Draft NEW VISIONS 2050 LONG-RANGE TRANSPORTATION PLAN FOR THE CAPITAL DISTRICT REGION

NEW VISIONS 2050 FINANCIAL PLAN

Prepared by the
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HIGHLIGHTS OF THE NEW VISIONS 2050 FINANCIAL PLAN

- Federal law requires that New Visions 2050 Plan include a financial analysis that demonstrates how the recommendations can be implemented based on system level estimates of costs and reasonably expected revenues. Further, both costs and revenues must be expressed in year-of-expenditure (YOE) dollars to accurately reflect: (1) the anticipated revenues available to the region; and (2) the impact of inflation on the costs of labor and materials through 2050. These fiscal constraint requirements are critical to ensuring that the long-range plan is credible, and that it provides realistic expectations to what can be accomplished - not simply a wish list that has little chance of being advanced.

- CDTC's New Visions Plan is unique among metropolitan plans in comprehensively assessing annual funding requirements for seventeen capital, operating, maintenance, and planning budget categories. Additionally, the plan's strength draws from CDTC's commitment to achieve "steady progress" across all categories, even if funding levels fall short of those needed for full implementation of all New Visions recommendations. Even under short-term fiscal challenges, CDTC expressed preference for "diet" rather than "retreat". A diet in this context reflects a healthy concern for balance -- smaller portions and the elimination of excess. In contrast, "retreat" brings to mind the abandonment of goals - a situation which could arguably have devastating impacts for the region.

- Constructing, maintaining, and operating the public transit system, intermodal facilities, bicycle and pedestrian network, and street and highway system included in New Visions 2050 will cost an average of $775 million each year between now and 2050. Federal, State, and local governments all contribute to the funding of the Region's transportation system, and that is expected to continue into the future. CDTC's budget analysis asserts that the 2050 Plan is fiscally balanced over time - but only if public funding increases regularly over the upcoming decades as it has done in the past. A reduced level of revenues would lead to serious declines in physical and service conditions, making even the most modest improvements difficult to accomplish.

NEW VISIONS 2050 FINANCIAL PLAN

Introduction

CDTC and its members have worked hard over many years to implement the New Visions Plan. To a greater degree than typical for MPOs, CDTC has linked the plan to implementation. Progress has been and continues to be made across all project categories. Continued dialogue and discussion of transportation and land use policy through CDTC's Linkage Program and other planning initiatives has reaffirmed the basic New Visions plan and budgetary priorities. New Visions program recommendations ranging from significant investment in pavement and bridge renewal to implementation of complete streets treatments and funding for integrated transportation and land use planning have been successfully instituted by CDTC.

Discussion since the adoption of New Visions 2030 on "big idea and big ticket" initiatives has confirmed that implementation of Regional Greenways, Riverfront Access and Urban Development Program, Suburban Town Center Development, and the like, cannot fit into the region's financially constrained long-range plan at the moment. Potential budgets for these and other initiatives are described in separate documents, but are not part of the official New Visions 2050 Finance Plan. Funding for these major undertakings would need to cover existing commitments before they could be considered for official status. Clearly, the ability of the Capital District to undertake new initiatives through the New Visions process is predicated on making the most out of current resources and preparing a compelling case if additional resources are required.

The plan includes a series of tables and charts illustrating anticipated federal, state, and local sources of funding for the plan, and five-year budget increments for implementation of the plan.

For this document, all tables, charts, and figures referenced in the narrative are located at the end of the document.

Budgetary Update Process

A key assumption in the implementation of the financially-constrained plan is that it is not reasonable to anticipate that revenues will continue to be out-of-whack with the "basic system maintenance with occasional improvements" game plan represented by New Visions. A previous comparative analysis of MPO plans across the country suggests that CDTC's New Visions planning process is one of the most conservative of all those examined with regard to both highway and transit system expansion. In the past, CDTC's Planning Committee and Policy Board asserted that it would be unreasonable to anticipate that a region which continues to maintain economic health and growth will at the same time fall further behind in its already modest commitments.

