



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Planning Commission

**SUBJECT: RECOMMENDATION ON THE
2023-2027 PROPOSED CAPITAL
IMPROVEMENT PROGRAM**

DATE: May 25, 2022

RECOMMENDATION

The Planning Commission recommends that the City Council adopt the 2022-2023 Proposed Capital Budget and the 2023-2027 Proposed Capital Improvement Program (CIP), and accept the comments provided by the Commission during the public hearing.

The Planning Commission's comments are provided within this memorandum for City Council's reference.

OUTCOME

Adoption of the 2022-2023 Proposed Capital Budget and the 2023-2027 Proposed CIP will provide funding for programs and investments that 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. The CIP implements the goals and policies of the Envision San José 2040 General Plan, and the determination of General Plan consistency is an important criterion in the Commission's review of the document.

ANALYSIS

On May 11, 2022, the Planning Commission conducted its annual public hearing on the City's Proposed CIP. Staff presented the five-year budget overview and highlights of the key funding sources supporting the expenditures for the various capital programs. The accompanying memorandum to the public hearing included a listing of new projects over \$1 million appearing in the CIP for the first time or having experienced substantial increases in scope. The new projects total approximately \$62.3 million over the five-year period and represent 1.8% of the \$3.4 billion program.

Planning Commission Comments on City Service Areas

The Planning Commission considered various City Service Areas (CSAs) and Capital Programs of the CIP. The Planning Commission's major discussions with respect to these CSAs are identified below. There were no public comments during the hearing for this item.

Neighborhood Services CSA

The Commission had a question on whether CIP funding can be used by the library for buying software for worker training. Jenny Choi, Deputy Director of Operations for the Library Department, stated the line item for acquisitions for materials is mainly for e-resources. However, their automated budget could include software and hardware components, but additional funding can come from grants and the American Rescue Plan Act funding.

Prior to the hearing, the Commission asked staff to clarify "bridge libraries." Staff responded that bridge libraries can be a "bridge branch" library, such as the Mt. Pleasant Neighborhood Library, which provide library services to residents in neighborhoods where geographic barriers may limit access. A more detailed staff response is attached to this memo.

Environmental and Utility Services CSA

The Commission did not comment on this section of the Proposed CIP budget.

Transportation and Aviation Services CSA

The Commission did not comment on this section of the Proposed CIP budget during the hearing. However, the Commission asked staff prior to the hearing to elaborate on the Julian Street and St. James Street couplet conversion project. Staff explained that this \$4.6 million project provides funding for a one-way traffic conversion to improve roadway functionality and safety for all roadway users and to improve neighborhood livability. The project includes but is not limited to; restriping the street for two-way traffic (one lane in each direction); new and modified signals to accommodate two-way traffic and improve signal responsiveness for pedestrians and bicyclists; streetlights (new pedestrian-scale lighting and conversion of existing lights to smart, energy-efficient lighting); and amenities for livability, traffic calming, and complete streets. A more detailed staff response is attached to this memo.

Community and Economic Development CSA

The Commission asked how areas for undergrounding utilities are prioritized and whether there have been discussions with PG&E to underground the electric lines in high-hazard wildlife urban interface areas in the East Foothills. Mathew Nguyen, Deputy Director of the Public Works Department, explained that the City meets with PG&E yearly to discuss locations that can be undergrounded. The City has mainly been focusing on the Rule 20A and 20B programs, but PG&E announced last year that they will have a new undergrounding program where they plan to underground a total of 10,000 miles of transmission lines. The City is awaiting to see that list and discuss where undergrounding would occur in the city.

Public Safety CSA

The Commission asked whether there are planned relocation sites for Stations 8 and 23. Deputy Director Kathryn Brown from Public Works explained that a location has been selected for Fire Station 8 along East Santa Clara Street that is closer to Downtown. A location has not been selected for Fire Station 23 as there has not been an ideal location that meets the Fire Department response time criteria.

Strategic Support CSA

The Commission asked if funding was set aside for the replacement of the City's enterprise resources planning system and if capital funds could be used to pay for this. Budget Director Jim Shannon from the City Manager's Office explained that most of the funding for this system would come primarily from the General Fund.

CONCLUSION

Based on information contained in the 2022-2023 Proposed Capital Budget and the 2023-2027 Proposed CIP and discussion at the study session, the Planning Commission found the proposed five-year CIP to be consistent with the Envision San José 2040 General Plan as follows:

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

5. The Proposed CIP focuses investments on maintaining a world-class airport.

By a vote of 6-1-4 (Cantrell opposed; Bonilla, Garcia, Montanez, Ornelas-Wise absent), the Planning Commission recommends that the City Council adopt the 2022-2023 Proposed Capital Budget and the 2023-2027 Proposed Capital Improvement Program.

