

From: VTA Board Secretary <Board.Secretary@vta.org>
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VTA Daily News Coverage for Monday, October 21, 2019

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City-funded Shuttle Plan fails to pass committee, other options explored (The Milpitas Beat)

The Milpitas City Council Tuesday (10/8) rejected a plan from the city manager's office to provide residents with a shuttle service centered around the city's soon-to-open BART station.

The shuttle looked to serve workers and residents around Cisco, KLA, Flex, Nanosys, Kaiser Permanente, VTA stops, and the Milpitas Unified School District. The city manager's office estimated that potential riders could have paid up to \$4 per ride.

Mayor Rich Tran and Councilmembers Carmen Montano, Bob Nuñez, and Anthony Phan were on hand at Tuesday's study session to hear city staff's presentation on the matter, led by Assistant City Manager Ashwini Kankat.

The council praised the idea's framework, but was bearish on its actual implementation, and how it would compete with the VTA. In the end, none of them felt confident enough to move forward with it. "It costs way too much and doesn't serve a purpose once you overlay VTA's routes over it," opined Nuñez. "I don't know what problem we're trying to solve."

The main sticking point in the rejection was the project's cost. Had the most comprehensive shuttle plan and routes been approved, city estimates placed the price tag at almost \$2.78 million for a two-year pilot program. In contrast, a similar subsidy for Cupertino's shuttle program costs taxpayers only \$1.16 million, according to a city memo.

With no clear source of funding and no solid numbers as to who would be utilizing the shuttle the most, and facing the likelihood of Milpitanians footing some of the bill, Tran urged city leaders to halt the proposal.

The proposal comes on the heels of similar initiatives proposed in the South Bay. In early February, rumors swirled about a potential self-driving shuttle partnership between the City of San Jose and entrepreneur Elon Musk's Boring Company, which would connect Diridon Station with San Jose International Airport.

Other already-implemented shuttle programs across the Bay Area look to big company names to foot the bill. In Mountain View, tech giant Google partners with the city to offer their free shuttle service on Google's dime. In San Leandro, a nonprofit undertakes their program's financials.

"I would love to have a shuttle if it was funded by private businesses or grants or other sources rather than our own residents and taxpayers," said Tran. "I think a lot of residents would be alarmed that it didn't serve them or their neighborhood."

Councilmembers were also concerned that riders would mostly consist of people who only worked in Milpitas. The heavy amount of tech companies on the shuttle's route, argued the council, would shut out actual residents of the city.

"It's a good idea," said Tran. "But from the looks of it, this shuttle isn't for Milpitanians. It looks like this is for out-of-towners coming in."

"That's not looking good for Milpitas," he added.

Had the proposal moved forward with all three routes approved, Kantak estimated the program would have begun in April, 2020, at the earliest. Councilmembers did, however, stop short of completely discouraging further research on the idea...

Toward the end of the meeting, Tran floated the idea of a shuttle system for Milpitas schoolchildren instead. He asked city staff to look into the possibility of redirecting the study to see if a shuttle could instead pick up students from locations within the city and drop them off at different schools.

City staff said they would take the proposal into consideration for a future date.

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After months of dispute, Caltrans and San Jose reach agreement on tiny homes (San Jose Spotlight)

A longstanding battle between Caltrans and San Jose has had Mayor Sam Liccardo wrought up, as he continues to fight for tiny homes on the state agency's vacant property.

Nearly a year after the City Council approved the tiny homes for homeless residents on the agency's land, challenges with lease negotiations and legal disputes stalled the construction of the 40 tiny homes the city wants to build right next to Highway 101 off Felipe Ave.

In a memo last month, the mayor expressed frustration with Caltrans over a "logjam" with building the tiny homes, resulting from stalled negotiations.

"The implementation of this critically-needed program has been stalled over negotiations with landowners in each case, VTA and Caltrans," wrote Liccardo in his Sept. 24 memo. "Staff must more clearly communicate to the mayor and council the nature and source of the problem so that more robust action can be taken to resolve this logjam."

