

**Adopted HRTAC 2045 Long Range Plan of Finance Update
Adopted June 18, 2020 - Information**

Background:

At its May 28, 2020 meeting, the Commission endorsed the Staff proposed the HRTAC 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects and authorized the Finance Committee Chair or Executive Director to conduct a public hearing to receive public comments.

In 2018, HRTAC Staff developed a 2045 Long Range Plan of Finance for the HRTAC High Priority Projects and communicated the plan to the HRTPO. This continued effort is to update information and develop a 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects. HRTAC efforts have included employing financial consultant services, general and bond counsel, and included input provided by VDOT, HRTAC and HRTPO Staff. The purpose of developing the 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects is to provide current direction on project financing and timing that will be used in the HRTPO’s long range transportation plan. The update includes adding the Hampton Roads Express Lanes Network project and shifting the timing of the I-64 Southside Widening High Rise Bridge Phase II project to occur after 2045. It is apparent that the COVID-19 pandemic may adversely affect Commission revenues. The Commonwealth has not provided, and does not appear ready to provide, updated revenue projections. In the absence of updated revenue projections from the Commonwealth, HRTAC Staff felt it prudent to work with its professional financial advisors to evaluate the HRTF revenue estimates provided by the Commonwealth and to conduct a COVID-19 Potential Impact Review stress test of the HRTAC Proposed 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects, to include the Hampton Roads Express Lanes Network, to verify that the plan, as adjusted by the COVID-19 Potential Impact Review, would continue to project sufficient revenues. The Potential Impact Review used solely national guidance provided by several rating service providers and data resulting from an evaluation of the 2008-2009 recession impacts to Hampton Roads to discount the revenue estimates previously provided by the Commonwealth. Then, the revenue estimates, as discounted, were applied to the plan.

On June 8, 2020, at 10:45 a.m., the Commission conducted a public hearing on the HRTAC Proposed 2045 Long Range Plan of Finance Update for the HRTAC High Priority Projects to receive public comments for consideration in the Commission’s action at a future meeting.

On June 18, 2020, at the Commission’s Annual Organizational Meeting, the Commission approved and adopted the HRTAC Proposed 2045 Long Range Plan of Finance Updated for the HRTAC High Priority Projects. (Listed Below)

	Six Initial Projects	HRBT	HRELN	Bower's Hill Interchange	Ft. Eustis Interchange	Total FV Cost	Funded by HRTF Debt	Funded by Toll Debt	Funded by HRTAC Pay-Go	Funded by VDOT and Other Pay-Go
2045 (With Toll Revenues to HRTAC)										
Inflated Costs (MM)	\$1,420	\$3,762	\$940	\$600	\$298					
Fiscally Constrained Construction End Year	2022	2026	2026	2035	2037	\$7,020	\$3,285	\$897	\$2,250	\$588