



BUILDING BETTER TRANSPORTATION COMMITTEE

Executive Summary December 6, 2004

The meeting was convened at 1:32 p.m.

Chair Cortese began the meeting by asking that the record show there was a quorum of three members present. Vice Mayor Dando is excused; Councilmember Cindy Chavez arrived at 1:37 p.m. and left at 3:15.

a. Expansion and Improvement of Transit and Transportation Systems

1. Status of County Expressway Relinquishment Issue

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, the Committee accepted the report with one member absent.

2. Discussion on Transportation Technology Industry Development Opportunities - carried over from August 9, 2004

Upon motion by Councilmember Williams, and seconded by Vice Chair LeZotte, the Committee accepted the report with one member absent, and direction to staff to come back in six months with an update as to the success of the funding or the completion of phase one.

b. Traffic Relief/Safe Streets

1. No items

c. Supporting Smart Growth

1. No items

d. Regional Relationships/Funding/Policy

1. Report on Pavement Maintenance Funding Issues

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Williams, the Committee accepted the report with two members absent, and direction to staff to incorporate all the opinions voiced today into the next report in March 2005.

e. Oral Petitions

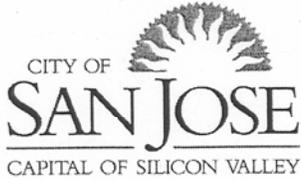
Ron Blake, Board member of the Almaden Valley Community Association, spoke on the proposal to amend the General Plan with the City to remove traffic improvements specifically the Winfield Bridge project.

f. Adjournment

The Committee was adjourned at 3:31 p.m.



Councilmember Dave Cortese, Chair,
Building Better Transportation Committee



BUILDING BETTER TRANSPORTATION COMMITTEE

Meeting Report December 6, 2004

- PRESENT:** Chair David Cortese, Vice Chair Linda LeZotte, Councilmember Forrest Williams, Councilmember Cindy Chavez
- STAFF:** Jim Holgersson, Bill Hughes, Jim Helmer, Jim Ortbal, John Weis, Betsy Shotwell, Ben Tripousis, Hans Larsen, Kelly Doyle
- GUESTS:** James Robbins, Director, Environmental Business Cluster, Robert Garzee, Chairman & CEO, Synergy EV, Inc., Michael Murdter, Director, County of Santa Clara, Roads and Airports Department

The meeting was convened at 1:32 p.m.

Chair Cortese began the meeting by asking that the record show there was a quorum of three members present. Vice Mayor Dando is excused; Councilmember Cindy Chavez arrived at 1:37 p.m. and left at 3:15.

a. Expansion and Improvement of Transit and Transportation Systems

1. Status of County Expressway Relinquishment Issue

Jim Ortbal, Assistant Director, Department of Transportation, introduced Hans Larsen, Deputy Director, Department of Transportation, who gave a brief presentation on the status of relinquishing Capitol Expressway from the County to the City of San José. Updates included current status, active projects, and relinquishment issues such as Expressway conversion plan; multi-modal boulevard concept; design control; annual operations and maintenance costs; mitigating factors; and recommends consideration of the 2005 budget process.

It was noted that County staff has confirmed that the expressway does have access control rights along the route, in the case that the City was interested in a new point of access to the expressway. The City would have the ability to sell those rights to an adjacent property owner for additional access. Generally, that is in the order of acquisitions that run between \$300 – \$400 dollars per location. That would be one-time money. Staff's concern is the long term annual cost associated with it. The interest in addressing and resolving this issue is to help facilitate other projects. Due to the significant budget implications staff recommends that we defer any

action on this until the budget process in the spring. At that time we will provide a status report to Council on funding, transportation operations and maintenance needs.

Hans Larsen then introduced Michael Murdter, Director, County of Santa Clara, Roads and Airports Department and staff from VTA to address questions.

Chair Cortese asked if there was an action that happened since the joint meeting with the PAB and the City. Michael Murdter stated that subsequent to the City's letter expressing interest in potential relinquishing of the Expressway, the Board did discuss the matter.

