



Hacienda Business Park

Opportunities

Appendices

May 2003

Appendix A

April 8, 2003 Public Meeting- Group Notes

The following comments were recorded at the public presentation that took place on April 8, 2003 at the Shaklee Building. After the presentation members of the public were invited to participate in small group discussions to address a series of questions about the ideas presented and to report back. The following is a summary of those comments.

Group 1

1. *What did you think of the presentation? What did you like? What are your concerns?*

- Not enough parking for apartments, schools for kids in this concept plan.
- There is a disconnect between adding density and reducing road width.
- Distributed parking garages creates some queuing and turning problems.
- Can the “European Model” work here?
- Corporate campus is seen as desirable by many—they want to keep employees on site rather than having them walk around the area for lunch and services.
- Some were apprehensive, others excited about the possible changes. Some want the area to become more walkable and mixed use; others want it to remain the same.

2. *What information do you need to know more about?*

- How will residential development affect business? For example, complaints about noise, traffic, liability issues if non-employees use facilities, etc.
- How many people will really take BART?

- Who walks? Employees, BART Rider and residents?
 - Who drives? Everyone?
 - What is the employee demand for housing?
 - What will happen with traffic and parking?
 - What will be the impact of residential development on schools?
 - What type of apartments will be built? Low/high density? Low/moderate income?
- 3. *What would be your priorities for any development at Hacienda Business Park?***
- It should fit physically with the business park and the community.
 - It should take advantage of transit.
 - It should be sensitive to traffic flows both within Pleasanton and in and out of the community. Freeway on/off ramps.
 - The city shouldn’t put money into it—it should be paid for privately.
 - It should create an identity separate from downtown and not compete with downtown.
 - New uses should be placed closer to existing housing and retail, e.g. tied into the shopping center and Wal-Mart.
- 4. *What should be the next steps?***
- More information.
 - A charrette to look at individual parts of plan more closely.
 - Get business input.

Group 2

1. *What did you think of the presentation? What did you like? What are your concerns?*

- Concerns with employment paying for the parking
- Concerns traffic on certain streets
- Liked the extreme examples to get people thinking about ideas
- Like existing development patterns- but maybe some potential for a sub set
- Linkage to Iron Horse Trail
- Concern with parking garage cost
- Like mixed-use potential development
- Like to create more public green space than the surface parking

2. *What information do you need to know more about?*

- More attractive streetscapes at a livable scale
- Improvement, pedestrian accessibility along Canal
- How this process will impact the existing Downtown?
- How would restaurants impact the traffic capacity?
- How would other systems and amenities such as schools, churches, parks and gas stations be impacted or needed?
- How can you address the traffic issues to get people buy in?
- What types of businesses would locate in the mixed use environment?

Appendix A-Public Meeting- Group Notes

3. *What would be your priorities for any development at Hacienda Business Park?*

- Remake of under-used shopping center that will serve both residence and office users
- School impacts
- Identify issues of existing Hacienda residents
- What is focus of business, internal to or out of the City? What does this do for the community? Define transit model!
- What is actual employee/ housing ratio?
- Needs for housing
- Detail information on Jobs/ Housing balance
- Demand for additional office taking into account telecommuting
- What do landowners (Business vs. Residence) want?

4. *What should be the next steps?*

- What areas of Hacienda need the most focus?
- Incorporate with parks/trails!
- Examine traffic model base on the additional development assumptions
- Examine identified issues
- Economic vitality of existing trail

Group 3

1. *What did you think of the presentation? What did you like? What are your concerns?*

- Likes the idea of the BART station as a better utilized transit node.
- Likes mixed use/ high density concept near BART.
- Misleading publicity- thought it was a housing charrette.
- Pleasanton is unique. Comparing Pleasanton to places like Palo Alto and Mountain View is not useful.
- Land use concept was too big a leap from present conditions. Hacienda is not suitable for a downtown land use pattern. The progression was so dramatic it scared away from change.
- Residents and workers can and do walk to retail currently. Presentation implied they do not.

2. *What information do you need to know more about?*

- Callahan originally did not want residential development because of the potential for resident opposition to other commercial uses.
- Unattractiveness of Peoplesoft parking structure.
- Springhouse Apartments are unattractive.
- Many local workers such as police live in Hacienda rental housing. Crime is very low and it provides much-needed affordable housing.

3. *What would be your priorities for any development at Hacienda Business Park?*

- Why would we want two downtown at Pleasanton?
- Rental housing should be discouraged, affordable should be ownership for greater community investment.

- Rental housing is important- provides housing to teachers, police, and other workers who cannot afford to buy homes in Pleasanton.
- 1,500 housing units near BART would be a good idea and would not occupy much acreage.
- Resident loves walking now, likes sense of open space, doesn't want to see that change.
- Resident does not want to see more parking structures in Hacienda.
- Cannot imagine office owners accepting new infill buildings in front of/ obscuring their complexes.
- Waterford Apartments in Dublin are well-done, with 'wrapped'/ hidden parking structure a major plus. Could envision a similar project near BART in Hacienda.

4. *What should be the next steps?*

- Participants should do research, providing photos of places they like in the region in order to generate further ideas for Hacienda.
- Next steps should focus in on particular areas/ opportunity sites within the park.

5. *General Questions*

- Is 5.6 mil. more feet of development really possible with trip-based entitlements?
- Was Stoneridge Drive originally envisioned as a connector to the east?

Appendix A-Public Meeting- Group Notes

Group 4

1. *What did you think of the presentation? What did you like? What are your concerns?*

- The whole thing is exciting idea
- Only one “Main” street with major mixed use development
- To consider whole network (school, fire station...)- not create a ghetto
- Reducing some streets will be fine
- Providing life retail will be a good approach
- Why TOD? We want people to live and work at Hacienda. If we provide the housing near the BART station, they will go to other cities for work.
- Two Downtowns? Don't compete with the Downtown Pleasanton. Are we creating new core?
- Consider linkage possibility – bike, pedestrian
- Narrowing the street is not a good idea. Politically, it will be hard to change.
- Consider through traffic to the highways
- Just providing housing will not work
- The new development has to be balanced with the Downtown Pleasanton on the market share
- Like the energy saving ideas

2. *What information do you need to know more about?*

- School Study – link to park system, locate with the new development
- Where is the park system?

3. *What would be your priorities for any development at Hacienda Business Park?*

- Bring affordable housing for teachers, policeman...
- The existing elementary school is already packed. Have to provide new school system to keep up with the new development growth.
- Creating neighborhood oriented nice street is important
- Providing the program for the shuttle system
- Traffic is the major problem. Better to come up with the solution such as the shuttle system, car share, electronic car, etc
- Have to prioritize from the economic value

4. *What should be the next steps?*

- Need the study based on the people who live in Hacienda.
- Provide small, big scale of the traffic study
- Provide the projection of housing
- What are the business strategies, especially with the Hacienda Business Owners. We have to address?

