

# Financial Plan

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## Background and Assumptions

This document provides:

- Narratives details of the financial plan tables;
- Graphs of the level of investment in different modes (page 4 and 5); and,
- Financial plan tables (starting page 6).

The MPO created and reviewed three financial projections in the Alternatives Analysis: Plans and Trends; Shared Leadership; and, All Together. The Preferred Option uses the All Together financial projection because it provides the most funding for transit, bicycle and pedestrian projects. The key revenue sources and assumptions include:

1. “Traditional” revenues (2021-50)
  - State & federal funds based on:
    - The current State Transportation Improvement Program (STIP), which identifies state and federal funding sources for projects over the next ten years
    - NC Moves report and NCDOT revenue model, which estimates available transportation funding over the next few decades
    - The financial plan follows the Strategic Transportation Initiative (STI) process for funding projects
  - Continuation of county-level transit sales taxes
  - Past pattern for other sources (e.g., local bonds and revenue, developer-built projects)
2. NC First Commission recommendation for additional state revenues (2031-50)
  - The MPO will receive a “fair share” of recommended amount, e.g., allocated by population
  - The allocation will not go through STI, and therefore provides the MPO greater latitude to determine the investment target
3. Additional local/regional revenues (2031-50)
  - Based on “sales tax equivalent”

## Financial Table

This section provides additional details on the line items in the financial table. The columns break out the costs and revenues by decade, i.e., 2030 (2021-2030), 2040 (2031-2041), and 2050 (2041-2050), as required by federal guidelines. The values are in 2020 constant dollars, i.e., no inflation factors are applied. The itemized costs of highway, transit and bicycle/pedestrian projects in the MTP are also in 2020 constant dollars.

## Roadways and Alternative Transportation – Costs

Statewide, Regional and Division – These values are the sum of the roadway projects in the Preferred Option, and are broken out by the STI funding category, i.e., statewide, etc.

Roadway Maintenance and Operations – These cost values equal the revenue that will be available for maintenance and operations, which can only be invested in maintenance and operations.

Bicycle and Pedestrian -- The cost to implement the bicycle and pedestrian projects in the long-range local plans of counties and jurisdictions in the DCHC MPO is \$2.679 billion. The financial plan values are the amount that will be available for bicycle and pedestrian projects, which will rely on NC First Commission, developer-built, local revenue, STBG-DA and CMAQ funding. The expected investment in these projects is expected to increase over the years of the first decade. The NC First Commission funding will not be available until the second and third decades.

Transportation Demand Management, Intelligent Transportation Systems, and Transportation System Management – The total estimate of \$100 million per decade is based on current patterns of investment in these types of transportation projects. A review of the current STIP and the NCDOT revenue model indicates that the total State and federal capital funding available in the 2030, 2040 and 2050 time periods will be \$3.4, \$2.1 and \$2.4 billion. Thus, the TDM, ITS and TSM costs are %3 to 5% of the total State and federal capital.

Bus on Shoulder System – The BOSS needs are based on the Bus on Shoulder Expansion Study (2021) and most of the needs are assumed to be constructed when roadways are widened or modernized. However, some roadways do not have future improvements designated and in these cases the cost is calculated at \$100,000 per mile.

## Roadways and Alternative Transportation – Revenues

Statewide, Regional and Division – These revenues are the sum of the roadway projects in the Preferred Option, and are broken out by the STI funding category, i.e., statewide, etc. It also includes portions of revenue for the following:

- Statewide: ITS (70%) and TSM (40%)
- Regional: ITS (30%) and TSM (30%)
- Division: TCM (100%) and TSM (30%)

Roadway Maintenance and Operations – These revenue values can only be invested in maintenance, operations, and some other related costs.

Regional (State and Federal) – non roadways – STI allocation designates a minimum of 4% of the total available Regional funding for non-highway uses. This is 4% of the \$828 million, \$523 million and \$603 million that are estimated to be available for 2030, 2040 and 2050.

Division (State and Federal) – non roadways – STI allocation designates a minimum of 4% of the total available Regional funding for non-highway uses. This is 4% of the \$828 million, \$320 million and \$362 million that are estimated to be available for 2030, 2040 and 2050.

Local/private - Roadways – This number is the value of the roadways that will be built by local governments and private developers. Most of these roadways will be connector roads.

Local/private – Bicycle and Pedestrian – This number is based on an estimate of past values. It is value of the bicycle and pedestrian projects that will be built by local governments (e.g., financed by bonds) and private developers (e.g., related to development projects).

STBG-DA and CMAQ – This value is based on the record of revenues from the Surface Transportation Block Grant – Direct Apportionment and Congestion Management Air Quality federal funding grants that are provided to the DCHC MPO annually. MPO policy directs this funding to non-highway investments.

