

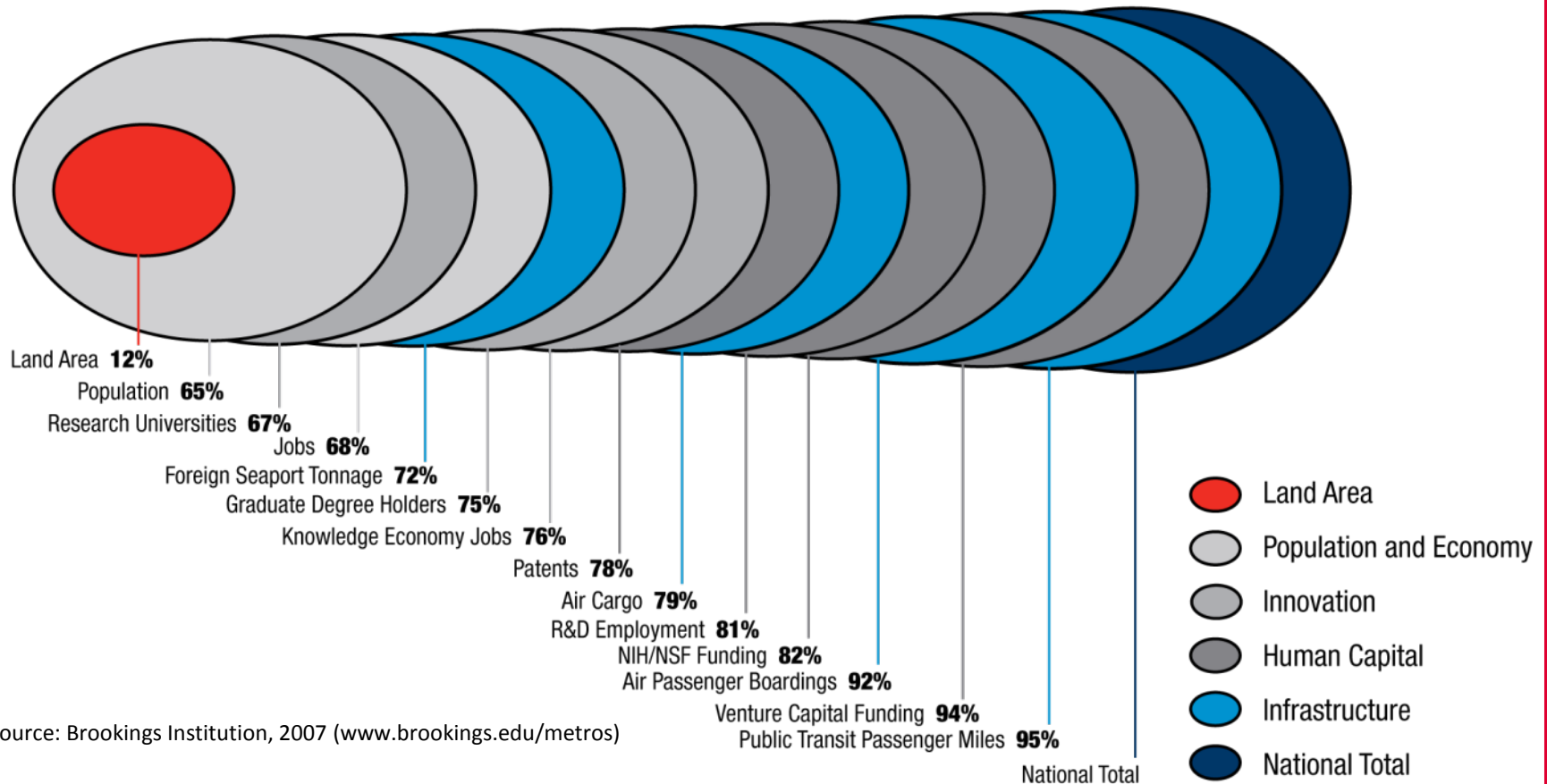
Regional Transportation Decision-making in California



