From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Tuesday, June 11, 2019 9:57 AM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>; VTA Advisory Committee Members <VTAAdvisoryCommitteeMembers@vta.org>
Subject: VTA Connections Newsletter - June 2019

VTA Board of Directors and Advisory Committee Members:

Below is VTA's newsletter for June 2019. It can also be accessed using this link:

https://mailchi.mp/9fba33859c4f/june-connections-newsletter

Please share with your constituents.

Thank you.

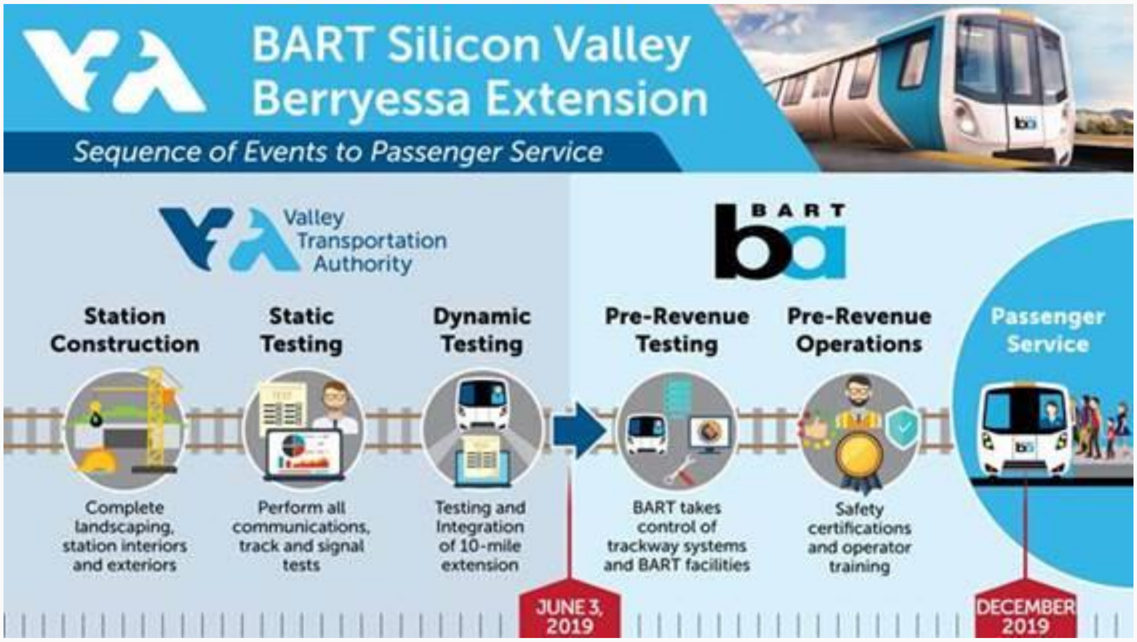
Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

Santa Clara Valley Transportation Authority
Solutions that move you

View this email in your browser

June 2019

Another Milestone Achieved



VTA's BART Silicon Valley Berryessa Extension Project achieved another major milestone when VTA transferred control of the BART trackway, systems and facilities to BART.

BART now has exclusive access to begin the final phase of testing and pre-revenue operations in preparation for passenger service at both the Milpitas & Berryessa Transit Centers planned to begin before the end of 2019.

[**Read More**]

Honors for Apprenticeship Program and South Bay Champion for Transportation

The Valley Transportation Authority congratulates the VTA/ATU Joint Workforce Investment program, Mission College, and California State Senator Jim Beall for their recognition with Bay Area Metro Awards.

The Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) announced the awards during ABAG's General Assembly meeting in Oakland Thursday morning, June 6. More than a dozen honorees were announced for programs and projects that are advancing Bay Area mobility, protecting the environment, addressing housing needs and keeping the region resilient.

Read More

VTA Board of Directors Approves Fiscal Year 2020 and 2021 Biennial Budget

On June 6, 2019, the VTA Board of Directors unanimously approved the Fiscal Year 2020 and 2021 Biennial Budget for the period July 1, 2019 through June 30, 2021.

The budget that was presented to the VTA Board of Directors on June 6 reflected one minor change to the overall appropriation levels presented in the Proposed Budget for Fiscal Years 2020 and 2021. This minor update to the Congestion Management Program budget reflected inclusion of $220 thousand

and $225 thousand in FY 2020 and FY 2021, respectively, to fund staff services in support of the newly created Office of Innovation.

Read More

This Train is Bound for Eastridge!

The VTA Board of Directors, at its June 6 meeting, unanimously approved the Final Supplemental Environmental Impact Report-2 for the Eastridge to BART Regional Connector Project (EBRC).

The Final SEIR-2 is a formal document and process that addresses design updates made since 2016 and is available on the project web page. The report analyzes how the design changes may impact the environment (noise, vibration, and traffic), and makes recommendations for mitigating those impacts, where feasible.

Read More

Get the 2019 Summer Youth Pass for $70!

Kids, spend your summer zippping around Santa Clara County on VTA! When parents have places to be and kids have places to go and people to see, let VTA do the driving!

With VTA's Summer Youth Pass, youth ages 5-18 get 3 months, June through August, of unlimited rides on VTA bus and light rail for $70. Take VTA to amusement parks, summer jobs, classes, shopping, and other fun destinations.

Read More

Board Update

Approved:

- Citizen Advisory Committee appointments
- 2018 Monitoring and Conformance Finding
- FY 2020 and 2021 Congestion Management Work Program and budget
- FY 2019 VTA Transit Fund Operating Budget Augmentation to fully fund both the FY 2018 and FY 2019 set-aside for the local share of capital
- Berryessa Extension Project DB11002F change of contract scope and provisions

Upcoming Events

Wednesday, June 12, 2019

Bicycle Pedestrian Advisory
Committee Mtg. **CANCELLED**

Citizens Advisory
Committee Mtg.**CANCELLED**

Technical Advisory Committee
Mtg.**CANCELLED**

Thursday, June 13, 2019

Policy Advisory Committee
Mtg. **CANCELLED**

From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Tuesday, June 11, 2019 11:32 AM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>
Subject: From VTA: June 11, 2019 Media Clips

VTA Daily News Coverage for Tuesday, June 11, 2019

Free rides to Cooling Centers (multiple outlets)

KTVU Ch. 2 **(Link to video)**

ABC 7 News **(Link to video)**

NBC Bay Area **(Link to video)**

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SCVTA takes step forward with light-rail Eastridge extension environmental approval (Mass Transit Magazine)

Approval of the Final SEIR-2 allows engineering work and community outreach efforts to continue with a target construction date in 2021

The Santa Clara Valley Transportation Authority (SCVTA) is moving forward with plans to extend light-rail to Eastridge Transit Center. The SCVTA Board of Directors unanimously approved the Final Supplemental Environmental Impact Report-2 (SEIR-2) for the Eastridge to BART Regional Connector Project (EBRC).

The EBRC design was revised in 2016 to eliminate grade crossings along the extension, which will increase safety and allow trains to travel at faster speeds. The extension project will construct elevated tracks along Capitol Expressway in San Jose, Calif., from the existing Alum Rock Transit Center to a new elevated station at Story Road before returning to a ground-level station at Eastridge Transit Center. The Final SEIR-2 was required to analyze the impact the design change may have on the environment and makes recommendations, where feasible, of mitigating actions.

With the approval for the Final SEIR-2 in place, authority staff will begin to advance utility agreements and relocation and any property acquisitions required. Community outreach efforts will also continue as staff plans to meet with neighborhood associations, as well as identify and reach out to stakeholders.

SCVTA says engineering work is expected to be complete by mid-2020 with construction beginning as soon as 2021 with a target opening of 2025.

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Santa Clara Valley authority OKs environmental report for light-rail extension (Progressive Railroading)

The Santa Clara Valley Transportation Authority (VTA) last week approved the final supplemental environmental impact report (EIR) for the Eastridge-to-BART Regional Connector project, which will extend the light rail 2.4 miles from Alum Rock Station to the Eastridge Transit Center in San Jose, California.

The final supplemental EIR includes design changes made since 2016 and an analysis of how those changes impact the environment. The revised extension design eliminates grade crossings, which will allow light-rail service to travel at faster speeds, according to a VTA press release.

With the supplemental EIR's approval in hand, VTA can now work on utility agreements and property acquisition to advance the utility relocation.

Engineering work is expected to be completed by mid-2020. Construction of the $453 million light-rail extension could begin in 2021 with a target opening of 2025, according to the VTA.

