



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 12/07/2021

ITEM NO: 12

DATE: December 2, 2021

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Approve the Recommendations of the Council Policy Committee to:

- a. Review and Adopt the Transportation Impact Policy
- b. Authorize the Release of a Request for Proposals for the Preparation of a Study to Guide the Update of the Transportation Impact Fee Program; and
- c. Authorize the Town Manager to Negotiate and Execute a Consultant Agreement with the Highest Scored Proposer in an Amount Not to Exceed \$175,000.

RECOMMENDATION:

Approve the recommendations of the Council Policy Committee to:

- a. Review and adopt the Transportation Impact Policy (Attachment 1);
- b. Authorize the release of a Request for Proposals (Attachment 2) for the preparation of a study to guide the update of the Transportation Impact Fee Program; and
- c. Authorize the Town Manager to negotiate and execute a consultant agreement with the highest scored proposer in an amount not to exceed \$175,000.

BACKGROUND:

California Senate Bill (SB) 743, which was signed into law by Governor Brown in 2013, changes the way that public agencies evaluate the transportation impacts of projects under the California Environmental Quality Act (CEQA), recognizing that roadway congestion, while an inconvenience to drivers, is not itself an environmental impact. At its November 17, 2020 meeting, the Town Council adopted a resolution designating the use of vehicle miles traveled (VMT) as the metric for conducting transportation analyses pursuant to CEQA and establishing the thresholds of significance to comply with SB 743.

PREPARED BY: Ying Smith
Transportation and Mobility Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Parks and Public Works Director

BACKGROUND (continued):

The transition to using VMT as the metric for transportation analyses pursuant to CEQA has necessitated the proposed update to the Traffic Impact Policy. The draft 2040 General Plan Implementation Program identifies a program called Transportation Analysis Guidelines:

Develop and adopt transportation analysis (TA) guidelines that define the VMT analysis methods, significant impact thresholds, Transportation Demand Management (TDM) programs, and mitigation programs consistent with the requirements of Senate Bill 743.

Town Council Policy No. 1-05, currently known as the Traffic Impact Policy, is intended to provide guidance to Town staff and the development community in implementing the provisions of the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees.

DISCUSSION:

The draft Transportation Impact Policy includes major updates to the current policy to designating the use of VMT in CEQA transportation analysis. The proposed revisions, including supporting documents, enhance the details used to determine what projects are subject to the draft policy and subsequently the technical requirements used in preparing transportation analyses.

The draft policy is updated and organized as follows:

Name: The policy name is changed to Transportation Impact Policy to accurately represent the purpose.

Section I. General Conditions and Applicability: This includes the language in the current Policy in sections II-1, II-2, VII-2, and VII-3. The Purpose was expanded to include “evaluating and mitigating CEQA transportation impacts.” Minor edits were provided for clarity and consistency.

Section II. Transportation Impact Mitigation Fees: This includes the original language in sections III-1, 2, 3, 4, and V.

Section III. VMT Mitigation Measures: This is a new addition specific to VMT.

Attachment 1 - Transportation Analysis (TA) Guidelines: This new document was prepared to reflect Resolution 2020-045, Designating the Use of Vehicle Miles Traveled as the Metric for Conducting Transportation Analyses Pursuant to the California Environmental Quality Act and Establishing the Thresholds of Significance to Comply with California Senate Bill 743. The Town continues to require level of service (LOS)

DISCUSSION (continued):

analysis to assess impacts from new developments on the local roadway performance. It provides detailed guidance in conducting analyses to meet different requirements in CEQA guidelines, Congestion Management Program (CMP), and multimodal transportation analysis per the Town's transportation policies in the draft General Plan.

The TA guidelines have many technical details therefore it is more appropriate to be included as an attachment to the draft policy. The key elements and changes from the current policy are:

1. Explains the different requirements for transportation analyses for different project types: land use entitlements, land use projects; and transportation improvements.
2. Establishes different analysis guidelines per the CEQA Guidelines, CMP compliance, and Town's transportation policies.
3. Establishes the different procedures to evaluate land use projects that are compliant with the General Plan and those that are not.
4. Establishes the VMT analysis methods and provides guidance for projects to propose VMT mitigation measures.
5. Establishes the guidelines for CEQA analysis for transportation projects.
6. Enhances the guidelines for multimodal analysis for land use projects and provides guidance on proposing transportation improvements to address a deficiency caused by a project.

Attachment 2 - Town of Los Gatos Transportation Mitigation Improvements Project List: No change was made to the current Attachment 1. The attachment was re-numbered.

Attachment 3 - VMT Reduction Actions for the Town of Los Gatos: This new attachment provides supporting documentation for mitigation actions projects will need to take. This attachment is not all inclusive, but rather provides categories and examples.

Attachment 4 - Definitions: This list of definitions was expanded and modified to be consistent with the definitions in the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees, and Resolution 2020-045. The definitions were moved from the main document to an attachment.

The Town is in the process of updating the General Plan and the Draft Environmental Impact Report (DEIR) for the 2040 General Plan which was released for public review in July 2021. The 2040 General Plan DEIR identifies significant but unavoidable transportation impacts and the mitigation measures. The Town is taking a Town-wide approach for VMT impact mitigation.

DISCUSSION (continued):

The Draft Policy includes the VMT Reduction Actions that provides a framework for mitigating VMT in the Town.

One of the implementation actions would be to update the transportation impact fee program to incorporate the VMT reduction strategies. As an immediate next step, staff is recommending issuing a Request for Proposals to select a consultant to prepare a study to guide the update to the transportation impact fee program.

The Town's impact fee program must comply with the Mitigation Fee Act (California Government Code Section 66000 et seq., also known as AB 1600). It is envisioned that the new fee program would have either one combined fee including the LOS-based traffic impact mitigation fee and a new VMT-based fee, or two separate fees. The study will evaluate these two different approaches and other alternatives, develop a list of improvement projects, estimate project costs, and prepare the five statutory findings required for adoption of the fee program. The new fee program would be designed to help achieve the goals of reducing vehicle trips and vehicle miles of travel within the Town by avoiding or minimizing the need to expand existing roadway capacity.

The new fee program will provide a path for land use projects to complete CEQA clearance. The study will be completed in 2022, leading to a recommended fee program for the Town Council's consideration. If adopted, the Transportation Impact Fee Program will replace the Town's current Traffic Impact Mitigation Fees.

CONCLUSION:

Staff recommends the Town Council adopt the proposed Transportation Impact Policy (Attachment 1), authorize the release of the RFP for a Transportation Impact Fee Study (Attachment 2), and authorize the Town Manager to enter into a contract for the Fee Study for an amount up to \$175,000.

COORDINATION:

This report was coordinated with the Community Development Department and the Town Attorney. At its November 10 meeting, the Planning Commission reviewed the Draft Policy and provided feedback.

The consultant on this project, Fehr & Peers, provided comments on the Draft Policy and technical guidelines. Input from the Planning Commission was incorporated in the final Draft Transportation Impact Policy. The Council Policy Committee reviewed the Draft Transportation

COORDINATION (continued):

Impact Policy and attachments, had no suggested revisions, and recommended that the Town Council approve the documents.

FISCAL IMPACT:

There is no fiscal impact as a result of adopting the Transportation Impact Policy.

Project 812-0133 VMT Mitigation Program in the Fiscal Year 2021/22 – 2025/26 Capital Improvement Program Budget has sufficient budget for the consultant contract.

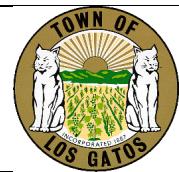
VMT Mitigation Program CIP No. 812-0133		
	Budget	Costs
GFAR	\$ 250,000	
Total Budget	\$ 250,000	
Proposed Consultant Contract		\$ 175,000
Total Costs		\$ 175,000
Remaining Balance		\$ 75,000

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Draft Transportation Impact Policy
2. Draft RFP for a Transportation Impact Fee Study



TITLE: Transportation Impact Policy	POLICY NUMBER:
EFFECTIVE DATE: December xx, 2021	PAGES: 3
ENABLING ACTIONS: 1991-174; 2014-017, 2016-068; 2017-011; 2021-xx	REVISED DATES: 8/5/91; 3/24/14; 12/6/16; 3/21/17; xx/xx/21

APPROVED:

PURPOSE

To provide guidance to Town staff and the development community in implementing the provisions of the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees, and evaluating and mitigating California Environmental Quality Act (CEQA) transportation impacts.

SCOPE

This Policy is applicable to all land use entitlements, land use projects, and transportation improvements Town-wide.

POLICY

I. GENERAL CONDITIONS AND APPLICABILITY

1. Projects that are determined by the Town to generate one or more new net Average Daily Trips (ADT) are subject to this Policy.
2. An Accessory Dwelling Unit (ADU) shall be exempted from the requirements of Transportation Analysis and the Traffic Impact Fees.
3. The Town Council may exempt housing developments for very low, low, and moderate income residents (as defined by Town Ordinance, General Plan, or statute) from all or a portion of the traffic impact mitigation fee upon making a finding that the development provides a significant community benefit by meeting current needs for affordable housing.

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4. Attachment 1 - Transportation Analysis (TA) Guidelines establish a process to comprehensively and accurately analyze potential project effects (adverse and beneficial) on transportation facilities and services in the Town of Los Gatos and other jurisdictions. The TA Guidelines serve three primary purposes:
 - Provide an evaluation for the California Environmental Quality Act (CEQA) significant impacts and mitigation as a part of the environmental analysis process.
 - Evaluate a project's consistency with the Town's General Plan.
 - Evaluate a project's consistency with the Santa Clara County Congestion Management Program (CMP).

II. TRANSPORTATION IMPACT FEES

1. All Projects that generate one or more new Average Daily Trips are required to pay Transportation Impact Fees, previously known as Traffic Impact Mitigation Fees.
2. All required Transportation Impact Fees shall be paid in full to the Town in association with and prior to issuance of a building permit. If no building permit is required, the fee shall be paid in full prior to issuance of a certificate of use and occupancy, or similar entitlement. The amount due shall be calculated based on the fee in place as approved by the Town Council by resolution at the time the fee is paid.
3. The per trip amount of the fee shall be as set forth by the Town Council by resolution, pursuant to Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees.
4. Fees shall be calculated by multiplying net new ADT by the per trip amount in place at the time the fees are paid.
5. Credit against Transportation Impact Fees due shall be granted up to the amount of the Estimated Project Cost shown on Attachment 2, Town of Los Gatos Traffic Mitigation Improvements Project List, for any listed projects for which the developer, as a condition of approval, is required to either construct at the developer's sole cost or contribute a fixed or percentage amount of funding toward future construction of the listed improvement. Where construction is fully funded and completed by the developer, said credit shall be equal to the Project Cost as shown in Attachment 2. Where payment is a fixed amount or a percentage of Project Cost, credit shall be equal to the actual amount due, whether the project is constructed by the developer or others.
6. No credit shall be given for any public right-of-way dedication required for

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completion of projects listed on Attachment 2.

7. Credit will be given on a case-by-case basis and shall not exceed the impact fee payable. Any request for credit shall be made prior to the payment of the Transportation Impact Fees. No credit shall be given for installation of Town-standard frontage improvements, Project access improvements, or internal circulation improvements.
8. Credit shall only be granted for payment of costs or construction of projects listed in Attachment 2, unless otherwise approved by the Town Council.

III. VEHICLE MILES TRAVELED MITIGATION MEASURES

1. To mitigate VMT impacts, the project shall be conditioned for implementation of mitigation measures in the following categories:
 - Modify the project's built environment characteristics to reduce VMT generated by the project;
 - Implement transportation Demand Management (TDM) measures to reduce VMT generated by the project; and/or
 - Participate in a VMT fee program and/or VMT mitigation exchange/banking program (if they exist) to reduce VMT from the project or other land uses to achieve acceptable levels.
2. The Town is taking a Townwide approach for VMT impact mitigation. Attachment 3, VMT Reduction Actions for the Town of Los Gatos, provides a framework for mitigating VMT in the Town.

