



TREASURE ISLAND MOBILITY MANAGEMENT AGENCY

1455 Market Street, 22ND Floor, San Francisco, CA 94103 415-522-4800 info@timma.org www.timma.org

Memorandum

AGENDA ITEM 5

DATE: October 21, 2021
TO: Treasure Island Mobility Management Agency Committee
FROM: Rachel Hiatt - Acting Deputy Director for Planning
SUBJECT: 10/29/21 Committee Meeting: Base Toll and Discount Policy Draft Recommendations

<p>RECOMMENDATION <input checked="" type="checkbox"/> Information <input type="checkbox"/> Action</p> <p>This is an information item.</p> <p>SUMMARY We have prepared further travel demand forecasts and financial analyses of Treasure Island Mobility Management Program toll policy options. Based on these analyses and public feedback, we are recommending a Base Toll and Discount Policy for future travelers, as the first new housing units on the Islands are being sold. The draft recommendation defines toll hours of operation and the toll base rate along with means-based discounts. This Base Toll and Discount Policy will complete the TIMMA affordability program. The first component, adopted in 2019, exempts current residents from the toll. The second component, adopted in September 2021, provides current businesses and workers with mobility subsidies. Together, these affordability policies support the adoption of the Base Toll and an update to the Treasure Island Transportation Improvement Plan. The TIMMA Board may periodically adjust the Toll Rate Schedule, including discount amounts and eligibility, to manage congestion and demand, maintain financial sustainability, meet equity and affordability goals, and meet non-auto mode share performance goals of 50% or more at peak periods. Toll rates may be adjusted based on the Consumer Price Index and relevant service and other program costs. Taken together, the affordability policies create an additional program funding gap to be addressed in financial analysis and funding strategies to be included in the update to the Treasure Island Transportation Improvement Plan. We anticipate returning to the TIMMA Committee and then Board for approval of the Base Toll and Discount Policy in December.</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: _____
--	--

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 Development Agreement (DDA) with Treasure Island Community Development, as well as the Treasure Island

Agenda Item 3

Transportation Implementation Plan (TITIP). 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 (Leno)), is to implement the TITIP.

The TITIP 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. The TITIP establishes two performance goals for the program, specifically that at least half the residential trips on/off are made by transit and the program raise the revenues needed to pay for the planned regional transit service levels. AB 981 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 TITIP and recommended a subset of toll policies (including on the tolled population and high-occupancy vehicle definition) for the Island based on demand forecasting, financial analysis, and stakeholder input. The Study also recommended the development of an Affordability Program.

On November 21, 2018, the TIMMA Committee recommended approval of the Treasure Island Transit Pass, Toll Policy, and Affordability Program. This recommendation encompassed the remaining toll policies not adopted in 2016, including toll level, hours of operation, and discounts for current and future low-income households. On December 11, 2018, the TIMMA Board continued the item, pending further outreach and analysis of additional policy options.

On November 19, 2019, the TIMMA Board approved Resolution 20-03, establishing a toll exemption for current residents, with implementation details to be proposed and adopted as part of future Toll System Business Rules. Financial analysis indicates that a toll exemption for current residents will require additional revenues of up to \$3 million per year over a 15 to 20-year program buildout period, depending on toll rate level. Resolution 20-03 allows for a revision of the policy, pending an evaluation into its effectiveness, at the midpoint (4,000th unit) of the Development Project.

On April 27, 2021, the TIMMA Board approved Resolution 21-05, approving the Treasure Island multi-operator transit pass study final report and adopting the Treasure Island multi-operator transit pass design framework. The Study recommends that the pass be available at a discounted price for optional purchase by residents of below market-rate units and Treasure Island workers.

