



TREASURE ISLAND MOBILITY MANAGEMENT AGENCY

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Memorandum

AGENDA ITEM 6

DATE: June 11, 2021

TO: Treasure Island Mobility Management Agency Committee

FROM: Eric Cordoba - Deputy Director for Capital Projects

SUBJECT: 6/15/21 Committee Meeting: Recommend Approval of the Memorandum of Understanding between Treasure Island Mobility Management Agency and Water Emergency Transportation Authority

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Recommend approval of the Memorandum of Understanding (MOU) between Treasure Island Mobility Management Authority (TIMMA) and Water Emergency Transportation Authority (WETA)</p> <p>SUMMARY</p> <p>TIMMA and WETA have developed a MOU that defines a framework to establish a new ferry service from Treasure Island to the San Francisco Ferry Building. The attached MOU includes TIMMA program objectives, TIMMA housing development schedule, funding strategies, and the Ferry Planning Study (Ferry Study) deliverables - ferry service plan, operating costs, vessel size, vessel type and fare. The WETA Board approved the MOU on May 6. The MOU will remain in effect throughout completion of the Ferry Study and its presentation to the TIMMA Board and WETA Board, or such later date as the agencies may mutually agree.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: _____
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BACKGROUND

The 2011 Treasure Island Transportation Implementation Plan (TITIP) adopted by Treasure Island Development Authority (TIDA) and the Board of Supervisors identified new and expanded transit services on Treasure Island to be implemented with new housing development. The transit services include expanded Muni services, a new East Bay bus service from Treasure Island to Oakland and a new ferry service from Treasure Island to San Francisco Ferry Building. TITIP specifies the ferry service will operate between 5:00 am to 9:00 pm during weekdays and weekend hours to be determined. The ferry service frequency



and vessel size will be adjusted with the build units. In the early years, the ferry service frequency will be every 60 minutes and at full buildout (8,000 units), the ferry service frequency will be every 15 minutes.

With the housing construction underway, we are working in close partnership with WETA staff to develop a framework to update the ferry operating parameters such as frequency, vessel size, type and operating cost for the service.

DISCUSSION

Purpose. The purpose of the MOU is to establish a framework between TIMMA and WETA to plan, fund, operate and administer Treasure Island ferry service. The framework establishes the Ferry Study as the critical analysis for which service plan, operating cost, fare and other operational parameters recommendations are made for Treasure Island ferry service.

Project Objective. The underlying objective of the MOU is for the recommended ferry service to be financially feasible for both agencies in terms of capital and ongoing operating costs. Both agencies will work together to identify cost efficiencies including potentially linking Treasure ferry service to other terminals in the WETA network through interlining, vessel sharing and crew sharing.

Treasure Island Ferry Service Plan. The service plan is envisioned to address two phases: an initial service phase and an ultimate phase.

Initial Ferry Service - The initial ferry service assumes a potential start in year 2022. The initial ferry service assumes utilizing a vessel from WETA's current fleet, which is anticipated to be available for the expected two-year duration of the initial ferry service phase.

Ultimate Ferry Service - The ultimate ferry service phase will start with overall TIMM program launch including congestion toll, affordability program and East Bay transit service anticipated in year 2024. This phase assumes using zero emission vessel(s) that TIMMA and WETA will work collaboratively to purchase. A detailed service plan for the Ultimate Ferry Service Phase will be prepared as part of the Ferry Study.

Ferry Study - The Ferry Study will include a draft business plan with recommendations for operating parameters, interlining options, operating costs, and fares for the initial and the ultimate ferry service. We are collaborating with WETA staff on this study on the various deliverables. The Ferry Study findings and recommendations will determine whether it is feasible to have WETA operated service for the initial phase and the ultimate phase.

