



# Georgia Freight Plan

Overview for ARC Freight Advisory Task Force

June 2, 2022

# Georgia Freight Plan Schedule





## Governor Kemp's Vision for Georgia

Put hardworking Georgians first through streamlined, accessible, and fiscally responsible government.

# Governor Kemp's Strategic Goals and GDOT's Priorities for Freight

## Make Georgia #1 for Small Business

- Expand Georgia's role as a world-renowned hub for global commerce
- Develop a skilled workforce to meet current and future needs across the industry spectrum

## Reform State Government

- Expand public-private partnerships and leverage technology to best utilize limited State resources

## Strengthen Rural Georgia

- Increase rural Broadband access for economic growth
- Deploy regional strike teams to areas with economic challenges or lessening populations to collaborate with local leaders and seek opportunities for growth

## Put Georgians First

- Improve transportation safety and security

# Georgia's Freight Vision and Mission

## Vision Statement

*Georgia will be the global gateway of choice, providing reduced time to market, superior supply-chain efficiency, and reliability from destination to end customer.*

## Mission Statement

*The State, in partnership with private-sector and local and Federal governments, will identify and promote the implementation of activities that improve the capacity, capability, and connectivity of today's supply chains. This will leverage intermodal freight connectors to destinations both inside and outside of Georgia to generate a competitive advantage that benefits Georgians.*

# Statewide Strategic Transportation Plan (SSTP): Business Planning Framework

- **Foundational Investments – *Run the Business***

Taking care of our existing transportation system, *meeting customer expectations*

- **Catalytic Investments – *Grow the Business***

Strategic expansion to support economic development, *expand the customer base*

- **Innovation Investments – *R&D***

Positioning Georgia's transportation system for the future, *evaluating new options to retain and expand customer base*

# Georgia is the #1 State for Business

**379 Companies expanded or located in Georgia, announcing \$11 billion in investment**

➤ \$6.3 billion (57%) are logistics-enabled

**Manufacturing and Automotive:** \$2.9 billion by 186 companies, creating more than 10,500 jobs

**Logistics/Distribution:** \$1.03 billion by 52 companies, creating more than 6,400 jobs

**Agribusiness & Food Processing:** \$1.76 billion by 53 companies, creating more than 5,800 jobs

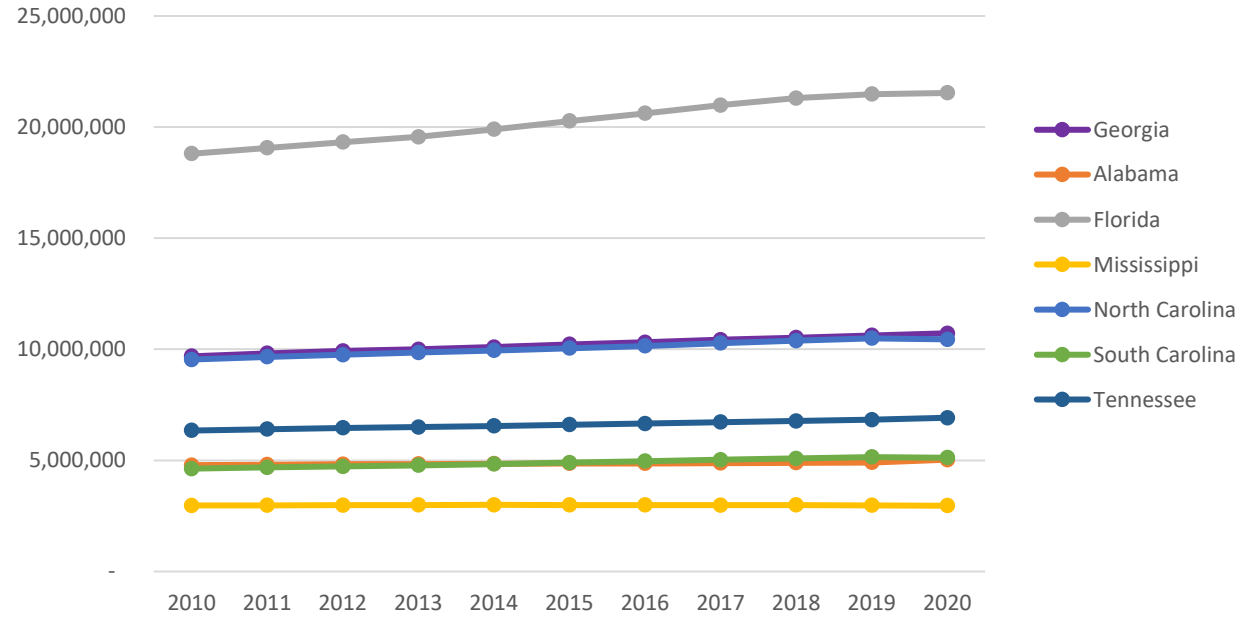


# Steady Population & GDP Growth

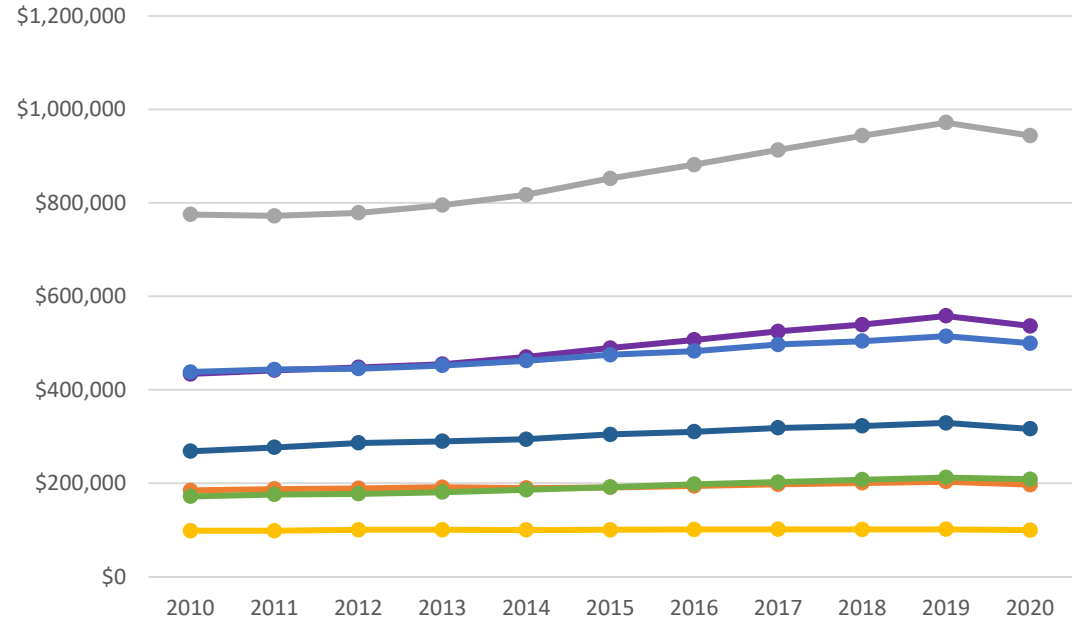
Georgia added more than 1M new residents in the past decade, growing 1% annually.

Georgia's GDP growth rate is double that of population, at more than 2% annually.

