

March 2007



# What's the **BIG** Idea?

“Georgia is now facing a true funding crisis for transportation!”



“30 year funding shortage estimated to be almost \$200 Billion!”



## A 10 Year Statewide Program:



- ❖ Iron Clad promise to deliver on time and within budget
- ❖ All projects completed or under construction within 10 years
- ❖ Clear, manageable, and understandable
- ❖ Statewide 1¢ sales tax implemented for 10 years
- ❖ Estimated revenue of \$22.2 Billion
- ❖ Creation of Transportation Trust Fund to manage the total program budget
  - Manage costs in year of expenditures
  - Contingency funds for project cost escalation

## I. Comprehensive Enclosed Toll Road System:

- ❖ All toll revenue generated by system stays within the system to repay debt
- ❖ Excess revenues to enhance, maintain, and operate the system
- ❖ This system will allow Georgia travelers to embrace a network system approach to congestion relief. It will provide an integrated system with a seamless transition throughout.

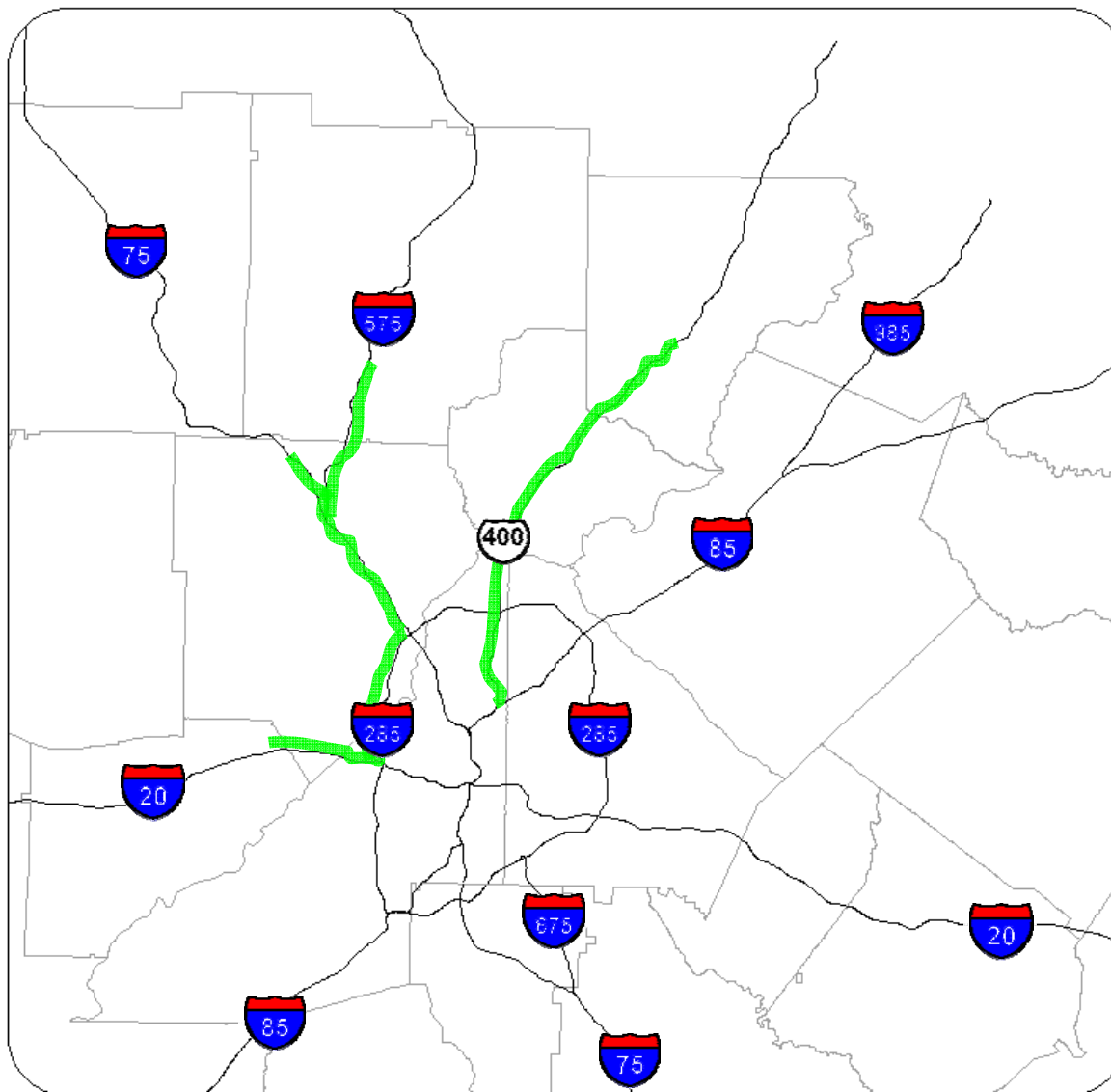
“Any parallel link (tunnel) to the Downtown Connector would in fact substantially reduce congestion on the connector.” *Dr. Mike Meyers, Georgia Tech*