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Heads Up! Ceiling Of Historic San Jose Train Station Crumbles (KCBS Radio/Video)

Mother Nature and human neglect have been a bad combination for the busiest transit center in the South Bay.

The ceiling of the historic Diridon Train Station is falling down in chunks. Paint on the wood and plaster is chipping and pealing, and in some places, pieces have actually fallen down onto the passenger lounge below.

"I feel like they can at least repaint it and fix the water leak because if it damages it more then it can be really bad," said Cally Dames, a 9-year-old Girl Scout from Riverside. Katlyn Williams, another member of the troop, was concerend about passenger safety, "There is the potential of it falling and hurting someone, so I think they should fix it up a little."

No one is more disappointed than Rod Diridon Sr., the man whose name is on the historic train station. It was built in 1934, and the former Santa Clara County supervisor spearheaded its renovation in the 1990s.

"That beautiful scroll work that took so much time and so much talent and so much money to put up there in the early 1990's is now coming off in chunks and it's just a travesty," he said.

Caltrain admits the roof leak, which was first detected about five years ago, hasn't been a priority. But spokesperson Dan Lieberman told KCBS Radio they have determined the roof damage has reached the point where something has to be done about it.

"We are seeking remedies and we'll have that in the near future," said Lieberman.

While Diridon understands Caltrain's limited funding has to go toward maintaining the railroad, making public transit more attractive can help address other problems, he said

"Climate change is real," he said, "and if we can do things that attract people to mass transportation then we'll have a chance at turning back climate change."

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San Francisco groups collaborate on $100B transportation improvement plan (Smart Cities Dive)

- Three San Francisco Bay Area organizations are collaborating on a $100 billion plan, called Faster Bay Area, to create a regional transit network that would better unify the multiple rail, bus and ferry systems that currently exist, according to The Mercury News.
- Bay Area Council, SPUR and the Silicon Valley Leadership Group propose funding by a nine-county tax to be collected over several decades. The organizations want the tax plan to become a ballot measure.
- The organizations are releasing select bits of information about the plan, which should have a final draft by the end of the year. It's unclear which transportation modes would undergo changes or what kind of tax — sales, business, property or other, would be levied. The groups said they need further outreach with city leaders, transit agencies and the public.

Dive Insight:

Getting a tax plan on the ballot could prove challenging.

Citizens tend to resist additional taxes, at least initially, and a certain level of public support is needed to get a measure on the ballot. However, other cities including Seattle and Los Angelesrecently have had success with voters approving new taxes for transportation network overhauls.

The organizations are polling the public to get feedback on different funding ideas. A recent poll found that the majority of respondents support a small tax for improvements that would ease traffic congestion.

The partners' leg work on the front end to ensure the plan is in line with what the public wants could lead to greater success with getting it on the ballot and ultimately with its passage.

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$100 billion transit tax plan could redefine Bay Area infrastructure (San Francisco Business Times)

Officials are planning for a "Faster Bay Area," and want to spend $100 billion to get there.

Three Bay Area organizations — the Bay Area Council, the Silicon Valley Leadership Group and the urban planning think-tank SPUR — have partnered to create a reimagined version of the region's transit system that they seek to put on the ballot in the form of a tax, according to the Mercury News. The plan likely would include significant improvements to BART and Caltrain service, including a second tube or bridge for BART. Changes would also include a vast network of toll lanes around the bay and an expansion of the region's ferry network.

The Bay Area-wide plan that would raise $100 billion in taxes over several decades to remake the nine-county transportation network could be ready for public input in the next several months, according to the Mercury News.

The idea is to create a regional transit system that would more seamlessly connect the Bay Area's extensive network of rails, buses and ferries and get traffic off the roads. Traffic congestion grew 80 percent from 2010 to 2016, according to the Metropolitan Transportation Commission.

The plan has been partly influenced by the success of two 2016 ballot measures in Seattle and Los Angeles that will raise $54 billion and $120 billion over 20 and 40 years, respectively. Bay Area leaders began meeting in January 2017 to craft their own plan, the Mercury News reported.

Details of what the plan will be fleshed out in the next several months, the Mercury reported, with the aim of having a final draft by the end of the year.

How to raise the $100 billion is still the main question that remains open-ended. The Mercury News reported that the three organizations are beginning to conduct polls to test funding ideas that might include sales, business, property and other taxes.

In order for the measure to appear on the ballot in all nine counties, the state legislature would have to pass a bill allowing the vote.

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From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Tuesday, June 11, 2019 1:40 PM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>
Subject: FW: Final LAFCO Budget for Fiscal Year 2019-2020

VTA Board of Directors:

Per LAFCO's request, we are forwarding you their Final Budget for Fiscal Year 2019-2020.

Thank you.

From: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>
Sent: Friday, June 07, 2019 10:51 AM
Subject: Final LAFCO Budget for Fiscal Year 2019-2020

The Clerk of the Board of Supervisors, City Clerks and Independent Special District Clerks:

Please distribute the Final LAFCO Budget for Fiscal Year 2019-2020 (attachment) to the members of your governing bodies.

Thank you,

Emmanuel Abello, LAFCO Clerk

LAFCO of Santa Clara County

777 North First Street, Suite 410

San Jose, CA 95112

www.santaclaralafco.org

From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Wednesday, June 12, 2019 11:42 AM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>
Subject: From VTA: June 12, 2019 Media Clips

VTA Daily News Coverage for Wednesday, June 12, 2019

City moves ahead with opening two lots for RV campers
(Palo Alto Daily Post)

Mountain View city leaders voted late last night (June 11) to move ahead on a plan to open two parking lots to a total of 60 RVs, allowing their owners to park their vehicles overnight and sleep in them.

The "safe parking program" would open up to 20 RVs at Shoreline Amphitheatre on a temporary basis, and to 40 RVs in a lot at E. Evelyn Avenue and Pioneer Way owned by VTA.

The program follows the opening of one in East Palo Alto. Palo Alto City Council indicated interest in starting a similar program on Monday night.

The Mountain View police counted 171 RVs, 36 vans or SUVs and five box trucks and buses that appeared to be inhabited while parked on city streets. In December, there were 11% more RVs, 60% more passenger vehicles and 44% more box trucks and buses.

After discussing the RV parking lots, the council was set to discuss banning RVs from city streets, an agenda item that started past the Post's deadline.

Wal-Mart lot

The council discussed other opportunities for RVs to park off city streets. Wal-Mart, which has a national policy of allowing RV parking overnight, accommodates car campers at its Mountain View store, which is technically against city rules but isn't enforced.

Council members indicated that they want to allow property owners in non-residential areas to open up their lots to vehicle dwellers if they choose. In residential areas, property owners — like churches, for example — can apply for a conditional use permit.

Some vehicle-dwellers already find refuge in such lots.

St. Timothy's Episcopal Church currently donates four parking spaces to car campers overnight and wants to expand its program to accommodate 10 car campers, possibly opening up the lot to RVs.

The Rev. Lisa McIndoo told council that one of the church's nightly campers is an 85-year-old woman who sleeps sitting up every night. She is on a housing list and checks in with the church manager almost every other day, but hasn't found housing yet.

Other St. Timothy's campers have included a Mountain View High School student and her mother, and a 67-year-old couple who lived in Sunnyvale for 35 years but became homeless when they both got sick and couldn't afford rent anymore.

Middle school lot an option

Mountain View Whisman School District Superintendent Ayinde Rudolph told the council last night that his school board was interested in opening up a parking lot to the district's 28 families who live in RVs. He said the parking lot would be at one of the district's middle schools.

Price Tag for a "Faster Bay Area": $100 Billion (NextCity.com)

Bay Area Advocacy Groups Begin Push for Huge Transportation Tax Referendum

Three years ago, Seattleites voted to tax themselves to the tune of $54 billion over 20 years to pay for better transportation infrastructure. Angelenos went them one better that same year, opting to raise $120 billion in taxes over 40 years for new transportation facilities. Soon, it appears, voters in the San Francisco Bay Area will have the chance to do the same thing — to the tune of $100 billion.

According to a story in The Mercury News, Bay Area business, planning and transportation advocates are preparing a ballot measure that would raise that amount over several decades for an improved regional transportation network.

No specifics have yet emerged on what this money would buy; backers of the proposal, dubbed "Faster Bay Area," are skittish about releasing details while they continue to solicit input from local governments, transportation agencies and commuters. But the Mercury News article suggests that some or all of the following are likely to turn up in the package:

- A second transbay crossing for BART that would ease congestion in the Transbay Tube.
- A new "Southern Crossing" bridge across the bay that would carry both motor vehicles and trains.
- A network of express toll car and bus lanes ringing the bay and extending to the north, south and east.
- An expanded ferry network.
- Improvements to BART and Caltrain service that would enable trains to run more frequently.

