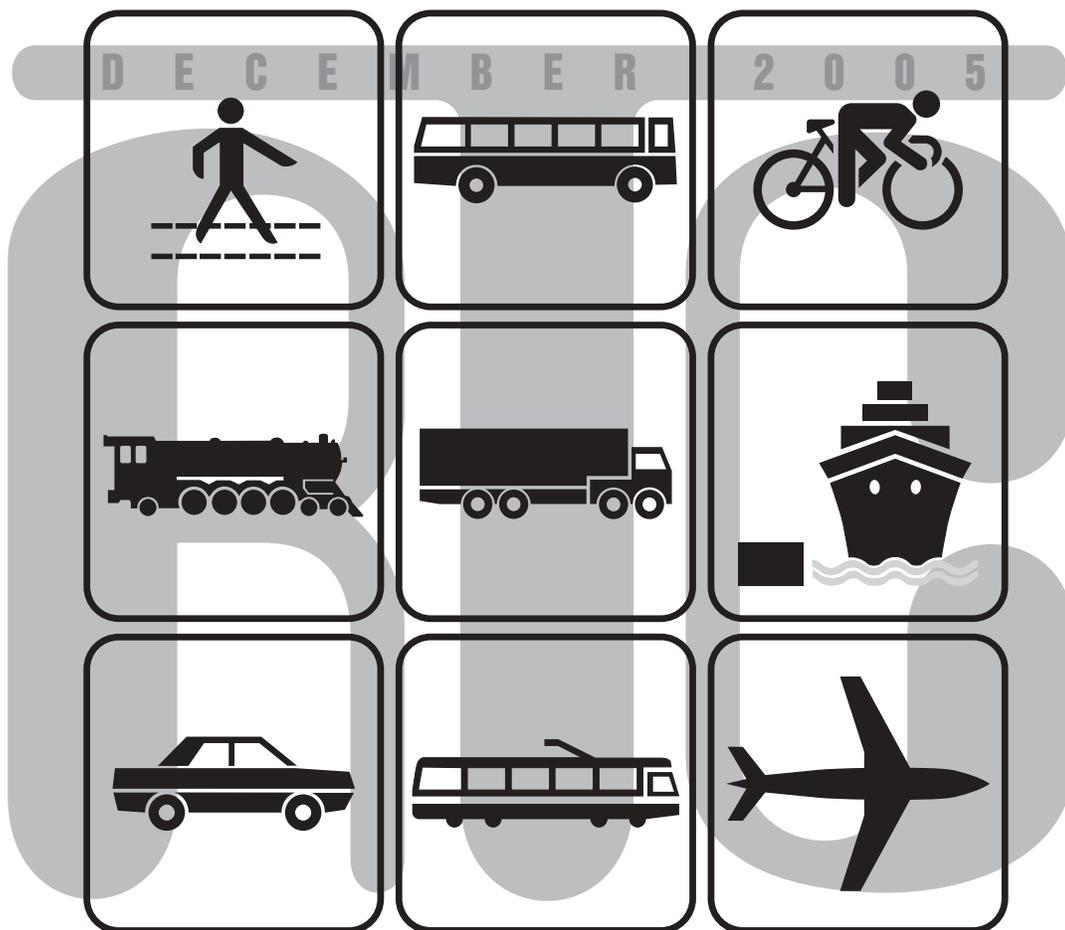


Metropolitan Transportation Plan for Clark County



Southwest Washington Regional Transportation Council

CHAPTER 4

FINANCIAL PLAN

OVERVIEW

Federal rules require that the MTP be “fiscally constrained” meaning that there must be a reasonable expectation that revenues will be available to provide for the estimated costs of implementing the 25-year list of projects contained in the MTP and to support the operations and maintenance of the multimodal transportation system. The MTP Finance Plan focuses on the Designated Regional Transportation System.

Potential transportation projects proposed in this Plan are intended to meet the MTP policy objective of making the most efficient use of and enhancing the existing transportation system. The potential highway, transit and non-motorized recommendations are designed to meet transportation planning goals addressed in MTP Chapter 1.

The availability of federal, state and local moneys will have a significant impact on the ability to fund proposed projects. Demands on the transportation system have grown significantly over the past 20-years.

This chapter describes revenue sources and discusses changes to revenue sources as a result of federal and state legislation. The projection of funding ability is based on historic funding levels. The ability of the projected funding to meet MTP costs is determined.

Transportation has traditionally been funded by “user fees”. Today, the major tax sources to fund transportation are the gas tax and license fees, as well as transit fare box revenues. The Motor Vehicle Excise Tax (MVET) was repealed after passage of Initiative-695 in 1999. Gas tax is imposed at the Federal level (\$0.184 per gallon) which costs the average motorist about \$96 per year and at the State level (\$0.31 per gallon) which costs the average motorist \$162 per year. The gas tax revenue is devoted primarily to highway purposes. As of July 1, 2005, Washington State had the 8th highest gas tax in the nation.

FINANCE ISSUES SINCE LAST MTP

The Finance Plan component of the MTP last received a comprehensive update in the 2002 MTP update. Since the 2002 MTP update, the Clark County region has secured over \$25 million in federal funds specifically dedicated to this region, over \$211 million in state nickel package funding, and over \$48 million in state Transportation Improvement Board (TIB) funding. These are funds that are used primarily for highway capacity projects. The region has also received over \$18 million in federal transit funding since 2002. In 2005, the state legislature enacted an increase in gas tax and identified projects to be funded with this additional revenue. The 2005 Funding Package provides \$244 million for projects in Clark County to make highways safer and keep traffic moving.

Since 2002, several significant regional transportation system capital improvement projects have been completed or are nearing completion in the Clark County region. These include a new interchange at SR-500/112th Avenue, SR-502 widening from Battle Ground west city limits to SR-503, widening of I-5 from 99th Street to I-205 which is now underway, the 192nd Avenue

corridor from SR-14 to SE 1st Street, completion of the Padden Parkway west leg, the 162nd Avenue corridor from NE 39th Street to Ward Road and realignment of Highway 99/NE 20th Avenue at 134th Street. In the past 3 years alone, 2003-2005, over \$227 million of regional highway system projects have been constructed in Clark County¹. If the trend was to continue, the region could anticipate over \$1.89 billion in funding for regional highway capital projects over the next 25 years.

In 1999 the Motor Vehicle Excise Tax (MVET) was repealed resulting in reduction of funding for transit service. C-TRAN was faced with a 40% revenue reduction (about \$12 million annually). In September 2005, voters in Clark County approved an increase in the sales tax rate of two-tenths of a percent which should raise about \$9.4 million annually for C-TRAN service.

In August 2005, the City of Vancouver voted to increase sales tax by two-tenths of a percent which will raise about \$4.2 million a year for the City of Vancouver's transportation needs.

ASSUMPTIONS

- The Finance Plan addresses a twenty-five year period from 2005 to 2030.
- Revenue data on which to base the Finance Plan come from WSDOT's Economics Branch and includes data from the past decade.
- MTP project cost estimates are provided by WSDOT, local jurisdictions and agencies.
- The financial information provided for C-TRAN assumes no additional sales tax beyond the 0.5 percent approved by voters in 2005.

CURRENT REVENUE SOURCES

Revenues for transportation system development are available from federal, state, local and private sources. Funding sources that have been historically available are extrapolated into the future to provide an estimate of the resources reasonably expected to be available. It is assumed that funds that have traditionally been available for transportation will continue to be available. For example, it is assumed that federal Demonstration funds will continue to be available.

