

DRAFT MINUTES

TREASURE ISLAND MOBILITY MANAGEMENT AGENCY

Tuesday, December 11, 2018

1. Roll Call

Chair Kim called the meeting to order at 11:39 a.m. The following members were:

Present at Roll Call: Commissioners Brown, Cohen, Fewer, Kim, Peskin, Ronen, Safai, Stefani, Tang and Yee (10)

Absent at Roll Call: Commissioner Mandelman (entered during Item 5) (1)

Chair Kim called Items 2 and 3 together.

Chair Kim called Item 2 after Item 3.

2. Chair's Report – INFORMATION

Chair Kim thanked the Board and their staffs for their service to TIMMA and thanked Commissioners Ronen and Yee for serving with her on the TIMMA Committee. She reported that TIMMA considered challenging questions and held hearings on how to support affordability in the context of a multimodal mobility management program. She highlighted the Board's fall trip to Los Angeles, to experience their freeway Express Lanes, and noted Treasure Island was one of the few high performing projects in Plan Bay Area, supporting much needed affordable housing and prioritizing sustainable modes over private vehicle travel.

Chair Kim reported that Item 5, regarding Treasure Island toll policies and an affordability program, was requesting that the City consider making city budget contributions to support Treasure Island's mobility program, given the unique impact of tolls on the islands' residents and businesses. She said she strongly supported the Transportation Authority Board's parallel study of congestion management and pricing in downtown San Francisco and stated that Treasure Island should not be the only San Francisco neighborhood where robust mobility management had a role in reducing vehicle miles of travel and expanding alternatives to driving. She said she looked forward to seeing both initiatives on Treasure Island and downtown move forward in the coming years.

Chair Kim called Item 3 before Item 2.

3. Executive Director's Report – INFORMATION

Tilly Chang, Executive Director, presented the Executive Director's Report.

During public comment Steve Zeltzer, of United Public Workers for Action, spoke against the proposed TIMMA toll policy and stated that the agency was not supporting working class Treasure Island residents but was instead benefitting the profits of developers.

4. Approve the Minutes of the October 23, 2018 Meeting – ACTION

During public comment Steve Zeltzer said that outreach, regarding a potential Treasure Island toll, needed to be conducted throughout San Francisco and not just Treasure Island.

Commissioner Ronen moved to approve the minutes, seconded by Commissioner Peskin.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Brown, Cohen, Fewer, Kim, Peskin, Ronen, Safai, Stefani, Tang and Yee (10)

Absent: Commissioners Mandelman (1)

5. Approve the Treasure Island Transit Pass, Toll Policy, and Affordability Program – ACTION

Rachel Hiatt, Principal Planner, and Eric Cordoba, Deputy Director for Capital Projects, presented the item per the staff memorandum.

Chair Kim asked staff to explain what the Board was voting on and what it meant moving forward.

Mr. Cordoba said staff sought Board approval on the toll rate, hours of operation, affordability program and transit pass program.

Chair Kim asked if the policy was amendable.

Mr. Cordoba said the Board could amend the policy and noted that staff would update the Board and TIMMA Committee, as it related to the refining of the financial models, after meeting with transit operators.

Chair Kim said she had previously expressed her hesitation on supporting a program that singularly targeted one neighborhood to pay for enriching public transit and did not ask the same of any other neighborhood in San Francisco. She said that the point had been made at the last TIMMA Committee meeting that Muni would continue to be funded via the general fund but noted that AC Transit and a ferry service would require additional funds. Chair Kim said she continued to have hesitations but felt better moving forward because there would be periods with zero tolling and would allow residents to leave the island without the toll. She asked how much it would cost to drive on and off the island twice a day and seven days a week at the peak hours.

Mr. Cordoba said a round trip during peak hours was \$7 and said the proposed stipend would provide residents with two peak period round trips per work day per household.

Chair Kim asked how much the monthly toll credit would be for existing residents.

Mr. Cordoba said the monthly toll credit would be \$300.

Chair Kim asked if residents who lived in below market-rate housing would be provided two discounted transit passes on top of the toll credit.

Mr. Cordoba said the \$300 stipend could be used to purchase transit passes, toll credits or a combination of both options.

Chair Kim asked when the anticipated tolling program would begin.

Mr. Cordoba said the anticipated start date was late 2021.

Commissioner Brown stated that the free weekday tolling from 10:00 a.m. to 3:00 p.m.

punished families with children who lived on the island. She said the free timeframe did not fit with the school district hours and children with after school programs.

Commissioner Brown recommended that staff conduct further outreach to calculate how many times per day residents depart the island to drop off and pick up their children for outside activities. She said knowing on average how many times residents leave the island a day would help guide the conversation of the tolling program and resident compensation.