APPROVED AS TO FORM:

Robert Schultz, Town Attorney

TITLE: Transportation Impact Policy Attachment 1 - Transportation Analysis Guidelines	PAGE:	POLICY NUMBER:
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Town of Los Gatos

Transportation Analysis Guidelines

(final draft)

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1. Introduction

Transportation Analysis (TA) Guidelines are routinely established by jurisdictions to assess potential transportation effects of proposed projects on the local transportation system. These guidelines are intended to provide a clear and consistent technical approach to evaluating both land use and transportation infrastructure projects within Los Gatos.

These guidelines establish a process to comprehensively and accurately analyze potential project effects (adverse and beneficial) on transportation facilities and services in the Town of Los Gatos and other jurisdictions. This information is essential for decision-makers and the public when evaluating land use development and transportation infrastructure projects. These TA Guidelines serve three primary purposes:

- Provide an evaluation for the California Environmental Quality Act (CEQA) significant impacts and mitigation as a part of the environmental analysis process.
- Guide the Local Transportation Analysis in evaluating a project's consistency with the Town's General Plan Mobility Goals.
- Evaluate a project's consistency with the Santa Clara County Congestion Management Program (CMP).

1.1 Intent of TA Guidelines

The Town of Los Gatos General Plan 2040 seeks to “provide a well-connected transportation system that enables safe access for all transportation modes, including pedestrians, bicyclists, motorists, and transit riders of all ages and abilities.” The TA Guidelines support this goal by evaluating new projects against the policies of the latest General Plan.

For CEQA-based environmental analysis, these TA Guidelines incorporate the use of vehicle miles traveled (VMT) to disclose the effects of the project on the surrounding environment. Town staff completed an SB 743¹ implementation process, which included the preparation of the *SB 743 Implementation for the Town of Los Gatos* (July 2020) document package. The document package provides detailed technical information pertaining to the options and data considered by the Town of Los Gatos to implement VMT as an impact criterion.

The TA Guidelines present the Town’s approach for determining the need for a transportation analysis, its content, and identifying acceptable transportation improvements for land use and transportation projects proposed within Los Gatos. The TA Guidelines establish a transportation analysis protocol for the following:

- Environmental analysis

¹ Senate Bill 743 (SB 743) changed some of the transportation significance criteria under the California Environmental Quality Act (CEQA) CEQA. Specifically, vehicle level of service (LOS) is no longer used as a determinant of significant environmental impacts, and a vehicle miles traveled (VMT) analysis is required.

- General Plan consistency
- Congestion Management Program (CMP) evaluation
- Mobility deficiency criteria and thresholds
- Guidance on acceptable transportation improvements

Town staff will review transportation studies and reports based on the process presented in the TA Guidelines. However, each project is unique, and the TA Guidelines are not intended to be prescriptive beyond practical limits. Not all criteria and analyses described in the TA Guidelines will apply to every project. Early and consistent communication with Town staff is encouraged to confirm the type and level of analysis required for each study.

1.2 Environmental Evaluation

The TA Guidelines outline the methods and thresholds with which to evaluate projects consistent with the latest *CEQA Statue & Guidelines*.

The latest *CEQA Statue & Guidelines* include revised Appendix G Checklist questions for transportation impact evaluation. The four questions are as follows:

Would the project:

- Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities?*
- Would the project conflict or be inconsistent with CEQA Guidelines Section 15064.3, subdivision (b)?*
- Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?*
- Result in inadequate emergency access?*

1.3 Project Types

A TA is prepared for a project before a discretionary action is taken. The following types of projects, which involve development activity or infrastructure changes in and around the Town of Los Gatos and affect the adjacent transportation system, should be evaluated for TA requirements.

- **Land use entitlements** or changes in use requiring discretionary approval by Los Gatos, which include General Plan amendments, specific plans (and related amendments), zoning changes, use permits, planned developments, and tentative subdivision maps; or any modifications of use that would generate 20 or more new Peak Hour (vehicle) Trips or at the discretion of the Town's Traffic Engineer
- **Land use activity** advanced by agencies other than Los Gatos that is subject to jurisdictional review under state and federal law, such as school districts, Santa Clara Valley Transportation Authority (VTA) Board of Directors, and others; or advanced within Los Gatos by agencies other than the Town and inconsistent with the Town's General Plan.

- **Transportation infrastructure modification or expansion**, including capital improvement projects on Town roads, county roads, and state highways that may impact Town facilities and services.

1.4 CEQA and Non-CEQA Terminology

To distinguish the CEQA analysis from the non-CEQA analysis (i.e., the local transportation analysis) the analyses apply different terminologies as summarized below in **Table 1**.

Table 1: Comparison of Select CEQA and Non-CEQA Terms	
CEQA Term	Non-CEQA Term
CEQA Transportation Analysis	Local Transportation Analysis
Significance criteria	Threshold or performance standard
Significant impact	Deficiency
Mitigation measure	Mitigation improvement
Baseline Conditions	Existing Conditions and Background Conditions
Future Year Cumulative Conditions	Cumulative Conditions

2. Determining the Level of Transportation Analysis

Unless explicitly waived by the Town, a TA may be required when any one of the following conditions is met.

- A project has the potential to create a significant transportation environmental impact under CEQA.
- A project has the potential to generate daily vehicle miles traveled greater than the Town's General Plan future year VMT projections.
- For local transportation analysis, a project has the potential to generate 20 or more new Peak Hour (vehicle) Trips.
- A project that is not consistent with the development density established by existing zoning, community plan, or general plan policies for which an environmental impact report (EIR) was certified, per *CEQA Statue & Guidelines Section 15183*.
- A project will alter physical or operational conditions on a Town pedestrian facility, bicycle facility, transit facility or service, or other transportation facility.
- An Accessory Dwelling Unit (ADU) shall be exempted from the requirements of Transportation Analysis and the Transportation Impact Fees.

In general, a TA is applicable for two to five years. After two or more years of inactivity, a TA may need to be updated to reflect changes in the study environment, including traffic growth and other circulation issues.

Nothing in the Transportation Impact Policy shall prohibit or restrict a Project applicant from completing a local transportation study for a Project anticipated to generate less than 20 new Peak Hour trips.

2.1 CEQA Relief for Projects Consistent with General Plan or Zoning

Per *CEQA Statute & Guidelines Section 15183*, projects consistent with a general plan, zoning action, specific plan, and certified environmental impact report (EIR) would not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects. Additionally, projects consistent with a general plan, zoning action, or specific plan where cumulative impact(s) were adequately addressed in a prior EIR would not require further CEQA transportation analysis.

2.2 CMP Consistency Screening

Projects should reference the most recent *VTA Transportation Impact Analysis (TIA) Guidelines* to determine the need for a transportation impact analysis. In most cases, projects that generate fewer than 100 net new peak hour vehicle trips are not required to conduct VTA's CMP transportation analysis.

2.3 Recommended Process and Documentation

In coordination with Town staff, the project applicant shall retain a transportation professional to conduct the TA. The transportation consultant should seek Town acceptance of the scope of work before initiating the analysis. In some cases, review by other affected jurisdictions will be required. **Appendix A: Transportation Analysis Report Format Outline** contains a recommended outline for the TA document.

Each TA will begin by preparing a scope of work that describes the project description, site location, analysis methods, area-wide assumption, study elements, study time periods, and traffic data collection methods. To finalize a TA scope of work for the local transportation analysis, the project applicant will provide an estimate of the project trip generation and trip distribution. These estimates and scope of work should be shared with Town staff to finalize the scope of services. Overall, the TA report will address: 1) environmental analysis, 2) project site access and circulation, and 3) other transportation impacts and traffic deficiencies.

2.4 Contact with Appropriate Town Staff

To minimize the potential for delays in project processing, it is important for the TA to be prepared in coordination with Town staff. Timely coordination will also ensure that potential transportation improvements and environmental consequences are considered as early as

possible in the planning process, as deficiencies and corresponding improvement costs can have a substantial effect on project costs. Coordination should include the following:

- A pre-application meeting, which will include a discussion of the TA requirements.
- Development of an approved scope of work, which includes trip generation, study area, analysis scenarios and parameters, data requirements, and provisions for pedestrians, bicyclists, and transit users.
- Approval of the project trip generation (person and vehicle) and trip distribution.
- Review of all assumptions and the results of Existing Conditions analysis.
- Review of the administrative draft report, with adequate time for comments.
- Review of a draft report, with adequate time for comments.

If the TA report information will be incorporated into the transportation and circulation section of an environmental document (e.g., Initial Study, Mitigated Negative Declaration, or Environmental Impact Report), the format of this report may need to be discussed with the environmental consultant, a peer reviewer, and/or Town staff. Upon circulation of the draft environmental document, the format of the final TA report may need to be discussed with the environmental consultant.

2.5 Consultation with Other Jurisdictions

If the study area overlaps with other jurisdictions, staff from other jurisdictions must be consulted to verify study locations, the impact significance criteria, and to consider any current development applications. Section 15086 of the *CEQA Statute & Guidelines*² shall be followed as the basis for satisfying consultation requirements. In most cases, overlap will occur for roadway system analysis, but may also include impact analysis of active transportation modes (bicycling and walking), as well as transit system facilities and services.

2.6 Project Trip Generation and Trip Reductions

Person and vehicle trip generation rates are a way to estimate the number of expected pedestrian, bicycle, transit, and vehicle trips that a proposed development will generate. These rates establish the basis of analysis for a proposed project and its effects on the transportation network. Person trip generation should be reported for walking, bicycle, and pedestrian trips, and vehicle trip generation should be reported for single-occupant, and carpool.

Methodologies to estimate project trip generation and trip reductions shall be prepared consistent with the latest *VTA TIA Guidelines*, with the exceptions described in this document.

² *California Environmental Quality Act Statute & Guidelines*, 2020.

2.6.1 Vehicle Trips

Consistent with the *VTA TIA Guidelines*, pass-by trips shall not be considered in calculating the 20 new Peak Hour Trip threshold that triggers the requirement for conducting a comprehensive local transportation analysis report.

The Institute of Traffic Engineers (ITE) *Trip Generation Manual* trip generation rates for Specialty Retail Center shall apply to all Specialty Retail.

Uses within the Central Business District (C-2 Zone) are expected to change periodically as part of the natural business cycle. For the purpose of Transportation Impact Fees, changes in use without changes in net building square footage within the C-2 Zone shall not be considered to create a traffic deficiency, shall be exempt from this policy, and no fees shall be charged for a change in use. Any increases in building square footage shall pay impact fees at the ITE Shopping Center rate or comparable equivalent rate for the expanded area, as determined by the Town Traffic Engineer.

The Town reserves the right to require the project sponsor to conduct local trip generation surveys for select projects, depending on land use and conditions in the field.

2.6.2 Person Trips

Person trip generation rates should be developed from empirical studies, person travel survey data, or conversion of vehicle trip rates to person trip rates using a vehicle occupancy factor. In addition, person trip generation by mode may be derived using an approved analysis tool that incorporates data from local trip generation surveys or published trip generation rate data.

2.6.3 Establishing Trip Generation Rates for an Unspecified Use

For projects where the ultimate land use is not certain (for example, a large subdivision of flexible commercial-industrial parcels), there are two options for establishing the trip generation rates.

- Option 1: Town staff will recommend the use of the highest traffic intensity among all permitted uses to establish traffic deficiencies.
- Option 2: Estimates can be made using a lower traffic intensity use if the Town and developer establish a maximum trip allowance. Once a proposed land use has been identified, then: 1) the subdivision trip generation allowance must be monitored by the Town as development occurs; and 2) the TA report may need to be updated.

2.6.4 Credit for Existing Trips – Local Analysis

The estimate of new trips generated by the proposed development project may include credit for trips associated with existing uses on the site. Uses are considered as existing if they are actively present on the project site at the time that data is gathered for the transportation impact analysis. Similarly, if a planned (but not constructed) use was already permitted for the site and an improvement(s) was identified and funded, the new TA only needs to assess the

effects of additional trips above and beyond the trips for the permitted use. Additionally, certain commercial land uses attract vehicle traffic that currently exists on the roadway, rather than generating new trips.

Understanding there are permitted reductions that may be taken under the circumstances listed above, the Town requires that any reductions in project vehicle trip generation are applied according to the latest *VTA TIA Guidelines*.

In calculating new Peak Hour Trips for purposes of determining whether or not a TA report is required pursuant to this Policy, trip credit shall be granted for an existing use or the most recent former use.

