



BAY AREA TOLL AUTHORITY  
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## *Memorandum*

TO: Bay Area Toll Authority

DATE: December 13, 2017

FR: Executive Director

W. I. 1131

RE: Regional Measure 3 (RM3) Workshop

### **Regional Measure 3 Workshop**

The purpose of this workshop is to provide the opportunity to discuss whether to place a bridge toll increase, as authorized by Senate Bill 595 (Beall, 2017), on the June 2018 ballot in the nine Bay Area counties. The meeting will include a presentation with background on bridge tolls and who pays them, along with a review of a recent public opinion survey testing voter support for a \$1, \$2 or \$3 bridge toll increase. If the toll measure is to appear on the June 2018 ballot, at its January 24, 2018 meeting BATA will need to 1) approve a resolution directing the boards of supervisors in the nine Bay Area counties to call a special election for this purpose; and 2) approve the wording of the ballot question, which shall specify the amount of the proposed toll increase and the schedule for it to take effect.

### **Background**

SB 595 authorized the Bay Area Toll Authority to place a bridge toll increase of up to \$3 on the ballot. The bill gave BATA the authority to determine:

- The date when the toll increase is placed on the ballot
- The toll increase amount (up to \$3)
- The phase-in schedule for the toll increase
- The ballot question

Attached is a presentation providing background on bridge tolls in the Bay Area, the RM 3 expenditure plan that was included in SB 595, and information about the distribution of bridge toll payers by county and by income. The geographic distribution information is based on FasTrak<sup>®</sup> data, while the income data is derived from the MTC Travel Model, which incorporates U.S. Census data. The public opinion polling results will be provided at the workshop on December 20<sup>th</sup>. We look forward to your discussion next week.

  
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Steve Heminger

Attachment  
SH:rl



# Regional Measure 3 Workshop

December 20, 2017



# Current Bridge Toll Structure

## Current Toll Structure

Regional Measure 1 (1988)	\$1
Seismic Surcharge (1997)	\$1
Regional Measure 2 (2004)	\$1
Seismic Surcharge (2007)	\$1
Antioch/Dumbarton Seismic Surcharge (2010)	\$1*
<b>TOTAL AUTO TOLL</b>	<b>\$5*</b>

## FY 2016-17 Annual Toll Revenues (\$ millions)

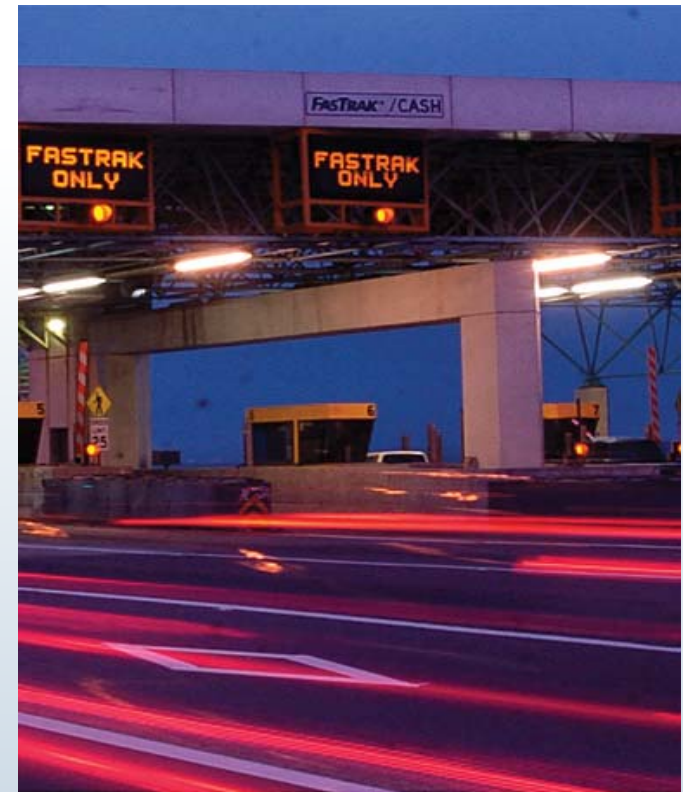
Regional Measure 1	\$157
Seismic Surcharges	\$435
Regional Measure 2	\$129
<b>TOTAL ANNUAL REVENUES</b>	<b>\$721</b>

