



## SPECIAL MEETING OF THE MILPITAS CITY COUNCIL - STUDY SESSION

For assistance in the following languages, you may call:

Đối với Việt Nam, gọi 408-586-3122  
Para sa Tagalog, tumawag sa 408-586-3051  
Para español, llame 408-586-3232

### AGENDA

**TUESDAY, OCTOBER 8, 2019**  
**BARBARA LEE SENIOR CENTER, 40 N. MILPITAS BLVD., ROOMS 140/141**  
**MILPITAS, CA**  
**5:30 PM**

#### CALL TO ORDER / ROLL CALL / PLEDGE

#### PUBLIC FORUM *Comments limited to 3 minutes or less*

Those in the audience are invited to address City Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk and limit spoken remarks to 3 minutes. As an item not listed on the agenda, no response is required from City staff nor Council and no action can be taken. Council may instruct the City Manager to place the item on a future meeting agenda.

#### AGENDA ITEMS

- 1. Receive a follow-up presentation on the General Plan Preferred Land Use Map, as discussed (in May 21, 2019 Study Session), provide direction for Opportunity Sites where the Council requested additional analysis and recommendations, confirm the Preferred Land Use Map, and direct consultant and staff to prepare the draft General Plan Update document and Environmental Impact Report (EIR) for future consideration by the Council (Staff Contact: Ned Thomas, 408-586-3273)**

##### Recommendations:

- a) Receive a follow-up presentation on the General Plan Preferred Land Use Map.
- b) Provide direction on Opportunity Sites where the Council requested additional analysis and recommendation.
- c) Confirm the General Plan Preferred Land Use Map and direct the consultant and staff to prepare the draft General Plan Update document and Environmental Impact Report (EIR) for future consideration by the Council.

- 2. Update on a Potential Shuttle Program (Staff Contact: Ashwini Kantak, 408-586-3053)**

##### Recommendations:

- a) Provide direction to staff on options for an interim shuttle pilot program.
- b) Provide feedback to staff on key components of a long-term shuttle program.

#### ADJOURNMENT

### **KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE**

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review.

For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035  
e-mail: [cdiaz@ci.milpitas.ca.gov](mailto:cdiaz@ci.milpitas.ca.gov) / Phone: 408-586-3040

*The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) by selecting the Milpitas Municipal Code link.*

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on City website. Council agendas and related materials can be viewed online: [www.ci.milpitas.ca.gov/government/council/agenda\\_minutes.asp](http://www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp) (select meeting date)

### **APPLY TO SERVE ON A CITY COMMISSION**

Commission application forms are available online at [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) or at Milpitas City Hall. Contact the City Clerk's office at 408-586-3003 for more information.

*If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, please call the City Clerk at 408-586-3001 or send an e-mail to [mlavelle@ci.milpitas.ca.gov](mailto:mlavelle@ci.milpitas.ca.gov) prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the City Council Chambers for all meetings.*



## CITY OF MILPITAS AGENDA REPORT (AR)

<b>Item Title:</b>	<b>Receive a follow-up presentation on the General Plan Preferred Land Use Map, as discussed (in May 21, 2019 Study Session), provide direction for Opportunity Sites where the Council requested additional analysis and recommendations, confirm the Preferred Land Use Map, and direct consultant and staff to prepare the draft General Plan Update document and Environmental Impact Report (EIR) for future consideration by the Council</b>
<b>Category:</b>	Community Development
<b>Meeting Date:</b>	10/8/2019
<b>Staff Contact:</b>	Ned Thomas, Planning Director, 408-586-3273 Jessica Garner, Planning Manager, 408-586-3284
<b>Recommendations:</b>	<ol style="list-style-type: none"> <li>1. Receive a follow-up presentation on the General Plan Preferred Land Use Map.</li> <li>2. Provide direction on Opportunity Sites where the Council requested additional analysis and recommendation.</li> <li>3. Confirm the General Plan Preferred Land Use Map and direct the consultant and staff to prepare the draft General Plan Update document and Environmental Impact Report (EIR) for future consideration by the Council.</li> </ol>

### **BACKGROUND**

The Milpitas General Plan establishes a long-range vision for how the community will grow and a legal foundation for all land use and development decisions in the community. The General Plan is the City's "constitution" or blueprint because it establishes goals and policies to guide growth, land development, traffic circulation, housing, conservation, fiscal sustainability, economic development, and other important topics over the next 20 years. The current Milpitas General Plan was adopted on December 20, 1994, and last amended in November 2010.

The Council directed staff to prepare a comprehensive update to the Milpitas General Plan in 2016 and created a General Plan Advisory Committee (GPAC) to help guide the process. The GPAC held 12 meetings between June 2016 and October 2018. In addition to providing valuable feedback to the consultant team and staff on the Community Visioning workshops, Existing Conditions Report, and various draft policy sets, the GPAC also reviewed and discussed the draft Land Use Alternatives Report and provided recommendations to the Council. On May 21, 2019, the Council reviewed the recommendations from the GPAC and provided direction to the consultant team and staff on a Preferred Land Use Map. The Council also requested additional analysis for those Opportunity Areas where opinions were varied and directed the consultant team and staff to return with clear recommendations for land uses in those areas.

