout the state. The dream is to connect this trail to the Virginia Capital Trail.

There was a question-and-answer period at the end of the presentation.

**6. State Agency Remarks (Click [here](#) for full presentation)**

VDOT – Culpeper District

Sean Nelson, District Engineer for VDOT Culpeper, presented the committee with an overview of the projects the SAWMPO and CA-MPO worked on together, including an update on the Strategic Highway Research Program (SHRP) Study.

He also gave an update on the I-64/US 250 diverging diamond interchange at Exit 124 off I-64. He noted it has been significantly upgraded and is a success.

Mr. Nelson gave an update on I-64 Exit 107 Park & Ride lot in Crozet. They are hoping to get it under construction in October 2024 for completion in October 2025.

He gave an update on the US 250/Route 151 roundabout in Afton. He noted that multiple trucks that lost their brakes coming down the hill during construction were a hazard to the construction crews at the roundabout. He addressed the ways they dealt with that hazard. He also said that there are updates coming that include a runaway truck ramp and a “runaway vehicle only” sign.

Mr. Nelson noted that the Route 240/250/680 roundabout in Crozet is one element of the Albemarle intersection design-build bundle of five project. He is hoping to have the project completed by the beginning of 2028.

Mr. Nelson continued by noting the I-64 Exit 99 Interchange lighting has the hurdle of light pollution. They are trying to overcome those hurdles and are working complete it.

Mr. Nelson reported that I-64’s Afton Mountain congestion warning system will be completed in January 2025.

He continued by saying there will be a CCTV camera at I-64’s mile marker 102 to help with VDOT visibility. This will use existing infrastructure at the LED sign at the mile marker.

He said there will be a changeable message board at exits 124 and 118 to alert the public of accidents, weather conditions, etc.

Lastly, he reported the Ivy Corridor Pipeline study will identify project recommendations for the corridor and will focus on corridor safety.

Todd Stevens, District Engineer for VDOT Staunton, gave an update on projects in the VDOT Staunton District. He said the Town Center Park & Ride in Waynesboro was completed in April 2022. It includes 175 parking spaces, a bus loading zone with shelter, bike racks and lighting. He said they may create an MOU about who is responsible for the lot’s maintenance and upkeep.

He continued by reporting that the Southern Corridor, Shenandoah Village Dr. Extended in Waynesboro, will connect Rosser to Delphine Avenues. It supports local east-west travel as a parallel

facility to I-64 between Exits 94 and 96. It provides access to the Nature's Crossing Technology Park.

He reported on the Crozet Tunnel connector plan in Waynesboro and Augusta Co, which creates a non-motorized connection from downtown Waynesboro to the western portal of the Crozet Tunnel.

He reported on the US 250 Improvement Projects in Waynesboro, which are operations and safety projects along two segments of US2 50. They are access management with raised medians, sidewalk, and signal operation improvements.

Mr. Stevens reported that the US 250/US 340 roundabout in Waynesboro will address safety and operational needs at one of the city's primary intersections. It includes access management improvements on intersection approaches and completing gaps in non-motorized network.

He said the US 340/I-64, Exit 94 improvements in Waynesboro are operations and safety projects along US 240 (Rosser Ave) to Tiffany Drive (Waynesboro).

He reported that the US 250/Woodrow Wilson Complex Entrance Improvements in Augusta include capacity improvement to address peak period congestion at the Woodrow Wilson Complex. It addresses extensive queuing on US 250.

Mr. Stevens said the BRITE Transit Improvements in both Waynesboro and Augusta County improve three existing BRITE stops to formalize waiting areas with shelters and sidewalk connections.

He reported that Staunton Crossing in Staunton is an extension of Crossing Way to Valley Center Drive providing US250 access to Staunton Crossing's economic development site. It will include a shared use path that will connect 250 with a new Park & Ride lot.

Lastly, he reported on I-81 Improvements, Exits 220-225, in Augusta County and Staunton. He said those improvements will add a third lane from exits 221 – 225. There is also a south-bound auxiliary lane that will be added between Exit 221 and 220.

There was no question-and-answer session after the presentations.

#### Department of Rail and Public Transportation

Tiffany Dubinsky, gave an update on DRPT projects. She gave brief highlights on the projects that they have been involved with the two MPOs, including the Afton Express. There have been numerous studies completed for the MPO areas as well. They will be working with VRT for an EV assessment. They are also working with Albemarle County on their micro-transit program.

Ms. Dubinsky said DRPT will be conducting a study on connecting Staunton to the Hampton Roads area. They have a grant cycle coming up on December 1. She gave an update on new grant opportunities on regional connectivity (including micro-transit and bus shelters) and encouraged the localities/MPOs to apply.

Ms. Bragg requested that those with presentations please forward them to Bonnie Riedesel so they can be available to whomever requests them.

7. Next Meeting – Fall of 2024

Carolyn thanked the members for coming and Fishburne Military School for their facility.

8. Adjourn for lunch

Adam Wormwood made a motion to adjourn the meeting. Tim Fitzgerald seconded the motion  
Ned Gallaway made a motion to adjourn the meeting. Ann Mallek seconded the motion. Both motions passed unanimously.

**Memorandum**

**To:** MPO Committees  
**From:** Sandy Shackelford, Director of Planning & Transportation  
**Date:** October 10, 2023  
**Reference:** Moving Toward 2050 – Needs Prioritization

**Purpose:**

In September, MPO staff completed the first phase of public engagement for the Moving Toward 2050 plan. Consultants from EPR have worked to analyze the public feedback received during this first phase and provided an initial summary of high level findings at the MPO Technical Committee meeting in September. The full public engagement report has been completed and has been included in the agenda packet for review.

**Discussion:**

The next step in the development of the Moving Toward 2050 plan is to determine the weighting of each of the evaluation metrics that will be used to prioritize the transportation system needs. The prioritization categories and metrics, along with the determined thresholds that were selected for each of the evaluation criteria, are summarized in Tables 1 and 2, along with potential weighting scenarios that have been prepared as a guide for discussion purposes.

*Table 1. Weighting Scenarios for Transportation Needs Prioritization - Goal Categories.*

Prioritization Category	Weighting Scenarios		
	Accessibility-Focused	Balanced	Mobility-Focused
Safety	30%	25%	30%
Multi-modal Accessibility	30%	25%	30%
Efficiency and Economic Development	10%	25%	30%
Land Use Coordination	30%	25%	10%
Environment	Applied to aggregate score in other factor areas		

Table 2. Weighting Scenarios for Transportation Needs Prioritization – Evaluation Metrics.

