

REPORT

To the Honorable City Council
From Mayor Barbara Pierce

April 24, 2006

Subject

Priority Setting – Areas of advocacy

Recommendation

Affirm the items as areas that Council wishes to advocate for due to their regional implication. Set the following criteria:

- Work with others seeking to lead the effort;
- Seek regional support, should major expenditures be required of the General Fund or other city department;
- Return to Council for discussion and approval

Background

During the previous priority setting sessions, Council set a variety of priorities in general focus areas and identified potential items that would have budget implications. There were also a number of items that tended to be of regional nature, would be inappropriate and unlikely that Redwood City could or should fund exclusively, and yet these items could have significant positive and negative impacts on the community. To enable the City to be in a state of readiness for such long term and expensive efforts, foster working with other groups that might take the lead on the efforts, and access regional funding, it is important to confirm these items as having long term importance for our community and requiring our advocacy.


The specific items identified during the priority setting session were:

Ferry
Rail
Highway 84/Woodside Road improvements
Shuttles

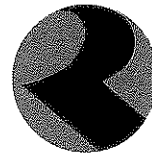
Each of the items was noted as having potential outside funding.

Because there were concerns about potential impact on the general fund, included in this packet is a letter from the Port regarding ferry service. The Port has offered to take the lead in this area, and Chair Larry Aikins has asked for a letter indicating Council support so that the Port can work on this item and seek potential funding for preparations.

To address concerns about financial impact for the future the following parameters could be set: work with a group who will take the lead on the project, indicate interest to the appropriate regional body is, should major expenditures be needed seek regional funds, if a city match or participation is needed discuss further with the Council.



Barbara Pierce
Mayor



MEMORANDUM

DATE: April 20, 2006
TO: Mayor Barbara Pierce and City Council Members
FROM: Larry Aikins, Chairman of Port Commission
SUBJ: Future Funding for Ferry Service



Recently Councilwoman Diane Howard requested information from the San Francisco Bay Water Transit Authority (WTA) regarding the funding of future ferry service in Redwood City. The Port had an opportunity to review this information in the context of the Port taking the lead on ferry service for Redwood City as described in my memo to you of March 22nd. Although we have not gone into a detailed analysis of the cost of ferry service with the WTA, several things are clear.

In the short term, over the next 2-3 years, the Port will take the lead, in cooperation with the WTA, on planning a terminal location and undertaking an environmental review. The planning effort is estimated to cost \$200,000-\$300,000 and it will be funded by the Port and WTA. The environmental studies, including the preparation of an EIR/EIS, are estimated to cost \$1-million. The Port will work closely with WTA in preparation of these documents, and assuming the WTA is the lead agency for the EIR/EIS, the majority of the cost will come from sources of funding available to WTA. The impact on the Port's finances by undertaking the short term planning and environmental studies will not be significant and will not affect subvention payments by the Port to the City.

In the long term, increased capital investments will be required for water transit services, including the construction of a ferry terminal and the purchase of new ferry boats. Terminal construction and two 149-passenger fast ferries are estimated to cost in the range of \$20-\$24 million. Funding for these capital investments will come from a variety of regional, state, and federal sources. Some of these sources have been identified, such as the renewed San Mateo County $\frac{1}{2}\%$ Sales Tax for transportation projects, which goes into effect in 2008. Other specific sources have yet to be identified but are expected to become available in the future. As part of the Port's role in taking the lead on implementing new ferry service, we will do what is necessary to be in a state of readiness to access these funding sources.

In conclusion, the primary Port resources that will be used for developing ferry service, both in the short term and in the long term, will involve staff resources and the possible contribution of land and water areas at the Port.

Hopefully, this clarifies any questions that may have been raised concerning the financial impacts on the Port when taking the lead on ferry service in Redwood City. If you or your fellow members of the City Council need any further information, please do not hesitate to contact us.

Port Commissioners
Larry R. Aikins
Jack Castle
Richard "Dick" Dodge
Ralph A. Garcia, Jr.
Lewis D. Miller