On September 28, 2021, the TIMMA Board approved Resolution 22-01, establishing a toll affordability program for current businesses and workers. Financial analysis indicates that a toll exemption for current residents will require additional revenues of about \$3.5 million over a 5-year initial program period, depending on toll rate level. Resolution 21-01 allows for a revision of the policy, pending an

Agenda Item 3

evaluation into its effectiveness, at the midpoint (4,000th unit) of the Development Project. We also proposed to further develop the Base Toll and Discount policy (base toll for future travelers, including future low-income travelers), consistent with the direction of the Downtown San Francisco Congestion Pricing Study.

DISCUSSION

We are presenting the third in a series of draft policy recommendations through the end of 2021 to complete the Treasure Island congestion pricing program, as the first new units are being sold, to implement a Federal Advanced Traffic and Congestion Management Technologies Deployment (ATCMTD) grant we received in 2016 and to meet our schedule to initiate tolling-funded ferry and transit service in mid-2024.

Public Feedback 2020-2021. Public and Board feedback received through 2020 and 2021 indicated that the Base Toll Policy should consider discounts based on household income. Feedback also called for more analysis of related policies such as transit service levels, funding options, and economic effects.

Exemptions. In 2019, the TIMMA Board adopted a policy exempting current residents from the toll. In addition, federally owned vehicles are eligible for exemption from the toll in accordance with 15 US Code Sections 1005 and 1006.¹ Finally, authorized emergency vehicles satisfying all conditions specified in California Vehicle Code section 23301.5 are also eligible for exemption from the toll.²

Hours of Operation. The proposed Tolling hours of operation are based on existing and anticipated traffic levels and broad consistency with the San Francisco-Oakland Bay Bridge peak periods. Toll rates are proposed to vary across periods as shown in Attachment A, TIMMA Toll Policy Register:

- "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.
- "Off-Peak Tolling Hours" are defined as hours between 9:00 a.m. and 3:00 p.m. weekdays.
- "Weekend Hours" are defined as hours between 8:00 a.m. and 8:00 p.m. weekends.
- "No-Toll Hours" are defined as the hours outside of Peak and Off-Peak Tolling Hours, wherein TIMMA toll collection is not operating.

Rate Schedule. Toll rates differ during peak and off-peak periods to influence driving decisions and effectively manage congestion at peak travel times. The Toll Rate Schedule, included in Attachment A, is set to manage mode share performance goals of 50% 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. The proposed rates are broadly consistent with the 2011 TITIP.

The TIMMA Board may periodically adjust the Toll Rate Schedule, including discount amounts and eligibility, to manage congestion and demand, maintain financial sustainability, to meet equity and affordability goals, and meet mode share performance goals of 50% or more at peak periods.

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

²

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

Agenda Item 3

TIMMA may adjust toll rates based on the Consumer Price Index and relevant service and other program costs.

Discounts. As part of the TIMMA Transportation Affordability Program, moderate- and below-income households will be eligible for a toll discount as per the Toll Rate Schedule, included in Table 1 and in Attachment A. This discount policy is consistent with the direction of the Downtown San Francisco Congestion Pricing Study.

Discounts will be as follows:

- Households earning up to 55% Area Median Income (AMI) shall receive a 100% discount.
- Households earning between 55% and 120% AMI shall receive a 50% discount.

Table 1. TIMMA Toll Operations: Hours and Rates

PERIOD	TIMES	BASE TOLL	MODERATE- AND LOW-INCOME HHS	VERY LOW-INCOME HHS
Peak Toll	Weekdays 5a - 10a 3p - 7p	\$5.00	\$2.50	Free
Off-Peak Toll	Weekdays 10a - 3p	\$2.50	\$1.25	Free
Weekend Toll	Weekends 8a - 8p	\$2.50	\$1.25	Free
NO TOLL	Weekdays 7p - 5a Weekends 8p - 8a	Free	Free	Free

Program Funding: Together with the 2019 toll exemption for current residents and the 2021 subsidy for current businesses and workers, the Discount and affordability policies create an additional program funding need to be addressed in program financial plans. This Program is estimated to have an operating shortfall approximating \$25.5 million over a 5-year period. We are seeking various grants and funding strategies to close the operating shortfall, including financing, as the program is projected to be revenue positive in year 7 (at 4500 units).

