



Board of Directors Regular Meeting

Meeting Date: 4/19/2018

Agenda Item No.: 2018-April-9.

SACOG Board of Directors

Subject: Approve Next Generation Transportation Demand Management Funding Program (Est. time: 0 minutes)

Consent

Prepared by: Sabrina Bradbury

Approved by: James Corless

Attachments: Yes

1. Issue:

Should SACOG approve the Next Generation Transportation Demand Management (TDM) Funding Program?

2. Recommendation:

The Transportation Committee unanimously recommends that the Board of Directors approve the Next Generation TDM Funding Program for Fiscal Year 2018/19.

3. Background/Analysis:

TDM focuses on moving people by more efficiently utilizing existing transportation infrastructure through projects and programs. Examples of TDM programs include the promotion of carpooling, vanpooling, transit, bicycling, walking, telecommuting, and flexible work schedules as well as the implementation of policies, incentives, and disincentives to get people to drive less. Among SACOG's most well-known TDM programs are May is Bike Month; the Ready, Set, Ride Commute Challenge; and Try Transit Campaign that coincided with the opening of the Golden 1 Center. Transportation Management Organizations (TMOs) serve an important role as outreach partners that work with employers and residents to provide guaranteed ride home programs, trip planning, incentives, and educational services. In 2016, the SACOG Board of Directors adopted a TDM Strategic Plan that set the course for the region's TDM programs and projects to be more performance-based and innovative, and produce more measurable reductions in vehicle miles traveled (VMT).

4. Discussion/Analysis:

For the past 10 years, SACOG's TDM Program was included as a Transportation Control Measure (TCM) in the State Implementation Plan (SIP) for air quality. Because of this TCM

requirement, SACOG funded a regional TDM program with a \$1.2 million annual allocation of federal Congestion Mitigation and Air Quality (CMAQ) funds available to SACOG over the 10-year period. The SIP has been updated and now does not include TDM as a required TCM. Therefore, SACOG is not required to continue to fund the program beyond June 30, 2018.

However, the TDM program is ripe with opportunities to innovate. TDM is responsible for a small but increasingly important percentage of the off-model VMT reductions that SACOG claims to help meet our regional greenhouse gas target set by the California Air Resources Board. TDM programs and pilot projects can also play an important role in supporting and integrating smart mobility and next generation transit efforts.

As we embark on a new approach to TDM and innovative mobility solutions, there are a number of principles that are driving our proposed approach:

- A strong emphasis on pilot tests and innovation;
- A more performance-based approach to delivering projects and programs;
- Competitive grants that generate creative solutions and allow a diversity of partners to compete for funding;
- Adequate funding for research and evaluation to determine the effectiveness of different solutions.

Advancing these principles will require some focused investments and program iteration over the coming years. We need to maintain some existing programs that make up a strong base of a regional TDM program, while continuing to pivot toward more testing and performance measurement activities. Staff recommends continuing the TDM program with a stronger emphasis on what is effective, while increasing the innovation program to test new strategies and programs. To ensure that we are on the cutting edge of innovation and performance measurement, staff is recommending an increase in the total TDM program budget in order to fully fund this mix of tested and innovative activities. With some comparison research, staff found that as a region we are spending less per capita on TDM programs than most other large regions in California and similar-sized regions outside of California. Based on the \$1.2 million annual budget, SACOG spends about \$0.50 per capita compared to \$1 – \$2 per capita in other regions.

Staff recommends allocating \$3 million in CMAQ funds to the Next Generation TDM Program for next fiscal year (July 1, 2018, through June 30, 2019). Over half of this funding would go toward innovations grants and initiatives to launch new pilots, with funding for Civic Lab pilot projects being a high priority. We would also provide one last year of guaranteed funding to TMOs as assistance in the transition to competitive funding process in future years. This would include some additional funds available to those TMOs interested in developing business plans in order to identify more sustainable long-term

revenue models to better support their activities.

Attachment A outlines the activities in general expenditure categories for the Next Generation TDM Program. Attachment B is a summary of feedback heard at a stakeholder meeting on March 19, 2018. Attachment C is a budget proposal that was submitted to staff by TMO partners.

Staff requests that the Board of Directors approve the Next Generation TDM Funding program.

5. Fiscal Impact/Grant Information:

The proposed action will provide \$435,000 in funds to support one-year of SACOG staff efforts to manage and provide technical support for the Next Generation TDM Program. The balance of the overall \$3 million budget will be directed towards the implementation of a diverse set of program elements, as outlined in Attachment A.

ATTACHMENTS:

Description

Attachment A - Next Gen TDM Program Proposal

Attachment B - TDM Stakeholder Meeting Summary

Attachment C - TMA Next Generation TDM Proposal to SACOG

Proposal for Next Generation Transportation Demand Management Program

The mobility landscape is changing and the region's Transportation Demand Management (TDM) programs must be part of that change. The SACOG Board of Directors adopted a TDM Strategic Plan in October of 2016 that put the TDM program on a path to become a more performance-based and innovative program that produces measurable reductions in vehicle miles traveled (VMT). Since the TDM program will no longer be a Transportation Control Measure (TCM) in the State Implementation Plan after June 30, 2018, there is an opportunity to shift the program even further to one that is more creative, nimble, performance-based, ambitious, and that emphasizes pilot testing.

Given board member interest in establishing the region as a testbed for innovation, advancing next generation transit efforts, and needing to meet challenging greenhouse gas (GHG) targets, staff recommends spending a total of \$3 million on the TDM program next year, putting a stronger emphasis on what is effective, and increasing the innovation program to test new strategies and programs. The budget proposal below is for one fiscal year (July 1, 2018 – June 30, 2019).

