

Federal Economic Stimulus Package

February 26, 2009



American Recovery and Reinvestment Act of 2009

On December 11, 2008, the State Transportation Board unanimously passed a resolution in support of the Federal Administration's consideration of a national stimulus package. Any projects to be considered for inclusion in a stimulus package list must:

- be eligible for federal funding,
- follow all federal regulations, and
- be “ready to go.”

American Recovery and Reinvestment Act of 2009

- “Ready to go” includes all non-funded projects in GDOT CWP which meet requirements
- The GDOT Board solicited local elected officials and key stakeholders to submit any federally eligible projects in their areas which would meet the FHWA requirements.
- Received 2,100 projects from local governments
- Reviewing lists submitted by locals for eligibility and readiness
- In addition, reviewing State Aid backlog to determine eligibility

American Recovery and Reinvestment Act of 2009

- On February 13, 2009, the US Congress passed the *American Recovery and Reinvestment Act of 2009*.
- The ARRA legislation provides for \$787 billion toward investments and tax cuts to stimulate the economy. President Barack Obama signed the legislation on February 17, 2009.

Federal Requirements for Transportation Economic Stimulus

- Must meet all standard federal eligibility requirements
- Environmental clearances in accordance with the National Environmental Protection Act (NEPA)
- Right of Way acquisition and certification in accordance with the Uniform Relocation Assistance and Real Property Acquisitions Policy Act
- Projects must be included in STIP/TIPs
- Funding for projects must be obligated within 120 days (phase one) or one year (phase two)

Federal Requirements for Transportation Economic Stimulus

- Streamlining
 - Final R/W can be purchased after authorization, no streamlining for environmental
- 100% Federal Share (no state match)
- “Use it... or lose it” – strict obligation deadlines
- Responsibility for oversight/management resides with DOTs
- Must comply with adopted FHWA design standards – Design/Build is an option for project delivery
- Standard federal DBE requirements
- 3-week bid advertisements may be relaxed through FHWA
- No Routine Maintenance
- *Jobs stimulation*
- *Transparency* - Reporting on status and funding for each project

Transportation Stimulus for Georgia

Total Highways Spending in GA: \$931,585,680
For any federal highway purpose under STP program. 100% federal share.

\$624,162,406
for projects in any
area

50% obligated in 120
days, rest within one year
of apportionment.

\$279,475,704

for MPOs and areas with
population less than
5000.

Obligate within one year
of apportionment.

\$27,947,570

for Transportation
Enhancements

50% obligated in 120
days, rest within one
year of apportionment.

Transportation Stimulus for Georgia

Breakdown of STP Sub-allocation

\$279,475,704

for MPOs and areas with population less than 5000.

Obligate within one year of apportionment.

\$143,993,510

to areas with

pop >200k:

\$119M Atlanta

\$2.2M Chattanooga

\$8.5M Augusta

\$7M Savannah

\$6.6M Columbus

\$118,185,897

for MPOs with

pop < 200k

\$17,296,297

for rural areas with

pop < 5000

Transportation Stimulus for Georgia

To summarize, GDOT has the responsibility to allocate funds to projects for the following funds:

Statewide Any Area	\$624,162,406
Mandatory Enhancements	\$27,947,570
Sub-allocation to MPOs < 200k	\$118,185,897
Sub-allocation to rural areas < 5000	\$17,296,297
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Total	\$787,592,170

Transportation Stimulus for Georgia

Total Transit Spending in GA: \$144 Million

For all categories, funds must be obligated in 180 days, 100% federal share. Capital expenses only.

\$136 Million
to transit systems
and GDOT

\$7 Million
for MARTA /Atlanta for
fixed guideway
modernization

\$111 Million
to Urbanized
Areas by federal
formula

\$26 Million
to Non-urbanized
Areas by GDOT
formula

Transportation Stimulus for Georgia

Transportation Grants: \$12.1 Billion

Nat'l Surface Transportation System - \$1.5 Billion
USDOT discretionary grants, all modes, \$20-\$300 Million, complete in 3 years. Max 20% (\$300 M) to any state. Applications due in 180 days.

Rail - \$9.3 Billion
\$1.3 Billion for Amtrak capital grants. \$8 Billion for USDOT discretionary grants for intercity passenger rail infrastructure. Priority on high-speed rail in designated corridors. Up to 100% federal share.

Airports - \$1.3 Billion
\$1.1 Billion for USDOT discretionary grants to airports. 50% awarded within 120 days of enactment, rest within one year of enactment. Georgia has applied and expects about \$15 Million.

