

Appendix C: Revenue Narrative

REVENUES AND ASSUMPTIONS

The Regional Transportation Plan (RTP) revenue forecast is a reasonable estimate based on historical apportionments, competitive awards, and foreseeable funding sources. These revenues support the constrained transportation investments and programs included in the Plan. Funding comes from a variety of federal, state, local, and private funding sources¹. Transportation dollars are shown in current year dollars and in year of expenditure, which are adjusted for inflation.

Overall, TRPA has forecasted \$2.45 billion in revenues over the course of the 25-year plan. The total transportation project costs to realize the entire Plan vision are estimated at \$4.27 billion, including \$2.45 for the foreseeable plan and \$1.82 billion for illustrative projects that do not yet have funding identified.

Federal statutes require the Plan to illustrate all cost estimates in year of expenditure dollars to show a realistic estimate of future construction cost. TRPA has estimated an average inflation rate of 2 percent for revenues based on the average rate of inflation from the last 20 years of data on the US Inflation Calculator and an average rate of inflation of 2.5 percent for transportation investments.

For revenue forecasting, the rate of growth per funding source is determined by using the current year dollars and extrapolating over the number of years in the plan using the 2 percent inflation factor. All dollars have a base year of 2024.

The project cost estimates in year of expenditure dollars are determined by taking the current cost of a project and using the inflation rate of 2.5 percent per year from 2025 to completion year.

The Plan must be “financially constrained,” meaning the estimated cost of investments must not exceed the amount of funding estimated to be reasonably available throughout the planning period. To meet this requirement, the revenue assumptions in the plan are based on existing federal, state, and local source allocations and future private sources that have been vetted with public and private sector partners. In developing the plan, TRPA considered the cost of implementing the projects, services, and programs in the plan relevant for forecasting the revenues needed to maintain the transportation system over the planning horizon.

Federal Funding

Federal funding is provided through the federal government to California and Nevada for the Tahoe Region. Funding apportionments are based on population and program regulations set by the federal transportation bill Infrastructure Investment and Jobs Act (IIJA). TRPA receives funding from the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) programs listed below. The federal funding assumptions are based on the annual historic apportionments. The federal competitive programs solicit candidates and select projects for funding based on applications received. Each program

¹ Tribal transportation funds are not calculated as part of this forecast but TRPA is actively engaging with the Washoe Tribe of Nevada and California to better coordinate project and funding needs.

has its own eligibility and selection criteria. Assumptions are based on awards received and future funding needs.

Federal Highway Administration Programs

- Carbon Reduction Program
- Congestion Mitigation and Air Quality Program
- Surface Transportation Block Grant Programs
- Other FHWA Programs

Federal Transit Administration Programs

- FTA 5307 Urbanized Area Formula Grants
- FTA 5310 Enhanced Mobility of Seniors & Individuals with Disabilities
- FTA 5311 Formula Grants for Rural Areas
- FTA 5339 Buses and Bus Facilities
- Other FTA Programs

Table 1: Federal Funding Sources

Federal Source	Base Year 2024. Annual Growth 2%.
<i>Active Transportation Program</i>	<p>Active Transportation Program provides formula and competitive funds to promote active modes of transportation. Allocation is a combination of federal and California state funding.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments and awards.</p>
<i>Carbon Reduction Program</i>	<p>Program provides formula funds for projects designed to reduce transportation emissions from on-road highway sources.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments.</p>
<i>Community Project Funding/ Congressionally Directed Spending</i>	<p>Program provides earmark set asides. It allows Members of Congress to request federal funds be set aside for specific projects in their states.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>

Federal Source

Base Year 2024. Annual Growth 2%.

