



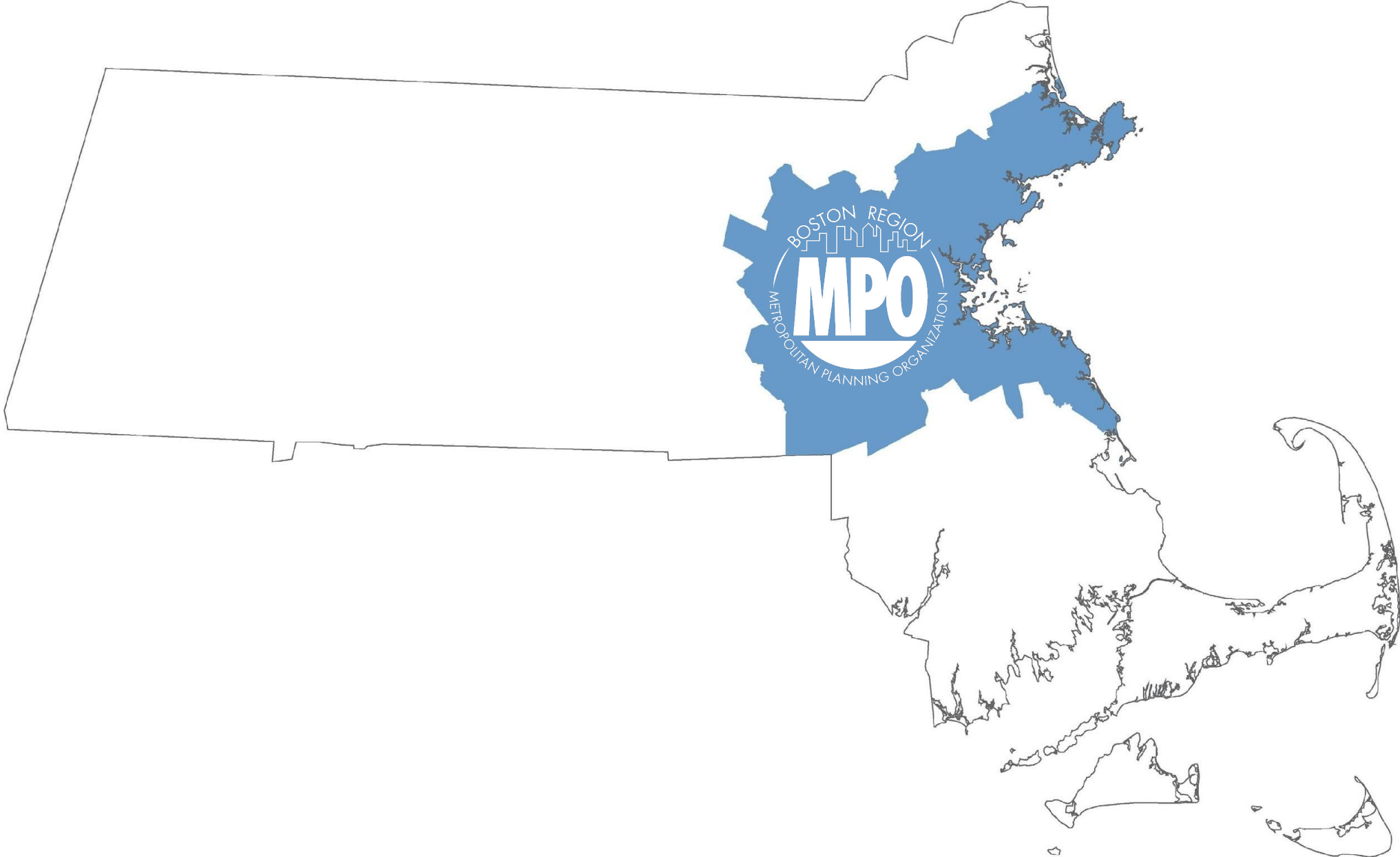
# MBTA Sources of Community Value

Tegin Teich, Executive Director

Rose McCarron, Manager of Project Analysis and Applications

*Central Transportation Planning Staff to the  
Boston Region Metropolitan Planning Organization*