In calculating new Average Daily Trips for purposes of determining the amount of the Transportation Impact Mitigation Fee due, trip credit shall be granted for an existing use or the most recent former use.

Where the property is vacant, the most recent former use shall be used.

Where a portion of the space is changing use, credit will apply to the proportionate square footage of the space under review.

Where the change in use results in fewer trips than the existing or former use, no credit or refund will be due the applicant.

2.6.4 Credit for Existing Trips – VMT Analysis

For the evaluation of vehicle miles of travel, VMT credit for the prior use depends on how the project changes the baseline condition, if the project sponsor had ownership and control of the previous land use, and the reason for stopping the previous land use. Baseline conditions are typically defined at the beginning of an environmental analysis and a CEQA analysis needs to isolate the effects of the project to clearly define the project's effect on the baseline condition. To receive VMT credit, the project sponsor needs to demonstrate continuous ownership of site, with on-site occupancy paused only due to the redevelopment activity and not because of some economic or other condition outside the control of the project sponsor. However, this credit should only be applied to total project generated VMT and should not be included when calculating a VMT rate.

2.7 Vehicle Miles Traveled Methods

Although the calculation of VMT is simply the number of cars multiplied by the distance traveled by each car, VMT performance measures can be reported differently. At a minimum, the VMT analysis for Los Gatos will be prepared for two purposes:

- Greenhouse gas and air quality analysis using project generated VMT on a VMT per service population basis (residents + employment).
- Environmental evaluation by land use and/or transportation project.

The project generated VMT from new population and employment growth and the boundary (total) VMT for a specific geographic area will be prepared using the latest Santa Clara Valley Transportation Authority (VTA)-City/County Association of Governments of San Mateo County (C/CAG) Bi-County Model (“VTA Travel Model”). Because emissions rates vary by vehicle speed, the project generated VMT and total VMT should be disaggregated by speed bin (typically in five mile an hour increments of speed from 0 to ~80 miles per hour) to allow different emissions factors to be applied at different speeds, which allows for the preparation of a more refined emissions analysis.

3. Transportation Analysis (CEQA) for Land Use Projects

For an environmental analysis, these TA Guidelines incorporate the use of vehicle miles traveled (VMT) to disclose the effects of the project on the environment. Town staff completed an SB 743 implementation process, which included the preparation of the *SB 743 Implementation for the Town of Los Gatos* (July 2020) document package. The document package provides detailed technical information pertaining to the options and data considered by the Town of Los Gatos to implement VMT as an impact criterion.

At its November 17, 2020 meeting, the Town Council adopted Resolution 2020-045, Designating the Use of Vehicle Miles Traveled as the Metric for Conducting Transportation Analyses Pursuant to the California Environmental Quality Act and Establishing the Thresholds of Significance to Comply with California Senate Bill 743.

The *CEQA Statue & Guidelines* allow exemptions to projects meeting certain criteria. Project applicant may review the exemptions before preparing CEQA analysis for projects.

Based on the Town’s implementation of SB 743, the following methods should be used to determine VMT impact thresholds and mitigation requirements for land use projects.

3.1 VMT Analysis Methods

The Town elected to conduct a complete VMT analysis consistent with the General Plan future year VMT projections based on long-term expectations for air quality and GHG expectations as part of its General Plan EIR, so that it could make specific use of *CEQA Statue & Guidelines* Section 15183 to streamline project-specific CEQA analysis that is consistent with its General Plan and other Town documents. For the Town of Los Gatos, addressing transportation VMT impacts in the Town General Plan EIR is a useful way of understanding VMT impacts and how VMT reduction should be balanced against other community values related to the environment, social justice, and the community. By conducting a Town-wide VMT impact analysis, the Town is able to develop a program-based VMT mitigation approach. The concept of a ‘program’ approach to impact mitigation is commonly used in a variety of technical subjects, including

transportation, air quality, GHG, and habitat. Absent a new program-level VMT mitigation approach, there are limited feasible mitigation options for project sites, and as a result limited ability to reduce VMT. Also, practically speaking, without feasible mitigation, significant VMT impacts would be significant and unavoidable (SAU). Under these circumstances, a project must prepare an EIR, thus adding time and cost to environmental review compared to an initial study/negative declaration (IS/ND) that relies on streamlining offered in the *CEQA Statue & Guidelines*.

Should a project not be consistent with the General Plan, or for some other reason unable to benefit from streamlined CEQA review under *CEQA Statue & Guidelines* Section 15183, the following sections provide details on how to conduct a complete VMT analysis for land use plans and projects in the Town of Los Gatos.

3.1.1 Regional Transportation Plan/Sustainable Communities Strategy and General Plan Consistency

The first step in assessing project impacts is to determine if the project land use is contained within the Town of Los Gatos residential and non-residential land use allocations in the current Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), and if the project is consistent with the latest General Plan. If the project is not consistent with the RTP/SCS and/or the latest General Plan, amendments to those documents or the project would be needed prior to proceeding with the project review.

3.1.2 VMT Assessment

Projects not consistent with the current RTP/SCS or the latest General Plan are required to complete a VMT analysis using the VTA Travel Model to determine if there would be a significant VMT impact. The tools and methodology of the VMT analysis shall be approved by PPW Director (or Traffic Engineer). The impact analysis includes two types of VMT:

1. **Total Project Generated VMT** – Daily VMT of all vehicle trips, vehicle types, and trip purposes for all project land uses, presented as a total project generated VMT.
2. **Project's Effect on VMT within the Town of Los Gatos**. VMT that occurs within the Town of Los Gatos by any type of vehicle. This captures all on-road vehicle travel on a roadway network for any purpose, and includes local trips as well as trips that pass through the area without stopping.

If the land use control totals increase between the without and with project conditions in the travel model, these VMT metrics will need to be expressed on a per service population (residents, employees, and other populations generating the VMT) basis to understand the effects of the project between scenarios.

The types of VMT analysis are evaluated for the following scenarios:

- **Baseline Conditions** – Conditions in the baseline year for the CEQA analysis, which is most often chosen as the time of notice of preparation (NOP) of an environmental document, but may be chosen as the baseline year of the VTA Travel Model, if land use and transportation network conditions can be considered largely unchanged between the model baseline year and the date of the NOP. For compliance with the *CEQA Statute & Guidelines* Section 15125(a), the transportation impact analysis must include a description of the physical environmental conditions near the project, as they exist at the time the NOP is published, or if no NOP is published, at the time environmental analysis is commenced, from both a local and regional perspective. Baseline VMT estimates will be prepared using the most recent base year VTA Travel Model.
- **Baseline with Project Conditions** – The project land use is added to the project Transportation Analysis Zone (TAZ), or a separate TAZ may be created to contain the project land uses. A full model run is performed and VMT changes (by metric of choice) are isolated for the project TAZ and across the full model network. The model output must include reasonableness checks of the production and attraction balancing to ensure the project effect is accurately captured. If this scenario results in a less-than-significant impact, then additional cumulative scenario analysis may not be required.
- **Future Year Cumulative Conditions** – Conditions requiring an RTP/SCS and/or General Plan amendment are also required to evaluate the project effect on VMT under Future Year Cumulative Conditions. This scenario buildup of the region's land use and transportation system also provides the long-range view of future travel patterns. Future Year Cumulative Conditions VMT estimates should be based on the horizon year of the most recent VTA Travel Model, ensuring the model does not already contain the land uses or transportation improvements associated with the project.
- **Future Year Cumulative with Project Conditions** – The project land use is added to the project TAZ, or a separate TAZ is created to contain the project land uses. The addition of project land uses may be accompanied by a reallocation of a similar amount of land use from other TAZs throughout the model area (focusing on Santa Clara County), especially if the proposed project is significant in size such that it would potentially reduce the potential for development throughout the rest of the model area. Land use projects will generally not change the Future Year Cumulative Conditions control totals for population and employment growth within the model area. Instead, they will influence the land use supply through changes in General Plan land use designations and zoning. If project land uses are simply added to the Future Year Cumulative Conditions scenario, then the analysis should reflect this limitation in the methods and acknowledge that the analysis may overestimate the project's effect on VMT. A full model run is performed and VMT changes (by metric of choice) would be isolated for the project TAZ and across the full model network. The model output must include reasonableness checks of the production and attraction balancing to ensure the project effect is accurately captured.

The model output should include the two VMT metrics listed earlier: 1) total project generated VMT, and 2) project's effect on VMT using the total boundary VMT. Emissions vary by speed bin; disaggregating VMT by speed bin allows different emissions factors to be applied at

different speeds, which allows for the preparation of a more refined emissions analysis. The total boundary VMT is needed as an input for air quality, greenhouse gas (GHG), and energy impact analysis, while the project generated VMT metrics are used for the transportation impact analysis.

Both “with project” scenarios noted above will summarize the two types of VMT and be compared to the without project condition.

Project generated VMT should be extracted from the VTA Travel Model by combining either the origin-destination (for total VMT) or production-attraction (for the other metrics) trip matrices and congested skims (travel distances for each origin-destination pair in the travel mode) from final assignment. The VMT should be adjusted to reflect trips that extend beyond the model boundary. The project’s effect on VMT should be estimated using the Town limit boundary and extracting the total link-level VMT for both the without and with project conditions. Additional VMT metric specifications may be found in the *SB 743 Implementation for the Town of Los Gatos* (July 2020) document package.

If a project is mixed-use (i.e., composed of both residential and retail/office uses), project generated VMT should be extracted for both the total VMT and VMT per service population (residents and employees).

3.2 VMT Significance Thresholds

The Town Council adopted Resolution 2020-045, Designating the Use of Vehicle Miles Traveled as the Metric for Conducting Transportation Analyses Pursuant to the California Environmental Quality Act and Establishing the Thresholds of Significance to Comply with California Senate Bill 743. The thresholds balance the Town’s priorities with respect to competing objectives, including Los Gatos’s geographic and transportation context, greenhouse gas reduction goals, interest in achieving the state’s greenhouse gas reduction goals, and the latest General Plan goals and policies related to land use mix, economic development, and housing provision.

VMT analyses shall evaluate a project’s VMT impacts based on the thresholds established in the latest Council-adopted resolution.

3.3 VMT Mitigation Measures

To mitigate VMT impacts, the project shall be conditioned for implementation of mitigation measures in the following categories::

1. Modify the project’s built environment characteristics to reduce VMT generated by the project;
2. Implement transportation Demand Management (TDM) measures to reduce VMT generated by the project; and/or
3. Participate in a VMT fee program and/or VMT mitigation exchange/banking program (if they exist) to reduce VMT from the project or other land uses to achieve acceptable levels.

The Town is in the process of updating the General Plan and the Draft Environmental Impact Report (DEIR) for the 2040 General Plan was released for public review in July 2021. The 2040 General Plan DEIR identifies significant but unavoidable transportation impacts and the mitigation measures. The Town is taking a Town-wide approach for VMT impact mitigation. Attachment 3, VMT Reduction Actions for the Town of Los Gatos, provides a framework for mitigating VMT in the Town. Attachment 2, Transportation Mitigation Improvements Project List, has many improvements that are consistent with the VMT Reduction Strategies.

Evaluation of VMT reductions should be conducted using state-of-the-practice methods, recognizing that many of the TDM strategies are dependent on building occupant performance over time. As such, actual VMT reduction cannot be reliably predicted, and monitoring may be necessary to gauge performance related to mitigation expectations.

4. Transportation Analysis (CEQA) for Transportation Projects

Transportation Analysis for transportation projects shall follow the latest CEQA Guidelines and related technical advisories from the Governor's Office of Planning and Research (OPR).

The Thresholds of Significance for all transportation projects are established in the latest Council-adopted resolution.

Transportation projects that reduce, or have no impact on, vehicle miles traveled should be presumed to cause a less than significant transportation impact.

In 2020 Caltrans adopted its guidance under SB 743. The department's *Transportation Analysis Framework* and *Transportation Analysis for CEQA* provide guidance for assessing induced travel impacts from prospective projects on the State Highway System. CEQA analysis for proposed transportation projects on the State Highway System should also follow Caltrans guidance.