TDM Program Mission and Goals

The mission of the TDM program is to reduce vehicle trips and miles traveled by implementing cost-effective and innovative programs, services, projects, strategies, and policies that encourage and enable people to change their travel behavior. This mission, and the goals below, were developed through the TDM strategic planning process in 2016. The three major goals of the program are to:

1. Leverage existing and new partnerships to maximize technological opportunities, raise awareness of programs/services, and offer improved and new cost-effective programs/services that support alternative mode use and behavior change;
2. Better integrate TDM with planning and project delivery both to improve the land use/transportation planning process and promote new multimodal infrastructure when it is completed; and
3. Collect and analyze data to make smart investments that focus on long-term behavior change.

Next Generation TDM Proposal

While SACOG is no longer required to fund TDM as a TCM, we still have challenging greenhouse gas emission targets to reach as a region, and TDM can be a cost-effective way to help us meet part of those targets. One of the main reasons that TDM can be so cost-effective is that it leverages resources from outside the organization through contracts with our Transportation Management Organization (TMO) partners that have lower-overhead costs and bring additional outside funding to the work of reducing car trips. Continuing to have and grow strong partnerships with non-profit, private, and public organizations will be key to enabling the Next Generation TDM program to achieve its ambitious goals. The proposed budget below recommends passing through funds for one final year to TMOs that have been receiving guaranteed funds from SACOG, while also creating a new competitive grant program to provide funding opportunities

for proven traditional TDM programs and/or activities. The competitive grants to partners would be a new pot of funding for these programs, increasing the total amount of funds available to partners over previous years. The competitive grant funds would be open to all of our TDM partners, specifically transportation management organizations, cities, counties, transit agencies, business associations, chambers, private organizations, and non-profit organizations. Funding levels for SACOG staff time spent on the TDM program to manage grants, contracts, and projects would remain flat at the FY 2017/2018 levels.

SACOG has recently launched a number of efforts to develop the region as an innovator and test bed for new technologies and mobility solutions. This Next Generation TDM program would complement those efforts by directing more funding focused on the future of reducing car trips and greenhouse gas emissions. The expiration of the TCM requirements presents an opportunity to reflect on previous success, and consider a redesign of the TDM program to focus on innovative, performance-based programs that could create lasting behavior change. As we embark on a new approach to TDM and innovative mobility solutions, there are a number of principles that are driving our proposed approach:

- A strong emphasis on pilot tests and innovation;
- A more performance-based approach to delivering projects and programs;
- Competitive grants that generate creative solutions and allow a diversity of partners to compete for funding;
- Adequate funding for research and evaluation to determine the effectiveness of different solutions.

The Draft TDM Program proposal below would continue to move the TDM program toward innovative programs and activities while maintaining some proven existing programs.

Overview

This TDM program proposal includes a combination of robust innovation efforts, proven traditional programs, and enhanced research and development work that would offer a strong regional program for partners to leverage and utilize, while continuing to move the program into uncharted territory. Through competitively awarded contracts and grant programs, we will launch a variety of innovation activities and while continuing to fund existing programs that show VMT reductions. We would convene and coordinate SACOG and partner efforts related to smart mobility technology, next generation transit, pilot testing, and ongoing traditional programs. Funding opportunities for programs that are known to be cost-effective will include competitively awarded grants for employer-based programs, vanpool subsidies, and an updated ride-matching/trip planning website.

Innovation Programs

These programs would include a mix of grant opportunities, contracts with partners, and staff led efforts. Innovation programs as proposed request a larger pot of funding for innovations grants to begin a new round of mobility pilot projects. We would launch a New Mobility Incubator Challenge that would offer incentives for private-sector firms to propose solutions to transportation-related problems. Staff would work with an outreach partner/consultant(s) to host or curate events that encourage private sector participation in creating more robust innovation in the field, similar to existing Hacker Lab, StartUp Sac, or Transportation Camp events. We also propose supporting the pilot projects being generated by the teams currently engaged in the regional Civic Lab program and continuing a “mobility innovation sandbox” the program that would feature curriculum focused on how to innovate, develop pilots, measure their success, and iterate. Strategic partnerships would be developed to execute all of these new activities.

Tested Traditional Programs

A strong TDM program should include funding for traditional programs that show they are effective at reducing vehicle trips. Programs that offer information and direct incentives to commuters and residents are cost-effective programs when compared to infrastructure investments. SACOG currently provides pass-through non-competitive grants to eight Transportation Management Organizations to support ongoing core TDM programs. These organizations are small, nimble, and connected to their local employers. They have launched innovative efforts like subsidy programs, bike safety curriculum for youth, pop up bike shops, and even small infrastructure projects that promote all modes of transportation. They serve an important role in getting information out to individuals about the travel options available to them, which often requires one-on-one consultation and training so people feel comfortable trying new modes of travel.

SACOG values these partnerships and wants to continue to provide grant opportunities to TMOs. We also want to allow other partners an opportunity to seek funding for the TDM work they are already doing or might be interested in doing. Therefore, this proposal aims to help partners transition to a fully competitive program over the next year. This proposal would give TMO partners one final year of guaranteed funding to help plan for this change. Contracts with TMOs next fiscal year would focus on specific employer and/or residential programs that SACOG would like to better measure. TMOs would also have the option to receive additional funding if they would like to develop business plans in order to identify more sustainable long-term revenue models to better support their activities. Some TMOs do not need the guaranteed funds as much as others, given their structures and built-in revenue streams. Staff has reviewed the allocations and worked with TMOs to put together a revised funding allocation that helps the TMOs that need it most while still providing for some equitable distribution of funds.