Prioritization Category	Evaluation Metric	Threshold	Weighting Scenarios		
			Accessibility-Focused	Balanced	Mobility-Focused
Safety	Roadway Safety (PSI <sup>1</sup> )	All PSI locations	15%	12%	15%
	Bike/Ped Safety (PSAP <sup>2</sup> Corridors)	Top 5% Statewide Corridors	15%	13%	15%
Multi-modal Accessibility	PAI <sup>3</sup> - Bike/Ped	All segments PAI greater than 0	8%	7%	7%
	PAI - Transit	All segments PAI greater than 0	8%	7%	7%
	PAI - Vehicle	All segments PAI greater than 0	6%	4%	9%
	PAI – Disadvantaged Populations	All segments PAI greater than 0	8%	7%	7%
Efficiency & Economic Development	Travel Time Index	Avg weeklong TTI > 1.5 for three hours; > 1.7 for one hour	3%	7%	10%
	Travel Time Reliability (PTI <sup>4</sup> )	Avg weeklong PTI > 1.5 for three hours; > 1.7 for one hour	3%	7%	10%
	Transit On-Time Performance	On-time performance less than systemwide average performance from previous year	4%	11%	10%
Land Use Coordination	Walk Access - General	All segments in “somewhat walkable” census tracts	10%	13%	5%
	Walk Access – Disadvantaged Populations	All segments in transit viable EEA <sup>5</sup> that are also in “somewhat walkable” census tracts	20%	12%	5%
Environment	Flooding Exposure	Segments Exposed to Historical Flooding	Applied to aggregate score in other factor areas		
		Additional Adjustment for economically distressed communities	Applied to aggregate score in other factor areas		

<sup>1</sup> PSI – Potential for Safety Improvement

<sup>2</sup> PSAP – Pedestrian Safety Action Plan

<sup>3</sup> PAI – Potential for Accessibility Improvement

<sup>4</sup> PTI – Planning Time Index

<sup>5</sup> EEA – Equity Emphasis Areas; defined in [VTrans](#)

- The accessibility-focused scenario places a greater emphasis on transportation improvements that will improve people's ability to reach destinations.
- The balanced scenario will assume that each of the prioritization categories should be weighted equally.
- The mobility-focused scenario places a greater emphasis on transportation system efficiency.

The accessibility-focused scenario seems to best reflect the public feedback that we heard, placing the greatest emphasis on multi-modal system considerations and supporting many of the environmental co-benefits that were discussed by the public that are not explicitly captured by the metrics used in the data evaluation – namely a desire to reduce transportation sector-related greenhouse gas emissions.

**Actions:** Staff is requesting a recommendation from the MPO Technical Advisory Committee on the weighting criteria to use for the analysis of the transportation system performance data. The weighting criteria will be used in the process of identifying the transportation system need priorities in conjunction with other public feedback that has been received and processed.





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**Project name:**  
Regional Transit Governance Study

**From:**  
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**Date:**  
August 10, 2023

**To:**  
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# Memo

**Subject:** Phase III Revenue Generation

## Introduction

This is the third memo in a series of task deliverables for the Region 10 Governance Study. This memo presents the results of the study team’s research on potential revenue generation sources. The Regional Transit Vision Plan underwent extensive stakeholder engagement and regional visioning to identify two networks for future transit service for residents of Region 10. Table 1 provides some brief highlights of the two networks. The details of the study can be found in the final [report](#).

*Table 1 Summary of Transit Vision Network Improvements*

Unconstrained Network	Constrained Network
<ul style="list-style-type: none"> <li>• Improved frequency for fixed routes in urban areas including BRT from US 29 through UVA, downtown, to Pantops</li> <li>• Expanded fixed routes serving every jurisdiction in region               <ul style="list-style-type: none"> <li>– Eight new fixed route bus services (hourly service including weekends)</li> </ul> </li> <li>• Supplementary on-demand zones in lower-density areas to connect to regional network</li> <li>• Expanded hours and days of service (seven days a week)               <ul style="list-style-type: none"> <li>– 7am to 8pm on most urban and regional networks (some running to midnight)</li> <li>– More all-day service during morning and evening peak periods and during the middle of the day</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• All fixed routes operate seven days a week               <ul style="list-style-type: none"> <li>– Increased frequency (15, 20, and 30 min) on weekdays and more 20- and 30-min routes on Saturdays.</li> <li>– All fixed routes run on Sundays</li> </ul> </li> <li>• All CONNECT routes to run seven days a week with two additional daily trips               <ul style="list-style-type: none"> <li>– Two new CONNECT routes</li> <li>– Additional weekend service</li> </ul> </li> <li>• Expanded Circulator services in Nelson, Greene, Louisa, and Fluvanna counties to run all day, seven days a week (intra-county)               <ul style="list-style-type: none"> <li>– Expanded Albemarle County rural demand response service</li> </ul> </li> </ul>

The benefits of each of the two networks and of regional transit service are discussed in the vision plan report, however, a few benefits of funding improved service are listed below<sup>1</sup> for various groups:

- Transit users – benefits include those derived from convenience and comfort, financial savings from lower cost of transit use compared to personal vehicles, increased safety, and improved fitness and health
- Drivers/motorists- benefits include reduced traffic and parking congestion, improved traffic safety, and emissions reductions
- Taxpayers – benefits accrued from costs savings related to road and parking facility construction and maintenance, improved safety, and increased public health (and consequent reductions on public healthcare costs)
- Businesses – benefits from reductions in congestion, parking cost savings, improved mobility for employees, and support to regional economic development
- Residents – benefits from parking cost savings, improved mobility for non-divers (and chauffeuring burdens), increased safety, reduced pollution, improved public fitness

## Objectives and Approach

Subsequently, the objectives of Phase III of the Regional Transit Governance Study are to:

1. Identify potential transit funding mechanisms
2. Estimate the associated funding yields from the feasible sources identified
3. Develop revenue models with five-year projections based on estimated [Transit Vision Study](#) Costs

To accomplish this task, the team first assembled a broad range of funding sources to start the discussion on feasible options for the Charlottesville Region. After discussing feasible options with the project team, a shortlist of revenue sources was developed and analyzed. Figure 1 shows the approach for Phase III.

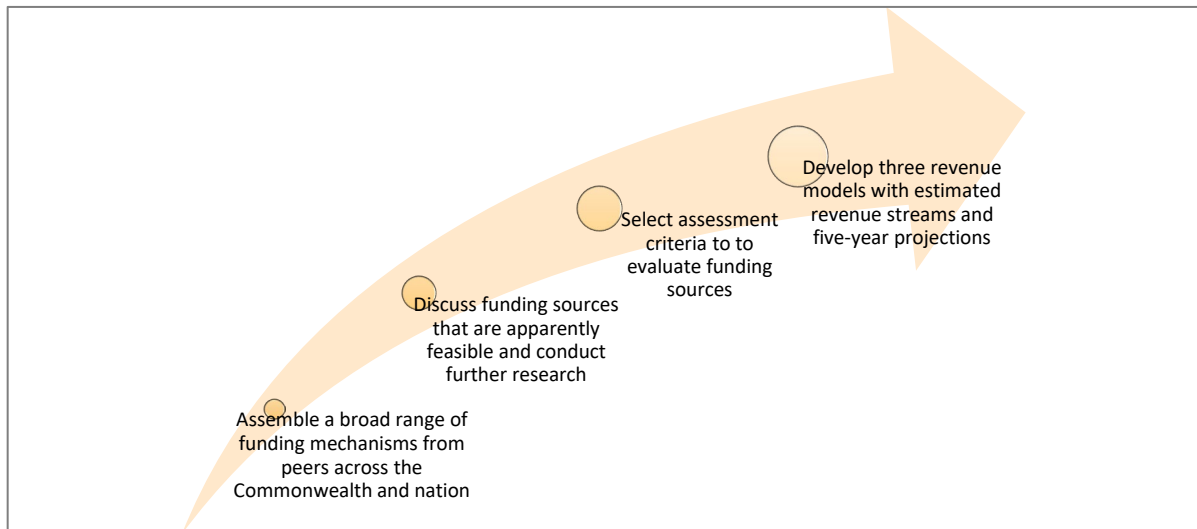


Figure 1 Phase III Approach

The shortlisted revenue sources were then analyzed using the following evaluation criteria:

- **Feasibility and Ease of implementation:** This refers to the amount of effort required for initial implementation to ongoing collection of the revenues.
- **Potential public acceptability:** Public consultations through stakeholder engagement were carried out to determine potential public acceptability. Engaging local elected officials was used a means to gauge public preferences.

