



# Memorandum

**TO:** TRANSPORTATION AND ENVIRONMENT COMMITTEE

**FROM:** Erica Garaffo

**SUBJECT:** SEE BELOW

**DATE:** 2/12/24

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Approved

Date

2/22/24

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**SUBJECT: CITY INFRASTRUCTURE STRATEGY QUARTERLY STATUS REPORT**

## **RECOMMENDATION**

Accept a quarterly status report on key workstreams, project highlights and any updates on key workstreams.

## **OUTCOME**

Staff will provide an update on the City Infrastructure Strategy workstreams, the results of the previous Quarter's commitments (October – December 2023), and committed deliverables for the current Quarter (January – March 2024). The Committee will provide feedback to staff on their update.

## **BACKGROUND**

Following the direction of the Mayor's March Budget Message unanimously approved by City Council, the City Manager's Office presented the City Infrastructure Strategy to the Transportation and Environment Committee on June 5, 2023 (and cross-referenced to City Council on September 19, 2023).

The City Infrastructure Strategy focuses on five objectives: Disaster Ready & Climate Smart, Transportation & Aviation, Clean Energy Resilience, Water Resilience, and Natural Environment Restoration. Sixteen (16) workstreams align with these Objectives and represent the most impactful change initiatives underway. This is in addition to the daily service delivery of Core Services.



Successful implementation will require: Addressing inequity and historical disinvestment; identifying ongoing/new local, state, and federal funding sources, and building the team to deliver these outcomes.

**ANALYSIS**

Each of the workstreams is led by workstream drivers who are empowered to define clear and specific Key Results that align with the delivery of each workstream. These Key Results should be measurable, attainable, relevant, and time-bound to a quarterly delivery cycle. Workstream drivers are individuals or teams with the necessary expertise and authority to execute the initiatives and projects related to the objectives.

Each quarter, the workstream drivers and their respective departments develop their committed Key Results for each initiative within the City Infrastructure Strategy. At the end of the quarter, we evaluate each workstream on the completion of their planned Key Results and assign an overall rating of Green, Yellow, or Red. Green means the workstream is solidly on track with no course corrections required, Yellow means the workstream is largely on track but requires minor course correction or problem-solving, and Red means the workstream is off track or has experienced a significant shift in work during the last quarter.<sup>1</sup> Staff uses these scores as part of

<sup>1</sup> Each Key Result is individually scored as Red, Yellow, or Green and then given a score of 0, 1, or 2, respectively. The Average of the Key Results across a work stream are scored as Red if the average is less than 1, Yellow if the average is 1 or greater, and Green if the average is 1.6 or greater.

execution as learning and use these ratings to identify where teams need additional support or a change in direction to be successful.

The image below illustrates the Red, Yellow, and Green color-coded status across the 16 workstreams. In the second Quarter of FY 2023-2024, six workstreams were Green (38%), nine were Yellow (56%), and one was Red (6%).<sup>2</sup> This past quarter saw an increase in yellow workstreams, so the City Manager’s Office convened a meeting with the workstream drivers to check in on their Q3 in-process Key Results. We asked how things were going and if the workstreams were on track this quarter. For most of the workstreams, staff demonstrated how they had pivoted from the previous quarter and are on their way to meeting their committed deliverables. We anticipate a much higher completion rate for Q3.



The workstream of *Seismically Safe "Soft Story" Apartments* was given a Red status because of additional community outreach requested by the Housing and Community Development Committee resulted in missing a deadline to finalize ordinance language. While a delay, the additional outreach will ensure a more vetted and complete draft ordinance. Specifically, Staff planned to finalize the Mandatory Safe Soft Story Apartment ordinance language by December 2023. However, this timeline was delayed because the Housing and Community Development Committee created an Ad Hoc Committee to research soft story seismic retrofit policies and

<sup>2</sup> If we dig down one level deeper to the Key Result level, there were 52 Key Results across the 16 workstreams. Of these 52 Key Results, teams completed 29 (56%), partially completed another 16 (31%), and did not complete 7 (13%).

programs and incorporate the findings into the proposed ordinance. The Committee also requested staff conduct additional outreach via the Housing Provider’s Roundtable scheduled for January 2024. Staff intended to update the Housing and Community Development Committee on outreach efforts and a draft ordinance in December, but this was pushed out to February to incorporate any feedback from the Housing Provider’s Roundtable.

