



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer
Larry D. Lisenbee

SUBJECT: NORTH SAN JOSE
TRANSPORTATION
INFRASTRUCTURE

DATE: 04-04-07

Approved

Kay Wimer

Date

4/9/07

COUNCIL DISTRICT: 3, 4

RECOMMENDATION

Approval of various agreements and actions and adoption of an ordinance, all in support of the development of transportation infrastructure improvements in North San Jose, as follows:

1. Approval of a consultant services agreement with URS Corporation for preparation of the North San Jose Grid Street System Master Plan, in an amount not to exceed \$421,754.
2. Approval of a cooperative agreement with the Santa Clara Valley Transportation Authority (VTA) for the preparation of the Route 101 Corridor Implementation Plan from Zanker Road to McKee Road, including an extension of Zanker Road over Route 101, upgrades to the Oakland Road interchange, and a new interchange at Mabury Road, in an amount not to exceed \$1,250,000.
3. Approval of a first amendment to the cooperative agreement with the VTA for the preparation of the preliminary engineering and environmental clearance to upgrade the Route 101 interchange at Trimble Road, increasing the original agreement amount by \$600,000 from \$100,000 to an amount not to exceed \$700,000.
4. Approval of a cooperative agreement with the VTA for the preparation of the preliminary engineering and environmental clearance to extend Charcot Avenue over Route 880, in an amount not to exceed \$800,000.
5. Approval of the Deficiency Plan for the North San José area and recommend approval of the Deficiency Plan by the VTA.
6. Adoption of the following Appropriation Ordinance Amendments in the Building and Structure Construction Tax Fund:
 - a) Establish an appropriation to the Department of Transportation for the Route 101/Oakland Road Interchange Upgrade project, in the amount of \$522,000.
 - b) Decrease Ending Fund Balance in the amount of \$522,000.

OUTCOME

The recommended actions initiate the implementation of key transportation improvements necessary to facilitate the economic development of North San Jose. Specific transportation outcomes include: 1) creating a street network adjacent to the light rail transit corridor that supports walking, biking, and transit use, 2) enhancing regional highway access to North San José, and 3) achieving compliance with California congestion management requirements.

EXECUTIVE SUMMARY

The recommended actions represent a proactive effort to start the planning and development of key transportation improvements supporting North San Jose development. Four agreements are proposed for approval (three of which are with the VTA) for a total City and Redevelopment Agency investment of \$3.1 million. The overall North San Jose transportation improvement plan has a value of \$570 million. Additionally, a North San Jose Deficiency Plan is proposed for approval by Council and VTA in order to comply with the State Land Use and Planning Law congestion management requirements.

BACKGROUND

On June 21, 2005, the City Council approved the North San Jose Area Development Policy ("Policy") to provide capacity for a 26.7 million square feet of new industrial development capacity (supporting approximately 83,000 jobs), 32,000 additional residential units, and 1.7 million additional square feet of commercial space. This intensification is envisioned to primarily occur within a newly established Industrial Core Area along the North First Street corridor with supportive residential development in areas designated as Transit Employment Residential districts. Attachment 1 includes a map of the North San Jose area. The Policy includes the implementation of transportation improvements valued at approximately \$520 million and funded primarily by a Traffic Impact Fee. Implementation of the Policy requires a balanced development of jobs, housing, and transportation improvements in four incremental phases.

Development activity in the North San Jose area was stalled for 18 months due to lawsuits filed by the County of Santa Clara, the cities of Santa Clara and Milpitas, and the Redevelopment Agency of the City of Santa Clara. Based upon settlement agreements reached with each agency, in December 2006 the court issued an order resolving the legal challenges. The agreements identify approximately \$50 million in additional transportation investments, to be funded by San José and regional sources, resulting in a total transportation improvement plan related to North San Jose valued at \$570 million. The sources of funding for the transportation plan include: North San Jose Traffic Impact Fees (\$460 million), San Jose Redevelopment Agency Funds (\$30 million), and Regional Grants (\$80 million).

