



BAY AREA TOLL AUTHORITY
Bay Area Metro Center
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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® 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 20th. We look forward to your discussion next week.



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*
TOTAL AUTO TOLL	\$5*

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

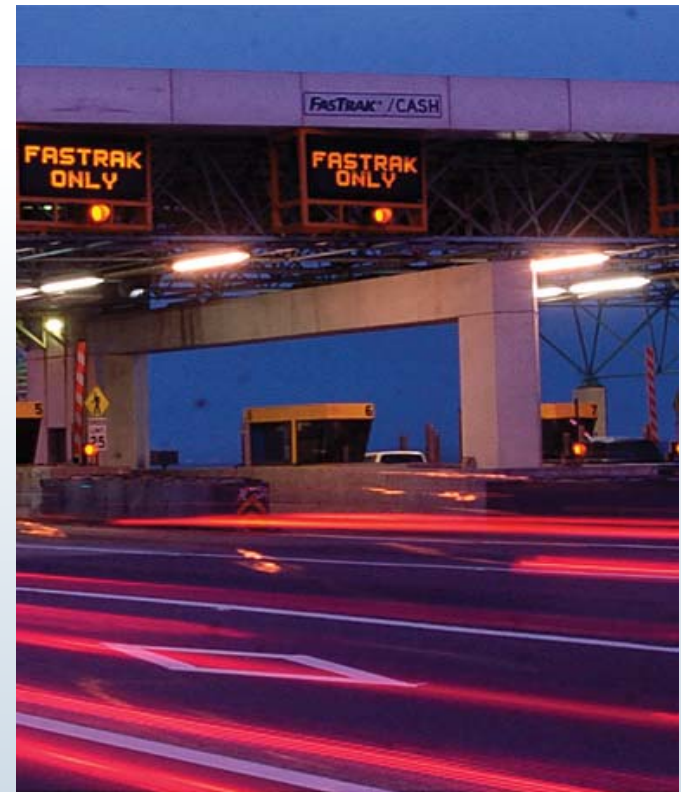
Regional Measure 1	\$157
Seismic Surcharges	\$435
Regional Measure 2	\$129
TOTAL ANNUAL REVENUES	\$721

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



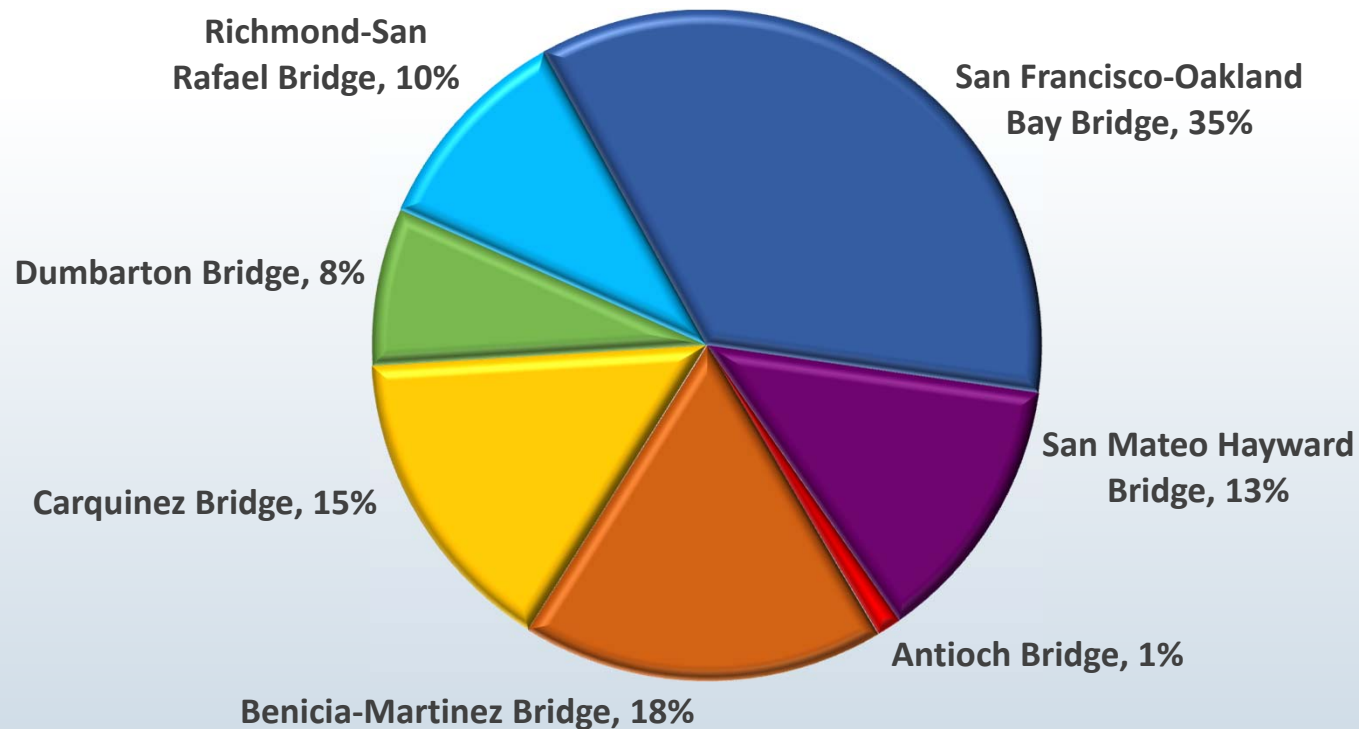
Who Pays the Bridge Tolls?