\*Toll rate different on Bay Bridge is \$6 peak, \$4 off-peak



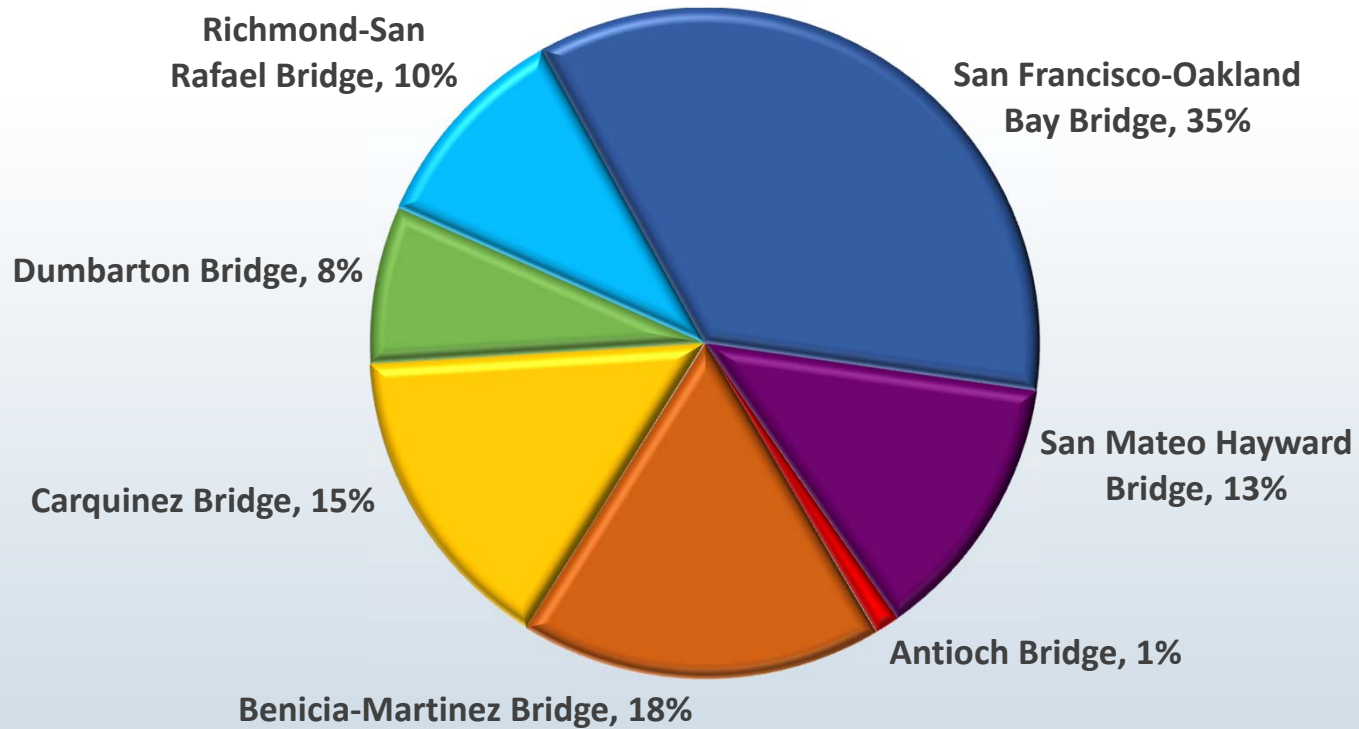
## Who Pays the Bridge Tolls?

County of Origin	Percent of FasTrak® Transactions (2016-17)
Alameda	28%
Contra Costa	19%
Marin	4%
Napa	4%
San Francisco	11%
San Mateo	8%
Santa Clara	2%
Solano	16%
Sonoma	2%
Out of Region	6%
<b>TOTAL</b>	<b>100%</b>





# Bay Area State-Owned Toll Bridge Usage by Bridge, FY 2016-17





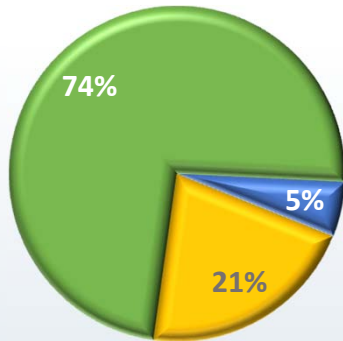
## Voter Support for Prior Regional Measures

