

FLORIDA

Freight Mobility and Trade Plan

INVESTMENT ELEMENT

EXECUTIVE SUMMARY



September 2014



Moving Florida's Freight Faster

The collaborative development of the FMTP has uncovered a progressive culture and climate towards freight in Florida. The Policy Element laid the foundation by developing objectives, strategies, and actions with the private sector. The Investment Element is the logical progression from policy to project. The Investment Element developed a collaborative and transparent project prioritization process to match funding for short-term and long-term to ensure maximum return on Florida's investment. Together the Policy and Investment Elements of this plan will form a dynamic and fluid document demonstrating that when stakeholders from the public and private sector communicate and collaborate, Florida can be propelled forward as the nation's freight leader.



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Introduction



Florida and freight are inseparable. Freight mobility is an action phrase signifying movement of goods and commodities. Consumers up and down the various supply chains demand products, commodities, and services. The value of freight is relative to its place and time. To create value, the right amount and type of products must get to the right people, at the right place, at the right time, for the right price. Mobility is the characteristic that links producers with consumers and drives the economic cycle. The entire economic cycle is dependent on an efficient, reliable and safe freight transportation system. When this cycle works, jobs are maintained and other jobs are created. There is a need for investment in freight transportation today. Today's investment guarantees economic development tomorrow. Florida's future and America's future depends on it.

The Freight Mobility and Trade Plan (FMTP) is developed in two phases, each with their own purpose. The Policy Element:

- Establishes the policy framework
- Identifies responsibilities for implementation
- Meets all requirements of Florida 2012 House Bill 599, as codified in 334.044 (33) Florida Statutes

The Investment Element builds on the Policy Element and is specifically intended to:

- Identify Freight Needs
- Identify criteria for state investments in freight
- Prioritize freight investments across modes
- Completes meeting the requirements of the federal Moving Ahead for Progress in the 21st Century Act (MAP-21)

The FMTP Investment Element moves from policy direction and guidance to product. This includes the establishment of criteria and prioritization process, as well as a complete assessment of freight infrastructure needs. Freight infrastructure provides the conditions to move freight. Most will agree that freight transportation infrastructure is necessary. But how much should we invest? What's the real need? What are the priorities?

Over the past 18 months FDOT hosted and facilitated a robust stakeholder outreach effort to answer those questions. Private and Public sector stakeholders from across the state provided valuable insight to freight transportation needs. Translating these needs into projects is the next step. Projects planned today will eventually be built over the next 15 to 25 years. These projects will have an expected life of 30 to 60 years. This takes us to the dawn of the 22nd century.

This is a daunting task and it behooves us to get it right. This is serious business and requires serious thinking. To effectively develop the freight transportation infrastructure Floridians need tomorrow requires a sound freight transportation investment plan today. Resources have always been limited and it's realistic to assume that resources and funding will be limited in the future. Doing nothing is an option, but there are grave economic consequences with delaying or postponing actions to maintain and develop our freight transportation system.

Florida Freight Policy Objectives

As part of the development of the FMTP Policy Element, stakeholders helped FDOT develop a set of Objectives and Strategies to guide the state in the process of making strategic investments in freight to achieve the goals in Florida House Bill (HB) 599. The full list of Strategies associated with each Objective is included in Chapter 4 of the FMTP Policy Element.

FMTP OBJECTIVES

- 1 Capitalize on the Freight Transportation Advantages of Florida Through Collaboration on Economic Development, Trade, and Logistics Programs**
- 2 Increase Operational Efficiency of Goods Movement**
- 3 Minimize Costs in the Supply Chain**
- 4 Align Public and Private Efforts for Trade and Logistics**
- 5 Raise Awareness and Support for Freight Movement Investments**
- 6 Develop a Balanced Transportation Planning and Investment Model That Considers and Integrates All Forms of Transportation**
- 7 Transform the FDOT's Organizational Culture to Include Consideration of Supply Chain and Freight Movement Issues**