<p><i>Congestion Mitigation and Air Quality Program</i></p>	<p>Program provides formula funds for projects to reduce congestion and improve air quality.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments.</p>
<p><i>Federal Lands Access Program</i></p>	<p>Competitive program provides funds for projects for Federal Lands Access Transportation Facilities with access on or to federal lands.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>Federal Lands Transportation Program</i></p>	<p>Competitive program provides funds to projects that improve transportation infrastructure owned and maintained by Federal Lands Management Agencies.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>Highway Safety Improvement Program</i></p>	<p>Competitive program provides funds for transportation projects that strive to reduce traffic fatalities and injuries on all public roads.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>National Highway Performance Program</i></p>	<p>Provides funding for construction support for the condition and performance of the National Highway System.</p> <p>Assumption: Funding is assumed to continue based on future project need.</p>
<p><i>Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation</i></p>	<p>Program provides formula and competitive funding to help communities address vulnerabilities due to weather, natural disasters, and climate change.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>Rebuilding American Infrastructure with</i></p>	<p>Competitive program provides funding to rebuild and repair critical infrastructure using American made materials.</p>

Federal Source

Base Year 2024. Annual Growth 2%.

<p><i>Sustainability and Equity</i></p>	<p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>Safe Streets and Roads for All</i></p>	<p>Competitive program provides funding to support USDOT's National Roadway Safety Strategy and the goal of zero roadway deaths using a Safe System Approach.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>Strengthening Mobility and Revolutionizing Transportation</i></p>	<p>Competitive program provides funding to support projects focused on advanced smart community technologies and systems to improve transportation efficiency and safety.</p> <p>Assumption: Funding is assumed to continue and reflect historical awards.</p>
<p><i>Surface Transportation Block Grant</i></p>	<p>The program provides flexible formula funding to address state and local transportation needs.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments.</p>
<p><i>Transportation Alternatives Program</i></p>	<p>Nevada Transportation Alternatives Program provides formula and competitive funds for active transportation investments.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments.</p>
<p><i>FTA 5307 Urbanized Area Formula Grants</i></p>	<p>FTA formula-based program provides funding to states to support public transportation in urban areas.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments.</p>
<p><i>FTA 5310 Enhanced Mobility of Seniors & Individuals with Disabilities</i></p>	<p>FTA formula-based and competitive program intended to enhance mobility services for seniors and individuals with disabilities.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments and awards.</p>

Federal Source

Base Year 2024. Annual Growth 2%.

<i>FTA 5311 Formula Grants for Rural Areas</i>	<p>FTA competitive program administered by the state DOTs to provide transit capital, planning, and operating assistance for rural areas.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments and awards.</p>
<i>FTA 5339 Grants for Buses and Bus Facilities</i>	<p>FTA formula-based and competitive program provides funding for buses and related equipment and facilities.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments and awards.</p>
<i>Other FHWA/FTA Programs</i>	<p>Discretionary programs solicit candidates and select projects for funding based on applications received.</p> <p>Assumption: Funding is assumed to continue and reflect historical allocations and awards.</p>

State Funding

State revenues are funneled down to regions through a variety of programs through apportioned formulas and competitive awards. California state funding is primarily derived from sales tax and fuel tax. Nevada state funds are primarily derived from the gasoline tax and state bonds. TRPA’s state funding assumption is that it will continue to be allocated based on historic funding levels unless stated otherwise in Table 6.

- Low Carbon Transit Operations Program
- SB1 Funding Programs
- State Funds
- State Highway Operation and Protection Program
- State Transportation Improvement Program
- Transportation Development Act
- Other State Discretionary Programs