Silicon Valley Leadership Group president Carl Guardino said the goal is "to build a seamlessly integrated world-class transit system that serves the transit-dependent and lures the non-transit dependent out of their vehicles." Alicia John-Baptiste, president and CEO of SPUR, a regional planning think tank, told the Mercury News that a package of this scope was necessary to fix the defects of a transportation network that was designed around the car from the 1950s onward: "We designed a system 50 to 60 years ago around the concept that everyone would be able to get into their car and get from Point A to Point B," he said. "As we've grown as a region, that's simply not how it functions today."

Also still to be determined is how to raise that $100 billion. The groups crafting the Faster Bay Area plan are now conducting polls to see how receptive voters might be to various mixes of sales, business,

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Sent: Friday, June 07, 2019 10:51 AM
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Thank you,

Emmanuel Abello, LAFCO Clerk

LAFCO of Santa Clara County

777 North First Street, Suite 410

San Jose, CA 95112

www.santaclaralafco.org

property and other taxes. One encouraging sign: a poll the Mercury News conducted with the Silicon Valley Leadership Group found that 71 percent of the registered voters surveyed would support a one-cent sales tax hike for transportation funding.

Advocates for the plan say they should have details on what it would pay for and how it would pay for it by the end of the year. State legislation would be needed to put the referendum on the ballot in all nine Bay Area counties.

SANTA CLARA LAFCO

Local Agency Formation Commission of Santa Clara County
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

June 7, 2019

TO: County Executive, Santa Clara County
City Managers, Cities in Santa Clara County
District Managers, Independent Special Districts in Santa Clara County

FROM: Neelima Palacherla, LAFCO Executive Officer

SUBJECT: LAFCO BUDGET FOR FISCAL YEAR 2019-2020

At its June 5, 2019 meeting, LAFCO adopted its Final Budget for Fiscal Year 2019-2020. The adopted Final Budget and the staff report are attached for your information.

Pursuant to the apportionment method specified in Government Code §56381 and §56381.6, the County Auditor-Controller will apportion LAFCO's net operating expenses to the cities, the County and the independent special districts. Please expect to receive an invoice from the County Controller's Office in the next few days. The County Auditor will invoice the cities, independent special districts and the County for LAFCO costs based on the Final Budget adopted by LAFCO.

Should you have any questions regarding the LAFCO budget or cost apportionment, do not hesitate to contact me at (408) 993-4713 / neelima.palacherla@ceo.sccgov.org or Dunia Noel, LAFCO Analyst, at (408) 993-4704 / dunia.noel@ceo.sccgov.org.

Thank you.

Attachments: Fiscal Year 2019-2020 Budget approved by LAFCO on June 5, 2019
Staff Report on June 5, 2019 re. Final LAFCO Budget for FY 2019-2020

cc: Board of Supervisors, Santa Clara County
City Council Members, Cities in Santa Clara County
Independent Special District Board Members
Santa Clara County Cities Association
Santa Clara County Special Districts Association

SANTA CLARA LAFCO

Local Agency Formation Commission of Santa Clara County

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

LAFCO MEETING: **JUNE 5, 2019**

TO: **LAFCO**

FROM: **Neelima Palacherla, Executive Officer**

SUBJECT: **FINAL LAFCO BUDGET FOR FISCAL YEAR 2020**

FINANCE COMMITTEE / STAFF RECOMMENDATION

1. Adopt the Final Budget for Fiscal Year 2019-2020.
2. Find that the Final Budget for Fiscal Year 2020 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the Final Budget adopted by the Commission including the estimated agency costs to the cities, the special districts, the County, the Cities Association and the Special Districts Association.
4. Direct the County Auditor–Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

REVISIONS TO THE DRAFT /PRELIMINARY BUDGET

The Commission on April 3, 2019, adopted LAFCO's preliminary budget for Fiscal Year 2019- 2020. The preliminary budget was prepared using the best information available at that time.

At its meeting on May 23, the Finance Committee recommended that the Commission retain an independent professional service firm to conduct a comprehensive organizational assessment of LAFCO. For further detail on this issue, please refer to Agenda Item #6.

As a tentative measure, the Committee also recommended that LAFCO add $50,000 to the FY 2020 LAFCO Budget under the Reserves line item, to timely implement potential recommendations from the organizational assessment. If this amount is not spent during FY 2020, the Reserves could be reduced to $200,000 the following year, and the $50,000 could be utilized to reduce the cost to LAFCO's funding agencies.

The proposed FY 2020 Final Budget (Attachment A) reflects this change to the Reserves item.

BACKGROUND

LAFCO Budget Process Requirements

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO, as an independent agency, to annually adopt a draft budget by May 1 and a final budget by June 15 at noticed public hearings. Both the draft and the final budgets are required to be transmitted to the cities, the special districts and the County. Government Code §56381(a) establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

LAFCO and the County of Santa Clara entered into a Memorandum of Understanding (MOU) (effective since July 2001), under the terms of which, the County provides staffing, facilities, and services to LAFCO. The associated costs are reflected in the LAFCO budget. LAFCO is a stand-alone, separate fund within the County's accounting and budget system and the LAFCO budget information is formatted using the County's account descriptions/codes.

COST APPORTIONMENT TO CITIES, DISTRICTS AND COUNTY

The CKH Act requires LAFCO costs to be split in proportion to the percentage of an agency's representation (excluding the public member) on the Commission. The LAFCO of Santa Clara County is composed of a public member, two County board members, two city council members, and since January 2013 – two special district members. Government Code §56381(b)(1)(A) provides that when independent special districts are seated on LAFCO, the county, cities and districts must each provide a one-third share of LAFCO's operational budget.

Since the City of San Jose has permanent membership on LAFCO, as required by Government Code §56381.6(b), the City of San Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. Therefore in Santa Clara County, the City of San Jose pays one sixth and the remaining cities pay one sixth of LAFCO's operational costs. Per the CKH Act, the remaining cities' share must be apportioned in proportion to each city's total revenue, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county. Each city's share is therefore based on the 2016/2017 Report – which is the most recent edition available.

Government Code Section 56381 provides that the independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. The Santa Clara County Special Districts Association (SDA), at its August 13, 2012 meeting, adopted an alternative formula for distributing the independent special districts' share to individual districts. The SDA's agreement requires each district's cost to be based on a fixed percentage of the total independent special districts' share.

The estimated apportionment of LAFCO's FY 2020 costs to the individual cities and districts is included as **Attachment B**. The final costs will be calculated and invoiced to the individual agencies by the County Controller's Office after LAFCO adopts the final budget.

ATTACHMENTS

Attachment A:	Final LAFCO Budget for Fiscal Year 2020
Attachment B:	Costs to Agencies Based on the Final Budget

AGENDA ITEM # 4
Attachment A

FINAL LAFCO BUDGET
FISCAL YEAR 2019- 2020

ITEM # TITLE	APPROVED FY 2019 BUDGET	ACTUALS Year to Date 3/4/2019	PROJECTIONS Year End 2019	FINAL FY 2020 BUDGET
EXPENDITURES				
Object 1: Salary and Benefits	$720,316	$475,955	$725,480	$772,591
Object 2: Services and Supplies				
5255100 Intra-County Professional	$45,000	$2,787	$10,000	$45,000
5255800 Legal Counsel	$70,200	$36,762	$65,000	$72,240
5255500 Consultant Services	$100,000	$36,550	$100,000	$110,000
5285700 Meal Claims	$750	$257	$750	$750
5220100 Insurance	$6,000	$5,296	$5,296	$6,000
5250100 Office Expenses	$10,000	$4,039	$10,000	$10,000
5270100 Rent & Lease	$42,764	$31,996	$42,764	$44,478
5255650 Data Processing Services	$5,068	$7,400	$10,000	$14,825
5225500 Commissioners' Fee	$10,000	$2,700	$5,000	$10,000
5260100 Publications and Legal Notices	$2,500	$97	$200	$2,500
5245100 Membership Dues	$8,926	$9,615	$9,615	$11,836
5250750 Printing and Reproduction	$1,500	$0	$1,500	$1,500
5285800 Business Travel	$16,000	$1,598	$10,000	$16,650
5285300 Private Automobile Mileage	$2,000	$648	$1,000	$2,000
5285200 Transportation&Travel (County Car Usage)	$605	$378	$600	$605
5281600 Overhead	$79,368	$34,972	$79,368	$61,183
5275200 Computer Hardware	$3,000	$726	$2,000	$3,000
5250800 Computer Software	$4,000	$539	$2,000	$5,000
5250250 Postage	$2,000	$100	$1,000	$2,000
5252100 Staff/Commissioner Training Programs	$2,000	$0	$1,000	$2,000
5701000 Reserves	$0	$0	$0	$100,000
TOTAL EXPENDITURES	**$1,131,997**	**$652,415**	**$1,082,573**	**$1,294,158**
REVENUES				
4103400 Application Fees	$35,000	$30,295	$35,000	$35,000
4301100 Interest: Deposits and Investments	$4,000	$5,626	$6,500	$6,000
TOTAL REVENUE	**$39,000**	**$35,921**	**$41,500**	**$41,000**
3400150 **FUND BALANCE FROM PREVIOUS FY**	**$259,171**	**$314,693**	**$314,693**	**$107,446**
NET LAFCO OPERATING EXPENSES	**$833,826**	**$301,801**	**$726,380**	**$1,145,712**
3400800 **RESERVES Available**	**$150,000**	**$150,000**	**$150,000**	**$150,000**
COSTS TO AGENCIES				
5440200 County	$277,942	$277,942	$277,942	$381,904
4600100 Cities (San Jose 50% + Other Cities 50%)	$277,942	$277,942	$277,942	$381,904
4600100 Special Districts	$277,942	$277,942	$277,942	$381,904

