CITY COUNCIL STUDY SESSION ITEM

SUBJECT

City code requirements for ongoing trip reduction measures at large real estate developments, also known as Transportation Management Programs (TMP).

STAFF CONTACTS

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POLICY CONSIDERATION

City code provisions for trip reduction requirements at large real estate developments were last revised in 1995 (BCC 14.60.070, 14.60.080). Since that time, there has been evolution in the transportation system and options available in Bellevue (transit service improvements, HOV lanes, etc.) and in the broader environment, especially in terms of technology (access to information and rides via the internet, including by smartphone). Other elements of the Transportation Development Code (BCC 14.60) were updated in 2014. Should the City review, and potentially update, code requirements for trip reduction at large real estate developments?

The following Comprehensive Plan policies relate to mitigating the impacts of development on the transportation system:

- TR-14. Require new developments that place significant impacts on the transportation system to implement transportation management programs to reduce drive-alone commute trips to the site.
- TR-36. Require transportation system mitigation to offset the adverse impacts of development with regard to level-of-service, safety, access and neighborhoods.

DIRECTION NEEDED FROM COUNCIL

____ Action

- <u>X</u> Discussion
- <u>X</u>_Information

Staff and a representative of the Bellevue Transportation Commission will report on results and recommendations associated with an initiative to review the City's "Transportation Management Program" (TMP) requirements for trip reduction at large real estate developments. **Staff and the Commission are seeking direction from the Council to bring back specific code language regarding the six recommended revisions.**

If the Council is amenable to the recommended revisions, staff and the Transportation Commission will proceed with work this fall to identify specific revisions to current code language and hold a public hearing. The proposed code changes could be ready for Council consideration in early 2017.

BACKGROUND/ANALYSIS

Bellevue City Code section 14.60.070 requires new buildings meeting certain thresholds for size and category of use to develop and implement automobile trip reduction programs directed to

tenant employees or residents, in order to reduce transportation impacts related to development. Required elements of these Transportation Management Programs (TMPs) vary according to building size and use but often include features such as distributing transit and ride-sharing information, designating a transportation coordinator, providing preferential parking for carpools, providing financial incentives for commuters and setting up a "guaranteed ride home" program. An additional overlay of requirements applies to office buildings in downtown (BCC 14.60.080) which includes a performance standard (35% reduction in drive-alone commuting to a building over a 10-year period) and additional programmatic elements. There is also provision in the Medical Institution District section of the Land Use Code (BCC 20.25J.050) for a TMP to be required at development in this area.

History

The first TMP agreements in Bellevue date from the early 1980s and were individually negotiated as conditions of development (mitigation of impacts), consistent with the framework of the <u>Washington State Environmental Policy Act</u> (SEPA). In 1987, the City adopted code provisions for TMPs, which provided for a more efficient development review process, as well as more consistency and predictability for TMP agreements. City code requirements for TMPs were subsequently revised in 1995 and have remained the same since then. (Code section 20.25J.050 was adopted in 2005, in conjunction with the overall code for the Medical Institution District.) There are currently 57 buildings in Bellevue with TMP agreements on file.

Current review process

In March 2016, City staff and the Transportation Commission initiated a review of current TMP requirements. To date, the TMP topic has been addressed at five meetings of the Commission. Elements of the review process included the following:

- Review of <u>building compliance with TMP requirements</u>. Every two years, the City requests reports from buildings where TMP activities are required. The City currently receives reports from 28 buildings with TMP requirements. (The City does not routinely request reports from residential TMP buildings nor from TMP buildings wholly occupied by a single tenant affected by state and local Commute Trip Reduction (CTR) laws.) Review of the most recent reports from these buildings shows overall compliance with required activities at 80% (compliance is trending upward in recent years).
- Analysis of <u>trip reduction performance at Downtown TMP sites.</u> Commute survey data is available for 14 buildings in Downtown that are affected by requirements to implement a TMP. The data show an average yearly decrease of 0.9% in the rate of drive-alone commuting for these buildings. This level of decrease is *greater* than that for Downtown Bellevue as a whole (annual decrease of 0.6% per US Census, decrease of 0.8% per Bellevue Mode Share Survey) and for CTR worksites (annual decrease of 0.7%). This gives some indication that TMP activities may be useful in reducing rates of drive-alone commuting.
- <u>Comparison of TMP requirements and CTR requirements (which apply to employers</u> with 100 or more employees commuting in the AM peak). TMP requirements for trip reduction at buildings have substantial similarity to CTR requirements that apply to large employers (BCC 14.40). Both are regulations intended to reduce the impact of recurring, daily commute trips on the transportation system. Both sets of regulations require designation of a Transportation Coordinator at the building or worksite and regular, periodic reporting to the City. Bellevue CTR requirements were updated in 2008 (pursuant to State law changes in 2006). Under the current framework, CTR is more performance-based (focused on outcomes) and less prescriptive in terms of implementation activities than TMP requirements. All CTR-affected worksites have a performance target, whereas current TMP requirements specify a performance target only

