

Chapter 7: Financial Plan

7.1. Introduction

The estimated cost of all transportation improvements presented in the MTP cannot exceed the amount of reasonably expected revenues projected from identified funding sources. This is a requirement under federal planning regulations and referred to as fiscal constraint. This chapter focuses on the long-range financial constraints and opportunities in the EPMPO area over the next 25 fiscal years of this RMS 2052 MTP. EPMPO, in cooperation with the TPAC, have conducted a careful analysis of what funds are to be reasonably expected, how those funds may be allocated, and how and when projects will be financed. This reasonable estimate is balanced with planned projects to produce the financial plan and fiscally-constrained project list.

7.2. Funding Sources

In order to develop a project list that is fiscally-constrained, funding sources must be explored to balance reasonably expected revenue with funding necessary for projects. The following sections identify TxDOT, USDOT, and other funding sources that support projects in the RMS 2052 MTP.

7.2.1. Roadway Funding Sources

A description of the various categories of funding available through TxDOT is summarized in Table 7-1 below.

Table 7-1. TxDOT Funding Categories

Funding Category	Description
1 Preventative Maintenance and Rehabilitation	Provides for preventive maintenance and pavement rehabilitation on the existing state highway system, including installation and rehabilitation of traffic control devices and the rehabilitation and maintenance of operational traffic management systems.



Funding Category		Description
2	Metropolitan and Urban Area Corridor Projects	Addresses mobility needs in all metropolitan areas throughout the state.
3	Non-Traditionally Funded Transportation Projects	Addresses mobility needs through the state using funding sources not traditionally part of the state highway fund. The projects in this category include Proposition 12, Proposition 14, Pass-through Toll Financing, Texas Mobility Fund, Concession, Regional Toll Revenue, Comprehensive Development Agreement, Local Participation, and unique federal funding.
4	Statewide Connectivity Corridor Projects	Addresses mobility and added capacity project needs on major state highway system corridors which provide statewide connectivity between urban areas and corridors which serve mobility needs throughout the state. The highway connectivity network is composed of the Texas Trunk System; National Highway System (NHS); and connections from Texas Trunk System or NHS to major ports on international borders or Texas water ports.
5	Congestion Mitigation and Air Quality Improvement	Addresses the attainment of national ambient air quality standards in the nonattainment areas of the state. Projects are for congestion mitigation and air quality improvement in the non-attainment areas in the state.
6	Bridges	Addresses the replacement or rehabilitation of deficient existing bridges located on public highways, roads, and streets in the state; the construction of grade separations at existing highway-railroad grade crossings; and the rehabilitation of deficient railroad underpasses on the state highway system.
7	Metropolitan Mobility / Rehabilitation	Addresses transportation needs within the metropolitan area boundaries of Metropolitan Planning Organizations having urbanized areas with populations of 200,000 or greater.
8	Safety	Addresses safety needs on and off the state highway system, and includes the Safe Routes to School program, the High-Risk Rural Roads program, and the Railway Highway Safety Program.
9	Transportation Enhancements	Addresses projects that are above and beyond what could normally be expected in the way of enhancements to the transportation system, including the cultural, historic, aesthetic, and environmental aspects of transportation infrastructure.



Funding Category		Description
10	Supplemental Transportation Projects	Addresses projects that do not qualify for funding in other categories, such as state park roads, landscaping, and handicap accessible curb ramps at on-system intersections.
11	District Discretionary	Addresses projects selected at the District Engineer’s discretion.
12	Strategic Priority	Addresses needs related to statewide economic development, military deployment routes, and manmade and natural emergencies.

7.2.2. Transit Funding Sources

A description of each of the Federal Transit Administration (FTA) programs from which funding is available for the EPMPO region is provided in Table 7-2 below.

Table 7-2. FTA Funding Categories

Funding Category		Description
5307	Urbanized Area Formula Grant Program	Program subsidizes the operating and/or capital cost of transit services. Eligible expenses include planning, engineering, most administration, preventive maintenance, fuel, parts, and operating costs.
5310	Transportation for Elderly Persons and Persons with Disabilities	Capital expenses that support transportation to meet the special needs of older adults and persons with disabilities.
5339	Buses and Bus Facilities	Provides funding to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities.

7.2.3. Other Funding Sources

Local Sources of Funding

- Tax Increment Reinvestment Zone (TIRZ): Local TIRZ districts can provide an additional source of funding through reallocation of local taxes to fund public improvements.
- Regional Mobility Authority (RMA): The RMA can develop infrastructure projects in the region that otherwise might depend solely on state or federal funding.
- Transportation Reinvestment Zone (TRZ): Similar to a TIRZ, a TRZ can relocate local tax revenue to support the development of a transportation project.



