

**Joint Hearing
Pennsylvania Senate Transportation,
Majority Policy and Democratic Policy Committees**

***Tolling New Interstate Capacity
To Grow the Economy:
Making Infrastructure Relevant
Building Political Support***

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Using Interstate Network: Creating New Enterprise Frameworks for Tolloed Systems:

- **Converting Mobility Needs Into Economic Development/Economic Recovery Tool**
 - **Building Market Finance-able Transportation Based Enterprises.....TODAY!!!**
 - **Building Developmentally, Modally, Enviro Integrated Tolloed Transit Ways and Goods Movement Systems**
 - **More Intensively Utilize Existing Resources, Assets to Create New Value**
 - **Competitive Advantage to Attract JOBS and Development is Relevant to Tax Payer/Voter**

Using Interstate Network: Creating New Enterprise Frameworks for Tolled Systems:

- **Converting Mobility Needs Into Economic Development/Economic Recovery Tool**
 - **This is a Market Based Enterprise Strategy and Development Strategy to Create New Value**
 - **This is not a Different Means to Extract Existing Value from Homeowners and Businesses**

Strategic Objectives: Increasing Economic Competitiveness; Environmental Sustainability

- *Improved Economic Production Function for Increased Efficiency and Competitiveness*
- *More Efficient Marriage of Transport and Economic Activity: Reduce Direct & Indirect Costs of Production, Distribution, Consumption*
- *Address Decaying Outmoded Infrastructure: Transport, Energy, Water, Etc.*
- *Increase Production and Transport Efficiency: Reduce Greenhouse Gas Residuals and other Enviro Needs*

Developmentally and Modally Integrated Tolled Transit Ways and Goods Movement Systems

- A market viable armature for growth
- A platform for increased productivity
- An infrastructure framework for increased corridor and regional mobility and
- Accelerated economic development
- Enhanced regional enviro-systems, management capabilities using market-financed strategies

Developmentally and Modally Integrated Tolloed Transit Ways and Goods Movement Systems

Within the context of toll road systems, why are they needed:

Increased weakness in the "naked toll facility" business model

1. Alligator Alley, FL, (existing highway) failed syndication
2. Jackson, MS Managed Lane (proposed) failed syndication
3. San Francisco ML Network T&R study: too expensive for toll support
4. Greenville Connector, SC, (existing 6320 toll road) reported defaulted
5. NW Parkway, CO, Pocahontas Pkwy, VA (6320s) forced re-organized to avoid default
6. Camino Colombia Toll Road, TX, sold to TXDOT at \$0.20 cents on the dollar
7. Massively written-down assets Chicago Skyway, IN Toll Road (Macquarie, Trans-urban)
8. Macquarie completely writes off asset value of SBX Toll Road in San Diego
9. Cintra "fire sale" of S. Am. systems to reduce balance sheet debt
10. Near junk-bond rating, Cintra's NTE Tollway, TX, High Traffic Corridor
11. Lane Cove Tunnel, Sydney, Australia, sold to Transurban for \$0.57/\$
12. Clem 7 Just-opened (3/10) Brisbane Australia produces 30% of the traffic at 70% of expected toll rate. Default certain unless traffic increases
13. Southwest Florida Expressway Authority collapses in debt before it gets off the ground
14. Dulles Greenway: steadily declining traffic since 2005 (thru early 2010)

Developmentally and Modally Integrated Tolloed Transit Ways and Goods Movement Systems

- *How does development/modal integration of tolled systems correct the weaknesses*
 - Broadened income streams
 - Reduced reliance on driver supported income sources
 - Broadened mobility & increased trip capacity
 - Reduced enterprise and finance risk
 - New Sources of Income vs. Increasing Costs on Existing Firms and Households/Divers

Developmentally and Modally Integrated Tolloed Transit Ways and Goods Movement Systems

- *Within the context of the infrastructure funding crisis, why are they needed*
 1. \$1.2+ Trillion in unmet highway & transit maintenance
 2. Driver-funded revenue sources insufficient-falling average, real, household income
 3. Need for systems/enterprise structures with higher trip performance per dollar of investment
 4. Need for systems/enterprise structures with lower infrastructure inputs per dollar of GDP outputs