Population Time Series (2010-2020)



Real GDP Time Series (2010-2020)



# National & Global Trends

Ranked for Importance by Georgia Freight Advisory Committee



1. Workforce Capacity

2. Supply Chain  
Disruption and Risk  
Management



3. Supply Chain  
Restructuring



4. Technology and  
Automation



5. Population and  
Economic Growth



6. E-commerce Scale  
and Penetration



7. Real Time  
Optimization



8. Electrification and  
Decarbonization

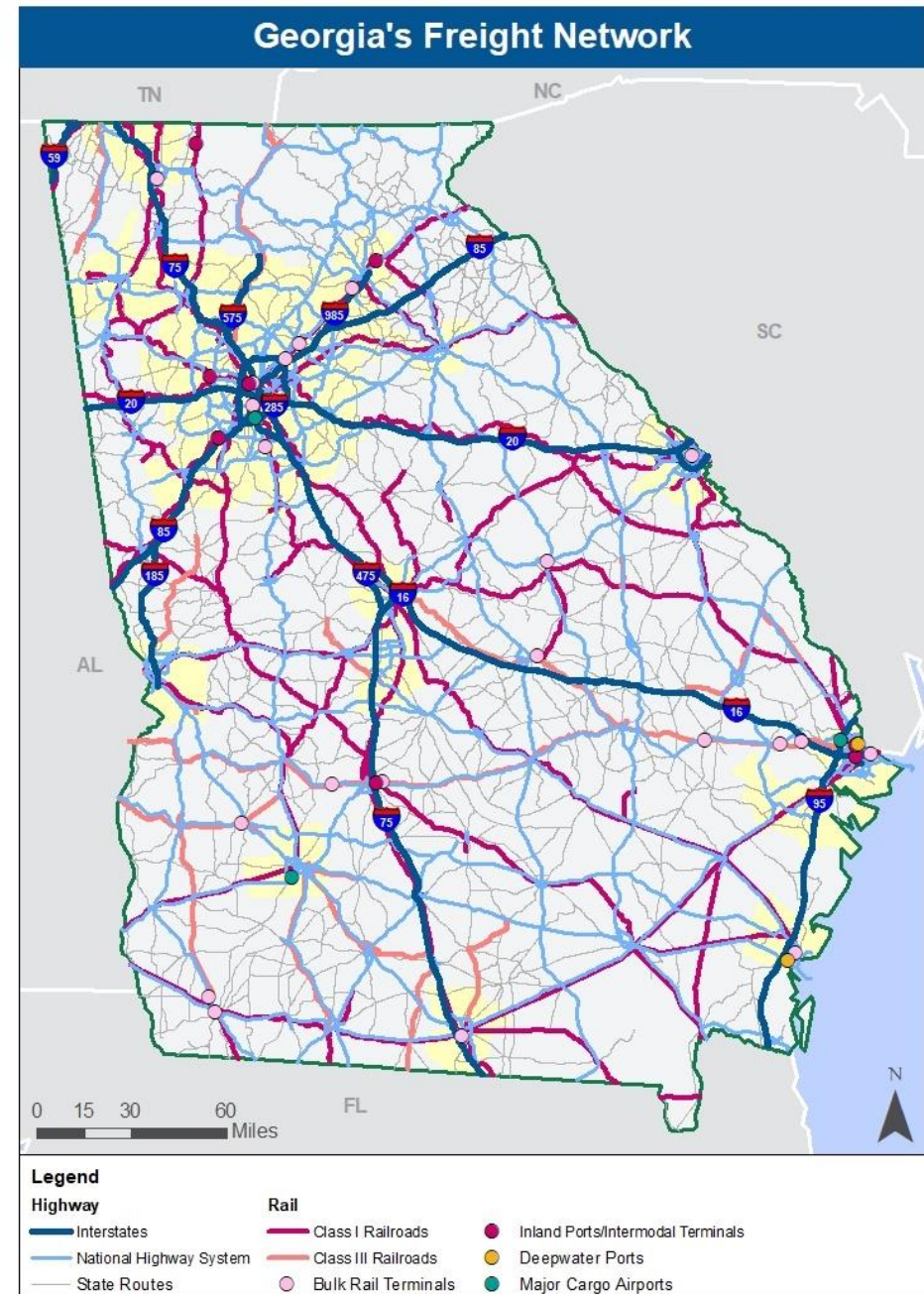


9. Remote Working and  
Urban/Rural Location



# Georgia's Freight Network

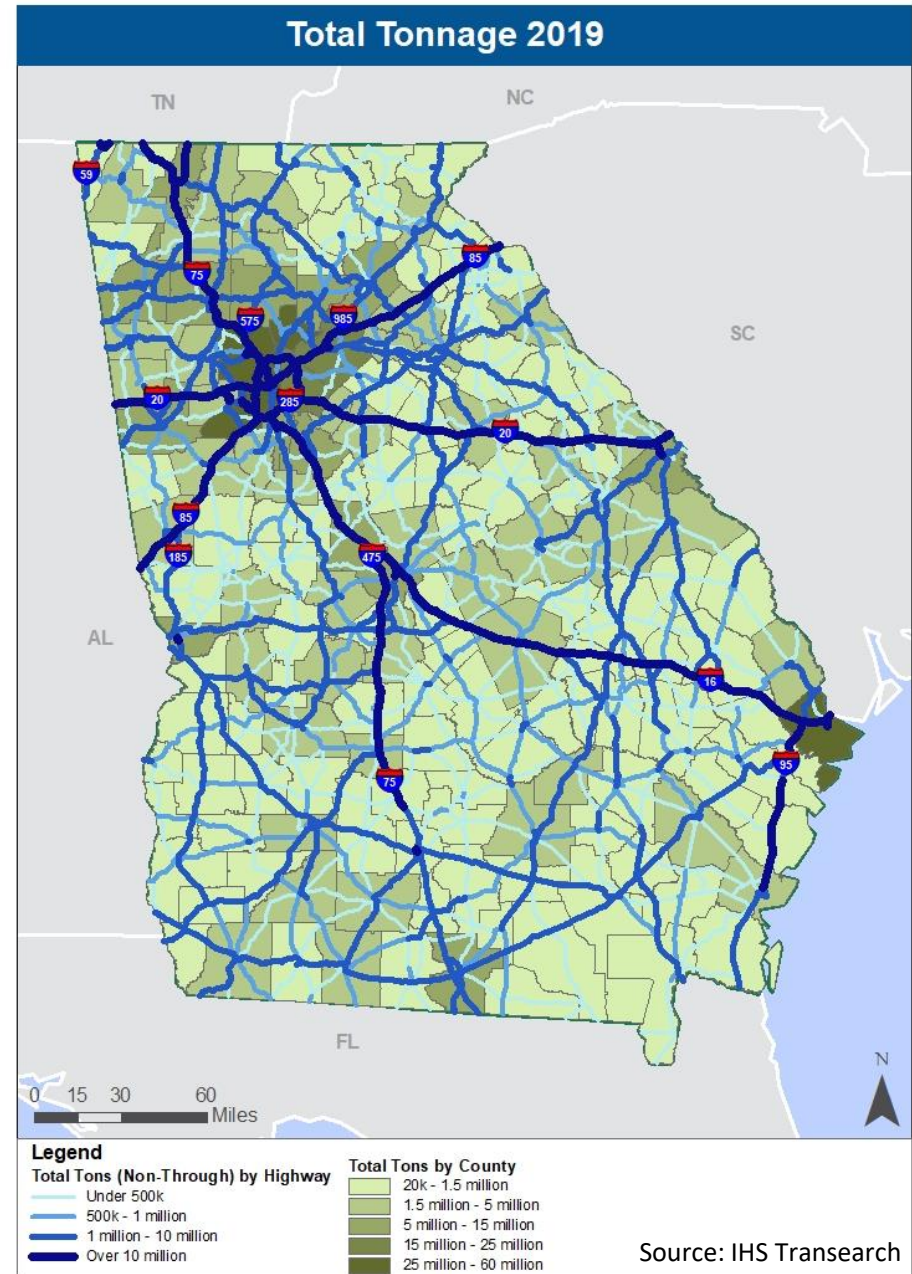
<b>128,300</b>	Miles of Public Roads
<b>17,923</b>	Miles of State Routes
<b>4,222</b>	Miles of State Freight Network
<b>15</b>	Interstates
<b>4,607</b>	Miles of Rail
<b>2</b>	Seaports
<b>3</b>	Inland Ports
<b>3</b>	Major Cargo Airports