Funding. TIMMA and WETA commit to collaborate and coordinate to pursue federal, state, regional or local funding for the WETA Treasure Island ferry service. Both agencies will work collaboratively in pursuing grant funds for the purchase of zero emission vessel(s) and needed charging infrastructure/other facilities to support the Ultimate Ferry Service Phase.



Facilities and Administration. Additional agreements will be needed to secure necessary landing rights at the Downtown San Francisco Ferry Terminal and to identify maintenance and operations facility needs for a zero-emission vessel for the ultimate ferry service.

We will work closely with WETA to recommend a fare for this ferry route. The WETA Board will adopt the ferry fare and any associated discounted fares. Both agencies agree to utilize Clipper as the preferred fare payment media to collect ferry fares.

The WETA Board approved this MOU at its May 6, 2021 meeting. This MOU will remain in effect throughout the preparation of the Ferry Study, presentation and adoption of the Ferry Study to the TIMMA Board and WETA Board, or such later date as the agencies may mutually agree.

FINANCIAL IMPACT

The recommended action does not have an impact on the proposed Fiscal Year 2020/21 budget.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Treasure Island Ferry Service Project Memorandum of Understanding

Treasure Island Ferry Service Project Memorandum of Understanding

General

<p>Purpose</p>	<p>This Memorandum of Understanding (“MOU”) is made and shall be effective on June 23, 2021, by and between the Treasure Island Mobility Management Agency (“TIMMA”), and the San Francisco Bay Area Water Emergency Transportation Authority (“WETA”), referred to collectively as “Parties.”</p> <p>The purpose of the MOU is to establish the framework for the coordinated effort to plan, fund, operate, and administer the WETA Treasure Island Ferry Service.</p>
<p>Parties</p>	<p>The WETA is a regional public transit agency tasked with operating and expanding ferry service on San Francisco Bay and with coordinating the water transit response to regional emergencies. Pursuant to California Government Code Section 66540.7(a), WETA has "the responsibility within the area of its jurisdiction to study, plan, and implement any improvements, expansion, or enhancements of existing or future public transportation ferries and related facilities and services." WETA services are operated under the customer-facing brand of San Francisco Bay Ferry.</p> <p>The TIMMA was originally referenced in authorizing legislation and related documents as the Treasure Island Transportation Management Agency. The creation of a Treasure Island Transportation Management Agency was authorized by State Legislation in 2008 as part of AB 981 ["Legislation"]. The Legislation authorized the San Francisco Board of Supervisors to designate a board or agency to act as the transportation management agency for Treasure Island and Yerba Buena Island. The San Francisco County Transportation Authority (“SFCTA”) was designated as the TIMMA in 2014. The Legislation authorizes TIMMA, among other duties, to establish parking fines, parking fees, congestion pricing fees and to collect all parking and congestion pricing revenues generated on-island to support the transit and transportation demand management programs, including the ferry service described in this MOU.</p>
<p>Term</p>	<p>The term of this MOU shall commence on May 26, 2021 and shall remain in effect throughout the preparation of the Ferry Study (as such term is defined herein), presentation and receipt of the Ferry Study to the TIMMA Board and WETA Board, or such later date as the Parties may mutually agree.</p>
<p>Treasure Island/Yerba Buena Island</p>	<p>The Treasure Island/Yerba Buena Island Development Project ("Project") generally includes: up to 8,000 new residential housing units, of which at least 25% will be made affordable to a broad range of very-low to moderate income households, the adaptive reuse of approximately 311,000 square feet of</p>

