



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow
Jim Shannon

SUBJECT: SEE BELOW

DATE: February 21, 2024

Approved

Date

2/22/24

SUBJECT: AGREEMENTS FOR 2023-2024 TRANSPORTATION FUND FOR CLEAN AIR AND VEHICLE REGISTRATION FEE GRANT FUNDING

RECOMMENDATION

- (a) Approve the Transportation Fund for Clean Air (TFCA) retroactive grant agreement with the Santa Clara Valley Transportation Authority (VTA) in an amount not to exceed \$1,729,035 for reimbursement of work that occurs on or after July 1, 2023.
- (b) Approve the Vehicle Registration Fee (VRF) retroactive grant agreement with VTA in an amount not to exceed \$394,000 for reimbursement of work that occurs on or after November 2, 2023.
- (c) Adopt the following 2023-2024 Appropriation Ordinance and Funding Sources Resolution amendments in the Building and Structure Construction Tax Fund:
 - (1) Increase the estimate for Revenue from Local Agencies by \$944,000; and
 - (2) Establish the TFCA 2023-2024 Centralized Transit Signal Priority appropriation to the Transportation Department in the amount of \$325,000; and
 - (3) Establish the TFCA 2023-2024 Grand Boulevard Centralized Transit Signal Priority appropriation to the Transportation Department in the amount of \$225,000; and
 - (4) Establish the VTA - VRF ITS Cycle 4 appropriation to the Transportation Department in the amount of \$394,000.
- (d) Adopt the following 2023-2024 Appropriation Ordinance and Funding Sources Resolution amendments in the Construction Excise Tax Fund:
 - (1) Increase the estimate for Revenue from Local Agencies by \$86,235; and
 - (2) Increase the Bicycle and Pedestrian Facilities (TFCA) appropriation to the Transportation Department by \$86,235.

SUMMARY AND OUTCOME

These grants, totaling \$2,123,035, provide funding to construct roadway safety improvements along Jackson Avenue, implement transit signal priority (TSP) to improve transit travel efficiency for 10 VTA frequent bus routes, enhance the existing online TSP portal to support non-TSP signalized intersections, and construct bicycle parking citywide.

BACKGROUND

Vision Zero Safety and Bikeway Expansion Goals

Vision Zero is a transportation initiative to reduce fatal and severe injuries on our roadways and it is a key component of 2023-2024 City Council's Focus Area – Increasing Community Safety. In February 2020, City Council adopted a Vision Zero Action Plan investing in strategies towards eliminating fatalities and reducing severe injuries while providing mobility on our roadways. Through comprehensive evaluation and analysis of citywide traffic collision data, the Transportation Department (DOT) identified 30 Priority Safety Corridors, where fatal and severe injuries are most clustered and have the highest need for safety investments.

TSP

DOT has worked diligently with VTA over the last two decades to improve transit service through operational strategies such as TSP to reduce delay for transit vehicles at signalized intersections. Signals equipped with proper equipment can be programmed to extend green lights, shorten red lights, and rotate signal phases to improve the likelihood of transit buses receiving a green signal upon arrival at a signalized intersection. TSP systems allow for more reliable transit travel times, which is important in maintaining and increasing transit ridership, decreasing single-occupancy vehicle trips, and ultimately reducing traffic congestion and harmful air emissions. Currently, only traffic signals along the light rail corridors, three rapid bus corridors, and three high-frequency VTA bus routes are programmed with a combination of the traditional, hardware-based TSP system as well as the newer, software-based, central TSP system.

Better Bike Plan 2025

In 2020, the City Council adopted Better Bike Plan 2025, a plan to build out a robust network of bikeways citywide to promote safety, equity, and mode shift for bicycle users in San José.

Better Bike Plan 2025 identifies bicycle parking as an important part of achieving the City's bicycle mode share goals. When San José residents access jobs, businesses, transit, and other destinations by bicycle, there is a need for bike racks and bike lockers to secure and protect the bicycles. Bike parking includes short- and long-term bike parking provided by a variety of

parking options, including bike racks and bike lockers. To date, the City has installed an expansive bike rack program of more than 3,000 bicycle parking spaces at businesses, parks, libraries, transit, and other locations. Locations are based on community input, staff analysis, proactive planning, and coordination among City departments. Public input and staff analysis show that more bike parking is still needed.

ANALYSIS

I. TFCA

DOT actively pursues grant funding opportunities for projects that support the City's transportation mode shift and/or safety goals. TFCA is a Bay Area Air Quality Management District program funded by motor vehicle registration fee surcharges collected within its jurisdiction and provides grants to local governments for projects that will reduce air pollution. Funds are administered by VTA and awarded on a competitive basis. Eligible projects include bicycle, trip reduction, and clean air vehicle projects. A major factor for project selection is cost effectiveness of emissions reduced.

