



Revenue



6 REVENUE

A key step in the LRTP planning process is to identify available future revenue from the variety of sources that fund projects in the plan. This analysis involves looking at projections for growth and redevelopment activity, changes in the transportation system from newly completed or funded projects, and anticipated changes in revenues from local, state and federal sources. A detailed account of this analysis can be referenced in the MPO's Financial Resources Technical Memorandum completed in the fall of 2004. This analysis provides the financial basis for the Cost Feasible Plan elements.

Revenue estimates for the Cost Feasible Plan are broken down into two categories: the TIP, or committed funding sources for improvements through 2009, and planned revenue beyond the TIP from 2010 to 2025. This chapter primarily addresses the revenues expected to be available for the 2010 to 2025 planning horizon.

The revenue assumptions supporting the cost affordability of this plan are affected by federal transportation legislation, a future voter referendum and the state's investment policy with relation to the SIS. There is strong precedent within Pinellas County of voter support for transportation-related taxes. The projections for future local revenues are based on very reasonable assumptions that this support will continue in the future.

6.1 Revenue Sources

The revenue sources for the L RTP implementation come from a combination of federal, state, county and municipal funds. Figure 6-1 shows the percentage of funds allocated by each jurisdictional source. Figure 6-2 illustrates the percentage of total funds dedicated to capital projects and operations and maintenance (O&M) projects. Table 6-1 shows total forecasted revenues by source for the planning time period. Tables 6-2, 6-3 and 6-4 show anticipated revenues for transit capital projects and operations.