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<sup>1</sup> Litman, T. (2014). "Evaluating Public Transportation Local Funding Options." Victoria Transport Policy Institute.

- **Potential revenue yield:** This refers to the amount of money that an option could be expected to reasonably generate based on a set of assumptions.
- **Predictability and stability:** The level of predictability and stability of the source would determine the extent of short- and long-term planning that can be carried out.
- **Equity considerations:** This entails considering the impact of the funding source on different groups of people in various ways.
- **Strategic development objectives:** The impact of an option on the locality or region's strategic planning and developmental objectives. For example, increased access to jobs, creating a healthy environment for residents, improving accessible public transportation options.

## Potential Funding Sources

### Overview of Main Funding Sources

Generally, public transportation is funded through a combination of federal, state, local and internally generated sources (e.g., fares, advertising, etc.). Federal funds consist of grant programs for urban and rural areas that agencies can receive directly or through a pass-through recipient. These funds are typically formula based and offers funds for capital and operations assistance. State funds in the Commonwealth consists of operating and capital assistance provided by the Virginia Department of Rail and Public Transportation (DRPT). The operating assistance follows a performance-based methodology for agency allocations. State funding for capital investments is based on a transparent prioritization process which scores applications under the categories: state of good repair, minor enhancement, and major enhancements.

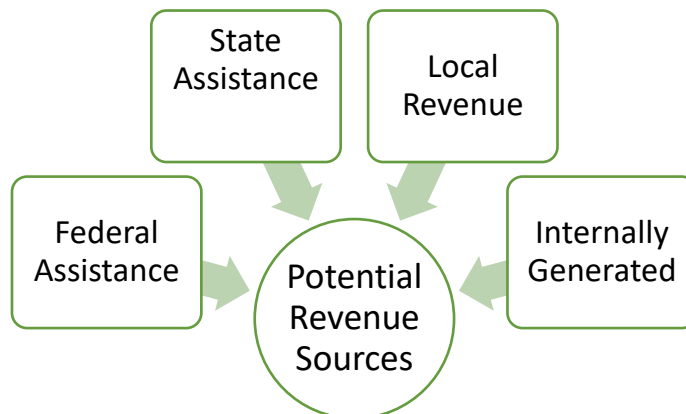


Figure 2 General Sources of Transit Revenue

Local revenue refers to funding from sources such as municipalities or local jurisdictions. In the case of the Charlottesville region, local revenue is made up of funds from the city and counties served by the public transit agencies. Internally generated funds are directly generated by the transit agencies and include contract revenues, advertising, or any fares collected. Detailed descriptions of existing funding sources and amounts for Charlottesville Area Transit (CAT), Jaunt and University Transit Service (UTS) are provided in Memo 1: Existing Conditions.

Figure 3 shows the sources of operating funds in 2021 for CAT (~\$9.2M) and Jaunt (~\$9.4M).

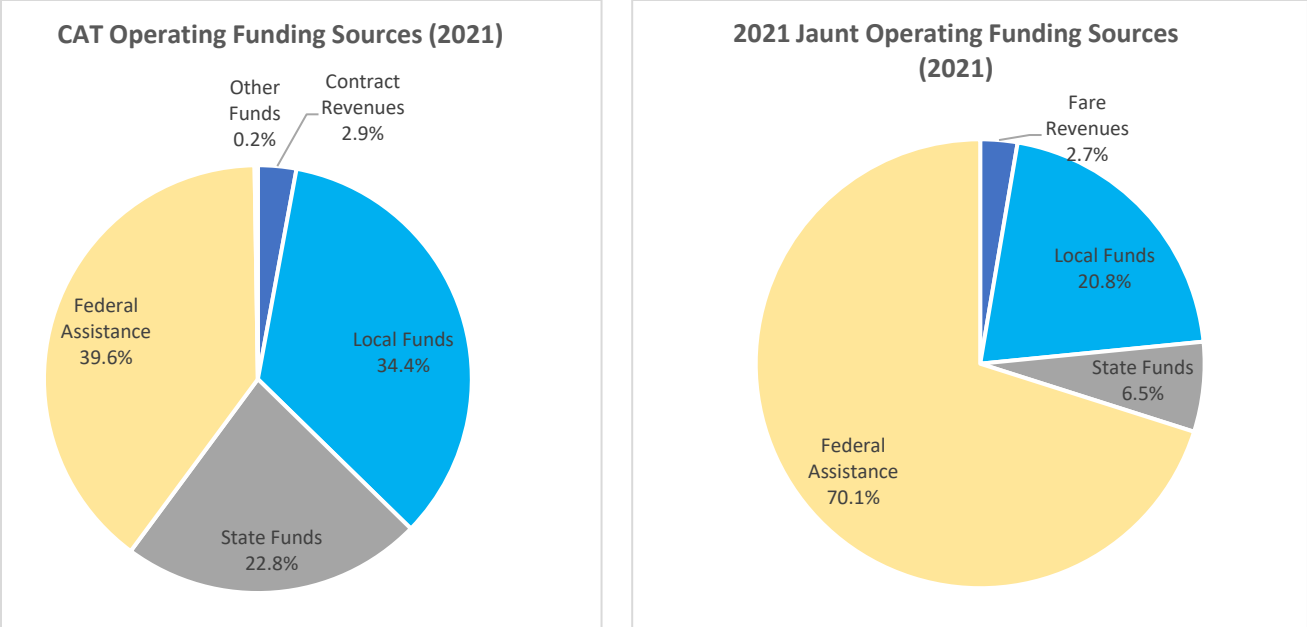


Figure 3 2021 Sources of Operating Funds

**Range of Transit Funding Sources in the U.S.**

Table 2 shows a broad range of funding sources typically used to fund public transportation across the nation. These sources produce varying levels of yields. A detailed description of these sources is provided in the Appendix.

