Appendix O

Transportation Financial Background

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Background

Over the past 30 years, transportation funding has undergone significant transformation from relying on federal and state funds (up to 70 percent), to increased dependence on local funds (such as a transportation sales tax). In general, federal and state formula funding programs were not increasing as fast (in absolute terms) as the inflationary increases in construction, operating, and maintenance costs and the increases in demand for new facilities and services. Given this trend over the ensuing decades, the region, as reflected in subsequent Regional Transportation Plans, has utilized various and differing local financing tools to implement regionally significant capital projects and support transit operations. However, other ongoing maintenance and operating needs have been neglected due to insufficient funds.

TransNet program

In order to achieve a stable revenue source for transportation, a ballot measure was approved by the voters in November 1987 (Proposition A). The sales tax was effective from April 1, 1988, to March 31, 2008, generating over $3 billion for regional transportation improvements which was used to leverage federal and state funds to implement major transportation projects in the region.

In November 2004 the voters of San Diego County approved the extension of the same sales tax for transportation through 2048. It is anticipated that an additional $25 billion in revenues in 2002 dollars (estimated at the time of the measure) would be generated for regional transportation improvements. Although the sales tax extends to 2048, an additional two years were added to the revenue forecast to be consistent with the 2050 outlook for the RTP. It is assumed that an extension will take place prior to 2048. One of the more innovative components of the *TransNet* extension ordinance is the initiative for early environmental mitigation to reduce future cost of major transportation projects. To that end, SANDAG has worked with regional and state resource agencies to reach a historic agreement for a streamlined permit process. SANDAG, serving as the San Diego County Regional Transportation Commission, administers the transportation sales tax program, which is commonly referred to as the *TransNet* Program.

State legislation

Following the passage of the initial *TransNet* Program, a major state transportation legislative package (known as the Transportation Blueprint) was developed and approved by the voters in 1990 (Propositions 108, 111, and 116). These measures resulted in a nine-cent per gallon increase in the gas tax spread over a four-year period, and $3 billion in bond funds for rail projects statewide. In 2000, another $5.3 billion was added by the state Traffic Congestion Relief Program (TCRP), and in 2002, the voters of California passed a measure (Proposition 42) dedicating the sales tax on fuels for transportation purposes. In 2006 the voters of California approved a major infrastructure bond program – the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) including $19.9 billion for transportation improvements throughout the state. Voters also approved the Safe, Reliable High-Speed Passenger Trail Bond Act (Proposition 1A) in 2008. San Diego received approximately $1.4 billion through the life of the bond from both Acts. Another important legislation related to transportation funding was part of the FY 2010 state budget wherein the State Transit Assistance (STA) was suspended for three years. Then in March 2010, ABx8-6 and ABx8-9 passed, which restored the STA program to provide a steady and consistent source of revenue for transit operators. While intended to be revenue neutral, the "gas tax swap" has significantly altered funding under the State Transportation Improvement Program (STIP) sources by eliminating or reducing certain funding for transit programs.

ISTEA/TEA-21/SAFETEA-LU/ARRA/MAP-21

The passage of the federal Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 provided a significant change in federal transportation policy by creating a number of new funding programs and providing additional flexibility in the use of federal funds. Of the changes brought about by ISTEA, the most significant to the region was the nearly $200 million in new funding provided through the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality (CMAQ) Improvement Program, and the Transportation Enhancement Activities (TEA – which has since evolved to Transportation Enhancement [TE] then to Transportation Alternatives Program [TAP] in subsequent reauthorizations) Program over a six-year period (FY 1992 to FY 1997). The SANDAG Board of Directors is responsible for the allocation of the funds made available through these federal funding programs. While modified with each successive transportation reauthorization, the core transportation funding program structure established in ISTEA has been carried over through subsequent federal authorizations (1998 Transportation Efficiency Act for the 21st Century (TEA-21), 2005 Safe, Accountable, Flexible and Efficient Transportation Equity Act: a Legacy for Users (SAFETEA-LU), and Moving Ahead for Progress in the 21st Century (MAP-21)). MAP-21 included a new source for transportation funding for commuter rail. Under the Federal Railroad Administration Passenger Rail Investment and Improvement Act, the region received $50 million.