<p>Development Project</p>	<p>historic structures, up to approximately 140,000 square feet of new retail uses, 100,000 square feet of commercial offices space, 300 acres of parks and open space, up to 500 hotel rooms, and new or upgraded public facilities, including a joint police/fire station, a school, facilities for the Treasure Island Sailing Center and other community facilities. The proposed plan for redevelopment includes the development of an intermodal transit terminal on the west side of Treasure Island which will serve as the on-island hub for transit services to Oakland and San Francisco.</p> <p>The Final Environmental Impact Report (“FEIR”) analyzing the Project, including proposed ferry service, under the California Environmental Quality Act (“CEQA”) was certified in 2011.</p> <p>The following Treasure Island housing development milestones are anticipated:</p> <ul style="list-style-type: none"> • Initial occupancy - 2022 • Quarter buildout (2,000 units) - 2027 • Half buildout (4,000 units) - 2031 • Full buildout (8,000 units) - 2036
<p>Treasure Island Transportation Implementation Plan; TIMM Program</p>	<p>In 2006, Treasure Island Community Development (“TICD”) and the Treasure Island Development Authority (“TIDA”) prepared a Treasure Island Transportation Plan to accompany a term sheet between the two parties that governed negotiations around the redevelopment of the former Navy Base. In 2011, in connection with the approval of the Disposition and Development Agreement (“DDA”) for the redevelopment and reuse of Naval Station Treasure Island, the Treasure Island Transportation Plan was updated and renamed the Treasure Island Transportation Implementation Plan (“TITIP”). The TITIP was adopted as a policy document by TIDA and endorsed by the San Francisco Board of Supervisors in 2011 and was included as part of the project analyzed in the certified FEIR.</p> <p>The TITIP identified sustainable transportation goals, including a proposal to provide ferry service between Downtown San Francisco and Treasure Island. The proposed service would be part of a larger transit network of buses, on-island shuttles, and pedestrian and bicycle infrastructure. The TITIP envisioned that at full buildout, Treasure Island would be served by up to three ferries operating every 15 minutes during peak periods. The TITIP also assumed no capital cost requirements related to ferry vessels; they were assumed to be acquired through lease arrangements.</p> <p>The TITIP informed 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. The Toll Policy is scheduled for adoption by the TIMMA Board in Summer 2021.</p>

WETA System Expansion Policy	On June 4, 2015 the WETA Board of Directors adopted a System Expansion Policy to serve as a framework for evaluating the feasibility of new ferry projects. This MOU has been developed based on this framework and it is the intent of the parties to further develop a future WETA Treasure Island ferry service consistent with WETA’s System Expansion Policy, including the provision that operating funds be secured for the first 10 years of service.
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Project Objectives	<p>An underlying principle of the WETA Treasure Island ferry service is that it be financially feasible both in terms of up front capital costs and long-term operations. The operation of the WETA Treasure Island Ferry service is intended to be entirely funded through passenger fares, TIMMA contributions, and other state, local or federal funds, if available to the Project. WETA will endeavor to link Treasure Island ferry service to other terminals in the WETA network in an effort to find cost efficiencies through interlining, vessel sharing and crew sharing.</p> <p>The Parties are committed to designing a service that addresses the TIMM Program affordability goals and WETA goals for promoting equity and affordability, as set forth in WETA’s Fiscal Year 2022 Pandemic Recovery Program Core Principles along with follow on programs that emerge as the Bay Area recovers from the pandemic.</p> <p>This MOU also acknowledges the goal of the Parties to develop the WETA Treasure Island ferry service to utilize zero emission vessels and other green technologies. Both TIMMA and WETA are committed to developing the WETA Treasure Island ferry service as a sustainable, green transportation option that will also serve as a potential model for other current and future water transit services operating on San Francisco Bay.</p>
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Treasure Island Ferry Service Plan

Initial Ferry Service Phase	The Initial Ferry Service Phase defined herein refers to the desired early launch of WETA ferry service to Treasure Island that would commence as early as Spring 2022. The Initial Ferry Service will be operated between the Downtown San Francisco Ferry Terminal and the Treasure Island Ferry Terminal utilizing a vessel from WETA’s current fleet, which is anticipated to be available for the expected two-year duration of the Initial Ferry Service Phase.
Ultimate Ferry Service Phase	The Ultimate Ferry Service Phase defined herein refers to the successive phase of WETA ferry service that will be launched prior to 2025. This phase will coincide with additional transit service and tolling being implemented on Treasure Island. The Ultimate Ferry Service Phase will be operated using zero-

