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1.0 INTRODUCTION

The 2040 Transportation Plan (LRTP) is required by law to contain a financial plan that indicates resources from public and private sources that are reasonably expected to be available to carry out the program [23 U.S.C. 134(g)(2)(B) and 134(h)(2)(B)(ii)]. Additionally, the financial plan can recommend additional financing strategies for needed projects and programs. The purpose of the financial plan is to demonstrate fiscal constraint in the development of the LRTPs and ensure that the plan reflects realistic assumptions about future revenues.

This document provides the Lee County Metropolitan Planning Organization (MPO) with a forecast of reasonably available funding from traditional Federal, State, and local revenue sources to support transportation investments through 2040. This report describes the sources of revenue for funding transportation improvements. It also describes the methodology and assumptions used to forecast future revenues and summarizes future revenue estimates from each source.

For the projections of the 2040 revenues for the LRTP update, the Executive Committee of the MPO used locally developed studies, staff and local government analysis and recent trends to develop the revenues used in the Long Range Plan. The analysis that was done this time was with the intent of providing more realistic projections based on the revenue streams that the MPO has experienced over the last five years.

1.1 FEDERAL FUNDING SOURCES

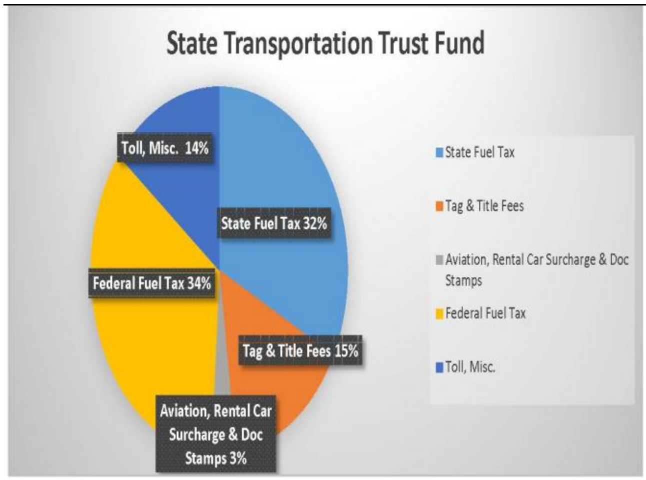
Federal funding for transportation projects in Lee County are derived from highway excise taxes on motor fuel and truck-related taxes on truck tires, sales of trucks and trailers, and heavy vehicle use. The revenue that the federal government collects on these items goes into the Highway Trust Fund, where it is deposited in either the Highway Account or the Mass Transit Account. The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) then distribute funds from their respective accounts to each state according to a system of formula grants and discretionary allocations. Authorization for the collection of excise taxes comes from the transportation bill Moving Ahead for Progress in the 21st Century (MAP-21). The tax rates currently imposed by MAP-21 are approved through September 30, 2016. A detailed view of the tax rates and how the revenue is distributed to each account can be seen in **Table 1**.

The Lee MPO receives a percentage of Federal SU and TMA (Transportation Management Area) funds based on the population of the urbanized area. These funds have increased a little over time as the population of the Cape Coral Urbanized area has grown over the years.

1.2 STATE FUNDING SOURCES

The major revenue sources that make up the funding that are used for transportation projects include the federal fuel tax; state fuel tax; tag and title fees; aviation, rental car surcharge and document stamps and toll funding. Transportation revenue data provided by the Florida Department of Transportation (FDOT) shows that revenue from fuel taxes accounts for the largest share of revenue used for transportation. The fuel tax accounted for 66 percent of the revenues used for transportation funding.

