Strengthening Vermont’s Economy by Integrating Transportation and Smart Growth Policy

Technical Memorandum #4: Short List of Recommended Alternatives

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Introduction

Based on the discussion at the second Project Stakeholder Group (PSG) meeting held on April 11, 2013 and additional analysis, this technical memorandum refines the initial matrix of alternative strategies into a short list of recommended alternatives. The technical memorandum begins with a brief overview of the study’s key findings to date, and then details the recommended alternatives in the areas of planning, project development, and interagency coordination. Planning, project development, and interagency coordination are the three fundamental ways in which the State of Vermont and VTrans can leverage smart growth policies and programs more to strengthen the state’s economy and support the agency’s vision for a safe, efficient, and multimodal transportation system.

The short list of recommended alternatives represent concrete steps VTrans and its partners can take to help achieve long established transportation and land use goals and outcomes. Accompanying the recommended strategies are implementation actions that address:

- Actions
- Time frame
- Responsibilities
- Funding/Resources

As the analysis of existing conditions concluded in Technical Memorandum #1, Vermont starts from a position of enormous strength in terms of smart growth. The challenge for Vermont, then, is really one of...
maintaining a leadership position and continuing to innovate. Within the limits of this study, the recommended alternatives identify improvements that build on Vermont’s strong track record in smart growth while providing additional tools to help shape future growth across the state for the benefit of citizens and visitors alike.

1. Key Findings to Date

The purpose of this study is to demonstrate how VTrans smart growth policies and programs play a critical role in strengthening the state’s economy and supporting a safe, efficient, and multimodal transportation system, and to recommend ways to improve that connection. Following are four key findings to date that set the stage for the short list of recommended alternative strategies.

1. State statutes establish the underlying smart growth framework for statewide land use goals and state investments.
   - Vermont statute establishes the goal, “to plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.” (24 V.S.A Chapter 117)
   - Vermont statute establishes that all plans required of state agencies and the measures implementing those plans shall be consistent with the state planning goals. (24 V.S.A Chapter 117)
   - Vermont statute establishes the importance of giving “the highest priority to facilitating development” in state designated community revitalization areas (24 V.S.A Chapter 76A). State designated community revitalization areas include the following Department of Housing and Community Development designation programs: Downtowns, Growth Centers, New Town Centers, Vermont Neighborhoods, and Village Centers.

2. Smart growth transportation strategies offer a wide range of transportation, economic, fiscal, community, and environmental benefits, and VTrans has a full set of policies and programs in place to implement smart growth transportation.
- Transportation benefits include increased safety, improved maintenance, more transportation choices, and greater system efficiency.
- Economic and fiscal benefits include stronger urban and village centers, expanded intermodal centers, increased cost effectiveness, and reduced household transportation costs.
- Community and environmental benefits include increased equity across different age groups and income levels, reduced energy use, greenhouse gas emissions, and air pollution, and greater resiliency to natural and man made emergency events.

3. The economic impact of transportation investments has become more local with the completion of major transportation systems such as the interstate, and generally has a limited effect on overall regional growth. Transportation investments do, however, alter regional development patterns and the ability to create vibrant compact communities. This trend places a greater emphasis on the interaction between state transportation spending and regional and local plans, comprehensive performance measures, and interagency coordination.

- Economic development in Vermont focuses on small business, industry clusters, quality of life, and tourism which complements state land use goals and the trend toward more locally oriented, place making transportation investments.
- Through the Transportation Planning Initiative (TPI) process, VTrans and the regional planning commissions have a mechanism in place to support and implement regional and local plans.
- Other state agencies, including the Agency of Commerce and Community Development strategies offer a wide range of community, and environmental
4. VTrans spending reflects a high priority on preserving and maintaining the existing transportation system across all modes – a smart growth “fix-it-first” approach.
- Opportunities to optimize both maintenance and preservation spending and new capital and program investments include best practices in comprehensive performance measures, joint planning initiatives, competitive grant programs, new pricing strategies, and coordinated interagency investments.

