Infrastructure is the foundation of America’s society and economy. Yet not all projects are worthwhile. Unfortunately, federal transportation policy fails to hold states accountable for their investment decisions. As a result, good projects often sit on the shelf while costly, unproductive projects move forward. The Better Build series profiles projects that remain unbuilt due to a lack of funding or a state’s prioritization of unproductive projects.

Federal surface transportation policy lacks accountability. Each year, states receive federal highway funding based on formulas set in law, which reflect political negotiations as opposed to objective measures of need or return on investment. This means that states are not required to demonstrate the social, environmental, or economic value of their projects. Federal funds operate as a largely unrestricted block grant, provided states meet certain procedural and design requirements. As a result, states often prioritize projects that fail to provide clear benefits at the expense of more cost-effective alternatives that advance national transportation policy objectives.

Take, for example, the issue of transportation safety. Congress has declared that one of the top goals of federal transportation policy is to “achieve a significant reduction in traffic fatalities and serious injuries on all public roads”—an important goal worthy of attention and investment.1 Enter the Orlando, Florida, metropolitan region, which consistently ranks as the most dangerous region in the country for pedestrians and cyclists.2 From 2003 to 2012, 583 pedestrians died in the Orlando area.3 And while other regions have more total fatalities—after controlling for factors such as population size and the extent to which residents rely on walking and cycling to get around—Orlando is the most dangerous region in the United States.4 In 2011, there were a total of 729 auto accidents involving pedestrians and cyclists, resulting in 53 fatalities and 118 serious injuries.5 This translates to an average of one pedestrian killed every week and two significant injuries every day.

1. Center for American Progress | Complete Streets: Orlando, Florida
Complete streets to save lives

Fortunately, regional officials and planners have taken this sobering fact to heart. In 2013, Orange County, Florida, which contains the City of Orlando, partnered with six other local governments and the Florida Department of Transportation, or FDOT, to submit an application to the U.S. Department of Transportation, or USDOT, for $10 million in grant funding for a program of 163 pedestrian safety projects spread throughout the region. The application was named the Central Florida Regional Pedestrian Safety Program.

Taken together, the projects proposed by Orange County fall under the banner of complete streets. A complete street is one that is designed to safely accommodate users of all ages and ability levels—including drivers, pedestrians, bicyclists, and transit riders. The Orange County application included improvements such as additional sidewalks, audible pedestrian signals, bike lanes, midblock pedestrian refuge islands, intersection safety elements, and curbs that are compliant with the Americans with Disabilities Act, or ADA, among other upgrades.

Orange County submitted the application to the Transportation Investment Generating Economic Recovery, or TIGER, program, which was established in 2009 to provide funding for surface transportation projects on a competitive basis. Relative to the rest of the surface transportation funding that USDOT provides, the TIGER program is small.
On average, the TIGER program allocates only $500 million per year. By comparison, USDOT distributes more than $47 billion each year to states and transit service providers for highway and transit projects through formulas set by law. In short, state departments of transportation retain almost exclusive discretion over project selection decisions.

Another way to say this is that if a state does not prioritize—or gives a very low priority—to a project, that project has almost no chance of being built. If local governments want to pursue a project or a program of related projects in the absence of significant state support, they must either raise all of the funds locally or apply to the TIGER program. Orange County and the other local governments chose to apply to the TIGER program to begin to address the dangerous conditions in their region.

The truth is that the vast majority of roadways, including those in the Orlando region, are designed to maximize vehicle speeds at the expense of other users. The Orange County TIGER application spells out the issue clearly:

Central Florida’s rapid growth, distributed population centers, suburban context, roadway characteristics, and under-resourced communities have contributed to a regional need for pedestrian safety solutions to improve livability and accessibility.

What Orange County rather blandly describes as “roadway characteristics” is a euphemism for a regional network that prioritizes cars that move at high speeds over other system uses. The 163 projects bundled together in the county’s application would begin to provide greater access and balance. Moreover, they would provide an enormous positive return on investment. Based on an economic analysis by Orange County that used standard value of life, cost of injuries, and cost of lost productivity estimates, the program of projects yielded a net present value of more than $108 million compared with a total cost of $21.6 million. This result translates to a benefit-to-cost ratio of more than five to one.

Unfortunately, due to the incredible popularity of the TIGER program, USDOT did not select Orange County’s application for funding. Since its inception, TIGER has received more than 6,000 applications totaling $124 billion—yet it has only been able to provide $4.1 billion in grants. Thus, demand outstrips available resources by a ratio of 30 to 1.