Figure 1-1: State Transportation Funding



Source: FDOT 2040 LRTP Revenue Document

Table 1: Federal Highway-User Fees Defined in MAP-21

Fuel Type	Effective Date	Tax Rate (Cents per Gallon)	Tax Distribution (Cents per Gallon): Highway Trust Fund – Highway Account	Highway Trust Fund – Mass Transit Account	Leaking Underground Storage Tank Trust Fund
Gasoline	10/01/1997	18.4	15.44	2.86	0.1
Diesel	10/01/1997	24.4	21.44	2.86	0.1
Gasohol	01/01/2005	18.4	15.44	2.86	0.1
Special Fuels					
General Rate	10/01/1997	18.4	15.44	2.86	0.1
Liquefied Petroleum Gas	10/01/2006	18.3	16.17	2.13	–
Liquefied Natural Gas	10/01/2006	24.3	22.44	1.86	–
M85 (from Natural Gas)	10/01/2009	18.4	15.44	2.86	0.1
Compressed Natural Gas[a]	10/01/2009	18.3	15.44	2.86	–
Truck-Related Taxes – All Proceeds to Highway Account					
Tire Tax	9.45 cents for each 10 pounds so much of the maximum rated load capacity thereof as exceeds 3,500 pounds.				
Truck and Trailer Sales Tax 1	12 percent of retailer's sales price for tractors and trucks over 33,000 pounds gross vehicle weight (GVW) and trailers over 26,000 pounds GVW.				
Heavy Vehicle Use Tax	Annual tax: Trucks 55,000 pounds and over GVW, \$100 plus \$22 for each 1,000 pounds (or fraction thereof, in excess of 55,000 pounds). Maximum tax: \$550.				

https://www.fhwa.dot.gov/map21/factsheets/htf.cfm

Highway fuel taxes constitute the oldest continuous source of dedicated transportation revenues in the state. The tax was first levied in 1921 at a rate of 1 cent per gallon of fuel. Since the inception of the state highway fuel tax, it has been adjusted and restructured many times. The fuel taxes the state currently collects are described in the following sections.

STATE FUELS SALES TAX: Statewide sales tax that levied on all gasoline and diesel sold in Florida. The tax is based on a floor of 6.9 cents per gallon indexed to the consumer price index (CPI) with the base year set as FY 1989. The rate is currently 13.1 cents per gallon

STATE COMPREHENSIVE ENHANCED TRANSPORTATION SYSTEM (SCETS) TAX: An excise tax on all highway fuels. SCETS funds must be spent in the transportation district and, to the extent possible, in the county from which they are collected. The SCETS tax is also indexed to inflation with base year set as FY 1990. Depending on the district the SCETS tax can range between 6.0 to 7.2 cents per gallon of gasoline and is fixed at 7.2 cents per gallon of diesel. In Lee County the SCETS tax rate is 7.2 cents per gallon.

MOTOR FUEL TAXES DISTRIBUTED TO LOCAL GOVERNMENTS (4 CENTS TOTAL): The State of Florida also collects a fuel excise taxes totaling 4 cents per gallon. The tax is distributed to local governments according to the following standards.

- ***Constitutional Fuel Tax:*** Equivalent to 2 cents per gallon distributed to eligible counties using a formula based on county area, county population and the amount of constitutional fuel tax collected in the previous fiscal year. The proceeds from this tax are to be used to meet the debt service requirements, if any, on local bond issues backed by the tax proceeds. The balance, called the 20 percent surplus and the 80 percent surplus, is credited to the counties' transportation trust funds and can be used for acquisition, construction, and maintenance of roads.
- ***County Fuel Tax:*** Levied on motor fuel at a rate of 1 cent per gallon and distributed to the counties using the same method as the Constitutional Fuel Tax. The proceeds of this tax are to be used by counties for transportation-related expenses, which can include the reduction of bonded indebtedness incurred for transportation purposes.
- ***Municipal Fuel Tax:*** 1 cent per gallon. Revenues from this tax are transferred into the Revenue Sharing Trust Fund for Municipalities where they are combined with other non-transportation revenues. The revenues from the Municipal Fuel Tax can be used for transportation-related expenditures within incorporated areas. The funds are distributed by statutory criteria.

