

**DATE:** January 29, 2025

**TO:** Bicycle/Pedestrian Advisory Committee

**FROM:** Ben Pacho, Transportation Planner  
Ria Hutabarat Lo, Transportation Manager  
Edward Arango, Assistant Public Works Director/City Engineer

**VIA:** Jennifer Ng, Public Works Director

**SUBJECT:** **Citywide Transportation Demand Management Ordinance—Framework**

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**RECOMMENDATION**

Review and recommend the proposed framework for the Transportation Demand Management Ordinance to the Environmental Planning Commission and City Council.

**BACKGROUND**

Transportation Demand Management (TDM) is defined as a set of strategies and incentives implemented on new development or redevelopment to reduce drive-alone trips, maximize traveler choices, and facilitate mode shift to healthy, sustainable transportation options. Successful TDM programs can effectively reduce traffic congestion, improve air quality, advance equitable transportation systems, improve community health, promote urban livability, bolster economic vitality, advance affordable mobility options, and improve access in all areas of the City. Commonly applied TDM measures in Mountain View include:

- Transit passes or subsidies;
- Shuttle services;
- Reduced or shared parking;
- Commuter incentives or parking cash-out;
- Hybrid work schedules;
- Priority vanpool/carpool parking; and
- Trip-end facilities for bicyclists (showers, changing rooms, and lockers, etc.)

On [July 10, 2012](#), the City Council adopted the 2030 General Plan and approved the Greenhouse Gas Reduction Program (GGRP). The General Plan includes the following policies to reduce greenhouse gas emissions and promote effective use of roadway capacity:

- **MOB 9.2:** Reduce vehicle miles traveled. Support development and transportation improvements that help reduce greenhouse gas emissions by reducing per capita vehicle miles traveled.
- **MOB 10.2:** Reduce travel demand. Promote effective TDM programs for existing and new development.

The GGRP aims to implement General Plan Mobility policies, comply with state climate change legislation (Senate Bill (SB) 375 and Assembly Bill (AB) 32) and comply with regional Bay Area Air Quality Management District (BAAQMD) guidelines. Since transportation-related emissions account for nearly 60% of emissions Citywide, addressing transportation was a major focus. The GGRP provides the following:

1. Sets mandatory commute trip reductions for development projects generating new employment;
2. Establishes TDM requirements for new development in different areas of the City; and
3. Outlines key actions for reducing greenhouse gas emissions. Actions include Measure T-1.1: Transportation Demand Management, which calls for adoption of a Citywide TDM Ordinance with TDM performance reporting requirements, procedures, and funding mechanisms.

Since 2014, Council has also adopted four Precise Plans—San Antonio Precise Plan (2014), El Camino Real Precise Plan (2014), North Bayshore Precise Plan (2014), and East Whisman Precise Plan (2019)—that establish TDM requirements at the district level.

On [October 22, 2019](#), Council adopted the Sustainability Action Plan 4 (SAP-4) that created a fund to advance sustainability actions, including funding to hire a TDM and Parking Demand Management Analyst, and T6.5: Develop a Citywide TDM Ordinance. The City hired a TDM analyst in January 2022, which allowed work to begin on monitoring compliance with existing TDM conditions of approval and developing a Citywide TDM Ordinance.

On [June 13, 2023](#), Council adopted the Fiscal Years 2023-24 and 2024-25 Council Work Plan, which includes adopting a Citywide Transportation Demand Management Ordinance (Ordinance). The intent of the Ordinance is to build on the demonstrated effectiveness of TDM in Precise Plan areas and apply its practice Citywide where a more consistent, standardized

approach would be more suitable to achieving the City’s sustainability and transportation policy objectives.

On February 20, 2023, the City executed a contract with Steer Davies & Gleave, Inc., to provide professional services to support development of a Citywide TDM ordinance. The project team undertook an analysis of the regulatory context and existing TDM requirements and engaged with developers, employers, property managers, and the Mountain View Transportation Management Association (MTMA) and community members on the vision and goals for a Citywide ordinance.

This information was presented for review and feedback from the Bicycle/Pedestrian Advisory Committee (BPAC) on [October 25, 2023](#), Environmental Planning Commission (EPC) on [November 1, 2023](#), and Council Transportation Committee (CTC) on [January 30, 2024](#).