Table 2: State Funding Sources

State Source	Base Year 2024. Annual Growth 2%.
<i>California State Funds</i>	<p>State funding provides revenue derived from measures, bonds, and excise tax for transportation investments.</p> <p>Assumption: Funding is assumed to continue and reflect historical distributions.</p>
<i>Low Carbon Transit Operations Program</i>	<p>Program provides operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility.</p> <p>Assumption: Funding is assumed to continue and reflect historical allocations.</p>
<i>Nevada State Funds</i>	<p>State funding provides revenue derived from gasoline tax, bonds, and Nevada State Parks for transportation investments.</p> <p>Assumption: Funding is assumed to continue and reflect historical distributions.</p>
<i>State Highway Operation and Protection Program</i>	<p>California program that provides state funding from the State Highway Account, Federal Trust Fund, and new excise tax on gasoline to maintain state roadway operational improvements.</p> <p>Assumption: Funding is assumed to continue and reflect historical distributions.</p>
<i>SB1 Programs</i>	<p>Senate Bill 1 provides formula and competitive funding for local streets and roads, transit and Intercity rail capital through increased transportation taxes and fees.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments and awards.</p>
<i>SB125 Transit</i>	<p>Senate Bill 125 provides formula transit funding for capital and operation improvements.</p> <p>Assumption: One-time distribution through 2028</p>
<i>State Transportation Improvement Program</i>	<p>California bi-annual capital improvement program provides formula funding for projects on and off the State Highway System.</p> <p>Assumption: Funding is assumed to continue and reflect historical apportionments.</p>
<i>Transit Intercity Rail Capital Program</i>	<p>Program provides formula and competitive funding for transit operations or transformative capital improvements.</p>

State Source

Base Year 2024. Annual Growth 2%.

<i>Transportation Development Act</i>	Assumption: Funding is assumed to continue and reflect historical awards.
	Program provides formula funding from the Local Transportation Fund and State Transit Assistance fund for transportation investments. Assumption: Funding is assumed to continue and reflect historical apportionments.
<i>Other State Discretionary Programs</i>	Competitive programs where the state solicits candidates and selects projects for funding based on applications received. Assumption: Funding is assumed to continue and reflect historical awards.

Private Funding

Private funding dollars are generated from private contributions for airport and ski shuttles and micro-transit services.

- South Shore Ski Shuttle Private Partner
- North Shore Shuttle (Micro-Transit) Private Partner
- South Shore Shuttle (Micro-Transit) Private Partner

Table 3: Private Funding Sources

Private Source

Base Year 2024. Annual Growth 2%.

<i>South Shore Ski Shuttle Private Partner</i>	Private contribution for South Shore Ski shuttle. Assumption: Revenue estimate based on transit cost.
<i>North Shore Shuttle (Micro-Transit) Private Partner</i>	North Shore Micro-Transit and shuttles. Assumption: Revenue estimate based on transit cost.
<i>South Shore Shuttle (Micro-Transit) Private Partner</i>	South Shore Transportation Management Association Lake Link and shuttles. Assumption: Revenue estimate based on transit cost.

Local Funding

Local revenues are based on the historical level of funds provided by the City, Counties, mitigation fees, and other local sources. Local funds provide the majority of non-federal match for transportation investments.

- Fare Revenue
- Local Transit Funds
- Mobility Mitigation Fund
- Operations and Maintenance
- Other Local Funds (General Funds/TOT/TBID)
- Rental Car Mitigation Fund