NC First Commission – This value assumes that the recommended new transportation funding that the NC First Commission identified will become available in 2031 and will be roughly allocated by population.

### **Roadways and Alternative Transportation – Balance**

The DCHC MPO has kept a positive balance of \$200 million each decade to cover any additional projects that are identified during the Preferred Option public engagement process. Also, the MPO will try to keep a positive balance in the final 2050 MTP because amendments are expected that will likely add to the overall cost. A positive balance can eliminate the necessity to update the financial plan, which requires a high level of staff resources.

### **Public Transportation – Pre Transit Plan – Costs and Revenues**

This table shows the costs and revenues for the transit operations and capital for services provided before implementation of the county transit plans, i.e., before fiscal year 2014. These operations and capital items are separated from the transit plan ones because most of the revenue from the half-cent transit tax and increases in vehicle

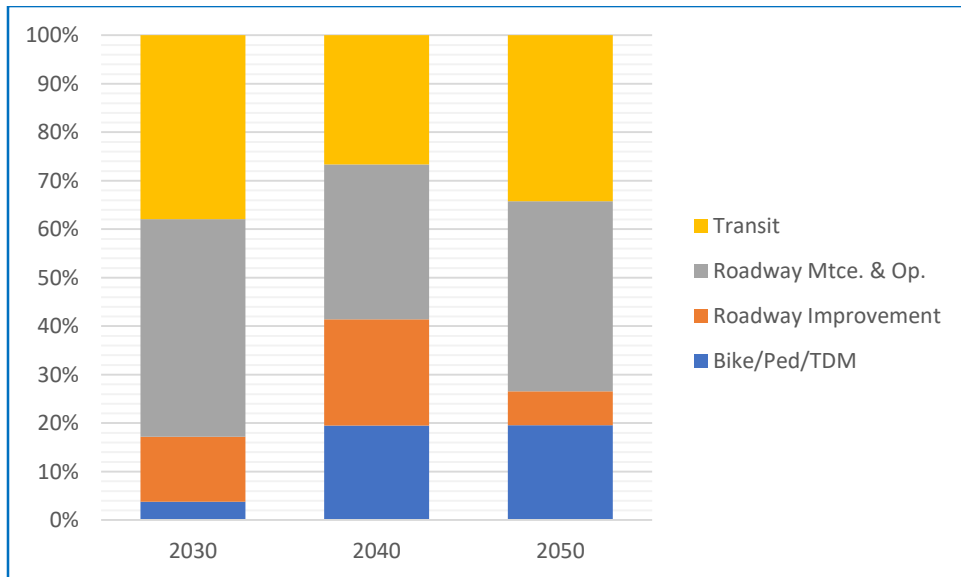
registration and car rental taxes cannot supplant funding that was already being expended on transit services in fiscal year 2013.

**Public Transportation – New / Transit Plan – Costs and Revenues**

This table shows the costs and revenues for the transit operations and capital for services initiated through the county transit plans, i.e., fiscal year 2014, and onward.

**Investment Summaries**

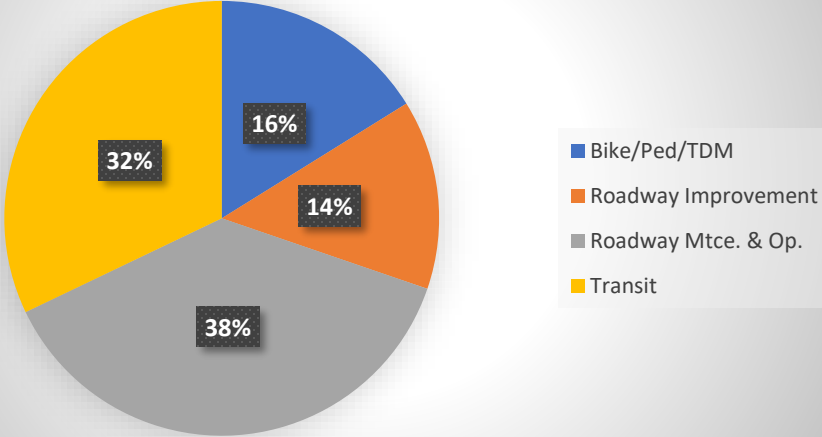
The bar chart below shows the percent of the total investment by mode for each of the three decades. Transit and roadway maintenance and operations combine for about 60% to 80% of the total investment in the three periods. Bicycle and pedestrian investments grow swiftly in the second decade.



The pie graph and table below show the total and percent of MTP investment by mode. Roadway maintenance and operations, and transit have the highest investments, while Bike/Ped and roadway improvement are at similar levels.