Figure 6-1 Revenues Available by Jurisdiction

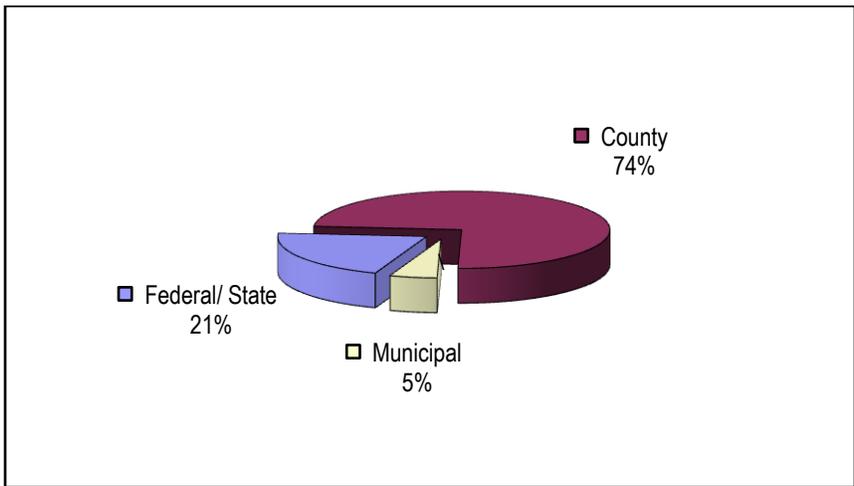


Figure 6-2 Distribution of Revenues

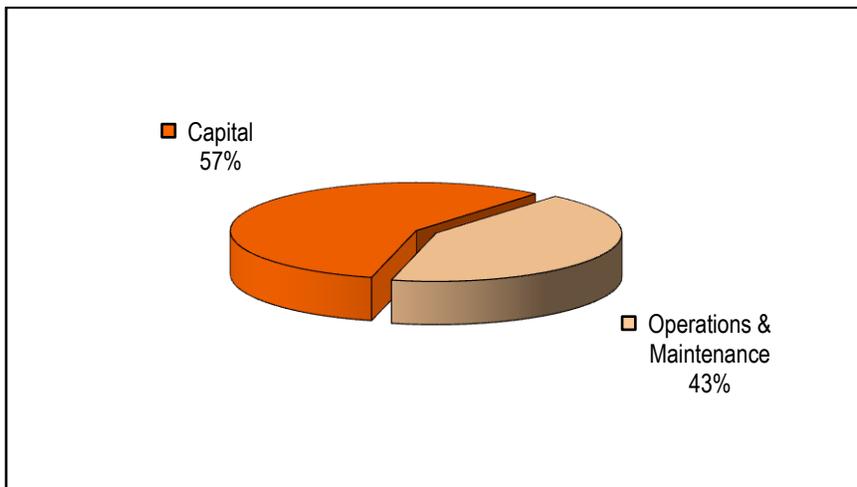


Table 6-1 Revenues Available for Plan Implementation 2010 - 2025
(Thousands of Year 2004 dollars)

JURISDICTION	O&M 2010-2025	CAPITAL 2010-2025	TOTAL 2010 - 2025
Federal/State ¹			
FIHS Const/ROW	\$0	\$363,910	\$363,910
Intermodal Access	\$0	\$47,261	\$47,261
Other Art. Const/ROW	\$0	\$353,801	\$353,801
XU / TMA	\$0	\$233,733	\$233,733
Transportation Enhancement	\$0	\$28,714	\$28,714
Federal & State Transit ⁸	\$126,305	\$0	\$126,305
Aviation	\$0	\$65,149	\$65,149
<i>Total</i>	\$126,305	\$1,092,568	\$1,218,873
MPO Total	\$126,305	\$1,027,419	\$1,153,724
County			
Transportation Trust Fund ²	\$438,400	\$0	\$438,400
Reimbursement and Grants	\$0	\$3,357	\$3,357
Penny for Pinellas (trans.) ^{3,9, 11}	\$0	\$42,778	\$42,778
Impact Fees ⁴	\$0	\$23,764	\$23,764
Local Transit ⁵	\$1,184,790	\$184,091	\$1,368,881
PMI ⁶	\$332,138	\$1,873,810	\$2,205,948
<i>Total</i>	\$1,955,328	\$2,127,800	\$4,083,128
Municipalities			
Local Option Gas Tax (LOGT) ⁷	\$61,370	\$0	\$61,370
General Fund ⁷	\$220,147	\$0	\$220,147
Penny for Pinellas ^{3, 9,10}	\$0	\$2,920	\$2,920
<i>Total</i>	\$281,517	\$2,920	\$284,437
MPO Grand Total	\$2,363,150	\$3,158,139	\$5,521,289

- 1 - Federal and State revenues constitute the revenues that are managed or disbursed by FDOT.
- 2 - Assumes the extension of the Six Cent Local Option Gas Tax (LOGT) until 2025 with continued commitment to O&M.
- 3- Assumes that the Penny for Pinellas will be extended until 2020 and revenues generated will be sufficient enough to cover the costs of County and Municipal roadway projects.
- 4 - Impact fees are expected to be collected by the County while annual collections are expected to decline annually as new development slows.
- 5 - Local transit revenues include the PSTA mileage, farebox revenues and revenues received from advertising as well as Federal and State assistance that is provided directly to PSTA.
- 6 - Revenue estimates are based on the PMI final report. Revenues have been converted from 2003 to 2004 dollars. The PMI report indicates that revenue for capital and operations and maintenance will begin in FY 04/05 continuing for 10 years through FY 13/14. These estimates have been shifted to begin in FY 07/08 and projected through 2025 for operations and maintenance and include the construction of the supplemental alignment along Alt. US 19.
- 7 - Estimates shown here are based on prior LRTP revenue estimates and have been converted from year 2000 dollars to year 2004 dollars.
- 8 - Revenues that are managed or disbursed by FDOT; federal transit revenue includes federal grants; and state transit revenue includes State Operating Assistance, and special projects revenue.
- 9 - Total revenues shown in this table do not reflect projected Penny for Pinellas revenues available to fund trailway projects. See Table 7-11.
- 10- Amended by the Pinellas County MPO on November 9, 2005.
- 11- Modified by the Pinellas County MPO on February 13, 2008.

