



Memorandum

Date: November 21, 2018
To: Treasure Island Mobility Management Agency Committee
From: Eric Cordoba – Deputy Director for Capital Projects
Subject: 11/27/18 Committee Meeting: Recommend Approval of the Treasure Island Transit Pass, Toll Policy, and Affordability Program

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Recommend Approval of the Treasure Island Transit Pass, Toll Policy, and Affordability Program</p> <p>SUMMARY</p> <p>The Treasure Island Mobility Management Agency (TIMMA) is charged with implementing 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 Treasure Island as it develops. This innovative approach to mobility includes a complementary 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. In 2016, TIMMA adopted the recommendations from the Treasure Island Mobility Management Study, which refined the assumptions of the TITIP, recommended initial congestion pricing policies, and called for the development of an Affordability Program. Since that time staff has developed detailed draft Transit Pass, Toll Policy, and Affordability Program information and engaged in multiple stakeholder workshops to obtain feedback. In order to maintain the program implementation schedule for systems engineering design and transit operator and procurement agreements, we seek the Board’s approval of the design of the pass, policy, and program by December 2018.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input checked="" type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: <hr/>
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DISCUSSION

Background.

On April 21, 2011, in a joint session with the San Francisco Planning Commission, the Treasure Island Development Authority (TIDA) Board of Directors approved the Treasure Island/Yerba Buena Island Development Project, including a Development Agreement and a Disposition and

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Development Agreement (DDA) with Treasure Island Community Development, as well as the Treasure Island Transportation Implementation Plan (TTTIP). On June 7, 2011, the Board of Supervisors approved the same.

The DDA referenced 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 a transportation management agency 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 the Treasure Island Transportation Management Agency (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 complementary 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. AB 981-Leno (2009) authorizes San Francisco to implement congestion pricing (tolling) on Treasure Island.

On July 20, 2016, the TIMMA Board approved the recommendations set forth in the Treasure Island Mobility Management Study (Study), a policy and financial analysis of the congestion pricing program. The Study refined the assumptions of the TTTIP and recommended congestion pricing policies for the Island based on demand forecasting, financial analysis, and stakeholder input. The Study also recommended the development of an affordability program.

Since the adoption of the Study, staff has developed further recommendations for the design of a Transit Pass, revised toll policy, and an affordability program. These policy recommendations, included as Enclosure 1, advance the TTTIP, in particular the toll system component, in accordance with the program implementation schedule for systems engineering design and transit procurement and operating agreements and are the subject of the proposed action for this item.

Discussion.

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, – including a pre-paid Transit Pass – and disincentives to travel by private vehicles—namely, pricing in the form of a congestion toll, fees for all parking, and parking space per unit allocation maximums.

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.

The actions taken by the Board in July 2016 refined the TTTIP toll policy assumptions and included approval of initial Toll Policy Recommendations and Toll Policy Advisory Findings subject to further

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study. These related to the population to be tolled, hours of operation for the toll program and directionality of trips to be tolled and are summarized in Table 1 below.

Over the last two years, additional study and financial analysis have been completed to evaluate the financial feasibility and the operational performance of the refined Policies. The recommendations for the design of the Transit Pass, congestion toll policy, and affordability program, are included as Enclosure 1.

The recommendations are based on iterative transportation demand and financial forecast analyses of toll policy scenarios and propose a refined set of toll policies for Treasure Island that are targeted to achieve these performance targets. The recommendations also propose a structure for the required pre-paid Transit Pass, and policies to support an affordability program for Island residents and employers.

Staff presented the proposed transit pass/affordability program and toll policies to the TIMMA Committee at its April 3 and October 4 meetings respectively and received feedback to shape and refine proposals to bring to the community for feedback. Tables 1, 2, 3 and 4 below and Enclosure 1 summarize revised transit pass, affordability program and toll policy proposals that staff presented to the Islands’ residential and merchant community members, over two rounds of meetings and workshops, in October and November.

Table 1: Previously approved TIMM Program Toll Policies – See Enclosure 1 for complete toll policy recommendations and additional detail.

