

Plan Bay Area



Partnership Technical Advisory Committee
May 16, 2011

Plan Bay Area Draft Revenue Projections

Background

- In January 2011, MTC staff presented preliminary assumptions for the Plan Bay Area Revenue Estimates
- Assumptions have been refined, in part, based on feedback received from several working groups and the public.

General Assumptions

- Time Frame: FY 2013 through FY 2040 (28 years)
- Inflation Rate:
 - Plan Bay Area assumes a 2.2 percent inflation rate
 - For T2035, 3 percent inflation rate was used

Changes in Methods Between Plan Bay Area & T2035

- Increase consistency between financial assumptions and planning/modeling assumptions
- New Revenues added:
 - \$ 1 Bridge toll increase
 - Sales tax rollover

Federal Funds

- General Assumptions
 - Federal funds in Plan Bay Area were generally estimated assuming a 3% annual growth rate.
 - This reflects real growth in federal funds of 0.8%
 - We believe this to be a conservative, yet reasonable estimate of federal funds over the 28 year period.

Federal Funds Summary

Funding Program Name	Plan Bay Area (28-Year Total) (\$ Billions)	T2035 (25-Year Total) (\$ Billions)
FTA 5307 Urbanized Area Formula	10.2	9.3
FTA 5309 Bus	0.2	1.3
FTA 5309 Fixed Guideway	6.1	5.4
FTA 5309 New Starts	1.8	1.5
FTA 5309 Small Starts	0.2	0.1
FTA 5310 Elderly & Disabled	0.2	0.2
FTA 5311 Non-Urbanized Area Formula	0.1	0.1
FTA 5316 JARC	0.1	0.1
FTA 5317 New Freedom	0.1	0.1
STP	4.2	3.2
CMAQ	3.8	3.0
Ferry Boat Discretionary	0.1	0.03
Bridge/Safety Program	2.7	1.5
High Speed Rail	1.3	2.4
Federal Funds Total	31.0	28.1

**Totals may not be exact due to rounding*



State Funds

- General Assumptions
 - State funds largely based on fuel tax revenue.
 - Fuel tax revenue projections are derived from a model based on a standard set of assumptions concerning fuel price and consumption
- Exceptions:
 - Proposition 1B: Bond Program
 - High-Speed Rail: Bond Program
 - STIP-Transportation Enhancements: Tied to Federal Revenue sources (3% growth rate)
 - Traffic Congestion Relief Program (TCRP): Estimate assumes that Bay Area Tier I and Tier II projects, from the CTC-approved TCRP allocation plan, will be fully funded during the 28-year period