**Table 6-2 Transit Operating Revenue Projections 2025, Cost Feasible Transit Plan
(projections in thousands of Year 2004 dollars)
PSTA Service Enhancements**

Year	Passenger Revenues	Ad Valorem Revenues	Other Revenues	State Operating Assistance	Special Projects	Federal Grants	Total Operating Revenues	Reserve Funding
2004	\$8,059	\$25,260	\$1,081	\$3,315	\$1,258	\$1,089	\$40,062	
2005	\$7,853	\$28,402	\$1,216	\$3,134	\$775	\$1,184	\$42,564	
2006	\$8,089	\$30,958	\$1,228	\$3,228	\$775	\$1,100	\$45,378	114
2007	\$8,331	\$33,744	\$1,240	\$3,325	\$775	\$1,122	\$48,538	
2008	\$8,581	\$36,275	\$1,253	\$3,425	\$775	\$1,144	\$51,453	108
2009	\$8,839	\$38,996	\$1,265	\$3,527	\$775	\$1,167	\$54,570	137
2010	\$9,104	\$41,921	\$1,278	\$3,633	\$775	\$1,191	\$57,901	30
2011	\$9,377	\$44,436	\$1,291	\$3,742	\$775	\$1,214	\$60,835	72
2012	\$9,658	\$47,102	\$1,304	\$3,854	\$775	\$1,239	\$63,932	12
2013	\$9,948	\$49,928	\$1,317	\$3,970	\$775	\$1,264	\$67,201	
2014	\$10,246	\$52,424	\$1,330	\$4,089	\$775	\$1,289	\$70,154	62
2015	\$10,554	\$55,046	\$1,343	\$4,212	\$775	\$1,315	\$73,244	210
2016	\$10,870	\$57,523	\$1,357	\$4,338	\$775	\$1,341	\$76,204	
2017	\$11,197	\$60,111	\$1,370	\$4,468	\$775	\$1,368	\$79,289	
2018	\$11,532	\$62,816	\$1,384	\$4,602	\$775	\$1,395	\$82,505	
2019	\$11,878	\$65,643	\$1,398	\$4,740	\$775	\$1,423	\$85,858	
2020	\$12,235	\$68,597	\$1,412	\$4,883	\$775	\$1,451	\$89,353	
2021	\$12,602	\$71,684	\$1,426	\$5,029	\$775	\$1,480	\$92,996	
2022	\$12,980	\$74,910	\$1,440	\$5,180	\$775	\$1,510	\$96,795	
2023	\$13,369	\$78,281	\$1,455	\$5,335	\$775	\$1,540	\$100,755	
2024	\$13,770	\$81,803	\$1,469	\$5,495	\$775	\$1,571	\$104,884	
2025	\$14,183	\$85,484	\$1,484	\$5,660	\$775	\$1,602	\$109,189	
TOTALS	\$233,255	\$1,191,344	\$29,340	\$93,187	\$17,533	\$29,000	\$1,593,660	\$745

NOTE: *Passenger revenue projection for FY 04/05 used as a base with an inflation factor of 3% annually.
Ad valorem revenue projection for FY 04/05 used as a base with an annual inflation factor of 5% through 2008 and 4.5% thereafter.
State operating assistance inflation rate of 3% annually beginning in 2006.
"Other Revenues" include: Special Transit Fares, Auxiliary Revenue, Non-Transportation Revenue, and Reimbursement for fuel taxes. Inflation factor of 1% annually for " Other Revenues" .
An inflation factor of 2% annually for Federal grants effective 2007.*

