

Section 8 Financial Constraints



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Introduction

This section identified funding mechanisms and types of revenue available for the transportation improvements listed in Section 6 of the Plan. These mechanisms include sources provided through local, state and federal sources. The purpose of the financial analysis is to demonstrate what funding may be reasonably available during the planning horizon of the Plan. There are a variety of approaches that can be taken to develop what may be reasonably available during the planning horizon years.

For the purposes of this M/RTP, YVCOG has examined historical growth rates for various revenue streams used to support transportation operations, maintenance, and capital investments during the period of 1988-2015. The historical and projected financial information has been obtained from a variety of sources including the WSDOT Economic Analysis Branch, Washington State Transportation Revenue Forecast Council February 2012 Transportation Economic and Revenue Forecasts, Vol. II Detailed Forecast Tables (<http://www.ofm.wa.gov/budget/info/Feb12transpovol2.pdf>), and transit agencies. Project costs have been annually adjusted based on WSDOT's cost index or assumed growth rates agreed upon by MPO/RTPO members in the development of this Plan. Projects are described in Year of Expenditure (YOE) dollars.

This analysis should in no way be construed to be an actual forecast of individual programs or projects, but rather an order of magnitude analysis of funds that could be reasonably available for transportation investments during the planning horizon of the Plan. Local jurisdictions, WSDOT, transit agencies and the Washington State Office of Financial Management prepare and release forecasts of revenues and expenditures and should be consulted during the actual development of projects and programs unique to their area of expertise or funding program.

Funding Sources

Detailed descriptions of funding sources can be found in Appendix H. For planning purposes, historical revenues received by local and transit agencies from all sources were used to project estimates of future funding. Anomalies for historical one-time or situational revenues received such as federal ARRA funds, earmarks, and emergency funding for natural disasters were not assumed to be available in future years.

Financial Capacity Analysis

Revenues

YVCOG staff developed projections for local, state, and federal revenue based on historical data trends and assumptions developed through the Plan development process with the MPO/RTPO Technical Advisory Committee (TAC). TAC members include representatives from local agency planning and public works, WSDOT, tribal, and transit agencies.

The financial capacity analysis for future years assumes that existing revenue streams will remain in the future, even though they may be only reasonably available for future use. Revenue assumptions for Yakima Transit include approval of incremental fare and sales tax increases in 2017, and 2021.

Cities and Counties

As stated previously, YVCOG staff examined averages over several year bands for the period of 1988-2015. Local jurisdictions within Yakima County, as a group, reported an average of \$38 million per year from various dedicated revenue sources. Non-



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federal funds are expected to provide the largest percentage of transportation revenue through the planning horizon. The table titled *Reasonably Available Revenues 2016-2040* provides the percentage of funding available for local agencies assumed for the period 2016-2040.

Washington State Department of Transportation

State and federal funding for WSDOT maintenance, operations, and improvements is subject to biennial appropriations by the legislature. WSDOT does not have dedicated funding for the Yakima County region. Therefore, historical funding and expenditures are not an appropriate prediction of future funds. WSDOT has provided the projected funds available for projects, maintenance and operations of the state-owned system based on state level forecasts assuming no new revenue sources. Recently, Washington State passed a 16-year transportation bill with identified projects in a program called Connecting Washington. Many of WSDOT’s projects are included in that program.

Public Transportation

Currently, public transportation in the Greater Yakima MPO area is supported primarily through the use of Local Option Sales Tax, Federal Transit Administration (FTA) Section 5307 funding, and fare revenue. The local option sales tax is currently set at 3/10ths of 1% for Yakima and Selah, and 2/10th of 1% for Union Gap. Yakima Transit operates service in both Yakima and Selah; Union Gap Transit contracts with a private operator for service within Union Gap. Both are city-owned systems, but Union Gap Transit operates fare-free and does not currently use any FTA funds. FTA funding requires a non-federal match that varies based on how the funds are to be used (capital versus operating expenses). The non-federal matching funds are derived from a variety of sources, but primarily fare box and local option sales tax.

