

Pinellas Park, Florida, October 18, 2010

The Pinellas County Transportation Task Force met on October 18, 2010 at 1:33 P.M. at the Tampa Bay Regional Planning Council, Suite 100, 4000 Gateway Centre Boulevard, Pinellas Park, Florida, with the following participants present:

Karen Williams Seel, Chairman, Pinellas County Commissioner (BCC and MPO)
Niel Allen, Realtor, Century 21 Coast to Coast Realty
Alan Bomstein, President and CEO, Creative Contractors
Mark Carlson, Senior Vice-President of Investments, Merrill Lynch
Jeff Danner, City of St. Petersburg Councilmember (PSTA and MPO)
Vincent Dolan, President and CEO, Progress Energy Florida
Ben Godwin, Senior Vice-President of Real Estate and Corporate Services, Tech Data Corporation
Cathy Harrelson, Conservation and Coastal Task Force Chair, Suncoast Sierra Club
Stephan Heimburg, PE, The Heimburg Group, Inc.
Frank Hibbard, City of Clearwater Mayor, TBARTA Vice-Chair (MPO)
R. B. Johnson, City of Indian Rocks Beach Mayor, PSTA Chair
Helen Levine, Regional Vice-Chancellor of External Affairs, USF St. Petersburg
Dan Mann, Lighthouse of Pinellas
Peggy O'Shea, School Board Member
Robert Pergolizzi, Principal, Gulf Coast Consulting
Ed Smolik, Security Director, Mease Dunedin and Countryside Hospitals (alternate for Lou Galdieri)
Ted Williamson, Founding Partner, Williamson Dacar Associates

Late Arrival

Tim Bogott, CEO, Tradewinds Resort

Not Present

Joe DeLuca, Vice-President, Times Publishing Company, Tampa Bay Partnership Board
Ronnie Duncan, TBARTA Chair
Lou Galdieri, COO, Mease Dunedin and Countryside Hospitals
Dan Hester, President and CEO of Special Asset Department, Florida Capital Bank
Judy Mitchell, President, Peter R. Brown Construction, Inc.
Craig Sher, Executive Chairman, Sembler Company
Stan Vittetoe, Vice-President of Workforce and Continuing Education and St. Petersburg College Clearwater Campus Provost
Kenneth T. Welch, Pinellas County Commissioner (PSTA and MPO)

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Also Present

Tim Garling, Executive Director, PSTA

Denise Skinner, Interim Director, PSTA

Brian K. Smith, Executive Director, MPO

John Woodruff, Director, Pinellas County Office of Management and Budget

Other interested individuals

Arlene L. Smitke, Deputy Clerk

AGENDA

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| I. | Welcome/Introductions | Karen Seel |
| II. | Approval of Minutes | |
| III. | Citizens to be Heard | |
| IV. | Update - Presentations to Cities and Chambers | Karen Seel |
| V. | Revenue Sources | |
| | General | John Woodruff, Director, Pinellas County
Office of Management and Budget |
| | Tax Increment Financing | Brian Smith, Executive Director,
Metropolitan Planning Organization |
| VI. | Unfunded Transportation Needs | |
| | Mode Priorities | Brian Smith, Executive Director,
Metropolitan Planning Organization |
| | Transit Network | Tim Garling, Executive Director, PSTA;
Denise Skinner, Interim Executive Director,
PSTA |
| VII. | Discussion | |
| VIII. | Adjourn | |

Next Transportation Task Force Meeting
November 15, 2010, 1:30 to 5:00 p.m.
Epicenter Collaborative Labs
13805 58th Street North, Largo

WELCOME/INTRODUCTIONS

Chairman Seel called the meeting to order at 1:33 P.M. and welcomed the attendees. A sign-in sheet has been filed and made a part of the record.