## **ANALYSIS**

### **Community and Stakeholder Engagement**

In addition to engagement with developers, employers, property managers, the MTMA, City staff, and community members, outreach activities included 14 one-on-one conversations and presentations at the following stakeholder meetings:

- Downtown Business Association—June 13, 2023
- Chamber of Commerce, Business Issues and Public Policy (BIPP)—June 14, 2023
- MTMA Board—May 25, 2023 and May 30, 2024

Key feedback themes from this engagement process included:

- *Familiarity and predictability with the TDM process.*

Developers and employers indicated that they could benefit from additional guidance and resources to help them successfully comply with TDM requirements. Specifically, they noted that the current process could be improved through standardization, such as having a Citywide list of TDM strategies to choose from when developing TDM Plans. Furthermore, such standardization and transparency would increase predictability during the entitlement process.

- *Clarity regarding TDM monitoring and reporting requirements.*

Current program participants indicated the need for additional guidance on how to conduct postoccupancy TDM monitoring and reporting. Further, while the City has been successful at establishing TDM requirements at the outset of a new development, ongoing monitoring

and reporting have proven challenging due to a lack of enforcement mechanisms. Tenant turnover and lack of efficient tools for staff to accurately track and follow up with subject sites have been key contributing factors.

- *Rightsized requirements.*

The majority of stakeholders expressed interest in rightsizing TDM requirements by project size, recognizing that smaller projects often have less resources and expertise to implement TDM, but also noting occupants of smaller projects would still benefit from having access to TDM programming.

In addition, staff held a community workshop on January 21, 2025. The intention of the TDM Ordinance Workshop was to engage Mountain View residents and employees about common barriers for utilizing sustainable transportation options and assess what mobility strategies would be most helpful to increasing multi-modal access. Input received at this workshop will help refine the list of strategies that will ultimately be included in the framework and be required of new development as part of the Vehicle Miles Traveled (VMT) analysis, and mitigation if needed, as part of the development's change to trips associated with the project. Staff will present the community feedback received at the January 29 BPAC meeting.

### **Vision and Principles**

Based on input from stakeholders, BPAC, EPC, and CTC, the following vision was established for the Ordinance:

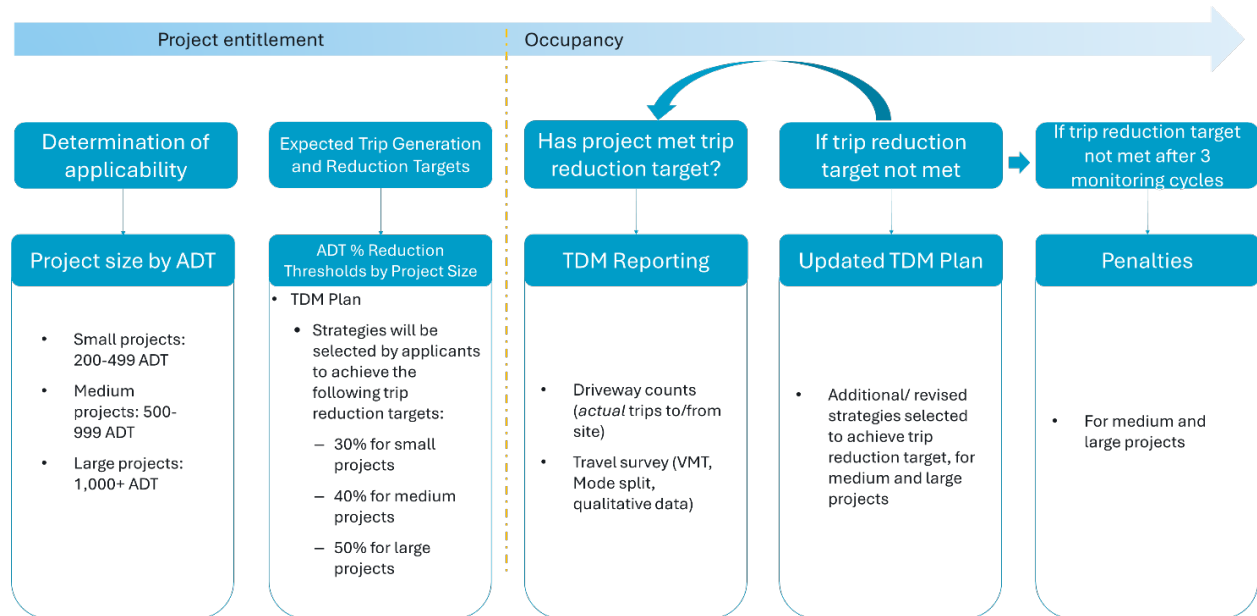
*“To reduce single-occupancy vehicle trips for development and increase use of the multi-modal transportation alternatives that are sustainable, equitable, effective, and respond to changing demands.”*

