



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Hans F. Larsen

**SUBJECT: DIRIDON STATION AREA  
PLANNING GRANT – PHASE II**

**DATE:** May 29, 2012

Approved

Date

6/6/12

**COUNCIL DISTRICT:** 3, 6

## RECOMMENDATION

Adopt a resolution authorizing the City Manager to submit a grant application and negotiate and execute a grant agreement with the California High Speed Rail Authority (CHSRA) for development of Phase II Planning Study for the Diridon Station Area in the amount of \$900,000.

## OUTCOME

The recommended action will facilitate opportunity to expand on current planning efforts for land development and transportation facilities in the Diridon Station area.

## BACKGROUND

The Diridon Station area occupies a unique position in San José. As Downtown San José continues to transform into a vital urban center, the Diridon Station is becoming its major transit hub. The Diridon Station Area is generally bounded by Route 87 to the east, Highway 280 to the south, the railroad tracks to the west, and Coleman Avenue to the north. With bus and light rail service, expanded commuter rail, potential future Bay Area Rapid Transit system (BART) station and high speed rail connections, the Diridon Station will be a key regional transit hub for the entire Bay Area.

The City had previously received a \$750,000 MTC Area Station Planning Grant to develop the Diridon Station Area Plan (Plan). Staff has presented the proposed plan to the City Council on several occasions, and on January 25, 2011, Council provided direction on the completion of the Draft Plan and directed staff to prepare an Environmental Impact Report (EIR) for the Plan. Staff is currently moving forward with the EIR and is expected to come back to Council with a final Plan and EIR for review and approval in mid 2013. The key goals of the Plan are as follows:

- Establishment of a land use plan and policy framework that will guide future development within the area towards land uses that will support transit ridership.
- Evaluation and improvement of motorized, non-motorized and transit connectivity

between the station site and existing adjacent commercial, retail, parking and residential areas.

- Development and implementation of urban design standards that promote walkable and livable environments in and around the station area.
- Provision of a variety of commercial and mixed used development opportunities, ranging from large scale corporate or institutional sites to incremental infill development zones.
- Creation of a high activity, lively pedestrian environment with excellent connectivity to downtown destinations and transit.
- Expansion of Diridon Station to create a well integrated center of architectural and functional significance.

## **ANALYSIS**

As part of the development of the High Speed Train (HST) project, CHSRA has invited cities to apply for funding up to \$900,000 for the development of local land use and transportation plans for areas within one mile around future HST stations. San José is in process of completing a significant amount of work around the station but additional funding would provide a higher level of planning. Staff is currently discussing a final scope of work with CHSRA. In general, the CHSRA grant would be used to enhance and further refine and develop the land use and transportation recommendations contained in the proposed draft Plan. This proposed work is beyond the scope of work currently funded by MTC, and would further facilitate the Plan's implementation. The new funding would complete the following elements:

- Complete property rezonings for the majority of the Diridon Station Area Plan area. The rezoning process will include the development of zoning districts, regulatory framework, community outreach and property owner outreach. The rezonings will align with the land use designations established in the Diridon Station Plan and include high intensity office and research and development uses, entertainment and retail uses, hotels, high density residential development, and mixed use commercial/residential development, consistent with the land use framework and policies of the proposed Plan. .
- Conduct further analysis of opportunities to improve the connectivity between the station area and adjacent uses, and make detailed recommendations on how to improve pedestrian, bicycle, and transit connections. The outcome of this task could include possible projects and project elements as well as the development of conceptual plans that could accelerate implementation and increase construction grant opportunities.
- Evaluate the connectivity between Diridon Station and potential HST parking locations, including a possible connection to the Mineta San José International Airport. This analysis would explore shuttle and bus service, as well as a possible expansion of the proposed Automated Transit Network (ATN) to improve access between the station and remote parking lots.

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This additional work could also include further development of the conceptual design of the expanded Diridon Station facility. The proposed draft Plan has laid the groundwork for more detailed analysis of the station expansion and design. Staff will need to determine how much work can be completed without precluding either an underground or aerial HST alignment at Diridon Station.

Depending on the timing of the CHSRA funding and current schedule of the Diridon Station Area Plan, staff will make a determination of how these new elements get incorporated. It could either be added to the draft Plan or as a separate implementation document.

### CHSRA Grant Agreement

The proposed grant agreement between CHSRA and City is in the amount of \$900,000. The agreement is currently being developed and would likely include the following conditions:

- Funding to the City is contingent on State funding approvals and could be reduced
- CHSRA can terminate the agreement without cause with 30 days written notice and pay City for work incurred up until that date
- CHSRA will have an irrevocable license on all work products that are derived from use of the grant funding
- City must indemnify and hold CHSRA harmless for any claims or liability arising from the grant agreement
- The over \$1 million in local and regional funds that have been expended on the Phase I analysis of the Diridon Area will serve as the total local match required for the CHSRA grant
- The term of the agreement is still to be determined, but should be approximately 3 years.

### EVALUATION AND FOLLOW-UP

Staff will report back to Council for policy approvals related to the overall Diridon Station Area Plan. The project will continue to be developed in coordination with City and community stakeholders.

### PUBLIC OUTREACH/INTEREST



**Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

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- 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 memorandum will be posted on the City's website for the June 19, 2012 City Council agenda.

### **COORDINATION**

Preparation of this report was coordinated with the City Attorney's Office and the Department of Planning, Building, and Code Enforcement.

### **FISCAL/POLICY ALIGNMENT**

The recommended action aligns with the Transportation and Aviation Services CSA Outcome related to providing viable transportation choices and with the City's economic development strategies to "create more walkable, vibrant, mixed-use environments to spur activity and promote economic development opportunities".

### **COST SUMMARY/IMPLICATIONS**

The recommendations in this memo would initiate the process required for the CHSRA to grant funds to the City of San José in the amount of \$900,000.

### **CEQA**

Not a Project, File No. PP10-066.

/s/  
HANS F. LARSEN  
Director of Transportation

For questions please contact Manuel Pineda, Deputy Director for Transportation Planning and Projects, at (408)975-3295.