Steve Heminger
Executive Director, MTC

February 7, 2013

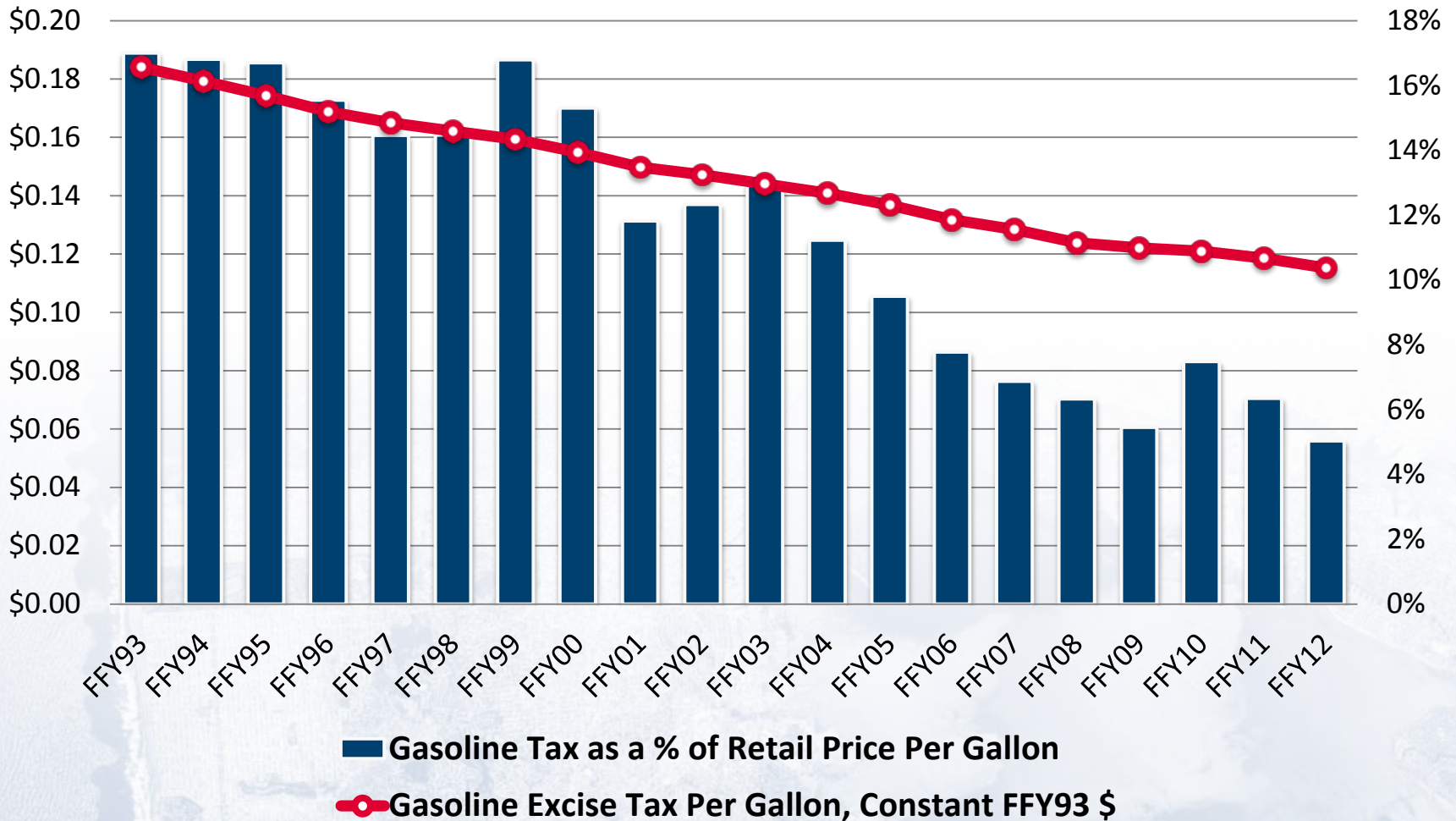
Major Metros Are Fundamental Drivers of Prosperity



Source: Brookings Institution, 2007 (www.brookings.edu/metros)

The Incredibly Shrinking Gas Tax

Federal Gasoline Tax



Source: CPI Data from Bureau of Labor Statistics.
Gasoline prices from U.S. Energy Information Administration.