Table 2 US Regional and Local Transit Funding Options

Traditional Tax- and Fee-Based Transit Sources	Common Business, Activity, and Related Funding Sources	Revenue Streams from Projects (Transportation and Others)	New “User” or “Market-Based” Funding Sources
<ul style="list-style-type: none"> <li>- General revenues</li> <li>- Sales taxes</li> <li>- Property taxes</li> <li>- Contract or purchase-of-service revenues (school/universities, private organizations, etc.)</li> <li>- Lease revenues</li> <li>- Vehicle fees (title, registration, tags, inspection)</li> <li>- Advertising revenues</li> <li>- Concessions revenues</li> </ul>	<ul style="list-style-type: none"> <li>- Employer/payroll taxes</li> <li>- Vehicle rental and lease fees</li> <li>- Parking fees</li> <li>- Realty transfer tax</li> <li>- Corporate franchise taxes</li> <li>- Occupancy/lodging taxes</li> <li>- Hotel/motel taxes</li> <li>- Business license fees</li> <li>- Utility fees/taxes</li> <li>- Lottery and/or casino revenues</li> <li>- Corporate franchise taxes</li> <li>- Income taxes</li> <li>- Cigarette Tax</li> <li>- Realty transfer taxes/mortgage recording fees</li> <li>- Donations</li> <li>- Other business taxes</li> </ul>	<ul style="list-style-type: none"> <li>- Transit-oriented development (TOD)/joint development</li> <li>- Value capture/beneficiary charges</li> <li>- Public Private Partnerships (PPP)</li> <li>- Special assessment districts</li> <li>- Community improvement districts/community facilities districts</li> <li>- Impact fees</li> <li>- Tax-increment financing districts</li> <li>- Transportation Development Districts</li> <li>- Right-of-way leasing</li> </ul>	<ul style="list-style-type: none"> <li>- Tolling (fixed, variable, dynamic; bridge/roadway)</li> <li>- Congestion pricing</li> <li>- Emissions fees</li> <li>- Vehicle Miles Travelled (VMT) fees</li> </ul>

Source: Transit Cooperative Research Program TCRP 2009

Comparing the universe of funding sources (Table 2) to transit revenue sources from the peer study cases<sup>2</sup> evaluated in Phase II of this study found the following common funding sources:

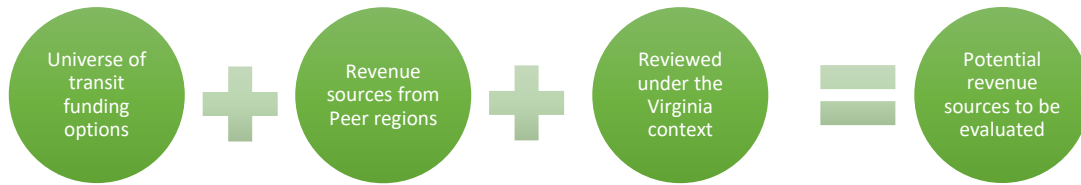
- 1) Sales tax
- 2) Local property tax
- 3) Local income tax
- 4) Mortgage recording tax
- 5) Value capture from transit facilities
- 6) Various service contracts to apartment complexes and universities

Details of transit funding from the peer study may be found in the Appendix.

This list of potential funding sources was then reviewed under the Virginia state context as a first step toward evaluating feasibility.

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<sup>2</sup> The peer study cases included Blacksburg, VA; Bloomington, IN; State College, PA; Ithaca, NY; Ann Arbor, MI; and Iowa City, IA.



## Brief Overview of Transportation Funding in the Commonwealth

In 2020, the transportation funding in the Commonwealth was revised by the General Assembly through the enactment of the Omnibus Transportation Bill, Chapter 1230 (House Bill 1414). The new legislation channeled all transportation revenues to the Commonwealth Transportation Fund (CTF) before distribution to various funds and programs. Revenue sources for the CTF include:

- Motor vehicles fuel taxes and road fuels for diesel fuel
- Vehicle registration fees
- Highway use fee
- 0.5% statewide sales and use tax
- 0.3% statewide sale and use tax for transportation
- 4.15% motor vehicles sales and use tax
- Motor vehicle rental tax
- 0.03 of the \$0.25 of the \$100 of assessed value of the statewide recordation tax
- Tax on liquid alternative fuel
- International registration plan feeds
- 33% of the revenue from insurance premium taxes

In addition to these sources, the CTF receives dedicated federal funding from the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). Revenues are also received from funds dedicated for regional transportation improvements in Northern Virginia, Hampton Roads, and Central Virginia. These revenues become pass through revenues for the WMATA Capital Fund, Central Virginia Transportation Fund, Northern Virginia Transportation Authority Fund, Hampton Roads Transportation fund and Hampton Roads Regional Transit Fund.

For the three regional transportation authorities: Central Virginia Transportation Authority (CVTA), Hampton Roads Transportation Accountability Commission (HRTAC), and Northern Virginia Transportation Authority (NVTA), the main sources of revenue include the following:

- Sales tax
- Grantors tax
- Fuel tax
- Transient Occupancy Tax/lodging tax
- Recordation tax
- Toll revenues
- Interstate Operations Enhancement Program
- Truck registration fees

These sources served as the shortlist for further discussion and evaluation. Table 3 summarizes these funding sources.

Table 3 Summary of Main Funding Sources for three Virginia Regional Transportation Authorities

Funding Source	Entity	Description
Sales Tax	CVTA	0.7% regional sales tax.
	HRTAC	0.7% sales tax, funding the HRTF. Can only fund road projects. \$146.2 million (2020)
	NVTA	0.7% special district sales tax. \$197.04 million (FY2022). Can fund transit.
Grantor's Tax	HRTAC	Additional six cents per \$100. Can be used for transit projects.
	NVTA	Part of the "Regional Congestion Mitigation Tax", which as a whole raised ~\$17.85 M in FY2022.
		\$0.10 (formerly \$0.15) congestion relief fee (renamed the regional transportation improvement fee) within the nine jurisdictions. Can be spent only on road construction, capital improvements that reduce congestions, other projects approved in the regional transport plan or for transit.
Fuel Tax	CVTA	7.6 cents/gallon on gasoline/gasohol
		7.7 cents/gallon on diesel
		Indexed to inflation.
		35% - CVTA use on transportation-related purposes for Planning District 15
		15% to GRTC or successor for transit and mobility services within Planning District 15
	50% returned, proportionally to each locality to improve local mobility through construction, maintenance, or expansion of roads, sidewalks, trails, mobility services, or transit located in the locality.	
	HRTAC	7.6 cents/gallon on gasoline/gasohol
		7.7 cents/gallon on diesel, subject to annual adjustment. Can only fund road projects.
	NVTA	3.5% for gasoline 6% for diesel fuel
Transient Occupancy Tax	HRTAC	1% local hotel tax. Can be used for transit projects.
		Only collected in six localities with HRT service
	NVTA	3% tax on transient occupancy (hotels). Can be spent only on road construction, capital improvements that reduce congestion, other projects approved in the regional transport plan or for transit.
Truck Registration Fees	NVTA	Portion of increased truck registration fee as part of I-81 Corridor Improvement Fund distributed to NVTA
Interstate Operations Enhancement Program	NVTA	To improve the safety, reliability, and travel flow along interstate highway corridors in the commonwealth through the development and funding of operational and capital improvements.
		Preceded by I81 Corridor Improvement Plan (completed)
		43.7% - I81 corridor Improvement
		8.4% to NVTA Remaining allocated by CTB
Toll Revenues	HRTAC	Authorized to use tolls for new construction or existing highways, bridges, tunnels.
		Has state guidance on tolling (\$345M) anticipated toll revenue for HRBT financing (FY20-FY26)
Recordation Tax	HRTAC	Taxes paid during the sale of property which can be used for transit projects. Estimated at \$20 million for 2020.
Northern Virginia Transportation District Fund Transfer	NVTA	The district is a subset of NVTA members, which raises transit funds through taxes.
		70% regional needs and 30% local disbursement for transportation needs. Can be used for transit
		FY22 proposed budget had \$20M. ~\$6M (30%) for local jurisdictions and \$14M (70%) for regional transit

## Shortlist of Potential Funding Sources for Region 10

Among all the sources explored, sales tax, lodging tax, fuel tax, recordation tax, property tax, and real estate tax were selected for further investigation. Below is more information about these funding sources and the pros and cons of them for this region.