In response, MetroPlan Orlando, which is the metropolitan planning organization for the region, incorporated a few of the projects included in the TIGER application into its plans. Had Orange County’s application been chosen, the program of 163 projects would have been completed by 2015. Currently, the region has added a few of the projects from the TIGER application into its five-year transportation improvement program. These projects’ completion, however, is uncertain as needs outstrip available resources, and other projects may arise over time that take a higher priority.
Chasing white elephants

A deeper look at the Florida Department of Transportation’s budget reveals that the pedestrian safety projects in the Orlando region remain unbuilt because they are simply not a high priority. In fact, the state has more than enough resources. In fiscal year 2014, the most recent year for which complete data are available, the state of Florida received more than $1.8 billion in highway funding from the U.S. Department of Transportation. When combined with state transportation revenues, FDOT’s highway construction budget for the same period rises to $4.7 billion. Of this total, only $136 million was set aside for projects specifically dedicated to improving safety—an amount equal to just 2.8 percent of FDOT’s highway construction budget.

This number comes into even sharper relief when compared with federal safety funds. The money distributed to FDOT by USDOT is broken into program categories. One of those categories is safety. From the FY 2014 total of $1.8 billion, $111 million is earmarked for safety projects. Thus, FDOT added just $25 million to what the federal government already required the state spend on dedicated safety projects.

In the place of high-value projects such as the complete streets program in Orlando, FDOT all too often spends large sums of money on major highway projects with little or no economic, social, or environmental value. Take, for example, the Gulf Coast Parkway and West Bay Parkway, which are two major highway projects in the Panama City region that are deep in the planning stages. The Center for American Progress has previously detailed these two projects as part of its White Elephant Watch series.

Taken together, they have a total estimated cost of $986 million—an amount 45 times greater than the complete streets program. Both parkway projects are located within the Panama City metropolitan region, which has had a largely stable population for the past 15 years. Moreover, the bigger picture around driving trends points to less driving, not more. In fact, total driving in Florida has actually declined slightly in recent years. From 2004 to 2013, the most recent year for which data are available, total driving in Florida fell by 1.7 percent, even as the state added more than 2.4 million people.

The Gulf Coast Parkway is slated to extend through an area that is so desolate there are “no northbound paved roads.” A preliminary traffic study actually showed that even if the state spent $420 million to build the project, it would still be three minutes quicker for drivers to take the existing U.S. Route 98 to reach their destination.

On the other side of town, the West Bay Parkway would fail to provide meaningful congestion relief for U.S. Route 98 as it passes through the Panama City Beach community. The project is projected to cost $566 million—a lot of money for little overall improvement in roadway performance. To put this cost in perspective, FDOT could purchase 1,415 standard city buses for the cost the parkway, which would provide substantially
more congestion relief on the west side.\textsuperscript{25} By comparison, the Washington Metropolitan Area Transit Authority, which serves more than 5 million people in the Washington, D.C., region, has a bus fleet of 1,515.\textsuperscript{26} In effect, Panama City could have a bus fleet equal to a region that is more than 100 times its size.

Yet because projects such as the Gulf Coast and West Bay Parkways draw such a large share of transportation funding, local leaders in the Orlando region have been forced to shake their tin cup in Washington with the hope of securing funding from an incredibly oversubscribed competitive national program.

Conclusion

The inability of MetroPlan Orlando to advance a program of complete streets safety projects is a powerful reminder that a larger share of federal funds should be distributed on a competitive basis and that states must be held accountable for advancing national policy objectives.

Unfortunately, under current federal policy, unproductive, large-scale highway projects such as the Gulf Coast and West Bay Parkways may move forward at the expense of projects that promote national priorities such as improved safety. In the future, states should be required to demonstrate not only how their projects will deliver economic, social, and environmental benefits, but also that their choices are the most cost-effective. The time has come to reform transportation policy to hold states accountable for how they spend federal funds.

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Endnotes


3 Ibid.

4 Ibid.


6 Ibid.


9 Ibid.


12 Ibid.


14 Result is based on author’s calculation from U.S. Department of Transportation, “About TIGER Grants.”

15 Personal communication with Brian Sanders, chief of planning, Orange County Transportation Planning Division, December 4, 2015.


18 Defining what constitutes a safety project is not completely straightforward. Oftentimes, roadway reconstruction and expansion projects will include design changes that improve overall safety. For instance, a highway with a tight curve or a steep climb might become a bit straighter or less steep, which can reduce the frequency or severity of accidents. In these cases, safety is a type of secondary co-benefit, though often not the primary factor driving the project. By comparison, projects labeled as safety improvements have safety as their primary purpose. Result is based on author’s calculation from Florida Department of Transportation, “Program and Resource Plan Fiscal Years 2014/15 through 2019/20.”


23 Ibid.