Public transportation services outside of the MPO area are provided using various discretionary grants that are subject to annual or biennial appropriations and competitive grant application processes. These funding sources are not predictable and therefore have not been included as part of the fiscally constrained plan.

For this M/RTP, we assume Yakima Transit will increase fares and local option sales taxes incrementally in 2017, and 2021. Local option sales taxes are subject to voter approval.

The table below provides the reasonably available financial resources during the planning horizon periods including public transportation.

Table. Reasonably Available Revenues 2016-2040

	2016-2019	2020-2029	2030-2040	Total
Local	\$163,738,000	\$446,383,000	\$555,654,000	\$1,165,775,000
Federal	\$13,600,000	\$33,300,000	\$36,630,000	\$83,530,000
Transit	\$39,954,000	\$140,639,081	\$165,012,677	\$345,605,758
WSDOT	\$140,304,000	\$155,000,000	\$690,000,000	\$985,304,000
Total	\$357,596,000	\$775,322,081	\$1,447,296,677	\$2,580,214,758

* Does not attempt to include potential earmarks from Federal or State legislative actions.



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Expenditures

For the purpose of this plan, expenditures include transportation capital costs and operations and maintenance (O&M) for the Yakima County region. Historical expenditures were used to develop approximate percentages of funding available and used for local (non-regional) capital projects, regional projects, and O&M. Preservation of the existing transportation system is a regional priority identified in this plan and reflected in the O&M expenditures. The Plan assumes that 15% of available revenue for local agencies will be used for local (non-regional) capital projects, 30% is available for regional projects, and 55% is available for O&M. The table below summarizes the forecasted expenditures for the period of 2014-2040.

Table. Anticipated Expenditures 2016-2040

	2016-2019		2020-2029		2030-2040	
	Capital	O&M	Capital	O&M	Capital	O&M
Roads, Highways, Bridges, and Non-motorized	\$24,535,000	\$248,389,345	\$34,395,000	\$496,778,690	\$33,212,000	\$546,456,559
Public Transportation	\$12,316,781	\$51,045,097	\$40,250,000	\$102,522,115	\$15,596,000	\$145,906,363
Subtotal	\$36,851,781	\$299,434,442	\$74,645,000	\$599,300,805	\$48,808,000	\$692,362,922
Total	\$336,286,223		\$673,945,805		\$741,170,922	

Projects in Fiscally Constrained Plan

The tables on the next page list the short-range, mid-range, and long-range projects in the fiscally constrained plan and are included in this financial analysis. Also included is the list of WSDOT fiscally constrained projects in this financial analysis. For all other priority projects in the metropolitan and regional transportation planning areas please refer to **Appendix F**.



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Metropolitan and Regional Transportation Plan Short-Range Projects			
Years 2016 - 2019			
Project Name	Project Description	Jurisdiction	Project Cost (YOE)
Lincoln Avenue/Dayton Avenue/Beach Street Improvements - North "F" Street to North "L" Street to Elm Street to Zillah Avenue	Reconstruct Roadway	Toppenish	\$1,622,000
Cheyne Road - At Highland Drive Intersection	Intersection Improvements	Yakima County	\$2,000,000
East Goodlander Road - North First Street to North Wenas Road	Reconstruct and Widen Roadway	Selah	\$1,416,000
Main Street Reconstruction - Phase 1 - 2nd Street to West Franklin Street	Reconstruct and Widen Roadway	Union Gap	\$2,553,000
North 1st Street Revitalization	Reconstruct and Improve Roadway	Yakima	\$15,300,000
East Nob Hill BLVD & Fair Avenue	Intersection Improvements	Yakima	\$1,644,000
Total 2016-2019 Regional Capital Projects			\$24,535,000