The North San Jose transportation improvement plan is focused on maximizing the use of the existing light rail transit system and on providing quality facilities for walking and bicycling. Additionally, major improvements are funded to enhance traffic flow and access along Montague Expressway, Zanker Road and at various freeway interchanges.

In an effort to proactively implement the North San Jose transportation plan in a timely manner, staff recommends the City Council approve the various actions identified in this report.

ANALYSIS

Local Transportation Infrastructure Improvements

This report recommends the approval of a consultant agreement for the development of a master plan and conceptual design drawings for the North San Jose Grid Street system. The Department of Transportation conducted a consultant selection process in accordance with adopted procedures to identify qualified consultants for each project. A consultant interview panel included representatives from the Department of Transportation and the Redevelopment Agency.

- *Grid Street System* - A new Grid Street system will be created in the high density Industrial Core Area along North First Street between Montague Expressway and Skyport Drive. The purpose of the grid streets is to reduce the size of the existing “super blocks” in North San Jose in order to improve access and circulation within the area, especially for pedestrians walking to and from the light rail transit system. Other benefits include the creation of street frontages for commercial retail spaces and improved capacity for automobile traffic. The grid streets will be narrow, tree-lined streets designed to create a pleasant walking environment. Approximately 12 new local streets are contemplated. The consultant firm of URS Corporation was selected for this project. The scope of work includes mapping, property research, stakeholder coordination, concept design, property valuation, cost estimates and implementation strategies. The project is planned for completion by December 2007. The consultant compensation is based on time and expenses, for an amount not to exceed \$421,754.

Regional Transportation Infrastructure Improvements

This memorandum recommends the approval of three cooperative agreements with the VTA to develop plans and achieve clearance for various North San Jose access improvements located along state highways. The goal is to refine the project scope, address environmental issues and gain Caltrans design approval in an effort to increase eligibility/readiness to seek regional transportation funds for final implementation of the access improvements. The City and VTA have had a successful partnership in developing freeway improvement projects of local interest, such as this one, and then securing regional grants for construction of those improvements. Recent examples include the 880/Coleman interchange, the 101/Bailey interchange, and the currently active 280/880/Stevens Creek interchange upgrade project.

- Route 101 Corridor Including Zanker Overcrossing, Oakland Interchange and Mabury Interchange - The Route 101 Corridor Planning project involves planning for comprehensive improvements to the Route 101 corridor in the area from Route 87 to McKee Road. The plan will address implementing three specific improvements identified in the North San Jose transportation plan: the Route 101/Zanker/Skyport/Fourth Overcrossing and Interchange; the 101/Oakland Interchange Upgrade; and a new interchange at 101/Mabury. The estimated total implementation cost of these three projects is \$127 million. The VTA will manage the planning process and has selected the consultant firm of TY Lin to provide the following services: surveying, mapping, geotechnical analysis, traffic operations, right-of-way engineering, geometric design, cost estimates, implementation strategy, and Caltrans coordination. The City will be the lead on coordinating community outreach. The cost of the Route 101 Corridor Planning project is \$1,750,000. The City's share would be \$1,250,000 and the VTA's share would be \$500,000. The project study is planned for completion by December 2008.

- Route 101/Trimble Interchange - The Route 101/Trimble Interchange Upgrade project includes widening the Trimble Road Bridge from 4 to 6 lanes and upgrading the interchange ramps for improved safety and capacity. The estimated project cost is \$27 million. This project is "Phase 1" traffic mitigation for North San Jose development. In June 2005, the City executed an agreement with VTA in the amount of \$100,000 for VTA to develop a conceptual design for both the widening of Trimble Road and the upgrading of the interchange ramps. The agreement further required VTA to assist the City in gaining Caltrans approval over the project. At this time it is recommended that the agreement be amended to expand the scope of services to include the requirement that VTA complete the process of obtaining state and federal environmental clearance for the project. The expansion of the scope of services would result in an increase in compensation to the VTA of \$600,000, for a total agreement amount of \$700,000. The amendment would also extend the term of the agreement to June 2009.

