



Concord Padgett Regional Airport is ranked as the fourth busiest towered airport in North Carolina

## Introduction

In accordance with federal requirements, a Financial Plan should demonstrate how the adopted Metropolitan Transportation Plan can be implemented, indicate resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommend additional financing strategies for needed projects and programs.

By requiring Financial Plans, the federal intent is for local and state officials to consider how funding can be generated in the future to construct the recommended projects. Evaluating financial resources is an integral part of the transportation planning process and often defines the choices available to the TCC and TAC of the MPO. One of the most critical elements of any plan is to make sure that adequate funds are available to construct the recommended projects. If adequate funds are

not available, the project list is typically reduced or new revenue sources identified.

## Overview of Existing Financial Sources

This section presents the financial resources that are presently being used in the MPO planning area and the sustainability of those funds. Primarily, the CR MPO relies on federal and state revenues to fund their transportation needs. The majority of transportation revenue is linked to the gasoline taxes levied by the state and federal governments. Federal funds are collected and distributed to federal highway, railway, and transit programs. The State of North Carolina receives funds based upon eligible projects and funding formulas dictated by legislation.

The Highway Fund and Highway Trust Fund are the sources of funding for most of the programs

in the Urban Area. These funds can be used for constructing new highways, widening existing facilities, intermodal programs, and development of mass transit. Powell Bill funds are primarily used for the maintenance of the existing local road network and may also be used for sidewalk improvements. The NCDOT Maintenance or Secondary Roads Paving Program allocates funding to each NCDOT Division for the purpose of upgrading those secondary State-maintained roads determined deficient by NCDOT. The list of these roads is presented annually to the County Commissioner's since most of the state roads are outside of the municipalities.

Over the next ten years (based on the current State Transportation Improvement Program (STIP) the CR MPO can expect to receive approximately \$33 million annually from State and Federal sources. Beginning in 2036, this annual allocation will increase slightly to \$56.8 million annually due to the growth in population for Division 9 and 10 under the new STI funding formula. The MPO used calculations from the 2050 NCMOVES Statewide Plan to estimate revenues in 2045 and 2055.

**Table 8-1** lists the total estimated State Formula revenue by horizon year for the Urban Area.

Powell Bill funds are monies returned to eligible cities and towns by NCDOT for maintaining, repairing, constructing, reconstructing, or widening of municipal

streets. Additionally, the funding can be used for the planning, construction, and maintenance of sidewalks and bikeways located within the rights-of-way of public street and highways. The amount of Powell Bill funds received is based upon two criteria: the number of miles of streets to be maintained and the municipality's population. The source of the Powell Bill funds is the gasoline tax imposed by the State on users of the highway system. Municipalities within the CR MPO are projected to receive approximately \$13.5 million annually over the next 30 years. This estimate is based on historical trend of the Powell Bill funds forecasted to the year 2055.

**Table 8-2** lists the annual Powell Bill revenue based on current expenditures provided by NCDOT.

NCDOT also provides funding for maintaining and paving secondary roads to both Rowan and Cabarrus Counties. Each county must review a list of roads that are scheduled for improvements by NCDOT over the next year. These improvements do not include general widening/capacity improvements. The CR MPO is projected to receive approximately \$63.2 million annually over the next 30 years. This estimate is based on historical trend of the NCDOT Maintenance Program forecasted to the year 2055.

**Table 8-3** lists the annual Maintenance Revenues based on current expenditures provided by NCDOT.

**Table 8-1 - Summary of CR MPO State Formula Funding by Horizon Years**

County	Funding Type	Horizon Years 2026-2035	Horizon Years 2036-2045	Horizon Years 2046-2055
Cabarrus	Regional	\$40,705,000	\$97,465,368	\$97,465,368
	Division	\$175,487,000	\$205,638,322	\$205,638,322
Rowan	Regional	\$79,800,000	\$133,369,588	\$133,369,588
	Division	\$80,400,000	\$131,856,040	\$131,856,040

**Table 8-2 - Summary of CR MPO State Powell Bill Funding by Horizon Years**

County	Horizon Years 2026-2035	Horizon Years 2036-2045	Horizon Years 2046-2055
Cabarrus	\$61,994,259	\$75,885,866	\$89,592,349
Rowan	\$45,792,259	\$58,791,773	\$71,620,227

