



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Ristow

**SUBJECT:** See Below

**DATE:** March 30, 2026

Approved

Date:

4/8/26

**COUNCIL DISTRICT:** Citywide

**SUBJECT: Funding Agreements for the 2025-2026 Transportation Fund for Clean Air Program Grant**

## **RECOMMENDATION**

Adopt a resolution authorizing the City Manager or her designee to negotiate and execute grant agreements for the Transportation Fund for Clean Air Program Grant for reimbursement of work and all documents necessary to effectuate the grant agreements with the Santa Clara Valley Transportation Authority, in an amount not to exceed \$1,437,164 for the following projects:

- (a) New Business Rules for Central Transit Signal Priority, in an amount not to exceed \$490,064;
- (b) Fine-tuning Transit Signal Priority Parameters, in an amount not to exceed \$297,100; and
- (c) Citywide App-based Bicycle Detection System, in an amount not to exceed \$650,000.

## **SUMMARY AND OUTCOME**

Approval of these actions will provide funding to:

1. Enhance the city's existing Central Transit Signal Priority (CTSP) platform by expanding its capabilities to new business rules. These rules will further prioritize buses that are behind schedule or have higher ridership, among other factors. This will enhance public transit performance while supporting sustainability and regional mobility goals.

2. Optimize signal timing parameters to improve transit performance, reduce delays, boost ridership, and lower vehicle emissions. This project will contribute to a more efficient and sustainable public transit system, while ensuring minimal disruptions to other road users.
3. Develop and implement an app-based bicycle detection system to ensure riders are given a green light at intersections. This will allow safer and more efficient crossing for bicyclists at signalized intersections, resulting in increased bicycle ridership for daily commutes, last-mile connections, and recreational trips.

## **BACKGROUND**

To maximize traffic safety and efficiency as traffic congestion continues to grow, the Department of Transportation (DOT) works with partners in the region to employ innovative strategies to support equitable and accessible transportation options.

### ***Transit Signal Priority along the Santa Clara Valley Transportation Authority (VTA) Transit Network***

DOT has worked extensively with the VTA over the last two decades to improve transit service through operational strategies such as CTSP to reduce delay for transit vehicles at signalized intersections. Signals equipped with proper equipment and timing can be programmed to extend green lights, shorten red lights, and rearrange signal phases to improve the likelihood that transit buses and trains receive a green signal upon arrival at a signalized intersection.

CTSP systems improve transit speeds and ensure more reliable travel times, essential for boosting transit ridership. This improvement is anticipated to reduce single-occupancy vehicle use, thereby alleviating traffic congestion and lowering harmful air emissions, which are the goals of the City's Transit First Policy, adopted in August of 2022. Since 2022, the City has deployed CTSP systems along VTA's Rapid, Frequent, and Local bus network in San José, at a total of 672 traffic signals.

The New Business Rules and Fine-tuning Transit Signal Priority Parameters projects aim to improve the existing transit signal priority systems to further improve transit operations and promote mode shift from personal vehicles to transit.

### ***App-based Bicycle Detection***

DOT has used various methods of detecting bicycles at signalized intersections, including inductive loop and video camera detection systems. These localized, hardware-based systems require regular maintenance and are present at approximately 40% of city intersections.

This project builds on top of the City's existing detection capability to provide an additional method for bicycle detection at all 972 signalized intersections in San José, aimed specifically at riders carrying mobile phones. It aims to provide benefit through promoting mode shift from personal vehicles to bicycling.

## **ANALYSIS**

### ***Transit Signal Priority along VTA's Transit Network***

Transportation Fund for Clean Air is a Bay Area Air Quality Management District program funded by motor vehicle registration fee surcharges and provides grants to local governments for projects that will reduce air pollution. Funds are administered by VTA and awarded on a competitive basis. Eligible projects include bicycle, trip reduction, and clean air vehicle projects. A major factor for project selection is cost effectiveness of emissions reduced. On April 7, 2025, DOT submitted two applications for funding consideration under the Trip Reduction category.