	Regional Measure 1 (1988)		Regional Measure 2 (2004)	
	Yes	No	Yes	No
Alameda	71%	29%	56%	44%
Contra Costa	68%	32%	51%	49%
Marin	76%	24%	64%	36%
San Francisco	69%	31%	69%	31%
San Mateo	74%	26%	55%	45%
Santa Clara	71%	29%	60%	40%
Solano	58%	42%	41%	59%
<b>REGIONAL TOTAL</b>	<b>70%</b>	<b>30%</b>	<b>57%</b>	<b>43%</b>



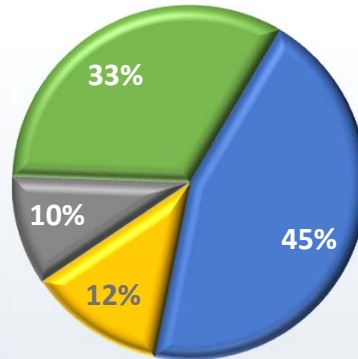
# Regional Bridge Toll Measure Investments By Corridor

### RM1 Capital Program



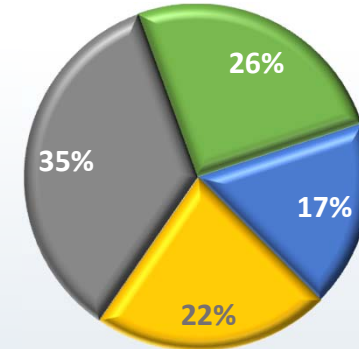
■ North, 74% ■ Central, 5%  
■ South, 21% ■ Regional, 0

### RM2 Capital Program



■ North, 33% ■ Central, 45%  
■ South, 12% ■ Regional, 10%

### RM3 Capital Program



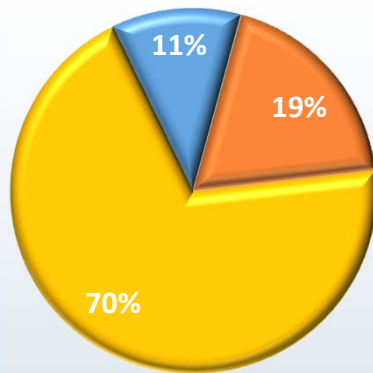
■ North, 26% ■ Central, 17%  
■ South, 22% ■ Regional, 35%

**North:** Antioch, Benicia-Martinez, Carquinez & Richmond-San Rafael Bridges  
**Central:** San Francisco-Oakland Bay Bridge  
**South:** Dumbarton & San Mateo-Hayward Bridges



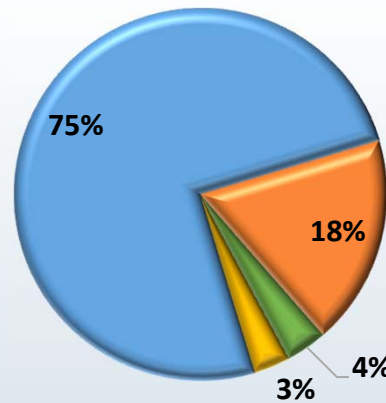
# Regional Bridge Toll Measure Investments By Travel Mode

### RM1 Capital Projects



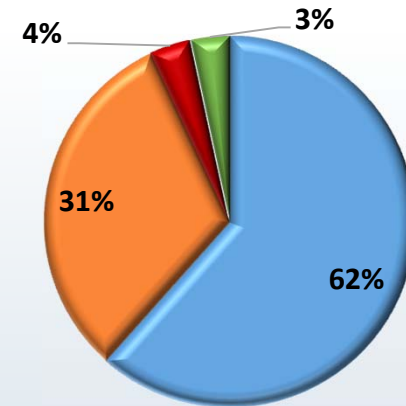
- Transit, 11%
- Roads/Highway, 19%
- Bridge, 70%

### RM2 Capital Projects



- Transit, 75%
- Roads/Highway, 18%
- Bike/Ped, 4%
- Bridge, 3%

### RM3 Capital Projects



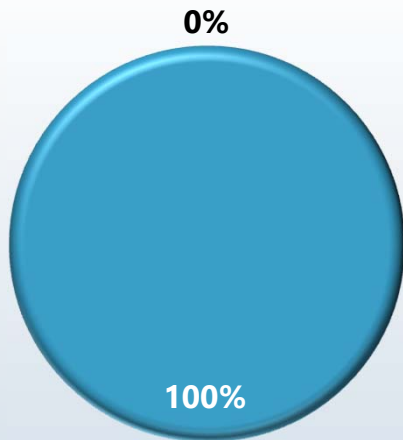
- Transit, 62%
- Roads/Highway, 31%
- Multimodal, 4%
- Bike/Ped, 3%