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%
TOTAL	100%





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





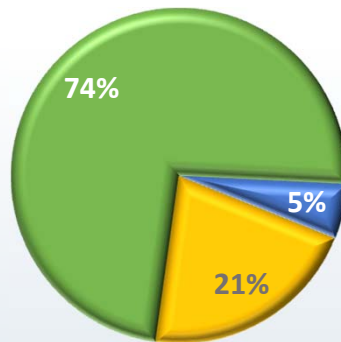
Voter Support for Prior Regional Measures

	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%
REGIONAL TOTAL	70%	30%	57%	43%



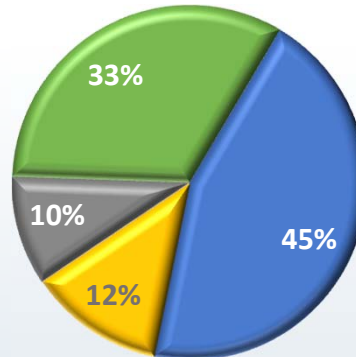
Regional Bridge Toll Measure Investments By Corridor

RM1 Capital Program



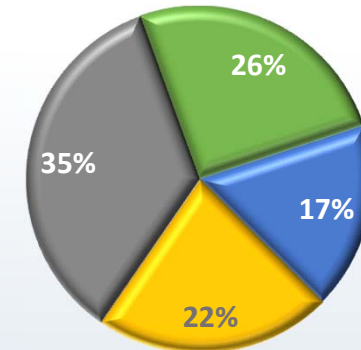
■ North, 74% ■ Central, 5%
■ South, 21% ■ Regional, 0

RM2 Capital Program



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

RM3 Capital Program



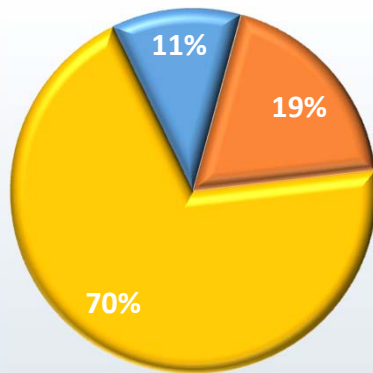
■ North, 26% ■ Central, 17%
■ South, 22% ■ Regional, 35%

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



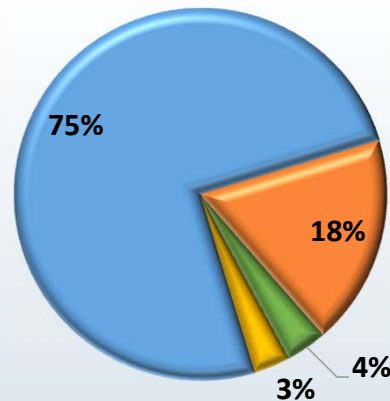
Regional Bridge Toll Measure Investments By Travel Mode

RM1 Capital Projects



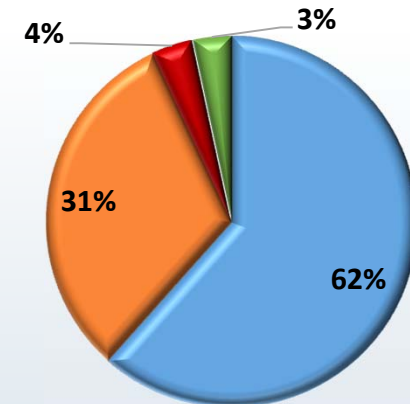
- Transit, 11%
- Roads/Highway, 19%
- Bridge, 70%

