



# SMART SCALE

*Funding the Right  
Transportation Projects  
in Virginia*

**VACO**

**Kimberly Pryor**

**Infrastructure Investment Director**

**June 15, 2017**



# SMART SCALE

*Funding the Right  
Transportation Projects  
in Virginia*

## Agenda

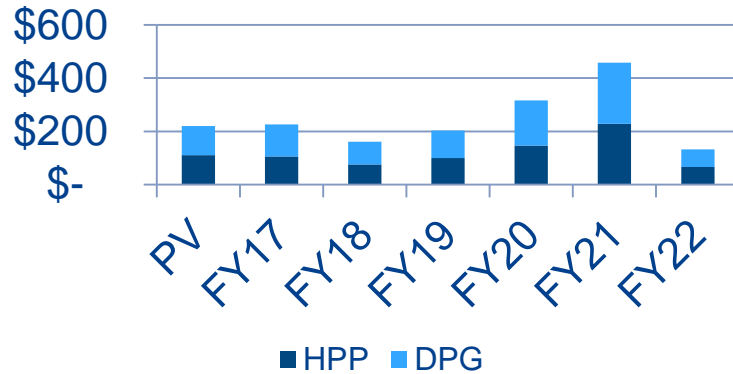
- **SMART SCALE Status**
- **Comparison of Round 1 and Round 2**
- **Looking Ahead to Round 3**
- **Questions**

## SMART SCALE Status

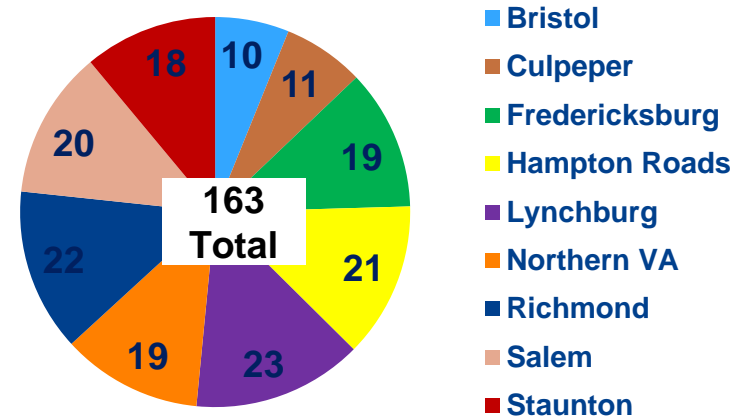
- **Round 1 completed in FY17-22 SYIP**
- **Round 2 underway**
  - **CTB approved “Consensus Scenario” May 17 for Final FY18-23 SYIP development**
- **Round 3 will occur in the update of the FY20-25 SYIP**
  - **Funds available will be in FY24 and FY25**
- **Expect minor policy revisions prior to Round 3**
  - **Will be discussed by CTB June 21**
  - **Proposed revisions can be viewed online at [http://www.ctb.virginia.gov/public\\_meetings/live\\_stream/default.asp](http://www.ctb.virginia.gov/public_meetings/live_stream/default.asp)**

