

From: [Janice Knapp-Cordes](#)
To: [Plan Commission Comments](#)
Subject: Transportation Demand Management
Date: Monday, November 21, 2022 2:57:41 PM

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I am wholly in favor of a Transportation Demand Management ordinance. I have heard projected growth figures for Madison over the next decades of 40,000 people. If many of those people are commuting daily, we will be adding more greenhouse gases to the atmosphere. The quality of the air we breathe would be protected by such an ordinance and the amount of greenhouse gases we add to the atmosphere would be reduced. I know that developers don't like this but either we plan and pay now or we suffer and spend much more money later when we experience the increasing effects of climate change.

The majority of people now believe that climate change is real and that we humans are causing it. Offering transit passes or siting a B-cycle station nearby will make it easier for people to do something effective.

Thank you for the opportunity to express my opinion.
Janice Knapp-Cordes

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Plastics, like diamonds, are forever.

Janice Knapp-Cordes
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From: [David Aguayo](#)
To: [Plan Commission Comments](#)
Cc: tony.fernandez5@gmail.com; sundevils98@yahoo.com; bacantrell@charter.net; [Paulson, Erik](#); [Currie, Jael](#); klandespenner@gmail.com; ledell.zellers@gmail.com; mcsheppard@madisoncollege.edu; nicole.solheim@gmail.com; [Heck, Patrick](#)
Subject: File #74423 - Establishing TDM
Date: Monday, November 21, 2022 2:51:56 PM

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Members of the Plan Commission:

The proposed [Transportation Demand Management \(TDM\)](#) ordinance places new requirements on certain development and redevelopment projects with notable goals to decrease single-occupancy vehicle travel while increasing transit-oriented development and public transit ridership. At first, we were encouraged to see proposed changes to existing policy, because while flexible in its approach, the ambiguity and inconsistency in the current standards can create hardship during the development approval process. It has been said that the new program seeks to provide clear mitigation options to reduce subjectivity and streamline the approval process.

The Chamber supports these objectives, along with the need to address increasing congestion on our roads and encourage urban infill transit-oriented development projects. However, the program, as currently drafted, has several unintended consequences to both new development and redevelopment projects with an arguably minimal, at best, impact on our shared desired outcomes.

Recognizing that access to transit is limited in certain parts of the city, especially on the periphery, the proposal lowers the mitigation point total needed to gain approval in outlying areas. Despite this reduced threshold, in order to comply, employers still need to take actions like reducing and/or charging employees for parking and providing complimentary bus passes, even when the employer and employees are not adequately served by convenient, accessible transit options. The program will pass on the cost to hard-hit businesses – including a filing fee and biannual recertification fee – without increasing transit ridership.

Additionally, several major questions remain, including whether a modification or addition to an existing commercial or office building would cause the new TDM program to apply to the entire building, and how the new program is triggered when existing buildings have a change in use. Applying the new TDM program to existing commercial buildings will make it far more challenging to keep street-level commercial space filled, which will diminish the vitality of commercial nodes in neighborhoods throughout the city.

TDM is not new in Madison or in other major metropolitan areas. The difference is that successful TDM programs occur in areas with a regional, multi-modal transportation network in place that provides convenient transit options for users. Madison is not there yet, but the Chamber will continue to partner with the city and regional stakeholders to aggressively pursue funding opportunities to advance transit services, just as the Chamber supported the development of Bus Rapid Transit service.

With shared goals, I am certain we can find solutions to address these concerns and make the program more manageable and more effective. Thank you for considering these changes.

Respectfully,

David Aguayo

Public Policy Manager

Greater Madison Chamber of Commerce

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1000 Friends of Wisconsin is excited to see that the City of Madison recognizes the imminent threat climate change presents and is working proactively to create a more sustainable community with their Transportation Demand Management (TDM) program. The United Nation's Intergovernmental Panel on Climate Change (IPCC) estimates that in order to prevent irreversible and catastrophic climate change, we must keep global warming to less than 1.5 degrees Celsius. Across Wisconsin, climate damages are mounting as we begin dealing with more heatwaves, floods, and storms. TDM is an important, proven tool for addressing climate change.

Transportation is the [largest contributor of carbon emissions in the United States](#), accounting for about 27% of all emissions. Since land use and transportation are so closely linked, a TDM program is the best policy tools available to meaningfully address the issue. Madison has a growing population and limited space for road expansion. The city's comprehensive planning (both the Imagine Madison Comprehensive Plan and Madison in Motion), already support TDM strategies.

Let's take the lead from cities around the country, like Denver, Austin, and Minneapolis and adopt a TDM program in Madison. TDM policies are considered best-practice for addressing climate change and transportation in our communities. The program proposed will bring consistency to the development process, provide more transportation options for residents, and help the City of Madison reach its climate change goals. 1000 Friends of Wisconsin proudly supports the adoption of a TDM program in the City of Madison.

Sincerely,

A handwritten signature in blue ink that reads "Deborah Nemeth".

Deb Nemeth
Executive Director
1000 Friends of Wisconsin

From: [Dayna Long](#)
To: [Plan Commission Comments](#)
Subject: support for Transportation Demand Management Program
Date: Monday, November 21, 2022 12:58:05 PM

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Hello,

I'm writing to say that I support the ordinance creating a Transportation Demand Management Program. I'm excited for Madison to grow, especially its housing stock. But it is also obvious that a city on an isthmus cannot cope with proportional growth in the number of cars on the street without myriad negative impacts on current and future residents. Many Madison residents are already choosing to replace car trips with bus and bike rides and walks. Many people choose to move to Madison because it is possible to live car-light and care-free here. We do all of these individuals a disservice if we do not require new development to reflect this shift in how people get around.

Thanks,

Dayna Long

From: [Liz Jesse](#)
To: [Plan Commission Comments](#)
Subject: Support for the New Transportation Demand Management (TDM) Ordinance
Date: Monday, November 21, 2022 10:48:55 AM

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Good Morning,

I want to register my support for the new TDM ordinance. Demand for housing is high in Madison and our roads are at capacity. It's only fair for developers to start to take measures that reduce the number of car trips that the new buildings generate.

