

## 2040 MTP and CTP

### Financial Plan

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#### Highways, Bicycle and Pedestrian

The table on the next page displays the costs and revenues for highway, bicycle, pedestrian and all other modal projects except for transit. The values are broken out by the three main threshold years of 2020, 2030 and 2040. The revenues exceed costs by \$11 million.

The key assumptions for this data include:

- Traditional Funding -- The largest source of funding is called “traditional funding.” This includes state and federal transportation funding, and is calculated using the statewide totals from the financial model of the North Carolina Department of Transportation (NCDOT) and assuming an approximately 5% share of those totals based on the MPO’s share of the state population.
- Maintenance – Based on maintenance spending history and the current NCDOT plan, 33% of the total highway funding is expected to be used for maintenance.
- Toll Roads – Based on the experience of other areas, the I-40 managed lane project is expected to cover 70% of its costs through toll revenues.

## Financial Plan – Highways, Bicycle, Pedestrian and Other

Cost Category (millions \$)		DCHC	TIP/'11 to '20	'21 to '30	'31 to '30
<b>Roadways - Total</b>		<b>\$ 3,237</b>	<b>\$ 446</b>	<b>\$ 1,436</b>	<b>\$ 1,355</b>
	<i>Roadways</i>	\$ 2,246	335	986	925
	<i>Maintenance</i>	\$ 991	111	450	430
<b>Other - Total</b>		<b>\$ 303</b>	<b>\$ 101</b>	<b>\$ 101</b>	<b>\$ 101</b>
	<i>Pedestrian/Bicycle</i>	\$ 180	60	60	60
	<i>Transportation Demand Management</i>	\$ 30	10	10	10
	<i>Intelligent Transportation Systems</i>	\$ 48	16	16	16
	<i>Transportation System Management</i>	\$ 45	15	15	15
<b>Cost Total</b>		<b>\$ 3,540</b>	<b>\$ 547</b>	<b>\$ 1,537</b>	<b>\$ 1,456</b>
<b>Revenue Category (millions \$)</b>		<b>DCHC</b>	<b>TIP/'11 to '20</b>	<b>'21 to '30</b>	<b>'31 to '30</b>
<b>Roadways - Total</b>		<b>\$ 3,550</b>	<b>\$ 502</b>	<b>\$ 1,426</b>	<b>\$ 1,623</b>
	<i>Traditional Funding</i>	\$ 2,130	350	920	860
	<i>Maintenance</i>	\$ 991	111	450	430
	<i>Managed Lanes - toll road (70% of cost)</i>	\$ 244	-	-	244
	<i>Private Funding</i>	\$ 81	6	21	54
	<i>Local Funding- Highway</i>	\$ 60	20	20	20
	<i>Local Funding- Bicycle/Pedestrian</i>	\$ 45	15	15	15
<b>Revenue Total</b>		<b>\$ 3,550</b>	<b>\$ 502</b>	<b>\$ 1,426</b>	<b>\$ 1,623</b>
<b>Difference</b>		<b>\$ 11</b>	<b>\$ (45)</b>	<b>\$ (111)</b>	<b>\$ 167</b>

## Transit

### Existing Services and County Plans

The table on the next page displays the expenditures for bus transit, light rail, regional rail, bus rapid transit and other transit related projects. The table is broken out by:

- Existing Expenditures – This category includes the current bus services.
- New Services – This category includes the services in the county bus and rail transit investment plans:
  - Light rail transit from Durham to UNC-CH;
  - Regional rail from Durham to eastern Wake County;
  - Additional bus service of 77,000 and 34,650 annual hours in Durham and Orange counties; 87,500    40,950
  - Transit capital projects such as park-and-ride lots and neighborhood transit centers.

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New Services

### Additional Transit Services

In addition to the services in the county bus and rail transit investment plans, the New Services category includes:

- An extension of the light rail system from Alston Avenue to a station near Briggs Avenue (total capital cost is \$44 million);
- Bus rapid transit service in the Fordham Boulevard and US 15-501 corridor in Chapel Hill (total capital cost is \$88 million); and,
- A cost increase for the MLK Boulevard bus rapid transit, which is included in the draft Bus and Rail Investment Plan for Orange County (total capital cost increase is \$44 million).