Group 5

1. *What did you think of the presentation? What did you like? What are your concerns?*

- The idea of mixed-use, transit-oriented development was met with some favor.
- Green, sustainable development was considered a good idea.
- Affordable workforce housing would be welcomed if it helped local teachers, emergency service operators, nursing staff etc.
- Development close to transit would help reduce the need for cars.

- Proposals didn't feel like Pleasanton
- Concern about the 'wrong type of people' coming to live in Hacienda. Tension already exists between owner-occupiers and rental units in the housing on either side of the Iron Horse Trail. Overuse of the parks, crowds of noisy young people, lowering of property values considered to be major problems for the existing Hacienda residents.

2. *What information do you need to know more about?*

- Traffic study with the development projection
- Infrastructure needs

3. *What would be your priorities for any development at Hacienda Business Park?*

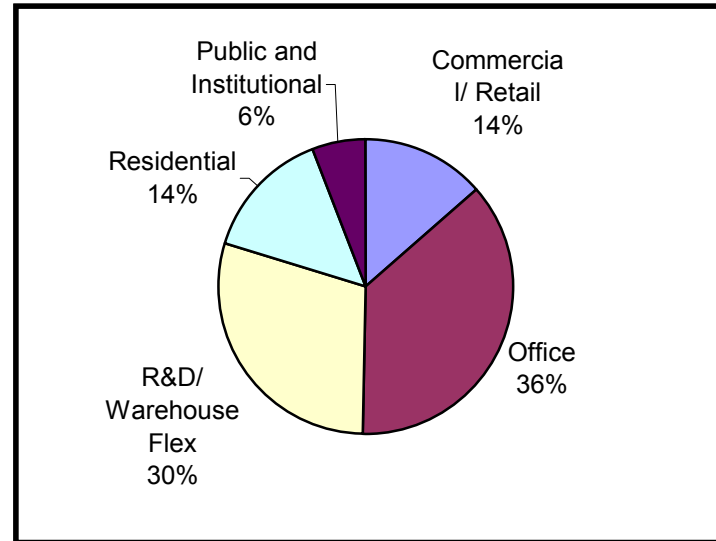
- More open space needed. Proposals looked too dense and urban. People like the open feel of Hacienda and Pleasanton and any new development should maintain that quality.
- Schools need to be addressed. Existing schools are crowded and any increase in Hacienda's population might trigger the need for a new Elementary School.

4. *What should be the next steps?*

- Need for any consultants to listen to the residents of Pleasanton before making any proposals

Appendix B-Economic Analysis

Table 1: Current Hacienda Land Use Distribution



Source: Hacienda Owners Association; Strategic Economics, 2003.

Table 2: Hacienda Development by Land Use 1996-2003

General Land Use Category	Approved		Built		96-'03 Increase- Built Space	
	1996	2003	1996	2003	#	%
Office	3,641,514	6,082,747	3,221,765	5,129,511	1,907,746	59.2%
Flex/R&D	1,109,857	2,504,842	1,069,132	1,666,036	596,904	55.8%
Retail	849,652	917,413	808,477	887,413	78,936	9.8%
Total Commercial	5,603,019	9,507,005	5,101,370	7,684,963	2,583,593	50.6%
Residential (units)	990	1,530	829	1,530	701	84.6%

Source: Hacienda Owners Association, Strategic Economics, 2003.

Table 3: Office Rent and Vacancy Rate Comparison, 2nd Q.2000 & 4th Q. 2002

Class A Office Market	2000		2002		Change '00-'02
	Rent	Vacancy	Rent	Vacancy	
Pleasanton	\$3.08	1.6%	\$2.05	13.5%	-33.4%
San Ramon	\$2.78	1.3%	\$2.15	17.0%	-22.7%
Downtown Walnut Creek	\$3.09	1.7%	\$2.75	10.6%	-11.0%
Pleasant Hill BART	\$3.10	0.6%	\$2.75	14.6%	-11.3%

Notes: Class A rents only.

Pleasanton statistics are used as a proxy for Hacienda, and San Ramon stats are shown as a proxy for Bishop Ranch.

Excludes major owner/user properties.

Source: CB Richard Ellis, 2000, 2002; Strategic Economics, 2003.

Table 4: Estimated Current Hacienda Townhome Resale Prices, March, 2003.

Development	Floor Plan	Sq. Ft.	Price (Est.)	Price/Sq. Ft.
Siena	2bd 2ba	1,064	\$375,000	\$352
	2bd 2.5ba	1,316	\$410,000	\$312
	3bd 2.5ba	1,513	\$430,000	\$284
Verona	2bd 2ba	1,264	\$380,000	\$301
	2bd 2ba	na	\$393,000	na
	3bd 2.5ba	1,611	\$430,000	\$267
	3bd 3ba	1,850	\$455,000	\$246
Median- All	2bd Townhome		\$386,500	\$312
	3bd Townhome		\$430,000	\$267

Source: Prudential Real Estate broker, Gina Piper; Strategic Economics, 2003.

Appendix B-Economic Analysis

Table 5: Estimated Current Hacienda Single Family Resale Prices, March 2003.

Development	Floor Plan	Sq. Ft.	Price (Est.)	Price/Sq. Ft.
Avila	3bd2.5ba	1,364	\$445,000	\$326
	3bd2.5ba	1,482	\$475,000	\$321
	4bd 2.5ba	1,720	\$540,000	\$314
	3bd 2.5ba	1,850	\$560,000	\$303
Valencia*	2bd2ba	na	\$450,000	na
	4+ loft	2,350	\$610,000	\$260
Median- All	3bd Single Family		\$475,000	\$321

Source: Prudential Real Estate broker, Gina Piper; Strategic Economics, 2003.

Table 6: Current Market Rents at Hacienda Apartment Complexes, January 2003.