ALTERNATIVE FUEL FEES: Alternative fuels are non-conventional fuels like Liquefied Petroleum gases (LPG) or compressed natural gases (CNG). These fuels represent only a small portion of the state's fuel consumption. To help encourage broader use of alternative fuels the 2013 legislature passed legislation to exempt these fuels from taxation beginning January 1, 2014 and ending January 1, 2019. At that time a per-unit tax will be assessed which is lower than the tax rates for gasoline and diesel but revenue-neutral to the previous in-state annual decal fee on alternative fuel vehicles.

FUEL USE TAX: The Fuel Use Tax is designed to ensure that heavy vehicles which engage in interstate operations incur taxes based upon fuel consumed, rather than purchased, in the state. This tax applies, with few exceptions, to each privately-owned vehicle with at least three axles or a gross weight of more than 26,000 pounds that engages in interstate operations, whether or not titled in this state. An annual decal fee of $4.00 plus a use tax based on the number of gallons of fuel consumed multiplied by the prevailing statewide fuel tax rate are assessed to each vehicle.

1.3 STATE MOTOR VEHICLE FEES

Vehicle-related revenues have been a significant component in transportation funding in Florida since the early part of Florida's transportation history. Motor vehicle license fees are designated as a highway user charge levied to partially defray the costs of constructing and maintaining the roads which benefited those who paid the fees. The practice continues today and the following are the types and descriptions of motor vehicle fees collected in Florida.

MOTOR VEHICLE LICENSE FEES: The first funding source for FDOT's activities, the Motor Vehicle License Fee was diverted away from use for transportation in 1931 and redirected to transportation in 1971. The fee is assessed annually for operating motor vehicles, mopeds, motorized bicycles, and mobile homes. The tax rates vary according to weight and type of each vehicle. License fees vary by vehicle type and their use. The proceeds from this revenue source are deposited into the State Transportation Trust Fund and the General Revenue Fund.

MOTOR VEHICLE LICENSE SURCHARGE: In addition to the Motor Vehicle License Fees, which have not changed since 1983, the state imposes a Motor Vehicle License Surcharge. It was initially collected to offset an early payback of a previous FDOT loan from the state's General Revenue Fund. Currently, the state collects a $4 surcharge on annual registration fees for all vehicles except mobile homes. Half of the surcharge is deposited into the General Revenue Fund, 25 percent of the proceeds are deposited into the STTF, and the last 25 percent is deposited into the Highway Safety and Operating Trust Fund.

INITIAL REGISTRATION FEE: Originally referred to as the "New Wheels on the Road" Fee, the Initial Registration Fee is designed to primarily affect vehicle owners whose actions result in net additions to the state's registered vehicle stock. This fee was increased by the legislature in 2009 to $225, with $125 being distributed to the General Revenue Fund and $100 being distributed to the STTF.

MOTOR VEHICLE TITLE FEE: Vehicle titles have been issued in Florida since 1923, but the revenues generated were originally deposited into the state's General Revenue Fund. Currently the Motor Vehicle Title Fee is $70. Prior to 2012, 70 percent of the proceeds ($49) were deposited to the General Revenue Fund and 30 percent ($21 to the STTF. Title Fee Revenues from for-hire vehicles are deposited into the General Revenue Fund. The 2012 Legislature directed that the first $200 million collected from $47 of the $49 General Revenue Fund portion of the $70 title fee be deposited into the STTF, beginning FY 2012-2013.

RENTAL VEHICLE SURCHARGE: The Rental Vehicle Surcharge is a fee applied to the first 30 days of either the lease or rental of a motor vehicle licensed for-hire that was designed to carry less than nine passengers. The surcharge is currently $2 per day. FDOT receives 80 percent of the surcharge after deducting costs of administration and an 8 percent General Revenue service charge. The tax distributed to the STTF is unique in that its proceeds must be spent in the transportation district from which the surcharges were collected.