FEDERAL FUNDING

The federal funding picture changed significantly with the passage of the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991, and successor Acts, the Transportation Equity Act for the 21st Century (TEA-21) passed in 1998, and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) passed in August 2005. Federal funding programs now allow much greater flexibility in the way money may be used. The federal funding programs now have a multimodal emphasis especially the Surface Transportation

¹ In the 3 years, 2000 to 2002, \$178 million of regional highway system projects were constructed in Clark County.

Program, which gives regions greater independence to invest in alternate modes of travel, including capital transit projects, such as High Occupancy Vehicle (HOV), Light Rail Transit (LRT), and park and ride facilities. ISTEA was considered landmark legislation because of this and because it enhanced the role of the Metropolitan Planning Organization in the programming, planning, and prioritization of STP funds. The Act also established Transportation Management Areas (TMAs) and made funding available for transportation projects to help regions meet air quality standards. In states, such as Washington State, where the amount of public lands and Indian lands exceed 5% of the total State area, the federal share for projects will be increased above those outlined in SAFETEA-LU.

SAFETEA-LU is funded through projected revenues from the Highway Trust Fund and General Fund as well as ethanol tax reforms. SAFETEA-LU includes \$286.5 billion in guaranteed spending for all programs over the six years of the Act, 2004 through 2009. This is a 38% increase over TEA-21's \$218 billion for transportation programs. Approximately 75% is for highway and safety programs, 18.5% for transit and 6% for additional safety and other program. By 2009 each state should receive at least 92 cents annually for each \$1 of federal transportation taxes and fees contributed. Washington State should average about 92.3 cents return on the dollar. Washington State is estimated to receive about \$3.5 billion from 2004 through 2009. SAFETEA-LU allocates \$24 billion, amounting to 8.5% of the total bill, to about 6,300 earmarked projects identified by Congress. Within Clark County these federal earmarked projects include:

- I-5 Columbia River Crossing Preliminary Engineering and EIS: \$14.2 (\$8 million Washington and \$6.2 million Oregon)
- I-5/Delta Park to Lombard: \$16.2 million (\$4 million Washington and \$12.2 Oregon)
- I-5/Salmon Creek Area Improvement Project: \$10.772 million
- 18th Street between 87th Avenue and 192nd Avenue: \$3.2 million
- SR-14 Corridor Camas/Washougal: \$1.5 million
- I-5/SR-501 Interchange Replacement in Ridgefield: \$9 million
- Confluence Project: \$4.5 million
- Mill Plain Boulevard Improvement: \$1.25 million
- Vancouver Advanced Traffic Management System: \$500,000

A brief description of the existing funding programs available through the federal Act follows.

Interstate Maintenance (IM) Program

The Interstate Maintenance (IM) program provides funding for resurfacing, restoring, rehabilitating and reconstructing (4R) most routes on the Interstate System. Construction of additional Single Occupancy Vehicle (SOV) lanes are ineligible for IM program funds. SAFETEA-LU IM program funding, years 2005 through 2009, is set at \$25.2 billion, nationwide.

National Highway System (NHS)

The NHS program provides funding for improvements to rural and urban roads that are part of the National High System. These roads include the interstate system; other routes identified for their strategic defense characteristics; routes providing access to major ports, airports, public transportation and intermodal transportation facilities; and principal arterials that provide regional service. Funding in this category may be used for a wide variety of projects. In addition to roadway construction, operational and maintenance improvements, eligible projects include: start-up for traffic management and control, infrastructure-based intelligent transportation system capital improvements, fringe and corridor parking, carpool and vanpool projects, bicycle and pedestrian projects, and wetlands and natural habitat mitigation. In certain circumstances, transit projects in the corridor are also allowed if they benefit the NHS facility. The funding level for the NHS program is \$30.542 billion nationwide under SAFETEA-LU, 2005 through 2009.

Surface Transportation Program (STP)

The Surface Transportation Program is a block grant type funding program which provides flexible funding that may be used by States and localities for projects on any Federal-aid highway² including the NHS, bridge projects on any public road, transit capital projects, and intracity and intercity bus terminals and facilities. A portion of the funds reserved for rural areas may be spent on rural minor collectors. In addition to eligibility for operational and capacity improvements to roadways, it allows for the programming of transit capital projects, intracity and intercity bus terminals, carpool projects, fringe and corridor parking, capital and operating costs for traffic monitoring, management or control, transportation enhancements, transportation planning, and transportation control measures for air quality. If an area, such as the Vancouver region, has been designated a Transportation Management Area (TMA), road capacity improvements should be consistent with the region's Congestion Management Plan.

Of the money received by the state, 10% must be set aside for safety projects such as hazard elimination and 10% for transportation enhancements such as pedestrian and bicycle facilities. Under SAFETEA-LU, total funding for the STP program is \$32.55 billion nationwide for years 2005 through 2009. In Washington State federal STP program funds require a 13.5% local match though interstate projects are shared approximately 90.66% federal funds and 9.34% state match.

The following outlines the STP subprograms:

Safety: 10% of STP funds are set aside for safety projects available for cities and counties to improve safety. There are three programs under safety. (1) Railway/Highway Crossings funds are available to reduce fatalities, injuries, and damages through improved railway crossings. (2) Hazard Elimination funds are available to improve specific locations which constitute a danger

² Roads with a federal functional classification above local in urban areas and above rural minor collector in rural areas.

to vehicles or pedestrians as shown by frequency of accidents. (3) High Accident Potential funds are to reduce a potentially unsafe situation. The costs are shared approximately 90% federal, and 10% local match. The State selects and prioritizes projects for funding. For 2006 and thereafter the Safety setaside is eliminated as the new Highway Safety Improvement Program takes over the funding of the safety programs.

Enhancements: 10% of STP funds are set aside for transportation enhancement projects (bikeways, walkways, highway beautification, scenic or historic transportation projects). The MPO (RTC) prioritizes projects and the State selects projects. Allocation of funds is determined at the State level.

Regional Allocation: STP-Urban and STP-Rural: Available to cities, counties, and other public agencies on a county basis. To be eligible, road projects must be on a federal functionally-classified route of rural major collector or above, except for planning studies and enhancement projects. The MPO (RTC) selects projects for funding in cooperation with local jurisdictions and agencies. The STP-Urban program is a formula allocation to the Clark County Transportation Management Area (TMA) based on the population of the Vancouver Urban Area. The STP-Rural program is a formula allocation for projects outside the Urban Areas.

STP-State: Formula allocation to the Washington State Department of Transportation, for use on State highway projects. The State selects projects.

STP-Statewide Competitive: This is a portion of STP funds that can be used in any area of the State. The State selects and prioritizes projects for funding.

Highway Safety Improvement Program (HSIP)

The Highway Safety Improvement Program is established as a new core program, separately funded for the first time. It allows states to target funds to their most critical safety needs to achieve a significant reduction in traffic fatalities and serious injuries on all public roads. States are required to develop and implement a strategic highway safety plan and submit annual reports describing at least 5% of the State's most hazardous locations, progress in implementing projects and their effectiveness in reducing fatalities and injuries. The program is set to begin in FY 2006. From 2006 through 2009, funding for this program is \$5.1 billion nationwide with \$880 million set aside for the Railway-Highway Crossing program. The costs are shared approximately 90% Federal and 10% local match, except that the Federal share is 100% for certain safety improvements.