Project	Total Units	Vacancy	Units	Rents	Rents/Sq. Ft.	Total Sq. Ft.	Comments
Springhouse at Hacienda 5505 Springhouse Drive	354	2.4%	Jr. 1bd	\$1,020	\$1.79	570	Rents have declined \$150 to \$200 per unit since market peak. Estimates 30-40% residents work in Hacienda. Many others use BART, some bike, some take bus. All residents like the convenience to transportation and the families like the schools.
			1bd	\$995	\$1.53	650	
			1bd (th)	\$1,100	\$1.47	750	
			2bd 1ba	\$1,250	\$1.56	800	
			2ba 2ba	\$1,330	\$1.34	990	
			2ba 2ba (th)	\$1,425	\$1.40	1,015	
Avalon Pleasanton 3650 Andrews Drive (adjacent to Hacienda)	456	3.1%	1BD	\$1,065	\$1.64	641-661	Many residents work at Hacienda, e.g. Peoplesoft, AT&T. Residents also take advantage of the bus that goes to BART. They also walk to the strip malls nearby for their shopping needs.
			1BD	\$1,075	\$1.65	672	
			2BD	\$1,300	\$2.00	962	
			2BD	\$1,350	\$2.07	972	
Archstone at Hacienda (Signature)	540	2.0%	NA	NA	NA	NA	NA

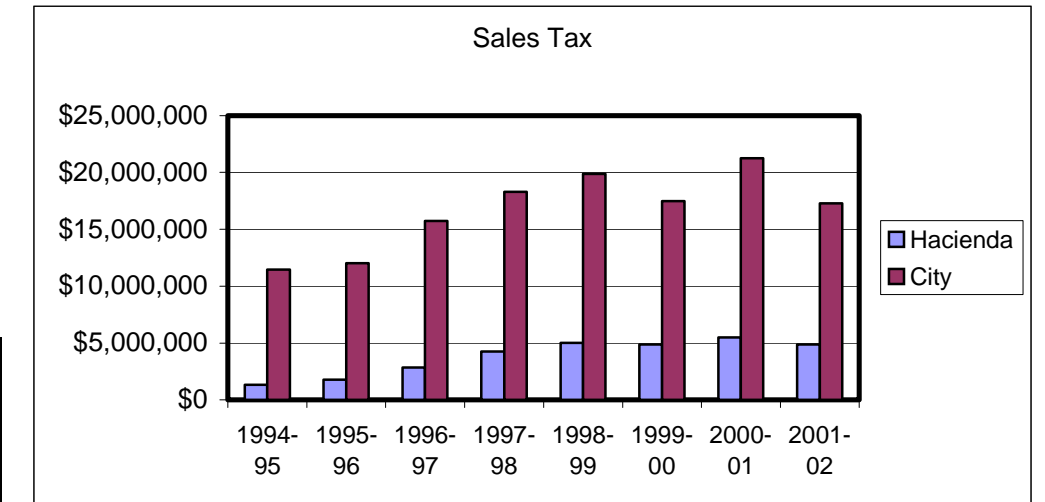
Source: Property managers, Strategic Economics, 2003.

Table 7: Population and Employment Projections for Pleasanton and Tri-Valley Cities, ABAG 2002

Area	2000		2015		Increase 2000-2015		% Increase 2000-2015		Share of Respective County Growth	
	Jobs	Population	Jobs	Population	Jobs	Population	Jobs	Population	Jobs	Population
Pleasanton	53,690	63,654	72,230	78,800	18,540	15,146	34.5%	23.8%	11.4%	8.2%
Dublin	21,370	29,973	31,980	52,300	10,610	22,327	49.6%	74.5%	6.5%	12.1%
San Ramon	38,140	44,834	53,380	68,300	15,240	23,466	40.0%	52.3%	18.1%	13.0%
Livermore	38,520	73,345	53,540	88,000	15,020	14,655	39.0%	20.0%	9.2%	7.9%
Total Tri-Valley	151,720	211,806	211,130	287,400	59,410	75,594	39.2%	35.7%	24.0%	20.7%

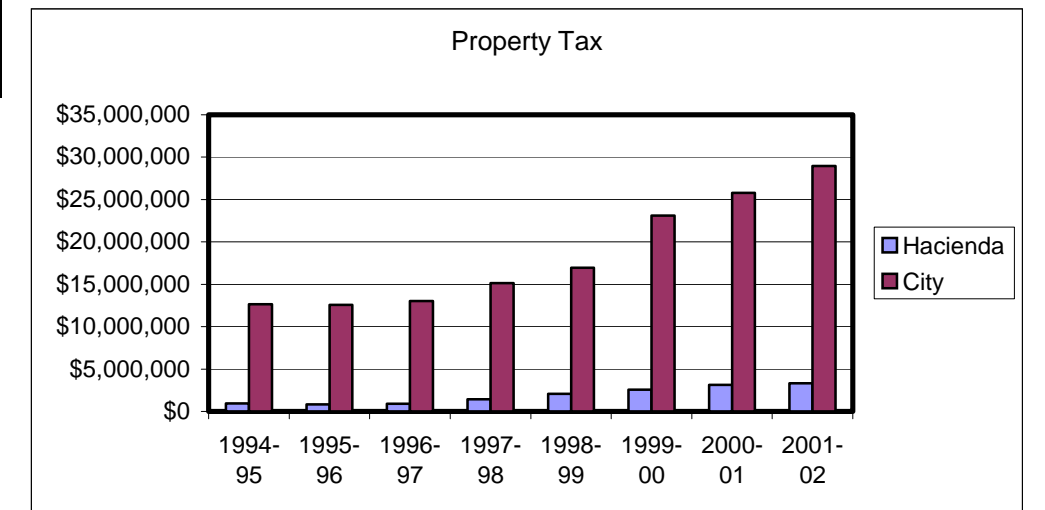
Source: ABAG Projections 2002, Strategic Economics, 2003.

Table 8: Hacienda Sales Taxes as a Share of Pleasanton Fiscal Revenues: 1994-1995 through 2001-2002



Source: Pleasanton Finance Department, Strategic Economics, 2003.

Table 9: Hacienda Property Taxes as a Share of Pleasanton Fiscal Revenues: 1994-1995 through 2001-2002



Source: Pleasanton Finance Department, Strategic Economics, 2003.

Appendix C

Traffic Management – Case Studies

Other development agreements in the Bay Area take a different approach, focusing on outcomes rather than inputs. Three local case studies are presented here, including:

- Stanford University
- South San Francisco East-of-101 Developments
- NASA Research Park

While not identical, each is roughly comparable to Hacienda in terms of land use mix, overall density, location within the region and transit accessibility.

Stanford University

Under its 1989 and 2000 General Use Permit Agreements, Santa Clara County has allowed Stanford University to build up to 4.4 million square feet of new academic development provided its peak period auto trips do not exceed 1989 levels. With this powerful incentive, Stanford has developed one of the most successful Transportation Demand Management programs in the country. Its transit, bike and TDM programs are entirely funded by parking fees, which are currently set at \$156 - \$368 a year. In addition, Stanford pays up to \$160 a year in cash to commuters who do not buy a parking permit. All Stanford employees get free rides on Caltrain, VTA and SamTrans transit, plus the university offers an extensive free local shuttle network.



This interesting agreement creates a win-win situation for Stanford, the County and the adjacent City of Palo Alto. The surrounding communities get no increase in peak period traffic, and Stanford gets essentially unlimited development capacity, provided it finds a way to manage its traffic. By giving Stanford a real financial incentive to manage traffic, it has found highly innovative means of reducing trips.