### **ANALYSIS**

Based on feedback and direction received from the City Council in the Study Session held on May 21, 2019, the consultant team and staff have developed a draft Preferred Land Use Map with recommendations for each of the 14 Opportunity Areas identified in the *Land Use Alternative Report*. At the follow-up Study Session on October 8, 2019, the consultant team and staff will provide land use recommendations, receive direction from the Council to finalize the Preferred Land Use Map and move forward with preparation of the draft General Plan Update document and Environmental Impact Report (EIR). These documents will come back to the Council for future consideration.

The presentation of the draft Preferred Land Use Map will include the following discussion items:

- Confirmation of 10 Opportunity Areas with unanimous Council support for proposed changes
- Confirmation of one Opportunity Area with minor revisions to address Council direction
- Discussion of one Opportunity Area where staff is recommending land uses based on previous City Council discussion and final Council direction is needed
- Clarification of two Specific Plan area recommendations in relation to the General Plan Update

At present, the consultant team and staff are requesting final direction from the Council on the Preferred Land Use Map to move forward with preparation of the draft General Plan Update document and EIR. Major steps yet to be completed in the General Plan Update process include finalizing the Goals, Policies, and Actions that comprise each of the General Plan Elements (chapters) and commencing the environmental impact analysis required under the California Environmental Quality Act (CEQA). Staff expects to return to the Council for review and discussion after the draft General Plan Update document and EIR are released later this year or in early 2020. The draft General Plan Update and EIR will also include additional community outreach and Planning Commission hearings before final consideration for City Council approval.

Staff will provide maps for discussion prior to the Study Session.

### **POLICY ALTERNATIVE**

This is an information item for Council direction. The General Plan Update is an approved Council Priority, and the project is currently underway.

### **FISCAL IMPACT**

This is an information item for Council direction. No fiscal impact.

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The City will prepare a full Environmental Impact Report (EIR) as part of the General Plan Update project. The current phase of the overall process is not a project under CEQA.

### **Recommendations**

- 1) Receive a follow-up presentation on the General Plan Preferred Land Use Map.
- 2) Provide direction on Opportunity sites where the Council requested additional analysis and recommendation.
- 3) Confirm the General Plan Preferred Land Use Map and provide direction to the consultant and staff to finalize preparation of the draft General Plan Update document and Environmental Impact Report (EIR).



## CITY OF MILPITAS AGENDA REPORT (AR)

<b>Item Title:</b>	<b>Update on a Potential Shuttle Program</b>
<b>Category:</b>	Community Services and Sustainable Infrastructure
<b>Meeting Date:</b>	10/8/2019
<b>Staff Contact:</b>	<b>Ashwini Kantak, 408-586-3053</b>
<b><u>Recommendation:</u></b>	<ol style="list-style-type: none"> <li>1. Provide direction to staff on options for an interim shuttle pilot program.</li> <li>2. Provide feedback to staff on key components of a long-term shuttle program.</li> </ol>

### **Background:**

The planned opening of the new Milpitas Transit Center and BART station provides the City with a unique opportunity to connect employees from many parts of the San Francisco Bay Area to employers in Milpitas. Given the robust performance of our region’s economy and the continuing demand for a skilled workforce, Milpitas is well positioned to take advantage of the existing and planned public transit options. VTA will provide new local transit connections to the Milpitas Transit Center (Attachment A – planned transit routes) at the planned opening. However, the City could potentially supplement them with a future shuttle program to address the first-and-last-mile-traveled issue that hinders many from using public transit.

Offering a last mile/first mile connection to employers and residents in the City could help mitigate the traffic congestion that significantly slows traffic flow on major roadways during peak-hour commute times and reduces quality of life in the community. Enhancing accessibility to public transit could also reduce vehicle miles traveled in the City and thus help meet the City’s goal of reducing greenhouse gas emissions per the City’s Climate Action Plan (CAP). Per the City’s CAP, emissions from On-Road Transportation makes up more than 50% of the City’s GHG emissions. Increasing public transit ridership and ridesharing participation throughout the Community is one of the Goal Areas identified in the CAP. Reducing vehicle miles travelled (VMT) and providing carbon-free transit options is a key strategy to reducing transportation related GHG emissions. While the City is on track to achieve the State’s 2020 GHG reduction target of 15% below baseline emissions, additional actions are needed to achieve longer term targets for 2030 (40% below 1990 levels) and 2050 (80% below 1990 levels).

Recognizing the potential advantages of a shuttle program, the City Council has expressed an interest in exploring such a program and the Adopted 2019-2024 CIP Project No. 3428 includes \$100,000 for a shuttle study. In April 2019, the City selected a consultant (ALTRANS) to complete a shuttle study. The scope of the study includes stakeholder outreach, identify transit gaps, recommendations for potential routes, operational cost analysis, and funding options. The study is slated to be completed in early 2020.

The purpose of this report is to provide an update on the shuttle study, seek guidance from the Council on a potential pilot shuttle program that could start soon after the anticipated opening of the Milpitas Transit Center and solicit preliminary feedback on specific elements of the long-term shuttle program that is under development.

### **Analysis:**

Project No. 3428, Shuttle Study includes the following deliverables:

- *Identify existing transit service gaps through outreach and existing transit route analysis*
- *Develop potential shuttle services with routes and service frequencies from needs identified in public outreach efforts*
- *Consider technology applications to enhance shuttle service*
- *Develop operation cost scenarios based on desired coverage and ridership goals.*
- *Identify funding opportunities and partnerships*

## **Community Outreach**

Public outreach for the Shuttle Study began in early 2019. Economic Development and Engineering staff reached out to the top twenty-five employers located in the City of Milpitas. Thirteen employers responded with interest and were connected with ALTRANS to complete a survey to gain understanding of the employers' workforce and transit needs of their employees.