Mr. Cordoba said the free toll hour times were consistent with the Bay Bridge and overall traffic congestion on the bridge itself. He added that staff would continue to study toll hours and have further discussions to better understand the commute of people that live on the island and go to school in San Francisco.

Director Chang said the toll subsidy was meant to offset the peak hours cost for parents that may need to take their child via car to school or any peak period trips. She added that the \$300 a month toll credit would provide two peak period round trips a day for 20 work weekdays a month.

Commissioner Fewer asked for verification that the resident stipend would begin in 2021 and would be provided for 5 years.

Mr. Cordoba replied in the affirmative and said the stipend would conclude at the end of 2026 beginning 2027. He said the belief was that after 5 years the island would have the critical mass of approximately 2,000 units to pay for more robust transit.

Commissioner Fewer asked if the affordability plan would end after the first 5 years.

Mr. Cordoba said the transit pass program would stay in place, but the stipend program would end after the first 5 years.

Commissioner Fewer asked if the transit pass program considered the recent approval of Regional Measure 3 (RM3).

Mr. Cordoba replied in the affirmative and said RM3 was currently under legal challenge. He clarified that RM3 was separate from the Treasure Island toll policy and added that the policy would discount trips coming through the toll plaza to the island. He said a 50% discount was included as a recommendation.

Commissioner Stefani asked how many families lived on the island.

Bob Beck, Treasure Island Development Authority (TIDA) Director, said there were 625 residential households on the island.

Commissioner Stefani asked if a study was conducted to see if Treasure Island residents and businesses could be exempt in perpetuity.

Mr. Cordoba said a study had not been conducted, but that it would be further investigated at the direction of the TIMMA Committee.

Commissioner Stefani asked if Treasure Island families were asked if they would be able to use public transportation to get their families back and forth. She said a lot of times, modes of public transportation were not convenient for families.

Mr. Cordoba replied that public meetings were held, and surveys were distributed to Treasure Island residents. He said the research gave a better understanding of travel patterns, but said further analysis was needed in regard to school trips.

Commissioner Stefani requested more studies in regard to school trips on and off the island.

During public comment Christoph Oppermann, Treasure Island resident, spoke against the item and said he had drafted a petition to oppose the toll. He said a \$3.50 toll was not reasonable and would create gentrification on the island.

Steve Zeltzer said he opposed the item and believed the Board would be voting against their constituents if the item was approved. He said the toll policy did not support small business or the working class and solely benefitted developers.

Paris Hayes, 14-year Treasure Island resident, opposed the item and said insufficient outreach was provided to Treasure Island residents ahead of the Board meeting. He said Treasure Island residents did not want to pay for a program that would not be implemented until 2021.

MeeSun Boice, owner of Mer Sea, spoke against the item and said the toll would negatively affect her ability to maintain her staff. She said a small business advisory committee was needed to continue the dialogue and try to find a compromise.

Jim Mirowski, owner of Treasure Island Wines, said he opposed the item and stated that he would lose customers and employees if the toll policy were to be approved.

Dan [last name unknown], a resident of treasure island, spoke against the toll policy, but was a big supporter of getting people out of their cars. He said he found it hard to believe the sincerity of the project when current modes of public transportation on the island were not reliable.

Karla Biondi said she opposed the toll policy and asked that the vote be postponed.

A resident and former small business owner on Treasure Island [name unknown] spoke against the toll policy and said hidden costs would force current residents off the island.

Mark Connors, a long-time resident of Treasure Island, said he was against the toll and believed it would create a gated community and cause a financial burden for current residents.

Jasmine Harvey said she was representing Treasure Island parents and was completely against the toll policy.

Alex Powers, owner of a metal fabrication business on Treasure Island, spoke against the toll policy and said public transit was not an option for her, due to her business. She added that the proposed subsidy would not cover the transportation need of large families that resided on the island.

Carol Martinson spoke in support of Treasure Island residents who were against the toll policy and reiterated previous comments that customers would not frequent businesses on the island if the toll policy was passed.

Steve Stallone said he opposed the toll policy and believed that outreach to Treasure Island residents and businesses was inadequate. He asked for the Board to postpone the vote and allow residents and businesses to voice their thoughts and ideas.

Jeanette Adajobi said she opposed the toll policy and believed it would force current residents and businesses off the island. She added that Treasure Island was one of the last affordable neighborhoods in San Francisco, for working class residents who did not qualify for low income housing.

Travis Hayes asked the Board to postpone or negate the toll policy and said it would negatively

affect working class residents and small business who lived and resided on Treasure Island.