In order to ensure compliance with the trip cap, the County requires Stanford to pay for twice-annual cordon counts at all 14 entrances to the campus. The County arranges for the counts to be done by an outside contractor to ensure independent verification of the numbers. According to the counts, over the past 14 years, Stanford has grown by over 25% **without any increase in peak period auto trips**.

It is important to note, moreover, that Stanford houses the vast majority of its students – and many of its faculty – on campus, and these people are largely not making peak period trips. Its trip reduction programs are therefore targeted primarily at staff, employees with precisely the same demographics as employees at nearby office parks.

For more detail on Stanford’s programs, see transportation.stanford.edu, and for their General Use permit, see:

http://www.sccplanning.org/planning/content/PropInfoDev/PropInfoDev_Stanford_University.jsp

South San Francisco

In South San Francisco, all office developments east of Highway 101 are required to meet a 35% alternative mode usage requirement, and do so by



TDM and by either charging for parking or paying a parking cash out to encourage employees to get to work by alternate means. Employers also run shuttles to the local Caltrain station, and will extend the network to BART when it opens this year.

The NASA Research Park

NASA signed tenant agreements in February 2003 for a major new research campus located on Moffett Field, a retired military base located east of US 101 between Mountain View and Sunnyvale. A major component of NASA’s program is sustainable development, and as a result they have looked hard at parking and transportation issues. The signed agreements require that all NASA tenants must reveal the “true” cost of parking to Research Park employees, through direct parking fees or parking cash-out programs. The Development Plan also includes extensive investments in bicycle, pedestrian and shuttle infrastructure. Altogether, the investments reduce the parking demand on site from a typical four parking spaces per 1,000 square feet down to 1.9. For more detail, see:

<http://researchpark.arc.nasa.gov/NADP/NADP%20Oct2002.pdf>.

Like this concept plan for Hacienda, NASA Research Park includes academic/research uses in conjunction with nearby housing and retail, all designed to be well connected with shuttle bus routes as well as by bikeable and walkable streets. NASA found that by implementing a significant TDM program, building nearby housing (some restricted to research park employees) and sharing parking between uses, they could cut the overall requirement to provide parking, and could cut peak period trip generation by 32% over what it would have been under typical development.



Appendix C - Traffic Analysis

Potential Development Capacity at Hacienda

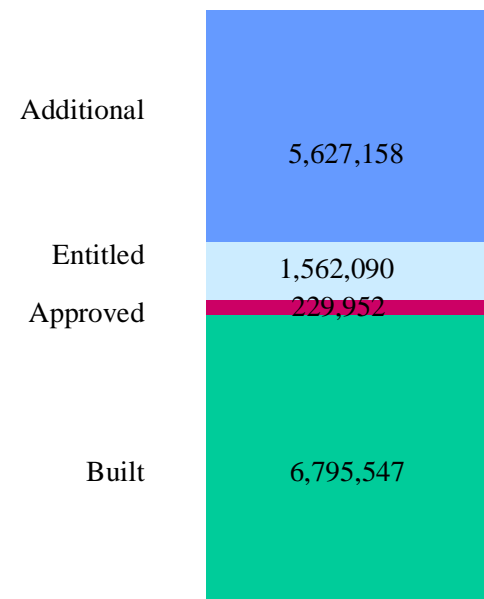
As a gross measure of the amount of development that could be possible under a traffic management system one can compare the assumed traffic generation of Hacienda Business Park under Pleasanton's own traffic model, and compare it to trip generation achieved in other locations. At NASA Research Park, the peak hour trip generation rate for office and flex space is .77 vehicles per 1000 square feet, 23-42% less than that assumed by the Pleasanton model. In the NASA case, two thirds of the reduction is based on the success of TDM measures, and one-third is based on the adjacency of housing targeted at NASA Ames workers. If Hacienda could attain the NASA trip generation rate, there would be enough surplus trip capacity to support an additional 5.6 million square feet of office/flex space without generating any more trips than are currently predicted at Hacienda build-out.

Potential Hacienda Trip Generation Rate

	Hacienda Current	NASA Research Park
Peak hour trip generation	1.33	.77
Drive alone mode share	79%	52%

To accommodate that much additional development at Hacienda is clearly a challenge, but it is an achievable goal. It would require a gradual mode shift over the 10-20 year build-out of the additional space towards walking, biking and transit use for commute trips. In contrast to the current drive alone rate of 76%, the ultimate drive alone rate would need to be in the range of 50-55% to achieve the trip generation reduction required.

Resulting Increase in Office/R&D with No Increase in Traffic



Office/R&D Space

It must be stressed that these are the rates required to accommodate all the 5.6 million square feet of potential development. In practice, development would be permitted in increments, and performance targets would need to be met before allowing additional development. Tools (summarized in section D) to meet these targets would need to be implemented over time. A likely scenario would follow the Stanford model, in which only a portion of the ultimate development is initially allowed, with the option to approve additional development later if targets are met.

Mode Split Goal Hacienda Business Park at Buildout

	Current: Hacienda Large Employers	Future Goal: NASA Ames
Drive alone	76%	52%
Carpool/Van pool	15%	15%
Transit	8%	15%
Motorcycle/Moped	Less than 1%	6%
Bike	Less than 1%	6%
Walk	Less than 1%	6%

To meet increased transit mode share objectives, it will be important to ensure that all of Hacienda Business Park is within close proximity to transit shuttles to BART and local bus routes. To increase bike and walk percentages, nearby residential uses would need to be developed to increase access to job sites. If these conditions are not met, then the development capacity will necessarily be lower.

Measurement and Enforcement

A development agreement mandating a traffic management system, like that of Stanford or NASA, requires monitoring and enforcement. Such a system could be implemented at Hacienda. While the work could be managed by the City of Pleasanton, the costs of completing the work would be paid by the Hacienda property owners, because it is both their requirement, and their incentive to create development opportunity.

Primarily, monitoring would consist of cordon counts to determine trip generation. To subtract cut-through traffic, which is another issue, the counts would have to be driveway counts, or cordon counts with a license plate survey to allow capture of drive through traffic. Counts may be taken throughout year or during specific time periods, with reporting on an annual or bi-annual basis. Most likely, these counts would be contracted out to a firm proficient in this work.

In such a system, if Hacienda exceeds the allowable counts (for two periods in a row, for instance), it would have to develop a remediation plan for approval by city. If Hacienda was not able to remediate over a period of time, it would have to pay the city for major capacity improvements in surrounding roadway system, thereby having a direct incentive to decrease drive alone traffic.

To implement this program, the City and Hacienda would need to complete a nexus study identifying the impacts of additional Hacienda traffic and the necessary roadway investments that must be completed to accommodate that traffic.