**Table 8-3 - Summary of CR MPO State Maintenance Funding by Horizon Years**

County	Horizon Years 2026-2035	Horizon Years 2036-2045	Horizon Years 2046-2055
Cabarrus	\$227,525,474	\$305,893,657	\$392,712,674
Rowan	\$240,109,871	\$319,232,450	\$413,198,104

### Financial Projections and Calculations

The following section presents an assessment and analysis of available funds for the CR MPO Transportation Plan from current sources. NCDOT has provided funding projections for state and federal funds. The methodology includes:

- Forecast of Federal and State Strategic Investment Formula Funds
- Forecast of Maintenance Revenue
- Forecast of Powell Bill Revenue

The methodology for calculating the Strategic Investment Formula funds is listed below:

The Strategic Mobility Formula replaces the state's outdated Equity Formula, which was implemented in 1989 and was not providing sufficient flexibility to meet North Carolina's growing urban transportation needs. NCDOT's previous 10-year plan included 260 projects and created 240,000 jobs. The new formula was projected to fund at least 478 projects and create more than 292,000 jobs over the first 10 years.

The Strategic Mobility Formula takes a tiered approach to funding transportation improvements, with the statewide level receiving 40 percent of available funding (\$13.1 billion), the regional level receiving 30 percent of available funding (\$9.8 billion) and the division level also receiving 30 percent of available funding (\$9.8 billion) over the next 10 years. The new formula was fully implemented in July 2015. Projects funded for construction before then will proceed as scheduled; projects slated after that time will be ranked and programmed according to the new formula.

For the MPO's MTP, the revenue for the first horizon year 2025 is consistent with the 2026-2035 State TIP.

Project schedules were adjusted to coincide with completion dates projected through the 2026-2035 STIP. As part of the previous STIP, NCDOT decided to fund the widening of I-85 (I-3803) in Cabarrus County with Trust Fund and GARVEE Bonds, which allows NCDOT to leverage more debt by borrowing against future federal revenues. The CR MPO was projecting an annual payout of about \$4.5 million annually over the next 20 years to retire the debt (\$103 million) on this project through the TIP/Equity Formula funds in NCDOT Division 10. However, the STI eliminated the pay back on GARVEE funds, so this liability was no longer a factor in the MPO's Financial Plan.

Moreover, the NCDOT has historically provided to the NC MPOs annual statewide projections for construction expenditures. These projections included a modest inflation factor over time, about 1 percent a year. With the current STIP, the NCDOT Board elected to use a 5% per year inflation factor for the first five years of the STIP (2026-2030) and \$500 million per year for the last 5 years of the STIP (2031-2035). The first 5% was compounded annually for the first five years. In the first year (2026) 1/2 of the inflation rate was used (2.5%), ramping up to the 5% in years 2 through 5 (2027-2030). Each MPO would determine how to allocate these funds from the state level to the region, division, and county level. Beginning in 2015, all projects were evaluated as part of a three tier system: statewide, regional and division. (As indicated for a 10-year increment, the MPO assumed \$9.8 billion statewide for regional tier projects and \$9.8 billion statewide for division tier projects.)

In order to allocate revenue between 2020 and 2055, the CR MPO assumed that the new formula would translate a fair share of funds from the state

level to each county in the state based on population and equal share for the regional tier and division tier projects. (The CR MPO only has a few legitimate highway projects that would qualify for the portion of funds allocated to the statewide tier.) The CR MPO used the average population for horizon years (2035, 2045, and 2055) as a basis for determining the available funds by tier and county. The CR MPO calculated these funds for each of the counties within both NCDOT Divisions, so that a regional allocation could be obtained for the surrounding counties in neighboring MPOs. The CR MPO forecasted Maintenance and Powell Bill revenue by using historical data and the forecast function in Microsoft Excel. A 1 percent contingency factor was added to the NCDOT Maintenance Program for Non-Roadway Maintenance i.e. lighting, traffic signals, traffic cameras, etc.

