

Appendix E

E



Redwood City Transportation Demand Management (TDM) Program

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Transportation Demand Management Program

Introduction & Overview

The TDM Program outlined in this document serves as the guiding policy to formally establish a TDM program. To fully implement the TDM Program, the City must first adopt an ordinance allowing for the City to require compliance with the policy and penalize non-compliance.

Purpose

Redwood City's RWCmoves Citywide Transportation Plan recognizes that the City can most effectively address congestion and limit neighborhood cut-through traffic by providing a robust transportation network for all travel modes. The citywide plan has several goals that support the vision of promoting mobility for all and increasing alternatives to driving-alone. The goals stated in the draft plan are:

- **Goal 1:** Eliminate traffic fatalities and severe injuries for all modes by 2030

- **Goal 1:** Create a walking and bicycling-friendly community that provides a safe, balanced, and convenient transportation system
- **Goal 3:** Provide seamless connections and improved street access to all areas within the City, but especially along mixed-use corridors designated in the General Plan and Citywide Transportation Plan
- **Goal 4:** Embrace innovation in all forms of emerging technologies, especially in ways to creatively manage congestion and the transportation system
- **Goal 5:** Reach over 50% of all trips being by non-driving modes by 2040; remaining automobile trips should be shared rides and/or zero emission trips
- **Goal 6:** Invest in projects that support a resilient, equitable and sustainable transportation system

Transportation Demand Management (TDM) is one tool that the City plans to use to progress towards these goals. TDM combines policies to help individuals learn about and use various transportation options such as transit, carpooling/ridesharing, carsharing, bicycling, walking, and telecommuting. TDM works most effectively when applied to a specific area with common needs such as a business park or downtown area. It encourages businesses, property owners, homeowners' associations, and others to provide information, incentives, advocacy, and specific services for enhanced transportation options for the benefit the whole participating area.



This TDM Program supports each of the citywide goals by providing resources at residences and places of employment to encourage and incentivize alternatives to driving-alone, creating opportunities for new mobility programs and innovative strategies to improve transportation choices, and collecting information for the City to guide transportation investment and monitor results. The TDM Program helps achieve an average citywide 50% non-driving mode split through the strategies to improve and provide incentives for use of non-drive-alone modes. The components of the TDM Program were developed based on a review of best practices in Transportation Demand Management and a series of stakeholder meetings, both summarized in **Attachment A**.

TDM Program Goals

The TDM Program adopts the citywide transportation goals as overarching goals for the program. Additionally, the plan establishes the following goals specific to TDM:

- Partner with private developers and communities to reduce the drive-alone mode share.
- Prioritize non-driving modes at new developments.
- Increase the accessibility and convenience of alternatives to driving-alone options for RWC residents, employees, and visitors.
- Increase awareness of all transportation choices and costs.
- Provide high-quality and financially sustainable TDM services to RWC residents, employees, visitors, and businesses.

- Monitor and report on progress in support of the Citywide Transportation Plan.
- Encourage use of innovative programs and new technologies to reduce driving-alone.

The program will also strive to operate efficiently, take advantage of existing resources and programs (such as the San Mateo County Guaranteed Ride Home Program), and leverage partnerships to avoid repeating the work of other agencies. For example, the City and/or TMAs may choose to partner with other existing commute and TDM programs such as commute.org, which provides transportation resources to Bay Area commuters and operates several commuter shuttles in San Mateo County.

Plan Overview

This TDM Program achieves the above goals by requiring new developments which equal or exceed a set minimum size to complete a Site TDM Plan and implement measures to encourage non-driving modes. This document sets out the process and guidelines for complying with the program by:

1. Identifying which sites are subject to the requirements of the TDM program and setting initial mode share targets for participating sites, in **Section 2** below. This section also introduces areas within the city which may have additional TDM requirements or targets, and the process for developing these.



2. Creating a menu of programs and services designed to help achieve TDM goals for specific projects or geographic areas within the City in **Section 3**. Developers and employers will choose from this menu activities most appropriate to their site. While the menu is intended to be a helpful starting point, there will be flexibility in how projects meet the goals; as the City is most interested in results.
3. Establishing the process for developing and approving plans for proposed and ongoing TDM programs in **Section 4**. This includes participation requirements for new development, expansion of existing uses, or change of use projects.
4. Recommending mechanisms for monitoring, evaluation and enforcement in **Section 5**, including penalties for non-compliance.
5. Describing the activities and steps necessary for the City to implement the program, in **Section 6**.

Triggers for participation and requirements for complying with the plan were developed based on feedback received in stakeholder meetings and were designed to be flexible and customized to the size and type of development. This plan details these and other plan requirements and implementation steps.

Participation and Targets

Triggers for Participation

This section sets out triggers for participation for individual sites. The triggers are based on the type and size of a site to ensure that requirements are appropriate and achievable for each site. Small sites generally do not have the resources to participate in a TDM program, and thus mandatory participation for new development shall be required based on the size of the development. The triggers for participation were set based on observations of how other cities have approached and implemented TDM, and which practices have proven to work the best. Existing sites are only required to comply with the program if they meet the minimum size requirements AND undergo a significant change in use, size of developed space, or a significant increase in density, which requires a discretionary permit.

The following are development sizes that would trigger the requirement of preparing a Site TDM Plan:

- New Residential with:
 - 25+ units for single and multi-family developments, or
 - 5+ Units with a homeowner's association
- New Commercial, Office, and Institutional with:
 - 10,000+ sq. ft., or
 - 10+ employees
- Existing Residential, Commercial, or Institutional.

- An existing site that meets above requirements for new development AND requests a discretionary permit. These requests include:
 - Change in parking supply
 - Change in use or density
 - Change in number of units or square footage

Developments which meet any of the above requirements would be required to, at a minimum, prepare a site TDM plan, provide information to residents and employees, and participate in monitoring efforts. The steps required for these sites to comply with the program are described in **Section 3**, which include developing a Site TDM Plan, implementing a number of TDM measures, and participating in annual monitoring and enforcement.

Goals and Targets

Citywide, the collective goal is to meet the City’s goal of reducing drive-alone trips by 50% by 2040. Data was collected for the RWCmoves Transportation Plan showing the mode shares at various land uses in Redwood City. **Table E-1** below shows the drive-alone mode shares for four land use types that would be included in the TDM Program.

Table E-1: Existing Drive-Alone Mode Share

Land Use	Existing Drive-alone Mode Share (Average of AM and PM)
Downtown Apartment	50%

Suburban Apartment	66%
Downtown Office	49%
Suburban Office	78%

Source: RWCmoves Citywide Transportation Plan.

A 1% decrease each year in the drive-alone mode share throughout the City would result in approximately a 50% mode share by 2040. However, a more aggressive target should be set for new projects, as they will likely cause a larger proportion of the mode shift. The projected results of a 2% average annual decrease in drive-alone mode share for 20 years was used to determine the initial target drive-alone mode share for new projects, shown in **Table E-2**. As shown in the table, it is recommended that the smallest category of residential and commercial sites be included in the program without a target mode share. These properties would still be required to submit a TDM plan showing how they will comply with the minimum TDM measures and participate in annual monitoring and reporting, though they will not be subject to a specific mode share target, and thus will not receive penalty for failing to meet mode share goals.