Self-Help to the Rescue

- **Federal and State Funding for Transportation is Critical but Insufficient to Cover Growing Needs**
- **Local & Regional Initiatives are Picking Up the Slack**
 - Local Sales Taxes
 - Bridge Tolls
 - Express (HOT) Lanes

***“It’s our money, and
we’re free to
spend it any way we
please...”***

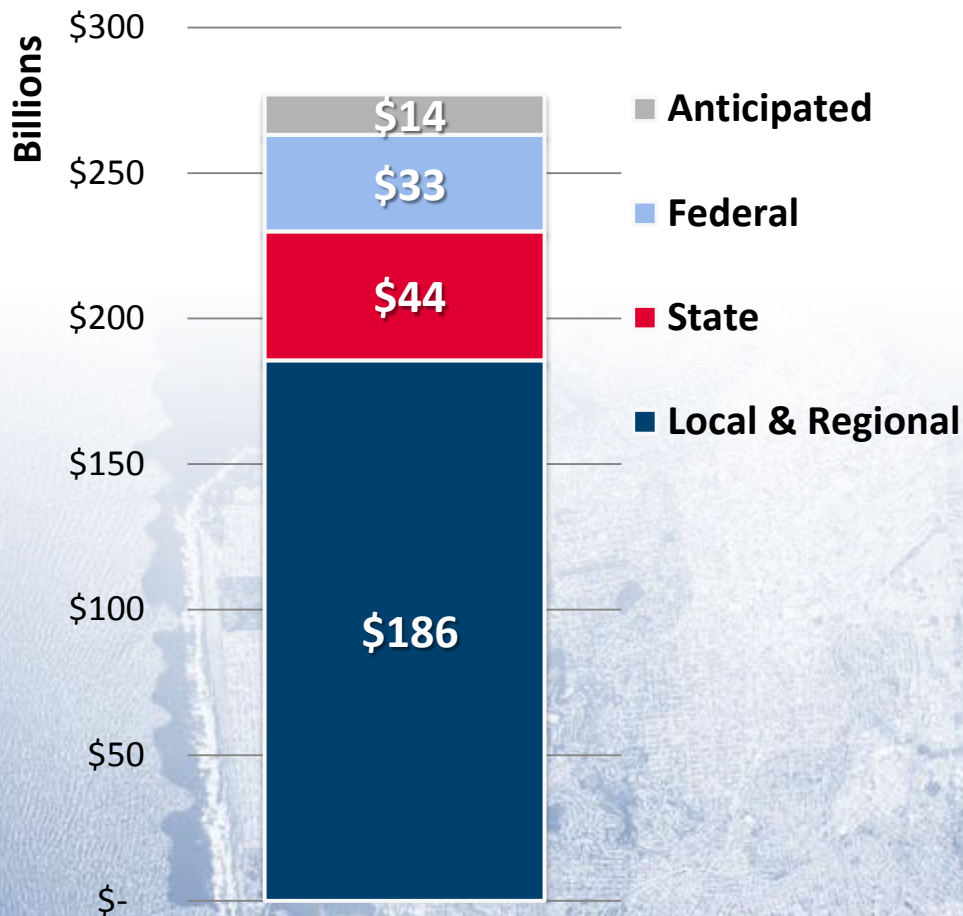
***If you have money
you spend it,
and win.”***