### Sales Tax

A sales tax refers to a tax on the sale of goods or services purchased<sup>3</sup>. It is the most common source for local and regional transit services as it is moderately predictable and stable, although it fluctuates more than property taxes. Sales taxes are considered as a regressive tax because it taxes consumers at the same rate regardless of socioeconomic levels. However, this can be made less regressive by exempting items that lower-income individuals spend a sizable portion of their incomes on<sup>4</sup>.

Public acceptance of the sales tax in the Commonwealth and in the U.S. is moderate as this is among the most common funding source for transportation and transit programs. It is more popular than income or business taxes. Due to its simplicity, citizens often feel confident in the fairness and allocation of the taxes. The sales tax would require an Act of the General Assembly to implement. Considering the success of this revenue source with other regional authorities in the Commonwealth, it can be considered moderately feasible. Furthermore, whether implemented regionally or only within the City of Charlottesville and all or parts of Albemarle County, a sales tax would produce a substantial amount of revenue that could be used to invest in transit.

### Transient Occupancy/Lodging Tax

This is a tax levied on lodging establishments that receive compensation. It includes hotels and short-term rentals (e.g., Airbnb). The potential yield of this source is relatively lower compared to a sales tax or real estate tax; but can be moderately predictable in areas with an established level of tourism or out-of-town visitors. A lesson from the 2020 pandemic, although atypical, can be an indication of potential invariability with source. Additionally, in localities with few hotels or lodging establishments, the potential yield could be low. However, residents do not have to directly bear the cost of the additional tax but can receive the benefit of generating additional funds for transit.

### Recordation Tax

As of 2022, the state recordation tax was levied at a rate of \$0.25 per \$100 of value recorded. Of the total revenue collected each year, \$20 million is currently allotted to the Hampton Roads Regional Transit Fund (HRRTF) as a result of the 2020 law change. Prior to the 2020 General Assembly Act, quarterly distributions were made to localities in \$10 million installments based on each locality's proportional share of the total state recordation tax revenue. These distributions were made from \$40 million of the total revenue.

In 2022, a bill was presented which proposed to restore the quarterly distributions to localities but with a total distribution limit of \$20 million instead of \$40 million. Localities were required to use the funds for either transportation (including construction, administration, operation, improvement, maintenance, and financing of transportation facilities) or public education purposes. The bill also proposed to consequently end the annual \$20 million distribution to HRRTF beginning Fiscal Year 2023. Similar legislations are Senate Bills 363 and 512 (identical). This legislation failed. Considering the uniqueness of this source for funding transit, pursuing this source may be challenging, making feasibility lower than the other likely sources.

### Regional or Supplemental Fuels Tax

Fuel taxes are a common source of revenue for transportation and transit funding. While costs of fuels could potentially increase over time, the move towards more fuel efficient and electric vehicles presents a challenge for the stability of this source.

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<sup>3</sup> Not including a tax for non-prepared foods for this context

<sup>4</sup> The revenue analysis for sales tax in this memo excludes Virginia taxes for non-prepared foods.



In the Commonwealth, the 2020 Omnibus Bill changed the treatment of fuel taxes. Previously approved additional regional fuel taxes were made statewide with regional authorities such as NVTC, PRTC, HRTAC, and CVTA receiving funds levied in the respective regions, while all other funds not specifically allocated to a jurisdiction was channeled to the District Grant Program. The excerpt below from “Virginia Code § 58.1-2295. Levy; payment of tax” shows an example of legislative language drafted for the CVTA in Planning District 15.

*“5. (For contingent expiration, see Acts 2020, cc. 1235) In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any county or city located in Planning District 15, as established pursuant to Chapter 42 (§ 15.2-4200) of Title 15.2, in which a tax is not otherwise imposed pursuant to this section.”*

Since the additional/supplemental fuels tax is already being levied in the Charlottesville region for the District Grant Program, an act of the General Assembly would be needed to redirect this funding to a new regional authority. Considering the consequent impact on the statewide pool for the grant program, strong support would be needed to pursue this revenue source.

Personal Property Tax

Personal property taxes are administered by the localities and vary based on jurisdiction. The tax typically includes all motor vehicles, trailers, mobile homes, boats, and aircrafts. These items are valued by means of pricing guide. The Potential yield from this source is moderately higher than a lodging tax of the same percentage. During the pandemic, some jurisdictions lowered the personal property tax rate as a result of the increased valuation of vehicles. Consequently, the timing of a potential increase to fund transit would be crucial and would require good engagement of residents to support the initiative.

Real Estate Tax

Real estate taxes are relatively stable and have the potential to yield a large amount of revenue. This could also be considered relatively progressive with income as property ownership tends to increase with income. Additionally, public transit improvements have the potential to either increase nearby property values or provide other benefits to residents and businesses in the form of reductions in congestion, emissions, and parking costs, among others.

An additional option under the real estate tax is land value capture or a transit benefit district tax. It is a special property tax imposed in areas with high-quality public transit, intended to recover a portion of the increased land values provided by transit and support the transit service improvements. Depending on the areas implemented, the potential yield could be moderate to large. This could also support developmental objectives by encouraging more concentrated development around transit hubs. This may however require special analysis and legislation to determine the appropriate tax structure.

Table 4 shows a summary of funding sources considered along with the respective advantages and potential challenges. The table also includes “general fund expenditures” as this is the current funding mechanism.

*Table 4 Summary of Funding Sources*

Type	Description	Advantage	Potential Challenge
General Fund Expenditures	Contributions from the general funds of localities to fund service	<ul style="list-style-type: none"> <li>Localities can decide on amount of service to purchase annually based on local priorities</li> </ul>	<ul style="list-style-type: none"> <li>Varies from budget cycle to budget cycle depending on local priorities making it less predictable and reliable</li> <li>Amount and type of service can change by budget cycle making it less reliable for customers</li> <li>Limited general fund revenues may put a strain on local resources</li> <li>Variability in transit funding makes long term transit planning difficult</li> </ul>