1.4 STATE AVIATION FUEL TAX

The state imposes an excise tax on aviation fuels of 6.9 cents per gallon. The Legislature last modified the aviation tax in 1990 but, unlike the state highway fuel tax, the Aviation Tax is not tied to an inflation index so it does not adjust upward automatically with the rise in fuel cost. The aviation tax will remain at its current level until it is changed by legislative action.

1.5 STATE DOCUMENT STAMPS

The Documentary Stamp Tax is levied on documents including, but not limited to: deeds, stocks and bonds, notes and written obligations to pay money, mortgages, liens, and other evidences of indebtedness. To address needed infrastructure in Florida, the Legislature passed a growth management bill in 2005 which provided $541.75 million annually from documentary stamp revenue to fund transportation needs.

The 2008 Legislature changed the distribution of documentary stamp tax collections so that the STTF receives 38.2 percent of collections after other distributions are made, not to exceed $541.75 million per year. The 2011 Legislature directed the following amounts to be transferred to the State Economic Enhancement and Development (SEED) Trust Fund from the STTF portion of documentary stamp tax revenues: $50 million in FY 2012-13, $65 million in FY 2013-14, and $75 million every fiscal year thereafter. The December 2013 Revenue Estimating Conference estimated $280 million in distributions of documentary stamp revenue to the STTF for FY 2013-14 and $317.1 million for FY 2014-15. Note that these estimates are net of the SEED transfers mentioned above.

2.0 FEDERAL AND STATE REVENUES SUMMARY

Most Federal and State funding for transportation projects is funneled through the FDOT and they conduct periodic long-range forecasts of revenue and program levels. These revenue forecasts are needed for updates of the Florida Transportation Plan and for metropolitan plans prepared by MPOs. The forecasts help to ensure that MPOs comply with federal requirements for developing cost feasible transportation plans and they help FDOT and the MPOs coordinate their transportation planning efforts.

The most current long-range revenue forecast was developed by FDOT in 2013 and the *2040 Revenue Forecast Handbook* documents how it was developed. It is based on recent federal and state legislation (e.g., MAP-21, changes to Florida's Documentary Stamps Tax legislation), changes in factors affecting state revenue sources (e.g., population growth rates, motor fuel consumption, and tax rates), and current policies. This forecast estimates revenues from federal, state, and Turnpike sources that 'flow through' the FDOT for fiscal years 2019-2040. The Long Range Plan revenue estimates that were provided to the MPO are for the time period of FY 2019 through FY 2040 but the current Adopted Work Program goes from FY 2016 through FY 2020 and as such the projects included in the work program in FY 2019 and FY 2020 are included in the Existing plus Committed table.

As part of the revenue estimate analysis for this LRTP update, the MPO conducted a comparison of what had been projected to be received for state funding in the first five years of the 2035 LRTP. This analysis indicated that the MPO received about 80% of what had been projected to be received over those years (consistent with the FDOT equity study that was presented earlier this year). Based on the analysis, the state revenues that are used for the forecast have been reduced to the 80% level to better replicate what will be received for funding. The federal revenues that the MPO receives is calculated by formula and has increased a little over time, due to population increases, and has not been changed for the LRTP update.

2.1 FORECAST PARAMETERS

The 2040 Revenue Forecast was developed with the following parameters in mind.

Year of Expenditure Dollars

Revenue forecasts estimate the value of money at the time it will be collected and reflect future growth in revenue, sometimes referred to as "current" or "year of expenditure" dollars. FDOT inflates project costs to develop a cost-feasible Work Program in "year of Expenditure" dollars to account for increases in the cost to implement transportation projects. The revenues in the 2040 forecast are expressed in "year of expenditure" dollars which are then compared with project cost estimates that are in "year of expenditure".

Tentative Work Program

The estimates for fiscal years 2020/2021 through 2039/2040 were forecast based on current federal and state law, the current FDOT federal aid forecast, the October 2012 state revenue estimating conference forecast, and assume continuation of current Federal and State policies.

Revenue Sources

This forecast of state and federal revenues includes funds that "pass through" the Department's Work Program. The forecast does not include estimates for local government, local/regional authority, private sector, or other funding sources except as noted.