PLANNED DISTRIBUTION OF OUTREACH PARTNER FUNDS
For Fiscal Year 2018/19

Outreach Partner	Previous Annual Funding Amount	FY 18/19 Funding Amount
50 Corridor TMA	\$ 47,084.40	\$ 75,000.00
Sacramento TMA	\$ 51,793.50	\$ 75,000.00
Yolo TMA	\$ 43,721.70	\$ 75,000.00
Power Inn Alliance	\$ 43,721.70	\$ 20,000.00
North Natomas TMA	\$ 43,721.70	\$ 20,000.00
McClellan Park TMA	\$ 33,632.50	\$ 20,000.00
South Natomas TMA	\$ 33,632.50	\$ 20,000.00
City of Elk Grove (E-Tran)	\$ 21,524.80	\$ -
TMA Business Plans	\$ -	\$ 80,000.00
TOTAL PASS THROUGH		\$ 395,000.00

The proposal would also create a competitive grant program that would be available to all partners interested in executing traditional TDM programs or services. The funding guidelines for this grant program would prioritize efforts like employer and/or residential TDM consulting services, parking pricing initiatives, fare free transit, employer shuttles,

subsidies for alternative modes of transportation, employer commuter benefit packages, residential packages that include free transit passes, and leasing/rental company programs that offer a suite of TDM benefits to residents.

Another important investment would be updating and consolidating the Sac Region 511 and Sac Region Commuter Club websites. Offering a one-stop location to residents for trip planning and ride-matching that also serves a portal for partners to administer benefits and contact customers is an invaluable tool for TDM programs. Not only would it provide information to people about their transportation options, but it would serve as a platform for administrators to collect data and measure performance. It would also be a platform for regional campaigns like May is Bike Month that outreach partners could use. Our current database/website tools are out of date and duplicative. This proposal will address that by going out to bid for one inclusive database/website tool.

This proposal would continue a scaled-back version of the May is Bike Month campaign and focus on branding and marketing efforts for the broader program to specific areas informed by accessibility and data about where people have options other than driving alone. For example, we would work with partners to target residential areas that already have high-frequency transit service or bike infrastructure with marketing and subsidies since those populations actually have transportation options available to them that they may not be using.

Finally, SACOG would continue to administer the Vanpool Incentive Program, which provides a subsidy of \$1200 to new vanpools over the course of 12 months. This subsidy program results in the creation of 10-15 new vanpools each year and has clear VMT reductions that can be tied back directly to the subsidy. SACOG would also work to identify revenues to start an ongoing subsidy and begin reporting vanpool miles to the National Transit Database (NTD) to claim available funding that would flow to the region in future years. It takes approximately two years for NTD funds to flow to the region, but once they do, it would create an ongoing revenue stream for a program that could sustain itself and likely bring in additional funds that could be used to start subsidy programs for other modes or support transit service. Staff would look for opportunities to start other pooling subsidy programs, perhaps in partnership with transportation network companies (i.e., Lyft and Uber), since pricing is a cost-effective way to incentivize travel behavior change.

Research & Development

This proposal includes funding for a contractor to conduct external performance measurement as well as additional research and development activities to ensure we are collecting valuable data to inform future iterations of the TDM program. This would allow SACOG to better capture the specific VMT reductions that are being achieved by the various activities. This information would be added to our off-model calculations to meet GHG emission reduction targets. SACOG intends to lead the TDM field in innovation, performance measurement, and performance-based funding. We would increase the amount of staff resources going toward providing educational and workshop opportunities to members and partners, as well as monitoring the TDM field for emerging trends to inform innovation efforts in the region. This field is being explored with UC Davis Institute for Transportation Studies (UCD ITS), and could be conducted in part under our Master Agreement with UCD ITS or by a consultant selected through a competitive process.

Budget

Each proposed activity has an estimated budget for board consideration. Staff recommends continuing the TDM program with a stronger emphasis on what is effective, while increasing the innovation program to test new strategies and programs. Staff is recommending an increase in the total budget in order to fully fund this mix of tested and innovative activities. With some comparison research, staff found that as a region we are spending less per capita on TDM programs than most other large regions in California and similar-sized regions outside of California. Based on the \$1.2 million annual budget, SACOG spends about \$0.50 per capita compared to \$1 – \$2 per capita in other regions.

Recognizing the reality that funding is tight across all of transportation projects/programs, staff recommends moving funds that have historically been spent on campaigns and print materials to grant programs and innovation efforts. However, this re-allocation only partially addresses the funding needed for increased performance measurement and innovation efforts.

Staff would like to note that in the last two fiscal years, the TDM program has had a slightly higher budget of approximately \$1.5 million to move performance measurement and innovation efforts forward. These funds were savings from prior years in which the full \$1.2 million was not spent. The budget proposal below is for \$3 million to fully fund the projects that staff recommends for a strong mix of traditional and innovative programs.

TDM Program Budget Comparison			
Regional Agency	Total TDM Budget	Regional Population	Per Capita TDM Budget
Atlanta Regional Commission	\$ 10,875,000	5,700,000	\$ 1.91
Central Indiana Regional Transportation Authority	\$ 1,400,000	1,960,000	\$ 0.71
Denver Regional Council of Governments	\$ 4,760,000	3,000,000	\$ 1.59
LA Metro	\$ 10,400,000	9,862,000	\$ 1.05
Metropolitan Transportation Commission	\$ 3,400,000	7,100,000	\$ 0.48
Mid-America Regional Council (Kansas City region)	\$ 1,400,000	2,084,000	\$ 0.67
Sacramento Area Council of Governments	\$ 1,200,000	2,400,000	\$ 0.50
San Bernardino County Transportation Authority	\$ 3,828,089	2,780,000	\$ 1.38
San Diego Association of Governments	\$ 8,338,000	3,100,000	\$ 2.69
San Joaquin Council of Governments	\$ 1,582,010	1,456,000	\$ 1.09

Source: This information is based on budget information readily available on organization websites.