Type	Description	Advantage	Potential Challenge
Sales Tax*	A tax on the sale of goods or services purchased. (Not including tax for non-prepared foods)	<ul style="list-style-type: none"> <li>• Most common source for local and regional transit services</li> <li>• Moderate public acceptance</li> <li>• Potential to produce high yields relative to other funding sources.</li> <li>• Relatively stable and predictable</li> <li>• Minimal cost for implementation as sales taxes are already collected</li> </ul>	<ul style="list-style-type: none"> <li>• Potential to impact lower income individuals than other socioeconomic levels.</li> </ul>
Transient Occupancy /Lodging Tax	A tax on lodging establishments	<ul style="list-style-type: none"> <li>• Does not directly impact residents</li> <li>• Moderate public acceptance as a transit funding source in Virginia due to implementation in other regions</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue yield may be minimal in some areas</li> <li>• Potential implementation challenge with rural areas with no established lodging tax</li> </ul>
Personal Property Tax	In Virginia, a tax on the value of all motor vehicles, trailers, mobile homes, boats, and aircrafts	<ul style="list-style-type: none"> <li>• Relatively stable source</li> <li>• Ease of implementation as property taxes are already collected in most jurisdictions</li> </ul>	<ul style="list-style-type: none"> <li>• Potential public resistance to increase if rate is significant</li> </ul>
Regional/Supplemental Fuels Tax	A tax on distributors who sell fuels at wholesale to retail dealers for retail sale	<ul style="list-style-type: none"> <li>• Relatively accepted user fee to related to the social cost of driving</li> <li>• Potential to reduces instability of source by including different types of fuel</li> </ul>	<ul style="list-style-type: none"> <li>• If increasing fuel taxes increase demand for transit, it simultaneously reduces the source of revenue</li> <li>• More fuel-efficient cars could decrease this revenue source</li> <li>• Value could erode over time if not indexed to inflation</li> </ul>
Real Estate Tax	A tax on the assessed on the value of land and buildings	<ul style="list-style-type: none"> <li>• Widely used to finance transit and typically considered a default funding source</li> <li>• Relatively stable source</li> <li>• Ease of implementation as property taxes are already collected in most jurisdictions</li> </ul>	<ul style="list-style-type: none"> <li>• Minimal potential to shift development between jurisdictions</li> </ul>

### Analysis Results

This section presents an analysis of four potential public transit funding options for discussion and further evaluation. They are (i) sales tax, (ii) lodging tax, (iii) personal property tax, and (iv) real estate tax. Estimates were derived from local government financial reports with either projected or adopted budget estimates between fiscal years 2022 and 2024. Estimates are in constant dollars with annual growth standardized at 1% for sales tax estimates and 2% for all other taxes following City of Charlottesville projections.

The analysis assumes that the habits of residents in the region remain unchanged with the estimated increases in taxes (inelastic demand). It is worth noting that demand can be inelastic only to a point. If additional increases were significantly higher, residents could be incentivized to live or do business elsewhere, therefore such increases should be within reason and follow regional trends.

Table 5 shows the estimated added revenue from an additional 0.7% increase<sup>5</sup> in sales tax. The current sales tax rate across the region is 5.3%. This does not affect the 2.5% tax on non-prepared foods.

Table 5 Estimated revenues from additional 0.7% sales tax in millions of dollars

Added Revenue from 0.7%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	\$16.3	\$16.4	\$16.6	\$16.8	\$16.9	\$83.0
Charlottesville	\$10.2	\$10.3	\$10.4	\$10.5	\$10.6	\$51.9
Fluvanna	\$1.9	\$1.9	\$1.9	\$1.9	\$1.9	\$9.5
Greene	\$2.2	\$2.3	\$2.3	\$2.3	\$2.3	\$11.4
Louisa	\$5.0	\$5.0	\$5.1	\$5.1	\$5.2	\$25.3
Nelson	\$1.1	\$1.1	\$1.2	\$1.2	\$1.2	\$5.8
<b>Total</b>	<b>\$36.6</b>	<b>\$37.0</b>	<b>\$37.4</b>	<b>\$37.7</b>	<b>\$38.1</b>	<b>\$186.8</b>

Table 6 shows the estimated added revenue from an additional 0.5% increase in the lodging tax. In the City of Charlottesville and Albemarle County, the lodging tax rate is currently at 8%. Nelson and Greene Counties are both at 5%, Louisa County at 2%, and Fluvanna 0%. Since Fluvanna County currently has no transient occupancy tax, there are no current revenues to determine future projections. Louisa County was therefore used as a proxy in the analysis. It should also be noted that Albemarle County recently increased their lodging and personal property taxes so consideration should be given to the timing for implementation.

Table 6 Estimated revenues from additional 0.5% lodging tax in millions of dollars

Added Revenue from 0.5%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$1.0
Charlottesville	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$2.5
Fluvanna	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.5
Greene	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3
Louisa*	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.5
Nelson	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.6
<b>Total</b>	<b>\$1.0</b>	<b>\$1.1</b>	<b>\$1.1</b>	<b>\$1.1</b>	<b>\$1.1</b>	<b>\$5.4</b>

Table 7 shows the estimated added revenue from an additional 0.5% increase in personal property tax. Louisa County's analysis follows a 2.43% residential personal property tax, but there is a 1.90% personal property tax applicable to businesses. The City of Charlottesville has a 4.2% tax rate. Albemarle, Greene, Fluvanna, and Nelson counties have a 3.4%, 5.0%, 3.7%, and 2.8% rate respectively. It should also be noted that Fluvanna County's personal property tax was lowered in 2022.

Table 7 Estimated revenues from additional 0.5% personal property tax in millions of dollars

Added Revenue from 0.5%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	\$5.5	\$5.6	\$5.7	\$5.8	\$5.9	\$28.5
Charlottesville	\$1.5	\$1.5	\$1.6	\$1.6	\$1.6	\$7.9
Fluvanna	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3	\$6.4
Greene	\$0.7	\$0.7	\$0.8	\$0.8	\$0.8	\$3.8
Louisa	\$2.4	\$2.4	\$2.5	\$2.5	\$2.6	\$12.5
Nelson	\$1.2	\$1.2	\$1.2	\$1.2	\$1.3	\$6.0
<b>Total</b>	<b>\$12.5</b>	<b>\$12.7</b>	<b>\$13.0</b>	<b>\$13.3</b>	<b>\$13.5</b>	<b>\$65.0</b>

Table 8 shows the estimated added revenue from an additional 0.1% increase in real estate taxes. Current real estate tax for the City of Charlottesville is 0.96%, 0.85% for Albemarle County, 0.73% for Greene County, 0.72% for Louisa County, 0.87% for Fluvanna County and 0.65% for Nelson County.

<sup>5</sup> 0.7% is consistent with sales tax rates used to support HRTAC, CVTA, and NVTA.

Table 8 Estimated revenues from additional 0.1% real estate tax in millions of dollars

Added Revenue from 0.1%	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Albemarle	\$24.1	\$24.6	\$25.1	\$25.6	\$26.1	\$125.3
Charlottesville	\$10.6	\$10.8	\$11.0	\$11.2	\$11.4	\$55.0
Fluvanna	\$3.1	\$3.2	\$3.2	\$3.3	\$3.3	\$16.1
Greene	\$2.7	\$2.7	\$2.8	\$2.8	\$2.9	\$13.9
Louisa	\$6.5	\$6.6	\$6.8	\$6.9	\$7.0	\$33.8
Nelson	\$3.2	\$3.3	\$3.4	\$3.4	\$3.5	\$16.8
<b>Total</b>	<b>\$50.1</b>	<b>\$51.1</b>	<b>\$52.2</b>	<b>\$53.2</b>	<b>\$54.3</b>	<b>\$260.9</b>

These estimates serve as discussion starters on appropriate rates for each funding type.