# ... **B**old Initiatives for **G**eorgia

## a. Active PPI Projects:

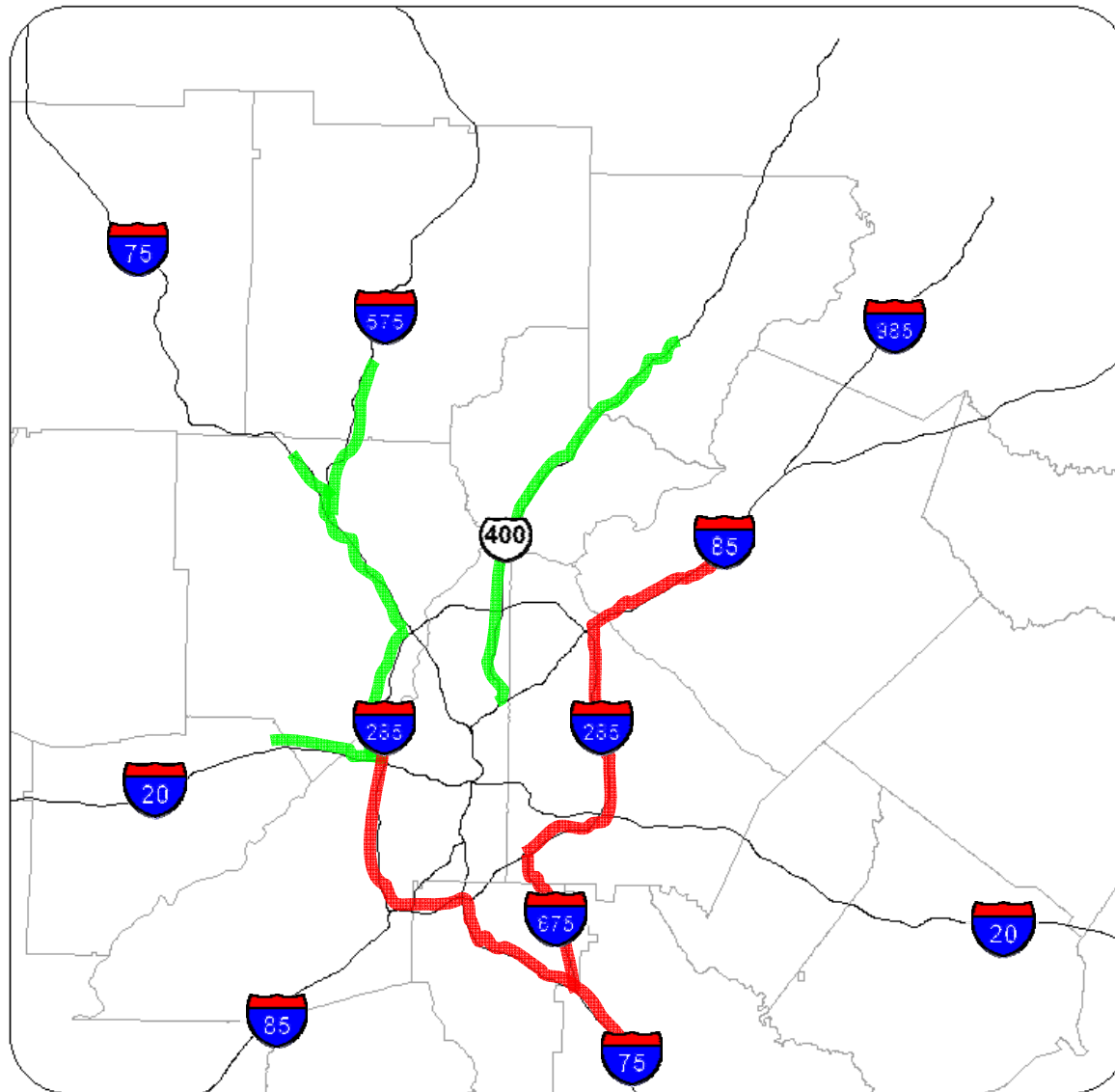


- Active PPI Projects