Again, the four key findings build on the technical analysis to date and the work of the PSG and its careful consideration of the relationship between smart growth strategies and transportation policies and programs. Taken together, the findings serve as the basis for the short list of recommendations and raise the following important question – Working with its partners, how can VTrans best support state designated community revitalization areas and regional and local plans within the constraints of its overall budget?

**Figure 2. Foundation for State Investments**

<table>
<thead>
<tr>
<th>STATE INVESTMENTS</th>
<th>SMART GROWTH STRATEGIES</th>
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</thead>
<tbody>
<tr>
<td>REGIONAL &amp; LOCAL PLANS</td>
<td>STATE LAWS, POLICIES &amp; GOALS</td>
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</table>
2. Short List of Recommended Alternatives

An overriding theme throughout the study and the Project Stakeholder Group meetings has been the strength of Vermont’s smart growth framework and the desire to make it more effective – in terms of the state’s economy, the environment, and its communities. To achieve the desired improvements, the evaluation of alternative strategies has focused on better ways to coordinate, measure, and incentivize public and private actions consistent with statewide goals, policies, and programs. The basic premise has been that if the performance measures, standards, and guidelines that underpin plans and projects fully complement state and VTrans goals and objectives, then so will the outcomes.

Based on the work completed at the PSG meeting held in April, several alternative strategies surfaced as priorities under the broader headings of planning, project development, and interagency coordination. The following sections discuss the recommended alternatives in each of those areas. In turn, the alternatives shape an approach to the critical question identified in the key findings – Working with its partners, how can VTrans best support state designated community revitalization areas and regional and local plans within the constraints of its overall budget?

Planning

Because VTrans has a full range of existing policies and programs advancing smart growth, from complete streets to access management and many more, a consistent challenge is to make them operational and effective on a regular basis, in a variety of contexts, and at multiple scales. In effect, there is a strong need for an organizing strategy that focuses and directs the various smart growth initiatives beginning in the planning process. From VTrans own work and experience and national best practices, corridor management planning is increasingly viewed as such an organizing strategy.

While traditional transportation systems level planning identifies needs at a high level and subsequent corridor and project planning fleshes out alternatives in response, corridor management planning affords stakeholders the opportunity to take a more comprehensive and long-term perspective on how a transportation corridor functions within a community. Corridor management planning typically includes the following elements:

- Land use
- Economic development
- Multimodal transportation
- Roadway design
- Access management
- Traffic systems management and operations

RECOMMENDATION #1:

Strengthen and expand the VTrans corridor management planning program.

Since 2005, VTrans has pursued corridor management planning in collaboration with regional planning commissions, municipalities, and other stakeholders, and has completed several corridor management
plans. This recommendation seeks to strengthen and expand the agency’s corridor management planning program by introducing new implementation tools and interagency partnerships. Following are specific actions. Table 1 (p. 13) describes the implementation framework for both actions.

a. Review and update the VTrans Corridor Management Handbook based on lessons learned from the current corridor management planning process and to reinforce consistency with smart growth principles and transportation policies, including directing development toward existing communities, supporting pedestrian, bicycle and transit oriented development, and encouraging connected street networks.

b. Develop an interagency competitive planning grant program among VTrans, ACCD, ANR, PSD, VDH, and other interested agencies to undertake integrated corridor management plans and to support implementation of corridor management plan recommendations addressing local transportation systems/street networks, land use policy, land development regulations, impact fees, economic development, water/wastewater systems, energy supply, and public health.

It is important to emphasize that this recommended strategy and the associated actions can play an essential role in identifying and prioritizing smart growth transportation projects in advance of the formal project development process. By stressing the importance of state land use goals and state designated community revitalization areas, corridor management planning can result in preliminary project purpose and need statements that clearly direct development where it is intended.