AGENDA ITEM # 4
Attachment B

LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS

Preliminary Estimated Costs to Agencies Based on the Final FY 2020 LAFCO Budget

		Final Net Operating Expenses for FY 2020		$1,145,712
JURISDICTION	**REVENUE PER 2016/2017 REPORT**	**PERCENTAGE OF TOTAL REVENUE**	**ALLOCATION PERCENTAGES**	**ALLOCATED COSTS**
County	**N/A**	**N/A**	**33.3333333%**	**$381,904.00**
Cities Total Share			**33.3333333%**	**$381,904.00**
San Jose	N/A	N/A	50.0000000%	$190,952.00
Other cities share			50.0000000%	$190,952.00
Campbell	$59,643,742	2.0634538%		$3,940.21
Cupertino	$108,239,147	3.7446759%		$7,150.53
Gilroy	$112,074,851	3.8773771%		$7,403.93
Los Altos	$50,863,149	1.7596776%		$3,360.14
Los Altos Hills	$13,618,429	0.4711475%		$899.67
Los Gatos	$46,676,687	1.6148415%		$3,083.57
Milpitas	$172,958,945	5.9837425%		$11,426.08
Monte Sereno	$3,177,329	0.1099239%		$209.90
Morgan Hill	$88,439,683	3.0596873%		$5,842.53
Mountain View	$293,917,704	10.1684701%		$19,416.90
Palo Alto	$577,910,583	19.9935779%		$38,178.14
Santa Clara	$822,606,457	28.4591540%		$54,343.34
Saratoga	$27,732,221	0.9594327%		$1,832.06
Sunnyvale	$512,622,137	17.7348381%		$33,865.03
Total Cities (excluding San Jose)	**$2,890,481,064**	**100.0000000%**		**$190,952.03**
Total Cities (including San Jose)				**$381,904.00**
Special Districts Total Share			**33.3333333%**	**$381,904.00**
Aldercroft Heights County Water District		0.06233%		$238.04
Burbank Sanitary District		0.15593%		$595.50
Cupertino Sanitary District		2.64110%		$10,086.47
El Camino Healthcare District		4.90738%		$18,741.48
Guadalupe Coyote Resource Conservation District		0.04860%		$185.61
Lake Canyon Community Services District		0.02206%		$84.25
Lion's Gate Community Services District		0.22053%		$842.21
Loma Prieta Resource Conservation District		0.02020%		$77.14
Midpeninsula Regional Open Space District		5.76378%		$22,012.11
Purissima Hills Water District		1.35427%		$5,172.01
Rancho Rinconada Recreation and Park District		0.15988%		$610.59
San Martin County Water District		0.04431%		$169.22
Santa Clara Valley Open Space Authority		1.27051%		$4,852.13
Santa Clara Valley Water District		81.44126%		$311,027.43
Saratoga Cemetery District		0.32078%		$1,225.07
Saratoga Fire Protection District		1.52956%		$5,841.45
South Santa Clara Valley Memorial District		0.03752%		$143.29
Total Special Districts		100.00000%		**$381,904.00**
Total Allocated Costs				**$1,145,712.00**

From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Thursday, June 13, 2019 5:02 PM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>
Subject: From VTA: June 13, 2019 Media Clips

VTA Daily News Coverage for Thursday, June 13, 2019

1. **VTA Featured in New SJ Visitors Video (ABC7 News)**
2. **Visit San Jose Debuts Destination Song To Highlight Local Attractions And Foster City Pride (Yahoo News)**
3. **(Here's the link to full video)**
4. **Light rail to Eastridge carries a hefty $450 million price tag: Roadshow (Mercury News)**
5. **SF judge says Bay Area bridge toll measure was legally approved by voters (San Francisco Chronicle)**
6. **Editorial: Slow the train on $100 billion Bay Area transportation tax (Mercury News)**
7. **Can Bay Area Taxpayers Afford a New "taxpayer busting" $100 billion Transit Tax Proposal? (Fox and Hounds)**

VTA Featured in New SJ Visitors Video (ABC7 News)

Visit San Jose Debuts Destination Song To Highlight Local Attractions And Foster City Pride (Yahoo News)

San Jose" Original Lyrics and Composition by 16-year-old International Singer-Songwriter

SAN JOSE, Calif., June 12, 2019 /PRNewswire/ -- Visit San Jose, the official destination marketing organization for the City of San Jose, debuted the **original song, *San Jose* and corresponding music video** at their Annual Meeting on June 12th at the Montgomery Theater.

The song was written and composed by 16-year-old Auckland, New Zealand **singer-songwriter Grace Kelly** and recorded in Nashville, Tennessee. Kelly spent much of her formative years in San Jose after her father moved to Silicon Valley for an employment opportunity. She wrote the song as a tribute to the City and the happy memories she has of growing up in San Jose.

"This is my love song to San Jose," says Kelly. "I look back at my time here with fondness and appreciation for the people and experiences that made me who I am. San Jose is full of inspiration and I'm lucky to have lived here."

"We are honored to have a young artist be so inspired by San Jose that she dedicated a song to us," says **Karolyn Kirchgesler, President & CEO of Visit San Jose**. "We hope that sharing this song inspires travelers to experience our destination for themselves. You can't help but smile when you hear the song and watch the video."

The music video was produced with local crew and led by an acclaimed creative team. The song calls out "only in San Jose" experiences like riding **VTA light rail Downtown**, walking through the chic **Willow Glen neighborhood,** and attending concerts at the vista-rich **Mountain Winery**. The video illustrates the diversity of San Jose and highlights key attractions such as **Santana Row**, **The Tech Interactive**, and the **San Jose Sharks**. Visit San Jose also worked with **Get Down Dance Studios**, **San Jose Japantown** businesses and the **Sierra Vista Open Space Authority**.

The song and video will be used to promote San Jose as a travel destination in both business and leisure markets. ***San Jose*** is available to stream and download at **sanjose.org**. Follow **Visit San Jose** on our social media channels using **#sanjosesong**and **#sanjoselove** to see more content related to our song.

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(Here's the link to full video)
Light rail to Eastridge carries a hefty $450 million price tag: Roadshow (Mercury News)

The article on the Eastridge light rail extension floored me. They are going to spend $450 million to provide "4,534 boardings in 2043." This amounts to a little over 12 a day per train if we assume that those getting on light rail would also make a return trip. They will also be reducing carpool lanes on Capitol Expressway. Give them all free cars for that money. How can anyone possibly support this?

Ken Jenkins, Santa Cruz

Like Mr. Roadshow's Facebook page for more questions and answers about Bay Area roads, freeways and commuting.

A: The Valley Transportation Authority approved it unanimously, citing the wish to bring light rail deeper into East San Jose and link to BART. But yes, that's a lot of money for the 2.4 mile extension from Eastridge to Alum Rock. The trolley line will be elevated, making the loss of the carpool lanes easier to take. Construction will begin in 2024 with the opening a year or so later.

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SF judge says Bay Area bridge toll measure was legally approved by voters (San Francisco Chronicle)

For the second time this year, a San Francisco judge has ruled that the Bay Area's new Regional Measure 3 bridge tolls were legally approved by voters.

But that doesn't mean the attempts to quash the new fees are over. Alamo resident Randall Whitney has 60 days to file an appeal and revive his lawsuit against the Metropolitan Transportation Commission, which submitted last year's ballot measure to incrementally raise tolls by $3.