- GA 400
- I-75/I-575
- I-285/I-20



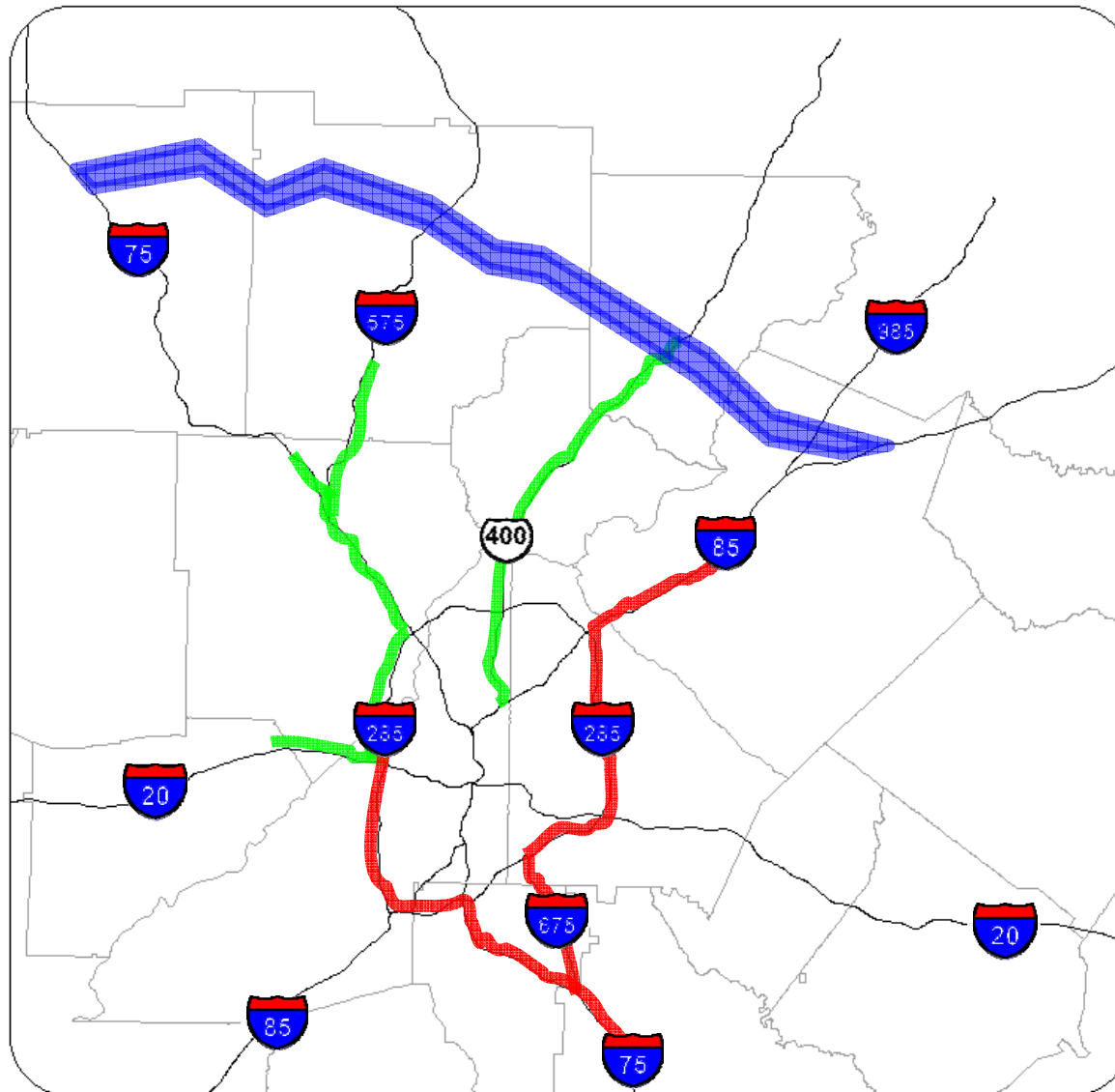
# ... **B**old Initiatives for **G**eorgia

