

16

Financial Constraint



2024 Regional Transportation Plan

16 Financial Constraint

It is important to provide a financial context to transportation planning so that projects can be prioritized based on the projected availability of future funding. This plan is financially constrained based on financial information provided by MassDOT for 2024 to 2044.

Funding Available

Funding Available for Highway and Bridge Projects

The Federal Highway Administration funds and State Highway and Bridge funds were projected statewide for five-year timeframes for the following funding categories:

- Regional Discretionary Funding;
- Non-Interstate DOT Pavement;
- Interstate Pavement;
- Remaining Statewide Programs; and
- Non-Federal Aid Bridge Preservation.

The Statewide Bridge Program does not allocate funding by the region, but instead provides money on a discretionary basis across the state based on bridge conditions. Local aid funding sources such as Chapter 90 and the MassWorks Program are not included in the MassDOT funding projections. The MassDOT projections were based on the assumption that funding levels would increase by a 2% percent annual increase after the year 2028.

Based on these funding projections, a total of \$217,782,091 is anticipated to be available to as a regional target for Franklin County for highway-related transportation improvements between 2024 and 2044. The forecasted funding levels for the Franklin Region were based on the projected amount available to Metropolitan Planning Organizations statewide, and the following factors:

- **Funds for Regional Discretionary:** Projected regional funding for Regional Discretionary projects are based on the regional share formula for the Statewide Highway Funds developed by the Massachusetts Association of Regional Planning Agencies (MARPA). Under the MARPA formula, the Franklin Region is allotted 2.54% of the federal funds set aside for MPO/TPO prioritization.

- **Funds for Bridges:** Projected regional funding for bridge improvements and repairs is based on each region's percentage of federal-aid eligible bridges. The Franklin Region's percentage of federal-aid eligible bridges is 6.83%.
- **Funds for Interstate Maintenance:** Projected regional funding for interstate maintenance projects is based on the regional share of Interstate lane mileage, excluding the Massachusetts Turnpike. The Franklin Region has 3.78% of interstate lane mileage.

Funding Available for Transit Projects

As with highway and bridge funding, the estimated costs of transit recommendations and projected revenue also need to be reviewed to ensure financial constraint. Federal funds must be used for capital projects. Capital funds may only be spent on tangible items such as equipment, preventative maintenance of vehicles, facilities and equipment, facility improvements and the purchase of vehicles. Operating expenses must come from grants, state and local funding and farebox revenue. Operating expenses cover salaries, benefits, advertising and marketing expenses and other cash needs.

The transit funds are broken down into the following federal funding categories:

- Urbanized Area Formula Funding (5307 Program);
- Non-Urbanized Area Formula Funding (5311 Program);
- State of Good Repair Grants (5337 Program); and
- Bus and Bus Facilities Funding (5539 Program).

Projects formerly funded under Jobs Access Reverse Commute (JARC) are now eligible activities under Section 5311. The FRTA is not eligible to receive 5307 Program funding. The Franklin Region receives 5.73% of the statewide 5310 Program funds. This proportion was agreed to by the MassDOT Rail and Transit Division and the Massachusetts Association of Regional Transit Authorities (MARTA). The FRTA currently has enough federal CARES Act funding to cover all fixed route farebox revenue through FY 2026.

Financially Constrained Plan

For financial planning purposes, Regional Transportation Plans are required to show that there is sufficient funding projected to be available to cover the costs of regionally significant projects or those that would add or remove capacity (those projects that are estimated to cost greater than \$20 million or could potentially increase greenhouse gas emissions). The Franklin Region does not have any projects that exceed this threshold. There are also no

future projects within the region that will increase roadway capacity or are anticipated to have a negative impact on air quality. Therefore, this Plan is financially constrained.