5. Transportation Analysis per the Town's Transportation Policies

The contents and extent of a local transportation analysis per the Town's General Plan depend on the location and size of the proposed development, the prevailing transportation conditions in the surrounding area, and questions from decision-makers and the public. The Town is committed to a well-connected transportation system that enables safe access for all modes of travel. The methods presented in this chapter include robust data collection and analysis techniques for pedestrian, bicycle, and transit networks, in addition to vehicle circulation.

The local transportation analysis shall be prepared consistent with the latest VTA TIA Guidelines, with the exceptions described in this document.

5.1 Study Area

The study area is determined by evaluating the project location and how it may affect all transportation modes and facilities. It is not simply a map showing where the project is located. Rather, the study area is the area of influence of a project. Each local transportation analysis will consider the adjacent transportation system for site access and circulation of land development projects and street modifications for transportation projects. To properly assess the site access, the Town may require off-site intersection analysis and/or other multimodal analysis.

The study area may include the nearest CMP facility to evaluate the proposed project's conformity with the CMP facilities.

Applicants should consult with Town staff early regarding the need for a local transportation analysis based on local or site-specific issues, especially those related to pedestrians, bicyclists, and transit users.

5.2 Key Study Elements

The extent and complexity of a local transportation analysis will vary on the project attributes. **Table 2** summarizes the basic requirements for a local transportation analysis for every project requiring a complete transportation analysis. Specific significance criteria for each of the listed elements are described in further detail in *the Transportation Analysis (CEQA) for Land Use Projects and Transportation Analysis (CEQA) for Transportation Projects* sections. To avoid substantial off-site improvements or changes to the project site plan/description after the transportation analysis is completed, a preliminary site plan shall be included for a "fatal flaw" evaluation.

Table 2: Local Transportation Analysis – Evaluation Criteria	
Study Element	Evaluation Criteria
General Plan Consistency	Evaluate the project against goals, policies, and actions set forth in the latest General Plan and other applicable Town plans.
Parking	Compare the project parking plan with Town and local specific plan standards and discuss how the proposed supply will affect demand for walking, bicycling, and transit modes. If a mix of land uses is proposed on site, or complements adjacent land uses, justify how the development will make use of shared on-site parking.
On-Site Circulation	Review and evaluate site access locations, turning radii, truck loading areas, emergency access, and other site characteristics with respect to operations and safety for all modes of transportation.
Pedestrian Facilities	Identify any existing or planned pedestrian facilities that may be affected by the project. Document how the project will affect local pedestrian circulation (e.g., disclose how widening a road or adding a driveway will affect pedestrian safety and walking time).

Table 2: Local Transportation Analysis – Evaluation Criteria

Study Element	Evaluation Criteria
Bicycle Facilities	Identify any existing or planned facilities that may be affected by the project.
Transit	Identify any existing or planned transit facilities that may be affected by the project. If appropriate, document how the project improves access to or utilization of transit. For system planning, use crush load as capacity, not seated capacity.
Safety Assessment	Evaluate project trips added to safety enhancement projects within the study area that are proposed as part of other future safety studies by the Town or other agencies.
Trucks (or Other Large Vehicles)	For relevant industrial projects, identify the number of truck trips that will be generated, and design facilities necessary to accommodate these trucks.
Automated Vehicles or Transportation Network	For projects where automated vehicles and/or transportation network companies may have a large concentration of pick-up/drop-off, the project site circulation and pick-up/drop-off areas must be reviewed to identify opportunities and constraints of the project site. Modifications to the site circulation and/or pick-up/drop-off may be recommended.
Off-Site Traffic Operations	All roadway facility analysis and Level of Service should be conducted using the latest version of the <i>Highway Capacity Manual</i> (HCM).
Intersection Traffic Control	Evaluate unsignalized intersections located within the study area to determine appropriate traffic control. Analysis should include documentation of the appropriateness of a roundabout as an alternative or replacement to a traffic signal.
Other Issues	Consider other issues on a case-by-case basis (e.g., construction deficiencies, queuing between closely spaced intersections, emergency access, special event traffic)
Other Jurisdictional Requirements	In situations where several agencies must approve a development or are responsible for affected roadways, the applicant must contact lead and responsible agencies to determine issues to be addressed, scope of study, etc. In general, the applicant will be responsible for analyzing project impacts against appropriate jurisdictional thresholds; however, the analysis method will be determined by the Town in compliance with CEQA, and the impacts will be mitigated consistent with Town standards.

5.3 Data Collection

Accurate data is essential to achieve a high level of confidence in local transportation analysis results. Existing transportation data shall be collected using the requirements set forth below. Data should be presented on maps or figures where appropriate. To address the specific needs of each project, the extent of data collected shall be at the discretion of Town staff.

- **Pedestrian/Bicycle Facilities** – Document the existing pedestrian and bicycle facilities serving the project site. Elements will include presence and width of sidewalks, curb ramps, crosswalks, or other pedestrian facilities providing access to the nearest attractors of the project site, such as transit stops, neighborhood attractors and/or complimentary land uses, and bicycle facilities (e.g., routes, lanes, or shared-use paths) within a two-mile bicycling distance of the project site. Document barriers, deficiencies, and high pedestrian-demand land uses, including schools, parking, senior housing facilities, and transit stops or centers. The report will note any deficiencies or enhancements planned or recommended in the latest General Plan or future planning documents.
- **Transit Facilities and Ridership** – Document transit lines nearest to the project site, including stop locations, frequency of service, and any capacity issues. It will also describe transit stop amenities (e.g., benches, shelters, etc.).
- **Multimodal Peak-Period Turning Movement Counts** – Turning movement counts, including vehicles, bicycles, and pedestrians, will be collected for each study time period at all study intersections. The following parameters will be followed (fall and spring days while school is in session are preferred):
 - Data collection will cover at least two hours to ensure the peak hour is observed.
 - As applicable, 48-hour machine counts will be used to identify the peak period before conducting other counts or analysis.
 - Traffic volumes should not be influenced by a holiday, weather, construction, or other temporary change.
 - The percent of traffic that consists of heavy trucks will be noted/estimated during data collection.
 - Some projects may require vehicle classification or occupancy counts. Consult with Town staff on a case-by-case basis.
 - Traffic counts that are older than two years at study initiation will not be used without consultation and approval by Town staff. These counts may need to be adjusted to reflect current year traffic volumes.
- **Daily Traffic Counts** – Collect data for all study roadway segments using the parameters described above for peak period turning movement counts, with the exception of bicycle and pedestrian volumes. Daily counts are used to size facilities (e.g., 2-lane vs. 4-lane) and to identify temporal changes in traffic.
- **Roadway Geometry** – Document existing roadway and intersection geometries and lane configurations. Information from aerial photography and street views should be verified based on a site visit(s).
- **Intersection Controls and Signal Timings** – For use in intersection analysis, intersection control types and signal timings and phasing should be based on signal timing sheets (available from Los Gatos or Caltrans) and verified during site visits.
- **Five-Year Collision Data** – Obtain Statewide Integrated Traffic Records System (SWITRS) through the local California Highway Patrol or through the following web site: www.chp.ca.gov/switrs.

- **Mode Split** – Summarize daily and peak hour mode split for the study area land uses. Data could include U.S. Census journey-to-work data, empirical surveys, or any other available surveys.

5.4 Project Site Access and Circulation Review

A detailed site plan review is required for all projects. The local transportation analysis should include a review and summary of findings of the following qualitative and quantitative features.

- Consideration of roundabouts are encouraged. Conduct roundabout analysis as required by Town staff.
- Existence of any current traffic problems in the local area, such as a high-collision location, non-standard intersection or roadway, or an intersection in need of a traffic signal or a roundabout.
- Applicability of context-sensitive design practices compatible with adjacent neighborhoods or other areas that may be impacted by the project traffic.
- Proximity of proposed site driveway(s) to other driveways or intersections.
- Adequacy of the project site design to convey all vehicle types.
- Number and type of parking provided, including vehicle and bicycle parking.
- On- and off-street loading requirements.
- Adequacy of on-site vehicle, bicycle, and pedestrian circulation and provision of direct pedestrian paths from residential areas to school sites, public streets to commercial and residential areas, and the project site to nearby transit facilities.

An important aspect of a TA is to provide sufficient information for the Town to determine that a project is consistent with the latest General Plan and other applicable Town policies, plans, and standards. As such, individual projects must be reviewed against relevant policies contained in the latest General Plan or other plans and policies. Applicants should review the full policy statements in the latest General Plan Mobility Element.

If the study area extends into an adjacent jurisdiction, the applicant may be responsible for analyzing project generated operational impacts in these jurisdictions. These include intersection or segment locations in any other jurisdiction, including Caltrans-maintained facilities. The applicant shall refer to current policies in the respective jurisdiction to identify the appropriate significance criteria.

5.5 Analysis Scenarios

The range of scenarios includes Existing Conditions, Background Conditions, and Cumulative Conditions. Projects consistent with the latest General Plan will only be required to complete the Existing and Background conditions analysis; where Existing Conditions looks at the effect of the proposed project on the existing system within the next year or two, Background Conditions typically looks at a longer time frame of about three to five years. Inclusion of all three analysis conditions (e.g., Existing, Background, and Cumulative), would typically occur for large development projects, General Plan amendments, specific plans (and related amendments), with Cumulative Conditions having a time horizon of 10 to 20 years.

The following analysis scenarios will document existing or future conditions, any deficiencies, and identify deficiencies that will result from the addition of the project. Each scenario will include a qualitative description of transportation facilities for all modes (and any planned enhancements), traffic volumes, and a quantitative analysis of intersection LOS. Key study elements are identified in the *Multimodal Analysis Methods* section of this chapter. Details regarding each local transportation analysis scenario are presented below.

- **Existing Conditions** – These conditions are based on recent field observations and recent traffic count data.
- **Existing with Project Conditions** – Traffic volume forecasts for roadway analysis reflecting Existing Conditions with traffic generated by the proposed project. For reuse or conversion projects, this may involve accounting for any existing use of the site that remains or will be removed. It should also qualitatively describe how the project will affect transportation for other modes, including compliance or relation to other Town documents.
- **Background Conditions** – Traffic volume forecasts for roadway segment and intersection analysis should reflect Existing Conditions with growth due to approved development that is expected to be operational before or concurrently with the proposed project. This scenario may not be needed if the study area has limited or no approved developments.
- **Background with Project Conditions** – This scenario represents the Background Conditions with vehicle trips added by the proposed project. It provides decision-makers and the public with a view of conditions with all recently approved development and physical improvements, including the proposed project.
- **Future Year Cumulative Conditions** – This scenario represents transportation conditions for all travel modes in the study area reflecting all approved projects, pending projects, or expected development of other areas of Los Gatos designated for growth under the latest General Plan or specific plan. In most cases, the project site will likely be vacant under this scenario. In some cases, this scenario may need to account for any existing uses on the site that could continue, and potential increases in development allowed by ministerial approvals.
- **Cumulative with Project Conditions** – This scenario represents the cumulative future transportation conditions with anticipated changes to the transportation system and the additions of project trips, and provides the long-range view of future traffic operations.

5.6 Analysis Time Periods

Based on the land use of the proposed project and upon consultation with Town staff, the study shall analyze traffic operations during the peak one hour of the following time periods:

- Weekday morning peak (7:00 – 10:00 AM)
- Weekday evening peak (4:00 – 7:00 PM)

For some projects, the Town may substitute or require additional peak hour analysis for the following time periods as approved or requested by the Town's Traffic Engineer:

- Weekday afternoon peak (2:00 – 4:00 PM)
- Friday evening peak (4:00 – 7:00 PM)
- Weekend midday peak (11:00 AM – 1:00 PM)
- Sunday or holiday evening peak (4:00 – 7:00 PM)

For example, retail commercial projects should evaluate operations for Saturday midday peak hour conditions, in addition to the standard weekday morning and evening peak periods. The determination of study time periods should be made separately for each proposed project, based upon the peaking characteristics of the project generated traffic and peaking characteristics of the adjacent street system and land uses.

5.7 Multimodal Analysis Methods

The report should provide a quantitative and/or qualitative evaluation of the project's potential adverse or beneficial effects on transportation facilities and services related to pedestrians, bicyclists, and transit users.

For some projects, more detailed multimodal analysis may be required. Such analysis shall be decided upon in consultation with Town staff and consider new tools, methods, and performance measures, such as those listed below.