Metropolitan Estimates

The revenue forecast provided by FDOT includes estimates of available 2040 revenues for certain capacity programs for each MPO. The metropolitan estimates are included in a separate document entitled *Appendix for the Metropolitan Long Range Plan* prepared for each MPO. Metropolitan estimates reflect the share of each state capacity program planned for the area. The estimated revenues can be used to fund planned capacity improvements to major elements of the transportation system (e.g., highways, transit). These metropolitan estimates are condensed into 3 fiscal-year periods (FY 21 through FY 25, FY 26 through FY 30) and one final 10-year period (FY 31 through FY 40).

The revenue estimates for the periods identified above are provided in Table 2.

2.2 FEDERAL AND STATE – HIGHWAY FUNDING

Highway program funding includes revenues dedicated to the expansion or improvement of highways. Federal and state funds are available from a number of different programs that serve to fund improvements for roadways. The following sections describe the highway programs, how the funds can be used, and estimated funds available to Lee County over the course of the planning window. The estimated total funding available from Federal and state sources for highway projects between FY 2021-2040 is $626.4 million.

Strategic Intermodal System (SIS) Funding

Funds from this program can only be used on designated SIS roadways (I-75, SR 82, SR 80 and SIS connectors). FDOT makes the decisions on identifying planned projects and programs funded through this program. The current SIS cost feasible is periodically updated and posted on the FDOT website. The amount of funding that is included for the SIS cost feasible projects through FY 2040 is what is used in the revenue table. Over the next five years, the will MPO amend the LRTP to reflect changes in the SIS projects that are funded consistent with the changes to FDOT's SIS Cost Feasible plan. SIS investments for the FY 2021-2040 time frame are approximately $102 million.

Other Arterials Funding

This funding program provides funds for improvements on State Highway System roadways not designated as part of the SIS. The total funding available for Lee County between FY 2021-2040 is approximately $359 million.

Federal Surface Transportation Funding

This funding program provides funds for improvements on functional classified arterial and collector roadways. The total funding available for Lee County between FY 2021-2040 is approximately $143.2 million.

District-Wide State Highway System (SHS) Operations and Maintenance (O&M) Funds

Funds from this program are used to support activities that maintain or improve conditions on highways once it is constructed and in place. The funds can be used for routine maintenance of facilities, traffic engineering analyses to find solutions to traffic problems without major structural alterations, administration of and collection of toll fees on bonded road projects, and enforcement of laws and FDOT rules regulating the weight, size, safety, and registration requirements of commercial vehicles. Only district-wide estimates were provided by FDOT. Revenues available to Lee County were estimated based on the proportion of the Lee County population to the total population within FDOT District 1.

Between FY 2021-2040, the total program funding available to District 1 is $6.9 billion which then equates to approximately $2.4 billion.

2.3 METROPOLITAN AND REGIONAL PROGRAMS

A few other funding programs are prioritized by the MPO including the Federal Transportation Alternatives (TA) funding and Transportation Regional Incentive Program (TRIP) funding.

Transportation Alternatives (TA) Funds

Funds from this program are used to assist MPOs in the development of their plans. The TA program is broken up into three parts: TALU, which is dedicated to areas that have a population greater 200,000; TALL, for areas with a population between 5,000 and less than 200,000; and TALT, which can be used anywhere in the state. FDOT provides district-wide estimates for these TA funding categories. The TA funding attributed to Lee County is estimated at $14 million over 20 years (2021-2040). The Districtwide TA funds that the MPO also competes for is estimated at $69.2 million.

Transportation Regional Incentive Program (TRIP) Funds

The TRIP funding is estimated at $26.8 million Districtwide which leaves less than $1.5 million over the entire District each year. At this low level of funding and the fact that this is a discretionary funding, the Lee MPO is not including this funding for projects on the project lists. The MPO will submit priorities and these funds will be used to offset programmed project costs so that those funds can be used on other projects.