Table E-2: Target Drive-Along Mode Share

Land Use	Size and Type	Target Mode Share
Residential	5 to 24 units*	N/A
	Downtown, 25+ units	33%
	Suburban, 25+ units	44%
Office and Commercial	10 to 49 employees	N/A
	Downtown, 50+ employees	33%
	Suburban, 50+ employees	52%

*Residential properties with 5 to 24 units are only required to participate if they have a homeowners' association.

Sites within the city that are not subject to an Area TDM Plan (**Section 2.3** below) will have a drive-alone mode share target initially set based on **Table E-2**. In the first year, the site would be required to meet this to be in compliance with the plan. After the first year, the site target may be adjusted based on area conditions or factors specific to the site. This process is described in **Section 3**.

Transportation Management Associations and Area TDM Plans

Implementation of the TDM Program may involve setting up one or more Transportation Management Associations (TMAs). TMA's have proven to be very effective at developing and implementing the elements of TDM program in other cities. The responsibilities of the TMAs will be to coordinate transportation related programs and services in specific geographic areas, conduct monitoring and evaluation, and serve as liaison with the City. Establishment of TMAs also encourages collaborative, cooperative efforts within

communities for a simpler, more seamless transportation network and user-friendliness. If one or more TMAs are formed, they will perform many of the program management and monitoring functions, which are indicated throughout this report as City/TMA actions. A TMA may be specific to one geographic area or manage multiple areas.

The TMA can be primary liaison for initial review of Site TDM Plans (before submittal to City), confirm pre-Certificate of Occupancy conditions have been met, and conduct annual surveys. A TMA can also track and manage community contributions from those sites contributing to 'community benefit' programs and services and prepare an annual report on behalf of an entire area. If no TMA is established, the City must perform these functions (or hire a consultant or other organization to do so). As such it is strongly recommended that the City encourage or require early formation of the TMA to establish monitoring systems early. If penalties are to be imposed, the City must be the enforcing agency. The recommended TMA Framework is attached to this policy as **Attachment B**.

If one or more TMAs are implemented in the City, they will be responsible for preparing Area TDM plans for the geographic area over which they have jurisdiction. Area TDM Plans would include alternative targets and requirements for these areas. Areas recommended to have Area TDM Plans are those that have high growth potential or within which sites have similar needs and would benefit from coordination.



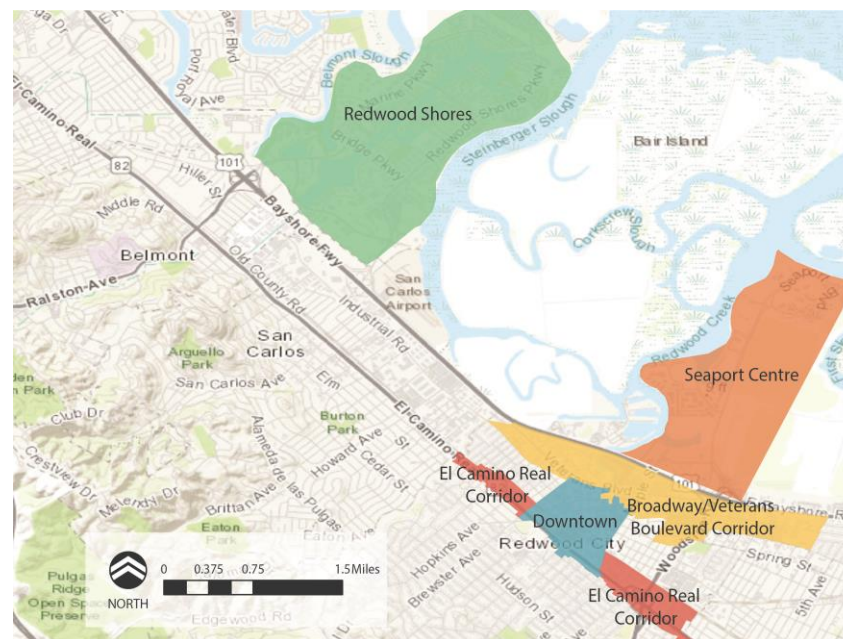
Two major existing business parks within Redwood City, Seaport and Redwood Shores, are recommended for Area TDM Plans. Additionally, the City may consider including the defined Priority Development Areas: Downtown, El Camino Real Corridor, and Broadway/Veterans Boulevard Corridor. These areas are mapped for reference in **Figure E-1**.

Generally, all sites within these geographic areas, regardless of size, will be included in the Area Plan. However, only sites that meet the triggers listed in section 2.1 would be required to develop individual Site TDM Plans and meet specific targets. Smaller sites would have access to the resources and programs provided in their area and participate in the dissemination of information and annual monitoring, but would not have individual mode shift targets.

Area TDM Plans

A TMA, if established, would prepare Area TDM plans for each area that it has jurisdiction over. The Area TDM Plan will include existing conditions, determination of area-specific drive-alone mode share reduction targets, and a description of the projects and programs that will be implemented by the TMA to help reach these targets.

Figure E-1: Recommended Area TDM Plans



The Area TDM Plan will first establish the existing conditions with a benchmark survey of all existing development to determine overall mode share. The TMA may also choose to do driveway or intersection counts to determine trip generations rates, or other data collection relevant to the area. The plan will also describe the existing transportation infrastructure, transit service, and quality of pedestrian and bicycle routes.

Based on the benchmark survey, as well as area trends and planned development, the TMA will set a drive-alone mode share target for the area as a whole. For a large area, an annual drive-alone mode

share reduction target may be appropriate, rather than a single target value. Previous experience in similar areas indicates that an annual target of 2-3% reduction in drive-alone mode share is realistic and fair. Mode share targets for sites within each area will also be set in the Area TDM Plan based on these area-wide targets.

In order to meet the mode share target, the Area TDM Plans will also describe the projects and programs that the TMA will implement and manage within the area. Appropriate transportation improvements will vary based on the location. For example, Downtown can reduce trips by encouraging more people to walk, bike and use existing public transit because of existing mix of uses, densities, and proximity to transit. Redwood Shores, on the other hand, may fund shuttles and carpooling programs, which may be more appropriate to their population and geographic needs. The TMA will be able to identify the local needs and challenges, and collect local input on what may be most effective in each area. The Area Plan will also describe how sites within the area may contribute to area-wide programs in order to meet some or all of their Site TDM Plan targets.

Area TDM plans would also need approval from the City. In practice the recommended approach is for the TMA to prepare the Area TDM Plan and list the local programs and measures which would be implemented. The City would then review these and make suggestions or comments. After the program is implemented, the TMA will report to the City annually on the performance of the program and the extent to which the mode share goals are met. At

that time the City could require that the TMA make changes to the program to improve performance if the goals are not being met.