Revenues

Historically this program has been funded with Congestion Mitigation and Air Quality (CMAQ) funds that flow to the region and can be used for many different programs and infrastructure projects. Staff recommends continuing to use CMAQ funds while looking for additional – and potentially more flexible – revenues for the TDM program to ensure that

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we are able to continue to innovate, test new ideas, and strategies for changing travel behavior, and claim the off-model adjustments that help us achieve our GHG reduction goals. Cap & Trade, Capitol Valley Regional Service Authority for Freeways and Expressways, Caltrans planning grants, Office of Traffic and Safety grants, and Senate Bill 1 are potential funding sources that could replace or supplement CMAQ contributions to the program.

Summary

Regardless of the direction the board decides to take the TDM Program, it will need to adapt to the new mobility landscape around us, which continues to change rapidly with new technologies, changing demographics, and rapidly changing mobility options and consumer expectations. Staff recommends increasing the funding level for TDM to \$3 million for at least the next fiscal year as we take advantage of opportunities to innovate and partner with the private sector. Staff would work to be agile in the implementation and iterate quickly when evaluation and data indicate the need. Staff will come back to the board if major changes are needed to continue to change and refine our TDM efforts.

Next Generation TDM Program Budget and Activities

Program Categories & Activities	Current TDM Program	Next Generation TDM Program
	Fiscal Year 17/18	Fiscal Year 18/19
Innovation - TOTAL	\$ 560,000	\$ 1,985,000
Innovations Grants	\$ 375,000	\$ 680,000
Civic Lab Pilot Projects – funding to implement	\$ -	\$ 1,000,000
Mini Grants	\$ 60,000	\$ -
SACOG Staff Time (Managing contracts, grants, and programs)	\$ 125,000	\$ 305,000
Tested Traditional TDM Programs - TOTAL	\$ 838,000	\$ 851,000
Traditional TDM Program Grants (competitive grants for employer, residential and school programs)	\$ -	\$ 225,000
TMO Non-Competitive Funding (FY 18/19 will be final year of guaranteed non-competitive funds)	\$ 330,000	\$ 395,000
May is Bike Month (spring campaign)	\$ 58,000	\$ 30,000
Ready Set Ride (fall campaign)	\$ 25,000	\$ -
Trip Planning & Ride Matching Website/Database	\$ 115,000	\$ 96,000
Vanpool Subsidy Program	\$ 35,000	\$ 30,000
SACOG Staff Time (Managing contracts, campaigns grants, and programs)	\$ 275,000	\$ 75,000
Research & Development - TOTAL	\$ 112,000	\$ 164,000
Performance measurement (contract)	\$ 75,000	\$ 100,000
Hosted Workshops & Partner Coordination	\$ 2,000	\$ 9,000
SACOG Staff Time (tracking state of practice, planning future program, attending conferences, performance measurement)	\$ 35,000	\$ 55,000
BUDGET SUMMARY		
Innovation Programs	\$ 560,000	\$ 1,985,000
Tested Traditional TDM Programs	\$ 838,000	\$ 851,000
Research & Development	\$ 112,000	\$ 164,000
TOTAL	\$ 1,510,000.00	\$ 3,000,000.00

SACOG TDM Program Redesign Discussion

March 19, 2018

Meeting Location: SACOG

Meeting Attendees:

50 Corridor TMA

AECOM

CalTrans

City of Davis

City of Folsom

City of Rancho Cordova

City of Roseville

City of Sacramento

Dokken Engineering

Franklin PBID

Midtown Association

North Natomas TMA

Precision Civil Engineering

Placer County

Sacramento Municipal Utilities District

Sacramento Metropolitan Air Quality

Management District

Sacramento Regional Transit District

Sacramento Area Bicycle Advocates

San Juan Unified School District

San Joaquin Council of Governments

South Natomas TMA

UCD Med Center

Walk Sacramento

Discussion Questions and Comments

Q1. What are the most effective TDM strategies among the more traditional and tested activities- i.e. what do we know that works?

Individual Outreach

- People who are well-versed/trained on TDM are effective in communication with others to promote, motivate, and educate- "Boots on the ground"
- Transit training – people are interested to try transit but it requires hand holding.
- Education across board – working one-on-one with commuters to come up with unique options
- Providing hands-on and direct education to people.
- Bike education for children and adults are effective programs.
- TMA has been involved with increasing transit use and supporting bus routes.
- TMAs are innovative and performance based.
- Info sharing – could use improvement in the region by offering some continual marketing at the regional level.
- TMA's are the best tool for individual outreach.
- Employee Transportation Coordinator support/training – TMAs and employers need a certain amount of time to implement TDM programs.
- Employer outreach works, no matter what other outreach you try; in-person outreach is the best. Holding hands is important to changing behavior vs. seeing/hearing an advertisement.
- Encouragement and peer awareness/competition in schools is effective.

- Relationships with employers are important.

Subsidies

- Parking pricing and parking cash outs.
- Transit and active transportation incentives.
- Direct subsidies are measurable and effective on a local basis.