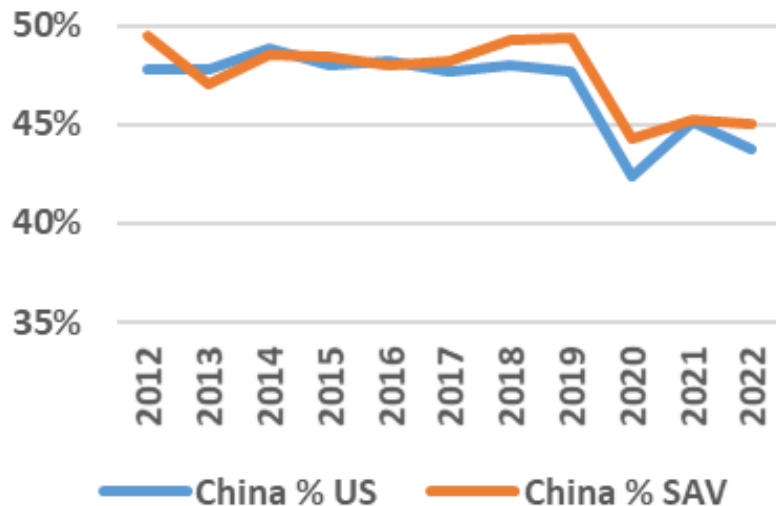
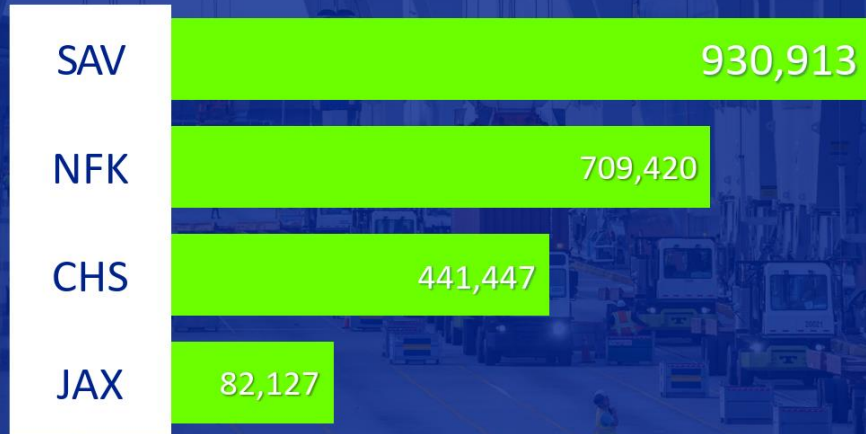
# Nearly Half a Billion Tons of Freight Moved on Georgia's Transportation Network\* in 2019

- Statewide activity led by Atlanta and Savannah
- Smaller metros and rural counties generate freight throughout GA
- Interstates form the backbone, but routes like US 80, US 82, US 84 are prominent in southern GA
- Smaller roadways essential for rural connectivity

\* GA-Based Freight by All Modes



## 2021 SOUTH ATLANTIC TEU GROWTH



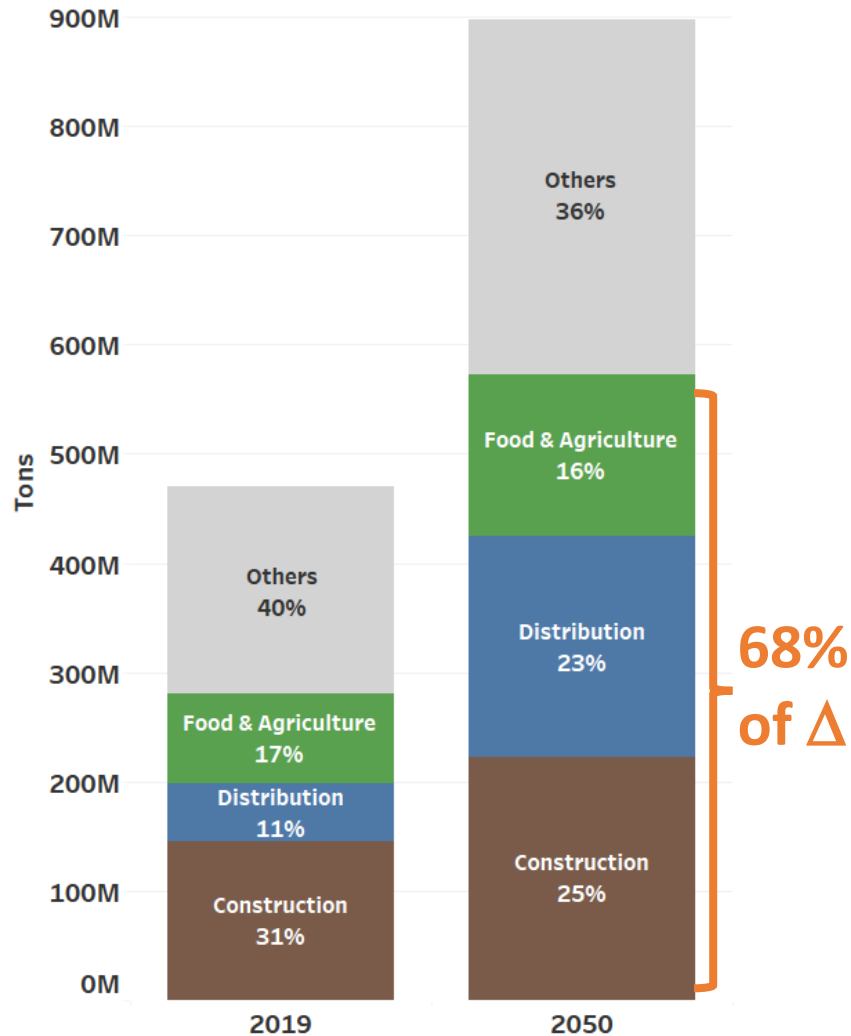
## Record Growth in Savannah Container Traffic

- For 1st time in its history, in FY 2021 the Port of Savannah moved 5.3 million TEUs, growing YOY cargo volumes by 20% or nearly 900,000 TEUs.
  - For CY 2021, the port handled 5.6 million TEUs.
- Since 2018 US imports have shifted from China. China's share of US containerized imports fell from 48% to 44%
- Western Asian countries such as India and Vietnam have gained share at China's expense
- This benefits Savannah because it is either the most or second most globally connected US port
- Mexico has also gained at China's expense, so far also benefitting Savannah