Table 6-3 PSTA Long Range Transit Capital Acquisition Plan, Revenue Summary						
<i>PSTA Service Enhancements</i>						
Year	Section 5307	Federal Earmarks	Total Capital Revenue	Annual Surplus / Deficit	Prior Reserves (Pre-2004)	Fund Balance
2004	\$8,500	\$2,000	\$10,500	\$5,040	\$0	\$5,040
2005	\$8,500	\$2,000	\$10,500	\$2,460	\$0	\$7,500
2006	\$8,585	\$2,000	\$10,585	-\$205	\$0	\$7,295
2007	\$8,671	\$5,239	\$13,910	-\$733	\$0	\$6,562
2008	\$8,758	\$5,239	\$13,997	\$1,438	\$0	\$8,000
2009	\$8,845	\$5,239	\$14,084	-\$2,644	\$0	\$5,356
2010	\$8,934	\$5,239	\$14,173	-\$471	\$0	\$4,885
2011	\$9,023	\$2,000	\$11,023	-\$3,875	\$0	\$1,010
2012	\$9,113	\$2,000	\$11,113	\$3,950	\$0	\$4,960
2013	\$9,204	\$2,000	\$11,204	-\$1,359	\$0	\$3,601
2014	\$9,296	\$2,000	\$11,296	\$1,670	\$0	\$5,272
2015	\$9,389	\$2,000	\$11,389	-\$3,184	\$0	\$2,088
2016	\$9,389	\$2,000	\$11,389	\$9,124	\$0	\$11,212
2017	\$9,389	\$2,000	\$11,389	-\$2,876	\$0	\$8,336
2018	\$9,389	\$2,000	\$11,389	-\$7,626	\$0	\$711
2019	\$9,389	\$2,000	\$11,389	\$1,419	\$0	\$2,130
2020	\$9,389	\$2,000	\$11,389	-\$1,501	\$0	\$629
2021	\$9,389	\$2,000	\$11,389	-\$1,501	\$871	\$0
2022	\$9,389	\$2,000	\$11,389	\$0	\$0	\$0
2023	\$9,389	\$2,000	\$11,389	\$0	\$0	\$0
2024	\$9,389	\$2,000	\$11,389	\$0	\$0	\$0
2025	\$9,389	\$2,000	\$11,389	\$0	\$0	\$0
TOTALS	\$200,711	\$56,956	\$257,667	-\$871	\$871	NA

NOTE: - An additional \$3.239 million in federal earmarks is programmed for the purchase of the commuter coaches and specialized BRT vehicles in FY 2007 through FY 2010.
- Formula generated revenues under the Section 5307 Grant Program are anticipated

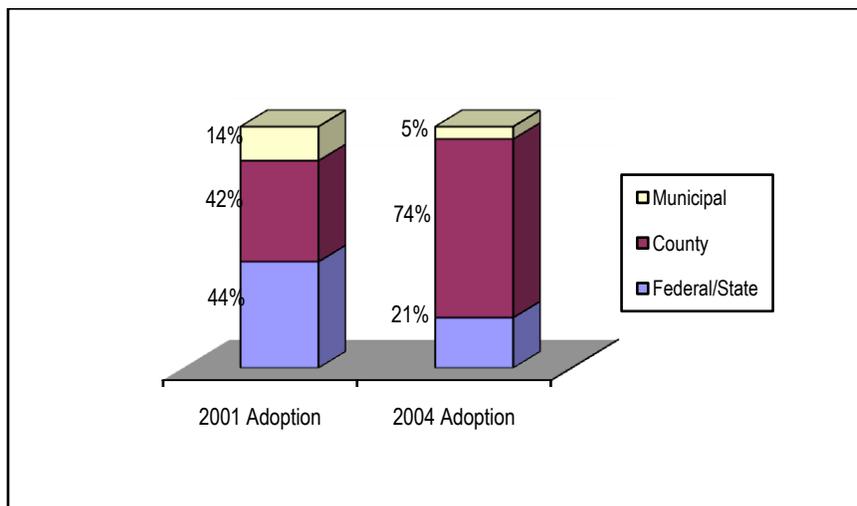
Table 6-4 PMI Long Range Transit Capital Acquisition Plan, Revenue Summary