# Round 1 Stats (Selected Projects)

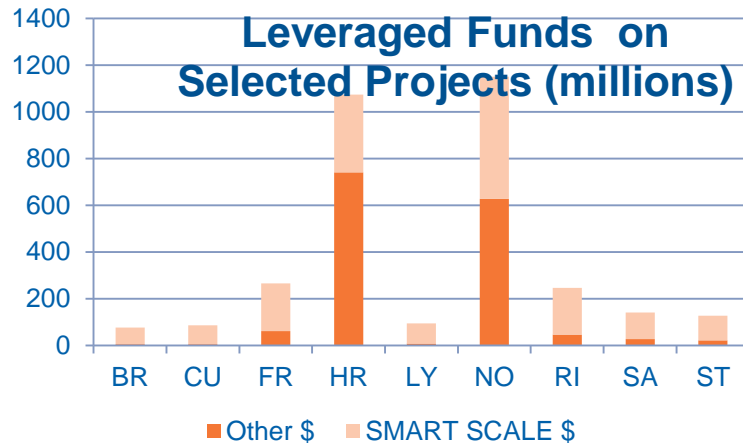
## HPP and DGP Funds



## Number of Projects By District



## Leveraged Funds on Selected Projects (millions)



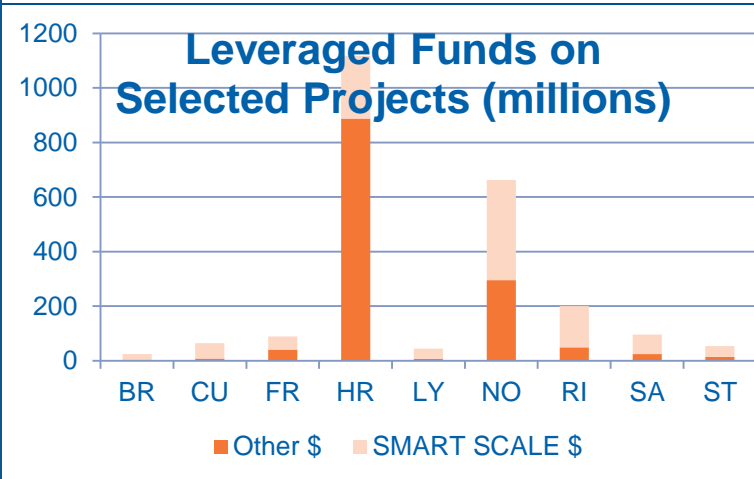
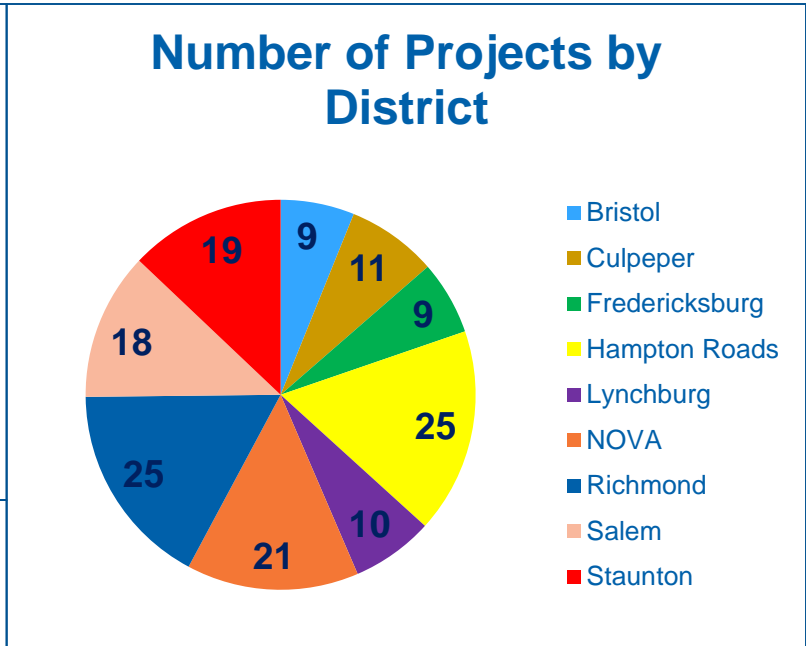
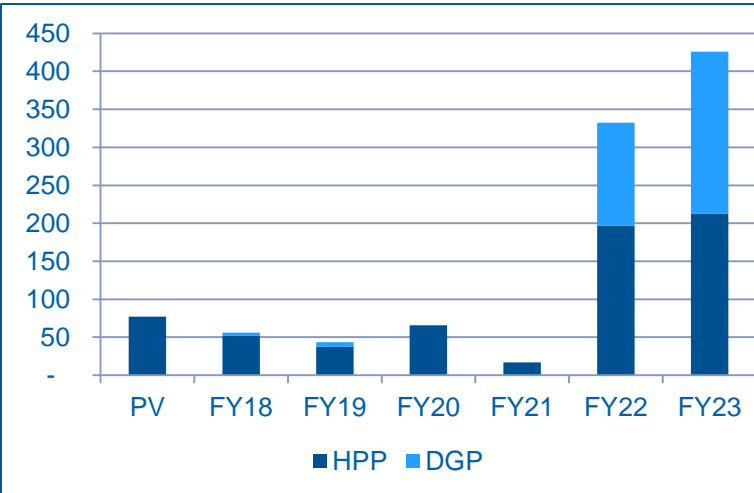
Avg Benefit/  
SMARTSCALE \$