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

The Congestion Mitigation and Air Quality Improvement Program (CMAQ) provides funding for projects and programs in air quality non-attainment and maintenance areas for ozone, carbon monoxide (CO), and particulate matter (PM-10, PM-2.5) which reduce transportation related emissions. SAFETEA-LU adds new requirements that States and MPOs will give priority to projects and programs to diesel retrofits and other cost-effective emission reduction activities, and cost-effective congestion mitigation activities that provide air quality benefits. Money in

this fund is apportioned by population and weighted by the severity of pollution. Funds in this category cannot be used for new highway capacity. However, construction of high occupancy vehicle lanes are allowed with the understanding that capacity may be used by single occupancy vehicles during the non-rush hour period. Projects or programs that improve transportation systems management and operations that mitigate congestion and improve air quality can be funded under this program. The Clean Air Act Amendments of 1990 require that highest priority for funding be given to the implementation of the transportation elements of applicable State Implementation Plans (SIPs) and Transportation Control Measures identified in applicable SIPs. From 2005 through 2009, funding for this program is \$8.608 billion nationwide. RTC is one of five MPO's in Washington State eligible for CM/AQ funding.

Highway Bridge Program (BR)

The Highway Bridge Program provides funding to enable States to improve the condition of their highway bridges through replacement, rehabilitation, and systematic preventive maintenance. The nationwide program provides \$21.607 billion in funding from 2005 through 2009. The costs are shared approximately 80% federal and 20% local match.

High Priority (Demonstration) Projects

The High Priority Program provides designated funding for specific projects identified by Congress and listed in SAFETEA-LU. 5,091 projects, costing a total of \$14.83 billion, are identified in SAFETEA-LU. These funds generally require a 20% local match.

Transportation and Community and System Preservation Pilot (TCSP)

The TCSP Program is intended for eligible projects to integrate transportation, community, and system preservation plans and practices that improve the efficiency of the transportation system of the United States, reduce the impacts of transportation on the environment, reduce the need for costly future investments in public infrastructure, provide efficient access to jobs, services, and centers of trade and examine community development patterns and identify strategies to encourage private sector development. A total of \$270 million is authorized for this program for FYs 2005-2009. Clark County received TCSP funds to investigate the impacts of concurrency and Growth Management on implementation of the comprehensive plan. Projects are selected at the federal level with 80% federal and 20% local share.

Job Access and Reverse Commute (JARC)

The federal Job Access and Reverse Commute grant program assists states and localities in developing new or expanded transportation services that connect welfare recipients and other low income persons to jobs and other employment related services. Job Access projects are targeted at developing new or expanded transportation services such as shuttles, vanpools, new bus routes, connector services to mass transit, and guaranteed ride home programs for welfare recipients and low income persons. Reverse Commute projects provide transportation services to suburban employment centers from urban, rural and other suburban locations for all populations. The Job Access and Reverse Commute (JARC) program will be administered as a formula

program beginning in FY 2006. In 2002, C-TRAN obtained \$718,500 in JARC funds to implement the Connector service to enhance employment access to the industrial and commercial area of East Vancouver/Camas. The service debuted in 2003. Federal JARC funds require a 50% match; other federal funds can be used as part of the local match.

National Corridor Infrastructure Improvement Program

This is a discretionary program that provides funding for construction of highway projects in corridors of national significance to promote economic growth and international or interregional trade. The program replaces the TEA-21 National Corridor Planning and Development program. The nationwide program provides \$1.9 billion in funding from 2005 through 2009. Projects are selected at the Federal level and require a 20% local share.

National Scenic Byways Program

The program recognizes roads having outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities and provide for designation of these roads as National Scenic byways, All-American Roads or America's Byways. Projects are prioritized at the State level and selected at the Federal level. The nationwide program provides \$175 million in funding from 2005 through 2009. The funds require a 20% local match.

Community Development Block Grant (CDBG)

Community Development Block Grant (CDBG) funds are administered by the Department of Housing and Urban Development (HUD). Grants can be used for public facilities, economic development, housing and comprehensive projects which benefit low and moderate income households. Transportation projects that use CDBG funds are usually sidewalk projects and small capital improvements. Projects are selected by the County Commissioners from recommendations by the Urban County Policy Board composed of local Mayors and one county commissioner.

Safe Routes to School Program

The Safe Routes to Schools Program is to enable and encourage children, including those with disabilities, to walk and bicycle to school; to make walking and bicycling to school safe and more appealing; and to facilitate the planning, development, and implementation of projects that will improve safety, and reduce traffic, fuel consumption, and air pollution in the vicinity of schools. The nationwide program provides \$612 million in funding from 2005 through 2009. The Federal share is 100%.

Recreational Trails Program

The Recreational Trails program provides funds to the States to develop and maintain recreational trails and trail-related facilities for both non-motorized and motorized recreational trail uses. The nationwide program provides \$370 million in funding from 2005 through 2009.

Federal Lands Highways

The Federal Lands Highways Program provides for transportation planning, research, engineering, and construction of highways, roads, and parkways and transit facilities that provide access to or within public lands, national parks, and Indian reservations. The nationwide program provides \$4.465 billion in funding from 2005 through 2009. The federal share is 100%. Projects are selected at the federal level.

Projects of National and Regional Significance (PNRS)

The Projects of National and Regional Significance program provides funding for high cost projects of national or regional importance. The nationwide program provides \$1.78 billion in funding from 2005 through 2009. Projects are selected at the federal level. The funding share is 80% Federal and 20% local match.

STATE FUNDING

The State gas tax is the major state revenue source for highway maintenance and arterial construction funding. In 2003 the state legislature passed a nickel gas tax increase and in 2005 a 9.5 cent gas tax increase to fund the Transportation Partnership Account (TPA) that will fund the following projects in the Clark County region:

- I-5, Salmon Creek to NE 134th St, \$39.1 million (nickel)
 - I-5, Reconstruct Interchange at NE 134th St., \$55 million (nickel)
 - I-5, NE 219th St/SR-502 Interchange, \$34.7 million (nickel)
 - I-205, Mill Plain/NE 112th Connector, \$12 million (nickel)
 - SR-500, Gher Road/NE 112th Avenue Interchange, \$26.1 million (nickel)
 - SR-502, NE 10th to Battle Ground, Widen, \$15 million (nickel)
 - Vancouver Rail Yard and 39th Street Overcrossing, \$53.773 million (nickel)
(state funds total \$57 million for this project)
 - I-5, Columbia River Crossing EIS, \$50 million (Transportation Partnership Account, TPA)
 - I-5, SR-501/Pioneer Ridgefield Interchange, \$10 million (TPA)
(additional funding needed to complete project)
 - SR-14, Camas - Washougal Widening, \$40 million (TPA)
 - SR-14, Lieser Rd Interchange Traffic Signals, \$1 million (TPA)
 - I-205, Mill Plain to NE 28th St - 18th St Interchange, \$58 million (TPA)
 - I-205, Mill Plain Southbound Off-ramp, \$0.440 million (TPA)
 - SR-500, St John's Interchange, \$26.3 million (TPA)
 - SR-500, I-205 Interchange Improvement, \$1 million (TPA)
 - SR-502, NE 10th to Battle Ground, Widen, \$50 million (TPA)
 - SR-503/SR-500/Fourth Plain Intersection, \$0.95 million (TPA)
 - SR-503, Lewisville Park Climbing Lanes, \$5.7 million (TPA)
 - SR-503, Gabriel Road Intersection Improvement, \$0.75 million (TPA)
- TOTAL FUNDING TO CLARK COUNTY PROJECTS \$483.04 million**

Washington State Department of Transportation (WSDOT)

The Washington State Department of Transportation administers state and federal funded state highway projects. State transportation revenues are divided into separate programs. The budget for these programs is determined by the state legislature. WSDOT then prioritizes projects and determines which projects can be constructed within the budget of each program.