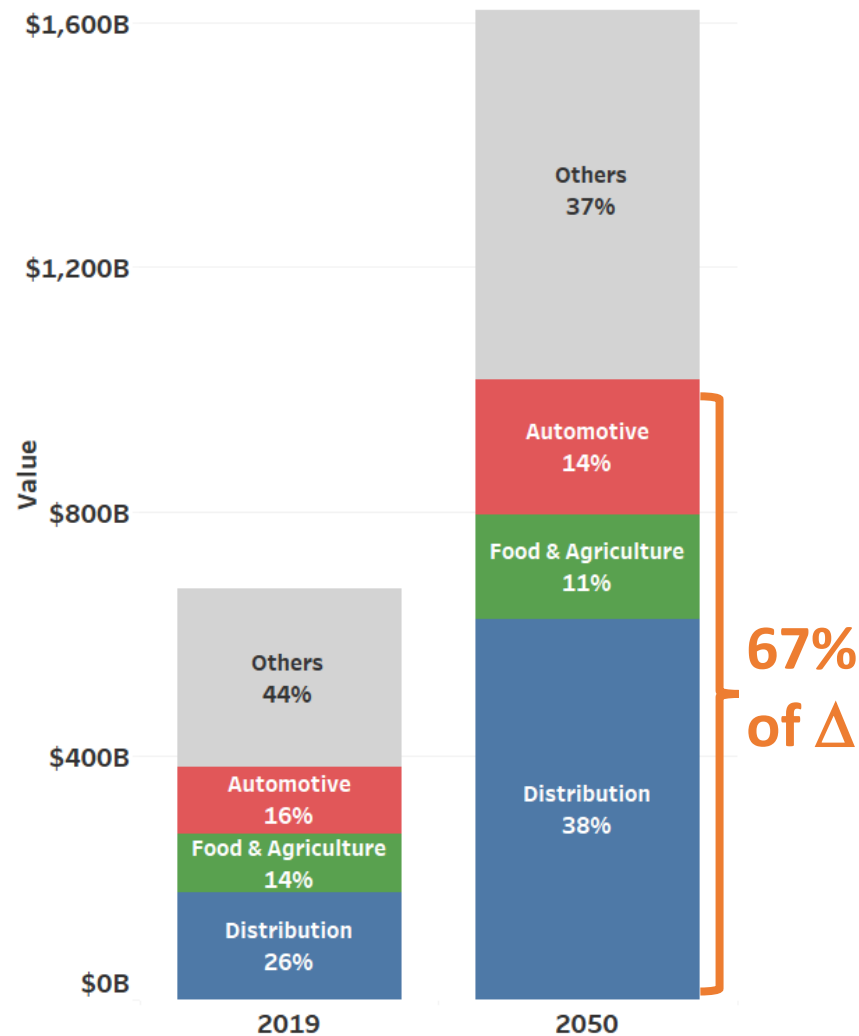


# 2050 Forecast: High Growth, 4 Industry Groups Lead the Way

## Tonnage



## Value



**GA freight tons almost double to 900 million, GA freight value more than doubles to \$1.6 Trillion**

- Trucking > 3/4 of growth

**Construction, Distribution, Food & Agriculture are Top Tonnage groups**

- 60% of 2019 tonnage
- 68% of change in 2050 tons

**Distribution, Food & Agriculture, Automotive & Transportation Equipment are Top Value groups**

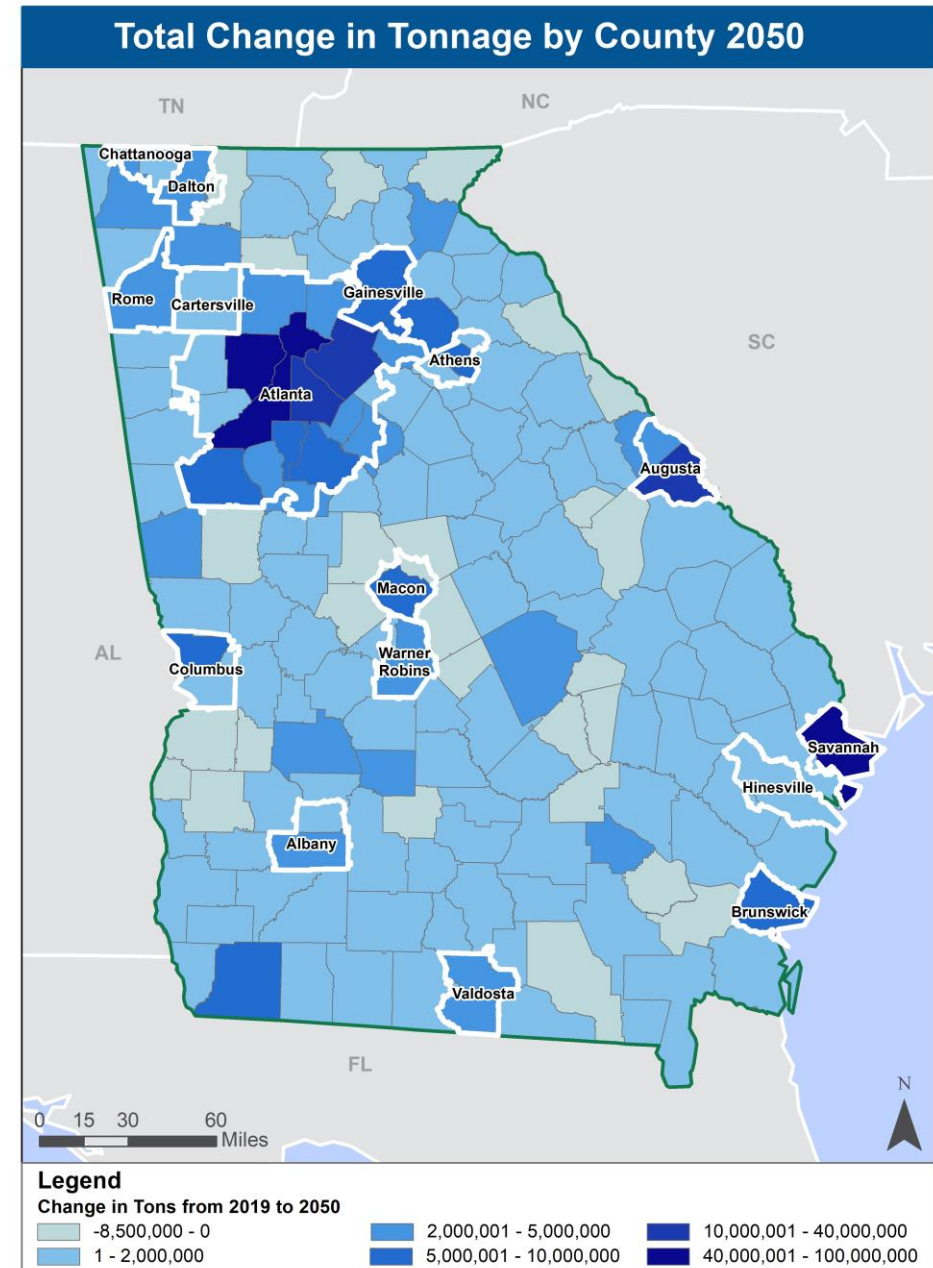
- 56% of 2019 value
- 67% of change in 2050 value

# 400+ Million Tons of Georgia Freight by 2050 Support and Impact the Whole State

Locations of top concentrations of growth

- Atlanta
- Savannah
- Augusta

All other metros will grow, with increase in freight pervasive throughout Georgia (including rural areas)

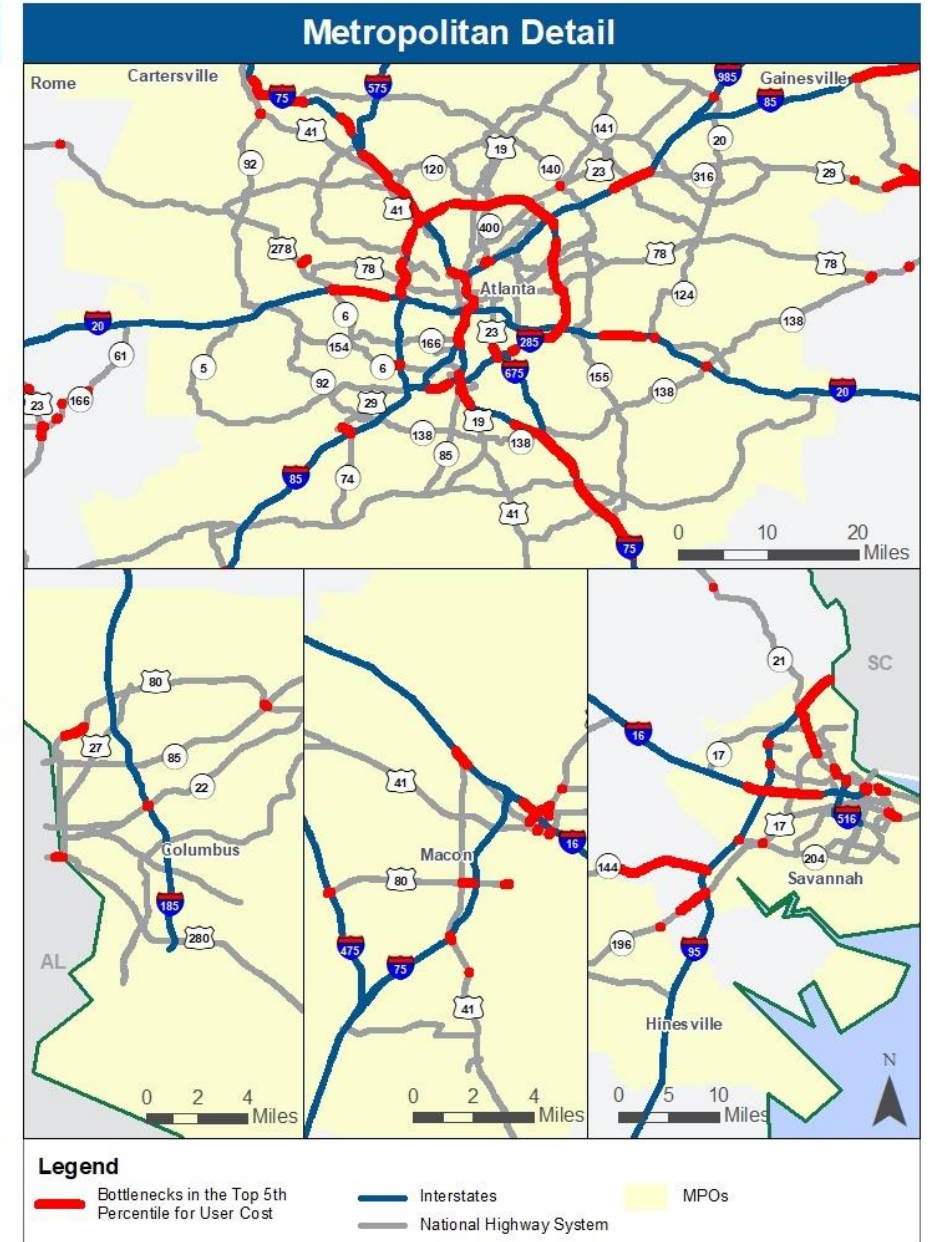
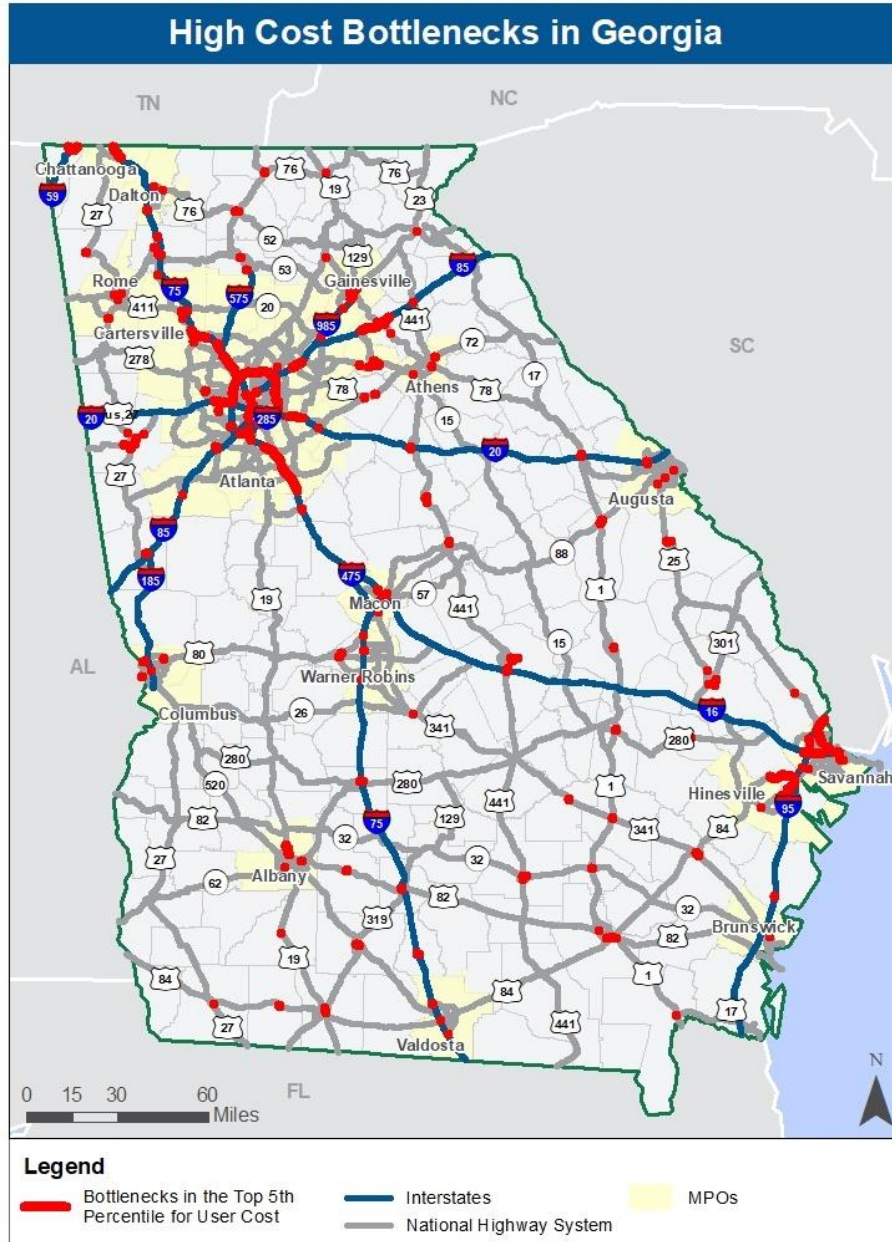