## b. Proposed Truck/ Managed Lanes:



- Active PPI Projects
- Proposed Truck/ Managed Lanes

### c. East West Connector:

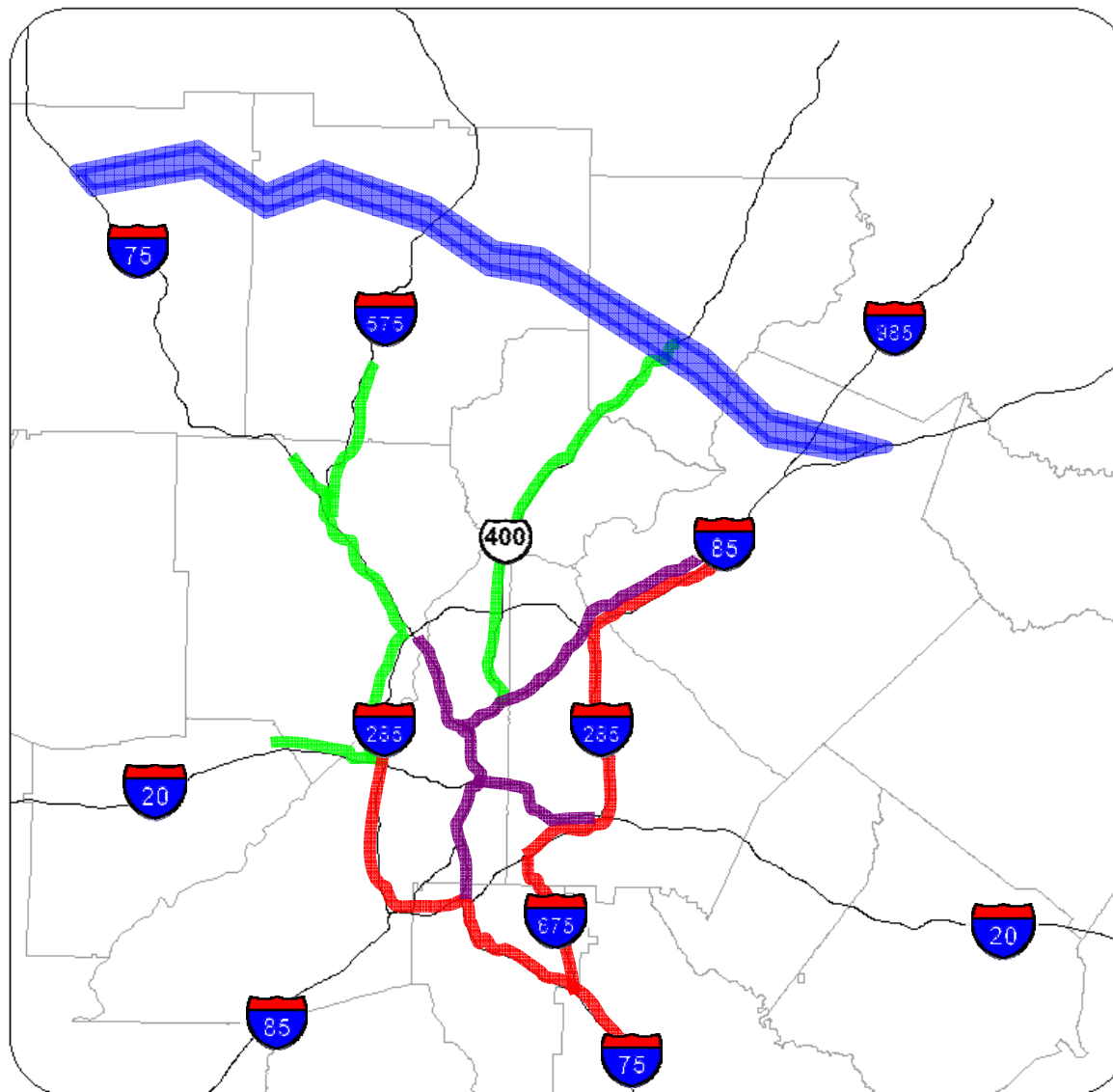


- Active PPI Projects
- Proposed Truck/Managed Lanes
- Potential Range of Alignments for East-West Connector