Metropolitan and Regional Transportation Plan Mid-Range Projects			
Years 2020-2029			
Project Name	Project Description	Jurisdiction	Project Cost (YOE)
Old Inland Empire Highway Improvement - Grandridge Avenue to Elm Street	Reconstruct Roadway	Grandview	2,468,000
Main Street Reconstruction - Washington Avenue to SR22	Roadway and Sidewalk Reconstruction	Mabton	2,304,000
Harrah Road Sidewalk Improvements	Sidewalk Construction	Harrah	472,000
Vintage Valley Parkway Extension - SR22 and Buena-Toppenish Road to end of Road	New Roadway Construction	Zillah	5,704,000
Moirier Lane & SR24 Intersection	New Intersection Construction	Moxee	1,500,000
Moirier Lane /Duffield Road	Extend Duffield out to Moirier Lane	Moxee	100,000
ValleyView Avenue/South Third	Reconstruct and Widen Road	Selah	2,183,000
West Ahtanum Road Resurfacing - Goodman Road to South 15th Avenue	Grind and Overlay	Union Gap	1,569,000
Freight Express Route - New connection between I-82 South to Toppenish to SR97	New Construction with grade separation over BNSF Line	Yakima County	18,095,000
Total 2020-2029 Regional Capital Projects			34,395,000



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Table 18. Regional Long-Range Projects Included in Fiscally Constrained Expenditures

Metropolitan and Regional Transportation Plan Long-Range Projects			
Years 2030 - 2040			
Project Name	Project Description	Jurisdiction	Project Cost (YOE)
South 6th Street Improvements and Overlay - Lincoln Avenue to Franklin Avenue	Reconstruct Roadway	Sunnyside	\$2,705,000
Jackson Street Extension - Juniper Street to Ward Road	Reconstruction and Extension of Road	Toppenish	\$1,507,000
E-W Corridor Construction	New construction of arterial between Terrace Heights and City of Yakima	Yakima County	\$29,000,000
Total 2030-2040 Regional Capital Projects			\$33,212,000

Transit Enhancement and Transportation Demand Management

Strategies to enhance transit and transportation demand management (TDM) programs are important elements of the M/RTP. These strategies include expanding fixed-route transit, paratransit, and Commute Trip Reduction (CTR) programs in the greater Yakima metropolitan area. Expanding the availability and types of transportation choices in and between communities throughout the Yakima Valley is a priority for the region.

Recently, Selah Transit and Union Gap Transit were formed as results from successful Yakima Transit route expansions. In the last M/RTP, a pilot program was highlighted that expanded a commuter transit route into Kittitas County with cooperation from HopeSource; the route found a steady and dedicated ridership and continues today. The Confederated Tribes and Bands of the Yakama Nation's (Yakama Nation's) Pahto Public Passage began in 2007 and expanded to serve Yakima, Prosser, Sunnyside, Grandview, Wapato, Zillah, Toppenish, Harrah, Goldendale, and White Swan before service ended briefly between 2010-2012. Services have resumed, although the routes are now somewhat reduced as a result of a steady FTA Tribal Transit fund.

Reducing congestion along regional corridors such as I-82 and US 97 or at spot locations such as interchanges and intersections enhances the efficiency and safety of all modes of transportation. Decreasing delays on city arterial systems likewise reduces reliance on the regional highway system for local trips and avoids premature and expensive highway widening. The M/RTP incorporates Transportation Systems Management (TSM) and Intelligent Transportation Systems (ITS) strategies to improve the efficiency and safety of the transportation system. These transportation demand management strategies include controlling access to highways and arterials, improving traffic signals and timing, and continued implementation of driver information systems.

The tables on the next page list the short-range, mid-range, and long-range projects in the fiscally constrained plan and are included in this financial analysis.