Between SAFETEA-LU and MAP-21, the country, state, and region went through the Great Recession. In order to stimulate the economy, which included funding major infrastructure projects nationwide, the President signed the American Recovery and Reinvestment Act (ARRA) from which the region received over $380 million to implement both highway and transit projects.

Federal funds provided discretionary funds for major projects in the region such as Mission Valley East and SPRINTER light rail projects, and SR 905 connecting to the Otay Mesa Port of Entry, Mid-City *Rapid*, and anticipated revenues for the Mid-Coast Light Rail project. The outlook for the federal transportation programs remains uncertain given the current federal budget deficit, declining and unsustainable balances in the Federal Highway Trust Fund, and other competing demands.

Consistency with Other Federal, State, and Local Documents

The Regional Plan is consistent with other federal, state, and local documents including the 2014 Interregional Transportation Improvement Program (ITIP) and the 2014 Federal Transportation Improvement Program (FTIP). Funding strategies that implement Transportation Control Measures (TCM) are included in the 2014 FTIP.

Revenue Constrained Financial Assumptions

All revenues shown below have been escalated to the year the expenditures occur and based on escalation factors appropriate for the specific revenue source.

Local revenues

***TransNet* Program** is a voter-approved half-cent sales tax for transportation purposes in the San Diego region.

- Total Revenues: $26.4 billion including bond proceeds
- Base Year: 2014
- Data Source: Actual sales tax receipts to FY 2014; projection of sales tax receipts are based on the SANDAG Demographic Economic Forecasting Model (DEFM)
- Growth Rate: Through 2020 based on short-term forecast model scheduled to be approved by the Board at its February 2015 meeting (5%, 4.9%, 5.1%, 5%, 4.97%); 2020 forward based on DEFM which ranges from 3.2 percent to 5 percent to 2050

Bond Proceeds are based on analysis of program capacity over the life of *TransNet* (2048) and assume ample coverage ratios through the life of the repayment period.

Transportation Development Act (TDA) is a statewide one-quarter percent sales tax for transportation purposes. In San Diego, the TDA program is used exclusively for transit, non-motorized, and regional planning purposes. These are assumed to grow at the same rate as *TransNet* funds because TDA funds also are based on the growth of sales taxes. TDA funds may be used for transit operating or capital purposes, but they are not eligible for use on non-transit-related highway or local street and road improvements. The state statute that governs this program also includes specific funding for bike and pedestrian projects, as well as for accessible service for the disabled.

- Total Revenues: $11.4 billion
- Base Year: 2014
- Data Source: Same as *TransNet*

Developer Impact Fees: The Regional Transportation Congestion Improvement Program (RTCIP), an element of the *TransNet* Ordinance, requires the 18 cities and the County of San Diego to collect an exaction from the private sector for each new housing unit constructed in their jurisdiction. *TransNet* requires SANDAG to adjust the minimum RTCIP fee amount on July 1 of each year, based on an analysis of construction cost indices, such as the Engineering News Record, and the Caltrans Construction Cost Index (CCI), but no less than 2 percent. The purpose of this annual adjustment is to ensure that the RTCIP retains its purchasing power to improve the regional arterial system. All local jurisdictions are required to comply.

- Total Revenue: $1 billion
- Base Year: 2014
- Data Source: DEFM for new housing units to be built by 2050
- Growth Rate: Historical Construction Cost Index, no less than 2 percent per year (based on *TransNet* Ordinance)

City/County Local Gas Taxes are subventions local agencies receive directly from the state gas tax used for transportation related purposes. These are assumed to be available at the current level of gas tax subventions under the Highway Users Tax Account to cities and the County of San Diego for local streets and road purposes. These revenues are based on the SANDAG vehicle miles traveled (VMT) and Fuel Forecast, as well as the state excise tax and fuel tax swap legislation (ABx8 6, Chapter 11, Statutes of 2010; and ABx8 9, Chapter 12, Statutes of 2010).

