



BUILDING BETTER TRANSPORTATION COMMITTEE

Executive Summary February 7, 2005

The meeting was convened at 1:33 p.m.

Chair Campos began the meeting by stating the request for item D1 to be heard first was granted.

a. Expansion and Improvement of Transit and Transportation Systems

1. No items

b. Traffic Relief/Safe Streets

1. No items

c. Supporting Smart Growth

1. Report on Updates to the City's Jobs, Housing and Transportation Policies to Support Economic Development in Downtown, North San Jose, and Transit Corridors

Upon motion by Councilmember Williams, and seconded by Councilmember LeZotte, the Committee accepted the report with one member absent, and direction to staff to incorporate all the opinions voiced today into the next report that should come before Council in June 2005.

d. Regional Relationships/Funding/Policy

1. Report on Proposed Legislation for a Vehicle Registration Surcharge in Santa Clara County

Upon motion by Councilmember Williams, and seconded by Vice Chair Cortese, the Committee moved for approval of the concept of the legislation report and direction to staff to change the title from replace specific transportation improvements with various transportation categories and with the goal of achieving geographic equity, reimbursements to cities in advance, and some additional information on the VTA studies for litter, and to return to the Committee in March.

e. Oral Petitions

There were none

f. Adjournment

The Committee was adjourned at 3:39 p.m.

A handwritten signature in black ink, appearing to read "Nora Campos". The signature is written in a cursive, flowing style.

Councilmember Nora Campos, Chair
Building Better Transportation Committee



BUILDING BETTER TRANSPORTATION COMMITTEE

Meeting Report February 7, 2005

- PRESENT:** Chair Nora Campos, Vice Chair David Cortese, Councilmember Linda J. LeZotte, Councilmember Forrest Williams
- STAFF:** Jim Webb, Ed Shikada, Bill Hughes, Sharon Landers, John Weis, Jim Ortbal, Betsy Shotwell, Ben Tripousis, Hans Larsen, Stephen Haase, Paul Krutko
- GUESTS:** Laura Stuchinsky, Director, Transportation and Land Use, Silicon Valley Manufacturing Group

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1. Report on Updates to the City's Jobs, Housing and Transportation Policies to Support Economic Development in Downtown, North San Jose, and Transit Corridors

Jim Ortbal, Assistant Director, Department of Transportation, began by stating that the supplemental memo distributed Friday, February 4, was submitted to address a few changes that have occurred and staff will highlight the changes from the original memo. He introduced, Hans Larsen, Department of Transportation, Stephen Haase, Director, Planning, Building, and Code Enforcement (PBCE), Paul Krutko, Director, Office of Economic Development (OED), and John

Weis, Deputy Executive Director, Redevelopment Agency (RDA) that will be giving a combined presentation of the item today, and Hans Larsen will cover some of the changes in the report.

Hans Larsen stated that at the advice of the City Attorney's Office, staff modified the memo primarily reflecting the issue of how we characterize the three policy initiatives. All three initiatives revise the City's downtown plan, North San José plan, and Level of Service (LOS) policy as part of the City's economic development strategy and we are moving the policies forward as a package, however, from an environmental review perspective they are separate, independent policy decisions and the language in the replacement memo makes it clear that these are separate activities and not part of an interrelated policy effort. The overall data, numbers, and content in the two memos are exactly the same.

Councilmember LeZotte asked Bill Hughes from a legal standpoint why the memos had to be rewritten. Bill Hughes stated that if these were interrelated from an environmental review standpoint that it could be argued that there is one Environmental Impact Report (EIR) for all three, and from an environmental standpoint they are being treated as three separate projects. Some parts of one project may have an effect on another project but they are not interrelated to the point that we are being required to do a single EIR for all three together, and we wanted to make sure the memo didn't mislead people. They will take into consideration the effect of the other projects.

Hans Larsen then began the PowerPoint presentation on key elements of the jobs/housing/transportation policy update, growth projections, history, and planned growth for Santa Clara County. He covered the downtown strategy plan for 2000, the vision for north San José, proposed development for the City, traffic level of service policy plan, community improvement zones, and background for the new transportation impact policy and LOS policy. He covered the public input and concerns from the various public outreach meetings. In summary, he informed the Committee of the significant transportation and community benefits.