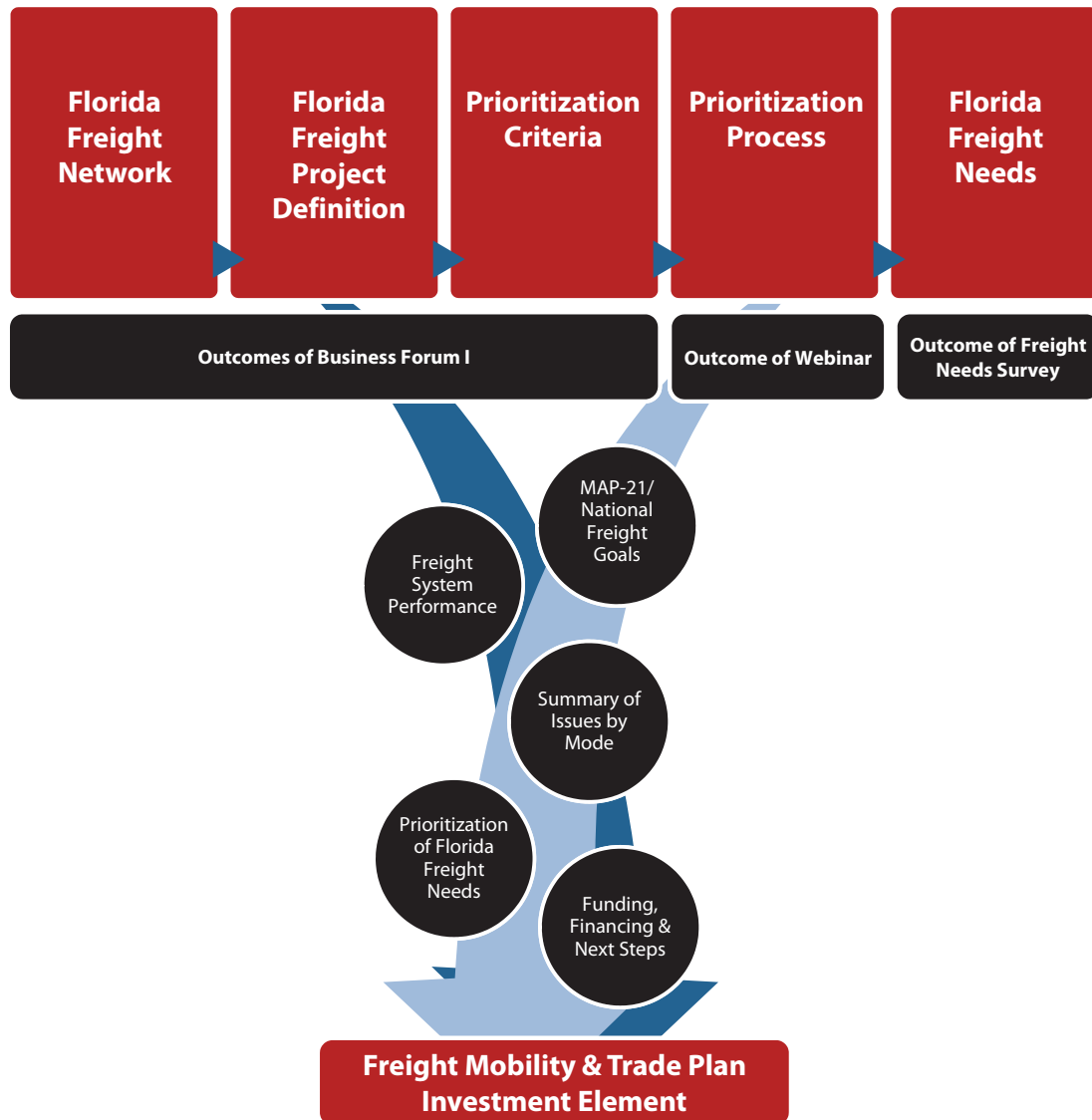
The Investment Element is the roadmap to guide and develop efficient, reliable and safe freight transportation infrastructure over the next thirty years. Underscoring the validity and authenticity of the Investment Element is the significant and meaningful input from shippers, receivers, freight carriers, manufacturers, academe, various industries, associations, regional and local planning agencies, sister state agencies and other concerned private sector stakeholders. Their knowledge, experience, and expertise as users of the freight transportation system are invaluable.

This plan is a collaborative effort by the total freight community and serves to enhance and support economic development and quality of life for Floridians. No plan is perfect, but the Investment Element is a big first step, in the right direction, to develop and maintain Florida's Freight Transportation System. The future is squarely in front of us and it's a long road.

Plan Development Process

One of the first steps in the investment element was to develop the preliminary criteria for state freight investment, based on goals, objectives and strategies developed during the Policy Element. A preliminary Florida Freight Network and Freight Project Definition were also developed. These three items were reviewed and edited by our stakeholders and partners at the Business Forum I and subsequently finalized. A prioritization process was then developed for the criteria and reviewed by the stakeholders during a webinar and corresponding comment period. Finally, a Florida Freight Project Needs Survey or project database was developed by collecting freight projects from various existing modal and SIS plans augmented by additional stakeholder and partner projects input into the Needs Survey.

BUILDING THE PLAN



Throughout the process, involvement by stakeholders and partners was essential to developing the Plan. Various aspects of the prioritization process were discussed at each stage of the outreach process. Below displays a flow diagram on how the Investment Element was developed including the five foundation items, the importance of stakeholder and partner involvement during all phases of development, and the other inputs that lead into building the plan.

