



## Proposed HRTAC FY2022-FY2027 Plan of Finance Update

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### **Background:**

During FY2021, HRTAC Staff developed a Proposed HRTAC FY2022-FY2027 Plan of Finance Update – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects (With Toll Revenues to HRTAC) as an update to the Commission’s Adopted Financial Plan for the Region’s High Priority Projects. This effort to update the Financial Plan included employing financial consultant services, general and bond counsel, and traffic and revenue estimators, and included input provided by VDOT, HRTAC and HRTPO Staff. The purpose of updating the Financial Plan is to provide current direction on project financing, revenue assumptions, and timing that will be used as the Commission’s current financial plan. The proposed HRTAC FY2022-FY2027 Plan of Finance Update provides clarity to the I-64 HRBT Expansion Project financing, includes full funding of the Hampton Roads Express Lanes Network, and programs funding for the Hampton Roads Regional Transit Fund. The Update also provides for a Plan of Finance for the new Hampton Roads Regional Transit Fund. This update will guide the Commission and inform others through advancing project construction readiness, project finance, bonding, tolling, and environmental planning. The Commission will need to conduct a public hearing on the Proposed HRTAC FY2022-FY2027 Plan of Finance Update – Six Year Operating and Capital Program of Projects to receive public comments for consideration in the Commission’s action by no later than its June 17, 2021 Annual Organizational meeting. At the March 16, 2021 Finance Committee Meeting, the Finance Committee endorsed the Proposed HRTAC FY2022-FY2027 Plan of Finance Update – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects and the Hampton Roads Regional Transit Fund as an update to the HRTAC-adopted 2021-2026 Financial Plan and authorized the Finance Committee Chair to communicate the action of the Finance Committee to the Commission at its March 18, 2021 meeting. At the March 18, 2021 Commission meeting, the Commission endorsed the Proposed HRTAC FY2022-FY2027 Plan of Finance Update – Six Year Operating and Capital Program of Projects for the Region’s High Priority Projects and the Hampton Roads Regional Transit Fund as an update to the HRTAC-adopted 2021-2026 Financial Plan and authorized the Executive Director to conduct a public hearing and report back public comments for consideration in the Commission’s action by no later than its June 17, 2021 Annual Organizational meeting.

### **Fiscal Impact:**

Once adopted, the proposed HRTAC FY2022-FY2027 Plan of Finance Update – Six Year Operating and Capital Program of Projects updates the funding plan for the Commission to provide \$5,393 million for high priority congestion relief projects and support costs and \$217.4 million for the Hampton Roads Regional Transit Fund projects and support costs from FY2014 through FY2027.

# Highway Regional Priority Projects (in \$MM)

| Highway Regional Priority Projects Costs and Expenses |                |              |              |              |              |              |            |                |                  |              |             |
|-------------------------------------------------------|----------------|--------------|--------------|--------------|--------------|--------------|------------|----------------|------------------|--------------|-------------|
|                                                       | Prior Years    | FY 2022      | FY 2023      | FY 2024      | FY 2025      | FY 2026      | FY 2027    | Total          | HRTAC Cost Share | VDOT Funds   | Other Funds |
| Admin & Project Development Costs                     | \$24           | \$7          | \$7          | \$7          | \$8          | \$8          | \$6        | \$66           | \$66             |              |             |
| I-64 Peninsula Widening                               | \$531          |              |              |              |              |              |            | \$531          | \$310            | \$221        |             |
| I-64/I-264 Interchange Improvement                    | \$354          | \$8          |              |              |              |              |            | \$362          | \$290            | \$67         | \$5         |
| I-64 Southside/High Rise Bridge                       | \$527          |              |              |              |              |              |            | \$527          | \$432            | \$95         |             |
| Project Development                                   | \$46           |              |              |              |              |              |            | \$46           | \$46             |              |             |
| HRBT                                                  | \$1,570        | \$714        | \$546        | \$532        | \$381        | \$20         |            | \$3,762        | \$3,562          | \$200        |             |
| HRELN                                                 | \$22           | \$33         | \$182        | \$229        | \$218        | \$122        |            | \$806          | \$687            | \$119        |             |
| <b>Total</b>                                          | <b>\$3,075</b> | <b>\$761</b> | <b>\$735</b> | <b>\$767</b> | <b>\$606</b> | <b>\$150</b> | <b>\$6</b> | <b>\$6,100</b> | <b>\$5,393</b>   | <b>\$702</b> | <b>\$5</b>  |