### Additional Transit Revenues – Assuming faster growth rates

These additional transit services are financed by assuming faster growth rates for the sales taxes than those in the county plans. The county plans assumed growth rates of 3.5% and 3.6% in Durham and Orange counties, respectively, for the year 2015 and beyond. Economic consultants recently recommended higher growth rates to Triangle Transit for use in the New Starts application. An average of those recommended rates, 4.65% and 4.4% in Durham and Orange, respectively was used in the transit revenue model for the Preferred Option. Triangle Transit did not use these higher rates in the New Starts application because an adjustment could not be made in time to meet the application deadline. However, Triangle Transit did use rates that exceeded those in the county plans but were not as high as those assumed in the Preferred Option.

The additional transit services noted above cannot be financed without assuming the higher sales tax growth rates.

## Financial Plan – Highways, Bicycle, Pedestrian and Other

Transit Expenditures (millions \$)		DCHC	% of Total	Durham	Orange
<b>Existing Services</b>		<b>\$ 1,375</b>	<b>\$ 1</b>	<b>\$ 703</b>	<b>\$ 672</b>
	<i>Federal</i>	\$ 377	27%	181	195
	<i>State</i>	\$ 236	17%	92	143
	<i>Local</i>	\$ 628	46%	312	316
	<i>Fares</i>	\$ 120	9%	112	8
	<i>Other</i>	\$ 15	1%	5	10
<b>New Services (county transit plans+)</b>		<b>\$ 2,687</b>		<b>\$ 2,060</b>	<b>\$ 626</b>
	<i>Federal Capital</i>	\$ 982	37%	741	241
	<i>Federal Operations</i>	\$ 77	3%	58	19
	<i>State Capital</i>	\$ 464	17%	354	110
	<i>State Operations</i>	\$ 70	3%	44	26
	<i>Sales Tax</i>	\$ 700	26%	552	148
	<i>Vehicle Registration Fee</i>	\$ 68	3%	51	18
	<i>Rental Tax</i>	\$ 46	2%	30	17
	<i>Fares</i>	\$ 76	3%	66	11
	<i>Bonds</i>	\$ 202	8%	165	37
<b>Total Transit Expenditures</b>		<b>\$ 4,062</b>		<b>\$ 2,763</b>	<b>\$ 1,299</b>

+ Includes \$88 million for US 15-501 BRT, \$22million for MLK Blvd BRT cost increase, and \$44 million for LRT extension. These can only be financed by assuming 4.65% and 4.4% sales tax growth rates in Durham and Orange.

### State Transit Contribution

The North Carolina General Assembly recently changed policies governing transit funding. The legislature basically stopped large gap funding for transit projects and requires those funding requests to compete in the state Mobility Fund. If the MPO adhered to that policy in its long-range planning, the Traditional Funding available in the Roadway Revenues (as shown in the roadway section above) would need to be reduced by \$461 million and projects valued at that amount would need to be removed from the 2040 MTP. In other words, the state capital match would need to be taken from the traditional highway revenues source. The table below shows the source of the state transit capital match that is assumed in the Preferred Option.

<b>State and Federal Matches -- Capital</b>	<b>State</b>	<b>Federal</b>	<b>Total Match</b>	<b>Total Cap. Cost</b>
Durham Light Rail Transit	263	525	788	1,050
Durham Regional Rail	75	150	225	300
Orange Light Rail Transit	79	158	237	316
Light Rail Extension (Alston to Briggs) (1)	11	22	33	44
MLK Blvd BRT (Chaple Hill) (1)	11	22	33	44
US 15-501 BRT (Chapel Hill) (1)	22	44	66	88
<b>Total</b>	<b>461</b>	<b>921</b>	<b>1,382</b>	<b>1,842</b>

(1) Additions or cost increases to county bus and rail investment plans

For purposes of long-range planning, the TCC recommends the MPO assumes that the state legislature or NCDOT will provide the state transit capital match and it will not be pulled from the Mobility Fund (e.g., traditional revenue sources). There are two main reasons for this recommendation. The Charlotte Blue Line received approximately \$107 million and \$267 million in state transit capital for the original project and the extension – this is a total of \$374 million. Although the Blue Line received this funding before the legislature changes, similar support could be possible for the Triangle region. In addition, the rail transit projects have not ranked very well in the NCDOT ranking system, which is called SPOT. The Durham-Wake County commuter rail project was ranked #33 of 95 projects in the most recent SPOT ranking, which is well short of the funding cut-off.