



# FUTURE BAIFA ROLES & OPPORTUNITIES

BAY AREA INFRASTRUCTURE FINANCING AUTHORITY

NOVEMBER 17, 2021

# LANDSCAPE

## CALLS TO ACTION

1. Ambitious 30-year transportation investment program will require innovative financing (Plan Bay Area 2050)
2. Regional tolling landscape is increasingly complex while seamlessness is more essential than ever (SR-37, BATA Equity Action Plan, Roadway Pricing Study, Blue Ribbon, Network Management)
3. Administrative simplicity enhances ability to achieve outcomes



## OPPORTUNITIES

1. Create a regional body for conduit transportation financing that protects each program
2. Identify a tolling agency for SR-37 legislation to be introduced in early 2022 and create a forum equipped to identify synergies and conflicts in toll policies
3. Manage the number of boards and committees to reduce administrative demands on board members and staff

# ORIGINAL BAIFA

- Created in 2006 to finance the State contribution to the toll bridge seismic program and other potential regional transportation projects – a financing arm for MTC

## Original BAIFA Membership

1. MTC Chair
2. MTC Vice Chair
3. BATA Oversight Chair
4. BATA Oversight Vice Chair
5. Programming and Allocations Chair
6. Programming and Allocations Vice Chair



# BAIFA TODAY

- Modified in 2013 to add responsibilities for delivery and operation of MTC express lanes
- Membership revised at that time to include one commissioner from each county in the MTC Network

## Current BAIFA Membership

1. MTC Chair
2. BATA Oversight Chair
3. MTC Commissioner from Alameda County\*
4. MTC Commissioner from Contra Costa County
5. MTC Commissioner from Solano County
6. Cal STA (non-voting)

\* In 2019 Chair Haggerty appointed Commissioner Dutra-Vernaci to this slot, consistent with the Joint Powers Agreement



# PROPOSAL: EXPAND BAIFA & CREATE TOLLING COMMITTEE

- BAIFA board coterminous with MTC to enable regional transportation financing
- Tolling Committee provides in-depth review/recommendations to the full board on all matters related to BAIFA express lanes and SR-37, similar to BATA Oversight Committee

	Full Board (21 members; 18 voting)	Tolling Committee (9 members; 8 voting)
Membership	Same as MTC	BATA Oversight Chair Operations Chair Express Lane County commissioners: ALA, CC, SOL* SR 37 County commissioners: MRN, SON, NAP Cal STA (non-voting)  * Represents SOL for both express lanes and SR-37
Authority	Issue transportation financing  Issue express lanes and SR-37 financing  Approve policy, technical and recommendations for express lanes and SR-37 (forwarded by committee)	Provide policy and technical recommendations on <ul style="list-style-type: none"><li>- Toll policy (rates, equity, HOV requirements, discounts)</li><li>- Toll ordinance (violations)</li><li>- Operating, capital and rehab budgets</li><li>- Net revenue policy and expenditures</li><li>- Grants and financing</li></ul> Approve contracts and agreements



# HOW OPPORTUNITIES ARE ADDRESSED

## OPPORTUNITIES

1. Create a regional body for conduit transportation financing that protects each program
2. Regional tolling landscape is increasingly complex while seamlessness is more essential than ever (SR-37, BATA Equity Action Plan, Roadway Pricing Study, Blue Ribbon, Network Management)
3. Manage the number of boards and committees to reduce administrative demands on board members and staff



## PROPOSAL

1. Facilitates financing for projects throughout the region (BAIFA's original intent) because the board is coterminous with MTC. Programs are protected by statute and bond covenants
2. Builds on BAIFA's tolling knowledge and track record. Committee and board have good understanding of BATA, express lanes and SR-37 tolling context and can facilitate seamlessness
3. With one new committee, the additional meeting demands on board and staff is contained

# SEAMLESS TOLLING

Requires a forum to understand synergies and conflicts in complex tolling policies

	<b>BATA</b>	<b>SR-37</b> (pending legislation / future board action)	<b>BAIFA Express Lanes</b>
<b>Violation Penalties</b>	Reduction approved	Align with BATA	Align with BATA (pending future approval)
<b>Toll Rates</b>	Based on statute and number of axels. Must cover debt service, O&M and Rehab and Regional Measures	Based on statute and number of axels. Must cover debt service and O&M.	Based on congestion
<b>Discounts</b>	HOV: 50% Clean air vehicles: 50%	Align with BATA (required in draft bill)	HOV: free or 50% Clean air vehicles: 50%
<b>HOV Hours</b>	Peak periods (match express lanes in future?)	Align with BATA (match express lanes in future?)	5 AM to 8 PM (same as tolling)
<b>HOV Occupancy</b>	HOV 2+/HOV 3+ Consultation with Caltrans	TBD Consultation with Caltrans	HOV 2+/HOV 3+ Consultation with Caltrans
<b>Equity</b>	Under development	Required in draft bill; build on BATA and express lanes	Pilot underway