- Total Revenues: $5.2 billion
- Base Year: 2010
- Data Source: Actual received as reported in the State Controller's Report through FY 2010
- Growth Rate: Based on future fuel consumption, SANDAG VMT and Fuel Forecasts (Series 12 Version 2 - 2050 Regional Transportation Plan and Sustainable Communities Strategy)

General Fund/Miscellaneous Local Road Funds are general fund revenues dedicated for transportation purposes. These revenues are based on information provided in the State Controller's annual reports for local street and road expenditures and revenues. The average amount of general fund contributions and other revenues (including fines and forfeitures, interest earnings, and other miscellaneous revenue sources) used for local street and road expenditures in recent years is assumed to continue.

- Total Revenue: $17.2 billion
- Base Year: 2010
- Data Source: Actual received as reported in the State Controller's Report through FY 2010
- Growth Rate: 3 percent

Future Local Revenues: A provision in the *TransNet* Ordinance specifies that "SANDAG agrees to act on additional regional funding measures (a ballot measure and/or other secure funding commitments) to meet the long-term requirements for implementing habitat conservation plans in the San Diego region, within the time frame necessary to allow a ballot measure to be considered by the voters no later than four years after passage of the *TransNet* Extension." This Regional Plan assumes one-quarter cent measure would fund transit operations starting in 2020. In order to remain conservative, the new revenue source is proposed to start after the current RTIP period of 2019.

- Total Revenue: $10.7 billion
- Base Year: 2020
- Data Source: One half of estimated *TransNet* starting in 2020

Toll Road and Port of Entry Funding – I-5, SR 11, I-15, SR 125 and SR 241: This funding is derived from debt financing backed by future toll revenues and it is expected to be available for major phases of toll road and port of entry (POE) construction projects for State Route 11 (SR 11), SR 125, SR 241, and for Interstate 5 (I-5) and I-15.

- Total Revenue: $7.9 billion
- Base Year: 2014
- Data Source: SR 241 from Foothill Corridor JPA, SR 11 financial plan, toll estimates for SR 125, I-5 and I-15
- Growth Rate: Not applicable

Public Private Partnerships/Transit Oriented Development (TOD): There are two components to this source of revenue. One is from transit stations, and the other is from funds used to pay for streetcars. TOD revenues are based on existing agreements that the transit agency has with developers, using the agreed-upon acreage per square feet ratio ($20/sq. ft. and an 8% return).

- Total Revenue: $318 million
- Base Year: 2014
- Data Source: transit agencies that already have agreements for TODs, using other regions' agreements as a guide to develop own partnership to provide transit circulator, streetcar, and airport shuttle service
- Growth Rate: Not applicable

FasTrak® Revenues: These revenues are based on actual total revenues on the I-15 corridor. The assumption includes a growth rate consistent with inflation, and the planned expansion of new Express Lane segments along the region's major corridors to 2050.

- Total Revenue: $1.7 billion
- Base Year: 2014
- Data Source: Using existing data for revenues per mile and anticipated toll pricing system and forecasting based on planned opening of Managed Lanes – new 24 miles of managed lanes through 2050.
- Growth Rate: Consumer Price Index

Passenger Fares: Through 2019, passenger fares are based on the estimates as provided by the two transit agencies: the North County Transit District, and the Metropolitan Transit System. From 2020 forward, the passenger farebox recovery rate is maintained at 35 percent of estimated operating cost for all services provided by the transit agencies.

- Total Revenue: $15.3 billion
- Base Year: 2013
- Data Source: To 2019, as estimated by the two transit agencies; 2020 forward 35 percent farebox recovery ratio based on planned existing and new services.
- Growth Rate: Not applicable

Motorist Aid Services – Call Box Program: Assembly Bill 1572 dissolved the San Diego Service Authority for Freeway Emergencies and transferred its responsibilities to SANDAG effective January 1, 2013. SANDAG provides assistance to help travelers experiencing vehicle problems while on the highway and, among other things, fielding calls from the call box located at various intervals along the freeway. Motorists also can call "511" for assistance. SANDAG operates the call box system coordinating with the Freeway Service Patrol. The funding comes from $1 annual fee on vehicle registrations collected by the California Department of Motor Vehicles.