MINUTES OF THE SEPTEMBER 20, 2010 MEETING – APPROVED

Upon presentation by Chairman Seel of the minutes of the September 20, 2010, Transportation Task Force meeting, Mayor Hibbard moved, seconded by Councilmember Danner and carried, that the minutes be approved as submitted.

CITIZENS TO BE HEARD – NONE

Chairman Seel indicated that previous agendas have not included the opportunity for citizen input because all presentations have been educational in nature.

UPDATE: PRESENTATIONS TO CITIES AND CHAMBERS

Chairman Seel related that the Transportation Task Force members had completed their presentations to the cities and Chambers of Commerce; that the jurisdictions and Chamber members were asked to rate their transportation priorities using a 100-point scale; and that the responses are presented in the table titled *Pinellas Transportation Task Force - Project Priority Checklist Responses*, a copy of which has been filed and made a part of the record; whereupon, the members provided an update of their activities, as follows:

- Mr. Pergolizzi reported that he had met with the City of Seminole; and that questions included whether Disney would be providing funding and possible effects of the passage of Amendment 4.
- Mayor Johnson indicated that the City of St. Pete Beach representatives were very interested in the presentation; that questions centered around the status of high-speed rail and a connection across the bay; and that he had emphasized plans for connectivity between high-speed trains going into Tampa and Pinellas County destinations, including the beach communities.

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- Mayor Hibbard related that he had made a presentation in Belleair Bluffs, where questions included how connections would be made, where the stops would be, how their community would fit into the plan, and system costs.
- Councilmember Danner reported that he had met with representatives of South Pasadena, who had inquired about Central Avenue bus rapid transit (BRT) between downtown St. Petersburg and St. Pete Beach.
- Ms. O'Shea indicated that she had made an informal presentation to the Palm Harbor Chamber of Commerce and had been invited to speak at a Rotary Club function; that she had received questions similar to those reported by the other members; and that she believes the public is just beginning to understand the difference between the concepts of high-speed rail and the local transportation connection. She noted that she has not been able to make a presentation to the Council of North County Neighborhoods due to their meeting schedule, but many of their members have attended presentations made to other groups.
- Ms. Harrelson related that City of Gulfport representatives were generally in favor of the concept, but had questioned how their community would benefit from the proposed bus connections; and that they are working on the priority survey.

Thereupon, Chairman Seel reviewed the project priority scores received to date for the categories of Light Rail, Transit Bus, Roads/Intersections, Sidewalks, and Trails; and indicated that more responses are likely to be received.

REVENUE SOURCES

General

Referring to a PowerPoint presentation, a copy of which has been filed and made a part of the record, Pinellas County Office of Management and Budget Director John E. Woodruff reviewed various aspects of the following funding options. (Mr. Bogott entered the meeting during the presentation at 1:51 P.M.)

Charter County and Regional Transportation System Sales Tax
Pinellas Suncoast Transit Authority (PSTA) Ad Valorem Millage

Tax Increment Financing District (TIF)
Special Assessment District
Local Option Gas Taxes (LOGT)

In conclusion, Mr. Woodruff reviewed a summary table, noting the advantages and challenges associated with each option.

Discussion ensued wherein Mr. Woodruff responded to queries by the members, with input by Chairman Seel and MPO Executive Director Brian K. Smith, as follows:

- Under the TIF concept, the property owner would continue to pay the full amount of tax on the property, but the incremental property tax value over the base amount would be diverted for a particular purpose.
- A special assessment may not be subject to a cap; however, different methodologies must be considered to determine the amount of money that must be raised, without generating an excess; and the reasonableness of charging that amount must also be considered.
- Current Penny for Pinellas sales tax revenue amounts to approximately \$120 million annually. There is no reliable methodology available to project sales tax revenue over a 25-year period. Mr. Woodruff indicated that it was his recollection that the initial projections were based on a multiplier of three-percent annually, and Chairman Seel concurred, noting that, in the current economic environment, any projections must be very conservative.
- It would make sense to utilize multiple funding sources, some of which are more variable than others.
- Commissioner Seel related that certain property owners in Orlando were given a special assessment for a highway overpass; that a TIF was put in place; and that property values had grown enough to offset the assessment.
- Establishment of a TIF would have a negative impact on County and City budgets, limiting them to a depressed revenue base.
- The County Commissioners have been reluctant to join surrounding counties in increasing the gas tax due to adverse public outcry received during public

forums several years ago and given the relatively small amount of income that would be received versus the amount gained by renewal of the Penny for Pinellas.