## Next Steps

The next phase of the study will explore governance alternatives for regional transit. It will focus on defining a funding authority to have oversight, transparency, and efficient use of any generated funding. Through additional regional stakeholder engagement, the team will also identify mechanisms that allow for equitable distribution of resources.

## Appendix

**Summary Table Showing Stakeholder Engagement to Date**

Study Phase	Coordination
Phase I	Garland Williams, CAT Ted Rieck, Jaunt Diantha McKeel, Reginal Transit Partnership Rebecca White, UVA Matt Lawless, Scottsville Ray Amoruso, Hampton Roads Transit Brian Smith, Deputy CEO Hampton Roads Transit
Phase II	Brian Booth, Director, Blacksburg Transit John Connell, General Manager, Bloomington Transit Louwana Oliva, Executive Director, Centre Area Transportation Authority (CATA) Scot Vanderpool, General Manager, Tompkins Consolidated Area Transit (TCAT) Matt Carpenter, CEO, TheRide Darian Nagle-Gamm, Transportation Director, Iowa City Transit Danny Plougher, Virginia Transit Authority Lisa Guthrie, Virginia Transit Authority
Phase III	Albemarle County Diantha McKeel, Board member Jacob Sumner, Interim CFO Trevor Henry, Assistant County Executive  Greene County Catherine Schafrik, County Administrator Dale Herring, Board Chair Jim Frydl, Planning Director  Nelson County Ernie Reed, Central District Supervisor Dillan Bishop, Planning and Zoning Director  Fluvanna County Patricia Eager, Board Vice Chair Kelly Belanger Harris, Assistant County Administrator  Louisa County Christopher Coon, Deputy County Administrator  Kevin Page, Executive Director HRTAC Laura Farmer, CFO VDOT Ted Rieck, CEO, Jaunt Garland Williams, Director, CAT Sean Nelson, District Engineer, VDOT Stacy Londrey, Assistant District Administrator, VDOT  City of Charlottesville City Council

## List of Common Transit Funding Sources in the US

Funding Type	Description
General sales taxes	<ul style="list-style-type: none"> <li>Most common source of funding for local and regional transit services.</li> </ul>
	<ul style="list-style-type: none"> <li>Generally, provides the greatest revenue yield and stability and are broadly accepted as a source of revenue for public transportation</li> </ul>
General fund expenditures	<ul style="list-style-type: none"> <li>Revenues from a number of sources including state sales taxes, property taxes and income taxes.</li> </ul>
	<ul style="list-style-type: none"> <li>Varies from budget cycle to budget cycle, depending on local priorities and are thus less predictable and reliable than revenues from other, more specific sources.</li> </ul>
Vehicle registration fees	<ul style="list-style-type: none"> <li>Annual vehicle registration fees or other related fees.</li> </ul>
	<ul style="list-style-type: none"> <li>Vehicle registration fees are the second most common source of transportation program related revenues at the state level, as more than half of states raise more than a quarter of their dedicated transportation revenues with these mechanisms.</li> </ul>
	<ul style="list-style-type: none"> <li>Sound Transit, Seattle, WA</li> <li>BART, San Francisco, CA</li> </ul>
Employer/payroll taxes	<ul style="list-style-type: none"> <li>Levied on the amount of gross payroll for an employer, may be levied within transit districts for the generation of revenue but are usually administered by a state revenue agency on behalf of the transit district.</li> <li>City of Portland</li> <li>Transit Authority of River City, Louisville, KY</li> </ul>
Concessions	<ul style="list-style-type: none"> <li>Leasing of transportation facilities to private entities for a large, upfront payment</li> </ul>
Lottery and/or casino revenues	<ul style="list-style-type: none"> <li>States (and municipalities within states) with a statewide lottery or legalized gambling may designate revenues generated through these activities for the provision of public transportation services.</li> <li>The State of New Jersey taxes 8 percent of casino gross revenues, roughly \$30M per month in 2007, and places these funds into the Casino Revenue Fund. A portion of this fund is dedicated to supporting a Senior Citizens and Disabled Residents Transportation Assistance Program.</li> <li>The state of Pennsylvania dedicates a percentage of lottery revenues to a free transit program for persons over 65 years old traveling in off-peak hours.</li> </ul>
Vehicle leasing and rental fees	<ul style="list-style-type: none"> <li>Municipal and regional authorities may opt to use revenues from locally imposed taxes on the rental of vehicles to fund transit services.</li> <li>Allegheny County in Pennsylvania has enacted a \$2 rental car fee to help support transit services provided by Port Authority Transit Services in the Pittsburgh metropolitan region.</li> </ul>
	<ul style="list-style-type: none"> <li>Vehicle rental companies are typically responsible for reporting and remitting these taxes to the regional authority. Similar taxes may also be levied on the leasing of vehicles, which generally take the form of a sales tax on the monthly lease payment.</li> </ul>
Tollway revenues	<ul style="list-style-type: none"> <li>Revenues from toll facilities are often dedicated to providing for enhanced transit services within the tolled corridor.</li> </ul>
Cigarette Tax	<ul style="list-style-type: none"> <li>Taxes levied on the sale of cigarettes are a common state revenue generating mechanisms and may also be employed by municipalities.</li> </ul>
Parking fees and Fines	<ul style="list-style-type: none"> <li>Local transit agencies may receive significant levels of funding for operations from the parking fees and parking fines levied by the city or other regional government or they may receive parking related revenues generated at facilities owned by the transit authority.</li> </ul>
Property taxes	<ul style="list-style-type: none"> <li>Assessed on the value of land and buildings and are the principal source of revenue for local governments.</li> <li>The Ride, Ann Arbor, MI</li> </ul>
	<ul style="list-style-type: none"> <li>Portions of local property tax revenues may be authorized for use by special districts and authorities such as transit authorities.</li> </ul>
Contracts or Purchase of service	<ul style="list-style-type: none"> <li>Transit systems often receive revenues by providing additional transit related services to various entities outside of normal regularly scheduled services.</li> </ul>
	<ul style="list-style-type: none"> <li>Municipal governments, private businesses, health and social service agencies and educational intuitions often contract with transit agencies to provide specialized service</li> </ul>
Lease revenues	<ul style="list-style-type: none"> <li>Transit service providers often generate revenue by leasing various portions of their operations, such as parking facilities and terminal stations, for use by private enterprises.</li> </ul>
Advertising	<ul style="list-style-type: none"> <li>Advertisements placed on vehicles, facilities, and transit related materials such as schedules and maps.</li> </ul>
	<ul style="list-style-type: none"> <li>These revenues; however, are generally modest, accounting for anywhere between 0.1 and 3 percent of total operating income.</li> </ul>