The city would also need to allow zoning and design changes at Hacienda to facilitate transit oriented development, including:

Appendix C - Traffic Analysis

- Eliminate or reduce minimum parking requirements and allow Hacienda to manage its parking supply according to its trip goals.
- Eliminate density controls to allow Hacienda to capture the value of its land underneath surface parking lots.
- Amend setback, landscape and other design controls to allow Hacienda to evolve into a transit- and pedestrian-oriented place, rather than the auto-oriented place that the current design controls require.
- Maintain height and bulk controls as appropriate to the community character of Pleasanton.

Tools

Today Pleasanton using many TDM tools in programs encouraged by Transportation Management Association (TMA) in order to keep traffic flowing freely in Pleasanton while allowing the development of both a denser and also a more interesting and vital Hacienda Business Park. The TMA sponsors one the most effective employee commute programs in the Bay Area, resulting in a carpool/vanpool rate of 15%, and public transit use of near 8% at participating employers in Hacienda Business Park. These figures are significantly higher than the suburban norm where virtually all employees arrive in single-occupant vehicles. However, only 15 large Pleasanton employers currently participate in the TMA, while there are approximately 65 employers in Pleasanton with more than 100 employees, so there is potential for expansion.

In order to further reduce employee auto commute mode split, Hacienda needs to implement more challenging, aggressive forms of Transportation Demand Management, many of which are described below.

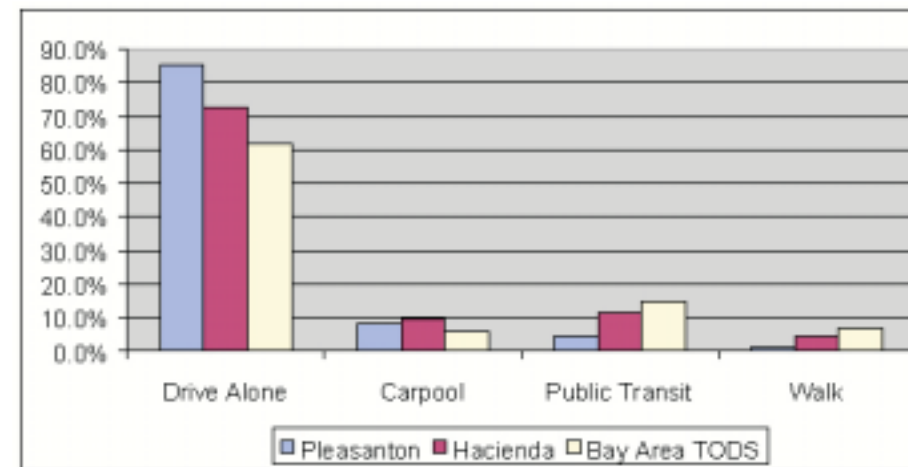
The Special Role of Housing

Housing Hacienda workers at Hacienda can be among the City of Pleasanton's most important traffic management tools.

While the addition of any housing will result in a net increase in automobile trips, building housing at Hacienda will have a significantly lower

traffic impact on Pleasanton than building housing anywhere else in the city, for the simple fact that residents at Hacienda use their cars less than other Pleasanton residents, relying more heavily on transit and walking than other residents of the city. This is true now, even though the connectivity of the current residential development to transit, retail and work-places is not as good as it would be in a true transit oriented development. The figure below shows that while 85% of Pleasanton residents (outside of Hacienda Business Park) drive alone to work, only a little over 70% of Hacienda residents do, largely because they're much more likely to walk or take transit. In a sample of Bay Area transit oriented developments surveyed by Prof. Robert Cervero, the drive alone rate decreased to 60%.

Mode Splits
Hacienda, Pleasanton, and Bay Area
Transit Oriented Developments



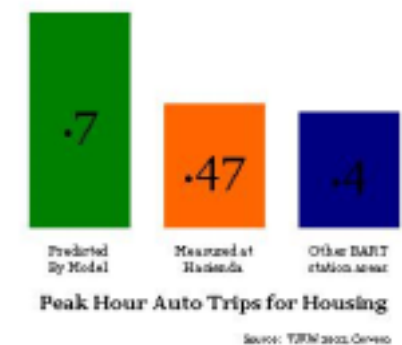
Source: Census 2000 and Cervero, Transit Villages for the 21st Century (1993)

Recent surveys of multi-family housing in and near Hacienda bear out the finding of the census. The surveys show that trip generation is nearly a third below that predicted in Pleasanton's own traffic model.

Providing housing at Hacienda would therefore have a net effect of decreasing vehicle trips on Pleasanton streets over what they would have been if all of the units were developed outside of Hacienda, as currently

planned. Providing housing that is well integrated with shopping, and work places and has good access to the BART station will further decrease the use of single occupant vehicles for both work and non-work trips. Transit oriented development at Hacienda clearly will not eliminate use of the auto, nor is it intended to. In fact, it remains the dominant mode even in the most optimistic scenario, but TOD does allow much more choice and flexibility, and that has real impacts on the generation of peak hour traffic.

Peak Hour Housing Trips are Less
at Hacienda than Elsewhere



If housing preferences are given to Hacienda employees, the transportation impacts will be even more significant, as each employee will be within easy walking or biking distance from work, and the mode split could approach that projected at NASA Ames. In addition to having congestion benefits on Pleasanton streets, it is likely that the development of preferential housing at Hacienda could have a net positive impact on regional freeways as well, as a housing preference would have the effect of increasing the share of local workers at Hacienda. Pleasanton residents currently constitute only 17% of Hacienda employees according to Pleasanton's 2002 survey of major employers. Creating such a housing program would have administrative hurdles, but it is certainly done routinely by institutions such as Stanford University, and municipalities often have affordable housing preferences for local teachers and other public servants.

Even without housing preferences, it is clear that the transportation impacts of any residential housing at Hacienda would be substantially less than that built anywhere else in Pleasanton, even at current rates of transit

Appendix C -Traffic Analysis

use and walking/bicycling. A re-imagined Hacienda, with integrated land-uses and housing close to BART, shops, and workplaces, would have an even greater benefit. Because Pleasanton has a housing cap, the addition of one unit of residential housing at Hacienda will displace a potential housing unit in Pleasanton proper, and the positive transportation impact will be magnified for the residents of Pleasanton.

Mixed Land Uses

In addition to adding housing, an important TDM tool is to design a mix of land uses, both housing, office, and retail, so that land required for buildings and parking can be minimized. In mixed-use developments there is more potential to walk, bike or use transit for both work and non-work trips (as we can verify even today at Hacienda through census statistics). Currently, however, many of the office buildings at Hacienda are designed as self-contained campuses, and any employee mid-day trips for lunch or errands have to be made by auto. In a mixed-use scenario, many of the trips could just as easily be made by foot or by bike if uses were closer together and there were efficient and attractive pathways to get from one place to another.