Chair Cortese asked that given the mutual O & M constraints of the 2 organizations, is there any room for discussion on taking these to Hwy 101 first, west of Hwy 101 second, or boulevarding some of the development issues east of Hwy 101; or, if there was any room for negotiation. Michael Murdter answered that the Board did express a strong preference in reaching an agreement that relinquishes the entire Expressway, but he would not describe it as an absolute, it could be taken back to the Board for a decision. Certainly Hwy 101 to 680 is a priority and any plan that did not at least relinquish that entire piece would face challenges.

Chair Cortese stated that if the City goes along with the staff recommendation that will be brought back in March, to what extent could we get negotiations done in the next 2 ½ months. Something that would look like an option agreement that the City could act on, and one with which the County feels comfortable. Jim Ortbal stated that staff would be prepared for that timeframe, and suggested that the issue be brought back to the April 4, 2005 meeting after the Committee has heard the report on the broader transportation, funding, financing, and maintenance report in March.

Councilmember Williams asked if the City was required to accomplish the benefits listed in the report regarding the relinquishment on the lightrail extension. Hans answered that the policy and planning direction for Capitol Expressway, where the lightrail enters, is to promote a pedestrian/bicycle environment community. The SNI community has expressed concern regarding the barrier effect and getting people safely across the "barrier". So designing it in a way for ease of crossing helps knit the community together. Intersection spacing, width of the lane, and City standards that are a bit narrower than County standards, are of interest as well as landscaping and lighting, which is not in the scope that the County provides on Expressways. So in terms of community development lining up with transportation goals, development goals, and neighborhood interest, it seems that the convergence of the Expressway is the right thing to do.

Chair Cortese asked that the motion include the next steps to be brought back to the Committee in March 2005, as part of the overall street maintenance presentation, with the Expressway components snapshot in April 2005, as well as to bring back the results of the best efforts in negotiating either a phased or all at once relinquishment plan with the County.

Jim Ortbal reiterated Chair Cortese's interpretation, that in March 2005, staff would provide a broader report on pavement and transportation maintenance, funding, financing, and include Capitol Expressway relinquishment component issues, and how that fits in the broader scope of things. In April 2005 staff will bring back a report on staff efforts in negotiating with the County

specifically on relinquishment. Chair Cortese added both presentations would be subject to the Citywide budget process later in the year.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Chavez, with one member absent, the Committee accepted the report.

2. Discussion on Transportation Technology Industry Development Opportunities - **carried over from August 9, 2004**

Jim Helmer introduced Jim Robbins, Director, Environmental Business Cluster, and Bob Garzee, Chairman & CEO, Synergy EV, Inc and noted that Jim Robbins came with a proposal for the Committee today on an electronic transportation development center. Mr. Robbins gave a presentation that encompassed his business vision and objectives, the City's policy on the sustainable energy policy, transportation policy, and the economic development policy; the strategy on how to implement his proposal by determining the most appropriate technologies; development of a demonstration bus; creating an industrial site for research and development; building a clean energy and homeland security partnership in transportation; the budget and the different phases; and projected economic benefits and partnerships.

John Weis, Deputy Executive Director, Redevelopment Agency (RDA), commented that RDA is interested in the increase of diversification. San José, over the years, was thought to have diversified from hardware to software in the computer industry, and then software to the Internet. He thinks that, as we were half way through the construction of the biotech incubator we began to think that it would help quite a bit but there is a need to diversify much more, because as much as the region is diversified, San José is not really. Staff was very excited about Mr. Robbins' proposal because it seems to use a lot of our existing resources. The agency has committed \$30,000 for the initial study and an additional \$35,000 to get to the point after the auto show. After that point RDA does not have any further commitments. That's when working with the Federal and State government for funding comes into play.

Councilmember Chavez stated that she was excited about the proposal, and asked if the focus of the proposal was on buses. Bob Garzee stated that it was not fully focused on buses, but first on commercial transportation, with the implication also on private transportation, primarily ground transportation, the bus was picked to show the concept to high tech companies, because the bus is a much better mobile advertisement. Jim Robbins added that this proposal encompasses all kinds of ground transportation, including hybrid / gas vehicles and hydrogen or electric vehicles.