- Rose Kennedy

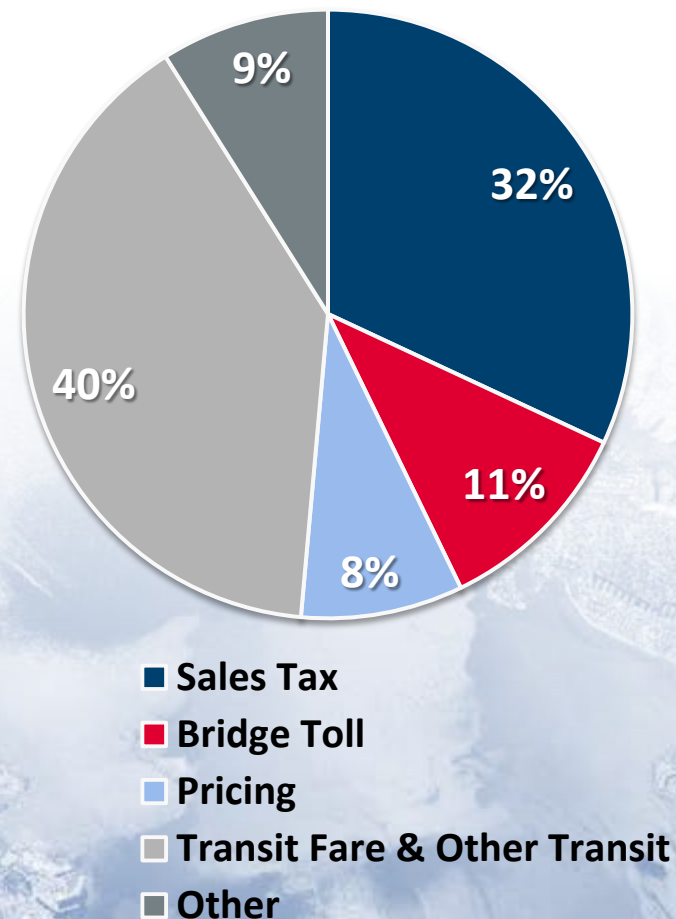


Plan Bay Area Forecasts \$277 Billion in Future Revenue – 67% Local

28-Year Revenue Forecast



Local & Regional Revenues



Toll Bridges as Regional Assets

- **In FY 2011, 122 million vehicles crossed the seven state-owned toll bridges in the Bay Area, generating approximately \$615 million in total toll revenues**
 - \$138 million in RM1 base toll revenues
 - \$114 million in RM2 revenues
 - \$345 million in seismic retrofit surcharge revenues
- **Local Control of Bridge Tolls Has Allowed for Revenue Growth**