Vice Chair Cortese was concerned with how many jobs and how much housing we should have by 2030, to clear an LOS policy for San José and our transit corridors that projects 52,000 units combined and only 10,000 downtown in the same period of time. It is the ratio that bothers him. In the Evergreen area, the preliminary results of traffic analysis say that there is capacity for 7,000 in the suburban area, and yet we are trying to contain our sprawl, growth boundary, and move everything to the middle. The number jumps out because it runs against high numbers outside of the core and equally high numbers that are in the suburban areas. It looks like we are clearing the EIR, and the question is, why would we want to?

Stephen Haase stated that what we didn't show was the relative size and capacity and as you know downtown is fairly contained and has some development constraints. Where San José probably has the greatest flexibility is from the thousands of acres we have to work with, particularly along the lightrail corridor and transit corridors, we have some experience through the housing opportunities phase where we have already done some work and understand that capacity along the transit corridors a little better because of the direction from Council over the last 3-4 years. The second thing to point out is that historically the general plan is

comprehensively updated every 10 years. We will continue in the next 5 years to look at this and the revised projections from ABAG.

Councilmember Williams in relation to the plan growth areas of the presentation, was wondering what the downtown would yield and how many units and the feeling of what more could be added, and wanted to know what the cost is to add to the downtown and to get a perspective of what it means, do we want to put more housing downtown compared to North San José and what it would take to do it and put the picture into perspective as to why we would want to have the jobs in the way staff has allocated in the presentation. Paul Krutko stated that one of our strengths is that we can provide an array of choices as we have heard by several large businesses. One overall concept that we want to communicate to the Council in terms of policy is that we need to spread our opportunities throughout our community to reflect the marketplace.

Councilmember LeZotte asked about the mechanism to get developer contributions for the impacts on the LOS and in particular the 1% listed in the report. Manuel Pineda, Senior Civil Engineer, Department of Transportation, stated that we do have the number of impacts that do occur with different projects within the city and quite a few are conditioned to provide mitigation to signal modification. He stated that a minimum of 100 to 150 units before you get to the 1%, but there are variables. Hans Larsen added that developers will scale their projects so that it doesn't trip the measurements. Councilmember LeZotte said that she is noticing that the cars are creating a great impact, but since they do not hit the 1% mark they do not have to do anything. Her concern is that there are so many projects that can go out there and not hit the 1%, and we are not going to get the improvements for the bicycle and pedestrian walkability. She agrees with what staff is trying to do, but the 1% needs to be addressed because it is not capturing what we need for the impact. She believes the 1% is too high of a threshold.

Councilmember Williams said that it was briefly mentioned that staff looked to A through F as a standard, and asked if staff has looked at other cities to see how they grew from A, B, C, D, E, F, G based on their population increase, traffic congestion, and such. Hans Larsen stated that A – F is a nationally adopted rating and part of the need to keep that is from an environmental perspective that you need to disclose traffic congestion issues and so there are adopted procedures that are followed. In terms of other communities, we have done a lot of benchmarking with cities like Portland, Austin, Minneapolis, and San Diego and how they deal with it, and they do similar to what we are recommending, they have either a downtown area that is exempt or they recognize in certain corridors that there is override traffic congestion impacts in order to support a multimodal environment. They used the same grading scale that we have and most communities have a level of service D in kind of a threshold in which congestion is significant or not, they will not be using traffic flow as the overwriting criteria in terms of housing development, which is consistent with what we are recommending here.

Ed Shikada, Deputy City Manager, stated that Jim Helmer, Director, Department of Transportation has reported a couple of times to the Committee previously about the mobility index and alternate measures that begin to provide the segway from traffic congestion levels to making sure the public can still get around, and serve the quality of life projections that a community has, the suggestion of brainstorming is an excellent idea while we want to stay true to

the issues that we are addressing and try to characterize them and make sure the vocabulary fits the objectives.

Jim Webb, Senior Policy Advisor, Mayor's Budget - Policy office, asked how staff plans to coordinate the three policies EIR so when we get out of D and B they align so the whole thing works well. Hans Larsen answered that the latest plan is that we take them forward together, separate EIR's, but the outreach done has been around all three of them, and we are looking at June for all three EIR's to be complete and take forward.

