



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kim Welsh
John Ristow

SUBJECT: SEE BELOW

DATE: November 13, 2018

Approved

Date

11/16/18

COUNCIL DISTRICT: 10

SUBJECT: NEGOTIATION AND EXECUTION OF A PROPERTY EXCHANGE AGREEMENT WITH THE COUNTY OF SANTA CLARA TO FACILITATE ROADWAY IMPROVEMENTS ON BRANHAM LANE AND SNELL AVENUE TO IMPROVE BICYCLE, PEDESTRIAN AND VEHICULAR SAFETY ADJACENT TO MARSHALL COTTLE PARK.

RECOMMENDATION

Adopt a resolution to authorize the City Manager to negotiate and execute a Property Exchange Agreement with the County of Santa Clara, whereby the County will grant to the City easement rights on approximately 8.78 acres of County property around Martial Cottle Park to be used for roadway improvements along Branham Lane and Snell Avenue in exchange for approximately 12.38 acres of City-owned land along Hellyer Avenue, which City-owned land shall be subject to a deed restriction for park and open space and shall allow for a City maintained retention pond.

OUTCOME

An exchange of the subject property will allow for future construction of roadway widening and complete streets improvements along Branham Lane between Vistapark Drive and Snell Avenue and Snell Avenue between Branham Lane and Chynoweth Avenue, as well as the additions of County Park land adjacent to Hellyer Avenue.

BACKGROUND

Martial Cottle Park is part of Santa Clara Valley's rich agricultural farmland located in an urbanized portion of Santa Clara County. The Park was established by Edward Cottle in 1864 and continually maintained and farmed by his descendants until 2014. Walter Cottle Lester gifted

the Park to the County and State with the condition that the land be utilized as a public historical park. The Park is bounded by Branham Lane on the north, Snell Avenue on the east, Chynoweth Avenue on the south, and Canoas Creek on the west.

Discussion on widening Branham Lane from the current two-lane facility to a four-lane facility and widening Snell Avenue from the current four-lane facility to a six-lane facility has been on-going for almost 20 years. Branham Lane between Vistapark Drive and Snell Avenue bottlenecks to a two-lane facility that carries more than 16,000 vehicles per day. Snell Avenue between Branham Lane and Chynoweth Avenue is a four-lane facility and carries more than 30,000 vehicles per day. The current configuration causes safety issues and unnecessary traffic congestion for the area. Crash reports from the last ten years (2008-2017) for Branham Lane between Vista Park Drive and Snell Avenue show a total of 142 collisions, three of them resulting in fatalities. One of these fatal collisions occurred at the intersection of Branham Lane and Vistapark Drive and the other two fatal collisions occurred at the intersection of Branham Lane and Snell Avenue. The crash data does not account for all possible accidents, as there were likely more minor accidents that were never reported to the SJPD, nor does it include any new crash data from this year. Branham Lane is an essential, heavily utilized roadway that must be improved for the safety of our residents. The improvements were sought prior to the opening of Martial Cottle Park, and the opening of the Park has increased all forms of traffic including pedestrian, bicycle, and vehicular in the area.

Roadway improvements in the area have long been a goal of the City and local community, particularly the Branham Lane widening. The City and County staff have now collaborated on a plan to secure the necessary easement rights to construct the needed roadway improvements. The City has offered to exchange real property rights in fee on City-owned property along Hellyer Avenue for the right-of-way needed from the County to improve Branham Lane and Snell Avenue. The proposed exchange consists of 12.38 acres, along Hellyer Avenue. Of the roughly 12.38 acres of land, approximately eight acres are industrial land that could be developable, the remainder is not developable but can be used for trail or parkland. The Hellyer Avenue property is immediately adjacent to County park land. The Hellyer property would be exchanged for easement rights from the County for strips of land adjacent to Branham Lane and Snell Avenue, approximately 8.78 acres of land. The County's property consists of long 60-foot wide strips of land along both Branham Lane and Snell Avenue.

ANALYSIS

The City and County commissioned appraisals of their separate real property interests on the subject properties located at Branham Lane, Snell Avenue, and Hellyer Avenue. Even though the County's lands are remnant parcels that are non-developable California Public Resources Code Sections 5400-5409 requires that the 8.78 acres of land be considered a development parcel as if consolidated into a contiguous developable parcel and valued at highest and best use. The City's appraisal valued the Hellyer property based on the highest and best use guided by the Industrial Park General Plan and Zoning in the area. It was discovered that the Edenvale Redevelopment

Plan requires a detention basin of approximately 5.8 acres on the Hellyer property to fulfill development requirements in the area. There are no alternative sites to address the detention pond needs. In order to comply with the Edenvale Area Development Policy, the City proposed that the City will retain an easement on the Hellyer property to construct a detention pond in the future along with future Edenvale development and maintain the detention pond in perpetuity. The City will work with the County to ensure the detention pond is landscaped in a manner that facilitates park and trail uses to the satisfaction of the County.