2.4 TRANSIT – FEDERAL AND STATE PROGRAMS

Transit funding includes funding from the Federal Transit Administration (FTA) and other Federal funds and state operating and capital grants (excluding FTA Major Capital Investment Funding and State New Starts Programs). Transit funding is estimated to be $267.4 million over twenty years (2021-2040).

FTA Formula Funds

Federal Formula funds for transit are granted to urbanized areas for the purpose of funding public transportation capital, planning, job access, and reverse commuting projects, as well as operating and maintenance expenses. FTA Formula funds were estimated based on historical data and other input provided by LeeTran and Lee County Transportation budget staff.

2.5 STATE-COLLECTED FUEL TAXES FOR LOCAL GOVERNMENTS

The Constitutional, County, and Municipal Fuel taxes are imposed by the state and distributed to the local municipalities. The forecast of available funds was developed by applying the following assumptions:

- Base year (FY 2015) estimates for the Constitutional and County fuel taxes were taken from the 2014 Local Government Financial Information Handbook (December 2014).

- The 2014 Local Government Financial Information Handbook (December 2014) also provided estimates of the Municipal Sharing Program revenues Summary of Federal and State Funding Programs

Table 2 summarizes the detailed projection of the funding sources described above. The MPO Board determines the priorities for the shaded funding sources identified in the table below. FDOT determines the projects that are funded from the unshaded funding sources in the table with some input provided by the MPO and other factors:

Table 2: Federal and State Highway Funding

Revenue Source	FY 2021-2025	FY 2026-2030	FY 2031-2040	22 Yr Total
SIS Highways	$76,226,000	$29,484,000		$105,710,000
Other Arterial Roads	$100,200,000	$95,400,000	$206,640,000	$402,240,000
Federal Urban Allocation (SU)	$35,800,000	$35,800,000	$71,600,000	$157,500,000
Transportation Alternatives (Urban)	$3,500,000	$3,500,000	$7,000,000	$15,400,000
Transportation Alternatives (Districtwide)	$17,300,000	$17,300,000	$34,600,000	$76,100,000
Transit	$62,800,000	$66,100,000	$138,500,000	$291,800,000
Statewide New Starts	$174,300,000	$174,300,000	$348,600,000	$760,500,000
TRIP (Districtwide)	$6,700,000	$6,700,000	$13,400,000	$27,700,000
Districtwide State Operation & Maintenance Funds	$1,530,000,000	$1,676,000,000	$3,683,000,000	$7,488,600,000

3.0 LOCAL AND LOCAL-OPTION FUNDING SOURCES

Until recently, the state did give local jurisdictions the power to levy certain taxes. Included in these categories of taxes were sales taxes and fuel excise taxes. Extremely fast population growth since the sixties and high rates of inflation placed fiscal demands on local governments that exceeded their ability to address those demands with their existing revenue-raising ability. The need to improve and expand the transportation system constituted much of the initial demand and in 1972 the Legislature established a precedent when it allowed counties to ‘piggyback’ onto the state’s excise tax on highway fuels. Since then many kinds of local option taxes are available, three of which deal exclusively with transportation.

3.1 LOCAL OPTION GAS TAXES

County governments in Florida are authorized to levy up to 12 cents per gallon of fuel through three local option gas taxes (LOGT) for transportation needs: the Ninth-Cent Gas Tax (1 cent per gallon of gasoline and diesel), the First LOGT (up to 6 cents per gallon of gasoline and diesel), and the Second LOGT (up to 5 cents per gallon of gasoline). Lee County has adopted all three taxes and imposes them at their maximum allowable rate.

The gas tax estimates used for the local revenues were calculated with the following assumptions:

- The revenue forecasts for gas taxes were analyzed in an earlier study conducted by the MPO that looked at the flattening of gas tax usage versus the increased usage of gas based on the population increases for the County (and increased tourism) over the plan years. The projected growth rate used for the analysis works out to about .5% increase per year.

