



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow

**SUBJECT: SAN JOSE DIRIDON STATION
INTEGRATED CONCEPT PLAN**

DATE: April 4, 2022

Approved

Date

04/08/22

COUNCIL DISTRICTS: 3, 6

RECOMMENDATION

Adopt a resolution authorizing the City Manager or designee to:

- (a) Execute the Second Amended and Restated Cooperative Agreement with the Santa Clara Valley Transportation Authority (VTA), the Peninsula Corridor Joint Powers Board (Caltrain), the California High-Speed Rail Authority, and the Metropolitan Transportation Commission (MTC) related to the Diridon integrated Station Concept Plan to:
 - (1) Extend the term of the agreement to June 30, 2025; and
 - (2) Amend the Scope of Agreement.
- (b) Negotiate and execute future extensions to this cooperative agreement for up to two additional five-year terms, extending until June 30, 2035.

OUTCOME

Approval of a revised cooperative agreement for continued work on the Diridon Integrated Station Concept (DISC) Plan (Concept Plan) and authority for the City Manager or designee to extend this cooperative agreement in the future.

BACKGROUND

When BART, commuter rail, high-speed rail, light rail, and supporting bus services converge, the Diridon Station will support more high-capacity transit connections than any other place in the Bay Area. In order to plan for the substantial growth of Diridon Station, the City of San José, Caltrain, VTA, and the California High-Speed Rail Authority formed a public agency partnership via a Cooperative Agreement in July 2018. MTC joined the partnership in 2020. Cumulatively, these five entities are referred to as the Diridon Partner Agencies.

On January 28, 2020, City Council adopted the preferred Concept Layout for the Diridon Station area. The site boundaries were established in March 2021 (DISC Conceptual Transit Boundary Line, see Figure 1 below), that includes Lincoln Avenue and Bird Avenue to the south; Stockton Street, White Avenue, Laurel Grove Lane, and Dupont Street to the west; West Taylor Street to the north; and Coleman Avenue and Cahill Street to the east. The railroad right-of-way is owned and operated by Caltrain. The surrounding development area is generally within the City of San Jose's Diridon Station Area Plan, and 80-acres near the station has been entitled by Google for the Downtown West development.

On March 1, 2022, City Council directed staff to:

- 1) explore adding the following language in the next DISC Cooperative Agreement:
"Diridon Station is recognized as a historic and cultural resource listed in the National Register of Historic Places, a designated San José City Landmark, and subject to a preservation covenant held by the South Bay Historical Railroad Society;" and
- 2) proactively plan, to the furthest extent possible, the future of the historic Diridon Station building as part of the next phase of the DISC work.

The language under #1 above as added as Recital B to the amended cooperative agreement.