Data Collection

- Data collection is effective – you can't make a conclusion without the proper data.

Campaigns

- Campaigns like May is Bike Month and Ready Set Ride are effective – people tried transit for the first time during Ready Set Ride, people had fun trying alternatives and some people continued to incorporate alternative transportation into their routine after the program ended.
- May is Bike Month over the past 10 years hit 2 million riders; you won't get commuters to bicycle until you get people comfortable on their bike for recreation and short trips. It was a \$90,000 campaign that dropped to \$45,000. That is a shock because it is likely the most successful campaign.
- Vanpool and May is Bike Month are effective – I concur about the value and importance.
- Great Scott event has been successful in getting people bicycling.

Infrastructure

- From a transit rider perspective, electronic board communication is effective in alerting riders and delivering time schedules.
- Facilities and infrastructure such as showers, lockers, and bike lanes are effective.
- Making roads safer for bikes and pedestrians is an effective way to get behavior change.
- Making alternative modes convenient to the user and addressing first and last mile would be effective.
- Connections with employers – transportation is a big issue for many employees.
- You need multi-modal infrastructure – you can't run a successful event if the current infrastructure doesn't support it.

Vanpools

- Vanpool subsidy programs are easy to measure and you can capture National Transit Database funds.
- Vanpools are underutilized in the region and are very effective at reducing trips.
- Vanpool, getting harder to match people, surprised we are making such an increase in this mode. Don't think we've ever hit our existing budget. It works but it's not too expensive.
- Vanpools are effective because there is no capital expense for an agency – unlike a transit bus, you don't need 60 people for the route to be cost effective.
- I see value of vanpools but also I see innovation potential

Emergency Ride Home

- Guaranteed ride home is effective because it helps people feel comfortable making a new travel choice.
- Surprised not in budget is Emergency Ride Home program – it's #1 reason they hear is need ride home, but once they try the alternate mode don't even actually use ERH.

Transportation Management Associations (TMAs)

- Traditional TMA is not working, however 50 Corridor and North Natomas seem to be working.
- Tax-funded TMAs – If TMAs were funding themselves, then money could be spent on innovation.

- TDM mitigation measures managed by TMA's would be effective because you get more for your money through TMA's.

Questions Ignited:

- How do we make the innovative TDM programs competitive?
- Can our TDM programs support the events that we want to host/how do we change that if they aren't?
- How do we support long-term sustainability for TMAs and similar programs?
- Can we use incentive-based strategies?

Q2. What are the promising new and innovative approaches that the region should test and pilot?

Autonomous Vehicles

- Autonomous vehicles (AVs) are promising for testing.
- Concerns about congestion increasing because of AV use.
- AVs that are shared, and policies/practices that support shared use.
- AV testing in context of pooling and/or connecting to transit/corridors. Think about transportation/modal hubs.

First/Last Mile

- Look at the VIA pilot as an example.
- Uber and Lyft could be a solution for rural areas but not a great solution for reducing miles for short trips.
 - Ask agencies to report back on their pilot programs with Lyft and Uber so that we can compare how effective/successful those programs are, and so that other agencies/organizations can learn from them.
- Civic Lab – testing pilots for first/last mile is important.
- Test a van to transit or to/from employer sites.
- First/last mile promotion – we have a transit system the more you give people an easier way to use, the better.
- On-demand micro transit in suburban areas, is innovative and could be promising.
- SAC RT pilot is already expanding.
- Micro transit should be tested.
- For innovation; find demand for 'e-scooters'.

Data

- SACOG could develop a regional framework for data collection for the providers of mobility service and create a protocol for storing data and make it available to others.
- Look at Streetlight:
 - A lot are starting to use Streetlight data and learning from it
 - SACOG could benefit from purchasing Streetlight and helping to implement it and provide a public forum to share
- We need academic surveying about attitude to different modes
- Portland has robust bike surveys.
- We should test technology for National Transit Database reporting.
- SACOG – outboard reporting
 - Vanpools are effective but not convenient
 - Tap app systems are promising - don't have Uber/Lyft pooling yet

Education

- We need education programs – people do not know how to use transit. Even if they do, there are lots of logistical issues that they need help overcoming.
- Educate employees at their employers.
- Capital corridor is an example of an underutilized service – we need to get word out about availability because we are concerned about TNCs being taxis and not shared rides.
- Can SACOG help get the word out about availability of bike subsidies? Places like SMAQMD have a generous bike commuter incentive programs.
- Look at TDM as mobility lifestyle decisions, not just a commute. It can be a package of transportation options for many different lifestyles.

Infrastructure

- The approach needs to be easy and convenient for people, and have the infrastructure to support it – people will choose to do what is convenient, easier, or saves them time.
 - What is convenient for people in one region/jurisdiction is not convenient in another (e.g. subways in large cities vs. shuttle buses for rural cities.).
- Parking management can reduce personal vehicle use (e.g., steep parking rates)
 - Unions tend to prevent companies from having to walk too far, park too far, etc.
 - Can we work with unions to develop a strategy that works for employee benefits and regional TDM goals?
- Not “traditionally” in TDM, but we need infrastructure; right infrastructure at right time! If you build it right, they will use it.
- If you want to see more bikes on the road then we need more infrastructure – people need to feel safe.

Innovating Traditional TDM

- Test residential TDM with incentives and information/education/marketing.
- Subsidized car share in multi-family housing would be good to test.
- The Blueprint implementation is going to have an important impact.
- The Green initiative shows promise.
- We have done everything innovative we can afford to do (like bike subsidies).
- A tough nut to crack is child transportation, daycare transport, child shuttling – this needs innovation and testing.

