



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Albert Balagso

SUBJECT: SEE BELOW

DATE: 09-06-06

Approved

Deanna Sartre

Date

9/11/06

COUNCIL DISTRICT: 4, 7

SNI AREA: Tully-Senter

SUBJECT: ADOPTION OF A RESOLUTION AUTHORIZING APPLICATION FOR LOCAL ASSISTANCE GRANT FUNDING FROM THE STATE OF CALIFORNIA RESOURCES AGENCY UNDER THE RECREATIONAL TRAILS PROGRAM FOR THE TRAIL: LOWER GUADALUPE RIVER REACH A PROJECT AND THE PROPOSITION 50 RIVER PARKWAYS GRANT PROGRAM FOR THE TRAIL: COYOTE CREEK (STORY ROAD TO PHELAN AVENUE) PROJECT

RECOMMENDATION

1. Adoption of a resolution authorizing the City Manager to submit an application for local assistance funds of up to \$350,000 from the State of California, Resource Agency, Department of Parks and Recreation (DPR) under the Recreational Trails Program to be used for the TRAIL: Lower Guadalupe River Reach A Project.
2. Adoption of a resolution authorizing the City Manager to submit an application for local assistance funds of up to \$830,000 from the State of California, Resource Agency, Department of Parks and Recreation (DPR) under the Proposition 50 River Parkways Grant Program to be used for the TRAIL: Coyote Creek (Story Road to Phelan Avenue) Project.
3. Authorize the City Manager to accept any grant funds and to negotiate and execute all documents related to the grant funding agreements.

CEQA:

TRAIL: Lower Guadalupe River Reach A: Mitigated Negative Declaration, PP04-323

TRAIL: Coyote Creek (Story Road to Phelan Avenue), PP91-06-162; Kelley Park Master Plan

OUTCOME

City Council approval of the recommended actions would authorize the City Manager to apply for, accept the grants, negotiate and execute grant agreements with the State of California for the use of local assistance grant funds available under the Recreational Trails and River Parkways Grant Programs administered by the State of California Resources Agency.

With award of the River Parkways grant funds, staff would seek additional City Council authorization for the award of a construction contract for the TRAIL: Coyote Creek (Story to Phelan) project. The project would construct 4,582 linear feet of paved trail, mitigation planting, an under-pass/retaining wall at the future pedestrian bridge leading to the Happy Hollow Park and Zoo and Kelley Park complex and other associated improvements.

With award of the Recreational Trails grant funds, staff would seek to combine the funds already designated for trail development under the federal SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for User) along the Lower Guadalupe River. Staff would seek additional City Council authorization for the award of a construction contract for the TRAIL: Lower Guadalupe River Reach A project. The project would construct 3,225 linear feet of paved trail, gateway, signage, striping and other associated improvements.

EXECUTIVE SUMMARY

City staff recommends approval of the above actions, which will authorize the City Manager to apply for, accept the grants, negotiate, and execute agreements for local assistance grant funds through the State of California under the Recreational Trails and River Parkways Grant Programs. The projects recommended for funding, TRAIL: Lower Guadalupe River Reach A and TRAIL: Coyote Creek (Story Road to Phelan Avenue) Projects, are highly ranked within the City's Trails Prioritization Process. Based upon a review of each grant program's application criteria and objectives and prior years' awards of grants, staff believes that these two projects will compete effectively for these grant dollars. Additionally, both projects present an opportunity to leverage the existing City investment in their development.

BACKGROUND

Recreational Trails Program (RTP)

The Recreational Trails Program (RTP) was originally established under the Federal Transportation Equity Act for the 21st Century and has been reauthorized under Public Law 109-59, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) enacted August 10, 2005. The SAFETEA-LU legislation provides \$286.4 billion in guaranteed funding for Federal surface transportation programs over five years through Fiscal Year 2009. In addition, to the RTP monies, the City is receiving a direct allocation of SAFETEA-LU funds for other transportation projects. These funds are administered on a regional basis through the Metropolitan Transportation Commission (MTC) coordinated through the Santa Clara Valley Transportation Agency (VTA). RTP funds are distributed to states under a legislative formula that allocates 50% of funds equally among all states and 50% of funds in the proportion of non-highway recreational fuel used in each state. The Federal funds are administered by the United States Department of Transportation, Federal Highway Administration

The RTP program is administered at the State level by the Resources Agency, Department of Parks and Recreation (DPR) who will be distributing \$5,000,000 in FY 2006. The RTP provides funds for both motorized and non-motorized recreational trails with the following eligible project elements:

➤ **Non-Motorized Projects:**

- Acquisition of trail sites
- Development and rehabilitation of trails and trailhead facilities
- Construction of new trails

➤ **Motorized Projects:**

- Acquisition
- Development and rehabilitation of trails and trailhead facilities
- Maintenance and restoration of existing trails
- Purchase and lease of trail construction and maintenance equipment
- Safety programs

Seventy per cent (70%) of funds received by California are available for non-motorized projects on a competitive basis. At least 50% of these funds will be available only to cities and counties. No less than 40% of the total funds will be allocated for trail projects that provide for Diversified Trail Use. Diversified Trail Use is defined as “the greatest number of compatible recreational purposes that may occur on the same trail or trail corridor at the same time.” These activities may include bicycling or trail biking; day hiking; equestrian activities; jogging or similar physical activities; or innovative recreational trail corridor sharing to accommodate both motorized and non-motorized recreational trail use.

Lower Guadalupe Trail Master Plan

The City Council approved the Lower Guadalupe River Trail Master Plan on June 21, 2005 (item 2.14). The plan defined a 6.4-mile trail system composed of five reaches. Reach A is from Gold Street to Highway 237. Development of this reach will permit a linkage via an on-street route to the Alviso Marina and connecting levee trails (County of Santa Clara jurisdiction) and to the Highway 237 Bikeway (Caltrans jurisdiction).

On February 14, 2006, a Joint Trails Agreement was executed between the City and the Santa Clara Valley Water District (SCVWD). The agreement permits development of an interim trail between Gold Street and Highway 880. The City has prepared work orders for the necessary signage and fencing work that must occur before public access. The SCVWD staff is currently reviewing the work orders and is expected to issue permits by October 2006 for installation work to proceed. Public access will not be permitted immediately between Trimble Avenue and Airport Parkway because there is no through access beneath Highway 101 and Airport Parkway.

Under the SAFETEA-LU program administered through MTC, the Lower Guadalupe River Trail has been earmarked to receive \$6,400,000 through Fiscal Year 2009. The City may receive a small component of these funds for the Trail project in Fiscal Year 2006 – 2007. The RTP program grant will provide needed additional funding for this priority project. Funding from SAFTEA-LU and RTP are from Federal sources. As a result, there is a benefit in terms of fiscal management; the City will likely have to follow the same process for environmental review, design requirements and expenditure of funds, adding a degree of efficiency to the project implementation process.

Proposition 50 River Parkways Grant Program (RPG)

The River Parkways Grant Program (RPG) is funded by the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50) that was approved by California voters on November 5, 2002. Proposition 50 authorized the State Legislature to appropriate \$100 million for the acquisition, restoration, protection and development of River Parkways. This program is administered by the State Resources Agency. The Agency will be accepting applications and awarding \$32,500,000 in grants through a competitive process. Applications are due October 17, 2006. Matching funds are not required under this program; however, projects with other funding sources may be more competitive in the application process. Projects assisting disadvantaged communities will also be more competitive. Eligible projects must meet two of the following five statutory conditions:

1. **Recreation:** Provide compatible recreational opportunities including trails for strolling, hiking, bicycling and equestrian uses along rivers and streams
2. **Habitat:** Protect, improve, or restore river or riparian habitat, including benefits to wildlife habitat and water quality

3. **Flood Management:** Maintain or restore the open space character of lands along rivers and streams so that they are compatible with periodic flooding as part of a flood management plan or project
4. **Conversion to River Parkways:** Convert existing developed riverfront land into uses consistent with river parkways
5. **Conservation and Interpretive Enhancement:** Provide facilities to support or interpret river or stream Restoration or other conservation activities

The TRAIL: Coyote Creek project was defined as part of the Kelley Park Master Plan. The regional park's plan defined a trail alignment from Story Road to Phelan Avenue which followed the east bank of the creek and improved access from parking facility and picnic areas to the enhanced zoo and other park attractions. Redevelopment of Kelley Park is funded through the Measure P Bond. The bond language defined all aspects of the park project with the exception of the trail. As a result, the City Council has directed staff to pursue funding opportunities to design the trail.

City Council directed staff to seek up to \$370,000 Proposition 40 funding through a Bay Area Ridge Trail/Coastal Conservancy program. Staff was successful in securing a \$70,000 grant which was combined with City funds to support partial design work for the trail.

The funding request made as part of this memorandum seeks to secure necessary funding to complete the design work and proceed with construction of the trail.