- Total Revenue: $401 million
- Base Year: 2014
- Data Source: Call Box program five-year plan
- Growth Rate: 2 percent

Prior Year Funds in RTIP: Local share of previously expended revenues for various projects funded with state and federal funds (i.e., I-15 ML, I-805 ML, SR 52, SR 76, Mid-Coast, *SuperLoop*, Blue Line).

- Total Revenue: $521 million
- Base Year: 2014
- Data Source: 2014 Regional Transportation Improvement Program (RTIP)
- Growth Rate: Not applicable

State revenues

Active Transportation Program (ATP): In September 2013, Governor Brown signed legislation creating the ATP. The ATP includes funding from the federal Transportation Alternatives Program (which replaced the Transportation Enhancement Program), state bicycle program, and Safe Routes to School program. The ATP is awarded on a competitive basis and divided into two portions, statewide share (which is administered by the California Transportation Commission) and regional share (which is administered by SANDAG).

- Total Revenues: $933 million
- Base Year: 2014
- Data Source: California Transportation Commission
- Growth Rate: 5 percent per year; starting 2020, 10 percent increase every five years

State Transportation Improvement Program (STIP)/Traffic Congestion Relief Program (TCRP): Includes the county share of the Regional Improvement Program, Interregional Program and the Traffic Congestion Relief Program. These revenues are consistent with the amounts available for new and existing programming through FY 2019, as included in the 2014 State Transportation Improvement Program (STIP) Fund Estimate. The San Diego region anticipates receiving at least a minimum formula "County Share" and a proportionate share of the STIP Interregional Program funds over time as well. The total STIP funds assumed include revenue from both the Regional and Interregional STIP shares. The STIP funds are flexible and they are available for capital projects to increase the capacity of highways, public transit, and local roads. The STIP funds also are available for efforts to manage demands on the transportation system (TDM), and for planning, programming, and monitoring activities.

- Total Revenues: $3.6 billion
- Base Year: 2014
- Source Data: 2014 STIP Fund Estimate
- Growth Rate: For STIP, from 2014 to 2019, revenues are based on the fund estimate from the 2014 STIP, with a 5 percent increase in 2020, then a 5 percent increase per year with a 20 percent increase every five years starting in 2036. No growth factors were assumed for TCRP revenue assumptions since those revenues are based on the list of programmed projects as approved by the California Transportation Commission (CTC).

State Transit Assistance: In March 2010, Governor Schwarzenegger signed into law ABx8 6 and ABx8 9, which restored the STA program (a prior budget action had suspended the program altogether). STA funds support transit agencies and can be used for both operating and capital projects.

- Total Revenue: $1.6 billion
- Base Year: 2015
- Source Data: 2016 Apportionment Estimate from the State Controller's Office
- Growth Rate: 1 percent per year to 2021, then 3 percent per year thereafter

State Highway Operations Protection Program (SHOPP) and Maintenance and Operations Program: These revenues are assumed to be available to meet Caltrans' identified needs for state highway operations and maintenance. State law requires that these expenditures be given priority over new construction, and they are funded "off the top" of the State Highway Account before any funding for new construction projects is allocated. The 2013 base year estimates of $11 million annually for operations and administration costs, and $60 million annually for maintenance costs were increased at 3 and 5 percent per year, respectively. This reflects historical trends, and a gradual increase in these costs as the size and the age of the system to be maintained increases over time. The revenues needed for these purposes, as identified by Caltrans, are assumed to be available. For programs to reduce collisions on state highways, as well as other programs related to rehabilitating and operating highways, funds are assumed to be available, consistent with the financially constrained ten-year SHOPP.