The completion status for all the individual Key Results within each workstream is detailed in Appendix A.

A snapshot of October to December 2023 (Q2) significant accomplishments is listed below:

- **Prepare the City for the Next Disaster:** Completed planning process for a Q3 city-wide Continuity of Operations Plan (COOP) Exercise
- **SJC Airport New Terminal:** Established Guaranteed Max Price for the Airport Facilities Building Relocation Project
- **BART Silicon Valley:** Secured final funding from State/Region to complete the project's Federal Funding Plan.
- **Vehicle Blight:** Improved customer satisfaction per City Council-approved plan with Vehicle Abatement customer satisfaction increasing (from 35% Q1) to 40%.
- **Municipal Microgrids and Electrical Service:** Filed Interconnection Applications for interconnections at two to-be-constructed LS Power High-Voltage Transmission Terminals.
- **EV Fleet/Charging Infrastructure:** Developed Scope of Work, RFP and awarded contract for the EV Fleet Master Plan development.
- **Water Supply:** Presented a plan to develop a Direct Potable Reuse Facility at the Joint City Council Valley Water Board meeting and confirmed commitment by elected officials to continue working toward our aligned interests to secure drought-proof water supply.
- **Community Forest:** Planted 300 trees (1900 total planted thus far this Fiscal Year)

The in-progress January through March 2024 (Q3) Key Results are detailed in Appendix B.

## **CONCLUSION**

Staff continues to make significant progress on the 16 Workstreams in the City Infrastructure Strategy and pending available resources, staff plans to come forward with recommended investments as part of the FY24-25 budget process. Staff will return to the Transportation & Environment Committee in June 2024 to provide the next update on the Q3 Key Results and in-process April through June (Q4) Key Results.

## **COORDINATION**

This memo has been coordinated with the Planning, Building, and Code Enforcement Department, Environmental Services Department, Department of Public Works, Airport Department, Energy Department, Department of Transportation, the City Attorney's Office, the City Manager's Budget Office, and Office of Emergency Management.

/s/  
ERICA GARAFFO  
Assistant to the City Manager,  
City Manager's Office

For questions, please contact Erica Garaffo, Assistant to the City Manager, at [erica.garaffo@sanjoseca.gov](mailto:erica.garaffo@sanjoseca.gov).

## **ATTACHMENTS**

Appendix A – City Infrastructure Objectives and Key Results Q2 Scored (October - December 2023)

Appendix B – City Infrastructure Objectives and Key Results Q3 In Progress (January - March 2024)

Appendix A – City Infrastructure Objectives and Key Results Q2 Scored (October - December 2023)

*Objective: Disaster Ready and Climate Smart*

**Prepare the City for the Next Disaster:**

1. Convene the Emergency Services Council. **NOT COMPLETED.**
2. Relocate OEM/EOC to the new EOC/FTC on Senter Rd. **NOT COMPLETED.**
3. Receive comments on MJHMP from State/FEMA. **COMPLETED**
4. Complete planning process for January city-wide COOP Exercise. **COMPLETED.**
5. Publish 5 Emergency Operations Plan Annexes (Damage Assessment; Debris Management; Care and Shelter; Evacuation, and Community Recovery) and 1 Plan (Multi-Year Training & Exercise Plan). **PARTIALLY COMPLETED.**

**Seismically Safe “Soft Story” Apartments:**

1. Finalize Mandatory Safe Soft Story Apartment ordinance language. **PARTIALLY COMPLETED**
2. Update to Housing and Community Development Committee in December on outreach efforts and draft ordinance. **NOT COMPLETED.**

**Shoreline Levee (Sea Level Rise):**

1. Signed Letter of Intent on agreed upon alignment and negotiated agreement for Reaches 4 & 5. **PARTIALLY COMPLETED.**

**Climate Smart Decarbonization & Mitigation:**

1. Submit Council-approved Reach Code to California Energy Commission and Building Standards Council to finalize. **NOT COMPLETED.**
2. Execute service order and initiate update to the Climate Smart San Jose plan to include the City's carbon neutrality by 2030 goal and to make other administrative updates. **COMPLETED.**