The process used to update budgets varied by category. The budgets for each New Visions improvement category are shown in Table 1. An overview of the update process for each program area follows:

1. **Intermodal Facilities**: The budget includes continued investment at the Albany international Airport, the Port of Albany, and the region's three AMTRAK stations. Livingston Avenue bridge rehabilitation, with secured ARRA funding, is expected in the planning period. Publicly financed freight- related improvements are derived from CDTC's Freight Plan.
2. **Transit Infrastructure**: Updated values are derived from CDTA's 2019 Fiscal Year Operating & Capital Plan. The budget provides for urban, STAR, commuter, and Saratoga Springs vehicles, garages, and maintenance facilities, and continuous BRT deployment. Funding fleet replacement is a continuous need that is difficult to address long-term.
3. **Transit Service**: Costs shown are for annual operation of CDTA fixed route, STAR and rural services, Northway Xpress service, etc. Constraints and reductions in operating resources continue to be an issue constraining service expansions.
4. **ITS Technology, and Traffic Infrastructure**: CDTC's Regional Operations and Safety Advisory Committee examined ITS and other technology needs for the arterial and expressway systems, and recommended maintaining an ongoing investment at current levels for the traffic management center and traffic signal upgrades. Advanced traffic management, freeway traffic management, integrated corridor management systems are big ticket actions, and are not included in the budget.
5. **ITS Technology and Transit Operations**: Recognizing the importance of improved regional operations and traveler information systems, funding is continued at the New Visions 2030 level. Budget includes resources for signal upgrades and transit signal priority (TSP).
6. **Highway Rehabilitation, Reconstruction and Redesign on the Federal-Aid System**: CDTC staff completed detailed modeling on the local, and some modeling on the State portion. Values include explicit reconstruction of the expressway system by 2050. The financially constrained plan assumes resources sufficient to undertake routine repairs sufficient to maintain overall pavement condition, especially for the region's Interstate highways.
7. **Highway Rehabilitation on the Local System**: This category reflects the requirements for on-going preservation of roads primarily under local jurisdiction. Conditions have not changed much since 2010. New Visions 2040 investment levels continued. Larger communities seem to be doing more with static budgets.
8. **Bridge Preservation and Reconstruction**: Major investment in Interstate bridges have been accomplished since the adoption of the 2030 Plan, including improvements to the Patroon Island Bridge, the Twin Bridges, 1-87 Exit 4 bridges, and extensive maintenance of 1-787 structures. Despite this investment, interstate bridge condition has declined. Preservation and replacement of highway bridges on the State and local road systems comprise a substantial part of New Visions budget. Local bridge needs were derived from the report Identification of Local Bridge Preservation Candidates, Treatments, and Costs.
9. **Highway and Bridge Maintenance**: This category represents the largest commitment of transportation resources in the Region. Captured under this heading are all other ongoing NYSDOT and local transportation expenses, excluding capital projects and transit operating expenses. Included are street repair/patching, debris removal, grass mowing, snow removal, and other activities.
10. **Strategic Highway & Bridge Actions- CMP/Capacity Based**: All strategic linear projects (widenings and new roads) have been completed, including the 1-87 Exit 3 / 4 Airport Connector. The new plan does not support increasing capacity by constructing new lanes or roads. Capacity work in the 2050 plan is limited to intersection and safety actions. The new values total less than $4 million annually, down from previous levels.
11. **Strategic Highway & Bridge Actions - Economic Development**: In CDTC's conservative long-range plan, budget reduced to $3M annually that will focus on complete streets, roundabouts, and right-sizing existing roadways. Even combined with Congestion Management Process (CMP)

actions, still a fraction of the system expansion expectations of other MPOs, and still within reasonable expectations for funding.

12. **Supplemental Goods (Freight) Movement**: New estimate derived from new Freight Plan and discussions with freight advisory committee. Assumes allocation under the FAST Act's NHFP.
13. **Supplemental Bike/Ped**: Derived from CDTC's regional and local planning initiatives, especially Linkage program.
14. **Supplemental Access Management**: Since most of this work is accomplished through highway preservation and reconstruction work, the budget value is set to $0.
15. **Supplemental Safety**: Derived from CDTC's and NYSDOT's safety planning initiatives. New values have been increased by 70 percent to reflect higher construction costs and increasing State and Federal program emphasis.
16. **Demand Management**: CDTC is committed to implementing significant and effective demand management strategies. The New Visions process reinforced this need.
17. **Integrated Planning & Outreach**: An important theme of New Visions is integration of transportation planning considerations into the overall set of planning and development activities in the region. Budget is maintained at 2040 plan levels.

Fiscally Constraining the Plan

CDTC's regional plan must be fiscally constrained. This means that CDTC may not identify actions or projects as "committed" if it is not reasonable to anticipate that revenues will be available to advance the actions or projects at the intended time. If the necessary revenue is not already available in current funding streams, CDTC must document the compelling logic regarding how and why these revenues can be reasonably expected in the future.

