

NOACA SFY 2021-2024 DRAFT TRANSPORTATION IMPROVEMENT PROGRAM FINANCIALS

**Finance and Audit Committee
August 23, 2019**

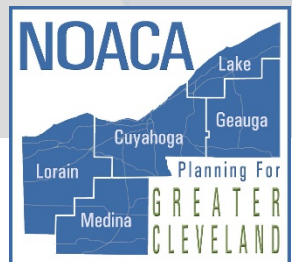
ACTION REQUESTED

Recommend this item to the Executive Committee for placement on the September 2019 Board of Directors' agenda:

- Approve the financial plan for NOACA funded projects in the SFY 2021-2024 Draft Transportation Improvement Program (TIP)

PREVIOUS ACTION

NOACA STBG and TA program funded projects for the Draft 2021-2024 TIP recommended by Planning and Programming Committee in July 2019



BACKGROUND

NOACA is developing its SFY 2021 – 2024 TIP

The SFY 2021 – 2024 TIP will:

- Be in effect from July 1, 2020 through June 30, 2024;
- Contain road, bridge, public transit and other transportation projects scheduled for implementation; and
- Include projects supported by federal funds through:
 - ODOT
 - Transit Agencies
 - NOACA - \$50.6 M annual allocation
 - **Surface Transportation Block Grant (STBG) – \$31.0 M**
 - **Transportation Alternatives (TAP) – \$3.1 M**
 - **Congestion Mitigation and Air Quality (CMAQ) – \$16.5 M**

BACKGROUND

Draft SFY 2021-2024 programs include:

- Existing SFY 2018-2021 TIP projects programmed with NOACA STBG, TAP and CMAQ funding
- Existing debt service for projects approved for State Infrastructure Bank (SIB) financing
- New projects recommended for NOACA STBG, TAP and CMAQ funding for the SFY 2021-2024 TIP
- New debt service for two projects proposed for SIB:
 - CUY – Thrive 105 Corridor Improvements (\$20.0 M – CMAQ)
 - CUY – Rockside Road Bridges (\$12.6 M – STBG)
- Transportation for Livable Communities Initiative (TLCI)



BACKGROUND

- **Financial Assumptions:**

- Growth of 2% per year as received through the FAST Act
- Additional 10% of funding estimated to be available annually based on historic averages of increased funding due to:
 - Positive budget true-up by ODOT based on federal appropriations
 - Release of prior year encumbrance balances
 - Bids awarded under estimate

- **Reflected in estimated budget and proposed project recommendations**

BACKGROUND

STBG Program Summary

| STBG PROGRAM | 2021 | 2022 | 2023 | 2024 | TOTAL |
|--|---------------------|---------------------|----------------------|---------------------|----------------------|
| TOTAL ESTIMATED BUDGET * | \$46,430,480 | \$35,742,431 | \$36,385,744 | \$37,041,923 | \$155,600,578 |
| PROJECT COMMITMENTS | | | | | |
| EXISTING 2018-2021 TIP PROJECTS | \$1,122,288 | | | | \$1,122,288 |
| EXISTING DEBT SERVICE | \$10,116,988 | \$9,292,433 | \$9,336,898 | \$9,382,710 | \$38,129,029 |
| NEW TIP PROJECT RECOMMENDATIONS | \$32,411,461 | \$23,613,501 | \$26,727,260 | \$25,597,039 | \$108,349,261 |
| TLCI (STUDIES AND IMPLEMENTATION GRANTS) | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$8,000,000 |
| PLANNED DEBT-SERVICE (ROCKSIDE RD BRIDGES) | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL COMMITMENTS | \$45,650,737 | \$34,905,934 | \$38,064,158 | \$36,979,749 | \$155,600,578 |
| BALANCE | \$779,743 | \$836,497 | (\$1,678,414) | \$62,174 | \$0 |

BACKGROUND

TA Program Summary

| TA PROGRAM | 2021 | 2022 | 2023 | 2024 | TOTAL |
|---------------------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| TOTAL ESTIMATED BUDGET * | \$3,503,491 | \$3,566,561 | \$3,630,892 | \$3,696,510 | \$14,397,454 |
| PROJECT COMMITMENTS | | | | | |
| EXISTING 2018-2021 TIP PROJECTS | \$1,395,000 | \$1,500,000 | \$0 | \$0 | \$2,895,000 |
| NEW TIP PROJECT RECOMMENDATIONS | \$1,682,304 | \$1,500,000 | \$3,000,000 | \$5,238,275 | \$11,420,579 |
| TOTAL COMMITMENTS | \$3,077,304 | \$3,000,000 | \$3,000,000 | \$5,238,275 | \$14,315,579 |
| BALANCE | \$426,187 | \$566,561 | \$630,892 | (\$1,541,765) | \$81,875 |

