



Memorandum

Date: 07.13.16 **RE:** TIMMA Committee
July 20, 2016

To: TIMMA Committee: Commissioners Kim (Chair), Avalos (Vice Chair) and Campos

From: Eric Cordoba – Deputy Director for Capital Projects *EC*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Approval of the Treasure Island Mobility Management Study Toll Policy Recommendations

Summary

The purpose of the Treasure Island Mobility Management Agency (TIMMA), as set forth in the Treasure Island Transportation Management Act of 2008 (State Assembly Bill 981), is to implement the Treasure Island Transportation Implementation Plan (TITIP) in support of the Treasure Island/Yerba Buena Island Development Project. The TITIP, adopted in 2011, calls for a comprehensive, integrated program to manage travel demand on the Island as it develops. This innovative approach to mobility includes a complimentary package of strategies and services including required purchase of transit passes by residents, parking fees, and a multimodal congestion pricing program that applies motorist user fees to support enhanced and new bus, ferry, and shuttle transit, as well as bicycle sharing, to reduce the traffic impacts of the project. Funded by federal and regional grants, the Treasure Island Development Authority, and Prop K sales tax funds, the Transportation Authority has prepared the Treasure Island Mobility Management Study (Study). The objective of Study is to refine the assumptions of the TITIP recommend congestion pricing policies for Treasure Island based on demand forecasting, financial analysis and stakeholder input. The Study advances the TITIP recommendations to a level suitable for TIMMA to begin systems engineering design and to enter into transit operator and procurement agreements. On June 28, 2016, and July 13, 2016, the TIDA Citizen Advisory Board (CAB) and the TIDA Board, respectively, unanimously approved the Study.

BACKGROUND

On April 21, 2011, in a joint session with the San Francisco Planning Commission, the Treasure Island Development Authority (TIDA) Board of Directors adopted a series of resolutions to approve numerous entitlement and transaction documents relating to the Treasure Island/Yerba Buena Island Development Project, including a Development Agreement and a Disposition and Development Agreement (DDA), with Treasure Island Community Development, adopting environmental findings pursuant to the California Environmental Quality Act. On June 7, 2011, the Board of Supervisors approved the same.

The Treasure Island Transportation Implementation Plan (TITIP) was adopted concurrent with the DDA and referenced in the DDA and outlined the goals, strategies, and implementation plan for a new transportation system, infrastructure, and services to support the development Project, including the designation of the Treasure Island Transportation Management Agency (TIMMA) to oversee the implementation and management of the transportation programs and revenues. On April 1, 2014, the San

Francisco Board of Supervisors approved a resolution designating the Transportation Authority as TIMMA. The purpose of TIMMA, as set forth in the Treasure Island Transportation Management Act of 2008 (State Assembly Bill 981), is to implement the TTTIP.

The TTTIP calls for a comprehensive, integrated program to manage travel demand on Treasure Island as it develops. This innovative approach to mobility includes a complimentary package of strategies and services including required purchase of transit vouchers by residents, parking fees, and a multimodal congestion pricing program that applies motorist user fees to support enhanced and new bus, ferry, and shuttle transit, as well as bicycle sharing, to reduce the traffic impacts of the project.

To carry out pre-implementation planning on TIMMA and TIDA's behalf, the Transportation Authority and TIDA Board have authorized annual operating Memoranda of Agreement since 2011. In each of these years, Transportation Authority staff has carried out a scope of pre-implementation work, including successful grant applications to the Federal Highway Administration and Metropolitan Transportation Commission for planning and design funds. Work has included the Treasure Island Mobility Management Study (Study), a policy and financial analysis of the congestion pricing program.

The objective of the Study is to refine the assumptions of the TTTIP and to recommend congestion pricing policies for the Island based on revised demand forecasting, financial analysis, and stakeholder input. The Study, included as an enclosure, advances the TTTIP, in particular the toll system component, to a level suitable for TIMMA to begin systems engineering design and to enter into transit operator and procurement agreements.

DISCUSSION

The challenges to be addressed to achieve the transportation access and sustainability vision for Treasure Island include:

- How will traffic impacts on the San Francisco-Oakland Bay Bridge be managed and minimized?
- What are the sources of committed, permanent funding to operate and maintain new transit and other transportation services?
- How can we support affordable housing and transportation for low and moderate-income households?

The 2011 TTTIP informs the development of a Treasure Island Mobility Management Program (TIMM Program). The TIMM Program comprises both incentives for transit, walking, and biking, and disincentives to travel by private vehicles—namely, pricing in the form of a congestion toll, fees for all parking, and parking maximums. This Study analyzes and recommends policies specifically for the congestion toll component of the TIMM Program.

The TTTIP identified two specific performance targets for the TIMM Program:

- A program that yields a non-auto mode share for on-off Island travel of at least 50 percent during peak travel periods.
- A financially sustainable program that covers its long-run operating and capital maintenance costs.

This Study used transportation demand and financial forecast analyses to iteratively develop, test, and assess five toll policy scenarios and recommends a preliminary set of toll policies for Treasure Island that are most likely to achieve these performance targets. It also describes recommendations that are advisory, but may be acted on at a future date pending further analysis and refinement.