No movement had been made to start the construction of tiny homes on Caltrans' land since the bridge housing community was approved by the City Council in Feb. 2018 and litigation seemed unavoidable. Liccardo threatened in his memo that the agency could be violating SB 519, which allows cities to lease up to 10 unused Caltrans parcels for homeless housing for \$1 per month.

But as of two days ago, Liccardo confirmed the city and Caltrans have made a deal and lawyers from both sides have "backed off."

"Negotiating has been challenging all around, in part because we are taking land that was never designated for human habitation," Liccardo told San José Spotlight on Friday. "We're hoping we have paved the path to go much faster on future tiny home developments and other developments that we're going to need. Obviously it's taken far longer than I or anyone else would have preferred, but I hope that by going slow now we'll be going a lot faster as we're identifying other sites."

The Caltrans site is one of two under development in the city, alongside a tiny homes project on a VTA parcel. A third potential site was eliminated last year in March as the result of a land swap with Santa Clara County, according to housing officials.

The dispute over tiny homes on Caltrans' land is the latest in a long saga of disputes between the city and its statewide partners. The agencies have butted heads over land leases, such as the tiny homes community, as well as responsibilities for cleaning blight and trash from the agency's land.

Another source of frustration for Liccardo: Caltrans insisted the city set aside \$15 million for liability insurance on the site. But, as the mayor pointed out, the city is self-insured and refused to create a separate fund to cover liability, as the project's costs would soar through the roof. Still, Liccardo is

hopeful the first-of-its-kind experience with the agency will provide “a template” for future developments, as the city continues to tackle its raging homelessness epidemic.

The tiny homes will act as transitional housing for San Jose residents who are homeless, possess a housing voucher or are at risk of homelessness as they land a more stable and permanent residence. In a statement provided to this news organization, Caltrans acknowledged its commitment to working with the city on providing temporary housing for unsheltered residents, in line with State Sen. Jim Beall’s SB 519.

“Caltrans is committed to assisting unsheltered individuals here and throughout the state,” said Vince Jacala, branch chief of public affairs at Caltrans’ District 4 office. “We have provided land to cities for \$1 per month, plus administrative fees, to build temporary communities for unsheltered residents. We have been working with the city of San Jose on finalizing a lease agreement to provide temporary, emergency shelter.”

“Each of these lease agreements is unique. We are currently working with the city to address issues that include final insurance liability and legal conditions to offering emergency shelter,” Jacala continued.

“Caltrans is making every effort to quickly resolve the outstanding issues.”

A second bridge housing community on a transportation agency’s land is also underway, as housing officials confirmed the city is building 40 additional tiny homes on a VTA construction storage area off Mabury Road near Coyote Creek. The average construction cost for building a tiny home on the VTA parcel is estimated at \$6,500 per unit, while the total cost for setting up the site is \$2 million, which includes land prep, installing utility lines, plumbing, lighting, building a community kitchen and bathrooms, landscaping, fencing and a parking lot, according to Jeff Scott, a spokesman for the city housing department.

VTA acknowledged that after three months of negotiating the “first-of-its kind” agreement with the city regarding the tiny homes, the transit agency has secured a lease for the site.

Despite the frustrating process for Liccardo, he told San José Spotlight he’s eager to have residents start moving into the new homes on VTA’s land starting on Nov. 1. The city has called the agency “a great partner,” according to Scott.

“After three months of negotiating this first-of-its kind agreement, VTA and the city entered into a lease for the VTA Mabury Road lot across from the new Berryessa/North San Jose Transit Center through 2022, pursuant to the city’s request for a site to create a Bridge Housing Community,” said VTA spokesperson Brandi Childress. “The city is well underway with its construction on the Mabury site with a grand opening event being planned by the end of this year.”

Assembly Bill 2176, a law that eases restrictions for building tiny home communities authored by former Assemblywoman Nora Campos, sunsets in 2025, but the city hopes to transition people from the homes into permanent housing by then.

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[**San Jose lawmaker criticizes highway funds diverted to high-speed rail \(San Jose Spotlight\)**](#)

Gov. Gavin Newsom has received backlash from both sides of the political aisle after signing an executive order last month that diverts funds away from highway repairs into high-speed rail projects — a move that has some San Jose lawmakers shaking their heads.