Project Development

In a more general sense, VTrans helps shape projects that originate from three basic sources: state initiated projects, regional and local transportation needs on the state system, and transportation improvements related to private
can play an essential role in projects in advance of the formal sector development through the Act 250 process and the Section 1111 access permitting process. Each of these types of projects and project development processes offers opportunities for VTrans to increase its support for state designated community revitalization areas and regional and local plans within the constraints of its overall budget.

For proposed public sector improvements (state, regional, and local), key decision points in the project development process are (a) the project’s purpose and need statement, (b) the project scoping study that evaluates alternatives, and finally, (c) project prioritization and selection leading to funding for design and ultimately construction. The first two decision points help define the project while the third stage determines the importance of the project relative to competing needs. The following recommendation and actions identify opportunities to strengthen the connection between smart growth principles and policies at each of these decision points.

**RECOMMENDATION #2:** Revise VTrans guidance and procedures for identifying, defining, and prioritizing projects to incorporate and measure consistency with state land use, economic development, environmental, and community development goals.

Current VTrans project development guidance clearly states that when drafting a purpose and need statement, “It is of critical importance that future planned land uses be understood and the town’s and region’s goals for growth, protection of natural and historic resources, and future transportation facilities be acknowledged.” Similarly, the existing project prioritization factors for different asset classes assign points to regional priorities and, in some cases, downtown designation. In both cases, the opportunity remains to develop the next generation of guidance and procedures that will move project outcomes closer to established state law, policies, and goals. Following are specific
actions for this recommendation. Table 1 (p. 13) again describes the implementation framework for the actions.

a. Review and update VTrans “Project Development Process” guidance on developing purpose and need statements to include consistency with state statutes, policies, and goals, in addition to traditional needs such as safety, capacity, system linkage, and roadway deficiencies. The updated guidance should reinforce the importance of state designated community revitalization areas during the development of purpose and need statements with the public. The guidance should also address multimodal level of service analysis in addition to traditional traffic data and performance measures.

b. Review and update VTrans “Project Development Process” guidance on developing scoping studies with an emphasis on evaluating supply (vehicular capacity) and demand (multimodal, demand management, and land use) solutions, incorporating economic, environmental, and social performance measures consistent with state goals and regional and local plans, and delivering long-term cost effectiveness.

c. Review and update the VTrans “Project Prioritization and Project Selection” methodology to include bonus points for projects within all state designated community revitalization areas and for projects meeting complete street, multimodal, and/or intermodal level of service criteria.

Importantly, the recommended strategy and actions above, from highlighting consistency with state statutes, policies, and goals to including all state designated community revitalization areas in project prioritization, can also help address long standing shortcomings associated with Act 200, the State’s Growth Management Act, by creating an explicit link between the Act’s goals and the key decision points in the project development process.
While the previous strategies and actions focus on the identification and definition of projects, an additional important recommended strategy to include under this heading is the consolidation and update of design standards and guidelines. As noted throughout this study, VTrans has a strong set of smart growth transportation policies in place. This strategy and action recommends consolidating design standards and guidelines to ensure consistency and routine application of the many VTrans smart growth transportation policies.

**RECOMMENDATION #3:** Consolidate and update VTrans design standards to support multimodal objectives.

a. Review and update design standards and guidelines for all transportation modes where necessary to reflect smart growth principles and consolidate into one comprehensive design standards document.

In addition to public sector initiated projects, VTrans plays an important role in the Act 250 land use permit review process covering significant development and subdivisions in Vermont. While “Criterion 5 – Highways and Other Means of Transportation” is the focus of VTrans work relative to Act 250, “Criterion 9(k) – Public Investments” and “Criterion 10 – Local and Regional Plans” also present specific instances where smart growth transportation principles and policies can be reinforced through the evaluation of impacts on transportation facilities and plans.