Compliance Process

This section describes the process for complying with the plan. The steps to be taken by the property owner, TMA, or City from the site development permit application to ongoing monitoring and enforcement are listed in **Table E-3**, with required actions for the property developer/owner and the City/TMA detailed in two columns.

Most actions that could be performed by the City or TMA would be performed by the TMA if one exists for the area in which the site is located, and would otherwise be performed by City staff. Actions that would need to be performed by the City in either scenario or would only occur if there is a TMA are described as such in the steps below. In all other cases "City/TMA" is used to indicate the actions could be performed by either. If one or more TMAs are established, the City and TMA should work together to develop a site plan review process that give most of the approval responsibility to the TMA, with oversight by the City. A common practice is for the TMA to review the Site TDM Plan, approve or return the plan to the property owner for revision, and when approved provide a summary of the approval to the City for final approval.

Table E-3: TDM Program Process and Roles

TDM Program Steps	Property Owner/ Developer	City/TMA
1. Prepare Site TDM Plan	Property owner prepares and City/TMA reviews and approves a Site TDM Plan. This process is detailed in steps 1a through 1d below.	Property owner prepares and City/TMA reviews and approves a Site TDM Plan. This process is detailed in steps 1a through 1d below.
Determine Applicability	<p>Determines if the TDM Program Requirements are applicable to the site (Section 2.1). If yes, the remaining steps should be completed. If no, the site is not required to complete the remaining components of step 1, or steps 2 or 3, but may be required by a TMA (if any) to participate in the step 4 evaluation.</p> <p>Determines the drive-alone mode share target for the site, based on the Area TDM Plan if one exists, or else the Citywide targets (Section 2.2)</p>	<p>Provides participation thresholds and initial mode share reduction targets.</p> <p>Aids property owner in determining applicability and identifying targets.</p>
Develop Site TDM Plan	<p>Prepares the Site TDM Plan identifying the TDM Measures (Section 4 below) they will implement, and describing quantitatively and qualitatively how the measures will achieve the mode split target.</p> <p>For uses with high percentages of visitors, alternative monitoring should be identified in the plan to capture travel that cannot easily be surveyed, such as conducting spot surveys, visually monitoring and recording access modes, etc. Monitoring methods and time periods must be approved by the City/TMA.</p>	Provides a checklist with required steps to take as part of the development review process and instructions for preparing a Site TDM Plan.
Site TDM Plan Review	<p>Submits Site TDM Plan prior to final permit application</p> <p>If plan is not approved, revises and resubmits for review</p>	<p>Reviews the plan for compliance with program standards and determines whether the strategies to be implemented are sufficient to meet the drive-alone mode share target.</p> <p>If the approved, provides a summary of the approval to be included with the conditions for final approval by the City.</p> <p>If the Site TDM Plan is not approved, identifies the reason and what additions would be required for approval</p>
File Application	Property owner submits application for the development project with approved Site TDM Plan attached.	Reviews applications without TDM Plan included to determine if a TDM Plan must be prepared. If so, property owner/developer must complete TDM Plan prior to development permit application approval.

Table E-3: TDM Program Process and Roles

TDM Program Steps	Property Owner/ Developer	City/TMA
2. Planning Permit Approval and Site TDM Plan Recording	None	<p>City must approve Site TDM Plan as part of development approval</p> <p>If Site TDM Plan was reviewed by a TMA, the City may return the plan for additional review by the TMA if additional measures are deemed necessary. If there is no TMA, the City will return the Plan to the Property owner directly for revision.</p> <p>The Site TDM Plan must run with the life of a development project; be binding on all current and future tenants, and be referenced as part of the condition of approval.</p>
3. Site TDM Plan Implementation	<p>Implements all planned elements in the Site TDM Plan.</p> <p>Prior to issuance of a Certificate of Occupancy (COO), must show that all TDM measures will be available as soon as the site is occupied. Physical TDM measures such as bike racks, showers, etc., must be installed and fully operational and any contracts must be signed with service providers.</p>	<p>Confirms implementation of planned measures by reviewing information provided by property owner and conducting site checks if necessary.</p>
4. Monitoring and Enforcement	<p>Collects survey responses from employees and tenants, conducts driveway counts to determine trip generation, and prepares a brief annual report.</p> <p>Complies with all monitoring efforts lead by City or TMA. Monitoring requirements and penalties are described Section 5.</p>	<p>Designs and distributes annual surveys and determines compliance of each site. If a site is found to be in non-compliance, may impose penalties.</p> <p>Prepares area and/or citywide annual report, publishes aggregated survey results, and reports on best practices and areas for improvement.</p> <p>Monitoring requirements and penalties are described Section 5.</p>

TDM Measures

As described in the previous section, each site that triggers the TDM program participation will be required to complete a Site TDM Plan describing the drive-alone trip reduction measures planned for the site and how these activities will help the site reach its drive-alone mode share target. TDM measures are projects and programs that incentivize alternatives to driving-alone and increase transportation options through subsidies and pricing, new and improved transportation services, and educational activities.

At a minimum, all sites subject to the TDM program will be expected to provide no- or low-cost items which provide information on available transportation services and encourage alternative mode choice. Basic improvements such as bike racks may also be required by the City zoning code. On top of the requirements, the measures that will best help a site meet its drive-alone mode share targets will vary based on the site's location, mix of employees and/or residents, and other individual factors. Sites will have flexibility in planning for TDM measures that will best meet the needs of their employees or tenants.

Table E-4 is a list of required and recommended TDM Measures. Section A in the table includes measures which are required for most sites, and Section B includes additional measures required for large

sites. Whether measures are required for each type or size of development is indicated by green shading in the table. Section C, D, and E include the remaining measures divided by type: information, physical improvement, and programmatic, respectively. For maximum flexibility, measures in sections C, D, and E are generally not required of any site, but most will have difficulty meeting their individual targets without implementing some of them.

Sites should implement a number, variety, and scale of measures based on the site type and size, in order to meet the area drive-alone mode share target. **Table E-4** indicates which measures are most appropriate for each site type and size in dark blue, other optional measures in light blue, and measures not recommended for that type or size in grey. The table also includes estimated mode share reductions for each measure, which may be used as a guide for sites to determine the effectiveness of their planned measures. However, the impact of any one TDM measure is difficult to evaluate, and data on existing TDM programs is not yet robust. Additionally, the particular combination and implementation of TDM measures at a site will affect the success of a plan. The impact estimations should be used only for reference and do not constitute an exact projection of the effectiveness of a plan.

