



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow

SUBJECT: See Below

DATE: April 21, 2025

Approved

Date:

5/2/2025

COUNCIL DISTRICT: 3, 4

**SUBJECT: Acceptance of Federal One Bay Area Grant Funds from the
Metropolitan Transportation Commission**

RECOMMENDATION

Approve the following actions to accept and receive \$3,654,000 in federal grant funds from the Metropolitan Transportation Commission:

- (a) Adopt a resolution authorizing the City Manager or her designee to negotiate and execute grant agreements and all documents necessary to effectuate the grant agreements for the following projects:
 - (1) Better Bikeway San Fernando - \$2,233,000 in One Bay Area Grant funds awarded through the Housing Incentive Pool, with a local match requirement of \$289,309; and
 - (2) Downtown Bikeways Quick Strike - \$1,421,000 in One Bay Area Grant funds through the Housing Incentive Pool, with a local match of \$184,106.
- (b) Adopt a Resolution of Local Support that demonstrates the City will take the necessary assurances to implement the Better Bikeway San Fernando and the Downtown Bikeways Quick Strike projects in compliance with the submitted application and will follow the Metropolitan Transportation Commission Funding Delivery Policy and the grant program requirements.

SUMMARY AND OUTCOME

Acceptance of the recommendation will enable the City of San José (City) to receive federal One Bay Area Grant funds for the following projects:

1. \$2,233,000 for the Better Bikeway San Fernando project; and
2. \$1,421,000 for the Downtown Bikeways Quick Strike project.

The federal grant funds will support implementing projects and programs that address key City priorities and goals of safety, multimodal mobility, and equity.

BACKGROUND

The City's Department of Transportation actively pursues grant funds for projects that support City and departmental goals. The City has been informed that both of the grant requests submitted have been approved for grant funding by the Metropolitan Transportation Commission. Acceptance of the grant funds will allow the City to implement projects that will help advance our Better Bike Plan 2025, equity, transportation mode shift, and Vision Zero safety goals.

ANALYSIS

The One Bay Area Grant program was adopted by the Metropolitan Transportation Commission in May 2012 to better integrate the region's federal transportation program with California's climate law (Senate Bill 375, Steinberg, 2008) and the Sustainable Communities Strategy. The One Bay Area Grant program was adopted in January 2022 to fund projects and programs that improve safety, spur economic development and help the Bay Area meet climate change and air quality improvement goals.

The Housing Incentive Pool, funded through the One Bay Area Grant program, provides transportation grants to promote the production and preservation of affordable housing. Through the Housing Incentive Pool, the Metropolitan Transportation Commission seeks to make progress on the region's affordable housing targets by leveraging transportation funding and incentivizing local jurisdictions to build more affordable housing units. The Housing Incentive Pool recently awarded \$71 million in transportation funds to the top 15 jurisdictions that produced or preserved the greatest number of qualifying affordable housing units from 2018 through 2022. During this time frame, the City created 621 new affordable housing units and preserved four, for a total of 625 units. This amounted to approximately 5.15% of affordable housing units in the Bay Area, and as such, the City was awarded with \$3,654,000 (5.15%) of the \$71 million available under the Housing Incentive Pool.

The Metropolitan Transportation Commission requires grant awardees to adopt a Resolution of Local Support as a requirement of the grant award process.

Upon City Council approval, the City will finalize efforts to enter into the required agreements with the Metropolitan Transportation Commission. This would allow the City

to receive federal grant funding to support City efforts to attain our Better Bike Plan 2025, equity, transportation mode shift, and Vision Zero safety goals.

Better Bikeway San Fernando

This project is along San Fernando Street from Almaden Boulevard to 11th Street. The project will implement bicycle and pedestrian safety improvements, including upgrading crosswalks, modifying five traffic signals, installing Class IV separated bike lanes along the corridor that physically separate people on bicycles from vehicle motor traffic, installing Dutch-style protected intersections, and upgrading curb ramps to be compliant with the Americans with Disabilities Act.