Additionally, the Ordinance is to be guided by the principles of predictability, effectiveness, sustainable mobility, and equity.

### **Framework Elements**

The project team is recommending framework elements based on existing policies and practices at the local, regional, and state levels, best practices, and input from a project Technical Advisory Committee (TAC). The TAC consists of City staff from various departments in the following sections: Economic Vitality, Planning, Sustainability, Traffic, Transportation, and Land Development. Six TAC meetings were held in 2024 to address each of the framework elements and key topics.

Figure 1 provides a general outline of the ordinance.



**Figure 1: TDM Ordinance Framework Outline**

The draft framework staff has developed addresses the following eight key questions:

1. Who will be required to comply?
2. Which land uses will be subject to the ordinance?
3. What size of projects will be required to comply?
4. What TDM performance metrics will apply?
5. What thresholds (average daily trips (ADT) percent reductions) will determine compliance?
6. How would the requirement be applied?
7. How will TDM implementation be monitored?
8. What enforcement mechanisms will be available?

The proposed approach to the above questions is provided below with the recommendation, intent, and details for each.

**1. Who will be required to comply? (determining applicability)**

The Ordinance will apply to developers and employers, as defined below:

- **Developers:** Applicants requesting building permits for new projects, including change of use and renovation projects that result in 200 *net new* ADT; or
- **Employers:** Applicants requesting new projects having 50 or more employees.

Applicability of the Ordinance is limited to the entitlement process, whereby property owners seeking building permits or entitlements must receive discretionary approval from the City Council and agree to Conditions of Approval, including TDM requirements. All TDM requirements will run with the property and will be the responsibility of the property owner. Should the property be sold to a new owner, the requirements transfer with the sale. While TDM requirements can be included in lease agreements between owners and tenants/property managers, noncompliance penalties will ultimately fall on the property owner.

Employers with 50 or more employees who are subject to the BAAQMD's Commute Benefits Program or California's Parking Cash Out Law will be able to satisfy the content of those requirements through the Ordinance.

Existing projects that have been entitled prior to ordinance adoption will not be subject to the provisions under the Ordinance. However, they will be encouraged to participate on a voluntary basis. Furthermore, employers with fewer than 50 employees who are not subject to the BAAQMD's Commuter Benefits Program or California's Parking Cash Out Law may also participate in the Ordinance on a voluntary basis.

## **2. *Which land uses will be subject to the Ordinance?***

Land use types to be covered by the Ordinance include multi-family residential, nonresidential, and mixed-use.

Applicability of the Ordinance shall be consistent with the City's VMT policy which aims to appropriately mitigate transportation impacts and operational effects of development, as well as the City's General Plan and GGRP. TDM requirements will vary based on certain criteria, including project size and land use type, discussed later in this report.

Applicable land uses were analyzed and selected to best align with categories outlined in the City's VMT policy and Multi-Modal Transportation Analysis (MTA) Handbook. Similar to the MTA Handbook, projects subject to the Ordinance will be reviewed based on screening criteria consistent with the VMT policy as well as more specific trip generation assumptions associated with land use characteristics.

The City's VMT policy is based on SB 743, which does not address all land use types. Consistent with the principles of equity, effectiveness, sustainable mobility, and predictability, the Ordinance aims to encompass all land use types expected to generate transportation impacts and operational effects. Therefore, some projects initially screened out from VMT analysis (due to proximity to transit or an unlisted land use type) may still be

required to implement mitigation measures due to exceeding specific trip generation thresholds under the Ordinance.