- **Multimodal LOS** – The latest *Highway Capacity Manual* (6th Edition) contains methods for multimodal LOS.
- **Person Delay** – Simulation models can be used to measure system performance in terms of overall person-delay for all modes within a transportation network. This method provides a better decision-making tool for developing improvements to promote efficient movement of people, rather than a particular type of vehicle.
- **Safety Assessment** – Evaluate whether the project adds vehicle trips to a safety improvement identified within the study area. (If a project may affect a Caltrans facility, a safety assessment may be needed for CEQA purposes as well.)
- **Bicycle Level of Stress (LTS)** – Evaluate LTS for all bicycle facilities within a two-mile bicycling distance of the project site. There are several methods for evaluating LTS for bicycle facilities, which generally rely on street widths/number of vehicle lanes, vehicle speeds, daily volumes, and type of bicycle facility to evaluate “low stress” bike networks. The *Low-Stress Bicycling and Network Connectivity* (2012) report and the National Association of City Transportation Officials (NACTO) *Urban Bikeway Design Guide, Second Edition* (2014) contains methods for LTS.
- **Pedestrian Level of Stress (LTS)** – Evaluate LTS for all pedestrian facilities providing access to the nearest attractors (e.g., transit stops, neighborhood attractors and/or complimentary land uses) of the project site. Compared to bicycle LTS, there are parallel methods for calculating pedestrian comfort using best practices from the NACTO *Urban*

Street Design Guide (2013) and pedestrian safety research. As with bicycle comfort, pedestrian comfort is based on a variety of factors ranging from the quality and presence of sidewalks to the conditions of the adjacent roadway (speed, number of travel lanes, frequency of trucks).

- **Activity Connectedness** – Travel time for each mode (e.g., walking, bicycles, transit, and vehicles) between the project and surrounding land uses can be used to gauge the degree of accessibility for a project. The Town desires to minimize travel time to necessary destinations while minimizing unnecessary vehicle travel. Tools such as geographic information systems or online tools (e.g., Index and Walk Score) can be used to gauge this measure specifically for walking. The main idea is to evaluate activity centers and destinations around projects to ensure that walk times to necessary destinations are minimized and the walking experience is comfortable.

5.8 Traffic Operations Analysis

Traffic operational deficiencies shall be analyzed using standard or state-of-the-practice professional procedures. The main issues related to traffic operations analysis are the method, input data, and assumptions. These three items influence the level of confidence and the associated level of defensibility of the local transportation analysis. For traffic operations, this requires following the procedures and techniques published in the most recent *Highway Capacity Manual* (HCM).

Traffic Operations Analysis should be conducted according to the latest *VTA Traffic Level of Service Guidelines*.

5.9 Mobility Deficiency Criteria

The overall guiding principal of the General Plan 2040 Mobility Element is to, “[p]rovide a well-connected transportation system that enables safe access for all transportation modes, including pedestrians, bicyclists, motorists, and transit riders of all ages and abilities.” Los Gatos evaluates each transportation mode to identify deficiencies. Local transportation analyses evaluate intersection operations focused on specific traffic issues such as queuing and safety. A greater emphasis is placed on pedestrian, bicycle, and transit facilities and services, in part to reduce traffic congestion and air quality impacts associated with automobile use. **Table 5** outlines deficiency criteria for each mode. The mobility deficiency criteria can be used to identify conflicts with existing or planned multimodal facilities.

Table 5: Mobility Deficiency Criteria	
Study Element	Deficiency Determination
Parking	Project increases off-site parking demand above a level required by the Town Zoning Code and/or desirable by the Town.
On-Site Circulation	Project designs for on-street circulation, access, and parking fail to meet Town standards. Where Town standards are not defined, industry standards [<i>Highway Design Manual</i> , <i>California Manual on Uniform Traffic Control Devices (MUTCD)</i> , etc.] should be referenced, as appropriate.

Table 5: Mobility Deficiency Criteria

Study Element	Deficiency Determination
	Failure to provide adequate accessibility for service and delivery trucks on site, including access to loading areas. Project will result in a hazard or potentially unsafe conditions without improvements.
Pedestrian Facilities	Project fails to provide safe and accessible pedestrian connections between project buildings and adjacent streets, trails, and transit facilities.
Bicycle Facilities	Project disrupts existing or planned bicycle facilities or is otherwise inconsistent with the latest General Plan, Bicycle and Pedestrian Master Plan, or other related plans. Project adds bicycle trips along project frontage to an existing facility that needs improvements per the latest BPMP.
Transit	Project disrupts existing or planned transit facilities and services or conflicts with Town adopted plans, guidelines, policies, or standards.
Heavy Vehicles (Trucks and Buses)	A project fails to provide adequate accommodation of forecasted heavy traffic or temporary construction-related truck traffic consistent with Town or industry standards (<i>Highway Design Manual</i> , MUTCD, etc.).
Off-Site Traffic Operations	95 th percentile vehicle queues exceed the existing or planned length of a turn pocket. The proposed project introduces a design feature that substantially increases safety hazards.
Signalized Intersection Traffic Control	Addition of project traffic causes a signalized intersection to 1) drop more than one level overall or at the worst individual approach delay if it is at LOS A, B, or C or 2) drop at all overall or at the worst individual approach delay if it is at LOS D or below.
Unsignalized Intersection Traffic Control	Addition of project traffic causes an all-way stop-controlled or side street stop-controlled intersection to 1) operate at LOS E or F overall or the worst-case movement, and 2) meets the Caltrans signal warrant criteria.
General Plan Consistency	Evaluate the project against mobility, safety, and other related goals, policies, and actions set forth in the latest General Plan.
Other Subject Areas	Consider other areas on a case-by-case basis (e.g., construction impacts, queuing between closely spaced intersections, emergency access, special event traffic, etc.).
Requirements for Other Jurisdictions	The project exceeds established deficiency thresholds for transportation facilities and services under the jurisdiction of other agencies.

5.10 CMP Deficiency Criteria

To determine consistency with the CMP, off-site intersection analysis may be needed and should be applied according to the latest *VTA TIA Guidelines*.

5.11 Mitigation Improvements

All project deficiencies should be addressed consistent with the policies of the latest General Plan Mobility Element. Under these circumstances, the applicant should meet with Town staff to identify transportation improvements that address the deficiencies. **Table 6** shows example types of improvements to address transportation deficiencies.

Potential improvements may require a more detailed review, often including traffic operations, to demonstrate how they address a specific deficiency.

Selected improvements should be identified whether they will be implemented under Existing Conditions, Background Conditions, or Cumulative Conditions. Background Conditions generally reflect conditions at the time of full occupancy of a project.

If a transportation improvement is selected to address a deficiency, it should include a description of the benefit to traffic reduction generated by a proposed development and how the improvement contributes to the multimodal transportation system in Los Gatos. In addition, all transportation improvements need to consider whether they have secondary effects to VMT [i.e., whether the improvement is VMT inducing per guidance in the OPR *Technical Advisory* (December 2018, Pages 20-21)].

The improvement shall not unreasonably degrade bicycle, pedestrian or transit access, and circulation. If a project proposes improvements in response to auto LOS deficiency involving a change to existing roadway or intersection geometry, or changes to signal operations, the TA shall analyze and disclose secondary effects on other modes, i.e., whether the mitigation would affect pedestrian or bicycle conditions or increase transit vehicle delay, per the methodologies in 5.7.

Table 6: Example Improvements

Study Element	Improvement
Project Modifications and Transportation Demand Management	<ul style="list-style-type: none">• Alter density or diversity of project uses or integrate affordable housing• Encourage telecommuting and alternative work schedules• Provide ride-sharing programs to encourage carpooling and vanpooling• Provide local shuttle service• Provide employer-sponsored vanpools or shuttles• Provide pedestrian network improvements• Provide traffic calming measures and low-stress bicycle network improvements• Implement car-sharing (e.g., ZipCar) program• Limit parking supply• Unbundle parking costs from property costs• Institute on-street market pricing for parking

Pedestrian and Bicycle Facilities	<ul style="list-style-type: none"> Provide for access to, from, and through the development for pedestrians and bicyclists Construct Class I bicycle paths, Class II bicycle lanes, and other facilities Provide secure bicycle parking and shower amenities Reduce travel lanes on a street to install a two-way left-turn lane and Class II bicycle lanes Add corner bulbouts, reduce curb radii, add pedestrian refuges, or implement other walking-related improvements
Transit Facilities	<ul style="list-style-type: none"> Provide bus turnouts, bus shelters, additional bus stops, and park-and-ride lots Fund increases in transit service
Parking Facilities	<ul style="list-style-type: none"> Design parking facilities to allow free-flow access to and from the street Provide off-street parking per Town standards or recommendations Implement shared parking among complementary land uses
Traffic Control Modifications	<ul style="list-style-type: none"> Provide for yield or stop control Evaluate unsignalized intersections with substandard LOS for conversion to roundabout intersection control or for signalization Provide coordination/synchronization of traffic signals along a corridor Provide turn-lane channelization through raised islands Restrict selected turning movements
Street Operations Modifications	<ul style="list-style-type: none"> Optimize location of access driveway(s) Provide improvements to traffic signal phasing, or lengthen existing turning pocket Provide additional through traffic lane(s), right-turn lane(s), and left-turn lane(s) if they do not adversely impact other modes or induce additional vehicle travel Reduce travel lanes on a street to install a two-way left-turn lane Address congestion pricing on roads or within a specific area

Appendix A: Transportation Analysis Report Format Outline

Note: Not all sections are required for all projects. The project applicant shall consult with the Town Traffic Engineer to determine the required sections.

1. Introductory Items
 - Front Cover/Title Page
 - Table of Contents, List of Figures, and List of Tables
 - Executive Summary
2. Introduction
 - Project description
 - Project sponsor/contact info
 - Type and size of development
 - Site plan (include proposed driveways, roadways, traffic control, parking facilities, emergency vehicle access, and internal circulation for vehicles, bicyclists, and pedestrians)
 - Location map (include major streets, study intersections, and neighboring zoning and land uses)
 - Scope of transportation analysis
3. Current Conditions
 - Description of existing street system within project site and surrounding area
 - Location and routes of nearest public transit system serving the project
 - Location and routes of nearest pedestrian and bicycle facilities serving the project
 - Vehicle Miles Traveled Assessment
 - Description of baseline VMT estimates (may include site and regional VMT estimates)
 - Intersection Analysis for Site Access and Circulation Evaluation and CMP Evaluation
 - Figure of study intersections with peak hour turning movement counts, lane geometries, and traffic control

- Map of study area showing average daily traffic (ADT) of study roadways
- Table of existing peak hour average vehicle delay and level of service (LOS)

4. Project Trip Generation

- Table of project generated trip estimate
- Figure/map of trip distribution (in percent)

5. Project Site Access and Circulation Evaluation

- Summary of a detailed site review for all modes of travel
- Mobility deficiency analysis and summary to vehicle, transit, bicycle, and pedestrian facilities (under Project Conditions and Cumulative Conditions)
- Summary of transportation improvements

CEQA Transportation Analysis Report Section

6. Vehicle Miles Traveled Assessment

- Summary of project generated VMT under Baseline Conditions
- Summary of project's effect on VMT under Future Year Cumulative Conditions
- Identification of significant impacts
- Discussion of mitigation measures
- Evaluation of impacts of mitigation measures

7. Other CEQA Requirements

- Summary of conflicts with a plan, ordinance, or policy addressing the circulation system, including transit, roadways, bicycle lanes, and pedestrian paths. Present mitigation measures, as needed.
- Evaluation of hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment). Present mitigation measures, as needed.
- Emergency access evaluation. Present mitigation measures, as needed.

