



Financial Plan

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5. FINANCIAL PLAN

The City of Vancouver has prepared a financial analysis to identify revenues and expenses that are associated with the Downtown GTEC Plan. The following is a description of the funding sources that intended to be use to establish and run the GTEC program. After identifying the available funding sources, the City has identified the expenses which include program administration, employer assistance, policy and regulation development, promotional activities, transit and ridesharing services, and implementation of supporting facilities. The amounts listed here are not committed fund, but planned sources to establish and run the GTEC in the short term.

5.1 GTEC FUNDING SOURCES

To assist in implementing and sustaining the GTEC a list of recommended funding sources was created. The funding outline summarized in Table 1 is based upon several key assumptions. These assumptions include:

- Initial support for the GTEC and the partnerships necessary to initiate and sustain it will be the responsibility of the public sector.
- Local jurisdictions recognize that the success of the GTEC plan in reducing drive alone trips fully and directly supports publicly adopted plans for growth, development, transportation efficiency and livability.
- Local jurisdictions and transit agencies need to become on-going and sustaining members of a future GTEC organization that is a true public/private partnership given the policy goals and objectives supported above.
- The private sector needs to begin providing a meaningful and equitable source of funding necessary to sustain the GTEC organization by 2010. Preferably, this would result in the formation of a TMA or some other organization that represents all participating members of the GTEC plan and effort.
- Over time the GTEC organization could be a free standing non-profit business association contracted to manage the GTEC through partnership service agreements among the participating members.

To this end, the funding plan in Table 1 is presented as an outline for the formation and establishment of an on-going GTEC. The table includes operating expenses for the GTEC and programs, services, and projects that will be implemented to support the development of the GTEC. These include increased transit service to the downtown area and the completion of several Transportation Improvement Program (TIP) projects that have been moved up in order to better support the GTEC.

The funding plan assumes that the GTEC would initially be managed by a public sector staff of 1.0 FTE. The work plan and scope for the staff person would be to eventually move the GTEC organization to a more sustainable entity that operates as an association of members, providing a forum for transportation demand management, program service delivery, outreach and assistance to employers throughout the GTEC.

FY 2008 is assumed at a staff of 1.0 FTE, moving to an organization of 3.0 FTE in FY 2012.

5.1.1 Partners for Funding

5.1.1.1 Washington State Department of Transportation (WSDOT)

Through a GTEC grant program available through WSDOT, it is anticipated that the City will receive enough funds for the initial start up of the GTEC. It is also assumed that funds will be available to continue funding the GTEC through 2012. The amounts anticipated are funds of \$50,000 in FY 2008, increasing to \$130,000 in FY 2010 and 2011 and decreasing to \$115,000 in FY 2012. It is assumed that WSDOT funding would continue to be reduced over time as the GTEC organization and member growth results in a more stable funding base at the local jurisdictional level.

5.1.1.2 Congestion Mitigation and Air Quality (CMAQ) Improvement Program

It is assumed that CMAQ will provide three years of stable operational funding to assist the GTEC organization in its formation and initial outreach. This may change given that the region has been identified as being in attainment, so the region may no longer receive CMAQ funding.

5.1.1.3 City of Vancouver

The City will provide an on-going commitment to the GTEC organization. That commitment would ultimately be stabilized once private sector sources for funding are identified and implemented. It is recommended that the City of Vancouver consider net parking revenues and/or parking taxes as a source of on-going funding for the GTEC partnership. The City's commitment would be \$181,000 over five years.

5.1.1.4 C-TRAN

Like the City, C-TRAN should provide an on-going and stable commitment to the GTEC partnership and plan. C-TRAN's commitment under this plan is stabilized at \$50,000 in FY 2012. In the Lloyd District of Portland, the transit agency provides funding to the TMA through commissions on transit pass sales made by the TMA to its member businesses. The commitment may also come through increased transit service to the downtown as well as outreach materials and staff time.

5.1.1.5 Employers and Building Owners

Within two years of implementation, employers and/or building owners should participate meaningfully in the effort to fund the GTEC plan. Many options are available and in place in other jurisdictions including Business Improvement Districts/Areas (BID/BIA) and employee head fees/taxes.

Table 5-1. GTEC Funding Sources

Source of Funding	Responsible Agency	Estimated Amount FY 2008	Estimated Amount FY 2009	Estimated Amount FY 2010	Estimated Amount FY 2011	Estimated Amount FY 2012	Estimated Total Amount
Operating Budget							
GTEC Grants	WSDOT	\$ 115,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 125,000	\$ 630,000
CMAQ Funds ³	RTPO	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 0	\$ 140,000
Employer Contributions	TMA or Local Jurisdiction	\$ 0	\$ 0	\$ 55,000	\$ 55,000	\$ 100,000	\$ 210,000
Total		\$ 150,000	\$ 165,000	\$ 220,000	\$ 220,000	\$ 225,000	\$ 980,000
Capital Improvements, Services, and Staff Time							
Staff Time	City of Vancouver	\$ 25,000	\$ 30,000	\$ 35,000	\$ 40,000	\$ 55,000	\$ 185,000
Transit Service	C-TRAN	\$ 581,000	\$ 581,000	\$ 581,000	\$ 581,000	\$ 581,000	\$ 2,905,000
Capital Improvements	City of Vancouver	\$ 20,000	\$ 110,000	\$ 0	\$ 0	\$ 0	\$ 130,000
Total		\$ 626,000	\$ 721,000	\$ 616,000	\$ 621,000	\$ 636,000	\$ 3,220,000
Program Total		\$ 776,000	\$ 886,000	\$ 836,000	\$ 841,000	\$ 861,000	\$ 4,200,000