**3. What size of projects will be required to comply?**

The Ordinance will apply to projects with anticipated net new ADT which fall into the categories specified in Table 1. The size thresholds shall align with the City’s existing MTA analysis and VMT policy, which is consistent with SB 743 to reduce transportation impacts related to new development. As such, aligning the project size thresholds with these existing policies harmonizes both TDM requirements with required VMT mitigation of average daily trips. Projects will be categorized as small, medium, or large based on anticipated daily trip generation.

**Table 1: Recommended TDM Ordinance Applicability Thresholds by Project Category**

Land Use Type	Small 200-499 ADT	Medium 500-999 ADT	Large 1,000+ ADT
Multi-Family Residential	30 < units < 75	75 < units < 150	> 150 units
Single-Family Residential	20 < units < 55	55 < units < 105	> 105 units
Retail	< 10,000 square feet (ksf)	10 < ksf < 20	> 20 ksf
General Office	20 < ksf < 45	45 < ksf < 90	> 90 ksf
Research and Development Center	20 < ksf < 45	45 < ksf < 90	> 90 ksf
General Industrial	40 < ksf < 100	105 < ksf < 205	> 205 ksf
Warehousing	115 < ksf < 290	290 < ksf < 585	> 585 ksf
Other	Threshold would be based on the most similar land use type and determined in agreement with City staff.		

The determination as to whether a project is subject to the Ordinance will be dependent on the project’s ADT. The square footages are listed for reference purposes and may be relevant in instances where ADT has not been determined as part of an MTA. These are approximations that assume a linear relationship between project size relative to travel demand as well as conversion of Peak-Hour Trips to Average Daily Trips, based on data from the Institute of Transportation Engineers (ITE) Trip Generation Manual.

For mixed-use projects, such as residential with a retail component under 50,000 square feet (ksf), applicants will exclusively use the ADT contributed by the project’s residential component to determine the level of ADT mitigation required. For mixed-use projects where the nonresidential component is greater than 50ksf, net new ADT for each land use will be analyzed discretely and then aggregated for the whole project.

#### **4. *What TDM performance metrics will apply?***

ADT will be the key performance metric used for assessing transportation impacts related to trip generation.

Current City requirements in Precise Plan areas require developments to reduce Peak-Hour Trips (PHT). Therefore, use of ADT reflects a shift from current practice. While PHT as a metric supports measures to address the effects of traffic and congestion during peak travel times, it reflects a focus on addressing automobile level of service (LOS), which was superseded with the City's 2020 VMT policy. PHT fails to capture trips generated outside of peak periods, which have become more prevalent in the post-pandemic era. Moreover, an emphasis on PHT can incentivize peak spreading without reducing overall regional trip generation and erode multi-modal travel options, such as transit or shuttles. For these reasons, a shift to ADT can address broader travel demand and reduce overall VMT while supporting multi-modal transportation options. Use of ADT as the performance metric also supports Citywide goals of sustainability, VMT and emissions reduction, and alignment with existing requirements in the City's MTA Handbook and VMT policy.

#### **5. *What thresholds (ADT percent reductions) would determine compliance?***

Projects will be required to implement TDM strategies that reduce ADT to the following levels:

- Small projects: 30% ADT reduction relative to ITE trip generation rates.
- Medium projects: 40% ADT reduction relative to ITE trip generation rates.
- Large projects: 50% ADT reduction relative to ITE trip generation rates.

Thresholds shall be based on the City's existing Precise Plans targets and informed by case studies of similar TDM programs in San Francisco, San Mateo County, Redwood City, San Jose, Sunnyvale, and Santa Monica. The proposed ADT reduction targets are scaled for different project scales, recognizing economies of scale in implementing TDM strategies for projects. The targets will inform the number and types of TDM strategies an applicant will select as part of developing their TDM Plan.

#### **6. *How would the requirements be applied?***

Prior to entitlement, applicants will be required to submit a TDM Plan for City review and approval before Council approval of entitlements. Items from the TDM Plan will then be included in the checklist for receiving temporary and permanent certificates of occupancy.

A checklist format of the TDM Plan will provide applicants with the flexibility and consistency to reasonably comply with the requirements under the Ordinance. This format



addresses key feedback received from stakeholders regarding the need for simplicity, predictability, and guidance on how to develop TDM Plans, specifically including a standardized list of Citywide TDM strategies for achieving required trip reduction targets.