In October 2025, the City won a \$490,064 award to test and implement new business rules on the existing CTSP system, and \$297,100 to fine-tune transit signal priority parameters for key transit routes. For a detailed list of routes and signals impacted by the projects described below, see the Attachment - Table of Routes and Impacted Signals for the Transportation Fund for Clean Air 2025-2026 Transit Signal Priority Projects.

- The New Business Rules Project scope includes six of VTA's bus routes at 194 traffic signals and is anticipated to reduce vehicle emissions harmful to air quality by three tons and reduce greenhouse gas emissions (CO<sub>2</sub>) by approximately 2,177 tons over the estimated two-year project effectiveness period.
- The Fine-tuning Transit Signal Priority Parameters project scope includes a section of VTA's light rail corridor and one bus route at 95 unique traffic signals and is anticipated to reduce vehicle emissions harmful to air quality by 0.6 tons and reduce greenhouse gas emissions (CO<sub>2</sub>) by approximately 392 tons over the estimated two-year project effectiveness period.

### ***App-based Bicycle Detection***

On July 9, 2025, DOT submitted an application for funding consideration under the Trip Reduction category. In October 2025, the City won a \$650,000 award to develop and implement an app-based bicycle detection system citywide.

- The app-based bicycle detection project scope includes all 972 signalized intersections operated by the City and is anticipated to reduce vehicle emissions

harmful to air quality by 1.3 tons and reduce greenhouse gas emissions (CO<sub>2</sub>) by approximately 582 tons over the estimated two-year project effectiveness period.

### **Climate Smart San José Analysis**

The recommendations in this memorandum align with one or more Climate Smart San José energy, water, or mobility goals. The projects will improve walking, transit, and bicycling options. These improvements will support mode shift and reduce vehicle miles traveled and associated greenhouse gas emissions.

### **EVALUATION AND FOLLOW-UP**

This memorandum is not expected to require additional follow-up. As part of DOT's goal to evaluate the effectiveness of implemented safety projects, staff will complete before / after studies and reports within six to 12 months of project completion.

### **FISCAL IMPACTS**

The grant award of \$1,437,164 for the three Transportation Fund for Clean Air projects are 100% reimbursable and do not require a local match. Specific budgetary information regarding each project includes:

- New Business Rules for Central Transit Signal Priority project will be recommended as part of the Fiscal Year 2026-2027 Proposed Traffic Capital Improvement Program budget in the amount of \$230,021 to be programmed in Fiscal Year 2026-2027, subject to the appropriation of funds. The remaining amount of \$260,043 is expected to be programmed in Fiscal Year 2027-2028.
- Fine-tuning Transit Signal Priority Parameters project will be recommended as part of the Fiscal Year 2026-2027 Proposed Traffic Capital Improvement Program budget in the amount of \$211,435 to be programmed in Fiscal Year 2026-2027, subject to the appropriation of funds. The remaining amount of \$85,665 is expected to be programmed in Fiscal Year 2027-2028.
- Citywide App-based Bicycle Detection project will be recommended as part of the Fiscal Year 2026-2027 Proposed Traffic Capital Improvement Program budget in the amount of \$400,000 to be programmed in Fiscal Year 2026-2027, subject to the appropriation of funds. The remaining amount of \$250,000 is to be programmed in Fiscal Year 2027-2028.

The tables below identify DOT's anticipated expense and reimbursement schedule for the three grant projects.

**Table of Expenditures and Revenue by Fiscal Year**

*New Business Rules for CTSP*

<b>Expenses</b>	<b>FY 2026-2027</b>	<b>FY 2027-2028</b>	<b>Total</b>
Personal Services (City staff time)	\$80,021	\$160,043	\$240,064
Contractor Services (Testing, Validation, and Project Management)	\$150,000	\$100,000	\$250,000
<b>Grant Total</b>	<b>\$230,021</b>	<b>\$260,043</b>	<b>\$490,064</b>
<b>Reimbursable Revenue</b>			
	<b>\$230,021</b>	<b>\$260,043</b>	<b>\$490,064</b>