**Table 8-4** provides a summary of estimated State and

**Table 8-4 - CR MPO Projected Transportation Revenue by Source**

Horizon Period	Capital Revenue		Maintenance Revenue		Federal Suballocations					Total Funding
	State	Federal	State	Powell	CMAQ	STBGP	TA	CRP	Local	
2026 - 2035	65,496,600	261,986,400	467,635,345	107,786,517	17,224,807	50,299,000	6,013,000	5,000,000	34,323,460	1,236,383,605
2036 - 2045	113,665,968	454,663,872	625,126,107	134,677,640	19,026,903	52,960,975	6,678,240	5,000,000	44,403,228	1,989,714,682
2046 - 2050	113,665,968	454,663,872	805,910,778	161,212,576	21,017,538	59,086,884	7,376,931	5,000,000	51,963,054	2,295,422,335
<b>Total</b>	<b>292,828,536</b>	<b>1,171,314,143</b>	<b>1,898,672,230</b>	<b>403,676,733</b>	<b>57,269,248</b>	<b>162,346,859</b>	<b>20,068,171</b>	<b>15,000,000</b>	<b>130,689,742</b>	<b>5,521,520,622</b>

\*Reflects ongoing revenue adjustments statewide due to COVID-19 in 2020

**Tables 8-5, 8-6, 8-7 and 8-8** included all Transportation Plan projects by Horizon Year (2025, 2035, 2045, and 2055) and the project termini, length, existing cross-section, ultimate cross-section, and estimated total cost.

In addition, the MPO did not program the full allocation by horizon year in order to account for a substantial decreased buying power over time. Therefore, spending was constrained (by horizon year) to balance against inflationary costs. The 2055 horizon year is particularly robust with 10 projects complete and open for traffic during this time period. Moreover, a percentage of the project cost was dedicated to miscellaneous contract expenses and to contingency expenses. In addition, the 2045 Horizon Year is bolstered by the financial commitments and recent cost estimates in the 2026-2035 State TIP.

Federal Revenues for the CR MPO.

### Project Cost Estimates

Cost estimates for all projects identified on the Metropolitan Transportation Plan were developed by using a cost spreadsheet provided by the NCDOT, TIP Unit. The cost figures accounted for specific project-related items including:

- New roadways based on cross section (i.e., number of lanes, median, curb and gutter, shoulders, structures, etc.);
- Widening existing facilities;
- New bridges or grade separations;
- Bridge widenings;
- Preliminary engineering; and
- Inflation, overhead, administration, and contingency.

### Additional Funding Sources and Conclusion

This section outlines the current local funds used for capital road projects and road maintenance. A factor not included in the overall revenue projections is local revenue and transit subsidies. Several MPO member jurisdictions program transportation projects through their respective municipal budgets. The City of Concord has a 2-cent tax on real property to pay for transportation projects such as sidewalks and intersection improvements. This tax is projected to generate approximately \$11.8 million annually by the year 2055. The City of Concord has a \$5 vehicle license tax and the City of Kannapolis has a \$25 vehicle license tax that is used to supplement expenses for the local Rider Transit System. These fees are projected to generate approximately \$2.4 million annually for the 2 cities for Rider by 2055.

**Table 8-5 - Transportation Plan Projects Horizon Years 2020 to 2025**

Div #	Index #	Tier	TIP #	Facility	From	To	Dist.	TIP Dist.	Description	Exist. Lanes	Future Lanes	Functional Class	Reg. Sig.	Cost (Thou)
9	32	D	U-5738	Julian Road	Jake Alexander Blvd	Summit Park Drive	1.3	1.3	Widen, median-divided, side-walks, bike lanes, bus turnouts	2	4	Local	NO	\$14,995
9	58	S	I-5858	I-85	US 29/601 in China Grove	Long Ferry Rd1	11.2	11.2	Pavement Rehabilitation					\$12,012
9	80	D	HE-0009	NC 152	Access Road east of I-85	NC 601 China Grove			Widen pavement and construct roundabout			Principal Arterial	NO	\$6,900
9	81	D	HE-0009A	NC 152	Access Road east of I-85	NC 601 China Grove			Widen pavement and construct roundabout			Principal Arterial	NO	\$1,000
10	15	R	U-3440	NC 3 (U-3440)	Kannapolis Parkway	Loop Road	2.5	2.5	Widen to improve access to downtown Kannapolis	2	4	Minor Arterial	YES	\$34,661
10	50	S	Y-4810K	Rogers Lake Road					Railroad Grade Separation			Major Collector		\$19,170

