

## CONGESTION MANAGEMENT PROGRAM & PLANNING COMMITTEE

Thursday, August 17, 2006

### MINUTES

#### 1. CALL TO ORDER

The Regular Meeting of the Congestion Management Program & Planning Committee (CMPP) was called to order at 10:38 a.m. by Chairperson Kniss in Room 157, County Government Center, 70 West Hedding Street, San Jose, California.

#### ROLL CALL

##### Members Present

Nora Campos, Vice Chairperson  
Cindy Chavez  
Liz Kniss, Chairperson  
Dennis Kennedy

##### Members Absent

None

##### Alternates Present

None

##### Alternates Absent

Pete McHugh  
Al Pinheiro  
Ken Yeager

\* Alternates do not serve unless participating as a Member.

**A quorum was present.**

#### 2. PUBLIC PRESENTATIONS

Jerry Grace, Interested Citizen, stated that he is pleased to attend the CMPP Meeting for August 2006.

#### 3. ORDERS OF THE DAY

There were no Orders of the Day.

## CONSENT AGENDA

4. **Minutes of February 16, 2006**

M/S/C (Kennedy/Chavez) to approve the Minutes of February 16, 2006.

5. **Minutes of April 20, 2006**

M/S/C (Kennedy/Chavez) to approve the Minutes of April 20, 2006.

6. **Minutes of May 18, 2006**

M/S/C (Kennedy/Chavez) to approve the Minutes of May 18, 2006.

7. **Monthly Legislative History Matrix**

M/S/C (Kennedy/Chavez) to review the Monthly Legislative History Matrix.

8. **Proactive CMP Reviewed and Approved Projects Quarterly Status Report April through June 2006**

M/S/C (Kennedy/Chavez) to review the Proactive CMP Reviewed and Approved Projects Quarterly Status Report April through June 2006.

## REGULAR AGENDA

9. **Disposal of Surplus Land at the Page Mill Road Park & Ride Lot**

Chairperson Kniss stated that the Page Mill Road is one of the gateways of Palo Alto that is surrounded by a soccer field and an historical building. She noted that Palo Alto will have an extensive discussion about the options for use of this property.

David Miller, Commercial Development Manager, stated that VTA's field observation determined that the Park & Ride lot is significantly underutilized. The next step will involve interviewing park and ride users to determine parking alternatives.

Mr. Miller stated that the Palo Alto Vice Mayor Yoriko Kishimoto expressed that she prefers to see a Transit Oriented Development (TOD) with higher density.

Mr. Miller indicated that VTA received verbal offers from a developer. The written offers are expected to come in next week. Mr. Miller clarified that the Board would have to make a decision about the property prior to engaging in a contract with a developer.

Mr. Miller stated that VTA has two options with regards to the disposition of the surplus land. VTA can either 1) utilize a ground lease for the property, which will essentially change the fundamental use of the property, or 2) dispose of the property, which requires that the property be determined as excess VTA property.

Mr. Miller advised the Committee that VTA met with Palo Alto Mayor Judy Kleinberg and the developer. VTA staff is now in the process of setting up a meeting with the City of Palo Alto's planner.

Upon inquiry of Chairperson Kniss, Mr. Miller explained that the process involves a field survey, which already determined that the property is underutilized as a park and ride lot. The next step would involve VTA Board of Directors action that would determine the disposition of the property.

Chairperson Kniss inquired about the process involved in offering the property for sale and further inquired about what types of public agencies the property will be offered to.

Mr. Miller responded that the property will be offered to any public agency that is interested. Suzanne Gifford, General Counsel, advised that the process is controlled by the Government Section Code 54222. Mr. Miller also noted that the VTA Board of Directors will be the deciding body that will determine who the property should be sold to.

Member Kennedy asked if there are major employment sites near the park and ride lot. Mr. Miller responded that there are businesses nearby and there are shuttles and other private services available. Mr. Miller stated that Palo Alto Vice Mayor Kishimoto suggested swapping of property because she was interested in some type of transit facility; however, that suggestion is not possible as Stanford's policy is only to ground lease their property.

Upon inquiry of Member Kennedy, Mr. Burns stated that his opinion regarding a sale versus lease would be on a case-by-case basis. He noted that considering the size and potential revenue opportunities from the Page Mill Road site, it is his opinion that a one-time sale would provide more benefit to VTA, as compared to leasing the land.

Mr. Miller reiterated that there will be appraisals and the VTA Board will decide who to sell the land to. He noted that the price of the land may go up if there is a great deal of interest to buy the land.