- It is assumed that the local fuel taxes will be renewed when they are scheduled to expire and collections will continue beyond the current sunset dates:
    - The 6 cent LOGT
    - The 5 cent LOGT

3.1.1 THE NINTH-CENT

The Legislature first authorized the ‘Ninth-Cent’ tax in 1972, calling it the ‘Ninth-Cent’ because the state’s fuel excise taxes totaled 8 cents at the time. Originally, the tax could be proposed by a county’s governing body, but it had to be approved by the electorate in a countywide referendum. In 1993, the Legislature allowed a county’s government body to impose the tax by a majority plus one vote of its membership, without holding a referendum. In 1994 the Ninth-Cent Tax on diesel fuel was no longer optional.

9th Cent Fuel Tax (1cent/gallon):

- Tax applies to every net gallon of motor fuel sold within a county.
- Proceeds may be used to fund transportation expenditures as defined in Section 336.027(7), Florida Statutes.
- To accommodate statewide equalization, this tax is automatically levied on diesel fuel in every county, regardless of whether a County is levying the tax on motor fuel at all.
- Counties are not required to share the proceeds of this tax with their municipalities.

3.1.2 THE SIX CENT LOCAL OPTION GAS TAX

In 1983, the Legislature provided local governments with a major new source of transportation revenue: the Local Option Gas Tax (LOGT). Implementation of the 1 to 6 cents per gallon tax requires a simple majority vote of the county commissioners. The First LOGT is authorized for a maximum of 30 years, at which time it must be voted on for extension. The proceeds of the tax must be shared with municipalities.

Proceeds from the tax can only be used for transportation purposes in counties that have a population greater than 50,000 as of April 1, 1992. A local government may pledge any of its revenues from the tax to repay state bonds issued on its behalf and, in addition, may use such revenues to match state funds in the ratio 50%/%50 for projects on the State Highway System, or for other road projects which would alleviate congestion on the State Highway System.

Lee County imposes the full 6 cents of the First LOGT and shares the revenues from the tax with the cities following the various interlocal agreements.

1st Local Option Fuel Tax (up to 6 cents/gallon):

- Tax applies to every net gallon of motor and diesel fuel sold within a county.
- Proceeds may be used to fund transportation expenditures as defined in Section 335.025(7), Florida Statutes.
- To accommodate statewide equalization, all six cents are automatically levied on diesel fuel in every county, regardless of whether a County is levying the tax on motor fuel at all or at the maximum rate.
- Proceeds are distributed to a County and its municipalities according to a mutually agreed upon distribution ration or by using a formula contained in the Florida Statutes.

3.1.3 THE FIVE CENT LOCAL OPTION GAS TAX

In 1993 the Florida Legislature accorded counties the option of imposing another 1 cent to 5 cents on each gallon of motor fuel sold. This additional tax is applied to gasoline and gasohol sales but not on diesel fuel.

2nd Local Option Fuel Tax (up to 5 cents/gallon):

- Tax applies to every net gallon of motor fuel sold within a county. Diesel fuel is not subject to this tax.
- Tax must be levied by an ordinance adopted by a majority plus one vote of the membership of the governing body or voter approval in a countywide referendum.
- Proceeds may be used to fund transportation expenditures needed to meet requirements of the capital improvements element of an adopted Local Government Comprehensive Plan or for the expenditures needed to meet the immediate local transportation problems and for other expenditures needed to meet the immediate local transportation problems and for other transportation related expenditures that are critical for building comprehensive roadway networks by local governments. Routine maintenance of roads is not considered an authorized expenditure.
- Proceeds are distributed to a County and its municipalities according to a mutually agreed upon distribution ration or by using a formula contained in the Florida Statutes.