Policy Issue	Approved Policy per TIMMA Board action in July 2016 (resolution #17-03)
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 trips exempt from the toll?	Transit, shuttles and vanpools, as well as pedestrian and bicycle trips, are exempt from the toll. Two-and three (or more) passenger carpools and motorcycles are not exempt from the toll.

Table 2: Proposed Additional TIMM Program Toll Policies

Policy Issue	
Are any driving trips given a discount on the toll?	Discount for 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.
What are the toll hours of operation?	<ul style="list-style-type: none"> • AM and PM peak period hours match Bay Bridge, 5a-10a and 3p-7p • Midday Off-peak Period, 10a-3p • Weekend Period, 8a-8p
What is the toll level?	<ul style="list-style-type: none"> • At program launch: \$3.50 peak / \$1 off peak / \$2 weekend

Policy Issue	
	<ul style="list-style-type: none"> • The TIMMA Board may increase toll levels when ferry service levels increase • The TIMMA Board may increase tolls with CPI • The toll level for license plate recognition (LPR) transactions will be \$1 higher than the base to recoup higher transaction costs • Trucks will pay a per-axle fee starting when 8000 units are open for occupancy

Table 3: TIMMA Affordability Program Recommendations

Policy Issue	Recommendation
Discounted Transit Pass	50% discount on purchase of monthly transit pass for Below Market Rate Households enrolled in Affordable Transit Pass Program <ul style="list-style-type: none"> • Available to all current and future below market rate residents • Available to workers through employer Transportation Demand Management (TDM) program
Toll Credit for frequent transit use	Households eligible for BMR housing will receive credit for one roundtrip peak period toll for every 10 one-way trips taken on transit.
Monthly household Stipend	Households with active leases as of 2018 will receive \$300 cash per month to defer cost associated with transition into the TIMM Program Benefit will reduce after the first five years of operation on a 12-month schedule that results in expiration of the benefit at the end of year six .

Table 4: TIMMA Transit Pass Program Recommendations

Policy Issue	Recommendation
Trip Coverage	Develop monthly transit pass providing unlimited trips on and off Treasure Island to San Francisco and East Bay
Participating Transit	<ul style="list-style-type: none"> • SF Muni • A/C Transit • Ferry Operations • On-Island Shuttle (free)
Eligible Participants	<ul style="list-style-type: none"> • Market Rate Residents: Full cost pass, automatically loaded via Clipper • BMR Residents: 50% discount for Access Pass loaded via Clipper; enrollment managed by TIMMA • Workers: automatically loaded via Clipper; managed through employers and TIMMA
Cost	<ul style="list-style-type: none"> • Monthly cost range: \$125 - \$150 • 50% discount for BMR residents

Stakeholder Feedback: We conducted multilingual outreach including multiple on-Island community and business events providing updates on the Program development and seeking input on Program Policies.

One of the main themes of feedback concerned affordability for businesses and current and future low- and moderate-income households. We heard concerns from current longtime residents who moved to the Island prior to the adoption of the 2011 DDA regarding the financial impacts of the toll. A survey conducted during November outreach seeking public feedback on the alternative of ‘no midday toll’ instead of the ‘monthly resident stipend’ resulted in residents favoring the stipend by a 2:1 margin. In response to this input, we are recommending an expanded affordability program that will include discounted transit pass options, additional toll credit for frequent transit use and a cash stipend for a limited transition period for existing residents. We would also propose to return in the near future with recommendations for a merchant stipend program as well.

On November 14th the TIDA Board reviewed the Policy recommendations and received public comment on the proposed policies. The TIDA Board requested further investigation of options to reduce the financial impacts of the toll on the existing Treasure Island residents.

Recommended Policies: The Board is requested to take action on the following Policy recommendations that will meet the transportation and financial objectives of the TIMM Program. These recommendations fall into three categories:

- **Toll Policy:** Policies on toll rates and hours.
- **Affordability Program:** The Affordability Program benefits include discounted transit pass options and additional toll credit for frequent transit use (BMR households only) and a cash stipend for a limited transition period for existing residents and businesses.
- **Transit Pass Program:** The transit pass program will provide an affordable mechanism for residents, workers and visitors to access MUNI, AC Transit and ferries serving the Island. The program will be supported via the Clipper program; discounted passes will be available for Below Market Rate (BMR) households.