BACKGROUND

CMAQ Program Summary

| STATEWIDE CMAQ PROGRAM | 2021 | 2022 | 2023 | 2024 | TOTAL |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| TOTAL ESTIMATED BUDGET | \$18,013,739 | \$19,810,000 | \$12,833,000 | \$18,299,730 | \$68,956,469 |
| PROJECT COMMITMENTS | | | | | |
| EXISTING 2018-2021 TIP PROJECTS | \$17,163,739 | \$18,960,000 | | | |
| NOACA AIR QUALITY PLANNING | \$850,000 | \$850,000 | \$850,000 | \$850,000 | \$3,400,000 |
| NEW TIP PROJECT RECOMMENDATIONS | | | \$10,783,000 | \$15,149,730 | \$25,932,730 |
| PLANNED DEBT-SERVICE (THRIVE 105 IMPROVEMENTS) | | | \$1,200,000 | \$2,300,000 | \$3,500,000 |
| TOTAL COMMITMENTS | \$18,013,739 | \$19,810,000 | \$12,833,000 | \$18,299,730 | \$68,956,469 |
| BALANCE | \$0 | \$0 | \$0 | \$0 | \$0 |

BACKGROUND

- **Additional funding that may become available beyond the 10% will be prioritized in consideration of the following hierarchy of approaches:**
 1. Reduce planned debt requirements
 2. Advance future TIP project(s)
 3. Fund new projects from the LRTP
 4. Reserve for potential project cost increases
- **Approach approved by the Committee and Board for previous TIPs**

BACKGROUND

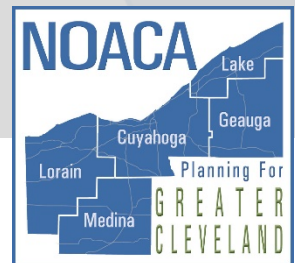
- Estimated debt service for SFY 2021-2024 TIP

Estimated SFY 2021-2024 TIP Debt Service Schedule

| Project | TIP SFY | | | |
|--|----------------------|---------------------|----------------------|----------------------|
| | 2021 | 2022 | 2023 | 2024 |
| Bagley / Pleasant Valley Road (Existing) | \$ 867,720 | | | |
| Vrooman Road (Existing / Amended) | \$ 3,143,948 | \$ 3,161,312 | \$ 3,179,201 | \$ 3,197,631 |
| Lear Nagle (Existing) | \$ 658,019 | \$ 664,219 | \$ 670,241 | \$ 676,444 |
| Harvard / W. 150th (Existing) | \$ 470,234 | \$ 472,646 | \$ 475,130 | \$ 477,692 |
| Tower City Bridges (Existing) | \$ 1,018,049 | \$ 1,023,208 | \$ 1,028,525 | \$ 1,034,000 |
| N. Carpenter Road (Existing) | \$ 1,191,239 | \$ 1,197,277 | \$ 1,203,496 | \$ 1,209,904 |
| Royalton Road (SR 82) (Existing) | \$ 1,267,425 | \$ 1,273,769 | \$ 1,280,305 | \$ 1,287,039 |
| Thrive 105 Corridor Improvements (Planned) | | | \$ 1,104,915 | \$ 2,217,653 |
| Rockside Road Bridges (Planned) | | | | \$ - |
| Opportunity Corridor (Existing) | \$1,500,000 | \$1,500,000 | \$1,500,000 | \$1,500,000 |
| | \$ 10,116,634 | \$ 9,292,431 | \$ 10,441,813 | \$ 11,600,363 |

