



RESOLUTION DIRECTING STAFF TO ADVANCE THE PROPOSED SCOPE OF WORK  
AND SEEK ADDITIONAL FUNDING FOR A CONGESTION PRICING STUDY UPDATE

WHEREAS, In 2010, the Transportation Authority adopted the Mobility, Access, and Pricing Study (MAPS), which examined a variety of alternatives to implement congestion pricing in San Francisco and recommended piloting a “Northeast Cordon” design; and

WHEREAS, The MAPS found the proposal would substantially reduce congestion, vehicle trips, greenhouse gas emissions, and traffic collisions while increasing transit speeds and frequencies; and

WHEREAS, Based on the Board’s discussion at the October 23, 2018 meeting, Chair Peskin requested that staff propose a scope, schedule, and budget for taking the next steps on congestion pricing in San Francisco; and

WHEREAS, The attached proposed Outline Scope of Work and Proposed Schedule for a Congestion Pricing Study Update summarize the tasks to develop a new congestion pricing proposal for San Francisco, including conducting substantial community engagement, evaluating a revised set of scenarios, and developing updated recommendations; and

WHEREAS, At its November 28, 2018 meeting, the Citizens Advisory Committee was briefed on and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby directs staff to advance the proposed scope of work and seek additional funding for a Congestion Pricing Study Update.

Attachments:

1. Congestion Pricing Study Update – Outline Scope of Work
2. Congestion Pricing Study Update – Proposed Schedule

## **Attachment 1: Proposed Outline Scope of Work**

### **Congestion Pricing Study Update**

#### **1. Goals & Objectives, Purpose & Need, Outreach Plan**

This task will define the project purpose, demonstrate the need for a congestion pricing and incentives program, and establish study goals. Study goal areas will include Effectiveness/Congestion, Equity, Economy, and Environment. The project team will also initiate the study's extensive interagency coordination and community engagement efforts, including developing a detailed outreach and communications plan, establishing a Technical Advisory Committee (TAC) with key agency partners, and forming a Policy Advisory Committee (PAC). The PAC will include key agency and other stakeholders representing transportation, neighborhood, equity, business, environmental, and other community organizations. The TAC and PAC will meet regularly to provide input on key deliverables throughout the study.

This task will also include the study's first major round of community outreach in mid-2019 to gather input on how to define the congestion problem, potential program elements, key issues, and how to define success.

#### **2. Case Studies and Peer City Partnerships**

The project team will identify project designs that others have used or studied, determine applicability for this study, and strengthen partnerships with other cities that are actively operating or studying congestion pricing.

#### **3. Evaluation Framework and Methodology**

The project team will develop a detailed set of metrics and methodology to evaluate each scenario according to the study goals and objectives. The methodology will include data needs, tools to be used, and which parts of evaluation should be done as part of this study phase or held until a future study phase. The evaluation will also consider whether scenario packages are likely to be effective with foreseeable future changes in the transportation sector.

#### **4. Develop Scenarios**

This task will define a range of program elements informed by input from Task 1 outreach, recent changes in the transportation sector, and the 2010 MAPS, then combine them into several scenarios to evaluate. Program elements will include potential congestion charging parameters, subsidies, discounts, incentives, and multimodal improvements to be funded with program revenues. Each scenario would identify complementary near-term congestion management strategies as appropriate.

#### **5. Scenario Evaluation**

Based on the evaluation framework defined in Task 3, the project team will evaluate each scenario to determine its performance according to the study goals and objectives. This evaluation will include estimates of program capital and operating costs as well as gross and net operating revenues.

This task will conclude in early 2020 with the study's second major round of outreach, which will provide an opportunity for stakeholders and the public to review analysis results and provide input on proposed scenarios and recommendations.

**6. Preferred Scenario and Funding and Implementation Plans**

The project team will identify one or more preferred scenarios, potentially including combining elements from multiple study scenarios. The implementation plan will include identification of major next steps and a potential timeline to implement the preferred scenario(s), either as an initial pilot or as a permanent system, such as environmental review, program design refinement, and funding. The project team will consider and recommend any possible strategies to shorten the amount of time to implementation for the recommended scenario(s) and to implement any complementary near-term congestion management strategies.