Total MTP Investment	(\$ in billions)
Bike/Ped/TDM	2.4
Roadway Improvement	2.1
Roadway Mtce. & Op.	5.6
Transit	4.8

# MTP Total Investments by Mode



## DCHC MPO - 2050 MTP Financial Plan

Preferred Option (in millions \$)				
Roadways & Alternative Transportation	2030	2040	2050	Total
<b>Costs</b> (millions \$)				
Statewide (State/Federal Capital)	\$ 247	\$ 817	\$ -	\$ 1,065
Regional (State/Federal Capital)	\$ 30	\$ 162	\$ 174	\$ 366
Division (State/Federal Capital)	\$ 67	\$ 188	\$ 163	\$ 418
Roadway Maintenance and Operations	\$ 1,425	\$ 1,823	\$ 2,326	\$ 5,573
Bicycle and Pedestrian	\$ 100	1,092	1,141	\$ 2,332
Transportation Demand Management	\$ 20	\$ 20	\$ 20	\$ 60
Intelligent Transportation Systems	\$ 35	\$ 35	\$ 35	\$ 105
Transportation System Management	\$ 45	\$ 45	\$ 45	\$ 135
Bus On Shoulder (BOSS)	\$ 1.3	\$ 3.4	\$ 1.4	\$ 6.1
Roadways & Alternative Transportation <b>Cost</b> Total	<b>\$ 1,972</b>	<b>\$ 4,185</b>	<b>\$ 3,904</b>	<b>\$ 10,060</b>
				\$ 10,054
	\$ 445	\$ 1,267	\$ 437	\$ 2,149
<b>Revenue</b> (millions \$)	\$ 445	\$ 1,267	\$ 437	\$ 2,149
Statewide (State/Federal Capital) - roadways	\$ 290	\$ 860	\$ 43	\$ 1,192
Regional (State/Federal Capital) - roadways	\$ 54	\$ 186	\$ 198	\$ 438
Division (State/Federal Capital) - roadways	\$ 101	\$ 221	\$ 196	\$ 519
Roadway Maintenance and Operations	\$ 1,425	\$ 1,823	\$ 2,326	\$ 5,573
Regional (State/Federal Capital) - non roadways	\$ 33	\$ 21	\$ 24	\$ 78
Division (State/Federal Capital) - non roadways	\$ 33	\$ 13	\$ 14	\$ 60
Local/private - Roadways	\$ 71	\$ 56	\$ 99	\$ 225
Local/private - Bicycle & Pedestrian	\$ 25	\$ 25	\$ 25	\$ 75
STBG-DA and CMAQ	\$ 80	\$ 80	\$ 80	\$ 240
NC First Commission	\$ -	\$ 1,100	\$ 1,100	
Roadways & Alternative Transportation <b>Revenue</b> Total	<b>\$ 2,113</b>	<b>\$ 4,384</b>	<b>\$ 4,104</b>	<b>\$ 10,601</b>
<b>Roadways and Alt. Transportation Balance</b>	<b>\$ 141</b>	<b>\$ 200</b>	<b>\$ 200</b>	<b>\$ 541</b>

## DCHC MPO - 2050 MTP Financial Plan

Preferred Option (in millions \$)				
Public Transportation - Pre Transit Plan	2030	2040	2050	Total
<b>Costs</b> (millions)				
Operations and Capital	\$ 562	\$ 562	\$ 562	\$ 1,686
<b>Revenues</b> (millions)				
Existing Revenues (non-transit plan)	\$ 562	\$ 562	\$ 562	\$ 1,686
<b>Pre Transit Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Public Transportation - New / Transit Plan</b>				
<b>Costs</b> (millions)				
Operations	\$ 233	\$ 463	\$ 512	\$ 1,208
Capital	\$ 408	\$ 488	\$ 958	\$ 1,854
Total	\$ 641	\$ 951	\$ 1,470	\$ 3,062
<b>Revenue</b> (millions)				
Current and Proposed Tax	\$ 550	\$ 1,046	\$ 1,260	\$ 2,856
Federal (CIG)	\$ 128	\$ 195	\$ 442	\$ 765
Total	\$ 678	\$ 1,241	\$ 1,702	\$ 3,621
<b>New / Transit Plan Balance</b>	<b>\$ 37</b>	<b>\$ 290</b>	<b>\$ 232</b>	<b>\$ 559</b>
<b>Grand Total Costs</b>				
	<b>3,175</b>	<b>5,698</b>	<b>5,936</b>	<b>14,808</b>
<b>Grand Total Revenue</b>				
	<b>3,353</b>	<b>6,187</b>	<b>6,368</b>	<b>15,908</b>
<b>Grand Total Balance</b>				
	<b>178</b>	<b>490</b>	<b>432</b>	<b>1,100</b>