Table E-4: Recommended TDM Measures

		■ = Required		■ = Recommended Options		■ = Other Options		■ = Not recommended	
Measure		Commercial or Institutional (by number of employees)			Residential (by number of units)			Estimated Percent Reduction in Drive-alone Trips/Mode Share ¹	
		10-49	50 -299	300 +	5-24 ²	25-50	51+		
A Required for All Sites	Preparation of Site TDM Plan	■	■	■	■	■	■	N/A	
	Provide on-site information	■	■	■	■	■	■	1% to 1.5% (max 4% for all information improvements combined)	
	Offer employees pre-tax deduction	■	■	■	■	■	■	1 to 5%	
	Annual commute survey	■	■	■	■	■	■	N/A	
	Participation in area- and city-wide monitoring and promotional activities	■	■	■	■	■	■	N/A	
	Bike racks for customers or employees ³	■	■	■	■	■	■	1 to 4% for residential 2 to 8% for non-residential	
	Indoor bike parking for residents or employees ³	■	■	■	■	■	■	2 to 5% for residential 4 to 10% for non-residential	
	Well-lit pedestrian paths to transit ³	■	■	■	■	■	■	0 to 2%	

Table E-4: Recommended TDM Measures

		■ = Required		■ = Recommended Options		■ = Other Options		■ = Not recommended	
	Measure	Commercial or Institutional (by number of employees)			Residential (by number of units)			Estimated Percent Reduction in Drive-alone Trips/Mode Share ¹	
		10-49	50 -299	300 +	5-24 ²	25-50	51+		
B Additional Requirements for Large Sites	New/improved bus service OR shuttle open to the public (can be met through participation in TMA-operated service)	■	■	■	■	■	■	0 to 2% for improved bus service 2 to 10% for new shuttle service	
	Transit passes for TMA to distribute in TMA area	■	■	■	■	■	■	10 to 15% if provided to potential site visitors	
	Land/facilities for transit stops, hubs, program administration, bike share, etc.	■	■	■	■	■	■	0 to 2% for pedestrian and bike connections 5 to 10% for new transit stops within 1 mile	
	Ongoing real time displays in shared or public spaces	■	■	■	■	■	■	1% to 1.5% (max 4% for all information improvements combined)	
	On-site amenities that reduce trips i.e., café, ATM, childcare	■	■	■	■	■	■	1 to 12%, ATM at lower end, Café in the middle, Childcare at the high end	
	Shared parking among multiple uses (If site is multi-use)	■	■	■	■	■	■	0 to 20%, depending on reduction in parking supply compared to required parking for each use	
	Local hiring, housing subsidies or other incentives	■	■	■	■	■	■	1 to 15% depending on percent of employees within five miles of site	

Table E-4: Recommended TDM Measures

		■ = Required		■ = Recommended Options		■ = Other Options		■ = Not recommended	
Measure		Commercial or Institutional (by number of employees)			Residential (by number of units)			Estimated Percent Reduction in Drive-alone Trips/Mode Share ¹	
		10-49	50 -299	300 +	5-24 ²	25-50	51+		
C Information and Marketing Measures	New employee/resident orientation	Other Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	1% to 1.5% (max 4% for all information improvements combined)	
	New tenant information	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	1% to 1.5% (max 4% for all information improvements combined)	
	Designated on-site boards or kiosks with TDM and transit information	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	0.5% to 1% (max 4% for all information improvements combined)	
	Real time transportation information	Other Options	Recommended Options	Recommended Options	Other Options	Other Options	Recommended Options	1% to 1.5% (max 4% for all information improvements combined)	
	Info on website prioritizing directions via alt modes	Other Options	Recommended Options	Recommended Options	Other Options	Other Options	Recommended Options	0.5% to 1% (max 4% for all information improvements combined)	
	Annual promotion	Other Options	Recommended Options	Other Options	Other Options	Other Options	Recommended Options	0.5% to 1% (max 4% for all information improvements combined)	
	Quarterly promotion	Other Options	Other Options	Recommended Options	Other Options	Other Options	Recommended Options	0.5% to 1% (max 4% for all information improvements combined)	
	Signage for TDM features	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	0.5% to 1% (max 4% for all information improvements combined)	

Table E-4: Recommended TDM Measures

		■ = Required		■ = Recommended Options		■ = Other Options		■ = Not recommended	
Measure		Commercial or Institutional (by number of employees)			Residential (by number of units)			Estimated Percent Reduction in Drive-alone Trips/Mode Share ¹	
		10-49	50 -299	300 +	5-24 ²	25-50	51+		
D Physical Facilities Measures	Preferred parking for carpools	Other Options	Recommended Options	Recommended Options	Not recommended	Not recommended	Not recommended	1 to 3%	
	Car-share spaces	Other Options	Recommended Options	Recommended Options	Other Options	Recommended Options	Recommended Options	0.5% to 2%	
	Showers, lockers for cyclists	Other Options	Recommended Options	Required	Not recommended	Not recommended	Not recommended	2 to 8% for non-residential	
	Drop off area (TNC, pools, shuttles)	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	0 to 2%	
	EV plug-in stations	Other Options	Other Options	Other Options	Other Options	Other Options	Other Options	N/A	
	Reserve parking for occasional drivers (instead of permit holders)	Not recommended	Not recommended	Recommended Options	Not recommended	Not recommended	Not recommended	1 to 5% if free or very low cost 5 to 10% if priced based on market rates	
E Programs and Policies	Flex time/telecommuting	Other Options	Recommended Options	Recommended Options	Not recommended	Not recommended	Not recommended	0.5% to 7%	
	Transit subsidies	Other Options	Recommended Options	Recommended Options	Other Options	Recommended Options	Recommended Options	10 to 15%	
	Transit passes for all employees/households	Other Options	Other Options	Recommended Options	Other Options	Recommended Options	Recommended Options	15 to 20%	
	Car/bikeshare memberships or subsidies	Other Options	Other Options	Recommended Options	Other Options	Other Options	Recommended Options	0 to 2%	
	Unbundled parking	Other Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	Recommended Options	2 to 20%	
	Parking cashout	Other Options	Recommended Options	Recommended Options	Not recommended	Not recommended	Not recommended	5 to 8%	
	Rideshare/vanpool ride matching service	Other Options	Recommended Options	Recommended Options	Not recommended	Not recommended	Not recommended	10 to 20%	

¹Sources: "Quantifying Greenhouse Gas Mitigation Measures", California Air Pollution Control Officers Association 2010; "Guidelines for Implementing the Land Use Component of the Congestion Management Program", City/County Association of Government of San Mateo County; "Transportation Demand Management Ordinance Guide", Contra Costa County 2009; "West Berkeley Transportation Demand Management Plan", Wilbur Smith Associates.

²Residential properties with 5 to 24 units are only required to participate if they have a homeowners' association.

³Required for some or all sites by the RWC Zoning Code

Property owners and TMAs shall not be limited to these measures when planning for reducing the drive-alone mode share at their properties. Developing Site and Area TDM Plans is an opportunity to pilot new transportation services and programs. Developers and business owners will be looking for efficient and effective ways to comply with their targets, and individual sites will be looking for new and innovative solutions that will help them change their commute behavior. New transit service, technologies and apps, or ways of communicating information to users could all be tried out on a relatively small scale within TDM areas or individual sites. TMAs and/or the City will approve pilot programs or new technologies if a reasonable connection can be made to the projected mode share shift, and if appropriate monitoring measures are included in the Plan.