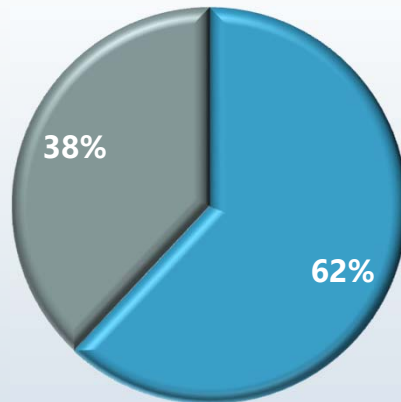
# Regional Bridge Toll Measure Investments: Operating vs. Capital

**RM1**  
Capital vs. Operating



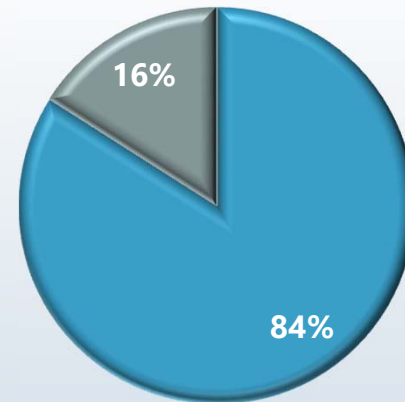
■ Capital ■ Operating

**RM2**  
Capital vs. Operating



■ Capital ■ Operating

**RM3**  
Capital vs. Operating



■ Capital ■ Operating



## SB 595 (Beall): RM 3 Authorization Bill

- **BATA has four key decisions to make:**
  - Timing of placement on ballot
  - Toll amount, up to \$3
  - Phase-in schedule for toll to take effect
  - Wording of ballot question in all nine counties
- **Expenditure plan lists 35 capital projects and three operating programs, with funding amounts based on a \$3 toll increase.**
- **A smaller toll increase would result in a proportionate reduction for each project.**
- **BATA is charged with developing ballot pamphlet summarizing RM 3 expenditure plan.**



## RM 3 Expenditure Plan Summary (Assuming a \$3 toll increase)

Program Category	\$3 Toll Funding (in millions)	Percent of Capital Funding
Operating Program	\$ 60/year	—
Regional Programs & Projects	\$1,550	35%
Corridor-Specific Projects	\$2,900	65%
Grand Total Capital Program	\$4,450	100%



# Major RM 3 Projects & Programs

	(\$ in Millions)
Expansion BART cars	\$500
BART to Silicon Valley, Phase 2	\$375
Caltrain Downtown Extension	\$325
Ferry Enhancement Program	\$300
Regional Express Lanes	\$300
Richmond-S.R. Bridge Access	\$210
Contra Costa 680/4 Interchange	\$210
Goods Movement & Mitigation	\$160
Safe Routes to Transit/Bay Trail	\$150
Solano 80/680 Interchange	\$150





# RM 3 Operating Program

Transit Operating Funds	(\$ in millions)
Ferries (Ramps up over five years)	\$35
Regional Express Bus	\$20
S.F. Transbay Terminal	\$5





# RM 3 Oversight & Accountability

## RM 3 Independent Oversight Committee

- Created within six months of toll increase taking effect
- Two representatives from each of the nine Bay Area counties appointed by the board of supervisors
- Charged with conducting an annual review of expenditures for consistency with expenditure plan

## Transit Performance Measures

- MTC to adopt performance measures for RM 3-funded bus and ferry service.

## Independent Office of BART Inspector General

- Established if RM 3 passed by the voters to oversee RM 3-funded and other BART projects and activities.



## 50% Discount for Two-Bridge Commuters

- Senate Bill 595 requires a 50% discount on the RM 3 increase for toll payers using FasTrak<sup>®</sup> who use more than one state-owned toll bridge during commute hours.
- Approximately 2,220 FasTrak<sup>®</sup> commuters fall into this category each workday, most commonly pairing the Carquinez Bridge with the San Francisco-Oakland Bay Bridge.
- Assuming a \$3 toll increase, the cost of the discount to BATA is approximately \$880,000 annually and will save a regular 5-day week/two-bridge per day commuter about \$375 per year.