5.2 GTEC OPERATING BUDGET

The program funding plan contained in Table 5-2 is based on the GTEC operating budget and does not include those program, services and projects that will be implemented to support the development of the GTEC which were included in Table 5-1 above. Issues related to costs of new supporting transit services and facilities, as well as vanpool, car-sharing and bike/pedestrian facilities are envisioned as a byproduct of the employer outreach program that would be a key element of the GTEC Manager/Coordinator's work plan and job description. Estimating facility costs for expanded transit service/facilities would also come through the formation of the GTEC organization, requiring negotiations between GTEC members and affected agencies. As a result, estimating costs for alternative mode services and infrastructure is premature.

Outreach efforts are a key to the funding plan and would include:

- One on one contact with key businesses to communicate the GTEC plan and vision.
- Outreach to business executives (public and private) as a means to establish a senior level oversight group (Board of Directors) to oversee and advise the GTEC plan and process.
- Identification and formation of stakeholder work groups (committees) to direct GTEC area efforts related to transit, biking, walking and rideshare.

³ CMAQ funding will be based on regional eligibility

- Direct assistance to employers/businesses in designing and implementing work site based employee transportation programs.
- Coordinating and conducting GTEC area events to communicate programs and raise awareness of alternative mode options.
- Developing incentive programs (using incentive budget) to facilitate use of alternative mode options.
- Liaison with public agencies in negotiations to enhance alternative mode services/products and infrastructure necessary to accommodate GTEC mode split targets.

Table 5-1. GTEC Operating Budget

Expense	Responsible Party	Estimated Amount FY 2008	Estimated Amount FY 2009	Estimated Amount FY 2010	Estimated Amount FY 2011	Estimated Amount FY 2012	Estimated Total Cost
Prepare local GTEC plan and ordinance	GTEC Manager Coordinator	\$ 25,000	\$ 37,000	\$ 37,000	\$ 0	\$ 0	\$ 99,000
Administer GTEC program (contract management, program measurement, annual reporting, coordination meetings)	GTEC Manager/Coordinator and GTEC staff.	\$ 79,000	\$ 79,000	\$ 90,000	\$ 94,000	\$ 94,000	\$ 436,000
Conduct employer outreach: <ul style="list-style-type: none"> • Supporting transit services • Supporting transit facilities • Supporting vanpool services • Supporting bike and pedestrian facilities • Supporting car sharing services 	GTEC Manager/Coordinator and GTEC staff.	\$ 59,000	\$ 62,000	\$ 104,000	\$ 140,000	\$ 160,000	\$ 525,000
Offer program incentives	GTEC Organization Marketing budget	\$ 12,000	\$ 12,000	\$ 12,000	\$ 14,000	\$ 14,000	\$ 64,000
Conduct special area wide promotions	GTEC Organization Marketing/Promotion Budget.	\$ 0	\$ 5,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 41,000
<i>Estimated Budget Needed</i>		<i>\$ 175,000</i>	<i>\$ 195,000</i>	<i>\$255,000</i>	<i>\$ 260,000</i>	<i>\$ 280,000</i>	<i>\$1,165,000</i>

5.3 GTEC FUNDING NEEDS

Table 5-1 provided an overview of all the funding needs to support the development of a GTEC in downtown Vancouver. In order to fulfill those needs, it is assumed that several funding sources will be available for the Vancouver GTEC. When comparing the funding sources listed in Table 5-1 and then the operating needs listed in Table 5-2, there is a gap in funding that needs to be addressed. Many of the funding sources listed in Table 5-1 are capital projects, service being provided by C-TRAN, or in kind staff time. Table 5-3 outlines the funding needs or gaps and those grant sources that the City is looking at to fill in the missing funds.

Table 5-3. GTEC Operating Budget Needs

Source of Funding	Responsible Agency	Estimated Amount FY 2008	Estimated Amount FY 2009	Estimated Amount FY 2010	Estimated Amount FY 2011	Estimated Amount FY 2012	Estimated Total Amount
Grants							
GTEC Grants	WSDOT	\$ 115,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 125,000	\$ 630,000
CMAQ Funds ⁴	RTPO	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 0	\$ 140,000
Total		\$ 150,000	\$ 165,000	\$ 165,000	\$ 165,000	\$ 125,000	\$ 770,000
Employer Contributions and Soft Match (Capital Improvements, Services, and Staff Time)							
Employer Contributions	TMA or Local Jurisdiction	\$ 0	\$ 0	\$ 55,000	\$ 55,000	\$ 100,000	\$ 210,000
Staff Time	City of Vancouver	\$ 25,000	\$ 30,000	\$ 35,000	\$ 40,000	\$ 55,000	\$ 185,000
Transit Service	C-TRAN	\$ 581,000	\$ 581,000	\$ 581,000	\$ 581,000	\$ 581,000	\$ 2,905,000
Capital Improvements	City of Vancouver	\$ 20,000	\$ 110,000	\$ 0	\$ 0	\$ 0	\$ 130,000
Total		\$ 626,000	\$ 721,000	\$ 671,000	\$ 676,000	\$ 736,000	\$ 3,430,000
Match Ratio (Non-grant funds/total cost)		81%	81%	80%	80%	85%	82%

⁴ CMAQ funding will be based on regional eligibility

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