



Council Meeting: February 26, 2008

SUBJECT: Tasman/Fair Oaks Area Streetscape and Sense of Place Acceptance of Grant Funding from the Santa Clara Valley Transportation Authority and Approval of Budget Modification No. 35

REPORT IN BRIEF

Approval is requested authorizing the City Manager to execute an agreement to accept grant funding of \$296,260 from the Santa Clara Valley Transportation Authority (VTA) Transportation Fund for Clean Air (TFCA) Program Manager Grant Program to construct the *Tasman/Fair Oaks Area Streetscape and Sense of Place - Project 826570*. This project was developed in accordance with the *Tasman/Fair Oaks Area Pedestrian and Bicycle Circulation Plan* as adopted by Council in August 2004 (RTC 04-285.) Acceptance of the grant will allow currently appropriated City funds to be offset by outside financing sources without increasing the project's budget.

The City of Sunnyvale was previously awarded VTA Community Design and Transportation (CDT) Capital Grant funding for Project 826570 in the amount of \$1,809,040 with a required local match of \$452,260. Originally, the local match consisted of \$50,000 to be contributed through in-kind services (i.e., staff time); \$106,000 would be developer contributions; and \$296,260 would have been financed by *Transportation Grant Matching Funds – Traffic Mitigation - Project 825541*. Subsequently, as per City practice, staff continued to pursue grant opportunities to offset funding from City sources with outside funding. Staff successfully applied for a \$296,260 grant from the VTA's TFCA Program Manager Grant Program to replace City grant matching funds. The total cost of the project will remain at \$2,261,300 with a local match of \$50,000 of in-kind services; \$106,000 from developer contributions; and now, \$296,260 from this grant. Upon approval to accept and appropriate these monies, the transportation grant matching funds currently programmed to Project 826570 will be returned the *Transportation Grant Matching Funds – Traffic Mitigation – Project 825541*.

Staff recommends City Council authorize acceptance of the VTA TFCA Program Manager Grant in the amount of \$296,260 and approve Budget Modification No. 35 to appropriate the monies to the *Tasman/Fair Oaks Area Streetscape and Sense of Place - Project 826570* to offset the currently budgeted \$296,260 in City-provided matching funds; as well as return the \$296,260 in currently appropriated monies to *Transportation Grant Matching Funds – Traffic Mitigation - Project 825541*.

BACKGROUND

Background for this project goes back to the Sunnyvale Futures Study that was completed in 1993 (RTC 93-330.) As a result of the study, two types of land use changes were adopted to provide locations for additional housing development and enhance the potential for increased intensity for industrial development. Six areas were rezoned with an Industrial to Residential (ITR) Combining District and four sites were selected for intensified development of industrial, office, or commercial uses by allowing an increased floor area ratio.

Futures Sites 7 and 8, the subject area of this report, were rezoned as an ITR Combining District. This area is bounded generally by Morse Avenue, State Route 237, Fair Oaks/Sunnyvale East Channel, and U.S. 101. There is a Light Rail Station located at the intersection of Fair Oaks Avenue and Tasman Drive. The area was developed for industrial use before the land use change. Most of the buildings were constructed in the 1960's and 1970's.

In July 2002, as authorized by RTC 02-276, the area north of Tasman Drive was rezoned to High Density Residential (HDR) and the area south of Tasman was rezoned to a Medium to High Density General Plan Designation (M-HDGPD) with the addition of 1,401 square feet of retail. At that time, the City Council requested that staff develop a pedestrian circulation plan in order to assure that the public and private infrastructure was developed to encourage pedestrian activity and transit use.

At the August 10, 2004 Council meeting, the properties on the northwest corner of Tasman Drive and Fair Oaks Avenue were rezoned from HDR to Commercial (RTC 04-285.) The City Council also adopted the *Tasman/Fair Oaks Area Pedestrian and Bicycle Circulation Plan* at that time. Goals of the Plan are to:

- 1) Enhance quality of life for residents within Futures Sites 7 and 8 through improved pedestrian access to parks and open space, schools, retail amenities, and public transportation.
- 2) Encourage increased pedestrian, bicycle, and transit use through streetscape improvements, land use planning, and architectural design.

The area covered by the Plan is approximately bounded by Fair Oaks Avenue, Morse Avenue, State Route 237, and U.S. 101.

Based on the development of the *Tasman/Fair Oaks Area Pedestrian and Bicycle Circulation Plan*, the City received grant funding to complete planning and conceptual design for the public improvements identified in the Plan. On August 16, 2005, Council approved the acceptance of the VTA Community

Design and Transportation (CDT) Planning Grant (RTC 05-241.) The planning and conceptual design project has been completed and serves as the blueprint for the current capital construction project.