**7. Draft and Final Memo and Presentation**

The final memo and presentation will summarize the study scenarios; their costs, benefits, and other evaluation results; staff recommendations; and potential steps to implementation.

**Attachment 2: Congestion Pricing Study Update – Proposed Schedule**

<b>Congestion Pricing Study Update - Schedule</b>						
<b>Tasks</b>	<b>Jan-Mar '19</b>	<b>Apr-Jun '19</b>	<b>Jul-Sep '19</b>	<b>Oct-Dec '19</b>	<b>Jan-Mar '20</b>	<b>Apr-Jun '20</b>
<b>0</b> Startup and Consultant Procurement						
<b>1</b> Goals & Objectives, Purpose & Need, ID Key Stakeholders, Outreach Plan						
<i>Polling and Communications Development</i>						
<i>Major Outreach Round #1: Defining the problem and success; feedback on MAPS program elements</i>						
<b>2</b> Case Studies & Initiate Peer City Partnerships						
<b>3</b> Evaluation Framework and Methodology						
<b>4</b> Develop Scenarios						
<b>5</b> Evaluate Scenarios						
<i>Major Outreach Round #2: Feedback on scenarios and evaluation</i>						
<b>6</b> Preferred Scenario and Funding and Implementation Plans						
<b>7</b> Final Memo and Presentation						
<b>Ongoing Activities</b>						
Ongoing Project Management						
Ongoing General Outreach						
Technical Advisory Committee	*	*	*	*	*	*
Policy Advisory Committee	*	*	*	*	*	*
Peer City Partnerships Coordination	*	*	*	*	*	*



# Memorandum

**Date:** November 16, 2018  
**To:** Transportation Authority Board  
**From:** Jeff Hobson – Deputy Director, Planning  
**Subject:** 12/4/18 Board Meeting: Direct Staff to Advance the Proposed Scope of Work and Seek Additional Funding for a Congestion Pricing Study Update

<p><b>RECOMMENDATION</b>    <input type="checkbox"/> Information    <input checked="" type="checkbox"/> Action</p> <p>Direct staff to move forward with the proposed Scope of Work and Seek Additional Funding for a Congestion Pricing Study Update.</p> <p><b>SUMMARY</b></p> <p>Based on the Board’s discussion at the October 23, 2018 meeting, Chair Peskin requested that staff propose a scope, schedule, and budget for taking the next steps on congestion pricing in San Francisco. The proposed scope would include significant community engagement to inform development of alternative packages of congestion charges, subsidies, discounts, incentives, and multimodal improvements, based in part on information from the 2010 Mobility, Access, and Pricing Study (MAPS). The 18-month study would evaluate each alternative and conclude with new recommendations in spring 2020, including potential next steps toward implementation. The final report would allow the Board to proceed to environmental review and approval, request further study, or stop pursuing the concept. The final report would also identify complementary strategies for near-term implementation.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input checked="" type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other:</p> <p>_____</p>
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**DISCUSSION**

**Background.**

In 2010, the Transportation Authority adopted the MAPS, which examined a variety of alternatives to implement congestion pricing in San Francisco and recommended piloting a “Northeast Cordon” design. The recommended pilot design would have implemented a fee to drive during the afternoon peak out of a zone bounded generally by Laguna Street, 18<sup>th</sup> Street, and the San Francisco Bay. Program revenues were slated to fund faster, more frequent, and more reliable transit service and other multimodal upgrades such as street repaving, traffic calming, and pedestrian and bicycle improvements. The MAPS found the proposal would substantially reduce congestion, vehicle trips, greenhouse gas emissions, and traffic collisions while increasing transit speeds and frequencies.

In early 2018, State Senator Scott Wiener and Assemblymember Richard Bloom introduced legislation (AB3059) that would have authorized two “Go Zone” congestion pricing pilots in northern California

and an additional two in southern California. Although the bill did not move forward in the last legislative session, it may be reintroduced next year.