Build it and they will come...give people options for non-car travel and they will take them.

Thank you,
-Elizabeth Jesse
5126 South Hill Dr.
Madison WI, 53705

From: [William Ochowicz](#)
To: [Plan Commission Comments](#)
Subject: Legistar 74423 - TDM
Date: Sunday, November 20, 2022 9:56:16 PM

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Hello Commissioners,

I wanted to offer a quick note in support of the TDM proposal. As I've learned more about planning and cities, I've become increasingly disappointed with how much previous planners have prioritized cars as the default mode of transportation. It's a good sign that Madison is recognizing that people *need* to move about the city, but *how* they choose to move should be given much more flexibility than previous methods like parking minimums allowed.

Thank you,
Will Ochowicz



25 W Main St—5th Floor, Suite 33
Madison, WI 53703

November 19, 2022

Concerns and Questions about New TDM Program

This memorandum contains Smart Growth's primary concerns and questions about the latest version of the proposed new Transportation Demand Management (TDM) program for Madison (the October 2022 version). Smart Growth appreciates that the latest version of the proposed TDM program includes changes made in response to some of the concerns voiced by Smart Growth.

Smart Growth raised some of the concerns in this memorandum with Transportation Department staff more than a year ago and has reiterated those concerns multiple times. Transportation Department staff and Smart Growth are continuing to work together in an effort to find solutions to these concerns.

Smart Growth raised some of the concerns in this memorandum more recently because only recently it became apparent that the new TDM program is intended to apply, under certain circumstances, to buildings constructed before the new TDM program is effective. Again, Transportation Department staff and Smart Growth are continuing to work together in an effort to find solutions to these concerns.

For your reference, this memorandum also contains a summary of the proposed new TDM program, based on the October 2022 version of the document containing the details of the program, following Smart Growth's concerns. The program summary starts on page 8 of this memorandum.

If you have questions about Smart Growth's concerns, please contact Bill Connors, Executive Director, at 608-228-5995 (mobile) or bill@smartgrowthgreatermadison.com.

Smart Growth's Concerns

Smart Growth's high-level concerns are as follows.

- The new TDM program will make it more challenging for developers to bring new business with good paying jobs to Madison.
- Residential and commercial tenants will pay higher rents to cover the costs imposed by the new TDM program.
- The new TDM program's positive impact will be modest because—
 - Many people who work in Madison live in areas where they have no practical access to transit or other shared transportation services, so they have no choice but to drive to their jobs. According to U.S. Census survey data from 2019 (the most recent data

available), 66.8% of the people whose work location is in the City of Madison live outside the city. (Conversely, 49.8% of the workers who live in the City of Madison have work locations outside the city.) See the report starting on page 13 of this document.

- The metro-area population densities and traffic congestion in other communities that have implemented TDM are much greater than the population density and traffic congestion in the Madison metro area. Unless and until it is faster to use transit rather than drive your own vehicle to and from work in Madison, commuters will continue to drive to and from work.
- The Madison metropolitan area does not have a robust regional transit system, whereas other cities that have implemented TDM are in metropolitan areas that have robust regional transit systems.
- The new TDM program does not apply to all major employers, as TDM programs in some other communities do.
- The new TDM program does not apply to new single-family houses or residential buildings with fewer than 10 units.
- Parking fees intended to cause employees and residential tenants to switch from driving vehicles to using transit or other alternative methods of transportation will not cause most employees and residential tenants outside the Downtown to change their transportation method, but instead will cause them to park on the streets.
- The new TDM program's encouraging building owners to require employees working in their buildings (usually employees of their commercial tenants) to pay to park at work will be a hardship on people such as single parents, who must drive to work because they must drop off their kids at day care or school on the way to work and pick them up after work, regardless of whether transit is available to them.
- The new TDM program's encouraging building owners to require employees working in their buildings (usually employees of their commercial tenants) to pay to park at work will exacerbate the challenges Madison businesses are experiencing to hire and retain employees, because many current and potential new employees who live where transit is not available will choose to work where there is no charge to park at work.
- Concerns about how to avoid triggering the application of the new TDM program to existing buildings or managing the situation if it is triggered will delay the leasing of open commercial space on the ground floors of mixed-use buildings, resulting in decreased in street-level activity.

Smart Growth's other primary concerns are as follows.

In a proposed large multi-tenant employment-use building (or a mixed-use building where most of the space will be occupied by multiple tenants with employment uses, e.g., general office uses), it is unlikely that the TDM plan will contain the required points unless the plan includes one of the following high-point-value TDM mitigation measures, and none of these are workable in this situation: (a) offer complimentary monthly transit passes, (b) parking cash-out, (c) unbundle parking or (d) market-rate parking fees.

- In this situation, the employees who work in the building are employees of the commercial tenants, not employees of the developer or building owner.