- Route 880/Charcot Overcrossing - The Charcot Avenue Extension over Route 880 project includes constructing a new 2-lane street with sidewalks and bike lanes over Route 880 to connect Charcot Avenue with Oakland Road. The project serves to improve access and circulation into North San Jose for pedestrians, bicyclists and vehicles and also provides a new parallel corridor to Brokaw Road and to Montague Expressway. The estimated project cost is \$32 million. VTA will manage the project development and hire a consultant team to provide mapping, geometric design, and traffic analysis and to obtain Caltrans design approval and State environmental clearance. The City would provide \$800,000 to VTA for these project development services. The scope of services scheduled for completion by December 2008.

North San Jose Deficiency Plan

California law requires the designation of a Congestion Management Agency (CMA) for urban counties. VTA is the CMA for Santa Clara County. The role of the CMA is to set service standards for roadways of regional significance, monitor congestion, promote transportation alternatives, coordinate planning related to land development, transportation and air quality, and prepare a regional transportation capital improvement program.

Roadways of regional significance are referred to as Congestion Management Program (CMP) roadways, and these include local streets that generally carry more than 30,000 vehicles daily. Local CMP streets in North San Jose include: North First Street, Zanker Road, Trimble Road, Brokaw Road, Oakland Road, and Trade Zone Boulevard. If severe traffic congestion conditions are created at intersections on CMP roadways, the local agency is required by State statutes to mitigate the impact or prepare a Deficiency Plan to implement alternative transportation improvements. The Deficiency Plan must be approved by the CMA. The consequence for non-compliance with CMA regulations is the withholding of State gas tax revenues from the local agency. The City of San Jose receives approximately \$20 million annually in State gas taxes.

The Environmental Impact Report (EIR) for the North San Jose Development Plan provides that six (6) CMP intersections in North San Jose will become severely congested at different phases of development. The EIR also provides that traffic mitigation is not feasible to meet a traffic congestion standard of "E" during peak commute hours. These intersections are: North First Street/Montague Highway, Zanker Road/Montague Highway, Oakland Road/Montague Highway, North First Street/Trimble Road, Zanker Road /Trimble Road, and North First Street /Brokaw Road. It is noted, in the EIR, that improvements to these intersections are not considered feasible due to impacts improvements would have on transit services and pedestrian facilities.

Due to the findings set forth in the EIR, VTA has worked cooperatively with the City to prepare a Deficiency Plan for the North San Jose development plan. The purpose of the Deficiency Plan is to define alternative transportation improvements to offset CMP roadway congestion impacts. The offsetting improvements are comprised of projects already specified in the adopted North San Jose Area Development Policy and in the transportation plan. Among these improvements are improved bicycle, pedestrian and transit facilities; transportation demand management programs; traffic flow improvements; and, site design guidelines for new development. A summary of the Deficiency Plan improvements and Transportation Demand Management (TDM) measures is provided in Attachments 2 and 3. A complete copy of the North San Jose Deficiency Plan (59 pages) can be viewed on the City's website at <http://www.sanjoseca.gov/planning/nsj/environment.asp>.

It is recommended that the City Council adopt the Deficiency Plan for North San Jose and recommend approval of the plan by the VTA Board. Based on coordination with VTA staff, it is proposed that VTA Board review of the Deficiency Plan could be scheduled for June 2007. However, approval of the Deficiency Plan by the VTA is not a prerequisite for City Council

action on North San Jose development projects. State statutes require that a local agency prepare a Deficiency Plan within 12 months after severe traffic congestion impacts are actually measured on a local CMP roadway intersection.

POLICY ALTERNATIVES

Alternative 1: Do not approve plans and funding for North San José transportation improvements

Pros: Saves \$3.08 million in Redevelopment and City funds

Cons: Creates inefficiencies for development community relative to determining scope and location of planned transportation improvements; reduces opportunities for securing regional transportation grants; and, may cause delays for future North San Jose development phases due lack of required transportation mitigation.

