COUNCIL AGENDA: 8/26/25

FILE: 25-894 ITEM: 2.24



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: John Ristow

SUBJECT: See Below DATE: August 4, 2025

Approved Date: 8/12/25

COUNCIL DISTRICT: Citywide

SUBJECT: Acceptance of Federal Grant Funds from 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 four grant agreements with the Metropolitan Transportation Commission for the following grant awards:
 - (1) Two Transit-Oriented Communities Planning and Implementation Grants:
 - (i) Station Access and Circulation Project in an amount not to exceed \$400,000, with no local match; and
 - (ii) Parking Management Project, in an amount not to exceed \$300,000, with no local match.
 - (2) Two Climate Program Implementation Grants:
 - (i) Charging Infrastructure Program funds the 'San José Community Electric Vehicle Charging Access Project' in an amount not to exceed \$2,495,000 with a local match of \$323,254; and
 - (ii) Parking Management Program award for the 'Advancing Curb Management Project', in an amount not to exceed \$2,000,000, with a local match of \$259,121.
 - (b) Adopt a Resolution of Local Support that demonstrates the City of San José will take the necessary assurances to implement the four Metropolitan Transportation Commission grant awards and will follow the Metropolitan Transportation Commission Funding Delivery Policy and the grant program requirements.

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SUMMARY AND OUTCOME

Acceptance of the grant awards will provide the City with federal grant funds for the following four Metropolitan Transportation Commission (MTC) funded projects:

- Two Transit-Oriented Communities (TOC) Planning and Implementation Grants intended to help the City develop plans and policies that comply with MTC's TOC components:
 - a. \$400,000 for the Station Access and Circulation Project; and
 - b. \$300,000 for the Parking Management Project.
- 2. Two Climate Program Implementation (CPI) Grants:
 - a. \$2,495,000 for the San José Community Electric Vehicle (EV) Charging Access Project with a local match of \$323,254; and
 - b. \$2,000,000 for the Advancing Curb Management Project with a local match of \$259,121.

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 above four grant applications for consideration of federal funding through MTC.

The City has been informed that all the grant requests submitted to MTC under their TOC and CPI programs have been approved for funding. City Council acceptance of the grant funds will allow the City to implement projects that will help advance Climate Smart San José's greenhouse gas emission reduction goals as well as Move San José's transit-first, transportation demand management, electric vehicle, and curb management strategies.

<u>ANALYSIS</u>

The MTC TOC and CPI grants are funded through the One Bay Area Grant program adopted by the MTC 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. MTC adopted the TOC Policy, which requires Bay Area jurisdictions to meet specific land use, access, and parking criteria to qualify for regional

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transit and/or transportation funding. The City's grant-funded projects are designed to support and advance compliance with these TOC Policy requirements. The MTC 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 MTC that would allow the City to be eligible to receive federal grant funding for the five awards made by MTC. Additional information on the planned projects is shown below:

Station Access and Circulation Project - TOC

This project will advance the City's compliance with the station access and circulation component of the Transit-Oriented Communities Policy. It will involve an update to the City's multimodal transportation improvement plans and urban village plans, ensuring that these plans would comply with MTC's TOC policy. Additionally, the project will develop new station access and circulation plans for transit-oriented communities not already covered by City-approved plans or VTA's station access studies. All aspects of this project will involve a robust stakeholder and community engagement process, to gather input, ensure equity, and build consensus.

Parking Management Project - TOC

This project will advance the City's compliance with the parking component of the TOC Policy. It will involve a citywide review of existing policies and conditions, as well as stakeholder engagement to identify improvements to the City's existing Transportation Demand Management Program, update the soft parking maximums, and research the development of transportation management associations. With support from this grant, the City will further the significant strides it has made in parking policies to reduce automobile use and advance its goal of carbon neutrality by 2030.

San José Community EV Charging Access Project - CPI

The City will install public EV and electric bike chargers at six City-owned facilities in underserved San José neighborhoods that currently lack public charging access. Chargers will be added to the Mayfair, Bascom, Hank Lopez, Roosevelt, and Seven Trees Community Centers, as well as the Educational Park Library. The project includes four Direct Current Fast Charging ports, 60 Level 2 charging ports, and 30 micromobility secured charging ports. These facilities will support electric vehicles and electric bike riders, fostering clean multimodal transportation for residents and visitors.

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Advancing Curb Management Project - CPI

This project will continue the Strengthening Mobility and Revolutionizing Transportation Stage 1-funded Curb Management Pilot by implementing data-informed curb reallocation, piloting additional technologies, and building a public-facing platform within the San José downtown core. The City anticipates decreased greenhouse gas emissions and increased safety as a result.

Racial Equity Impact Analysis

Consideration of racial and socioeconomic equity for all three grant projects has been considered as follows:

Station Access and Circulation Project

This project promotes racial equity by focusing station access and circulation planning on underserved TOCs that currently lack coverage in existing plans. Many of these areas are home to low-income and racially diverse populations with limited access to safe, multimodal transportation. By prioritizing these under-planned areas and engaging directly with residents through inclusive outreach, the project aims to close infrastructure gaps, improve first/last-mile connections, and ensure future transit investments benefit communities that have historically been overlooked.

City of San José Parking Management Project

This project will help ensure that parking policies better support residents who rely on transit, walking, and biking - especially those in low-income communities and communities of color. By strengthening the City's Transportation Demand Management Program, updating soft parking maximums, and exploring transportation management associations, the project promotes more equitable access to sustainable transportation and helps shift the focus of parking policies toward climate and mobility goals that benefit all communities.