RM2 Capital Projects



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

RM3 Capital Projects

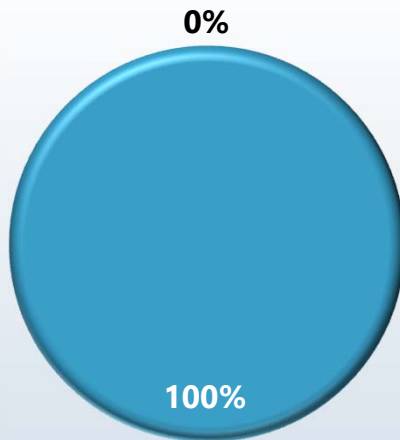


- Transit, 62%
- Roads/Highway, 31%
- Multimodal, 4%
- Bike/Ped, 3%



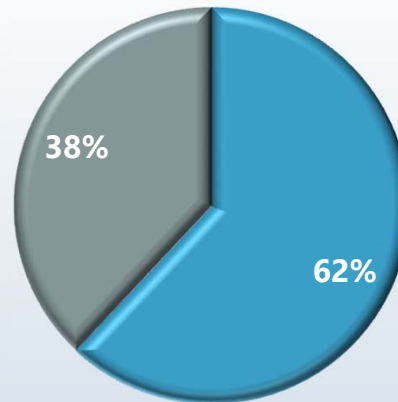
Regional Bridge Toll Measure Investments: Operating vs. Capital

RM1
Capital vs. Operating



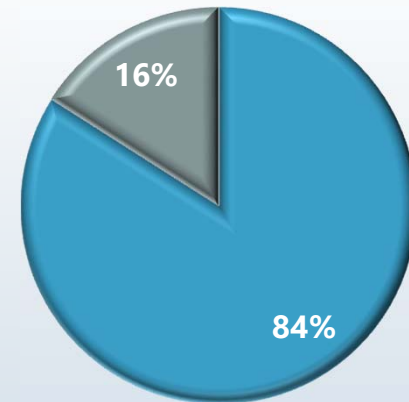
■ Capital ■ Operating

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® who use more than one state-owned toll bridge during commute hours.
- Approximately 2,220 FasTrak® 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.

