

APPENDIX B

Financial Plan – Revenue Projections and Investment Strategies

Introduction

The Financial Plan is intended to demonstrate that the priorities of LRTP 2045 can be implemented while assuring fiscal constraint. The Plan will provide for a range of implementation programs and activities by a range of agencies at the Federal, State, and Local levels. The Financial Plan provides an illustration of how each of the respective levels of government have a role in the provision of funding and implementation of highway, transit, and other modes.

Appendix B provides additional aspects into the assumptions included in the Financial Plan. These supplementary sections on Revenue Projections and Investment Strategies are intended to document the methodology used by GTC. The Financial Plan may be amended to account for significant changes brought about by the successor to the FAST Act or other relevant legislation and this appendix will be used as a basis for such changes.

Revenue Projections

The reasonably-expected revenues for implementing the recommendations of LRTP 2045 are based on existing sources and levels of Federal, State, and Local expenditures for roads, bridges, public transportation vehicles and services, sidewalks, and trails. These sources are expected to generate \$10.8 billion through 2045.

Respective Federal, State, and Local funds are combined into individual Revenue Programs, as shown on the *Funding to Investment Flows* diagram (page 129). The Revenue Programs with the Federal programs and required matches or standalone State and Local funds are then used for the projection of available funds to the Investment Strategies. Nearly all Strategies include some combination of funds from all three levels of government.

Tables 1-3 provide background on each program including the eligible activities, basis for projections, match requirements, and projection assumptions. A few key assumptions of note:

- Planning Targets are provided by NYSDOT Main Office for GTC and NYSDOT Region-4 projects in the Transportation Improvement Program
- Main Office shares of Federal programs include routine categories (e.g., BRIDGE NY), NYSDOT Capital Plan implementation, and individual projects selected on a discretionary basis
- State (including Marchiselli) and Local funds are assumed to be available for the required match of Federal Aid programs
- LRTP 2045 does not assume that any project will receive discretionary awards through modal administrations such as FHWA or FTA, the USDOT Office of the Secretary (OST), or Congress.

Table 1. Federal Programs

Program	Eligible Activities	Basis	Match	Projection
National Highway Performance Program	Roads and bridges located on the National Highway System	Planning Targets (2014-2021) and Main Office (2017-2021)	15%. Assumes 50/50 split between Interstate and non-Interstate NHS projects. Provided by State	2% compound annual growth rate
Surface Transportation Block Group	Federal-aid highway, pedestrian and bicycle facilities, and transit capital projects. Flex funds can be used anywhere. Off-System Bridge program can only be used for bridges off the Federal Aid-system. Large Urban funds can only be used in the Rochester Urbanized Area.	Planning Targets (2014-2021) and Main Office (2017-2021)	20%. Provided by State (SDF and Marchiselli) and Local funds	2% compound annual growth rate
Highway Safety Improvement Program	Capital safety improvements	Planning Targets (2014-2021) and Main Office (2017-2021)	10%. Provided by State (SDF and Marchiselli) and Local funds	2% compound annual growth rate
National Highway Freight Program	Roads and bridges on the National Highway Freight Network	Main Office (2017-2023)	10%. Assumes Interstate projects.	Trend with 2% compound annual growth rate
Transportation Alternatives Program	Bicycle and pedestrian improvements	Main Office (2017-2021)	20%. Local funds only.	Trend with 2% compound annual growth rate
Congestion Mitigation and Air Quality Improvement Program	Capital projects and programs that improve air quality	Main Office (2017-2021)	20%. Local funds only.	Trend with 2% compound annual growth rate
Urbanized Area Formula	Capital funding for rolling stock and facilities in the Rochester Urbanized Area.	FFY 21 apportionment (including stimulus) and CMAQ awards (2017-2021)	20%. Spilt between Transit SDF and RGRTA match	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045
Buses and Bus Facilities	Capital funding to replace buses, related equipment, and construct bus-related facilities	FFY 21 apportionment and Low/No Emissions awards (2017-2021)	20%. Spilt between Transit SDF and RGRTA match	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045
Rural Area Formula	Capital and operations in rural areas	RGRTA Capital Improvement Program estimates	20%. Spilt between Transit SDF and RGRTA match	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045

