

**STAFF REPORT FOR CALENDAR ITEM NO.: 8.2
FOR THE MEETING OF: June 13, 2024**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Approve the Operating Agreement Template forms dated June 13, 2024, Implementing Agency Resolutions of Project Compliance for the allocation of Regional Measure 2 funds in the amount of \$8,711,240 and Regional Measure 3 Funds in the amount of \$3,549,361, and the required Certification of Assurances.

EXPLANATION:

On March 2, 2004, voters passed Regional Measure 2 (RM-2), raising the toll on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00. RM-2 establishes the allocation of RM-2 funding for the operation and maintenance of the Salesforce Transit Center, as well as the operation and maintenance of the temporary terminal. The amount identified in RM-2 legislation is \$3 million annually, escalated by 3.5 percent annually beginning in July 2004. As of July 2023, the escalated amount is \$6,178,295.

In July 2017, the Metropolitan Transportation Commission (MTC) took action to allocate an additional \$3 million per year, without escalation, to support operations of the Transit Center for an initial five-year period, after which the need for funding would be reassessed. At its May 22, 2024 Programming and Allocations Committee meeting, MTC staff recommended continuing RM-2 operating funding through at least FY 2024-25, at which point the need for ongoing RM-2 Operating support will be reassessed. MTC staff has also advised that, similar to the previous two years, they anticipate lower bridge toll revenue available and a reduction to the \$3 million allocation to the current recommended amount of \$2,532,945. Thus, the total RM-2 allocation is \$8,711,240.

On June 5, 2018, voters passed Regional Measure 3 (RM-3), raising the toll on the nine State-owned toll bridges in the San Francisco Bay Area by \$1 beginning January 2019. Tolls were increased by another \$1 in January 2022, with another \$1 increase set for January 2025. The MTC's RM-3 Expenditure Plan identifies annual operating funds for Terminal Operations at the Transbay Terminal, now known as the Salesforce Transit Center, equal to a percentage of the actual bridge tolls collected and not to exceed \$5 million. The FY 2024-25 amount anticipated to be available on a reimbursement basis is \$3,549,361.

MTC requires that TJPA formally request the operating and maintenance funds each fiscal year, via submission of an Implementing Agency Resolution approved by the TJPA Board, an Operating Agreement Template form, and a Certification of Assurances. The Operating Agreement Template forms are based on the FY 2024-25 draft operating budget of approximately \$27.6 million.

The balance of operating expenses not covered by the RM-2 and RM-3 operating allocations will be covered by a combination of lease, sponsorship, and advertising revenues, community benefit district assessments, cellular antennae licensing fees, and transit operator contributions.

RECOMMENDATION:

Approve the Operating Agreement Template forms dated June 13, 2024, Resolutions of Project Compliance for the allocation of RM-2 funds in the amount of \$8,711,240 and RM-3 Funds in the amount of \$3,549,361, and the required Certification of Assurances.

ENCLOSURES:

1. RM-2 Implementing Agency Resolution of Project Compliance
2. RM-3 Implementing Agency Resolution of Project Compliance
3. RM-2 Operating Assistance Proposal Dated June 13, 2024
4. RM-3 Operating Assistance Proposal Dated June 13, 2024
5. Certification of Assurances

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred to as Regional Measure 2, required the Metropolitan Transportation Commission (MTC) to allocate toll bridge revenues in an annual amount not to exceed \$3 million, plus a 3.5-percent annual increase, to the California Department of Transportation (Caltrans), or the Transbay Joint Powers Authority (TJPA) after Caltrans transfers title to the Transbay Terminal Building to the TJPA, for operation and maintenance expenditures related to the Transbay Terminal Building (codified in California Streets and Highways Code section 30914(b)); and

WHEREAS, Caltrans transferred title to the Transbay Terminal Building to the TJPA at midnight on August 6, 2010; and

WHEREAS, At midnight on August 6, 2010, the TJPA closed the Transbay Terminal Building, opened the Temporary Transbay Terminal facility one block away on the block bounded by Howard, Main, Folsom, and Beale Streets, and transferred existing operations and maintenance from the Transbay Terminal Building to the Temporary Transbay Terminal facility in order to allow the TJPA to begin demolition of the Transbay Terminal Building and construction of the new transit center; and