Pinellas Mobility Initiative

Year	FTA Section 5309 Grants	Local (gas tax, impact fees, Sales Tax, etc)	FDOT	Transit Sales Surtax	Land and R/W donations	Total Capital Revenue	Annual Surplus / Deficit	Fund Balance
2004						\$0	\$0	\$0
2005						\$0	\$0	\$0
2006						\$0	\$0	\$0
2007						\$0	\$0	\$0
2008		\$3,623	\$1,035			\$4,658	\$0	\$0
2009	\$5,175			\$114,885		\$120,060	\$84,470	\$84,470
2010	\$5,175			\$114,885		\$120,060	\$23,473	\$107,942
2011	\$5,175			\$113,850	\$1,035	\$120,060	-\$60,259	\$47,683
2012	\$10,350			\$113,850	\$1,035	\$125,235	-\$83,007	-\$35,324
2013	\$51,750			\$113,850	\$1,035	\$166,635	\$61,997	\$26,673
2014	\$51,750			\$113,850	\$1,035	\$166,635	\$70,794	\$97,467
2015	\$51,750			\$113,850	\$1,035	\$166,635	-\$12,420	\$85,047
2016	\$51,750			\$111,780	\$1,035	\$164,565	\$38,502	\$123,549
2017	\$51,750			\$110,745	\$1,035	\$163,530	-\$77,004	\$46,545
2018	\$51,750			\$107,640	\$1,035	\$160,425	-\$46,545	\$0
2019				\$104,000		\$104,000	\$0	\$0
2020				\$104,000		\$104,000	\$0	\$0
2021				\$104,000		\$104,000	\$0	\$0
2022				\$104,000		\$104,000	\$0	\$0
2023				\$104,030		\$104,030	\$0	\$0
2024						\$0	\$0	\$0
2025						\$0	\$0	\$0
TOTALS	\$336,375	\$3,623	\$1,035	\$1,649,215	\$8,280	\$1,998,528	\$0	NA

There are three major changes in the revenue sources since the 2001 update of the 2025 LRTP. The first is the assumed extension of the Penny for Pinellas sales tax for an additional 10 years to 2020. The second deals with the uncertainty of the Congestion Mitigation and Air Quality (CMAQ) program. Since 2001, new standards for air quality have been established, resulting in all Florida counties being designated as maintenance areas for air quality. Therefore, no future CMAQ funding will be available to the Pinellas County MPO. However, some funds previously allocated to Pinellas and Hillsborough Counties through the CMAQ program, have been incorporated with the Transportation Management Area (TMA) funds and distributed among the three counties in the Tampa Bay TMA – Hillsborough, Pasco and Pinellas. The third factor is the addition of a potential new funding source, the Charter County Transit Surtax to support the PMI. These three major changes in funding sources have resulted in a significant shift in the overall stream of revenues between federal/state and local sources for the MPO as shown in Figure 6-3. The following pages summarize the anticipated revenue sources for the 2010-2025 planning horizon.

Figure 6-3 Available Revenues Comparison 2001 and 2004



6.1.1 Federal and State Revenue Sources

There are six major categories of federal and state funding. These sources are the same as in the 2001 LRTP, with the exception of CMAQ funds, which are no longer available. Federal and state revenue sources represent about 21 percent of the total funding available to the Pinellas County MPO. Annual estimates of funding levels for state and federal funds through fiscal year 2025 are based on continuing policies reflected in the 1994-2003 Program and Resource Plan from FDOT. These sources are assumed based on the current funding levels as established by the TEA 21. Federal funding such as Section 5307 Grants – available for transit capital - does not pass through FDOT for disbursement. The state provides operating/maintenance and capital acquisition funding to transit, paratransit and ridesharing programs. Pending reauthorization of that Act may change those projections, which would require an amendment to the LRTP. In 2003, the Florida Legislature enacted legislation that established the initial statewide

system of SIS hubs and connectors. It is expected that revenues will be reallocated from existing sources into a new revenue category for SIS projects in the future.