Reason for not recommending: Conflicts with City policy goals to facilitate economic development of North San Jose

PUBLIC OUTREACH/INTEREST

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater. Public outreach for the subject report includes website posting as part of the Council Agenda process. The North San José transportation plan was addressed as part of an extensive public outreach process associated with the Update to the North San José Area Development Policy approved by the City Council on June 21, 2005. This outreach included nine community meetings for the general public and large number of presentations to community organizations and stakeholder groups. The City and VTA will conduct community meetings as part of the project development process for the various specific transportation projects in North San José. The Grid System Plan will be prepared in conjunction with the development of the North San Jose Area Design Guidelines being prepared by the Redevelopment Agency and Department of Planning, Building and Code Enforcement.

COORDINATION

This memorandum has been coordinated with the City Attorney’s Office, the Department of Public Works, the Department of Planning, Building and Code Enforcement, the Office of Economic Development, and the Redevelopment Agency.

FISCAL/POLICY ALIGNMENT

The recommended actions are consistent with the City’s economic development strategy to promote redevelopment of the North San Jose area.

COST SUMMARY/IMPLICATIONS

The recommended actions have a total capital cost to the City of \$3,071,754. The sources of funding include the Redevelopment Agency (\$1,821,754), the adopted Traffic Capital Budget (\$750,000) and multiple Developer Contributions (\$500,000) for the 101/Oakland interchange project.

Budget actions are recommended in this memorandum to appropriate \$522,000 for the Route 101/Oakland Road Interchange Upgrade Project. These funds were initially collected as Public Works In-Lieu Fees from a private development project near the 101/Oakland interchange. In February 2006, the funds were transferred to the Traffic Capital Budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2006-2007 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
450	TBD	North San José Transportation Infrastructure Design	\$1,107,654	\$421,754	N/A	Council action proposed for 04-03-07 (PSM#483)*
450	TBD	Charcot Overcrossing and 101/Trimble Projects	\$1,400,000	1,400,000	N/A	Council action proposed for 04-03-07 (PSM#484)*
429	5056	Route 101: Fourth/Zanker	\$250,000	\$250,000	V-1129	N/A
429	4581	Route 101: Mabury Interchange Planning	\$500,000	\$500,000	V-1130	N/A
429	TBD	Route 101/Oakland Road Interchange Upgrade	\$522,000**	\$500,000	N/A	
Total			\$3,779,654	\$3,071,754		

HONORABLE MAYOR AND CITY COUNCIL

04-04-07

Subject: North San Jose Transportation Infrastructure

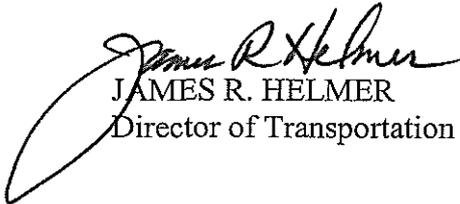
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*The appropriation of funds for the North San José Transportation Infrastructure Design (\$1,107,654) and Charcot Avenue Overcrossing/US101/Trimble Road/De La Cruz Avenue Interchange (\$1.4 million) projects are scheduled for City Council consideration on April 3, 2007. The approval of Recommendation Items #1, 3, and 4 are subject to City Council approval of the appropriation of funds.

**Funding of \$522,000 is recommended as part of this memo.

CEQA

EIR Resolution No. 72768 adopted on June 21, 2005.