Aligns with BATA

Consistent with Regional Express Lanes

# PROGRAMS ARE PROTECTED

- Express lane statute restricts use of revenue to facility/corridor (SCH 149.7 excerpt attached)
- SR-37 legislation is expected to similarly restrict use of revenue
  - May include other requirements that protect corridor priorities (e.g., equity program, consultation with North Bay Counties, consideration of conservation, sea level rise and ecology)
- FTA revenue used to back transit financing cannot be used for express lanes or SR-37





# FUTURE POTENTIAL TO ADD EXPRESS LANE CORRIDORS

- Proposal with comprehensive regional representation facilitates addition of corridors to BAIFA if willing parties reach agreement in the future
- BAIFA board could readily adjust Tolling Committee membership
- Promotes seamless customer experience and operational efficiency
- Counties in each corridor would approve use of net revenue



Regional Express Lane Network  
in Play Bay Area 2050

# ALTERNATIVE 1: EXPAND BAIFA AND CREATE TWO COMMITTEES (PRESENTED SPRING 2020)

- BAIFA board coterminous with MTC to enable regional transportation financing
- Separate committees for express lanes and SR-37; delegated authority may be limited

	Full Board (21 members; 18 voting)	Express Lanes Committee (6 members; 5 voting)	SR-37 Committee (7 members; 6 voting)
Membership	Same as MTC	MTC Chair <i>(or Ops Chair)</i> BATA O Chair County commissioners: ALA, CC, SOL Cal STA (non-voting)	MTC Chair <i>(or Ops Chair)</i> BATA O Chair County commissioners: SOL, NAP, SON, MRN Cal STA (non-voting)
Authority	Issue transportation financing  Issue express lanes & SR-37 financing  Adopt budgets  Adopt toll ordinances (violations)	Provide policy & technical recommendations on <u>all</u> express lane matters and budgets  <u>Retain current authority</u> , to extent delegation is possible <ul style="list-style-type: none"> <li>- Set toll policy (rates, equity, HOV requirements, discounts)</li> <li>- Approve net revenue policy and expenditures</li> <li>- Approve contracts and agreements</li> </ul>	Provide policy & technical recommendations on <u>all</u> SR-37 matters and budgets  Authority for toll policy, net revenue and contracts would be equivalent to Express Lanes committee  Plus, conservation and sea level rise / climate / ecological responsibilities in legislation

# ALTERNATIVE 2: CREATE NEW, INDEPENDENT JPAS

- Results in three separate JPAs
  - Financing JPA coterminous with MTC board
  - Two separate JPAs for express lanes and SR-37
- Additional risks:
  - Resource intensive, with no means to support
  - Need to determine whether BAIFA needs to be significantly restructured under this model

	Financing Authority (21 members; 18 voting)	Express Lanes Toll Authority (6 members; 5 voting)	SR-37 Toll Authority (7 members; 6 voting)
Membership	Same as MTC	MTC Chair BATA O Chair County commissioners: ALA, CC, SOL Cal STA (non-voting)	MTC Chair BATA O Chair County commissioners: SOL, NAP, SON, MRN Cal STA (non-voting)
Authority	Issue transportation financing (except MTC express lanes & SR-37 financing)	<ul style="list-style-type: none"> <li>- Issue express lanes financing</li> <li>- Set toll policy (rates, equity, HOV rqts, discounts)</li> <li>- Adopt toll ordinance (violations)</li> <li>- Adopt operating, capital and rehab budgets</li> <li>- Approve net revenue policy and expenditures</li> <li>- Secure grants</li> <li>- Approve contracts and agreements</li> </ul>	Same as express lanes  Plus, conservation and sea level rise / climate responsibilities in legislation

# COMPARISON

	PBA 2050 - Regional Entity for Financing	Tolling Expansion - SR 37 & Exp Lanes	Seamless Travel - Toll Synergies & Conflicts	Admin Simplicity - Manage Number of Boards
<b>RECOMMENDED</b> BAIFA coterminous with MTC One Tolling Committee, (similar to BATA Oversight)	++ (best)	++ (best)	++ (best)	++ (best)
Alternative 1: BAIFA coterminous with MTC Two Committees (Spring 2020 approach)	++ (best)	++ (best)	+ (fair)	- (poor)
Alternative 2: Three Separate JPAs for Financing, SR 37 and Express Lanes	++ (best)	++ (best)	-- (worst)	-- (worst)

# SCHEDULE

Date	Action
November 2021	Proposal to BAIFA for discussion/recommendation to MTC
January 2022	MTC approval in concept; do not amend JPA at this time
Early 2022	BAIFA amendment to toll ordinance for Means Based Pilot and reduced violation penalties  Dodd to introduce SR-37 legislation
Spring 2022	BATA and MTC amend the BAIFA Joint Powers Agreement; BAIFA establishes committee structure (SR-37 elements activated once bill is enacted)  BAIFA approval of BART car financing (tentative)
Summer 2022	BART needs financing proceeds
October 2022	Deadline for governor's signature on new legislation