In May 2023, DOT submitted four applications for funding consideration under the Bicycle and Trip Reduction categories.

On October 5, 2023, the Bay Area Air Quality Management District Board of Directors approved VTA's recommendation to award a total of \$1,729,035 in TFCA funds to the City:

1. \$17,700 for the Jackson Avenue Quick Build safety improvements project;
2. \$756,000 for the 2023-2024 Centralized TSP project;
3. \$869,100 for 2023-2024 Grand Boulevard Centralized TSP project; and
4. \$86,235 for additional bicycle and pedestrian facilities throughout the city.

DOT negotiated a grant funding agreement with VTA in December 2023 for the four TFCA projects. These projects are described below.

1. Jackson Avenue Quick Build Safety Improvements

Jackson Avenue is identified as one of the Priority Safety Corridors and is included in the San José Bike Plan 2025 as a priority corridor for establishing a bicycle facility to support a robust and safe bicycle network. Jackson Avenue is a major arterial roadway that provides an important north-south connection linking people to many major destinations including San José Regional Medical Hospital, medical clinics, parks, schools, and shopping centers. Between 2017 and 2021, there were 42 traffic collisions involving bicyclists and pedestrians, with 14 of those collisions involving a severe injury and/or fatality.

This project will provide safety improvements for bicyclists by implementing Class IV bike lanes using physical separators along with the appropriate roadway striping and signage. Upgrading the quality and comfort of using bike lanes improves safety and increases the likelihood of mode shift from vehicle to active transportation, which will improve air quality.

2. 2023-2024 Centralized TSP

This project will implement the new software-based, central TSP for three VTA frequent bus routes through 108 unique traffic signals. This project is anticipated to reduce vehicle emissions harmful to air quality by 1.9 tons and reduce greenhouse gas emissions (CO2) by approximately 1,200 tons over the project lifespan. See the impacted routes in the below table.

Bus Route	Travel Corridor	# of Signals
57	From West Valley College, through Santa Clara, terminating at Old Ironsides Station	San José - 13 Santa Clara - none
60	From Winchester Station, through North San José, terminating at the Milpitas BART station	San José - 34 Santa Clara - 11
61	From Good Samaritan Hospital, through Japantown, terminating at Sierra Road and Piedmont Road	San José - 50 Santa Clara - none

3. 2023-2024 Grand Boulevard Centralized TSP

This project will implement the new central TSP for seven VTA frequent bus routes that mainly travel on streets designated as Grand Boulevards—major corridors intended as primary transit routes per the City’s 2040 General Plan. This project scope includes 134 unique traffic signals and is anticipated to reduce vehicle emissions harmful to air quality by 6.5 tons and reduce greenhouse gas emissions (CO2) by approximately 4,000 tons over the project lifespan. See the impacted routes in the below table.

Bus Route	Travel Corridor	# of Signals
22/522	From the Palo Alto Transit Center, through Mountain View, Sunnyvale, and Santa Clara, terminating at Eastridge Transit Center	San José - 53 Santa Clara - 5
23	From De Anza College, through Santa Clara, terminating at Alum Rock Station	San José - 54 Santa Clara - 7
523	From Lockheed Martin Station, through Sunnyvale, Cupertino, and Santa Clara, terminating at San José State University	San José - 28 Santa Clara - 7
64B	From Almaden Expressway and Camden Avenue, through Downtown San José, terminating at McKee Road and White Road	San José - 22 Santa Clara - none

70	From the Milpitas BART station, through the Berryessa BART station, terminating at Capitol Station	San José - 48 Santa Clara - none
77	From the Milpitas BART station, through the Berryessa BART station, terminating at Eastridge Transit Center	San José – 40 Santa Clara - none

4. Bicycle and Pedestrian Facilities

The grant funds will provide for the San José Bike Lockers project that includes the installation of an additional 250 two-bike racks and two electronic card-key bike locker quad units throughout the city. Each rack has the capacity to park two bicycles and each locker will hold four bicycles, adding an additional 508 bicycle parking spaces to the City’s public bicycle parking program.

DOT recently installed bike parking at various City community centers and libraries. DOT continues to respond to community requests for additional bike parking and install bike racks where feasible. Additionally, DOT successfully piloted a program to install publicly available bike racks on private property, such as retail centers facing public streets. Locations are selected based on community requests and staff suitability analysis. Staff anticipates that many of the bike racks funded by this grant will be installed on private property for use by the public.

II. VRF

Senate Bill 83, signed into law in 2009, authorized countywide transportation agencies such as VTA to implement a VRF to pay for transportation programs and projects bearing a relationship or benefit to the owners of motor vehicles paying the fee. The county’s voters approved a VRF on November 2, 2010.