The funds — up to \$5 billion generated annually — stem from Senate Bill 1, a 2017 law authored by San Jose state Sen. Jim Beall that increased gas taxes and vehicle fees across the state to fix roads, highways

and invest in mass transit. The bill raised taxes by 12 cents on a gallon of gas and 20 cents on a gallon of diesel, while increasing vehicle and car registration fees up by \$25 to \$175.

About 20 percent was set aside for high-speed rail and mass transit, but under the governor's newly-signed [executive order](#), \$5 billion in discretionary transportation funds will now be put into a reserve for "priority rail projects." State leaders are rapidly investing in mass transit and infrastructure in an effort to meet California's climate goals in reducing greenhouse gas emissions by 2030, and repeatedly stated the order would not "supersede existing state law" on SB 1.

"Maintaining the condition of our highways, roads and bridges is of the utmost importance to the governor and this approach will continue. Having said that, we are legally required to meet climate goals," said [David S. Kim](#), the state's secretary of transportation. "The transportation sector contributes more than 40 percent of greenhouse gas emissions in the state. Therefore, we must take the necessary steps to reduce the share of greenhouse gas emissions that come from the transportation sector."

While San Jose's \$17.5 million in SB 1 funds reserved for road repairs will not be affected, according to Colin Heyne, a spokesperson for the city's transportation department, highway improvement projects on Highway 99 in Tulare and Madera counties and one on Highway 46 in Kern County were put on the backburner until further notice.

The whopping \$61 million allotted for those projects will now be used for mass transit, but state officials said the now-abandoned projects were early enough in the design stages, and will be eligible for future funding.

But some local leaders are furious over the decision, arguing that the move will erode the public's trust in government. Councilmember Johnny Khamis, much like other fiscally conservative lawmakers across the state, objected to the executive order. Despite the need for strong climate change initiatives, Khamis said government needs to keep its promises.

"He's taking away \$5 billion dollars from highway repair and I think it's a shame. A lot of voters are not going to see their highways fixed, and they're going to have less trust in government," said Khamis. "As a government official, I think we have to live up to our promises and do what we say we're going to do, otherwise no one will trust us with their tax dollars anymore."

Despite the massive highway repair projects being predominantly in the Central Valley, Khamis also expressed concern about Highway 99 — a vital artery that connects farmers from the state's agricultural epicenter in delivering produce to San Jose.

"They're going to stop fixing Highway 99 — a major artery in San Jose — and will be eliminating several other projects," Khamis added. "The city could lose millions in funds. We were depending on a lot of money for highway cleanups and repairs that we may not be getting now."

Taxpayers are already frustrated over the hiked up price of gas — well over \$4 per gallon in most parts of California — far above the national average of about \$2.50 per gallon. Khamis, an outspoken critic of raising taxes and fees, called the state leader's decision to divert the funds "hypocritical," considering Newsom campaigned against his Republican opponent John Cox last year on the premise to not support Prop. 6 — a ballot measure that would repeal SB 1. But cutting funds for projects that voters supported is just as bad as endorsing the repeal of SB 1, added Khamis.

Still, many transit-friendly groups are supporting the governor's decision. Despite aggravating his progressive alliances with the veto of SB 127 — a transportation funding bill set to give higher safety priorities to pedestrians and bicyclists on the road — Newsom won them back with the executive order as he promised to invest in transportation infrastructure instead of highways.

"Nothing about the executive order is going against SB 1, but what it's trying to do is figure out how we can better align those funds in transportation to align with our goals as a state," said Esther Rivera, deputy director of statewide thinktank California Walks. "What it's saying is let's direct funds to where they're needed to get people who can make the choice to maybe walk, bike or use transit, to have the option and those who can't and wish to stay driving still can drive on well-maintained roads."

Rivera added that the executive order will be “really good for everyone,” as it will get more people connected to different modes of transportation through transit, walking, bicycling, and in effect reduce congestion on the region’s roadways. The climate goals the state wants to achieve are long-term benefits to the region, Rivera argued, despite the pushback that the newly-signed executive order is receiving.