Chair Campos stated by only meeting with the Public Advisory Committee (PAC) staff may not be getting representation from some of the Neighborhood Action Council (NAC), only the majority of downtown but not the east side or west side, so she encourages staff to invite the NAC's to the community meetings. John Weis stated that they would.

Chair Campos asked staff for copy of the schedule that Paul Krutko keeps of the community meeting attendees and whom they represent.

Upon motion by Councilmember Williams, and seconded by Councilmember LeZotte, the Committee accepted the report with one member absent, and direction to staff to incorporate all the opinions voiced today into the next report that should come before Council in June 2005.

d. Regional Relationships/Funding/Policy

1. Report on Proposed Legislation for a Vehicle Registration Surcharge in Santa Clara County

Jim Ortbal, began by stating that staff has been working closely with the Silicon Valley Manufacturing Group, Santa Clara County - Valley Transportation Authority (VTA), and all cities and towns in the County trying to identify additional funding sources to help the transportation system. He then introduced Hans Larsen, to give a brief presentation on the vehicle registration surcharge legislation report and the proposal to generate much needed revenues for transportation. A handout was given as an update to the proposed legislation action because since the report was written there has been additional fine-tuning of the proposal.

Hans Larsen introduced Laura Stuchinsky, Director, Transportation and Land Use for the Silicon Valley Manufacturing Group, and Ben Tripousis, Transportation Systems Manager, Department of Transportation who are available for questions or comments regarding the report and stated that this point in time this is a draft proposed piece of legislation, and Senator Joe Simitian has agreed to carry the bill. There are additional meetings being scheduled and the Manufacturing Group is interested in getting consensus from all interests in the valley and once the information is compiled from the results of the meetings it will then be forwarded to Senator Simitian to be introduced to the legislation.

Councilmember Williams asked if funding included cleaning up litter on our city gateways (freeways)? Laura Stuchinsky answered that the only funds identified for litter landscape is only for major highways. The focus of the bill has largely been congestion relief.

Chair Campos asked how do they determine how the funding is divided? Ben Tripousis answered that VTA has taken that issue on and are in the midst of completing a short study to determine what the magnitude of the problem is and once that is complete, they will be able to distribute the appropriate amount of money for the appropriate plan. This is seed money to try and put together a comprehensive program that could be carried out for some time and would include providing resources for contract work or work with CalTrans to do the collection work, try to enhance CalTrans Adopt-a-Highway program, work with the County on their inmate weekend clean up program, or the City's PRNS department volunteer clean up weekend program. We should have a better idea when they complete the study, which should be in the next couple of months and will get that information to the Committee.

Vice Chair Cortese asked if any outside work had been done by the Manufacturing Group or others to determine which public support there might be if any? Laura Stuchinsky stated that this would not require a vote of the voters to enact; it would simply be the legislature passing legislation and the Governor signing it into law to impose the fee. Vice Chair Cortese reiterated that he was wondering what support there was from the public. Laura Stuchinsky stated that they have not polled to determine the level of support.

Chair Campos asked do we seek out, or ask why doesn't it cover maintenance on streets within the neighborhoods. Ben Tripousis stated that the measure would not generate enough revenue to address the magnitude of the problem. San José alone has a \$30 million a year shortfall as it relates to pavement, the report outlines what staff and the Manufacturing Group have determined would be best for the revenue that will be generated by the bill.

Vice Chair Cortese stated that he had a lot of concerns about how the money is to be divided, tier one expressway improvements is one of his concerns. When he was on the Policy Advisory Board (PAB), he argued that the way the tier 1 improvements were being allocated were not fair throughout the county. Having to tell constituents from his district to pick up a \$5 surcharge on their vehicle registration and no get any tier 1 improvements made no sense. Getting a bill that authorizes a tax, he can support, but he cannot support the breakdown that is presented to him today, and he feels it is a little premature to be doing this now. He would feel better if whoever is authoring the bill, go to legislative counsel and have them put a bill together like the San Mateo bill and then come back once there has been a discussion about applying criteria like geographic equity to these funds.