Transportation Improvement Board (TIB) Programs

The Washington State Legislature created the Transportation Improvement Board (TIB) to foster state investment in quality local transportation projects. The TIB distributes grant funding, which comes from the revenue generated by three cents of the statewide gas tax, to cities and counties for funding transportation projects. The TIB identifies and funds the highest-ranking transportation projects based on criteria established by the Board for each program.

TIB URBAN FUNDING PROGRAMS

The Transportation Improvement Board provides funding to its urban customers through three state-funded grant programs. Eligible projects are located within the federally designated urban areas. Urban projects require financial participation by the local agency. Minimum local match requirements range from ten to twenty percent depending on the assessed value of the local agency. Local match is typically a mixture of private and public funds. Projects are selected annually using a rating system based on criteria developed by the Board. Applications are rated by TIB staff and reviewed in the field. The highest rated projects within the funding range are presented to the Board for selection. TIB awards approximately \$70 million to new projects each year. Once selected, TIB staff provides grant oversight, participates in Value Engineering (VE) studies, and acts as facilitators to bring projects to completion.

Urban Arterial Program (UAP): for roadway projects that improve safety and mobility.

Urban Corridor Program (UCP): for roadway projects with multiple funding partners that expand capacity.

Sidewalk Program (SP): for sidewalk projects that improve safety and connectivity.

Road Transfer Program (RTP): provides state funding to offset extraordinary costs associated with the transfer of state highways to cities

Route Jurisdiction Transfer (RJT): The TIB reviews petitions from cities, counties or WSDOT for additions or deletions from the state highway system. Recommendations are submitted to the legislature that makes the final decisions on route jurisdiction transfers.

De-TEA Program: removes federal money from the project, and provides 100% state TIB funding in its place.

TIB SMALL CITY FUNDING PROGRAMS

The Transportation Improvement Board offers a number of different funding programs to the state's small cities. Cities and towns with a population under 5,000 are eligible for funding from programs that reconstruct or maintain the transportation infrastructure. Funds from the program

are distributed regionally, with projects competing only in their own region. TIB’s programs for small cities have been developed to require little or no local match. Match requirements are determined by population. While the majority of TIB’s small city funding is awarded annually through a competitive process, the Federal Match and NewStreets pavement preservation programs are open continuously to take advantage of unique financial opportunities. Programs that are on an annual cycle use project selection rating systems based on criteria developed by the Board. Applications are rated by TIB staff and reviewed in the field. The highest rated projects within the available funding are presented to the Board for selection. TIB awards approximately \$10 million to new small city projects each year. TIB staff provides grant oversight, assists with consultant selection, and acts as facilitators to bring projects to completion.

Small City Arterial Program (SCAP): Provides funding for projects that improve safety and roadway conditions.

Small City Pavement Preservation Program (SCPPP): Provides funding for rehabilitation and maintenance of the small city roadway system, in some cases in partnership with WSDOT or county paving projects.

Sidewalk Program (SP): Provides funding for sidewalk projects that improve safety and connectivity.

New Streets: Creates partnerships, takes advantage of paving opportunities and helps make economy of scale work in favor of small cities.

Federal Match: Provides the local match for federally funded TEA-21 projects meeting routine SCP eligibility.

Road Transfer Program (RTP): Provides funding for extraordinary maintenance on routes transferred from the state highway system to cities with a population under 20,000.

Table 4-1 provides an overview of TIB funding received by Clark County, 1989 to 2003.

Table 4-1: TIB Funding Provided to the Clark County Region, 1989 to 2003

TIB Funding Programs	TIB Program Funds to Clark County 1989 to 2003
Transportation Partnership Program (TPP)	\$74,641,047
Arterial Improvement Program (AIP)	\$32,406,514
Small City Program (SCP)	\$2,068,414
Pedestrian, Safety & Mobility Program (PSMP)	\$1,466,293
City Hardship Assistance Program (CHAP)	\$249,654
Sub-Total	\$110,831,922
Federal ISTEA/TEA-21 Local Match	\$1,796,320
Total	\$112,628,242

County Road Administration Board (CRAB)

The County Road Administration Board was created by the Legislature in 1965 to provide statutory oversight of Washington's thirty-nine county road departments. The County Road Administration Board (CRAB) manages two grant programs to assist counties in meeting their transportation needs.

County Arterial Preservation Program (CAPP)

The County Arterial Preservation Program (CAPP) helps counties to preserve their existing paved arterial road networks. Funding is provided to counties as direct allocations based on paved arterial lane miles. The program generates approximately \$14 million a year for road improvements.

Rural Arterial Program (RAP)

The Rural Arterial Program (RAP) is funded by fuel tax revenues and is available for road and bridge reconstruction funding on a competitive basis. Proposed projects for this program are rated by a specific set of criteria including (1) structural ability to carry loads, (2) capacity to move traffic at reasonable speeds, (3) adequacy of alignment and related geometrics, (4) accident rates and (5) fatal accident rates. The program generates approximately \$19 million a year for road improvements.

Community Economic Revitalization Board (CERB)

The Community Economic Revitalization Board (CERB) was established by the legislature to make loans and/or grants for public facilities, including roads, which will stimulate investment and job opportunities, reduce unemployment, and foster economic development.

Public Works Trust Fund (PWTF)

The Public Works Board was created by the 1985 legislature. The mission of the Public Works Board is "to assist Washington's local governments and private water systems in meeting their public works needs to sustain livable communities." The Public Works Trust Fund (PWTF) provides low interest loans to local governments for infrastructure improvements and is funded by utility taxes.

WSDOT Grant Programs

WSDOT administers many transportation related grants that are available to local agencies. However, many of these programs are dependent on the legislature allocating funding and can vary from year to year.

LOCAL FUNDING

Local revenue comes from a variety of sources such as property tax for highway projects and sales tax for transit projects. Other revenues include moneys from street use permits, gas tax, utility permits, and impact fees.

Property Tax

Clark County allocates a portion of their property taxes to the County Road Fund (Approximately \$2.25 per \$1,000 of assessed value). Cities also receive transportation dollars from the city's general funds, of which property taxes are a major revenue source.

Arterial Street Fund

This is the distribution of a portion of the state gasoline tax to cities and counties based on each jurisdiction's population. The funding can be used for street rehabilitation and construction.

Transportation Impact Fees (TIF)

Transportation impact fees were authorized in HB 2929 by the 1990 Legislature to address the impact of development activity on transportation facilities. Jurisdictions within Clark County have established Transportation Impact Fee programs and are periodically reviewed. Generally, new developments and redevelopments are assessed a Traffic Impact Fee, based on their impact to the transportation system.

Road Improvement District (RID)

RID's can be formed and funded by properties benefiting from an improvement. They are usually formed at the request of property owners. Local government will build the project using revenue bonds from the road improvement district.

Frontage Improvement Agreements

Most developments are required to construct frontage improvements. In cases where the development abuts a proposed road improvement project, it is often beneficial for the developer to pay local government for their share of the road improvement and for local government to construct the improvements as part of the overall capital project.