- The program is written with the assumption that the building owner can compel employers/tenants to implement TDM mitigation measures for the commercial tenants' employees.
- The competition between developers for commercial tenants is intense and the amount of future demand for commercial space is uncertain in the aftermath of the COVID-19 pandemic. Consequently, developers/building owners cannot dictate lease terms to potential commercial tenants.
- Commercial tenants are in a battle for talent, and providing parking at no cost to their employees in areas of the city where the prevailing practice is to charge for parking is an attractive benefit. Potential commercial tenants will be reluctant to sign leases if those leases do not include parking spaces for their employees without charging the employees to park.
- If the developer/building owner's TDM plan includes unbundled parking in an area of the city where the prevailing practice is to charge for parking, the developer/building owner has no practical way to prevent commercial tenants from reimbursing their employees for parking fees. If the employers/commercial tenants reimburse their employees for the parking fees, there will be no incentive for the employees not to drive to and from work. Even if a commercial tenant were to agree not to do so in a lease, which is unlikely, there would be no way for the developer/building owner to know whether a commercial tenant had increased compensation for their employees to cover the cost of parking.
- In areas of the city where the prevailing practice is not to charge for parking at office buildings, it is not practical for a developer of a new office building to include TDM mitigation measures that involve charging for parking in its TDM plan because of competitive concerns.
- The parking cash-out TDM measure is not workable in "Suburban environments" within the city, where the prevailing practice is not to charge for parking at office buildings, because—
 - The developer/building owner of a multi-tenant office building cannot administer this TDM measure for the employees of the commercial tenants.
 - Many potential commercial tenants will be unwilling to administer this TDM measure.
 - There would be no gate at the entrances to the parking facility to prevent employees of commercial tenants who have accepted parking cash-outs to drive to work and park in the parking facility.
 - It is extremely unlikely that a developer/building owner would be willing to take on the responsibility to attempt to identify and vehicles that are improperly parked in the parking facility because they belong to employees of commercial tenants who have accepted parking cash-outs.
 - There is nothing to stop employees of commercial tenants who have accepted parking cash-outs from driving to work and parking in the parking facility of a nearby building (or parking on the street where that is permitted).
- A developer/building owner must recover from its commercial tenants the cost of offering monthly transit passes (with administrative assistance from the commercial tenants) to the employees of the commercial tenants in order for the building project to work financially, and many potential commercial tenants will be unwilling to agree to such a provision in their leases.
- Many other metro areas and other cities and villages in Dane County do not impose on commercial tenants the obligation to implement TDM mitigation measures for their employees.

- It will be extremely challenging for a developer to obtain the commitments from commercial tenants needed to obtain financing to construct a multi-tenant office building when the developer must attempt to persuade potential tenants to agree to perform TDM mitigation measures during lease negotiations or refuse to include no-charge parking for the tenants' employees in their leases.
- If financing is obtained and the new multi-tenant office building is constructed, it will be extremely challenging for the building owner to find commercial tenants to lease up the rest of the space in the building when the building owner must attempt to persuade potential tenants to agree to perform TDM mitigation measures during lease negotiations and/or require the potential tenants' employees to pay for parking.
- It will be extremely challenging for a building owner to keep a building leased up when existing commercial tenants can be lured away when their leases expire to other metro areas or other cities or villages in Dane County where commercial tenants are not required to perform TDM measures and building owners can include in leases parking at no charge to the tenants' employees.
- The negative impact of the TDM program on the ability to retain tenants and sign new tenants to leases will make it more challenging for building owners to refinance mortgages.
- The processes to seek a reduction in TDM points that is provided for existing buildings that become subject to the new TDM program is not available for buildings constructed after the new TDM ordinance is effective.
- Smart Growth questions how the city government has legal authority to essentially require developers and building owners, during lease negotiations, to attempt to persuade potential tenants to agree to lease provisions that must be performed by the tenants in order for the building owner to have enough points in its TDM plan to meet the requirements of the new TDM program, and to fine the developers and building owners if the tenants refuse.

If a new commercial tenant in a building that existed on the effective date of the new TDM ordinance (the ordinance will be effective six months after publication) has a use that falls into a different use or sub-use category than the departing tenant's use, the new TDM program will apply to that tenant space. In many cases, it will be extremely challenging to produce a TDM plan for that tenant space which contains enough TDM points. For example, if part of a building that was used for professional or general office is changed to a research laboratory or vice versa in response to available tenants, or if part of an existing building that was used for a retail shop is changed to a restaurant or vice versa in response to available tenants, the owner of the existing building would be required to submit a TDM plan for the tenant space where the new use is located.

- Many of the TDM measures involve physical improvements to the building or site (or nearby area), and those will be more expensive or impractical to retrofit in existing buildings and sites.
- The owner of an existing building cannot relocate the building to be nearer to transit or shared transportation services in order to obtain TDM points and the building owner does not have the power to bring these services nearer to the existing building if the service providers chooses not to locate there.
- If an existing building has no controls on entering the parking lot or structure to enable charging for parking, the building owner cannot block off part of the parking lot or structure and require employees of the new tenant to pay to park in the separate parking area.

- In many cases, the owner of an existing building will not be able to assemble a TDM plan that even comes close to containing the required number of TDM points, which will put the building owner in the position of choosing between two harmful options, either (a) passing up on the opportunity to lease space to a new commercial tenant if doing so would change or expand a sub-use in the building or (b) leasing space to the tenant and being subject to fines for not being able to submit a TDM plan that contains the required number of points.
- Uncertainty for owners of existing buildings and potential commercial tenants will be created when building owners must put potential tenants “on hold” while they seek a reduction in required TDM points from Transportation Department staff or the Transportation Commission (predictable requirements are supposed to be one of the advantages of the new TDM program). Many commercial lease deals are time sensitive, and building owners will lose many potential tenants if they attempt to put them on hold while they seek a reduction in TDM points.
- There will be less street-level activity in Madison. Owners of mixed-use buildings will be reluctant to fill vacant ground-floor commercial space with a new tenant if that new tenant would be a new or enlarged sub-use, which would trigger application of the new TDM program to the tenant space-- unless the building owner can obtain a large enough reduction in TDM points to be able to submit a TDM plan that city staff will approve and the potential tenant will wait for the completion of that process. Often the potential tenant will not wait.
- The inclusion of the word “impossible” in the standard which Transportation Department staff will use to determine whether to grant a reduction in TDM points means reductions will rarely if ever be granted.
- Smart Growth questions how the city government has legal authority to require the owner of an existing building to construct improvements qualifying for TDM points or to impose on potential commercial tenants, during lease negotiations, the obligation for the commercial tenants to perform TDM mitigation measures when the building owner attempts to replace an existing tenant with a new tenant and the use by the new tenant complies with the existing zoning.

It will be challenging for developers/property owners of new apartment buildings/complexes to meet the requirements of the new TDM program if the building complex is located outside of the Downtown area.