In working with appraisals based on two different methodologies, City staff determined that the City property of 12.38 acres, subject to a deed restriction for park and open space purposes and a 5.8 acre retention pond requirement, was of comparable value to the County's 8.78 acres.

Obtaining the easement rights of the 8.78 acres of County-owned properties along Branham Lane and Snell Avenue in exchange for 12.38 acres of City-owned properties along Hellyer north of Silicon Valley Boulevard will allow the City to fulfill its vision of making Branham Lane and Snell Avenue consistent and safe for pedestrians, bicyclists, and motorists while providing a more welcoming gateway to a major, regional park asset - Martial Cottle Park - that is used by people who live throughout the City and County. The City will not be required to expend revenues to obtain easement rights for the land and the City will be relieved of maintenance responsibilities for the Hellyer property. Staff's ability to reach accord on the Property Exchange eliminates the City's need to pursue eminent domain to obtain easement rights to the Branham Lane and Snell Avenue property. Additional improvements include complete streets features to enhance safety and mobility for all users. These improvements align with Envision San Jose's 2040 General Plan mobility goals. The current budget for the Branham and Snell Street Improvements project includes \$2.0 million for preliminary engineering. The anticipated design and construction cost is \$18.5 million for Branham Lane and \$9.0 million for Snell Avenue. The City will explore alternatives to phase the project and continue to seek outside funding for the improvements.

The County Board of Supervisors has not yet approved this exchange. County staff have informed City staff that they intend to bring the matter to the County Board of Supervisors in closed session in early December 2018.

Key Proposed Terms

Exchange of Property Interests

County agrees to grant an easement for street right-of-way over approximately 8.78 acres of County park property for the widening of Branham Lane and Snell Avenue in exchange for fee title of approximately 12.38 acres of City-owned property adjacent to Hellyer Avenue. The City will reserve an easement of 5.85 acres for future construction and ongoing maintenance of a 100-year flood event detention pond.

Conditions of Property Exchange	<p>In transferring the 12.38 acres to the County, the City requires that the land be deed restricted for Park and Open Space uses. The future detention basin will allow for recreational purposes that do not interfere with detention basin requirements.</p> <p>The County will participate in the City's engineering and design of the basin to ensure future recreation uses are possible. Final design and construction must be approved by the County for recordation of the final legal description of the detention basin easement. City shall lease the Hellyer Property from the County for maintenance purposes until such time that the City has completed the development of the 5.85 acre basin project.</p> <p>In the event the City opts to construct a trail through the Hellyer property, County shall have the right to approve the design and construction for compliance with regional trail plans. The County reserves the right to design and construct a regional trail, or other recreational amenities through the Hellyer Property that will not interfere with the detention basin.</p>
Deposit/Payment	<p>There is no deposit or payments associated with this transaction.</p>
Due Diligence	<p>Parties will have 90 days from the Effective Date to inspect the physical condition and all other matters concerning the property.</p>
Conditions at Closing	<p>Close of escrow may occur prior to or after the Due Diligence Period but in no case more than 100 Business days from the Effective Date of the Exchange Agreement unless the Parties mutually agree in writing to an extension.</p>

EVALUATION AND FOLLOW-UP

The Department of Transportation and the Public Works Department are responsible for the delivery of the roadway improvements. Public Works will ensure that the required detention pond is constructed on approximately five acres of the Hellyer property. The next phase of project development is to fund roadway design and then secure construction funding in addition to funding for design and construction of the retention pond.

PUBLIC OUTREACH

This memorandum will be posted on the City Council's Agenda website prior to the November 27, 2018, City Council agenda. The Department of Transportation has worked closely over the years with residents of the area to understand relevant safety, access, and circulation issues.

COORDINATION

These actions and this memo have been coordinated with, the Department of Planning, Building and Code Enforcement, the City's Attorney's Office, and as the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

Acquisition of the proposed sites and construction of roadway infrastructures improves pedestrian, bicycle, and vehicular safety and aligns with the Envision San Jose 2040 General Plan.

COST SUMMARY/IMPLICATIONS

The proposed Property Exchange does not require the expenditure of City revenues. As discussed above, the cost to design and construct the widening of Branham Lane (Vistapark Drive to Snell Avenue) and Snell Avenue (Branham Lane to Chynoweth Avenue) is approximately \$30 million. Completion of this project will likely require outside funding. The cost to design and construct the detention basin has not yet been determined.

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CEQA

Not a Project, File No. PP17-033, Agreements/Contracts resulting in no physical changes to the environment.

/s/
JOHN RISTOW
Acting Director
Department of Transportation

/s/
KIM WALESH
Deputy City Manager
Director of Economic Development

For questions, please contact Nanci Klein at (408) 507-0430 or Zahir Gulzaduh at (408) 975-3257.

Attachments: Exhibit A
Exhibit B

Exhibit A: Branham/Snell Aerial

Branham Rd/Snell Av – SCC Property