Parking Management

Managing parking is by far the most powerful tool for managing automobile trips. Large surface parking lots currently surround office buildings at Hacienda, and consume a very large portion of the total acreage in the business park. The ease of driving to Hacienda and parking for free all day is a strong inducement to use private autos, even for those who have reasonable options. It is the goal of parking management to reduce the percentage of workers using single occupant vehicles, and therefore decreasing the impact of development on the transportation infrastructure. Through a variety of parking programs that would be phased in over time, it is feasible to significantly lower the current requirement of 4 parking spaces/1000 square feet for commercial development.

A variety of parking tools are available, several of which are presented below. For more detail on how parking management works at other campus environments, see Appendix D.

- ***Parking charges:*** The most effective way to limit parking demand – and peak period traffic — is to charge for it. Charges have been found to reduce vehicle trips anywhere from 8% to 30%. While changing directly is possible, it is often more palatable to offer non-drivers a parking “cash-out.” In other words, parking remains free for all employees, but an amount equivalent to the cost of providing parking would be given to employees as a monthly benefit if they agree not to drive, thus leveling the playing field between drivers and non-drivers. This monthly benefit could be paid as taxable income, or it could be used to subsidize transit and carpool fees. Parking cash-out is particularly important as a tool to limit the size of new parking garages. It is much less expensive to pay an employee not to drive than to build a space of structured parking at the cost of \$15,000-25,000.
- ***Shared Parking*** By converting from parking for each building and use to a system of shared parking (initially in surface lots, converting to structures over time), the cumulative requirements for parking can be lowered. This is particularly true when uses are mixed and have different parking demands at different times of the day. Some uses lend themselves more to shared parking than others; for instance theatre/entertainment demand is primarily at night and weekends, while office use is almost completely on weekdays. But there are generally efficiencies even when two office buildings share parking.
- ***Priority Parking for Alternate Modes:*** Vanpools, carpools, and car sharing should always have reserved priority spaces closest to the front door of the employment location. This is an inducement for employees to use these alternatives. Bicycle parking should also be maximally convenient, and secure, for the same reason. Hacienda presently requires the installation of such carpool / vanpool and bike stalls and should continue to do so. Similarly, taxi stands, employee shuttles, and transit stops should all be located as close to the main entrance of the building as possible (without compromising their functionality). In short, all alternative modes should have priority locations in order to encourage use of these modes.

Transit

Hacienda already has reasonable connections with transit, and statistics show it is being used. The Dublin Pleasanton BART station is located directly adjacent to Hacienda, and includes the terminus of several County Connection routes servicing the 680 corridor. LAVTA serves Pleasanton and Livermore and has several routes terminating at BART and traveling through Hacienda. ACE travels nearby. However, getting from the workplace to these transit facilities can be a challenge because all of Hacienda is not within easy walking distance.

While Hacienda has effectively created the beginnings of a local shuttle system through its program with LAVTA, an enhanced transit program would continue to beef up the schedules of local bus service to ensure that work trips are viable using local transit. In the absence of frequent local transit, shuttles to BART and ACE at prime commute hours are particularly important to increase the viability of long-distance transit commutes. These could be coordinated through the TMA or run by individual employers.

Finally, enhanced local transit service, either on circulator shuttles in the park, or to downtown Pleasanton and nearby residential districts, would increase the possibility of limiting non-commute vehicle trips. Circulator shuttles would be planned and run by the TMA.

The Translink program, if it includes all four transit providers in the area (BART,LAVTA, County Connection, and ACE) will also help encourage use of transit as an alternative mode.

Carpooling/Vanpooling and Other Transportation Demand Management

These are the types of programs that Pleasanton currently runs through its TMA with substantial success. Fourteen percent of employees of businesses in the TMA program currently carpool or vanpool. Mixed with other programs like parking cash out, even more employees could use these alternatives.

- ***Carpooling*** is currently arranged for the TMA through RIDES for Bay Area Commuters. Through regular marketing efforts to employees,

Appendix C -Traffic Analysis

potential ride sharers are identified, matched, and put in contact with each other. Carpooling is most effective for medium-long distance commuting and where drivers can take advantage of carpool lanes to gain travel time savings. In combination with parking cash out programs, carpooling and other alternatives can be even more compelling.

- **A guaranteed ride home program** provides emergency rides home to alternative means users who must return home during the day, or who had to stay in the evening, thus providing one of the most important qualities of a private auto: flexibility. Hacienda currently participates as a work site in the Alameda County Guaranteed Ride Home Program and should make sure that this program feature is retained as part of all future TDM efforts.
- **Car-sharing** provides people access to cars who need them on an occasional basis, and is paid for by monthly memberships and mileage fees. There is currently an active car sharing program in San Francisco, Oakland, Berkeley, and on the Peninsula. Cars could be located at the BART station and at central locations in Hacienda (adjacent to a large employer, for instance). Theoretically, car share vehicles at Hacienda would be useful during the day for office workers, and at night and on weekends by nearby residents, thereby cutting down on the number of private cars (and parking spaces) needed. It's possible that vehicles could also be used for the guaranteed ride home program.

Bicycling

Encouraging bicycling can be a significant part of a TDM plan, particularly to link home-work journeys that are longer than ½ mile.

- **Safe Routes to Schools** programs focus on creating safe routes for children to walk or bike to school. A side benefit of creating routes for the prime market of school children is that their parents no longer have to drop them off, which can make them more able to use an alternate means of transportation themselves.
- **Bicycle amenities** include secure and well located bike racks at work locations and at central destinations such as retail centers and BART. On-site showers are also a very important amenity which remove an important impediment to bicycle commuting.

Conclusions

It is altogether possible to assist Hacienda to evolve into a place in which businesses, residences and shopping are mixed in a dynamic and attractive way, and in which people can get around by a variety of modes including driving, biking, walking, and taking transit. Importantly, Hacienda can evolve into this place without necessarily generating any more traffic at all, because a shift of modes away from the private auto is highly achievable given the access of Hacienda to regional transit and the potential of Hacienda to become a more walkable, bikeable, transit friendly place.

This analysis has focused on the vision of Hacienda as a mixed use environment, evolving further beyond its origins as a single use business park. The gross numbers of achievable development are prospective only, and are illustrative of the changes possible if, and only if, a shift toward alternate modes is achievable. Considerable work will need to be done to test that vision specifically against reality. While there is no doubt that the tools used in other locations in the Bay Area will work at Hacienda, additional investigation would need to be done in a next phase to come up with an actual plan that marries land uses changes with roadway changes, transit improvements, and with specific transportation demand management programs to achieve the results we believe are very feasible for Hacienda.

Appendix D

Parking Management

To achieve its vehicle trip reduction targets and allow for additional infill development, Hacienda must take a bold approach to parking supply, management and pricing. Implemented well, these strategies will reduce congestion, increase local transit use, encourage rational user choice, and help realize project goals.