The measure aims to generate $4.5 billion for mass transit and infrastructure improvements that will ease congestion on roads and freeways. It won by a 55 percent margin, creating a financial reservoir for projects like BART's extension through downtown San Jose and a robust ferry network.

Bottom of Form

Whitney called it a "'special tax' disguised as a bridge toll," and said that under the state Constitution it should have gotten two-thirds approval from voters to take effect.

The Howard Jarvis Taxpayers Association made similar arguments when it sued to kill Regional Measure 3. A judge tossed out that case in April, but the association still has a window to appeal.

San Francisco Superior Court Judge Ethan Schulman knocked down the second lawsuit in an order Tuesday, which sided with the MTC and said the toll hikes are fair. Though Whitney and his lawyer weren't immediately available for comment, MTC spokesman John Goodwin said he'd already "communicated that they intend to appeal this ruling."

So, the money for dozens of transportation projects throughout the nine counties is still in escrow.

That could stall funding to agencies like BART, which sought Measure 3 money for new rail cars. Whether it will actually delay projects remains uncertain, Goodwin said.

Despite that element of doubt, some organizations that supported the ballot measure were ready to declare victory after the ruling was published.

"We're very encouraged the court rejected this flawed lawsuit," said Rufus Jeffris, spokesman for the Bay Area Council, an association of businesses and CEOs. It led the ballot measure campaign in partnership with Silicon Valley Leadership Group, whose president and CEO, Carl Guardino, derided the two lawsuits as "nuisances for weary, hard-working commuters in our region."

The ruling drew equally strong reactions from the ballot measure's critics.

"It's preposterous," said David Schonbrunn, head of the Transportation Solutions Defense and Education Fund, an environmental group that opposed Measure 3. He considers the MTC, the Silicon Valley Leadership Group and the Bay Area Council to be members of an ineffective "Transportation Establishment" that's "enmeshed the Bay Area in dysfunctional planning."

Schonbrunn and other watchdogs recently filed a complaint with the Fair Political Practices Commission, claiming the MTC and other agencies illegally used public resources to promote the ballot measure.

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Editorial: Slow the train on $100 billion Bay Area transportation tax (Mercury News)

Rather than another grab bag of projects, we need a holistic approach in which the business community steps up

Two key business groups leading a push for a $100 billion Bay Area transportation tax plan should slow the train before they get too far down the track.

They should not kid themselves that raising taxes alone would solve the Bay Area's traffic woes. For decades now, Bay Area voters have been asked to approve a steady stream of property-tax, sales-tax and bridge-toll hikes to fund specific transportation projects. It's not working. In many ways, we're worse off than we were before.

The last thing we need is yet another ballot measure with a grab bag of projects. What's needed is a holistic approach that integrates the Bay Area's 26 bus, train and ferry agencies and nine congestion management agencies.

Moreover, to make meaningful progress, the business groups — the Silicon Valley Leadership Group and the Bay Area Council — must also acknowledge that their members are a key part of the problem and must be a large part of any solution.

In other words, the business community, especially the large technology firms of the South Bay, cannot keep exacerbating the Bay Area's traffic congestion by building more job centers unless those communities ensure commensurate nearby housing.

Residents already struggle to pay their housing and other living costs, including the existing transportation taxes. Adding to that burden is not reasonable or fair — certainly not before we first examine the business community's fair share.

The two business groups — working with SPUR, an urban-planning advocacy organization — say they are in the early stages of discussion about the $100 billion tax, which would be levied over a few decades.

It's too early to pass judgment on this plan because we've seen few details. The business groups told Bay Area News Group reporter Erin Baldassari last week that they hope to unveil their plan by year's end.

But they've already lined up a campaign consultant. And they're modeling their political strategy after the successful June 2018 effort to raise tolls on the Bay Area's state-owned bridges. It seems that there's another nine-county ballot measure on the horizon, possibly next year.

To be sure, a well-conceived and integrated transportation plan coupled with targeted housing location requirements could go a long way toward easing the region's commute congestion.

But thus far what we're hearing about is a big round tax number — $100 billion. Rather than throwing money at the symptoms, we must first look deeper at the underlying causes.

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Can Bay Area Taxpayers Afford a New "taxpayer busting" $100 billion Transit Tax Proposal? (Fox and Hounds)

Bay Area business leaders made headlines recently by floating a new $100 billion "mega tax increase" that would break the record for transportation tax increases in the region, and extract still higher tax increases from Bay Area commuters.

New $1 increased Bay Area bridge toll hikes took effect on January 1, 2019, which increased tolls to $7 on the Bay Bridge during rush hour, and to $6 on the Antioch, Benicia-Martinez, Carquinez, Dumbarton, Richmond-San Rafael and San Mateo-Hayward bridges.

But if recent history in California politics tells us anything, it is that successful tax hikes beget higher and higher tax hikes, and still "bolder and bolder" tax proposals that will continue to increase the already exorbitant cost of living and doing business in the State of California.

This latest iteration is a very interesting case study because it clearly demonstrates several key issues with regard to taxing and spending in the State of California at both the local and state levels of government.

Let's start with the headline of the San Jose Mercury News report that helped break this story. The June 9, 2019 headline reads "Mega-Measure: $100 billion traffic-busting tax plan for the Bay Area taking shape," states the report.

The proposal is being floated by the same group of liberal business leaders that put together the Regional Measure 3 proposal to hike bridge tolls by $3 on most Bay Area bridges, which was approved by most Bay Area counties in June 2018.

The two key business groups behind the new proposal are the Bay Area Council and the Silicon Valley Leadership Group.

The idea behind the new "mega tax increase" is to create a truly regional transit system that would seamlessly connect the Bay Area's network of rails, buses and ferries, but the specifics of the plan is still in the concept and feedback gathering phase, according to the San Jose Mercury News.

"But any plan likely would include significant improvements to BART and Caltrain service, including a second cross-bay tube or bridge for BART, providing relief for trains that bottleneck in West Oakland. There could be a vast network of toll lanes that ring the bay and radiate to the north, east and south, sharing lanes with buses, and a more robust expansion of the Bay Area's ferry network," states the San Jose Mercury News report.

The details of the plan, including the tax funding sources and uses, will supposedly be developed over the next several months and finalized by the end of 2019.

As a long-time Oakland resident and former lead research consultant for the BART contract negotiations, I know how critical public transit is to the Bay Area and the huge financial needs for future investment in the system.

A second trans-Bay BART tunnel is critical, given that the system is at capacity with the single-tunnel, and certainly more could and should be done to more easily connect the various pieces of the Bay Area public transportation system.

But at the same time, as a professor of public finance, I do not think this "business as usual" approach to transportation funding is working and is likely to succeed in delivering on the promises made by proponents, and ultimately deliver for Bay Area commuters and businesses.

Perhaps most importantly, there continues to be a complete lack of a discussion about how to bring down or at least contain construction and operating costs, particularly labor costs including fringe benefits (i.e. health care and pension costs).

Given the huge funding needs and costs associated with these proposals, a real effort needs to be made to truly save on costs over the long-run on both the construction side, and the operating side, including all impact transit systems such as BART, AC Transit, SF Muni etc.

To illustrate, I believe that if the growth of these fringe benefit costs for member agencies was slowed to inflation, or even the rate of revenue growth, there would be more than enough money in existing resources to pay for this new proposal, plus more left over to fund other key priorities—that is how big a problem cost overruns in pension and health care are for these public agencies. (Note: I have not run these specific figures, but could easily demonstrate the dramatic cost savings from such a proposal. This example is intended for illustrative purposes only.)

Proponents continue to be silent on these cost-containment issues because the coalition behind these tax increases continues to rest on a grand bargain between big business and labor unions, who agree on the desire for more transportation funding, but have little or no interest in containing costs, which are ultimately paid by taxpayers.

In the absence of significant cost reform, such as pension, health care, and other operating costs, the poor and middle-class taxpayers and small businesses will undoubtedly pay the brunt of the tax increases, if not all of them, but will realize a very low return on their investment–possibly even a zero or negative return over the long-run.

The Bay Area economy depends on a functional transportation system, but the best thing we can currently do for the region's transportation system and business climate is to find a new paradigm for doing things that re-examines and challenges some of the "sacred cows" of public transportation finance and public employee benefit costs.

Furthermore, in the state's emerging political climate where the state's "affordability crisis" is a top issue in public opinion polls, real political questions are raised about how many more times this transportation tax and spend coalition, and others like it, can continue to go to the well to raises taxes and fees on average taxpayers and small businesses before voters simply say we are done.