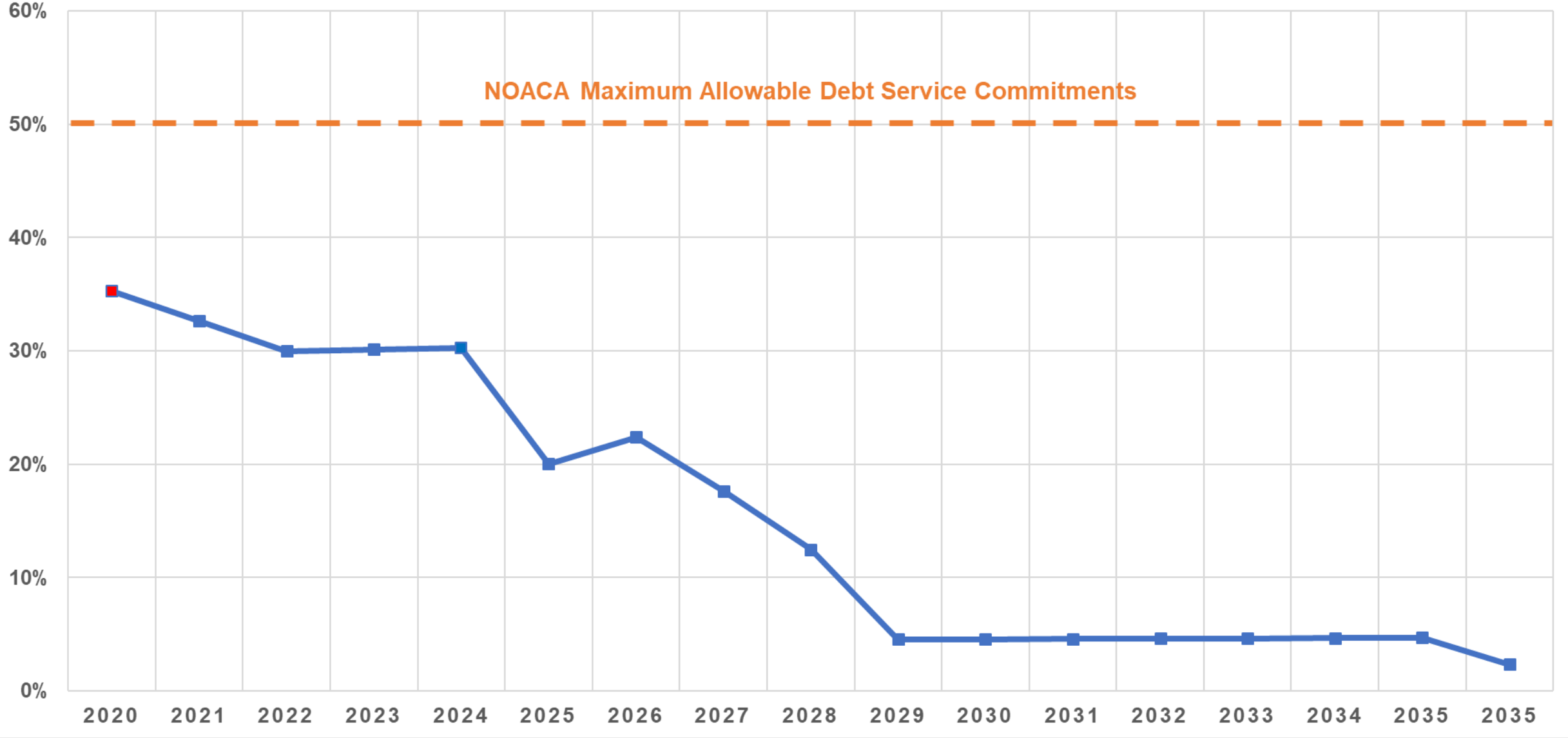
BACKGROUND

- **Committee and Board have expressed concern that the programs rely too heavily on SIB financing**
 - Approved policy limiting existing and planned debt service to no more than 50% of annual program funding allocation
 - STBG - \$31 M original allocation - \$15.5 M (50%) limit
 - CMAQ - \$16.5 M original allocation – \$8.25 M (50%) limit
- **Draft TIP limits NOACA debt service to:**
 - STBG – \$12.9 M (35%) peak in SFY 2020
 - CMAQ – \$2.3 M (14%) peak in SFY 2032