Chair Cortese stated that one piece of the mix is good environmental work to extend San José's position as an environmental leader. He questioned the leadership on the economic development side of this, as it is hard to imagine this area catching up with and surpassing all the great internal combustion, industrial centers of the world. How do we get beyond, Germany, Japan, and Detroit in terms of their focal point, as this is already their primary industry, how does San José jump into that mix. Jim Helmer stated that essentially we need to think of this as 100 - 150 years ago when the railroad industry was thought to never be surpassed by internal combustion or automobile. The same thing holds true with the internal combustion, if we continue to think that

the oil driven vehicle will always be the predominate, natural selection, it will fail. Change is natural, and Jim Helmer thinks this is an initial step towards looking at the smartest energy source. This focuses all the technologies around the singular topic of transportation on wheels or rail and brings together those industries that already have the existing technology.

Chair Cortese then stated that the other piece is the budget factor. He understands that this proposal is looking for the additional \$240 - 250 thousand for phase 1. Is it realistic and how committed are we, he doesn't want it to be a research project that never comes of anything, because we cannot fund the rest. How much thought was given to that piece? Jim Helmer stated that Deputy City Manager, Ed Shikada, John Weis, RDA, Office of Economic Development, Department of Transportation, as well as Environmental Services have all been brainstorming creative ways to come up with a partnership to help Environmental Business Cluster, and Synergy EV, Inc., to move forward with this proposal. There are environmental grants, reauthorization of transportation funding at the Federal level, which usually contains technology funding. The Governor is looking for more opportunities for developing these scientific breakthroughs. Right now there is no funding source within the City that is available, but staff is looking for alternative funding.

John Weis added that RDA has asked the same question as Chair Cortese, and in this situation staff wanted to get to this point and then see to what extent it could broaden its involvement with partnerships and see what funding might be available and that is why RDA has committed the \$65,000. It would be incorrect for the RDA to commit more than that.

Upon motion by Councilmember Williams, and seconded by Vice Chair LeZotte, the Committee accepted the report with one member absent, and direction to staff to come back in six months with an update as to the success of the funding or the completion of phase one.

b. Traffic Relief/Safe Streets

1. No items

c. Supporting Smart Growth

1. No items

d. Regional Relationships/Funding/Policy

1. Report on Pavement Maintenance Funding Issues

Jim Ortbal, introduced Hans Larsen, to give a brief presentation on the pavement maintenance funding issues, including street maintenance funding and needs; active street maintenance funding options; our local 10 year transportation needs; and the topics for when staff comes back to the Committee in March 2005.

Vice Chair LeZotte asked if there was any reference in Prop 1A in regards to State funding that would give us assurances for the next few years. Betsy Shotwell, Assistant to the City Manager, Director of Intergovernmental Relations, stated that none was specified in Prop 1A, although Prop 68 and Prop 70, concerning tribal gaming, were defeated in November. This allowed AB 687 to pass and was signed into law in July, to authorize the state to issue up to \$1.5 billion in bonds for transportation funding backed by tribal gaming revenues generated through earlier negotiated tribal gaming compacts.

Hans Larsen added that VTA is considering a new countywide transportation tax in 2006 that would help provide revenue for transit operation and within that the leading proposal is an allocation of 25% of the monies that would come to cities for transportation purposes with a priority given to pavement maintenance. That translates to \$14 million annually. That measure is subject to a 2/3 voter approval. With our ongoing and annual operations and maintenance for transportation, we are accumulating a backlog of other unfunded local transportation needs that fall into four categories. In addition we have a large backlog of 200 miles of streets that need to be resurfaced because of deferred maintenance in past years, that is now \$75 million dollars, we have \$17 million dollars of work on streets that are beyond regular maintenance and need to be fully reconstructed, curbs and gutters that need repair at \$16 million, traffic signals in need of upgrades and maintenance, traffic calming is still a need, areas of enhancement and beautification has a large backlog of curb ramp needs throughout the city, street lighting needs \$30 million, median landscaping \$25 million, city costs for underground utilities, and the interest in the City taking on other facilities such as Capitol Expressway over 10 years would cost \$8 million, and local routes such as the Alameda, Monterey Highway, Route 82, as well as Alum Rock Avenue, Route 130, to have the City take over those and manage control would require major funding as well. This is provided as a list of needs, and staff is looking for direction in terms of which items we might want to pursue. And the backlog of other projects needs includes other infrastructure of storm and sanitary sewer systems, in terms of meeting the City's goal of being a technology capital, there is more technology and infrastructure that the City could put into place, and affordable housing has some limited funds that we may consider housing as part of the City's vital infrastructure. We are actively looking at alternate pavement treatments that may be more cost effective.