- Total Revenue: $15.5 billion
- Base Year: 2013
- Source Data: Caltrans District 11 estimate which includes operations and maintenance of non-major capital and labor costs; major capital costs based on 10-year SHOPP
- Growth Rate: 5 percent

Future state revenues for transportation

Fees associated with Road User Charge that would apply a mileage-based user fee to replace or supplement the gas tax which is insufficient to support the state's highway and roadway infrastructure. Senate Bill 1077 (SB 1077), enacted in 2014, would authorize the use of vehicle miles travelled by motorists to estimate fees, as a pilot project in 2017. California is not alone in testing this kind of program in order to maintain or increase transportation funding. The details of how this program would be implemented are currently being developed; as such, the Regional Plan assumes the fee to start in 2020.

- Total Revenue: $10.7 billion
- Base Year: 2020
- Source Data: SB 1077; similar legislation in other states.
- Growth Rate: Fee of one cent per mile starting 2020; rising to four cents per mile by 2050

Cap-and-trade

The 2015 state budget included a new revenue source that would provide continuous appropriation of Cap and Trade Auction Revenues toward transit and rail investments. The intercity rail is a competitive program while the transit program is on a formula basis. The Affordable Housing and Sustainable Communities program supports projects that implement land-use, housing, transportation, and agricultural land preservation practices. The 2015 budget allocated $25 million under each program with future years' shares being 10 percent and 5 percent of the total for intercity rail and low carbon transit programs, respectively, in addition to $120 million in FY 2015 is available under the Affordable Housing and Sustainable Communities program with an ongoing share of 20 percent. The total statewide revenues from the auction are expected to be over $1 billion per year, to remain conservative, statewide the Regional Plan assumes the $1 billion in 2021 with 5 percent per year growth; then increases to $3 billion statewide in 2036.

- Total Revenue: $2.3 billion
- Base Year: 2015
- Source Data: 2015 State Budget
- Growth Rate: 5 percent per year; starting in 2021 the statewide total increases to $1 billion every 10 years.

Transportation Bond/Infrastructure Programs: The voters of California approved two propositions to fund transportation in 2006 and 2008. All the programs included in Proposition 1A and Proposition 1B have been awarded or allocated. The early years of the plan include funding for specific projects as reflected in the 2014 RTIP. For future years, new transportation propositions or infrastructure funding is assumed to continue. These future revenues were assumed based on a review of past revenues awarded to the region that were not part of the normal formula. These new sources include the Traffic Congestion Relief Program, Propositions 108/116, Proposition 42, and Propositions 1A and 1B.

- Total Revenue: $12.7 billion
- Base Year: 2014
- Source Data: SANDAG share of Propositions 108 and 116, TCRP, Prop. 1A, and Prop. 1B
- Growth Rate: Starting in 2020 -2025 assume $250 million per year (average of actual Prop 1A/B), then a 5 percent to 25 percent increase every five years (no annual increase between years)

Other State Managed Federal Programs: State administered programs for the region such as Highway Bridge Program, Hazard Elimination Program, Freeway Service Patrol, Highway Safety Improvement Program.

- Total Revenue: $4.7 billion
- Base Year: 2014
- Source Data: Historical receipts for the region
- Growth Rate: 5 percent per year

High Speed Rail: With the Governor's support of the High Speed Rail, it is assumed the state will fund the San Diego portion once the alignment reaches the region. The estimated cost is $17.2 billion.

- Total Revenue: $17.2 billion
- Base Year: 2014
- Source Data: High Speed Rail Authority
- Growth Rate: Not applicable

Prior Year Funds in RTIP: Share of previously expended state funding for various major on-going projects including I-5 North Coast Corridor, SR 76 East, and I-805 HOV/managed lanes.

