

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jim Ortbal
Rosalyann Hughey

SUBJECT: SEE BELOW

DATE: February 20, 2018

Approved

Date

3/2/18

COUNCIL DISTRICTS: 3, 5, 6

**SUBJECT: ONE BAY AREA GRANT CYCLE 2 (OBAG 2) 2017 PRIORITY
DEVELOPMENT AREA (PDA) PLANNING GRANT ACCEPTANCE**

RECOMMENDATION

Adopt a resolution to:

- (a) Authorize the City Manager or designee to accept grant funding and negotiate and execute all documents necessary to fund and complete the following projects:
 - (1) Downtown San José Mobility, Streetscape, and Public Life Plan (\$813,000 grant award with of a local match of \$144,000); and
 - (2) East Side Alum Rock Urban Village Plan (\$400,000 grant award with of a local match of \$51,824); and
- (b) Make the certifications and assurances required under the grant program.

OUTCOME

Adoption of a resolution is required by the Metropolitan Transportation Commission (MTC) as part of the grant award process. These grant opportunities provide \$1,213,000 in grant funding and associated local match for community-based planning efforts that will help advance key City priorities by developing plans for diverse areas of San José with growing development potential.

1. The Downtown San José Mobility, Streetscape, and Public Life Plan is intended to:
 - a. Synthesize, leverage, and advance existing plans;
 - b. Establish a community-based vision for mobility and public life in Downtown San José (DTSJ); and
 - c. Develop a prioritized list of multimodal transportation improvements.

2. The development of an Urban Village Plan for the Eastside Alum Rock Urban Village is consistent with General Plan Implementation Policy IP-5.1, which states that the preparation a comprehensive Urban Village Plan is required prior to the issuance of entitlements for residential development within any of the Urban Village areas identified on the General Plan Land Use / Transportation Diagram.

BACKGROUND

On July 27, 2016, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments adopted the One Bay Area Grant Cycle 2 (OBAG 2) program to distribute Federal funds to the nine-county Bay Area. The OBAG 2 program provides the programming framework for Federal fiscal years 2018 through 2022. MTC's OBAG 2 program guidelines allowed each county Congestion Management Agency (CMA) to set aside funding for local agencies to do planning work designed to promote growth within their Priority Development Areas (PDA). VTA is the CMA for Santa Clara County and the VTA Board of Directors set aside \$2 million of OBAG 2 Federal Surface Transportation Program for PDA Planning when it adopted the OBAG 2 program structure on November 1, 2015.

The City of San José was awarded \$1,213,000 of the abovementioned OBAG 2 PDA planning grant funds inclusive of local match on September 7, 2017 for two planning efforts:

1. The Downtown San José Mobility, Streetscape, and Public Life Plan (\$813,000); and
2. The East Side Alum Rock Urban Village Plan (\$400,000).

On December 20, 2017, the Metropolitan Transportation Commission adopted the OBAG 2 County Program of Projects, directing \$385 million in federal transportation funding to local transportation projects as recommended by the nine CMAs, including the abovementioned recommendations by VTA.

ANALYSIS

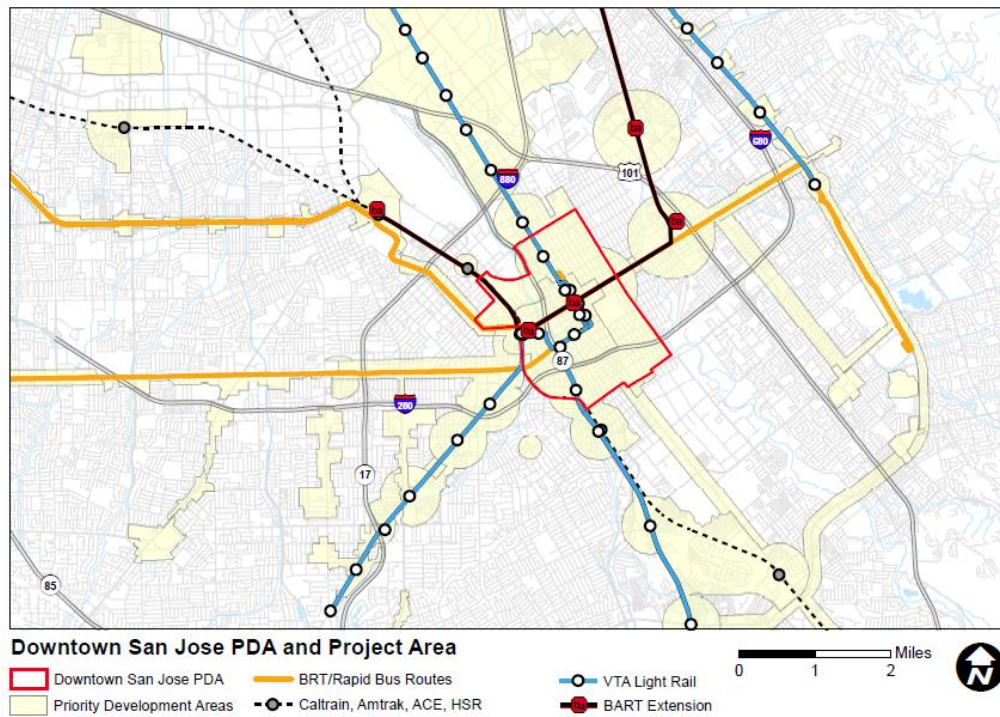
These planning efforts directly facilitate all twelve of the Major Strategies of our Envision San José 2040 General Plan, including Major Strategy #1 Community-Based Planning, Major Strategy #5 Urban Villages, and Major Strategy #9 Destination Downtown. The Departments of Transportation and Planning, Building, and Code Enforcement (PBCE) actively pursue grant funds for projects that support the goals and policies of the Envision San Jose 2040 General Plan.