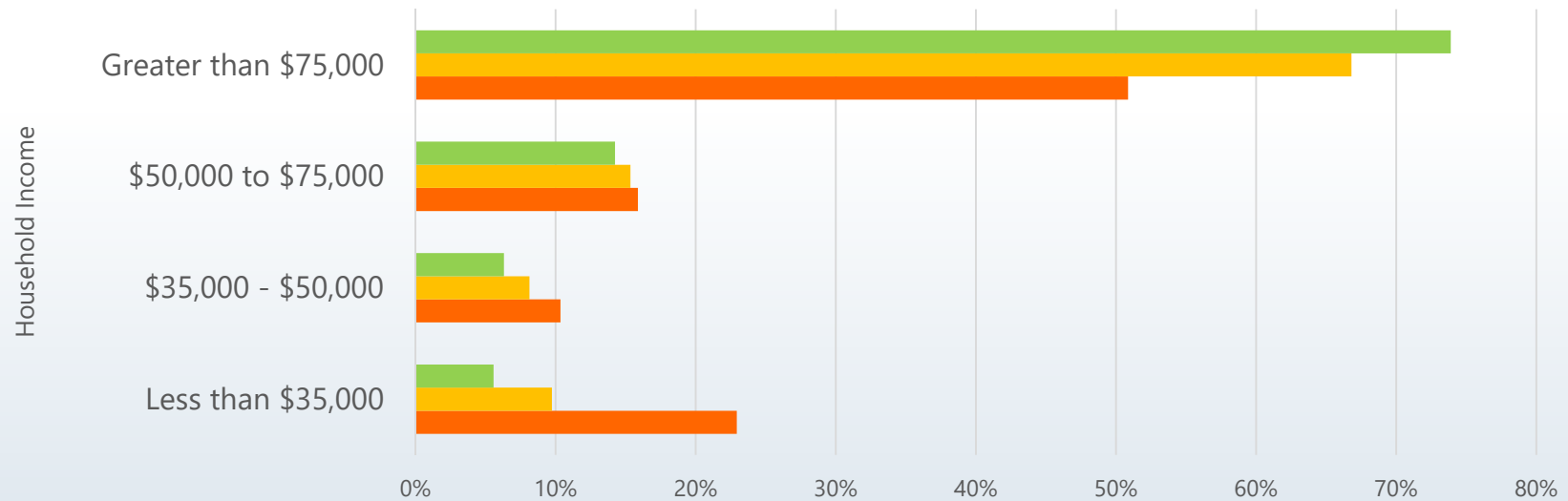


Toll Rates Haven't Kept Pace with Transit Fares

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



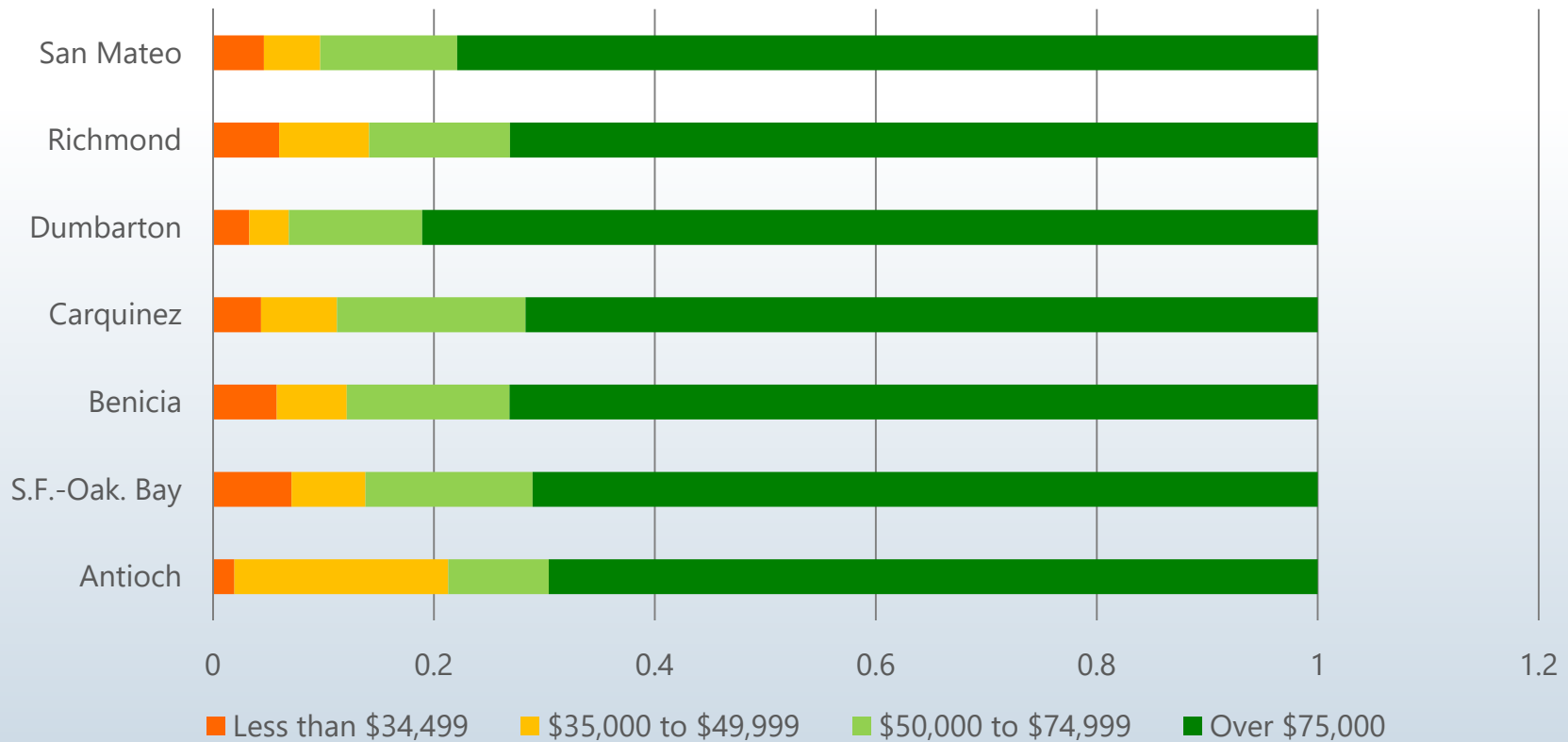
Bridge Commuters Have a Higher Household Income Than Average Household and Average Commuter



	Less than \$35,000	\$35,000 - \$50,000	\$50,000 to \$75,000	Greater than \$75,000
■ Bridge Commuters	6%	6%	14%	74%
■ All Bay Area Commuters	10%	8%	15%	67%
■ All Bay Area Households	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
\$1	<ul style="list-style-type: none">Effective: 1/1/2019	Funding reduced 2/3
\$2	<ul style="list-style-type: none">First dollar: 1/1/2019Second dollar: 7/1/2023	Funding reduced 1/3
\$3	<ul style="list-style-type: none">First dollar: 1/1/2019Second dollar: 7/1/2023Third dollar: 7/1/2027	No impact



Discussion Point Recap

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