- In areas of the city outside the Downtown, it is common for new apartment buildings/complexes to provide most of the parking for the tenants in an underground garage while providing parking for visitors, deliveries and some of the tenants’ vehicles in a surface parking lot.
- Outside of the Downtown area, developers/owners of new apartment buildings/complexes either charge nothing for parking (nothing for surface parking and nothing for underground parking) or they charge only if a tenant wants more than one car in the underground parking per unit or they charge for all stalls in the underground parking.
- In areas of the city outside the Downtown, it is extremely unusual for the developer/owner of an apartment building/complex to attempt to make tenants pay separately for surface parking spaces for a variety of reasons.
 - Outside the Downtown area, there are rarely if ever gates on surface parking lots to restrict access only to those who pay to park and rarely if ever do developers/building owners charge for parking in a surface parking lot.

- Using stickers or hang tags and having staff frequently check the surface parking lot for violators, then calling the police to ticket violators, then calling a towing service to remove violators is too labor intensive to be practical.
- Building owners are reluctant to engage in enforcement in surface parking lots because they fear they will inadvertently have a tenant's or visitor's vehicle towed.
- If a developer/property owner attempts to charge for parking in a surface parking lot for an apartment building in areas outside of Downtown, tenants will park in the streets of the surrounding neighborhood.
- If the developer/property owner must attempt to charge for parking stalls in the surface parking lot for an apartment building/complex where most of the parking spaces are in a parking structure with controlled access in order to satisfy the Unbundle Parking mitigation measure, few if any TDM plans for new apartment buildings/complexes outside the Downtown area will contain the Unbundle Parking mitigation measure.
- This will make it more challenging for new apartment building/complexes to meet the requirements of the new TDM program, which could discourage housing construction in Madison.
- The only feasible alternative TDM measure that provides enough points is to offer complementary monthly transit passes to tenants, which has its own limitations.
 - In areas where there is no nearby transit service, most tenants will not use a transit pass.
 - In areas where there is nearby transit service, the developer/building owner will need to attempt to increase rents to cover this additional expense.
 - If the developer/building owner is not able to increase rents to cover this additional expense, in a 100-unit building, the added cost could be as high as \$78,000 per year (\$65 x 12 months x 100 units), which would reduce the assessed value of an apartment building by \$1.4 million.
 - When the assessed values of apartment buildings decrease as a result of increased expenses, homeowners pay higher property taxes.

It appears that the TDM mitigation measures and the points assigned to each mitigation measure will not be in the ordinance enacting the new TDM program, but instead will be in a separate program document, enabling the Transportation Commission to change the mitigation measures and points assigned to each measure over time without approval by the Common Council. This flexibility creates the potential for hardship to owners of buildings subject to the new TDM program.

- In the future, the Transportation Commission could reduce the points given for physical improvements a developer constructed to obtain points in the TDM plan, forcing the building owner to find and implement new (likely programmatic) TDM mitigation measures to replace the points the Transportation Commission took away.

Smart Growth's questions are as follows.

- For commercial, employment and institutional uses, a tenant space is exempt from having a TDM plan if the number of shared parking spaces allocated to that tenant space for purposes of the new TDM program is less than a number multiplied by the minimum parking requirement (Base Parking or BP) (except employment-use spaces under 10,000 sq ft are exempt regardless

parking). If there is no minimum parking requirement for that use in that location (e.g., it is located in the Transit-Oriented Development Overlay District, which probably will eliminate minimum parking requirements), is the result that if even one parking space is allocated to that tenant space, the tenant space is not exempt? ANSWER: According to Philip Gritzmacher, the minimum parking requirements for purpose of the TDM program are specified in the TDM program document, so it does not matter if the minimum parking requirements in various ordinances change over time.

- Where can we find a comprehensive list of all of the sub-uses and definitions of the sub-uses referred to in the new TDM program? ANSWER: According to Philip Gritzmacher, the list of parking minimums in the TDM program document is the comprehensive list of sub-uses for purposes of the TDM program.
- In a building where many or all of the parking spaces in the facility can be used by the customers or employees of any of the commercial tenants, how does one determine how many parking spaces are allocated to each tenant space, so it can be determined whether that tenant space is exempt from the new TDM program based on how much the actual parking ratio exceeds the minimum parking ratio? ANSWER: According to Philip Gritzmacher, the developer/building owner must allocate on paper some number of the shared parking spaces to each tenant space for the purpose of determining whether one or more tenant spaces are exempt from the new TDM program.
- Two of the TDM measures refer to the “market rate cost of parking” and the “full market value for parking?” Does that mean the price that is charged for parking in that particular part of the city or the cost to construct and maintain the parking? Who decides what the market rate cost or market value is? ANSWER: According to Philip Gritzmacher, these phrases mean the prevailing fee for parking in a particular area of the city. He said it is up to the developer or property owner to demonstrate the prevailing fee, and if the prevailing fee in an area of the city is zero, a small charge for parking will be sufficient.
- If building owners knows a commercial tenant space will soon be vacant and is concerned that a potential new tenant might have a use that falls into a different use or sub-use category than the departing tenant, may the building owner apply to staff for a TDM point reduction so that the reduction is available if the actual new tenant would have a different use or sub-use? ANSWER: According to Philip Gritzmacher, no, the building owner must wait until it knows the potential new tenant and its use and then submit an application making a case it would be impractical to meet the TDM program requirements for that tenant and tenant space and hope that city staff will evaluate the application and grant the TDM point reduction before the potential tenant loses interest and moves on to a different property.
- If most of the parking stalls for a new apartment building or complex are in underground parking but some parking stalls also are provided in a surface parking lot for visitors, deliveries or overflow for residents’ vehicles, is the Unbundle Parking TDM mitigation measure satisfied if the building owner charges tenants separately only for parking stalls in the underground parking? ANSWER: According to Philip Gritzmacher, no, that situation would not satisfy the Unbundle Parking mitigation measure. That mitigation measure can only be satisfied if the building owner charges tenants separately for all parking spaces.
- What is the amount of the fee that must be paid with each TDM plan? ANSWER: According to Philip Gritzmacher, the amount of the fee has not yet been determined.

Summary of Proposed New TMD Program (based on the October 2022 program document)

Determining Number of TDM Points Required for a Building or Tenant Space

TDM requirements are assigned using a point-based system and depend on the development's—

- land use(s),
- size,
- proposed parking capacity (parking ratio),
- and location.