WHEREAS, SB 916 provides that the first annual 3.5 percent increase shall be made on July 1, 2004. As of July 1, 2024, the amount of escalated funds equals \$6,178,295; and

WHEREAS, In 2017 MTC passed Resolution No. 3801 Revised to allocate an additional \$3 million for Transbay Transit Center Operating Support; and

WHEREAS, MTC staff has advised TJPA that MTC staff will recommend the supplemental \$3 million in Regional Measure 2 Operating Support authorized under MTC Resolution No. 3801 Revised continue in fiscal year 2024-25, with a reduction to \$2,532,945 based on reduced regional bridge toll collections; now, therefore, be it

RESOLVED, That the Transbay Program, including the temporary terminal and transit center facilities, is consistent with the Regional Transportation Plan; and be it further

RESOLVED, That the TJPA is an eligible recipient of Regional Measure 2 funds; and be it further

RESOLVED, That the projected FY 2024-25 transit center facilities' operating revenues are insufficient to pay the cost of the operation and maintenance of the facilities without the requested Regional Measure 2 funding from MTC; and be it further

RESOLVED, That the TJPA Board approves and authorizes staff to submit to MTC the application for allocation of Regional Measure 2 funds for operations and maintenance expenses associated with the Transbay facilities in the amount of \$8,711,240 for FY 2024-25, including its Operating Assistance Proposal (the "Application"), attached hereto and incorporated herein as though set forth at length; and be it further

RESOLVED, That the Operating Assistance Proposal demonstrates a fully funded operating plan for which the TJPA is requesting that MTC allocate Regional Measure 2 funds; and be it further

RESOLVED, That the projects and purposes for which the TJPA requests allocation of Regional Measure 2 funds in its Application are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) and the applicable regulations thereunder (14 California Code of Regulations Section 15000 *et seq.*) and the National Environmental Policy Act (42 USC Section 4321 *et seq.*) and the applicable regulations thereunder; and be it further

RESOLVED, That there is no legal impediment to the TJPA making allocation requests for Regional Measure 2 funds; and be it further

RESOLVED, That there is no pending or threatened litigation which might in any way adversely affect the project, or the ability of the TJPA to deliver the project; and be it further

RESOLVED, That there are no obligations of the TJPA having a statutory or first priority lien against the toll bridge revenues; and be it further

RESOLVED, That Regional Measure 2 funds received by the TJPA in prior years have been included in the TJPA's general fiscal audit for such years. The TJPA will include any Regional Measure 2 funds allocated under the Application in its general audit for the year in which the funds are requested; and be it further

RESOLVED, That the TJPA indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of the TJPA, its officers, employees or agents, or subcontractors or any of them under the requested allocation of Regional Measure 2 funds in the Application. In addition to any other remedy authorized by law, so much of the funding requested to be allocated under the Application as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim against MTC for damages; and be it further

RESOLVED, That the Executive Director is hereby delegated the authority to make non-substantive changes or minor amendments to the Application as they deem appropriate; and be it further

RESOLVED, That the Executive Director, consistent with this resolution and the Application, is hereby delegated the authority to execute such agreements, project reports, allocation packages, and other items, make certifications and assurances, and take actions as may be required in order to receive the Regional Measure 2 allocation requested in the Application.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of June 13, 2024.

Secretary, Transbay Joint Powers Authority

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

Implementing Agency: Transbay Joint Powers Authority

Project Title: Terminal Operations at Transbay Terminal, now known as Salesforce Transit Center

WHEREAS, SB 595 (Chapter 650, Statutes 2017), commonly referred as Regional Measure 3, identified projects eligible to receive funding under the Regional Measure 3 Expenditure Plan; and

WHEREAS, The Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 3 funds, pursuant to Streets and Highways Code Section 30914.7(a) and (c); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 3 funding; and

WHEREAS, Allocation requests to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 3 Policies and Procedures (MTC Resolution No. 4404); and