Downtown Bikeways Quick Strike

This project will upgrade existing temporary bicycle facilities along the following downtown locations.

1. Third Street from St. James Street to Keyes Street;
2. Fourth Street from Julian Street to Reed Street;
3. San Salvador Street from Fourth Street to 10th Street;
4. Second Street from Reed Street to Keyes Street; and
5. Taylor Street / Mabury Road from 21st Street to Lenfest Road.

This project will enhance existing facilities to create a connected network of Class IV (separated) and Class III (bike boulevard) all-ages-and-abilities bikeways. This project will build on the success of the Better BikewaySJ project. After six years of interim design, the plastic bollards used for Class IV protection are showing significant wear, and bike lanes are frequently blocked by non-compliant parking and loading vehicles. This project will add surface concrete curbs, which will improve the safety and operations of the Class IV protected bicycle facilities and make the street design easier to understand for all users.

Climate Smart San José Analysis

This memorandum's recommendation aligns with the Climate Smart San José mobility goals. The grant funds allow the Department of Transportation to implement projects that increase sustainable mobility options and improve transportation safety for all roadway users, which may encourage more people to walk and bike, thereby supporting Climate Smart San José goals to reduce vehicle miles traveled and associated greenhouse gas emissions by 2040.

EVALUATION AND FOLLOW-UP

No additional follow-up actions with the City Council are expected.

COST SUMMARY/IMPLICATIONS

Grant funds are being recommended as part of the 2026-2030 Proposed Budget to be programmed in the Building and Structure Construction Tax Fund.

Projects will be funded through \$3,654,000 in federal grant funds, with an 11.47% local match requirement of \$473,415. Local match funds are already programmed into appropriations for the San Fernando Better Bikeway (A417G) and for the Downtown Bikeways Quick Strike (A423V) projects. The cost of these projects increased during the design process due to inflation and unanticipated costs, and therefore, the City has previously added additional local funds through the Traffic Capital Improvement Program to cover the funding shortfalls.

To minimize the need for Traffic Capital Improvement Program funds to cover project cost increases, the City applied for and received additional funding through the Housing Incentive Pool to offset these increases. Since the Capital Improvement Program funds have already been allocated, no additional match funding is required. The new awards will reduce the total Capital Improvement Program funds needed for these projects, due to the \$3,654,000 in grant funds secured by the department. The resulting Capital Improvement Program funds can be used as local match and/or fill funding gaps on other projects throughout the City.

Expenditures and Revenues by Fiscal Year**Better Bikeways San Fernando** (Housing Incentive Pool Award)

Expenses	FY 2025-2026	FY 2026-2027	Total
Staffing	\$0	\$0	\$0
Contract	\$1,433,000	\$800,000	\$2,233,000
Grant Subtotal	\$1,433,000	\$800,000	\$2,233,000
Local Match	\$185,511	\$103,798	\$289,309
Project TOTAL	\$1,618,511	\$903,798	\$2,522,309
Total Reimbursable Revenue	\$1,433,000	\$800,000	\$2,233,000

Downtown Bikeway Quick Strike (Housing Incentive Pool Award)

Expenses	FY 2025-2026	FY 2026-2027	Total
Staffing	\$0	\$0	\$0
Contract	\$821,000	\$600,000	\$1,421,000
Grant Subtotal	\$821,000	\$600,000	\$1,421,000
Local Match	\$106,106	\$78,000	\$184,106
Project TOTAL	\$927,106	\$678,000	\$1,605,106
Total Reimbursable Revenue	\$821,000	\$600,000	\$1,421,000

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office, and the Planning, Building, and Code Enforcement Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the May 13, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER24-313, CEQA Guideline Section 15301(c) Existing Facilities.

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PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

JOHN RISTOW

Director of Transportation

For questions, please contact Devin Gianchandani, Senior Transportation Specialist, at devin.gianchandani@sanjoseca.gov.