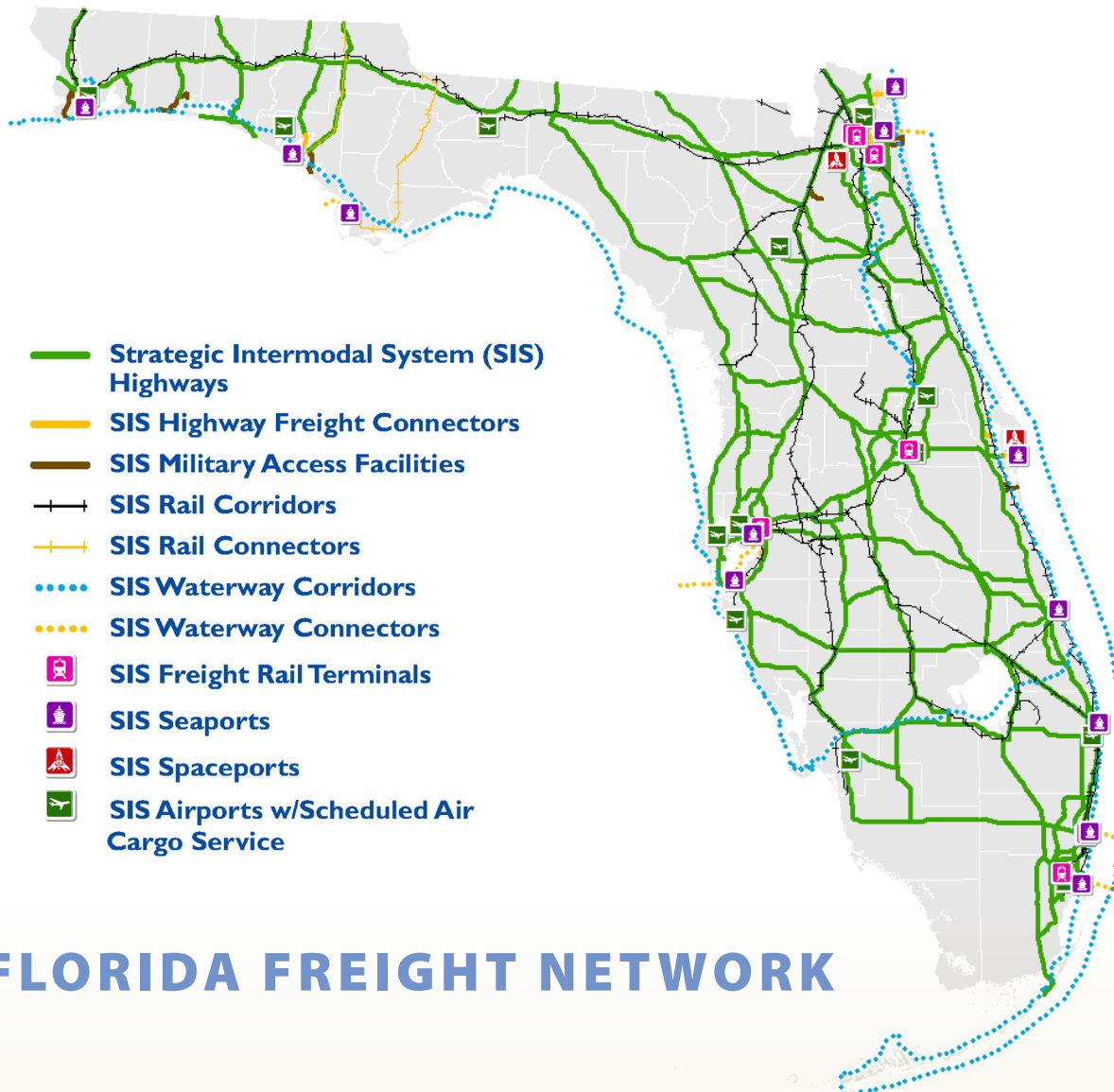
Florida's Freight Network

The goal of the Florida Freight Network is to develop a freight oriented system where the facilities on the system promote the complete movement of goods. The network will streamline logistics and enhance efficiency- especially the "last mile" connection between hubs and interregional corridors.

Florida's Freight Network includes all portions of the Strategic Intermodal System (SIS) geared toward the movement of freight. Passenger oriented SIS facilities, while important in terms of total statewide mobility, are not critical to the movement of freight and are not included as part of Florida's Freight Network.

The Florida Freight Network includes:

- All Florida facilities on the National Freight Network
- All designated Strategic Intermodal System (SIS) facilities that are NOT purely passenger-oriented
- Additional connectors to facilitate freight movement through the "last mile"



