



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow

SUBJECT: See Below

DATE: November 25, 2024

Approved:

Date:

12/4/24

COUNCIL DISTRICT: Citywide

**SUBJECT: Acceptance of Federal Grant Funds from the United States
Department of Transportation, the United States Environmental
Protection Agency, and the Metropolitan Transportation Commission**

RECOMMENDATION

Approve the following actions to accept and receive federal grant funds:

- a) Adopt a resolution authorizing the City Manager or her designee to negotiate and execute grant agreements and all documents necessary to effectuate the following grant agreements with the:
 - 1) United States Department of Transportation in an amount not to exceed \$1,550,000 in Innovative Finance and Asset Concession grant funds with a local match of \$550,000, for the San José Diridon Station to Airport Connector Project;
 - 2) United States Environmental Protection Agency, in an amount not to exceed \$1,000,000 in Environmental Justice Government-to-Government Program grant funds, for the Bikeshare to La Plaza: An Environmental Justice - Community Planning Bikeshare Extension Project to East San José; and
 - 3) Metropolitan Transportation Commission, in an amount not to exceed \$1,700,000 in One Bay Area Grant funds for the San José Speed Safety Camera Campaign.
- b) Adopt a Resolution of Local Support that demonstrates the City will take the necessary assurances to implement the San José Speed Safety Camera Campaign project 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 grant funds will provide the City with federal grant funds for the following projects:

- 1) \$1,550,000 in Innovative Finance and Asset Concession grant funds for the San José Diridon Station to Airport Connector Project;
- 2) \$1,000,000 in Environmental Justice Government-to-Government Program grant funds for the Bikeshare to La Plaza: An Environmental Justice Community Planning Bikeshare Extension Project to East San José; and
- 3) \$1,700,000 in One Bay Area Grant funds for the Regional Speed Safety System Campaign.

The federal grant funds will support the implementation of 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. Recently, the Department of Transportation submitted the following grant applications for consideration of federal funding.

1. Funding request of \$1,550,000 to the United States Department of Transportation for consideration of Innovative Finance and Asset Concession grant funds for the San José Diridon Station to Airport Connector Project;
2. Funding request for \$1,000,000 to the United States Environmental Protection Agency for consideration of Environmental Justice Government-to-Government Program grant funds for the Bikeshare to La Plaza: An Environmental Justice Community Planning Bikeshare Extension Project to East San José; and
3. Funding request of \$1,700,000 to the Metropolitan Transportation Commission for consideration of One Bay Area Grant funds for the Regional Speed Safety System Campaign.

The City has been informed that all three of these grant requests have been approved for grant funding by the respective granting agencies. 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 Innovative Finance and Asset Concession grant program was authorized by the federal Bipartisan Infrastructure Law to support public entities in exploring innovative financing and delivery opportunities, including facilitation and evaluations of public-private partnerships for Transportation Infrastructure Finance and Innovation Act eligible projects.

The Environmental Justice Government-to-Government program, administered through the United States Environmental Protection Agency, is funded through the Inflation Reduction Act and provides funding at the state, local, territorial, and tribal level to support government activities that lead to measurable environmental or public health impacts in communities disproportionately burdened by environmental harms.

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 current, third cycle of 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 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 granting agencies that would allow the City to be eligible 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.

San José Diridon Station to Airport Connector Project

The San José Diridon to Airport Connector project would build a dedicated transitway connecting those two important regional transportation hubs. This would reduce the travel time between Diridon Station and Terminal B of the San José Mineta International Airport from around 40 minutes currently, to under 11 minutes. The connector project is being pursued through a multiple phase pre-development agreement and is currently finishing phase 1. City Council will decide in early 2025 whether to advance the project into phase 2. The grant funding would only be spent if City Council moves into phase 2. The Innovative Finance and Asset Concession grant funds would contribute towards the funding of environmental review and design phase of the project.

Bike share to La Plaza: An Environmental Justice Community Planning Bikeshare Extension Project to East San José

Bike Share to La Plaza will connect the Bay Wheels Bike Share network from downtown San José to the Mexican Heritage Plaza, adding 12 new docking stations to the City's bikeshare network. The project will provide deeply subsidized Bay Wheels Bike Share trip fees for historically marginalized, low-income communities and communities of color, with trips starting and ending in the project area costing only \$0.20 per minute, capped at \$2 per trip without requiring a membership. It will also include a community engagement campaign to shape the program's design, promote its use, and offer bike education classes to teach community members to bike confidently, locate bikeshare stations, and identify the best bike routes to get to key destination by bike share.