Texas Mobility Fund

The Texas State Legislature created the Texas Mobility Fund to accelerate completion of TxDOT projects and improvements. The Fund allows the state to issue bonds, which are backed by a dedicated revenue source. HB 3588 authorizes certain transportation-related fees such as motor vehicle inspection fees and driver’s license fees to be moved from the state’s General Revenue Fund to the Texas Mobility Fund.

Local Option Sales Taxes for Transportation

The use of local option sales tax revenues to fund transportation needs in the southeast Texas region represents a significant opportunity. In general, the State of Texas Tax Code authorizes cities and counties to adopt local sales and use taxes for any purpose other than repaying bonds. Provided the sum of all local option taxes in a given area does not exceed 2%, and the local option tax is approved by referendum, each city and/or county in the southeast Texas region could adopt up to a 0.5% sales tax that could be earmarked to address transportation system needs.

State Infrastructure Bank

This is a banking system set up by TxDOT with federal and state funds and is designed to encourage local entities to pay a larger share of the cost of highway projects. Local entities may apply for loans, lines of credit, letters of credit, bond insurance, and capital reserves for roadway improvement projects.

Traffic Impact Fees on New Development

Traffic impact fees ensure that new development pays its fair share of the cost to improve the transportation system so as not to exacerbate existing transportation problems.

Toll Fees

The use of toll revenue financing is attracting increased attention to complete transportation projects when other funding sources may be limited. Issuing bonds secured by toll revenue gives state and local authorities the ability to accelerate transportation projects that might otherwise not be able to be completed using traditional funding sources. HB 3588 allows TxDOT to enter into an agreement with Regional Mobility Authorities (RMAs) to pay a per vehicle fee as reimbursement for construction and maintenance of state highways or as compensation for the cost of maintaining facilities transferred to an RMA. Based on predetermined levels of usage, this approach allows TxDOT to effectively pay “tolls” on behalf of motorists using a new facility with revenues being derived from traditional funding sources such as gas tax revenues. The “shadow toll” or “pass through financing” payments received by the RMA from TxDOT can then be used to repay revenue bonds issued by the RMA to advance the project.



State Tax on Motor Fuels

States have the option of extending the retail sales tax to gasoline and dedicating the proceeds for transportation or transit. Several other states, such as New Jersey, Florida, California, and Maryland, use excise taxes on motor fuels for transportation funds.

Bond Issues

Funds for roadway and other capital improvements could be generated through the issue of “Certificates of Obligation,” commonly known as bonds. Issuing bonds to fund city improvements largely depends on a favorable bond rating and low interest rates.

7.3. Funding Projections

Funding projections are necessary to enable RMS 2052 to be fiscally constrained. As noted in the previous sections of this Chapter, funding comes from several federal, state, and local resources. Generally, funding for roadway projects used TxDOT’s Unified Transportation Program (UTP) funding amounts for years 2026 through 2036 and NMDOT funding allocations for year 2026 that applied through to the 2052. Specific considerations for roadway funding projections are included in Table 7-3 and Table 7-4.

Transit funds for both the Texas and New Mexico portions of the region assumed consistent projections from 2026 to 2052. The anticipated funds are in Table 7-5 and Table 7-6.



Table 7-3. Texas Roadway Funding Projections

Funding Category	2026-2052 Total Funding Projection	Funding Projection Consideration
1 – Preventive Maintenance & Rehabilitation	\$1,887,471,962	Assumes TxDOT UTP funds for 2026 to 2036; average of UTP funds for 2037; 1.02% growth from 2038 to 2052.
2 – Metropolitan Area (TMA) Corridor Projects	\$1,107,783,155	
3 - Local Contribution	\$3,616,000	
3 - Transportation Mobility Fund	\$14,488,636	
4 – Statewide Urban Connectivity Corridor Projects	\$700,894,670	
5 - CMAQ	\$142,759,917	Assumes TxDOT UTP funds for 2026 to 2036; average of UTP funds for 2037; 1.01% growth from 2038 to 2052
6 – Structures Replacement & Rehabilitation	\$51,300,000	Assumes consistent funds for each fiscal year
7 – STP - MM	\$699,304,527	Assumes TxDOT UTP funds for 2026 to 2036; average of UTP funds for 2037; 1.01% growth from 2038 to 2052
8 – Safety Project	\$18,092,538	Assumes consistent funds for each fiscal year
9 – Statewide TASA	\$126,157,851	Assumes consistent funds for every 3 fiscal years
9 – Transportation Alternatives-Set Aside	\$80,035,764	Assumes TxDOT UTP funds for 2026 to 2036; average of UTP funds for 2037 to 2052.
11 – District Discretionary	\$115,000,642	
11 - BSIF	\$540,000,000	Assumes consistent funds for each fiscal year
12 – Strategic Priority	\$400,000,000	Assumes funds split between 2028 and 2030
Bonding CRRMA for Borderland Expressway	\$137,851,235	
Regional Priority	\$1,716,384,725	Assumes consistent funds for every 3 fiscal years