Vice Chair LeZotte asked Assistant City Attorney, Bill Hughes, in regards to the utility trench cut fee, is that something we can do locally? Bill answered yes we can do locally, although we would need a cost recovery system, by which we would have to justify the fee with the damage to the street, but if the background work is done, staff could do a trench cut fee. Although one of the issues for example is for a business like Comcast, as well as others, who tries to prevent those fees in the franchise agreement.

Vice Chair LeZotte then asked if under the heading of Vehicle Weight Fee, if the City was going to include non-military Hummer vehicles, and in regards to street trees she has noticed

that areas in Almaden Valley did not have a lot of trees in the parking strip, she realizes that the sun causes damage to the sidewalks eventually, but shade from the trees prevents a lot of damage, how much are we coordinating with planning for new developments in insisting on street trees being planted. The studies from the Urban Heat Island effects states that the sun is a big factor on damaging sidewalks and streets. Jim Ortbal stated that he believes that we do have set and established standards these days, and the development that Chair LeZotte is referring to could be an older development that current standards requiring street trees as part of the development, may not have been a standard then and they can look back to see if that area could be required to plant trees.

Councilmember Chavez added that if we look at what we are budgeting for, as relates to street, curb and gutter repair, if we separate out the enhancements, we need to recognize the different funding sources, and to the point that Vice Chair LeZotte makes, is valid as far as the pavement /maintenance needs, Councilmember Chavez thinks that what should be included is the street trees and some amount of time that the City will be taking a more active leadership role in establishing the trees.

Chair Cortese commented that he thinks to do all of this including the trees, the holistic approach, we have to invest in mapping (GPS) to move in that direction to incorporate the trees issue. If we are fortunate to have any sort of revenue come forward, then let's take a piece of the funding for advance studies, so we can do the blue print before the implementation.

Chair Cortese noticed that in the Evergreen smart growth strategy, the right-of-way acquisitions tend to get handled 90% of the time through the developer processes, but the street corners or the street widening/narrowing that never occurs does create a hodge podge situation, so this might be worth budgeting for or building a reserve over the years to try and deal with that issue, because a lot of those situations would involve residential condemnations, so if we have money banked for when those opportunities arise, like if someone sells their house, on the corner and the City needs 18 inches, the City could acquire it easier at that point. I understand that compulsory fees of some kinds raise a lot of questions and issues legally, but it still needs to be a clear component of the best guess of what the total monies are going to be, 2% or 10%, in terms of voluntary development agreements. Advance planning anticipates that and makes certain that is what we want to negotiate if we can, voluntary development contributions to a larger radius or towards a Citywide fund.

Chair Cortese asked if staff could do some brainstorming between now and March when this comes back to the Committee to whittle down ideas to a more viable position. Jim Ortbal reiterated that when staff comes back in March 2005, we would try and find our transportation neighborhood systems to essentially go through all needs and options that we have and analyze each one in terms of viability, legality, and practicality of what a schedule might be and narrow it down to an option that we might recommend to the Committee.

Hans Larsen asked for clarification on the holistic look at improving the transportation system, is the Committee thinking that would be limited in anyway or is it all street, as we have 2300 miles of streets, 400 arterial. Chair Cortese stated that staff would have to come up with some criteria for the Council to adopt, that balances out everything from geographic equity to environmental equity so that there would be a prioritization matrix for where the money goes.

Councilmember Williams asked that staff explore with the community regarding the local tax bond measure, check in to see how they feel and how sensitive they are on the issue.

Upon motion by Vice Chair LeZotte, and seconded by Councilmember Williams, the Committee accepted the report with two members absent, and direction to staff to incorporate all the opinions voiced today into the next report in March 2005.

e. Oral Petitions

Ron Blake, Board member of the Almaden Valley Community Association, spoke on the proposal to amend the General Plan with the City to remove traffic improvements specifically the Winfield Bridge project.

f. Adjournment

The Committee was adjourned at 3:31 p.m.

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

Councilmember Dave Cortese, Chair,
Building Better Transportation Committee