# Systemwide Congestion Costs Shippers and Carriers \$7.5B/year in Georgia

## Top Bottlenecks Alone Cost \$2B/year

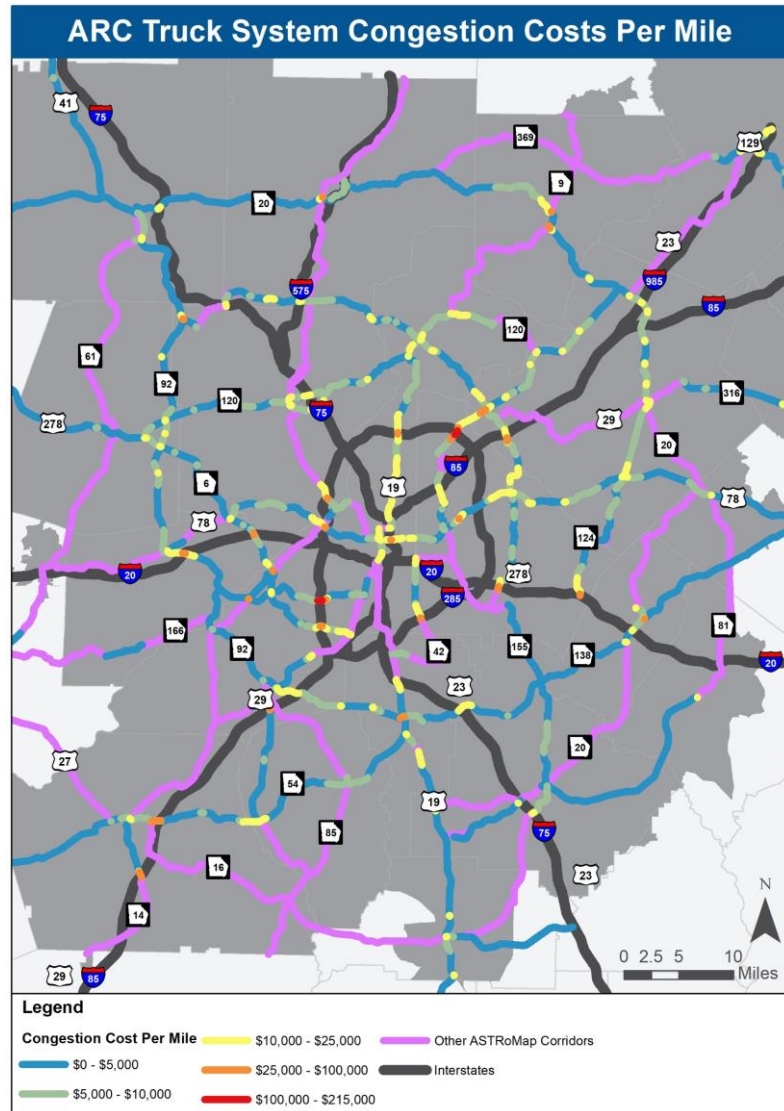
	Share of the Bottleneck Cost	Share of the Bottleneck Miles
Atlanta Metro	73%	45%
Rural Georgia	12%	29%
Other Metros	15%	26%