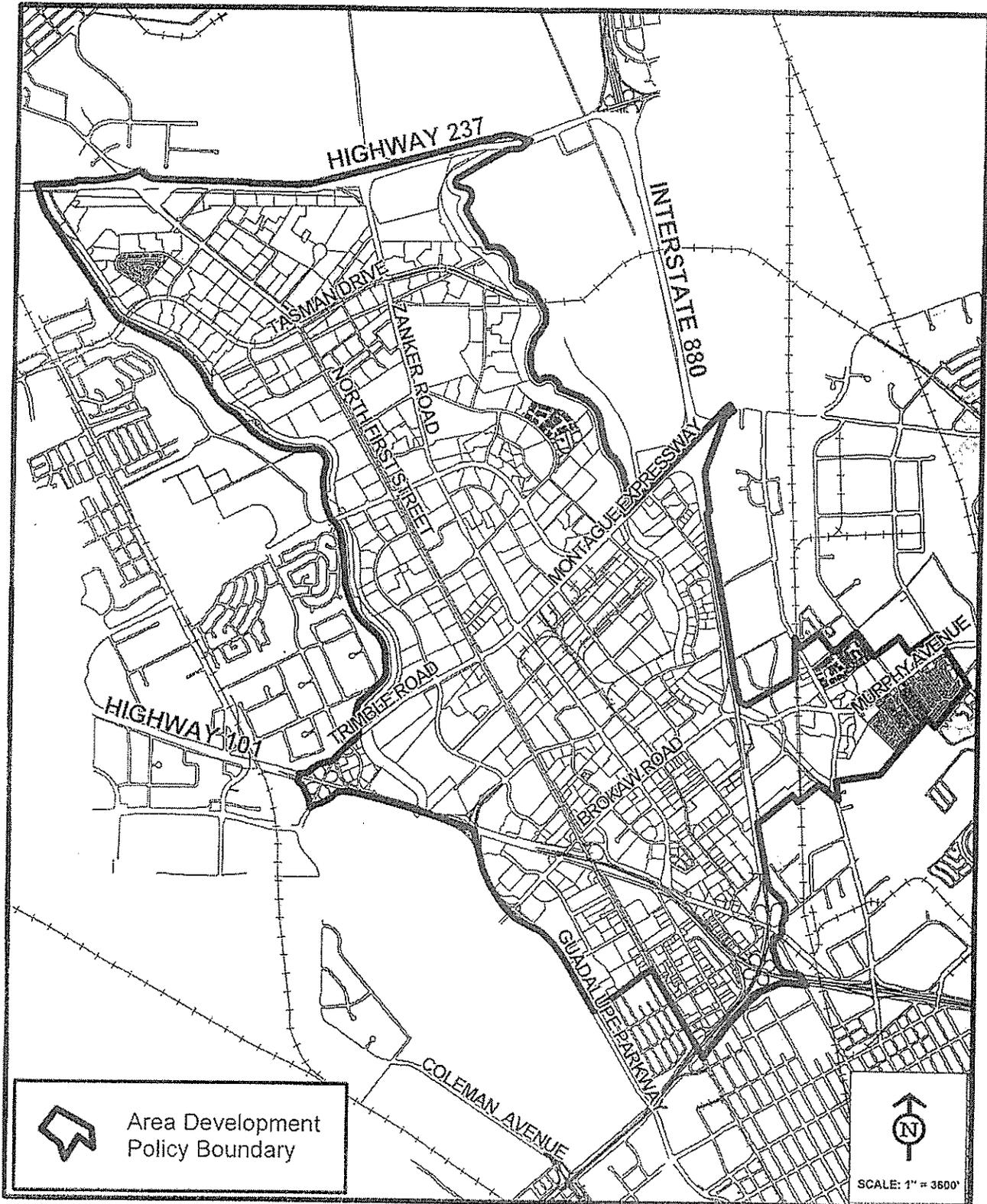

JAMES R. HELMER
Director of Transportation


LARRY D. LISENBEE
Budget Director

For questions please contact Hans Larsen, Deputy Director, at 535-3835.