WHEREAS, Transbay Joint Powers Authority (TJPA) is an eligible sponsor of transportation project(s) in the Regional Measure 3 Expenditure Plan; and

WHEREAS, The Terminal Operations at Transbay Terminal, now known as the Salesforce Transit Center, is eligible for consideration in the Regional Measure 3 Expenditure Plan, as identified in California Streets and Highways Code Section 30914.7(a); and

WHEREAS, The Regional Measure 3 allocation request, attached hereto in the Operating Agreement and incorporated herein as though set forth at length, enumerates the project details for which TJPA is requesting that MTC allocate Regional Measure 3 funds; now, therefore, be it

RESOLVED, That TJPA, and its agents shall comply with the provisions of MTC's Regional Measure 3 Policies and Procedures; and be it further

RESOLVED, That TJPA certifies that the project is consistent with the Regional Transportation Plan (RTP); and be it further

RESOLVED, That TJPA approves the updated Operating Agreement Template form, attached to this resolution; and be it further

RESOLVED, That TJPA approves the Certification of Assurances, attached to this resolution; and be it further

RESOLVED, That TJPA is an eligible sponsor of projects in the Regional Measure 3 Expenditure Plan, in accordance with California Streets and Highways Code 30914.7(c); and be it further

RESOLVED, That TJPA is authorized to submit an application for Regional Measure 3 funds for Terminal Operations at Transbay Terminal, now known as Salesforce Transit Center, in accordance with California Streets and Highways Code 30914.7(c); and be it further

RESOLVED, That TJPA certifies that the projects and purposes for which Regional Measure 3 funds are being requested are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.) and, if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder; and be it further

RESOLVED, That there is no legal impediment to TJPA making allocation requests for Regional Measure 3 funds; and be it further

RESOLVED, That there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of TJPA to deliver such project; and be it further

RESOLVED, That TJPA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and be it further

RESOLVED, That TJPA indemnifies and holds harmless MTC, BATA, and their Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of TJPA, its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of Regional Measure 3 funds. TJPA agrees at its own cost, expense, and risk, to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against MTC, BATA, and their Commissioners, officers, agents, and employees, or any of them, arising out of such act or omission, and to pay and satisfy any resulting judgments. In addition to any other remedy authorized by law, so much of the funding due under this allocation of Regional Measure 3 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages, and be it further

RESOLVED, That TJPA shall, if any revenues or profits from any non-governmental use of property (or project) that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs, otherwise MTC is entitled to a proportionate share equal to MTC's percentage participation in the projects(s); and be it further

RESOLVED, That TJPA authorizes its Executive Director or their designee to execute and submit an allocation request for operating or planning costs for Fiscal Year 2024-25 with MTC for Regional Measure 3 funds in the amount of \$3,549,361, for the project, purposes and amounts included in the project application attached to this resolution; and be it further

RESOLVED, That the Executive Director or their designee is hereby delegated the authority to make non-substantive changes or minor amendments to the Operating Agreement as they deem appropriate; and be it further

RESOLVED, That a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the TJPA application referenced herein.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of June 13, 2024.

Secretary, Transbay Joint Powers Authority

A. Project Title:

B1. Brief Description of Service

Briefly describe service (provide map as attachment). Include information about markets being served and interoperator connections.

RM2 funds support the operations of the Salesforce Transit Center in downtown San Francisco. The Transit Center serves bus operators from the East Bay, San Francisco, North Bay, and Peninsula, including AC Transit, Muni, Greyhound, WestCAT, Lynx, Golden Gate Transit, and SamTrans.

B2. Description of Service Changes

Describe any service changes made in the previous fiscal year and describe any changes planned for the current fiscal year.

None

C. Service Description:

	Start Time	Headways		Vehicles in service		Daily Rev Veh Hrs
		Peak	Off-peak	Peak	Off-peak	
1. Weekday	N/A	N/A	N/A	N/A	N/A	N/A
2. Saturday	N/A	N/A	N/A	N/A	N/A	N/A
3. Sunday	N/A	N/A	N/A	N/A	N/A	N/A

D. Cost Allocation Plan/Cost Methodology

Direct reimbursement of costs. No cost allocation Plan / Cost Methodology used.