**Table 8-6 - Transportation Plan Projects Horizon Years 2026 to 2035**

Div #	Index #	Tier	TIP #	Facility	From	To	Dist.	TIP Dist.	Description	Exist. Lanes	Future Lanes	Functional Class	Reg. Sig.	Cost (Thou)
9	63	D	U-6062	Main Street (US 29A)	Jackson Park Rd/Loop Rd	Coach Deal Drive	4.3	4.3	Improve roadway incorporating bike lanes and sidewalks	2	3	Minor Arterial	NO	\$80,400
9	68	S	R-5860A	US 52 Widening	Rockwell Bypass	Misenheimer Bypass	4.6	4.6	Connector road on multi-lane right-of-way	2	4	Principal Arterial	YES	\$79,800
9	79	D	W-5709E	Rice Street	Cannon Farm Rd.				Roundabout			Principal Arterial	NO	\$2,500
10	51	R	U-5761	Intersection -NC 3 & US 29/601					Intersection Improvement			Principal Arterial		\$9,900
10	59	D	U-6032	Odell School Road	Concord Mills Blvd	I-485	0.9	0.9	Median-divided widening	2	6	Major Collector	YES	\$59,609
10	36	D	U-3415A	Poplar Tent Road (U-3415)	Derita Rd	George Liles Pkwy	1.35	1.35	Median-divided widened with side-walks and bike lanes	2	4	Minor Arterial	NO	\$63,200
10	61	R	U-5956	Intersection US 29, Rock Hill Church Rd, Union Cemetery Rd					Realign Union Cemetery Rd to intersection US 29 at Rock Hill Church Rd			Principal Arterial	YES	\$13,600
10	73	D	STP	Intersection of Harris Road and Poplar Tent Road			0.75		Intersection Improvement					\$15,080

**Table 8-7 - Transportation Plan Projects Horizon Years 2036 to 2045**

Div #	Index #	Tier	TIP #	Facility	From	To	Dist.	TIP Dist.	Description	Exist. Lanes	Future Lanes	Functional Class	Reg. Sig.	Cost (Thou)
9	33	R	U-5900	NC150	Airport Road	West of Grants Creek	3	3	Median-divided widened with sidewalks and bike lanes	2	4	Minor Arterial	NO	\$81,400
9	34	D	U-5901	Airport Parkway Extension	Jake Alexander Blvd	US 29/Peach Orchard Road	3.6	3.6	Connector road on multi-lane right-of-way		2	Principal Arterial	YES	\$79,590
9	64	D		Long Ferry Rd Grade Separation			1		Railroad Grade Separation	2		Minor Arterial		\$20,200
9	72	R	U-6130	NC 152 Intersections					Intersection/Ramp Improvements			Principal Arterial	YES	\$10,100
9	76	D		New I-85 Interchange at McCanless Road					New Interchange			Minor Arterial		\$39,700
10	38	D	R-2246	George Liles Pkwy (R-2246)	NC 49	Roberta Rd	5.21	6.5	Median-divided widened with part on new location	2	4	Minor Arterial	NO	\$55,000
10	66	R	P-5723	22nd Street	Airport Road	US 29	0.5		22nd St Railroad Grade Separation		2	Local	NO	\$33,900
10	46	R	R-5706BA	NC 73	I-85	Poplar Tent Road	8.92	10.9	Median-divided widened with sidewalks and bike lanes	2	4	Principal Arterial	YES	\$171,500