Carol Harvey said she opposed the toll policy and believed that the price congestion policies in Los Angeles were not a fair comparison to that of the proposed Treasure Island policy. She added that the transit program would not cover the full cost to get on and off the island.

Chair Kim asked for additional information regarding the purpose of the toll policy, who would administer the toll policy and how toll funds would be invested.

Mr. Cordoba said the purpose of the toll was to fund the operation and maintenance costs of ferry, AC Transit and shuttle services. He said under the agreement the developer would provide funding for the purchase of AC Transit buses, construct the ferry terminal and contribute \$30 million subsidy for overall transit operations and maintenance. He added that the developer would make the initial purchase of the shuttles.

Chair Kim asked how much of the revenue was coming from the actual developer.

Mr. Cordoba said the development agreement required \$4 million per year, subsidy up to \$30 million. Any changes would require negotiations with TIDA and the development team.

Chair Kim asked if the construction of the first vertical building would initiate the start of tolling on the island.

Mr. Beck answered in the affirmative. He said the first market rate development, which would include 14 affordable units, was slated to come on line late 2021 and the first 100% affordable building would be completed in 2022.

Chair Kim said based on public comment, additional outreach was needed with more advance notice and further discussion was needed to figure out how to make the tolling program work for existing small businesses and residents. She said revenue would be needed to pay for the ferry and AC Transit services and a tolling program was part of the development plan that was approved in 2011. Chair Kim stated that all of the feedback received during public comment needed to be considered, while also moving to the goal of having a tolling program come into place.

Commissioner Ronen asked if the projected toll revenue assumed current residents and businesses and new residents and businesses.

Mr. Cordoba said the toll revenue assumed roughly 600 households that currently resided on the island and an additional 500 units that would be built by 2021. He said the anticipated growth starting in 2021 would be approximately 500 units per year and were projected to increase in the latter years. He said TIMMA staff would work with the development team and TIDA to better understand market conditions as development moved forward.

Commissioner Ronen asked if a financial model run that permanently grandfathered the current residents was considered and where the funding gap would lie if there was a permanent grandfather.

Mr. Cordoba said some preliminary work had been done, as well as looking at options past the five-year stipend, but that additional study was needed.

Commissioner Ronen said the public comment testimony was compelling and made a lot of sense and asked that staff exhaust other funding options before deciding on the toll policy. She added that she appreciates and supported Chair Kim's willingness to continue the item and allow for additional research and outreach.

Commissioner Fewer thanked the Chair for her recommendation to continue the item and said the idea of tolling on the island did not sit well with her. She said the stipend was not enough of an incentive for residents and said the affordability program did not consider caregivers and family members that visited residents on a regular basis. She added that the public transportation options may be good for development and people working in the financial district but was not practical for regular families. Commissioner Fewer believed that development was inevitable but was concerned about sea level rise and there only being one entrance on and off of Treasure Island.

Commissioner Mandelman said it was a good idea to give staff more time to work on the policy and said he did have concerns as the Board dealt with congestion pricing more broadly. He suggested staff think of ways to address the equity concerns around congestion pricing and tolling. He added that the Board wanted to protect the low-income people from the impacts of congestion pricing and tolling. Commissioner Mandelman also highlighted that the tools for reducing traffic congestion were limited by the state and was leery on giving up on congestion pricing and tolling as potential strategies.

Chair Kim said she was a strong supporter of overall congestion management but felt the tolling policy was only focused on one neighborhood. She said many of San Francisco's low-income communities live in neighborhoods around freeways and breathe the air of cars in and around the neighborhoods. She said one of the most effective tools was congestion pricing, because it asked people to pay and invest in better public transportation for everyone. She noted that congestion management would get people out of cars and into other transportation modes such as Muni, bikes or the ferry. Chair Kim said she was a huge supporter of the ferry and added that it would be difficult to fund without revenue measures like the toll. She believed a longer and better conversation with residents would be needed to make the toll program work.

Chair Kim said she would like to see a grandfathering program for existing Treasure Island residents and said that most residents were either low-income or working class. She added that residents were without the amenities they needed but said schools and a grocery store would come with the new residential development. She said it was clear from members of the public and commissioners that the vote would need to be continued to allow more time for outreach. Chair Kim stated that Supervisor-elect Matt Haney would be coming in and felt it made sense for him to be held accountable for a policy he would be voting on versus one she voted on.

Chair Kim requested a motion to continue the item to the call of the Chair.

Commissioner Brown moved to continue the item, seconded by Commissioner Yee. The item was continued without objection.

6. Introduction of New Items – INFORMATION

There were no new items introduced.

7. Public Comment

There was no public comment.

8. Adjournment

The meeting was adjourned at 1:19 p.m.