FLORIDA FREIGHT NETWORK

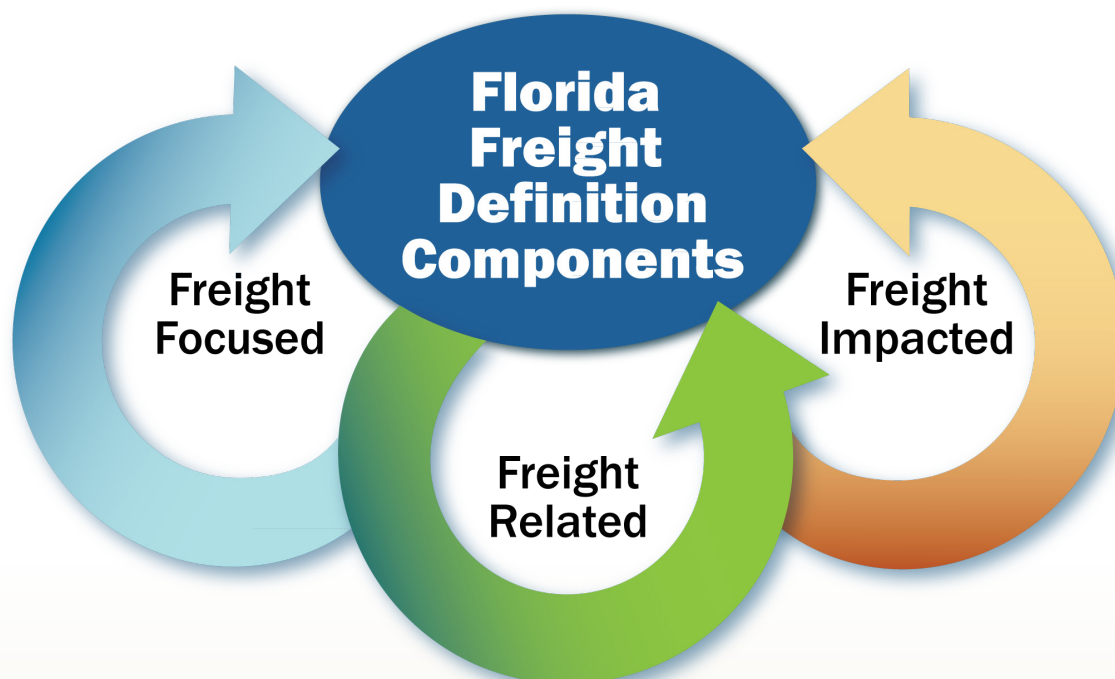
Plan Development Process



Florida's Freight Definition

A project will be considered a freight project in Florida if it is on the Florida Freight Network and satisfies one of the three components below.

- Freight Focused – the primary purpose of the project is to address a specific freight transportation need
- Freight Related – the primary purpose of the project is to address multiple transportation concerns, of which freight is one element
- Freight Impacted – the primary purpose of the project is to address general transportation needs, however freight mobility may be positively affected



Important Note: It does not matter which components a project qualifies by, as the prioritization process will determine the priority.

Prioritization Criteria

A total of 26 criteria were identified for the prioritization process. Each prioritization criterion was selected based on the ability of a freight project to implement an FMTP Policy Element strategy or FDOT Best Practice. The criteria were revised with extensive input from both public and private sector stakeholders. ***Together, these criteria were used to help FDOT prioritize freight investments.***

OBJECTIVE 1

- Project addresses a specific transportation challenge for an Enterprise Florida identified targeted industry.
- Project improves access to/from an existing or developing freight hub.
- Project improves Intermodal Logistics Center's (ILCs) export capability/capacity.
- Project supports/strengthens the unique niche of a seaport, airport, spaceport, rail freight terminal, or Intermodal Logistics Center (ILC).

OBJECTIVE 2

- Project is on a facility designated as the Florida Freight Network.
- Project eliminates a freight bottleneck.
- Project provides a dedicated freight facility or freight shuttle that restores capacity for freight movement.
- Project uses Intelligent Transportation Systems (ITS) technology to improve system operations.
- Project improves truck parking.
- Project improves safety and security at rest-stops/layover areas/other facilities.
- Project stimulates use of marine highways/short-sea shipping.

OBJECTIVE 3

- Project reduces empty backhaul movements to cut shipping costs.
- Project improves access to Compressed Natural Gas (CNG)/Liquefied Natural Gas (LNG) or other alternative fuels.
- Project minimizes costs through the entire supply chain to support manufacturing.

OBJECTIVE 4

- Project private funding (applicant to provide percentage of private funding proposed).

OBJECTIVE 6

- Project is in a local freight plan (applicant must cite the local freight plan and any applicable project priority).
- Project is consistent with a statewide modal plan (applicant must cite the statewide modal plan and any applicable project priority).

OBJECTIVE 7

- Project supports an emerging freight facility (spaceport, marine highway, etc.)
- Project benefits to taxpayers (applicant to provide detailed list of benefits).
- Project provides significant intermodal benefits (multiple freight modes).

BEST PRACTICES

- Project total cost (applicant to provide detailed total project cost estimate).
- Funding Status (applicant to provide the current status of any non-FDOT sources of revenue committed or eligible- full/partial/ eligible/unfunded).
- Project timing and readiness (applicant to provide project status).
- TIP/STIP Inclusion (applicant must cite the plan).
- Dependency (applicant to provide list of any associated projects).

It is also important to note that there are no criteria for the fifth objective of the FMTP Policy Element. This objective relates to Florida's goal of raising awareness and support for freight movement investments.

Plan Development Process

Prioritization Process

The figure below illustrates the steps FDOT used to prioritize freight projects in the FMTP Investment Element. The process was constantly vetted by statewide freight stakeholders, and represents a significant level of partnership.

Key stakeholder input opportunities included Business Forum I, online surveys before and after Business Forum I, the 2nd Annual Florida Freight Leadership Forum, an update webinar and additional online survey, Business Forum II, and an online tool to submit freight project needs. Summaries of all stakeholder outreach events are available on FreightMovesFlorida.com.