An online public survey was also made available to the public, targeting those that live and/or work in Milpitas, to learn about their commute patterns, to identify reasons for not using public transit, and to gauge interest in a shuttle service. The public survey was made live on Thursday, August 22<sup>nd</sup>, and was posted onto the City website and the City's social media outlets: Twitter, Nextdoor, and Facebook. Staff also sent the public survey to major property owners and shopping/retail centers to be distributed to their tenants and employees.

A total of 158 survey responses have been received to date. In response to a question about whether they would use a community shuttle serving local destinations in Milpitas, 51% responded yes, 38% responded with a "maybe", and 11% of the respondents answered "no". Of the survey respondents, 66% said they are most likely to use the shuttle between 6:00 AM – 10:00 AM and 3:00 PM – 7:00 PM. 36% of the survey respondents are also likely to use the shuttle between 10:00 AM – 3:00 PM and 47% of survey takers said they would use the shuttle to access the future Milpitas BART station.

Public outreach meetings are scheduled beginning in October to further engage the community to understand their transit needs.

## **Interim Shuttle Pilot Program**

In order to provide a first/last mile shuttle option soon after the opening of the Milpitas BART station, staff has researched options and has developed a conceptual potential pilot program for Council consideration. To assist in the development of the potential pilot program, the consultant has developed three preliminary routes (Attachment B shows routes and major employers) that will originate and terminate at the Milpitas Transit Center and are primarily focused on providing the first/last mile travel options. These routes could serve 17 major employers with upwards of 15,000 employees, and would also include City Hall, Kaiser Permanente, and some residential developments. These preliminary shuttle routes would complement local transit services already available in the City (Attachment C - Milpitas transit routes and proposed shuttle routes).

Staff is seeking feedback from Council on options for this pilot. Since it takes a considerable amount of time to establish ridership for any new mode of public transit, if Council wishes to move forward with the pilot program, the consultant and staff are recommending a minimum two-year pilot period to build ridership and to evaluate future needs of a potential long-term shuttle program. During the pilot period, key metrics could be measured to inform long-term shuttle options. Additionally, staff will be conducting a traffic modeling study one year after the Milpitas Transit Center and BART become operational. Information from this study will also provide useful information for a long-term shuttle program.

The pilot will require a significant amount of upfront investment and although staff will strive to partner with businesses and to seek grants to offset the costs, in order to have an expeditious program start, the City will need to provide the initial funding.

## **Pilot Program Shuttle Routes**

Three preliminary shuttle routes have been developed by ALTRANS:

1. Route 1 - Milpitas Blvd (Blue Line)
  - a. Would serve Milpitas Boulevard area from Montague Expressway to Calaveras Boulevard from the Milpitas Transit Center. A total of 22 Stops, would include Milpitas City Hall, Kaiser Permanente, Headway, Flex, and nearby residential developments.
  - b. Service would operate from 5:00AM-10:00AM and 3:00PM-7:00PM, Monday-Friday at 15-minute headways (intervals) with 2 vehicles.
  - c. Estimated cost for a turn-key service is **\$450,000 per year**.
  - d. Projected 900 potential riders per day.
  
2. Route 2 - North McCarthy Blvd Last-Mile Shuttle (Red Line)
  - a. Would serve the North McCarthy Boulevard area north of Tasman Drive from the Milpitas Transit Center. 18 Stops include Cisco, KLA, FireEye, Western Digital, Renesas, Sonicwall, Walmart, Vitas, and Varian.
  - b. Service would operate from 5AM to 10AM and 3:00PM to 7:00PM, Monday-Friday at 15-minute headways with 3 vehicles.
  - c. Estimated cost for a turn-key service is **\$ 600,000 per year**.
  - d. Projected 330 potential riders per day.
  
3. Route 3 - South McCarthy Blvd (Green Line)
  - a. Would serve the South McCarthy Boulevard area south of Tasman Drive from the Milpitas Transit Center. 9 Stops include Micron, Spectra, Nanosys, and Analog Devices.
  - b. Service would operate from 5AM-10AM and 3PM-7PM, M-F at 15-minute headways with 2 vehicles
  - c. Estimated cost for a turn-key service is **\$440,000 per year**
  - d. Projected 300 potential riders per day.

#### Option A

Pursue a turnkey option with an established shuttle provider such as WeDriveU, Gateway Global, Bauer's Intelligent Transport, or MVgo Transportation Management Association. The estimated costs are based on shuttles with a capacity for approximately 26 passengers, 16 seated, 10 standing. The turnkey option could include clean air vehicles and vehicle charging infrastructure at an additional cost.

One-year service operation cost of Option A with all three shuttle routes is estimated at **\$1,490,000 per year**. The average cost per trip for this option is estimated at \$4.00. This cost is a rough estimate based on preliminary vendor quotes and could be higher for a low-emission or clean air vehicle fleet and additional hours of operation. Estimated time to get Option A in operation would be approximately 4-6 months to complete the required public service contract procedures. The selected vendor would likely require additional time to mobilize and start shuttle operations.