**10.7**

**\$3.3 B**

Total Cost  
all Projects

# Round 2 Stats (Selected Projects)



Avg Benefit/  
SMARTSCALE \$

# 24.01

**\$2.4 B**

Total Cost all  
Projects



# Round 1 & 2 Comparison (Selected Projects)


	Round 1	Round 2
Number Submitted	321	436
Number Scored	287	404
Number Selected	163	147
Average Benefit	3.36	7.13
Average Score	10.72	24.01
Average SMART SCALE \$	\$10.5 million	\$7.0 million
Average Total \$	\$12.2 million	\$16.0 million
Total \$	\$3.3 billion	\$2.4 billion
SMART SCALE \$	1.7 billion	\$1.0 billion





# SMART SCALE

*Funding the Right Transportation Projects in Virginia*

# Increased Transparency



## PROJECT SCORECARD

App ID: 674

Ballston-MU Metrorail Station West Entrance

Project constructs second entrance to Ballston-MU station.

Project Location.....Arlington County

SMART SCALE Area Type.....A

Submitting Entity.....Arlington County

Preliminary Engineering.....Underway

Right of Way.....Underway

Construction.....Not Started

Expenditures to Date.....N/A


Key Fund Sources.....N/A

Administered By.....Locality

Eligible Funding Program(s).....District Grant

VTrans Need.....NOVA Regional Network

[\(Click for Details\)](#)



<b>2.2</b>	#67 OF 287 STATEWIDE	SMART SCALE Requested Funds.....\$10,200,000
	#10 OF 37 DISTRICT WIDE	Total Project Cost.....\$20,000,000
		Project Benefit.....2.2
		Project Benefit/Total Cost.....1.1

Factor	Congestion Mitigation		Safety		Accessibility			Economic Development			Environment		Land Use
Measure	Person Throughput	Person Hours of Delay	Number of Fatal and Injury Crashes	Rate of Fatal and Injury Crashes	Access to Jobs	Access to Jobs for Disadvantaged populations	Access to Multimodal Choices	Project Support for Economic Development	Intermodal Access and Efficiency	Travel Time Reliability	Air Quality and Environmental Effect	Impact to Natural and Cultural Resources	Transportation-Efficient Land Use
Measure Value	12.5	4.5	0.4	29.1	1,815	392	70	5.5	41,097	0.6	18.1	0.0	82
Normalized Measure Value (0-100)	1.4	0.8	6.9	1.2	0.2	0.2	0.2	2.1	2.8	3.8	0.1	0.4	6.9
Measure Weight (% of Factor)	50%	50%	50%	50%	60%	20%	20%	60%	20%	20%	50%	50%	100%
Factor Value	1.1		4.1		0.2			2.6			0.3		6.9
Factor Weight (% of Project Score)	45%		5%		15%			5%			10%		20%
Weighted Factor Value	0.5		0.2		0.0			0.1			0.0		1.4
Project Benefit	2.2												
SMART SCALE Cost	\$10,200,000												
SMART SCALE Score (Project Benefit/SMART SCALE Cost)	2.2												