### **Proposed Scope of Work**

The Proposed Outline Scope of Work (Attachment 1) for a Congestion Pricing Study Update summarizes the tasks to develop a new congestion pricing proposal for San Francisco, building upon the findings from the MAPS. The update would reexamine the MAPS scenarios and recommendations to identify which recommended program elements remain applicable based on the current and anticipated future conditions and needs. Based on that assessment, we would develop and evaluate a revised set of scenarios before developing updated recommendations.

Scenarios to be evaluated would each include a set of proposed congestion charging parameters, such as fee amounts, days and hours they would be in effect, and the geographic limits of a charging zone. The program design would also include proposed subsidies, discounts, and incentives to encourage the use of sustainable modes and ensure equitable distribution of benefits and impacts, particularly with respect to vulnerable populations. Each scenario would include recommendations of multimodal improvements that should be implemented in conjunction with any pricing program such as transit service increases, street repaving, streetscape improvements, and upgrades to transit, walking, and bicycling infrastructure, as well as near-term congestion management strategies as appropriate.

The study would evaluate each scenario based on the goals and objectives of the program, including examining how well each one would reduce congestion and vehicle miles-traveled (VMT) and their associated safety, health, and environmental impacts. It would also analyze the proposal's benefits, costs, and other effects on low-income travelers and communities of concern and recommended any needed mitigations.

Based on the scenario evaluation, we would develop preferred alternative(s) recommendations as well as funding and implementation plans. These would include potential next steps, a timeline, and financing strategies to insure all necessary program elements and multi-modal investments are implemented at program launch. The study will also consider near-term complementary congestion management strategies as appropriate.

This effort would include ongoing community outreach and coordination with partner agencies. A Technical Advisory Committee would include representatives from SFMTA and other relevant city agencies (e.g., SFE, SFDPH, Planning), regional transit providers, the Metropolitan Transportation Commission (MTC), Caltrans, and other partner agencies. We would also continue coordinating with peer cities that have implemented or are considering congestion pricing.

### **Community Engagement.**

The study would be informed by substantial community engagement and would include:

- Convening a Policy Advisory Committee (PAC) with members representing a wide variety of stakeholders, including transportation, neighborhood, equity, business, environmental, and other community organizations. The PAC would meet regularly to provide in-depth involvement in every step of the process.
- Two major, multilingual outreach rounds using a variety of engagement methods to reach as wide an audience as possible. The initial outreach round in summer 2019 would ask for input

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on what designs, policies and issues this study should consider. The second round in early 2020 would provide an opportunity to review analysis results, including proposed scenarios and other recommendations.

- Other ongoing public engagement, including meetings with stakeholder groups to address their interests and concerns throughout the study process.

This study update would conclude with presentation of a summary of recommendations and potential next steps to the Transportation Authority Board.

### **Schedule and Next Steps**

We would complete the proposed Congestion Pricing Study Update between January 2019 – June 2020 (see Attachment 2 – Proposed Schedule). Following completion of this study update and pending Board direction, next steps would include program design refinement, environmental clearance, legislative authority (similar to AB3059 proposed by Assemblymember Bloom last year), local approval and securing funding for design and implementation.

### **Budget and Funding**

The estimated cost for this scope of work is \$1.6 million. We are considering the following potential funding sources:

Prop K: \$500,000 in Transportation Demand Management (TDM) funds is programmed for pricing and incentives work in Fiscal Year 2018/19. If the Board approves this study update scope of work, we will return with a request to appropriate these funds in early 2019.

Transit Center District Plan: This plan's TDM policies included the study and potential implementation of congestion pricing. The Interagency Plan Implementation Committee administers the plan, has programmed \$1 million in Fiscal Year 2019/20 for downtown congestion pricing studies and pilots, and will consider an expenditure plan in December 2018.

Other potential funding sources include regional, state, and private grants.

### **FINANCIAL IMPACT**

The recommended action would not directly impact the adopted Fiscal Year 2018/19 budget. If the Board approves the recommended action, we will seek to secure other fund sources and return to request appropriation of Prop K funds early next calendar year.

### **CAC POSITION**

The CAC unanimously adopted a motion of support for this item at its November 28, 2018 meeting.

### **SUPPLEMENTAL MATERIALS**

Attachment 1 – Congestion Pricing Study Update – Outline Scope of Work

Attachment 2 – Congestion Pricing Study Update – Proposed Schedule