

NYSAMPO Freight Working Group

Conference Call

May 14, 2014, 10:00 am – 12:00 pm

Meeting Summary

Attendees

NYMTC/Chair - Howie Mann
CDTC - Chris Bauer
ECTC - Jerry Cresse
GTC - Jody Binnix
GBNRTC - Rich Guarino
OCTC - Ashlee Long
PDCTC - Jen Cocozza

SMTC - Mike Alexander, Mario Colone
NYSDOT - David Rosenberg
FHWA - Maria Chau
Guest Speaker - Chris Steele, ICA
RSG - Peter Plumeau
RSG - Christine Sherman

Discussion Items:

1. Welcome and Changes to the Agenda

2. Review of Notes of February 2014 Working Group Call (Mann)

- The working group reviewed the proposed primary freight network provided by USDOT. As a group, NYSAMPO provided consolidated comments to FHWA, and some individuals also provided comments.
- A presentation from Jim Davis was provided on the Statewide Freight Plan, which is a very important project that the MPOs will want to know more about. We will keep the plan on future agendas to keep everyone up to date.
- The NYSDOT joins a host of DOTs across the country who are developing statewide freight plans. The MPOs in the state should look to NYSDOT for direction and guidance for freight planning once the plan is complete.
- The working group discussed individual MPO freight plans and progress. This will be on future agenda, as well.
- Members of the group requested a presentation on the FAF. This is not on today's agenda, but this has been noted and will appear in an upcoming meeting.

3. Briefing from FHWA on Freight Aspects of Obama Administration's Transportation Reauthorization Bill Proposal (Mann/Chau)

- *Mann Introduction:* The FHWA and the Federal Government are working on a reauthorization bill, and the Senate EPW Committee has come out with its own proposal. It is uncertain what is happening in the House, but we asked Maria Chau to help us flesh out the details of the reauthorization bill in terms of freight.
- Chau provided the following information on the Reauthorization Bill:
 - The Obama Administration came out with a \$302 billion, four-year bill for transportation: GROW AMERICA. One of the main changes in GROW AMERICA is a \$10 billion, four-year freight program. There are five sections of the freight plan: (1) the Multimodal Freight Investment Program, (2) the Multimodal Freight Incentives Program, (3) the National Freight Infrastructure Program, (4) State Freight Advisory Committees and guidance on what the bill is looking for in state freight plans, and (5) the National Freight Policy Network Plan and Data. The Senate bill released dedicated \$206 billion, with similar allocation to freight included. There are several similarities between the bills. The reauthorization is more like the current legislation.
 - The Multimodal Freight Program includes two tiers: (1) incentives grants for state priorities and (2) multi-state/county priorities which deal with projects across state borders. Both tiers

concentrate on corridors. Tier 1 incentive grants have the following eligibility criteria: the state must have a state freight advisory committee; state freight plan; and an analysis of statewide of freight needs, including bottle necks, intermodal connectors, and the last mile. These criteria will be used in the process to prioritize projects. The state freight plan will be very important, as well, because that will build a stronger case for a particular project for the state. The state will need to demonstrate that the use of these findings in the freight plan has the highest prioritized projects for freight in the state. Tier 2 incentive grants have the following eligibility criteria: must meet the Tier 1 criteria; have a multi-state analysis of freight needs, including bottlenecks, intermodal connectors, and the last mile; and have a regional freight investment plan that includes multi-state and border crossings. Within the Tier 2 program, the project must demonstrate itself as the highest priority project in the regional freight plan. State freight plans must include a ten to twenty year forecast period, be approved by the state freight advisory committee, and must be updated every five years.

- The National Freight Infrastructure Program goals are to: reduce cost of freight transportation; improve the safety of freight transportation; improve bottlenecks to state of good repair; and rectify adverse impacts of freight transportation. Eligibility for this program concerns a number of different types of applicants: states, MPOs, local governments, public transportation authorities, and other. Eligible project types include: roads, rail, air, water, pipeline, and international border/intermodal connections. In order to be considered eligible, projects must: advance the goals of the National Freight Infrastructure program; provide an analysis of benefits; compare benefits and costs to the public need; demonstrate innovative technology and practices; demonstrate the ability to support increases in US exports; be consistent with the national state freight plan; leverage local, state, tribal, and state funds; is not eligible for or offered funding from other sources; can be completed in a certain time; and can ensure that the facility will be used and worth its investment.
- The State Freight Advisory Committee procedures are straightforward in the bill. The contents of the State Freight Plan are also identified. The bill states that statewide freight plans should do the following: identify significant components of the freight system; describe policies, strategies, and performance measures used to guide freight investments; describe how plan will improve the state's ability to meet national freight goals; consider innovative technologies including ITS, safety, and efficient movement of freight; describe methods of improving conditions for movement of raw materials; takes an inventory of facilities with freight mobility issues; and establishes a freight investment plan that lists the project and the priority of the project in terms of the relationship to the long range plan. The state freight plan should also be incorporated in the long-range plan. It must have a forecast period of ten to twenty years and be updated every five years.
- The National Freight Policy Network Plan and Data section defines the National Freight Network and describes how the system is multimodal. Factors for designation in the national network include: freight volumes, tons, origin-destinations, maritime facilities, ports, bottlenecks, economic factors, impediments, future freight facilities of significance based on stakeholder input, documentation by MPOs, and state testimony of the facility's importance to the region.
- The National Strategic Freight Plan is slated for completion on October 1, 2015 and will be updated every five years. The plan will include a conditions and performance report.
- The bill also proposed additional investment in planning data and tools.
- *Mann asked:* Not every MPO is engaged in project prioritization. The state may have a difficult time based on the priorities of each of the member agencies. Does it look like the final bill will be the direction that we are going in?
 - *Chau responded:* This looks to be the case. There will be a National Freight Program and Policy that looks at freight and economic competitiveness opportunities.
- *Mann asked:* Most of what was described is happening at the State-level. Is there any final law on freight planning that would have specific requirements for MPOs?