# ... Bold Initiatives for Georgia

## d. HOV/HOT Conversion:

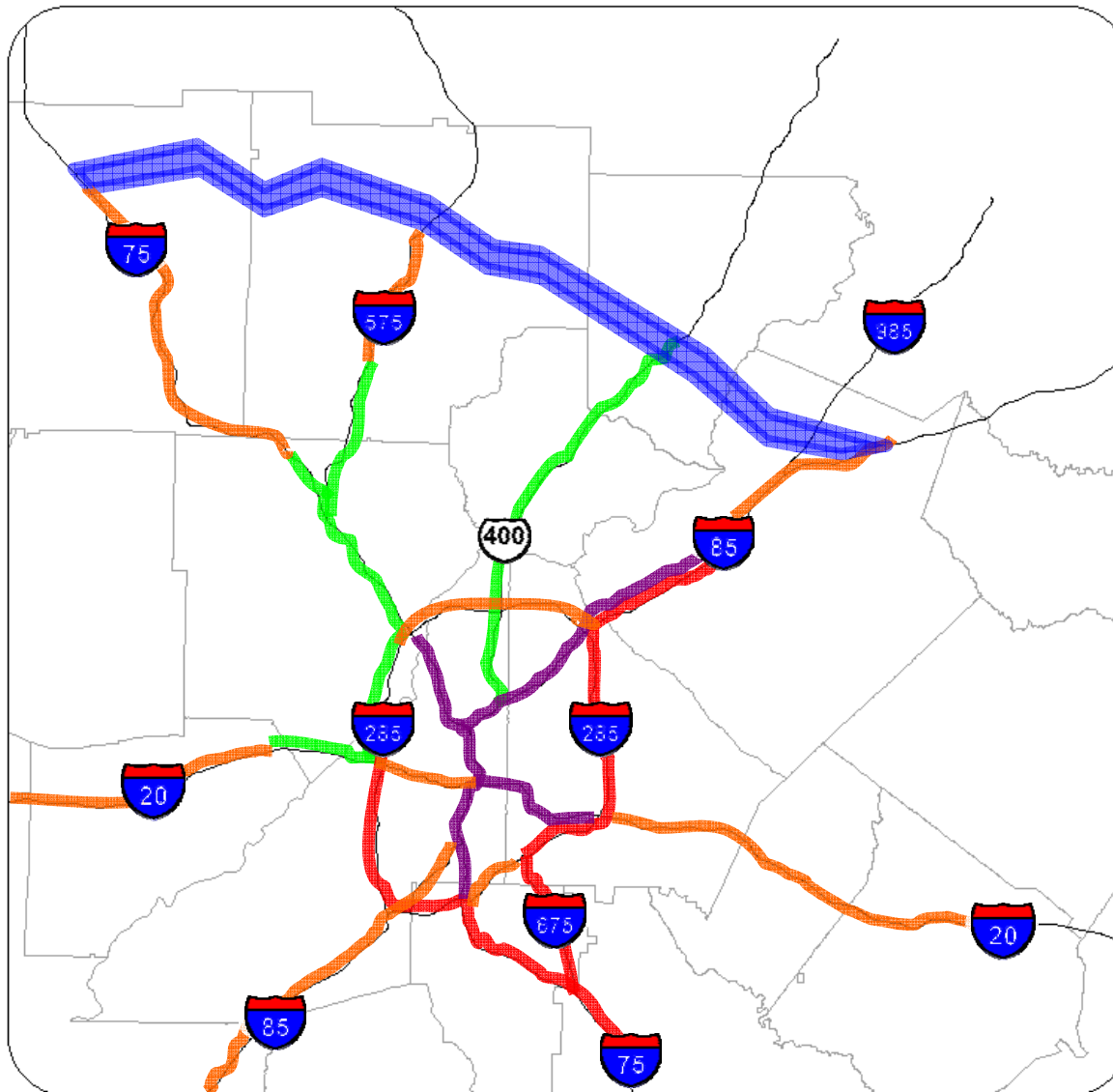


- Active PPI Projects
- Proposed Truck/Managed Lanes
- Potential Range of Alignments for East-West Connector
- HOV/HOT Conversion