Funding Type	Description
Realty transfer taxes/mortgage recording fees	<ul style="list-style-type: none"> <li>Generally levied on the sale of residential, commercial, and industrial property. These fees may be levied at the state and local level and revenues are used for a variety of purposes, including transit services.</li> </ul>
Corporate franchise taxes	<ul style="list-style-type: none"> <li>Franchise taxes are generally levied on the profits and other taxable assets of a corporation. Considered a tax on business operations and is often based on the par value of the corporation's outstanding shares and surplus.</li> <li>Franchise taxes are often targeted at specific types of industries and economic activity.</li> </ul>
Hotel/motel taxes	<ul style="list-style-type: none"> <li>Common revenue generating mechanism employed by municipal and county governments. They are often only applied on certain days of the week, month or year and revenues are often used in the development and operation of tourism related facilities.</li> </ul>
Utility fees	<ul style="list-style-type: none"> <li>Common source of income for municipalities and county governments. They may be applied to a wide range of service such as water, electricity, waste collection and disposal, and sewage services.</li> <li>Revenues are typically deposited into general revenue and from there may be used to fund transit activities.</li> </ul>
Public Private Partnerships (PPP)	<ul style="list-style-type: none"> <li>The US DOT has prepared model legislation.</li> <li>Metro Transit Hiawatha Line, Minneapolis, MN</li> <li>The model provides states with examples of the basic elements to consider in authorizing PPP legislation.</li> <li>AirTrain JFK, NY</li> <li>Portland Metropolitan Area Express (MAX) Airport Extension, OR</li> <li>BART Oakland Airport Connector, CA</li> <li>California High Speed Rail Authority</li> </ul>
Tax-increment Financing District (TIF)	<ul style="list-style-type: none"> <li>Focused on capturing the added increment of a future stream of increased taxes that result from an increase in property values due to public investments.</li> <li>The excess tax increment is used to repay the public improvement bonds used to fund the improvements that led to the increase in value and tax returns.</li> <li>The revenues derived from these districts may be used for a number of purposes, including transit development.</li> </ul>
Transportation Development Districts	<ul style="list-style-type: none"> <li>A form of community improvement or community facilities district that is intended to provide a means of raising funds specifically for transportation improvements.</li> <li>Generally aimed at financing the cost of a specific project and may be applied to developing or improving transit services.</li> <li>Typically raise funds through the issuance of bonds, which are generally supported by tax increment procedures or dedicated sales taxes.</li> <li>Tax increment procedures are established by various state and local entities as a process for determining the value of land prior to development so that the incremental increase in value due to development can be appropriately credited to the desired programs.</li> <li>Bonds are issued based on the expected incremental increase and the revenues directed to the project.</li> </ul>

**Transit Funding Sources for Peer Study Agencies**

Peer	Funding Source	Description	Jurisdiction/Entity
Blacksburg, VA	Virginia Tech Contract	Funding provided by Virginia Tech to Blacksburg Transit for bus routes that serve campus and the town. \$7.0 million annually (2021).	Virginia Tech
Bloomington, IN	Local Property Tax	A portion of Bloomington's property tax provides \$1.5 million annually to Bloomington Transit. (2022).	City of Bloomington
Bloomington, IN	Local Income Tax	Newly introduced in 2022. 1.345% tax providing an estimated \$4 million annually to Bloomington Transit (beginning 2023). Funds transit.	City of Bloomington
Bloomington, IN	IU Contract	Annual payments made by the university to cover student, faculty and staff rides on Bloomington Transit. \$1.2 million (2022). Funds transit.	Indiana University

Peer	Funding Source	Description	Jurisdiction/Entity
State College, PA	Apartment Contracts	Contracts with student apartment buildings to provide their residents with free rides on CATA. Payments currently made on a per-ride basis. \$1.8 million annually (2021). Funds transit.	Student apartment buildings within CATA's jurisdiction
State College, PA	Penn State Contract	Contracts to CATA for three routes run on Penn State's campus. \$2.7 million annually (2021). Funds transit.	Penn State University
Ithaca, NY	Cornell Fare Payments	Annual payments made by the university to cover student, faculty and staff rides on TCAT. \$3.3 million (2022).	Cornell University
Ithaca, NY	Mortgage Recording Tax	Mortgage recording tax that provides \$0.9 annually for TCAT (2022).	Tompkins County
Ann Arbor, MI	Ann Arbor Property Tax	Property tax of 2.5 mills within Ann Arbor dedicated to TheRide in perpetuity.	City of Ann Arbor
Ann Arbor, MI	Authority Area Property Tax	Property tax of 2.38 mills within TheRide's service area, which must be renewed in perpetuity. \$19.2 million annually along with the Ann Arbor tax (2022).	City of Ann Arbor, City of Ypsilanti, Ypsilanti Township
Iowa City, IA	Multi-modal transportation center income	Revenues from building rents (café, daycare, and restaurant) and parking fees make up approximately 6.8% of Iowa City Transit annual revenue (2021).	Iowa City Transit Center.

**References**

1. City of Charlottesville Long Term Revenue & Expenditure Planning & Forecasts, Fiscal Year 2024 Budget
2. Albemarle County Fiscal Year 2023 Adopted Budget
3. County of Louisa, Virginia Adopted Annual Fiscal Plan Fiscal Year 2023
4. County of Fluvanna, Virginia Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2022
5. County of Fluvanna, Virginia Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2022
6. County of Greene, Virginia Financial Report Year Ended June 30, 2022
7. Nelson County FY24 Proposed Budget (May 9, 2023)



## Memorandum

**To:** MPO Policy Board  
**From:** Sandy Shackelford, Director of Planning and Transportation  
**Date:** October 18, 2023  
**Reference:** CA-MPO Socio-economic Data for Transportation Demand Model

The regional travel demand model is an analysis tool that helps us understand what future roadway conditions will be based on different project scenarios. The model provides information on roadway operations, and is generally used to assess where the volume of vehicular trips will exceed existing or planned roadway capacity. By modeling planned infrastructure improvements, the model can assess how effectively the improvement will mitigate estimated network failures. The model does not account for mode shift to bicycle or pedestrian trips, and it will only capture the estimated impacts of projects that add or significantly improve roadway capacity (for example, adding lanes or adding new roads/segments or major improvements to interchanges).

To do this, the MPO is divided up into smaller geographic areas, which are referred to as Traffic Analysis Zones (TAZs). Socioeconomic data is established for each of the TAZs to estimate the number of trips generated by and attracted to each of the TAZs. This data includes factors such as number of households, average number of school-aged children per household, university beds, number of jobs per sector, etc. that is then used to estimate the number of trips for each TAZ under existing and future conditions.

As part of the long range transportation plan, MPOs that have travel demand models are required to reference their travel demand models. In order to run the model and perform the analysis on our baseline and future no-growth system analysis, we first need the Policy Board to approve the data that is being used to generate the trip assumptions.

Through our conversations with the modeling staff at VDOT, we are recommending using data that has been interpolated from the model that was used in the previous long range transportation plan. There was a substantive effort by VDOT, locality, and MPO staff to update and revise the data for that model, and we believe that the assumptions that were used to develop that information is still valid. We have shared our methodology with locality staff and the MPO Technical Advisory Committee, who have confirmed that they support this approach.

The data is attached for reference, and VDOT has compared the outputs from this methodology to the Weldon Cooper Center's population data, and the data outputs are within the standard accepted threshold.

### **Recommendation:**

MPO staff recommends that the Policy Board approves the use of the attached socioeconomic data for the purposes of running the model that will be used to assess transportation system capacity in the use of the 2050 long range transportation plan.