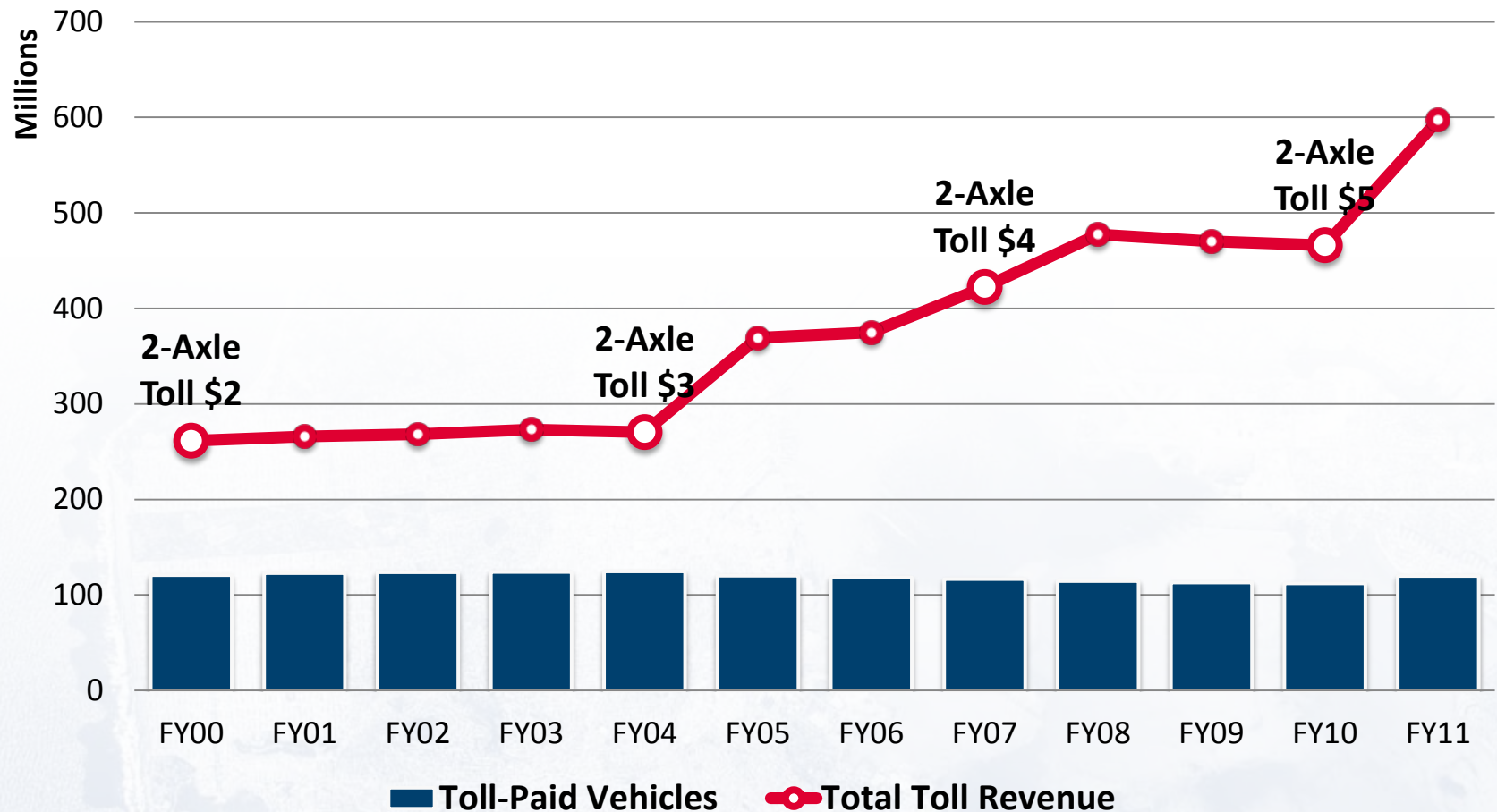
Bridges Span Boundaries

- Toll revenue is pooled together as one credit pledge
- Not subject to “return to source” guarantees



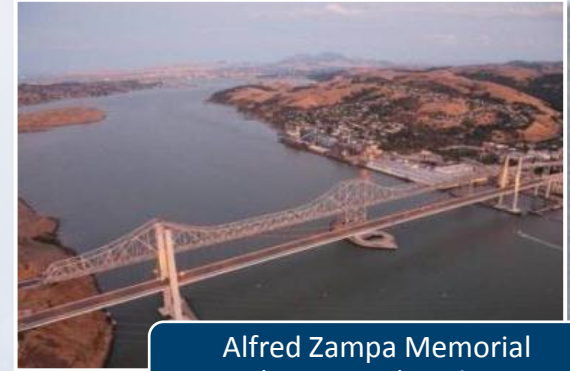
Bridge Traffic Demand is Relatively Inelastic

Annual Traffic and Bridge Toll Revenues



Regional Measure 1

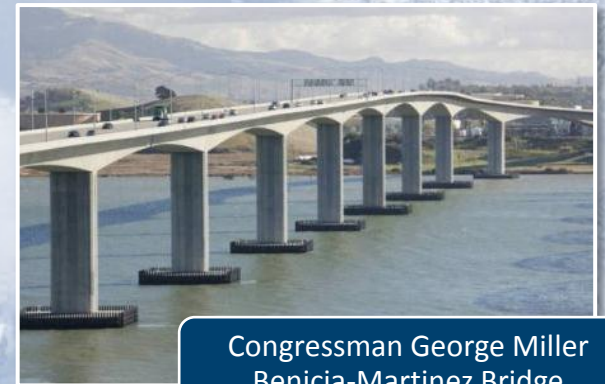
- **Regional Measure 1**
 - Passed by voters in November 1988
 - \$2.3 billion program
 - Funded primarily bridge expansion projects