6.1.2 Local Revenue Sources (County/Municipal)

There are several local revenue sources available to implement the Long Range Transportation Plan. These include the Local Option Gas Tax (LOGT), Transportation Impact Fees, Penny for Pinellas Infrastructure Surtax (Sales Tax), grants, ad valorem taxes, general funds, transit revenues, and a proposed Charter County Transit Surtax. Of these sources, two actually require voter referendum to obligate funds: the extension of the Penny for Pinellas Infrastructure sales tax, and the Charter County Transit Surtax. For this plan, it is reasonably assumed that these initiatives will be approved and funds available for future improvements identified in the Cost Affordable Plan.

Local revenues are anticipated to increase considerably with the extension of the Penny for Pinellas tax for an additional 10 years and the addition of the new Charter County Transit Surtax to fund the PMI. Total county and municipal revenues are forecasted at \$4.37 billion over the 15 year planning horizon from 2010-2025.

Local Option Gas Tax (LOGT) - The current LOGT is in effect until August 31, 2007. Revenue forecasts assume the extension of the gas tax until 2025. Gas taxes were first imposed by the local governments of Pinellas County in September 1985. This was a four-cent tax levied for a 10-year period that extended to September 1995. Funding was continued with the Board of County Commissioners imposition of a two-cent LOGT for the period beginning September 1987 and ending August 1995 and a six-cent LOGT from September 1995 to August 1997. Pursuant to an interlocal agreement, 75 percent of the funding generated from this gas tax was allocated to the County. The remaining 25 percent share was divided between the cities for local transportation projects within the municipalities and the unincorporated County. The six-cent tax was subsequently extended to August 2007 in June 1993. For the county, this funding is currently the primary source for road maintenance expenses.

Transportation Impact Fees – Pinellas County levies a transportation impact fee on all new development or redevelopment that will increase vehicular trips. This revenue is used primarily to fund road construction projects. Fifty percent of all impact fees collected are remitted to Pinellas County and the remaining percentage is kept within the presiding jurisdiction where the development occurs. Annual collections from impact fees are expected to decline over time, primarily due to the lack available land for development.

Penny for Pinellas Infrastructure Surtax (Sales Tax) – The County levies a one-cent sales tax to generate funding for capital improvements. It provides the largest portion of capital improvement funding for the County and its municipalities. The County currently receives 53 percent of the Penny for Pinellas infrastructure sales tax revenue. Prior history of successful voter support on the Penny for Pinellas in 1989 and 1997 is the basis for assuming a further extension of the Penny for Pinellas surtax for another 10 years to 2020. This is anticipated to occur through a future voter referendum.

Other Revenue Sources for Capital Improvements – The estimated revenues to fund the 10-year funding targets of the County include federal and state grant monies and estimated reimbursements (inclusive of about \$200,000 annually of assessments). The estimated revenues to fund municipal capital improvements also include revenue from the Penny for Pinellas surtax, transportation impact fees and LOGT proceeds.

Sources for Operation and Maintenance – It is assumed that the LOGT would be extended to 2025. Revenues derived from taxes, licensing and permitting fees, charges for services/public safety and transportation, interest earnings, rents, surplus/refunds, reimbursements are included as a primary source for operation and maintenance projects. The municipal governments fund operation and maintenance programs using their share of the LOGT, and general funds, including ad-valorem taxes, proceeds from the sale of assets, interest earnings on investments, franchise fees, utility service taxes, license and permit fees, intergovernmental state sharing, grants, public service district charges, leisure service user fees, fines and forfeits.

Local Transit Funding Sources – In addition to federal and state funding, PSTA also receives local funding from the ad valorem tax, farebox revenues, and other sources (such as advertising and charters). Revenue forecasts for service and operations are based on historic trends and incorporate no new revenue sources. Farebox revenue is forecasted to increase at a rate of three percent per year. The planned service improvements will also generate additional farebox revenue. Revenue projections for the PSTA imposed ad valorem tax were based on FY 2001/02 revenue and increased by four percent annually. It is anticipated that the current millage cap of 0.75 will be reached by 2008. Other local transit revenues, which includes advertising and other activities, are forecasted to increase at a rate of one percent per year.