Source: NPMRDS, NCHRP Report 925





# Atlanta Truck Route Network Congestion is Top State Concern

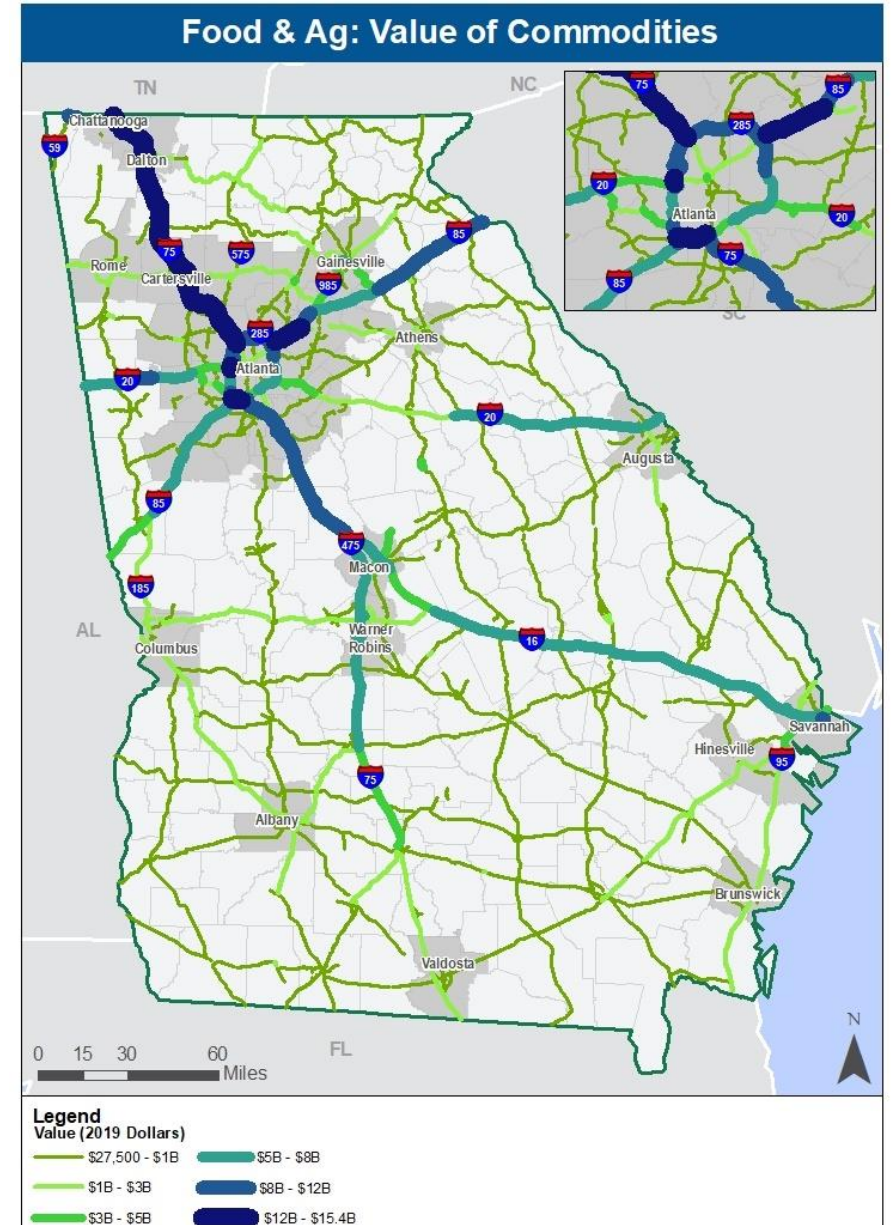
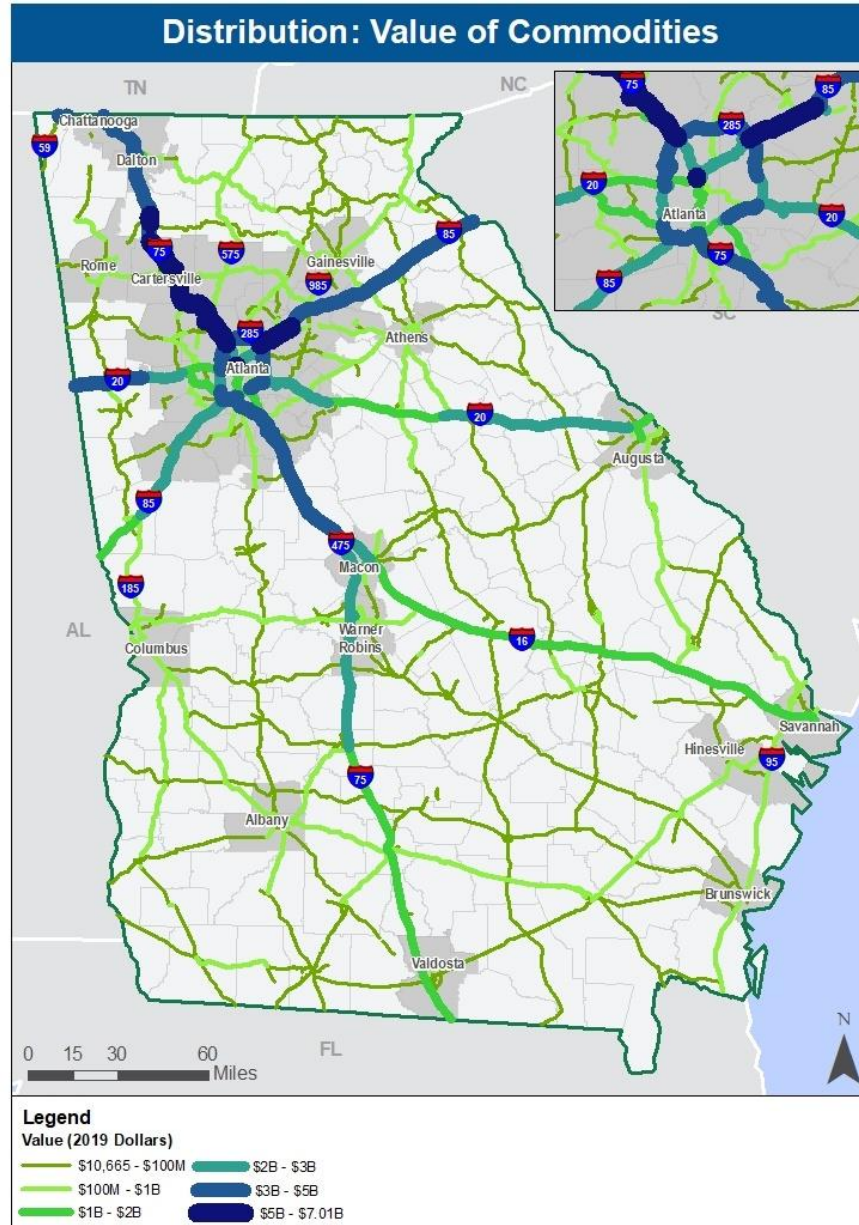


- Atlanta metro truck route system is substantially congested
- Metro truck tonnage is forecast to more than double, further straining capacity
- Atlanta conditions are the top concern among stakeholders interviewed, affecting access to markets and suppliers
  - For Metro shipments, consumer and industrial
  - For foreign trade and intermodal shipping staged through Atlanta
  - For shipments moving through
- Conditions affect cost, reliability, time, safety, risk
  - ➔ Clear competitive concern

# Impact of Congestion on Key Industries

High value industries face significant congestion costs in Atlanta and at bottlenecks across the state