Alfred Zampa Memorial
(Carquinez) Bridge



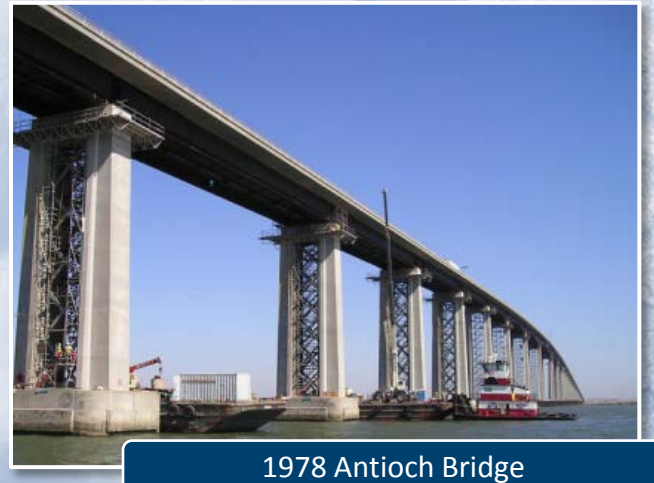
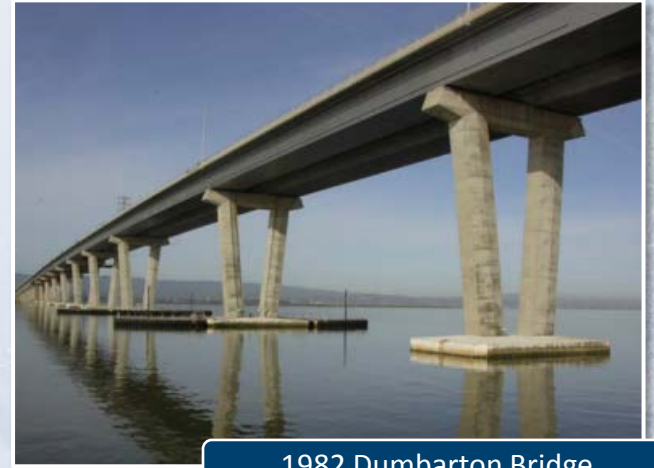
New Richmond-San Rafael
Bridge Approach



Congressman George Miller
Benicia-Martinez Bridge

Seismic Retrofit Program

- **Seismic Retrofit Program**
 - Began in 1998
 - \$9.1 billion program
 - Funded bridge projects to strengthen and reinforce structures in the event of a major earthquake





Bay Bridge: SAS



Bay Bridge: SAS



Bay Bridge: SAS



Bay Bridge: SAS



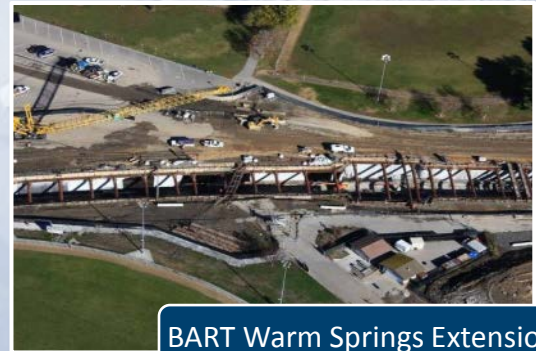
Bay Bridge: SAS (artist rendering)

Regional Measure 2

- **Regional Measure 2**
 - Passed by voters in March 2004
 - Funded transit and highway projects in bridge corridors
 - \$1.5 billion capital program
 - Up to 38% reserved for transit operating subsidies
- **Regional Measure 3?**