E. Costs are (check one):

- Fully-allocated
 Marginal

F. Performance Measures (check one)

- Total Service
 RM2 Increment Only

G. Environmental Clearance Type:

1.

2.
 Date:

H. Operating Plan:

	1	2	3	4	5	6	7	8
	Past Actual FY 22/23	Current Year Revised FY 23/24	Budget FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Operating Budget								
1. Total Operating Cost	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
2. RM2 Operating Cost	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
3. -- Fare Revenue <input type="checkbox"/> RM2 <input type="checkbox"/> Total	-	-	-	-	-	-	-	-
4. -- RM 2 Operating Assistance Request	8,193,371	8,404,025	8,711,240	8,894,535	9,118,344	9,849,986	10,089,735	10,337,876
5. -- Other Operating Revenue	7504961	8829774	8660129	10701651	11632176	12669514.3	14054599.8	15945237.8
6. -- Other Subsidy	10,488,817	10,395,945	10,245,291	9,403,814	9,149,480	8,180,500	7,555,665	6,316,886
7. Total Subsidy	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
8. Total Revenues	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
9. Surplus/(Deficit)	-	-	-	-	-	-	-	-

I. Service Parameters:

1. Estimated Annual Ridership	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2. Average Weekday Ridership	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3. Total Annual Revenue Hours	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4. Total Annual RM2 Revenue Hours	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5. Annual Revenue Miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

J. Performance Measures:

Required Measures Per MTC Resolution 3636									
1. Farebox Recovery Ratio (Total Cost)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2. Passengers/Total Hour	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
3. Change in Passenger Per Hour	N/A	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!

K. Other Measures

1. Cost Per Rider	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
2. Subsidy Per Rider	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
3. Cost Per Revenue Hour	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!

MTC Claim Application - Document RM3
 Regional Measure 3 Operating Assistance Proposal - Eligible Applicants Only
 FY 2024-25

Submit Date: 6/13/2024
 Operator: Transbay Joint Powers Authority
 Service (Select): Transbay Terminal Operations

Enter requested information in yellow cells
 Enter requested information using dropdown menu
 Information appears automatically in cells highlighted blue
 Transbay Joint Powers Authority Operator:

A. Project Title: Salesforce Transit Center Operations

B1. Brief Description of Service
 Briefly describe service (provide map as attachment). Include information about markets being served and interoperator connections.

RM3 funds support the operations of the Salesforce Transit Center in downtown San Francisco. The Transit Center serves bus operators from the East Bay, San Francisco, North Bay, and Peninsula, including AC Transit, Muni, Greyhound, WestCAT, Lynx, Golden Gate Transit, and SamTrans.

B2. Description of Service Changes
 Describe any service changes made in the previous fiscal year and describe any changes planned for the current fiscal year.

None

C. Service Description - Ferry and Express Bus Only

D. Cost Allocation Plan/Cost Methodology

Direct reimbursement of costs. No cost allocation Plan / Cost Methodology used.

E. Environmental Clearance Type
 Exempt (state rationale) or environmentally cleared
 1. Environmentally cleared
 2. Date 11/26/2018

	1	2	3	4	5	6	7	8
	Past Actual FY 22/23	Current Year Revised FY 23/24	Budget FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Operating Budget								
1. Total Operating Cost (Fully Loaded)	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
RM3 Operating Cost (Fully Loaded)	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
2. -- Fare Revenue (RM3-Funded Service)			-					
3. -- RM 3 Operating Assistance Request	2,700,000	2,990,080	3,549,361	4,900,000	5,000,000	5,000,000	5,000,000	5,000,000
4. -- RM 2 Operating Assistance Request	8,193,371	8,404,025	8,711,240	8,894,535	9,118,344	9,849,986	10,089,735	10,337,876
5. -- Other Operating Revenue (RM3-Funded Service)	7,504,961	8,829,774	8,660,129	10,701,651	11,632,176	12,669,514	14,054,600	15,945,238
6. -- Other Subsidy (RM3-Funded Service)	7,788,817	7,405,865	6,695,930	4,503,814	4,149,480	3,180,500	2,555,665	1,316,886
7. Total Subsidy (RM3-Funded Service)	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
8. Total Revenues (RM3-Funded Service)	26,187,149	27,629,744	27,616,660	29,000,000	29,900,000	30,700,000	31,700,000	32,600,000
9. Surplus/(Deficit) (RM3-Funded Service)	-	-	-	-	-	-	-	-