at office buildings in Downtown. For all other building types and locations, the TMP requirements are framed only in terms of particular, prescribed activities. By comparison, under the current CTR framework, employers may choose programmatic implementation measures from a (long) list in the City's <u>CTR Implementation Guidelines</u> (or propose their own). The flexibility of the CTR framework has informed the recommendations for revisions to the TMP requirements (described below). There is substantial overlap of employee populations at TMP buildings and at CTR-affected worksites (most employees at CTR worksites are located in a TMP building); however, 11,000 employees work in TMP building for employers who do not participate in the CTR program.

- Review of <u>TMP requirements in Bellevue and nearby jurisdictions.</u> Several other local jurisdictions have requirements for TMPs at large real estate developments, including Issaquah, Kirkland, Redmond and Seattle. In general, programmatic requirements (i.e., required implementation measures) at these communities are similar to the Bellevue requirements. Differences from Bellevue requirements include:
 - Performance goals—expressed as maximum rate of commute trips by drive-alone mode—are in place for virtually all sites (in Bellevue, code requires a performance goal only at office buildings in Downtown).
 - Performance goals are set to meet a specific target, typically keyed to an areawide target for drive-alone commuting (in contrast to the Bellevue model, which specifies a 35% reduction in drive-alone commuting over a 10-year period following an initial baseline survey).
 - Required membership in the local Transportation Management Association (Redmond and Seattle).
 - Residential uses typically not affected by TMP requirements, except in limited or special circumstances (such as in the Northgate area of Seattle, and in Kirkland, when parking is provided at less than code requires). (Bellevue code requires a TMP at all residential sites with 100 or more units; the only requirement is to post information about transit and ridesharing options.)
- Survey of Bellevue TMP implementers. In late April/early May the city conducted an online survey of persons directly involved with TMP requirements or TMP implementation activities in Bellevue (i.e., building owners, building managers and management company employees). The intended audience-people who have experience with the current requirements—is a fairly small population; notice of the survey was sent to 57 names on the City's list of TMP contacts and posted on the City's TMP webpage. Twenty-one people started the survey and 17 completed it. Among respondents, a majority (71%) felt it was "appropriate" or "highly appropriate" that buildings generating significant travel demand be expected to make efforts to reduce their ongoing impacts on the transportation system. Respondents were asked about current city requirements, including the ease of implementation, the extent to which tenants appreciate the required feature/activity and the effectiveness of the activity in contributing to trip reduction. Current code elements receiving the most positive feedback were posting and distributing information and designating a Transportation Coordinator. Code elements receiving mixed feedback included provision of a guaranteed ride home, a performance goal and parking cost as a line item in tenant leases (these last two currently apply only at office buildings in Downtown). None of the current code requirements received more negative "votes" than positive votes, though the line item parking cost provision was essentially an even split.
- <u>Online Open House</u>. The open house ran for nearly 5 weeks (July 21-August 24). The target audience for the online open house was broader then for the initial survey and included persons involved in the real estate development process (i.e., those who would

be affected by requirements). Notice was sent to all persons contacted for the initial survey notice and to persons who City records show were involved with permits for large development projects in Bellevue since Jan 1, 2012 (~260 names) as well as to local chapters of two professional organizations that focus on building management (BOMA, NAIOP). Notice was also sent to persons involved with implementing Commute Trip Reduction (CTR) programs at 57 worksites in Bellevue. In addition, notice of the open house was posted on the City's TMP webpage and on the rotating banner of the City's Choose Your Way Bellevue website. Overall, there were 118 unique visitors to the online open house and 20 people responded to the survey questions. Following are key takeaways from the open house survey and comments.

- Respondents strongly expressed a *desire for increased flexibility in TMP implementation requirements*. All participants responded that the city should either increase flexibility as much as possible (13 responses) or balance a baseline set of activities with increased flexibility (7 responses). 13 of 40 comments (regardless of the question asked) referred to the need for flexibility or to differences between or uniqueness of particular buildings. The concept of a "menu of options" for implementation activities was the most popular option for revisions to code requirements.
- Respondents were *divided about expanding performance targets*. 6 responded that use of targets should be expanded; 12 responded that use of targets should not be expanded. Overall sentiment was supportive of continued measurement for performance tracking, even in comments left by those who opposed binding targets.
- Respondents strongly *supported continuing to require residential buildings to post information* (18 to 1).
- Relatively few respondents endorsed the removal of TMP requirements altogether; only 3 of 20 who took the survey selected the option to eliminate TMP requirements.
- Respondents also noted the importance of technological change, with six citing changing technology as part of their reasoning for responding in the way they did.