- Total Revenue: $254 million
- Base Year: 2014
- Source Data: 2014 Regional Transportation Improvement Program (RTIP)
- Growth Rate: Not applicable

Federal revenues

Federal Transit Administration (FTA) Discretionary: The annual or one-time funding for specific projects appropriated by a legislator (earmark) has been eliminated and is not assumed to return in this Regional Plan. The one remaining discretionary but competitive program is the Full Funding Grant Agreement (FFGA) for both large and small transit projects in which the Federal Transit Administration (FTA) provides funding on a multi-year commitment. The revenues assumed include those from an FFGA for the Mid-Coast Trolley Extension project, and from future discretionary programs for major transit projects identified in the Regional Plan. This assumes that every decade (beginning in 2020) the San Diego region would secure one large New Starts FFGA similar in size to the Mid-Coast project, and three Small Starts projects. This is based on the historical track record for the region, which has been successful in securing FFGAs for previous projects such as the Mission Valley East Trolley, and the SPRINTER, as well as the Mid-City Rapid.

- Total Revenue: $6.9 billion
- Base Year: 2014
- Source Data: Assume Full Funding Grant Agreement for Mid-Coast based on competitiveness and discussions with FTA for the out years based on the assumption of one large New Starts eligible project and three Small Starts eligible project per decade, with federal share consistent with current FTA guidance
- Growth Rate: Not applicable

FTA Formula Programs: Allocated annually from the federal budget, based on urbanized area population, population density, and transit revenue miles of service among other factors. Sections 5307, 5337, and 5339 formula funds are mainly used for capital projects and to purchase transit vehicles. Section 5310 funds are specifically designated to assist nonprofit groups in meeting the transportation needs of the elderly and individuals with disabilities when transportation service is unavailable, insufficient, or inappropriate to meet their needs. MAP-21 modified some of the formula funds, but core programs remain intact.

- Regional Plan assumes similar increases every six years
- Total Revenue: $8.5 billion
- Base Year: 2014
- Source Data: Actuals from the Federal Register through FY 2014
- Growth Rate: 5 percent per year; starting in 2020 (and every six years thereafter) 5 - 25 percent increase with additional increase due to new service (after 7 years)

Congestion Mitigation and Air Quality (CMAQ) Improvement/Regional Surface Transportation Programs (RSTP): These revenue assumptions are based on estimates provided by Caltrans and included in the 2014 RTIP through FY 2019. The Surface Transportation Program (STP) funds are flexible and they may be used for a wide range of capital projects. The Congestion Mitigation and Air Quality (CMAQ) Improvement funds are for projects that help reduce congestion and improve air quality. Eligible projects include the construction of high occupancy vehicle (HOV) lanes, the purchase of transit vehicles, rail improvements, and Transportation Demand Management, among others. CMAQ also can be used for transit operations for the first three years of new service.

- Total Revenue: $6.6 billion
- Base Year: 2014
- Source Data: Estimates from Caltrans through 2019
- Growth Rate: 5 percent per year; starting in 2020 (and every six years thereafter) average of 10 - 30 percent increase due to reauthorization

Other Federal Highway Administration Programs: Using lower than historic average High Priority funds received, the Regional Plan assumes earmarks will become available after 2020.

- Total Revenue: $128 million
- Base Year: 2014
- Source Data: Actual for 2014
- Growth Rate: 5 percent per year with 10 percent increase every five years

Other Financing – Grant Anticipation Notes (GAN)

Based on discussions with the FTA regarding Mid-Coast Light Rail FFGA, SANDAG can assume only $100 million per year in appropriations. Given that the annual project expenditure is anticipated to be much greater, the Regional Plan assumes that SANDAG will securitize the federal funding once the FFGA is approved. The amount of $547 million in GAN proceeds is based on the amount needed to fund the project while waiting for the reimbursement from the FTA. This is a one-time borrowing for this particular project. While there are other financing tools available, the current Regional Plan only includes GAN's.