- Current gas tax revenue has gone into the Transportation Trust Fund which has been used for small capital improvements, but has primarily been utilized for roadway maintenance.
- Depending on the funding source, certain restrictions exist on the use of income for capital versus operating expenses. The Transportation System Sales Tax would not be restricted, but the additional five cents of LOGT could only be used for capital expenses.

Tax Increment Financing

Referring to the PowerPoint presentation, Mr. Smith related that a study had been conducted to evaluate the viability of using Tax Increment Financing as a funding mechanism to support light rail transit in Pinellas County; that the study included a review of rail systems developed throughout the country; and that the most useful information relates to the Dallas Area Rapid Transit light rail system, which includes 23 transit stations outside the Central Business District.

Mr. Smith indicated that the study was based upon the corridor and station locations identified in the MPO's 2035 Long Range Transportation Plan; whereupon, he reviewed the study methodology and results, noting that implementation of a TIF would generate an estimated \$3 million over the entire first five years of system operations; that TIF is already in use in three city Community Redevelopment Areas (CRAs) within the corridor; that the net tax increment increase to the County is estimated at \$1.8 million over the five-year period; and that, as noted earlier, the revenue generated through use of TIF is not "new money," as it would be moved out of the County budget over to the taxing authority for the TIF.

In response to query by Chairman Seel, Mr. Smith related that the study was based on a quarter-mile radius from each of the proposed station locations as shown on the MPO corridor map; whereupon, Mayor Hibbard indicated that the Alternatives Analysis is ongoing; that it is still uncertain where the corridor and station locations will be; and that there must be a balance between the number of station locations and the time it takes to travel throughout the corridor to a given destination. Mr. Smith noted that all locations and projections are merely

hypothetical, and Mayor Johnson indicated that all materials are public documents and should be marked “hypothetical” to prevent misinterpretation of their intent.

During continued discussion, Mayor Hibbard noted that most of the larger cities have CRAs in place; and that the City of Clearwater has already allocated its TIF revenue for specific projects to raise its tax base; whereupon, he related his experiences as Finance Chair for the Tampa Bay Area Regional Transportation Authority, predicting that the Task Force would ultimately seek funding through the millage and the one-cent sales tax. Responding to queries by the members, Chairman Seel indicated that the \$5,000 value cap for the sales tax is set by state law; that she is unsure whether Hillsborough County contemplated the use of TIF prior to moving forward with a sales tax referendum; and that the PSTA Funding Subcommittee had discussed the possibility of reducing its millage if a sales tax is implemented.

UNFUNDED TRANSPORTATION NEEDS

Mode Priorities

Chairman Seel referred to the Regional Subcommittee’s Collaborative Engagement Workshop held on August 30, 2010, noting that the members had identified their top transportation priorities in each of four project types, or *buckets*; and that staff had combined the results with the priorities identified by the MPO in its 2035 Long Range Transportation Plan and calculated the approximate cost; whereupon, noting that the MPO Plan was produced during the Alternatives Analysis process, she indicated that the estimates are truly ballpark costs which will be further tied down upon completion of the Alternatives Analysis.

Thereupon, referring to the PowerPoint presentation, Mr. Smith reviewed the top unprogrammed/unfunded priorities for road, sidewalk, trail, and transit/rail projects, along with their approximate cost, and identified their locations on the county map. He noted that some projects have other funding sources, such as U.S. Highway 19, which is eligible for state funding; and that the Transit/Rail project list was compiled jointly by the MPO and PSTA and includes all the corridors that would be emphasized for special transit service.