*Fine-tuning Transit Signal Priority Parameters*

<b>Expenses</b>	<b>FY 2026-2027</b>	<b>FY 2027-2028</b>	<b>Total</b>
Personal Services (City staff time)	\$20,000	\$40,647	\$60,647
Contractor Services (Testing, Validation, and Project Management)	\$191,435	\$45,018	\$236,453
<b>Grant Total</b>	<b>\$211,435</b>	<b>\$85,665</b>	<b>\$297,100</b>
<b>Reimbursable Revenue</b>			
	<b>\$211,435</b>	<b>\$85,665</b>	<b>\$297,100</b>

*Citywide App-based Bicycle Detection*

<b>Expenses</b>	<b>FY 2026-2027</b>	<b>FY 2027-2028</b>	<b>Total</b>
Personal Services (City staff time)	\$50,000	\$50,000	\$100,000
Contractor Services (Testing, Validation, and Project Management)	\$350,000	\$200,000	\$550,000
<b>Grant Total</b>	<b>\$400,000</b>	<b>\$250,000</b>	<b>\$650,000</b>
<b>Reimbursable Revenue</b>			
	<b>\$400,000</b>	<b>\$250,000</b>	<b>\$650,000</b>

The grant will cover the initial implementation and software costs for all three projects. After five years, DOT will need an ongoing \$60,000 in its General Fund non-personal allocations for the software licenses of the Citywide App-based Bicycle Detection Project as follows:

HONORABLE MAYOR AND CITY COUNCIL

March 30, 2026

**Subject: Funding Agreements for the 2025-2026 Transportation Fund for Clean Air Program Grant**

Page 6

- \$40,000 in Computer Data Processing allocation for the annual renewal of the software licenses; and
- \$20,000 in Professional and Consultant Services for on-call support services for the application software.

Recommendations will be made to recognize these three grants in the City's Traffic Capital Improvement Program during a future budget process, subject to the appropriation of funds.

### **COORDINATION**

This memorandum has been coordinated with the 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 Council Agenda website for the April 21, 2026 City Council meeting.

### **BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT**

No board, commission, or committee 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, Department of Transportation

HONORABLE MAYOR AND CITY COUNCIL

March 30, 2026

**Subject: Funding Agreements for the 2025-2026 Transportation Fund for Clean Air Program Grant**

Page 7

For questions, please contact Kenneth Jung, Division Manager, Department of Transportation, at [kenneth.jung@sanjoseca.gov](mailto:kenneth.jung@sanjoseca.gov) or (408) 975-3262.

**ATTACHMENT:** Table of Routes and Impacted Signals for the Transportation Fund for Clean Air 2025-2026 Transit Signal Priority Projects

**Table of Routes and Impacted Signals for the Transportation Fund for  
 Clean Air 2025-2026 Transit Signal Priority Projects**

*Bus Route, Overlapping and Conflicting Routes, and Number of Impacted Signals for  
 Deployment of New Business Rules for CTSP System*

<b>Bus Route</b>	<b>Overlapping/Conflicting Routes</b>	<b>No. of Signals</b>
22	23, 25, 61, 64A, 64B, 66, 68, 72, 73, 77, 500, 522, 523, 568	66
23	22, 25, 57, 59, 60, 61, 64A, 64B, 66, 68, 70, 72, 73, 77, 500, 522, 523, 568,	58
25	22, 57, 60, 61, 64A, 64B, 66, 68, 70, 71, 72, 73, 77, 522, 568	47
60	23, 25, 59	38
522	23, 25, 61, 64A, 64B, 66, 68, 70, 72, 73, 77, 500, 523, 568	47
523	22, 57, 59, 60, 61, 64A, 64B, 66, 68, 72, 73, 500, 522, 568	36

*Bus Routes, Travel Corridors, and Number of Signals for Deployment of Fine-Tuning  
 TSP Parameters*

<b>Route</b>	<b>Travel Corridor</b>	<b>No. of Signals</b>
68	San Fernando Street and Barack Obama Boulevard Santa Clara Street – Cahill Street to Second Street First Street – Santa Clara Street to Alma Avenue Second Street – Santa Clara Street to Reed Street Monterey Road – Alma Avenue to Blossom Hill Road Cottle Road – Blossom Hill Road to Santa Teresa Boulevard Santa Teresa Boulevard – Camino Verde Drive to Bailey Avenue	72
Orange	Capitol Avenue – Autumnvale Avenue to Wilbur Avenue	23