



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Planning Commission

**SUBJECT: RECOMMENDATION ON THE
2020-2024 PROPOSED CAPITAL
IMPROVEMENT PROGRAM**

DATE: May 20, 2019

RECOMMENDATION

The Planning Commission voted 5-0-1-1 (Vora absent, Ballard abstained) to recommend that the City Council adopt the 2020-2024 Proposed Capital Improvement Program (CIP) and accept the comments provided by the Commission during the hearing. The Planning Commission's comments are identified within this memorandum for City Council consideration.

OUTCOME

Adoption of the 2020-2024 Proposed CIP will provide funding for programs and investments the City Council has established as priorities. The CIP guides the planning, scheduling, and budgeting of capital improvement projects during the next five-year period.

BACKGROUND

The San José City Charter prescribes that the Planning Commission consider the City's Proposed CIP and submit its findings and recommendations to the City Council at least ten days prior to the public hearing of the City Council on the CIP. The CIP implements the goals and policies of the Envision San José 2040 General Plan, and determination of General Plan consistency is an important criterion in the Commission's review of the document.

At the previous request of the Commission, the Department of Public Works and the City Manager's Budget Office focused discussion on the new projects over \$1 million and other projects that appear in the Capital Improvement Program for the first time. Even with this focus, the Commission acknowledged that the Charter requires a statement of the entire CIP's consistency with the General Plan. The Planning Commission agreed that an overall finding would still be discussed and determined, and that specific comments to the City Council would focus on the new projects to ensure that those investments advanced the goals and policies of the General Plan.

ANALYSIS

On May 1, 2019, the Planning Commission conducted its annual public hearing on the City's 2020-2024 Proposed CIP. Staff presented the budget overview and highlights of the various capital programs. As requested, the accompanying memorandum to the public hearing included a listing of 44 new projects over \$1 million appearing in the Capital Improvement Program for the first time. The new projects total approximately \$610 million over the five-year period and represent 16.3% of the \$3.8 billion program.

City Service Area Planning Commission Comments

The Planning Commission considered various City Service Area (CSAs) and Capital Programs of the CIP. The Planning Commission's major discussions with respect to these CSAs are identified below. There was no public comment during the hearing.

Neighborhood Services CSA

Parks Facilities: The Commission asked how the remaining balance of \$1.5 million from the Coleman Avenue property sale proceeds would be allocated. Staff stated that the City Council recommended that the Administration use funds from the property sale towards parks-related projects and that the 2019-2020 Proposed Budget allocated all but \$1.5 million of applicable proceeds for parks-related capital investments. A Manager's Budget Addendum (MBA) would be released summarizing how the proceeds were allocated and an option for reallocation of the remaining \$1.5 million. This MBA was since released as MBA #7, Use of Coleman Property Sale Proceeds.

The Commission inquired about future plans for the former Agnews Developmental Center site. Staff indicated that the City and Santa Clara Unified School District (SCUSD) have been coordinating planning efforts. SCUSD is in the process of constructing a school campus, which includes a shared roadway with easement rights to the City. Master planning for the park has not started due to the unavailability of funding.

Environmental and Utility Services CSA

Storm Sewer System: The Commission asked where the Horace Mann and Washington Neighborhood Green Alleyways Improvements will be located. Staff provide the Commission with the location address.

The Commission sought clarification about the Regional Green Stormwater Infrastructure project proposed at the River Oaks Pump Station and Kelly Park Stables. Staff indicated that the City's Green Infrastructure Plan analyzed opportunities throughout the City to reduce contaminants that flow into the bay. Both candidate sites are vacant City-owned properties. The River Oaks site is overseen by the Department of Transportation and the Kelley Park site is controlled by the Department of Parks, Recreation and Neighborhood Services. There will be community outreach for each candidate site to explore how the stormwater facilities could be designed as a community amenity for passive recreational purposes while retaining stormwater benefits.

The Commission asked when the Alviso Storm Pump Station will be completed. Staff said that the project will be completed as part of the 2020-2024 Proposed CIP, and the storm and sanitary sewer plans will be updated annually.

