Transportation advocates are pondering what the future may hold for metro Atlanta and other parts of Georgia after voters in nine of 12 regions last week rejected a local option sales tax to fund regionally selected transportation projects. Among the questions to emerge after the vote: Is Atlanta's notorious traffic congestion about to get much worse? Will voting down the tax hike actually end up still costing Atlanta area residents more? Could the city's credit rating be affected? What impact will it have on the region's economic development efforts? What's ahead for major transportation projects in the region? What are the other options for finding transportation revenues? And was the vote in Atlanta a bellwether for the rest of the country on transportation funding? Here's a week's worth of analysis of what it all means from a variety of perspectives.

David Goldberg of Transportation for America writes that there are two lessons to be learned from Atlanta's experience: the region did not have a strong collective identity and the plan to deal with the area's congestion problems wasn’t a plan at all but simply a list of transportation projects. “Regional votes in places without a tradition of regional institutions and decision-making are an extremely heavy lift,” he wrote in a blog post this week. “In our focus groups, the idea of a regional solution held a lot of appeal. But in reality, voters were being asked to send a lot of their money to a regional approach with unclear lines of accountability.” Goldberg noted that revenues from the sales tax would have gone to the Georgia Department of Transportation, MARTA (Atlanta’s regional transit system), the Georgia Regional Transportation Authority and to local jurisdictions in 10 counties. “But with money spread all over the place, where did the buck actually stop?” Goldberg writes. “They were being asked to trust, not just their elected, but government writ large. In this day and time, with this electorate, that may have just been too much to ask.” Of the project list, Goldberg writes that “the Atlanta proponents understood that the 70 percent of transportation tax measures that pass nationwide almost always have a clearly articulated list of promised projects.” But with 157 projects on the Atlanta area’s list, voters may have perceived it as “a grab bag of pet projects, offered with a plethora of justifications.”

Goldberg concludes however that the Atlanta vote is probably not a bellwether for transportation votes in other states and cities. “Like most ballot measures, the Atlanta vote failed for its own peculiar reasons,” he writes. “The Legislature had ensured an uphill battle by mandating the vote be held during the primary election, rather than the November general election. The vast majority of contested races were in Republican districts in the suburbs. The Republican primaries drew an anti-tax electorate to the polls, while residents in the core, who tend to be less tax-averse, had fewer reasons to turn out.”

Blogger Maria Saporta writes that the tax increase was much more popular in the city of Atlanta and Fulton and DeKalb counties than it was in rest of the 10-county metro region. “The core of the region continues to be willing to invest in its transit and transportation infrastructure,” she concludes. That may mean the region’s urban core might be wise to take control of its own destiny in the future when it comes to financing transportation.

Walter C. Jones of Morris News Service offered this explanation for the Atlanta region’s rejection of the referendum: “People outside of Atlanta rejected the tax precisely because they don’t like the big city and interpreted the pro-proposal (television) ads as implying that their locally generated
taxes would go toward the Atlanta projects featured in the television spots.”

- **Transportation consultant and blogger Richard Layman** [6] writes that one reason for the Atlanta referendum’s demise was that the project list for that region tried too hard to split the difference and thread the needle between road improvements and transit. “This was done to get support from people who don’t use transit,” he writes. “But at the same time, it reduced the interest of transit advocates in the measure, but without necessarily significantly increasing the interest of pro-road types in supporting the special sales tax either.” Layman also points out that only two of the Atlanta region’s 10 counties are served by the MARTA heavy rail system with limited service in a third. “Getting support from outlying areas is very difficult in the best of circumstances … While it was probably necessary to draw on such a large region to generate a high enough level of sales tax revenue, it was likely a mistake of overreaching. In short, the authorizing legislation was poorly developed.”

- **In an open letter to members and supporters** [7], the Director of the Georgia Chapter of the Sierra Club Colleen Kiernan writes about the unlikely alliance with the Tea Party that was instrumental in defeating the tax increase and the message that the vote sends. “Stop for a moment and consider what the message would have been on the heels of the colossal defeat if the Georgia Chapter had not opposed it,” she writes. “I believe it would have been that Metro Atlantans voted against transit … Now, the primary message coming out of the election is that voters didn’t trust the government. While we recognize that the Governor is not an ally on transit, we did prevent $4 billion in additional road spending that would have worsened sprawl and pollution, and now have the opportunity to fix the things that are broken, restore trust, and lay the groundwork for a viable rail expansion program.”