Monitoring and Enforcement

Monitoring and enforcement of the TDM program can be completed by the City, or a TMA if it is established, but the City shall be the enforcing agency for any potential penalties imposed. The following steps will be coordinated by the City or TMA with cooperation by owners and managers of all TDM Program sites. Most actions that could be performed by the City or TMA would be performed by the TMA if one exists for the area in which the site is located, and would otherwise be performed by the relevant City staff. Any monitoring and enforcement actions undertaken by a TMA would need to be done in consultation with the City. Actions that would need to be

performed by the City in either scenario or would only occur if there is a TMA are described as such in the steps below. In all other cases “City/TMA” is used to indicate the actions could be performed by either.

1. **Annual Survey:** The City/TMA will prepare and coordinate an annual survey of occupants of all participating sites. Property owners will distribute annual surveys to all employees and/or residents and be responsible for a minimum response rate of 51%. The property owner should report the total number of employees and residents prior to administering the survey to set a baseline for determining 51% participation (though this should be allowed to be amended if major changes happen before the annual report is submitted). A response rate lower than 51% will be considered non-compliant and may trigger penalties as described below.
2. **Annual Report:** All sites with a Site TDM Plan will prepare a short annual report describing the operation and utilization of TDM measures. Sites will also be required to conduct driveway counts and report trip generation in the annual report.
3. **Additional Monitoring:** Certain uses where the daily population includes significant visitors who may be difficult to survey, such as medical or retail uses, may also be required to complete spot surveys, intersection counts, or other metrics. The site will identify how they plan to capture



the needed data in their initial Site TDM Plan, which will be approved by the City/TMA prior to development of the site.

4. **Determination of Compliance:** The City/TMA will collect survey responses and annual reports, and determine whether a site has met their annual target. For non-compliant sites, the City/TMA will also determine whether the site has made a “good-faith effort”, defined as all programs and services promised in the Site TDM Plan being operational, with proof of promotional efforts and costs. This determination will be used by the City in imposing penalties in Step 6 below. Sites in the smallest residential and commercial categories do not need to meet a minimum mode share target, but may still be considered non-compliant if they do not achieve the required survey response rate or complete an annual report.
5. **Report Results:** The City/TMA will report all non-compliant sites. If one or more TMAs are established, each TMA will provide a summary of overall performance for the geographic area(s) covered by the TMA. Individual survey results may be aggregated into a public report for the entire City.
6. **Penalties:** If a site is determined to be non-compliant (did not fulfill the requirements of the Site TDM Plan, meet the drive-alone reduction targets, or achieve the required survey response rate) as reported by the City/TMA, the City as the enforcing agency may impose penalties as follows:

- a. **Year 1 Non-Compliance:** If the City determines, based on the site’s annual report and confirmation by the City/TMA, that a good-faith effort has been made to implement the Site TDM Plan and meet the drive-alone mode share target, there will be no financial penalty. The property owner must update the Site TDM Plan to show how results will be improved in year two. The City/TMA may provide success stories or areas of improvement based on results from other participating sites to aid the improvement of the plan. If the site has not made a good-faith effort to implement the program, year 2 non-compliance penalties may be applied.
- b. **Year 2 Non-Compliance:** If a site is not in compliance for two years in a row, financial penalties may be applied. Financial penalties will be determined by the City and represent the value of their drive-alone target shortfall. Penalties will be paid to support general community services or to provide additional funding for other sites, to be determined by the City/TMA. In general, the amount of support for community programs will be based on the degree of non-compliance, and per-person costs of delivering programs. For example, if a company subsidizes a monthly transit pass for its employees but falls short of its targets, it may be required to fund monthly transit passes for the same number of

employees in the area which would bring it up to compliance.

- c. **Continued Non-Compliance:** If a site is in non-compliance for more than two consecutive years, the City can impose an ongoing requirement for the site to support community programs and limit future expansions or permits granted until the site is shown to be in compliance.

The details of monetary and discretionary penalties would be determined in the ordinance that the City would adopt in the future to fully implement this TDM Program (see Plan Implementation).

7. **Adjust Mode Share Target:** Regardless of a determination of compliance or non-compliance, the City/TMA may, at its own discretion or on the request of a property owner, adjust the target mode share for a site based on conditions unique to the site. The reasons for the adjustment must be documented, and the decision shall not be made solely based on whether the site met the target in the previous year. This could result in a higher or lower target for the site.
8. **Update or Refine Site TDM Plan:** The property owner may submit a revised Site Plan for review and approval as described in **Section 3**. A revised plan will be required if the site is not in compliance or if the mode share target for the site is adjusted, and in all other cases will be optional. A property owner may choose to optionally update the plan in

response to changing area-wide conditions, changes at the site, or based on the results of the evaluation of the site but must still meet the previous mode share target.

Plan Implementation

This section provides the near-term steps necessary to implement this TDM Program.

9. **Adopt Policies:** The first step is for the City to adopt the TDM Program as the guiding policy document to formally establish the program and recognize the goals and process. To impose penalties, the City must adopt an ordinance allowing for the City to require compliance with the policy and penalize non-compliance.
10. **Establish a TMA:** If one or more TMAs are to be formed, they should be established early so that they can take on many of the implementation steps. First, the role of each TMA, its geographic area of responsibility, and its funding must be identified. It must have 3 to 5 years of committed and ongoing funding. To form a TMA, possible options are to have an existing non-profit take on the TMA function (e.g. as a subsidiary) or start a new independent organization. The recommended TMA Framework, including details on these formation options, is attached to this plan as **Attachment B**.
11. **Benchmark Studies:** Collect existing conditions data to determine the current mode share within each defined area

and establish annual incremental targets to reach at least 50% by 2040. In areas where the alternative mode split is already over 50%, the City may set new goals for 2040, with incremental attainment goals based on current metrics and uses.

12. **Develop Forms and Materials:** City and TMA, if applicable, to work together to integrate TDM requirements into forms for development permit applications. Develop a TDM toolkit for sites requiring a plan, including a checklist or other forms to guide plan preparation and information about operation and expected utilization of TDM measures. Begin development of educational materials and programs that will be distributed by program participants as part of the required TDM measures as well as to the community at large.
13. **Education and Outreach:** Begin communication to existing businesses and sites in the pipeline regarding how and when the policy will affect their sites, if at all. In coordination with the TMA, if any are implemented, the City should help implement educational and outreach programs for developers and business owners to familiarize them with the program and the requirements. Educational programs for residents and employees will also help coordinate the messaging for individuals.
14. **Annual Survey and Evaluation:** Design and implement an annual survey, evaluation process and report. Develop systems for tracking performance of each site, each geographic area, and the program as a whole. Begin to track and share success stories and areas of improvement.

Attachment A: Stakeholder Meeting Summary and Case Studies

Introduction

Redwood City is developing a transportation demand management (TDM) plan and transportation management association (TMA) framework. To identify the existing context for traffic and transportation options in Redwood City, community and stakeholder meetings were held. To gather best practices for TDM plans and TMA structures, a series of case studies of TDM programs in peer cities were developed. This memo describes the results of the community meetings and of the peer city case studies.