The recent resounding defeat of Measure EE in Los Angeles County definitely shows many California voters have reached the point of "taxuration" to quote the words of one of the state's leading anti-tax advocates in Sacramento.

Moreover, at the state level in Sacramento, it is also common for big business interests to partner with the labor unions to effectively increase taxes on average Californians and small business owners (i.e. Proposition 55 (2016), recent gas and car tax increases (2016), and the 2016 cap and trade compromise which provided exceptions for big business but not small business).

This begs the question: Should the California business community shoulder at least part of the blame for California's ever-increasing tax rates?

But I would argue that this old liberal tax and spend paradigm is gradually breaking down in California, and carries increasingly high political risks for political actors who fail to heed taxpayer warnings regarding fairness, over taxation, and government spending effectiveness.

I believe it would be in the best interests of the state's business community as a whole over the long-term to try to forge a new strategy with regard to public taxation, including transportation taxes, that provides for increased taxpayer fairness, reasonable rates, and program effectiveness, while at the same time better accomplishing their goals of an improved transportation system and business climate for all.

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From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Friday, June 14, 2019 11:17 AM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>
Subject: From VTA: June 14, 2019 Media Clips

VTA Daily News Coverage for Friday, June 14, 2019

1. **Kline: VTA light rail extension to Eastridge was a bad decision (San Jose Spotlight)**
2. **In Silicon Valley, an $8B mega-development will soon break ground (Curbed)**
3. **BART board approves budget, including fare hike compromise (San Francisco Chronicle)**
4. **BART reverses course, approves fare hikes (KTVU Ch. 2)**
5. **BART budget prioritizes safety with continued emphasis on Quality of Life issues (Mass Transit Magazine)**
6. **Will some of Uber's first flying cars be landing at Santa Clara megaproject's 'skyport'? (Business Journal)**

Kline: VTA light rail extension to Eastridge was a bad decision (San Jose Spotlight)

The Valley Transit Agency (VTA) Board last week approved a Supplemental Environmental Impact Report (EIR) paving the way for extending light rail from Alum Rock to Eastridge Shopping Center along Capitol Expressway. It was a bad decision, but like a transportation version of a Greek tragedy, it was the only decision they could make.

According VTA staff, the project will increase congestion by 90%, will have low ridership, create environment impacts (both during construction and operating) that cannot be mitigated and increase stress on VTA finances. Why was it not only approved, but approved unanimously?

The project is one of many mentioned and not completed in the landmark transportation Measure A approved by voters in 2000. Over the 20 years since, many on the East Side have concluded, right or wrong, they have not received their share of public transportation dollars.

Support of any future transportation measures may not receive East Side support if the promised light rail project was not delivered. That might have been on the board's mind as it agreed, while proclaiming grave concerns. Staff presented the case and with every point, the board seemed more and more hesitant in its support. The light rail project is now arial with only one stop between Alum Rock and Eastridge.

It will remove two lanes of traffic on Capitol Expressway. That removal will cause 90% increase in congestion. Ridership numbers will be low, roughly 2,000 boardings a day, increasing as density in the Valley increases. Because it is now built in the air, and light rail is not light, the sounds of pile drivers and vibration during construction will be higher than guidelines allow with no way to mitigate them. After construction, the vibration from the trains will also be higher than guidelines allow with no mitigation

possible. Last, because of projected low ridership and high costs of operations, the extended line will only increase the
financial pressures on the VTA.

The project does check off one of many uncompleted items in Measure A, extends the current light rail system, may help Eastridge Shopping Center and may help create a true public transit system for the East Side. These were all stated by staff or residents supporting the approval.

Keeping trust with voters is important and this shows just how difficult it is to build long-term transit systems where, as one VTA board member said, “You do not want to go where the puck is, you want to go where the puck will be.” Unfortunately, based on past performance, VTA will never win the Stanley Cup. The popular method of getting measures approved is to add as many projects as possible. Some projects are bound not be completed on time, or at all.

People will be left out and even if technology or circumstances change, there is pressure to do the project regardless. Having a transit project increase congestion is not new. Recent bicycle lanes and street quieting projects (i.e. Willow Glen) come to mind. The difference is that this is an Expressway intentionally designed to decrease congestion.

Adding nearly 100% to commute time should have some great benefit, especially if you are paying nearly a half a billion dollars. At the same time, VTA is planning to increase congestion with this project along Capitol Expressway, they are spending hundreds of millions of dollars on decreasing congestion on the expressways on the west side of the Valley. Any environmental plus here is going to be swamped by the cars burning gas in increased congestion.

Can this help Eastridge Shopping Center? I hope so. When I was growing up in downtown, Eastridge was the go-to shopping center and Valley Fair was a bit old and worn out. Today, it is the opposite. Neither had light rail, nor do most shopping centers. Public transit riders might use light rail to go to Eastridge, but I would imagine those numbers will be balanced out by the increase in congestion discouraging cars from going there. Nobody really knows. Given that the most successful shopping centers are heavily car dependent, I would think not.

Can this really help build a better public transit system on the East Side? Again I would hope so, but the numbers do not support it. If you include the end line, there are only two new stations. If you are coming from outside the area, those with multiple shopping center opportunities, you land in a residential area or Eastridge. For those in the community, it’s mostly a long walk to a station. This is basically doubling down on a failed system, a system that even VTA wants to move away from.

VTA has been operating in the red for some time now. Maybe that is what reserves are for, but this is economically the best of times for public agencies. This project will do nothing to help get VTA out of an ever deepening hole. Every new rider, that wasn’t already taking a bus, will pay only 10% of the cost and the other 90% will come from someplace else.

Did the VTA Board have any real choice? Again, like a Greek tragedy with a well meaning protagonist, the members have to — are required to — make the wrong decisions. Not only is most of the money tagged in Measure A, but a recent regional measure and a state bill completed the financing and sealed the decision. The money is pretty much dedicated to this project.

Saying “no” means not only “no” to the project, but turns down hundreds of millions of dollars. Turning down money is something agencies like VTA just do not do. But, for the sake of argument, what would you do with a half a billion dollars to help the East
Side residents get from where they are to where they want to go and enhance the community? I’ll throw out three projects, but I’m sure there are better ones out there.

Keep it simple. Put the money in the bank and receive a conservative $25 million a year in interest. Pay an existing ride sharing service to pick up and take anyone who qualified to where they want to go. Or start a nonprofit car sharing service to focus only on the really needy. At an average ride sharing per ride (carpool, of course) of $12, you can afford over 2 million rides per year. That is more than three times the estimated number of riders this project supports, without touching the principle. Oh, I forgot about operating costs. If you include those, the number of rides is significantly higher — maybe twice as many.

Keep it light. Create a streetcar system that centers on Eastridge, but branches throughout the community, connecting all other commercial and transit centers, encouraging those in cars to jump on a true light rail system. Think Portland. With proper community outreach, it could be a real civic pride project with advertising by local businesses supplementing expenses.

Go Monorail. A modern monorail connecting light rail at Alum Rock not to Eastridge, but through the shopping mall and continue on Capitol Expressway to at least Silver Creek High School with at least five stations along the way. Monorail is cheaper and thinner than light rail when going arial. Eventually you can continue it down to the 87 light rail. Hopefully, you can eventually replace most of the light rail system with a modern quiet system. Even at Las Vegas prices, a monorail system looks much cheaper than what they are planning, but that’s another article.

Now, if this was done by private organizations, with proper public oversight, you might be able to do two out of three for the same price. This, of course, will not happen. Instead, we have a half-billion dollar project that will increase congestion, have low ridership, not help the community, impact the environment and put additional strain on the finances of VTA. But we did check off a voter-approved 20 year old box! Again, the protagonist — the VTA Board — really had no choice but to approve; the story was already written.

Norman Kline is a San Jose businessman, entrepreneur and former San Jose Planning Commissioner.

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In Silicon Valley, an $8B mega-development will soon break ground (Curbed)

Related, the firm behind Hudson Yards, will develop the 240-acre site

In Silicon Valley, where big-money valuations are commonplace, a planned $8 billion real estate project set to break ground has captured the attention of the region’s business community.

The Related Santa Clara project will transform a 240-acre golf course into a mixed-use development that’s already being called the Hudson Yards of the West. British architecture firm Foster + Partners will handle design and landscaping of the waterfront development near Levi’s Stadium, which includes plans for a neighborhood-style streetscape with public square and a 30-acre park. Uber has even proposed building a flying taxi "skyport" amid the shops, residences, and offices. The first phase is poised to open in 2023.