**Table 8-8 - Transportation Plan Projects Horizon Years 2046 to 2055**

Div #	Index #	Tier	TIP #	Facility	From	To	Dist.	TIP Dist.	Description	Exist. Lanes	Future Lanes	Functional Class	Reg. Sig.	Cost (Thou)
9	31	R		NC 152 Bypass	NC 152 East	NC 152 West	7.5		Urban Bypass to facilitate east-west traffic		3	Minor Arterial	YES	\$169,900
9	70	S	R-5860B	US 52 Bypass	S. of Rockwell	N. of Rockwell	3.96		Median-divided widened	2	4	Principal Arterial	YES	\$42,900
9	67	S	R-5860C	US 52 Bypass	South of Granite Quarry	North of Granite Quarry	4.6	4.6	Median-divided widened		4	Principal Arterial	YES	\$31,000
9	77	R		NC 150 Intersection	Rowan Mill Rd	Sherrils Ford Rd			Add storage and turn lane			Minor Arterial	NO	\$4,100
9	78	R		NC 152 Roundabout	Miller Road				Convert to single lane roundabout			Minor Arterial	NOS	\$6,100
10	36	D	U-3415A	Poplar Tent Road (U-3415)	Derita Rd	George Liles Pkwy	1.35	1.35	Median-divided widened with sidewalks and bike lanes	2	4	Minor Arterial	NO	\$63,200
10	37	D	U-6029	Poplar Tent Road	NC 73	Derita Rd	4.2	4.2	Median-divided widened with sidewalks and bike lanes	2	4	Minor Arterial	NO	\$59,640
10	46	R	R-5706BB	NC 73	US 29	I-85	2.79		Median-divided widened with sidewalks and bike lanes	2	4	Principal Arterial	YES	\$75,200
10	45	R		US Highway 601	NC 3 (South Union St)	Flowes Store Rd	1.15		Median-divided widened with sidewalks and bike lanes	2	4	Principal Arterial	YES	\$10,200
10	71	D	U-3415B	Poplar Tent Road (U-3415)	George Liles Pkwy	US 29	3.08	3.08	Median-divided widened with sidewalks and bike lanes	2	4	Minor Arterial	NO	\$56,000
10	69	R	U-5773B	NC 3	NC 73	US 601	2.87	8	Median-divided widened with sidewalks and bike lanes	2	4	Minor Arterial	NO	\$130,340

The City of Salisbury collects a \$5 vehicle license tax for their local transit system, which is projected to generate \$387,000 annually by 2055. The City of Salisbury and the City of Concord also receive grant funds for operating the 2 fixed route transit systems in the MPO: Rider and Salisbury Transit. In addition to these funds, the State and Federal government provide a large amount of subsidies required to maintain and operate urban transit services. The operations grant alone is projected to produce over \$5.5 million annually by the year 2055. These funds are contingent upon annual grant allocations from the State and Federal governments and can fluctuate depending upon state and federal policy. In addition, the inclusion of the financial assumptions

from the Long Range Public Transportation Master Plan (LRPTM) for Cabarrus County provide the following projected revenues for the service expansions to Rider Transit. (The Cabarrus LRPTM is being updated in 2025-26.)

Total 20 Year Plan Projected Revenue	
1 cent Sales Tax Adjusted (beg 2030)	\$783,266,087
Federal Allocation Adjusted	\$49,996,934
State Allocation Adjusted	\$15,707,459
Current Annual Farebox from Rider	\$50,246,582
Current Annual CCTS Reimbursements	\$31,398,707
<b>Total Revenue</b>	<b>\$930,615,772</b>

**Table 8-9 - Summary of City of Concord 2 Cent Revenue Funding by Horizon Years**

	HY 2026-2035	HY 2036-2045	HY 2046-2055
Forecast	\$54,845,079	\$80,363,903	\$105,882,726
Inflated	\$55,393,530	\$81,167,542	\$106,941,554

**Table 8-10 - Summary of City of Concord \$5 Vehicle License Tax Revenue Funding by Horizon Years**

	HY 2026-2035	HY 2036-2045	HY 2046-2055
Forecast	\$4,682,0485	\$5,171,893	\$5,712,988
# of Vehicles per year	89,504 to 97,8899	98,868 to 108,131	109,212 to 119,443

**Table 8-11 - Summary of City of Salisbury \$5 Vehicle License Tax Revenue Funding by Horizon Years**

	HY 2026-2035	HY 2036-2045	HY 2046-2055
Forecast	\$3,111,087	\$3,436,576	\$3,796,118
# of Vehicles per year	29,736 to 32,522	32,848 to 35,925	36,284 to 39,683