In addition to the public improvements that are identified in the Plan, the majority of the pedestrian and transit improvements included in the *Tasman/Fair Oaks Area Pedestrian and Bicycle Circulation Plan* are actively being implemented by private developers as the industrial property transitions to residential use. Almost all of the sidewalks, street-trees, and decorative lighting will be installed through the private development process. In addition, intersection improvements are being constructed at the intersections of Tasman/Morse and Tasman/Karlstad and public pedestrian access paths are being constructed to improve transit, and recreational access. Private developers are also required to contribute fair-share monetary contributions to the Sense of Place Enhancements being constructed by the City. The developer contributions will be used towards the City's local matching requirement for the VTA CDT Capital Grant. Detailed information on the project components is available in RTC 07-079, dated February 27, 2007.

EXISTING POLICY

Fiscal Sub-Element 7.1b.4d — Pursue and use intergovernmental assistance for projects in the ten-year capital improvement plan.

Land Use and Transportation Element C3.5.7 — Ensure safe and efficient pedestrian and bicycle connections to neighborhood transit stops.

Land Use and Transportation Element C3.6.1 — Develop clear, safe, and convenient linkages between all modes of travel; including, access to transit stations and stops, and connections between work, home, and commercial sites.

DISCUSSION

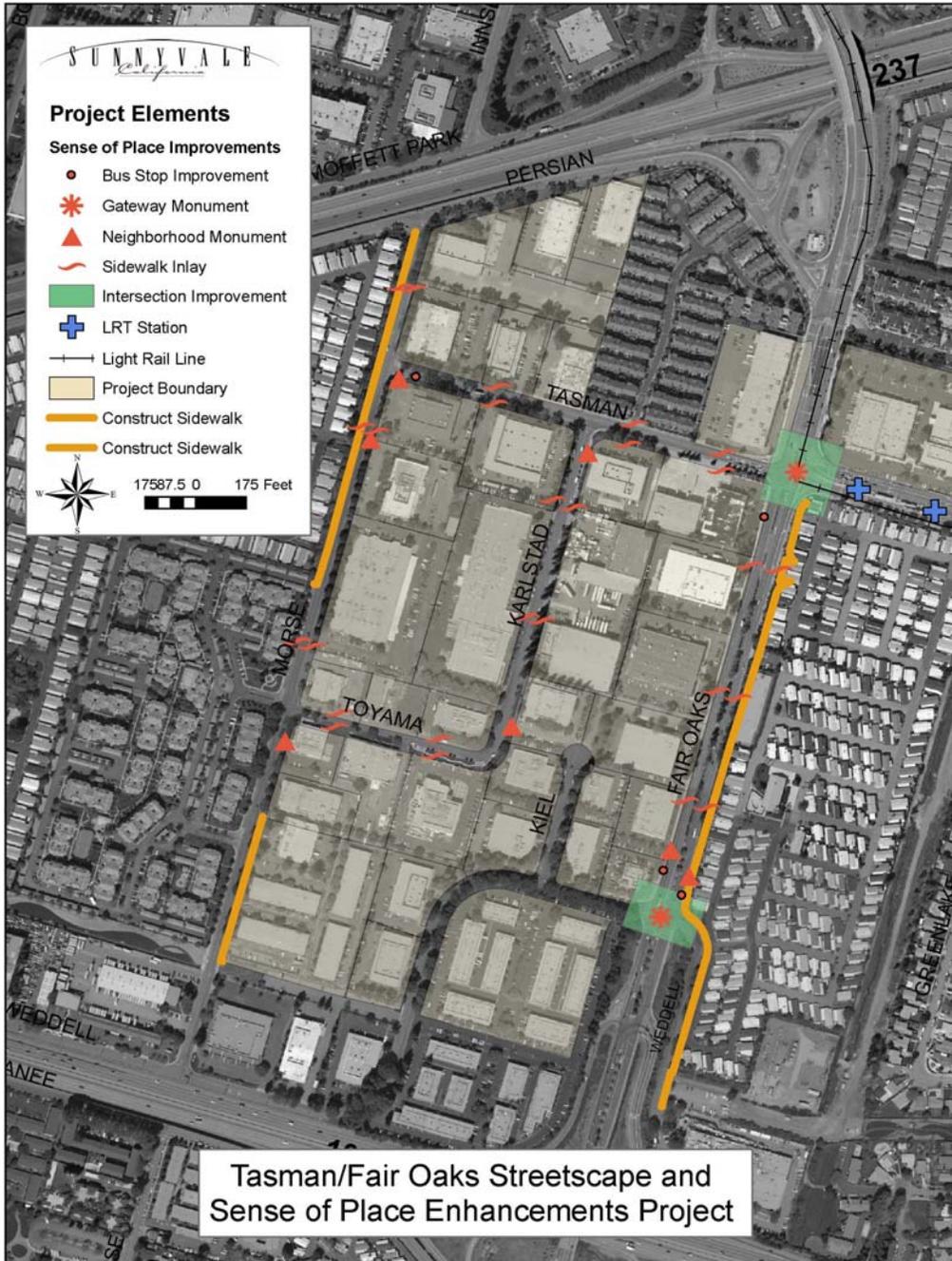
VTA Community Design and Transportation (CDT) Grant Project. The City of Sunnyvale has been awarded CDT Capital Grant funding for the *Tasman/Fair Oaks Area Streetscape and Sense of Place - Project 826570* to construct streetscape and sense of place enhancements detailed in the *Tasman/Fair Oaks Area Pedestrian and Bicycle Circulation Plan*. The project will include the following:

1. Sidewalks - Construction of sidewalks on the west side of Morse Avenue from Persian Drive to Toyama Drive; on the east side of Morse Avenue from Toyama Drive to the John W. Christian Greenbelt; on the east side of Fair Oaks Avenue from Tasman Drive to Weddell Drive; the east side of Weddell Drive from Fair Oaks Avenue to the John W. Christian Greenbelt.