## Carpool Discount

- The current carpool rate on all bridges is 50% of the standard toll and requires FasTrak
- On a daily basis, about 30,500 Bay Area motorists carpool on the bridges, saving money while helping to reduce congestion and vehicle emissions.
- We recommend retaining this discount to further incentivize carpooling under RM 3.



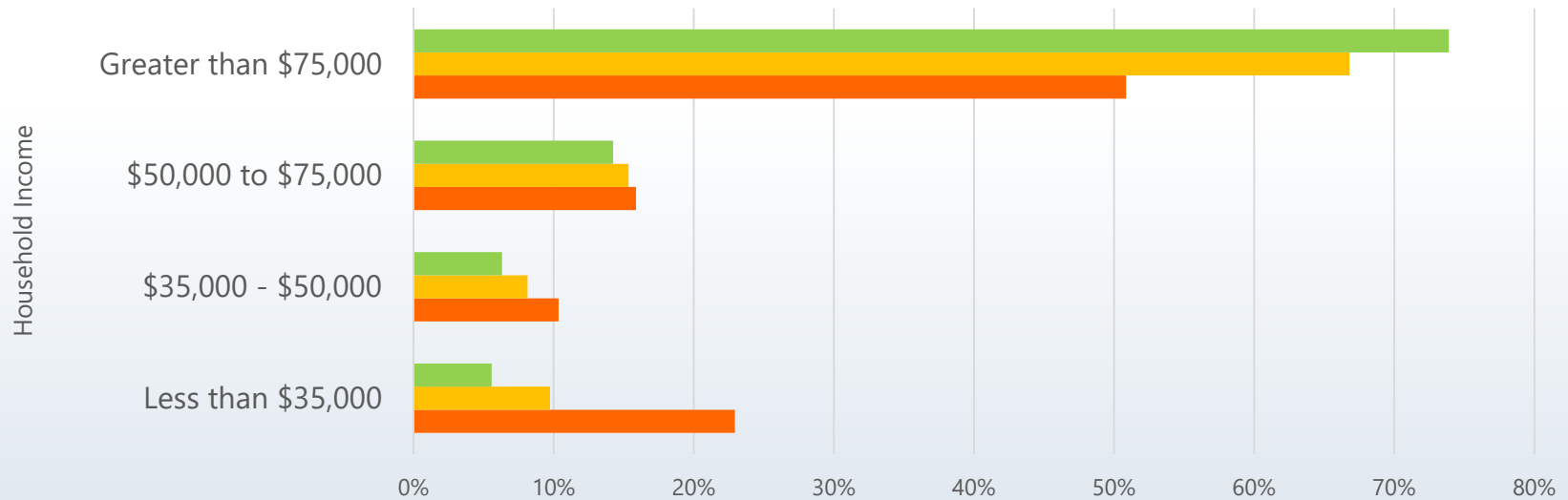


# Toll Rates Haven't Kept Pace with Transit Fares

Year	Bay Bridge (peak rate)		AC Transit (roundtrip)		BART (roundtrip – East Bay to Downtown SF)	
	Dollars		Dollars		Dollars	
	Nominal	2017	Nominal	2017	Nominal	2017
1936	\$1.30	\$22.97	\$0.42	\$7.42	n/a	n/a
1960	\$0.50	\$4.16	\$1.00	\$8.32	n/a	n/a
1974	\$0.50	\$2.62	\$1.20	\$6.28	\$1.10	\$5.75
2009	\$4.00	\$4.62	\$8.00	\$9.24	\$7.80	\$9.01
2017	\$6.00	\$6.00	\$8.40	\$8.40	\$8.20	\$8.20