Virginia.gov Agencies | Governor

Search Virginia.Gov



ON TIME



114 of 165



2 of 2

DEVELOPMENT



158 of 165



2 of 2

DELIVERY

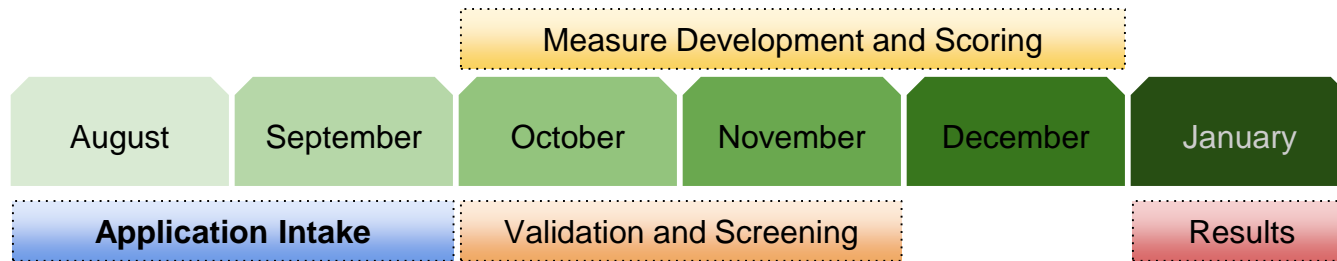
Project Map

ON BUDGET

Program Overview

Program Details

# Looking Ahead to Round 3

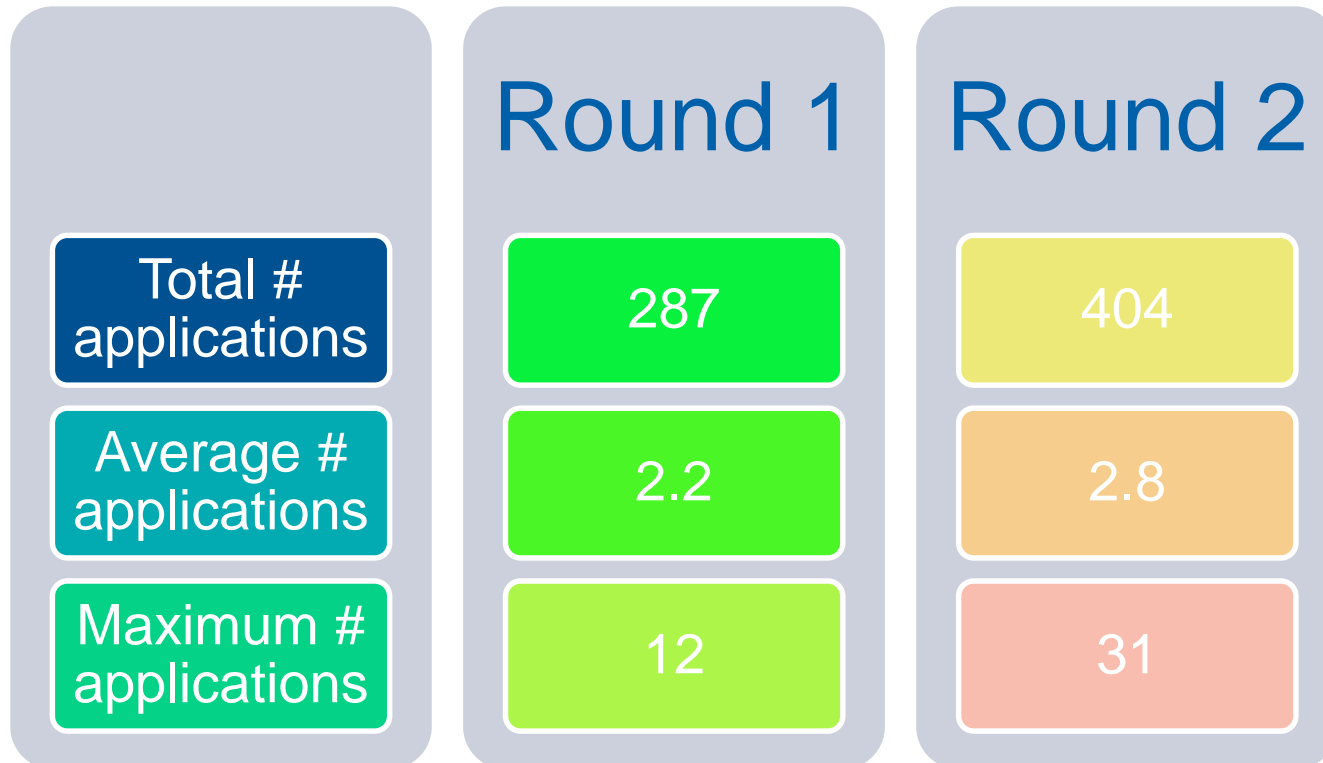


- **Schedule**
  - Current 2-month application intake period
    - Limited time to work with applicants to refine scopes of work to maximize chances for success
    - Wasted time fully completing applications for projects that do not meet a need or which are not eligible
    - Due to limited application intake period, most of the validation and screening occurs post-submission
    - Extended intake period would allow more time to coordinate with applicants to refine projects and ensure projects are eligible and meet a VTrans need
  - 3-month measure development and scoring period
    - Volume of applications and complexity of analysis make this a challenge
    - Measure development can be interdependent – e.g., Access to Jobs cannot be calculated until congestion analysis is complete



# Looking Ahead to Round 3

- Number of Applications
  - 41% increase in the number of applications submitted for Round 2
  - 27% increase in the average number of applications per entity
  - 158% increase in the maximum number of applications from one entity



# Looking Ahead to Round 3

- Perceived Low-Cost Bias
  - “Smaller projects appear to have a better chance of getting funded regardless of their benefit”

	Total \$ <\$5M	Total \$ <\$5M & Benefit >1	Total \$> \$5M & SMART SCALE \$<\$5M	Total \$>\$5M & SMART SCALE \$<\$5M & Benefit>1
SYIP*	80%	NA	NA	NA
Round 1**	53%	72%	88%	79%
Round 2**	63%	74%	77%	100%

\*Analysis excludes projects that would not otherwise be eligible for SMART SCALE

\*\* Analysis includes projects selected for funding

## Looking Ahead to Round 3

- Perceived Low-Cost Bias – Conclusions
