



# City of Sunnyvale

## Agenda Item

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**15-0934****Agenda Date: 12/1/2015**

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### **REPORT TO COUNCIL**

#### **SUBJECT**

New Transportation Demand Management (TDM) Program Guidelines (Information Only)

#### **BACKGROUND**

Transportation Demand Management, or TDM, is the general term for a combination of strategies that strive to decrease the use of single occupant vehicle (SOV) travel and encourage people to use transit, walk, bike, and carpool. TDM emphasizes the movement of people rather than motor vehicles, and gives priority to other transportation modes in an effort to provide transportation options and reduce congestion. TDM strategies can include:

- Bike Parking
- Showers
- Transit Passes
- Carpool Parking
- Park and Ride Facilities
- Car Sharing
- Shuttles
- Vanpools
- Alternative Working Hours

The City has been utilizing TDM programs for a number of years. In 1999 the City developed a TDM Tool Kit as guidance to assist developers in the City of Sunnyvale to prepare, implement, and monitor the success of TDM plans and programs. As part of development approvals, the City has required TDM plans in an effort to reduce SOV trips and decrease congestion. The reduction of SOV trips as part of a TDM plan is usually referred to as a TDM trip reduction. Two examples of TDM plans and required trip reductions in the City are the requirements of the Moffett Park Specific Plan and the recently approved Landbank Development.

As regional growth and development has continued, the need for TDM programs has become even more important. As part of discussions with Council, staff had communicated that the City was in the process of updating its TDM guidelines, and staff would provide additional information once completed. This report provides the details of the new guidelines.

#### **DISCUSSION**

In an effort to achieve consistency as part of all new development, staff has prepared guidelines for the development of TDM programs, monitoring procedures to determine level of success, and penalty fees if the TDM reductions are not achieved. These are further described as part of Attachment 1 (Transportation Demand Management Program Guidelines), and summarized within

this report. It must be noted that this staff operational document will be modified as needed if efficiencies or enhancements are identified as new TDM plans are developed. In addition, previously approved TDM plans will continue to meet the requirements established at their time of approval. However, if applicable and if it does not conflict with the approved plan, the monitoring and non-compliance fees will follow the new guidelines.

#### TDM Process and Requirements

Although the City has a history of requiring and implementing TDM plans, as part of these new guidelines, staff has developed a specific process and requirements for new TDM submittals. This will help provide clear direction to developers and help standardize TDM plans to allow for better management by staff. In summary, the TDM plan will be required to include all appropriate development project information, the required TDM trip reduction, proposed TDM measures, TDM program implementation, and monitoring and evaluation discussion.

#### Non-Compliance Penalty

The City's goal is to encourage developers to reach the required TDM trip reduction, however if the goal is not met, non-compliance penalties will be assessed. To determine the level of penalty and the calculation procedure, staff reviewed what other jurisdictions have implemented and analyzed the dollar value of TDM reductions per approved industry standards. While staff did not find an example that met all of the City's requirements, information in other City's programs did help craft the City's process. In general the City's process and fees are based on the following criteria:

- The penalties are based on the average cost to implement a TDM program and correlation to reduction of trips.
- The penalties are intended to encourage compliance. It is not the City's preference to collect penalties, but to encourage developers to reach their TDM goals. As such, the penalties have a sliding scale, and the closer you get to reaching the TDM requirement, the cost per trip penalty is reduced. This provides a financial incentive to ensure developers meet their goal or come as close as possible.
- There is a maximum penalty based on project size. The key reason for this is to ensure that the level of penalty is in line with the size of the project and that it is a reasonable penalty considering it can be collected on a yearly basis.

Staff has not determined the level of effort required to manage the TDM program and monitoring. As the program develops and gets implemented, staff will determine if it can be incorporated into current workload, or if additional staff will be required. Staff would propose that any penalty collected as part of this process be used towards funding for staff to support the TDM program and the implementation of multimodal and complete streets improvements or programs; however the Council will have the opportunity to make the final determination as part of the budget process. In May of 2016, staff will bring to Council an ordinance and resolution to adopt the penalties.