City Trail Process and Policies

In 2000, the City Council approved the "Greenprint, A 20-year Strategic Plan for Parks, Community Facilities and Programs" (Greenprint). The Greenprint identified the need to develop a city-wide trail network of approximately 100 miles. The network is composed of 27 unique systems that are aligned along creeks, rivers or overland routes. Funding for development was to be derived from local, State and Federal sources.

On August 26, 2003, the City Council authorized staff to develop the Trail Program's prioritization process for defining the programs annual workload. The process requires an annual review and rating of all trail reaches for the 27 trail systems; the collection of which forms the city-wide trail network. By prioritizing the workload annually, staff is able to chart a course for strategic and expeditious development of the trail network. The highest-ranked projects are aligned with grant opportunities as they occur during the year. The prioritization process elements include:

Criteria	Applicability
Approved development priority	Defined by the Greenprint.
Grant alignment	Consistent with objectives of potential grant source.
Inter-connectivity	Builds upon existing segment.

Criteria	Applicability
Leveraging of funds	Identified existing funds and requires no more than 30% matching funds.
Operations and maintenance	Design includes input from maintenance staff to reduce O & M costs.
Project ready	Design work is being completed.
Renovation/service delivery	Upgrades existing trail to meet current standards.

ANALYSIS

Recreational Trails Program (RTP)

The recommended action will enable City staff to develop and submit an application for grant funds under this program. Applications are due to DPR by October 2, 2006. The RTP program requires a 12% local match, which must be committed at the time of application. City staff is currently developing the project application that must include a copy of the Resolution adopted by the City Council authorizing the application (Attachment A) and evidence of compliance with the California Environmental Quality Act (a CEQA Certification Form).

It is anticipated that the State of California will fund a small number of projects as part of the Recreational Trails Program. The program has \$3,500,000 available statewide during 2006. During the previous year, the State awarded 16 grants valued from \$50,000 to \$450,000. The City’s grant application for \$350,000 is deemed to be competitive because it falls within the historical funding range and meets the programs objective to develop recreational trails.

Proposition 50 River Parkways Grant Program (RPG)

The State Resources Agency will be accepting applications and awarding \$32,500,000 in grants through a competitive process. Applications are due October 17, 2006. Last year, the State awarded grants for 37 projects under this program ranging from \$75,000 to \$2,360,000 with an average award of approximately \$1,041,000. With a smaller pool of funds available this year, staff believes that the City’s proposal for \$830,000 in funding will be competitive in relation to the program’s objectives in terms of application amount, existence of other project funding, project location in an SNI area, and the project scope and purpose. Upon Council approval of the Recommendation, staff will finalize a project application that must include a copy of the Resolution adopted by the City Council authorizing the application (Attachment B) and evidence of compliance with the California Environmental Quality Act (a CEQA Certification Form).

POLICY ALTERNATIVES

City staff has reviewed all trail projects currently with impending construction or those in the acquisition or design phases. Staff has considered projects with available appropriated funds or reserves that could meet the matching requirements. Staff has concluded that the Lower Guadalupe River Trail Reach A Project is the best fit as a candidate for RTP funding. Based upon this review, the Coyote Creek Trail (Story Road to Phelan Avenue) Project is recommended as the most appropriate project for submission under the RPG grant. Staff believes that applying for these two grants provides maximum leverage by securing additional funds and concentrating available resources to complete these high-priority projects.

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)**

Although this specific action does not meet any of the above criteria, this report is posted online for the September 26, 2006 Council meeting. In addition Staff has undergone extensive outreach efforts as noted in the below information.

Lower Guadalupe River Trail

In preparation of the Lower Guadalupe River Master Plan, a community meeting was conducted in August 2004 to solicit input on the project's preferred alignment and outcomes. The presentation and resulting alignment plan was posted on the Parks, Recreation and Neighborhood Services and Public Works Web sites.

All input received was addressed or incorporated into the Master Plan. Input at the community meeting was favorable for the trail and a commitment was sought to allocate resources for further development to the north, within the Alviso area. Staff addressed this request as noted in the Analysis section of this memorandum.

Progress reports on the Master Plan were shared with the Bicycle Pedestrian Advisory Committee as part of the Trail Program updates on November 8, 2004 and April 11, 2005.

Coyote Creek Trail

The Coyote Creek Trail was identified in the Greenprint. The 20-year strategic plan for parks, community facilities and programs included an extensive community outreach process. The Greenprint was adopted by the City Council in September 2000.

The Safe Neighborhood Parks and Recreation Bond Measure (Measure P) was approved by San Jose voters in November 2000. Measure P identified specific parks, trails and community facilities for funding. The Bond supplied funding for Kelley Park's redevelopment, but did not allocate funds specifically for the Coyote Creek trail component. As a result, staff has developed strategies to identify opportunities to apply for local, State and Federal funding to support trail improvements within the Park.