**Table 8-12 - Summary of City of Kannapolis \$25 Vehicle License Tax Revenue Funding by Horizon Years**

	HY 2026-2035	HY 2036-2045	HY 2046-2055
Forecast	\$13,956,592	\$15,416,760	\$17,029,694
# of Vehicles per year	44,467 to 48,633	49,119 to 53,721	54,258 to 59,341

**Table 8-13 - Summary of Concord/Kannapolis and Salisbury Transit Local Revenues by Horizon Years**

	HY 2026-2035	HY 2036-2045	HY 2046-2055
Cabarrus	\$27,073,206	\$35,005,819	\$42,938,432
Inflated	\$27,343,938	\$35,355,877	\$43,367,816
Salisbury	\$6,015,826	\$6,645,214	\$7,340,451
Inflated	\$6,075,984	\$6,711,666	\$7,413,855

The 2055 MTP has adjusted these numbers to cover the remaining horizon years of this plan. Some form of High Capacity Transit into Cabarrus County could begin as early as 2046 pending additional sales tax revenue to extend the LYNX/Blue Line out of Mecklenburg County.

**Table 8-9, 8-10, 8-11, 8-12 and 8-13** provide a summary of estimated Local and Federal Transit Revenues for the CR MPO.

### Cabarrus Transit Master Plan

The need for transit expansion in the rapidly growing Concord and Kannapolis areas have led to the cities and Cabarrus County embarking on the first county-wide Long Range Public Transportation Master Plan (LRPTM). This Plan includes additional service, increased frequency, service on-demand with the demand response zones, and other recommendations.

The Cabarrus Transit Master Plan included six phases covering 20 years and does not include projected costs for High Capacity Transit. The total capital investment includes the addition of new transit vehicles (Fixed Route and Demand Response) over the life of the plan; replacement vehicles, bus amenities, technologies, software and data, a new administrative and maintenance facility, several feasibility studies required during the life of the plan, 3 new transit hubs in Cabarrus County, and park-and-ride facilities.

**Table 8-14** provide a summary of estimated Local and Federal Transit Revenues for the Cabarrus Transit Master Plan

**Table 8-14 - CR MPO - Cabarrus Transit Master Plan**

Horizon Year	Cabarrus County Transit Master Plan			Total Funding
	Local	Sales Tax*	Fed/State	
2026-35		\$197,949,198	\$22,669,277	\$220,618,475
2036-45	\$47,653,893	\$448,255,848	\$37,602,010	\$533,511,750
2046-55	\$ 87,695,705	\$486,978,744	\$40,850,286	\$615,524,735
<b>Total</b>	<b>\$135,349,599</b>	<b>\$1,133,183,789</b>	<b>\$101,121,572</b>	<b>\$1,369,654,961</b>

\*Assumes 1 cent sales tax revenue collection begins in 2030

Finally, private development can be a large contributor to the transportation system through exactions. Through diligent planning and earlier project identification, regulations, policies, and procedures could be developed to protect future thoroughfare corridors and require contributions from developers when the property is subdivided. These measures would reduce the cost of ROW and would require (in some cases) the developer to make improvements to the roadway that would result in a lower cost when the improvement is actually constructed.

To accomplish this goal, it will take a cooperative effort between local planning staff, NCDOT Division staff, and the development community. The MPO facilitated the development and completion of the Comprehensive Transportation Plan (CTP) Highway map and Index as tools to assist in this endeavor. Often overlooked in MPO plans is the NCDOT Street and Driveway Access Permitting process which is the portal for establishing the need for an independent Traffic Impact Study (TIS). The TIS is the tool for determining the level of improvements required of the prospective property owner(s) or developer and can be submitted with a site plan in order to satisfy requirements toward NCDOT granting access to the street system in the form of a permit.

The permitting process includes other items such as bonding, inspection/verification, or a plan of record. Over time these local and division tools will hopefully reduce the right-of-way costs and construct more affordable infrastructure for the area's streets and highways.

**Appendix 8-1 includes an overview of the NCDOT Street and Driveway Access Permit Process**

**Appendix 8-2 includes an overview of the 2055 MTP Financial Planning Assumptions**