

The title 'PI BayArea Plan' is centered on the page. 'PI' is in a large, blue, blocky font. 'BayArea' is in a smaller, black, sans-serif font. 'Plan' is in a large, blue, blocky font. A vertical blue line is on the left, and a horizontal blue line is on the right, intersecting at the top of the 'PI' and 'Plan' respectively.

# **PI BayArea Plan**

**MTC Planning Committee**  
**June 10, 2011**

# Draft Revenue Projections Plan Bay Area

# Plan Bay Area Financial Envelope

- **Growth estimates and model assumptions for Plan Bay Area are generally more conservative than T2035**
- **There is more total revenue available in Plan Bay Area because of the longer time horizon**

| <b>Constrained Revenues</b> | <b>Plan Bay Area<br/>(28-Year Total)<br/>(In \$ Billions)</b> | <b>T2035<br/>(25-Year Total)<br/>(In \$ Billions)</b> |
|-----------------------------|---|---|
| Federal Funds               | 31.0  | 28.1  |
| State Funds                 | 45.0  | 44.6  |
| Local Funds                 | 122.6   | 101.2   |
| Regional Funds              | 31.5  | 31.2  |
| Anticipated Funds           | 14.0  | 12.8  |
| Total Funds                 | 244.0   | 218.0   |

# Methodology Adjustments from T2035:

- **Greater consistency with the planning and travel modeling assumptions**
- **Greater consistency with Sustainable Communities Strategy demographic forecast**
- **Longer time horizon (28 years)**
- **Lowered annual Inflation assumption (2.2%)**

# General Assumptions Federal Funds

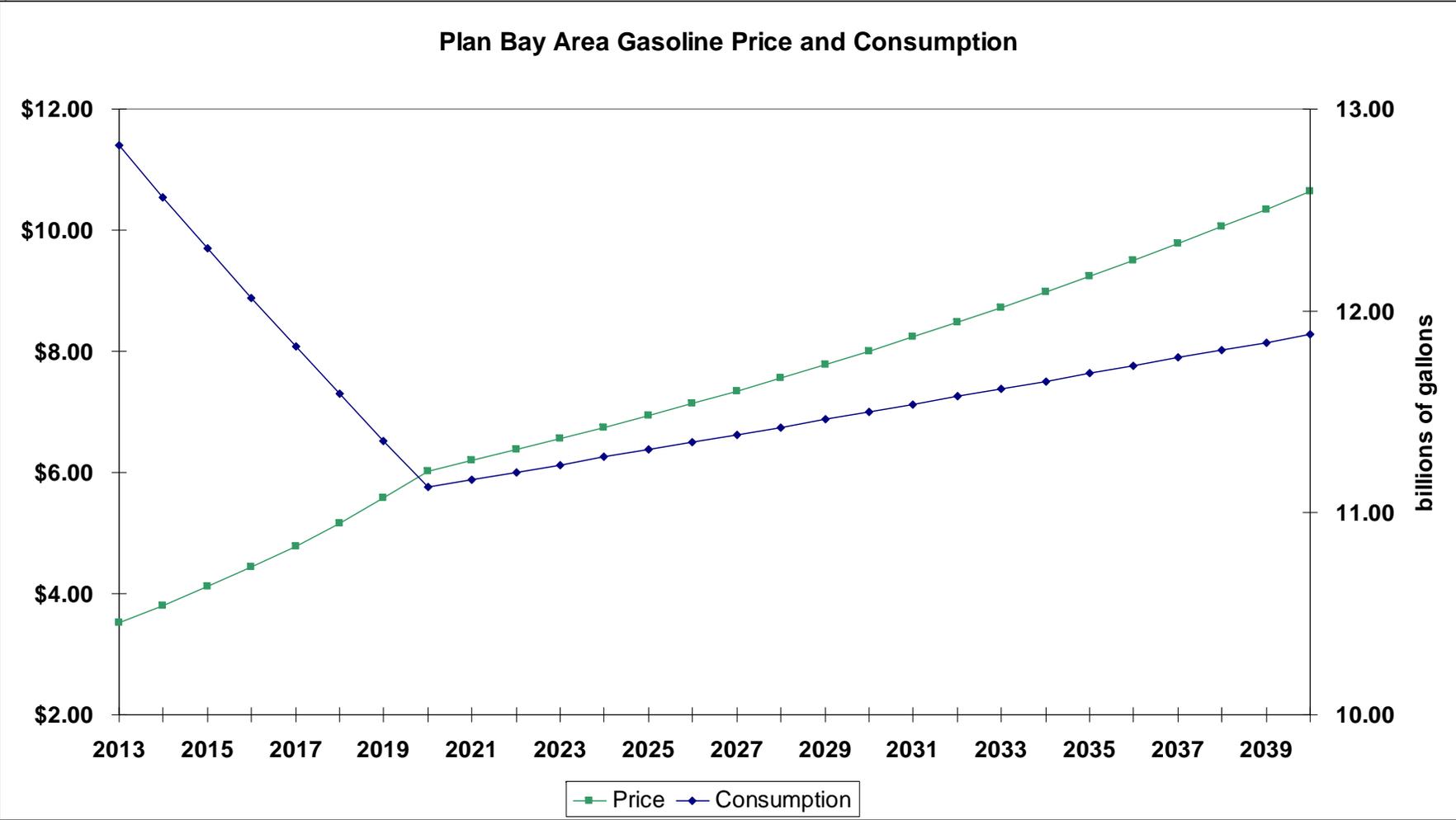
- **Estimate assumes a 3% annual growth rate, compared to a 4% rate in T2035**
- **The more conservative estimate is largely attributed to the current uncertainty surrounding federal authorization levels**

