



SR 11-Otay Mesa East/Mesa de Otay II

Port of Entry

August 2014

The Challenge

Near constant congestion at the border crossings in the San Diego-Tijuana region due to insufficient infrastructure results in billions of dollars of forgone economic output and jobs each year for both the United States and Mexico. Bottlenecks at the Otay Mesa/Mesa de Otay Port of Entry (POE), the region's only commercial crossing, and the San Ysidro POE, the busiest land border crossing in the world, restrict the flow of people and freight, choking off economic opportunities.

- Wait times regularly exceed two hours for cars and four hours for trucks
- U.S./Mexico combined total loss of \$7.2 billion annual economic output
- U.S./Mexico combined total loss of 62,000 jobs



Northbound at San Ysidro POE



Southbound trucks near Otay Mesa POE

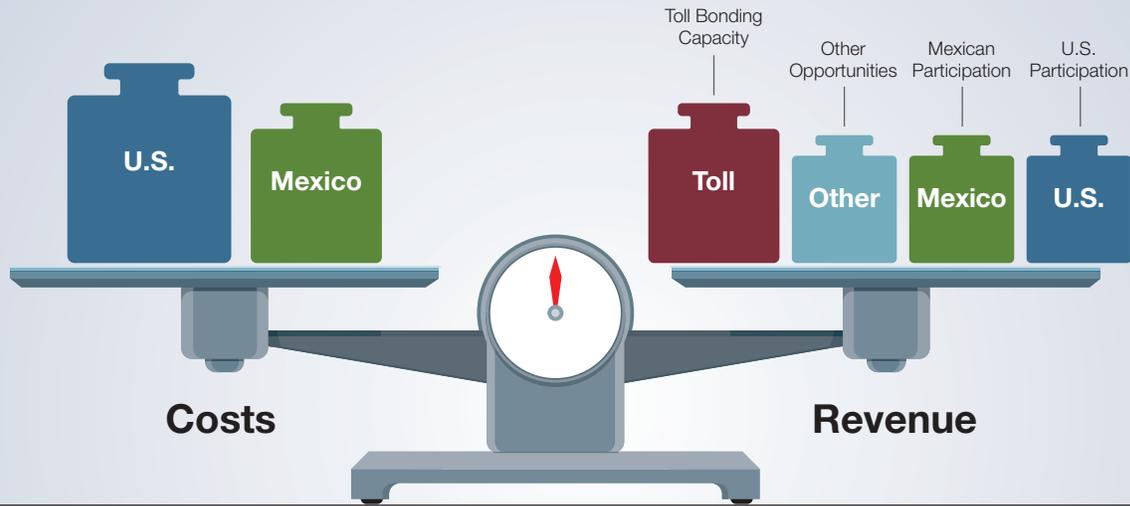
The Opportunity

A new port of entry east of the existing Otay Mesa/Mesa de Otay POE will reduce congestion and give travelers a faster and more predictable option for crossing the border. The new POE, along with tolled State Route 11 in the United States and connecting roadways in Mexico, will take advantage of innovative technologies such as variable-rate tolls to reduce wait times.

- Predictable crossing, with goal of 20-minute wait time
- Reduced POE costs for U.S. and Mexico
- Reduced emissions due to cuts in idling times
- Improved POE design to increase efficiency
- Integration of POEs to operate as a seamless system



Making it Happen: Binational Project Financing



Costs: The total cost of the project is estimated to be between \$500 million and \$800 million. (Estimates assume a four-lane southbound approach highway and a U.S. POE with 10 northbound passenger vehicle and 10 northbound truck inspection bays.)

Revenue Sources: The innovative approach to this project extends to its revenue model. Tolls collected on the roads leading to the POE will serve as the backbone for financing. However, other sources of revenue are being explored, including a variety of public and private partnership opportunities.

The Path Forward

The establishment of a bi-national project team, among other things, is necessary to facilitate discussions and ensure the success of this project. The following are critical for the timely completion of this project:

- Agreement between Mexico and the United States on revenue sharing and toll collection as the primary binational financing source.
- Assistance with expedited financing for the projects through existing programs, i.e. North American Development Bank, Transportation Infrastructure Finance and Innovation Act (TIFIA), State of California Infrastructure Bank, Fonandin and Banobras among others.
- Agreements with the appropriate federal agencies on both sides of the border with respect to staffing, operations and maintenance of the Ports of Entry.

Segment 1

Construct the SR 905/SR 11 freeway-to-freeway connectors and highway up to Enrico Fermi Drive

Financing

U.S./Mexico financial feasibility & strategy

Mexico Construction

Roadways and Mesa de Otay II POE

U.S. Construction

SR 11 and Otay Mesa East POE

Completion

Bi-national port of entry opens to traffic in 2017

2014

2015

2016

2017