The size and scope of the largest project under construction in Silicon Valley begs the question of priorities. Of the 9.2 million square feet, 5.4 million square feet will be devoted to offices supporting 25,000 jobs, with one million square feet of retail and entertainment space. Yet only 1,680 residential units are planned to be built. In one of the nation's most expensive and housing-scarce regions, will such large-scale projects, designed to accommodate startup spaces as well as new corporate campuses, further exacerbate the shortage of affordable housing?

Related believes that creating such a massive, amenity-rich, master planned community, located near big tech companies, will entice them to expand locally, instead of seeking cheaper talent and real estate elsewhere. "Room to grow is a big issue in Silicon Valley," Related executive vice president Steve Eimer told Bloomberg. "Most of these companies want to put their flag down in a place where they don't have to move."

Turning a golf course into coveted new office space and housing—including 170 affordable units—in an area known for bruising land-use battles shows the market responding to pressure for development. But the site also restricts the number of residential units Related is allowed to build. Because the golf course is located on the site of a former landfill, adding housing would require numerous additional environmental approvals. Santa Clara Mayor Lisa Gillmor said additional housing would be built in nearby neighborhoods, such as 4,500 units planned for nearby Tasman East.

The project, which has been six years in the making, was the subject of a pair of lawsuits by the city of Santa Clara and neighboring city of San Jose, which claimed housing and traffic would be negatively impacted by the proposed project.

Related has also noted that the project sits within a "transit-rich" area near Levi's Stadium, which is connected to the region via the Santa Clara Valley Transit Authority (VTA), commuter rail and a commuter shuttle program. BART, the region's light-rail service, is expected to connect to Santa Clara by 2025 or 2026 at the earliest.

But before the potential BART connection materializes, the site, which is located near the crowded convergence of U.S. Highway 101 and California State Route 237, does pose transportation challenges. Tech giants have been criticized for their car-centric development in the Bay Area. Apple's highly-touted spaceship campus, also by Foster + Partners, devotes more square feet to parked cars than employee offices.

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BART board approves budget, including fare hike compromise (San Francisco Chronicle)

BART will raise fares by 18% over seven years, a controversial decision its directors rejected at first Thursday, drawing angry rebukes from the general manager and board president. The two BART leaders were so alarmed that they persuaded the board to vote again a few hours later.

The tense flip-flop came during an eight-hour meeting that cemented BART's fate for the next several years. The directors also approved a $2.4 billion budget, decided to lower ticket prices for low-income riders, and grappled with how to carry an exploding population of East Bay commuters across San Francisco Bay.

Officials lingered over the fare hike conversation for two hours under the fluorescent lights of the boardroom, In a morning session, the board had nixed four scheduled fare increases, putting at risk $400 million that General Manager Grace Crunican and others said was vital. They approved a compromise fare hike later in the day.

"It wasn't really what I wanted," said Director Mark Foley, the crucial swing vote, who at first opposed the higher fares. He later flipped, convinced that financial stability — and a good bond rating — are hugely

"I think they landed in a good place," said Crunican, weary after a day of alternately scolding and praising her colleagues. She retires next month, and Thursday marked her last board meeting.

The specter of higher fares stoked an existential crisis for an agency that relies on fares to cover two-thirds of its operating costs. Riders have dropped off as more people get frustrated with filth, crime and in-your-face homelessness. BART is trying to coax them back even as it squeezes more from their wallets, a tricky courtship that some directors loathe so much, they refused to take part.

"It's never popular for an elected official to sit up here and say, 'We want to increase fares,'" said Director Robert Raburn, who was adamant about the increases.

Board President Bevan Dufty looked pained when the board originally fell one vote short of the six it needed to raise fares by 3.9% every two years from 2022 and 2028. He urged his colleagues to reverse course, signaling they would revote later Thursday.

After a lengthy closed session, directors decided to abandon the 2028 hike but keep the other three.

Dufty and Crunican considered the fare jumps necessary for BART's financial health, not only because they promise more money in the fare boxbut because they help the transit agency's credit rating as it issues bonds and applies for federal grants.

Officials are particularly worried about a federal grant application that has already languished for 18 months in Washington and would provide $1.25 billion to run more cars through the Transbay Tube. The grant could be jeopardized if BART can't show it's set aside money to pay for its share of the improvements.

Even so, some directors were reluctant to charge passengers more at a time when BART's approval rating has tanked and riders are peeling off to Uber and Lyft. Others said it's critical for the transit system to keep pace with the value of the dollar. One board director said BART should charge more for parking before it leans on riders — an argument made by a transit activist in the audience.

"I just can't support these fare increases when parking fees remain flat," said Director Rebecca Saltzman, who has backed hikes in the past.

The budget that BART passed includes a 5.4% fare hike in January — separate from the staggered jumps that start in 2022 — that several directors had sought to remove, though they grudgingly gave up Thursday after failing to rally enough support.

Yet even the 8-1 budget vote didn't come without a fight. BART's directors, like its riders, have become preoccupied with social issues that keep welling up on the system, such as scofflaws who hop gates and the swelling homeless population. They have competing strategies to fix the problems.

Directors Debora Allen and Liz Ames wanted to shift $25 million from capital projects and devote the money to station "hardening" — the high rails and cinched fare gates that help deter cheats. Their motion failed, as other directors worried about stripping funds for necessary infrastructure.

Saltzman wanted to set aside $500,000 for civilian ambassadors to roam the trains and stations, a form of community policing meant to build trust with riders. The proposal also failed.

The board kept in place funding to hire 19 new police officers and four additional fare inspectors, budget items that at one point hit resistance from directors who say the heavy police presence is intimidating.

In a separate vote the board approved 20% discounts for low-income riders who earn up to 200% of the federal poverty threshold. It's a 12- to 18-month program that will cost about $8 million a year, though the Metropolitan Transportation Commission will pay for half.

After grudgingly passing the budget, Allen and Saltzman both promised to keep pursuing their ideas. Crunican winced.

"I'm looking forward to retirement," she said.

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BART reverses course, approves fare hikes (KTVU Ch. 2)

The BART Board of Directors reversed course Thursday afternoon and approved three fare hikes following initial disagreement on fare increases.

The inflation-based hikes go into effect every two years starting 2022 apart from a hike scheduled for January 2020, according to BART.

Effective Jan. 1, BART will implement a 5.4 percent fare increase as part of a preexisting plan first approved in 2003 and renewed in 2013.

It's designed to avoid shockingly high increases following long periods without an increase.

According to a report presented to directors by BART staff, the 1980s and 1990s were characterized by long gaps between increases, followed by fare hikes of 30 percent and 45 percent.

The new series of increases are meant to continue the program of regular, moderate fare hikes approved in 2003 and 2013. BART derives most of its revenue from fares.

BART board members also approved a budget for fiscal year 2020.

The board voted 8-1 to approve the budget, with Director Liz Ames casting the lone dissenting vote.

Before the initial vote on fare hikes, Ames and Director Debora Allen both expressed concern that increasing the cost to ride BART would further discourage ridership, which has been in steady decline.

"I didn't want to focus on this right now, I want to focus on ridership declines," Ames said.

Director Rebecca Saltzman said she couldn't see her way clear to approving fare increases while not also increasing parking fees at BART stations.

"We continue to increase fares while continuing to leave parking fees flat," Saltzman said. "I really think need we need to revisit having incremental increases to parking fees."

Following the decision initially to keep fares flat, General Manager Grace Crunican said, "This changes everything for us."

BART staff built the budget at least partly on an eight-year cycle of fare increases that would have raised $400 million, according to a report presented to the board.

BART Director Robert Raburn said keeping fares the same is "like quitting your job and then walking into the bank and asking for a loan."

The $2.37 billion budget includes $947.3 million to pay the agency's roughly 3,400 employees, as well as $262 million to buy new train cars, $201 million to repair tracks and other structures within the system, money for new police officers and fare evasion prevention efforts and $167 million to improve earthquake safety, among other things.

The board also voted Thursday to issue up to $600 million in new bonds and directors approved a pilot program to test the effectiveness of giving 20 percent per-trip discounts to low-income riders.

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BART budget prioritizes safety with continued emphasis on Quality of Life issues (Mass Transit Magazine)

An increase in police officers and fare inspectors patrolling the system, as well as continued outreach efforts to fight homelessness is included in the FY20 budget.

The Board of Directors of Bay Area Rapid Transit (BART) has approved a $2.3 billion budget for Fiscal Year 2020 (FY20) which begins July 1, 2019. The budget focuses on expanding and investing in Quality of Life issues, including the addition of 19 police officers and four unarmed fare inspectors.