Further, measures related to transit and share mobility will have their point values adjusted based on the proposed developments proximity to the service areas of those transportation options.

The TDM requirements for a proposed development can be determined by using the city-provided Transportation Demand Management Plan Creation Tool, which is an excel-based spreadsheet that automatically generates the TDM requirement and based on the aforementioned characteristics of the proposed use. One can download the spreadsheet at

<https://www.cityofmadison.com/transportation/initiatives/transportation-demand-management/tmd-project-document> .

The tool can be used to identify mitigation measures and demonstrate compliance with the TDM ordinance.

For mixed-use or multitenant developments, TDM requirements for each are generally considered and met separately for each use or tenant space. However, uses may be considered together if mitigation measures for each use category are common across all uses or jointly between all uses. Measures being jointly implemented for the development can be counted towards the point target for each use, provided they are accessible for each use. Parking is allocated for all uses to determine use specific TDM targets. If parking is shared amongst the different uses, their respective parking maximums would be considered for determining their targets.

Once the raw TDM target has been determined, the value is multiplied by a location-based modifier. The location-based modifier seeks to acknowledge that different amounts of TDM measures are available and feasible within different locations of the city. As shown in the TDM Requirement Modifiers Map, projects located in the densest portions of the city are required to meet the highest TDM requirements. As development occurs further from the urban core, point requirements decline.

Examples:

Office Building in Downtown

- Location: 100 block of E. Main Street
- Use: Office
- Floor area: 110,000 sq. ft.

- Proposed parking capacity: 220 stalls
- Required TDM points: 19 (there is no location-based modifier for this location)
- Note: if the number of parking stalls is reduced to 210, the number of required TDM points is reduced to 15.

Office Building Near the Edge of Madison

- Location: The American Center east of I-90/94, north of USH 151
- Use: Office
- Floor area: 105,000 sq. ft.
- Proposed parking capacity: 493
- Required TDM points: 19 (raw points before the location-based modifier is 29)
- Note: It is much easier for the Office Building in Downtown to obtain 19 TDM points than the Office Building Near the Edge of Madison.

Residential Use Near Edge of Madison

- Location: 7400 block of Raymond Road
- Use: Residential (20 percent units at or below 60 percent of annual median income)—not a common scenario due to funding sources for income-based housing
- Number of dwelling units: 100
- Proposed parking capacity: 150 stalls
- Required TDM points: 14 (raw points before the location-based modifier is 22)

Mixed-Use Near Commercial Corridor

- Location: 2900 block of University Ave
- Use: Commercial (retail) on ground floor and Residential on upper floors
- Number of dwelling units: 50
- Commercial Floor area: 10,000 sq. ft.
- Proposed parking capacity: 110 stalls (residential: 70 stalls; commercial: 40 stalls)
- Retail parking minimum, or base parking: 25 stalls (1 per 400 sq. ft.)
- Required TDM points: 14 for Residential use and 15 for Commercial use (raw points before the location-based modifier are 15 for Residential use and 17 for Commercial use)

Creating a TDM Plan that Contains the Required Number of Points

The next step requires developers or building owners to choose TDM measures from a menu to meet the assigned point target. They would then need to prepare a TDM plan with descriptions of the selected measures and submit it for review and approval, along with a nominal fee to cover administrative review of the plan.

The TDM menu comprises of 43 measures in 9 categories – Active Transportation, Transit, Parking Management, Shared Mobility, Information & Communication, Delivery, Land Use, Employer Policies, and Other measures. Under each of these broad categories, there are multiple measures to choose from. Each measure is worth points ranging from one to ten, which are based on efficacy in reduction of

vehicle miles traveled (VMT), documented best practices, cost of implementing the measure, and contextual relevance for Madison.

Some additional flexibility can be found in the “Other Innovative Measures” measure provided under the “Other Measures” category. Building owners can also propose any other TDM measure that is not on the list and propose a point value, based on the aforementioned rationale. They may then be awarded points at the discretion of the city staff.

Once the TDM plan is approved, building owners are required to implement the measures specified in their plans. Developments may also choose to enroll or participate in a Transportation Management Association for additional assistance with on-site TDM operations. The city will track and monitor program implementation and set reporting requirements for developments, to ensure compliance with their respective TDM plans.

Ongoing Responsibilities Imposed on Building Owners, Including Imposing Requirements on Tenants

TDM Plans shall be recertified bi-annually, by resubmitting a TDM plan spreadsheet, along with nominal administrative fee, to the Department of Transportation. A separate administrative fee is required for each TDM plan. A single building might have multiple TDM plans (up to one TDM plan for each tenant space), so a developer/building owner might have to pay multiple TDM administrative fees for the same building. The amount of the TDM administrative fee has not yet been disclosed.

Because of the possibility for shared TDM amenities, zoning certificate applicants are generally responsible for ensuring TDM program compliance. Similar to building and zoning compliance issues, the zoning certificate applicant is responsible for non-compliance related to certification and/or recertification of TDM plans. These responsibilities and obligations may, however, be passed along to commercial tenants in lease agreements, if the zoning certificate applicant can find commercial tenants willing to agree to undertaking these responsibilities and obligations.

For “white box” developments, or multitenant developments for which one or more users have not yet been identified, the developer will be responsible for drafting and submitting the initial TDM plan. This plan should reflect the proposed or assumed occupant and contain mitigation measures demonstrating compliance with the plan. These can include both programmatic measures (which a potential tenant would be expected to implement if the developer can find a tenant willing to do so) as well as infrastructure-based measures (which the developer would be responsible for implementing at that time).

Buildings Constructed Before TDM Program Is Effective Can Become Subject to the Program

TDM requirements are applicable to all existing structures within the city that are expanded or for which—

- Uses change from one primary use category to another (e.g., changing from employment to commercial use)

- Sub-uses change from one category to another (e.g., commercial – retail to commercial restaurant)
- The total parking on the site is increased
- The primary structure in which the use takes place is expanded.
- The overall composition of uses on the site changes (e.g., a building with 50% employment and 50% commercial becomes 60% employment and 40% commercial)

For all existing structures in which uses or sub-uses do not change, the structure is not expanded, parking is not modified, or the overall composition of uses on the site does not change, the new TDM program requirements would not apply. Further, sites in which prior uses are reactivated are not subject to the new TDM requirements unless the structure and/or parking are expanded to accommodate this reactivation of use.