Ben Tripousis stated that discussions have begun and it has included every jurisdiction in the county as well as the County of Santa Clara and the criteria that was used to start the discussion included geographic equity, congestion relief, and cost effectiveness. The project had to be identified as a County priority included in the VTP 2030 and potential safety improvements. Each category described in the draft was derived from that criteria and as far as the tier 1 improvements go, the consensus among the cities and county was that this was an opportunity to take a bite out of the \$150 million identified in tier 1, which was of interest in the larger

group. Laura Stuchinsky added that they did canvas every high priority for every community so we could try and make a substantial dent in the problem.

Vice Chair Cortese added that he was wondering if we could move the concept forward without endorsing the package of improvements at this time. Ben Tripousis added these project recommendations will be coming back through VTA for approval in the same way that any other funds are administered from VTA. This project list will be coming before you as a VTA board member for your approval, this establishes the categories for the purpose of crafting the legislation, and if there are problems identified they can be addressed at that point. Vice Chair Cortese then stated that he would like to see the project list brought back to the Committee at that time. Ben Tripousis conceded to Vice Chair Cortese request. Vice Chair Cortese stated that he did not want to be in a position to vote for the whole package right now, including the project list and would prefer to revisit it here at the Committee level before going to the PAB.

Chair Campos asked Betsy Shotwell, Director of Intergovernmental Relations, if this was an approval of support for the concept and before the city approves it would it come back as the number and the bill? And at that point if one of her colleagues did not support it they would be able to state their case and concerns. Betsy Shotwell stated that was correct.

Ed Shikada added that it may be appropriate for the Committee to identify the areas of further discussion, whether it be the method of distribution or allowed uses, then staff can work with the Manufacturing Group.

Vice Chair Cortese added that this recommendation implies that we are in support of a vehicle registration surcharge that is committed to specific transportation improvements, and he wanted the motion to be clear that this Committee has not yet endorsed specific transportation issues themselves, and the motion should reflect that the Committee should have another chance to review the project list. Laura Stuchinsky added that this list before you is just a framework and there are categories of funding that specific projects within those categories have not been identified and will not be identified through the legislative process and only through VTA.

Vice Chair Cortese stated that he was not comfortable with assigning a dollar value right now to projects or categories. He doesn't feel that staff understands what criteria was used to come up with the actual individual appropriations of money, it could be in looking in the synopsis of the work being done and that a great deal of thought went into it and could be as fair as it could get.

Chair Campos asked Betsy Shotwell if we were to approve the concept then what happens? Betsy Shotwell replied that she thinks that Laura Stuchinsky would be in contact with Joe Simitian's office to share the results of today's conversation, issues, and items brought up. From Betsy Shotwell's perspective when the bill is introduced with a number then she will bring it forward to the Rules Committee.

Chair Campos then asked Jim Webb how we would support this concept in a motion or is it information. We need to figure out how we support this so that whatever staff needs from the Committee members, or whatever we decide to support or not support at least there is some clear direction on staff's end.

Jim Webb asked for clarification from Vice Chair Cortese, is his concern with the categories themselves, the amount of money in the category, or with the specific projects within the categories? Vice Chair Cortese answered all of the above, and added that he would be happy supporting a bill that would allow Santa Clara County to do a vehicle registration surcharge tax with the specific transportation improvement list to be determined later. He feels that the memo indicates that the Committee is being asked to support a specific distribution of money and he is not comfortable doing that at this time.

Councilmember Williams stated that his understanding is that this is a concept that is being asked to be approved today, and based on initial analysis and needs throughout the county, these are recommendations that staff is saying that this is probably where the money might go, but it does not mean that it will necessarily go there. Through the process, these conceptual ideas will be conveyed and discussed with other people in the cities and the County, and then finally a conclusion will be forwarded to the Committee and then the bill is to be signed and the information will come back here for the Committee to take another look at to say are the categories consistent with what the Committee believes, and at that time we will either support it or make changes. The Committee is not committed to anything here today other than the concept.

Ben Tripousis pointed out there has been a great deal of work that has gone into this on the front end and the direction that they have received from Senator Simitian's office is that it needed a little more substance in terms of content in order to move forward with the legislation, hence the development of the specific categories and the funding allocations. This conversation had included Public Works, city staff representation from every city in the County of Santa Clara, and the Manufacturing Group has led the discussion and the consensus of that has led to the breakdown which is how we ended up with the various categories and the amounts of money in each, while there will be some additional fine-tuning, the content of the legislation will not deviate a great deal from what is in the report in regards to the categories and the general amount of revenue dedicated to each.