This section lays out a parking management approach for Hacienda based upon the successful models at Stanford and NASA Research Park.

Parking Program Principles and Rationale

Create a Shared Parking Supply

Parking should be a shared resource throughout Hacienda. By maximizing efficiencies between users, shared parking reduces the total amount of parking that would otherwise be needed. Shared parking also supports the use and development of large, strategically-placed parking structures that reduce the amount of land that must be dedicated to parking, thereby reducing land paving.

Parking consolidation also improves the pedestrian environment and traffic flow by limiting the number of curb cuts needed for typical development with multiple small surface lots. The elimination of numerous small lots also facilitates densification of land use, which helps create a more walkable, transit-friendly environment and is economically rational.

Establish a Third Party Entity to Construct and Manage the Parking Supply

A parking management district or transportation management association should be established to construct and manage the parking supply. The third party entity will be charged with making decisions about parking construction in the context of broader transportation access goals and can therefore regulate parking supply according to a master site plan.

Managing parking by a third party eliminates the propensity for site-employers to provide free or reduced-cost parking to certain classes of

employees due to union bargaining or other company policies. In addition, central management of parking payment, maintenance, security, operations, information and janitorial services, relieves developers, tenants, and lessees from these responsibilities. In addition, centralized management facilitates uniform policies across Hacienda that will level the economic advantages between access modes. Finally, having a third-party managed parking supply separates the cost of parking from the cost of other real estate, which supports the project's sustainability goals.

Charge for Parking

Charging for parking is the single most effective strategy to encourage people to use alternatives to the single occupant vehicle. Parking charges have been found to reduce vehicle trips anywhere from 8% to 30%.

Free parking encourages people to drive, increases the costs of development, and encourages a built environment that does not put land to its highest and best use. The powerful subsidy of free parking makes driving the most economically advantageous and rational choice for travelers compared to walking, cycling, or using transit. Free parking is at odds with the goals of the Hacienda land use plan to reduce auto traffic and emissions.

Implementation Strategy

City General Use Permit

To enable the above parking strategies, the site must be governed by conditions that will prevent typical market-based parking decisions from occurring. Pleasanton will need to establish a conditional use permit that will set an Average Vehicle Ridership (AVR), mode split, vehicle trip cap, or maximum parking ratio at the site. If the latter mechanism – a maximum parking ratio mechanism – is selected, the ratio would have to be adjustable over the course of development to allow a rational parking phasing strategy.

Establish a Third Party Parking Entity

A Third-Party entity should be established to construct and manage the parking supply. The entity could be called a Parking Management District or a Transportation Management Agency (“TMA”). The entity would be

dedicated to the improvement of transportation access to Hacienda and to meet the conditions of the use permit. The parks existing Association could easily serve this function and already has much of the authority needed to begin immediate implementation of such a program. In addition to its parking responsibilities, the entity could also be responsible for running any expansion of site-wide, Transportation Demand Management programs that might be initiated. For the purposes of the following discussion, the entity is called a “TMA.”

Each developer would be required to fund the TMA for the privilege of developing at Hacienda per the funding strategy described below. Those funding the organization would make up the TMA board of directors. Again, Hacienda's existing Association already has this structure in place. In the early stages of development, the board should represent active development interests, while in later stages it might also include tenants as the funding requirement is passed on through rents.

Initially, the TMA would not have staff, but would simply be a decision-making body made up of the board of directors. The board will expand as the number of site developers increases and as the site is leased.

Establish TMA and Parking Financing Mechanisms

To fund parking construction, maintenance and management, money that developers would have spent to build parking in a typical suburban office park will be spent on TMA fees, instead of parking. The parking standards for Pleasanton should be used to estimate these fees. For example, if the standard is 4 spaces per 1,000 square feet of development, the developer will pay to the TMA the cost of building this parking, rather than pay to actually build the parking. The fee will be established based on the market rate of parking construction in the Hacienda environment – including the value of the land underneath the parking.

A developer will have the choice to pay the TMA the cost of constructing the parking as a surface lot or as a structured lot. The annual fee would be based on the amortized annual cost of constructing the required number of parking spaces, maintenance for those spaces and the annual lease value of the land on which the parking is built. The fee would be due to the TMA for 25 to 35 years, depending on the amortization period selected. Thus, if a developer selects to pay for structured parking, construction costs will be

Appendix D - Parking Management

higher but land lease costs will be lower. The opposite would be true for a developer selecting the surface lot option.

The TMA will be required to lease the land on which parking is built. Land lease fees would be paid back to the developer who owns the land on which the parking is sited. The TMA will also pay for parking construction costs of the garages.

There will be no free parking in Hacienda. Parking fees will be established to cover the full cost of the parking and the land. Some revenues from fees will be returned to the developers and others will be retained by the TMA to support Transportation Demand Management Strategies.

Furthermore, the TMA will build less parking than what the developers' fee could have paid for. Thus, there will be some surplus revenues from the fees paid by the developers that can also be used to support TDM. The following explains the parking financing mechanism in more detail.

Step 1

Developers pay to the TMA a fee representing the annualized cost of

- parking construction, and
- land value

Step 2

The TMA uses this money to pay a land lease back to the developer. This amount will be less than that paid by the developer to the TMA, because the TMA will lease less land than what the developer was charged for. The TMA will lease less land, because the TMA will need to build less parking than that paid for according to the fee formula. This surplus revenue can be used to support TMA staff and TDM programs.

Step 3

The TMA pays for parking construction using TMA fees. The amount the TMA pays for parking will be less than the amount of developer fees collected, because the TMA will build less parking than paid for according to the fee formula. This surplus revenue can be used to support TMA staff and TDM programs.

Step 4

Parking fees are set to cover the full cost of parking construction, maintenance and land costs. This fee is passed through the TMA to the developers to fully reimburse the developers for their initial investment in the TMA. Because some land costs have already been returned to the developers (Step 2), there will be a balance of revenue available to fund TDM strategies.

While developers will be required to pay up front without immediate benefits, they win in the long run as their fees are fully reimbursed and as more land is available for development.

Phase Parking Construction

The TMA will be responsible for decisions about parking construction. Because the board has development representation, the TMA could decide to the development interests to build the parking. Parking supply, however, would be governed by the site master plan and the general use permit.

Decisions about parking supply would be dictated by the general use permit. If the permit sets a maximum or parking cap, the maximum/cap will dictate the amount of parking that can be built in each phase. If the permit sets a maximum number of vehicle trips allowed, the needed parking supply should be determined based on the allowable amount of vehicles. Parking should be supplied in order to support the vehicle trip goal.

For example, if the use permit requires that vehicle trips be reduced 30% beyond what is traditionally observed at nearby sites, then the parking supply should be 30% less than traditional requirements.