Latecomers Fees

According to State law, new developments and re-developments may be charged "Latecomer Fees" by the County for improvements that would have been required for their development, but have been constructed by the County.

TRANSIT REVENUES

Revenue sources that have been described above are intended exclusively for highway investment or have the flexibility to be used for highway/transit funding. Transit systems are also funded by fare box proceeds, federal funds and other local funds. This section will address revenue sources specifically for the purpose of funding transit needs. C-TRAN is the Public Transportation Benefit Area for the Clark County region. As such it has the authority to impose up to 0.9 percent local sales tax to support operations with majority support from registered voters in the Public Transportation Benefit Authority area.

In September 2005, a majority of voters supported a funding proposition that added 0.2 percent sales and use tax to C-TRAN's previously approved 0.3 percent, for a total of 0.5 percent (five cents on a \$10.00 purchase). This additional funding allows C-TRAN to preserve existing service and restore basic service to areas that had not received transit service in five years.

Transit: Farebox

Over the past few years, C-TRAN has focused on increasing its farebox recovery, the percentage of operating costs paid for by farebox revenues. In 2004, farebox recovery was 19.65 percent, a dramatic increase over the 12.20 percent achieved in 1999. The total amount of funding gained through passengers fares was \$3.8 million in 2004. In May 2005, C-TRAN increased fares to help attain the goal of increasing C-TRAN's farebox recovery and to keep pace with increasing operating costs.

Transit: Federal

The federal Surface Transportation Program places much greater emphasis on intermodal flexibility and allows funds to be used for transit capital projects. In addition, federal National Highway System funds can be used on alternative arterials or transit projects within the NHS corridors if there is a direct benefit to an NHS facility. C-TRAN received \$6.2 million from federal sources in 2004. These funds include Section 5307 monies for buying or maintaining buses and facilities, Section 5209 discretionary funds for specific projects awarded through Congressional earmarks, Section 5208 funds for information technology projects, and Transit Enhancement funds.

Transit: State

C-TRAN currently receives Special Needs funding from WSDOT. This funding is used to serve persons with special transportation needs.

Competitive grant funding will be available through the new Office of Transit Mobility's Regional Mobility Grants in 2006. C-TRAN submitted grant applications in November 2005 that are pending.

Transit: Sales and Use Tax

C-TRAN's major revenue source is a 0.5 percent sales and use tax. A 0.3 percent sales tax that was approved in 1980 and an additional 0.2 in 2005. C-TRAN received \$14.6 million in sales tax revenue during 2004 (at the 0.3 percent rate). C-TRAN's tax authority allows as much as 0.9 percent for operation, maintenance and capital needs of the transit system, subject to voter approval.

POTENTIAL TRANSPORTATION REVENUES

The revenue sources described in this section are programs approved by the State Legislature that authorize jurisdictions to impose fees at the local level for specific transportation infrastructure categories with voter approval. These programs have not been instituted in this region.

Local Option Vehicle License Fee

RCW 82.20.020 authorizes an additional motor vehicle license fee of \$15 per passenger car for transportation purposes.

Real Estate Excise Tax (REET)

The use of REET is restricted to capital projects identified in the capital facilities plan element of the comprehensive plan. Clark County now collects REET to the extent authorized under state law but does not use the funds for transportation capital facilities. The funds are currently used for park capital facilities and the balance is dedicated to the economic development revolving fund.

Commercial Parking Tax

RCW 82.80.030 authorizes a tax on commercial parking which can include paid parking lots as well as parking spaces that accompany the lease of nonresidential space. The proceeds may be used for general transportation purposes. The tax could be based on gross proceeds or fee per vehicle.

Motor Vehicle Fuel Tax (MVFT)

With voter approval, a 10% surcharge can be imposed on state Motor Vehicle Fuel Tax (MVFT) for fuel sales in the county. Revenue generated would be shared, based on population, between the county and the cities within the county.

Transportation Benefit Districts

2005 legislation (Senate Bill 5177), codified primarily to RCW 36.73, allows jurisdictions to form a transportation benefit district. Funds generated can be used for improvements listed in the statewide transportation plan or the Metropolitan Transportation Plan (MTP). 60% of the value of the improvements must be to Highways of Statewide Significance (HSS). The District,

if formed, could impose new taxes and fees if approved by the electors of the District. New taxes and fees can include 1) a sales and use tax not to exceed 0.2% for a duration of up to 10 years and extendable, by vote of the electors, for an additional 10 years, 2) a vehicle license fee up to \$100 per vehicle, 3) an impact fee with credit given for any impact fee charged to that same development by a participating jurisdiction with exemption for residential developments of less than 20 units, and 4) tolls for facilities approved by the District. In addition, authority typically granted to cities and counties, is extended to the District. This authority includes imposition of property tax in excess of the 1% limitation and to bond revenue streams if approved by voters, authority form a local improvement district, to form a road improvement district and to impose a commercial parking tax.

MTP REVENUES

Data received from WSDOT Economics Branch on transportation revenues generated in the Clark County region during the past decade is used to provide a basis for determining revenues likely to be generated for future transportation needs. Historic data derived from Transportation Improvement Programs (TIPs) adopted by local jurisdictions and by RTC since the passage of the ISTEA are also used as the basis for annual revenue estimates. Currently, funding is programmed in the Metropolitan Transportation Improvement Program (MTIP) through 2008.

Table 4-2 presents a summary of potential transportation revenues that could be generated in Clark County in the next twenty-five years (based on 2005 \$). However, it should be noted that not all revenues generated in the Clark County region are distributed back to this region for use here. Also, it should be noted that local revenues generated have to fund local projects as well as regional type transportation improvements. It is the regional transportation projects that are the focus of the MTP’s financial plan and the “fiscal constraint” test.

Table 4-2: Potential Revenues Generated in Clark County

POTENTIAL REVENUES GENERATED IN CLARK COUNTY	
REVENUES GENERATED:	MTP (25-YEARS) (in Year 2005 \$)
Federal and State	\$3,318,140,000
Local	\$1,276,000,000
Federal for Transit Capital Equipment (assumes average of \$3.5 m per year)	\$87,500,000
Sub-Total	\$4,681,640,000
TRANSIT REVENUES FOR TRANSIT OPERATIONS*:	Years 2005-2011 Only*
Sales Tax, Fare Box Recovery, Interest, Operating Grants, Other	\$248,082,908

*Transit Revenues are for 7 years: 2005-2011. C-TRAN will be addressing a longer-range revenue forecast a part of their 20-year planning process in 2006

*Source: State and Federal Transportation Revenue And Expenditure Tables, By County
WSDOT Economics Branch, C-TRAN*

MTP COSTS

ASSUMPTIONS

Costs of improvements to the Designated Regional Transportation System are the focus of this section. Costs of transportation improvements and projects are expressed in 2005 dollars. Capacity improvement costs, capital costs for the transit system as well as transportation system maintenance, preservation and operations costs are considered in the regional transportation planning process. Costs for regional system highway, transit, pedestrian and bicycle projects are considered in the Finance Plan as well as costs for Intelligent Transportation System, Transportation System Management improvements and Transportation Demand Management. Costs for other modes, e.g. freight rail system improvements and inter-city passenger rail, are assumed to be met at the statewide or national level or by private interests.