TDM Plans will be comprised of three types of strategies:

- “Required” strategies will provide the supportive structure to implement TDM. They include elements such as the provision of on-site contact information and fulfilling postoccupancy reporting requirements.
- “Core” strategies provide an array of flexible, proven trip reduction strategies that applicants may select from to develop the project’s TDM Plan. Each strategy is associated with an estimated ADT reduction level that can be used in combination with others to achieve the overall trip reduction target.
- “Auxiliary” strategies may not have significant trip reduction potential as stand-alone strategies but are essential in supporting the successful implementation of the “Core” strategies.

Specific required strategies are outlined in Table 2. Applicants should use the TDM Toolkit to guide them in the creation of their TDM Plan (Attachment 1). The toolkit provides information on the expected levels of effectiveness for each TDM strategy. If applicants wish to implement more robust and tailored strategies than the standard options provided in the toolkit (such as shuttle services that are designed based on employee addresses), they may propose alternative calculations of trip reduction effectiveness. In such cases, applicants will be responsible for providing sufficient evidence to validate their claims of effectiveness, such as the VTA TDM Tool, surveys of trip reduction at other sites, peer-reviewed trip generation analyses, and California Office of Planning and Research policy advisories.

**Table 2: TDM Plan Requirements by Project Size**

TDM Plan Elements		Small Projects	Medium Projects	Large Projects
Required Strategies	Transportation Coordinator	✓	✓	✓
	TMA membership		✓	✓
	Annual TDM reporting	✓	✓	✓
	Annual travel survey	✓	✓	✓

TDM Plan Elements		Small Projects	Medium Projects	Large Projects
	Driveway counts	<i>Subject to Staff discretion</i>	✓	✓
	Property transfer form	✓	✓	✓
<b>Core Strategies*</b>		<i>Select an adequate number of strategies to reach the specified ADT reduction target.</i>		
<b>Auxiliary Strategies*</b>		<i>Select 2 strategies</i>	<i>Select 3 strategies</i>	<i>Select 5 strategies</i>

\*For more information on TDM Strategies, see Attachment 1.

**7. How will TDM implementation be monitored?**

Once a project has been built and occupied, its TDM implementation progress will be monitored and reported to the City on an annual basis.

Ongoing TDM reporting requirements are to be based on the observed differences in transportation impacts between small and large projects and recognize that smaller projects typically have fewer resources to comply with ongoing monitoring requirements. TDM reports will constitute both qualitative and quantitative elements. The qualitative element relates to the program participant’s update on the status of the TDM plan to allow City staff to verify consistency with the project’s Conditions of Approval. The quantitative elements of the TDM reports will consist of a travel survey of regular site users (both employees and/or residents) as well as driveway counts to verify compliance with the ADT reduction target, if required.

As shown in Table 3, the size of the project will determine the reporting requirements. If projects fail to comply with requirements, their reporting time periods will be extended until compliance is achieved.

**Table 3: Ongoing TDM Reporting Requirements by Project Size**

	Small Projects (200-499 ADT)	Medium Projects (500-999 ADT)	Large Projects (1,000+ ADT)
<b>TDM reporting to City</b>	Annually, for first three years after occupancy	Annually, for first 10 years after occupancy	In perpetuity
<b>Travel survey of regular site users*</b>	Annually, for two years	Annually, for 10 years	In perpetuity

	<b>Small Projects (200-499 ADT)</b>	<b>Medium Projects (500-999 ADT)</b>	<b>Large Projects (1,000+ ADT)</b>
<b>Daily driveway counts</b>	Subject to staff determination	Annually, for 10 years	In perpetuity

\*Regular site users include both employees and/or residents.

Medium and large projects will be expected to demonstrate compliance with their respective ADT reduction targets postoccupancy using driveway counts, while small projects may be exempt. After occupancy, ADT is calculated as follows (for weekdays):

$$ADT = \frac{\text{Total Trips to and from a site during a time period}}{\text{Number of days in that time period}}$$

In the entitlement phase, projects will use the TDM Toolkit and select the requisite number of strategies to achieve the required ADT reduction threshold. Upon the first year of occupancy, projects will demonstrate compliance by providing the annual TDM report as part of ongoing monitoring requirements.