Table 2. State Programs

Program	Eligible Activities	Basis	Match	Projection
Consolidated Local Street and Highway Improvement Program	Apportionments to Counties, Cities, Towns, and Villages for facilities not on the State system	SFY 20-21 apportionments	N/A	1% compound annual growth rate
PAVE NY	Apportionments to Counties, Cities, Towns, and Villages for facilities not on the State system	SFY 20-21 apportionments	N/A	1% compound annual growth rate
Marchiselli Program	State support for covering the non-Federal share of locally sponsored Federal Aid projects	Share of match for applicable Federal Aid programs	N/A	N/A
Carbon-based Fees	Fees on greenhouse gas emissions for mitigation projects.	No historical data. It is anticipated that NYS will establish some type of Carbon-based fee. Transportation and Climate Initiative (TCI) is used for reference; however, NYS participation is not approved.	N/A	50% of estimated NYS receipts to be distributed based on County population. Total revenue based on TCI (30% cap revenue scenario, 2023-2032 only). Of the distributed funds, amount limited to nine Counties in the region.
State Dedicated Fund (Highway)	Capital and operations on the State system, including match of Federal Aid Projects	Share of match for applicable Federal Aid programs plus \$2M per year (2021)	N/A	1% compound annual growth rate for standalone SDF
Thruway Authority	Toll and other revenues supporting capital and operations on the Thruway system	Share of 2020 Capital Program of Highways and Bridges in GTC region (2018-2024)	N/A	2% compound annual growth rate
Accelerated Transit Capital	Apportionment to transit agencies for capital assets	Apportionments (2020-2021)	N/A	2% compound annual growth rate
State Dedicated Fund (Transit)	State support for agency sponsored Federal Aid transit capital projects	Share of match for applicable Federal Aid programs	N/A	N/A
State Transit Operating Assistance	Apportionment to transit agencies for operating assistance	RGRTA 2021 Comprehensive Plan	N/A	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045

Table 3. Local Programs

Program	Eligible Activities	Basis	Match	Projection
Highway - Local	Local match for Federal Aid projects and local capital improvement programs	Share of match for applicable Federal Aid programs; and Capital Improvement Programs (City of Rochester and Monroe County)	N/A	2% compound annual growth rate of historical averages of CIPs
Farebox Revenues and Partnerships	Revenue from farebox collection and contract agreements for services	RGRTA 2021 Comprehensive Plan	N/A	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045
Mortgage Recording Tax	Apportionment to transit agencies for capital and operating assistance	RGRTA 2021 Comprehensive Plan	N/A	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045
Transit - Local	County contributions to RGRTA	RGRTA 2021 Comprehensive Plan	N/A	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045
RGRTA Capital Reserve	Capital reserve funding	RGRTA 2021 Comprehensive Plan	N/A	RGRTA Capital Improvement Program (2021-2030). 5% increases every five years 2031-2045

Investment Strategies

The Financial Plan divides the projected funds into 18 Investment Strategies that implement the Recommendations for Health and Safety, Access and Equity, System Management and Maintenance, Sustainability and Resilience, and Economic Development.

The amounts of each category are a balance between the need and reasonably available funds. The assumptions shown in **Table 1** for these categories were derived from:

- a) System level plans;
- b) Projections based upon current expenditures; and/or
- c) Shares of applicable funding programs.

The fiscal constraint of the Financial Plan limits the amount of potential funding that could fully address any one specific category.

The Financial Plan includes only aggregate expenditure figures through 2045 for each of the Strategies to primarily illustrate the connections between sources of projected funding and potential levels of investment. These levels will be used to inform short-range programming levels of Federal funding programs among the range of various of projects. Individual projects, implementing these respective Strategies, will be solicited for consideration through the Transportation Improvement Program development process.

The categories also take into consideration emerging project types that address the evolving needs of the region. Transit electrification, shared mobility, and critical asset resiliency each support recommendations that seek to provide more equitable access or mitigate against climate change. These projects have been already begun to be implemented in the region and more sustained investment is included in the Financial Plan.