*Objective: Transportation & Aviation*

**SJC Airport New Terminal:**

1. Advertise and Score the Belly Freight RFQ and finalize the RFP for issuance. **PARTIALLY COMPLETED.**
2. Establish Guaranteed Max Price for the Facilities Building Relocation Project. **COMPLETED.**
3. Develop preliminary scope for the Terminal B Parking Garage Expansion Project. **PARTIALLY COMPLETED.**

**BART Silicon Valley Extension:**

1. Complete reviews of PayPal Park Event Management and other supplemental plans for VTA CP2 CTMP1. **COMPLETED.**
2. Review VTA CP2 CTMP4 development for 28th St./Little Portugal & East Portal: Early Work/Tunneling & Major Construction. **NOT COMPLETED.**

3. Advance reviews of various VTA Contract Package 2 (CP 2) Tunnel & Trackwork design packages (received by October 31, 2023). **COMPLETED**.
4. Secure final funding from State/Region to complete the project's Federal Funding Plan (MTC decision anticipated October 25, 2023). **COMPLETED**.

**Vehicle Blight:**

1. December 2023 T&E - Blight Status Report: Provide a status report on vehicle blight response and service improvements that enhance prioritized outcomes and resident satisfaction. **COMPLETED**.
2. Complete 1,500 additional Pilot Program Investigations (Q1: 1,500 + Q2: 1,500 = 3,000 Total). **COMPLETED**.
3. Publish Vehicle Blight-Extended Parking Stay (72-hour) Pilot Program Outcomes dashboard. **COMPLETED**.
4. Improve customer satisfaction per City Council-approved plan with Vehicle Abatement customer satisfaction increasing (from 35% Q1) to 40%. **COMPLETED**.
5. "Working Near and Engaging with Vulnerable Populations" Training development complete and phase I training scheduled. **PARTIALLY COMPLETED**.

**Diridon Station and Airport Connector:**

1. Present framework for Diridon Station governance/organization to, and seek input on potential alternatives for the Business Case from the Diridon Joint Policy Advisory Board (November 2023). **COMPLETED**.
2. Return to City Council in December with a recommended initial approach to an extension in the Stevens Creek corridor. **NOT COMPLETED**.

*Objective: Clean Energy Resilience*

**Municipal Microgrids and Electrical Service:**

1. Develop Microgrids General Funding Request and updated staffing cost using PPA for at least 30 site. **COMPLETED**.
2. Develop PPA purchase scope and sources of funding; **PARTIALLY COMPLETED**.
3. Meet with staff to begin developing options for plan of service to serve municipal load at Airport/Diridon Station and RWF Lands (how, where and what loads). **COMPLETED**.
4. File Interconnection Applications for those options (2 ea location). **COMPLETED**.

**Electric Vehicle Fleet/ Charging Infrastructure:**

1. Stand up working team with regular cadence, governance and agreed upon roles/assignments to begin working through prioritized Roadmap of initiatives. **COMPLETED**.
2. Develop SOW, conduct RFP, and award consultant for EV Fleet Master Plan development. **COMPLETED**.
3. Meet with third-party charging providers to understand opportunities to meet City goals on fleet electrification and providing affordable rates to low-income drivers. **COMPLETED**.

4. Develop a GIS-based EV infrastructure siting and analysis tool to evaluate proposed EVSE at key priority locations and facilitate site/area analysis to support grant applications. **PARTIALLY COMPLETED.**
5. Develop a coordinated strategy for EV infrastructure grant applications for FY23-24, including EVSE for both public and fleet access, and EVSE for electric micro-transit and micro mobility in underserved communities. **COMPLETED.**

**City Wide Building Electrification:**

1. Complete residential building electrification accelerator program design and outreach plan. **PARTIALLY COMPLETED.**
2. Support submissions for at least \$500,000 in external funding for building electrification efforts in San Jose. **COMPLETED.**
3. Complete consultant service orders to evaluate funding and policy opportunities in preparation for a building electrification study session. **COMPLETED.**

*Objective: Water Resilience*

**Municipal Regional Permit (Stormwater):**

1. Seek Water Board approval of Direct Discharge Trash Control Plan. **PARTIALLY COMPLETED.**
2. Advise Water Board on C.3 Amendment hearing regarding Green Infrastructure requirements for affordable and emergency interim housing. **COMPLETED.**
3. Provide update on Stormwater Permit at T&E. **COMPLETED.**
4. Prepare MOU for signature between ESUHSD and City for EPA Environmental Stewardship Program. **PARTIALLY COMPLETED.**
5. Develop initial cost estimate of existing work (per C.20) and comprehensive Budget proposal for additional work required for stormwater permit compliance. **NOT COMPLETED.**

