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PROPSF, LLC PROPOSAL FOR TREASURE ISLAND FERRY

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Presentation to President Batjer
Office, California Public Utilities
Commission - November 15, 2021

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Treasure Island Development

8,000 new homes
27% affordable

300,000
square feet of retail

100,000
square feet of
office

500
hotel rooms

300
acres of parks &
open space



Treasure Island is Ready for Ferry Service



On the left is an image showing what the Treasure Island Development will look like once completed. Note the new ferry terminal at the bottom of the photo.

On the right is a photo of the ferry dock which is complete and ready for PROP's boats to bring residents of Treasure Island to and from San Francisco in a convenient, affordable and environmentally-friendly way.



Treasure Island Ferry Service Has Strong Public Support

There is strong political support for this Treasure Island ferry service from SF Mayor London Breed, SF District 6 Supervisor Matt Haney, Treasure Island Development Authority (TIDA, the City of SF's agency governing development of TI), the SF County Transportation Authority, and WETA.



Matt Haney @MattHaneySF · Nov 3

The ferry to **Treasure Island** will start in January, privately operated, but available at \$5 a ride to the public, and will ultimately be fully public transportation and the way for thousands of people to get to and from **Treasure Island** everyday!



“My strong belief is that providing this option from day one will be instrumental in encouraging new residents to adapt to a car-free lifestyle as they make their home on Treasure Island.”

- San Francisco Mayor London Breed, in Oct 8, 2021 Letter to CPUC urging rapid approval of PROP's application



Mayor Breed on a Test Run of the TI Ferry

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Treasure Island Ferry Opportunity

- PROP has partnered with Treasure Island Community Development (TICD), the master developer of Treasure Island (TI), to operate public ferry service for this major new residential mixed-use community.
- The proposed TI ferry will consist of round trips between the newly completed TI ferry terminal and the San Francisco Ferry Building.
- The proposed first date of service would be January 1, 2022, to serve the first new residents moving to TI. Having service available on Day 1 for new residents will be crucial in establishing a car-free lifestyle in this new community. TICD is proposing service 7 days a week between Treasure Island and San Francisco, with 17 runs per weekday, and 15 runs per weekend day.
- Since TI is an island, residents have very limited public transportation options and urgently require a new option for transportation other than the bus or more expensive for hire options (e.g. taxi, TNCs).

Current Regulatory Authority of PROP

Currently, PropSF, LLC (PROP) holds a Vessel Common Carrier (VCC) license from the Commission.



PROP has two types of authority:

“Unscheduled Prearranged Service” with rates in the \$16-\$24 range

“Scheduled Service” approved for San Francisco, Emeryville, Berkeley and Redwood City (not commenced)

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Bringing Ferry Service to TI is a Triple Win

TICD desires to reduce the fare to be \$5 per ride (w/ 20% ZORF) in order to provide ferry access for the first new residents of TI and encourage the ferry as an alternative to auto trips. It's a "win-win-win" situation:

- 1) Provides an affordable rate for about 600 low- and moderate-income households and residents of 2000+ new affordable homes
- 2) Reduces traffic congestion
- 3) Reduces transportation emissions consistent with the State and City climate change goals

PROP has submitted a CPUC application to amend its VCC authority and tariff to include this new Treasure Island scheduled service (including the landing sites, a schedule and rates plus ZORF).

Until the scheduled service is approved, PROP proposes to provide Treasure Island service under its prearranged, unscheduled service tariff.

- The current lowest tarified rate is \$16, however, which is not appropriate for this short 2 mile run
- A prearranged unscheduled service arrangement works well for the launch, as PROP and TICD test demand and develop an optimal schedule as the new TI residents develop commute habits.

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- How to Provide Treasure Island Riders an Affordable \$5 Fare?

PETITION TO MODIFY PROP'S TARIFF

Remedy: On September 27, 2021, PROP filed a Petition to Modify its prearranged unscheduled tariff to reduce the allowable fare to \$5/rider one way or \$150/month between Treasure Island and the San Francisco Ferry Building until PROP's application for scheduled authority for TI is approved by the Commission.

- The Petition to Modify remedy is necessary due to the lack of a defined process for revision. There is no advice letter process for VCCs. PROP discussed options with CPUC Transportation Staff (Naylor/Kahr) this summer and were ultimately advised to pursue a Petition to Modify process.
- The current PROP scheduled tariffed rates were set for rides of much longer distances between San Francisco, Berkeley, Redwood City & Emeryville.
 - Treasure Island & San Francisco are less than 2 miles apart and justify a much lower fare.
- The \$5 fare would encourage ferry rides instead of private vehicle trips, with big environmental benefits.
- **Two responses were submitted to the Petition to Modify during the 30 day comment period, both in support**

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○ Year-End
Action by
CPUC is
Critical -- How
do we get
there?

Key Timeline:

- Last Commission 2021 Meeting is December 16th.
- Unopposed Petition for Modification submitted for decision in late September -- ALJ Glegola is the Assigned ALJ
- For January 1, 2022 ferry service launch, last possible Commission voting meeting date is December 16, 2021
- Best case: PD issuance date of November 16, 2021, allowing for 30-day notice period
- If PD cannot be issued by November 16:
 - 30-day notice can be waived here under CPUC Rules of P&P 14.6(a)(6) for “extraordinary conditions in which time is of the essence” or under Rule 14.6(c)(2) where a matter is unconditioned and grants the relief requested.
 - Applicant is willing to waive opening comments if PD grants relief; no opposing parties.
 - This would allow for PD to be issued as late as December 5, 2021.
- If PD cannot be issued before Commission Agenda is released on December 6, 2021:
 - CPUC could add item to agenda as an emergency matter or by unanimous vote of those Commissioners present that a need for immediate action exists and the need for action came to Commission’s attention after the agenda was issued (Rule 15.2(c)(1) and (2))

URGENT ASK: WE ARE SEEKING APPROVAL FOR A SIMPLE RATE REDUCTION IN PROP'S PREARRANGED UNSCHEDULED TARIFF FOR THE INITIAL TREASURE ISLAND SERVICE IN ORDER TO PROVIDE FARES OF \$5 PER RIDE OR \$150 FOR UNLIMITED RIDES PER MONTH.

TREASURE ISLAND DEVELOPER AND THE CITY OF SAN FRANCISCO DESIRE THAT THE PETITION TO MODIFY BE APPROVED BY THE END OF 2021 IN ORDER TO ALLOW PUBLIC FERRY SERVICE IN JANUARY 2022 FOR FIRST RESIDENTS.

QUESTIONS?