Next Steps if Council directs staff to move forward with Option A:

1. Begin procurement process to select a turnkey shuttle vendor.
2. Identify additional funding in the amount of up to \$2.78M (\$200,000 expected to be received in January 2020) to cover 2 years of operational costs.
3. Finalize routes and conduct outreach to potential users to discuss funding partnerships to offset the program costs.
4. Evaluate pilot program through ridership and cost metrics.

#### Option B

Staff looked at the possibility of leveraging the City's current shuttle program for seniors. This option would include shared use of one existing and one proposed new senior shuttle to provide shuttle service during morning and evening commute hours and supplement with two turnkey options to cover all three routes. At least one of the shuttles would need to transport seniors to and from the Senior Center during the hours of 9:30AM – 11:00AM and 1:00PM – 3:00PM and would thus only provide service during the hours of 5:00AM-9:00 AM and 3:30PM-7:00PM on one route. Senior Center trips, which are scheduled one to two times a m

would need to use a private shuttle provider, these costs would need to be factored into the costs of this

option. To ensure insurance coverage for the route operated by the City, the City would need individual waivers to be signed by all shuttle riders.

The Adopted Fiscal Year 2019-2020 budget includes \$67,336 for a replacement shuttle for Senior services and the current senior shuttle program has funding of approximately \$33,000 for two part-time drivers. Funding for the new shuttle assumed the purchase of a gas-powered shuttle, with seating for 24 persons and wheelchair access. Additional personnel costs associated with this option, would include the cost of two 2 full time drivers and increased hours for the two part time drivers (30 hours each), of approximately \$400,000. This assumes an annual salary of \$69,000 (top step of a driver employed by the Milpitas Unified School District), family health, and the City's benefit rate for the Milpitas Employee Association of 49.6% offset by the \$33,000 of personnel costs already budgeted. In addition to these personnel costs, costs for this option include approximately \$13,000 for a shuttle service for senior trips, and increased fuel and maintenance costs in the amount of approximately \$60,000. Thus, total annual costs for the City to operate one route would be approximately \$500,000, and the total costs for a two-year pilot would be over \$1 million.

Staff is not recommending Option B for several reasons:

1. The costs for the City operated route are higher than the preliminary quotes obtained by vendors for that same route.
2. To ensure insurance coverage the City would need to get waivers signed by every shuttle rider which is impractical and would be extremely cumbersome to operationalize. Even if a process were to be put in place to address this, this option would significantly increase the City's risk and liability.
3. Part time Class B drivers are challenging to recruit, and the City will either need to hire extra drivers for every shift or will not have back up for unplanned absences.
4. This option will have some impact, albeit limited, on the senior center program with regards to the pick-up and drop-off hours and the need for other private shuttles for senior center trips.

### **Potential Grant Funding Opportunities**

Staff has been tracking potential state and regional grant funding opportunities. It is anticipated that the 2016 Measure B Innovative Transit Service Models Competitive Grant Program from VTA should have a call for projects in early 2020. There is a \$1.5 million maximum for any grant awarded.

The Bay Area Air Quality Management District's Transportation for Clean Air (TFCA) call for projects recently ended on Sept 10. This grant application required specific program details and local funding commitment, so although the City could not apply for the grant this year, staff will be positioned to in the next cycle (anticipated in summer of 2020), should Council direct staff to move forward with the shuttle program. This grant also has a \$1.5 million maximum for any grant awarded.

Another grant opportunity is the State SB-1 Local Partnership Program, an annual statewide competitive grant for transit infrastructure construction with an annual funding capacity of \$200 million. Applicants are required to provide 100% matching grant fund to a submitted project. As this is a construction grant, only the infrastructure would be eligible. Actual shuttle operations are not eligible for this grant.

The California Transportation Commission (CTC) allows regional transportation agencies to apply for Solutions for Congested Corridors Program (SCCP) funding to achieve a balanced solution that considers accessibility, the environment, and feasibility. This program makes \$250 million available annually for projects, however in order to be eligible, the City would need to work with VTA on the feasibility of incorporating the shuttle program into the overall regional transportation plan and then partnering on the grant application itself.

### **Alternative Policy Options for Council Consideration:**

1. Complete shuttle study; pursue grant opportunities and other funding mechanisms such as public private partnerships and assessment districts prior to starting a shuttle program. This will likely result in the earliest program start in 2021.

2. The pilot program could just include one shuttle route (Blue Line) operated by the turnkey vendor. This would provide limited coverage to 4 major employers and nearby residents, with a potential of 900 riders per day, but would significantly reduce costs, for an annual cost of approximately \$450,000 and a total cost of approximately \$900,000 for the pilot.
3. The program could be designed to have shuttles operate at 30-minute intervals which would reduce costs by approximately 50% but would likely not build a solid ridership base.

### **Long Term Shuttle Program Options**

In order to evaluate long term options for a shuttle program staff needs to take into consideration many factors such as population to be served, funding partnerships, user fees, and convenience of routes.

#### Outreach Plan

The City's Economic Development and Engineering Departments have partnered on business and community stakeholder outreach with consultant ALTRANS. Major employers and organizations potentially served by shuttle routes have been interviewed by ALTRANS which include, but are not limited to, Cisco, KLA, Flex, Nanosys, Kaiser Permanente, Santa Clara Valley Transportation Authority, Silicon Valley Clean Energy, and the Milpitas Unified School District. Engineering. ALTRANS has also developed a survey, which has been widely distributed by the consultant. As noted earlier, outreach will also be done to hotels, major retail establishments, and to Milpitas residents.

