



THE VOICE OF COLORADO'S CITIES AND TOWNS
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To: CML Executive Board, CML Policy Committee, and interested parties
 From: Morgan Cullen, Legislative and Policy Advocate
 Date: August 22, 2018
 Subject: CML 2018 Municipal Transportation Infrastructure Survey

Introduction

Between March 28th and June 13th, the Colorado Municipal League conducted a statewide municipal transportation infrastructure survey among its 270 members. Over this two and half month period, the League received responses from 134 municipalities, roughly half of its entire membership. (see the attached map).

The survey collected data from a diverse set of respondents, varying widely in size and geographical location, with a distinct set of transportation challenges and priorities unique to their own city or town. Large cities like Denver (pop. 693,060) offered their objectives and concerns, as did small towns like Naturita (pop. 530) and every size municipality in between.

While the final results provide a good indication of the infrastructure challenges at the municipal level, they do not provide an aggregate summation of the funding shortfalls currently experienced by municipalities across the state. However, the response rate provides a convincing sample illustrating the extent of transportation funding shortfalls faced by the vast majority municipalities in Colorado.

Among the survey's respondents, CML was able to ascertain an aggregate \$3 billion revenue shortfall needed for municipal improvements and another \$750 million in municipal maintenance needs in Colorado.

The survey consisted of ten questions seeking information on each municipality's transportation infrastructure budget including how much they currently spend; their current shortfalls for expanding and maintaining their existing roads and bridges; what their biggest funding challenges and priorities are; what a new funding stream of dedicated revenue would hypothetically be used for; and their multimodal priorities.

The survey data should not be construed to be totally inclusive of any particular municipality's expected needs or shortfalls. For more information from a specific municipality, CML recommends reaching out to them directly.

Conclusions

- Existing municipal budgets for transportation are as diverse as the municipalities themselves and depend largely on the size of the city or town, the amount of infrastructure they are responsible to maintain, the amount of annual HUTF revenue they receive, and whether or not they have imposed additional local taxes to subsidize their existing transportation budgets.
- When asked to assess the current revenue shortfall for improving or expanding a municipality's infrastructure, all but three respondents listed significant shortfalls. The collective amount of this

total is difficult to calculate based on the types of responses we received, but we know that it is a sum of at least \$3 billion among our respondents.

- When asked to assess the current revenue shortfall for maintaining municipal transportation infrastructure, the vast majority of respondents listed significant shortfalls though not as much as was listed for expansion/improvement projects. 15 municipalities stated they were not experiencing any revenue shortfalls when it comes to maintaining existing infrastructure. Still, collectively among respondents, Colorado municipalities are experiencing at least a \$750 million shortfall when it comes to maintaining their current transportation infrastructure.
- When asked what the biggest maintenance challenges were at the municipal level, respondents overwhelmingly stated that years of funding gaps in their maintenance budgets have left their community's streets in a general state of disrepair that would be very difficult to restore. Routine maintenance like repaving, crack sealing, concrete and drainage repair were all pervasive issues that are getting worse due to multi-year budget constraints. Larger, mostly front range municipalities also listed increased traffic congestion due to population growth as a contributing maintenance factor. Small towns repeatedly listed the desire to pave dirt and gravel roads as a maintenance issue that needs to be addressed.
- When asked to list each municipality's four biggest road and bridge priorities, the responses were unique to each specific community. The only conclusion that can be drawn is the pervasive need for all types of improvements in all of Colorado municipalities to alleviate congestion, repair existing infrastructure, replace deficient road and bridge infrastructure and offer additional multimodal alternatives.
- When asked what respondents would do with a new revenue stream for transportation, there was no shortage of ideas of what the money could be used for to improve conditions within their municipality. This information could help efforts to develop a statewide list of local funding priorities that could realistically be accomplished with additional transportation revenue to cities and towns. Here are some examples of what small, medium and large municipalities would do with an additional .62 percent in additional sales tax revenue:
 - Manitou Springs would rehabilitate its' West Portal Bridge and improve its downtown corridor.
 - The City of Fruita would dedicate 60 percent of the revenue to general maintenance and the remaining 40 percent to replacing three municipal bridges.
 - The City of Aurora would complete intersection improvements on Parker Rd, Quincy Ave. and Smoky Hill Rd.
- When asked to list the multimodal priorities within their communities, CML again received a comprehensive list of ideas that vary in size and scope. Larger communities tended to focus on enhanced transit service and light rail, but every community seemed to have some multimodal projects in mind that would promote pedestrian access, bicycle mobility, bus service, or community trail systems. Only a handful of respondents did not respond with any multimodal priorities within their municipalities.

While the need for additional transportation revenue to support municipal infrastructure has been apparent for many years, this survey helps to capture how pervasive the challenges have become since the gas tax was last raised in 1992. For over a quarter century, Colorado has endured a systematic decrease in transportation funding and now only takes in half as much as it once did. This funding challenge has only created more significant funding gaps for expanding and maintaining both state and municipal infrastructure.

Roughly half of the state's municipalities responded to CML's transportation survey and the aggregate total of funding shortfalls for these respondents is over \$3 billion dollars. Given the size of our survey's sample, the true statewide funding shortfall could be considerably higher.

While some cities and towns have raised local taxes to improve their municipal infrastructure, the majority still continue to rely on state HUTF revenue and some federal funds to support transportation in their communities. This approach is no longer sustainable given the depreciating effects that inflation and increased fuel efficiency has had on the monetary value of this revenue source at the state and national level.

In order for municipalities to resolve the transportation challenges within their communities, some sort of new revenue at the state or local level will have to be part of any realistic funding solution going forward. The ability for a municipality to adequately solve its own transportation needs often depends on the size of its local tax-base and the severity of transportation challenges it must overcome.

This predicament may leave Colorado's smaller communities at a strategic disadvantage since they do not have the population base necessary to go it alone, which is why CML has consistently advocated for a solution that benefits the entire state and all local governments.