

VDOT TOLL RELIEF PROGRAM

Program Overview and Future Adjustments

David Caudill, P.E.

VDOT Tolling Operations Division

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Agenda

- **Background**
- **Program Revisions**
- **2022 Adjusted Parameters**
- **Rebate Distribution Modeling**
- **2023 Adjusted Parameters**
- **Anticipated Schedule**
- **Questions**

Toll Relief Program - Initial Concept

Comprehensive Agreement between Elizabeth River Crossings (ERC) and VDOT, Amendment #5 (2015) – Beginning 2017, provides for annual contributions of \$500,000 over a 10-year period made by ERC to be distributed to users of the Downtown and Midtown tunnels who are considered economically disadvantaged

Toll Relief Program – Revisions

Comprehensive Agreement between ERC and VDOT, Amendment #9 (2021) – Beginning 2022, provides for annual contributions of \$3.2M (increase by 3.5% year over year) through 2036 made by ERC to be distributed to users of the Downtown and Midtown tunnels who are considered economically disadvantaged. Allows for recovery of public awareness and operations costs (range of 10%)

Note: Program can potentially be extended to 2041

Toll Relief Program – Summary View

Year	Average Number of Participants	Residency	Income Maximum	Transaction Subsidy	Transaction Parameter	Typical Usage/Month	Average Benefit/Month	ERC Contribution	Disbursed Funds
2017-2021	2,150	Norfolk/Portsmouth	\$30,000	\$0.75 (2018 - \$1.00)	All if 8 minimum is met	25 transactions	\$21	\$3M	\$1.9M
2022	2,592	Norfolk/Portsmouth	\$30,000	50% 2-axle toll (\$0.97/\$1.25)	Maximum of 10 per week	18 transactions	\$20	\$3.2M	\$500K*
SB 522 (Lucas, 2022 Session)	----	Norfolk/Portsmouth	\$45,000	----	----	----	----	----	----
2023 Recommended	----	TPO (15 localities)	\$50,000	50% 2-axle toll	Maximum of 10 per week	----	----	\$3.3M	\$2.2M**

*Projection

**Estimate does not account for continuous enrollment impacts

Toll Relief Program - Anticipated Schedule

Key Milestones

- Public awareness campaign starts on October 15, 2022
- Continuous enrollment to begin on November 1, 2022
 - Rebates begin as soon as enrollee links Toll Relief Program code to a valid E-ZPass Virginia transponder
- Re-evaluate program results summer 2023
- Potential parameter adjustment October 2023

Toll Relief Program - Development

Toll Relief Steering Committee

- Established to provide input and guidance on program development
- Comprised of VDOT, NAACP, military, education, social services, local government and consultant representatives
- Met monthly
- Named the program, Toll Relief
- Recommended VDOT administer the program
 - Use E-ZPass Virginia infrastructure (Walk-In Customer Service Centers and existing interfaces)
 - Absorb public awareness and enrollment costs

Toll Relief Program - 2017- 2021 Parameters

Participants must:

- Reside in Norfolk or Portsmouth
- Earn \$30,000 or less per year
- Apply in-person at an E-ZPass Virginia Customer Service Center
- Have or open a Virginia E-ZPass account (maintain a positive balance)
- Record eight or more trips through the Downtown or Midtown tunnels during a calendar month using designated E-ZPass Virginia transponder

Rebate (\$0.75 / \$1.00 per transaction) applied monthly around the 10th of the following month

Toll Relief Program - Enrollment Period and Key Dates

- Enrollment Period
 - December 1 – February 15
- Toll Relief Benefits Begin
 - March 1
- First Toll Relief Rebate Distributed
 - April 10

Toll Relief Program - General Statistics

- Average Enrollees: 2,150
- Average Monthly Benefit: \$21
- Enrollee Residency: Portsmouth 67% and Norfolk 33%
- Typical Usage: 25 transactions/month (three round trips/week)

Note: Numbers are derived from sample data points. Not all enrollees received monthly benefits due to minimum 8 transaction parameter (45%).

Toll Relief Program – 2022 Adjusted Parameters

- Annual Income Threshold: \$30K or less (no change)
- Residency: Portsmouth or Norfolk (no change)
- Enrollment Period: December 1 – February 15 (no change)
- **Number of Transactions: 10 or less per week maximum** (previous – minimum of eight per month)
- **Rebate: 50% off two-axle tolls, \$0.97 or \$1.25** (previous - \$0.75)
 - **Rebate: Applied the following day** (previous – rebate applied around the 10th of following month)

Projected Annual Rebate = \$481K*

*** Based on last five months of activity in 2022**

Toll Relief Program - Modeling for Greater Distribution

Rebate Distribution Modeling by Jurisdiction

Input Parameters				Annual Toll Rebate Totals																
Income Eligibility	Trip Frequency Approach	Discount Approach	Geographic Eligibility	Norfolk	Portsmouth	Chesapeake	Suffolk	Va Beach	Franklin	Gloucester	Hampton	Isle of Wight	James City	Newport News	Poquoson	Southampton	Williamsburg	York	Total	
\$30,000	max of 10 /wk	50% disc/trip	2 localities	\$316,000	\$497,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$813,000
\$35,000	max of 10 /wk	50% disc/trip	2 localities	\$439,000	\$719,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,158,000
\$35,000	max of 10 /wk	50% disc/trip	15 localities	\$439,000	\$719,000	\$158,000	\$166,000	\$192,000	\$0	\$3,000	\$48,000	\$31,000	\$5,000	\$50,000	\$1,000	\$5,000	\$0	\$3,000	\$1,820,000	
\$50,000	max of 10 /wk	50% disc/trip	5 localities	\$520,000	\$872,000	\$209,000	\$214,000	\$254,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,069,000	
\$50,000	max of 10 /wk	50% disc/trip	15 localities	\$520,000	\$872,000	\$209,000	\$214,000	\$254,000	\$0	\$5,000	\$57,000	\$36,000	\$7,000	\$62,000	\$1,000	\$7,000	\$0	\$4,000	\$2,248,000	
\$50,000	max of 12 /wk	50% disc/trip	15 localities	\$525,000	\$888,000	\$211,000	\$215,000	\$256,000	\$0	\$5,000	\$58,000	\$36,000	\$7,000	\$63,000	\$1,000	\$7,000	\$0	\$4,000	\$2,276,000	

All cells with \$0 indicate that the annual discount associated with that particular town amounted to less than \$1000.

Toll Relief Program – 2023 Adjusted Parameters

- Annual Income: \$50K or less
- Expanded Residency: To include the entire Hampton Roads Transportation Planning Organization region
- Rebate: 50% off two-axle vehicle tolls on the Downtown and Midtown tunnels (with an E-ZPass Virginia account)
 - Maximum 10 transactions per week
 - Rebate applied to the E-ZPass Virginia account the following day

| QUESTIONS