
Citizens for Accountability in Politics

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The Real No Tolls Facts on the Comprehensive Agreement between the Virginia Department of Transportation (VDOT) and Elizabeth River Crossings, LLC (ERC) for the Midtown Tunnel, Downtown Tunnel and MLK Extension

The VDOT-ERC agreement is unconstitutional in that it effectively creates a tax imposed by VDOT and ERC. (The Virginia Courts already ruled that a "toll" collected to finance construction is a tax.) Under the Virginia Constitution, only the General Assembly has the authority to tax.

The cost of the Midtown Tunnel/Downtown Tunnel/MLK project has been projected at \$2.1 billion; it will cost over \$22 billion in tolls over nearly six decades. (This does not include the loss of dollars due to the multiplier effect, where dollars spent locally contribute multiple times within the economy.)

There was no economic impact study done for the region or any of the cities affected by the agreement. Only a toll feasibility study was done and it was considered proprietary information and not available to the public.

Beginning in January 2014, BEFORE THE NEW TUNNEL IS BUILT, tolls on existing Midtown and Downtown tunnels are currently set to be \$1.84 one way for cars and \$7.36 for trucks during rush hours; \$1.59/cars and \$4.77/trucks off-peak. This totals \$956.80 per car and \$3,827.20 per truck if drivers use a tunnel five days a week. (Truckers often make up to ten trips a day to and from the ports here.)

Starting in 2017, if there is no delay in completing the new tunnel, tolls on all tunnels can be increased by ERC 3.5% OR MORE per year until 2070.

There will be no toll booths. Drivers must use E-Z Pass or pay a penalty of \$3.18, for a total of \$5.02 one way. The fees associated with an E-ZPass are: \$35 initially for a transponder, a \$25 deposit if no credit card number is attached to the account, and \$1 per month for on-line monthly statements.

This contract gives the task of maintaining the roads and tunnels to Elizabeth River Crossings LLC. That means our toll money is being used for road maintenance while everyone else in the Commonwealth has road maintenance provided by VDOT. We are the only region in Virginia to pay out of pocket to maintain our roads and tunnels.

We will be sending money out of the local and state economies to enrich private corporations, while the increased transportation costs of goods and services are passed along here to consumers.

The contract guarantees a return on investment to ERC of 13.5% at a time when few investments pay close to that. If an alternate route (e.g., a third crossing) is built that diverts traffic from the tunnels causing the return on investment to drop, the state will pay ERC for the loss of revenue.

The new tunnel will not solve any of our traffic issues since there are no improvements to the roads the new Midtown tube will serve. We will pay over \$22 billion to move a traffic jam up the road a bit!

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