Local Transportation Analysis Report Section

8. Existing with Project Conditions

- Maps of study area with applicable peak hour turning movements (Project Only and Existing with Project Conditions)
- Table of Existing Conditions and Existing with Project Conditions intersection peak hour average vehicle delay and LOS (or other multimodal performance measure)
- Traffic signal and other warrants
- Changes/Deficiencies to bike, pedestrian, and transit networks
- Findings of project deficiencies
- Improvements for project deficiencies (include a map showing physical improvements)
- Scheduling and implementation responsibility of improvements
- Deficiencies of proposed improvements

9. Background Conditions

- Table of trip generation for approved project(s)
- Figure and/or table of approved projects trip distribution (in percent)
- Map of study area with applicable peak hour turning movements (Background Conditions)
- Table of intersection peak hour average vehicle delay and LOS (or other multimodal performance measure) (including queue lengths, etc)
- Changes/deficiencies to bike, pedestrian, and transit networks
- Traffic signal and other warrants

10. Background with Project Conditions

- Similar content to Existing with Project Conditions

11. Cumulative Conditions and Cumulative with Project Conditions

- Map of study area with Cumulative Conditions peak hour turning movements
- Map of study area with Cumulative with Project Conditions peak hour turning movements
- Table of Cumulative Conditions and Cumulative with Project Conditions intersection peak hour average vehicle delay and LOS (or other multimodal performance measure)
- Changes/Deficiencies to bike, pedestrian, and transit networks
- Traffic signal and other warrants

- Findings of project deficiencies
- Improvements for project deficiencies (include a map showing physical improvements)
- Scheduling and implementation responsibility of improvements
- Deficiencies of proposed improvements

Additional Sections for Transportation Analysis Report

12. Construction Deficiencies

- Trips due to construction workers
- Truck trips and truck access routes

13. Phasing Deficiencies (For Large Projects Only)

14. Appendices

- List of references
- List of authors
- Pedestrian, bicycle, and vehicle counts
- Technical calculations for all analyses

Town of Los Gatos Traffic Mitigation Improvements Project List

Source	Description	Estimated Project Cost (2014 \$)	Growth Related Project Cost Share	Mitigation Impact Fee Eligible Cost
GP/VTP 2035	Blossom Hill Rd and Union Ave Intersection Improvements	\$ 1,200,000	90.00%	\$ 1,080,000
GP/VTP 2035	Los Gatos - Almaden Rd Improvements	\$ 3,000,000	50.00%	\$ 1,500,000
GP/VTP 2035	Los Gatos Blvd Widening - Samaritan Dr to Camino Del Sol - Road widening, new sidewalks and bike lanes	\$ 4,000,000	50.00%	\$ 2,000,000
GP/VTP 2035	Union Ave Widening and Sidewalks - complete ped and bike routes	\$ 3,000,000	50.00%	\$ 1,500,000
GP/VTP 2035	Wood Rd Gateway on Santa Cruz Ave - roundabout	\$ 1,200,000	50.00%	\$ 600,000
GP/VTP 2035	Central Traffic Signal Control System	\$ 750,000	9.68%	\$ 72,600
GP/VTP 2035	Hwy 9 Los Gatos Creek Trail connector - new path and bridge for ped/bike	\$ 1,000,000	50.00%	\$ 500,000
GP/VTP 2035	Hwy 9/N. Santa Cruz Ave Intersection Improvements	\$ 1,400,000	90.00%	\$ 1,260,000
CIP	Roberts Road Improvements from bridge to University	\$ 600,000	50.00%	\$ 300,000
CIP	Pollard Road Widening from Knowles to York Avenue	\$ 2,500,000	50.00%	\$ 1,250,000
CIP	Sidewalks infill - Van Meter, Fischer and Blossom Hill Schools	\$ 1,000,000	50.00%	\$ 500,000
CIP	Winchester Blvd/Lark Avenue Intersection Improvements	\$ 850,000	90.00%	\$ 765,000
CIP	Westbound Lark to Hwy 17 northbound ramps - add two right-turn lanes	\$ 3,750,000	90.00%	\$ 3,375,000
CIP	Unfunded Deferred Street Maintenance (Annual PMS Survey)	\$ 10,500,000	9.68%	\$ 1,016,400
GP	Lark/Los Gatos Intersection Improvements - Add Third Left Turn Lanes for Eastbound and Northbound Approaches	\$ 1,200,000	90.00%	\$ 1,080,000
GP	Complete Street Improvements - Lark from Garden Hill to Los Gatos Blvd	\$ 2,100,000	50.00%	\$ 1,050,000
GP	Complete Street Improvements - SR 9 from University to Los Gatos Blvd	\$ 650,000	50.00%	\$ 325,000
GP	Complete Street Improvements - Blossom Hill Road from Old Blossom Hill Road to Regent Drive	\$ 3,000,000	50.00%	\$ 1,500,000
GP	Complete Street Improvements - Knowles from Pollard to Winchester	\$ 2,000,000	50.00%	\$ 1,000,000
GP	Complete Street Improvements - Winchester from Blossom Hill to Lark	\$ 1,500,000	50.00%	\$ 750,000
GP	Blossom Hill Road widening over Highway 17	\$ 2,000,000	50.00%	\$ 1,000,000
GP	Local Bikeway Improvements	\$ 750,000	50.00%	\$ 375,000
Notes:		Total	\$ 47,950,000	\$ 22,799,000

VTP = Valley Transportation Plan, 2035 by Santa Clara Valley Transportation Authority.

Town CIP = Town of Los Gatos, Capital Improvement Program and pending construction project list.

Source: Town of Los Gatos.

VMT REDUCTION STRATEGIES

For projects that would generate Vehicle Miles Traveled (VMT), one or more VMT reduction strategies shall be required to reduce VMT of the project. Examples of VMT reduction strategies are provided below. The VMT reduction strategies are organized by their relative scale for implementation (i.e., individual site level, Town-wide level, and regional level).

INDIVIDUAL SITE LEVEL

- **Encourage Telecommuting and Alternative Work Schedules:** This strategy relies on effective internet access and speeds to individual project sites/buildings to provide the opportunity for telecommuting. This strategy would reduce commute VMT but also result in a change in VMT for other travel purposes; thus, this strategy should consider the net change in the Town's project-generated VMT.
- **Provide Ride-Sharing Programs:** This strategy focuses on encouraging carpooling and vanpooling by project site/building tenants.
- **Implement Car-Sharing Program:** This strategy reduces the need to own a vehicle or reduces the number of vehicles owned by a household by making it convenient to access a shared vehicle for those trips where vehicle use is essential. Examples include programs like ZipCar, Car2Go, and Gig.
- **Provide Employer-Sponsored Vanpool/Shuttle:** This strategy relies on employers purchasing or leasing vans or shuttles, and often subsidizing the cost of at least program administration, if not more. Vanpools typically service employee's commute to work, while shuttles service nearby transit stations and surrounding commercial centers. Scheduling and rider charges, if any, are within the employer's purview. A supplemental strategy may include facilitating or enhancing the service by improving the shuttle stops and biking/walking paths to the stops.

TOWN-WIDE LEVEL

- **Provide Bicycle and Pedestrian Network Improvements:** This strategy focuses on creating a comprehensive bicycle and pedestrian network within the project and connecting to nearby destinations. Projects in Los Gatos tend to be smaller so the emphasis of this strategy would likely be the construction of network improvements that connect the project site directly to nearby destinations. Alternatively, implementation could occur through an impact fee program or benefit/assessment district based on regional or local plans such as the *Bicycle and Pedestrian Master Plan*.
- **Provide Local Transit or Microtransit Solutions:** This strategy focuses on providing transit solutions that serve the local circulation needs and connections to key regional destinations. The service would connect to transit hubs, schools, commercial centers, and residential areas to improve transit connectivity and address the "first/last mile" problems. The service may be in the form of a local shuttle, microtransit service using dynamic routing and scheduling, fare subsidies to private transportation network companies (TNCs) or taxi companies, or other service delivery methods. The service may be open to all or target a special population, such as seniors, disabled or students. The implementation of this strategy may require regional or private partnership.

- **Provide Transit Signal Priority:** This strategy would upgrade the Town's traffic signals along transit corridors to provide transit signal priority to improve transit bus travel time.
- **Improve Biking and Walking Paths to Bus Stops and Transit Amenities:** This strategy improves the biking and walking paths to bus stops, enhances amenities at bus stops such as shelters, benches, and ADA accessible loading areas.
- **Provide Traffic Calming Measures:** This strategy combines the California Air Pollution Control Officers Association (CAPCOA) research focused on traffic calming with new research on providing a low-stress bicycle network. Traffic calming creates networks with low vehicle speeds and volumes that are more conducive to walking and bicycling. Building a low-stress bicycle network produces a similar outcome. One potential change in this strategy over time is that ebikes (and e-scooters) could extend the effective range of travel on the bicycle network, which could enhance the effectiveness of this strategy.
- **Limit Parking Supply:** When combined with companion TDM measures, reduced parking supply discourages driving by limiting easy and convenient parking options. Implementation of this strategy may require reducing (or removing) minimum parking requirements and allowing developers to use shared parking strategies.
- **Unbundle Parking Costs from Property Cost:** Unbundling separates parking costs from property cost, for instance by not including a parking space in a residential unit's rent, or by requiring employers to lease each parking space separately from the building owner. This strategy ensures that the user understands that the cost of driving includes parking and can encourage people to use an alternative mode to save money.
- **Implement Market Price Public Parking (On-Street):** This strategy focuses on implementing a pricing strategy for parking by pricing all on-street parking in central business districts, employment centers, and retail centers. Priced parking would encourage "park once" behavior and may also result in area-wide mode shifts.

REGIONAL LEVEL

- **Increase Density:** This strategy focuses on increasing density of land uses, where allowed by the General Plan and/or Zoning Ordinance, to reduce distances people travel and provide more travel mode options. This strategy also provides a foundation for many other strategies. For example, densification increases transit ridership, which justifies enhanced transit service.
- **Increase Diversity of Urban and Suburban Developments:** This strategy focuses on inclusion of mixed uses within projects or in consideration of the surrounding area to minimize vehicle travel in terms of both the number of trips and the length of those trips.
- **Increase Transit Accessibility:** This strategy focuses on encouraging the use of transit by locating a project with high density near transit. A project with a residential/commercial center designed around a bus station is referred to as a transit-oriented development (TOD).
- **Integrate Affordable and Below Market Rate Housing:** This strategy provides greater opportunities for lower income families to live closer to job centers since

income effects probability that a commute will take transit or walk to work.

- **Increase Transit Service Frequency/Speed:** This strategy focuses on improving transit service convenience and travel time competitiveness with driving. Given existing land use density in LosGatos, this strategy may be limited to traditional commuter transit where trips can be pooled at the start and end locations, or it may require new forms of demand-responsive transit service. Note that implementation of this strategy would require regional or local agency implementation, substantial changes to current transit practices, and would not likely be applicable for individual development projects.
- **Implement Area or Cordon Pricing:** This strategy focuses on implementing a cordon (i.e., boundary) pricing scheme, where a cordon is set around a specific area to charge a toll to enter the area by vehicle. The cordon location is usually the boundary of an area with limited points of access. The cordon toll may be constant, applied during peak periods, or be variable, with higher prices during congestion peak periods. The toll can also be based on a fixed schedule or be dynamic, responding to real-time congestion levels. Note that implementation of this strategy requires alternative modes of travel that are available and reliable, such as high-quality transit infrastructure.

TITLE: Transportation Impact Policy Attachment 4 - Definitions	PAGE: 1 of 2	POLICY NUMBER:
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DEFINITIONS:

Land use entitlements shall mean entitlement changes in use requiring discretionary approval by Los Gatos, which include General Plan amendments, specific plans (and related amendments), zoning changes, use permits, planned developments, and tentative subdivision maps.

Land Use Projects or Development shall mean residential or nonresidential improvements on a site.

Existing development shall mean any already existing habitable residential or nonresidential building or projects which rebuild or remodel the existing development without increasing the trips generated. No fee shall be charged for development already existing.

Expansion of use, to determine traffic increases, shall include any increase in the number of living units, gross floor area in a nonresidential development and/or any intensification of use which increases trips generated.

Transportation improvements shall mean those improvements to the transportation facilities and related actions necessary to implement the transportation element of the Town's general plan and any applicable specific plan.

Site shall mean a plot of ground consisting of one (1) or more lots or parcels on which a common improvement is proposed or exists.

Trip generation rate shall mean the number of vehicle trips over a weekday twenty-four-hour period generated by a particular type of land use and shall be expressed in terms of the number of acres or square feet of land for each land use category. The Town Engineer may exercise reasonable discretion to establish recommended trip generation rates for land use categories consisting of groupings of land uses having similar use and functional characteristics. When the trip generation rate is multiplied by the amount of land, the number of trips, both incoming and outgoing, shall be estimated.