The New Visions 2050 Plan is fiscally constrained on the same basis as have previous New Visions plans. Historical average annual revenue totals roughly $435 million. Revenue is expected to increase 2.6 percent annually over the life of the plan. Total 2050 annual revenue is expected to total roughly $775 million under the full-implementation future:

1. The New Visions 2050 Plan only requires that, over time, fiscal resources keep pace with inflation and travel growth. This is the modest and reasonable assumption established in the first generation plan adopted in 1997 and remains the backbone of the financial plan for the 2050 Plan. It is unreasonable to conclude that there will be a permanent funding shortfall leading to continuous and dramatic declines in system condition and performance. History has proven that funding support for vital transportation infrastructure is cyclical and that the public does not tolerate system declines indefinitely. The financial estimates assume that long-term patterns of funding prevail, even if specific fund sources (gas tax, user fees, tolls, leasing of facilities) changes over time.

2. The budget commitments in the 2050 plan are modest and conservative. In accord with adopted principles, emphasis is placed on system preservation and reinvestment, system management and operations, coordinated land use and transportation planning, and safety and clean communities initiatives. Discretionary system expansion budgets are modest, but necessary. It would be unreasonable to assume that there would be no intersection improvements, street connections, or new transit services over the next 30 years.

3. The budget maintains CDTC's 'steady progress' principle. For example, restoring pavement and bridge condition and improving the livability of communities through complete street treatments are both important, and implementation success is desired for both. It will not be possible to achieve long-term system objectives across all plan elements without making steady progress at a pace affordable by available funding in all areas over the next 30 years.

4. Unlike most MPOs, CDTC does not identify a specific project as committed unless and until real resources are identified and programmed. For example, it is CDTC's practice to not list 'hoped for' demo or earmark funds on the TIP. These funds are programmed only when real. Similarly, specific highway or transit projects are not shown in the New Visions plan unless they have been programmed. The distinction is real and assures fiscal constraint of the plan.

Estimating Reasonably Anticipated Revenues

A transportation plan is considered financially constrained when federal requirements under Title 23 and USC 49 are met. These requirements hold that a long-range plan cannot propose to spend more money than reasonably projected revenues can pay for, including consideration for constructing, operating, and maintaining planned projects. Not only is this balancing mandated, but it is also sound fiscal policy.

Projecting transportation revenues is an imprecise science at best. Projections that assume no increase beyond current authorization or appropriation levels at any level of government are necessarily incorrect. Although increases in funding have slowed in recent years, funding over the last 25 years has increased substantially compared to the pre-TEA era. With infrastructure need growing, there is no reason to expect that funding increases will not follow. Projections that assume that funding will be available for all desired expenditures are also necessarily incorrect. Regional plans of the 1970s made such projections and left metropolitan areas such as the Capital District without any meaningful guidance regarding difficult funding choices.

CDTC has attempted to avoid the pitfalls of either extreme with the following approach:

1. When the first generation of New Visions was developed, CDTC explicitly attempted to capture all public expenditures on the transportation system in the funding base. Growth in the total 'pot' is much easier to anticipate than growth in only one area, such as federal safety funding.
2. CDTC takes a broad perspective on revenue estimation. It believes that it is reasonable to anticipate that historic patterns of funding initiatives followed by funding lulls will continue. It believes that it is reasonable to anticipate that funding will cover constantly increasing unit costs of delivering services and maintaining facilities will eventually be secured. It believes that modest system expansion projects may be supported by 'earmarks', or categorical program initiatives.
3. CDTC has adopted a steady progress policy.
4. CDTC has determined that it is not reasonable to anticipate that resources will be in place to implement big ticket initiatives - unless clear progress is made in securing a financial package for such initiatives.

Approach to Funding Estimates

It is tempting to believe that transportation funding is more static than dynamic - that funding levels have been the same for years. The reality is quite different. Federal funding alone has increased substantially, beginning with the passage of the ISTEA legislation in 1991. State funding has had its fluctuations with boosts from a series of bond issues and the establishment of the State Dedicated Fund (SDF) program. Despite being more constrained by inflation, debt service, and political winds in recent years, the SDF program has provided a fairly strong dedicated revenue source for the State. The current TIP shows less State funding for capital projects than any TIP in the last 20 years.

The pie chart shown in Figure 1 shows the historical distribution of funding shares across various federal, state, and local transportation investment programs for the Capital District. The values in the chart were derived from a review of (1) CDTC's Transportation Improvement Programs since 2001; (2) New York State's State Dedicated Fund investment and CHIPS program (Consolidated Local Street and Highway Improvement Program) allocations to the region's municipalities; (3) review of municipal and County transportation budgets; and (4) financial plan assumptions and findings under the New Visions 2040 Plan. Although funding shares have been found to fluctuate a bit because of periodic budget issues, CDTC is fairly confident that the shares shown in the chart will remain fairly constant over the long-term, assuming no dramatic disruptions to the economy or transportation policy. Adjustments were made, for example, to account for the unusual small SDF investment in the current 2019-24 TIP and fluctuating Thruway investment.