Stakeholder Meetings

The City and the project team held four stakeholder meetings to introduce community members to TDM programs and gather feedback about traffic and transportation alternatives in Redwood City. The meetings were held in locations throughout the city, within or near areas identified as possible locations for TDM implementation including Downtown, Redwood Shores, and Seaport Centre. Each meeting was open to all participants regardless of their home, work, or business locations.

Overall, participants were open to the concept of the TDM ordinance or policy. They were not opposed to it being applied to existing development, especially in built out areas like Pacific Shores and Redwood Shores. Most agreed that flexibility in the program was

necessary, allowing businesses and property owners some choice in how to comply with the program.

Participants identified a variety of issues and potential solutions during the meetings. The following sections summarize the topics discussed.

Roadway and Private Vehicles

Meeting participants identified several problems with traffic and access in downtown redwood city, including unsynchronized traffic signals and heavy traffic at the US-101 interchange. Participants also described new developments affecting traffic issues in Redwood City. For example, a new school is opening soon which participants commented could further exacerbate traffic and parking issues in the Redwood Shores area.

Participants supported new park-and-ride lots with shuttle or bus service, expanding ridesharing and carsharing programs, improved signal timing, and wayfinding. Residents also commented that they would like access improvements to downtown, including more parking and free or low-cost parking, but also supported incentives for developers to reduce parking requirements and unbundle parking.



Redwood Shores

Parking is a problem in Redwood Shores. Each development has limited parking and many households have 2 or more vehicles. Residents are also concerned about traffic and parking impacts from the new school, which will have 700 students and no parking spaces. Comments indicated that residents were also worried about spillover parking and traffic from development in nearby cities—because of its northern location, projects in Belmont and San Carlos could affect Redwood Shores. Participants suggested a residential permit program (RPP) could be established to lessen these impacts.

Public and Private Transit

According to comments received at the meetings, there are not enough transit connections to the places people want to go, and the existing connections are too infrequent. Participants requested additional transit service, and also commented that there is a need for informational signage and campaigns to let people know what services are available. For example, one participant noted that Redwood Shores residents are not aware that they can use the Redwood Shores shuttles, and it may be a challenge getting residents to try transit. On the other hand, residents are using technology more and might be interested in smartphone enabled transit; the idea of an on-demand transit service was suggested.

The existing and new Stanford campuses on Broadway were discussed often by participants as major employers and possible



contributors to traffic in downtown and on Broadway. The participants felt the need for more bus routes along Broadway to serve commuters, and in particular requested more midday service to help access downtown during lunch. Some participants were aware of the Marguerite service to the Stanford campus, and thought it would be a great benefit to the city as a whole.

Participants also expressed concern about the behavior of private transit operators, describing shuttles speeding or parking illegally in travel lanes.

In discussing solutions and new transportation options, participants were very interested in expanding existing options and trying new services and programs. Potential new transportation services that were suggested by participants included ferry service to and from the Port of Redwood City (this is supported by the Port Commissioner as well as tenants of the Port, Pacific Shores, and Chesapeake), and shuttles to popular Redwood City destinations, Belmont, and San Carlos. A new idea was proposed to reactivate the old rail spurs between downtown and Pacific Shores. Participants agreed that transit or other new services should be publicly accessible, run with extended hours and high frequencies, and be simple to use for a diverse population (and not just those with smart phones).

A participant who works at Oracle described some of the TDM measures that Oracle has implemented. Although Oracle does not regularly survey their employees about transportation, this participant had observed that the company-provided transportation

amenities are heavily used, indicating high demand for alternative options. This participant agreed that participation in a TMA would be beneficial to help encourage less single-occupant vehicle use and coordinate programs and services among multiple campuses, but requested that the requirements not be prescriptive.

Bicycle and Pedestrian

Participants were concerned with cyclists' safety, and with unsafe behaviors often that participants had observed by cyclists. Participant comments included the observation that the existing bike lanes and sharrows downtown are dangerous due to heavy traffic and narrow lanes. Participants also described observing cyclists failing to obey traffic signals. While the participants supported bike share and improved bike infrastructure such as bike lanes, sharrows, and wayfinding, they requested that improvements to these modes include increased enforcement of traffic laws. Awareness campaigns and improved signage were also brought up by participants as possible solutions to these problems.

Another potential new downtown service supported by participants is pedicabs. However, bike lanes are currently too narrow to support this.

Case Studies

Four case studies of existing TDM programs and TMAs were prepared to showcase the structures and programs used in similar Bay Area cities. TDM programs in Mountain View, Palo Alto, San Mateo County, and South San Francisco are described below.

Mountain View TMA

Background

In 2013, the City of Mountain View mandated participation in a TMA as part of the approval of large development projects and formed the Mountain View TMA. This TMA can operate beyond the city limits, but its Bylaws require a benefit to the City, which includes both Downtown and the large corporate tech campuses on the eastern side of the City.

Structure

The TMA was structured as a 'large developer' organization, with a hefty \$75,000 one-time membership fee. In addition, members must either participate in joint funding of one or more of the TMA's shuttle routes, or pay a \$10,000 membership fee annually if they receive any benefit from the TMA but are not funding an active program. This has limited membership to large development

projects and employers such as Samsung, LinkedIn, Google, and Intuit.

The TMA is staffed by a part time (30%) Executive Director and a part time (40%) administrative assistant. The TMA outsources its website, shuttle contract, accounting, and other functions.

Programs

The primary program of the Mountain View TMA is provision of a shuttle service, which supports the Whisman-to-Downtown Mountain View corridor with six shuttle routes. The operating expense is approximately \$1.3 million/year.

The TMA also funded three bicycle hubs in a six-month pilot program and is planning to support LimeBike, a new bikeshare program, when it launches in Mountain View.

Mountain View TMA has also been an advocate for Measure B and electrification of Caltrain. It is a member of the Caltrain Commuter Coalition.

Effectiveness

The Mountain View TMA does not have a specific mandate. The TMA's shuttle program measures effectiveness through overall ridership, but does not have any other specific metrics or performance measures.

The TMA is currently studying how it might lower the barrier to entry to enable smaller, more diverse employers and developers to join and participate in programs. The study will evaluate various membership structures (e.g., fees based on square footage, head count, use, etc.). The growing residential community in Mountain View has also put pressure on the TMA to address residential issues.

Palo Alto TMA

Background

The Palo Alto TMA was formed in response to the City's goal of reducing single occupant vehicle (SOV) use in downtown by 30 percent. It was formed in early 2016.

A benchmark survey in 2015 indicated that about 55 percent of downtown's approximate 10,000 employees drive-alone. The TMA crafted a five-year plan to reduce the drive-alone rate to 38 percent (a 30 percent reduction). It set fairly specific goals by mode, including carpooling, transit, walking, biking and ride-share services.

Structure

Because downtown Palo Alto is comprised largely of small businesses, the TMA has no membership fees. Funding to date has been through local funding sources; it is anticipated permanent funding will come from parking revenues. Members of the Board of

Directors pay annual fees based on whether they're classified as Large, Medium or Small businesses.