SYSTEM MAINTENANCE, PRESERVATION AND OPERATIONS

Before consideration can be given to system expansion, the region needs to ensure that sufficient money is available to adequately maintain, preserve and operate the transportation system already in existence. It costs, on average, \$30.2 million annually to maintain and operate the highway system in Clark County.

Maintenance information provided by the state in 2002 showed that State highway maintenance costs about \$27.47 per registered vehicle per year. Some of the component maintenance costs are: \$5.52 per vehicle per year for snow and ice control, \$3.45 for pavement maintenance, \$2.49 for vegetation maintenance, \$2.25 for bridge maintenance and operations, \$2.18 for storm water management, \$1.50 for striping, marking and guidepost maintenance, \$1.11 for highway lighting, \$1.07 for rest area maintenance and operations, \$0.94 for traffic signal maintenance, \$0.88 for sweeping and cleaning, \$0.84 for roadway hazard patrol and removal, \$0.80 for sign maintenance and \$0.77 for litter control.

The estimated annual cost of operating C-TRAN's existing service (Spring 2005) is about \$29 million. As the transportation system ages and grows over the 25 year period, these operating and maintenance costs will consume a greater percentage of the available revenues. Projected funding for transit system operation and improvement is outlined in C-TRAN's Transit Development Plan (TDP). The latest published TDP, issued in May 2005, provides a review of 2004 and covers the years 2005 through 2010.

C-TRAN's current funding and service plan extends through the year 2011. During 2006, C-TRAN's Board of Directors is expected to adopt a 20-Year Transit Development Plan, providing longer-term vision for transit service and its funding.

SYSTEM IMPROVEMENTS

Capital costs of the proposed improvements to the Designated Regional Transportation System are addressed in this section. In a rapidly growing region such as Clark County, there is large demand for system expansion. MTP highway system expansion and transit capital costs have been estimated at over \$1,297.83³ million over the twenty-five year period (see Table 4-3). The total cost of capital projects listed in Appendix A, that includes both Designated Regional Transportation System projects and local projects included in air quality analysis, amounts to over \$1.711 billion.

NOTE: *Project cost estimates provided in Table 4-3 are planning level cost estimates only. Cost estimates are liable to change as more detailed pre-design and design work is initiated for each of the projects. Cost estimates are reviewed in detail at each MTP update.*

Projects are consistent with those identified in Washington State Highway Systems Plan and local Capital Facilities Plans.

Table 4-3: MTP List of “Fiscally Constrained” Projects 2005-2030

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
Interstates				
I-5	Columbia River Crossing (CRC)	Environmental Impact Statement/Design	WSDOT	\$50,000
I-5	99th Street to I-205	3 lanes ea. direction	WSDOT	\$39,100
I-5	The Salmon Creek Interchange Project (SCIP) at 134th/139th Street	Construct NE 139th St. from NE 20th to NE 10th Ave. Reconstruct interchange with ramps added at 139th St. Improve access to I-205 with flyover from 134th St to I-205 southbound NE 10th Ave. Improve NE 10th Ave. from 134th to 149th St. with turn lanes.	WSDOT	\$94,000

³ Cost estimates for the Plan were reviewed in 2005. Credit has not been taken for projects which are already fully or partially funded.

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
I-5	I-205 to 179th Street	Auxiliary lane in each direction	WSDOT	Incl. in 134th St costs
I-5	179th Street to SR-502	Auxiliary lane in each direction	WSDOT	\$16,000
I-5	179th Street Interchange	Reconstruct Interchange	WSDOT	\$31,000
I-5	SR-502 Interchange	New Interchange	WSDOT	\$35,000
I-5	Pioneer Street (Ridgefield)/ SR-501 Interchange	Replace Interchange	WSDOT	\$32,000
I-5	319th Street Interchange	Improve Interchange	WSDOT	\$7,000
I-205 South Corridor		Conduct environmental analysis for approved access plan for I-205 south corridor	Vancouver	\$4,300
I-205	Mill Plain Exit (112th Avenue connector)	Build direct ramp to NE 112th Avenue	WSDOT	\$12,000
I-205	SR-14 to Mill Plain	Ramp Separation	WSDOT	\$50,000
I-205	Mill Plain to 28th Street	Ramps/Frontage Road between Mill Plain and 28th Streets	WSDOT	\$58,000
I-205	28th Street	North ramps	WSDOT	\$22,000
I-205	SR-500	WB SR-500 to SB I-205 Flyover	WSDOT	\$28,000
I-205	SR-500 to Padden Parkway	3 lanes each direction 83rd ramps	WSDOT	\$14,000
I-205	Padden Parkway to 134th Street	3 lanes each direction	WSDOT	\$64,000
State Routes				
SR-14	I-205 to 164th Avenue	3 lanes ea. direction	WSDOT	\$15,000

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
SR-14	NW 6th Av. to SR-500/Union	2 lanes ea. direction w. interchange	WSDOT	\$40,000
SR-14	SR-500/Union to 32nd Street	Improve capacity	WSDOT	\$25,000
SR-14	32nd Street Vicinity	Interchange	WSDOT	\$25,000
SR-500	St. Johns Interchange	New Interchange	WSDOT	\$26,300
SR-500	42nd Avenue	Grade Separation (cost estimate includes SR- 500/54 th Ave. project)	WSDOT	\$28,000
SR-500	54th Avenue	Interchange with collector- distributor connecting to Andresen	WSDOT	see above
SR-500	at I-205	Extend westbound auxiliary lane	WSDOT	\$975
Pioneer Street/SR-501	I-5 NB Ramps to S 10th Street	2 lanes each direction w/ turn lane	Ridgefield	\$4,238
Pioneer Street/SR-501	.5 mile west of S 45th to I-5 NB ramps	2 lanes each direction w/ turn lane	Ridgefield	\$1,898
SR-502	NE 10th Avenue to Battle Ground	2 lanes each direction	WSDOT	\$50,000
SR-503	at Padden Parkway	Add Interchange	Clark County/ WSDOT	\$17,000
SR-503	East Fork Lewis River	Northbound and southbound climbing lane	WSDOT	\$5,000
Local Arterials				
Grace Av	Grace Av/East Main St	Align S Grace and N Grace	Battle Ground	\$350
SE Grace Av	East Main St to NE 199th St	1 lane ea. direction, w/turn lane, bicycle and pedestrian facilities	Battle Ground	\$1,700

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
NE 199th St	SE Grace to East City Limits	1 lane ea. direction, w/turn lane, bicycle and pedestrian facilities	Battle Ground	\$2,000
NW 6th Av	Ivy to Division	1 lane ea. direction, w/turn lane	Camas	\$1,200
38th Avenue	Bybee Road to Astor	1 lane ea. direction, w/turn lane	Camas	\$1,300
Padden Parkway	Andresen	Add Interchange	Clark County	\$15,000
117/119th Street	NW 7th Avenue to Hazel Dell Avenue	1 lane ea. direction, w/turn lane	Clark County	\$4,870
117th Street	Hazel Dell Avenue to Highway 99	1 lane ea. direction, w/turn lane	Clark County	\$3,470
119th Street	Salmon Creek Av. to 72nd Avenue	1 lane ea. direction, w/turn lane	Clark County	\$10,800
119th Street	72nd Avenue to SR-503	2 lanes ea. direction, w/turn lane	Clark County	\$11,000
NE 119th Street	SR-503 to NE 172nd Avenue	1 lane ea. direction, w/turn lane	Clark County	\$16,500
179th Street	NW 5th to NW 11th Avenue	1 lane each direction w/turn lane	Clark County	\$9,500
179th Street	I-5 to NW 5th Avenue	2 lanes ea. direction, w/turn lane	Clark County	-
179th Street	NE 10th Avenue to NE 29th Avenue	2 lane ea. direction, w/turn lane	Clark County	\$16,300
179th Street	NE 29th Avenue to NE 50th Avenue	1 lane ea. direction, w/turn lane	Clark County	\$8,000
179th Street	NE 50th Avenue to Cramer Road	1 lane ea. direction, w/turn lane	Clark County	\$8,100
179th Street	Cramer Road to SR-503	2 lanes ea. direction, w/turn lane	Clark County	\$2,500
Highway 99	South RR Bridge (Ross Street) to NE 63rd Street	2 lane ea. direction, w/turn lane (rail bridge)	Clark County/ Vancouver	\$4,300

