



September 18, 2012

Vice Mayor Greg Scharff Members of the Palo Alto City Council 250 Hamilton Avenue Palo Alto, CA 94301

Re: 27 University Avenue

Dear Vice Mayor Scharff and Council Members:

John Arrillaga has proposed an intriguing project for property adjacent to the University Avenue CalTrain station in Palo Alto. It would include new office buildings and a performing arts theater to be utilized by the TheatreWorks Company. The property is owned by Stanford University. Although Stanford has not been involved in the development of the proposal, it supports the exploration of this concept among Mr. Arrillaga, TheatreWorks and the City of Palo Alto.

The University Avenue CalTrain station is a critical hub for local area transit services. Santa Clara County Valley Transportation Authority, SamTrans and Stanford's Marguerite shuttle buses all use and depend on the area around the station. Stanford believes the project area's transit needs -- both current and future -- must be creatively and effectively addressed in the site plan and project implementation, including planning for the future use of the Urban Lane area to support expected expansion for additional bus parking. Stanford, including its Parking and Transportation Services office, looks forward to participating in planning for those needs.

John Arrillaga is an extraordinary, generous philanthropist who has provided great benefits to the University, as well as other local community projects. Stanford is pleased that the City of Palo Alto will be giving this proposal its thoughtful and constructive consideration.

Very truly yours,

ean McCown

Director of Community Relations



September 20, 2012

The Honorable Greg Scharff Vice Mayor, City of Palo Alto 250 Hamilton Avenue Palo Alto, CA 94301

RE: Palo Alto Transit Center and Proposed 27 University Avenue Project

Dear Vice Mayor Scharff:

Earlier this year, the City of Palo Alto (City) staff engaged the Santa Clara Valley Transportation Authority (VTA) on exploring the design of a new transit center in Palo Alto that would be funded and constructed as part of a larger development project being proposed by Mr. John Arrillaga on Stanford University owned property. As we understand it, the project would construct new office buildings and a performing arts theater on property currently used by VTA, SamTrans and Stanford buses, including VTA's Palo Alto Transit Center.

Overall, VTA is supportive of the project concept as it provides an opportunity to improve multimodal transit connectivity as well as enhance pedestrian and bicycle access to downtown Palo Alto, Stanford University and the Stanford Medical Center. The proposed development presents an opportunity for a high transit usage given the wealth of available bus and rail options. VTA suggests the City explore the application of transit impact fees to the development given the expected significant impact on traffic and transit.

A replacement transit center is vital for VTA and SamTrans bus operations. Palo Alto is the northern and southern terminus of operations for our agencies, respectively. This hub is also Stanford's Marguerite Shuttle's busiest location and one of the highest ridership Caltrain stations. As such, the design needs to accommodate current and future needs for transit access and capacity. The proposed development, along with other area plans such as the Stanford Hospital expansion, will increase transit demand. VTA is also planning a Bus Rapid Transit line that will have its northern terminus at Palo Alto Transit Center.

While we have been encouraged by the planning efforts to date, there are many design and construction elements that need to be further developed to ensure safe, efficient bus circulation and operations, plus provide a high level of amenities for transit patrons. We support plan options that include the use of Urban Lane for bus layover and turn-arounds.

Of critical importance to both the City and VTA is resolution of the City's master lease with Stanford and our current sublease with the City of Palo Alto for the current transit center and depot site. Stanford and the City need to agree to an amendment of lease documents as soon as possible that recognizes the value of the transit center to Palo Alto and Stanford. Such an amendment must ensure VTA will have both an interim use of the existing transit center as well as permanent use of the relocated facility on economically viable terms for VTA.

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We look forward to more discussion on this exciting project. We will be scheduling time with City staff to present this project to the VTA Board of Directors, whose approval will be required for VTA to move forward with the parties. Thank you for considering our comments as the City Council proceeds with its review of this unique proposal.

Sincerely,

Michael T. Burns General Manager

Marked J. Sam

c: VTA Board of Directors
Palo Alto City Council
James Keene, City Manager

Jaime Rodriguez, Chief Transportation Official



CALMOD-1802-LTO-PAL-005

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City of Palo Alto 250 Hamilton Avenue Palo Alto, CA 94301

James Keene

City Manager

September 28, 2012

Re: Proposed 27 University Avenue Project at Palo Alto Caltrain Station

Dear Mr. Keene:

Over the last few months, the City of Palo Alto staff met with Peninsula Corridor Joint Powers Board (JPB) staff to discuss the 27 University Avenue project concept. Overall, we are supportive of the project concept as it is envisioned to result in higher utilization of the transit station area and higher transit usage. Transit-oriented development is necessary to support a robust transit system.

Moving forward, it will be important for staff to continue working closely together with the City of Palo Alto, SamTrans and the Santa Clara Valley Transportation Authority (VTA) in developing the project concept. All of the transportation agencies have particular interests and responsibilities in addressing Caltrain station access and circulation matters in Palo Alto.

Given the proposed project's impact on the existing transit center and its location adjacent to the Caltrain system, it will be critical to design the project in a way that balances the needs of the project with Caltrain modernization plans and safety, access and circulation functions associated with Caltrain and other transit feeder services.

We look forward to seeing progress on the development proposal and having further discussions with your staff. We appreciate the continued coordination throughout the development of this project concept and in pursuing improvements around the Caltrain stations.

Sincerely,

Marian Lee

Executive Officer, Caltrain Modernization Program

EC:

Steve Emslie, Palo Alto Jaime Rodriquez, Palo Alto John Ristow, VTA

Eric Harris, SamTrans