Future Federal Revenues for Transportation

The federal gas tax that supports transportation has not increased since 1993, has not been indexed, and over time the funding has been unable to keep up with transportation needs around the nation. Every year since 2008, Congress has 'fixed' the program by transferring money from the general fund to the Highway Trust Fund. In light of the dire situation, there has been discussion at the federal level on options to address the funding gap while meeting the transportation infrastructure need including increase to the gas tax. A number of experts have proposed increasing the tax to maintain the current infrastructure. Without a proposal or other viable programs, this Regional Plan assumes an increase to the gas tax starting in 2020**.**

- Total Revenue: $8.8 billion
- Base Year: 2020
- Source Data: Public discussion by Senate members (Bob Corker and Chris Murphy) to introduce legislation to increase the gas tax, a carbon tax, or tax on other fuels based on life cycle for carbon emissions
- Growth Rate: Starting in 2020 increase of 15 cents per gallon and up to 25 cents per gallon by 2050

Federal Railroad Administration (FRA/Discretionary): The federal stimulus program began a new funding source under FRA which has awarded funding under the American Recovery and Reinvestment Act as well as under the Passenger Rail Investment and Improvement Act (PRIIA). Due to the newness of the program, the estimate is based on actual award; however, as part of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor (second busiest in the nation), it is anticipated that the projects in the San Diego region will be very competitive for both the on-going FRA formula program as well as funding under the high speed rail which the President has identified as one of his priorities.

- Total Revenue: $1.3 billion
- Base Year: 2014
- Source Data: Actual award from ARRA and PRIIA
- Growth Rate: Using actual amount received through 2014 as the basis, future revenues start in 2020 with a growth rate of 3 percent per year

Corridors and Borders Infrastructure (CBI)/Other Freight Funds: Since the passage of ISTEA in 1991, the DOT, by law, has been charged with periodically developing a conditions report on Intermodal Connectors; the assumption is that there will be dedicated funding under a national freight policy. San Diego, as a major border region, anticipates being very competitive in freight/border funds.

- Total Revenue: $3.1 billion
- Base Year: 2014
- Source Data: Actual receipts under CBI escalated by CPI

Prior Year Funds in RTIP: Share of previously expended federal funding for various major ongoing projects such as the I-5 North Coast Corridor, I-805 HOV/managed lanes, SR 76 east, and other local discretionary-funded projects.

- Total Revenue: $319 million
- Base Year: 2014
- Source Data: 2014 Regional Transportation Improvement Program (RTIP)
- Growth Rate: Not applicable

Revenue Sources: Availability Assumptions and Risk Assessment

The revenues included in the Regional Plan assume both new revenue sources and/or continuation of the existing sources beyond the established timeframe. Some of the risks associated with these assumptions are outlined in Table O.1.

Table O.1

Revenue Sources: Availability Assumptions and Risk Assessment

Revenue Source	New or Existing	Availability Assumption	Potential Risk	Risk Mitigation
Future Local Revenues	New	Voters approve new sales tax for support in part transit operations	Board may choose to delay the vote; voters may reject the proposition	Ensure sponsor for the outreach and polling efforts have good data and history of success
Public Private Partnerships/Transit Oriented Development	New	Partnerships with businesses for mixed-used, transit friendly development and local circulators for streetcar	Local business partners fail or the partnerships do not materialize	Alternative funding sources substituted; RTP amended if needed
Road User Charge	New	The state pilot program is a success and can be implemented	Pilot program data does not reflect sufficient revenues	Alternative funding sources or delay projects
Transportation Sales Tax	Existing/Future	Current sales tax expires in 2048, assume continuation to 2050 given successful passage of the first two sales tax ballot	The ballot measure fails	Funds continue based on past experience
Federal Funds Discretionary	Existing/Future	Reasonably available based on recent past and current allocations for the region	Lack of authorization or award	Alternative funding sources or delay projects
Corridors and Borders Infrastructure/Other Freight Funds	Existing/Future	Continue federal funding at historic levels for CBI/ additional funding for freight projects	Lack of federal authorization bill or no continuation of this program; lack of nationwide freight program	Funds continue on incremental basis, at historic levels for CBI
High-Speed Rail	Existing/Future/ New	Assumption of federal, state and private funds to complete the San Diego section of the High-Speed Train	Funds do not materialize, or only a portion of funds needed are available	Delay or delete projects