



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Sara L. Hensley

SUBJECT: SEE BELOW

DATE: 09-30-05

Approved

Date

10/04/05

Council District: 6
SNI Area: N/A

SUBJECT: AUTHORIZE THE CITY MANAGER TO APPLY FOR, ACCEPT, NEGOTIATE AND EXECUTE AN AGREEMENT FOR PROPOSITION 50 GRANT FUNDS FOR THE LOS GATOS CREEK REACH 4 TRAIL PROJECT

RECOMMENDATION

Adopt a resolution authorizing the City Manager to apply for, accept, negotiate and execute a State of California Proposition 50 grant for an amount not to exceed \$1,200,000 for the Los Gatos Creek Trail Reach 4 (Lincoln Avenue to Auzerais Avenue) project.
CEQA: Mitigated Negative Declaration, PP04-01-014.

BACKGROUND

In 1996, County of Santa Clara voters approved the Measure B Sales Tax Bicycle Program (\$12 million). The funding was combined with State and Federal sources to support development of a bicycle transportation network in the County. The Valley Transportation Authority (VTA) adopted a \$33 million Bicycle Expenditure Program (BEP) to fund the Tier 1 projects in the Countywide Bicycle Plan over a ten-year period.

In 2000, the City Council approved the Greenprint, a 20-year strategic plan for parks, community facilities, and programs. The document identified the need to develop a city-wide trail system of approximately 100 miles. The system is composed of 27 unique routes that are aligned along creeks, river or overland routes. Funding for development of the system was to be derived from local, State and Federal sources.

In October 2000, the Valley Transportation Authority (VTA) Board of Directors adopted the BEP. The plan was developed in consultation with the City Council. The plan identified five projects in San José that would be funded in part through the program.

In August 2003, staff informed the City Council of the Trail Program’s prioritization process for defining the program’s annual workload. The process requires an annual review and rating of all trail reaches that comprise the city-wide trail system. By prioritizing the workload annually, staff is able to chart a course for strategic and expeditious development of the system.

In October 2004, staff informed the City Council of its Grant Funding Prioritization Guidelines that are used to align projects with funding sources. The process also requires an evaluation of the 180+ trail reaches that make up the City’s identified system. By evaluating all possible and existing projects against seven measures, staff is able to identify projects that expand the city-wide system in a manner that is well aligned with available grant sources.

ANALYSIS

Consistent with the Grant Funding Prioritization Guidelines’ criteria, the Los Gatos Creek Reach 4 is ranked highly for a number of reasons.

Criteria	Applicability
Approved development priority	Defined by the Greenprint.
Grant alignment	Defined by the Bicycle Expenditure Plan and requiring matching funds.
Inter-connectivity	Builds upon existing segment at southern boundary and links to trail expansion to be built by private developer to the north.
Leveraging of funds	Identified existing funds and requires no more than 30% matching funds.
Operations and maintenance	Design includes input from General Services to reduce maintenance.
Project ready	Design work is being completed, and bidding of project is ready to proceed.
Renovation/service delivery	Utilizes short segment of existing trail (Lonus Street to Highway 280) and upgrades existing trail to meet current standards.

The trail program is funded through the City’s Park Bond, local (Construction & Conveyance Funds), State and Federal sources. Currently, 26 trail projects are underway with \$15,000,000 in associated funding. There is a significant amount of additional funding that is available to the City. Over \$38,000,000 has been identified through a combination of the VTA’s Bicycle Expenditure Plan (BEP) and the recently approved Federal Transportation Bill (SAFET-LU). The City is working with the VTA to obtain an understanding of the Federal funds, specifically how they are accessed and the deadline for expenditure.

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With the current and anticipated level of funding, there is an ongoing need to secure matching funds for projects. Over \$18,000,000 is identified in BEP for five San José projects listed below. The BEP requires that matching funds be identified and secured before the City can proceed with expenditure of funds. In order to access the potential BEP funds, staff will need to pursue up to \$5,200,000 in matching grants. The Proposition 50 funds are suitable to serve as a match for the BEP.

The BEP has a fixed balance, and many agencies have projects identified in the program. As a result, staff will seek to identify and obtain authorization to pursue future grants as other projects on the list are sufficiently developed to accept grant funds.

Of the five San José projects noted in the BEP, the Los Gatos Creek Trail Reach 4 project is the furthest developed. Because the project's design documents are in the final stage of development and staff anticipates being able to award a construction contract in early 2006, staff believes that this project will be very competitive. An investment of grant funds will result in immediate construction, which should be a compelling reason for the State of California to provide grant funding. Attachment A provides an overview of a typical project's *stage of development* – the same terms are used in the table below.