**Sanitary & Storm Sewer Collection Systems + Green Stormwater Infrastructure:**

1. Confirm funding source and issue a Service Order for a consultant to review and analyze funding needs to support storm's capital program, infrastructure backlog, and regulatory requirements; **PARTIALLY COMPLETED.**
2. Decide on stormwater revenue approach. **PARTIALLY COMPLETED.**
3. Go/no-go on developing a design for new GSI facility on City Lands South of Phelan based on feasibility study and cost estimate. **COMPLETED.**

**Water Supply:**

1. Lead/Participate with Valley Water in a direct potable reuse project discussion at the 12/15/23 Joint Recycled Water Policy Advisory Committee. **COMPLETED.**
2. Lead/Participate with Valley Water staff in prioritizing conservation as the most cost effective water supply option, obtaining long term water supply from SFPUC with benefits for both City and VW, recycled water usage, water rates, and DPR demonstration facility discussions, along with efforts to effectively communicate on the timeline, project size and scope, and steps in developing a DPR facility at the Joint City



Council/VW Board meeting on 11/17/23. **COMPLETED.**

*Objective: Natural Environment Restoration*

**Community Forest (Urban Tree Canopy):**

1. Formalize scope and accept \$5.6 million grant award from USFS. **PARTIALLY COMPLETED.**
2. Submit budget requests for grant support and implementation. **COMPLETED.**
3. Formalize agreement/partnership with the Western Chapter of the International Society of Arboriculture and Cal Fire for a tree care public awareness campaign release in Q4. **COMPLETED.**
4. Plant 300 trees. **COMPLETED.**

**Protect Coyote Valley Open Space:**

1. Completion of existing conditions/baseline assessment report and completion of land use and economic report for Coyote Valley Corridor Study (CVCS). **PARTIALLY COMPLETED.**
2. Facilitate second round of focus groups with stakeholders for Coyote Valley Corridor Study (CVCS). **PARTIALLY COMPLETED.**

Appendix B – City Infrastructure Objectives and Key Results Q3 In Progress (January – March 2024)

City Infrastructure Objectives	Work Stream (Driver)	Q3 Key Results (January – March 2024)
<b>Disaster Ready &amp; Climate Smart</b>	<b>Prepare the City for the Next Disaster</b> Alvin Galang	1. Relocate OEM/EOC to the new EOC/FTC on Senter Rd. 2. Conduct city-wide COOP Trainings 3. Conduct COOP Tabletop Exercise 4. Finalize COOP Plan
	<b>Seismically Safe "Soft Story" Apartments</b> Lisa Joiner	1. Update to Housing and Community Development Committee in February on outreach efforts and draft ordinance. 2. Update to CED Committee in March with draft ordinance.
	<b>Shoreline Levee (Sea Level Rise)</b> Kip Harkness	1. Convene Shoreline Executive Team to discuss deal points. 2. Come to an agreement on the two deal points hindering the signing of the Letter of Intent.
	<b>Climate Smart Decarbonization &amp; Mitigation</b> Julie Benabente	1. Submit Council-approved Reach Code to Building Standards Council to finalize 2. Finalize project roadmap for the Climate Smart San Jose plan update.
<b>Transportation &amp; Aviation</b>	<b>SJC Airport New Terminal</b> John Aitken / Katherine Brown	1. Advertise and score the Belly Freight RFQ and finalize the RFP for issuance 2. Break ground on the Police Department Air Support Unit Hangar Project
	<b>BART Silicon Valley Extension</b> Jessica Zenk/ J. Guevara	1. Review VTA CP2 CTMP4 for 28th St./Little Portugal & East Portal (To be submitted by VTA in March). 2. Implement PayPal Park Event Management and other supplemental plans for VTA CP2 CTMP1. 3. Coordinate with VTA on the 3D spatial GIS model of the project tunnel to provide tunnel protection zone information to inform building permit processes. 4. Review engineering for 60% design completion for station locations.