Public outreach for the preferred trail alignment, along the east bank of the river, occurred as part of the development of the 1991 Kelley Park Master Plan. The trail improvements proposed for funding include those generally described in the Kelley Park Master Plan that was approved in December 1994.

The Coyote Creek Trail project was identified as a Strong Neighborhoods Initiative (SNI) community outreach process. This project is listed as number seven (7) in the Tully-Senter SNI Top Ten-Priority List.

COORDINATION

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

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

COST IMPLICATIONS

Matching funding is required for the RTP grant application. City funding is already budgeted for the project, which meets the matching fund requirement.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	Total Appn.	2005 - 2006 Proposed Capital Budget (Page)*	Last Budget Action (Date, Ord. No.)
381	5179	TRAIL: Lower Guadalupe River Interim Improvements	\$50,000	V-350	
Fund #	Appn. #	Appn. Name	Total Appn.	2006 - 2007 Proposed Capital Budget (Page)*	Last Budget Action (Date, Ord. No.)
391	5226	TRAIL: Coyote Creek (Story Road to Phelan Avenue)	\$120,000	V-501	

* The 2006-2007 Adopted Capital Budget was approved by the City Council on June 27, 2006.

CEQA

TRAIL: Lower Guadalupe River Reach A: Mitigated Negative Declaration, PP04-323

TRAIL: Coyote Creek (Story Road to Phelan Avenue): PP91-06-162, Kelley Park Master Plan

for

 ALBERT BALAGSO
 Acting Director of Parks, Recreation,
 and Neighborhood Services

For questions, please contact Julie Mark, Acting Assistant Director, at (408) 793-5553.

Attachments

ATTACHMENT A:

Resolution No: _____

RESOLUTION OF THE **SAN JOSE CITY COUNCIL** OF CITY OF SAN JOSE APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE RECREATIONAL TRAILS PROGRAM

WHEREAS, the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" provides funds to the State of California for Grants to state, local and non-profit organizations to acquire, develop and/or maintain motorized and non-motorized trail purposes; and

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing Project Application under the program; and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the Applicant to certify by resolution the approval of application(s) before submission of said Application(s) to the State; and

WHEREAS, the Applicant will enter into a Contract with the State of California to complete the Project(s);

NOW, THEREFORE, BE IT RESOLVED that the SAN JOSE CITY COUNCIL hereby:

1. Approves the filing of an Application for the Recreational Trails Program; and
2. Certifies that said Applicant has or will have available prior to commencement of any work on the Project(s) included in this Application, sufficient funds to operate and maintain the Project(s); and
3. Certifies that the Grantee has reviewed, understands, and agrees to the General Provisions contained in the Contract shown in the Procedural Guide; and
4. Appoints the CITY MANAGER as agent to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the Project.
5. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Approved and Adopted the 26th day of September, 2006.

I, the undersigned, hereby certify that the foregoing Resolution Number _____ was duly adopted by the SAN JOSE CITY COUNCIL following a roll call vote:

Ayes:

Noes:

Absent:

(Clerk)

ATTACHMENT B:

Resolution No: _____

RESOLUTION OF THE SAN JOSE CITY COUNCIL OF CITY OF SAN JOSE APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE RIVER PARKWAYS GRANT PROGRAM

WHEREAS, the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" provides funds to the State of California for Grants to state, local and non-profit organizations to acquire, develop and/or maintain motorized and non-motorized trail purposes; and

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing Project Application under the program; and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the Applicant to certify by resolution the approval of application(s) before submission of said Application(s) to the State; and

WHEREAS, the Applicant will enter into a Contract with the State of California to complete the Project(s);

NOW, THEREFORE, BE IT RESOLVED that the SAN JOSE CITY COUNCIL hereby:

1. Approves the filing of an Application for the River Parkways Grant Program; and
2. Certifies that said Applicant has or will have available prior to commencement of any work on the Project(s) included in this Application, sufficient funds to operate and maintain the Project(s); and
3. Certifies that the Grantee has reviewed, understands, and agrees to the General Provisions contained in the Contract shown in the Procedural Guide; and
4. Appoints the CITY MANAGER as agent to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the Project.
5. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Approved and Adopted the 26th day of September, 2006.

I, the undersigned, hereby certify that the foregoing Resolution Number _____ was duly adopted by the SAN JOSE CITY COUNCIL following a roll call vote:

Ayes:

Noes:

Absent:

(Clerk)