  - The majority of projects selected for funding have a total cost less than \$5M
  - Low cost projects are under represented in SMART SCALE when compared to the composition of the historical SYIP
  - Unlike the historical SYIP, SMART SCALE provides a benefit measure for projects
  - The overwhelming majority of projects selected for funding, regardless of Total Cost, have a Benefit Score greater than 1
  - Benefit has a greater impact than Total Cost in determining which projects are selected for HPP funding
  - SMART SCALE request has more of an impact on whether a project is selected for funding than the Total Cost

## Looking Ahead to Round 3

- Readiness
  - Projects were submitted that lack a minimum level of planning and supporting documentation
  - No requirement for public support
- Eligibility
  - Projects were submitted that are primarily asset replacement projects
  - Clarification is needed regarding replacement of other funds with SMART SCALE funds
- Alternative Weighting Scenarios
- Measure Enhancements

# Things to Remember about SMART SCALE Projects

- Projects must be initiated within one year of the first year of allocation
- Changes to the SMART SCALE request may trigger a re-score
  - All funds for Round 1 were allocated
  - Limited DGP funds remain unprogrammed for Round 2
- Changes to the scope may trigger a re-evaluation
  - Cost associated with increased scope are the responsibility of the applicant
  - Scope may not be modified if the original benefits will no longer be realized
  - Cannot submit the same project with a revised scope unless the previously selected project has been cancelled
  - Projects selected for funding may only be cancelled by action of the CTB
- Applicants cannot reapply for additional funds for the same project to cover cost increases or replace other committed funds
- A new project meeting the same need in the same location as a previously selected project cannot be submitted for two rounds after construction completion