Reports for the Bellevue TMP Implementers survey and the TMP Online Open house are posted on the <u>TMP webpage of the City website</u> and linked in the corresponding bullet items above.

Recommended revisions to TMP code

Staff and the Commission have developed a set of proposed revisions to current TMP requirements; these are further described in Attachment 2. Key elements of the revisions are as follows:

1) Fix several elements that are dated and/or not working.

Discussion. Two issues* have been identified with current code requirements:

- Requirement to post information at individual tenant workspaces in Downtown Bellevue office buildings. This is difficult to monitor and, arguably, is less important than in years past, given access to relevant information on the internet, including by smartphone.
- Enforcement provisions. Enforcement provisions are unclear for parts of the current code (BCC 14.60.070) and unworkable for others (BCC 14.60.080)
 (*See also item #2, below)
- (*See also item #2, below).
- 2) **Revise performance goal** (which applies to Office buildings in Downtown), so that it is realistic and equitable. Specify performance goal as a *target rate for drive-alone commuting* (rather than as a required reduction from an initial baseline measurement).

Discussion. Two key problems have been identified with the current code requirement for trip reduction:

- The expected 35% reduction (over a 10-year period) is unrealistic, actual reductions over 10 years average 20%.
- Buildings that start with a low baseline measurement have a difficult challenge in making further reduction, yet code requires they do so, even if their current performance is exemplary.

Setting a performance goal as a specific target rate for drive-alone commuting allows for more consistent expectations from building to building and aligns with the approach used in other local jurisdictions that have TMP requirements.

- 3) Extend performance goal to Office uses citywide (but not to other uses) Discussion. Extending the performance goal requirement to (new) Office buildings citywide makes the TMP requirements more equitable. It also recognizes that transportation impacts and challenges exist in both the Downtown and outside Downtown settings. Office uses are the predominant employment citywide and generally have employees commuting during peak periods.
- 4) Add flexibility to implementation measures, while maintaining minimum requirements.

Discussion. By allowing flexibility, building managers can select the most appropriate measures, considering such factors as tenant mix and proximity to transit. Common themes throughout the TMP review process have been to accommodate future changes in technology and transportation. Allowing more flexibility in implementation measures and administrative revision of City guidance* will facilitate adaptation to changes. Maintaining certain minimum requirements (e.g., posting information, designating a Building Transportation Coordinator) will set a common baseline across buildings and facilitate monitoring.

(*See TMP Implementation Guidelines description below.)

5) Develop and maintain a *TMP Implementation Guidelines* document.

Discussion: Current TMP requirements (including required implementation activities) are detailed in code and can only be adjusted via a code amendment process. The proposed *TMP Implementation Guidelines* could be revised administratively, providing more flexibility to adapt as conditions evolve. The City currently has several transportation documents that provide additional guidance, in support of requirements specified in City code. These include the <u>CTR Implementation Guidelines</u>, the <u>Impact Fee Manual</u> and the Transportation Design Manual.

6) **Increase building size thresholds for minimum TMP requirements** of posting and distributing information.

Discussion: Current thresholds for TMP requirements are as low as 30,000 gross square feet for office uses and medical clinics. Eliminating the TMP conditions for smaller buildings (including for other affected uses, Manufacturing, Retail, Residential) where the only requirement is post and distribute information regarding transit and ridesharing would not only reduce the number of TMP agreements that must be established and monitored, but also would recognize that certain conditions have changed since the current code was adopted (in 1995). Specifically,

- $\circ~$ Information about travel options is more readily available, via the internet (including by smartphone)
- The City now has a robust travel options program, Choose Your Way Bellevue, directed to individuals (as well as employers and property managers)

See Attachment 2 for additional detail regarding these six recommendations for revisions to TMP requirements.

ALTERNATIVES

- 1. Direct staff to work with the Transportation Commission on the next steps in pursuing the recommended revisions, including identifying specific revisions to current code language.
- 2. Direct staff to work with the Transportation Commission on the next steps in pursuing an adjusted version of the recommended revisions, including identifying specific revisions to current code language.
- 3. Provide alternative direction.

RECOMMENDATION

Alternative 1.

ATTACHMENTS

- 1. Current TMP requirements (BCC sections 14.60.070; 14.60.080; 20.25J.050)
- 2. Recommendation for Revisions to TMP Requirements
- 3. Transportation Management Programs FAQ

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N/A