#### Funding Models

Funding options for a shuttle program will be developed in a later stage of the Shuttle Study. The consultant will research and identify potential private, state, and federal grant funding opportunities. In addition, the consultant will identify financial partnerships with private employers and entities within the City of Milpitas as well as funding mechanisms such as assessment districts and modest user fees. Lastly, future development approvals could be conditioned to contribute a fair share financial support to operate a shuttle program which would benefit their developments. As noted in the section on the potential Pilot Program, the costs to operate a robust shuttle program, even for the first/last mile connection can be up to \$1.5 million per year. This amount could be higher if the shuttle program were to be expanded to serve other users in the City.

#### Future Shuttle Routes

Based on the outreach and survey information, in addition to the preliminary routes developed by the consultant, additional routes serving other major trip generators identified through the survey and public meetings such as education institutions, medical facilities, major shopping destinations, senior/recreation centers, major residential areas, and other areas not already serviced by transit. These routes will be developed as part of the Shuttle Study final report scheduled for completion in early 2020.

#### Fleet

Shuttle options shall include clean air vehicles and provisions for bike racks to allow for maximum travel mode options for shuttle users.

#### Consistency with General Plan Circulation Element

The new General Plan Circulation Element will have a much greater focus and emphasis on multi-modal connectivity, enhanced access to transit services and other alternatives to single-passenger vehicles. The Shuttle Program would greatly support the overarching Circulation goals of reducing vehicle trips, improving congestion, and increasing transit ridership locally. Additionally, the Land Use and Economic Development Elements in the new General Plan will provide for expanded employment opportunities in areas proximate to the new Milpitas Transit Center and BART station, with the goal of making Milpitas more regionally competitive in attracting high-wage employers. A well-functioning transit system with enhanced first/last mile connectivity options may further entice employers to locate in Milpitas.

## **Benchmarking**

Staff has researched existing shuttle programs in six other cities in California (and one outside of CA) such as Palo Alto, Cupertino, Emeryville, San Leandro, Santa Barbara, and Mountain View. Shuttle routes are designed to serve multiple types of riders: weekday commuters, senior/youth riders, tourists or college students, and to bridge gaps in coverage areas. Comparable shuttle services provided by other agencies in California are either based around seamless connection with regional transit systems, with costs spread across multiple stakeholders in the process, or seasonal services run to provide additional tourist transit options. Coverage focused shuttles are less focused on ridership, and place a greater emphasis on area covered, although they remain inefficient for transporting the portion of the population that isn't connected to the digital economy.

Shuttle programs have different models across different cities. For example, in Mountain View, Google has taken the entire responsibility to run their community shuttle, with a plan to shift cost and operation to a city administered operator after five years. For the city's commuter shuttle, an independent organization was formed, with an agreement with the city to keep the shuttles free and open to all riders. Beyond that, the city is responsible for paying fees, same as any other major employer in the city.

In San Leandro, a non-profit entity was created to administer the shuttle, with the city responsible for collecting the fees needed to operate and transfer them to the entity. The shuttle is also funded by county and state grants, as well as contributions from the City's general funds. The City is also responsible for the annual report of the shuttle's operations.

Another example is Emeryville's Emery Go-Round, which runs a shuttle connecting the major points of attraction in the city to the nearby MacArthur BART station in Oakland. The shuttle is fare-free and runs seven days a week. Its main lines run at 10-20-minute intervals at standard hours, and at 5-15 minute intervals in peak hours. Similar to San Leandro, Emeryville's shuttle is also administered by a non-profit entity, with funding from local property owners. Emeryville's relative size and higher levels of density also help with the sustainability of funding its shuttle program while maintaining a high coverage area.

Staff research indicates that community shuttles typically do not charge a fee, particularly for first mile/last mile connections. The cities that fall in these categories include Palo Alto, San Leandro, Mountain View, and Providence, Rhode Island. Services focused on tourist ridership, such as in Santa Barbara, had minimal fares (between \$0.25 - \$0.50). Coverage focused on-demand services had the highest fare level, at \$5 in Cupertino (with discounts and monthly packages available to seniors and students), while AC Transit's Flex program in Newark had a fare of \$2.50, with a discount for youth and seniors.

A variety of funding models can be seen across cities with existing shuttle programs, these include:

1. Regional Transit funds
2. City and County funds
3. Federal, State, and Regional grants
4. Corporate funding
5. Business Improvement District assessment fees
6. Private Transportation Management Associations
7. User Fees

Attachment D provides further detail on specific shuttle programs.

## **Key Topics for Council feedback on potential long-term shuttle option**

1. *City role*  
Should the City act as a facilitator and provide shuttle study information to Milpitas businesses and Valley Transit Authority/BART and encourage them to collaborate on a program, possibly through a non-profit entity or take on a larger role?
2. *Funding model*

If the City were to take on a larger role, should the City evaluate and finalize funding mechanism such as an assessment district or a transportation management association (TMA), with multiple funders, prior to moving forward with a shuttle program?

3. *Shuttle users*

Confirm that the shuttle program should focus on first/last mile connections.

4. *Routes*

Confirm that shuttle routes should focus on maximizing ridership.

