



City of Palo Alto

City Council Staff Report

(ID # 6587)

Report Type: Action Items

Meeting Date: 2/8/2016

Summary Title: Envision Silicon Valley Position Advocacy

Title: Envision Silicon Valley County Sales Tax Measure: North County and West Valley Cities Position Advocacy

From: City Manager

Lead Department: Planning and Community Environment

Recommendation

Staff recommends that the City Council:

- 1) Approve advocacy direction to City representatives regarding the proposed Santa Clara County sales tax, including general funding levels within expenditure categories, as developed in coordination with other North County and West Valley cities.
- 2) Authorize the City Manager to engage with VTA and other stakeholders and refine the City's position and maintain consensus with other cities while supporting maximum regional funding for rail grade separations and non-automobile transportation improvements.

Background

The Santa Clara County Valley Transportation Authority (VTA) is actively discussing the possibility of placing a countywide transportation sales tax measure on the November 2016 ballot. This tax measure would be focused on enhancing public transportation systems such as BART and Caltrain, improving pavement maintenance, highways, and expressways, and improving active transportation alternatives for bicyclists and pedestrians.

Historically, countywide transportation sales tax measures in California have often employed a strategy of combining a list of specific, major regional projects to be funded with separate program categories within which smaller-scale projects (such as street repaving or Transportation Demand Management) would be subsequently identified and funded. Projects of significant local importance (such as Caltrain grade separations) could also come from a crossover category in which the tax measure designates a funding level and specific projects are subsequently selected based on certain criteria.

VTA has undertaken “Envision Silicon Valley,” a campaign aimed at engaging community leaders in discussion of current and future transportation needs, identifying solutions and developing funding priorities. Projects identified would be carried forward into the Valley Transportation Plan (VTP) 2040 and the Association of Bay Area Governments (ABAG) Plan Bay Area documents.

The proposed transportation sales tax measure would provide a county-level source of transportation funds to supplement regional, state, and federal funds along with direct funding from local agencies.

In August, the County of Santa Clara, cities, and transit agencies submitted projects for consideration as part of the VTP 2040 process. An estimated \$40 billion in projects and programs were submitted for an estimated \$20 billion in potential funding (including future grant funds as well as the sales tax funding).

On August 17, 2015, the City Council provided direction regarding the City’s response to VTA’s “call for projects” for VTP 2040. As this list of projects is the basis for discussion of a 2016 countywide transportation sales tax, the City Council adopted the following priorities:

- 1) Dedicated funding for Caltrain grade separations in Palo Alto or North Santa Clara County and other Caltrain capacity improvements;
- 2) Bicycle and pedestrian improvements;
- 3) Better first and last mile service particularly in North Santa Clara County; and,
- 4) Support transportation management associations and other transportation demand management measures.

In addition, the August 17th staff report suggested that the following principles could be used to guide future discussions and advocacy around the sales tax measure:

- Ensure that Caltrain is provided with sufficient funds to meet their current and future capacity needs including longer trains, station and platform enhancements, and money for grade separations;
- Provide funding for first and last mile transit connections using advanced technology and public/private partnership strategies with specific funding discretion given to cities;
- There should be a focus on safety improvements, alternatives to single-occupancy vehicle trips, and adequate maintenance of existing transportation infrastructure;
- Any roadway expansion should prioritize high occupancy vehicle (HOV) lanes;
- Any operational street improvements should help plans for Complete Streets;
- Program and project funding should have flexibility to meet changing needs but not jeopardize key, identified funding categories such as Caltrain improvements; and

- Priority should be given to projects resulting from collaboration among neighboring communities.

On October 13, 2015, the City Council provided further direction regarding the 2016 ballot measure. At this meeting, Council directed Staff to:

- 1) Advocate for and support putting in the Countywide funding measure, funding for countywide Caltrain grade separation in the order of 15 percent separate from and in addition to the funding already requested by Caltrain for other Caltrain improvements and engage with Caltrain to determine what specific needs they have for the prospective County tax measure and return to Council with this information; and
- 2) Check in with Council when the Measure starts to take shape.

At the January 27, 2016 City Council Rail Committee meeting the Committee recommended on a 4-0 vote that Council discuss and approve a letter from the City of Palo Alto to the VTA expressing the City's position on funding allocations.

Table 1 below outlines a proposed funding allocation that is reflective of exactly what, or close to what, several North County and West Valley cities have agreed in principle to advocate for. The Rail Committee did not make a specific recommendation for Council consideration regarding the proposed funding allocation outlined in Table 1 below, but did discuss that the Council should make a specific recommendation.

The Rail Committee recommended that Council consider such factors as:

- 1) This proposed advocacy position would be an initial starting point for negotiations;
- 2) While at least one Rail Committee member expressed some concern with the specific numbers in Table 1, others pointed out that modifying this proposed advocacy position without consulting with the other North County and West Valley cities could reduce the influence of the group;
- 3) Expressway congestion can be addressed through traffic relief programs not just expressway expansion;
- 4) Should the City support the tax measure if bus rapid transit is not officially taken out of consideration;
- 5) Communication of the value of Caltrain in a multiple ways, not just fare-box recovery is important.