Q3-What are the opportunities and challenges in moving to competitive grant programs?

Opportunities

- There should be different levels of grants that can be applied for (seems like larger cities have an advantage to be granted funding/grants).
- Land use and how it affects transportation.
- Set standards, objectives, and goals for the programs.
- Think about a healthy balance of increased grants and staff. SACOG staff need to research and stay up-to-date on issues and innovations. SACOG staff can and should be critical of grant evaluation.
- Site specific analysis would be good way to measure TMA performance. We could test various strategies with this analysis.
- It's not a matter of “either/or”; we could support TMA's and have competitive grants.

Challenges

- CityLab article - so much of our TDM efforts are not being centered at universities/colleges/campuses/schools (schools generate 40% of morning traffic)

- Traditional transit and TMA doesn't work with campuses
- Lack of staffing is a big concern.
- Lack of clarity of whether K12 schools are included in grant program – there is no legal responsibility to the TDM goals (same for colleges).
- Techno-glitter of ride hailing (Lyft and Uber) attracts users to use for short rides when there is no alternative.
- We need time to respond to competitive programs.
- Contracting is difficult at SACOG. It is intensive and the paper work history of contracting with TMA's has been better.
- The reporting process for grants is difficult and onerous.
- If you don't guarantee funding for TMAs you will lose connections/relationships developed by TMAs/TMOs with employers and partners.
- There is opportunity to test and find new approaches to TDM.
- TMAs rely on SACOG funds for operating expenses.
- \$300K from SACOG does not sustain the cut over the last 3 years from the membership model [employers did not rejoin as members after budget cuts during recession].
- TMA's have been awarded based on membership and Commuter Club members and that model doesn't work anymore.
- Other TMA's already have over \$1 million in their budgets and don't need funding from SACOG.
- The process to get small pots of funding are not worth the time.
- Since so much TDM is program based a competitive funding round is difficult. Competitive funding gets you one-time funding, and if you launch something successful you don't get ongoing funding to grantee continued implementation for an ongoing period.
- Performance measurement is tough on changing perception. There will be more failure on the evaluation documentation because some of it is perception.
- Grants in general only meet requirement needs, better to just give money to organizations and have them do what they need to do.
- There is nothing left for us, and we wouldn't get any of the competitive funds.
- Any organization that exists needs to have its base finances. Any organization that exists on discretionary grants is bound to fail.
- Behavior change is hard to quantify.

Additional Notes:

- Make TDM programs that are unique to Sacramento – it will be good for overall competitiveness of the region.
- Make the focus of TDM go beyond commute trips.
- TNCs can help address safety around DUIs and the challenge of moving hospitality industry employees.
- From a corporate perspective there is hesitation to invest in something more innovative.
- Strategies to bring more technology jobs to the Sacramento region are important.

**SACOG TDM Program Redesign Discussion
March 19, 2018**

RANKING: 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly Agree
The purpose of this meeting was clear to me.
Average: 4.1
This meeting gave me a better sense of how TDM is structured in the Sacramento region.
Average: 3.3
This meeting helped me identify projects that would be applicable in the TDM program proposal.
Average: 3.3
The length of the meeting was appropriate to address all of the material.
Average: 2.8
I valued the time the spent in the small group breakout discussion.
Average: 4.3
I had time to express my opinions in the small group breakout discussions.
Average: 3.9
The report outs captured what we discussed in the small group breakout discussions.
Average: 3.2
I am more informed about the future of the SACOG TDM program after this meeting.
Average: 3.4
Additional comments:
While a small % of TMA funding, the SACOG pass through covers the basic admin expenses (along with memberships), which allows the TMA to leverage that money to provide contract services to members.
The breakout was a great use of time, however it would have been nice to have more time to go over each of the group's main points afterwards.
It is not clear what, if any, impact this meeting will have on any decision making.
To make it worth people coming, make the meeting longer.
The TMA's came very prepared.
Needed a lot more time and an overall group discussion would have been more beneficial.

Use the ballot by remote function and display results on the screen, so we can better understand the thoughts of the group as a whole.

More time was needed.

Next Generation TDM

– a focus on TMAs, non-profits, employers and non-governmental groups that deliver programs to residents and commuters, resulting in measurable VMT reductions.

The Sacramento Area Council of Governments (SACOG) Board of Directors is considering an extension of the regional TDM program for two additional years, July 2018 – June 2020.

For the past ten years, SACOG has funded a regional TDM program as a \$1.2 million annual carve out of federal Congestion Mitigation Air Quality funds. TDM was required as a Transportation Control Measure of the State Implementation Plan (SIP).

The updated SIP no longer requires TDM as a Transportation Control Measure.

Even though TDM is no longer required, the SACOG Board is considering a two-year funding extension to fund a mix of tested/traditional and innovative TDM programs.

For the past 25 years, the region's Transportation Management Associations have provided the foundation for Transportation Demand Management for the Sacramento Region. These non-profit public/private partnerships by nature provide all the features of the Hybrid TDM model. They provide base-line support for commuters and employers while utilizing the flexibility of their organizational structure to create innovative programs and projects that leverage private sector dollars and engagement.