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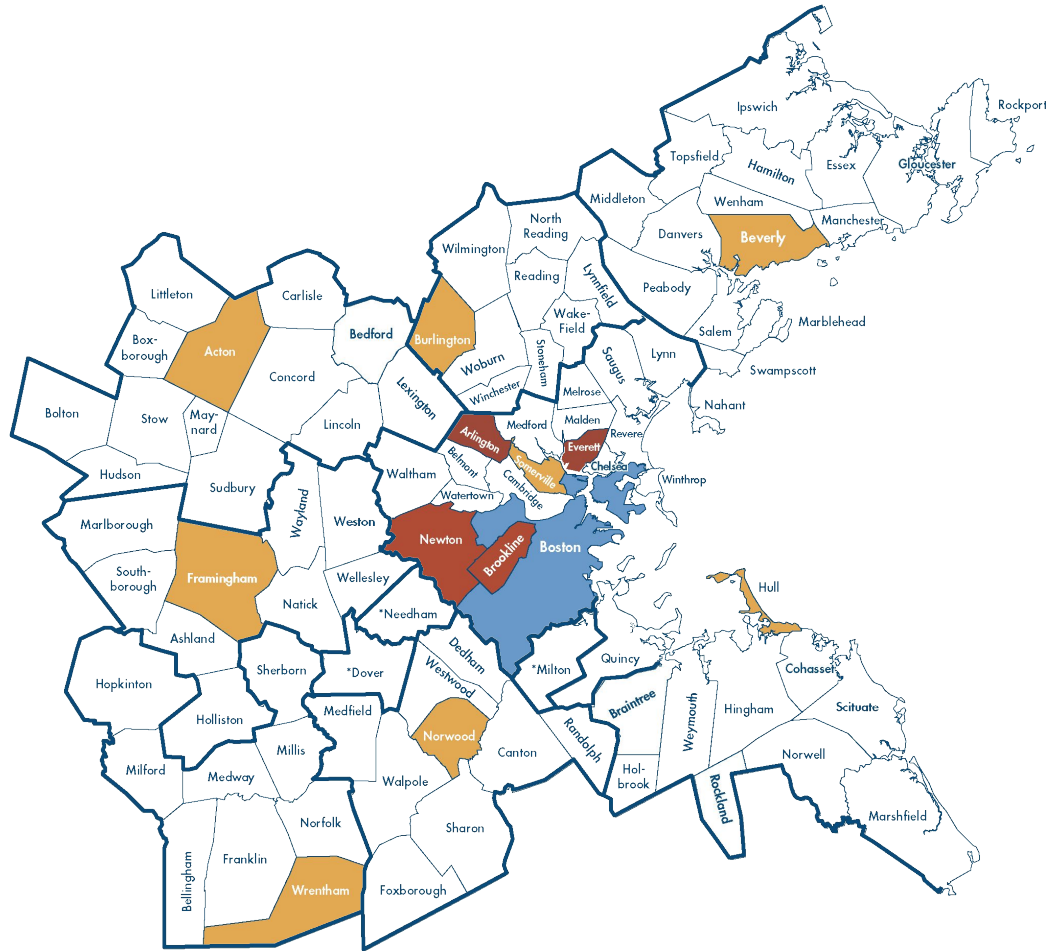


MPOs are designated by agreement between the governor and local governments to

- facilitate collaboration of governments, interested parties, and residents in the planning process, and
- perform significant planning and programming as a prerequisite to getting federal funding.







# 22 Boston Region MPO Board Members

- City of Boston (two seats)
  - City or town at-large (four, elected)
  - Subregion representatives (eight, elected)
  - Subregion boundary
- MassDOT (three seats, Secretary as chair)
- MBTA (one seat)
- Massport (one seat)
- Metropolitan Area Planning Council (one seat, vice chair)
- MBTA Advisory Board (one seat)
- Regional Transportation Advisory Council (one seat)

# Study Background

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- Evaluate revenue sources used by peer agencies
- Previous MBTA research
  - Presented to MBTA Board in Sept. 2022
- CTPS: perform technical analysis of these sources
  - MPO scope approved in May 2023
- Strategies would all require legislation

# Study Structure

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Three phases:

1. Review previous work
2. Assess Massachusetts context/revenue potential
3. Documentation

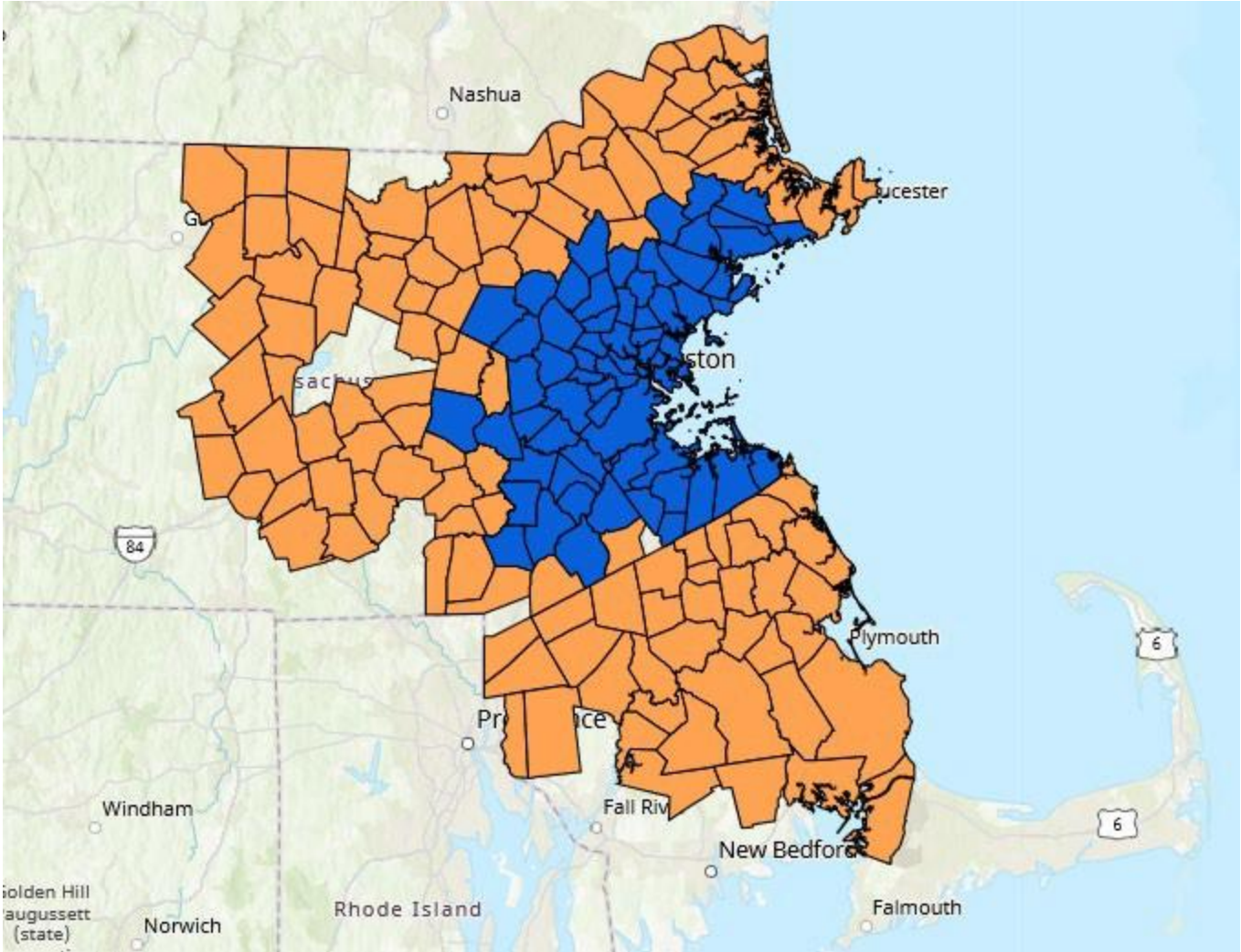
# Strategy Selection

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- 10 strategies
- Evaluation process
  - Initial revenue assessments for all 10 strategies
  - MBTA selected six highest revenue strategies for more detailed analysis
- Three categories
  - Vehicle access, road usage, value generated by transit



# MBTA Service District



- Core Service Area
- Extended Service Area

# Vehicle Access

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- Motor vehicle excise/registration fee
  - Excise: \$36–570 million
    - Increase the existing 2.5% excise by 0.25-2%
  - Fee: \$33–104 million
    - Additional \$20 vehicle registration fee (currently \$60) or age-based variable fee
- Gas tax
  - \$22–356 million
  - Increase the current gas tax from 24 cents per gallon
  - 30 cents (New England average) or 36 cents (Boston–DC average) per gallon

# Road Usage

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- Increased highway tolling
  - \$22–80 million (assumes MBTA receives 50% of *new* revenue)
  - Increase tolls by 50-100% on existing tolled highway network to be in line with other East Coast cities
- Corridor level congestion pricing
  - \$220–440 million annually (total; some portion to be allocated to MBTA)
  - Expand highway tolling within Route 128
  - Similar toll per mile to current Turnpike

# Value Generated by Transit

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- TOD value capture for new development
  - \$25–85 million annually after 10 years (total)
  - MBTA would capture 5–10% of property tax increment near rapid transit stations for new developments
- Sales/meals/room taxes
  - Sales tax: \$335 million (remains 6.25%; MBTA transfer increases from 1% to 1.25%)
  - Meals: \$110–175 million (6.25% statewide; increase by 1% in MBTA service area)
  - Rooms: \$30–35 million (5.7% statewide; increase by 1% in MBTA service area)

# Additional Strategies

CATEGORY	STRATEGY	ESTIMATED REVENUE
Vehicle access	Vehicle rental tax	\$6-10 million
Road usage	High-occupancy toll lanes	\$7.5 million
	Automated bus lane enforcement	\$2-7 million
Value generated by transit	District improvement financing	\$2-11 million

# Project Summary

CATEGORY	STRATEGY	ESTIMATED REVENUE
Vehicle access	Motor vehicle excise or registration fee	\$33-570 million
	Gas tax	\$22-356 million
	Vehicle rental tax	\$6-10 million
Road usage	Increased highway tolling	\$22-80 million
	Congestion pricing	\$220-440 million
	High-occupancy toll lanes	\$7.5 million
	Automated bus lane enforcement	\$2-7 million
Value generated by transit	Transit-oriented development value capture	\$25-85 million
	Sales, meals, and room occupancy taxes	\$30-335 million
	District improvement financing	\$2-11 million