Interestingly, the chart shows that most of the investment in transportation facilities and services in the Capital District has come from State and local revenue sources - across all modes of travel. Although still significant, the Federal government accounts for only about one-third of Capital Region investment.

Table 1 shows the average annual historic and forecast revenues under various Federal, State, and local programs. The projections of reasonably expected federal, state, and local revenues in year-of-expenditure (YOE) dollars for the plan design period 2020-50 are presented in Table 2. It was assumed that federal, state, and local funding levels would be maintained at an average inflation rate of 2.6 percent over the plan's design period. In general, for federal highway funds, the estimate of available funding is based on funding levels allocated to the region by the State for each funding program. In addition, the region has been successful in being awarded a modest amount of federal funding through a competitive statewide process. With respect to federal transit funds, the available funding estimates are based on historic levels of funding that have been allocated to the State and region. With respect to State funds, the estimate of available funding is based on historic funding levels that are generally received by the region for highway and transit capital and operating projects.

Overall Budget Conclusions

Tables 1, 2 and 3 demonstrate a fiscally constrained New Visions 2050 Plan.

Events since the adoption of the New Visions 2040 Plan are consistent with the range of funding scenarios anticipated for the 2040-2050 period as documented in the 2040 plan document. Nothing that has occurred is sufficient cause for abandoning the reasonable, modest, balanced New Visions Plan or the assumption that - through peaks and valleys, fits and starts - federal, state, and local legislation will help meet the financial requirements of the plan. State funding is tight. Congressional inaction on dealing with diminishing Highway Trust Fund revenues is troubling, but the desire to find adequate funding does appear to have bipartisan support. The story is consistent with the budget assumptions of the 2040 Plan. The New Visions 2050 Plan thus does not require a significant revision to the long-term budget plan, only some adjustment to estimates of budget requirements for each plan category.

While it is reasonable to anticipate that funding will be available over the coming 30 years to carry out all elements of the New Visions Plan, it is imperative that CDTC's members work with all interested parties at the federal, state, and local level to explore prudent and timely actions to secure these funds. Discussion of big ticket initiatives must occur simultaneously with discussion of short-term budget gaps for the basics. It may be prudent to link the 'urgent" with the "desired" to elicit sufficient public support for legislative action to provide the necessary resources.

System Performance Conclusions

The majority of federal funding in the Capital District is spent on the preservation of roads and bridges. Over the last five years, more than $248 million (federal, state, and local) has been invested in the region's federal aid roads and bridges, including resurfacing, rehabilitation, or reconstruction.

While the budget update has focused primarily on cost adjustments for some plan elements, there are specific conclusions for others, such as pavement, bridges, and transit. The following narrative summarizes the key findings reflected in the New Visions 2050 Financial Plan and committed actions and strategies.

Pavement

A well-connected street and highway system, maintained in good condition, is critical to the region's economy. With a current replacement value exceeding $30 billion, preserving the system of roads so that they last for generations and while meeting changing needs remains a top priority for all levels of government. Years of wear and tear, steady traffic growth, an explosion of heavy trucks, extreme weather conditions, and delayed maintenance in some communities because of tight budgets and increasing construction costs have made it difficult to substantially improve Capital District roadways.

As reported in CDTC's New Visions Infrastructure Task Force White Paper, federal-aid roads held their own between 2009 and 2017, with increase in percent Good pavement and decrease in percent Poor pavement since 2009. The data suggests that the NHS system has reached the goal set for this important class of roads. Importantly, the region's Interstate system, as a class of NHS

roads, has exceeded its goal for fair/poor pavements - at least for the short term. Because most of the region's interstate mileage is now operating well beyond its expected lifespan, it will require reconstruction by 2050 in order to keep it in optimal condition.

On another positive note, counties and local governments seem to be doing a fairly decent job of keeping local non-federal-aid pavements in serviceable condition. Pavement conditions on these facilities (70 percent of the total lane-miles in the region) are similar to federal-aid roads, with the total percentage rated fair or poor holding at roughly 60 percent since 2004. Even though the region's local roads carry less than 25 percent of regional VMT, they are critical pieces of the Region's highway system, providing necessary links to the State highway system.

CDTC's analysis assumes that a budget-driven, lower-cost repair strategies are expected to be in place over the long-term for most surface arterials and collectors (the non-Interstate system), but assumes that significant portions of the expressway system will be reconstructed over the plan design period. CDTC's HCPM suggests that New Visions pavement goals can be met or exceeded if federal investment levels established in the FAST Act, together with historic state and local investment, continue through 2050. On the other hand, if available revenues remain at current TIP levels, then pavement condition goals, even for the NHS system, would decline from current conditions.