San José Community EV Charging Access Project

This project addresses the lack of public EV chargers in Equity Priority Communities in East San José, in neighborhoods that face systemic barriers to clean transportation and do not have access to public chargers. Chargers will be located at trusted public facilities, with affordable rates and multiple payment options. These installations will help close the City's EV charging gap and support equitable access to zero emission transportation.

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Advancing Curb Management Project

This project supports racial equity by reallocating curb space in ways that improve safety, reduce emissions, and better serve a range of users, including those who walk, bike, and rely on transit. By piloting new technologies and creating a public-facing platform, the project will help ensure more transparent and inclusive curb access in Downtown San José, an area that serves diverse communities who are often most impacted by unmanaged curb conditions.

Climate Smart San José Analysis

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

Station Access and Circulation Project

The Station Access and Circulation Project supports Climate Smart San José mobility goals by improving multimodal connectivity around key transit nodes. By updating station access plans and identifying infrastructure gaps, the project will help reduce vehicle miles traveled by making it safer and more convenient to walk, bike, or use transit. These efforts will enable more San José residents to choose low-emission modes of travel, helping the City reach its Climate Smart goal of reducing greenhouse gas emissions and advancing equitable access to sustainable transportation.

City of San José Parking Management Project

Implementation of the Parking Management Project supports Climate Smart San José mobility goals by advancing parking policies that reduce automobile reliance. Updates to the Transportation Demand Management Program and soft parking maximums will help encourage more sustainable travel options and support compact, transit-oriented development across the city.

San José Community EV Charging Access Project

Implementation of this project will expand access to electric vehicle and e-bike charging infrastructure, promoting clean personal mobility and reducing reliance on fossil fuels. The project will contribute to the Climate Smart goal of achieving 88% zero-emission vehicle adoption by 2030 as part of the broader strategy to reach carbon neutrality that same year.

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Advancing Curb Management Project

Implementation of the Advancing Curb Management Project supports Climate Smart San José mobility goals by reallocating curb space to better accommodate low-emission travel modes such as walking, biking, and transit. The project will also help reduce greenhouse gas emissions and improve safety through smarter curb use and real-time curb data tools.

Collectively, these grant funds allow the Department of Transportation and Planning 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, use battery electric vehicles, 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 \$5,195,000 in federal grant funds administered by MTC. The two TOC grants total \$700,000 and have no local match requirement. The two CPI grants total \$4,495,000 and require a total local match of \$582,375. Pending the execution of the grant agreements, these funds will be recommended to be programmed as part of the Fiscal Year 2025-2026 Mid-Year budget process or other future budget process. Tables 1-4 below show anticipated Expenditures and Revenues for each of the four TOC grant projects.

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Expenditures and Revenues by Fiscal Year

Table 1 - Station Access and Circulation Project

Expenses	FY 2025-2026	FY 2026-2027	FY 2027-2028	Total
Staffing	\$0	\$0	\$0	\$0
Contract	\$100,000	\$250,000	\$50,000	\$400,000
Grant Subtotal	\$100,000	\$250,000	\$50,000	\$400,000
Local Match	\$0	\$0	\$0	\$0
Project TOTAL	\$100,000	\$250,000	\$50,000	\$400,000
Total Reimbursable Revenue	\$100,000	\$250,000	\$50,000	\$400,000

Table 2 - Parking Management Project

Expenses	FY 2025-2026	FY 2026-2027	FY 2027-2028	Total
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Staffing	\$0	\$0	\$0	\$0
Contract	\$100,000	\$200,000	\$0	\$300,000
Grant	\$100,000	\$200,000	\$0	\$300,000
Subtotal				
Local Match	0	\$\$0	\$0	\$0
Project TOTAL	\$100,000	\$200,000	\$0	\$300,000
Total Reimbursable Revenue	\$100,000	\$200,000	0	\$300,000

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Table 3 - San José Community EV Charging Access Project

Expenses	FY 2025-2026	FY 2026-2027	FY 2027-2028	Total
Staffing	\$0	\$0	\$0	\$0
Contract	\$495,000	\$1,500,000	\$500,000	\$2,495,000
Grant Subtotal	\$495,000	\$1,500,000	\$500,000	\$2,495,000
Local Match	\$64,132	\$194,342	\$64,780	\$323,254
Project TOTAL	\$559,132	\$1,694,342	\$564,780	\$2,818,254
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Total Reimbursable Revenue	\$495,000	\$1,500,000	\$500,000	\$2,495,000

<u>Table 4 - Advancing Curb Management Project</u>

Expenses	FY 2025-2026	FY 2026-2027	FY 2027-2028	Total
Staffing				
Contract	\$500,000	\$1,000,000	\$500,000	\$2,000,000
Grant	\$500,000	\$1,000,000	\$500,000	\$2,000,000
Subtotal				
Local Match	\$64,780	\$129,561	\$64,780	\$259,121
Project TOTAL	\$564,780	\$1,129,561	\$564,780	\$2,259,121
Total	\$500,000	\$1,000,000	\$500,000	\$2,000,000
Reimbursable				
Revenue				

COORDINATION

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

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PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the August 26, 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.

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, Department of Transportation, at devin.gianchandani@sanjoseca.gov.