Laura Stuchinsky added that most cities were represented at the last meeting and felt comfortable with this as well as the County and CalTrans, there was only two things that they had reservations with and need a little more time to think about it. If they did make changes, then she would have to go back to all the other participants and ask if they agreed with the change. Her other concern is with the legislative process and if we try to move this double tier, Joe Simitian will not move it through the policy committee until he hears that he has the unanimous support of all jurisdictions and he needs this by the beginning of April.

Sharon Landers, Assistant Executive Director, Redevelopment Agency (RDA) stated that it sounds if one of the concerns is that even if we agreed with the categories, we still are not clear that the projects include geographic equity, so perhaps we could add to the criteria that there

needs to be an element added into the language of the bill on geographic equity. So if the projects were known before hand you would at least know that a fair share of the projects would be in San José's geographic area based on the amount of money they raised.

Vice Chair Cortese stated that was a great suggestion and would work extremely well for him on the street and roads operations, little tougher on the County Expressway because the PAB already set up where the projects are going to be funded. Sharon Landers added that if you could see that there was geographic equity across the entire pool, maybe not in each category specifically but that a fair amount would be in San José. Vice Chair Cortese stated that was his concern that Capitol Expressway, which goes through East San José, may not get anything, but then there should be something tangible so that people can get to the other side of town.

Jim Ortbal asked the Committee if there were any other concerns like geographic equity that they would need to address to help finalize for the next meeting when they bring back the changes after meeting with all the cities for further input.

Chair Campos stated that the geographic equity was the main issue/concern, that San José has x amount of people, x amount of cars, and we are going to get x amount of dollars, and there is equity across the County board.

Councilmember Williams added that the City wants to show the benefits and why we are doing this, and to be able to see the results that we did invest and San José would essentially benefit even though the actual dollar amount may vary in terms of the location.

Chair Campos stated that she thought one thing that was missing is that we do not have the history, players, and discussion on how staff arrived at the decisions, so she would like to see the notes or anything along those lines to help better understand the logistics to the decisions made.

Vice Chair Cortese asked if the legislation needs to authorize reimbursement to cities who advance the monies that the tax would ultimately generate or is that something that can be decided locally as well? So if there is something that needs to be fixed on an Expressway, does staff need to incorporate reimbursement language in the legislation to allow this fund that has been created to be used as not only a direct payer for the improvements, but a reimbursement mechanism for cities or County, to do advances on the projects? Laura Stuchinsky stated that DMV would collect the fee but would hand over to VTA with the program. If we were selected in the competitive process for a high priority project that you want to advance before the funds were in, you could arrange with VTA to advance the funds and VTA would reimburse you given that you already won the competitive competition. Vice Chair Cortese asked that staff get back to the Committee with a subsequent memo to verify that information and how it would work.

Jim Ortbal added for the record the memo should replace "specific transportation improvements" with "various transportation categories" and come back to the Committee after discussions with other cities and the categories have been reviewed.

Ed Shikada noted that the Committee asked for VTA study on litter needs assessment and how that factors into the allocation of funding.

Ben Tripousis stated that the last day for the bill to be introduced is February 18, 2005, the last day for the Policy Committee is April 22, 2005. It would be a challenge on the turnaround if we came back to the Committee in April, if we knew the City was leaning toward a positive reaction we could wait until the April meeting but in light of the conversation today we think it best to bring back in March to allow for changes to keep the bill moving.

Upon motion by Councilmember Williams, and seconded by Vice Chair Cortese, the Committee moved for approval of the concept of the legislation report and direction to staff to change the title from replace specific transportation improvements with various transportation categories and with the goal of achieving geographic equity, reimbursements to cities in advance, and some additional information on the VTA studies for litter, and to return to the Committee in March.

e. Oral Petitions

There were none.

f. Adjournment

The Committee was adjourned at 3:39 p.m.



Councilmember Nora Campos, Chair
Building Better Transportation Committee