Examples of base-line support:

- Emergency Ride Home Program
- Vanpool creation and management
- Carpool creation and management
- Bicycle Education
- Employer Transportation Coordinator Training and Support

Examples of innovative programs and projects:

- 50 Bikes for 50 Kids – opportunity for the North Natomas community to provide bicycles for 50 deserving students. (936 volunteer hours)
- FTB Try Transit Campaign – three month targeted campaign to incentivize Franchise Tax Board commuters to use light rail during a parking lot renovation.
- Project Bike Smart – 10-hour curriculum on bicycle education for 5th graders including classroom work, skills and drills, and on-road cycling.
- Tactical Urbanism for Pedestrian Safety at School Crossings – students and parents chalk-painted footprints directing students to safe street crossing.
- Pop Up Bike Shop – utilizing empty store-front, TMA volunteers set up a bike shop to promote Bike Month with free maintenance, classes, t-shirt giveaways and bike month promotion.
- Innovative Training with Results - The Sacramento TMA used innovative techniques to train representatives of 62 employers and property owners, who then had the information and skills to help 54,210 people find and use active transportation modes and reduce VMT in the region.

Of SACOG's total \$1.2 million TDM budget over the past 10 years, only \$354,000 was passed through to TMAs for general support. That \$354,000 routinely returned more than \$3 million in membership dollars, outside grants, corporate support and sponsorships.

The Proposal

This Proposal is submitted to the SACOG Board from the following entities:

City of Folsom
City of Rancho Cordova
El Dorado County
Sacramento County
Yolo County
Sacramento Regional Transit
Sacramento Metropolitan Air Quality Management District
Caltrans, District 3
Folsom Partners (Folsom Chamber of Commerce)
Sacramento Municipal Unity District (SMUD)
Quincy Engineering
HDR Engineering
Dokken Engineering
Yolo TMA
North Natomas TMA
South Natomas TMA
Sacramento TMA
50 Corridor TMA

Overview: This proposal would preserve the relationship between SACOG and the region's non-profits and employers, with the goal of reducing vehicle miles traveled during peak commute times. It preserves SACOG's popular May Is Bike Month campaign which is largely responsible for creating a bicycle culture in the region. But, it also provides a suite of grant opportunities for innovation and pilot programs. It also contributes funds to regional process, already underway by SACOG, which measures Vehicle Miles Traveled.

Performance Measurements:

1. Using "big data" technology currently under consideration by SACOG (Transportation Committee 2/1/18 – Agenda Item No 2018-February 5), Vehicle Miles Traveled can be measured for any geographic area, with a residential, work center or transportation corridor focus.
2. Number of vanpools operating in the region, their origin and designation and individual VMT Reductions.
3. Transit ridership.

4. VMT data from Commuter Club or similar tool (including mode changes).
5. Number of participants, description of all outreach activities (see 50 Corridor and Sacramento TMA Report).
6. Bikeshare data.
7. Additional measures required by SACOG through contract management.

Activities not included: Ready Set Ride campaign, TDM workshops

Risk: This is the most risk-averse option because it is based on tried and tested programs, leveraged with non-SACOG dollars, while maintaining SACOG's iconic Bike Month promotion and still placing an emphasis on innovation. It also utilizes the region's non-profits which are agile, effective community-based organizations with a track record of delivering results without bureaucratic overhead and restrictions.

Background and support

This proposal focuses on the 1st Mission of "SACOG's Transportation Demand Management Program": Leverage existing and new partnerships to maximize technological opportunities, raise awareness of program/services, and offer improved and new cost-effective programs/services that support alternative mode use and behavior change.

Features of this proposal

1. Provides for continued regional collaboration and cooperation through partnerships with TMAs and transportation-focused non-profits which already implement traditional TDM programs with an established practices of working directly with people, helping them with their travel choices.
2. Maintains the organizations that have experience with vanpool formation and management, which opens possibilities for a new regional funding source with Nation Transit Data (NTD) dollars when vanpool data is collected. (3 years out, approximately \$100,000 a month can be realized through NTD reporting)

3. Allows for targeted performance measurements which can address specific areas of the region.
4. Provides funding for TMAs to provide services to non-members.
5. Allows for the continuation of May Is Bike Month, a popular campaign that have proven results for a bicycle mode shift.
6. Maintains TMA management of the Emergency Ride Home service, a cost-effective and proven program that supports active transportation use.
7. Includes programs and outreach to residential areas.
8. Draws on experienced TDM professionals to further develop Commuter Club or design another on-line tool for commuters.
9. Immediate inclusion of an experienced employer base engaging in regional TDM deployment.
10. Supports organizations whose programs and activities are determined by employer, commuter and residents' expressed needs. TMAs gain this feedback from their boards of directors, employee transportation coordinator and outreach directly to people who travel in the region.
11. Funds personalized assistance to people, which is still needed by many people who don't get their information from a cell phone or computer.

Benefits:

1. \$325,00 investment in TMAs and transportation-focused non-profits nets a \$3 million-plus return in terms of membership dollars, jurisdictional support and corporate support and sponsorships
2. Direct affiliation with non-profit TDM-focused associations which provide the quick response and innovation that is sometimes difficult for the public sector.
3. Opportunity for regional collaboration as well as targeted efforts.
4. Opportunity to develop more TMAs/TMOs through the innovation grants program.
5. Takes advantage of established relationships with employers, volunteers, community leaders, residents and commuters.
6. Provides for non-profits with a transportation focus to be included in funding opportunities.

Budget discussion

For the past ten years, \$1.2 million has been allocated to SACOG's TDM program Option 4 suggests an increase to an amount which has been static for ten years.

TDM Program budget, 2017/2018 fiscal year

SACOG staff	\$397,825
TMA pass through	\$354,175
Marketing and other	\$397,000
Misc.	<u>\$ 50,000</u>
	\$1,200,000

Realizing that demand for alternative transportation is greater today than any time in the past 25 years, this proposal increases the region's investment in TMD to \$1.5 million per year.