The new TDM ordinance will be effective six months after its publication of the ordinance. For purposes of the new TDM program, an existing building is one that existed before the effective date of the ordinance.

For existing properties brought into the TDM program that are unable to meet the mitigation point requirements for either cost of physical constraint reasons, the applicant may appeal to the Department of Transportation staff review for relief from up to five (5) mitigation points, which can be provided at the discretion of the staff member. These mitigation points should be considered a last resort, only provided if the applicant can demonstrate significant hardship making meeting TDM requirements impossible. If the applicant wishes to appeal the staff mitigation point reduction or requests further relief, they may request elevation of the relief request to the Transportation Commission

The applicant will be required to share the following information with the Transportation Commission: site information, required TDM mitigation point, proposed TDM mitigation measures, requested point reduction, rationale for reduction. The Transportation Commission will have the final determination on the point reduction. If staff and/or the Commission grant mitigation points reductions, these reductions will continue in perpetuity until uses are expanded, changed, or parking is modified.

U.S. Census Data about Madison Commuting Patterns

As mentioned above, the new TDM program's positive impact will be modest because many people who work in Madison live in areas where they have no practical access to transit or other shared transportation services, so they have no choice but to drive to their jobs. According to U.S. Census survey data from 2019 (the most recent data available), 66.8% (92,048) of the people whose work location is in the City of Madison live outside the city. Conversely, 49.8% (45,348) of the workers who live in the City of Madison have work locations outside the city.

The ongoing impact of the COVID-19 pandemic on workplace locations and commuting behavior will affect this data, but there is no updated Census data available. We do know that currently, there are substantially fewer people traveling to and from work in Downtown Madison each day, which has eased traffic congestion but is bad for Downtown businesses. The reduction in Downtown workers and traffic

congestion and uncertainty of demand for office space when pre-COVID long-term leases expire are valid reason to delay implementation of the new TDM program.

See the report starting on the next page.

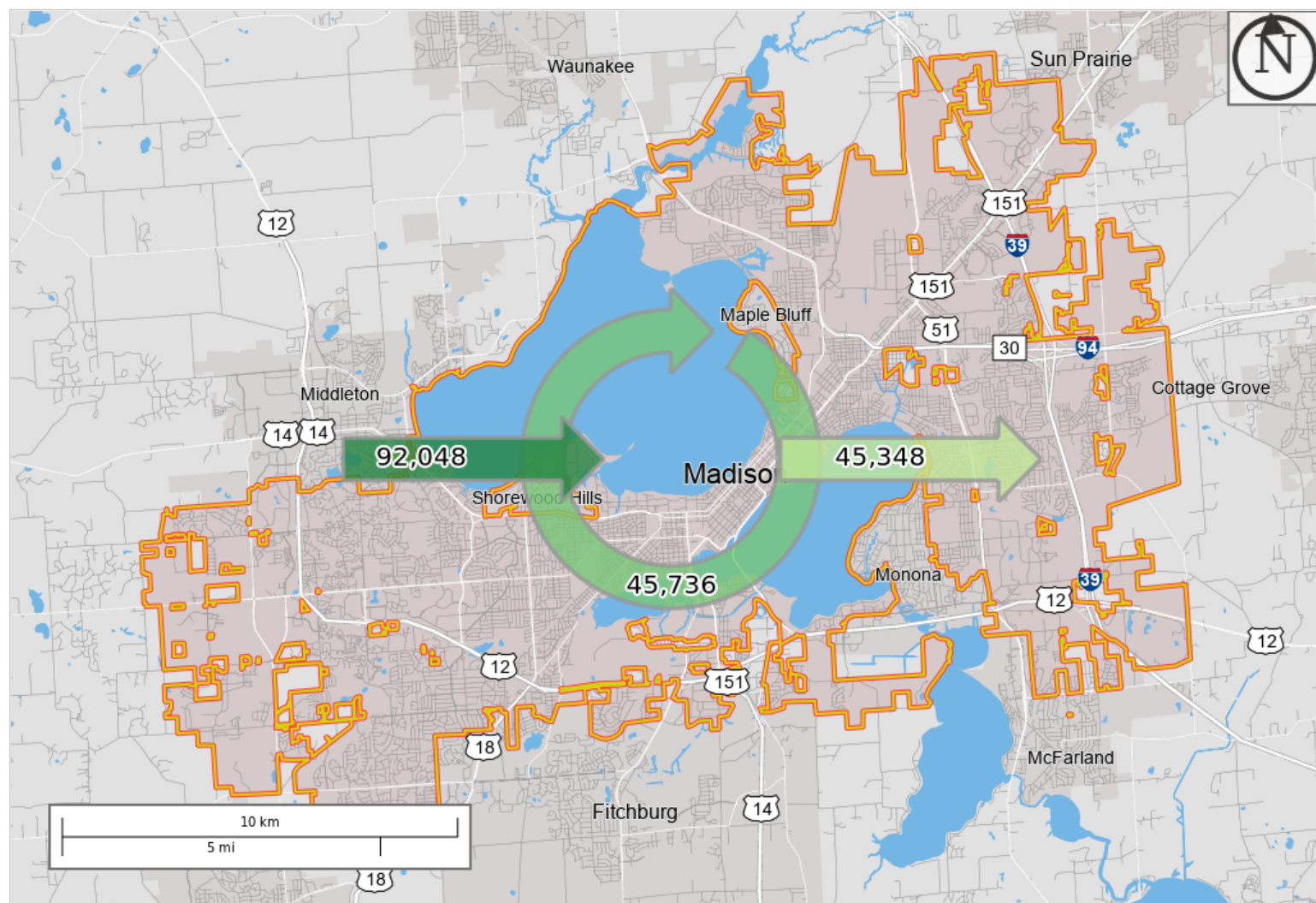
Inflow/Outflow Report

Private Primary Jobs for All Workers in 2019

Created by the U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov> on 10/07/2022