Developmentally ^ Modally Integrated Tolloed Transit Ways & Goods Movement Systems

- *How does development/modal integration of tolled systems correct the weaknesses*
 1. Increased trip accommodation per lane mile of facility developed
 2. Inclusion of development sites and transit/shared ride systems in enterprise plan
 3. Increasing transit and NMT usage per sq ft of development
 4. Higher investment and GDP returns possible

Examples of Modally, Developmentally Integrated Tolloed Transit Ways and Goods Movement Systems

- Existing Examples of Managed Lanes
 - 95Express, Miami-Dade, FL, Proposed joint development
 - IH 10 Toll Lanes, Houston, TX, Proposed joint development
 - Citra-Metro Manila Skyway, Philippines. Existing joint development
 - I-15 Express Lanes, San Diego, CA, Potential joint development
 - South Florida Express, Miami-Dade/Broward, FL nation's first ML network in development
- Proposed Goods Movement Systems
 - PA Turnpike System Goods Movement Systems Expansion
 - Creating North Central-Mid Atlantic, High-speed, Rubber-tire Network
 - Joining Rail/Roadway Modes Using Advanced Systems Integration
- Proposed Urban Systems
 - SEPTA BRT/Tolloed LOV Managed Lane Systems
 - Port Authority of Allegheny County
 - Using Interstates ROW more intensively: I 476/I 95/I 80 etc. systems

Developmentally, Modally Integrated Tolled Transit Ways, Goods Movement Systems

- Issues of Tolling Existing Interstates
 - Trip Diversion
 - Higher Network Congestion, Pollution
 - Higher Network Maintenance, Operating Costs
 - Inter-Jurisdictional Cost Transfers
 - Unlikely System Cost Recovery Strategy
 - Reduced Mobility = Reduced Economic Performance
 - Political Backlash

Developmentally and Modally Integrated Tolloed Transit Ways and Goods Movement Systems

- Opportunities from Building New Approaches: ***Building Political Support***
 - Enhancing economic, enviro performance
 - Enhancing performance of businesses
 - Enhancing competitiveness
 - Enhancing infrastructure and economic productivity
 - Growing jobs & incomes of American workers
 - ***Making Infrastructure Relevant!!!!!!***

Developmentally, Modally Integrated Tolled Transit Ways, Goods Movement Systems

- Recommendations: Federal
 - Ease the Way for New Capacity on Interstates
 - Enable Easier Air Rights Uses and Other Potential Income Sources
 - Initiate Infrastructure Bank for Systems Development Uses that Can REPAY the COST
 - Facilitate Concept of Value Creation/Value Capture Funding as Policy Basis of Federal Transport Funding
 - Turn Infrastructure Into an Enterprise as Opposed to a Cost Center as Policy Basis Federal Transport Funding

Developmentally, Modally Integrated Tolled Transit Ways, Goods Movement Systems

- Recommendations: State/Local
 - Create Infrastructure-Development-District Zoning to Capture Access Gains Within Project Enterprise Funding Needs
 - Create Infrastructure Development Bank
 - Enable Transit Systems to Develop Tolled Enterprises
 - Utilize PA Turnpike as Advanced Goods Movement Enterprise Platform
 - Partner with OH, IN, NJ, DE, MD to create a US North Central/Mid-Atlantic Hi-Speed, Rubber-tire Goods Movement Platform

Developmentally, Modally Integrated Tolled Transit Ways, Goods Movement Systems

- Recommendations: State/Local Non Comprehensive Listing of Potential BRT/HOV - METRO Tolled Systems Facilities/Network for Possible Evaluation
 - Roosevelt Boulevard/CSX Corridor/Philadelphia Waterfront Managed Lanes
 - I-95, I-476 Managed Lanes
 - US 422 Managed Lanes
 - Cross County METRO
 - Schuylkill Valley METRO
 - I 676 Development
 - I 95 PHL Airport Development/Amtrak Direct Access
 - Pennsylvania Turnpike Goods Movement
 - Myriad Rail Rights of Way
 - Etc