Strategic Investment: What’s in the Plan?

- The Massachusetts Department of Transportation’s (MassDOT) The Way Forward: A 21st Century Transportation Plan proposes a 10-year, $13 billion capital investment program
  - As well as $8.7 billion in spending on operations over the same ten-year period
- The major categories of proposed investment (see chart on the next page) are
  - $3.75 billion for repairing and modernizing roads and bridges statewide
  - $2.98 billion for replacement MBTA vehicles and an additional $400 million for Regional Transit Authority buses
  - $2.97 billion for MBTA and rail expansion projects
  - $1 billion to increase the Chapter 90 program for cities and towns by $100 million annually
- Borrowing costs for the $13 billion plan would total $2.9 billion during the ten-year period through fiscal year 2023 and $10.9 billion over the 25 years of MassDOT’s financial model for the Plan

Investing for Leverage

- Transportation capital investment can and should leverage additional investment from both the federal government and private sector
- The Green Line expansion project is well-positioned to attract $500 million in New Starts funding if new revenues are available to address the MBTA’s operating deficit and to match the federal dollars for building the project
- The Hub and Spoke report issued by the Boston District Council of the Urban Land Institute in June 2012 identified 250 transit-oriented development projects near MBTA stations, with the largest half dozen alone generating roughly $10 billion in private sector investment

Transit Capacity and Expansion

- The Plan proposes both to increase the capacity of existing MBTA, rail and regional transit authority services and to strategically expand MBTA and rail service to a handful new areas
- Capacity investments (including additional operating funds for RTA operation) do not expand the state’s transportation system but do increase its capacity to serve a growing ridership
- MBTA ridership has increased from 1.1 million average weekday riders in 2005 to 1.3 million in 2011-12 and is projected to increase to 1.4-1.6 million average weekday riders by 2020
- The Plan includes more than $4 billion in critical capacity investments for the MBTA, including new Red and Orange line vehicles, power upgrades and additional tracks at South Station
- If South Station is (correctly) treated as a capacity project, the Plan includes five rail and transit expansion projects with a price tag of $2.97 billion, just under 1/4 of the proposed capital investment
Components of Capital Investments Proposed in MassDOT's $13-Billion, 10-year Plan (in $ millions)

- **Road and Bridge Repair and Modernization**, $3,755
  - Funding for Local Roads (Ch. 90), $1,000
- **Regional Transit Authority Vehicles**, $400
  - MBTA Replacement Trains & Buses, $2,982
  - MBTA Power & Facilities, $300
  - MBTA Modernization Pilot Projects, $200
  - MBTA Capacity (South Station), $850
  - Registry of Motor Vehicles, $150
  - Aeronautics, $125
  - Registry of Motor Vehicles, $150
- **Highway Preservation Facilities & Systems**, $400
  - Regional Priority Highway Interchanges, $930
  - Multimodal Highway Program, $1,250
  - Bridge Program, $1,175
- **Rail and Transit Expansion**, $2,971
  - Red Line Car #3 Overhaul, $200
  - MBTA Buses, $450
  - Green Line Cars, $732
  - Red & Orange Line Cars, $1,500
- **Components of Capital Investments Proposed in MassDOT's $13-Billion, 10-year Plan (in $ millions)**

- Cape Cod Rail
  - Berkshires to NYC Inland Route
- Green Line Extension
- South Coast Rail
- MBTA Capacity (South Station)
- Registry of Motor Vehicles
- Aeronautics
- MBTA Modernization Pilot Projects
- MBTA Power & Facilities
- Red Line Car #3 Overhaul
- MBTA Buses
- Green Line Cars
- Red & Orange Line Cars
- Cape Cod Rail
  - Berkshires to NYC Inland Route
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- MBTA Capacity (South Station)
- Registry of Motor Vehicles
- Aeronautics
- MBTA Modernization Pilot Projects
- MBTA Power & Facilities
- Red Line Car #3 Overhaul
- MBTA Buses
- Green Line Cars
- Red & Orange Line Cars

- Highway Preservation Facilities & Systems
  - Regional Priority Highway Interchanges
  - Multimodal Highway Program
  - Bridge Program

- **Road and Bridge Repair and Modernization**, $3,755
  - Funding for Local Roads (Ch. 90), $1,000