#### Program Monitoring

Currently TDM monitoring is typically completed through survey work by the property owners, and reviewed by the City. The new process will require that developers fund driveway counts (managed by the City) to determine if they have achieved the TDM goals. Property owners or tenants will be required to complete a report, using the counts provided by the City, by December 31<sup>st</sup> of each year after TDM plan implementation per the TDM Program. The reports will include all relevant project

information, the count summary, and compliance discussion. If the project has not met its goals, they will receive a one-time six-month grace period to make the appropriate modifications to their TDM program. This grace period is only a one-time opportunity for each development and would only be available to property owners and tenants for the first monitoring period of their TDM program.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

Staff held an outreach meeting with developers on November 4, 2015 and with the Moffett Park Business Group on November 9, 2015.

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Reviewed by: Trudi Ryan, Director of Community Development

Reviewed by: Kent Steffens, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENT**

1. Transportation Demand Management Program Guidelines.



## **DIVISION OF TRANSPORTATION AND TRAFFIC**

### **Transportation Demand Management (TDM) Program Guidelines**

#### What is a TDM Program?

A TDM is the incorporation of a variety of incentives, services, and actions that influence the reduction of automobile trips in order to provide additional relief from congestion, parking and air quality impacts.

#### TDM Process

1. Identify development requiring a TDM, per Community Development Department
2. Include TDM requirements in Conditions of Approval (COA)
3. Owner submits draft TDM Plan
4. City reviews each draft of TDM Plan (owner shall allow a minimum of three weeks for review of each draft TDM Plan)
5. When the final TDM Plan is accepted, the program shall be implemented per requirements in this document. Upon acceptance the TDM program shall be implemented per City requirements.
6. TDM plan must be accepted by the City before building permits are issued.
7. Upon implementation of the program per requirements outlined in this document, the owner shall contact the City in writing to identify the designated TDM Coordinator, their contact information, occupancy date, and implementation date of the TDM plan. Such notification shall be sent to the City TDM Program (see page 5)

#### TDM Requirements

*TDM goals* – TDM are intended to reduce automobile trips in order to provide additional relief from congestion, parking and air quality impacts. Therefore, TDM plans are required to set trip reduction goals. Trip reduction goals are outlined in the project conditions of approval.

*Plan submittals* – The owner shall submit three (3) hard copies and one (1) electronic copy (PDF) of each of the draft TDMs, and three (3) hard copies and one (1) electronic copy (PDF) of the final TDM (the equivalent shall be submitted of any revised final plans required by the City). Electronic copies shall be submitted to the City's project planner, while hard copies can be mailed or delivered to the City's TDM Program. The review timeline will not begin until all copies of the plan are received.

*Program implementation* – TDM programs shall be implemented as follows:

- a) Developments where the TDM plan is identified as a mitigation measure shall have full implementation of the program within a month of initial occupancy.

- b) Other developments where TDM plans are required, shall have a complete and active TDM program in place upon 75% occupancy

*Monitoring* – The TDM Coordinators shall produce annual reports to the City. Additional monitoring and reporting requirements are noted in the Program Monitoring Procedures section below. The owner shall notify the City TDM Program Manager upon occupancy per requirements outlined in the “*Program Implementation*” subsection of this document. Driveway counts and staff review time as a way of monitoring trips are managed by the City, but funded by the owner.

*TDM Coordinator* – The owner is required to have a TDM Coordinator. The TDM Coordinator shall be responsible for implementing the TDM Plan and shall be the primary contact with the City. It shall be the owner’s responsibility to notify the City if the TDM Coordinator or their contact information changes; the TDM Coordinator’s name, mailing address, email address, and phone number shall always be kept up to date with the City’s TDM Program Manager. TDM Coordinator changes shall be reported to the City in writing to the City TDM Program Manager.