Member Chavez noted the importance of collaborating with cities that have land-use jurisdiction over the properties that VTA intends to sell. She inquired if VTA has thought about entitling the property prior to selling it.

Mr. Miller stated that entitling the property is an option. On other properties that will be sold such as the Capitol Light Rail Park and Ride and the West San Carlos Sites, VTA has taken a very active role with the developer because of the outreach process and to assist them with the entitling process. He added that VTA extensively worked with the

city staff to address the current issues and the potential issues that may arise. Mr. Miller stressed that VTA is dedicated and committed to becoming an active partner in the community outreach process.

Mr. Miller provided historical information and stated that in the case of the Page Mill Road site, two years ago, he received the El Camino Corridor design plan that dealt with building set-backs, land-use, architecture, parking, and access. He stated that those were what the developer brought in when they approached VTA. At that time, Palo Alto staff suggested a residential use but since then, there are school impact issues and housing issues became a big deal. Mr. Miller stated that the developer is flexible enough to do mixed-use, retail, or office and the city would still retain total control of the land-use decision.

Member Chavez commented that entitling the property would increase the value of the property and assist VTA in working better with the city that has land-use jurisdiction over the property. She reiterated that entitlement would be a better option because it provides better partnership with the city and provides VTA with maximum value for the property.

Chairperson Kniss expressed support to Member Chavez's comments.

Member Chavez stated that the other challenge, based on the West San Carlos site, is the city's preference on the land-use and determining the role that VTA plays in providing input to the cities on issues such as density. She stated that anticipating those types of issues and working on the entitlement of the property makes more sense compared to being developer driven.

Mr. Miller stated that in larger projects, VTA plans, budgets, and strategize to be very proactive in the entitlement process. A part of that process is an educational component for the neighborhood, VTA, and other parties involved to determine the needs and to better design the project. For the Page Mill site, VTA will have the property appraised on the highest best use regardless of design. Mr. Miller stated that this information will eventually drive the transaction.

Member Chavez commented that the appraisal doesn't necessarily drive the transaction, as seen on the West San Carlos site. She noted that developers would want a return on their investment and could come back to VTA and demand a lower price for the land. At that point, VTA would be in an awkward position of whether to provide input to cities or issues such as levels of density. She stressed the importance of discussing those types of issues with the full Board of Directors to ensure that there is buy-in.

Mr. Miller stated that VTA is capable of doing the entitlement process if it is a preferable way of striking a better arrangement with the cities before the development community comes in.

Chairperson Kniss concurred with Member Chavez's comments and noted that the issue has been politicized very quickly. She stated that VTA is being put in a very awkward position and inquired if there is a better way to do this transaction other than being developer driven.

Mr. Miller stated that this is a learning experience for VTA. VTA has not dealt with many transactions such as this, and VTA has to determine the best way to do these types of transactions. However, he assured that VTA is capable of executing the transaction either way. Mr. Miller referred to the "developer driven" statement and explained that as a public agency, VTA needs to deal with developer inquiries and do the necessary and appropriate work to address those inquiries.

Carolyn Gonot, Chief Development Officer, explained that interested developers that approached VTA regarding the Page Mill Road and Lawrence Moorpark site (which will be discussed in the future) had initiated the whole process as those two sites were not necessarily on VTA's radar screen until the developers approached VTA. Ms. Gonot stated that staff will brief the Board better in terms of the outreach that has been done in connection with these types of efforts. Ms. Gonot added that there have been extensive discussions with the City regarding the entitlement process along the light rail stations in City of San Jose. She stated that staff will come back to brief the Committee about the list of properties being considered, the plans, and rationale.

Member Chavez clarified that she is merely asking for options as to how to better conduct these types of transactions. She stated that there may be a need to customize plans based on certain circumstances and the cities that have land use jurisdictions over these VTA properties.

Member Kennedy expressed concern that the report does not illustrate the City of Palo Alto's preference. He noted that the City's position on the property is a very important element in the decision making process and noted that VTA should formally request the City of Palo Alto's position. He suggested deferring the item until there is an official Palo Alto position regarding the property.

Chairperson Chavez expressed support for the work VTA staff is doing to coordinate with City staff; however, staff discussions would have to go to a higher level. She noted that it may be a good idea to specify that VTA wants to know the Council's or the Planning Commission's position on the property.

Chairperson Kniss noted the importance of making the request more generic so that it would not just apply to Palo Alto, but to other future cities that have jurisdiction over VTA excess property.