Discussion ensued, and Chairman Seel and Mr. Smith responded to queries by the members, as follows:

- › The BRT projections include capital costs for increasing the bus fleet.

- Traditionally, approximately 50 percent of the County's share of the Penny for Pinellas is used for transportation projects. Asking the cities to give up their share of the Penny is not a consideration. The current Penny will expire in 2020. The referendum for the next Penny would likely occur in 2017, and given the time frame to put the proposed system in place, it would be an additional funding source for consideration by the Task Force.
- The projects cited are not scheduled under the current Penny or any other funding source. Not all needs are included, only the top priorities as identified by citizen input and the MPO.
- The MPO 2035 Plan is based on the assumption that a sales tax would be passed in the early part of the term and that the PSTA ad valorem millage would stay in place; any changes would necessitate revision of the plan.
- The Task Force would need to decide whether to utilize the proposed funding source/s for state or federal roads/projects; the assumption is that it would be used for local responsibilities.
- The MPO Plan assumes implementation of light rail and multi-modal transit; otherwise, more roads would be included.
- Projects earmarked for the current Penny for Pinellas would be reviewed for coordination with the proposed system.
- While light rail requires a large capital investment, ongoing operations and maintenance costs are significantly less than bus transit; the opposite is true for bus transit. The cost to build a road and operate a bus transit system would exceed the cost to build the rail. The Alternatives Analysis should determine the best choice based on cost and benefit to the community. (Mayor Hibbard stressed the importance of communicating to the public that roads are not free to build or to maintain.)
- While the costs presented today do not include a bay crossing, the MPO Plan does include an allocation for a local contribution. It is assumed the crossing would be primarily a state and regional project. Regional studies have been

conducted that show the Howard Frankland as the preferred route across Tampa Bay.

Mayor Johnson noted that Hillsborough County plans to use one-quarter of its proposed Transportation System Sales Tax for non-rail projects, to maintain its transit millage, and also utilizes tolls to fund priority highway projects; whereupon, Chairman Seel emphasized that 25 percent of the tax is the maximum that could be used for such projects; and noted that a toll feasibility study for the Bryan Dairy/118th Street project was conducted with negative results.

Transit Network

Interim Executive Director Denise Skinner provided an overview of the Pinellas Suncoast Transit Authority's 25-year Vision Plan, noting that the plan assumes a new revenue source, likely a sales tax, which would provide for transit growth to meet demand and support economic development and the transit-supported land use that should occur; and that the plan assumes the elimination of PSTA's portion of the ad valorem tax.

Referring to the PowerPoint presentation, Ms. Skinner displayed a map depicting the proposed Cross-Bay Express Bus service route connecting to the high-speed rail, the Tampa Airport, and the Westshore Business District.

Displaying a map titled *Proposed PSTA Premium Bus Network*, Ms. Skinner described the second phase of the Vision Plan, noting that funding is not currently available for its implementation.

- Phase Two would take approximately six years to complete and would add approximately 600,000 revenue hours and 200 hybrid diesel/electric buses to the current system, as well as \$250,000 worth of bus stop improvements.
- Cross-Bay service would link to various Pinellas County activity centers, shown as red dots on the map.
- Later in the plan, around the year 2018, a light maintenance facility would be located near the end of the light rail line.
- Service to Clearwater Beach would be implemented soon after approval of the sales tax.

- The premium network would provide for a much greater service frequency, 10 to 15 minutes as opposed to the current 30-minute to one-hour schedule.
- No-transfer service would be available from Pass-A-Grille to north Pinellas County.
- The PSTA is currently partnering with the Cities of Dunedin and Tarpon Springs and Pinellas County to implement Friday-through-Sunday trolley service to Dunedin, Palm Harbor, and Tarpon Springs; and with additional funding, more frequent, daily service could be provided.