2. Intersection Improvements will be made at the intersections of Tasman Drive/Fair Oaks Avenue and Fair Oaks Avenue/Weddell Drive.
3. Bus Stop Improvements - Bus stop signing, lighting, and amenities will be added at five VTA bus stop locations.
4. Sense of Place Enhancements – These will be made throughout the neighborhood, including gateway monument signs (2), ground-plane sidewalk inlays (26), and pedestrian scale neighborhood monuments (7). The sense of place enhancements will require the identification of a formal name for the neighborhood.

The goal of the project is to enhance access to transit, enhance the pedestrian experience, improve pedestrian safety, and create a neighborhood sense of place. As stated in the Background Section, these improvements supplement the improvements that are being completed through the private development process. Currently, 60 percent of the design phase is completed.

The following map presents the locations of each enhancement:



At this time, a second grant has been awarded to the City in an amount that will take the place of City funds that were previously budgeted towards the project. The City Council is asked to authorize the City Manager to execute necessary agreements to accept the VTA TFCA Program Manager Grant in the amount of \$296,260 and approve Budget Modification No. 35 to appropriate the monies to *Tasman/Fair Oaks Area Streetscape and Sense of Place - Project 826570* to offset the currently budgeted \$296,260 in City-provided matching funds; as well as return the \$296,260 in currently appropriated monies to *Transportation Grant Matching Funds – Traffic Mitigation - Project 825541*.

FISCAL IMPACT

A total of \$ 296,260 in VTA TFCA grant funding has been awarded to the City. This grant does not require matching funds. Acceptance of Budget Modification No. 35 would allow the City to accept and appropriate \$296,260 in VTA TFCA Program Manager Grant monies to the *Tasman/Fair Oaks Area Streetscape and Sense of Place – Project 826570*. These funds will be used to replace the currently appropriated City matching funds and return those same monies to *Transportation Grant Matching Funds – Traffic Mitigation - Project 825541* for future needs.

The total estimated cost of Project 826570 will remain at \$2,261,300 as previously budgeted if Budget Modification No. 35 is approved. The net effect to the project will be \$0 because the currently appropriated City matching monies will be transferred back to Project 825541 so they may be used for future projects that require City matching funds.

The following table presents Budget Modification No. 35:

**BUDGET MODIFICATION NO. 35
 FISCAL YEAR 2007/2008**

	<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
Capital Projects Fund/Traffic Mitigation Sub-fund			
<u>Revenues:</u>			
VTA TFCA Program Manager Grant	\$0	\$296,260	\$296,260

Transfers:

Project 826570 — Tasman/Fair Oaks Area Streetscape and Sense of Place	\$2,557,560	(\$296,260)	\$2,261,300
Project 825541 — Transportation Grant Matching Funds – Traffic Mitigation	\$622,792	\$296,260	\$919,052

The cost of maintaining the monuments and sidewalk inlays will be higher than the maintenance cost of standard streetscape features. Staff estimates that costs may periodically reach as much as \$ 5,000 annually. These costs will be absorbed into the Department of Public Works operating budget.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center, and Department of Public Safety; posting the agenda and report on the City’s Web site; and making the report available at the Library and the Office of the City Clerk.

ALTERNATIVES

1. Authorize the City Manager to execute the necessary agreements to accept grant funding from the Santa Clara Valley Transportation Authority (VTA) Transportation Fund for Clean Air Program Manager grant program for construction of the Tasman/Fair Oaks Area Streetscape and Sense of Place Enhancement Project and approve Budget Modification No 35.

2. Do not authorize the City Manager to execute the necessary agreements to accept grant funding from the Santa Clara Valley Transportation Authority (VTA) Transportation Fund for Clean Air Program Manager grant program for the Tasman/Fair Oaks Area Streetscape and Sense of Place Enhancement Project and forego grant funding for this project.

RECOMMENDATION

Staff recommends Alternative 1: Authorize the City Manager to execute the necessary agreements to accept grant funding from the Santa Clara Valley Transportation Authority (VTA) Transportation Fund for Clean Air Program Manager grant program for construction of the Tasman/Fair Oaks Area Streetscape and Sense of Place Enhancement Project and approve Budget Modification No 35.

Acceptance of grant funding to take the place of City funds is consistent with General Plan policy to pursue and use intergovernmental assistance to complete projects in the capital budget.

Reviewed by:

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Reviewed by:

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