City of Palo Alto

COLLEAGUES MEMO

DATE: September 16, 2013

TO: City Council Members

FROM: Council Member Kniss, Price, Mayor Scharff, and Vice Mayor Shepherd,

SUBJECT: PALO ALTO TRAFFIC DEMAND MANAGEMENT PLAN

Recommendation: Direct staff to develop a comprehensive Transit Demand Management (TDM) plan for the California Ave and University Ave Downtown Districts and the Stanford Research Park with the goal of reducing solo car trips by at least 30% and return to the full Council for further policy direction prior to initiating CEQA review, soliciting contracts, or proposing new fees, ordinances or resolutions. If appropriate, the City Manager may wish to consider retaining a consultant to assist in the expeditious development of a rigorous TDM plan.

The TDM plan should:

1) Create a defined TDM boundary area for the University Avenue TDM District, the California Avenue TDM District and the Research Park TDM District;

2) Provide a funding mechanism for the TDM districts (such as, for example, assessments on existing businesses, impact fees on new developments, or a combination of both) that will fund a robust TDM plan with measurable outcomes based on identified goals;

3) Develop a request for proposals (RFP), based on identified goals to contract out ongoing TDM services which would include, but are not limited to, using revenue offsets for subsidizing public transit, parking strategies and management, carpooling incentives, biking, car sharing services, etc. for the purpose of reducing car trips into, out of and within Palo Alto, and supplementing existing services provided by Caltrain, SamTrans, VTA, Margarite Shuttles, AC transit and links to surrounding transit systems such as Bart, ACE and the Capital Corridor express;

4) Outreach to Stanford's TDM director for the purpose of collaboration and integration of services;

5) Develop tools to monitor, evaluate and measure utilization of the various TDM elements and progress towards the overall goal of reducing solo car trips throughout the city. Enforcement could include penalties for applicants not meeting approved TDM criteria.

6) Return to full City Council for discussion and approval.

Background: Parking and traffic are one of the toughest challenges facing the City at this time and a major concern for our residents. The twin challenges of parking and traffic are being dealt with in a multi-pronged approach. The infrastructure committee is working on using a funding mechanism such as a Mello Roos district to create new parking garages both downtown and on California Ave. The City Manager advises that staff is developing a framework for a Comprehensive Residential Parking Permit system for Council to consider in the next 90 days to deal with the substantial issues of parking intrusion into our neighborhoods. In the next 45 days, staff will also bring to Council proposals to suspend parking exceptions so that new developments provide an appropriate amount of parking spaces.

However, a Residential Permit Parking program, new parking garages and requiring new developments to be parked appropriately will not alone solve the issues of parking and traffic. The City needs a comprehensive TDM program that will reduce trips by at least 30%. Stanford has reduced trips by 40% or more through a comprehensive TDM program, and with the right focus and attention Palo Alto could have similar results.

Comprehensive TDM ordinances and policies cover a range of areas and use various types of management models in the public and private sectors. Over the past 30 years, numerous cities, counties and states have successfully developed comprehensive TDM programs specifically designed to reduce single occupant vehicle trips. During that period, a number of TDM specialists and consultants have prepared plans for both the public and private sectors. In general, the key elements of these comprehensive TDM programs focus on reducing use and reliance on single-occupant vehicles through a combination of regulation, incentives and demand pricing. Ultimate solutions have included transportation options (walking, biking, pedestrian, transit), promotion of the use of alternative transportation modes and parking management/pricing.

The key elements of a TDM program should focus on reducing use and reliance on single-occupant vehicles through the promotion of various strategies such as improving transportation options (walking, biking, transit); promotion of alternative transportation modes (ridesharing, vanpools, shuttles), parking management of various types and mass transportation (i.e Caltrain, BART, etc.).

Palo Alto now finds itself experiencing significant economic development and prosperity. Although the City has existing Municipal Code provisions that address TDM measures, they are not comprehensive, mandatory or current in nature or consider these districts as a unit. Furthermore, the Municipal Code includes several “by right” parking reductions for new commercial buildings. These provisions, in combination with nearby, unrestricted (free) residential neighborhood parking, have encouraged the use of single-occupant vehicles, while affecting the quality of life in residential neighborhoods. Finally, the workplace itself has changed. The tech and start-up industry have abandoned cubicles and offices in exchange for collaborative rooms that hold more people per square foot. For these and many other reasons traffic and parking demands are currently unmanageable, and a comprehensive, district-wide TDM program needs to emerge in our jobs intensive areas.

In August, Vice Mayor Shepherd, Councilmembers Price and Kniss, and Interim Planning Director Aaron Aknin, took a field trip to the Contra Costa Transit Center to see firsthand how its TDM program has successfully reduced single car trips by more than 30%. The program emerged as BART ridership expanded in the 1980s and large and small companies brought jobs into the area. Palo Alto could have a similar experience as both Contra Costa and Stanford have shown with the right TDM policies and focus in place.

The Contra Costa Transit Center offers on-site services for commuters employed by companies of anywhere from 2 to 1,000 employees. The Center's initial capital came from new commercial development of 50 cents per square foot, grants, and now a voluntary transit district assessment. BART fare subsidies, gas cards and special parking for carpools are examples of their TDM strategies. Car share services are available for mid-day errands or emergency trips home, and a contract with the local taxi company gives the commuter vouchers for final leg journeys if needed. This is all being done in conjunction with a mandatory TDM ordinance that applies to this entire district, thereby creating the regulation that is necessary to create the critical mass of employers participating in the program. This approach actually created a Transportation Management Agency (TMA) to manage these programs. Palo Alto's review of TDM options should consider a TMA and also explore ways to capture funding and participation related to existing development and existing traffic, in addition to new projects.

One emerging trend in terms of demographics is that young adults are choosing not to own a car if there are viable alternative transportation options. A significant percentage of young workers want to live in San Francisco and commute via Caltrain to work in Palo Alto As this trend matures, commute options into, out of and within Palo Alto also need to reflect what is called a "shared economy" where people borrow, rent or pay for the short time use of vehicles and equipment. A TDM program could support and encourage this new trend.

Conclusion: Alternative transportation models are not a new idea in Palo Alto. Many of our policy documents have identified the importance of alternative modes as a means of reducing greenhouse gas reductions. The City, employers and transit agencies have already promoted trip reduction and alternative transportation options. Yet, these initiatives are not comprehensive in nature, and have not been effective from a district wide standpoint. The idea of considering downtown districts as a unit, with an experienced TDM contractor, working directly with employers and commuters is a smart, and proven strategy to address the City's traffic and parking issues.

Staff Impact: The implementation of this program will take a considerable amount of staff time in the short term during the RFP and consultant selection process. In addition, an ongoing connection with the TDM contractor will be necessary, and take additional staff time. To some extent, however, this will be offset in the long run. As the more comprehensive strategy takes effect, staff will not have to tackle individual issues to the same degree. A new position in the department, Parking Manager, will soon be hired and will provide needed support in the above mention efforts, under the direction of the Chief Transportation Official.