**RECOMMENDATION #4:** Improve the VTrans review process under Act 250 to encourage development in state designated community revitalization areas and improve consistency with regional and local plans.

Evaluating the impacts of new development on transportation facilities and services falls into two general categories: development generating 75 or more peak hour trips directly accessing the state highway system that require a Traffic Impact Study (TIS) and those generating fewer trips. In either case, “unreasonable congestion” thresholds tend to discourage development.
in compact cities, towns, and villages and encourage it in areas not planned for growth. Similarly, by emphasizing vehicular movement, traffic impact analysis often minimizes multimodal and Transportation Demand Management (TDM) solutions, such as subsidized transit passes and contributions to pedestrian and bicycle infrastructure investments. The following actions would help implement this recommendation. Table 1 (p. 13) describes the implementation framework for the actions.

a. Review and update existing VTrans “Traffic Impact Study” guidelines that clearly define lower Level of Service (LOS) thresholds for state designated community revitalization areas, utilize multimodal trip generation rates, require multimodal analysis meeting the needs of all users, and comply with state access management standards. Redefine a traditional traffic impact study as a “Transportation Impact Study” or other similar name reflecting smart growth and multimodal transportation.
b. Consistent with Criterion 9(k), which requires that development not endanger any public facilities, services, or lands including the public’s enjoyment of lands, enact legislation that manages and/or conserves land at interchanges consistent with state land use goals (similar to Executive Order No. 19-3 [No. 07-01], expired 2010).

Of course, a closely related issue to the types of mitigation identified in traffic impact analysis are the costs of improving public facilities such as roads and water/wastewater systems – a recurring hurdle for development in existing communities. While the current VTrans practice is “one of not participating in the costs for any mitigation measures” of a particular development, interagency capital grant programs and a mobility fee program are two additional tools that can “level the playing field” and support development in state designated growth centers and according to regional and local plans. The following recommended strategy and actions offer two approaches for addressing this issue. Table 1 describes the implementation framework for the actions.

**RECOMMENDATION #5:** Identify new policies and programs to support private sector development in state designated community revitalization areas and consistent with regional and local plans.

a. Integrate the existing Downtown Transportation Fund program into an expanded, interagency transportation and economic and community development capital grant program that targets infrastructure improvements in designated community revitalization areas, including pedestrian, bicycle, and transit facilities, parking, and water/wastewater systems.

b. Implement a fair share cost system for Vermont that ensures land development projects provide an equitable contribution for the transportation infrastructure necessary to accommodate growth and reflect state land use goals.

**Interagency Coordination**

Importantly, the preceding recommendations and actions all involve some level of collaboration and coordination among VTrans and its partners. Again, Table 1 summarizes the implementation strategies, including potential partnerships. One remaining alternative strategy discussed at the second PSG meeting was regularly documenting the smart growth benefits and costs of state policies, programs, and investments. Using the “State of Vermont: Smart Growth Progress Report” (Smart Growth Vermont, 2007) as a departure point, the opportunity now is to develop the next iteration of a smart growth performance monitoring system for the state and VTrans in particular.

**RECOMMENDATION #6:** Document the smart growth benefits and costs of state policies, programs, and investments.

a. Develop a VTrans smart growth performance measure system, including quantitative and qualitative cost effectiveness tools, in collaboration with other state agencies that complements...
there are new opportunities to strengthen the state’s economy.

3. Summary

The short list of recommended alternatives consists of six strategies and eleven actions that VTrans can pursue with its partners and improve its support for state designated growth centers and regional and local plans within the constraints of its overall budget. Indeed, the short list of recommended alternatives focuses almost exclusively on existing policies, programs, processes, and performance measures that underlie the current smart growth transportation framework in Vermont, rather than initiatives requiring new funding or undermining the basic commitment to asset management.