G. Service Parameters - Ferry and Express Bus Only

H. Performance Measures								
Required Measures Per MTC Resolution No. 4404, Revised								
Ferry and Express Bus								
1.								
2.								
3.								
4.								
Transbay Terminal								
5. Estimated Annual Boardings	2,029,847	2,800,000	3,200,000					
6. Percent of Trips Departing Salesforce Transit Center On-Time	86%	90%	86%					
7. Annual Change in Lease Revenue	21%	9%	4%					
8. Maintenance Documents Provided to MTC (Yes/No)		Yes						
9. Investment/Policy Summary Provided to MTC (Yes/No)		Yes						
10. Financial Documents Provided to MTC (Yes/No)		Yes						
11. Annual TJPB-MTC Meeting Held (Yes/No)		Yes						
12. Percent of Near-Term STC Wayfinding Recommendations Implemented	91%	95%	98%					

MTC Claim Application - Document CEQA
CEQA Documentation
FY 2024-2025
Submittal Date:

For each numbered question, select Yes or No and provide explanation as needed
This form must be signed and dated


Yes No

1 Is the project categorically exempt from CEQA, pursuant to CCR Section 15301(c), Existing Facility?

Yes No N/A

2 If the answer to Question 1 is "No", is the project exempt from CEQA for another reason?
If the project is not exempt, please check "No" and provide environmental documentation, as appropriate.
If yes, cite the basis for the exemption below:

**The undersigned attests that the certifications indicated above are true and correct,
and further attests to the applicant's intent to comply with the indicated certifications.**

Authorized Representative Signature: 
Name: Adam Van de Water
Title: Executive Director
Date: 6/5/24

TJPA Environmental Documentation available here: <https://www.tjpa.org/portaldtx/seiseir-report>

RM2 and/or RM3 Operating Assistance Application

Certifications

FY 2024-2025

Submittal Date:

Operator: Transbay Joint Powers Authority


Project: Salesforce Transit Center Operations

Only complete this form if you do not complete J(a)

**ENTER an "X" in the yellow cell to the left of each required certification
This form must be signed and dated**

x	A.	Applicant certifies that, if RM2 and/or RM3 funding was received in FY 2023-24 , it will include the RM2 and/or RM3 and revenues in its general fiscal audit for that year. Applicant also assures that it will include the RM2 and/or RM3 costs and revenues in its general fiscal audit which will be completed for FY 2024-25.
	B.	Applicant certifies to one of the following:
N/A	a.	If Applicant is a bus operator, it certifies that it has submitted a copy of the California Highway Patrol (CHP) certification which was issued within the last 13 months indicating compliance with Cal. Veh. Code. §1808.1 (CHP "pull notice system and periodic reports"). (Pub. Util. Code §99251).
N/A	b.	If Applicant is a ferry operator, it certifies that it is current on all inspections and certifications require by federal and state agencies.
N/A	C.	Applicant certifies that it has current "joint fare revenue sharing agreements" in place with transit operators in the MTC region with which its service connects as required by Government Code §66516 and that it has submitted copies of all such agreements to MTC.
x	D.	Applicant agrees to participate in implementation of recommendations from the Integrated Fare Struct and Transit Connectivity Studies which are required by Streets and Highway Code §30914.5.
x	E.	Applicant certifies that it complies with MTC's Transit Coordination Implementation Plan (MTC Resolution No. 3866, Revised). (Public. Util. Code §99314.7 and Gov't Code §66516.5)

**The undersigned attests that the certifications indicated above are true and correct,
and further attests to the applicant's intent to comply with the indicated certifications.**

Authorized Representative Signature: 
Name: Adam Van de Water
Title: Executive Director
Date: 6/5/24