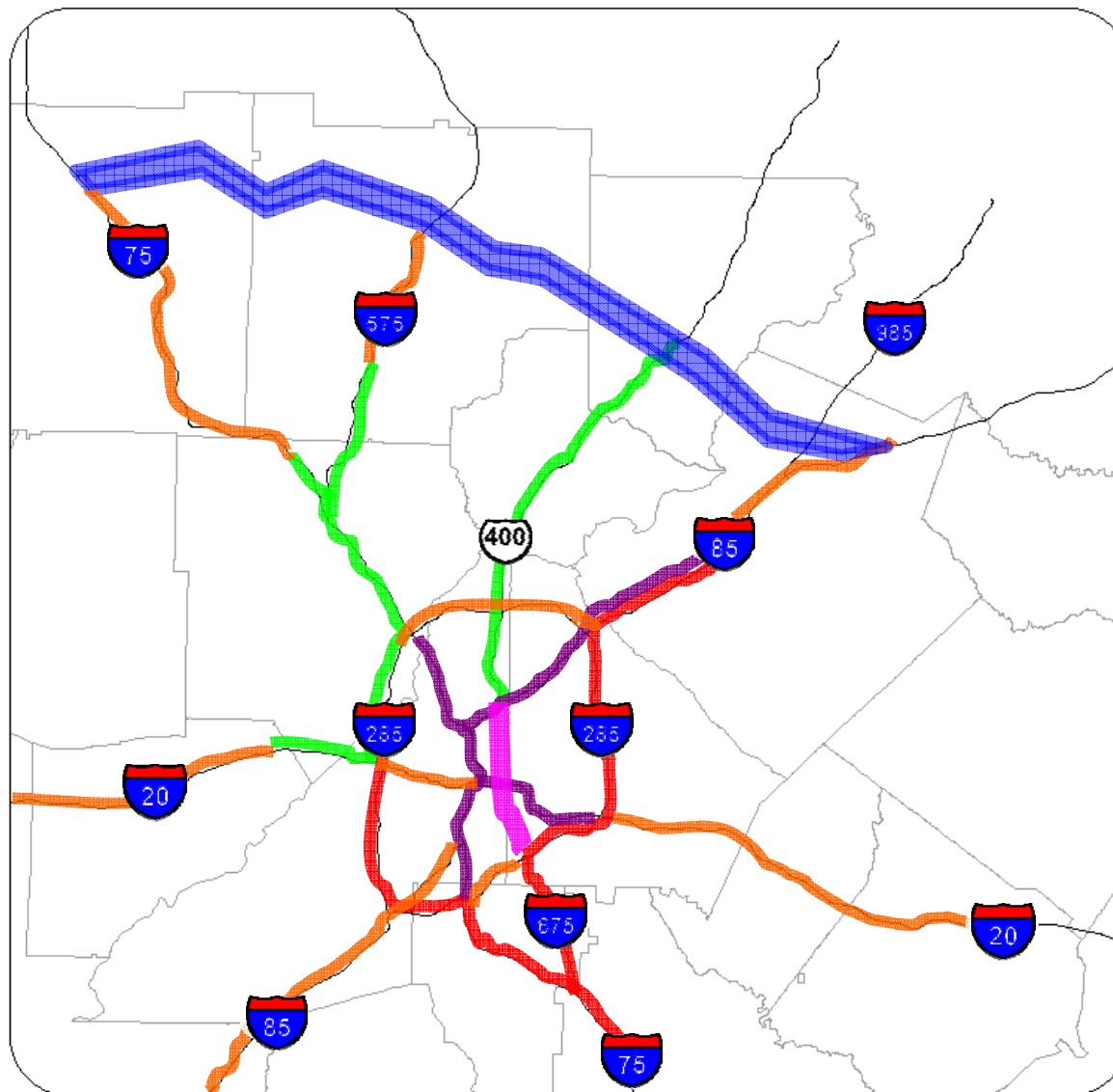
# ... Bold Initiatives for Georgia

## e. Future PPI Managed Lanes Projects:



- Active PPI Projects
- Proposed Truck/Managed Lanes
- Potential Range of Alignments for East-West Connector
- HOV/HOT Conversion
- Future PPI Managed Lanes Projects

## f. North South Tunnel:



- Active PPI Projects
- Proposed Truck/Managed Lanes
- Potential Range of Alignments for East-West Connector
- HOV/HOT Conversion
- Future PPI Managed Lanes Projects
- Potential North-South Tunnel Alignment

## Bold Initiative for Funding Comprehensive Enclosed Toll Road System Plan:



- ❖ **Current Programmed Funding**
  - \$973 M for HOV expansion
  - \$248 M of Appalachian funding available
- ❖ **Transportation Trust Fund Proceeds for Identified Projects**
- ❖ **State Finance/Operate/Maintain (Traditional) PPI Model**
  - Non-Recourse Bonds to State (Does not affect bond rating capacity)
- ❖ **Equity Partnership (Concession) PPI Model**
  - Revenue Sharing and/or Availability Payments
  - Upfront Capitalization
- ❖ **System Generated Revenue**
  - Projected Revenues from HOV/HOT Conversion
  - Potential revenues from future facilities