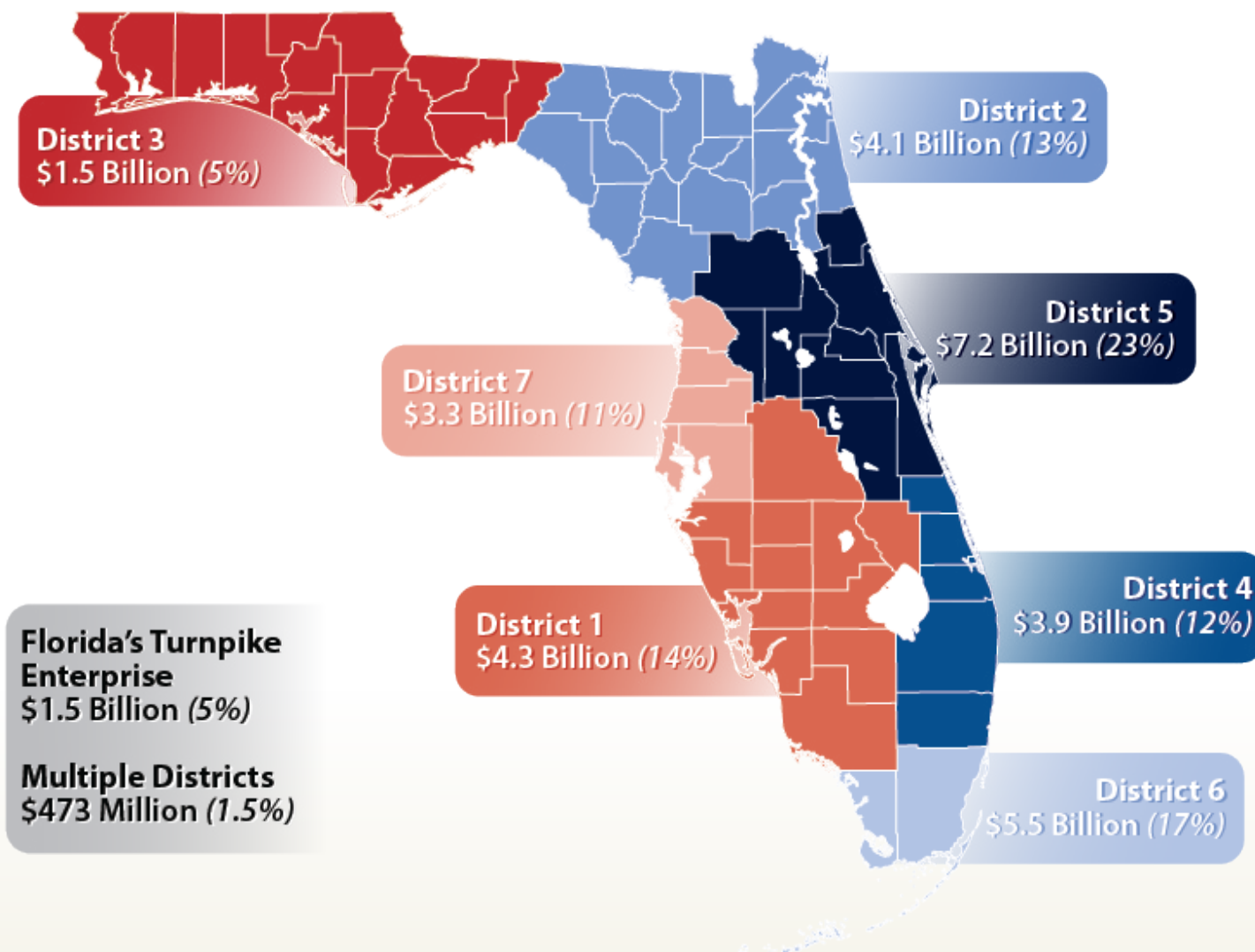


Florida Freight Project

The FMTP is much more than just a freight plan. This effort couples commerce and energy with transportation to provide an integrated analysis to provide solutions to solve issues and needs in a cross-cutting, multi-functional approach. To that end, FDOT identified and gathered capacity and operational improvement projects through a series of tasks to gain a full picture of statewide freight needs. For the purposes of the FMTP, needs include public or private projects, regardless of current or potential funding commitments. These tasks included the following:

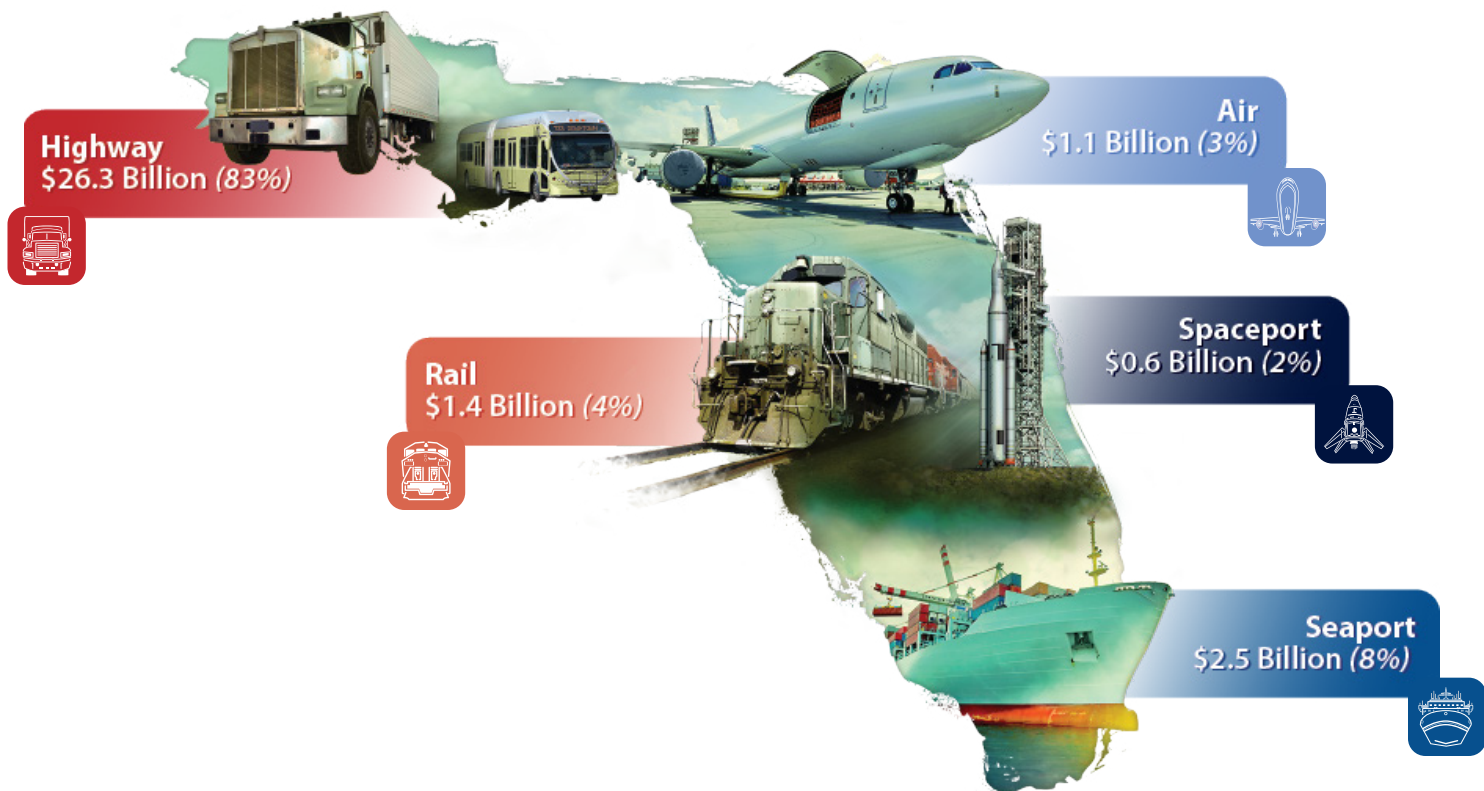
- Review of projects identified in State, regional, Metropolitan Planning Organization (MPO), modal, or agency partner plans
- Survey of freight stakeholders to add freight projects (Freight Needs Survey)
- Survey of agency partners

After months of working with various freight partners and stakeholders to collect projects, FDOT refined a freight project needs list consisting of over 700 projects. **The total cost of all freight needs collected is approximately \$32 billion.** These projects span all freight related modes and are as varied and diverse as Florida itself. In order to obtain a general understanding of Florida's freight project needs, projects were organized by mode. It is important to note that for consistency, ease of data collection, and analysis, multimodal projects such as Intermodal Logistic Centers and other intermodal projects were organized by its dominant mode.



Florida Freight Project

Upon review, the majority of freight projects in the needs identified were highway related. Of the over 700 projects collected and submitted, 58 percent were highway projects. This is logical due to the numerous available sources for appropriate highway projects, and due to the reality that the other modes simply do not plan 20 years out. Therefore, these modes will likely have fewer project needs because the needs farther out are not yet known. The graphic below shows the amount of need by mode in dollars.









































































Freight Funding and Financing

In Florida, funding for freight-related projects consist of a combination of federal, state, local, and private funding sources. For the FDOT Five-Year Work Program 2013/17, funding came from the state (49%), federal aid (31%), Turnpike and associated tolls (13%), local and other funds (4%), and right-of-way (ROW) and state infrastructure bank (SIB) bonds (3%). Currently, there are several programs already in use in Florida to support the investments necessary for the existing and future freight network system

Federal and State

The federal government offers several opportunities for financing and funding freight transportation projects of which Florida can take advantage. The passage of MAP-21 has brought a stronger focus to freight issues and has provided additional funding and financing options concentrated on enhancing freight movements for the rest of the nation. Because a significant portion of revenue for transportation projects is from federal aid, it is essential for federal and state partners to work together to fund necessary improvements to the transportation network, specifically Florida's freight network.