FAA Discretionary Grants

- Georgia commercial service and general aviation airports should receive approximately \$15 million
- Projects are being selected/designated by FAA from a prior candidate list of ready to go projects
- 5-6 projects will likely be selected
- FAA to provide more information and guidance next week
- GDOT will receive funds directly from FAA for the general aviation airport projects; commercial service airports will receive their funds directly from FAA
- Projects must be under contract by June 2009

American Recovery and Reinvestment Act of 2009

Final Funding Provisions

- 100% federal share, no state match funds required
- Federal eligibility and implementation requirements apply
- Requires governor to certify that state will maintain planned state funding from enactment through September 30, 2010
- Governor, mayor or other chief executive must certify and accept responsibility for appropriate use of taxpayer dollars;
- Requires periodic project-by-project reporting on implementation milestones, funding amount and job creation
- *Transparency*

State of Georgia Requirements

- State agencies required to submit ARRA Action Plans to OPB for approval
- Agencies may not enter into any agreements or use any funds until budget approval is received by the Governor
- Governor wants to insure meaningful, measurable outcomes
- Agencies will submit regular reports on progress
- All ARRA funding must be segregated and tracked separately
- Governor has assigned an Accountability Officer, Celeste Osborn, to monitor use of funds

MPO Outreach to Date

- Bi-weekly conference calls hosted by FHWA, with FTA, GDOT and all MPOs since January 28th
- All MPOs provided potential ready-to-go projects and requested to provide feedback on prioritization
- All MPOs notified of FTA funding levels for local transit systems
- MPOs > 200k notified of sub-allocation funding levels
- Once all 2100 local requests are reviewed by GDOT for eligibility, MPOs will be notified of additional eligible projects
- GDOT will host MPO summit to discuss ARRA second week of March

Next Steps:

- Board approval on proposed funding levels for categories
- Update GDOT Action Plan and present recommendations to Governor next week for state budget approval
- Continued outreach and technical assistance to MPOs
- Outreach to stakeholders, legislators, and city and county officials
- Announce details via Web page – www.dot.ga.gov/gastimulus
- Monitor and report on each project's progress and funding on GDOT website and Governor's website

Proposed Fund Distribution

- GDOT's Stimulus Implementation Team includes representatives from FHWA, FTA, ARC, OPB and GRTA
- Team recommends allocation of funds among the following categories:
 - Safety
 - Bridges
 - New capacity
 - Maintenance
 - Enhancement
- Following approval of category funding levels:
 - "Scrub" local project lists to document readiness
 - Prioritizing STIP "shovel ready" eligible projects
- Proposed placeholder of \$60M for PE on projects in the recommended in IT3
- Project selections based on proposed criteria, time of delivery, federal eligibility and available funding

Investment Area	Proposed Percentage +/- 10%	Criteria for Project Prioritization ¹	Estimated Funding Excluding Suballocation to MPOs >200k	Estimated Total Funding	Estimated Total of "Ready to Go" ²
Bridges	10%	All unfunded, ready-to-go Bridges , State Bridge Maintenance Engineer prioritization	\$ 78,000,000.00	Additional distribution to be determined by MPOs>200k Population \$143,993,510	\$87,000,000
Safety	10%	B/C ratio, accident history, IT3 activity centers	\$ 73,000,000.00		\$353,000,000
Local Economic Development		Operational Improvements for new development	\$ 5,000,000.00		
Congestion Relief/Capacity	26%	Delayed in STIP/TIP due to funding, IT3, PPrP scores, B/C ratio (include PE placeholder for IT3 Recommendations)	\$ 209,644,600.00		\$546,000,000
Maintenance	50%	PACES rating, AADT, LARP criteria for local resurfacing requests	\$ 394,000,000.00		\$905,000,000
Interstate Rehabilitation	20%		\$ 157,000,000.00		\$571,000,000
Resurfacing	30%		\$ 237,000,000.00		\$334,000,000
Mandatory Enhancements	4%	TE commitment, Ready-to-go, enhancement eligible ³	\$ 27,947,570.00	\$55,000,000	
Total Georgia Funding	100%		\$ 787,592,170.00	\$ 931,585,680.00	\$1,946,000,000

¹ Other factors that also impact project selection:

- All Projects must be ready to obligate funds within timeline outlined in the ARRA
- Consideration will be given to projects in economically depressed areas as recommended by the ARRA

² Does not yet include the federally eligible, ready to go projects from new local requests.

- GDOT has received 2100 requests from local governments which are under review to determine if shovel-ready and federally eligible.

³ TE Program commitments will be first priority. "Ready to go" enhancements includes enhancement type projects that are not TE commitments.

Note:

- Locally requested projects will fall into all categories above except Interstate Rehabilitation
- Suballocations to MPOs may be used for projects in all categories above
- The chart above describes the proposed percentage allocation of stimulus funding by road and bridge program categories. A variation of 10% in the individual category allocation percentages will be considered, if necessary, to optimize the allocation of funds to priority projects that meet the defined eligibility and timeline requirements in the ARRA law.

Selection of Projects

- Proposed placeholder of \$60M for PE on Managed Lane projects in the Metro Atlanta area as recommended in IT3
- Planning has proposed list of prioritized corridors from HNTB (consultant developing the Managed lane System Plan)
- Will determine amounts needed per corridor and proceed to coordinate with FHWA, ARC and GRTA to determine next steps for getting projects added to the Regional Transportation Plan