COORDINATION

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

CEQA

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

/s/
Christopher Burton, Secretary
Planning Commission

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

RE: Questions Regarding CIP Budget

Chang, Claudia <Claudia.Chang@sanjoseca.gov>

Wed 5/11/2022 4:17 PM

To: Planning Commission 10 <PlanningCom10@sanjoseca.gov>

Cc: Tu, John <john.tu@sanjoseca.gov>; Provedor, Jennifer <jennifer.provedor@sanjoseca.gov>; Do, Sylvia <sylvia.do@sanjoseca.gov>

Dear Michael,

Please see our responses below. Representatives from the departments will be present to answer any other questions you may have.

Thank you,
Claudia Chang
Deputy Budget Director
City of San José | City Manager's Office
200 E. Santa Clara St. 17th Floor
San José, CA 95113
408.535.8280

From: Provedor, Jennifer <jennifer.provedor@sanjoseca.gov>**Sent:** Wednesday, May 11, 2022 1:31 PM**To:** Chang, Claudia <Claudia.Chang@sanjoseca.gov>**Cc:** Tu, John <john.tu@sanjoseca.gov>; Do, Sylvia <sylvia.do@sanjoseca.gov>**Subject:** FW: Questions Regarding CIP Budget

Hi Claudia,

Please see below questions from Planning Commissioner Michael Young.

Thank you.

Kind Regards,

Jennifer Provedor

Senior Supervisor, Administration | 408.535.3505

City of San Jose | Planning, Building, and Code Enforcement

200 E Santa Clara Street, 3rd Floor Tower | San Jose, CA 95113

From: Planning Commission 10 <PlanningCom10@sanjoseca.gov>**Sent:** Wednesday, May 11, 2022 1:21 PM**To:** PlanningSupportStaff <PlanningSupportStaff@sanjoseca.gov>**Subject:** Questions Regarding CIP Budget

Hello Jennifer,

I have some brief questions about a few items in the budget. I wanted to give you a heads up on these. Feel free to respond either by email or at the meeting: staff's choice.

1. What are the Bridge Libraries?

Bridge libraries can be a "bridge branch" library, such as our Mt. Pleasant Neighborhood Library, which provides library services to residents in neighborhoods where geographic barriers may limit access. The Library transforms a new or existing facility, such as a school multipurpose building, into a fully functional public library, where residents may read, learn and explore.

We also have 10 "bridge" libraries in partnership with [First 5 Santa Clara County](#). These are funded by First 5 and placed inside existing or new Family Resource Centers (FRCs) and offer books, library staff outreach, and library resources for families. These serve as a "bridge" between the Family Resource Center and the full range of library services offered at San José Public Library branches. Here's [a link](#) to the San Jose Public Library website with more information.

The Bridge Library funding was a set aside for previous year projects that were being considered but did not come to fruition. The Library Department is currently prioritizing the restoration of hours, but plans to review the Bridge Library funding for future use. With hours restoration, the department would utilize its Equity Index to identify any service gaps and re-program bridge libraries or the funding, as appropriate, into its master plan based on those identified gaps.

2. Explanation of the Julian and St. James Couplet

This \$4.6 million project provides funding for a one-way to two-way traffic conversion to improve roadway functionality and safety for all roadway users and to improve neighborhood livability. The project includes, but is not limited to: restriping the street for two-way traffic (one lane in each direction); new and modified signals to accommodate two-way traffic and improve signal responsiveness for pedestrians and bicyclists; streetlights (new pedestrian-scale lighting and conversion of existing lights to smart, energy efficient lighting); and amenities for livability traffic calming, and complete streets, including street trees, wayfinding information, refurbished non-functional fountains as planters, green backed bicycle sharrows, bike racks, accessible ramps, and high-visibility/decorative crosswalks.

More details can be found on page 52 of the [Traffic Capital Program in the Proposed Budget](#). Here is [a link](#)

3. Locations of the new Fire Stations 32 and 36

Relocation of Fire Station 32 - Staff has acquired a property located at 1138 Olinder Court on the northeast corner of Olinder Court and Felipe Avenue. At this time, only the single company is planned to be constructed in this first phase due to funding availability. An approximate shortfall of \$2 million exists for the full build out of a dual company station. Staff has completed the schematic design phase and is currently in the design development phase with an anticipated start of construction in spring of 2023 and completion date in fall of 2024.

New Fire Station 36 – Staff has selected a site at the intersection of Capitol Expressway and Tuers Road for the construction of new Fire Station 36. The City owns most of the property needed to construct the Fire Station, but a portion of the required buildable area is right-of-way owned by the County of Santa Clara. The property was not developed as parkland and at this time the City has no plan to use it for parkland. Staff has completed research and found there are no known restrictions to building the Fire Station at this location outside of the County property issue. Staff is in discussion with the County of Santa Clara to acquire the needed property to assemble the City and County-owned lands, which could create an ideal location for this fire station.

4. Regarding undergrounding of electrical lines in conjunction with PGE, has there been any consideration of working with PGE to underground the electrical wires in the areas of designated high fire hazard wildland/urban interface areas in the East Foothills area of the city.

A response will be provided by staff at the meeting.
Thanks!

Michael