Next Steps: Approval of these recommended Policy Actions will guide the final steps in program development and implementation, including in the areas of planning, outreach, engineering, and funding. If approved by the TIMMA Board, staff will proceed with final systems engineering design of the toll system, and development of final business rules that will govern the implementation of the toll system, affordability program and transit pass program. TIMMA will also proceed to develop operating agreements with transit operators and other operating agencies, including the Metropolitan Transportation Commission/BATA, AC Transit and SFMTA. TIMMA will continue to work with project partners to pursue additional program funding to reduce to dependencies on toll revenue to support the program activities.

Business rules and operating agreements are scheduled to be presented to the TIMMA Board for action in 2019. The TIMM Program scheduled to be ready to launch in mid-2021, in support of the development project’s first occupancy plans.

FINANCIAL IMPACT

There is no financial impact to TIMMA’s adopted FY 2018/19 budget from the requested action.

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SUPPLEMENTAL MATERIALS

Attachment 1 – TIMMA 2018 Policy Register

Attachment 1

TIMMA 2018 Policy Recommendations

Treasure Island Mobility Management Program - Toll Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
1	Applicability	Both residents and visitors to Treasure Island shall be subject to the toll program (no change to existing policy).	Treasure Island Mobility Management Study	Resolution No. 17-03 approved July 2016
2	Exemptions	The existing policy language provides “that only shuttles, vanpools, or buses would be eligible for a high-occupancy vehicle toll exemption, and two and three passenger vehicles would not be eligible for a high-occupancy vehicle toll exemption.” The following recommendations clarify, detail and replace this language.	Treasure Island Mobility Management Study	Resolution No. 17-03 approved July 2016
		<ul style="list-style-type: none"> • Commute Buses and Vanpool Vehicles, as such terms are defined in BATA’s current Toll Policy, are eligible for exemption from the toll. (Currently transit vehicles and 10+ passenger vehicles exempt). No exemption for motorcycles or smaller passenger vehicles. 	Treasure Island Mobility Management Study; consistent with Bay Bridge and regional policies	Proposed Clarification
		<ul style="list-style-type: none"> • Federally owned vehicles are eligible for exemption from the toll in accordance with 15 US Code Sections 1005 and 1006.¹ 	Extends U.S. Code Title 15, Chapter 19, Section 1005 to the TIMMA toll; consistent with Bay Bridge and regional policies	Proposed Clarification
		<ul style="list-style-type: none"> • Authorized emergency vehicles satisfying all conditions specified in California Vehicle Code section 23301.5 are eligible for exemption from the toll.² 	California Vehicle Code section 23301.5; consistent with Bay Bridge and regional policies	Proposed Clarification

¹ <http://uscode.house.gov/view.xhtml?path=/prelim@title15/chapter19&edition=prelim>

² https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=VEH&division=11.&title=&part=&chapter=13.&article=3

TIMMA 2018 Policy Recommendations

Treasure Island Mobility Management Program - Toll Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
3	Direction	A toll shall be charged both as eligible vehicles arrive on and depart from the Island (no change to existing policy).	Treasure Island Mobility Management Study	Resolution No. 17-03 approved July 2016
4	Tolling Commencement (Start of Service)	The tolls and penalties for violations imposed by this policy shall apply to motorists entering or exiting Yerba Buena Island / Treasure Island on and after the date of the initial occupancy of new residential units, completion of the required infrastructure on Yerba Buena Island, and successful commissioning of the toll system. (Road configuration anticipated completion mid-2021).	The TITIP references the start of services as being linked to first occupancy of the development. System launch cannot occur until all YBI infrastructure supporting the toll system has been completed and the toll system testing has been completed and determined to be operationally acceptable by TIMMA.	Proposed Policy
5	Tolling Hours	<p>Tolls shall be collected during all “Tolling Hours,” as defined in this Policy, to manage congestion by influencing driving decisions. Tolling hours are determined by anticipated traffic levels or transit service periods, and toll rates may vary across periods as provided below. Tolling hours apply to holidays.</p> <p>“Peak Tolling Hours” are defined as hours between 5:00 a.m. and 10:00 a.m. and 3:00 p.m. and 7:00 p.m. weekdays, without exclusions for holidays, during which tolls are collected.</p> <p>“Off-Peak Tolling Hours” are defined as hours between 10:00 a.m. and 3:00 p.m. weekdays, without exclusions for holiday, during which tolls are collected.</p>	<p>Treasure Island Mobility Management Study</p> <p>Peak periods are broadly consistent with Bay Bridge weekday peak/carpool hours.</p>	Proposed Policy