| Funding Sources  |                |              |              |              |              |              |            |                |  |  |
|------------------|----------------|--------------|--------------|--------------|--------------|--------------|------------|----------------|--|--|
|                  | Prior Years    | FY 2022      | FY 2023      | FY 2024      | FY 2025      | FY 2026      | FY 2027    | Total          |  |  |
| VDOT Funds       | \$376          | \$8          |              | \$170        | \$150        |              |            | \$702          |  |  |
| Other Funds      | \$5            |              |              |              |              |              |            | \$5            |  |  |
| HRTAC Cost Share | \$2,694        | \$754        | \$735        | \$598        | \$457        | \$150        | \$6        | \$5,393        |  |  |
| <b>Total</b>     | <b>\$3,075</b> | <b>\$761</b> | <b>\$735</b> | <b>\$767</b> | <b>\$606</b> | <b>\$150</b> | <b>\$6</b> | <b>\$6,100</b> |  |  |

**Note:**

1. HRELN cost estimates provided by VDOT in January 2021. Including \$26M tolling integration costs and excluding approximately \$20M tolling capex projects for Segment 3.
2. VDOT funds include \$93.1M of the HRELN Project to be determined by HRTAC in coordination with the Commonwealth Transportation Board.

# Highway Regional Priority Projects (in \$MM) HRTAC Funding Share

| HRTAC Cost Share                         |  |                |              |              |              |              |              |            |                |  |
|------------------------------------------|--|----------------|--------------|--------------|--------------|--------------|--------------|------------|----------------|--|
| Admin & Project Development Cost Funding |  |                |              |              |              |              |              |            |                |  |
| HRTF - Paygo                             |  | \$24           | \$7          | \$7          | \$7          | \$8          | \$8          | \$6        | \$66           |  |
| Project Cost Funding                     |  |                |              |              |              |              |              |            |                |  |
| HRTF Debt - TIFIA Loans                  |  | \$906          | \$168        | \$211        |              |              |              |            | \$1,285        |  |
| HRTF Debt - Bonds                        |  | \$1,325        |              | \$132        | \$162        |              |              |            | \$1,619        |  |
| HRTF Paygo                               |  | \$439          | \$579        | \$385        | \$157        | \$180        | \$71         |            | \$1,811        |  |
| Toll Revenue - TIFIA Loans               |  |                |              |              | \$272        | \$269        | \$71         |            | \$612          |  |
| <b>Sub-Total</b>                         |  | <b>\$2,670</b> | <b>\$747</b> | <b>\$728</b> | <b>\$591</b> | <b>\$449</b> | <b>\$142</b> |            | <b>\$5,327</b> |  |
| <b>Total HRTAC Cost Share Funding</b>    |  | <b>\$2,694</b> | <b>\$754</b> | <b>\$735</b> | <b>\$598</b> | <b>\$457</b> | <b>\$150</b> | <b>\$6</b> | <b>\$5,393</b> |  |

# Transit Regional Priority Projects (in \$000)

## Transit Regional Priority Projects Costs and Expenses

|                                          | Prior Years     | FY 2022         | FY 2023         | FY 2024         | FY 2025         | FY 2026         | FY 2027         | Total            |
|------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Admin & Project Development Costs        | \$220           | \$233           | \$245           | \$258           | \$271           | \$286           | \$301           | \$1,813          |
| HR Regional Transit System - 757 Express | \$24,880        | \$31,067        | \$31,355        | \$31,742        | \$32,129        | \$32,214        | \$32,199        | \$215,587        |
| <b>Total</b>                             | <b>\$25,100</b> | <b>\$31,300</b> | <b>\$31,600</b> | <b>\$32,000</b> | <b>\$32,400</b> | <b>\$32,500</b> | <b>\$32,500</b> | <b>\$217,400</b> |

## Funding Sources

|             | Prior Years | FY 2022  | FY 2023  | FY 2024  | FY 2025  | FY 2026  | FY 2027  | Total     |
|-------------|-------------|----------|----------|----------|----------|----------|----------|-----------|
| HRTAC HRRTF | \$25,100    | \$31,300 | \$31,600 | \$32,000 | \$32,400 | \$32,500 | \$32,500 | \$217,400 |

**Note:**

1. No project schedule currently available: HRT 10-Year Funding Plan under development.
2. Assume annual revenue receipts, after retaining \$1M for operating budget payments, are completely drawn out for construction.