We can point to three basic reasons for the increase in interest in alternative transportation:

Generational – there is definitely a different attitude about travel from the younger generation. Car ownership is not a priority; technology and its many possibilities provide new transportation strategies for this growing population.

Economical – for the more traditional work force, the increasing cost of transportation has presented a personal budget crisis for many.

Environmental – across the board, more Sacramento Region residents are becoming more environmentally aware and taking action to reduce their own carbon footprint.

Proposed TDM budget allocation

SACOG Staff	\$400,000
Non-profit/TMA pass through	\$325,000
Bike Month Campaign	\$150,000
Online tool or Commuter Club	\$200,000
TDM allocation to "big data"	\$ 25,000
Vanpool Incentives	\$100,000
Innovation Grants and activities	<u>\$300,000</u>
	\$1,500,000

1. SACOG Staff – this assumes the same staffing requirements, acknowledging a slight increase.

2. TMA pass-through – this amount is approximately \$30,000 less than budgeted annually over the past 10 years but just allocated differently for maximum effectiveness. This also includes \$40,000 for other non-profits with a transportation focus to apply to SACOG for funding operations.

The TMA/Non-profit pass-through is recommended as follows:

- \$75,000 Sacramento TMA
- \$75,000 50 Corridor TMA
- \$75,000 Yolo TMA
- \$16,000 Power Inn Alliance (is a P-BID)
- \$16,000 North Natomas TMA (Community Finance District Property Assessment)
- \$16,000 South Natomas TMA (Required memberships)
- \$10,000 McClellan Park TMA (Established as a Mitigation requirement)
- \$42,000 for other transportation non-profits which can apply to SACOG for operating expenses

\$325,000 – Total Pass-through

An early adapter of the TMA strategy, the Sacramento Region has maintained a strong TMA presence for the past 15 years. Three TMAs in the Region, Sacramento TMA, 50 Corridor TMA and Yolo TMA, were formed more than 20 years ago before more stable funding sources were available. They were formed as membership organizations, a business model that is no longer viable. Newer funding strategies such as property assessments or business districts are not applicable. That's not to say that these associations are not constantly pursuing new funding streams through grants and fee-for-services. However, for maximum effectiveness, they need a stable funding source from which to build a productive budget.

These three TMAs also serve the two largest employment areas in the region: Downtown Sacramento, the 50 Corridor (Rancho Cordova and Folsom) and West Sacramento/Yolo County.

This option provides a \$75,000 annual funding source to these three TMAs. This gives those TMAs a dedicated income stream, as the remaining TMAs have. This also supports SACOG's desire to provide services, including Emergency Ride Home, to all commuters in their service area.

The four other active TMAs would receive smaller funding amounts but would still be required to provide services to all commuters in their service area. All TMAs would be eligible to apply for Innovation grants individually or in partnership with each other or with their affiliated jurisdictions.

3. Bike Month Campaign – This campaign can be credited for helping create the region's bike culture and continues to be an anchor for other organizations in the region to promote cycling. (The City of Folsom is planning a major "Bike Your Way to Folsom" campaign in conjunction with Bike Month 2018). The promotion reaches a minimum of 10,000 active participants. Past statistics show that at least 5% of new Bike Month participants are continuing to bike commute 4 months after the campaign ends.

4. On Line Tool or Commuter Club update – Our on-line Commuter Club currently has approximately 33,000 members. The web site which provides commuters access to Emergency Ride Home, carpool matching, vanpool matching, transit information, promotions and general updates, has not been updated in quite a few years to take advantage of new technology. This allocation would provide for the updating of Commuter Club or the exploration of a newer strategy for disseminating services to commuters.

5. TDM allocation to Big Data – While all non-profit organizations utilize performance measurements for their own governance bodies, a more

standard measurement could be provided through the utilization of “Big Data” which is now under consideration by SACOG. This allocation would contribute to the cost of SACOG’s current effort in order to methodically measure TDM in the various geographic areas and provide information on how to better execute TDM strategies.

6. Vanpool Incentives – vanpooling, a recognized strategy for effective VMT reductions and air quality improvement, is still an under-performing transportation alternative in the region. With approximately 100 vans currently traveling into the region, that number could easily be doubled with appropriate incentives and efforts. Vanpools are a cost-effective strategy for providing daily transportation to areas where transit isn’t cost effective. There is also the future possibility of collecting between \$1,000 and \$1,200 per month per van from the Federal Transit Administration through the National Transit Data Reporting program.

7. Innovation grants – this allocation would be used for pilot programs and other grant programs that bring new concepts to the region.

Consequences

It's worth noting that without SACOG support, the region risks losing the three TMAs which serve the largest employment populations. Indeed, two TMAs have already gone out of business. Here's a sampling what will be lost without these TMAs:

- Experienced, dedicated TDM professionals who work directly with people who often don't or won't use a cell phone to make choices on how to travel.
- Vanpool formation and management. Vanpools take time to form and attention to maintain, but once established, they reduce significant VMT by removing seven to 14 vehicles from long-distance daily commutes.
- Management of the Emergency Ride Home service, a cost-effective and proven program that supports active transportation use.
- A trained, experienced employer base engaging in regional TDM programs.
- Organizations that respond directly to employer, commuter and residents through board of directors and employee transportation coordinator feedback and outreach directly to people who travel in the region.
- Coordinated support from employers and commuters for SACOG's programs and promotions.
- Platform for effectively and efficiently launching new programs and activities.
- Developer mitigation measures that depend on TMAs for implementation will be forfeited or need to be renegotiated.