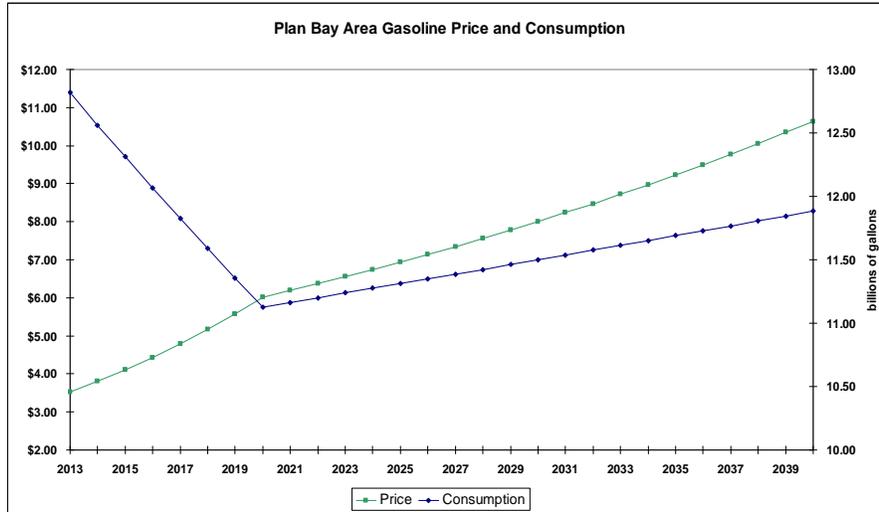
Fuel Price and Consumption Estimates

- Fuel price assumptions are consistent with the MTC travel demand model.
 - Consumption levels derived from MTC's travel demand model and EMFAC 2007 forecasting software.
 - EMFAC 2007 is an emission inventory model that calculates emission inventories for motor vehicles operating in California
 - The Plan Bay Area consumption path assumes full implementation of Pavley Phase I and adherence to the Low Carbon Fuel Standard.
 - Assumes increases in the fuel efficiency of the vehicle fleet.

Fuel Price and Consumption Estimates

Fuel Price			Fuel Consumption		
	Price	Growth Rate		Gallons Consumed (Billions)	Growth Rate
Gasoline	2013- \$3.53	2013-2020- 7.9%	Gasoline	2013- 12.82	2013-2020- (-2.0%)
	2020- \$6.02			2020- 11.13	
	2025- \$6.94	2025- 11.31			
	2030- \$8.00	2030- 11.50			
	2035- \$9.23	2035- 11.69			
	2040- \$10.64	2040- 11.88			
Diesel	2013- \$3.54	2013-2020- 7.9%	Diesel	2013- 2.42	2013-2020- 0.61%
	2020- \$6.04			2020- 2.52	
	2025- \$6.96	2025- 2.60			
	2030- \$8.03	2030- 2.69			
	2035- \$9.25	2035- 2.78			
	2040- \$10.67	2040- 2.87			

Fuel Price and Consumption



State Funds Summary

Funding Program Name	Plan Bay Area (28-Year Total) (\$ Billions)	T2035 (25-Year Total) (\$ Billions)
SHOPP	14.1	10.2
RTIP	6.2	5.5
ITIP	1.5	1.9
STIP-TE	1.1	0.3
STA Population-Based	2.2	2.5
STA Revenue-Based	6.1	6.8
Gas Tax Subvention & AB 105 Revenue for LSR	12.3	11.9
TCRP	0.1	0.4
Prop 1B	0.2	3.4
High-Speed Rail	1.3	1.5
State Funds Total	45.0	44.6

**Totals may not be exact due to rounding*

Local Funds

- General Assumptions
 - Most local funds for Plan Bay Area were estimated by the relevant agency or county
 - Transit operators specific revenues, including fares, compose the largest share of this section (47.7%)
- Exceptions:
 - TDA revenue
 - Transportation Fund for Clean Air (AB 434)
 - County Vehicle registration fee revenue

County Sales Tax Measures

- Estimates for county sales tax measures were submitted by each county sales tax agency.
 - Plan Bay Area assumes that all county sales tax measures that expire during the forecast period will be reauthorized
 - These reauthorized revenues are proposed to be committed revenue

County	Average Annual Growth Rate (2013-2040)
Alameda	4.0%
Contra Costa**	4.4%
Marin	2.5%
Napa*	0.0%
San Mateo	3.0%
San Francisco	4.5%
Santa Clara**	2.6%
Solano*	0.0%
Sonoma	4.0%

Notes:

*Napa and Solano do not have a county sales tax measure
**Contra Costa and Santa Clara submitted different growth rates for each year of the forecast; the figure above reflects the average of these values.

TDA Revenue

- Plan Bay Area's TDA revenue estimate is based on a multivariate regression model derived by ABAG
- The major variables used in this model include:
 - Household income
 - Employment
 - Population growth
- The inputs for this model are consistent with the demographic estimates used in the Sustainable Communities Strategy portion of Plan Bay Area.