Bridges

There are currently over 1,000 bridges in the Capital District. While the majority are owned and maintained by NYSDOT and New York State Thruway Authority, the region’s counties, cities, villages, and towns are responsible for 370 structures with over 1 million square feet of deck area. Based on recent bridge inspection reports, over 80 bridges, regardless of ownership, are classified as structurally deficient. When looked at in terms of deck area, to normalize for the size of a bridge, just under 10% of total deck area of all bridges is considered structurally deficient and in need of some type of repair. Although the percent of structurally deficient bridges in the region has decreased since 2013, the percent of structurally deficient deck area, which normalizes for the size of the bridges, has increased.

Low cost preservation treatments could go a long way in improving the overall condition of federal-aid eligible bridges. NYSDOT's Asset Management Plan suggests substantial bridge condition improvement will be challenging. CDTC's bridge analysis -- based on CDTC's Local Bridge Preservation Study and information summarized NYSDOT's Asset Management Plan for State-owned facilities -- and (full- implementation) budget presented in Table 1 is assumed sufficient only to modestly improve overall bridge system conditions, approaching the modest 20 percent goal established by the Infrastructure Task Force in 1997. It also provides the resources to repair or reconstruct most structurally deficient Interstate bridges. The "reduced or current funding" budget would not be sufficient to preserve existing overall system condition.

Public Transit

Information on the Region's public transit capital needs was derived from CDTA's 2019 Fiscal Year Operating & Capital Plan.

CDTA capital investment has focused first on existing assets and state-of-good-repair, and has looked first to cost reduction before adding funding. Some of the focus of recent capital investment beyond maintenance of existing services and facilities has been on the vehicles, stations, and technology for the Bus Rapid Transit (BRT) program. CDTA's vision for a 40-mile BRT system progressed as the Washington/Western Purple Line and the River Corridor Blue Line was accepted into FTA's small starts program.

In addition, bigger budget transit initiatives like Bus/Transit Only Travel Lanes and quantum increases in transit service remain outside the range of reasonably anticipated revenues. The "big idea" initiative discussions would need to lead to a change in the financial landscape for these to be incorporated into the plan.

Intermodal & Freight Facilities

CDTC's New Visions Plan is unique in capturing the public cost of providing and improving regional intermodal facilities. These include three AMTRAK stations and nearby intercity bus terminals, the Port of Albany, and the Albany International Airport. CDTC is also unusual in the extent to which intermodal and freight needs are incorporated into its plans and programs. CDTC has been involved in funding critical initiatives at each of the rail stations, the Port, and Airport. Major capital investment at the Rensselaer Rail Station, Saratoga Springs Station, and the Albany International Airport were complete prior to the adoption of the New Visions 2030 Plan. Since then the Schenectady Rail Station has been completed and the Albany-Schenectady Double Tracking project has been completed. Investment in the Airport has continued. The Port of Albany strengthened its freight capabilities by constructing a new, climate-controlled, heavy-lift warehouse, a new roll-on/roll-off dock, and purchasing adjacent properties for future development.

CDTC took care to include only those elements which could reasonably be expected to be financed over the planning horizon. Under the New Visions 2050 Plan, the total budget of $46 million per year is comparable in scale to the nominal value in previous New Visions budgets.

Congestion Management and Community Livability/ Economic Development

With the completion of the 1-87 Exit 3/4, the need for other major capacity work is limited. The 30-year budget for other discretionary capacity projects is intentionally modest, with reasonably anticipated revenues substantially dipping on an annual level from levels in the New Visions 2030 budget. Over the period through 2050, congestion management, community livability (complete streets), and economic development actions are budgeted at only one percent of the total plan budget. This level of system expansion is extremely limited. Many metropolitan areas are routinely grappling with individual projects exceeding the billion dollar budget level.

Table 1
New Visions 2050 Finance Plan
Regional Transportation Plan Budget by Element
(Annualized Cost in Millions)