TIMMA 2018 Policy Recommendations

Treasure Island Mobility Management Program - Toll Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
		<p>“Weekend Hours” are defined as hours between 8:00 a.m. and 8:00 p.m. weekends, during which tolls are collected.</p> <p>“No-Toll Hours” are defined as the hours outside of Peak and Off-Peak Tolling Hours, wherein TIMMA toll collection is not operating.</p>		
6	Collection Methods	<p>TIMMA will collect all tolls electronically in an open road environment without physical barriers or cash collection on the physical facilities.</p> <p>TIMMA’s toll collection system will be compliant with Title 21 of the California Code of Regulations which establishes the technical requirements for Electronic Toll Collection (ETC) readers and transponders used in the State of California. This includes compatibility for transponders and reader with other California Toll Operators Committee (CTOC) agencies.</p> <p>Pursuant to California Vehicle Code Section 23302, TIMMA tolls will be collected through a valid FasTrak® transponder, or through valid vehicle license plates per Section 4850.5 or 5200. For tolls charged through license plate images, the BATA RCSC will collect the TIMMA toll through one of the following Pay-By-Plate methods:</p> <ol style="list-style-type: none"> 1. Registered License Plate Account 2. One-Time Payment 	<p>TIMMA must comply with Title 21.</p> <p>This adopts BATA processes and Golden Gate Bridge’s All Electronic Tolling program wholesale, reducing the capital and operating costs and maintaining regional consistency for customers.</p> <p>The \$1.00 toll differential is consistent with regional toll invoices issued by BATA for GGB.</p>	Proposed Policy

TIMMA 2018 Policy Recommendations

Treasure Island Mobility Management Program - Toll Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
		<p>3. Toll Invoices, are mailed to the registered vehicle owner at the address on file with the California DMV.</p>		
7	Rate Schedule (previously Toll Level and Toll Level Change Policy)	<p>The Toll Rate Schedule, included in Table 1, is set to manage mode share performance goals of 50% for residents or more at peak periods and to fund accessible, frequent, and reliable operations for transit alternatives that are financially sustainable, in combination with other committed funding.</p> <p>There is a \$1.00 toll rate differential for toll transactions paid through Pay-By-Plate accounts: Registered License Plate Accounts, One-Time Payments, and Toll Invoices.</p> <p>TIMMA will provide a discounted rate for vehicles that paid a Bay Bridge toll when traveling from Oakland to Treasure Island.</p> <p>When the construction of 8000 units is complete, TIMMA will adjust rates to include a toll surcharge for multi-axle vehicles based on classification.</p>	Treasure Island Mobility Management Study and further analysis	Proposed Policy