Charter County Transit Surtax – Is assumed that through a voter-supported referendum, Pinellas County can implement a sales tax of up to one percent to fund public transportation improvements recommended in the PMI Study, including fixed guideway, enhanced bus operations, trolley circulators, etc. This surtax could potentially generate \$116 million per year for capital acquisition, construction, and operations. Federal support for transit new starts is also assumed with a 25/75 split between the federal support and local match, based on the PMI Final Report.

6.2 Revenue Forecasts

The total MPO revenue forecast for the 2010–2025 planning horizon is estimated at \$5.5 billion. These forecasts assume increases in local and county revenues, based primarily on additional revenues anticipated from the Charter County Transit Surtax, and the extension of the Penny for Pinellas tax for an additional ten years. Estimates for federal and state revenues reflect the current funding levels. However, there are two major factors that will impact the federal and state revenue streams including:

TEA 21 Reauthorization – Reauthorization of federal transportation legislation for a six-year period starting Oct. 1, 2003 has not occurred and is still pending in Congress. Once the legislation is passed, it is likely that new revenue forecasts for the state will be developed, ultimately impacting the total revenues available for Pinellas County.

FDOT Investment Policy – The state initiated several transportation funding policy changes that are anticipated to be phased in over the next several years. The major shift involves allocating a higher percentage of funding towards capacity building projects on SIS and emerging SIS facilities. At the time of LRTP adoption, the exact timing of these changes or the specific implications for Pinellas County roadways are unknown.

The following pages highlight some important assumptions regarding these forecasts and reference specific funding levels for many of the federal, state and local programs.

6.2.1 Federal and State Forecast

All state and federal revenue forecasts for the 2025 LRTP were developed based on the current funding levels established by the TEA 21. Annual estimates of funding levels for state and federal funds through fiscal year 2025 are based on continuing policies reflected in the 1994-2003 Program and Resource Plan from FDOT. In February 2001, FDOT published the Revenue Forecast Handbook, which includes the 2020 Revenue Forecast Update.

The FDOT's adjusted revenue forecasts were grouped into two general categories: capacity programs and non-capacity programs. Capacity programs include the expansion of existing transportation systems (e.g., highways and transit). Non-capacity programs include support, administration, operation, and maintenance of the state transportation system (e.g., resurfacing).

Forecasted revenue levels for the 2010 - 2025 planning horizon are illustrated in Table 6-1. Total available federal and state revenues are estimated at \$1.15 billion. These funding levels are generally consistent with previous years, with the exception of CMAQ revenues decreasing to zero. While Table 6-1 highlights the revenues allocated for aviation, these revenues are not included in the revenues used by the MPO in addressing the needed transportation investments. They are shown here for informational purposes only.

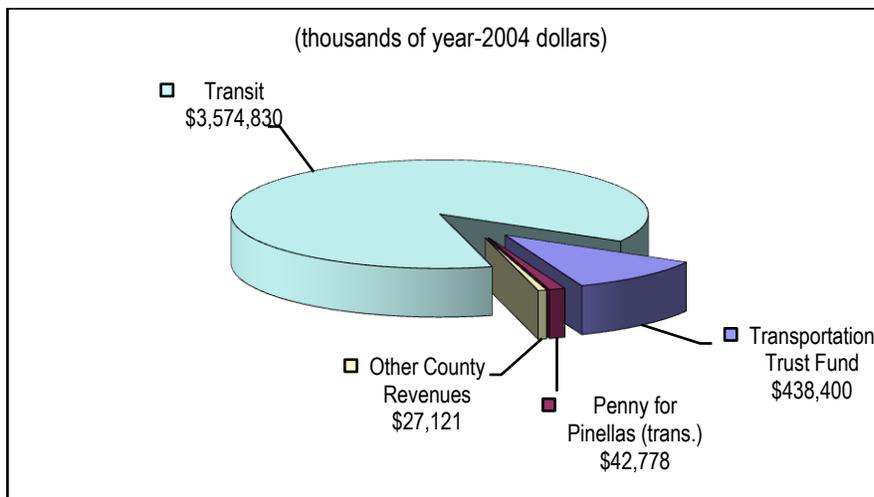
Regarding Transportation Enhancement Program funding, revenue forecasts provided by FDOT for the preparation of the 2025 LRTP include a total of \$28.7 million between 2010 and 2025. While Enhancement Program funds will be used for multiple project types, the majority of these revenues will be dedicated to bicycle and pedestrian facilities.