	<p>emission vessel(s) that the Parties will work collaboratively to purchase. A detailed service plan for the Ultimate Ferry Service Phase will be prepared as part of the Ferry Study described in this MOU.</p>
<p>Ferry Study</p>	<p>TIMMA has retained a consultant to provide an operational and capital cost analysis of the WETA Treasure Island ferry service as well as service along the San Francisco waterfront. For the Treasure Island service, the Ferry Service Planning Study (Ferry Study) will provide operating service assumptions for the Ultimate Ferry Service Phase including service demand, service plans, vessel type, costs, fare structure, feeder transit services, revenues and subsidy levels. A deliverable of the Ferry Study will be draft Business Plan principles that will inform future work to prepare a Business Plan for the WETA Treasure Island ferry service. The study is scheduled to be completed by the Fall of 2021. TIMMA will work closely in partnership with WETA to complete this study. The Parties will jointly attend regular meetings with the consultant team to process data requests, assess the project scope, and review preliminary study deliverables.</p> <p>WETA will:</p> <ul style="list-style-type: none"> • Work collaboratively on program modeling and design with TIMMA, including the open sharing of cost and demand projections. • Work collaboratively on designing a ferry service program (fares, schedule, staffing and vessel operations and maintenance) that addresses TIMMA’s service goals given available financial resources (program revenues and grants). <p>TIMMA will:</p> <ul style="list-style-type: none"> • Develop travel demand projections from the SF CHAMP model and results of the Ferry Study for Treasure Island that will serve as an input for service planning efforts, including alternatives such as interlining opportunities with other regional services in the WETA and analysis of vessel size requirements. • Prepare Treasure Island Ferry Study analysis that will estimate ferry program costs, ridership and revenues under multiple service plan scenarios. • Work collaboratively with WETA in the development of projections for ferry demand, service levels, fare structure and operating costs, revenues and subsidies. • Recommend the initial and ultimate ferry service plan and operating cost in collaboration with WETA. <p>A Technical Advisory Committee (TAC) including the Port of San Francisco and Golden Gate Bridge, Highway and Transportation District is also planned.</p>

Board Presentations	Upon conclusion of the Ferry Study, staff from TIMMA and WETA will present an overview of the study findings and outcomes to the TIMMA Board and WETA Board for consideration.
Business Plan	Pending receipt of the Ferry Study by the TIMMA Board and WETA Board, the Parties will proceed with preparing a Business Plan for the WETA Treasure Island ferry service based on the draft Business Plan principles developed in the Ferry Study.

Funding

Partnering	Federal, state, regional, or local funding may become available during the term of this MOU. The Parties commit to collaborate and coordinate to pursue funding for the WETA Treasure Island ferry service. Such support may include but will not be limited to: grant application support letters, provisions of ridership data, operating or capital cost information or other technical information required by funders, as well as WETA or TIMMA Board resolutions in support of one another’s funding applications.
Planning	The Ferry Study and future Business Plan will be funded by TIMMA. WETA agrees to provide staff time as in-kind service in support of the Ferry Study and Business Plan, as well as other planning-related work to advance development of the WETA Treasure Island ferry service.
Vessel	TIMMA and WETA will work collaboratively in pursuing grant funds for the purchase of zero emission vessel(s) and needed charging infrastructure/other facilities to support the Ultimate Ferry Service Phase, understanding that no capital funds have been currently secured at this time. The Parties acknowledge that acquisition of a zero-emission vessel requires a two-year procurement process.
Operations	The Ferry Study findings and Draft Business Plan Principles will provide the basis for development of the initial ferry operational budget. Current sources of anticipated operating revenues include fares and funding from the TIMM Program, which includes a combination of developer subsidy, congestion pricing tolls, parking fees and grants. The Parties will work collaboratively to pursue supplemental grant funding for operations.