**Fiscal Impact:**

Fiscal impact of the long-term shuttle includes use of \$200,000 from the Campus Center property sale to Bridge Development and Embarcadero Partners. The \$200,000 may be utilized as seed funding and is expected to be received by the City in January 2020. If the Council directs staff to move forward with Option A for an interim shuttle pilot program, additional funding in the amount of \$2,780,000 will be required for the two-year pilot.

**California Environmental Quality Act:**

This project is statutorily exempt from environmental review under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15262 (Feasibility and Planning Studies). At this time, the potential shuttle program involves only feasibility or planning studies for possible future action which the Council has not approved, adopted, or funded and does not require the preparation of an EIR or Negative Declaration but does require consideration of environmental factors.

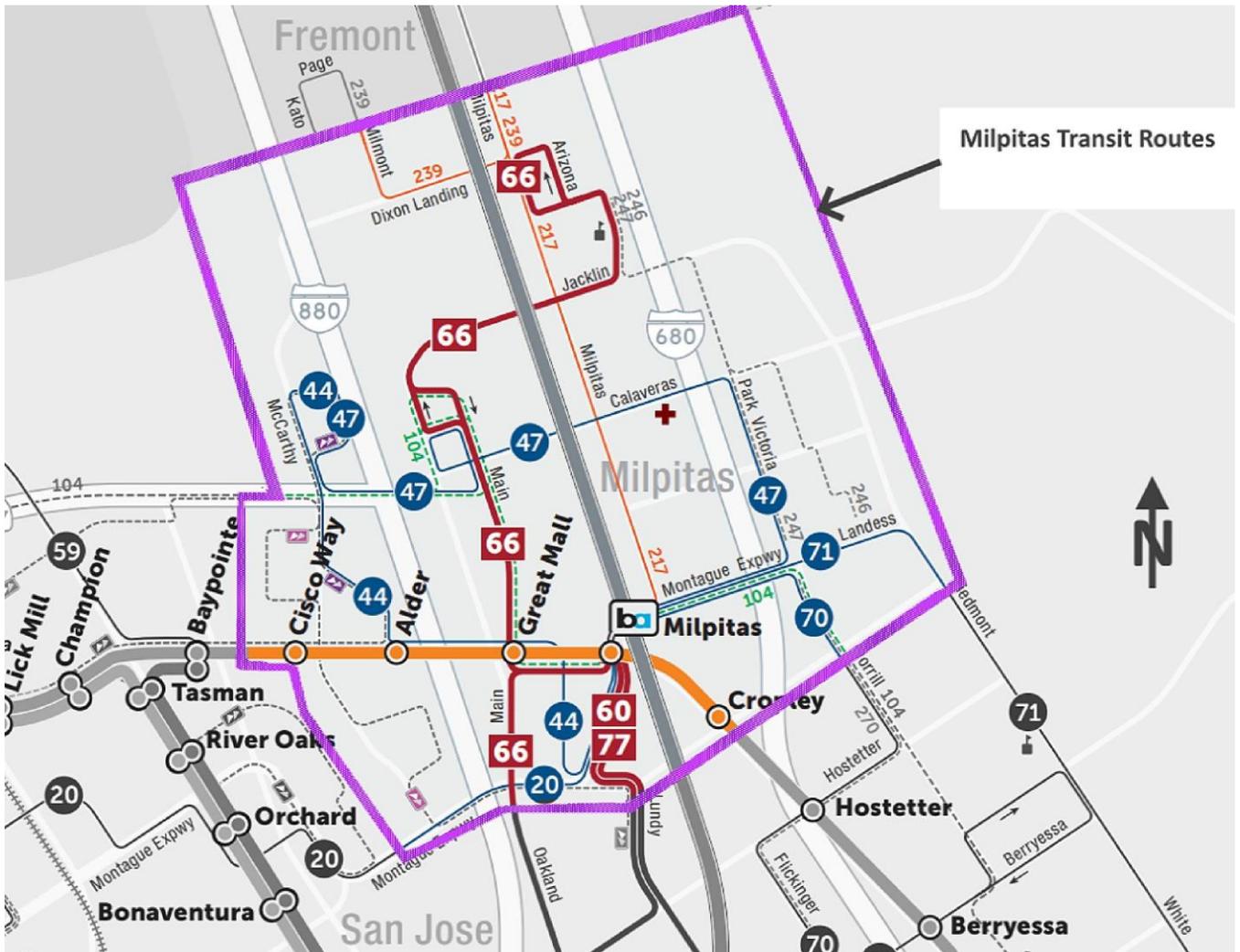
**Recommendations:**

1. Provide direction to staff on options for an interim shuttle pilot program.
2. Provide feedback to staff on key components of a long-term shuttle program.