Average Daily Trips (ADT) shall mean the total number of trips, both in-bound and out-bound, within a 24-hour weekday period, generated by a particular use or development.

Pass-By Trip: Trips generated by the proposed Project that would be attracted from traffic passing the proposed project site on an adjacent street that contains direct access to the Project.

Peak Hour Trips shall mean vehicle trips, both in-bound and out-bound, occurring during a 60-minute period either during the A.M. Peak (7 A.M. to 9 A.M.) or the P.M. Peak (4 P.M. to 6 P.M.), generated by a particular use or Project.

Specialty Retail. Specialty Retail uses are defined as walk-in and impulse businesses such as juice bars, yogurt shops, coffee shops, donut shops, and similar uses which do not generally serve meals and have limited or no seating. Specialty Retail uses are defined under this policy for purposes of establishing trip generation data and this definition does not provide any land use or zoning guidance.

Use shall mean the purpose for which a site or structure is arranged, designed, intended, constructed, erected, moved, altered or enlarged or for which either a site or a structure is or may be occupied or maintained.

Vehicle Trip End shall mean an incoming or outgoing trip going to or coming from anywhere within the Town or outside the Town.

CEQA shall mean the California Environmental Quality Act. These terms are reserved for definitions per the CEQA Guidelines: significance criteria, significant impact, and mitigation measures.

Local Transportation Analysis shall mean analysis to assess potential mobility deficiencies caused by new developments on the local roadway performance, following the Town's transportation policies. These terms are reserved for Local Transportation Analysis: threshold or performance standard, deficiency, and mitigation improvement.

Vehicle Miles Traveled (VMT) is a metric that accounts for the number of vehicle trips generated times the length or distance of those trips. VMT is an accessibility performance metric that evaluates the changes in land use patterns, regional transportation systems, and other built environment characteristics.

Level of Service (LOS) is a metric that assigns a letter grade to network performance. The typical application is to measure the average amount of delay experienced by vehicle drivers at an intersection during the most congested time of day and assign a report card range from LOS A (fewer than 10 seconds of delay) to LOS F (more than 80 seconds of delay). Vehicle level of service is used to measure vehicle mobility.

TOWN OF LOS GATOS
DEPARTMENT OF PARKS AND PUBLIC WORKS
41 MILES AVENUE, LOS GATOS, CA 95030

REQUEST FOR PROPOSALS

Transportation Impact Fee Study

RFP RELEASE DATE:

December 8, 2021

PROPOSAL SUBMITTAL DEADLINE:

12:00 pm, January 21, 2022



REQUEST FOR PROPOSALS

1. INTRODUCTION AND PROJECT BACKGROUND

The Town of Los Gatos (Town) is requesting proposals from qualified firms to prepare a Transportation Impact Fee Study develop a Transportation Impact Fee Program. The recommended program will be presented to the Town Council for its consideration. If adopted, the Transportation Impact Fee Program will replace the Town's current Traffic Impact Mitigation Fees.

California Senate Bill (SB) 743, which was signed into law by Governor Brown in 2013, changes the way that public agencies evaluate the transportation impacts of projects under the California Environmental Quality Act (CEQA), recognizing that roadway congestion, while an inconvenience to drivers, is not itself an environmental impact. The Town of Los Gatos (Town) started the process of transitioning to using Vehicle Miles Traveled (VMT) as a metric in conducting CEQA transportation analysis in 2019. The Town Council has made several decisions leading to the completion of the efforts.

The transition to using VMT as the metric for transportation analyses pursuant to CEQA has necessitated the update to the Traffic Impact Policy. Policy No. 1-05, currently known as the Traffic Impact Policy, is intended to provide guidance to Town staff and the development community in implementing the provisions of the Town Municipal Code, Chapter 15, Article VII, Traffic Impact Mitigation Fees. The new Transportation Impact Policy, adopted by the Town Council at its December 7, 2021 meeting, superseded Policy No. 1-05 and expanded the purpose to include "evaluating and mitigating CEQA transportation impacts".

The Transportation Impact Policy identifies a framework of VMT mitigation measures, named VMT Reduction Strategies, to mitigate Townwide and project-level CEQA transportation impacts. The Town intends to update the current Traffic Impact Mitigation Fees to incorporate the VMT mitigation measures. To support the update, the Town will prepare a Nexus Study that will serve as the basis for requiring development impact fees under AB 1600 legislation, as codified by California Code Government Section 66000 et seq. The established procedures under AB 1600 require that a "reasonable relationship", or nexus, exist between the traffic infrastructure improvements required to mitigate the traffic impacts and the proposed development project.

The study shall satisfy the statutory requirements:

- Identify the purpose of the fee.
- Identify the use to which the fee will be put.
- Determine that there is a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed.
- Identify reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

2. SCOPE OF WORK

The Town is requesting proposals from qualified firms to prepare a Transportation Impact Fee Study develop a Transportation Impact Fee Program. The Town's impact fee must comply with the Mitigation Fee Act (California Government Code Section 66000 et seq., also known as AB 1600). The consultant should review the Town's enabling legislation (ordinances) establishing the Transportation Impact Policy.

The proposal shall include a minimum of the following tasks and deliverables:

Task 1: Project Management and Stakeholder Engagement

Deliverables

- Final project scope and schedule
- Project Team meetings and materials
- Public meetings: prepare and attend meetings with the public, stakeholders, Town Commissions, and Town Council.

Task 2: Fee Program Approach and Scope

The Consultant will advise staff on the relationship between Level of Service-based and Vehicle-Miles-Traveled (VMT)-based fees. The Transportation Impact Policy requires land use projects to mitigate CEQA transportation impacts and provide mitigation improvements, as applicable. Town staff is considering two possible approaches in the new fee program:

- A. Two fees: maintain the current LOS-based traffic impact mitigation fee and establish a new VMT-based fee
- B. A combined fee: combine the current traffic impact mitigation fee and the new VMT-based fee

The Town is interested in the Consultant's input on these two and possibly other approaches and the recommendation on the best practice. It is anticipated that the new fee program would be designed to reduce vehicle trips and vehicle miles of travel per capita within the Town to avoid or minimize the need to expand existing roadway capacity.

Deliverables

- Report: summarizes the considerations in the approach and provides a recommendation on the preferred approach

Task 3: Transportation Improvements Project List

The benefit zone of the fee program would be Townwide.

In the update to the Transportation Impact Policy, no change was made to the Transportation Mitigation Improvements Project List. This project list already has many improvements that are

consistent with the VMT Reduction Strategies. It is the Town's intent to update the project list to emphasize the VMT-reducing improvements and fund a broader range of project types.

The Consultant should review the Mobility Element of the Draft General Plan 2040 and other Town's plans and policies and formulate a draft Project List. The Consultant should identify the transportation improvements and facilities needed to serve this growth and achieve the General Plan VMT goals.

The Consultant should prepare order-of-magnitude project cost estimates and propose timing of project implementation.

Deliverables:

- Report: confirms the benefit zone, proposes criteria for capital improvement projects used to develop the fee program.
- Map and list depicting the preliminary set of projects to be considered in this study.
- Report: identifies draft capital improvement projects based on the project selection criteria.
- Project cost estimates and proposed timing for the need projects

Task 4: Fee Revenue Estimation

The Consultant should evaluate different fee calculation options and recommend a preferred option based on staff and stakeholder input. Consequently, the Consultant should develop an estimation of overall fee revenues based on the General Plan growth forecasts and the project list.

Deliverables:

- Report: fee calculation options and fee revenue estimation.

Task 5: Nexus Study

The purpose of this task is to allocate the expected unfunded costs of the transportation improvement projects in the draft project list by land use type. A portion of each project's cost must be allocated to the correction of existing deficiencies (if appropriate) and to growth in new trips and VMT.

Once the project list is refined the allocated project costs will be used to construct a fee schedule by land use type. Recommendations will be provided on different strategies for allocating the fees among residential, retail, and other commercial development.

Deliverables

- Technical Memorandum: documents the nexus analysis methods, quantification of the nexus and burden, proposed fee schedule, and an assessment of the relative economic burden imposed by the preliminary fee schedule on local residential and commercial markets. The proposed fee schedule shall include a comparative analysis for nearby like sized jurisdictions.

Task 9: Draft and Final Nexus Study Reports

The Consultant shall prepare the draft and final reports containing background information, methodology, findings, and recommendations. The report should explain the purpose of the transportation impact fee, provide sufficient information and the necessary findings to determine the appropriate development impact fees based on the proposed infrastructure requirements to support the Town's General Plan growth projections. The report shall include calculations that demonstrate the legal nexus between the recommended fees and the impact created by new development.

Deliverables

- Draft Nexus Study Report
- Final Report and recommendations

Task 10: Additional Services

The Consultant shall include in the proposal, as a separate line item, a section for Additional Services. These work items are optional depending on the project budget and the Town's needs.

3. MINIMUM QUALIFICATIONS OF PERSONNEL

The Consultant shall meet, at a minimum, the appropriate professional qualifications as required to complete the scope of work as required by State Law and the contract. qualified consultants that have demonstrated verifiable experience in assessing a comprehensive list of development impact fees, in order to identify and recommend a program of impact fees to be enacted in Foster City that meet the requirements of the Mitigation Fee Act. Specifically, the study should include detailed and legally defensible justification and analysis, including nexus studies, demonstrating the financial connection between the need for each proposed fee and new development or redevelopment.

4. ADDITIONAL INFORMATION AND RELEVANT PROJECTS

The Town's Vehicle Miles Traveled (VMT) project webpage includes all relevant documents and the Town Council's past decisions:

<https://www.losgatosca.gov/2563/Vehicle-Miles-Traveled---VMT>

Town of Los Gatos Draft 2040 General Plan and DEIR: www.losgatos2040.com

2016 Santa Clara County Measure B: <https://www.vta.org/projects/funding/2016-measure-b>

Connect Los Gatos: <https://www.losgatosca.gov/ConnectLG>

Town of Los Gatos Bicycle and Pedestrian Master Plan (BPMP):

<https://www.losgatosca.gov/2347/Bicycle-and-Pedestrian-Master-Plan>

5. INSTRUCTIONS TO PROPOSERS

5.1 Schedule

The tentative schedule is provided in Table 1. The Town may, at its own discretion, conduct interviews and other evaluations of some, all, or none of the applicants prior to selection. The performance period is no greater than twenty-four (24) months, with a project schedule determined by the Town and the select Consultant.

Table 1 - RFP Schedule (Tentative):

Task	Schedule
Request for Proposal	December 8, 2021
Questions from Proposer	December 20, 2021
Town Response to Questions from Proposers	December 30, 2021
Deadline for Proposal Submittals	Noon, January 21, 2022
Virtual Interview (if necessary)	Feb. 1 - 3, 2022
Scope Refinement and Negotiation	Feb. 7 - 11, 2022
Notice to Proceed (tentative)	February 14, 2022

5.2 Town of Los Gatos Standard Agreement: Included in Attachment A.

5.3 Examination of Proposal Documents

The submission of a proposal shall be deemed a representation and certification by the Proposer that they:

- Have carefully read and fully understand the information that was provided by the Town to serve as the basis for submission of this proposal.
- Have the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.
- Represent that all information contained in the proposal is true and correct.
- Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms or conditions of this proposal.
- Acknowledge that the Town has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the Town permission to make these inquiries, and to provide any and all related documentation in a timely manner.

5.4 The Proposer bears all costs of preparing and submitting its proposal consistent with the requirements outlined in this RFP.

5.5 Questions Regarding the RFP

Any questions by the Proposer regarding this RFP or the attachment(s) must be put in writing and received by the deadline shown on Table 1. Correspondence shall include in the email subject line: Transportation Impact Fee Study and be addressed to:

Ying Smith, Transportation and Mobility Manager
E-mail: ysmith@losgatosca.gov

The Town shall not be responsible for nor be bound by any oral instructions, interpretations, or explanations issued by the Town or its representatives.

Responses from the Town to questions by any Proposer will be communicated in writing to all recipients of this RFP. Questions received after the date and time stated above will not be accepted or responded. No oral questions or inquiries to other individuals about this RFP shall be accepted.