TIMMA 2018 Policy Recommendations

Treasure Island Mobility Management Program - Affordability Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
8	Affordability	<p>As part of the TIMMA Transportation Affordability Program required by the existing policy, Below Market Rate (BMR) households enrolled in the Affordable Transit Pass program will be eligible for a transit-incentive-based toll discount benefit. Only one Affordable Transit Pass per household may be identified as “Primary” and eligible for the benefit. For every ten (10) trips on transit operated by the Qualifying Agencies and paid for using a household’s Primary Transit Pass within one (1) calendar month, two (2) peak period tolls, or the cash equivalent of such, or another transportation benefit equal to or greater than the cash equivalent, will be credited to the holder of the household’s Primary Transit Pass.</p> <p>The following definitions apply:</p> <ul style="list-style-type: none"> • A “Trip” is one continuous leg of transit that originates or concludes at the Island on Qualifying Agencies modes of transit and using the Transit Pass as the payment method. • “Qualifying Agencies” include the transit agencies participating TIMMA’s Transit Pass Program. • “BMR Households” are defined in the Disposition and Development Agreement for Treasure Island/Yerba Buena Island, executed in June 2011. • An “Affordable Transit Pass” is a transit pass provided through TIMMA at a discounted rate for residents of BMR Households. • A “Primary Affordable Transit Pass” is one unique transit pass per household enrolled for the BMR transit-incentive-based toll discount benefit. 	<p>Incentivizes transit and use of the TAP while mitigating socio-economic impact for trips that may require a car. The equivalent benefit ensures there is incentive to use the toll credit on transit trips.</p>	Proposed Policy
		<p>Households with active leases as of 2018 will receive a \$300 stipend per month. Qualifying existing businesses will receive a monthly credit or stipend, amount to be determined.</p>	Addresses equity and fairness concerns.	Proposed Policy

TIMMA 2018 Policy Recommendations

		<p>These stipends shall reduce after the first five years of operation on a 12-month schedule that results in expiration of the benefit at the end of year six.</p> <p>The following definitions apply: “Pre-Disposition & Development Agreement Households” are defined in the Disposition and Development Agreement for Treasure Island/Yerba Buena Island, executed in June 2011.</p>		
		<p>Toll discount programs may be developed to ensure accessibility to the Island for the benefit of the community and in pursuit of objectives defined in the TITIP.</p>	<p>This allows for flexibility to implement programs for fleets, on-island businesses/employers, etc.</p>	<p>Proposed Policy</p>

TIMMA 2018 Policy Recommendations

Transit Pass Policies				
No.	Policy Area	Policy Language	Rationale	Status
9	Transit Pass	All market-rate households will purchase one transit pass through their Homeowners Association. The pass holders will have access on all Muni, AC Transit and Treasure Island ferry service. The transit pass will be uploaded onto passholders' Clipper Cards.	Per DDA and TITIP. Simplify transit fare payment and provide incentives to use transit for all Treasure Island market-rate households.	Approved via DDA, to be implemented by homeowners
		Existing and future Treasure Island employers are encouraged to work with TIMMA to provide the transit pass to their employees. The worker pass would be optional and will be available through Clipper Card.	Simplify transit fare payment and provide incentives to use transit for all Treasure Island employees.	Proposed Policy
		As part of the TIMMA Transportation Affordability Program, all BMR households will be eligible for a 50% discount on the Treasure Island Transit Pass. This pass will be optional for all BMR households. The transit pass will be uploaded onto passholders' Clipper card.	Provide affordable and simplified transit services to all Treasure Island BMR residents.	Proposed Policy
		This multiagency pass is estimated to cost between \$125 to \$150. TIMMA Board will adopt the Transit pass price after the fare is set for AC Transit and Treasure Island Ferry. TIMMA Board may change the Transit pass price based on residents' and visitors' travel patterns.	Proposed transit pass cost is based on three transit agencies' existing pass prices, and projected transit demand.	Proposed Policy

TIMMA 2018 Policy Recommendations

Table 1: TIMMA Initial Toll Hours and Rates

TIMMA Toll Operations: Hours & Rates					
Period	Times	San Francisco – Treasure Island Treasure Island – San Francisco Treasure Island – Oakland		Oakland – Treasure Island	
		FasTrak®	Pay-By-Plate	FasTrak®	Pay-By-Plate
Peak Toll	Weekdays 5a – 10a 3p – 7p	\$3.50	Add \$1.00 per toll	\$1.75	Add \$1.00 per toll
Off-Peak Toll	Weekdays 10a – 3p	\$1.00		\$0.50	
Weekend Toll	Weekends 8a – 8p	\$2.00		\$1.00	
NO TOLL	Weekdays 7p – 5a Weekends 8p – 8a	Free	Free	Free	Free