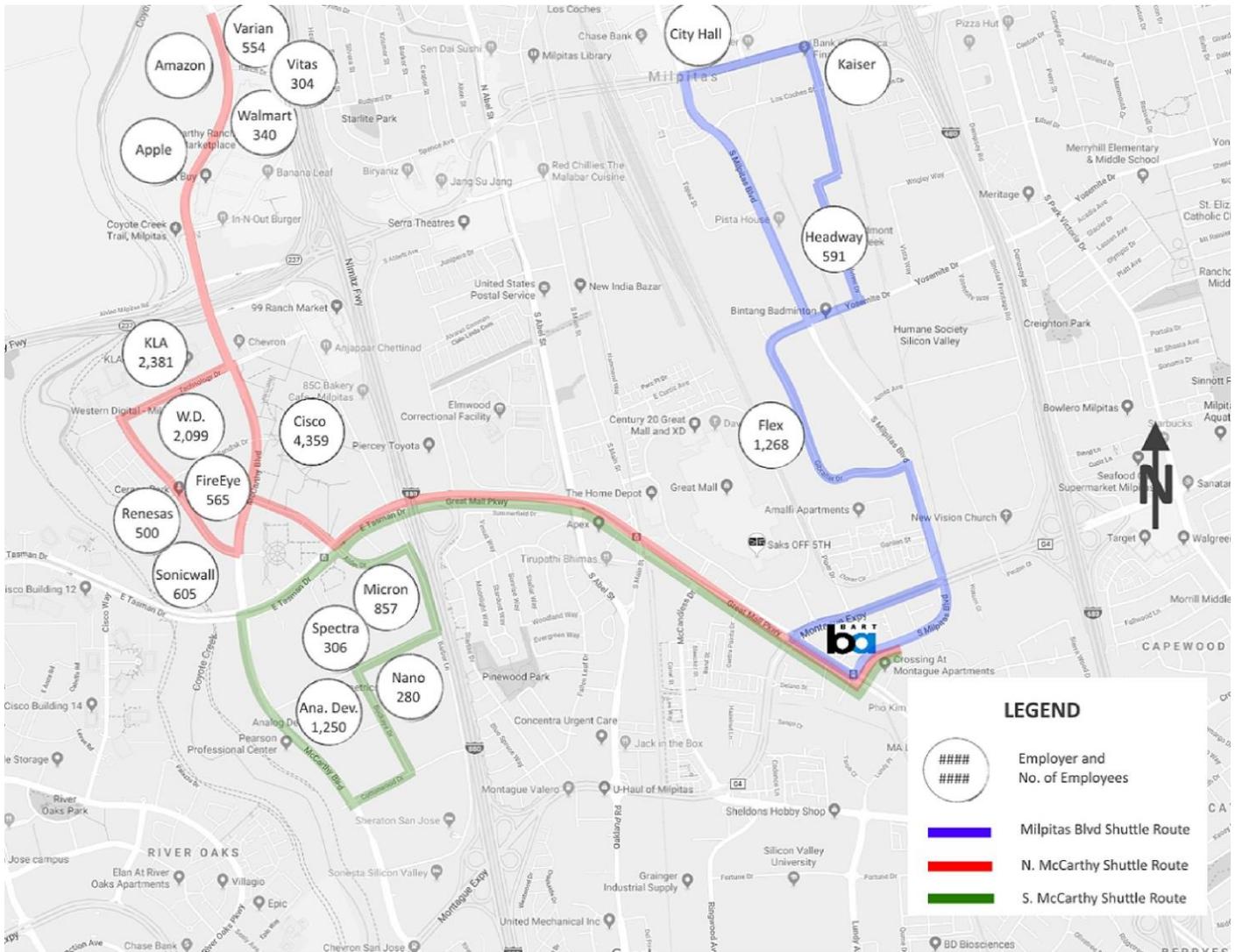
**Attachment(s):**

- Attachment A – Planned transit routes
- Attachment B – Potential shuttle routes and major employers
- Attachment C – Planned transit routes and potential shuttle routes
- Attachment B - Comparison of other shuttle programs