REGIONAL PROGRAMS		Previous Investment Levels (2007-2012)	Current Investment Levels (2016-2021)	New Visions 2050 Full Implementation		Update Notes
				Reduced Funding	Full Funding	
1	Intermodal Facilities	31.9	31.0	25.0	42.0	New estimate.
2	Transit Infrastructure	30.0	36.0	36.0	55.0	New estimate.
3	Transit Service	80.0	85.0	80.0	130.0	Operating funds include federal and State operating funds
4	ITS (Technology) and Traffic Infrastructure	6.3	2.8	4.5	8.0	Derived from regional operations working group and TIP discussions. Reflects reduced need for TMC under autonomous vehicle future.
5	ITS (Technology) and Traffic Operations					
6	Highway Rehab, Reconstruction and Redesign – Priority Network	67.5	23.3	60.0	154.0	Estimate from infrastructure model results, infrastructure task force and ADA working group discussions.
7	Highway Rehabilitation and Reconstruction – Other					
8	Bridge Rehab and Construction	55.1	33.5	72.0	106.0	Local need based on CDM bridge study. State need developed from info reported in NYSDOT's draft Asset Management Plan.
9	Highway and Bridge Maintenance	191.0	191.0	218.0	242.0	Inflated to reflect increase in labor and material cost.
10	Strategic Highway and Bridge Actions – CMP-based (Capacity)	17.4	11.7	3.7	5.0	Updated projects. Current budget focuses on complete streets and roundabouts.
11	Strategic Highway and Bridge Actions – Economic Development/ Community Compatibility	9.5	10.4	2.0	3.0	
12	Supplemental Goods Movement Accommodations	14.8	0.0	2.5	7.0	New estimate based on Freight Plan and discussions with the Freight Advisory Committee. Assumes allocation under the FAST Act's NHFP.
13	Supplemental Bike and Pedestrian Accommodations		5.8	3.0	7.0	Updated based on discussions with Bike/ped Advisory Committee.
14	Supplemental Access Management Actions		0.0	0.0	0.0	Incorporated into pavement preservation and reconstruction work.
15	Supplemental Safety Actions		2.6	3.0	10.0	Reflects increased focus on safety through the State's Safety Action Plan.
16	Demand Management	0.5	0.5	0.7	3.0	Supports TDM-related transit.
17	Integrated Planning and Outreach	2.6	1.0	1.5	3.0	Key aspect is development of safety management system for local roads.
	Total Plan Cost	506.0	435.2	512.0	775.0	
	Expected Revenue			512.0	775.0	

Notes

1. *This table groups the various New Visions 2050 actions into categories of regional programs and specific major investments to facilitate estimating financial need. Some categories include activities outside of CDTC's realm of highway and transit projects. For example, category 9 – highway and bridge maintenance and operations – captures ongoing NYSDOT and local transportation expenses excluding capital projects. Included in the category are street repair, grass mowing, snow removal, and other activities of state and local highway departments. This category is the single largest commitment of transportation resources in the region. Category 3 – transit service – includes local costs that overmatch federal resources including STOA and local mortgage tax receipts.*

2. *Two budgets were prepared. The 'reduced funding scenario' is based on recent reductions in TIP federal-aid and State Dedicated Fund (SDF) allocations to the region. The 'full funding scenario' is consistent with expectations that the support for continued governmental responsibility for transportation at the federal level will remain strong, a principle articulated in the previous New Visions Plans. The reduced funding scenario will have serious negative impact to the region's pavement and bridge infrastructure.*

3. *The approach to budgeting is policy-centered, focusing on CDTC's commitment to a wide range of initiatives without being wedded to a single, inaccurate estimate of costs and funding availability. It is dynamic in its ability to handle changes in funding while also providing a basis for any effort to increase levels of either dedicated or flexible funds. It also places appropriate attention of all elements of the plan because of their inter-relationships.*