Attachments

NORTH SAN JOSE AREA MAP



NORTH SAN JOSE DEFICIENCY PLAN

Summary of Improvements and Costs

Transportation Improvements	Cost (\$ Millions)
Montague Expressway Widening	\$18
101/Zanker/Skyport Overcrossing and Interchange	\$64
Charcot Avenue Extension over I-880	\$32
Zanker Road Widening	\$49
101/ Trimble Interchange Upgrade	\$27
Montague/Trimble New Interchange	\$30
Montague/McCarthy New Interchange	\$68
101/Oakland Interchange Upgrade	\$20
101/Mabury New Interchange	\$43
Grid Street System in Core Area	\$55
Trails, Pedestrian and Bicycle Improvements	\$30
Light Rail Transit Improvements	\$29
Bus System Improvements	\$4
One-Way Street (Couplet) Conversions	\$25
Miscellaneous North San Jose Intersection Upgrades	\$19
Other San Jose Area Intersection Upgrades	\$7
TOTAL	\$520 million

Additional Transportation Improvements Addressed in San Jose Agreements with Santa Clara County, City of Milpitas and City of Santa Clara

Transportation Improvements	Cost (\$ Millions)
Montague Widening (Santa Clara and Milpitas)	\$4
680/ Montague Interchange Area Upgrades	\$11
101/Montague Interchange Area Upgrades	\$7
San Tomas Expressway Widening	\$28
TOTAL	\$50 million

NORTH SAN JOSE DEFICIENCY PLAN

Summary of TDM Measures

In accordance with the North San José Area Development Policy, new development is required to incorporate Transportation Demand Management (TDM) measures in order to promote the use of multi-modal transportation options, to the maximum extent feasible.

Employment Based TDM Measures

- Provide sidewalks, landscaping and secured bicycle parking
- Provide bicycle and pedestrian connections to the regional bikeway/pedestrian trail system
- Place assigned carpool and vanpool parking spaces at desirable locations
- Provide showers and lockers for employees walking or bicycling to work
- Provide an on-site TDM coordinator
- Provide transit information kiosks
- Provide guaranteed ride home programs for emergency use by employees
- Provide vans for vanpools
- Provide shuttle access to regional rail stations
- Provide or contract for on-site or nearby child care services
- Offer transit use incentive programs (such as EcoPass)
- Implement parking cash out programs
- Encourage telecommuting and flexible work schedules
- Require that deliveries on-site take place during non-peak travel periods

Residential Based TDM Measures

- Construct transit amenities such as bus benches and shelters
- Provide direct, safe and attractive pedestrian access to transit stops
- Provide secure and convenient bicycle parking and storage
- Provide neighborhood serving shops and services near residential development
- Provide transit information kiosks
- Provide shuttle access to regional rail stations
- Provide or contract for on-site or nearby child care services
- Offer transit use incentive programs (such as EcoPass)

Vision North San Jose

■ Area Development Policy Approved – June 2005

Key Elements

- 26.7 Million Square Feet of new Industrial Office Development
- 1.7 Million Square Feet of new Commercial/Retail Space
- 32,000 new Residential Units
- \$570 Million in Transportation Improvements
- Phasing Program



Existing North First Street Environment



Future North First Street Environment

*San José City Council
April 24, 2007*

Transportation Improvements



- **1st Phase Major Improvements**
 - Widen Montague
 - 101 / Trimble
 - Montague – Trimble Flyover
- **Other Improvements**
 - Phase 2-4 Major Improvements
 - Transit/Bicycle/Pedestrian Facility Improvements
 - Downtown Couplet Conversions
 - Grid System
 - 15 NSJ Intersections
 - 9 CSJ Intersections
- **Traffic Impact Fee (2005)**
 - Industrial: \$10.44 / SQ. FT.
 - Single-Family: \$6,994 / Unit
 - Multi-Family: \$5,596 / Unit
 - Commercial: No Fee

Recommendations



- **Grid Street Master Plan**
 - URS, \$421,754
- **VTA Agreements for Project Development**
 - 101/Zanker
 - 101 Oakland
 - 101/Mabury
 - 101/Trimble
 - 880/Charcot
 - \$2,750,000 Total
- **Deficiency Plan**