## b. LARP Program:

- ❖ Annual Needs estimated at \$188 M
  - \$1.88 B in total 10 year needs
- ❖ Average of \$40.6 M in funding available over the past ten years
  - \$406 M in total funding



## Bold Funding Initiative:

- ❖ \$190 M annually
- ❖ \$1.9 B of total funding over 10 years indexed for inflation
- ❖ Meet projected local government resurfacing needs for 10 years

c. **State Aid Program:**  
(includes Most Needed)

- ❖ Annual Needs estimated at \$90 M
- ❖ Average Annual Funding is \$40.5 M over the past ten years



**Bold Funding Initiative:**

- ❖ \$90 M annually
- ❖ \$900 M of total funding over 10 years indexed for inflation
- ❖ Finance Critical Intersection Improvements, Traffic Signals, Turn Lanes, Safety Improvements, and Local Projects throughout the state



## d. Dirt Road Eradication Program:

- ❖ Georgia currently has 29,000 Miles of dirt roads
  - Safety and maintenance problems



### Bold Funding Initiative:

- ❖ Two Part Program includes Paving and Triple Surface Treatment:
  - Triple Surface Treatment provides a long-lasting, economical pavement for rural roads with low traffic volumes.
- ❖ \$152 M annually to eliminate the most critical dirt roads in Georgia
- ❖ \$1.52 B of total funding over 10 years indexed for inflation
- ❖ Option for Local Requirements:
  - Counties: Tier 1 pay 5%; Tier 2 pay 10%; Tier 3 pay 15%



## e. Bridge Rehabilitation & Replacement (R & R) Program:

- ❖ 1,600 deficient bridges in Georgia
- ❖ Projected cost of \$2.5 B

### Bold Funding Initiative:

- ❖ \$500 M in programmed funding
- ❖ \$200 M annually
- ❖ \$2 B of total funding over 10 years indexed for inflation
- ❖ Rehabilitation and Replacement of identified deficient bridges in Georgia



### III. Transit:

- ❖ Underwrite difference in farebox and operating cost for:
  - All local transit systems including MARTA
  - Express Bus and Bus Rapid Transit (BRT)
- ❖ Capital funding up to \$500 M for Atlanta Streetcar Project
- ❖ Fund MAG-LEV High Speed Train (Savannah-Macon-Atlanta-Town Center) feasibility study with Transit and Freight Components



### **Bold Funding Initiative:**

- ❖ \$450 M annually or \$4.5 B in 10 years indexed for inflation
- ❖ Option: Require Fulton and DeKalb to payoff bonds in five years or potentially eliminate 1¢ sales tax for 10 years
- ❖ Meets the transit funding needs by eliminating farebox shortfalls for 10 years

## IV. Aviation:

- ❖ 102 Public General Aviation Airports
  - Excludes Hartsfield-Jackson International Airport
- ❖ \$3.7 M average annual General Fund level over the past 10 years
- ❖ Florida has 104 Public General Aviation Airports and spends over \$170 M annually for FY07 and FY08



### **Bold Funding Initiative:**

- ❖ \$40 M annually or \$400 M in 10 years
  - Captures Federal Funds for airfield pavement maintenance needs and match for FAA Projects
- ❖ Completes 20 year State Aviation System Plan:
  - New and Replacement airports
  - Upgrading all Level 1, 2, 3 Airports
  - Improves runways, terminals, etc.
- ❖ Places 95% of Georgia cities within 30 minutes of a Business Class Airport

## V. Ports:

- ❖ Savannah container expected to grow by 2 Million containers within 10 years
- ❖ 80% of containers travel by truck to and from the port



## Bold Funding Initiative:

- ❖ PPI Non-Tolled concession to improve truck movement by constructing Jimmy DeLoach Connector
- ❖ 2.8 miles of new roadway to I-95
- ❖ Provide Availability Payments up to \$100 Million



## VI. Bikes/Sidewalks:

- ❖ No dedicated state funds (ever) for Bike or Pedestrian facilities
- ❖ All bike facilities are funded with Federal or local money – such as TE program, CMAQ program, and Congressional Earmarks