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
Highway 99	NE 63rd to NE 99th Street	Pedestrian route completion	Clark County	\$2,500
Highway 99	NE 99th Street to NE 117th Street	2 lane ea. direction, w/turn lane	Clark County	\$3,300
Highway 99	117th to 129th Street	2 lanes each direction w/ turn lane	Clark County	\$6,000
St. John's Blvd.	NE 50th Avenue to 72nd Avenue	2 lanes ea. direction, w/turn lane	Clark County	\$15,525
72nd Avenue	N. of 88th Street to St. Johns	2 lane ea. direction, w/turn lane	Clark County	\$8,600
NE 72nd Avenue	119th to 133rd Street	2 lanes each direction w/ turn lane	Clark County	\$11,880
NE 137th Avenue	NE Fourth Plain Boulevard to NE 76th Street	1 lane ea. direction, w/turn lane	Clark County	\$880
Ward/172nd Av.	S. 99th Street to 119th St.	Realignment	Clark County	\$9,200
Timmen Road	at La Center Road	Construct right-turn lane	La Center	\$208
La Center Road	at Timmen Road	Construct left turn lanes	La Center	\$440
E 4th Street		Culvert/bridge replacement	La Center	\$1,948
Highland Street	E 4th Street	Realignment and improved intersection	La Center	\$616
Highland Street	High School to E City Limits	Urban upgrade	La Center	\$575
E 4th Street	Highland to E. City Limits	Urban upgrade	La Center	\$993
Pioneer Street/SR-501	.5 miles west of S 45th to W of Reiman Road	Widen, 1-2 lanes each direction	Ridgefield	\$4,178
Pioneer Street Bridge	over Gee Creek	Bridge Replacement	Ridgefield	\$1,500
Hillhurst Road	SR-501 to Royle Road	1 lane each direction w/ turn lane	Ridgefield	\$4,053

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
Port of Ridgefield Rail Crossing	Rail Overcrossing to Port of Ridgefield, in vicinity of Division St., Ridgefield	Grade separated crossing of mainline railway Feasibility study and environmental impacts review	Ridgefield	\$20,000
Amtrak Station	At NW 11th Street	Renovation of Train Station	Vancouver	\$750
Main Street	6th Street to 15th Street (Mill Plain)	Convert to two-way street	Vancouver	\$9,000
Broadway	6th Street to 15th Street	Reconstruct and convert to two-way street	Vancouver	\$2,300
Confluence Land Bridge over SR-14	Fort Vancouver to Old Apple Tree	New shared-use bridge over SR-14	Vancouver	\$10,480
SE 20th Street	192nd Ave. to Camas City Limits	New urban minor arterial roadway	Vancouver	\$5,200
SE 1st Street	164th Avenue to 192nd Avenue	2 lanes ea. direction, w/turn lane	Vancouver	\$12,000
18th Street	86th Avenue to 112th Avenue	Extend existing street 1 lane ea. direction, w/turn lane	Vancouver	\$27,500
18th Street	112th Avenue to 138th Avenue	2 lanes ea. direction, w/turn lane	Vancouver	\$17,600
18th Street	138th Avenue to 162nd Avenue	2 lanes ea. direction, w/turn lane	Vancouver	\$10,750
NE 18th Street	162nd Avenue to 192nd Avenue	2 lanes ea. direction, w/turn lane	Vancouver	\$10,500
NE 28th Street	142nd Avenue to 162nd Avenue	1 lane ea. direction, w/turn lane	Vancouver	\$6,500
Fourth Plain	I-5 to Railroad Bridge	2 lanes each direction	Vancouver	\$22,500
Fourth Plain Boulevard/ Andresen	Intersection Influence Area	Reconstruct Fourth Plain in vicinity of 65th/66th Avenue to Andresen	Vancouver	\$4,000
Fruit Valley Rd	Whitney to 78th Street	1 lane ea. direction, w/turn lane	Vancouver	\$12,000

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
Andresen Road	Fourth Plain to 40th Street	Pedestrian improvements and urban upgrade.	Vancouver	\$300
Lieser Road/ NE 87th Avenue	at Mill Plain	Intersection improvement	Vancouver	\$3,850
112th Avenue	Mill Plain to 49th Street	2 lanes ea. direction, w/turn lane	Vancouver	\$4,500
138th Avenue	18th Street to 28th Street	2 lanes ea. direction, w/turn lane	Vancouver	\$7,500
138th Avenue	28th Street to 49th Street	2 lanes ea. direction, w access management	Vancouver	\$15,000
137th Avenue	49th Street to Vancouver City Limits	2 lanes ea. direction, w/turn lane	Vancouver	\$11,500
NE 137th Avenue	City Limits to Fourth Plain	2 lanes ea. direction, w/turn lane	Vancouver/ Clark Co (annexation area)	\$4,700
164th Avenue	SE 1st to SR-14	Reconstruct 5 intersections to improve traffic flow	Vancouver	\$5,500
192nd Avenue	SE 1st Street to NE 18th Street	2 lanes ea. direction, w/turn pockets	Vancouver	\$8,000
E Street/ D Street	West City Limits (Lechner/6th) to East City Limits (Sunset View Road)	Boulevard Design Improvement(1 lane each direction with left turn, sidewalks and bike lanes)	Washougal	\$3,350
Yacolt Road	Amboy Avenue to Railroad Avenue	Rebuild road w. shoulder 1 lane each direction	Yacolt	\$367
Transit Projects				
C-TRAN System	Super Stops	Enhanced stop locations at key connections	C-TRAN	\$430
C-TRAN System	System Wide	Deploy ITS (Phase 2 and 3)	C-TRAN	\$8,521
C-TRAN System	System Wide	Transit Service Change	C-TRAN	

MTP 2005 Update: Designated Regional Transportation System Projects List of "Fiscally-Constrained" Projects, 2005 to 2030				
Facility	Cross Streets	Improvement	Jurisdiction/ Agency	Cost Estimate in \$'000s (2005)
Salmon Creek Park & Ride	at I-5/NE 134th Street	Realign Salmon Creek Park & Ride at current site in conjunction with I-5/134th/139th Interchange	C-TRAN	\$4,000
C-TRAN Transit Enhancements	N/A	Improvements/amenities at bus stops (through 2010)	C-TRAN	\$314
C-TRAN Fleet	N/A	Vehicle Replacement for fixed route and demand response (through 2010)	C-TRAN	\$5,722
Vancouver Transit Center	Mall area	Relocate Van Mall Transit Center to C-TRAN AOM	C-TRAN	\$5,700
99th Street Park and Ride	off I-5	Park & Ride	C-TRAN	\$8,399
ITS				
Various ⁴	System Wide	Intelligent Transportation System (ITS) Additions		\$45,000
Total Costs (Regional Transportation System)				\$1,297,830

Note that apart from the Environmental Impact Statement Study, I-5 Columbia River Crossing projects are not included in the "fiscally-constrained" MTP (see Strategic Plan description in MTP Appendix B).