Inflow/Outflow Counts of Private Primary Jobs for Selection Area in 2019

All Workers



Map Legend

Selection Areas

Analysis Selection

Inflow/Outflow

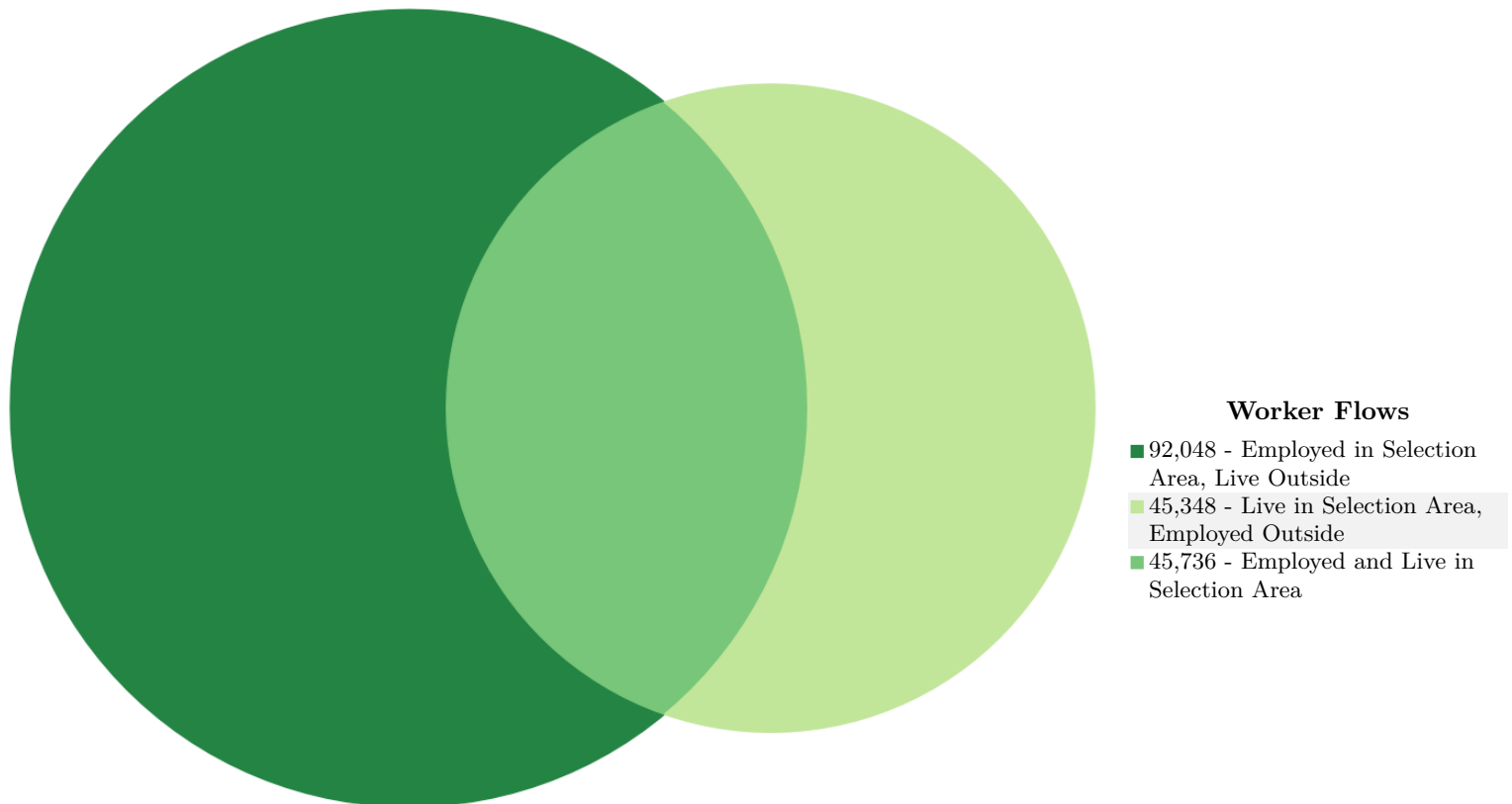
- Employed and Live in Selection Area
- Employed in Selection Area, Live Outside
- Live in Selection Area, Employed Outside

Note: Overlay arrows do not indicate directionality of worker flow between home and employment locations.



Inflow/Outflow Counts of Private Primary Jobs for Selection Area in 2019

All Workers



Inflow/Outflow Counts of Private Primary Jobs for Selection Area in 2019

All Workers

Worker Totals and Flows	2019	
	Count	Share
Employed in the Selection Area	137,784	100.0
Employed in the Selection Area but Living Outside	92,048	66.8
Employed and Living in the Selection Area	45,736	33.2
Living in the Selection Area	91,084	100.0
Living in the Selection Area but Employed Outside	45,348	49.8
Living and Employed in the Selection Area	45,736	50.2

Additional Information

Analysis Settings

Analysis Type	Inflow/Outflow
Selection area as	N/A
Year(s)	2019
Job Type	Private Primary Jobs
Selection Area	Madison city, WI from Places (Cities, CDPs, etc.)
Selected Census Blocks	4,090
Analysis Generation Date	10/07/2022 14:55 - OnTheMap 6.8.1
Code Revision	f9358819d46a60bb89052036516a1c8fe8bbbbeac
LODES Data Version	20211018_1647

Data Sources

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2019).

Notes

1. Race, Ethnicity, Educational Attainment, and Sex statistics are beta release results and are not available before 2009.
2. Educational Attainment is only produced for workers aged 30 and over.
3. Firm Age and Firm Size statistics are beta release results for All Private jobs and are not available before 2011.



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November 19, 2022

City Transportation Department staff have made a number of changes to the proposed new Transportation Demand Management (TDM) program in response to feedback from Smart Growth's members and other stakeholders, and Smart Growth's members greatly appreciate that. However, there still is considerable room for improving this proposal. To improve the proposal, Smart Growth requests the following changes to the ordinance and program.