Programs

The downtown employee survey revealed that approximately one third of the population are 'low income' workers in the hospitality and restaurant industries. Another third, while not low income, work for small to medium sized employers who are not eligible to buy discount transit passes and don't provide a commute benefits program. The remaining third work for large employers who do offer these benefits to their employees, and in most cases, have low SOV rates. Low income workers have the highest drive-alone rates (over 80 percent) of any category; followed by higher income workers in small companies. Tech workers have the lowest drive-alone rates (30 percent).

The TMA's programs are designed to reduce the drive-alone rate by 8 percent in 2017; by 14 percent in 2018; by 18 percent in 2019; by 25 percent in 2020; and reach the 30 percent goal in 2021.

In 2017 and 2018, the TMA is focusing on low income and small-employer workers. It is subsidizing transit passes, carpooling and shared rides for these workers. The TMA is also subsidizing Lyft 'last mile' rides for low income workers. Its budget for 2017 was just over \$200,000.

The TMA is also developing an advocacy campaign to encourage transit agencies to develop fare policies and structures that allow TMAs and other groups to buy 'bulk' passes at a discounted rate and be able to pass on those savings to low income and small-employer workers.

The Palo Alto TMA will also pilot a bicycle program later in 2017, whereby low income workers will receive a free bike, helmet, lights and training. They will be given a bike to use for commuting for up to six months.

Effectiveness

To date, over 200 employees are using one of the transportation alternatives promoted by the TMA's programs. In its first year, the TMA reduced the drive-alone rate in Palo Alto by about 4 percent. It is on track to reduce the SOV rate by another 4 percent by the end of 2017.

San Mateo Rail Corridor TMA

Background

The San Mateo Rail Corridor TMA (SMRCTMA) was formed in 2012 along San Mateo's Priority Development Area (PDA) corridor between the Hayward Park Caltrain Station and Hillsdale Station – where six commercial and residential development projects were either underway or planned. The projects ranged from relatively



small (60 units) low-income residential developments to redevelopment of large existing retail and commercial sites (Concar Village and Hines offices); to new mixed-use construction (Station Park Green). To date, some are built and occupied; others are still in progress.

The TMA was called for as part of the City's Rail Corridor Transit Oriented Development Plan and all projects in this corridor were mandated to join.

Programs

Each project has different TDM requirements. Some are required to reduce trips by a certain percentage; others were allowed a maximum number of trips in AM and PM peak. Some are required to provide transit passes; others are not. The only common thread (other than mandatory TMA membership) is that all are required to conduct annual traffic counts and submit an annual report to the City. The TMA's activities have been limited to this function to date.

The differing requirements, types of uses and sizes of projects have made it difficult for the TMA to find 'common ground' upon which to build programs, other than coordinating the annual counts and reports. The Board meets three times a year, and has only approved a barebones budget to cover the cost of these limited activities, and the administrative costs of the organization (tax filings, etc.).

Only recently are projects starting to reach 'critical mass' and be at a dues-paying level, with certificates of occupancy, which trigger the dues requirement. Even now, there are no formal TMA programs, although as occupancy increases, the TMA may be able to provide 'concierge' services to the various properties and their tenants.

Effectiveness

This TMA is managed by Commute.org. While each project is managing TDM independently of the TMA, the aggregated traffic and driveway counts have exceeded the mandated reductions, and the TMA/PDA area as a whole is considered successful.

South San Francisco (TDM Ordinance)

The City of South San Francisco's Zoning Ordinance specifies performance requirements for all projects subject to TDM based on where the project is located, land use, and floor-area ratio (FAR). The minimum threshold applies to non-residential projects resulting in more than 100 average daily trips. The minimum alternative mode use starts at 28 percent.

Based on requested floor area ratio and location, the minimum alternative mode increases to a maximum of 45 percent (for business and professional offices requesting a FAR of 2.00 to 2.30). Projects located in the City's Business and Technology Park district must achieve between 30 and 40 percent alternative mode use, depending

on FAR. Hotels in the Business Commercial and Freeway district must achieve between 30 and 35 percent.

The City must approve a preliminary Trip Reduction Plan as part of its overall approval process for each project. All projects subject to alternative mode use targets must include certain trip reduction measures in the TRP. Included in this mandatory list are:

1. Carpool and vanpool ride-matching services
2. Appointing a designated employer contact
3. Providing direct routes to transit (paths or sidewalks)
4. Providing Guaranteed Ride Home services
5. Providing information about alternative forms of transportation and promotional programs
6. Passenger loading zones
7. Pedestrian connections
8. Showers and lockers to support bicycle facilities
9. Shuttle program
10. Participation in a TMA or other approved organization

Additionally, projects may provide other TDM measures such as:

1. Commute subsidies/parking cash out
2. Bicycle connections
3. Compressed work week and/or flex time
4. Dedicated land for transit/bus shelters



Once occupied, projects must conduct an annual survey to determine alternative mode use, and prepare an annual report to the City detailing their results. If they fall short of meeting the target, they may be subject to financial penalties. In addition, if awarded a FAR bonus, projects must submit a triennial report to the City, performed by an independent surveyor. Again, penalties may include either requiring additional TDM activities and/or monetary fines, based on project size, actual mode use and the good faith effort that has been made to achieve the target.

The large developments in the East 101 (technology park) area subject to this TDM requirement are in compliance and meet or exceed the alternative mode split targets prescribed. It is unclear whether smaller projects in other districts are meeting their targets. The City recently commissioned an independent audit to evaluate the effectiveness of its TDM policies more thoroughly.

Attachment B: Transportation Management Association Framework

TMA Functions

The most successful TMA's tailor their activities to the needs of the specific community (or communities) they serve. While the menu of possible TMA programs and services is a long one, usually, a TMA-area has one or two areas which are its top priorities. While all TMA's generally are a 'resource' for multiple modes and general transportation and commuting information, some are more passive than others, such as providing information via a website and periodic newsletters; others actively promote programs through events and campaigns and have significant marketing presence.

The following are a list of programs that could be initiated and managed by a TMA:

- Transit subsidies
- Carpool, vanpool subsidies
- Emergency Ride Home
- Commuter website
- Transit passes
- Shuttles (last mile, regional, circulators)
- Bike-share
- Car-share
- General marketing and information
- Traffic monitoring and surveys
- Employee and residential surveys

- Compliance assistance
- Development of TDM Plans for new projects
- Parking management
- Public policy advocacy

For instance, both the Emeryville TMA and the Mission Bay TMA's top priority is the provision of a 'last mile' shuttle service to and from regional transit hubs.

The newly-formed Alameda TMA is focusing on providing residents and employees with free annual bus passes, subsidizing carpools and making biking a more attractive option.

Palo Alto TMA subsidizes carpools for downtown workers and furnishes low income employees with a free monthly transit pass on the transit system of their choice.

TMASF provides advanced real-time information and mapping on its website for its 80+ member buildings, including specific directions, transit options and other information. TMASF was formed in 1989 to promote commute alternatives and provide commute assistance programs. Over the years, its programs have expanded to local workforce development, LEED certification, and compliance programs for the City and County of San Francisco's Sections 163 and 164 planning codes.

