

Financial Plan

Background and Assumptions

The MPO created and reviewed three financial projections in the Alternatives Analysis: Constrained; Moderate; and, Optimistic (formerly known as Aspirational). The Preferred Option uses the Optimistic financial projection, and breaks out the Costs and Revenues by the funding decades, i.e., 2025, 2035 and 2045.

It is important to note that the financial plan abides by the North Carolina STI (Strategic Transportation Investment) legislation and policy in the first two decades, i.e., 2025 and 2035. In the third decade, 2045, the financial plan assumes that statewide and national policy would relax restrictions on the use of funding for transit projects, and permit the use of some traditional highway funding to be used to extend the Commuter Rail Transit (CRT) and Light Rail Transit (LRT) lines.

The text below provides notes for the financial table that follows the text. There are two graphs after the financial table that depict major financial themes.

Cost Table

Roadways and Alternative Transportation

The roadway costs are broken out by the three North Carolina STI (Strategic Transportation Investment) funding tiers to abide by the current state policy. The highway costs mostly use TIP estimates, recent feasibility studies, or the 2016 NCDOT highway cost workbook to calculate the individual project cost.

Maintenance costs are based on the STI and NCDOT statewide plan.

The estimated alternative transportation costs are shown for Bicycle and Pedestrian, Transportation Demand Management (TDM), Intelligent Transportation Systems (ITS), and Transportation System Management (TSM). These programs do not have individual projects listed in the 2045 MTP and thus the program cost is a single estimate rather than the sum of the listed projects. The assumed STI tier is also shown in parenthesis in the program title.

Transit

The transit costs and revenues are based on the Durham County Transit Plan and Orange County Transit Plan that were recently updated in 2017. The costs are broken out by existing and new/expanded services because of the policy of those plans and the funding restrictions of the revenue sources.

Additional Transit

These are costs that are not included in the county plan transit costs. The transit funding match is a regional cost for the state capital match for the Durham-Orange Light Rail Transit project.

The extension of the CRT and LRT are regional funds that the MPO assumes will be available for transit capital and other expenses in the last decade of the 2045 MTP. Currently, the STI regional funds are capped at 10% of the total project cost for transit projects, which would not allow the STI funding to be used for these extensions. However, the MPO assumes that this restriction would be repealed as urban areas like those in the MPO become increasingly reliant on public transportation to provide sustainable transportation.

Revenue Table

STI/Local/Private

The STI revenues are based on the Optimistic financial scenario and abide by the STI requirements and methodology throughout the entire 2045 MTP, or the year 2045.

Maintenance revenues match the costs. Local funding are estimates based on the current 2040 MTP and a modest growth rate. CMAQ funding is based on the STI. Private funding is mostly summed from the 2045 MTP highway projects that are expected to be constructed by private concerns.

Transit

The transit costs and revenues are based on the Durham County Transit Plan and Orange County Transit Plan that were recently updated in 2017.

Balance Table

This table is a tool to help guide changes in the project lists and financial plan during the public input period of the Preferred Option. It shows the balance (i.e., revenue minus cost) by STI tier and decade. The values in parenthesis are negative, meaning that the costs are greater than the revenues.