Table 4: Local Funding Sources

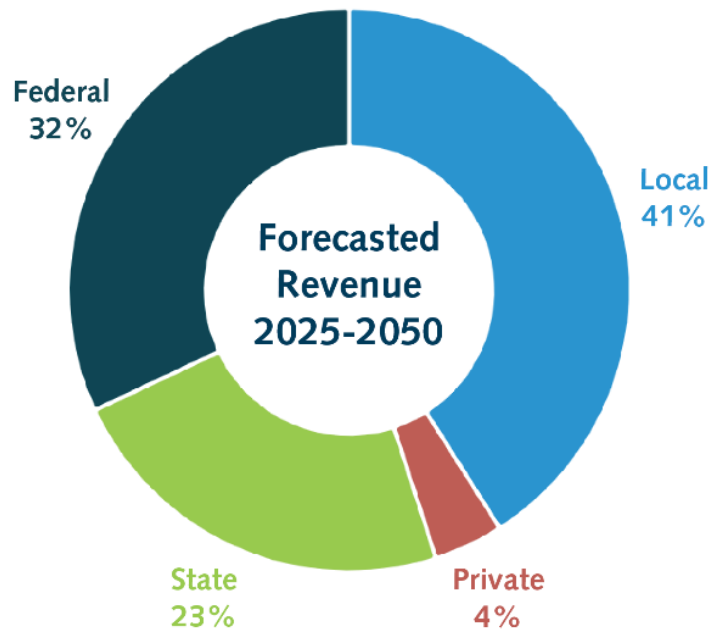
Local Source	Base Year 2024. Annual Growth 2%.
<i>Fare Revenue</i>	<p>Fee collected for inter-regional routes and recreational routes.</p> <p>Assumption: Fees are assumed to continue and reflect historical fares for specific routes.</p>
<i>Local Transit Funds</i>	<p>Local funding that helps support transit infrastructure, service, and programs.</p> <p>Assumption: Transit will continue to receive funds in the method consistent with historical distributions.</p>
<i>Mobility Mitigation Fund</i>	<p>Mobility fee offset impacts from development and redevelopment related to air quality and vehicle miles traveled.</p> <p>Assumption: Funding is assumed to continue in the method consistent with historical fees generated.</p>
<i>Operations and Maintenance</i>	<p>Operations and Maintenance funding supports Streets, Roads, Bicycle, and Pedestrian Facilities.</p> <p>Assumption: Funding streams will continue to be maintained and support the transportation infrastructure in the manner consistent with historical distributions.</p>
<i>Other Local Funds</i>	<p>City or County General funds, TOT/TBID, or Measures used for transportation infrastructure and programs.</p>

Local Source

Base Year 2024. Annual Growth 2%.

<i>Rental Car Mitigation Fund</i>	Assumption: Funding streams will continue to be maintained and support transportation investments in the manner consistent with historical distributions.
	Rental cars are assessed a mitigation fee of \$6.13 per day. Assumption: Funding is assumed to continue in the method consistent with historical fees generated.

TAHOE REGION TRANSPORTATION REVENUE FORECAST 2025-2050



Tahoe Region Transportation Revenue Forecast 2025-2050

<u>LOCAL SOURCES</u>	<u>2025-2030</u>	<u>2031-2040</u>	<u>2041-2050</u>	<u>Total</u>
Fare Revenue	\$2,148,853	\$4,370,711	\$5,594,880	\$12,114,444
Local Transit Funds	\$45,361,698	\$88,673,402	\$108,092,383	\$242,127,483
Mobility Mitigation Fund	\$1,927,460	\$3,767,815	\$4,592,945	\$10,288,220
Operations and Maintenance (Bicycle and Pedestrian Facilities)	\$3,191,829	\$6,239,413	\$7,605,809	\$17,037,051
Operations and Maintenance (Streets and Roads)	\$67,482,764	\$131,915,836	\$160,804,668	\$360,203,268
Other Local Funds	\$67,308,251	\$125,123,831	\$152,525,252	\$344,957,333
Rental Car Mitigation Fund	<u>\$715,183</u>	<u>\$1,398,046</u>	<u>\$1,704,211</u>	<u>\$3,817,440</u>
Total Local	\$188,136,039	\$361,489,054	\$440,920,147	\$990,545,240
<u>PRIVATE SOURCES</u>				
South Shore Ski Shuttle Private Partner	\$10,299,108	\$20,948,113	\$26,815,357	\$58,062,578