In addition, FDOT administers several financing and funding programs, including grants and loans, from the funding available through the STTF and other trust funds and resources including federal, local, and private funds for freight transportation projects within the State. These programs have and will continue to benefit freight transportation projects within Florida. The tables below show some potential programs and applicable modes of transportation.

FEDERAL	Funding/Financing Program Name	Transportation Mode
	Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant Program	    
	Highway Safety Improvement Program (HSIP)	 
	Railroad Rehabilitation and Improvement Financing (RRIF)	
	Rail Line Relocation and Improvement Capital Grant (RLR) Program	
	Railway-Highway Crossings Program	 
	Construction Reserve Fund (CRF)	
	Capital Construction Fund (CCF)	
	Small Shipyards Grants Program	
	Airport Improvement Program (AIP)	
	Section 129 Loans	
	Grant Anticipation Revenue Vehicles (GARVEEs)	
	Transportation Infrastructure Finance and Innovation Act (TIFIA) Credit Assistance	    
	Congestion Mitigation and Air Quality Improvement (CMAQ) Program	    
	National Highway Performance Program (NHPP)	
	Surface Transportation Program (STP)	
STATE	State Infrastructure Bank (SIB)	     
	Strategic Intermodal System (SIS) Program	     
	Transportation Regional Incentive Program (TRIP)	     
	Economic Development Transportation Fund (EDTF)	     
	Strategic Port Investment Initiative	
	Florida Seaport Transportation and Economic Development (FSTED) Funding Program	
	Seaport Investment Program	
	Intermodal Logistics Center Infrastructure Support Program	
	Intermodal Development Program	   
	Highway-Rail Grade Crossing Construction and Maintenance Program	
	Florida Aviation Grant Program	
	Spaceport Grant Program	
	Rural Economic Development Initiative (REDI)	    
	Freight Connector Operational Quick Fix Initiative Program (through SIS Program)	

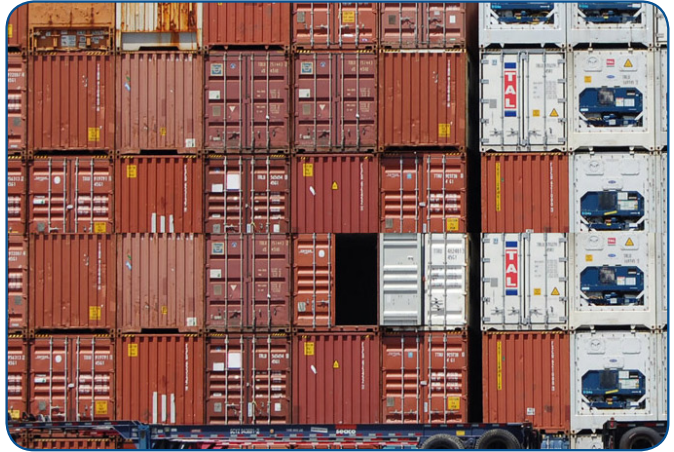
Next Steps

Trends and recent history are excellent predictors of what can be expected in the future. Florida's freight volume increase is anticipated to be even higher than national projections. The challenge is to be prepared with a safe, efficient, multimodal freight transportation system, maintained and expanded to move the anticipated growth in freight volumes.

Florida is being proactive in its freight future. To ensure that Florida is well-positioned to be a leader in freight mobility and trade:

- ***FDOT will continue to host the Florida Freight Leadership Forum and other outreach as needed to gain public and private stakeholder input***
- ***FDOT will update the list of freight projects annually to maintain a dynamic plan***
- ***FDOT will continue to monitor implementation performance on the Freight Mobility and Trade Plan so we can measure our success***
- ***FDOT will build upon the success of the Trade and Logistics Academy by offering additional sessions and advanced modules in the future***
- ***FDOT has begun to research opportunities to better accommodate freight in Florida through design standards to proactively correct potential issues***
- ***FDOT has begun to expand on freight data collection efforts to ensure better and more consistent freight planning statewide***
- ***FDOT has developed full time Freight Coordinator positions to further institutionalize freight planning at the Department, and to work with agency partners to promote freight***
- ***FDOT will continue to work with partner agencies to educate and show progress through FreightMovesFlorida.com***