Regional Speed Safety System Campaign

The Regional Public Information Campaign for the Speed Safety System Pilot Program is a collaborative effort between Oakland, San Francisco, and San José designed to educate and inform residents and visitors traveling in and around all three cities about the program's goals and benefits. This campaign will employ targeted outreach and engagement activities throughout the five-year duration of the pilot. While a specific scope is still being developed, the campaign will focus on raising awareness about speed safety, fostering community understanding, and promoting safer behavior on our streets. This joint initiative underscores the commitment of all three cities to work together for regional traffic safety improvements.

Racial Equity Impact Analysis

Consideration of racial and socioeconomic equity for all three grant projects has been considered, as outlined below.

San José Diridon Station to Airport Connector Project

The San José Diridon Station to Airport Connector Project contains several equity measures designed to enhance inclusivity and accessibility of the transit system. These include requirements for regional fare integration, participation in a regional low-income fare reduction program, access for unbanked populations, and an employee transit pass program. By significantly improving transit access to the airport, the connector will improve access for travelers and airport employees without access to an automobile all across the South Bay.

Bikeshare to La Plaza: An Environmental Justice Community Planning Bikeshare Extension Project to East San José

Bike Share to La Plaza will connect the current Bay Wheels Bike Share network to Mexican Heritage Plaza in the Mayfair neighborhood of East San José. This expansion will enhance access for historically marginalized, low-income communities and communities of color by providing more direct bike connections to downtown, empowering residents to navigate their neighborhoods and beyond more freely by bicycle. Bikeshare to La Plaza also aligns with the San José Emerging Mobility Action Plan by promoting shared, sustainable, and accessible transportation options that expand mobility choices for all residents.

Regional Speed Safety System Campaign

The regional public information campaign for Oakland, San José, and San Francisco's Speed Safety System Pilot Programs has a unique opportunity to address and advance racial equity. Traditional traffic enforcement has historically had a disproportionate impact on communities of color, often exacerbating systemic inequities. Automated speed enforcement, by contrast, takes a more equitable, data-based approach, minimizing potential racial bias in traffic stops while ensuring consistent and unbiased enforcement. This campaign will boost awareness of and support for automated speed enforcement.

As the campaign develops its full scope, the focus remains on equitable outreach and education, prioritizing low-income and historically underserved communities to ensure these residents are informed about the program's goals, benefits, and operational details. Initial strategies will include providing materials in multiple languages, engaging local community leaders, and collaborating with racial equity groups to design inclusive messaging.

Moreover, the campaign calls attention to the program's equity safeguards, such as offering reduced fines and alternative payment plans for low-income individuals, ensuring that the financial impacts of enforcement do not disproportionately burden vulnerable populations. By addressing these concerns directly and proactively, the campaign aims to enhance trust, promote compliance, and improve roadway safety for all residents, particularly those most affected by past inequities in traffic enforcement.

Climate Smart San José Analysis

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

Implementation of the San José Diridon Station to Airport Connector Project will improve transportation mobility options for residents and commuters traveling to and from the San José Mineta International Airport or the San José Diridon Station.

Implementation of the Bikeshare to La Plaza project will also provide more sustainable transportation mobility options for residents in East San José community by offering expanded bike share opportunities to complete short trips.

In addition, the Regional Speed Safety System Campaign will educate residents and commuters about the new Assembly Bill 645 Speed Camera measure, and should lead to reduced vehicle speeding, which thereby improves safety for people walking and biking, who are our most vulnerable roadway users. Improved safety of pedestrians and bicyclist should encourage more individuals to consider walking or biking as a safe and sustainable transportation option.

Collectively, these 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

Upon execution of the grant agreements, staff will bring forward recommendations for City Council consideration to recognize and appropriate the grant funding and local match as part of a future budget process.

COST SUMMARY/IMPLICATIONS

Projects will be funded through \$4,250,000 in grant funds, with a local match requirement of \$500,000. The Innovative Finance and Asset Concession award requires a \$500,000 local match. Local match is programmed in the Airport Connector project appropriation (7061) within the Construction Excise Tax Fund (F465). The Environmental Protection Agency's Environmental Justice Government-to-Government

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Program and Metropolitan Transportation Commission's One Bay Area Grant funds do not require any local match. Pending the execution of the grant agreements, these funds will be programmed through the Fiscal Year 2024-2025 Mid-Year Report budget process or other future budget process.

COORDINATION

This memorandum has been coordinated with the Airport Department, 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 Council Agenda website for the December 17, 2024 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER23-009, CEQA Guideline Section 15301(c) Existing Facilities.

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.