5.6 Addenda

Addenda to this RFP, if issued, will be sent to all prospective Consultants the Town of Los Gatos - Parks and Public Works Department has specifically e-mailed a copy of the RFP to and will be posted on the Town of Los Gatos - Parks and Public Works Department website at: <https://www.losgatosca.gov/2258/RFPRFQ>

5.7 Submittal of Proposals

Proposers are requested to submit the proposal by the deadline in Table 1 in electronic format in one of the following ways: send the proposals via email (file size is limited to 25MB); or Upload to your own file sharing website or FTP site and send a link via email. The email address for electronic submittals is: YSmith@LosGatosCA.gov.

No request for modification of the proposal shall be considered after its submission on grounds that Proposer was not fully informed of any fact or condition. Hard copies of the proposals will not be accepted.

5.8 Withdrawal of Proposals

A Proposer may withdraw its proposal at any time before the expiration of the time for submittal of proposals as provided in the RFP by delivering a written request for withdrawal signed by, or on behalf of, the Proposer.

5.9 Project Funding

This phase of the project is funded with Town of Los Gatos dollars, requiring the Consultant to follow all pertinent local regulations.

6 RIGHTS OF THE TOWN OF LOS GATOS

This RFP does not commit the Town to enter into a contract, nor does it obligate the Town to pay for any costs incurred in preparation and submittal of proposals or in anticipation of a contract. The Town reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Requests for Proposals;
- Postpone opening proposals for its own convenience;

- Remedy errors in the Request for Proposals process;
- Approve or disapprove the use of particular subconsultants;
- Negotiate with any, all or none of the Proposers regarding project scope;
- Accept other than the lowest cost offer;
- Waive informalities and irregularities in the Proposals; and/or
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the Town.

An agreement shall not be binding or valid with the Town unless and until it is executed by authorized representatives of the Town and of the Proposer.

7 INFORMATION TO BE SUBMITTED

These guidelines govern the format and content of the proposal. The intent of the RFP is to encourage responses that clearly communicate the Proposer's understanding of the Town's requirements and the firm's ability to meet those requirements.

In addition to the items included within this RFP, including Attachments A and B, the proposal should include the following information referenced by letter for ease of identification:

- 7.1 Consultant Qualifications and Experience: Provide details of the team's qualifications and experience, including any specific qualifications in the same type of projects in similar California Cities and Towns. Provide Examples of projects with similar scope.
- 7.2 Organization and Approach: Describe the roles and organization of your proposed team for this project. Describe your project and management approach and identify the Project Manager. Describe the roles of key individuals on the team. Provide resumes and references for all key team members.
- 7.3 Scope of Services: Prepare a detailed Scope of Services. Describe project deliverables for each phase of your work.
- 7.4 Schedule of Work: Provide a detailed schedule for all tasks/phases of the project and the proposed Consultant's services, including time for reviews and approvals. The schedule shall meet the performance period identified by the Town or shall be modified with explanation as to why an alternate schedule is being proposed.
- 7.5 Cost Proposal: All labor costs, overhead costs, sub-consultant costs, and direct expenses should be included. Costs must be shown in a matrix format, by task grouping (as negotiated), and show hours per staff member, base labor rates, and overhead and profit rates.
- 7.6 Identify any exceptions taken to Attachment A – Standard Agreement.
- 7.7 Additional supporting documentation as the proposer's discretion.

8 EVALUATION CRITERIA AND SELECTION PROCESS

Based on the proposals and interviews, proposers will be evaluated according to each Evaluation Criteria. The Evaluation Criteria Summary and their respective weights are shown on Table 2:

Table 2 - Evaluation Criteria

No.	Written Evaluation Criteria	Weight
0	Completeness of Response	Pass/Fail
1	Consulting Firm's Experience	10
2	Team Qualifications & Experience	20
3	Organization & Approach	10
4	Scope of Services to be Provided	20
5	Schedule of Work	5
6	Cost	20
7	References	5
Subtotal:		90
No.	Interview Evaluation Criteria	Weight
8	Presentation by team	5
9	Q&A Response to panel questions	5
Subtotal:		10
Total:		100

After proposal evaluation and interviews, Town staff will meet with the top-rated firm(s) to discuss and develop a final scope of services and an updated cost proposal. If the Town is unable to reach agreement with the top-rated firm, the Town may choose to negotiate with additional firms.

9 CONTRACT TYPE AND METHOD OF PAYMENT

It is anticipated that the agreement resulting from this RFP, if awarded, will be an Agreement for Services.

Proposers shall be prepared to accept the terms and conditions of the Agreement, including Insurance Requirements. If a Proposer desires to take exception to the Agreement, Proposer shall provide the following information of their submittal package.

- Proposer shall clearly identify each proposed change to the Agreement, including all relevant Attachments.
- Proposer shall furnish the reasons for each proposed change, as well as specific recommendations for alternative language.

The above factors will be taken into account in evaluating proposals.

The Town pays net 30 days of invoice for work performed.

10 INSURANCE REQUIREMENTS

The selected Proposer(s), at Proposer's sole cost and expense and for the full term of the agreement or any extension thereof, shall obtain and maintain, at a minimum, all of the insurance requirements as outlined in the Town Standard Agreement.

All policies, endorsements, certificates and/or binders shall be subject to the approval of the Town of Los Gatos as to form and content. These requirements are subject to amendment or waiver, if so approved in writing by the Town of Los Gatos. The selected Proposer agrees to provide the Town with a copy of said policies, certificates and/or endorsement upon award of Agreement.

11 PUBLIC NATURE OF PROPOSAL MATERIAL

Responses to this RFP become the exclusive property of the Town of Los Gatos. At such time as the Town awards a contract, all proposals received in response to this RFP become a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as "Confidential," "Trade Secret," or "Proprietary." The Town shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as "Confidential," "Trade Secret," or "Proprietary," or if disclosure, in the Town's sole discretion, is required under the California Public Records Act as addressed below. Any proposal which contains language purporting to render all or significant portions of the proposal "Confidential," "Trade Secret," or "Proprietary" shall be regarded as non-responsive.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the Town of Los Gatos may determine, in its sole discretion that the information that a Proposer submits is not a trade secret. If a request is made for information marked "Confidential," "Trade Secret," or "Proprietary," the Town shall provide the Proposer who submitted the information reasonable notice to allow the Proposer to seek protection from disclosure by a court of competent jurisdiction, at the Proposer's sole expense.

12 COLLUSION

By submitting a proposal, each Proposer represents and warrants that its proposal is genuine and made in the interest of or on behalf of any person named therein; that the Proposer has not directly induced or solicited any other person to submit a sham proposal or any other person to refrain from submitting a proposal; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

13 DISQUALIFICATION

Factors, such as, but not limited to, any of the following, may disqualify a proposal without

further consideration:

- Evidence of collusion, directly or indirectly, among Proposers in regard to the amount, terms or conditions of this proposal;
- Any attempt to improperly influence any member of the evaluation team;
- Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the Town;
- Evidence of incorrect information submitted as part of the proposal;
- Evidence of Proposer's inability to successfully complete the responsibilities and obligations of the proposal; and
- Proposer's default under any previous agreement with the Town.

14 NON-CONFORMING PROPOSAL

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the Town.

15 GRATUITIES

No person shall offer, give or agree to give any Town employee any gratuity, discount or offer of employment in connection with the award of contract by the Town. No Town employee shall solicit, demand, accept or agree to accept from any other person a gratuity, discount or offer of employment in connection with a Town contract.

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT is made and entered into on **DATE** by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and _____ ("Consultant"), whose address is xxxx. This Agreement is made with reference to the following facts.

I. RECITALS

- 1.1 The Town desires to engage Consultant to provide services to **(Insert)**.
- 1.2 The Consultant represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Consultant warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Consultant acknowledges Town has relied upon these warranties to retain Consultant.

II. AGREEMENTS

- 2.1 Scope of Services. Consultant shall provide services as described in that certain proposal sent to the Town on **DATE** which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. This contract will remain in effect upon execution to **DATE**. Consultant shall perform the services described in this agreement as described in Exhibit A.
- 2.3 Compliance with Laws. The Consultant shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Consultant represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.4 Sole Responsibility. Consultant shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.
- 2.5 Information/Report Handling. All documents furnished to Consultant by the Town and all reports and supportive data prepared by the Consultant under this Agreement are the Town's property and shall be delivered to the Town upon the completion of Consultant's services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Consultant shall not make any of the these documents or information available to any

individual or organization not employed by the Consultant or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Consultant pursuant to this Agreement are for the purpose of evaluating a defined project, and Town's use of the information contained in the reports prepared by the Consultant in connection with other projects shall be solely at Town's risk, unless Consultant expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Consultant which is and has been confirmed in writing by Consultant to be a trade secret of Consultant.

- 2.6 **Compensation.** Compensation for Consultant's professional services **shall not exceed \$XXXXX**, inclusive of all costs. Payment shall be based upon Town approval of each task.
- 2.7 **Billing.** Billing shall be monthly by invoice within thirty (30) days of the rendering of the service and shall be accompanied by a detailed explanation of the work performed by whom at what rate and on what date. Also, plans, specifications, documents or other pertinent materials shall be submitted for Town review, even if only in partial or draft form.

Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:

Invoices:

Town of Los Gatos
Attn: Accounts Payable
P.O. Box 655
Los Gatos, CA 95031-0655

- 2.8 **Availability of Records.** Consultant shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Consultant shall make these records available to authorized personnel of the Town at the Consultant's offices during business hours upon written request of the Town.
- 2.9 **Assignability and Subcontracting.** The services to be performed under this Agreement are unique and personal to the Consultant. No portion of these services shall be assigned or subcontracted without the written consent of the Town.
- 2.10 **Independent Contractor.** It is understood that the Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to Town employee(s). With prior written consent, the Consultant may perform some obligations under this Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Consultant agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Consultant shall be compensated for its costs and expenses in preparing

for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Consultant or is based on allegations of Consultant's negligent performance or wrongdoing.

2.11 Conflict of Interest. Consultant understands that its professional responsibilities are solely to the Town. The Consultant has and shall not obtain any holding or interest within the Town of Los Gatos. Consultant has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Consultant warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Consultant shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Consultant discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement, Consultant shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.

2.12 Equal Employment Opportunity. Consultant warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Consultant nor its subcontractors do and neither shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

III. INSURANCE AND INDEMNIFICATION

3.1 Minimum Scope of Insurance:

- i. Consultant agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.
- ii. Consultant agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
- iii. Consultant shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all

certificates and endorsements are to be received and approved by the Town before work commences.

- iv. Consultant agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of Consultant, premises owned or used by the Consultant. This requirement does not apply to the professional liability insurance required for professional errors and omissions.
- ii. The Consultant's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
- iv. The Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.

3.3 Workers' Compensation. In addition to these policies, Consultant shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Consultant shall ensure that all subcontractors employed by Consultant provide the required Workers' Compensation insurance for their respective employees.

3.4 Indemnification. The Consultant shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees and volunteers from all damages, liabilities, penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work which may be occasioned by a willful or negligent act or omissions of the Consultant, or any of the Consultant's officers, employees, or agents or any subconsultant.

IV. GENERAL TERMS

4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

4.2 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.

4.3 Termination of Agreement. The Town and the Consultant shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Consultant shall deliver to the Town all plans, files, documents, reports, performed to date by the Consultant. In the event of such termination, Town shall pay Consultant an amount that bears the same ratio to the maximum contract price as the work delivered to the Town bears to completed services contemplated under this Agreement, unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.

4.4 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Consultant.

4.5 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.

4.6 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos
Attn: Town Clerk
110 E. Main Street
Los Gatos, CA 95030

Consultant
address
city st zip

or personally delivered to Consultant to such address or such other address as Consultant designates in writing to Town.

- 4.7 **Order of Precedence.** In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.
- 4.8 **Entire Agreement.** This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Consultant. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.

IN WITNESS WHEREOF, the Town and Consultant have executed this Agreement.

Town of Los Gatos by:

Consultant, by:

Laurel Prevetti, Town Manager

Recommended by:

Matt Morley, Parks and Public Works Director

Printed Name and Title

Approved as to Form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, MMC, CPMC, Town Clerk