

Conclusion

This report sought to consider the implications and possibilities of a third bay crossing. With mounting policymaker and public attention, we had the unique and timely opportunity to weigh in on potential alternatives, evaluation metrics, governance structures, and funding and financing challenges. Each of these questions revealed critical tradeoffs and highlighted the many decisions that will need to be made if the region is to move forward with this project.

Social equity, accessibility and connectivity, land use planning coordination, climate change mitigation, and resilience and adaptation guided our analysis of a new transbay crossing. These considerations were critical for framing the problem, outlining potential alternatives to address these concerns, and developing a methodology for evaluating alternatives. We chose to consider two BART alternatives, one standard rail alternative, and one performance pricing alternative. We evaluated each of these alternatives both qualitatively and quantitatively using the performance metrics and travel and land use models. While these models have clear limitations, they provided quantitative insights that informed meaningful comparisons across alternatives and pointed to areas worthy of future investigation.

Knowing that it would be impossible to evaluate all viable alternatives, we developed our performance metrics to allow governing bodies and independent groups to decide whether to move forward with the project, compare between project alternatives, allocate resources and funding sources developed from the project, and monitor and evaluate the selected project throughout its planning, financing, building, operating, maintenance, and governing phases. It is intended that this framework for alternative evaluation will be of value even as the potential alternatives evolve over time.

There are a variety of strategies available for project delivery of megaprojects like a third crossing, including private involvement, management by an existing agency, and a joint powers authority. We found that the ideal governance scenario would involve an integrated multi-modal authority that merges major existing transbay operators. This multi-modal entity would be capable of managing travel demand in a megaregion, but would still continue to provide existing services through modal agencies. To complement the governance structure responsible for carrying out the third crossing, we recommended the formation of a Community Advisory Board in an effort to ensure positive outcomes for vulnerable communities. In addition, we recommend that external independent oversight, peer review, and risk management should be formed from the early stage to minimize unexpected risks and poor communication.

A third crossing will require an innovative funding and financing framework due to the project's complexity and the uncertain future of federal and state support. To address issues like cost estimate shortfalls, we propose several risk management techniques including reference class forecasting where cost estimates are adjusted to align with comparable completed projects, as well as the explicit inclusion in public discussion of financing and other transaction cost estimates. We also identified potential funding sources, including loans, grants, user fees, special assessment districts, and value capture mechanisms.

Ultimately the third crossing has the potential to be a galvanizing project for the Bay Area and the Northern California megaregion. It will undoubtedly require significant regional cooperation between stakeholders and community members. This report offered our team the opportunity to explore this project from a variety of angles and it is our hope that the analysis conducted will provide a viable framework should the region and State move forward with a plan to build a third crossing.