Consistent with the Major Strategies of the General Plan, acceptance of the awarded grant funds will further staff's work to implement the General Plan and develop policy documents for the Eastside Alum Rock Urban Village and the Downtown San José Mobility, Streetscape, and Public Life Plan.

The City has budget available to provide matching funds for the work that would be funded by these grant opportunities, and this project is consistent with and advances City goals and priorities.

Downtown San José Mobility, Streetscape, and Public Life Plan

The project area of the Downtown San José Mobility, Streetscape, and Public Life Plan is shown below; its boundary is the DTSJ PDA, which is also known as the Downtown Frame. This area is rapidly becoming a state and regional multimodal transportation hub with the planned convergence of Bay Area Rapid Transit (BART), High-Speed Rail, BRT, buses, local roads, trails, and freeways.

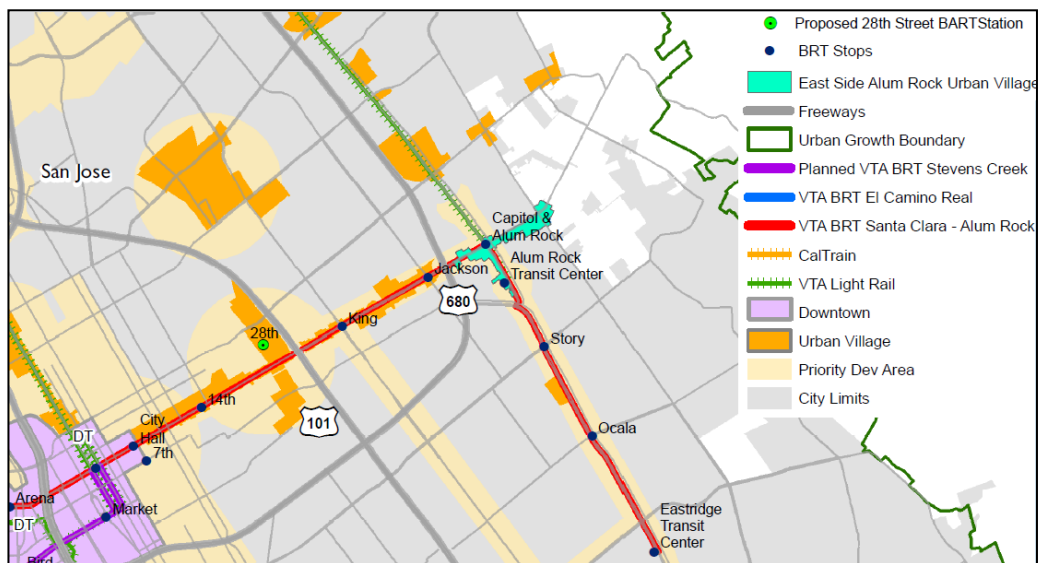


The Downtown San José Mobility, Streetscape, and Public Life Plan will be driven by the ambitious transportation, environmental, fiscal, and social goals of the City of San José’s General Plan. It will also integrate the growing work and focus of the City of San José on public life by embracing strong synergies between active travel modes, transit, and dynamic public life. The plan will foster vibrant public life by supporting a DTSJ with an inspiring sense of spirit and place by reducing barriers to safe, convenient, comfortable, and fulfilling travel for all people. The existing guiding documents for transportation improvements in DTSJ are out-of-date and inadequate: they do not incorporate anticipated developments like BART, California High Speed Rail, and the potential Google project, nor do they acceptably reflect current community, city, and regional visions and goals. The Downtown San José Mobility, Streetscape and Public Life Plan is intended to create a unified, comprehensive, detailed,

prioritized, and implementable plan that will guide implementation of multimodal transportation solutions in DTSJ.

East Side Alum Rock (east of 680) Urban Village

The vision for the East Side Alum Rock (east of 680) Urban Village is to further the transit-oriented development and infill growth strategies of the Envision San José 2040 General Plan. By developing a corridor-specific land use policy that will facilitate high-density residential uses serving a mix of income levels, relatively high-intensity commercial/office uses, and mixed-uses that are in a more urban, vibrant, and walkable corridor along the Bus Rapid Transit (BRT) system on Alum Rock Avenue, which also provides a connection to the planned 28th Street BART station, the Alum Rock Light Rail Station, and the adjacent Alum Rock Transit Center on Capital Avenue.