Funding Category	2026-2052 Total Funding Projection	Funding Projection Consideration
City of Socorro TRZ	\$61,779,773	
City of El Paso TRZ #3	\$31,493,594	
Local Preliminary Engineering Funds	\$9,558,658	
State Preliminary Engineering Funds	\$33,503,990	
State Right of Way Funds	\$13,762,660	
Total	\$7,902,961,568	

*Includes carryover funding amounts from fiscal years earlier than 2026.

Table 7-4. New Mexico Roadway Funding Projections

Funding Category	2026-2052 Total Funding Projection	Funding Projection Consideration
STPL (Surface Transportation Program – Large Urban)	\$31,440,609	Assumes consistent funds for each fiscal year
STLE (Surface Transportation Program – Exempt)	\$6,020,400	
TAPL (Transportation Alternatives Program – Large Urban)	\$3,164,454	
CMAQ (CMAQ – Mandatory)	\$53,946,972	
CMAQ (CMAQ – Flex)	\$236,908	
NHPP – National Highway Performance Program	\$449,414,014	
New Mexico State Funds	\$138,600,000	
SBSI (Border) – Borderland Expressway	\$10,103,416	
Town of Anthony, NM	\$52,049,998	
City of Sunland Park, NM	\$211,352,754	



Funding Category	2026-2052 Total Funding Projection	Funding Projection Consideration
NHPP - National Highway Performance Program	\$449,414,014	Assumes funds in 2043
NM State Funds	\$138,600,000	Assumes funds in 2036 and 2043
Total	\$918,868,516	



Table 7-5. Texas Transit Funding Projections

Funding Category	2026-2052 Total Funding Projection
Large Urban Cities (5307)	
1. Capital Maintenance	\$416,383,482
5. ADA Paratransit	\$62,833,714
6. Bus Purchase	\$33,600,000
Seniors and People with Disabilities (5310)	\$24,930,905
Seniors and People with Disabilities (5310)- Administrative	\$2,770,098
5339 - Bus and Bus Facilities	\$40,122,421
5339 - Support Vehicles/Bus Rehabilitation	\$8,059,799
5339 - Transit Enhancements (to include shelters)	\$13,500,000
Very Small Starts Revenue (5309)	\$162,697,856
FTA 5305 HOPE Grant Program	\$194,700
Certificates of Obligation	\$162,697,856
Total	\$927,790,831

Table 7-6. New Mexico Transit Funding Projections

Funding Category	2026-2052 Total Funding Projection
5339 – Bus and Bus Facilities	\$3,979,851
5339 – Low or No Emission	\$3,139,851
5307 – Urbanized Area Formula Grant	\$4,125,225
Total	\$11,244,927



7.4. Project Selection Process

The project selection process is a series of actions that support the development of the MTP project list. For this MTP, the selection process began in spring 2025 and concluded in winter 2025 with the adoption of a preliminary project list. As mentioned, the process kicked off in the spring with EPMPO informing entities of the MTP project call. This call remained open until June 2025, when the deadline was set for project submission. Next in the process, over the summer of 2025, projects were reviewed and mapped utilizing GIS to help visualize the submission. Following this step, the MPO met with various entities and developed the final fiscally-constrained list during the fall of 2025. Finally, in November 2025 the preliminary list was adopted. It is important to note that the project selection process is ongoing, and the project list can be updated over the course of the MTP through amendments as the needs of the community change and differing projects may be prioritized and/or added to the list, while staying within fiscal constraint.

7.4.1. Project Selection Criteria

The project list was selected based on criteria that aligns with the goals of the RMS 2052 MTP. The goals can be seen in **Figure 7-1**.