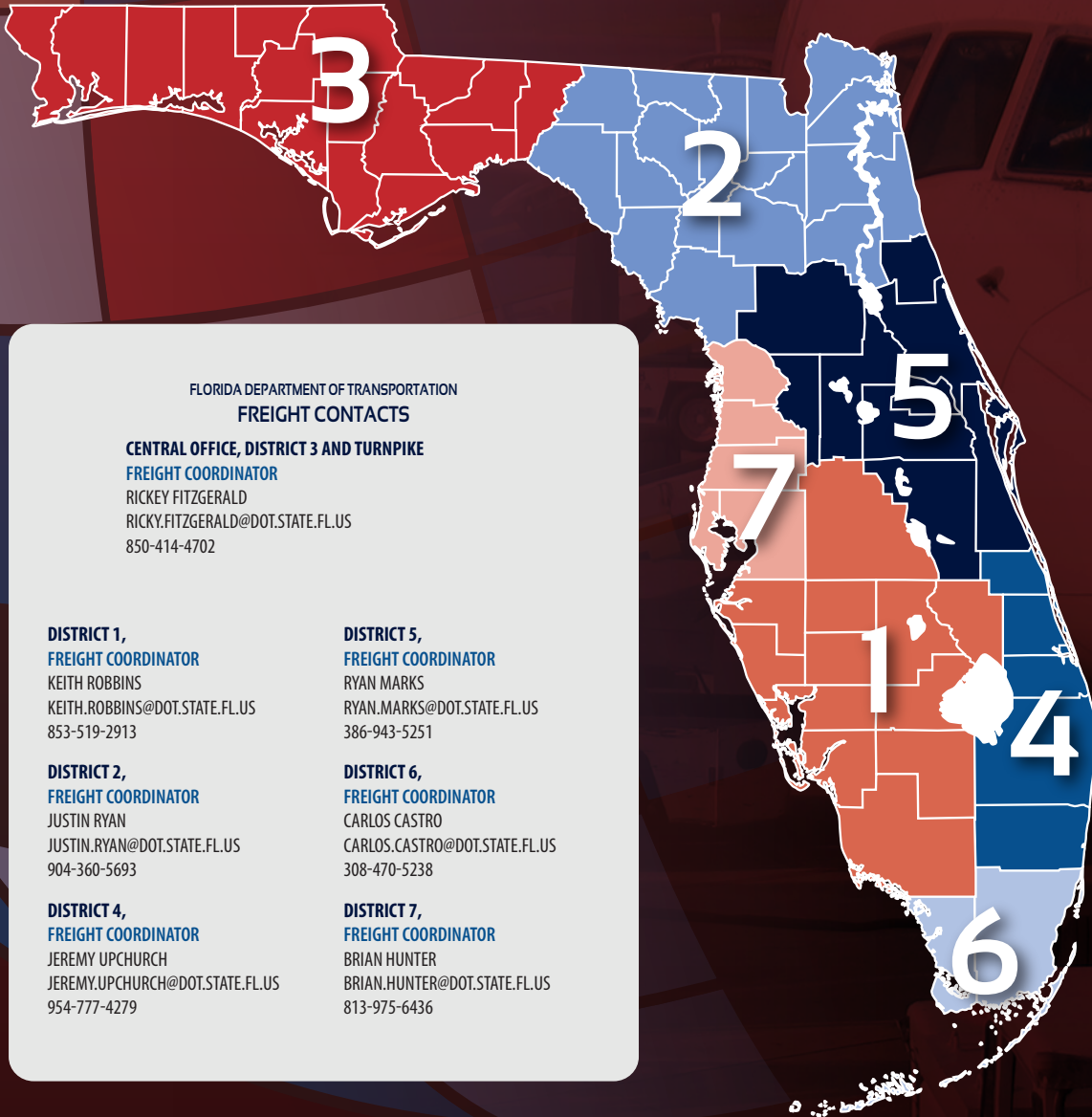


Moving Florida's Freight Faster

The FMTP Investment Element focuses on the needs of Florida, but also includes the nation's freight transportation needs. As a significant gateway state, Florida supports the US and North America as the premier multimodal freight hub. The national freight goals are embodied in the FMTP and Florida serves as a freight anchor to fulfilling the national freight plan. The FMTP is Florida's strategy and commitment to help fulfill our nation's quest and need for free trade and commerce, one of our nation's founding strategies.

Throughout the development of the Investment Element many freight transportation needs were identified. Some are geographical, some to support selected industries, and others modal specific. But all were evaluated against a common set of criteria to insure project investments would be consistent and focused on Florida's freight transportation goals. The goals, objectives and criteria are the common thread which provides integrity to the FMTP.





FLORIDA DEPARTMENT OF TRANSPORTATION
FREIGHT CONTACTS

CENTRAL OFFICE, DISTRICT 3 AND TURNPIKE

FREIGHT COORDINATOR

RICKEY FITZGERALD

RICKEY.FITZGERALD@DOT.STATE.FL.US

850-414-4702

**DISTRICT 1,
FREIGHT COORDINATOR**

KEITH ROBBINS

KEITH.ROBBINS@DOT.STATE.FL.US

853-519-2913

**DISTRICT 2,
FREIGHT COORDINATOR**

JUSTIN RYAN

JUSTIN.RYAN@DOT.STATE.FL.US

904-360-5693

**DISTRICT 4,
FREIGHT COORDINATOR**

JEREMY UPCHURCH

JEREMY.UPCHURCH@DOT.STATE.FL.US

954-777-4279

**DISTRICT 5,
FREIGHT COORDINATOR**

RYAN MARKS

RYAN.MARKS@DOT.STATE.FL.US

386-943-5251

**DISTRICT 6,
FREIGHT COORDINATOR**

CARLOS CASTRO

CARLOS.CASTRO@DOT.STATE.FL.US

308-470-5238

**DISTRICT 7,
FREIGHT COORDINATOR**

BRIAN HUNTER

BRIAN.HUNTER@DOT.STATE.FL.US

813-975-6436