- *Chau Responded:* Currently, the state freight plan will be the important factor to a lot of national investments. Each state freight advisory group will list its different members, and therefore, MPOs are recommended to be at the table. Project applicants for the National Freight Infrastructure Program could actually be the MPO, as this has different eligibility criteria than the Intermodal Freight Investment Plan). FHWA is mainly looking to have that project being supported by the state in the State Freight Plan, though.
- *Chau noted:* The FHWA “Talking Freight Series” will be going through an outline of what GROW AMERICA has for freight. This will be happening within the next two months.
- *Mann commented:* Working Group Members are encouraged to sign up for the FHWA “Talking Freight” Webinars, as they have very useful information, and it is very easy to take advantage of the presentations.

4. Presentation – “NCFRP Report 13: Freight Facility Location Selection: A Guide for Public Officials” and Q&A with Mr. Chris Steele, Principal Author (Plumeau/Steele)

- *Plumeau Introduction:* Chris Steele is from the planning and industrial site selection world. Chris started a firm a few years ago, which recently merged with larger firm, Investment Consulting Associates. Chris has a Master’s in Regional Planning from UNC and is based in the Boston area. Chris has a variety of experience with different freight facility location studies.
- Steele provided the following information on Freight Facility Location Selection:
 - The planning community needs to bring attention to how the private sector thinks and behaves when they are planning their bases and facilities. People in the planning community should continue to learn more about how these decisions are made.
 - Planners should work with companies as they make location decisions. My agency gets involved with businesses when we try to help them determine where to operate, working with a lot of different companies and types of companies. We try to incorporate holistic views of how locational decisions are made.
 - When we are talking about the public sector, it is a broad range of officials and managers. It is important to speak to these groups and to understand the interactions between the public and private sectors in the locational process.
 - Freight movement is always conducted in the service of another activity, anywhere from retail to manufacturing. It is important to remember that the warehouse is not an isolated concept. The goal is to lower the costs, reduce energy use, and maximizing opportunity.
 - In this study, members of both the private sector and the public sector were surveyed to gauge their awareness of the location selection process. Findings suggested that there was a general lack of regional cohesiveness and lack of a conversation between the public and private sector. Jurisdiction border variation was strong. There was a gap in the understanding of the role that freight plays in the economy and a lack of coordination amongst planners, engineers, elected officials, and stakeholders.
 - The survey illustrated that public and private agencies view freight in very different way. Public officials generally do not recognize what goes into freight planning or infrastructure. Therefore, policies are not coordinated to determine the best way to plan freight in the region.
 - Attempting to broaden the conversation is an issue and a challenge. It is important that the public sector discuss how economic development is positively impacted by freight facilities and the importance of mode shifts to help with moving goods quickly and reducing congestion. Private sectors are often in the driver seat and should be included at the table while making decisions to get insight on what each facility is and its function in the overall supply chain.
 - Facility site selection is critical in developing a network that moves freight from and origin to a destination. The location process is an expression of network strategy.
 - Business drivers are used to help agencies determine their locations. We develop a short list of things that they need to look at, perform network modeling, and determine how each business need could be serviced in the location screening. We then identify communities that should be

considered. This is followed by field validation, cost modeling, final negotiations, and ultimate location selection.