2045 Metropolitan Transportation Plan
Draft Preferred Option -- Financial Plan

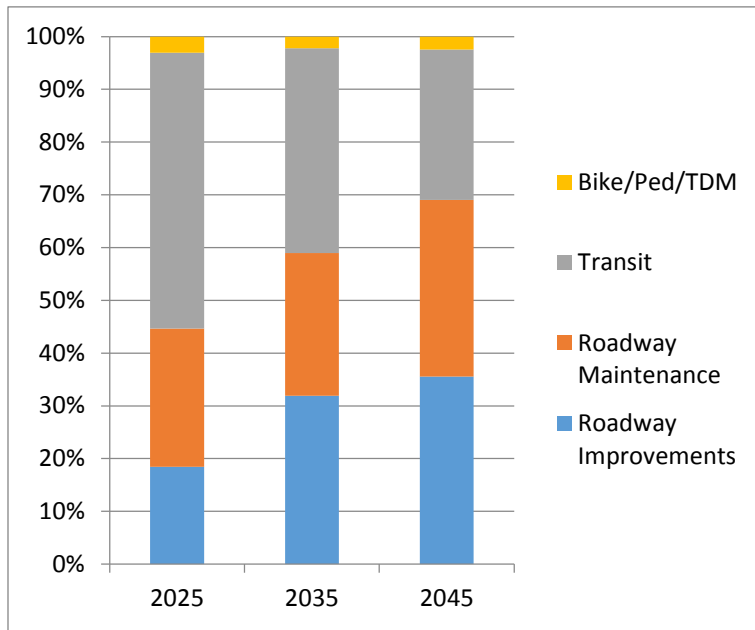
COSTS	Uses Optimistic Financial Projection			
	(in millions \$)			
	2025	2035	2045	Total
<u>Roadways & Alternative Transportation</u>				
Roadways (statewide)	480	1,048	1,090	2,618
Roadways (regional)	24	192	138	354
Roadways (division)	53	167	209	429
Maintenance (all)	874	1,242	1,409	3,525
Bicycle & Pedestrian (division)	90	90	90	270
Transportation Demand Management (division)	13	13	13	38
Intelligent Transportation Systems (statewide)	20	20	20	60
Transportation System Management (all)	40	40	40	120
Total Roadway and Alternate	1,592	2,812	3,009	7,414
<u>Transit</u>				
Continued Transit Funding to Support <u>Existing</u> Services	386	482	482	1,350
Funding for <u>New/Expanded</u> Transit Services	1,261	1,207	471	2,939
<u>Additional Transit</u>				
Transit funding match, etc. (regional)	95	96	-	191
Extend CRT from West Durham to Hillsborough (regional)	-	-	173	173
Extend LRT from Chapel Hill to Carrboro (regional)			75	75
Total Transit	1,742	1,785	1,201	4,728
Total Costs	3,334	4,597	4,210	12,141
REVENUES				
<u>STI/Local/Private</u>	2025	2035	2045	Total
STI (statewide)	542	898	981	2,421
STI (regional)	132	373	423	928
STI (division)	122	228	256	606
Maintenance (all)	874	1,242	1,409	3,525
Toll Revenue (statewide)	0.1	196	-	196
Local Funding (bicycle/pedestrian) (division)	35	20	20	75
Local Funding (roadway) (division)	25	25	25	75
Private Funds (division)	27	30	24	81
CMAQ Funding (division)	17	18	15	49
Total STI/Local/Private	1,773	3,029	3,153	7,956

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Transit				
Continued Transit Funding to Support Existing Services	386	482	482	1,350
Funding for New/Expanded Transit Services	<u>1,261</u>	<u>1,207</u>	<u>471</u>	<u>2,939</u>
Total Transit	1,647	1,689	953	4,289
Total Revenues	3,420	4,719	4,106	12,244
	(parenthesis are negative values)			
BALANCE	<u>2025</u>	<u>2035</u>	<u>2045</u>	<u>Total</u>
Statewide	32	15	(139)	(92)
Regional	(7)	65	17	75
Division	61	41	18	120
Total Balance	86	121	(104)	103

Graphics

The bar chart below shows the percent of the total investment by mode for each of the three decades. Transit investments are relatively larger in the first two decades because of the large capital investments in light rail and commuter rail.



The pie graph below shows the percent of total investment, i.e., 2025, 2035 and 2045, by mode. Roadway improvements and roadway maintenance are the same. The transit, bicycle, pedestrian and TDM investment is less than one-half of the total, 42%. It is difficult to get these investments higher and continue to mostly abide to the STI funding restrictions.