Next Steps. The TIMMA Board has previously adopted policy for toll direction (bi-directional) and HOV treatment (transit and registered shuttles and vanpool vehicles are exempt). We have outreach scheduled for November 2021 to disclose the proposed Base Toll and Discount Policy. We anticipate bringing Base Toll and Discount Policy recommendations to the TIMMA Committee and then Board for adoption in December 2021. At that time, we will bring an updated financial analysis accompanied by a funding plan for the first 10 years of operation.

FINANCIAL IMPACT

None. This is an information item.

Agenda Item 3

SUPPLEMENTAL MATERIALS

Attachment 1 - TIMMA Toll Policy Register

TIMMA 2021 Policy Recommendations
Updated: 10/21/2021

Toll Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
1	Exemptions	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	Statutory Requirement
		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	Statutory Requirement
2	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, and toll rates may vary across periods as provided below. Tolling hours apply to holidays and tolls shall be collected per the policy during 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 9:00 a.m. and 3:00 p.m. weekdays, without exclusions for holiday, during which tolls are collected.</p>	<p>Treasure Island Mobility Management Study (2016)</p> <p>Treasure Island Transportation Implementation Plan (2021)</p> <p>Peak periods are broadly consistent with Bay Bridge weekday peak/carpool hours.</p>	Proposed Policy

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 Toll Policy Register

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>		
3	Rate Schedule	<p>Toll rates vary according to the time of day based on traffic levels to influence driving decisions and effectively manage congestion at peak travel time. The Toll Rate Schedule, included in Attachment A, is set to manage mode share performance goals of 50% 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>Treasure Island Transportation Implementation Plan (2011)</p> <p>Treasure Island Mobility Management Study (2016)</p> <p>Treasure Island Transportation Implementation Plan (2021)</p>	Proposed Policy
		<p>The TIMMA Board may periodically adjust the Toll Rate Schedule, including discount amounts and eligibility, to manage congestion and demand, maintain financial sustainability, to meet equity and affordability goals, and meet mode share performance goals of 50% or more at peak periods.</p> <p>Toll rates may be adjusted based on the Consumer Price Index and relevant service and other program costs.</p> <p>Changes to toll rates will be rounded to the nearest quarter.</p>	<p>TIMMA must have operational flexibility to meet goals through toll rates.</p> <p>Rate changes must account for market escalation using a reliable metric (CPI).</p> <p>Rate changes are rounded to the nearest quarter for ease of accounting and public information.</p>	Proposed Policy

TIMMA Toll Policy Register

Affordability Policies				
No.	Policy Area	Policy Language	Rationale	Authority/ Source
4	Affordability	<p>As part of the TIMMA Transportation Affordability Program, moderate- and below-income households will be eligible for a toll discount as per the Toll Rate Schedule, included in Attachment A.</p> <p>Discounts will be as follows:</p> <ul style="list-style-type: none"> • Households earning up to 55% Area Median Income (AMI) shall receive a 100% discount. • Households earning between 55% and 120% AMI shall receive a 50% discount. 	Consistent with the direction of the Downtown Congestion Pricing Study.	Proposed Policy

TIMMA Toll Policy Register

Attachment A: Toll Rates

TIMMA Toll Operations: Hours & Rates				
Period	Times	Base Toll	Moderate- and Low-Income Households 55%<>120% AMI	Very Low-Income Households <55% AMI
Peak Toll	Weekdays 5a – 10a 3p – 7p	\$5.00	\$2.50	Free
Off-Peak Toll	Weekdays 10a – 3p	\$2.50	\$1.25	Free
Weekend Toll	Weekends 8a – 8p	\$2.50	\$1.25	Free
NO TOLL	Weekdays 7p – 5a Weekends 8p – 8a	Free	Free	Free