### TDM Plans

The owner shall use the City of Sunnyvale Transportation Demand Management Tool Kit (<http://www.pmcworld.com/client/sunnyvale/documents/4-11-11/TDM-Tool-Kit.pdf>) as guidance in preparation of the TDM plan. The plan shall include, but is not limited, to the items listed below. The plan shall be formatted in this order. Additional information, sections, or appendices can be added following the required content in their corresponding sections. Sections or information that is not applicable or feasible for the specific project shall be noted as such.

1. Cover Page
  - a. Site address
  - b. Owner name & address
  - c. Preparer consultant name, address, phone number
  - d. Submittal date
  - e. Final draft shall include file number issued with draft TDM comments from the City.
2. Table of Contents
3. Introduction and project description
  - a. Land use description
  - b. Trip reduction goals
  - c. Site plan (letter-size)
  - d. Area map (letter-size)
4. Trip Reduction Program and Mitigation Measures
5. Planning and Design Measures
  - a. Transit Service
  - b. Bicycle and Pedestrian Access
  - c. Parking Management
  - d. Project Amenities
  - e. Exhibit highlighting TDM plan elements on the project site plan
6. Other TDM programs and measures
7. Implementation Mechanism
8. Monitoring & Evaluation
  - a. Preliminary Schedule (to include expected construction completion and anticipated 75 percent occupancy)

- b. Acknowledgement that the City will administer annual driveway trip counts beginning at 75 percent occupancy. All costs associated with the counts and monitoring review will be paid for by the owner; the City will invoice the owner prior to the completion of the counts.
  - c. Acknowledgement of non-compliance penalties per most up-to-date City TDM Program. Penalties are subject to change.
9. TDM Coordinator Contact Information
10. Appendix
- a. Appendix A: Plan Summary (see Attachment 1 of this document for format of summary sheet that shall be included as part of this Appendix)
  - b. Appendix B: Copy of project Conditions of Approval pertaining to TDM

### Non-compliance Penalty

Non-compliance penalties will be determined by level of deficiency of the program. A \$3,000.00 per trip penalty will be used for the penalty calculation and may be assessed annually based on annual AM and PM peak hour trip counts. The penalty is based on 2015 dollars and will be increased by Engineering News Record (ENR) Bay Area Construction Cost Index every December starting December of 2016.

### Calculation Detail

- Compliance determination will be based on maximum allowable AM and PM peak hour trips as identified in the conditions of approval
- Both AM and PM peak hour trips will be surveyed; the penalty is based on the highest deficiency of the two
- Reduction factors
  - Achieve a 0%-9.9% reduction - Pay full penalty (\$3,000 per trip)
  - Achieve a 10%-19.9% reduction - Pay 75 % penalty (\$2,250 per trip)
  - Achieve 20%-29.9% reduction - Pay 50% penalty (\$1,500 per trip)
  - Achieve 30% or more - Pay 25% of penalty (\$750 per trip)

### Penalty Maximum

- All maximums are based on 2015 dollars. The amount will be increased by ENR Cost Index every December starting December of 2016.

Project Size	Maximum Annual Penalty
Less than 500,000 SF	\$300,000
500,000 SF to 1,000,000 SF	\$500,000
Greater than 1,000,000 SF	\$700,000

### Example 1:

- Project Size (P) = 425,000 SF
- Expected AM Trips = 400
- Expected PM Trips = 350
- AM/PM Trip reduction goal = 30%
- Maximum Allowable AM Trips = 280
- Maximum Allowable PM Trips = 245
- Actual AM Trips = 324
- Actual PM Trips = 213
- AM Reduction =  $400 - 324 = 76$  (19%)
- PM Reduction =  $350 - 213 = 137$  (39%)

### Example 2:

- Project Size (P) = 1,264,135 SF
- Expected AM Trips = 2390
- Expected PM Trips = 3219
- AM/PM Trip reduction goal = 30%
- Maximum Allowable AM Trips = 1673
- Maximum Allowable PM Trips = 2253
- Actual AM Trips = 2175
- Actual PM Trips = 1931
- AM Reduction =  $2390 - 2175 = 215$  (9%)
- PM Reduction =  $3219 - 1931 = 1288$