Figure 7-1. Goals for Selection Criteria



The selection criteria include point allocations within each criterion as shown in **Table 7-7**, and include criteria distribution that weighted the importance of each criterion as shown in



Table 7-7. Scoring Criteria

Goal	Objective	Selection Criteria	No Points	Mid Points	Max Points
Safety	Increase safety of the regional transportation system for all users, regardless of mode of travel.	Does the project address one or more roadway safety improvements to the region's High-Injury Network (HIN) and High Risk Network (HRN) from the Borderplex Safe Mobility Plan or the City of El Paso's HIN and HRN? Does the project include safety improvements for vehicle, bicycle, pedestrian, and/or transit projects?	No safety improvements	Minimal safety improvements	Located on the High Injury Network
System Reliability/ Congestion Relief	Provide an efficient transportation system that maintains travel time reliability and reduces congestion.	Does the proposed project provide congestion relief by implementing a Congestion Management Process (CMP) strategy along the CMP network?	No congestion improvement	Congestion improvement strategy but not on CMP network	Congestion improvement strategy on CMP network
Economic Development	Promote economic development by offering multimodal transportation options between jobs, educational opportunities, community services, competitive markets, and travel destinations.	Does the project provide improvements to travel destinations (e.g., jobs, educational opportunities) in the region and/or freight transportation facilities (e.g., ports of entry, freight facility)?	Not within a travel destination or freight transportation facility	Within one travel destination or freight transportation facility	Within two or more travel destinations and/or freight transportation facilities
Land Use and Transportation Planning	Integrate land use and transportation planning by promoting consistency between transportation improvements, planned growth, and economic development growth.	Does the active transportation and/or transit project fall within the Transitional future land use and transportation scenario to mitigate future sprawl?	Does not meet the scenario or is not an active transportation or transit project	Partially within the scenario's node and/or corridor	Fully within the scenario's node and/or corridor



Goal	Objective	Selection Criteria	No Points	Mid Points	Max Points
Connectivity	Expand the connectivity and integration of the transportation system across and between modes for people and freight.	Does the project improve the Connectivity Corridor (e.g., major highway, arterial, freight corridor, transit, major active transportation facility) or a new facility (roadway, bicycle, pedestrian, transit) that was identified in a previous plan or study or improve multimodal connectivity?	Not on Connectivity Corridor or new facility	Partially within a Connectivity Corridor or new facility	Fully within a Connectivity Corridor or new facility
Infrastructure	Maintain and preserve the assets of the existing transportation system in a state of good repair.	Does the project provide improvements to a facility in poor condition (e.g., pavement and bridge)?	Improvement on a facility with Good pavement/bridge condition	Improvement on a facility with Fair pavement/bridge condition	Improvement on a facility with Poor pavement/bridge condition
Resiliency	Improve resilience of the transportation system against extreme events, protect and enhance the environment, reduce or mitigate stormwater impacts, improve quality of life, reduce greenhouse gas emissions, and promote energy conservation.	Does the project provide improvement(s) to the EPMPO's defined Critical Resiliency Network?	Improvement does not improve the Critical Resiliency Network	Improvement partially improves the Critical Resiliency Network	Improvement improves the Critical Resiliency Network
Comprehensive Access	Promote comprehensive access to safe and affordable mobility options, while reducing transportation network gaps and negative impacts.	Does the project provide improvement(s) to the EPMPO's defined Comprehensive Access Need Area?	Does not improve a Comprehensive Access Need Areas	Partially improves a Comprehensive Access Need Areas	Improves a Comprehensive Access Need Areas