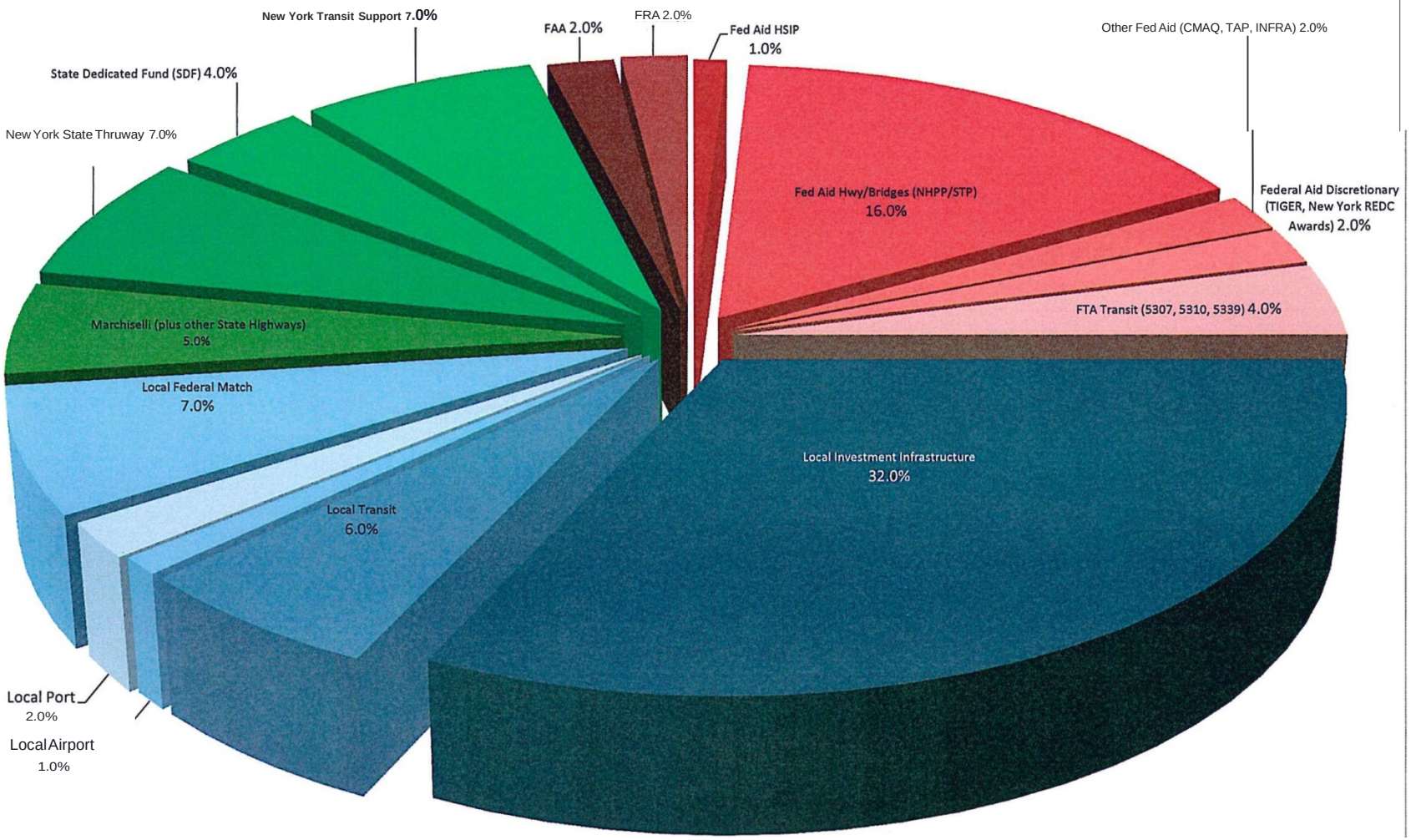
4. *The budgets in the table maintain CDTC 's steady progress principle, even under a constrained financial future. Under constrained budgets, preserving the existing transportation system - both highway and transit -- has a higher priority than making improvements and additions. However, it is appropriate to assume some amount of highway improvement, bike accommodation, or complete street re-design will be included in CDTC 's capital program even if budgets are reduced from historic levels. Adherence to CDTC policy to make comparable progress across all improvements, steady and reasonable progress is possible at current, reduced funding levels.*

5. *All values in the table are expressed as annualized millions of dollars. Both cost and revenues are expressed in year-of-expenditure (YOE) dollars to accurately account for the anticipated revenues available to the region and the impact of inflation on the costs of materials and labor to implement projects through 2050. Data used to estimate future inflation in transportation costs was obtained from NYSDOT. NYSDOT uses tabulations from HIS Global Insight to estimate future project costs. For this effort, the annual increase in costs through 2050 is estimated to be 2.36 percent.*

6. *Because transportation revenues draw from federal, state, and local taxes and user fees as well as private developer resources, projecting revenues is a difficult and risky undertaking. Future revenues are related to not only to levels of future transportation demand and overall economic growth, but also to public policy. While there is broad support for strong continued governmental responsibility for transportation, the details concerning the relative funding responsibilities of the federal, state, and local governments are likely to be adjusted in coming years. Consequently, it is extremely difficult to project the resources that can be expected to be available for new initiatives. Even though uncertain, revenue is expected to follow historic trends consistent with estimates developed under the previous New Visions 2030 update. Additional examination of future revenue sources will be undertaken in preparation of the next long-range plan update scheduled for 2020.*

7. *On balance, it appears that the revised plan's reach is similar to the reach of New Visions 2040. CDTC can assert that the 2050 plan is fiscally balanced over time – but only if public funding increases regularly over the next 30 years as it has in the past. An essentially flat level of revenue would lead to serious, unacceptable declines in physical and service conditions, and would make even the most modest improvements difficult to accomplish.*

FIGURE 1
AVERAGE HISTORIC REVENUE DISTRIBUTION ACROSS VARIOUS FEDERAL, STATE, AND LOCAL TRANSPORTATION INVESTMENT PROGRAMS IN THE CAPITAL DISTRICT: 2001-16



