

# Funding, Finance, and Regulation Working Group Meeting

November 29, 2017

A recording of this meeting is available upon request.

#### Welcome and Introduction

FHWA stated that the purpose of the working group is to develop implementation strategies for various Funding, Finance, and Regulation initiatives that are identified through these meetings. These strategies should include actions needed and next steps. The group should take ownership of the solutions and actions necessary to implement the initiatives.

## Previously-Identified Working Group Priorities

FHWA provided background on the working groups, including that they derived from opportunity areas that were identified in the 2015-2016 <u>National Coalition on Truck Parking Activity Report</u>. The working groups are focused on parking capacity; technology and data; innovative funding options; and State, local, and regional government coordination. This webinar was focused on parking capacity.

States are faced with increasing costs to maintain the transportation system and funding has not kept pace with increased costs of construction. Therefore the intent of this group is to identify innovative ways to fund truck parking that can be an alternative to, or leverage limited Federal-aid funding. Several innovative ideas for funding truck parking were identified:

- Explore dedicated funds from existing sources.
  - Existing funds could be dedicated to rest area capital improvements and maintenance. One option would be to set aside specific funding for truck parking, similar to the Heavy Vehicle Use tax. Another model to emulate is the EPA's leaking underground storage tank fund. Some States allow additional sales taxes to be levied, which could be dedicated to developing new truck stop facilities.
- Use public-private partnerships for new parking capacity.
  - One such example is when the State Department of Transportation (DOT) enters into an agreement with a private truck stop for maintenance of a State-owned truck parking facility adjacent to the private facility.
- Investigate "industrial park co-operatives" or industrial tax districts for pooled parking.
  - Large industrial sites could pool their funds to develop common truck parking. Local municipalities could also look at setting up special assessment districts for industrial areas to

build truck parking or changing zoning requirements to require truck parking in conjunction with major freight generating land uses.

- Use truck parking fees as revenue source for private and public parking.
   Fees could come from a reservation system.
- Provide tax incentives for the private sector to build new parking capacity.
- Document best practices used by DOTs to fund maintenance/operations of rest areas.
   Something commonly done is rest area sponsorships.
- Provide a guidebook on capital and operating costs of truck parking
   The guidebook would provide realistic costs for building and operating truck parking facilities.

### New Suggestions for Priorities

FHWA then asked Working Group members to share any additional ideas they might have. The discussion was as follows:

"Regulations" should be construed to include State and local idling limits, some of which are in federal Clean Air Act implementation plans: <a href="http://atri-online.org/wp-content/uploads/2017/02/2017-ATRI-IdlingCompendium-Jan.pdf">http://atri-online.org/wp-content/uploads/2017/02/2017-ATRI-IdlingCompendium-Jan.pdf</a>. Changes over time in these regulations, other than proliferation of regulations, include no exemption within range of truck stop electrification (TSE), and exemptions for auxiliary power units (APUs). Diesel Emissions Reduction Program (DERA) and Volkswagen (DERA option) can underwrite the cost of TSE.

We should consider regionally-funded truck parking, particularly in rural areas that have a regional planning organization. Those groups usually have the ability to make or find new funding sources that we don't think of. One example we've found is the seven county County Transit Improvement Board (CTIP), a joint authority to levy taxes or provide investments.

The idea of a tax incentive would go a long way.

Maybe charge commercial vehicles a carbon fee, which could be used to fund truck parking.

Maybe we could pursue using Congestion Mitigation and Air Quality Improvement program (CMAQ) to fund truck modification to reduce idling and install charging stations. We could also look at changing regulations to allow for commercialization of government rest areas, to provide additional revenue for parking

Encourage States to alert the private sector that they can take over rest areas the State has needed to close due to expense. States such as Virginia have allowed private sponsorships.

Maybe we could research non-profits that have expressed interest in operating and maintaining rest stops.

Federal policy could urge 1) truck parking area compliance, to the extent feasible, with State/local idling regulations; 2) making TSE available for good-neighbor, air quality, driver health, and cargo stability reasons, especially in urbanized locations and locations with temperature extremes; 3) marking no-idle

parking (for use with onboard IR equipment, or none) for same reasons (except cargo). Siting may be challenging in populous areas without including TSE or idle-free parking. Parking finder and reservation apps should be able to incorporate TSE and Idle-free spaces.

Perhaps public-private partnerships (P3s) are more appropriate for technology, signage, communications, etc. rather than regulations. For funding/financing it does seem like public subsidies for private facility expansion is most relevant.

FHWA introduced Tiffany Wlazlowski-Neuman as the Working Group champion.

The top priority areas identified:

- 1. Use public-private partnerships for new parking
- 2. Explore dedicated funds from existing sources.
- 3. Provide a guidebook on capital and operating costs of truck parking
- 4. CMAQ Funding

# Ideas for Implementation

- 1. Use public-private partnerships for new parking
- The group should try to figure out a way to incorporate tax incentives into public-private partnerships.
- One example of public-private partnerships is the State building additional parking next to the
  private truck stop and the truck stop providing site control and maintenance.
- 2. Explore dedicated funds from existing sources.
- It would helpful to know how much money States have spent on parking-related projects.
- It would be possible to look at FHWA's Financial Management Information System (FMIS) financial database to see what States are using federal funds to construct truck parking. Would need to look at all of the Statewide Transportation Improvement Programs (STIPs).
- FHWA could work with State DOTs to encourage the States' lead agencies for the Volkswagen settlement to allow award of funds to private parking facility operators to incorporate TSE—that's a form of P3, and could make the facility more palatable.
- 3. Provide a guidebook on capital and operating costs of truck parking
- The group could conduct interviews with truck stop operators as a source of additional, information for the guidebook. The guidebook should also include information like quantities of pavement necessary for truck parking relative to automobile parking, cost for lighting and other amenities, budgeting for local zoning approvals and permitting, ongoing maintenance costs, etc.
- AASHTO might be a good place to start asking those questions, since they're a collector of
  national issues that affect State DOTs. So rather than contacting individual States for
  information, AASHTO may be able to provide the information or engage in outreach.

#### 4. CMAQ Funding

• The CMAQ funding could be used for a narrow range of projects related to truck parking electrification and reducing truck idling.

• (In the chat pod) Abby Swaine: The "DERA Option" for spending Volkswagen funds, and DERA funds themselves, can both underwrite the cost of TSE, and is not limited to nonattainment areas.

## **Next Steps**

- Contact the National Association of Truck Stop Owners (NATSO) to gather information on capital and operating costs of truck parking, and note the difference in spending between States and the private sector.
- It would be helpful to document successful examples of where States, regions or local jurisdictions have supported enhancements or expansions to private facilities (e.g. Weed, CA or Elmira, NY). Other information to document would be sources of funds.
- The next meeting of the Working Group will be the week of February 5th. Read-ahead materials will be provided.