Source: NPMRDS, NCHRP Report 925, IHS Transearch

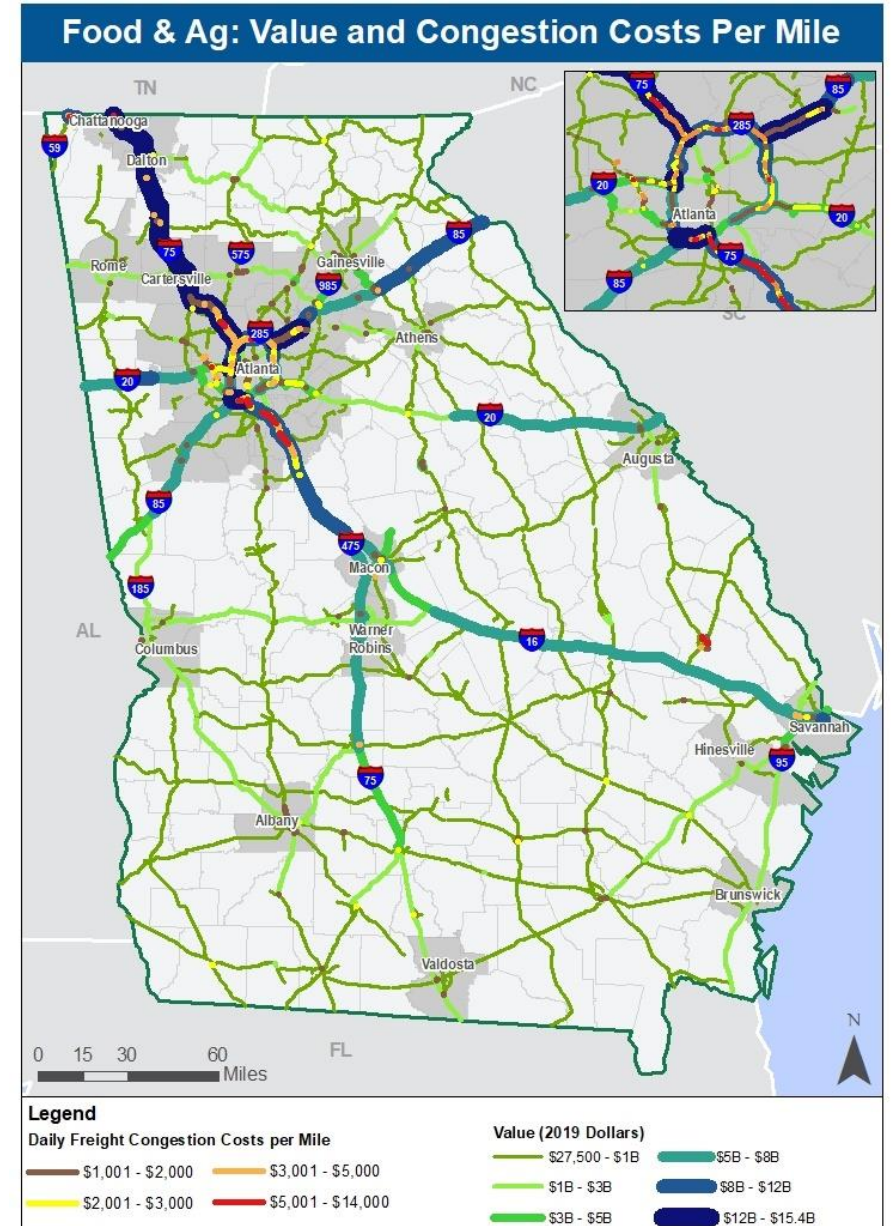




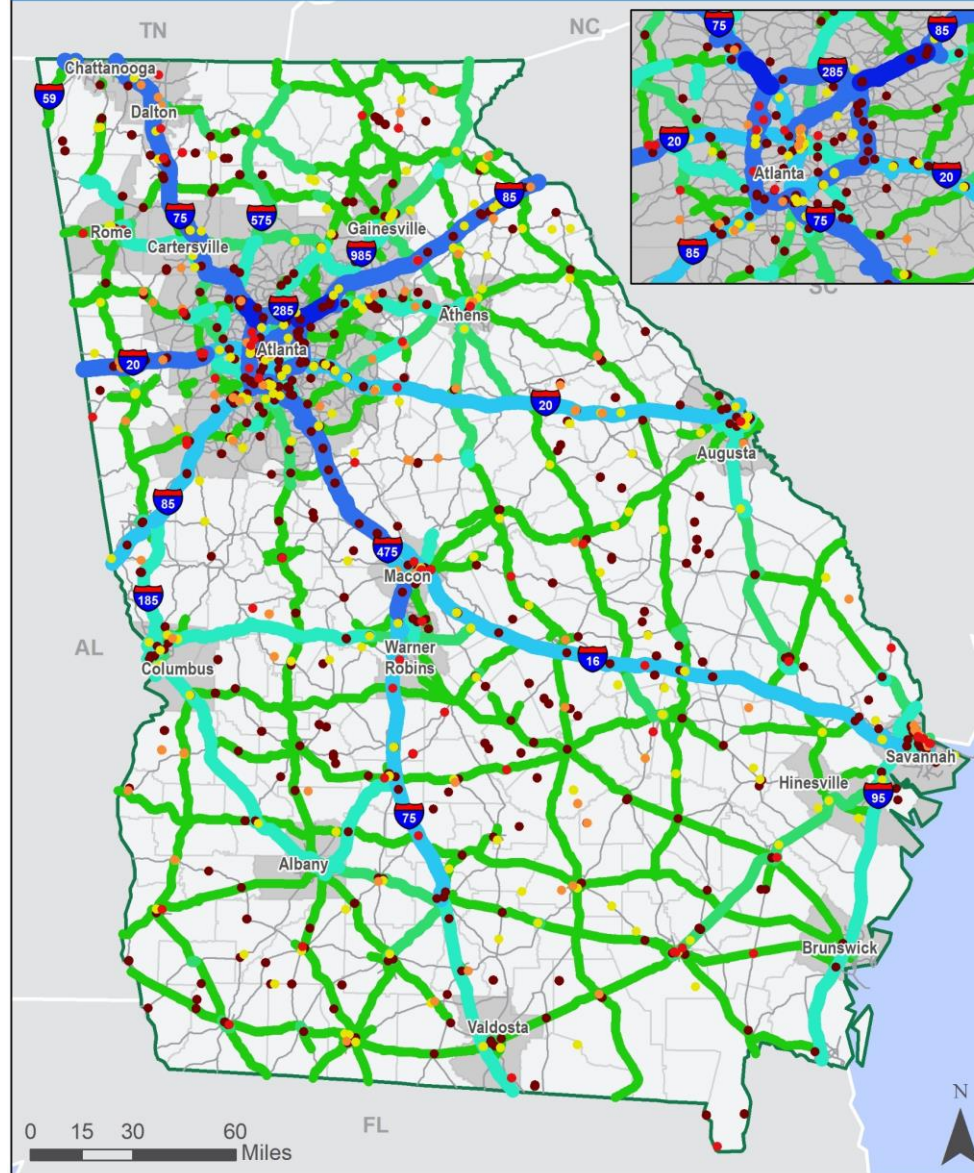
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# Truck Crash Hotspots Affect Performance for All Industry Sectors

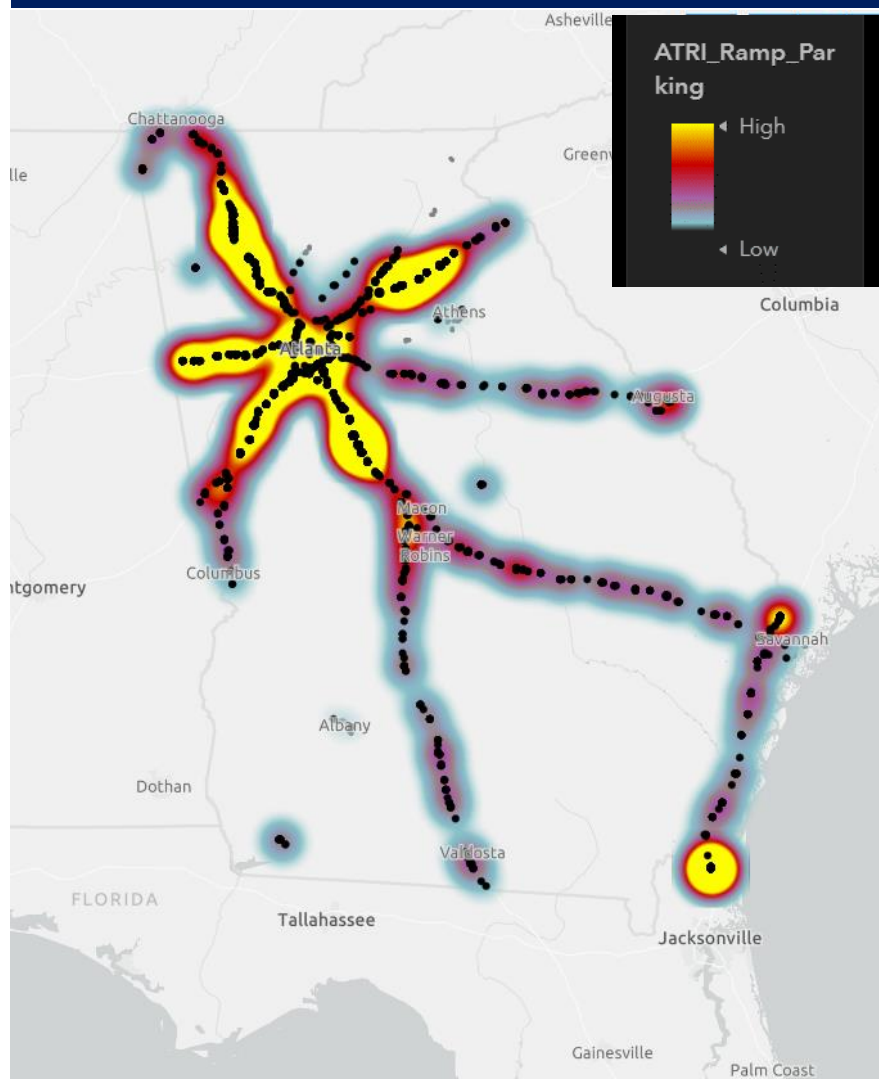


- Crashes directly affect drivers, cargo, equipment, insurance and legal expense → safety and cost
- Crashes delay travel and do so unpredictably → time and reliability
- Crashes can be consequential for hazardous material shipments → risk
- Hot spots concentrate in:
  - Atlanta and other metros
  - Around Interstates fanning out from metros
- All industry sectors have exposure, especially Distribution
- Gains in safety technology help