# General Assumptions

## State Funds

- **State funds largely based on fuel tax revenue**
- **Fuel price forecast is taken from the MTC travel demand model**
  - Reflects a consistent price path followed by all California MPOs
- **Fuel consumption forecast assumes full implementation of Pavley Phase I and adherence to Low Carbon Fuel Standard**

# Fuel Price and Consumption



# Local Funds

- Most local funds for Plan Bay Area are specific to a particular county or transit operator
- Transit fare and operator specific revenues are based on forecasts by the individual operators

Composition of Local Funds



# Regional Funds

- **Over 95% of regional revenue for Plan Bay Area is attributed to bridge tolls and the AB 1107 sales tax**
- **Plan Bay Area assumes one \$1 toll increase, during the 28-year period**

# Sales Tax Revenues

- 1. Transportation Development Act (TDA)**
- 2. AB 1107 (1/2 cent sales tax in the BART counties)**
  - TDA and AB 1107 revenue estimates are consistent with the demographic estimates used in Plan Bay Area.
- 3. County sales tax measures**
  - Estimates for county sales tax revenue prepared by each county sales tax agency
    - Plan Bay Area assumes that any county sales tax measure that is set to expire during the 28-year period will be reauthorized.
    - These reauthorized revenues are proposed to be committed revenue

# 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 unexpected new revenue that materialized over the prior 15-year period**

|                                | Plan Bay Area<br>(28-Year Total)<br><i>(In \$ Billions)</i> | T2035<br>(25-Year Total)<br><i>(In \$ Billions)</i> |
|--------------------------------|---|---|
| Reasonably Anticipated Revenue | 14.0  | 13.0  |

# Committed and Discretionary Revenue Estimate

| Plan Bay Area Revenue ( <i>In \$ Billions</i> ) |              |               |              |
|---|--------------|---------------|--------------|
| Revenue Category                                | Committed    | Discretionary | Total        |
| Federal   | 6.4          | 24.6          | 31.0         |
| State   | 34.0         | 10.9          | 45.0         |
| Local   | 109.2        | 13.0          | 122.6        |
| Regional  | 25.5         | 6.4           | 31.5         |
| Anticipated Funds                               | 0            | 14.0          | 14.0         |
| <b>Total</b>                                    | <b>175.8</b> | <b>68.2</b>   | <b>244.0</b> |
| <b>% of Total</b>                               | <b>72%</b>   | <b>28%</b>    | <b>100%</b>  |

# Proposed Revisions to Committed Policy

- 1. Add county sales tax reauthorizations as committed funding**
- 2. AB 434 (Transportation Fund for Clean Air): Add a portion of Regional Funds as discretionary funds and the remainder of Regional and all of Local as committed**
- 3. Add Express Lane revenue for statutorily authorized corridors to the committed fund sources**
- 4. Add land sales and other developer revenues to committed fund sources**