“The less congestion we’re going to see on our roadways, the easier people will be able to get to their destination no matter what type of method they choose to use, and in the Bay Area, this is a big deal,” added Rivera. “We’re not meeting our emission goals as a state and we’re not advancing to meet our climate goals. So I think the executive order is really helping to push us in a better direction with transportation.”

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[Silicon Valley Is Nearly Quadrupling Apartment Output This Year](#) (Bisnow)

Silicon Valley has reached a new peak in apartment production this year.

After adding 1,579 new apartments in 2018, the San Jose metro area is on pace to finish 6,044 apartment units this year in a 283% increase, according to a report from RENTCafé. That puts the San Jose MSA, which includes cities like Sunnyvale, Santa Clara and Mountain View, behind only the Detroit metro for the nation's biggest jumps in apartment output among large metro areas. Although San Jose itself leads the way with 2,290 units coming online this year, a trio of much smaller cities has punched well above their respective weights. **Despite having less than 10% of the population of San Jose, Milpitas is on track to produce some 1,700 new apartments this year, according to RENTCafé. The surge comes just in time for — and largely because of — the city's new transit village and BART station, according to Milpitas Building and Housing Director Sharon Goei. "With folks knowing about the BART extension here, developers start looking in the areas around the transit center," Goei said.** The handful of projects that have begun leasing, like Phase 1 of the four-phase project The Fields, are filling up quickly, Goei has heard from developers. And more projects, like SummerHill Apartment Communities 694-unit Centre Point development, are well underway. Likewise, Mountain View and Sunnyvale also see spikes in apartment construction. Mountain View, which has a current housing stock of about 36,000 units, is close to finishing three precise plans that zone for another 18,000 units, or a 50% increase, Mountain View Mayor Lisa Matichak told Bisnow. Courtesy of RENTCafé 2019 Bay Area apartment construction "For several years now, Mountain View has been seen as a city that is open to additional housing, and that has resulted in more proposals being made," Matichak said. One such plan, North Bayshore, is already complete and allows for the production of 9,850 units, most of which will be developed by Google. The search engine giant plans to deliver 5,700 homes across the wide swath of land it owns in its hometown. Before then, ROEM Corp. has opened its 116 units of affordable housing at 779 East Evelyn Ave., while half of Palisade Builders' 500 Ferguson project, which will total about 400 units, opened this year, Matichak said. Next door, Sunnyvale went a year with no large-scale apartment developments before a relative surge this year, according to RENTCafé. The city has 5,000 units in its pipeline, which includes those approved and under construction, and expects to see most get built in the next two to five years, Sunnyvale Director of Community Development Trudi Ryan said. "Not every project that gets approved gets built, but our record is pretty high in Sunnyvale," Ryan said. "We have a policy of working with developers to help them have a project that can be supported by staff and to get there quickly." One of those projects, The Flats in Sunnyvale's brand-new master development, began leasing late last year and illustrates demand in Silicon Valley. "They filled up very quickly," Ryan said.

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Ten Minutes With APTA's Nuria Fernandez (Engineering News Record)

Nuria I. Fernandez, general manager and CEO of the Santa Clara Valley Transportation Authority, is a veteran transportation engineer who has been in leadership positions at the Chicago Transit Authority, the Washington Metropolitan Area Transportation Authority, the New York Metropolitan Transportation Authority, the U.S. Dept. of Transportation and CH2M Hill. She is the new chair of the American Public Transportation Association. She spoke with ENR Senior Transportation Editor Aileen Cho at the APTA annual conference about how public transit agencies face challenges of funding, technology and workforce. This interview was edited and condensed.

What are your goals as APTA chair?

I've reviewed APTA's strategic plan and said that I wanted to glean from four priorities: infrastructure investment, technology, workforce and safety, security and resiliency. The first is funding. We always need more money. In public transit, we have a \$90-billion backlog created for years of low investment. It's difficult to keep pace with getting new, upgraded infrastructure and new assets to attract more people. We need to plan and expand to connect to where people live and where businesses are relocating.