The FDOT did not develop metropolitan revenue estimates for non-capacity programs. Instead, the FDOT has included sufficient funding in the 2020 Revenue Forecast Update to meet statewide objectives for the resurfacing program, bridge program, operation and maintenance programs, product support and administration. A copy of the 2020 Forecast of State and Federal Revenues can be found in the Appendix.

6.2.2 County and Municipal Forecasts

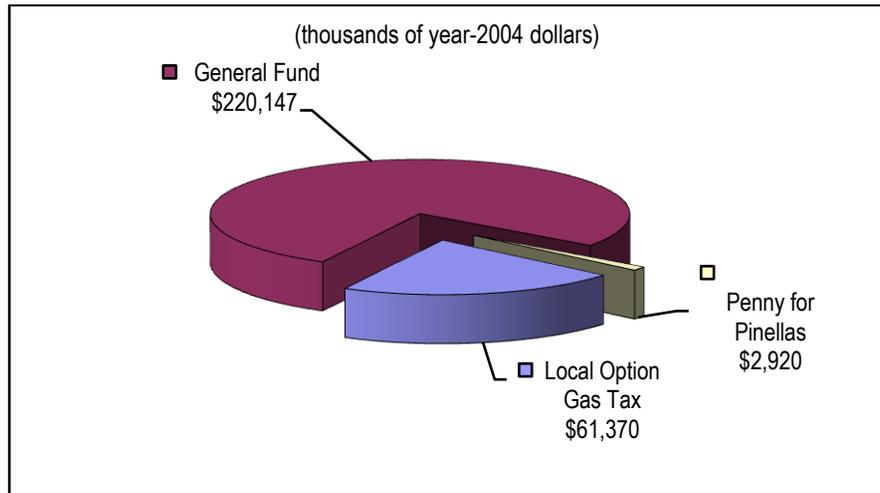
County and municipal revenues are anticipated to increase considerably with the extension of the Penny for Pinellas tax for an additional 10 years and the addition of the new Charter County Transit Surtax to fund the PMI. Total County and Municipal revenues are forecasted at \$4.37 billion over the 15 year planning horizon from 2010-2025. Figures 6-4 and 6-5 show the allocation of revenue sources for both county and municipal funds dedicated to transportation projects in the LRTP.

Figure 6-4 County Revenue Forecasts 2010-2025



NOTE: Plan Modification approved by the Pinellas County MPO on February 13, 2008

Figure 6-5 Municipal Revenue Forecasts 2010-2025



NOTE: Amended by the Pinellas County MPO on November 9, 2005

With the current Penny for Pinellas sales tax set to sunset in 2010, about \$14 million in revenue is anticipated to be available for transportation projects after the debt service requirement has been fulfilled. With the assumption that the Penny for Pinellas sales tax will be extended another 10 years, county revenues of \$36 million are needed to fund the remaining County roadway projects that currently do not have a dedicated funding source. Revenue and cost forecasts for PSTA service and operations are based on historic trends and incorporate no new revenue sources. Revenues from the Charter County Transit Surtax were estimated based on anticipated costs for the implementation of the PMI. For the 2010 to 2025 time period, it is estimated that the new surtax will generate \$2.2 billion in revenues.

In addition to the Charter County Transit Surtax, revenues are anticipated from such sources as: federal and state grants, farebox collections, and land dedication. These additional sources comprise less than half of the needed revenues to fund the fixed guideway, but are critical in determining the cost feasibility of the system.