- **Adie Tomer of The New Republic** [8] and the Brookings Institution writes that the lesson of Atlanta is “Communicating with voters is everything. Since voters who are uncertain of a measure’s effects tend to vote no, raising awareness about the benefits of a ballot measure is crucial to a win at the ballot box.” Tomer notes that the national record of referendums passing on follow-up tries is strong but supporters would need to do a better job of educating those in the Atlanta region the next time. “Atlanta’s regional residents need to know more about the costs of inaction, and how investments in one locality can benefit residents and businesses of the whole region.” Tomer points out that residents of the Atlanta region will find themselves paying for the decision they made at the ballot box. “Without the extra revenues, Atlanta’s leadership will have difficulty leveraging newly expanded TIFIA funds from the federal government. Instead they will cede the advantage to other metros with referendums on the books. Advantage: Los Angeles, Phoenix and Oklahoma City.” Moreover, Tomer writes, the 2010 legislation that set in motion last week’s referendum vote had a poison pill for those who opposed it. “According to our own reading of Georgia’s Transportation Investment Act of 2010, any district with a ‘no’ vote would cause their local responsibility for state transportation maintenance and improvement grants to rise from 10 percent to 30 percent.” So taxpayers are still likely to get stuck with the bill with no new projects to show for it, Tomer said.

- But one of the groups that campaigned against the referendum in Atlanta has set its sights on ensuring such a penalty never goes into effect, reports **Dave Williams of the Atlanta Business Chronicle** [9]. The Transportation Leadership Coalition is calling for a repeal of the penalty as well as the rest of the 2010 legislation. That’s despite the fact that the referendum was approved in three regions across the state’s mid-section (including those surrounding the cities of Augusta and Columbus as well as a largely rural region in central South Georgia). “Voting your conscience should not come with any penalty,” said Jack Shaver, the coalition’s chairman. “We need strong leadership under the Gold Dome with the fortitude to repeal this terrible law and replace it with a plan that uses common sense.”

- **Atlanta Journal-Constitution** [10]**Political Insider Jim Galloway** [10] blogs that there may be another hidden cost for the Atlanta region from the vote. The credit rating agency Moody’s in a recent Credit Outlook announced that voter rejection of the sales tax in nine of the state’s 12 regions is a credit negative for those areas. While that won’t result in an immediate downgrading of credit, it could
result in one when the state or local governments go shopping for bonds in the future. “The Atlanta region needs major upgrades to its dated and limited transit system and congested roadways to maintain its long-term position as an influential economic center,” the Moody’s report said. “The region will now be challenged to fund such projects on a local or state level, as the region had not formulated a specific contingency plan for identified projects if voters rejected the tax.”

- The Atlanta-area business and economic development communities are looking at how to recalibrate the message to businesses interested in locating in the region, Greg Bluestein of the Atlanta Journal-Constitution reports [11]. “Business leaders who backed the tax say its defeat could hurt recruitment, adding to fears that the region has lost its long-term economic momentum,” he writes. “Sam Williams of the Metro Atlanta Chamber, the tax’s powerful champion, said Atlanta lost almost as many jobs as it gained this decade, and worried after the vote that the trend could continue if a transformational move isn’t made. “We can't grow as a city. We can survive,” he said. “But surviving isn't enough.”

- Aaron Gould Sheinin wrote in Sunday’s Atlanta Journal-Constitution [12] that a do-over of the vote for metro Atlanta is not something that’s in Republican Gov. Nathan Deal’s plans: “The governor, known as a pragmatist, has signaled that he will take a measured approach, working with the funds that are available. He has ruled out any possibility of asking voters again to pay more for transportation, and he does not support increases in other sources, such as a gas tax or hotel/motel tax, to fund highway construction.” Sheinin writes that Deal finds himself in a position faced by many of his predecessors in the Governor’s office.

- Angie Schmitt at Streetsblog Capitol Hill [13] writes that at least one Atlanta project that would have received funding from the sales tax will move forward, albeit at a slower pace than some had hoped. The Atlanta Beltline project, a planned ring of trails and transit around the central city, was scheduled to get $600 million from the package. That money would have been used to build five miles of a streetcar line connecting downtown with the Beltline loop. Project planners say they could have leveraged federal funds to build nine or 10 miles over the course of a decade. But a spokesman for the Beltline told Schmitt that “Of the 157 projects on (the tax referendum) list, this is the one that has the most community support; it has the most funding.” Planners hope to complete 22 miles of transit and 34 miles of trails by 2031.

- Michael Lewyn of Congress for the New Urbanism [14] believes what happened with the Atlanta referendum exemplifies modern transportation politics. “As taxophobia has risen, transportation issues are no longer a battle between the road lobby and the transit lobby,” he blogged last week. “Instead, transportation funding issues involve a kind of three-cornered politics: the road lobby, the environmental/transit coalition, and anti-tax and anti-spending conservatives. Any two groups can usually prevail, but no group can win alone unless it peels off a few voters from one of the other two coalitions. For example, in Atlanta the transit coalition was divided; some environmentalists and transit supporters favored the new sales tax because of the transit projects that the tax would finance, while others urged a “no” vote to stop new road projects. As a result, the anti-tax lobby was able to win by splitting the pro-transit and pro-roads coalitions.”

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