“This budget is designed to make BART safer,” said BART Board President Bevan Dufty. “Adding officers and establishing a community ambassador program shows our riders that we’ve heard their concerns and we’ve taken action.”

Quality of Life

Including funds added in FY20, since FY14 BART has spent $59 million on new budget initiatives addressing Quality of Life challenges in the areas of safety, fare evasion prevention, cleanliness and homelessness. The FY20 budget supplements and continues Quality of Life initiatives added in prior years. Among the highlights:

- $2.1 million towards 19 additional police officers.
- $500,000 to fund four additional fare inspectors.
- $2 million to continue funding efforts to address the impacts of regional homelessness in the BART system, including outreach programs, elevator attendants and Pit Stop restrooms.

BART station hardening efforts are incorporated into many projects and programs throughout the District, using operating and capital funds. In FY20, $2.4 million of new and ongoing funds ($400,000 of new FY20 operating funds augments $600,000 of prior year parking revenue held in reserves and $1.3 million of capital staffing) will support station hardening projects, including raising railings and securing swing gates. Additionally, BART directs grant funds to station hardening, including federal formula funds for the fare gate modification program and often redirects existing engineering and maintenance staff to projects such as the fare gate cinch modification program as well as the camera upgrade program. BART’s Station Modernization Program also incorporates elements of station hardening in design, guided by the BART Facilities Standards. Six stations in the Station Modernization Program are spending or will spend a combined $16 million on station hardening elements. In addition, the $61 million Market Street Escalator Canopies project includes installing roll-up grilles at the street level, security cameras and handrail lighting. In summary, station hardening is a substantial, multi-year systemwide effort, leveraging new and existing operating and capital funds from a variety of sources into a wide range of projects.

System reinvestment

The new budget dedicates $1.4 billion for capital programs, a 5% increase from FY19 with the largest portion (46%) coming from Measure RR funds. The use of Measure RR funding for FY20 is increasing as projects anticipate moving from design and pre-engineering to construction. Most of the capital budget (69%) is directed to reinvestment in the system. The use of previously awarded and current federal funds has increased as BART ramps up on train control modernization, state of good repair projects and continues the delivery of new rail cars. FY20 projects include:

- $101 million for station modernization and elevator/escalator improvements across the system, including replacement of escalators at downtown San Francisco stations, and station modernization efforts at El Cerrito Del Norte, 19th Street, Downtown Berkeley, Concord, Powell, and Pittsburg/Bay Point stations. The station modernization program also includes many elements of station hardening.
- $303 million is budgeted for expenses related to the procurement of 775 new rail cars

- $151 million towards the continuation of a multi-year program of traction power infrastructure replacement, including replacement of traction power cables in San Francisco and in Alameda County.
- $71 million towards the Hayward Maintenance Complex, a modern facility to maintain the new rail cars.
- $86 million for planning and engineering for the Train Control Modernization Program and for renewing components of the existing train control system, including transformers, switch machines and speed encoding equipment at stations.

Fare changes

A 5.4 percent inflation-based fare increase will take effect on January 1, 2020 as part of a program first approved by the BART Board in 2003 and renewed for a second series in 2013. This is the last of four biennial fare increases called for under the 2013 series. The BART Board also approved a third series of inflation-based fare increases that will go into effect in 2022, 2024 and 2026. This latest series will follow the same inflation-based formula as the previous increases.

BART will participate in the Metropolitan Transportation Commission's Regional Means-Based Fare Discount Pilot Program. The program will offer a 20 percent discount per trip to adult riders earning 200 percent or less of the federal poverty level. The FY20 budget assumes one-half year of the pilot with an estimated revenue loss of $2 million after the MTC's estimated offsetting annual contribution to BART of approximately $2 million.

Revenue and ridership challenges

The FY20 budget is balanced and includes $17 million in budget cuts made by all departments in the district.

Fare revenue is BART's largest source of revenue, with $479 million of rail fare revenue forecast in FY20, a decrease of $5.6 million from FY19, reflecting a lower ridership forecast. Other operating revenue is forecast to be $10 million lower due to one-time revenues in FY19 not budgeted in FY20. These decreases are offset by increases in financial assistance, particularly sales taxes. Sales taxes are BART's largest form of financial assistance budgeted at $277 million for FY20 a 3.2 percent growth over FY19.

The transit system says it takes a conservative approach to projecting ridership for our FY20 budget and is concerned about the length of this current economic expansion and the potential for a downturn in the future, which could impact ridership.

Service improvements

The budget includes funding for service enhancements that will ease crowding. Most notably, by February of 2020 BART expects to have 160 Fleet of the Future train cars which will allow us to run all 10-car trains on the four Transbay routes. As BART increases the number of Fleet of the Future cars, it will begin retiring legacy cars, which should increase reliability and reduce maintenance costs.

Silicon Valley Berryessa Extension fares

Along with approving the FY20 budget, the BART Board of Directors voted unanimously to establish a fare structure for the Silicon Valley Berryessa Extension. BART's existing distance-based fare structure will be used to calculate trip fares on the 10-mile extension from the Warm Springs/South Fremont Station to Berryessa Road in San Jose. This is in accordance with the comprehensive agreement between BART and the Valley Transportation Authority. The extension includes stops in Milpitas and Berryessa/North San Jose.

Ambassador program

Though not part of the FY20 budget, $500,000 in additional anticipated revenue from the FY19 budget will be set aside to fund an ambassador pilot program. BART is in talks with the Metropolitan Transportation Commission to seek matching funds for the program.

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Will some of Uber's first flying cars be landing at Santa Clara megaproject's 'skyport'? (Business Journal)

In a massive display of corporate exuberance, Uber Elevate — Uber's flying cars division — made a slew of announcements Tuesday reinforcing its claim that people will be traveling in airborne automobiles much sooner than they think.

And among the first places Uber says people will be doing it will be at "skyports" developed by Related Cos., which will begin site work later this month in preparation for groundbreaking next year on its 240-acre mixed use development near Levi's Stadium and the Santa Clara Convention Center.

The announcements — including prototype designs for the flying car cabins, partnership agreements with aircraft designers and builders, and selection of Melbourne, Australia as Uber Air's first international pilot city — were made in Washington, D.C., at the third annual Elevate Summit, "which is all about our vision for flying cars," spokesman Matt Wing said in an interview with the Silicon Valley Business Journal.

Related, a huge international real estate development company headquartered in New York, released artist's conceptions of what its skyports could look like, including one with an electrically powered self-piloted aircraft on approach to its Santa Clara development with Levi's Stadium in the background.

"Urban aviation is the next frontier," Related CEO Jeff Blau said in the release. "We're excited to work with Uber Elevate to bring new forms of mobility to our customers and communities."

Related's Santa Clara project, known as City Place, spans 9.2 million square feet of new mixed-use space at at 5155 Stars and Stripes Drive — near Levi's Stadium and the city's convention center — including 5.4 million square feet of office, 700 hotel rooms, 1,680 residential units, 1 million square feet of retail and entertainment space and public parks. The project is set to come online in phases, with the first opening in 2023.

San Francisco-based Uber Technologies, Inc. says it will begin conducting flight demonstrations of four-passenger autonomous drone-like aircraft next year and expects them to be commercially available in four years in Los Angeles and in the Dallas-Fort Worth area. Uber's term for these aircraft is eVTOL, for "electric vertical take-off and landing."

The Washington summit included a full-scale mockup of an Uber-commissioned design that it says will allow personal air travel at prices competitive with what an Uber trip to the airport by car costs today.

However, a New York Times story revealed that Uber's initial foray into aviation will be by fossil-fuel professionally piloted helicopters taking passengers from Manhattan to JFK International at one-way fares between $200 and $225.

Numerous news outlets, including Fast Company, were skeptical that Uber could deliver on its promise for car-fare prices in pilotless aircraft because no such vehicles exist at the moment. Development and certification of conventional aircraft typically takes 10 years or so.

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From: VTA Board Secretary <Board.Secretary@vta.org>
Sent: Friday, June 14, 2019 11:45 AM
To: VTA Board of Directors <VTABoardofDirectors@vta.org>
Subject: VTA Information: June 21, 2019, Board of Directors Regular Meeting Agenda Packet

VTA Board of Directors:

You may now access the VTA Board of Directors Agenda Packet for the **June 21, 2019**, Regular Meeting on our website here or on our agenda portal here.

Please note the meeting will **start at 9:00 a.m.** at the County Government Center, Board of Supervisors' Chambers, 70 W. Hedding St., San Jose, CA.

Thank you.

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Santa Clara Valley Transportation Authority

Solutions that move you