Phase 1

Parking will be built gradually over the course of the development. Until a critical amount of development is achieved, it will be not be logical to build a large, consolidated structured parking supply. As such, it will appropriate to build surface parking lots during Phase 1. The surface lot supply would be a shared parking supply.

During Phase 1, parking should be built at a higher ratio than what will be ultimately required and desired at project build-out. With each phase of construction, the number of parking spaces per total square feet of development will decline. In addition, at the early stages of development, there will not be the necessary critical mass of people on site to support aggressive Transportation Demand Management strategies, like transit and shuttle services that are needed to support a lower parking ratio.

All parking, even in Phase 1, however, should be constructed as controlled-access parking and should not be free. Parking fees should be established to cover the full cost of parking construction, land, and maintenance. Assuming that parking spaces were all provided in surface lots, the average annual cost of parking would be approximately \$3,355. This equals monthly, daily and hourly fees of \$280, \$12.75 and \$1.60 respectively. The assumptions used to develop these figures are shown in Appendix A.

Phase 2

Phase 2 will begin when development activity reaches levels to warrant the construction of a parking structure. The structure would consolidate parking for many different uses and be a shared supply.

Phase 3

Phase 3 will begin when the Phase 1 surface lots are replaced with additional development. Parking for the additional development and the displaced surface lot spaces will be accommodated in consolidated, strategically placed parking structures.

Parking Policies

The City of Pleasanton and the TMA will enforce the following parking policies among developers, their tenants and subtenant:

- There will be no free parking on site Monday through Friday. Depending on uses at the site, the TMA may decide to allow free parking after a certain time at night or on weekends, when demand is lower.

Appendix D- Parking Management

- Parking charges will take effect at the earliest feasible point in site development.
- Parking is priced based on the cost to provide parking and fund the site-wide Transportation Demand Management programs.
- Tenants, residents, employers, and employees are under no obligation to lease any minimum amount of the parking supply.
- In any lease agreements, parking costs will be separated from other lease costs.
- Employers that want to subsidize parking for their employees have the option to do so through parking cash-out arrangements only (i.e. employers are not able to absorb the cost of parking for their employees, unless they offer equal benefits to non-parking employees).
- Parking pricing and card-access technology will be used to provide economic incentives to those using transportation alternatives on an occasional basis.
- Access technology will be used to limit the need for extensive parking policing and permit systems.
- Parking supply will reflect anticipated trip reduction and opportunities for shared-use parking.
- Parking pricing will not reward long-term parkers.
- In the long-term, technology will be maximized to provide economic incentives to those parking outside the peak by charging flexible parking rates based on demand.
- The TMA will create uniform parking policies and procedures to support the shared system
- The TMA will interface with all employees to provide parking information
- Parking payment will be centrally managed – this entails coordinating with the TMA board and employers to develop systems for revenue flow, reconciliation and employee parking pre-tax payment

- Centrally manage maintenance, security, operations, information and janitorial services

Parking Fees

Parking prices will be charged using a time-based strategy so that long-term or more-frequent parking is not rewarded with discounts. This can be done using debit-card or smart card technology. The hourly rate per day will max out at eight hours and the daily rate per month will max out at 22 days per month. Anyone who parks less than eight hours per day or less than 22 days per month will end up paying less than the monthly rates.

The TMA, under the guidance of its board of directors, will develop a revenue and reconciliation model for the distribution of the parking fees generated to cover parking construction costs back to the parking owners. This will be determined based on parking data from the controlled-access card readers.

Subsidized Employee Parking

A site employer may offer free or subsidized parking to its employees only through a parking cash-out program or transportation allowance program. When an employer subsidizes the cost of leased parking, California law requires the employer to offer parking cash-out. If the employer chooses to subsidize employee parking, parking cash-out arrangements will be required as part of lease agreements to ensure that partners and tenants do not absorb the cost of the parking without offering equal benefits to employees who do not park.

Through a parking cash out program, an employer offers its employees the choice of:

- free parking;
- a transit/vanpool subsidy equal to the value of the parking (of which a portion would be tax-free); or
- a taxable carpool/walk/bike subsidy equal to the value of the parking.

The Lessee pays the parking charges to the third-party parking manager on behalf of the employees who select to park on site. Employees who opt for the subsidies are not eligible to receive free parking from the employer. On days when these employees drive to work, they would be responsible for their parking charges.

The employer could also subsidize parking through a transportation allowance program. Through this program, each employee would be provided a monthly transportation allowance (e.g. \$50 per month). Employees can use it for parking, transit costs, or pocket the cash if they choose to walk or bike.

Employers offering parking cash-out or transportation allowance programs will have the option to contract with the on-site TMA to administer their programs.

Subsidized Visitor Parking

Employers will be able subsidize their visitor parking in one of two ways:

Purchase a supply of reserved parking that the employer can designate as visitor parking. The employer will be responsible for paying the monthly reserved fee to the third party parking management association.

Purchase employer-provided validation stickers. These stickers will be priced at the market rates described above.

Residential Parking Charges

It is expected that all Hacienda residents will pay for parking separately from their housing rental costs. Each resident will be able purchase at least one parking space at their housing location. Residents may be able to purchase more than one on-site parking space on an as-available basis.

On-Street Parking

It is expected that most streets in Hacienda will be lined with on-street parking, greatly contributing to the area's parking supply while providing several benefits:

Appendix D- Parking Management

- Because there is no need for dedicated “drive aisles,” on-street parking consumes between 50% and 66% of the paved land per space as off-street parking.
- On-street parking provides an effective physical and psychological buffer to protect pedestrians on urban sidewalks from adjacent traffic.
- On-street parking is critical for the success of “main street” retail, providing convenient access for motorists in a manner that does not harm the pedestrian realm.

It is also expected that fees will be charged for all on-street parking in Hacienda. These rates will be the same as the rates for the off-street garages, but they will primarily be charged hourly. Along most streets, fees can be paid at pay-and-display machines located at key locations and at all entrances to the area, and should be set up to take credit cards and debit cards. In retail areas, traditional parking meters can be used, but these should also emphasize convenience, accepting all forms of payment media.

In residential areas, residents may pay for on-street parking on an annual basis for themselves, along with as-needed and advance-purchase permits for their guests. Stanford University’s daily parking permits have a calendar printed on them in lottery ticket format, allowing visitors to purchase them in advance and “scratch-off” the date they wish to use them.

Parking Access

Parking access for office park areas will be monitored through technology as opposed to manual policing of permits.

- All parkers will use card-access technology to enter any parking supply.
- Card-access technology will be consistent between garages and lots and will feed into the same database regardless of parking location.
- Card access technology will be programmed to charge parkers based on an hourly/daily rate using debit-card technology.

Hacienda Business Park

Opportunities

Appendices