The planning process for this Urban Village is anticipated to start in August 2018 with City Council adoption of the Plan document in Spring 2020.

EVALUATION AND FOLLOW-UP

If Council approves the actions recommended in this memorandum, staff will proceed with the development of plan documents for the Eastside Alum Rock Urban Village and the Downtown San José Mobility, Streetscape, and Public Life Plan.

POLICY ALTERNATIVES

Alternative: Council could elect to not provide a local resolution of support for these grants.

Pros: The City would not have to provide matching funds required to receive grant awards.

Cons: The City would not receive grant funds to carry-out these projects and would not have the resources to carry out this needed planning and project development work.

PUBLIC OUTREACH

The Downtown San José Mobility, Streetscape, and Public Life Plan grant application built upon completed planning work that included significant public engagement, and it included letters of support from many community members and groups, including:

- Council District 3; signed by Councilmember Raul Peralez
- San Jose Downtown Association, signed by Executive Director Scott Knies
- Silicon Valley Bicycle Coalition; signed by previous Deputy Director Colin Heyne
- Greenbelt Alliance; signed by South Bay Regional Representative Kiyomi Honda Yamamoto
- California Walks; signed by Deputy Director Jaime Fearer
- County of Santa Clara Public Health Department; signed by Alice Kawaguchi, MPH, RD

Public outreach for the development of the East Side Alum Rock Urban Village Plan will be conducted as a part of the Urban Village planning process.

This memorandum is posted on the City's website attached to the Council Agenda for the March 13, 2018 hearing and Staff has been available to respond to questions from the public.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

This item does not have any input from any board or commission.

FISCAL/POLICY ALIGNMENT

These projects align with Major Strategies, Goals, and Policies of the Envision San José 2040 General Plan.

The Downtown San José Mobility, Streetscape, and Public Life Plan aligns with the Transportation and Aviation Services City Service Area outcomes to provide viable transportation choices that promote a strong economy and to provide a transportation system that enhances community livability.

The development of an Urban Village Plan supports General Plan Major Strategy #5 – Urban Villages, as well as the Urban Village implementation goals and policies that direct the creation of Urban Village Plans as the policy framework for new development within identified growth areas.

COST SUMMARY/IMPLICATIONS

Execution of the grant agreement for the Downtown San José Mobility, Streetscape, and Public Life Plan will commit \$144,000 of local match funds for the Department of Transportation to secure a total of \$813,000 of grant funds from the OBAG 2 2017 PDA Planning Grant program. In recognition of the preceding award action, and in anticipation of the receipt of funding, budget actions were included in the 2017-2018 Mid-Year Budget Review to allocate funding from the Transportation Grants Reserve (\$29,000) in the Construction Excise Tax Fund to provide the local match portion for fiscal year 2017-2018. Additional local match funding for the Downtown San José Mobility, Streetscape, and Public Life Plan will be recommended as part of the 2018-2019 Proposed Capital Budget to satisfy the \$144,000 commitment.

Execution of the grant agreement for the East Side Alum Rock Urban Village will commit \$51,824 of local match funds for the Planning Division of the Planning, Building, and Code Enforcement Department to secure a total of \$400,000 of grant funds from the OBAG 2 2017 PDA Planning Grant program.

BUDGET REFERENCE

Corresponding budget actions to recognize and appropriate the \$813,000 of grant funds from the OBAG 2 2017 PDA Planning Grant program for the Downtown San José Mobility, Streetscape, and Public Life Plan were included in the Construction Excise Tax Fund as part of the 2017-2018 Mid-Year Budget Review, including the allocation of \$29,000 from the Transportation Grants Reserve to provide the local match portion for fiscal year 2017-2018. Additional local match funding for the Downtown San José Mobility, Streetscape, and Public Life Plan will be

recommended as part of the 2018-2019 Proposed Capital Budget to fully satisfy the \$144,000 match requirement.

PBCE will bring forward a recommendation either during the 2018-2019 Proposed Operating Budget development process or another budget process during the 2018-2019 fiscal year, such as the 2017-2018 Annual Report, to recognize the \$400,000 in grant funds from the OBAG 2 2017 PDA Planning Grant program to fund the East Side Alum Rock Urban Village Plan and any corresponding new non-personal funding.

CEQA

Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment.

/s/
JIM ORTBAL
Director of Transportation

/s/
ROSALYNN HUGHEY
Acting Director of Planning, Building
and Code Enforcement

For questions regarding the Downtown San José Mobility, Streetscape, and Public Life Plan, please contact Doug Moody, Associate Engineer, at (408) 975-3295.

For questions regarding the East Side Alum Rock Urban Village Plan, please contact Lesley Xavier, Planner IV, at (408) 535-7852.