<ul style="list-style-type: none"> <li>○ Highest Deficiency = AM Trips, 44 trips deficient of goal</li> <li>○ Per trip penalty = \$2,250</li> <li>○ Total penalty = \$99,000 for cycle year</li> </ul>	<ul style="list-style-type: none"> <li>(40%)</li> <li>○ Highest Deficiency = AM Trips, 502 trips deficient of goal</li> <li>○ Per trip penalty = \$3,000</li> <li>○ Total penalty = \$700,000 (maximum penalty)</li> </ul>
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Penalties are subject to change at the City's discretion.

### Program Monitoring Procedures

The City will be processing status reports on an annual basis. In advance of the monitoring cycle, the City will send out invoices to owners, via the designated TDM Coordinator(s). The invoices will be for costs associated with driveway counts and associated staff time. Payment of the invoices will be due approximately thirty (30) days from the invoice date. Upon receipt of payment, the City will schedule the driveway counts and upon completion of the counts, the data will be provided to the owner to complete to report. The annual status report will be due to the City the every year on December 31<sup>st</sup>, unless otherwise specified by the City's TDM Program Manager.

Developments that are compliant with goals will continue with annual monitoring as scheduled. Developments that are not compliant with goals will be re-invoiced for follow-up driveway counts. This will result in a six-month grace period and give developments the opportunity reach TDM trip reduction goals before incurring penalties. This grace period is only applicable to the first annual reporting following occupancy. Following this grace period, all non-compliant driveway counts will incur penalty hereafter.

While driveway counts will be done by the City, owners should conduct annual or semi-annual employee surveys to measure the effectiveness of the TDM program. The owner should conduct a survey before the TDM is implemented to establish a baseline.

### Status reports

Status reports are due to the City on an annual basis and shall be submitted by the owner per the TDM monitoring procedures. The status report shall include, but is not limited to the items listed below.

1. Cover Page
  - a. Site address
  - b. Owner name & address
  - c. Preparer consultant name, address, phone number
  - d. Submittal date
  - e. File number
2. Driveway count summary
3. Development description
  - a. Owner(s) and owner(s) description
  - b. Owner occupancy dates
  - c. Site plan
  - d. Area map
4. List of TDM measures or programs currently in place
5. Summary of employee surveys conducted

6. Note compliance or non-compliance with goals. If non-compliant, note planned improvements in order to meet goals for next reporting cycle.
7. Latest TDM Coordinator Contact Information
8. Appendix
  - a. Appendix A: Plan Summary (see Attachment 1 of this document for format of summary sheet that shall be included as part of this Appendix)
  - b. Appendix B: Additional information on employee surveys conducted

City TDM Program Contact Information

Mailing Address: City of Sunnyvale  
Transportation Demand Program Manager  
456 W. Olive Avenue  
Sunnyvale, CA 94086

Phone Number: (408) 730-7415



**Attachment 1: Required Summary Sheet**

Site Address:	
Floor Area (square feet):	
Site Area (square feet):	
Land Use:	
TDM required as a mitigation measure (yes/no)?	
Owner(s) if known:	
List current TDM measures:	

Trip Generation Table

	Code <sup>1</sup>	Land Use Description <sup>1</sup>	Units	Unit Type <sup>2</sup>	AM Trips	PM Trips
Project use – 1						
Project use – 2 <sup>3</sup>						
Project use – 3 <sup>3</sup>						
Total						
Reduction Goal %						
Not to exceed trips						
Actual trips <sup>4</sup>						
Trip deficiency(-)/exceeding goal(+)						

## Notes:

1. All trip generation calculations shall be done per the latest version of the ITE Trip Generation Manual at the time of project approval. The edition applicable to this project is \_\_\_\_\_.
2. Unit type per ITE Trip Generation Manual (e.g. dwellings, occupied rooms, KSF)
3. Only applicable for multi-use projects.
4. Only applicable for annual reporting per driveway counts administered by the City.