County	2011-2020	2021-2030	2031-2040
Alameda	2.7%	2.3%	2.2%
Contra Costa	3.2%	3.0%	2.9%
Marin	2.2%	2.2%	2.2%
Napa	3.7%	3.0%	3.0%
San Mateo	3.3%	2.9%	2.9%
San Francisco	2.9%	2.7%	2.6%
Santa Clara	4.6%	4.6%	4.0%
Solano	2.7%	2.5%	2.5%
Sonoma	4.4%	3.0%	3.0%
AB 1107	2.9%	2.6%	2.5%



Local Funds

Funding Program Name	Plan Bay Area (28-Year Total) (In \$ Billions)	T2035 (25-Year Total) (In \$ Billions)
County Sales Tax Measures	26.9	31.0
County Sales Tax Reauthorization	8.5	N/A
LSR Local Revenue Contributions	14.2	16.5
Transit Fare Revenues	36.0	25.8
Transportation Development Act (TDA)	12.7	12.2
San Francisco General Fund (SFMTA)	7.7	9.0*
San Francisco Parking Revenue (SFMTA)	6.3	
Golden Gate Bridge Toll Revenue for Operations	3.0	2.2
Property Tax	4.5**	3.5**
TFCA/AB 434 (Local Funds)	0.3	0.3
AC Transit Parcel Tax	0.8	0.6
County-wide Vehicle Registration Fee (\$10)	1.3	N/A
Local Funds Total	122.2	101.2

*SF General Fund and Parking were a combined estimate in T2035
 **The T2035 Property tax figure includes BART's seismic retrofit revenues
 *Totals may not match due to rounding



Regional Funds

- The majority of the regional revenue for Plan Bay Area is attributed to bridge tolls and the AB 1107 sales tax
- The AB 1107 estimate is based on a weighted average of the TDA growth rate for Alameda, Contra Costa, and San Francisco Counties
- Plan Bay Area assumes \$1 toll increase, approximately, in 2019
- Regional Express Lane revenue estimates are expected in July 2011

Funding Program Name	Plan Bay Area (28-Year Total) (In \$ Billions)	T2035 (25-Year Total) (In \$ Billions)
AB 1107	9.9	11.5
BATA Base Toll Revenues	18.2	12.9
New Bridge Tolls	2.7	N/A
TFCA/AB434 Funds	0.5	0.5
SAFE	0.2	0.2
Regional Express Lanes	TBD	6.1
Regional Funds Total	31.5	31.2

*Totals may not match due to rounding



“Reasonably Anticipated Funds”

- Funding that is likely to become available from federal or state sources over the course of the plan period based on past experience
- Estimate based on the average annual amount of new revenue that materialized over a 15-year period, but had not been expected

	Plan Bay Area (28-Year Total) (In \$ Billions)	T2035 (25-Year Total) (In \$ Billions)
Reasonably Anticipated Revenue	14.0	13.0



Summary of Plan Bay Area Revenues

Constrained Revenues	Plan Bay Area (28-Year Total) (In \$ Billions)	T2035 (25-Year Total) (In \$ Billions)
Federal Funds	31.0	28.1
State Funds	45.0	44.6
Local Funds	122.2	101.2
Regional Funds	31.5	31.2
Anticipated Funds	14.0	12.8
Total Funds	243.6	218.0

Committed and Discretionary Revenue Estimate

Plan Bay Area Revenue Classifications (In \$ Billions)			
Revenue Category	Committed	Discretionary	Total
Federal	6.4	24.6	31.0
State	34.0	10.9	45.0
Local	109.2	13.0	122.2
Regional	25.1	6.4	31.5
Anticipated Funds	0	14.0	14.0
Total	174.8	68.8	243.6
% of Total	71.7%	28.3%	100%

Note: A few adjustments would be proposed to committed policy to clarify the following:
 -TFCA Revenues
 -Sales Tax Rollovers

Going Forward

May 2011	PTAC: May 16, 2011 Policy Advisory Council: May 25, 2011
June 2011	MTC Planning Committee: June 10, 2011 Regional Advisory Working Group: June 7, 2011
Summer 2011	Incorporate Express Lane Revenue Estimates Revise draft projections based on any new information