LEGEND
Federal Revenue [Reds]: 29-33 Percent
State Sources [Greens]: 23-25 Percent
Local Sources [Blues]: 44-42 Percent

Table 2 Average Annual Historic & Forecast Revenues Associated with the Regions Existing & Proposed Fiscally Constrained Transportation System		
Revenue Source	Historic Average TIP & Local Revenues Allocated to the Region Excluding the Period 2013-21 TIPs	Estimated 2050 Plan Adjusted Revenue Expressed in YOE Dollars
USDOT FHWA FUNDING		
National Highway Performance Program (NHPP)	$51.4M	$84.0M
Surface Transportation Program (STP)	$19.8M	$32.0M
Highway Safety Improvement Program (HSIP)	$7.2M	$11.0M
Other Highway Program: Transportation Alternatives (TAP) And Congestion Mitigation (CMAQ)	$4.8M	$5.5M
Discretionary (TIGER,REDC Awards, etc.)	$16.0M	$18.5M
INFRA (Freight)	$0.0M	$7.0M
USDOT FTA TRANSIT		
Section 5307	$15.1M	$23.0M
Section 5310 / 5339	$36.0M	$55.0M
OTHER FEDERAL FUNDING		
Federal Aviation Administration (FAA)	$7.2M	$11.5M
Federal Railroad Administration (FRA)	$10.0M	$14.0M

Table 2 (Continued)		
Revenue Source	Historic Average TIP & Local Revenues Allocated to the Region Excluding the Period 2013-21 TIPs	Estimated 2050 Plan Adjusted Revenue Expressed in YOE Dollars
NEW YORK STATE		
State Dedicated Fund (SDF)	$10.0M	$29.0M
Other State (included Marchiselli)	$28.0M	$34.0M
Transit Operating Assistance (STOA)	$34.0M	$52.0M
CHIPS	$25.0M	$34.0M
New York State Thruway Authority	$33.0M	$49.0M
LOCAL INFRASTUCTURE INVESTMENT		
Local County & Municipal Investment	$157.0M	$252.0M
CDTA Transit	$30.0M	$40.0M
Albany International Airport	$6.0M	$9.0M
Port of Albany	$10.0M	$13.8M
TOTAL	$453.6M	$775.0M

Notes:

1. The estimate of available federal, state, and local funding is based on appropriated federal funding levels and historic State and local funding levels. For the years 2021-51 revenue was adjusted by an average of 2.6 percent to provide an estimate of year of expenditure dollars in those years. The transportation budget shown in Table 1 is for capital, and certain operating and maintenance costs. The results of the comparison of the 2016-51 budgets to estimated federal, state, and local funding generally indicate that adequate funding is available to implement the 2050 Plan.
2. With respect to federal highway funding, the estimates of available funding are based on the funds appropriated to the state for each Federal funding program. Funding under most programs is based on funding specifically allocated to the Capital District Region, while other federal funding is based on the amount made available in the State budget. Historically, the Capital District has generally received 10-15 percent of that funding. With respect to federal transit funding, estimated funding is based on recent levels of funding that have been allocated to the State, most of which has been specifically allocated to the Region.
3. With respect to State funding, the estimates of available funding is based on historic funding levels that are generally received by the Region for highway and transit capital and maintenance costs. The amount of available local funding levels for transit operating and maintenance projects, and highway capital projects on the federal-aid and non-federal-aid systems within each county in the Capital District.

Table 3
Expected Federal, State and Local Resources and Staged Expenditures Attendant to Implementation of CDTC's New Visions 2050 Plan: 2016-51 Five Year Budgets

	Period of Expenditure						
	2016-21	**2021-26**	**2026-31**	**2031-36**	**2036-41**	**2041-46**	**2046-51**
Federal (Highway, Transit, Airport and Rail)	$570M	$707M	$876M	$1,087M	$1,348M	$1,671M	$2,072M
New York State and Local (Federal-Aid Match, SDF, CHIPS, CDTA, Airport and Local Investment)	$1,603M	$1,819M	$2,065M	$2,344M	$2,660M	$3,019M	$3,427M
Total (Federal + State + Local)	$2,173M	$2,526M	$2,941M	$3,431M	$4,008M	$4,690M	$5,499M

Note: The values in this table represent the value of federal, state, and locally sponsored highway, transit, and freight projects that can be carried out in five-year increments over the plan design period. The values in this table represent both expected resources and planned expenditures. Each cell in this table is essentially fiscally constrained within five percent. The plan is designed to spend all of the federal, state, and local resources that are anticipated over the plan design period. CDTC's analysis demonstrates that expected revenues will be sufficient to cover the capital costs of all projects described in the plan.