Fifteen percent of the VRF revenue collected is reserved for a Countywide Program Fund administered by VTA and awarded on a competitive basis to local jurisdictions, providing funds for:

1. Intelligent Transportation System Technologies (including traffic control signals, safety, and traveler information systems);
2. Countywide environmental mitigation related to pollution caused by autos and trucks; and,
3. Matching funds for federal/state/regional transportation grants applied to any roadway transportation project included in the adopted Valley Transportation Plan.

In August 2023, DOT submitted an application for funding consideration under the Intelligent Transportation System allocation. On November 2, 2023, the VTA Board of Directors approved an award totaling \$394,000.

DOT negotiated a grant funding agreement with VTA in January 2024 for the VRF Cycle 4 project. This project is described below.

VTA – VRF Intelligent Transportation Systems Cycle 4

Currently, only traffic signals programmed with central TSP along four total rapid and high frequency VTA bus routes are accessible for management on the central TSP system’s online analytics portal. This grant will fund the consultant work needed to provide transit performance data, such as red light delay, green light success, stops, and total transit travel time at 22 additional, non-central TSP equipped bus and light rail routes on the online analytics portal.

Climate Smart San José

The recommendations in this memorandum align with one or more Climate Smart San José energy, water, or mobility goals. The projects will improve walking, transit, and bicycling options. These improvements will support mode shift and reduce vehicle miles traveled and associated greenhouse gas emissions.

EVALUATION AND FOLLOW-UP

This memorandum will not require further follow-up.

COST SUMMARY/IMPLICATIONS

The grant award of \$1,729,035 for the four projects included in the TFCA grant agreement is 100% reimbursable. The grant award of \$394,000 for the project included in the VRF grant agreement is 100% reimbursable. No City matching funds are necessary for either grant. Of the \$2.1 million grant award, \$1.0 million is recommended to be spent in 2023-2024, with the remaining \$1.1 expended in 2024-2025. A summary and schedule of expenditures are shown in the table below.

Expenditures by Fiscal Year

Grant Project	FY 2023-2024	FY 2024-2025	Total
TFCA Jackson Avenue Quick Build Safety Improvements	\$0	\$17,700	\$17,700
TFCA 2023-2024 Centralized Transit Signal Priority	\$325,000	\$431,000	\$756,000
TFCA 2023-2024 Grand Boulevard Centralized Transit Signal Priority	\$225,000	\$644,100	\$869,100
TFCA San Jose Bike Parking	\$86,235	\$0	\$86,235
VTA – VRF Intelligent Transportation Systems Cycle 4	\$394,000	\$0	\$394,000
TOTAL	\$1,030,235	\$1,092,800	\$2,123,035

While the ongoing costs to operate and maintain the physical improvements are expected to be minimal, the Centralized TSP projects are leveraging grant funds for licensing costs for Intelligent Transportation Systems over a five-year period. Renewing the license for an additional five years is tentatively estimated at \$920,000. DOT will evaluate alternative funding sources, such as the Traffic Capital Program, for this future cost.

BUDGET REFERENCE

The table below identifies the funds and appropriations to fund these projects.

Fund #	Appn #	Appn Name	Current Total Appn	Budget Action	2023-2024 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
429	NEW	TFCA 2023-2024 Centralized Transit Signal Priority	\$0	\$325,000	N/A	N/A
429	NEW	TFCA 2023-2024 Grand Boulevard Centralized Transit Signal Priority	\$0	\$225,000	N/A	N/A
429	NEW	VTA – VRF ITS Cycle 4	\$0	\$394,000	N/A	N/A
429	R090	Revenue from Local Agencies	\$8,020,000	\$944,000	945	10/17/2023 Ord. No. 23-361
465	435N	Bicycle and Pedestrian Facilities (TFCA)	\$107,000	\$86,235	974	10/17/2023 Ord. No. 30966
465	R090	Revenue from Local Agencies	\$62,736,640	\$86,235	942	2/13/2024 Ord. No. R9999

COORDINATION

This memorandum has been coordinated with the City Attorney’s Office and the Planning, Building, and Code Enforcement Department.

PUBLIC OUTREACH

This memorandum will be posted on the City’s Council Agenda website for the March 5, 2024 City Council meeting.

HONORABLE MAYOR AND CITY COUNCIL

February 21, 2024

Subject: Agreements for 2023-2024 Transportation Fund for Clean Air and Vehicle Registration Fee Grant Funding

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COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER23-009, CEQA Guideline Section 15301(c) Existing Facilities.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

JOHN RISTOW
Director, Transportation



JIM SHANNON
Budget Director

I hereby certify that there will be available for appropriation in the designated funds and in the amounts as listed below in fiscal year 2023-2024 monies in excess of those heretofore appropriated therefrom:

Building and Structure Construction Tax Fund	\$944,000
Construction Excise Tax Fund	\$ 86,235



JIM SHANNON
Budget Director

For questions, please contact Kenneth Jung, Division Manager, DOT, at kenneth.jung@sanjoseca.gov or (408) 975-3262.