The Commission sought additional information about the San Jose Watershed Invasive Species Removal and Engagement project. Staff stated that this is a partnership grant with the Santa Clara Valley Water District to remove invasive species from Coyote Creek for flood improvement capacity.

Water Pollution Control: The Commission requested additional information about the Digested Sludge Dewatering Facility. Staff stated that the State adopted SB 1383, which will no longer allow biosolids to be sent to landfills. The City is currently evaluating alternatives and aims to meet this requirement by March 2023.

The Commission asked which agencies participate and contribute towards the Regional Wastewater Facility (RWF), and whether there is still a sewer bond. Staff stated that Cupertino, Los Gatos, and other jurisdictions in the area contribute towards the RWF's capital and operational improvements. There is no sewer bond; capital rehabilitation within the sanitary sewer collection system is cash funded.

Water Utility System: The Commission inquired about the North San Jose Reliability Well #6 Construction and whether Iris Chang Park is still a candidate site. Staff explained that this project will construct a groundwater well to provide water supply. The City is currently doing pilot wells along Montague Expressway and River Oaks Parkway to find viable locations. Staff confirmed that Iris Chang Park is no longer a potential location.

Transportation and Aviation Services CSA

Transportation Improvements: The Commission asked how North San Jose Area Development Policy transportation improvements are funded. Staff clarified that these regional improvements are primarily funded through traffic impact fees and are supplemented by Measure B and other grants. Overall transportation improvements are phased. The improvements at Interstate 880 and Charcot Avenue are currently in the environmental scoping/planning phase.

Traffic Improvements: The Commission requested additional details about the proposed Almaden/Vine Safety Improvements. Staff indicated that the project is expected to be completed in October 2019. The overall goal is to address neighborhood concerns about traffic volumes and speed, and to increase pedestrian safety and overall livability for local residents while enhancing accessibility to downtown. Safety improvements include new wheelchair ramps, flashing beacons, and streetlights.

Community and Economic Development CSA

Overhead Utilities: The Commission asked whether the undergrounding of existing overhead utilities program only occurs on major streets. Staff confirmed that a majority of undergrounding projects occur on major streets.

Public Safety CSA

Fire: The Commission asked about the timeline for Fire Station No. 37 in Willow Glen. Staff stated that there is an upcoming community meeting. The completion date is targeted for 2021-2022. The City Council approves operation and maintenance costs before finalization of capital projects, which will take place before the commissioning of Fire Station 37.

The Commission inquired whether the new Fire Training Center will have soil protection to prevent contamination. Staff confirmed that all Fire facilities, including fire stations, have secondary containment or capture options to prevent soil contamination.

Strategic Support CSA

Municipal Improvements: The Commission inquired about the \$50 million of Measure T funding for environmental improvements in Coyote Valley. Staff stated that the City is evaluating the acquisition of open space in Coyote Valley, which may consume most of the funding in this category.

COORDINATION

This memorandum was coordinated with the City Manager's Budget Office, the Department of Public Works, and the City Attorney's Office.

CONCLUSION

Based on information contained in the 2020-2024 Proposed Capital Improvement Program and discussed at the study session, the Planning Commission found the CIP is consistent with the Envision San José 2040 General Plan as follows:

1. The CIP focuses infrastructure and investment to increase the capacity for economic development in the City;
2. The CIP focuses investment and strategic support for the City Service Area, specifically rehabilitation to a variety of City-owned municipal buildings and cultural facilities;
3. The CIP focuses investments for pavement rehabilitation, complete streets and green infrastructure initiatives, and improvements along transit corridors;
4. The CIP focuses investments for pedestrian and multi-modal improvements such as trails, parks, and bicycle paths; and
5. The CIP focuses investments on maintaining a world-class airport.

The Planning Commission recommends that the City Council adopt the 2019-2020 Proposed Capital Budget and the 2020-2024 Proposed Capital Improvement Program.

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CEQA

Not a project, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project, PP17-004.

/s/
ROSALYNN HUGHEY, SECRETARY
Planning Commission

For questions, please contact Sylvia Do, Planning Division Manager at (408) 535-7907.