



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jen Baker

SUBJECT: See Below

DATE: January 5, 2026

Approved

Date:

1/9/26

COUNCIL DISTRICTS: 3, 6

SUBJECT: Actions Related to the Transportation and Community Identification Elements

RECOMMENDATION

- (a) Adopt a resolution authorizing the City Manager or her designee to negotiate and execute a Transportation Art Maintenance Agreement with the California Department of Transportation for Transportation and Community Identification elements on the California Department of Transportation property along State Route 87, authorizing the planned improvements and affirming the City's responsibility for ongoing maintenance of the improvements.
- (b) Adopt a resolution authorizing the City Manager or her designee to negotiate and execute an agreement with the San Jose Downtown Association to install the Transportation and Community Identification elements upon receipt of the required California Department of Transportation encroachment permit(s) and perform the City's ongoing maintenance and insurance responsibilities of the Transportation and Community Identification elements and urban enhancements as provided in the Transportation Art Maintenance Agreement with the California Department of Transportation.

SUMMARY AND OUTCOME

Staff recommends that the City Council adopt a resolution authorizing the City to enter into agreements with the California Department of Transportation (Caltrans) and the San Jose Downtown Association (SJDA) to install, maintain, and safeguard Transportation and Community Identification elements generally along State Route (SR) 87 between Sharks Way and Santa Clara Street. City Council approval will enable the installation of corridor-scale wayfinding and beautification improvements, including Little Italy and Downtown San José identifiers and painted enhancements along bridges, embankments, and trail piers. These improvements, planned for completion this year,

will create welcoming gateways, strengthen district identity, improve visitor wayfinding, and reduce graffiti along a highly visible corridor. SJDA will serve as the lead organization for installation and ongoing maintenance, funded through its Property Based Improvement District, with the City acting as the ultimate maintenance backstop as required by Caltrans.

BACKGROUND

The City Manager's Office of Economic Development and Cultural Affairs, in coordination with the SJDA, is proposing a corridor-scale Transportation and Community Identification elements project along SR 87, generally following the Guadalupe River Trail between Sharks Way and Santa Clara Street. The item was initiated by City staff, in partnership with SJDA, the Mayor's Office, and Council Districts 3 and 6, as part of the City's Stitching Districts Initiative, which focuses on improving connectivity, wayfinding, and visual quality across downtown districts. The project is intended to address longstanding graffiti and visual blight on highly visible transportation infrastructure while reinforcing neighborhood identity and visitor orientation.

The proposed improvements include text-based wayfinding and painted enhancements on Caltrans-owned bridges, embankments, and trail-adjacent structures, including identifiers for Little Italy and Downtown San José. Portions of the Stitching Districts Initiative are located within Caltrans right-of-way and, therefore, require Caltrans encroachment permits and a Transportation Art Maintenance Agreement. As a condition of permit approval, the City must formally authorize the improvements and accept responsibility for ongoing maintenance, which would be assigned to SJDA through a separate agreement. The City Council has previously supported the Stitching Districts Initiative through funding in the City's annual service agreement with SJDA.

The project scope includes:

- 1) Creation of text-based wayfinding reading "Little Italy" on the bridge sidewall, along with painted enhancements on each of the embankments below the Sharks Way/SR-87 undercrossing (PM 6.0).
- 2) Creation of a text-based wayfinding reading "Welcome to Downtown San José" welcoming guests to Downtown San José on the bridge sidewall, Santa Clara Street/SR-87 undercrossing (PM 5.85), along with additional painted enhancements of the three bridge piers along the Guadalupe River Trail (PM 5.74).

ANALYSIS

Adoption of the recommended resolution is required to satisfy Caltrans permit conditions for improvements within the state right-of-way. Without City Council

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authorization to accept maintenance responsibility and designate SJDA as the implementing partner, the City cannot proceed with the proposed installations along SR-87.

If the City Council does not approve the recommended action, the City and SJDA would be unable to secure the necessary Caltrans approvals to install the proposed elements within the state right-of-way. As a result, the Stitching Districts Initiative would be delayed or reduced in scope, limiting the City's ability to implement coordinated wayfinding and beautification improvements along SR-87 and diminishing progress toward downtown placemaking efforts ahead of major 2026 national and international sporting events. Existing graffiti and visual blight would likely continue without a comprehensive, corridor-scale solution.

This action is based on Caltrans permit requirements for improvements within state right-of-way, which require a local agency to formally accept maintenance responsibility through a Transportation Art Maintenance Agreement. Once permits to proceed are granted by Caltrans, installation of the Transportation and Community Identification elements will begin. Work is expected to be completed in 2026.

EVALUATION AND FOLLOW-UP

The City Manager's Office of Economic Development and Cultural Affairs will ensure the murals are installed in the 2026 calendar year and maintained on an ongoing basis.

COST SUMMARY/IMPLICATIONS

The total cost for the installation of the Transportation and Community Identification elements and beautification elements is \$257,000, including anti-graffiti coating, and will be primarily funded by SJDA. The City will fund the Welcome to San José sign and the three columns/piers on the Guadalupe River Trail using grant funding received by the Mayor's Office. Ongoing maintenance costs will be funded through SJDA's Property Based Improvement District. The City is ultimately responsible for ensuring the upkeep of the Transportation and Community Identification elements and for beautification elements in accordance with the terms of the Transportation Art Maintenance Agreement, if SJDA is unable to fulfill its commitments.

COORDINATION

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

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PUBLIC OUTREACH

SJDA has initiated coordination with key stakeholders, including Sharks Sports & Entertainment, Little Italy San José, the Guadalupe River Park Conservancy, adjacent property owners, the Mayor's Office, and Council Districts 3 and 6. The Downtown Property-Based Improvement District has voted to support funding for the Stitching Districts campaign. The City Council has provided funding for the program through its annual service agreement with SJDA.

This memorandum will be posted on the City's Council Agenda website for the January 27, 2026 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically exempt, File No. ER25-261, CEQA Guideline Section 15301 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.



Jen Baker
Director, City Manager's Office of
Economic Development and Cultural
Affairs

The principal author of this memorandum is Michael Lomio, Assistant to the City Manager, Downtown Manager, City Manager's Office of Economic Development and Cultural Affairs. For questions, please contact Michael.Lomio@sanjoseca.gov or (408) 793-6950.