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Table 19 - Metropolitan And Regional Transportation Plan Short-Range Transit Projects 2016-2019

Metropolitan and Regional Transportation Plan Short-Range Transit Projects			
Years 2016 - 2019			
Project Name	Project Description	Jurisdiction	Project Cost (YOE)
Vanpool vehicles	Purchase 18 new 12- to 15-passenger vans	Yakima Transit	\$832,000
Fixed-Route vehicles	Purchase 15 new buses	Yakima Transit	\$7,550,000
Paratransit vehicles	Purchase 14 minivans, 8 cutaways	Yakima Transit	\$1,766,000
Transit Passenger Shelters & Benches	Purchase 50 shelters 70 benches	Yakima Transit	\$452,500
West Side Transit Center (2018)	Build out new Transit Center (West Valley)	Yakima Transit	\$5,000,000
Security - Cameras and Accessories	Purchase cameras for buses & facilities along with any accessories. Technology upgrades on buses (new modems, new computers, new passenger counters (tablets and software), & ADA announcement upgrades).	Yakima Transit	\$400,000
Total 2016-2019 Regional Capital Projects			\$16,000,500

Table 20 - Metropolitan And Regional Transportation Plan Short-Range Transit Projects 2020-2029

Metropolitan and Regional Transportation Plan Mid-Range Transit Projects			
Years 2020 - 2029			
Project Name	Project Description	Jurisdiction	Project Cost (YOE)
Vanpool vehicles	Purchase 12 new 12- to 15-passenger vans	Yakima Transit	\$648,000
Fixed-Route vehicles	Purchase 12 new buses	Yakima Transit	\$6,600,000
Paratransit vehicles	Purchase 6 minivans, 6 cutaways	Yakima Transit	\$1,320,000
Transit Passenger Shelters & Benches	Purchase 30 shelters 50 benches	Yakima Transit	\$277,500
Transit Facility - West Valley (2021)	Build Administration and Maintenance Facility	Yakima Transit	\$25,000,000
Security - Cameras and Accessories	Purchase cameras for buses & existing facilities along with any accessories	Yakima Transit	\$200,000
Boise Cascade Site transit center	Purchase Land & Build Small Transit Center	Yakima Transit	\$2,600,000
Total 2020-2029 Regional Capital Projects			\$36,645,500

Table 21 - Metropolitan And Regional Transportation Plan Short-Range Transit Projects 2030-2040

Metropolitan and Regional Transportation Plan Long-Range Transit Projects			
Years 2030 - 2040			
Project Name	Project Description	Jurisdiction	Project Cost (YOE)
Vanpool vehicles	Purchase 25 new 12- to 15-passenger vans	Yakima Transit	\$1,510,000
Fixed-Route vehicles	Purchase 30 new buses	Yakima Transit	\$18,600,000
Paratransit vehicles	Purchase 20 minivans, 15 cutaways	Yakima Transit	\$3,825,000
Transit Passenger Shelters & Benches	Purchase 50 shelters 80 benches	Yakima Transit	\$580,000
Security - Cameras and Accessories	Purchase cameras for buses & facilities along with any accessories	Yakima Transit	\$600,000
East Valley Transit Center and Park & Ride (2026)	Purchase land and build a small transit center near Kmart off of Nob Hill Blvd and I-82		\$4,600,000
Total 2030-2040 Regional Capital Projects			\$29,715,000

Please See Appendix H for the DRAFT WSDOT List as it is in a format not easily displayed here.

Conclusion

The financial analysis developed for this plan indicates financial resources forecast for the short-range, mid-range, and long-range planning time periods are sufficient to support the planned expenditures identified in this plan as shown in the table on the next page.



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Table 23. Forecasted Revenues and Expenditures 2016-2040

	2016-2019	2020-2029	2030-2040	Total
Revenues	\$357,596,000	\$775,322,081	\$1,447,296,677	\$2,580,214,758
Expenditures	\$336,286,223	\$673,945,805	\$741,170,922	\$1,751,402,950