	<p><b>Vehicle Blight</b> Heather Hoshii</p>	<ol style="list-style-type: none"> <li>1. Complete SJ311 Vehicle Concerns backend systems and app development and complete testing phase in preparation for new service launch (end March 2024).</li> <li>2. Complete 1,500 additional Pilot Program Investigations (Q1: 1,500 + Q2: 1,500 + Q3: 1,500 = 4,500 Total).</li> <li>3. Maintain Vehicle Abatement 40% customer satisfaction ratings per City Council-approved plan.</li> <li>4. "Working Near and Engaging with Vulnerable Populations" Training development complete and phase I training scheduled (Deferred from Q2)</li> </ol>
	<p><b>Diridon Station and Airport Connector</b> Jessica Zenk</p>	<ol style="list-style-type: none"> <li>1. Present Integrated Team Organization, and ongoing station alternative and key components development to Joint Policy Advisory Board (Feb meeting)</li> <li>2. Develop Airport Connector Pre-development Agreement Deliverables (study alignment, concept design, progress memo)</li> <li>3. Return to City Council with a recommended initial approach to an extension in the Stevens Creek corridor (Jan 9th meeting)</li> </ol>
<p><b>Clean Energy Resilience</b></p>	<p><b>Municipal Microgrids and Electrical Service</b> Carol Boland/ Jim Caldwell</p>	<ol style="list-style-type: none"> <li>1. Select Feasibility Analysis vendor and contract initiation for MicroGrids PPA Feasibility Analysis</li> <li>2. Assist microgrids' inclusion in the regional Priority Climate Action Plan (PCAP) and go/no-go countywide collaborative CPRG application.</li> <li>3. Meet with potential customer loads to serve around the main lines, particularly anchor tenants.</li> <li>4. Develop load forecasts to map to transmission development with the goal of aggregating load.</li> </ol>
	<p><b>Electric Vehicle Fleet/ Charging Infrastructure</b> Zach Struyk/ Walter Lin/ Ramses Madou</p>	<ol style="list-style-type: none"> <li>1. Comply with Advanced Clean Fleets regulation for fleet procurement (submission by 3/31)</li> <li>2. Conduct initial stakeholder engagement and review site engineering constraints/alignment with the San Fernando Street redesign project to support the development of conceptual mobility hub designs.</li> <li>3. Update green fleet policy</li> <li>4. Prepare general fund budget proposals for fleet electrification and EV charging</li> </ol>
	<p><b>City Wide Building Electrification</b> Julie Benabente/ Kate Ziemba</p>	<ol style="list-style-type: none"> <li>1. Complete residential building electrification accelerator program program design and outreach plan</li> <li>2. Execute agreement for Energy Efficiency Conservation Block Grant funding for building electrification efforts in San Jose</li> <li>3. Finalize 2024 SJCE Building Electrification program design</li> </ol>

<b>Water Resilience</b>	<b>Municipal Regional Permit (Stormwater)</b> Rajani Nair	1. Seek Water Board approval of City's Direct Discharge Plan 2. Coordinate and submit budget needs to satisfy Stormwater Permit compliance requirements 3. Finalize draft ordinance and policy per C.3 amendment
	<b>Sanitary &amp; Storm Sewer Collection Systems + Green Stormwater Infrastructure</b> Mathew Nguyen/ Jeff Provenzano	1. Submit CIP Budget Proposal for 831 Small and medium trash capture devices; 2. Submit Budget Proposal for Stormwater Funding Approach 3. Report out final decision for City Lands South of Phelan and whether the City should pursue other smaller GSI opportunities for better cost benefit and constructability 4. Provide PW cost and construction data to CAO to determine amount of Consent Decree obligation that has been fulfilled and how to complete remainder.
	<b>Water Supply</b> Jeff Provenzano	1. Submit Budget Proposal for Purified Water Team (Deputy Director, Senior Environmental Program Manager, Supervising Env. Service Specialist) to support Valley Water's purified water project and lead City negotiations over a three year period. 2. Negotiate with Valley Water on cost sharing agreement to fund the BP for the Purified Water Team
<b>Natural Environment Restoration</b>	<b>Community Forest (Urban Tree Canopy)</b> Sara Davis	1. Accept grant award from USFS, planned council date in March 2. Commence tree care public awareness campaign 3. Plant 300 trees
	<b>Protect Coyote Valley Open Space</b> Brent Carvalho	<u>Coyote Valley Corridor Study (CVCS)</u> 1. Completion of existing conditions/baseline assessment report and completion of land use and economic report. 2. Facilitate second round of focus groups with stakeholders