1. Add a required report and "sunset" provision to the TDM ordinance.

Rationale: Requiring the Transportation Department to gather information from those affected by the new TDM program after it has been implemented for several years is needed to make visible to the future Transportation Commission and Common Council the positive and negative impacts of the new TDM program, especially the negative impacts on commercial tenants, employees of commercial tenants, and apartment residents. Without such a study and report, the positive impacts and the negative impacts on businesses and residents will be invisible to the Transportation Commission, Common Council and most of Madison's residents. The "sunset" provision will ensure that the future Common Council carefully considers this report before deciding whether to keep the TDM program in place or take some other action to address the goals of the TDM program.

Proposed ordinance text:

After three years after the effective date of this ordinance, the Transportation Department shall gather information from at least the following groups of people regarding their experience with the program implementing this ordinance:

- Owners of buildings subject to the program
- Commercial tenants in buildings subject to the program
- Residential tenants in buildings subject to the program
- Commercial brokers.

No later than three and a half years after the effective date of the ordinance, the Transportation Department shall submit to the Transportation Commission and Common Council a written report of the information gathered from people affected by the program. The report also shall include an appendix containing the addresses of all of the buildings subject to this program, the uses in each of the buildings subject to the program, the number of TDM plans submitted for each building, and a statistical summary of how many times each TDM measure was included in all of the TDM plans submitted to comply with the program.

This ordinance will be repealed effective four years from the date it became effective unless before the repeal date the Common Council extends the duration of the program.

2. Remove the provisions in the TDM program document which make the new TDM program apply to uses in existing buildings if the use or sub-use changes after the effective date of the TDM program.

Rationale: The proponents of the proposed new TDM ordinance and program recognize that it will be extremely challenging for the owner of an existing building to propose a TDM plan for a changed use or sub-use that complies with the new TDM program. They have included a two-part “appeals process” to try to address this issue. However, staff can grant the application for a point reduction (up to 5 points) only if the building owner demonstrates it is “impossible” to comply with the new TDM program, and if staff apply that standard literally, most or all applications will be denied, because showing compliance with the TDM program does not make economic sense and would be a hardship is not the same thing as showing compliance is impossible. This will leave the building owner unable to accept new commercial-use or employment-use tenant because it would not make economic sense to comply with TDM program in order to be able to lease the space to the new commercial tenant. This will harm the vitality of commercial nodes in neighborhoods throughout the city. Furthermore, there is no assurance that city staff will act on an application for a point reduction in time to keep the potential new commercial tenant interested in the space in the applicant’s building. Finally, there is no way for a building owner to obtain a point reduction from the Transportation Commission in time to make a difference.

Proposed TDM program document text:

TDM requirements are applicable to all existing structures within the City that are expanded or for which:

- ~~• Uses change from one primary use category to another (e.g. changing from employment to commercial use)~~
- ~~• Sub-uses change from one category to another (e.g. commercial – retail to commercial restaurant)~~
- The total parking on the site is increased
- The primary structure in which the use takes place is expanded.
- The overall composition of uses on the site changes (e.g. a building with 50% employment and 50% commercial, becomes 60% employment and 40% commercial)

3. Clarify that charging residential tenants separately to park a vehicle in the parking structure (e.g., underground parking garage) for an apartment building/complex is sufficient to satisfy the TDM mitigation measure called Unbundle Parking as long as a majority of the parking spaces for the apartment building/complex are contained within the parking structure.

Rationale: In areas of the city outside the Downtown, it is extremely unusual for the owner of an apartment building/complex to attempt to make tenants pay separately for surface parking spaces for a variety of reasons. In areas of the city outside the Downtown, it is common for new apartment buildings/complex to provide most of the parking for the tenants in an underground garage while

providing parking for visitors, deliveries and some of the tenants' vehicles in a surface parking lot. If the developer/property owner must attempt to charge tenants for parking stalls in the surface parking lot for an apartment building/complex where most of the parking spaces are in a parking structure with controlled access in order to satisfy the Unbundle Parking mitigation measure, few if any TDM plans for new apartment buildings/complexes outside the Downtown area will contain the Unbundle Parking mitigation measure. This will make it more challenging for new apartment building/complexes to meet the requirements of the new TDM program, which could discourage housing construction in Madison. Furthermore, if a developer/building owner decided to attempt to charge residential tenants for parking in the surface parking lot in an area outside of the Downtown, the tenants would park their vehicles on the streets in the surrounding neighborhood.

Proposed TDM program document text:

Unbundle Parking	Programmatic	Lease or sell parking separately from residential units or office spaces. Must be optional. Cannot be used in combination with parking fees or cash out. <u>Parking in a surface parking lot for residential units and visitors is exempt from leasing or selling parking separately as long as a majority of the parking spaces for the residential units are in a parking structure and are leased or sold separately.</u>	10
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4. Double the points for certain TDM mitigation measures that the developer/property owner actually can control.

Rationale: Many potential commercial tenants will not lease space in a building where their employees must pay to park (Unbundle Parking) or agree in the lease to perform TDM measures with their employees. This makes it extremely challenging for a developer/owner of a new multi-tenant building that includes employment or commercial uses to be able to simultaneously sign commercial tenants to leases AND be able to submit TDM plan(s) containing enough TDM points to meet the requirements of the new TDM program. Increasing the points for non-parking TDM measures which the developer/property owner actually can control would make it more feasible for the developer/property owner to be able to do both.

Proposed change to TDM program document:

Double the number of points for the following TDM mitigation measures:

- Dedicated access to bike parking (currently 1 point)
- Indoor covered bike parking near entrance (currently 1 point)
- Bicycle maintenance facilities (currently 1 point)
- Clothes lockers and/or showers (currently 1 to 2 points)
- Secure storage room or bicycle lockers (currently 2 points)
- Carpool preferential or free parking (currently 1 point)
- Marketing & information campaign (currently 1 point)

- Active transportation, wayfinding, maps & signage (currently 1 point)
- Alternative transportation kiosk (currently 1 to 2 points)
- Delivery supportive amenities (currently 1 point)
- Package drop-off area (currently 2 points)