**8. What enforcement mechanisms will be available?**

Noncompliance procedures will be based on project size as shown in Table 4.

The recommended enforcement structure is to align with penalties outlined in existing conditions of approval, including the structure outlined in the North Bayshore Residential TDM Guidelines and adopted Master Plans.

**Table 4: Noncompliance Procedures**

<b>Small Projects</b>	<b>Medium Projects</b>	<b>Large Projects</b>
<p><b>Failing to report:</b></p> <ol style="list-style-type: none"> <li>Follow-up letter.</li> <li>Hold on future entitlements/permits for project site.</li> </ol>	<p><b>Failing to report or failure to provide agreed-upon strategies:</b></p> <ol style="list-style-type: none"> <li>Follow-up letter.</li> <li>Hold on future entitlements/permits for project site.</li> <li>City may assess penalty after six-month grace period.</li> </ol>	<p><b>Failing to report or failure to provide agreed-upon strategies:</b></p> <ol style="list-style-type: none"> <li>Follow-up letter.</li> <li>Hold on future entitlements/permits for project site.</li> <li>City may assess penalty after six-month grace period.</li> </ol>

Small Projects	Medium Projects	Large Projects
<p><b><i>Failing to achieve target:</i></b></p> <p>City staff will work with the sites to continue making progress until the ADT reduction requirement is met.</p>	<p><b><i>Failing to achieve target:</i></b></p> <ol style="list-style-type: none"> <li>1. Work with City to adjust TDM Plan.</li> <li>2. If target still not achieved, continue to add to program annually.</li> <li>3. After two annual reporting periods, City will assess penalty.</li> </ol>	<p><b><i>Failing to achieve target:</i></b></p> <ol style="list-style-type: none"> <li>1. Work with City to adjust TDM Plan.</li> <li>2. If target still not achieved, continue to add to program annually.</li> <li>3. After two annual reporting periods, City will assess penalty.</li> </ol>

Penalties will be tiered by project size, as follows:

- **Small projects:**
  - No penalties.
- **Medium projects:**
  - For the first 1% under the ADT reduction target: \$50,000
  - For each % under target thereafter: \$25,000
- **Large projects:**
  - For the first 1% under the ADT reduction target: \$100,000
  - For each % under the target thereafter: \$50,000

**DISCUSSION**

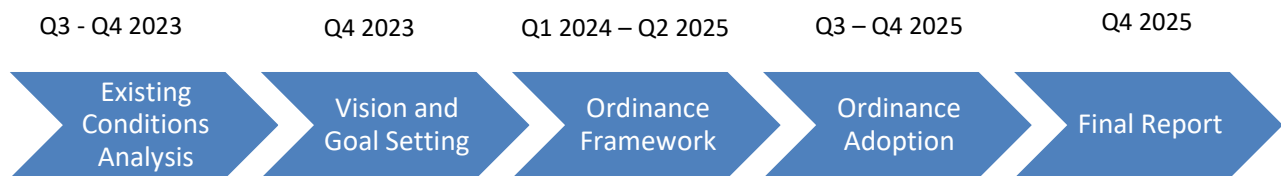
Staff is requesting BPAC input on the following questions:

- Does BPAC concur with staff recommendations on the Ordinance framework specifically including:
  - Performance metrics and thresholds (ADT percent reduction targets);
  - TDM strategies; and
  - Ordinance management strategies?
- Does BPAC have additional feedback on the draft TDM Ordinance framework?

**NEXT STEPS**

Staff will consider input from BPAC on the elements of the TDM framework and present the draft framework and BPAC feedback to EPC in February 2025, CTC in March 2025, and Council in a Study Session in June 2025. Input from each of these bodies will inform the final TDM Ordinance framework. Staff anticipates returning to EPC and Council for review of the draft ordinance language in Q4 2025, for final adoption in late 2025.

Figure 2 summarizes the key tasks and anticipated timeline of the project.



**Figure 2: Anticipated Project Timeline**

BP/4/PWK  
902-01-29-25M

Attachment: 1. List of TDM Strategies in the TDM Toolkit

cc: PWD, APWD—Arango, TM—Lo, TP—Pacho, APM—Anderson, PP—Pancholi