### Bold Initiative for Funding Bikes/Sidewalks

- ❖ \$5.2 M annually or \$52 M in 10 years
- ❖ Supplement the TE program funding



# ... Bold Initiatives for Georgia



<b>BIG Plan</b> (\$ Millions)	Annual	10 Year	Cost Escalation	Private Equity/ Toll Revenue
GRIP	\$360	\$3,600	\$1,500	
LARP	\$190	\$1,900	\$120	
State Aid	\$90	\$900	\$109	
Dirt Road Eradication	\$152	\$1,520	\$408	
Bridge R&R	\$200	\$2,000	\$305	
Transit	\$450	\$4,501.5	\$497	
Aviation	\$40	\$400		
Bikes/Sidewalks	\$5.2	\$52		
<b>Potential PPI Projects:</b>				
Ports		\$100		
East-West Connector		\$2,200	\$272	\$4,374*
North-South Tunnel				\$6,210**
HOV/HOT Conversion				\$1,389**
Truck/Managed Lanes Network				\$10,700**
Trust Fund Balance**		\$1,816***		
<b>Sub-Total</b>		<b>\$18,990</b>	<b>\$3,211</b>	<b>\$22,673</b>

## BIG Funding

1¢ Sales Tax	\$22.2 B
Potential Private Investment	\$22.7 B
<b>Total</b>	<b>\$44.9 B</b>

\* Estimate based on D. Doss conversations with industry.

\*\* Estimates provided by B. Poole of Reason Foundation

\*\*\* Includes interest earnings but excludes HOT Lane System Revenues.

## The **BIG** Plan...



- ❖ Complete comprehensive multimodal transportation plan for entire state
- ❖ Utilize combination of private, public-private, and public funding models
- ❖ Boldest initiative since HOPE Scholarship Program
- ❖ This \$22.2 Billion Plan would account for an economic impact of \$40.7 B in dollars generated in Georgia\*.
- ❖ With a goal of 50% congestion reduction, gross personal income would increase by 3.5% or \$213 B by 2030\*\*.

\*Current average multiplier of 1.835 for transportation-related services (GSU Fiscal Research Center).

\*\*Reason Foundation

# ... Bold Initiatives for Georgia

	% Rural	% ARC Metro Planning Area	BIG Idea \$	BIG Idea Rural	BIG Idea Metro
GRIP	99.48%	0.52%	\$ 5,100,000,000	\$ 5,073,717,388	\$ 26,282,612
Bridges	79.25%	20.75%	\$ 2,305,000,000	\$ 1,826,809,238	\$ 478,190,762
Transit	4.99%	95.01%	\$ 4,998,500,000	\$ 249,425,150	\$ 4,749,074,850
Aviation	87.97%	12.03%	\$ 400,000,000	\$ 351,885,259	\$ 48,114,741
Bikes/Sidewalks	49.11%	50.89%	\$ 52,000,000	\$ 25,538,628	\$ 26,461,372
LARP	68.67%	31.33%	\$ 2,020,000,000	\$ 1,387,134,000	\$ 632,866,000
State Aid	74.71%	25.29%	\$ 1,009,000,000	\$ 753,823,900	\$ 255,176,100
Dirt Road Eradication	96.00%	4.00%	\$ 1,928,000,000	\$ 1,850,880,000	\$ 77,120,000
Ports			\$ 100,000,000	\$ 100,000,000	
* East-West Connector			\$ 2,472,000,000		\$ 2,472,000,000
		<b>Total =</b>	\$ 20,384,500,000	\$ 11,619,213,564	\$ 8,765,286,436
			<b>% of Total =</b>	<b>57.00%</b>	<b>43.00%</b>
Private Equity for PPI Projects			\$ 22,673,000,000		\$ 22,673,000,000
		<b>Total =</b>	\$ 43,057,500,000	\$ 11,619,213,564	\$ 31,438,286,436
			<b>% of Total =</b>	<b>26.99%</b>	<b>73.01%</b>
* These totals do not include the Trust Fund Balance.					
* East-West Connector benefits are realized in Metro Counties as a result of congestion relief from I-75, I-285, I-985, and I-85.					

# A 10 Year Legacy!

Built East West Connector and relieved congestion on I-285

Built North South Tunnel and relieved congestion on downtown connector

Dedicated funding specifically to Pedestrian and Bike Paths

Expanded road capacity to meet Port of Savannah's continued growth

Essentially completed GRIP Program

Financed critical Traffic Signals and intersection improvements throughout the state

Eliminated the most critical Dirt Roads in Georgia

Rehabbed or replaced identified deficient bridges in Georgia

Met the transit funding needs by addressing farebox shortfalls for 10 years

Completed 20 Year State Aviation System Plan in 10 Years

Met Local Government Resurfacing Needs for 10 Years