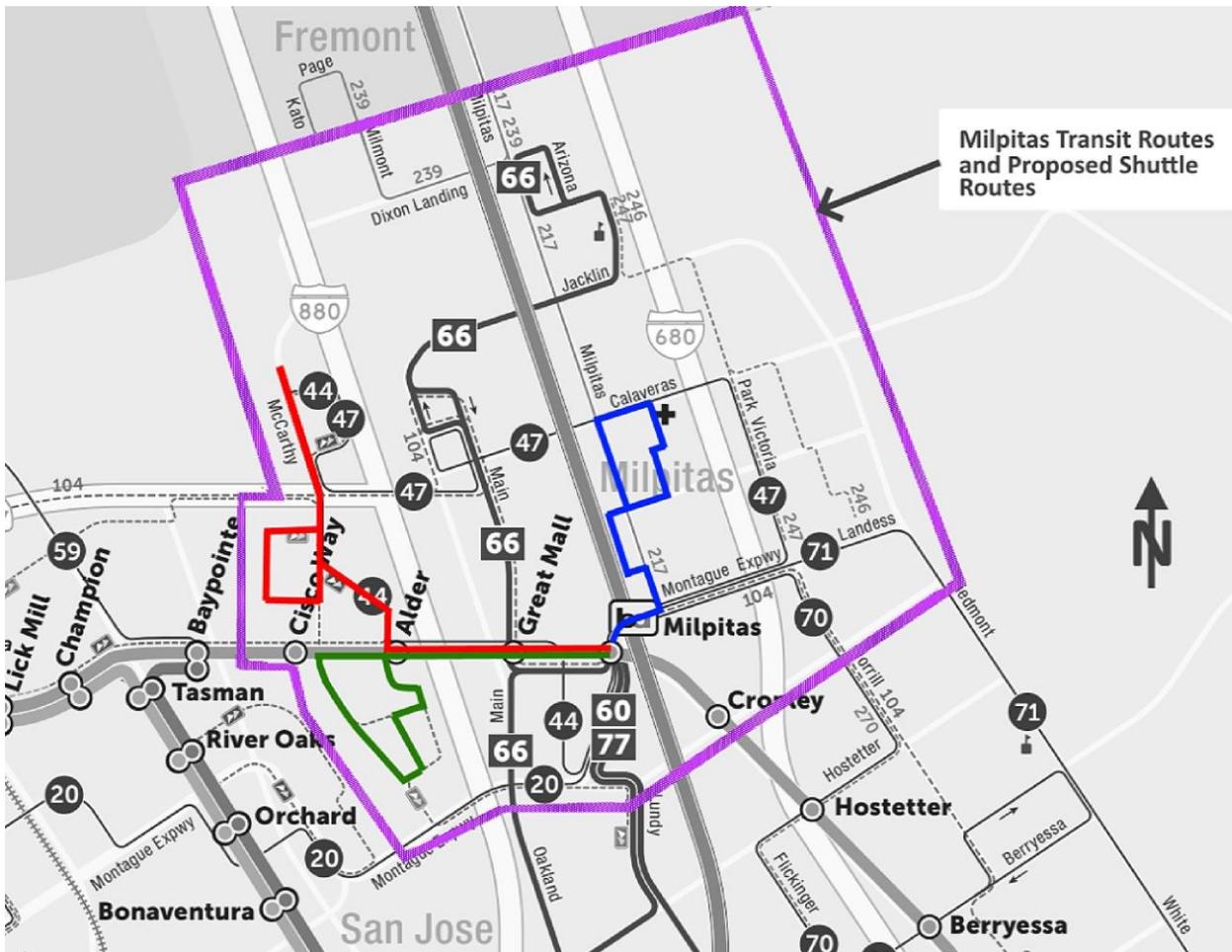
# Attachment A – Planned Transit Routes



# Attachment B – Potential Shuttle Routes (Major Employers noted)



# Attachment C – Planned Transit Routes and Potential Shuttle Routes



# Attachment D

## Overview of Shuttle Services

Staff researched shuttle service programs across various cities. There is a wide range of the nature and drivers underpinning each shuttle service. These can be broadly categorized as:

1. Shuttle service run by cities that complement larger, regional transit systems, with a focus on connecting out of city workers to their areas of employment (Palo Alto, San Leandro, Emeryville).
2. Shuttles that serve as a part of a larger regional transit system, with specialized routes serving a unique community, such as university students or tourists parking far from entertainment venues (Santa Barbara).
3. A shuttle that runs due to the lack of a fully integrated regional transit system that can serve the population in a meaningful way. This requires greater flexibility in the areas the shuttle serves (Cupertino).

The table below breaks down six (6) cities and their respective shuttle services

City	Type of Shuttle	Who Pays	Ridership	Use Charges	Frequency
Palo Alto (pop. 66,666)	1. "Last mile" connection to Caltrains (managed by Caltrain)  2. "Community" usage for seniors and students	1. 46.5% from Peninsula JPB (Caltrains), 53.3% from City (\$245,000)  2. 100% from City's General Fund (\$282,000)	1. 268 boardings/day  2. 276 boardings/day	No Fare	15 min peak 30 min midday 30-60 min evening/weekend
Cupertino (60,170)	On-demand shuttle (partnership with TNC company "Via")	Rider pays fare; City subsidizes (\$1.16 million over 18 month pilot; could rise to \$1.75 million with fare incentives if needed)	Beginning in fall 2019	\$5/ride Discounts for low income and De Anza college riders  Weekly & monthly package with 4 ride/day	On-demand (15-17 minute wait time anticipated)

City	Type of Shuttle	Who Pays	Ridership	Use Charges	Frequency
Santa Barbara (91,350)	1. Downtown shuttle  2. Waterfront shuttle  3. Seaside Shuttle  4. Isla Vista and UCSB Shuttles  (Additional crosstown shuttle, but its fare is the same as standard bus fare)	Shuttles integrated in Santa Barbara MTD bus service, which is run by Santa Barbara County (shuttle statistics aggregated with larger, countywide bus statistics)	Shuttles statistics not disaggregated from bus stats	50¢: regular one way, K-12 youth  25¢: Seniors, Handicapped, Medicare Rec.  Children under 45 inches ride free  Free transfer; Free for UCSB students	Summer Schedule 1. 10 min peak 15 min evenings 2. 15 min  Regular Schedule 1. 15 min 2. 30 min
San Leandro (89,703)	Connects BART riders to specific places of employment (2 shuttle services)  Minimum 18 years old, unless employed or training	- Grants - City of SL - 50% West San Leandro BID (Pvt. Sector) \$1.12 million	757/day	No Fare	20 min interval during 'commuter hours'
Mountain View (83,377)	1. Commuter shuttle 2. Community shuttle	1. Major Employers, including City 2. Google \$4 million total	M-F: 746/day Weekend: 295/day	No Fare	1. Staggered with Caltrain 2. 30 min (M-F) 60 min (Weekend/Holiday)
Emeryville	First Mile/Last Mile that connects to BART in Oakland (Two shuttles services, rising to five at peak hours)	Major Property Owners \$4.5 million	3,835/day	No Fare	10-20 min off peak 5-15 min at peak hours