3.2 TOLL REVENUE

The toll revenue collected at the Sanibel, Cape Coral and Mid-Point Bridges are first used to repay the bonds on the bridges

3.3 IMPACT FEES

Impact fees in Lee County require developers to pay the counties, municipalities, special districts, and school districts for the cost of additional infrastructure resulting from new development. Impact fee ordinances require that new developments or expansions of existing developments pay a fair share of the costs to improve existing infrastructure. The impact fees assessed by the county represent a proportional share of the cost of new facilities needed to serve new development. In the case of transportation, impact fees are used for widening existing roads or constructing new roads made necessary by growth. The revenue collected from impact fees cannot be used for operations, maintenance, or repair of capital facilities. The projected impact fees collected by each the jurisdictions were provided by the transportation and budget staff of each.

3.4 TRANSIT FUNDING

The revenue projections funding for LeeTran capital improvements and operational needs were provided by LeeTran and from Lee County DOT.

3.5 SUMMARY OF LOCAL REVENUE SOURCES

Local revenue tables were developed for each of the local jurisdictions that include the funding that goes to construction as well as the funding that is set aside for the operations and maintenance of the transportation system. Table 3 shows a list of local revenue sources in Year of Expenditure that will be used for new Capital projects (constructing new roads, widening existing roads, bridges, buses etc.).

Table 3: Lee County 2040 Local Transportation Revenues Estimates – Capital (YOE)

	FY 2021 - FY2025	FY 2016 - FY 2030	FY 2031 - FY 2040	Total
Bonita Springs	$ 25,400,000	$ 44,400,000	$ 157,500,000	**$ 227,300,000**
Cape Coral	$ 22,400,000	$ 32,300,000	$ 223,300,000	**$ 278,000,000**
Fort Myers	$ 17,600,000	$ 22,500,000	$ 64,300,000	**$ 104,400,000**
Fort Myers Beach	$ 3,400,000	$ 4,300,000	$ 11,900,000	**$ 19,600,000**
Lee County	$ 178,800,000	$ 267,600,000	$ 871,000,000	**$ 1,317,400,000**
Leetran - (Capital)	$ 48,100,000	$ 57,400,000	$ 149,900,000	**$ 255,400,000**
Sanibel	$ 13,000,000	$ 16,300,000	$ 46,400,000	**$ 75,700,000**

4.0 MAINTANENCE AND OPERATIONS

One of the other aspects of the Long Range Transportation Plan is the identification of the level of funding that is spent on the operations and maintenance of the existing transportation system. The amount of funding that is projected to be spent on the State Highway System in District One is included in Table 1. The amount of transportation revenue that FDOT spends on maintenance is about 50% of the total transportation revenues which shows a continued commitment to maintaining the existing transportation system. Beyond the commitment, the State of Florida ranks high among all of the states on existing road condition consistent with that commitment. On the local side, the transportation revenues that are projected to be spent on operations and maintenance of the existing facilities are shown in Table 4. For the entire County, the total amount of revenues projected to be spent on operations and maintenance is projected to be 60% of the total transportation revenues collected (leaving 40% for Capital Improvements). As the transportation system increases, this percentage is expected to increase as well with less funding for Capital and more going to maintenance. In addition, there is additional capital funding going towards the maintenance of the transportation system which includes the nineteen bridge replacements in the current plan at an estimated $265 million.

Table 4: Lee County 2040 Local Transportation Revenues Estimates – Operations and Maintenance (YOE)

	FY 2021 - FY2025	FY 2016 - FY 2030	FY 2031 - FY 2040	Total
Bonita Springs	$ 7,800,000	$ 10,700,000	$ 34,400,000	**$ 52,900,000**
Cape Coral	$ 50,600,000	$ 65,700,000	$ 196,200,000	**$ 312,500,000**
Fort Myers	$ 18,600,000	$ 22,800,000	$ 64,400,000	**$ 105,800,000**
Fort Myers Beach	$ 850,000	$ 1,070,000	$ 2,990,000	**$ 4,910,000**
Lee County	$ 413,600,000	$ 536,800.000	$ 1,590,000,000	**$ 2,540,400,000**
LeeTran				
Sanibel	$ 15,300,000	$ 18,500,000	$ 49,700,000	**$ 83,500,000**