- Oftentimes by the time members of the public sector are aware of a project, it is well advanced and quickly moving. Regions that would like to be active in attracting specific businesses and industries need to understand the way that the private sector is looking at in their selection process and be able to advertise these abilities.
- Facts for site selection process include: access to key markets, customers, interactions with the overall transportation network, labor and workforce, costs, environmental issues, and many other factors. The relative importance to each of these factors varies by business, particularly when considering manufacturing.
- Freight is a very dynamic issue. Various global trade patterns emerge. Corporate planners are looking at a variety of different topics that change over time.
- For members of the public sector, maximizing revenues and jobs is their goal. The more that the conversation with private sector members integrates the cost-benefits of freight planning, the clearer the conversation can be.
- Action items: Work with public sector to drive a conversation that has a better understanding of freight location and be able to plan effectively in anticipation of things that will come down the pike and to help obtain regional goals. Agencies should themselves the following questions:
 - Where does my community lie within the freight network?
 - Which facility types and functions best match the location and characteristics of my community?
 - What strengths does my community have that help give us a competitive edge?
 - What are the benefits and costs?
- It is important that there is a well-developed and understood vision for freight plan development and a plan to turn that into reality. The “build it and they will come” strategy is not effective. Regions should identify sites and areas that make sense from the business perspective.
- The NCFRP Report 13 is available at www.freightlocation.org. This site has additional information regarding the research and findings behind the report. The report includes good case studies.
- *Member asked:* What if I worked for an IDA (Industrial Development Authority) at a regional level or a local level?
 - *Steele responded:* The impetus for the report was the fact that many stakeholders do not understand how freight moves. The same approach does not work in all communities. Communities can address this through training, supporting the ongoing training of staff, and maintaining infrastructure so that it can continue to be competitive. Particularly for communities that have been “second wind” for the past decade but have good infrastructure, the state should look at their assets in consideration of the modern freight system: whether the community is a good fit in terms of access to key markets or the tax environment.
- *Member asked:* To get into the question of tax environment – is there existing objective research?
 - *Plumeau and Steele responded:* It is typically driven by political perspectives rather than objective evidence of impact. A lot of research suggests that firms that claim to locate due to tax incentives maybe would not do well if it were not for the tax incentives. The research is clear that the other factors are far more important to the actual economic benefits and the viability of firms. In some cases, companies are eager to take a vacant facility and prepare it for reuse as a result of the speed at which they need to implement the project. There is some movement on brownfields redevelopment, but not as much as some would like to see.
- *Member asked:* How far do companies look ahead to site in a particular area? Do they have something in mind and then it changes based on the study?

- *Steele responded:* It depends. Some companies are very good at looking into the future, while others are much more reactionary. The context in which this decision is being made is critical to how they approach and anticipate what is coming next in their business.
- *Plumeau commented:* The NCFRP Report 13 can also be accessed from the Freight Working Group page on the NYSAMPO website.

5. Roundtable – Members Share Items of Interest (Mann)

- *Mann:* NYMTC Freight Plan Update:
 - Phase 1 is currently in finishing stages, and NYMTC is moving into Phase 2. Phase 1 involved all of the technical work for the regional freight plan. The report can be found on the NYMTC website. Phase 1 also included the update the freight data wheel. The product is in production, and NYMTC will be receiving 500 copies, as it is a popular product at the MPO. The wheel is two sided: one side is freight and the other is economic development.
 - NYMTC’s the “Basics of Freight Transportation” brochure has been updated based on supply chains and available data. The report is now up to date and more relevant. Production will happen within the next week. When copies of that are available, NYMTC will let the group know.
 - Phase 2 is now in the consultant selection administration phase. Once contracts are assigned, Phase 2 will take the data assessments and analysis to create future projects for determining the needs of the region and how these needs can be addressed. We will focus in on recommendations for projects, programs, and policies that our member agencies can implement to improve freight within the region. This will include the needs that Chris discussed in his presentation.
- *Guarino:* The International Trade Gateway Organization was formed out of the GBNRTC regional freight study. They have submitted paperwork for the 503C6 application to be an official organization. Once that is accomplished, they will be looking to hire a director and staff.
- *Cocozza:* Poughkeepsie-Dutchess MPO and Orange County MPO are going to collaborate on a freight plan. Discussions are in preliminary stages. We are going to see what comes out of the state freight plan to align with state priorities and goals.
- *Plumeau:* A notice should be going out in the next few days regarding a “Talking Freight Webinar” in which Peter and Chris will be talking about public policy and planning considerations regarding complete streets and urban goods movement. The webinar will be held next Wednesday, May 21.
- *Bauer:* Albany had a Port Industry Day event that was a very successful. The Port took an interest in linking to with Port Authority of NY/NJ goods movement along the Hudson to Albany. There was a good mixture of the public and private sector, with about 200 participants.
- *Binnix:* Attended the Freight Academy and highly recommended the program. Encouraged interest in attending the academy next year.
- *Mann:* Will be chairing a transportation workshop on June 10. Interesting items on the agenda include: a panel presentation focusing on and addressing needs for training freight planners in the future. Go to NYMTC website or send Howie and email to get the agenda.

6. Topics/Focus for Next Call

- None in addition to those discussed above.

7. Set Next Call Date/Time

- Peter will send out a doodle poll for September 10th or 17th and the subsequent meeting invite.

8. Adjourn