



COUNCIL AGENDA: 01-29-08

ITEM: 11.2

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: James R. Helmer

SUBJECT: US-101/OAKLAND/MABURY
TRANSPORTATION POLICY
IMPACT FEE ORDINANCE

DATE: 01-07-08

Approved

Christine J. Shippy

Date

1-11-08

COUNCIL DISTRICT: 3 and 4

SNI AREA: Thirteenth St

RECOMMENDATION

Adoption of an ordinance adding Chapter 14.30 to the San Jose Municipal Code establishing the Transportation Impact Fee required to implement the traffic improvements set forth in the US-101/Oakland/Mabury Transportation Development Policy approved by Council on December 18, 2007.

OUTCOME

The US 101/Oakland/Mabury Transportation Development Policy Transportation Impact Fee will facilitate near term development projects in the Jackson/Taylor and Berryessa areas and provide fair share funding for the implementation of US-101 freeway access improvements at US-101/Oakland Road and US-101/Mabury Road.

BACKGROUND

On December 18, 2007, the City Council approved the US-101/Oakland/Mabury Transportation Development Policy and Transportation Impact Fee. In summary, the policy facilitates implementing freeway access improvements at US-101/Oakland Road and US-101/Mabury Road by imposing a transportation impact fee on new development in the area.

Imposing the new development fee requires the adoption of an ordinance to incorporate the fee into the City's Municipal Code. The City Attorney's Office has prepared the corresponding ordinance.

ANALYSIS

US-101/Oakland/Mabury Transportation Development Policy

As discussed in prior staff reports, the Jackson/Taylor and Berryessa areas of San Jose are planned for future development growth consistent with the General Plan. However, near term development is constrained due to a lack of traffic capacity for access at US-101 and is expected to have Level-of-Service (LOS) impacts at key intersections. The following two major transportation improvement projects are planned to improve capacity in the area: 1) Reconstruction of the US-101/Oakland interchange and 2) Construction of the new US-101/Mabury interchange. The required interchange improvements are expensive and require years to build which is not feasible for most development projects.

To address this issue, the City Council, at the December 18, 2007 Council meeting, approved the US-101/Oakland/Mabury Transportation Development Policy and Transportation Impact Fee. The primary goals of the Policy are as follows:

1. Support near-term “smart growth” development projects in the 101/Oakland/Mabury area. Key projects include: Transit Oriented Development near Berryessa BART Station; Dobbin Family Shelter and Affordable Housing; Japantown Neighborhood Business District; Jackson Taylor Specific Plan; and Luna Park/13th Street Neighborhood Business District.
2. Create “fair share” traffic impact fee structure to finance US-101/Oakland and US-101/Mabury improvements.
3. Support timely implementation of US-101/Mabury and US-101/Oakland projects to meet development triggers associated with Downtown, North San José, and BART.
4. Provide streamlined traffic analysis and development review for development projects.
5. Encourage industrial development.

Transportation Impact Fee

The proposed transportation impact fee is proposed to be set at \$30,000 for each PM vehicle trip generated to and from US Route 101 in the Berryessa and Jackson/Taylor areas. The fee was determined by the Traffic Impact Fee Analysis Report included as part of the Policy approved by Council on December 18, 2007. The fee would adjust annually in accordance with the Construction Cost Index for the San Jose area published in the Engineering News Record.

In an effort to encourage job generating development in the area, the adopted policy allows a fee exemption for 115 future industrial development vehicle trips.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

With regards to the Transportation Development Policy for the US-101/Oakland/Mabury area, a community meeting was held on September 6, 2007. The meeting was noticed on the City's website and in the San Jose Mercury News, and a mailer was sent to approximately 9000 properties in the area. The mailer and/or an email notification was also distributed to neighborhood groups associated with the 13th Street SNI, Berryessa, and Japan town; City Council District Offices 3 and 4; and the sign-up lists for the Flea Market and Dobbin Drive development projects.

The Policy was also discussed with private development stakeholders as part of the Developer Roundtable meetings facilitated by the Department of Planning Building and Code Enforcement. The Policy and its associated Environmental Impact Report were reviewed and approved by the Planning Commission on November 28, 2007.

COORDINATION

The US 101/Oakland/Mabury Transportation Development Policy and Transportation Impact Fee was prepared in coordination with the Departments of Transportation, Public Works, Housing, and Planning, Building and Code Enforcement; the Office of Economic Development; the City Attorney's Office; and the San Jose Redevelopment Agency. This memorandum regarding the Transportation Impact Fee ordinance has been coordinated with the City Attorney's Office.

HONORABLE MAYOR AND CITY COUNCIL

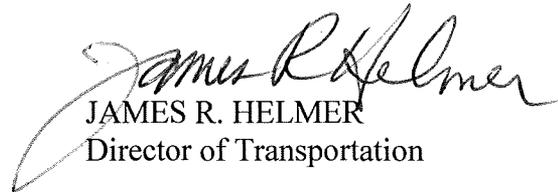
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CEQA

Resolution No. 74195.1



JAMES R. HELMER
Director of Transportation

For questions, please contact Manuel Pineda, Transportation Planning Manager at 975-3295.