Facilities

Additional Agreement(s)	The Parties acknowledge that additional agreements may be required to define terms and conditions whereby the use of certain facilities necessary to operate the Initial Ferry Service and Ultimate Ferry Service Phases can be secured. Any such agreement(s) required should be entered into a minimum of six months prior to the launch of the respective service phase.
Treasure Island Ferry Terminal	TIMMA will secure any landing rights required at the Treasure Island Ferry Terminal for the Initial and Ultimate Ferry Service phases of the WETA Treasure Island ferry service. To the extent a property interest at or near the Treasure Island Ferry Terminal required for the ferry service is owned or controlled by one or more other entities, TIMMA will manage those interests on behalf of the Parties.
Downtown San Francisco Ferry Terminal; Other Terminals	WETA will secure any landing rights required at the Downtown San Francisco Ferry Terminal (Gates E, F, G) if that is the mutually agreed upon landing in Downtown San Francisco. If Gate B (Port of San Francisco) is mutually agreed upon as the optimal landing site in Downtown San Francisco, TIMMA will work with the Port of San Francisco to secure landing rights.
Maintenance, Repair, Storage	This MOU acknowledges that the Parties will need to identify a current or future WETA maintenance and operations facility where capacity is available to maintain, repair, and overnight berth zero emission electric vessels that will support the Ultimate Ferry Service Phase. WETA will maintain, repair, and overnight berth its vessel for the Initial Ferry Service Phase at its Central Bay Operations and Maintenance Facility.

Administration

Fares; Clipper	<p>The Parties will work collaboratively to propose a fare structure for the Treasure Island ferry service based on anticipated demand levels, farebox recovery objectives, and the need to provide an attractive alternative to using private vehicles. Parties agree to explore the feasibility of establishing an integrated fare structure between Treasure Island bus and ferry service and integration of the Treasure Island Transit Pass Program. Ferry fare structure and discounts rates will be set by the WETA Board and will be consistent with the policy goals of the TIMMA affordability program.</p> <p>The Parties agree to promote the use of Clipper as the preferred fare payment media for the WETA Treasure Island ferry service and will work collaboratively with the Metropolitan Transportation Commission to deploy Clipper with the launch of the Initial Ferry Service Phase. The Parties acknowledge a mutual desire to include the WETA Treasure Island ferry service in the Clipper START program.</p>
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<p>Branding, Marketing; Customer Service</p>	<p>The Initial and Ultimate Ferry Service Phases will be both branded and marketed by WETA as a San Francisco Bay Ferry service. Customer service for both service phases will be provided by WETA, as for other San Francisco Bay Ferry services. WETA will work closely with TIMMA to develop and approve marketing and customer service information.</p>
<p>Data Reporting</p>	<p>Service and performance data associated with the WETA Treasure Island ferry service (revenue miles, fare revenue, ridership, number of vessels, etc.) shall be reported by WETA to applicable Federal, state, and regional entities as a WETA-provided service and aggregated with similar data from other WETA services for the purposes of characterizing the WETA system.</p>
<p>Annual Budgeting</p>	<p>After the launch of the Ultimate Ferry Service Phase, subsequent operating budgets will be prepared by WETA. WETA will work closely with TIMMA to develop and approve annual service plans and review budgeted costs.</p>

WETA and TIMMA have entered into this Memorandum of Understanding as of the last date set forth below.

**Treasure Island Mobility Management
Agency**

**San Francisco Bay Area Water Emergency
Transportation Authority**

By: _____

Tilly Chang
Executive Director

Dated: _____

By: _____

Seamus Murphy
Executive Director

Dated: _____

Recommended for Approval:

Recommended for Approval:

By: _____

Cynthia Fong
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Approved as to Form:

By: _____

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Wendel Rosen LLP
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By: _____

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