Contra Costa Centre and other more suburban 'business park' oriented TMA's focus on providing discounted BART and other

transit fares to qualifying employees. Others also run local 'last mile' shuttles as well as regional shuttles.

The exact nature of activities for a Redwood City TMA will depend on which area(s) are to be served and what each area's priorities are. Even within Redwood City, the needs can be quite diverse. As an example, the Downtown community may wish to focus on subsidizing transit passes, due to the proximity of the Caltrain station and availability of local bus service. In contrast, projects located east of highway 101 may prioritize shared ride and shuttle services to alleviate the bottlenecks that occur during peak times into those communities.

TMA Structure: Two Options

There are two basic options for establishing a TMA (or multiple TMA's): 1) working with an existing organization or, 2) establishing a new entity. In either scenario, the TMA can work within one closely defined area or have a broader charge.

1. Working under the umbrella of an existing organization can take one of several shapes. Within this broad category, a TMA can:
 - a. A TMA may become a **division or subsidy of another community organization or business with similar interests** such as a local business improvement district or Chamber of Commerce. An example of being part of another community

organization is found in Bellevue, Washington, where the TMA is a part of a larger business association. Locally, the Mountain View TMA is an example of an independent organization (governed by its own Board of Directors) but which operates under one of its larger members, Intuit, who provides staffing and oversight.

- b. Another approach is to organize under the umbrella of an **existing organization already operating with a similar focus and purpose**, such as the Peninsula Congestion Relief Alliance, or another TMA. The Alliance, for example, has served as the TMA on behalf of the San Mateo Rail Corridor TMA since its inception. The SMRCTMA is a separately recognized non-profit but utilizes The Alliance as its virtual organization.
- c. A third option is for a TMA to become **a program under a philanthropic organization**. An example of this is the Palo Alto TMA, which has been a program of Silicon Valley Community Foundation since it began. Community Focus, another organization which specializes in facilitating TDM throughout the Bay Area, is a program of the San Francisco Foundation. In each of these cases, the organizations have their own Board and Bylaws, but programs and finances are directly contracted and held through the philanthropic entity.

d. A fourth option is to **contract with a for-profit business entity** which specializes in providing TMA programs and services for employers, cities, and other groups. AECOM, an international company, is one such provider; Altrans is a Bay Area vendor who offers TMA contract management. In addition, there are several independent contractors who provide TMA 'management' services.

2. Establishing a new organization expressly to serve as a Redwood City TMA is the second way to provide local TDM

programs and services. Historically, this has been the more common practice. Starting a TMA 'from scratch' is very similar to starting up any new business or partnership – creating Bylaws and a Board of Directors, registering with the State and IRS, opening bank accounts and establishing credit, setting up an office and staffing.

The following matrix summarizes some of the differences between operating a TMA under the umbrella of another organization and as a separate entity:

Governance	Under an Umbrella Organization	As a Separate, Stand-Alone Entity
Bylaws needed?	Yes, in most cases, unless operating fully as a program under another 501 entity	Yes
Separate Board of Directors needed?	Either a Board or a Sub-committee is needed (if part of a Chamber or other such group)	Yes
Separate IRS status required?	Not necessarily	Yes
Contracts approved and held by:	Umbrella organization	Separate entity
Membership	As a division of a business organization such as a Chamber or BID, it's likely that membership in the umbrella organization would be required for committee members and it may be required for any TMA participant or beneficiary. (These are conditions to be negotiated with the host organization) Membership may be optional under other umbrella scenarios (i.e., philanthropic organizations who are the project sponsor)	Membership by Board members is mandatory; it is an optional requirement for others (e.g., businesses who will benefit from the TMA programs and services). A TMA may also have 'members' who have no legal voting or other governance rights per their Bylaws. These can either be specified as dues-paying or not.
Cost of Getting Started	Less expensive than setting up a brand-new entity. Agreements with the umbrella organization are needed and agreements amongst committee members. Potential use of umbrella organization's 'back office' i.e., accounting and other functions; office, etc. contributes to economic advantage	Typical cost is \$5,000 to \$20,000 for preparation of Bylaws, registration with State, IRS application process and normal cost of business start-up (accounting, office, etc.)
Ongoing Costs	Staff, office, insurance, overhead expenses, etc., may be shared or billed on a pro-rate basis	Entity is responsible for 100% of staffing, office, insurance, overhead, etc. needed

Governance	Under an Umbrella Organization	As a Separate, Stand-Alone Entity
Timing - Process	Fast. Start-up can begin as soon as agreements are executed	Several months to 2 years. Bylaws are required to register with State (also a prerequisite to opening a bank account or entering into leases, other relationships). Start-up operations can begin as soon as State recognizes entity
Other Structural Considerations	The Directors of the umbrella organization are legally responsible for any activities of its subsidiaries, divisions, so careful attention must be given to responsibilities, authorities of committees or divisions. Fiscal sponsors such as SVCF or SF Foundation manage all accounting and reporting functions for programs; IRS status and separate bank accounts may not be needed. If contract is with a for-profit company for services, each 'member' may contract directly for TMA services. This may negate any cost efficiencies as administrative costs are higher	The organization must always have its minimum number of Board members committed to attending meetings and providing ultimate oversight. Can still use a 'fiscal sponsor' to provide accounting, but the separate entity is ultimately responsible for filing returns and reports as legally required. Independent TMA may contract with for-profit business to provide TMA management/programs.
Staffing	Allows sharing of common business expenses such as rent, office supplies, insurance, etc. Potential to share staff (accounting, administrative, marketing, web, etc.) as needed at lower cost	Responsible for either running 'virtually' (Independent consultant with no office) or with for-hire staff, but must carry insurance, etc. regardless Must staff all functions as needed (employees, IC, part time/shared)

Selection among these two options would depend on the priorities of potential TMA members and their ability to fund the organization, as well as options for a potential umbrella organization. The common steps required to start a TMA as part of an existing organization or as a stand-alone organization are listed below.

Steps to Become Part of an Existing Organization:

1. Form a 'board of directors' or exploratory committee (group of committed individuals)
2. Develop initial work plan, budget, geographic scope, revenue sources. Decisions regarding membership, membership 'rights' and dues are also made at this time.
3. Identify potential partners (umbrella organizations); evaluate working requirements of each
4. Develop Participation Agreements, other contracts with host organization
5. Implement programs
4. Decide whether TMA will have members or not; if so, what rights (if any) members have, dues, etc.
5. Draft Bylaws and Articles on Incorporation
6. File with State of California
7. Open bank account once State registration is complete
8. Implement programs and hire staff; develop business systems (accounting, etc.)
9. Draft three-year plan including sources of revenues as required in IRS application
10. Apply to IRS for non-profit status

Steps to Become a New Non-Profit Organization:

1. Form a board of directors, or exploratory committee
2. Develop initial work plan, budget, geographic scope, revenue sources
3. Decide whether TMA is a 501C3, C4 or C6