North Shore Shuttle (Micro-Transit) Private Partner	\$5,471,397	\$10,312,235	\$12,570,557	\$28,354,188
South Shore Shuttle (Micro-Transit) Private Partners	<u>\$3,474,513</u>	<u>\$6,792,005</u>	<u>\$8,279,417</u>	<u>\$18,545,935</u>
Total Private	\$19,245,018	\$38,052,353	\$47,665,330	\$104,962,701
<u>STATE SOURCES</u>				
California State Funds	\$13,537,212	\$9,611,055	\$11,715,822	\$34,864,088
Low Carbon Transit Operations Program	\$1,802,063	\$3,522,686	\$4,294,135	\$9,618,883
Nevada State Funds	\$18,143,541	\$20,862,274	\$22,039,265	\$61,045,080
Safety Highway Operation and Protection Program	\$92,643,282	\$57,862,776	\$51,287,155	\$201,793,213
SB1 Programs (LSR, SCCP,LPP)	\$6,280,204	\$12,272,900	\$13,511,407	\$32,064,512
SB125 Transit	\$13,121,816	\$0	\$0	\$13,121,816
State Transportation Improvement Program	\$6,243,216	\$11,266,041	\$12,438,619	\$29,947,876

Transit Intercity Rail Capital Program	\$30,000,000	\$10,000,000	\$15,000,000	\$55,000,000
Transportation Development Act	<u>\$22,525,506</u>	<u>\$44,033,036</u>	<u>\$53,676,025</u>	<u>\$120,234,566</u>
Total State	\$204,296,840	\$169,430,768	\$183,962,428	\$557,690,035
<u>FEDERAL SOURCES</u>				
Active Transportation Program	\$5,142,904	\$11,020,015	\$8,542,502	\$24,705,421
Carbon Reduction Program	\$2,606,795	\$5,079,678	\$6,192,099	\$13,878,572
Community Project Funding/Congressionally Directed Spending	\$11,000,000	\$6,000,000	\$8,000,000	\$25,000,000
Congestion Mitigation & Air Quality Program	\$10,061,474	\$19,666,432	\$23,973,271	\$53,701,177
Federal Aviation Administration Program	\$28,614,000	\$1,891,667	\$0	\$30,505,667
Federal Lands Access Program	\$1,000,000	\$2,000,000	\$2,000,000	\$5,000,000
Federal Lands Transportation Program	\$2,000,000	\$4,000,000	\$6,000,000	\$12,000,000

Highway Safety Improvement Program	\$3,000,000	\$7,000,000	\$5,000,000	\$15,000,000
National Highway Performance Program	\$17,432,500	\$15,000,000	\$20,000,000	\$52,432,500
Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation Program	\$8,750,000	\$14,000,000	\$16,000,000	\$38,750,000
Rebuilding American Infrastructure with Sustainability and Equity	\$24,000,000	\$30,000,000	\$30,000,000	\$84,000,000
Safe Streets and Roads for ALL	\$7,400,000	\$6,000,000	\$4,000,000	\$17,400,000
Strengthening Mobility and Revolutionizing Transportation	\$14,490,000	\$0	\$0	\$14,490,000
Surface Transportation Block Grant	\$27,573,782	\$44,105,279	\$53,764,089	\$125,443,149
Transportation Alternatives Program	\$2,163,756	\$2,035,094	\$2,349,371	\$6,548,221
U.S. Forest Service (USFS-LTBMU)	\$7,128,144	\$11,619,932	\$14,164,632	\$32,912,707
FTA 5307 Urbanized Area Formula Program	\$25,107,951	\$49,081,219	\$59,829,732	\$134,018,901
FTA 5310 Mobility of Seniors and Individuals with Disabilities	\$433,664	\$847,730	\$1,033,379	\$2,314,773

FTA 5311 Rural Area Grant	\$13,265,511	\$25,931,524	\$31,610,383	\$70,807,418
FTA 5339 Bus and Bus Facilities	<u>\$8,291,171</u>	<u>\$12,478,799</u>	<u>\$15,459,631</u>	<u>\$36,229,602</u>
Total Federal	\$219,461,652	\$267,757,368	\$307,919,089	\$795,138,109
Total Local/Private/State/Federal	\$631,139,549	\$836,729,543	\$980,466,994	\$2,448,336,086
	TOTAL	\$2,448,336,086		