Referring to the *Proposed PSTA Supporting Bus Network* map, Ms. Skinner described the proposed circulator/feeder system, which would run throughout the neighborhoods to connect riders to the premium route service, including the light rail system; whereupon, she displayed the *Transit Network Vision* map, depicting the “Green Y” Alternatives Analysis study area along with the various system components shown on the previous slides.

In conclusion, Ms. Skinner indicated that the estimated cost to meet the needs identified in the 2011-2035 Vision Plan is approximately \$7 billion, as follows:

	Operating Expenses	Capital Expenses
Bus Service	\$2.940 billion	\$0.927 billion
Rail Service	<u>\$0.875 billion</u>	<u>\$2.112 billion</u>
	\$3.815 billion	\$3.039 billion

Responding to queries by the members, PSTA Director Tim Garling related that the Howard Frankland Bridge extension is not funded in the plan; that the preliminary estimate is approximately \$700 million; and that the Plan assumes funding by state and federal sources. He indicated that current PSTA user revenues cover nearly 22 percent of operating expenses; that cost recovery is a policy decision; that typical recovery for a system for a comparable area would be 25 to 30 percent for rail and 20 to 25 percent for bus transit; that state and federal capital funding ranges from 25 to 50 percent; and that, while the federal government typically does not provide operating funding, economic conditions have prompted legislative initiatives by the public transportation industry that may result in future opportunities.

DISCUSSION

Citing the 25-year time frame under discussion and the number of unknowns at the current time, Mr. Dolan questioned how the task force would determine the level of specificity to include in a referendum proposal; and Chairman Seel indicated that the priority lists for roads, sidewalks, and trails will provide some specificity, similar to the Hillsborough Task Force's 25-percent "other" list; and that the transit and light rail portion will need to be estimated as closely as possible without stating specifics, such as rail locations and bus routes.

Chairman Seel listed a number of items to think about in preparation for discussion at the November 15 meeting, noting that the Collaborative Lab process will help the members hone in on their priorities.

- Hillsborough County appointed an Oversight Committee comprised of citizens.
- Hillsborough County did not set an end date for the proposed one-cent transportation sales tax.
- Should the Task Force consider reducing the PSTA ad valorem tax rate?
- Should the Task Force look at the next Penny for Pinellas as a funding source?
- Should the Task Force consider the gas tax or other revenue sources?
- Review and refinement of the project priority lists.
- Other policy decisions not previously outlined.

In response to query by Mr. Smolik, Mr. Smith related that the Pinellas Alternatives Analysis is not scheduled for completion until December 2011, but more information will be available as the process continues; whereupon, Chairman Seel indicated that the Task Force has the option of going into hiatus for six months or a year, then reconvening to make its recommendations. Discussion ensued wherein the members considered the decision by Hillsborough County to go to referendum prior to completion of their Alternatives Analysis, as well as factors affecting the timing of a Pinellas referendum; whereupon, Mr. Pergolizzi indicated that he would hate to lose the momentum of the group by going on hiatus, and

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suggested that the Task Force be provided with periodic updates on the status of the Alternatives Analysis.

Responding to query by Chairman Seel, the members requested that the following information be provided prior to the November 15 meeting:

- Suggestions from the experts for prioritizing projects within the categories, including the rationale behind the rankings for consideration by the members and communication to the public.
- A 30-year timeline showing revenue projections for the various funding alternatives.
- The *Summary* table from Mr. Woodruff's presentation, showing the advantages and challenges of the various revenue sources.
- A list of key questions to be considered.

SCHEDULE

Chairman Seel related that the next meeting is scheduled for November 15 at the Collaborative Labs; whereupon, she suggested that the meeting scheduled for November 29 be cancelled; and that further discussion and ratification of the recommendations take place on December 13, and no objections were noted.

ADJOURNMENT

The meeting was adjourned at 3:22 P.M.