Discussion

VTA staff is currently discussing funding concepts, and it is expected that an initial proposal for the tax measure will be developed by VTA in early 2016. Based on discussions among stakeholders, it appears at this time that the following projects and programs are likely to be considered for the tax measure (likely a 30-year, 1/2 cent sales tax that would generate about \$6 billion over the life of the tax measure):

- 1) The BART Phase 2 extension to San Jose (and possibly to Santa Clara);
- 2) Increased capacity for Caltrain including longer trains, station and platform enhancements, and money for grade separations;
- 3) Expressway improvements based on the current County Expressway Plan with priorities including upgrades to the Lawrence and Page Mill Expressways;
- 4) Key freeway improvement projects including express lanes and interchange upgrades such as the San Antonio/U.S. 101 interchange;
- 5) Local street and road pavement maintenance allocations with a possible provision to un-encumber local funds if an adequate pavement maintenance level is achieved;
- 6) Transportation improvements for bicyclists and pedestrians; and
- 7) Transit service improvements for seniors and people with disabilities.

Public and agency review regarding the proposed sales tax measure is expected to begin in February, with final adoption of the measure by August. The Envision Silicon Valley process will include formal review of the proposed measure by the following VTA boards and committees:

- 1) The VTA Board and Envision Silicon Valley Ad-Hoc Committee (Los Altos Mayor Jeannie Bruins represents the North County cities and Campbell Mayor Jason Baker represents West Valley cities);
- 2) The VTA Policy Advisory Committee (Councilmember Liz Kniss represents Palo Alto);
- 3) The VTA Technical Advisory Committee (Planning & Community Environment staff represents Palo Alto);
- 4) Envision Silicon Valley stakeholder committees, including community interest groups and transportation advocacy groups such as the Palo Alto Chamber of Commerce and Stanford University.

Additionally, potential advocacy for the composition of the measure could come from key employers (individually or through the Silicon Valley Leadership Group), community and environmental groups, and/or a possible coalition of North County cities.

On January 8, 2016, Mayor Burt, City Manager Keene and staff attended a meeting of representatives from several North County and West Valley cities. At this meeting, a conceptual allocation of county sales tax funding levels and expenditure categories was discussed. This concept was developed from various discussions among agency representatives, elected officials, actions taken by governing bodies, and VTA meetings.

After discussion and some edits to the working draft, consensus was reached that each city representative should return to his or her City Council and request approval to advocate for this conceptual funding allocation. The intent is to solidify the collective cities' position and more effectively advocate for specific funding levels and uses as the sales tax measure moves forward. VTA is expected to begin to finalize the county sales tax funding levels, expenditure categories and projects in February 2016.

The recommended advocacy position is as follows:

Table 1

Expenditure Category	Proposed Allocation	
	Millions of Dollars	Approximate Percentage
BART to San Jose	\$1,200	20%
Caltrain Improvements	\$400	7%
Railroad Grade Separation Program	\$900	15%
Congestion Relief/Transit/Mode Shift	\$500	8%
Expressways	\$1,000	17%
Streets and Highways	\$500	8%
Local Streets and Roads (formula program with flexibility to focus on maintenance or local needs)	\$1,000	17%
Bicycle/Pedestrian	\$500	8%

Source: North County/West Valley Cities Meeting, January 8, 2016

It should be noted that the categories above are conceptual, in that specific definitions and funding criteria have not been proposed. Solidifying advocacy around this concept would nonetheless establish a more formidable position when supported by multiple cities.

The intent of the BART to San Jose expenditure category is to fund the BART extension to downtown San Jose from the new Berryessa Station. The Caltrain Improvements category is intended to supplement the funding for the Caltrain electrification and modernization project

and improve the stations and rolling stock, while the Railroad Grade Separation Program category would fund a new countywide program to advance rail grade separations based on a quantitative need-based prioritization. The Congestion Relief/Transit/Mode Shift category is intended to address current county travel patterns and encourage mode shift from single-occupant vehicles. Improvements to the Santa Clara County expressway system would be funded through the Expressways expenditure category, while projects along other regionally-significant roadways would be included in the Streets and Highways category. The Local Streets and Roads funding would be distributed using a formula and would be available to maintain and repair municipal streets. In jurisdictions with high pavement management index scores (i.e. Palo Alto), this funding could be flexed to other local transportation projects. The Bicycle/Pedestrian category would be dedicated to regional and local bicycle and pedestrian improvements, including, but not limited to, bikeways, sidewalks, and roadway crossings.

Timeline & Resource Impact

If Council elects to support the recommendations, Staff will use existing resources to advocate for the proposed funding levels and expenditure categories over the next eight months. No impact to resources is anticipated.

Environmental Review

This agenda item provides an opportunity for Council discussion and direction to staff on major transportation policy issues, however, it is not a “project” requiring review under CEQA.

Attachments:

- Attachment A: Rail Committee Staff Report of January 27, 2016 (PDF)



City of Palo Alto

City Council Rail Committee Staff Report

(ID # 6542)

Report Type: Agenda Items**Meeting Date: 1/27/2016****Summary Title: Envision Silicon Valley Position Advocacy****Title: Envision Silicon Valley County Sales Tax Measure: North County and West Valley Cities Position Advocacy****From: City Manager****Lead Department: Planning and Community Environment****Recommendation**

Staff recommends that the Rail Committee forward a recommendation to the City Council that the City Council:

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