Table 1 (p. 13) summarizes the short list of recommended alternatives and proposed implementation strategies. Beginning with the upcoming fiscal year that starts in July (FY 2014), the implementation framework is based on a three-year time frame. The overall timing of the recommended alternatives and actions reflects the priorities discussed by the Project Stakeholder Group, and identifies anticipated start dates. The PSG emphasized the following two recommended alternatives, in particular:

- **Recommendation #1:** Strengthen and expand the VTrans corridor management planning program.
- **Recommendation #4:** Support improvements to the Act 250 land use permit review process that encourage development in state designated growth centers and improve consistency with regional and local plans.

As VTrans moves forward, it is clear there are new opportunities to strengthen the state’s economy and multimodal transportation through smart growth policies and programs. At the heart of this opportunity, and given Vermont’s long standing commitment to smart growth, is the fundamental question – Working with its partners, how can VTrans best support state designated community revitalization areas and regional and local plans within the constraints of its overall budget?
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<thead>
<tr>
<th>Recommendation</th>
<th>Actions</th>
<th>Time Frame</th>
<th>Lead</th>
<th>Partners</th>
<th>Funding/Resources</th>
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<tr>
<td>#1. Strengthen and expand the VTrans corridor management planning program</td>
<td>a. Review and update the VTrans Corridor Management Handbook</td>
<td>FY 2014</td>
<td>VTrans Policy &amp; Planning</td>
<td>RPC, CCMP0, ACCD</td>
<td>VTrans</td>
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<td>b. Develop an interagency competitive planning grant program among VTrans, ACCD, ANR, PSD, VDH, and other interested agencies</td>
<td>FY 2014</td>
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<td>#2. Revise VTrans guidance and procedures for identifying, defining, and prioritizing projects to incorporate and measure consistency with state land use, economic development, environmental, and community development goals</td>
<td>a. Review and update VTrans “Project Development Process” guidance on developing purpose and need statements to include consistency with state statutes, policies, and goals</td>
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<td>VTrans Program Development</td>
<td>ACCD, ANR, RPC, CCMP0</td>
<td>VTrans</td>
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<td>b. Review and update VTrans “Project Development Process” guidance on developing scoping studies with an emphasis on evaluating supply and demand solutions</td>
<td>FY 2015</td>
<td>VTrans Program Development</td>
<td>ACCD, ANR, RPC, CCMP0</td>
<td>VTrans</td>
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<td>c. Review and update the VTrans “Project Prioritization and Project Selection” methodology to include bonus points for projects within all state designated revitalization areas and for projects meeting complete street, multimodal, and/or intermodal level of service criteria</td>
<td>FY 2016</td>
<td>VTrans Management</td>
<td>ACCD, ANR, RPC, CCMP0</td>
<td>VTrans</td>
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<tr>
<td>#3. Consolidate and update VTrans design standards to support multimodal objectives</td>
<td>a. Review and update design standards and guidelines for all transportation modes where necessary to reflect smart growth principles and consolidate into one comprehensive design standards document.</td>
<td>FY 2015</td>
<td>VTrans Program Development</td>
<td>RPC, CCMP0</td>
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<td>#4. Improve the VTrans review process under Act 250 to encourage development in state designated community revitalization areas and improve consistency with regional and local plans</td>
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<tr>
<td>#6. Document the smart growth benefits and costs of VTrans policies, programs, and investments</td>
<td>a. Develop a VTrans smart growth performance measure system, including quantitative and qualitative cost effectiveness tools, in collaboration with other state agencies</td>
<td>FY 2016</td>
<td>VTrans Policy &amp; Planning</td>
<td>ACCD, ANR, PSD, VDH, RPC, CCMP0</td>
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ACCD — Vermont Agency of Commerce and Community Development; ANR — Vermont Agency of Natural Resources; CCMP0 — Chittenden County MPO; NRB — Vermont Natural Resources Board; PSD — Vermont Public Service Department; RPC — Regional Planning Commissions; VDH — Vermont Department of Health; VTrans — Vermont Agency of Transportation