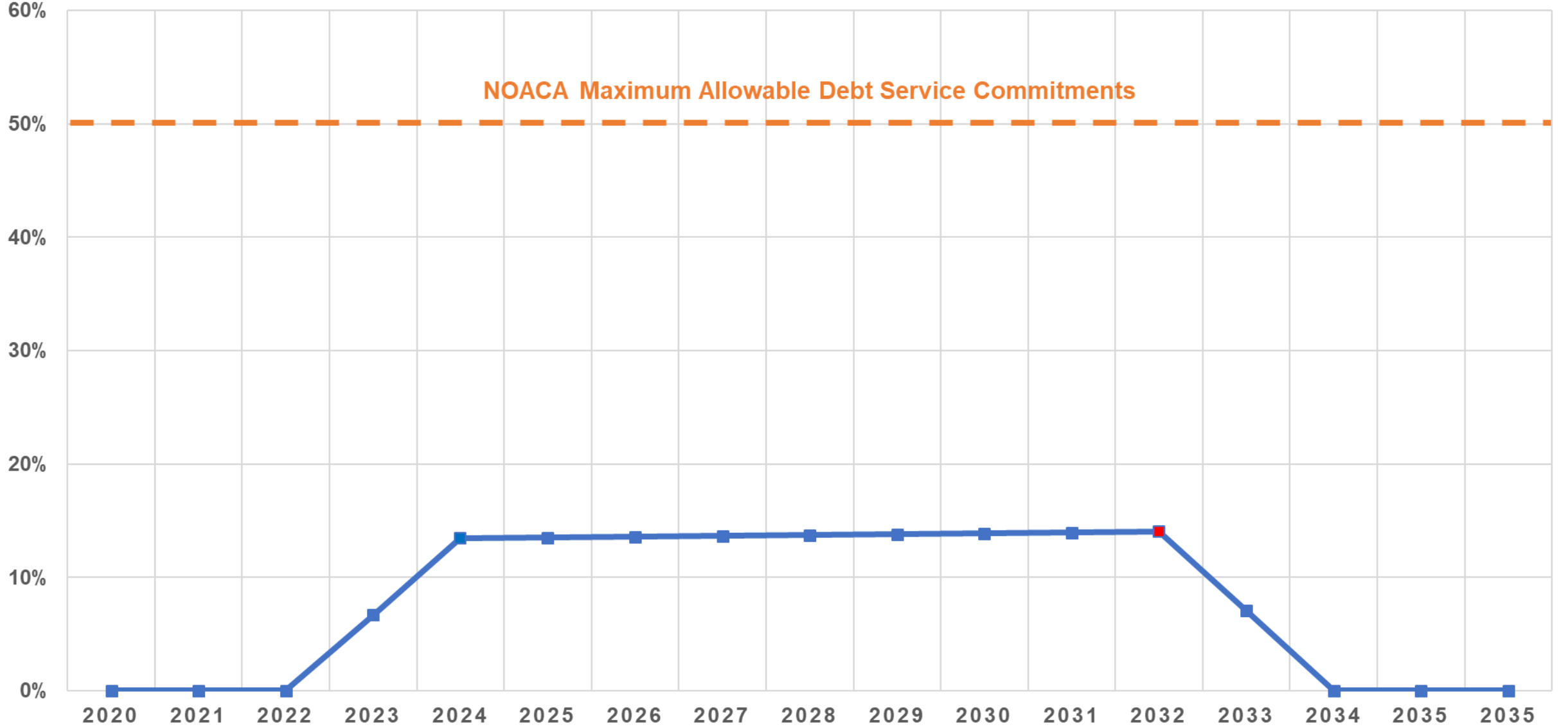
BACKGROUND

NOACA DEBT SERVICE PERCENTAGE OF STBG ANNUAL ALLOCATION



BACKGROUND

NOACA DEBT SERVICE PERCENTAGE OF CMAQ ANNUAL ALLOCATION



NEXT STEPS

New project funding recommendations will be presented to Board of Directors for approval on September 13, 2019.

- Staff will work with sponsors of approved projects to finalize scopes, schedules and budgets for inclusion in the SFY 2021 – 2024 TIP.

The final draft TIP will be presented to:

- Planning and Programming Committee for its recommendation to the Board on January 17, 2020
- The Board of Directors on March 13, 2020 for approval



ACTION

Recommend this item to the Executive Committee for placement on the September 2019 Board of Directors' agenda:

- Approve the financial plan for NOACA funded projects for the SFY 2021-2024 Draft TIP



Motion
Second
Discussion
Put the Question



**NORTHEAST
OHIO**

Lake
Geauga
Cuyahoga
Lorain
Medina

**AREAWIDE
COORDINATING
AGENCY**

NOACA: Planning For Greater Cleveland

NOACA will **STRENGTHEN** regional cohesion, **PRESERVE** existing infrastructure, and **BUILD** a sustainable multimodal transportation system to **SUPPORT** economic development and **ENHANCE** quality of life in Northeast Ohio.

