

CITY SERVICE AREA

COMMUNITY & ECONOMIC DEVELOPMENT

Mission: To manage the growth and change of the City of San José to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of housing and employment opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings.

Undergrounding Project

*Tully Road West of Kenoga Drive
Tully Community Center/Ball Fields*



Before Undergrounding

The Developer Assisted Projects Capital Program reimburses developers for the construction of street improvements throughout the City, encourages the undergrounding of existing overhead utilities, and facilitates funding of development-related public improvement construction through special districts. As part of the Community and Economic Development City Service Area, the major objective of the capital program is to ensure that residential developments within San José include the construction of public improvements necessary to maintain or improve the infrastructure of the City.

Developers who construct residential dwelling units pay contributions to the Residential Construction Tax Contribution Fund. In turn, payments from the fund are made to developers who construct eligible improvements if those improvements are contiguous to existing or proposed residential development.



After Undergrounding

Underground Utility Districts are established using fees collected from developers. Undergrounding projects are prioritized within a five-year plan based on several criteria, the most important of which is the value of fees collected within the proposed Underground District. Other criteria include whether the underground work can be coordinated with other capital improvements such as street widening, and equity in the amount of undergrounding approved among City Council Districts.

The Contingent Lien District Fund is used to facilitate cost sharing agreements through special districts between private parties regarding the construction of significant public improvements as required by the City for development projects. As funds are collected, projects are constructed as specified by the original district agreements.

CSA CAPITAL PROGRAM

- Developer Assisted Projects

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PROGRAM HIGHLIGHTS

Developer Assisted Projects Capital Program

2025-2029 Proposed CIP: \$25.6 million

Undergrounding Projects – Rule 20A (Through Rule 20A, the California Public Utilities Commission requires Pacific Gas and Electric (PG&E) to set aside funds annually to finance the undergrounding of overhead electrical facilities located on public streets within the City of San José.)

- Monterey Road Rule 20A Underground Utility District
- Lincoln Avenue Rule 20A Underground Utility District
- Kirk Park Rule 20A Underground Utility District
- Delmas Avenue/Park Avenue 20A Underground Utility District

Undergrounding Projects – Rule 20B (Rule 20B Underground Utility Districts combine several smaller undergrounding projects into one large project to benefit from economies of scale.)

- McKee Road/Jose Figueres Avenue Rule 20B Underground Utility District
- Delmas Avenue/Park Avenue Rule 20B Underground Utility District
- Meridian Avenue Rule 20B Underground Utility District
- Pearl Avenue/Hillsdale Avenue Rule 20B Underground Utility District

Residential Construction Tax Contribution Fund Street Improvement Projects

- Hillsdale Avenue (Communications Hill, KB Homes)

Recent Accomplishments

- ◇ Project Acceptance for the Delmas Avenue/Park Avenue Rule 20B was attained July 2023. The second phase of this project is scheduled to begin summer 2024 to allow pole removals on San Fernando Street.

CSA OUTCOME

(Supported by the Capital Program)

- ✓ Safe, Healthy, Attractive, and Vital Community