**M/S/C (Kennedy/Chavez)** to defer the item until there is more clarity on how VTA will deal with cities regarding VTA excess property.

**10. Exemption from Annual Monitoring of Intersections**

Ms. Gonot stated that VTA annually monitors the Congestion Management Program (CMP) network except for intersections that cannot be monitored due to construction or other reasons that would cause unusual traffic patterns. The six intersections listed in the memorandum are those that will be affected by construction activities during the monitoring period.

**M/S/C (Kennedy/Chavez)** to approve submitting a recommendation to the Board of Directors to approve the exemption of Congestion Management Program intersections undergoing construction from Level of Service (LOS) Monitoring during the 2006 monitoring period. Presently, these intersections are known to include: SR 87/Julian Street (San Jose), SR 87/Santa Clara Street (San Jose), I-880/Coleman Avenue Northbound (San Jose), I-880/Coleman Avenue Southbound (San Jose), Brokaw Road/Oakland Road (San Jose), and Montague Expressway/Oakland Road (San Jose).

**OTHER ITEMS**

**11. State Transportation Infrastructure Bond Overview**

Kurt Evans, Government Affairs Manager, advised that this item is for information only regarding Proposition 1B and SB 1266 (Perata). Mr. Evans stated that the Administration and Finance Committee would consider taking action to support Proposition 1B. If the bonds are passed by the voters, the CMPP Committee will have an important role on how to get and utilize the funds.

Proposition 1B authorizes the issuance of approximately \$20 billion in general obligation bonds within the next 10 years for transportation purposes. The revenue from this bond will be used for 13 general program categories that are detailed in the memo's attachment. It is very complex and there are a wide variety of methodologies on how these funds will be allocated such as formula based or competitive grant process. Mr. Evans reviewed the program, the estimated revenues, and the approximate amount VTA could expect to obtain.

Member Chavez left her seat at 11:26 a.m.

Mr. Evans stated that there are some programs that do not apply to VTA and provided examples of such programs. Mr. Evans stressed that there will be an election and the voters still need to pass the bond. He noted that staff would present to the Committee some of VTA's funding opportunities, if the bond passes. Mr. Evans cautioned that some programs, such as the Corridor Mobility Improvement Program has tight timelines and it is in VTA's best interest to think ahead about how these opportunities will be approached if the bond passes.

Upon inquiry of Chairperson Kniss, Mr. Evans responded that the most recent polling suggested that Proposition 1B is polling the strongest, compared to the other ballots, with an approval rate of 55 percent to 60 percent.

**On order of Chairperson Kniss, there being no objection,** the Committee received the State Transportation Infrastructure Bond Overview.

Member Chavez took her seat at 11:33 a.m.

**12. Update on Land-Use Planning Activities at the Proposed Berryessa BART Station**

Ms. Gonot stated that this in response to some of the concerns that CMPP Members raised at the last Committee meeting. Ms. Gonot advised the Committee that Mr. Miller is working with BART staff and City of San Jose staff is also present to answer any questions.

Mr. Miller stated that based on the correspondence since July 2002 until March 2006, the developers were proposing very small dwelling units per acre. However, VTA's Community Oriented Design Transportation (CDT) Manual recommends that an average residential density should be 75 dwelling units per acre and a minimum of 55 dwelling units within a third of a mile of a station area. Most recently the City of San Jose Planning and Transportation pressed the applicant for additional density, which increased the density from 30 to 35 per acre to 55 dwelling units per acre. Mr. Miller stated that VTA is still pushing for the 75 dwelling units per acre in the hopes of getting highest ridership with the highest density.

Another issue is the mixed-use as VTA's market study shows that there will be a need for some retail and office use for the area and VTA wants to see that for that particular site. Mr. Miller reported that VTA staff is meeting with the City of San Jose staff to coordinate master planning, be able to tie the station design with the master plan of the site, and work out the best strategy for phased parking. Mr. Miller stated that the City of San Jose has done a good job of increasing the density and is moving in the right direction.

Member Chavez inquired about the reason why developers want lower density. Mr. Miller responded that the developers want to build detached single family and townhouse dwellings, as it is more profitable for them.

Upon inquiry of Chairperson Kniss, Mr. Miller stated that of the 120 acres, approximately 32 acres will be developed. Mr. Miller added that there is a huge open space requirement in that area.

Mr. Miller noted the schedule, stating that the Environmental Impact Report will be released in the September to November 2006 timeline and the hearing will be scheduled for the first quarter of 2007.