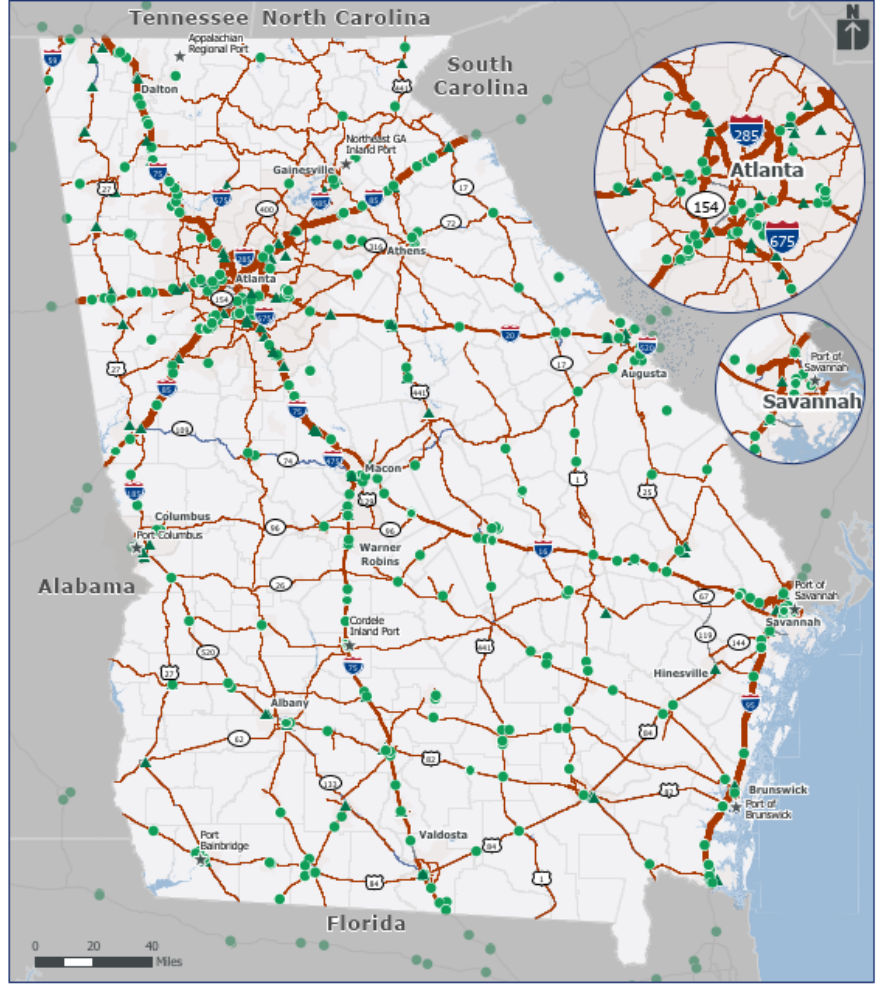


# Growing Truck Parking Demand Brings Safety, Productivity Challenges

Truck Parking on Ramps (ATRI 2021)



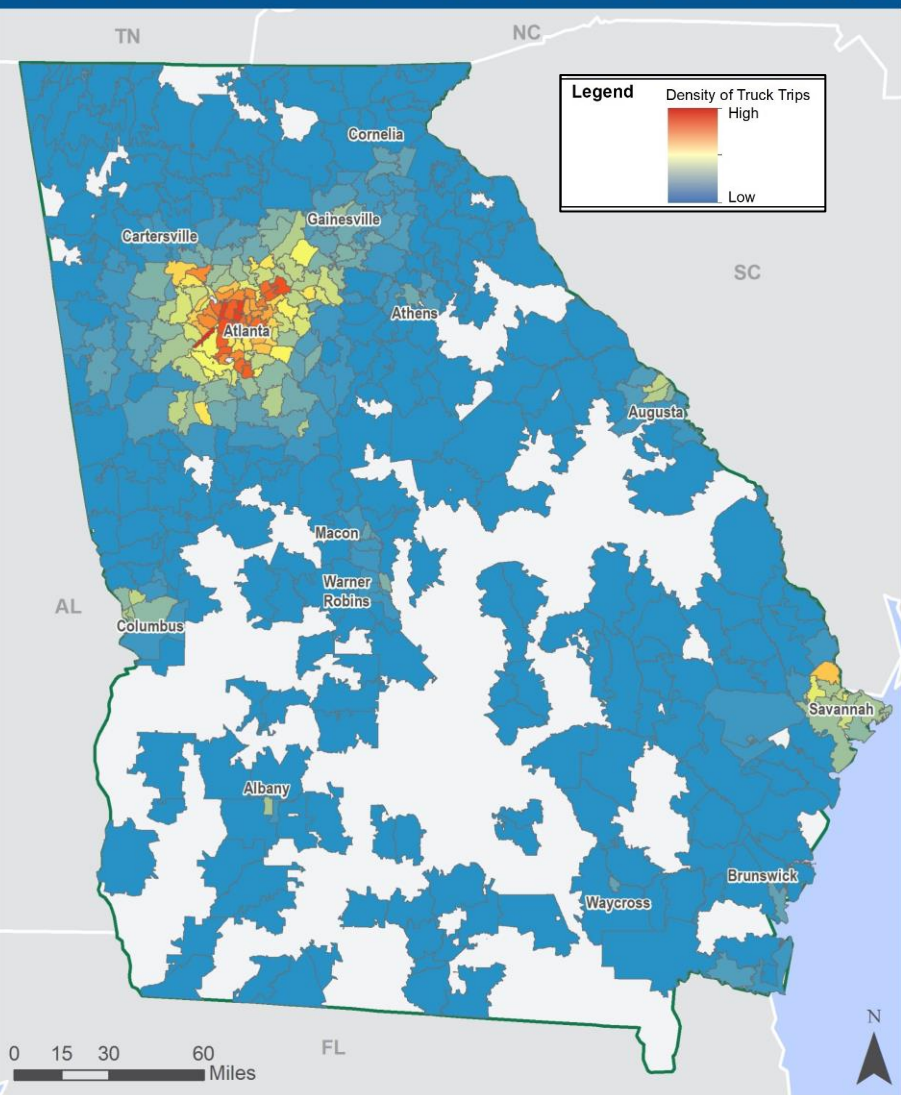
Private Truck Parking Locations by Type



- GA truck parking largely privately supplied
- Widespread Interstate ramp parking today, especially adjacent to private facilities
- Traffic growth forecast concentrates on Atlanta and Savannah approach routes
- Adequacy of truck parking affects safety, and cost via productivity
  - Time seeking parking is time lost
  - Travel slowed, less predictable
  - Influences competitiveness
- Continuing private development opportunity, which is in the public interest

# E-commerce is Land Hungry and Focused in Metro Atlanta

Destinations of Courier and E-commerce Truck Trips

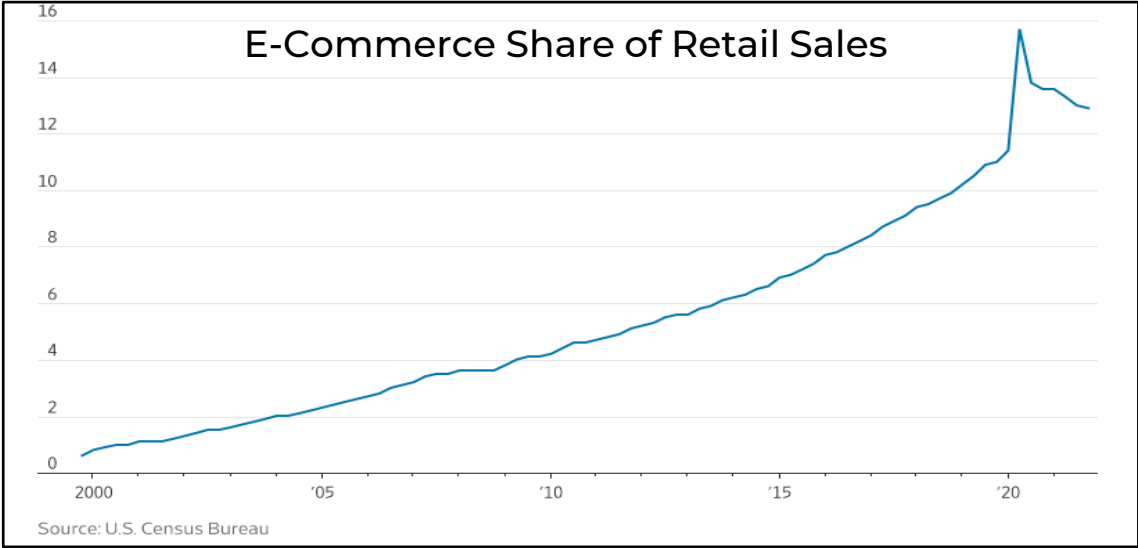


E-commerce requires **3X** the warehouse space to move the same volume as traditional retail

Source: Prologis

E-commerce growth pattern: reversion to trend

- Pandemic boost not sustained
- Trend is still steady penetration



Source: U.S. Census Bureau

## Open Discussion Topics

What are Atlanta's Main Strengths in the Georgia Freight System?

What are Atlanta's Main Weaknesses in the Georgia Freight System?

Other Issues to Consider?







Thank You!

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