Stakeholder Feedback: We conducted multilingual outreach throughout the Study process, reaching residents, businesses, and non-profit organizations on the Island, and crafted recommendations that respond to the feedback we heard. One of the main themes of feedback concerned affordability for current and future low- and moderate-income households.

To address these concerns, we recommend development of a multimodal Transportation Affordability Program (TAP) for all households that qualify for below-market-rate housing on the Island. The TAP would include toll (or transit) credit earned for frequent transit use; lifeline fare equivalents on ferry and Alameda-Contra Costa Transit District fares or passes; and subsidized carshare and bikeshare memberships.

In addition, we heard concerns from current longtime residents who moved to the Island prior to adoption of the 2011 DDA. We recommend a toll discount for these households that, for a limited transition period, would provide one daily round-trip free toll for each qualifying longtime household.

Stakeholder feedback also called for more investigation into additional, supplemental sources of short or long-term operating funds in order to reduce reliance on toll revenues. This Study discusses a strategy for pursuing a variety of funding sources.

On June 28, 2016, and July 13, 2016, the TIDA Citizen Advisory Board (CAB) and the TIDA Board, respectively, unanimously approved the Study.

Recommended Policies: This Study recommends toll policy refinements that will meet the transportation and financial objectives of the TIMM Program. These recommendations fall into two categories:

- Policy Actions are policy areas that need direction now from the TIMMA Board in order to proceed with systems engineering and subsequent project design and approvals. These are described in Table 1 below.
- Policy Advisories are policy areas that either do not need adoption now in order to proceed with the next steps in project development, and/or need further analysis. These are described in Table 2 below.

We recommend that for the TIMM Program to meet its long-term goals, toll policies must include a bi-directional, broad-based, low-level toll in place during core transit service hours, without exemptions for carpools. We recommend that the Program encompass a multimodal TAP as well as a limited-term roundtrip toll subsidy for longtime residents.

Table 1: TIMM Program Toll Policy Recommendations for Action

Policy Issue	Recommendation
Who pays the toll?	Residents and non-resident drivers pay the toll.
Which direction(s) are tolled?	Both directions are tolled (both onto and off Treasure Island).
Are any driving trips exempt from the toll?	Two-and three passenger carpools are not exempt from the toll. Transit, shuttles, and vanpools, as well as pedestrian and bicycle trips, are exempt from the toll.
Are any driving trips given a discount on the toll?	Credit westbound East Span drivers to Treasure Island for tolls paid at the Bay Bridge toll plaza. The Bay Area Toll Authority (BATA), which operates the State-owned toll bridges in the Bay Area, has the authority to toll the west-bound vehicles taking the Bay Bridge from Treasure Island into San Francisco.

Policy Issue	Recommendation
	Support transportation affordability for households that qualify for Below-Market-Rate units by ensuring high quality transit, and by providing a multimodal Transportation Affordability Program (TAP) discount.
	Ease the transition to a new neighborhood for longtime (pre-DDA) ¹ residents of all income levels by providing, for a limited period to be defined, the cost of one daily round trip toll per qualifying household.

Table 2: TIMM Program Toll Policy Advisory Findings, Subject to Further Study

Policy Issue	Finding
What are the toll hours of operation?	Toll hours of operation will be determined through a subsequent study based on refined projections of travel demand and revenue needs.
	TIMMA and the City should explore additional operating funding from existing or new revenue sources to reduce the total need for toll revenue and allowing flexibility in setting peak toll levels and off-peak toll policies.
What is the toll level?	TIMMA should set the toll level based on further study and the availability of additional supplemental operating funding sources.

Next Steps: Approval of this Study's recommended Policy Actions will guide the next steps in project development, including in the areas of planning, outreach, engineering, and funding. If approved by the TIMMA Board, Staff will proceed with systems engineering design of the toll system and with the policy development and design of the toll policy provisions, including a TAP, consistent with the policies in Table 1. TIMMA will also proceed to develop operating agreements with transit operators and other operating agencies, including the Metropolitan Transportation Commission/BATA and Caltrans.

Finally, TIMMA will proceed with further travel demand and financial modeling to analyze, refine and recommend the areas of toll policy not subject to the current request for action. Prior to the start of operations, TIMMA will submit final toll policy recommendations, including those policies included in Table 2, for the First Subphase for approval to TIDA and TIMMA.

ALTERNATIVES

1. Recommend approval of the Treasure Island Mobility Management Study toll policy recommendations, as requested.
2. Recommend approval of the Treasure Island Mobility Management Study toll policy recommendations, with modifications.
3. Defer action, pending additional information or further staff analysis.

FINANCIAL IMPACTS

There is no financial impact to TIMMA's proposed FY 2016/17 budget from the requested action.

RECOMMENDATION

Recommend approval of the Treasure Island Mobility Management Study toll policy recommendations.

Enclosure:

1. Treasure Island Mobility Management Study

¹ That is, residents who signed leases prior to the 2011 adoption of the Disposition and Development Agreement.