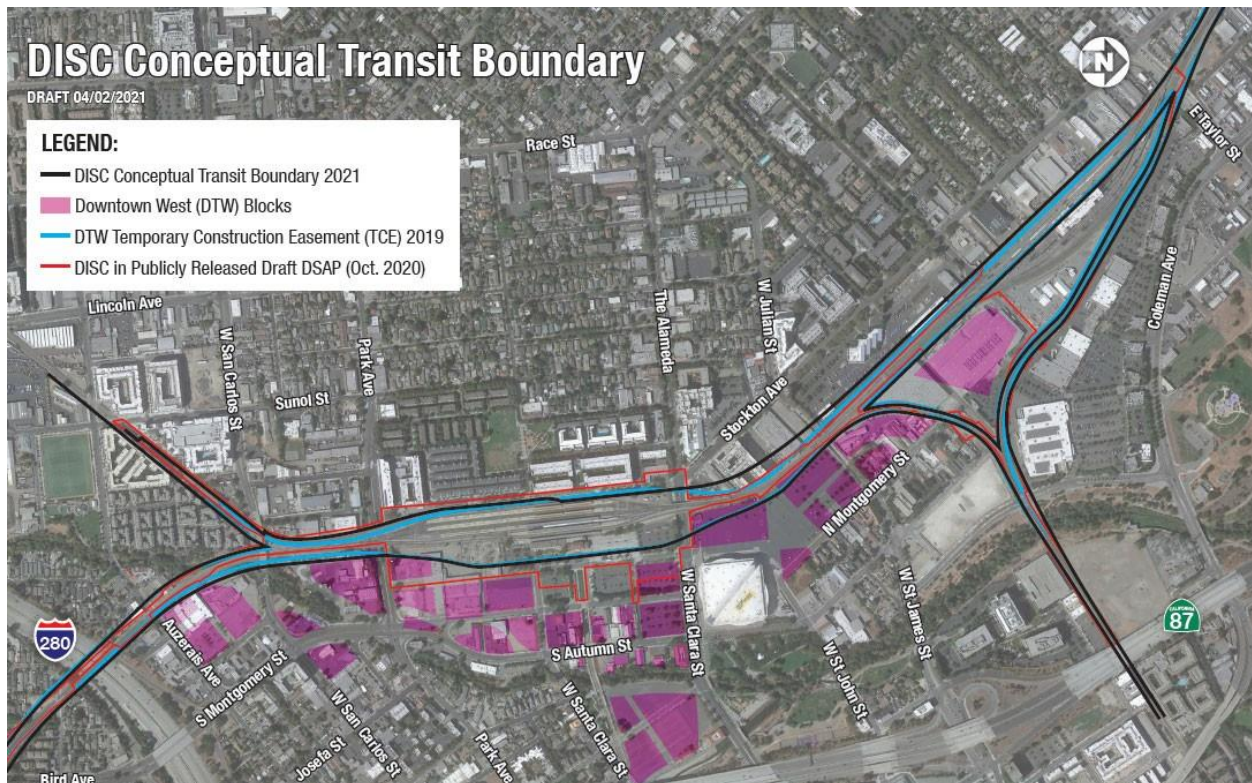


Figure 1: Diridon Integrated Station Concept Plan (DISC) Conceptual Transit Boundary

Major capital project development is continuing at Diridon Station. Interfacing projects include: BART to Silicon Valley Phase II extension, Airport connector, California High-Speed Rail, and the Downtown West project. As part of the Concept Layout, the DISC program will require changes to various built elements within the station area, including the historic train depot, which will be prioritized for study as directed by City Council; Pacific Gas and Electric's Substation A; VTA light rail; relocation of the Caltrain maintenance facility; and elevation of Diridon Station platforms and tracks.

ANALYSIS

This Second Amended and Restated Cooperative Agreement will allow the Diridon Partner Agencies to continue and amend its scope of agreement on DISC. For the remainder of 2022 and through 2023, the Diridon Partner Agencies plan to focus on the following activities:

1. Continued study of the various physical elements within the station vicinity.

Through the first phase of the process, the Diridon Partner Agencies determined that realizing the potential of Diridon Station and the Concept Layout requires implementing a full "program of interrelated projects" (hereinafter "program of projects"). This program of projects includes both comprehensive rail corridor planning for San José and the South Bay, as well as site-specific design and engineering work relating to individual facilities that will need to be modified to accommodate the future redesign of Diridon Station. This includes the existing historic depot, PG&E's Substation A, and the Caltrain maintenance facility.

2. Development of a "Business Case" for the Diridon Station program.

The recommended action will also allow the Diridon Partner Agencies to begin work on a business case for the Diridon Station Program. Per Metrolinx in Toronto, a business case "is a comprehensive collection of evidence and analysis that sets out the rationale for why an investment should be implemented to solve a problem or address an opportunity." Given the scale of the investments needed to carry out the ultimate vision for the future Diridon Station, the Diridon Partner Agencies feel that it is imperative to carry out a study of this nature. This study will identify the current status of the contingent, adjacent, and program of projects in order to define the scale of DISC relative to cost and schedule, priority actions, tradeoff considerations, and agreement on a DISC project for implementation.

3. Development of a unified model for organization and governance to carry the project forward through environmental review and project delivery.

In concert with the business case, the Diridon Partner Agencies will also work together in the coming phase of the project to develop an effective organizational structure for the development and implementation of the DISC program. This organizational structure is needed to prepare the

participating agencies to make explicit arrangements for environmental and other regulatory compliance, and to support the development of a practical full funding plan. This organizational work will also detail how DISC work within the immediate station area will relate to broader rail corridor planning efforts, both citywide and regionally.

CONCLUSION

The Second Amended and Restated Cooperative Agreement will allow critical work on the Diridon Integrated Station Concept Plan to continue.

EVALUATION AND FOLLOW-UP

The Diridon Partner Agencies will continue to provide periodic updates to the Transportation and Environment Committee and/or City Council at key milestones in the Concept Plan's development.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum aligns with one or more Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

The Diridon Partner Agencies have carried out significant public outreach as part of this project, including many public meetings and regular presentations to the decision-making bodies of each of the Diridon Partner Agencies. Regular presentations to the VTA-organized Joint Policy Advisory Board and the City's Diridon Station Area Advisory Group have been a key part of this endeavor. Outreach has also included pop-up booths at Diridon Station, a community survey, and a virtual town hall meeting.

As a result of the coronavirus pandemic and Santa Clara County's associated shelter-in-place orders, public engagement activities since March 2020 have changed in format. Online and pre-recorded meetings have taken the place of in-person events. As pandemic restrictions are relaxed, opportunities for in-person engagement will return. Additional information on past and upcoming engagement activities can be found at <https://www.diridonsj.org/disc>.

COORDINATION

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

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

COST SUMMARY/IMPLICATIONS

Funding for this project is defined through the City's budget process and formalized through separate funding agreements with the Diridon Partner Agencies.

Under the revised Cooperative Agreement, any agency may solicit, contract with, and manage future consultants to further develop and advance the Concept Plan, and the Diridon Partner Agencies will strive to share costs and provide funding equally. Actual costs incurred for professional services are subject to limits agreed among the Diridon Partner Agencies as provided in specific funding agreements related to such activities.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/
JOHN RISTOW
Director of Transportation

For questions, please contact Eric Eidlin, Department of Transportation Station Planning Manager, at (408) 643-5147.