Chairperson Kniss commented that there should be a balance in the community, particularly with new housing and schools.

Member Chavez noted the importance of partnering with the school districts.

Mr. Grace referred to Agenda Item #9 and inquired about the 522 and 22 bus services.

**On order of Chairperson Kniss**, there being no objection, the Committee received an update on Land-Use Planning Activities at the Proposed Berryessa BART Station was received.

**13. Transit Sustainability Policy**

Chris Augenstein, Transportation Planning Manager, stated that the Transit Sustainability Policy (TSP) is intended to help VTA improve system ridership and guide the implementation of new services. It is a critical component of the maintenance and expansion of VTA service in the future. Mr. Augenstein briefly discussed the efforts that lead to the TSP including the Ad Hoc Financial Stability Committee, Business Review Team, and Valley Transportation Plan (VTP) 2030. The overarching goal of the TSP is to produce a transit service that is well used, cost and operationally efficient, supported by local jurisdictions, and better meet market needs. The TSP is comprised of the service design guidelines and guiding policy framework. This will provide the mechanism to phase projects and create better projects over time. Mr. Augenstein stated that the development of the policy is currently paired with the Comprehensive Operational Analysis efforts. The work products will be presented to VTA Committees for review and comment periodically.

Member Kennedy inquired about what is being done to help improve cost recovery in the interim. Mr. Augenstein clarified that the TSP will be applied in the long-range planning efforts but noted that it will also be applied in the near-term plans such as the implementation of the Community Bus.

Member Kennedy stressed the importance of moving quickly to implement the improvements in place, such as the Community Bus.

Member Chavez expressed appreciation for staff's work and noted that the framework that they have worked through helped the Board. She noted the importance of having project evaluation criteria that promote balance between politics and equity in terms of sharing the resources throughout the County.

Mr. Augenstein stated that there will be a common set of criteria where everyone will be treated equally, and through it cities could understand their role, know how they can participate, and ensure that the service delivered to their city are effective.

Vice Chairperson Campos stressed the importance of having flexibility and noted her concern about the equity issue among cities in the County.

**On order of Chairperson Kniss**, there being no objection, the Committee reviewed the Transit Sustainability Policy.

**14. 2005-2006 VTA Passenger Survey**

**On order of Chairperson Kniss**, there being no objection, the Committee deferred the 2005-2006 VTA Passenger Survey.

**The Agenda was taken out of order.**

**16. Items of Concern and Referral to Administration**

There were no Items of Concern and Referral to Administration.

**17. Committee Work Plan**

**On order of Chairperson Kniss**, there being no objection, the Committee reviewed and accepted the Committee Work Plan.

**18. Committee Staff Report**

There was no Committee Staff Report.

**19. Chairperson's Report**

There was no Chairperson's Report.

**15. Committee Referral regarding Disparity Study Update**

Tom Smith, Purchasing and Materials Manager, provided background and noted that this in response to Member Chavez's request at the July 20, 2006 Committee of the Whole meeting. Mr. Smith stated that the Disparity Study is moving along and the seven transit agencies involved in the study agreed on the language of the Request for Proposal (RFP) and the Memorandum of Understanding (MOU) that outlines the roles of the various agencies in the procurement process. It is anticipated that the RFP will be advertised this month.

**On order of Chairperson Kniss**, there being no objection, the Committee received the report a report on the Committee Referral regarding Disparity Study Update.

**20. Determined Consent Agenda for August 31, 2006 Board of Directors Meeting**

**CONSENT: Agenda Item #8.,** Review the Proactive CMP Reviewed and Approved Projects Quarterly Status Report April through June 2006, and **Agenda Item #10.,** Approve the exemption of Congestion Management Program intersections undergoing construction from Level of Service (LOS) Monitoring during the 2006 monitoring period. Presently, these intersections are known to include: SR 87/Julian Street (San Jose), SR 87/Santa Clara Street (San Jose), I-880/Coleman Avenue Northbound (San Jose), I-880/Coleman Avenue Southbound (San Jose), Brokaw Road/Oakland Road (San Jose), and Montague Expressway/Oakland Road (San Jose).

**REGULAR: None**

**21. Announcements**

There were no Announcements.

**22. ADJOURNMENT**

**On order of Chairperson Kniss,** there being no objection, the meeting was adjourned at 12:04 p.m.

Respectfully submitted,

Elaine F. Baltao, Board Assistant  
VTA Board of Directors