Project Name	Description	Project Estimate	BEP Req. Match	BEP Share	Stage of Development
Los Gatos Creek Trail Reach 4 (Lincoln Avenue- Auzerais Avenue)	Trail (3,560 ft.)	\$4,800,000	\$1,200,000	\$3,600,000	Design
Los Gatos Creek Trail Reach 5 (Auzerais Avenue- Santa Clara Street)	Trail (4,510 ft.)	7,000,000	1,706,667	5,293,333	Plan
Almaden Expressway Bicycle Pedestrian Bridge (Design documents only)	Pedestrian bridge and ramps (500 ft.)	496,000	99,200	396,800	Plan
Branham Lane / Highway 101 Bicycle Pedestrian Bridge	Pedestrian bridge and ramps (1,000 ft.)	5,000,000	1,000,000	4,000,000	Identification
Coyote Creek Trail (Hwy 237 to Story Road)	Trail (30,000 ft.)	6,100,000	1,220,000	4,880,000	Feasibility
TOTALS		\$23,396,000	\$5,225,867	\$18,170,133	

Staff will submit Council memoranda in the future for the remaining projects listed in the BEP.

Submission of a Proposition 50 grant proposal is due to the State on October 18, 2005. Staff has prepared a proposal should the City Council authorize submission.

PUBLIC OUTREACH

The Los Gatos 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 BEP list was developed by the Department of Transportation, in consultation with Parks, Recreation and Neighborhood Services Department. The Building Better Transportation Committee reviewed the list and recommended its approval by the City Council. The City Council approved the BEP projects on December 16, 2003.

Development of the master plan for the Los Gatos Creek Trail Reach 4 project included a community meeting. Input received at the meeting shaped the approved master plan.

COORDINATION

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

OUTCOME

With award of the grant funds sought, the City will meet the required BEP funding match and staff will proceed with award of contracts for the development of the project resulting in 3,560 feet of new trail and an under-pass at Highway 280.

COST IMPLICATIONS

The BEP indicates that the total project cost (including land acquisition, planning, design, and construction) is \$4,800,000. This estimate was put forth several years ago in advance of the master plan. At this time, it appears that the project cost will be somewhat less. Finalizing the plan set in the coming weeks will permit staff to project a more accurate cost estimate. Reflecting upon a revised construction cost estimate, staff will seek a grant for a suitable amount (likely less than the authorized \$1,200,000) in order to be as competitive as possible. With the award of a grant, the City will need to appropriate funds to permit use of the funds. Design documents are being completed at this time for bid. If the City is successful in securing the grant funds, sufficient funds will be in place to award the project. Staff expects to bid the project in February 2006 with a start of construction in April 2006. The project is scheduled to be completed and open to the public by November 2007.

HONORABLE MAYOR AND CITY COUNCIL

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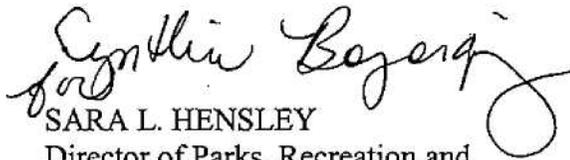
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The project will require \$8,000 annually for operation and maintenance. An additional \$1,350 will be required annually to support trail patrol staff. Funding will be requested as part of the FY 2007-08 Budget process.

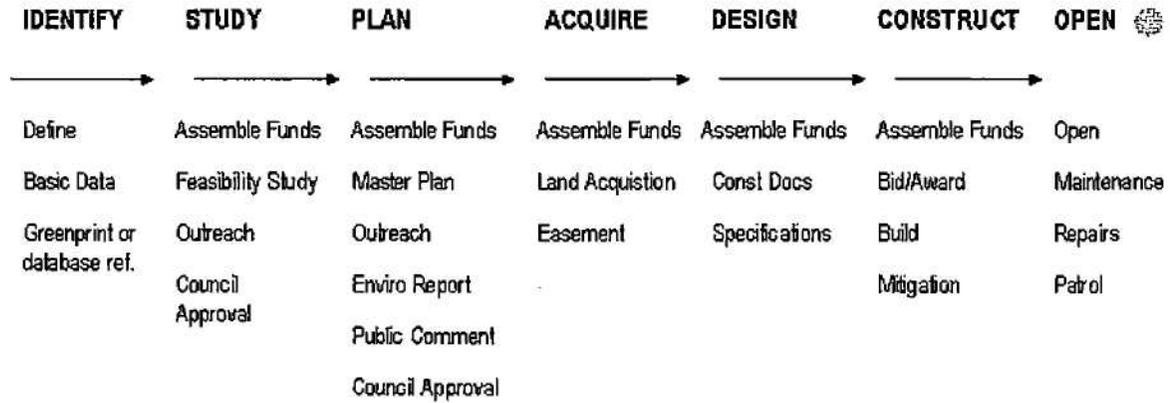
CEQA

Mitigated Negative Declaration, PP04-01-014.


SARA L. HENSLEY
Director of Parks, Recreation and
Neighborhood Services

Attachment A: Development Flowchart

Development Flowchart



Corresponding CIP Phases

(Feasibility)	(Acquisition)	(Design)	(Bid & Award, Construction)	(Beneficial Use, Post-Const)