We need to get increased investment for state of good repair projects. We also want to go back to the [traditional] allocation ratio of 40-40-20 from federal funds: 40% of funds from federal government into capital investment grants, 40% for state of good repair, and 20% for bus/bus facilities. That takes care of the entire broadband: from rural communities, small and suburban communities, and urban centers. Everyone gets a lift.

What about technology?

We are now confronted with more options for mobility. Our traditional go-to constituencies are moving on to new technologies. Uber and Lyft showed up and started to draw away some of our passenger base. It was the advent of the smartphone. Others took advantage of a tool that puts the power of decisions into people's hands. We weren't as fast to adopt it. We can no longer be in catchup mode. We have to be more aggressive in anticipating, planning and even dreaming about what is possible so that we can start building our processes and policies around a flexibility. If something changes, we are there. Not a whole lot has changed in two centuries in public transit. We have fixed guideways that you can't relocate. Communities have shifted and moved away from some of where those investments were made. Cities are so congested that they don't want to dedicate lanes for buses because they feel the only mobility choices they have is to allow for delivery trucks, private vehicles, taxis and other things that support commerce to have access to those lanes. We're in a paradigm shift. The mobility landscape has transformed. It's time for us to keep pace with that transformation.

What is APTA doing about workforce development?

We've spent a lot of time at APTA developing programs like Leadership APTA and emerging leaders. One segment of our workforce are operators and maintainers. They make up 80% of population at every transit agency. That is the sector we need to pay attention to. They stay with us 30-40 years until they retire. When they start retiring, we have these huge gaps in talent. We need to attract talent and provide training and tools. We need to get management and labor to build alliances together to figure out roadmap for adopting new technologies.

We are the experts in mobility. People are designing tools around mobility that don't move people; they're just tools. We move people. Tech companies keep coming up with new ideas. We should be at the table. We need to get our workforce to feel comfortable with the changes that are happening.

How do you reconcile transit-oriented property values going up with affordable housing?

People who have made a lifetime decision 30 or 40 years ago are being forced out of their homes. What that does to public transit is, we lose ridership. New entrants may or may not use public transportation. What's encouraging is that we are seeing more millennials deciding not to buy automobiles. Yes, they're attracted to their smartphones and to solutions like TNCs. But we have an infrastructure already in place. At Valley Transportation Authority, we adopted an affordable housing policy for transit-oriented development. We did that in recognition that people want to stay where they are. We have a large community of seniors who want to stay in place. That's just one segment.

Our policy has a 30% affordable housing total. We look to minimum of 20% per development as a requirement. Our first TOD at Tamien Station—which has light rail and Caltrain—it's not only 20% but the developer is committed to exceed that amount.

What role will P3s play in transit projects?

Infrastructure was always seen as a government responsibility, but the reality is that our funding and taxes can't keep pace with the level of investments required. Building these partnerships with the private sector will be integral. The private sector also derive benefits from the infrastructure. The Federal Transit Administration has a pilot program for expedited project delivery. We will submit an application next spring. We made it known to FTA and provided them through an RFI our approach to it. One of the requirements in that pilot program is for demonstration of a P3. They're opening up to the fact that if we can have the private sector play a part in public infrastructure and have developments occur around that, we will create value and capture that value that we can reinvest into the public assets.

As it pertains to high-speed rail, we're seeing that more and more. Cities are looking to get high-speed rail through P3s. We can get access to amazing technology if we let others in. I'm not advocating for one method or another. It's a balance.

What about diversity and inclusion?

APTA has a Diversity and Inclusion Council. We invite businesses, small DBEs to be part of our membership. We encourage corporations to have diverse employees and transit agencies to recruit and retain diversity of people. We also have a group as part of event selection...when we plan a conference, we look for locations that embrace diversity. Those who have passed laws we feel disadvantage segments of our membership...then we bring products, partner with cities and add educational components to demonstrate why diversity is a strength.

Coming to APTA for me initially was about networking, going to training sessions, professional development. As I got more involved, I realized that it was bigger than my projects. This is about lifetime decisions that we make each day. Putting service before self gives you a new perspective on what we do, how we should do it and the thought that needs to go into decisions—because they affect so many aspects that that either help or hurt mobility and communities. What I've seen is the ability that public transportation has to change people's lives – people we will never meet.