BART Transbay Tube Seismic Retrofit



BART Warm Springs Extension



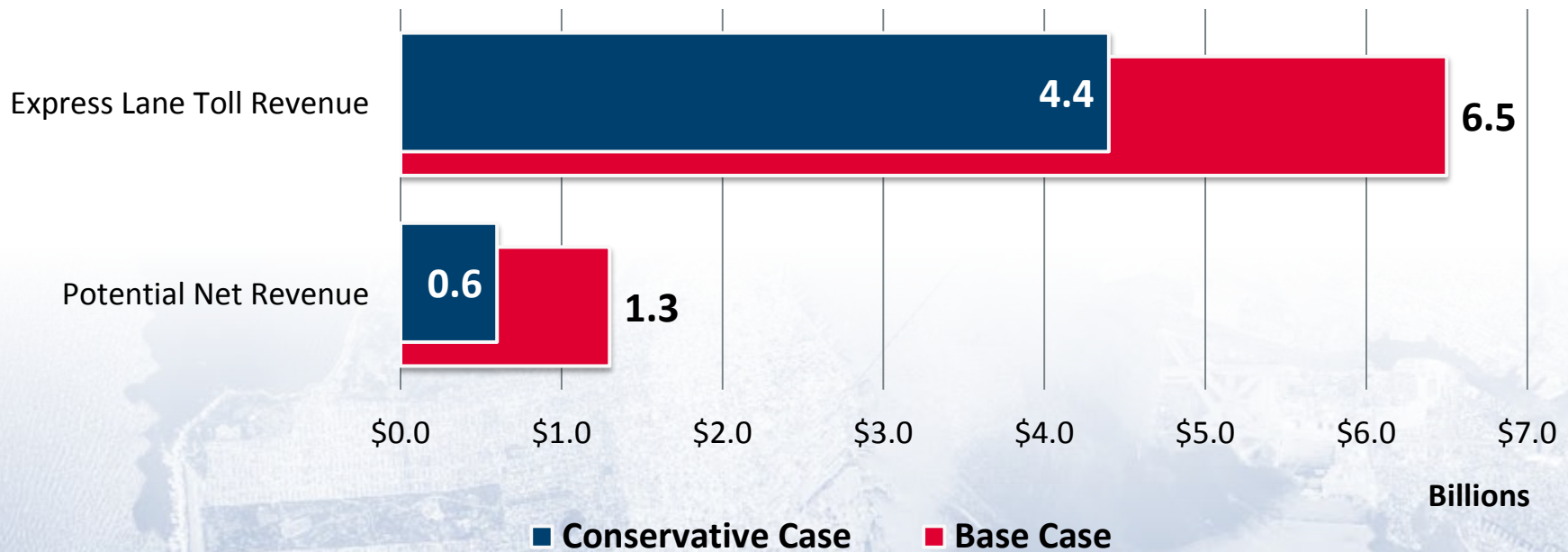
WETA Ferry System Expansion

Express Lanes Improve Mobility and Generate a New Source of Revenue

- Improve mobility for carpoolers, bus riders, and motorists willing to pay
- Build on foundation of 420 miles of existing HOV lanes
- Generate a new source of capital funds through voluntary toll payments



Will There be Net Proceeds?



Other Pricing Initiatives

- **San Francisco's Treasure Island and/or Central Business District Cordon Pricing**
 - Pricing initiative could generate upwards of \$2.5 billion by 2040
- **Regional Gas Tax**
 - Increasing the gas tax by 10-cents in the Bay Area could generate nearly \$5 billion by 2040
- **Regional Measure 3?**

***“When faced with a
choice between two
evils, I always
choose the one
I haven’t tried
before.”***

- Mae West



An aerial, high-angle view of the Golden Gate Bridge, showing the suspension cables and the roadway. The bridge spans across a body of water, with hills visible in the background. The text "www.mtc.ca.gov" is overlaid in the center in a bold, red, sans-serif font with a white outline.

www.mtc.ca.gov