Table 4. Investment Strategies

Category	Description	Assumptions
NHS Assets - Pavements	Preservation and renewal of National Highway System pavement assets per the NYSDOT <i>Transportation Asset Management Plan</i>	State of Good Repair (Scenario 1) from NYDOT <i>Transportation Asset Management Plan</i> . Region 4 share of NHS lanes miles, excluding Thruway
NHS Assets - Bridges	Preservation and renewal of National Highway System bridge structures per the NYSDOT <i>Transportation Asset Management Plan</i>	State of Good Repair (Scenario 1) from NYDOT <i>Transportation Asset Management Plan</i> . Region 4 share of NHS bridge deck area, excluding Thruway
Thruway Capital	Implementation of the NYS Thruway Authority Capital Plan	Projected Thruway funding through 2045 in GTC Region
Regional Pavements	Preservation and renewal of Federal Aid-eligible roads	<ol style="list-style-type: none"> 1) FFY 20-24 TIP share (~80%) of STBG LG URB (minus Active Transportation target) 2) FFY 20-24 TIP share (~62%) of STBG Flex (minus Critical Asset Resiliency and Systems Management and Resiliency) 3) City of Rochester CIP (2020 share) 4) Monroe County CIP (2021 share) 5) State Dedicated Fund
Regional Bridges	Preservation and renewal of Federal Aid-eligible bridges	<ol style="list-style-type: none"> 1) FFY 20-24 TIP share (~20%) of STBG LG URB (minus Active Transportation target) 2) FFY 20-24 TIP share (~32%) of STBG Flex (minus Critical Asset Resiliency and Systems Management and Resiliency) 3) City of Rochester CIP (2020 share) 4) Monroe County CIP (2021 share) 5) State Dedicated Fund
Local Roads and Bridges	Preservation and renew of local roadway and bridge facilities	<ol style="list-style-type: none"> 1) 100% STBG Off-System Bridge 2) 100% of CHIPS 3) 100% of PAVE NY
Freight Mobility	Preservation of assets identified as National Highway Freight Network and other Critical Urban Freight Corridors	100% of National Highway Freight Program funds
Critical Asset Resiliency	Improvements to critical assets to mitigate against hazards per the GTC <i>Critical Transportation Infrastructure Vulnerability Assessment</i>	<ol style="list-style-type: none"> 1) Target \$50M set-aside of NHPP 2) Target \$50M set-aside of STBG-Flex
Safety Enhancements	Site-specific improvements to implement countermeasures to reduce crashes	<ol style="list-style-type: none"> 1) HSIP (minus Safety – Emphasis Areas) 2) 2% set-aside of STBG Flex (minus Critical Asset Resiliency and Systems Management and Resiliency) 3) City of Rochester CIP (2020 share)

Category	Description	Assumptions
Safety - Emphasis Areas	Systemic safety improvements for pedestrians and others identified through <i>NYS Strategic Highway Safety Plan</i> Emphasis Area programs	Target set-aside of HSIP
Systems Management and Operations	Highway management and support for operations to ensure reliability and safety per the GTC <i>TSMO Strategic Plan</i>	FFY 20-24 TIP funding levels with 2% compound annual growth rate
Active Transportation Expansion	Bicycle and pedestrian improvements and expansions where facilities do not currently exist.	1) 75% of TAP funds 2) 10% target of STBG-LG URB 3) City of Rochester CIP (2020 share)
Regional Trails Initiative	Enhancement of existing trails and development of new connections as identified in the GTC <i>Regional Trails Initiative</i>	1) 25% of TAP funds 3) City of Rochester CIP (2020 share)
Shared Mobility	Capital and operational support for bicycle sharing and other emerging modes	1) 25% of Carbon-based Fees 2) CMAQ (FFY 17-21 levels)
Transit Rolling Stock	Preventive maintenance and replacement of buses serving both urban and rural services per the RGRTA <i>Transit Asset Management Plan</i>	1) FTA 5307 (minus Transit Facilities) 2) 80% of FTA 5339 3) 80% of FTA 5311
Transit Facilities	Passenger and maintenance facilities included	Projection of RGRTA Capital Improvement Program 1) 20% of FTA 5339 2) 20% of FTA 5311
Transit Electrification	Rolling stock and capital equipment necessary to achieve a NYS goal of a 100% electric fleet at RTS Monroe by 2035	\$100M set-Aside of Carbon-based Fees for achieving NYS zero-emission fleet target by 2035
Transit Services and Operations	Operations of RTS Monroe, Ontario, Orleans, Genesee, Wyoming, Livingston, and Wayne fixed-route and paratransit services.	Projected funding through 2045 in GTC Region