



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Stufflebean

**SUBJECT:** SEE BELOW

**DATE:** 03-28-11

Approved

Date

3/28/11

**SUBJECT: SOUTH SAN FRANCISCO BAY EMERGENCY PORT ACCESS  
PROJECT STUDY**

## RECOMMENDATION

Accept the Final Report on the "Feasibility Assessment for the Creation of a South San Francisco Bay Emergency Port Access," to be submitted to the Department of Commerce, Economic Development Administration by the San Jose Silicon Valley Chamber of Commerce before the April 29, 2011 deadline.

## OUTCOME

The outcome of this action will be submittal of the feasibility study to the Department of Commerce in compliance with the requirements of the grant funding.

## BACKGROUND

In 2009, the Santa Clara Valley Water District (District) and San Jose Silicon Valley Chamber of Commerce (Chamber) applied for grant funding from the Department of Commerce, Economic Development Administration (EDA) in the amount of \$180,000, with a local match of \$180,000, to fund a feasibility study for a South San Francisco Bay Emergency Port Access in Alviso that would also analyze the potential for new economic development opportunities in the area.

The Chamber managed the study and compliance with the grant requirements. The local match of \$180,000 was provided by the City of San José, the District, and Santa Clara County (\$60,000 each), under an Agreement approved by the City Manager. The Chamber engaged a consultant, AECOM, to complete the study and administered a Technical Advisory Group of interested community members and agency staff to guide this process. Environmental Services Department staff provided input in the study and Technical Advisory Group.

## **ANALYSIS**

As detailed in the attached Executive Summary of the feasibility report, the feasibility study was performed in three phases: Preliminary Screening, Alternatives Refinement and Benefit Cost Analysis:

### *Preliminary Screening*

The feasibility study began with a preliminary screening of possible options and presentation of those options, which were then presented at a public workshop in July 2010. The five options considered were:

- Entertainment Waterfront: use the project to support development of land uses that take advantage of San José's shoreline and enhance the Bay Trail and waterfront experience by increasing visual access to the Bay and appropriate setbacks and other improvements for future trail development
- Emergency Port: limit the project to a small port facility for emergency services only
- Expanded Marina: develop a larger marina with access during high and low tides
- Ferry Service: develop a large port facility to accommodate regular ferry service
- Bulk Port: develop a large port facility that accommodates container shipments

Preliminary screening evaluated the minimum physical, environmental, and economic requirements for each of these concepts as detailed in the attached Feasibility Report. Based on the size requirements and need for extensive dredging in a sensitive Bay environment and urban wildlife refuge, and the limited economic benefits compared to other public transit and transportation option, the ferry and bulk port options were eliminated from further analysis.

### *Alternatives Refinement*

A more detailed engineering assessment was performed for the entertainment waterfront, emergency port, and expanded marina options. The primary constraint identified was the need for costly dredging needed to operate a marina or an emergency port that can accommodate barges. Dredging activity must comply with extensive regulatory requirements and include a means of disposal of potentially contaminated sediments. The Alternatives Refinement process identified use of hovercraft as an option that merited further analysis. A public workshop held in Alviso in December, 2010, presented these findings to about 30 community members, including Alviso residents, Water District Board members, and environmental group representatives. The community was generally supportive of the study process and findings.

### *Benefit Cost Analysis*

For the third phase, the two most promising concepts, hovercraft emergency port and entertainment waterfront, were analyzed as part of this study and based on this preliminary analysis were found to have a positive benefit-cost ratio. A public meeting was held in Alviso in February, 2011, to present the findings of this analysis. The meeting was attended by about 15 community members, Water District Board members, and environmental group representatives.

### Hovercraft Emergency Port:

The scale of the hovercraft emergency port facility could vary considerably in size, ranging from a small facility to accommodate a regional hovercraft network, to a larger, more expensive

storage facility to accommodate operation of a local hovercraft. An emergency port in Alviso could become part of a regional network to provide redundant access for first response personnel and evacuation services. The analysis found that currently there are 20,000 residents and 51,000 employees within a one-hour walk of the proposed port location, not considering future growth in North San José. This port could provide additional emergency services to this population during a major event.

Entertainment Waterfront:

The development of an entertainment waterfront is envisioned to support as much as 83,000 square feet of destination restaurant development. Some uncertainties exist with respect to the construction of this type of development near the levees in Alviso, requiring further analysis. The development could capitalize on San José's bay frontage and provide an amenity to the local community and the region in the future.

*Next Steps:*

In compliance with the grant requirements, the Chamber must submit the final feasibility report to the EDA by April 29, 2011. The Cost-Sharing Agreement with the Chamber, Water District, and County states that approval of the deliverables of the study "does not constitute concurrence with the content of the deliverable," nor does approval mean "commitment to support, fund, approve, or otherwise undertake any further actions related to the Project."

Staff believes the feasibility study resulted in a reasonable first analysis of possible opportunities in the future when the economic climate and fiscal situation have improved. The report includes information on potential next steps, possible funding sources and partners that could assist in implementing these concepts. Additional analysis would also be needed with respect to the costs of the access improvements to the site. The full report will be available in April 2011 and will be submitted by the Chamber to the EDA.

**PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 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)**
- Criterion 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 action does not meet any of the criteria above. The Chamber formed a Technical Advisory Group that met at major milestones throughout the study and was made up of interested

community members and agency stakeholders. In addition, the Chamber hosted three public workshops.

### **COORDINATION**

This report has been coordinated with the Office of Economic Development, Planning, Building, and Code Enforcement Department, Emergency Services, Parks, Recreation and Neighborhood Services, the City Attorney's Office and is scheduled to be reported at the April 2011 Treatment Plant Advisory Committee meeting.

### **POLICY ALIGNMENT**

The feasibility study is in alignment with the Plant Master Plan process to improve the Shoreline of San José and potentially provide additional public access.

### **CEQA**

Not a Project, File No. PP10-069 (a) Staff Reports.

/s/

JOHN STUFFLEBEAN

Director, Environmental Services

Please feel free to contact myself or Kirsten Struve of our office at 945-5180 if you have any further questions or comments.

Attachment:

Final Report Executive Summary: South San Francisco Bay Emergency Port Access Study