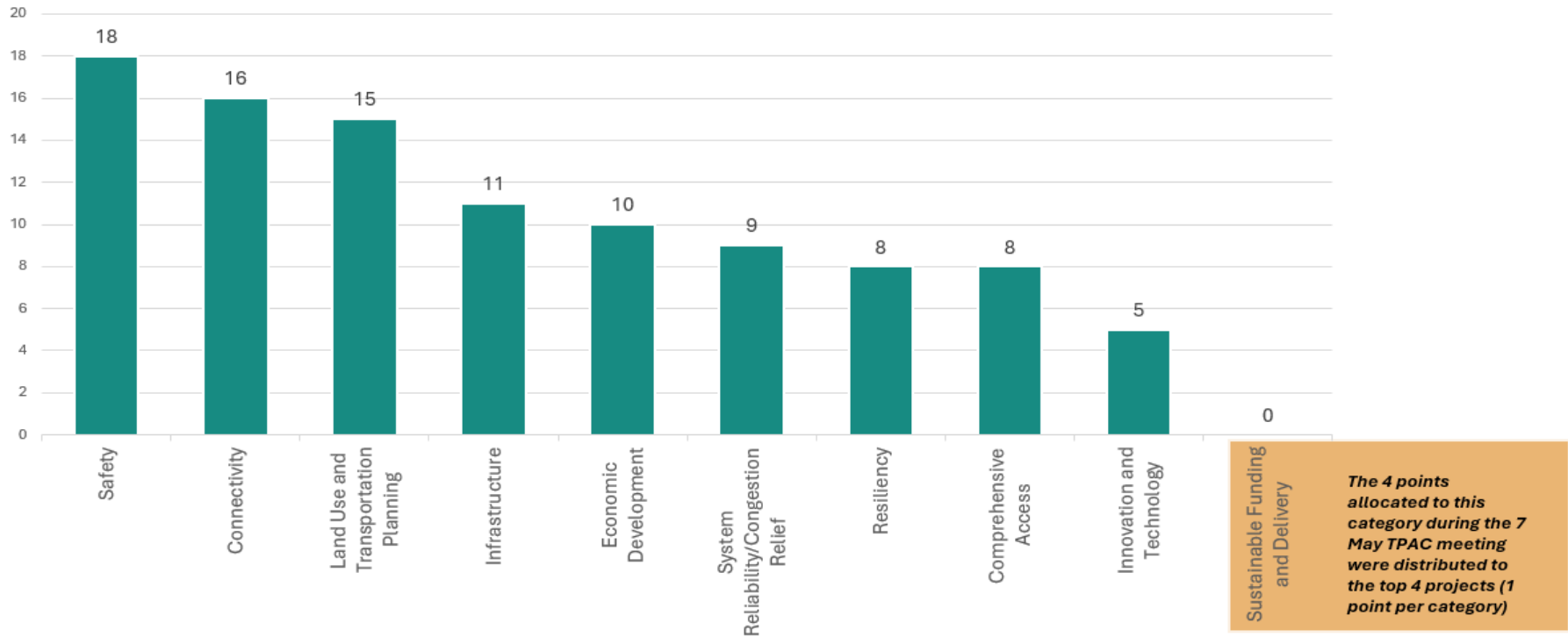


Goal	Objective	Selection Criteria	No Points	Mid Points	Max Points
Innovation and Technology	Invest in innovations and technologies to enhance the transportation system and support an increased quality of life for the region.	Does the project support alternative fuel stations and corridors? Does the project deliver improvements through innovation and technology?	Improvement does not support innovation/technology	Improvement partially supports innovation/technology	Improvement fully supports innovation/technology
Sustainable Funding and Delivery*	Support sustainable and responsible funding options to deliver and implement the right transportation projects.	Will the project provide local funds?	No local funding	50% - 74% local funding	75% or greater local funding

* These criteria will not be used as part of the initial scoring process but may be added as a secondary review.



Figure 7-2. Scoring Distribution





7.4.2. Project Call

The project call opened in spring 2025 and closed in June 2025. The call for projects resulted in 152 project submissions at a cost of \$6.87 billion dollars. The call received submissions from 12 local entities, with the largest number coming from the City of El Paso, followed by TxDOT and the County of El Paso. Projects were scored and ranked using the scoring criteria. The projects were then discussed with sponsoring agencies to finalize scoring and ranking.

Of the submitted projects, 78% were selected for inclusion in the MTP project list, and 68% of funds requested were granted. The 22% of projects not selected for inclusion in the MTP project list will be included in the MTP as part of an unfunded informal list. The preliminary list includes programmed funding of \$4.702 billion dollars for the 119 selected projects. The list also includes \$540,518,200 in formula funds to transit projects and \$61,682,220 in 5310 program funds. Within the New Mexico portion of the MPO, 34 projects were selected for a total expenditure of \$809,353,143 between NMDOT (\$553,600,000) and local entities.

7.5. Financially Constrained Financial Plan

The projects selected in the RMS 2052 MTP must be financially constrained, meaning the project cost must fall within the expected revenue projections. **Table 7-8** demonstrates financial constraint for projects for years 2026 through 2052 by showing the comparison of funding projections with the programmed amount.



Table 7-8. Fiscally Constrained Financial Plan by Fiscal Year

Fiscal Year	Programmed Amount	Funding Projection Amount
2026	\$309,319,361	\$260,749,617
2027	\$197,921,520	\$188,799,706
2028	\$689,220,403	\$653,754,357
2029	\$494,699,936	\$176,621,952
2030	\$376,284,619	\$609,824,395
2031	\$189,581,938	\$138,631,781
2032	\$197,277,609	\$156,083,233
2033	\$318,867,728	\$103,524,509
2034	\$215,617,960	\$120,195,131
2035	\$401,987,741	\$277,573,680
2036-2042	\$2,312,362,413	\$2,320,083,539
2043-2052	\$4,038,068,009	\$3,692,774,616
Total	\$8,718,638,904	\$9,761,231,625