A summary of costs of transportation system needs is presented in Table 4-4 below.

⁴ Refer to description of ITS and the VAST program of projects in chapter 5, page 5-8, 5-9.

Table 4-4: Projected Costs of MTP Regional Transportation System Needs

Projected Costs of MTP Transportation System Needs		
	COSTS	
Transportation System Component	Annual Cost	MTP 25-YEARS (in Year 2005 \$)
HIGHWAYS		
Total Highway Maintenance and Preservation	\$30,200,000	\$755,000,000
Regional Highway and Transit Capital Costs	\$50,793,200	\$1,297,830,000
Transportation Demand Management	\$2,000,000	\$50,000,000
Transportation System Management	\$2,000,000	\$50,000,000
Pedestrian and Bicycle Projects	\$4,000,000	\$100,000,000
Sub-Total		\$2,252,830,000
TRANSIT OPERATIONS*		
Transit Operations*	\$29,136,867	\$248,082,908

*Transit costs are for 7 years: 2005-2011 and exclude depreciation.

C-TRAN will be addressing a longer-range revenue forecast as part of their 20-year planning process in 2006

Source: State and Federal Transportation Revenue And Expenditure Tables, By County, WSDOT Economics Branch, C-TRAN

CONSISTENCY BETWEEN MTP AND STATE SYSTEMS PLAN AND LOCAL PLANS

All recommended projects contained within the MTP are consistent with State and local plans. The MTP financial plan is required by the federal government to be “fiscally constrained”. The MTP includes state projects identified in the State Highway System Plan, 2003-2022 (February, 2002). However, the State’s Highway System Plan identifies transportation needs beyond the revenue levels currently available for regional transportation uses identified in this MTP.

REVENUES AND COSTS

Federal law requires that the MTP be “fiscally constrained”; there must be sufficient revenues to fund the costs of identified transportation system improvements. With limited revenues available for funding transportation improvements, the most cost-effective transportation solutions must be identified and selected. The analysis of transportation needs and revenues presented in local Growth Management Act (GMA) plans, including their Capital Facilities Plan element, the 2003-2022 State Highway System Plan, and Metropolitan Transportation Improvement Program (MTIP) 2006-2008 are used as the basis for the MTP’s financial plan. Both state and local transportation planning processes are required to exercise fiscal responsibility in preparing transportation finance plans. The GMA requires that local jurisdictions prepare a Capital Facilities Plan (CFP) element that includes transportation projects.

In comparing revenues generated in Clark County (Table 4-2) with estimated cost of regional transportation system elements presented in the MTP's Chapter 4 (summarized in Table 4-4), it appears that the MTP is fiscally constrained. There are sufficient funds to fulfill the identified regional transportation system elements.

However, it should be pointed out that financial analysis for transportation needs over twenty plus years into the future is challenging. Table 4-2 reports on all transportation revenues; these revenues need to fund both the regional transportation system that is the focus of the MTP's Chapter 4 financial plan as well as fund the local transportation system. An uncertainty in financial analysis for the region is the future status of the region in terms of donor/recipient status. Clark County has been a 'donor' region within Washington over the past few decades. The County region collects more in transportation taxes and fees than it receives back in transportation revenues to spend on transportation projects. Between 1984 and 2003, the Clark County region generated over \$1.278 billion in state and federal transportation revenues⁵ and received back \$948.129 million to use in funding transportation system improvements. This amounts to a ratio of 0.74 and a difference of \$330.18 million over ten years. Another uncertainty is the inflation factor. The financial analysis presented in this MTP assumes revenues and costs in 2005 dollars. This method has advantages in that the methodology is straightforward, but has drawbacks in that inflation is not considered in the analysis. However, the inflation factor has an impact on both the revenues and costs sides of the equation. On the revenues side, gas tax is a flat tax and does not keep pace with inflation. On the project costs side, the longer a project is deferred, the more expensive it will be. Another problem that the transportation sector faces is that although the federal government authorizes transportation dollars at a certain level, the actual appropriation for their use is at a lower level.

In funding the transportation system, revenues have to be allocated to project or operating costs based on funding eligibility requirements. For example, the 18th Amendment to the Washington State Constitution dedicates motor fuel tax proceeds to "highway purposes". Also, projects and/or operating costs have to fit the rules for the specific program from which funds are obtained. The funding of large highway construction projects, such as adding freeway lanes, improving intersections and constructing new freeway interchanges, almost always involves a mix of funding sources which must be packaged together in order to move forward with a particular project.

The type of project and the jurisdiction who owns the roadway (interstate, state highway, local/regional arterial) are often good indicators for how the transportation project is funded. Roadway operations, maintenance and preservation, pedestrian and bicycle projects are usually funded locally through an annual budget process. Projects that add system capacity, such as adding lanes on street arterials, state highways, or on the interstate system, will most likely involve multiple sources and may include various competitive grant programs. The capacity expansion projects

⁵ From Sources such as Motor Vehicle Fuel Tax, Motor Vehicle Licenses, Permits, Fees, etc

FUNDING STRATEGIES

In the next MTP update anticipated in late 2006 or early 2007, there will be a review of funding options and strategies for the region. The next MTP update will incorporate revised project cost estimates and project needs included in updates to Washington's Transportation Plan and Highway System Plan as well as the Capital Facilities Plan elements of local comprehensive growth management plans. Clark County is a 'donor' region as the region collects more in transportation taxes and fees than it receives back in transportation revenues. As a significant urban area in Washington State, this region can expect to continue as a 'donor' region but if the ratio of collections to distributions changes in Clark County's favor, this could have a significant impact on the ability to fund transportation system improvements in this region.

As previously mentioned, a funding proposition supported by voters in September 2005 allows for preservation of existing transit service and restoration of basic levels of service to key areas through 2011. Capital projects approved by C-TRAN's Board of Directors in 2004 will exhaust C-TRAN's capital reserves over the next five years, curtailing additional capital facilities being developed in years 2012 through 2030, unless additional funding is sought by the agency. As Clark County continues to grow, additional transit funding will likely be needed to keep pace with demand.

FISCAL CONSTRAINT AND THE MTP

The MTP for Clark County represents a fiscally-constrained transportation Plan in that projected revenues appear to be available in the twenty-five year time horizon to meet the estimated cost of designated regional transportation system projects⁶ (in 2005 dollars) listed in Appendix A. The financial outlook can change if cost estimates for certain projects are increased and/or if projected revenues increase or decrease.

The Clark County region does have additional transportation needs beyond those improvements addressed in the "fiscally-constrained" MTP. Projects to meet these needs cannot be incorporated into the Plan at this time as they require further study as part of the comprehensive growth management planning process or state planning process, but these needs will be reviewed again in the next MTP update anticipated for late 2006 or early 2007. More detailed information on revenues available to this region under the 2005 federal Transportation Act reauthorization, SAFETEA-LU, should also be available by the time of the next MTP update.

⁶ Regional projects include all state transportation facilities, principal arterials and some minor arterials. Local projects (remainder of the minor arterial system, collectors and local roads) are not included in the MTP's detailed fiscal analysis.