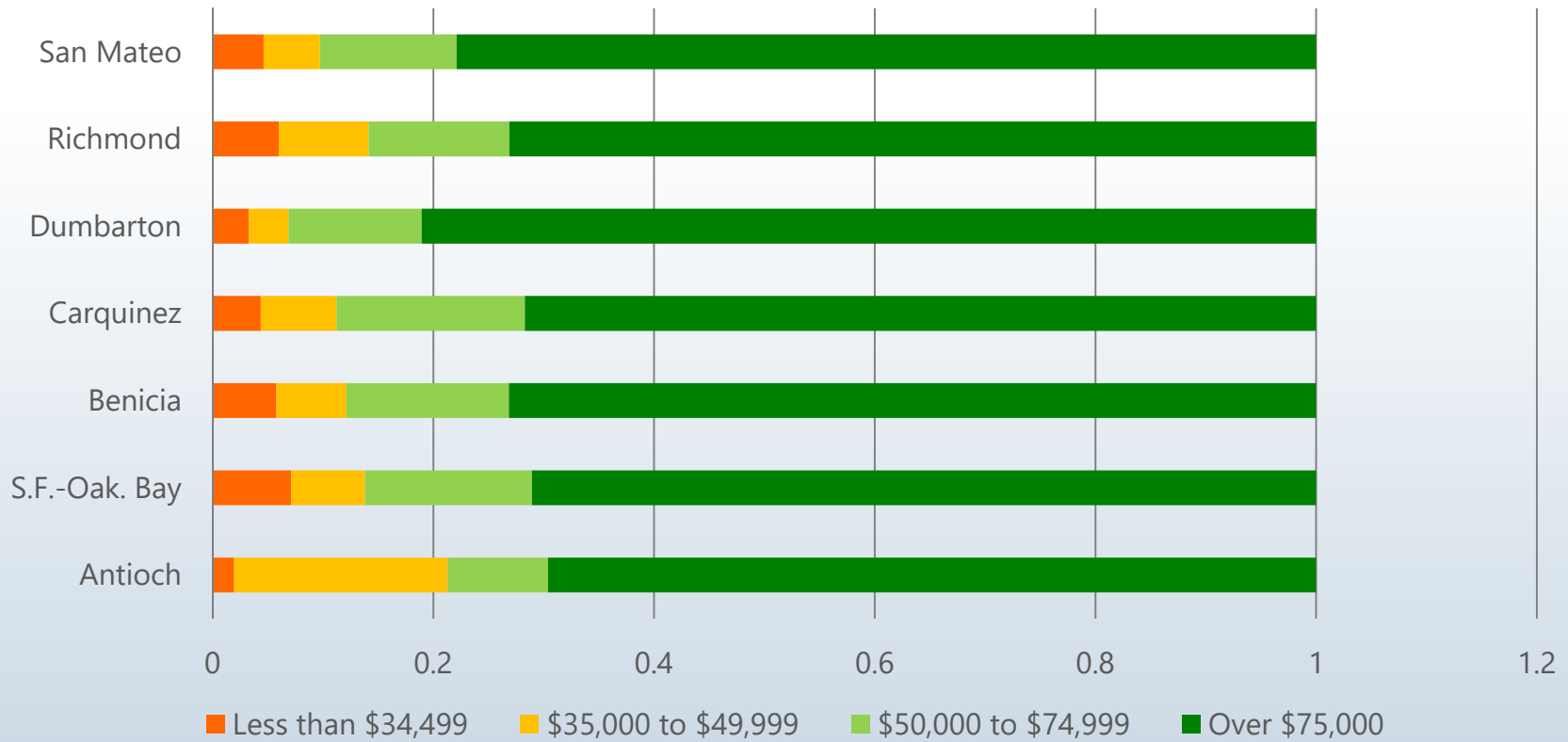
## Bridge Commuters Have a Higher Household Income Than Average Household and Average Commuter



	Less than \$35,000	\$35,000 - \$50,000	\$50,000 to \$75,000	Greater than \$75,000
<b>Bridge Commuters</b>	6%	6%	14%	74%
<b>All Bay Area Commuters</b>	10%	8%	15%	67%
<b>All Bay Area Households</b>	23%	10%	16%	51%



# Household Income by Bridge Commuters (non-carpool)





## Toll Rate Options & Schedule

Toll increase can be phased in. BATA also authorized to place a subsequent measure on the ballot until \$3 cap increase is reached.

Toll Increase	Potential Effective Dates	Impact on Project Funding Levels in SB 595
<b>\$1</b>	<ul style="list-style-type: none"> <li>Effective: 1/1/2019</li> </ul>	Funding reduced 2/3
<b>\$2</b>	<ul style="list-style-type: none"> <li>First dollar: 1/1/2019</li> <li>Second dollar: 7/1/2023</li> </ul>	Funding reduced 1/3
<b>\$3</b>	<ul style="list-style-type: none"> <li>First dollar: 1/1/2019</li> <li>Second dollar: 7/1/2023</li> <li>Third dollar: 7/1/2027</li> </ul>	No impact



## Discussion Point Recap

- **Ballot measure timing**
- **Toll increase amount**
- **Toll increase phase-in**