



Agenda Report

22-1390

Agenda Date: 12/6/2022

REPORT TO COUNCIL

SUBJECT

Action on the Resubmittal of a Cooperative Agreement between the City of Santa Clara and the Valley Transportation Authority (VTA) for the Preparation of the Santa Clara Station Area Plan

COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

BACKGROUND

On September 13, 2022, the City Council approved a Cooperative Agreement between the City of Santa Clara and the Valley Transportation Authority (VTA) for the Preparation of the Santa Clara Station Area Plan. Subsequent to the Council action, it was determined that two additional exhibits should have been included with the Cooperative Agreement. Staff is now requesting that the City Council take action a second time to approve the Cooperative Agreement, including the two new exhibits attached to this report. The new exhibits are the Original MTC/VTA Master Funding Agreement (Attachment 3) and Federal Transit Administration (FTA) Award Agreement (Attachment 5). The remainder of this report is the same as what was reviewed for the September 13, 2022 meeting.

The City's General Plan, adopted in 2010, included the Santa Clara Station Area as a near-term Focus Area. Focus Areas signify areas where the General Plan supports future growth through redevelopment and intensification of existing land uses. Because of their integral location, changes in these areas offer an opportunity to implement the General Plan Major Strategies to enhance the City's quality of life and foster economic vitality. Near-term development may proceed in the near-term Focus Areas without preparation of a Specific Plan.

The Santa Clara Station Focus Area consists of 244 acres generally bounded by De La Cruz Boulevard, Reed Street, and Martin Avenue to the northeast, and Franklin Street and El Camino Real to the southwest as shown in Attachment 1. At the center of this area is the existing Santa Clara Transit Station, which is served by Caltrain and Altamont Commuter Express rail lines and Valley Transportation Authority (VTA) bus service. The station area will also become the terminus for the VTA's planned extension of the Bay Area Rapid Transit (BART) system also known as BART Silicon Valley Phase II (BART Phase II). BART Phase II is an approximately six-mile long extension of the BART system from the Berryessa/North San Jose BART Station in San Jose to the proposed Santa Clara BART Station. As such, the station area will be thus become an increasingly important major transit hub for the Bay Area.

Existing development in the Focus Area consists of predominantly low intensity retail, office, and light industrial uses. Recent development approvals in the Focus Area include intensifications of key opportunity sites, the 575 Benton Street mixed use project, the Gateway Crossing project at Brokaw

and Champions Parkway, and the dual brand hotel at the corner of Brokaw and Coleman.

A previous effort to develop a Santa Clara Station Area Plan concluded in 2010 without the adoption of the plan by the City Council. However, elements of that planning effort were included in the 2010 General Plan update.

DISCUSSION

The City recently received two funding opportunities that collectively provide \$900,000 to support preparation of a Specific Plan for the Santa Clara Station Area. On December 7, 2021, the City Council accepted and approved \$400,000 in grant funding from the Metropolitan Transportation Commission (MTC) for the preparation of the Santa Clara Station Area Specific Plan. The City also received \$500,000 from the VTA provided from a Federal Transportation Administration grant award to fund consultant work to develop a Station Area Specific Plan with oversight by the City of Santa Clara.

While the City accepted the MTC funds, the City will no longer need to directly receive the \$400,000 in the form of a reimbursable grant from the MTC. Instead, MTC and VTA have entered into a Supplemental Master Funding Agreement for the preparation of the Specific Plan allowing the procurement process to be led by the VTA, resulting in one consultant that performs Specific Plan preparation tasks from both funding sources. With this Agreement, MTC will transfer funds to VTA at the completion of identified scope of work tasks throughout the planning process. This Agreement, with scope of work and reimbursement schedule, is attached to this report as Attachment 2 for reference.

The \$500,000 in grant funds awarded to the VTA will be used for consultant costs for the preparation of the Station Area Specific Plan and will be guided through a Cooperative Agreement between the City and VTA, which sets agency roles and expectations for the creation of the Specific Plan and is included as Attachment 4. Due to the requirements of the grant awarded to the VTA from the Federal Transportation Administration, the consultant will be procured and managed by VTA, however the City of Santa Clara will be part of the procurement process to select the consultant and handle the day-to-day management of the consultant. The Consultant's expected scope of work is set forth in Exhibit A of the Cooperative Agreement (Attachment 4). The City and VTA will collaborate to assure that the Consultant's work is appropriately monitored, though the City will maintain day-to-day responsibility for communicating the needs of the Parties to the Consultant.

Santa Clara Station Area Specific Plan

Preparation of the Specific Plan will rely upon a consultant team, as well as City staff, to conduct a planning process including community engagement, technical analysis and the preparation of land use policy documents. Community engagement will include a Station Area Task Force, targeted outreach to stakeholders, and opportunities for participation by the broader community. In preparation of the draft plan, the chosen consultants will prepare an updated existing conditions report, updated market/financial feasibility analysis, land use plan, traffic analysis, California Environmental Quality Act (CEQA) analysis, and objective development standards for new zoning districts that conform to the new Specific Plan. Although the City of Santa Clara City Council did not adopt the VTA's Transit-Oriented Communities Playbook, it has been referenced in federal funding applications and the Specific Plan will consider it as a reference material. The Playbook, which was developed in 2019, includes an existing conditions report, land use strategies, and a market feasibility analysis for the area. The Specific Plan will refine the City's General Plan vision for the planning area through a fine-

grained land use and circulation diagram, context-specific development standards, and relevant, actionable implementation steps.

This planning effort will help provide developers and the community with more certainty about development densities and amenities, such as parkland and open space, that are expected to be provided. This planning effort will also further the City's and the State's goals for increasing the housing supply, addressing greenhouse gas emissions, and promoting multi-modal connections within the area.

The scope of work shown below reflects the anticipated process and deliverables for the development of the Santa Clara Station Specific Plan.

- Late Summer 2022 - City and VTA execute Cooperative Agreement (the subject of this report)
- Fall 2022 - City appoints Santa Clara Station Area Task Force
- Fall 2022 - VTA begins procurement process to select Consultant to prepare the draft Specific Plan
- Winter 2023 - Consultant selected, Taskforce commences, stakeholder outreach begins
- Spring 2023 - Existing conditions report completed, community outreach begins to develop the Vision
- Summer 2023 - Draft land use plan developed
- Summer 2023 - Environmental analysis begins, Notice of Preparation
- Fall 2023 - Draft Specific Plan available for public review
- Winter 2024 - Draft EIR circulates
- Spring 2024 - Refinements to Draft Plan and response to EIR comments
- Fall 2024 - Adoption hearings for Planning Commission and City Council
- Fall 2024 - MTC grant expires
- Summer 2025 - VTA grant expires

BART Phase II Project

At the May 10, 2022 Santa Clara City Council Study Session on VTA's BART Phase II Project, Councilmembers provided comments on transportation and land use aspects near the Santa Clara BART station that VTA considers outside the scope of the BART Phase II Project. However, one land use topic brought up at the study session, to study retail opportunities and the creation of an "iconic gateway" on the west side of the station, is included as a part of Task 4 ("Opportunities, Constraints, and Economic Analysis") and Task 5 ("Vision Plan") of the Station Area Specific Plan scope of work. As to the remaining comments, VTA staff, the BART Phase II Project Team, and City Staff have been working to provide a response. VTA Staff and the BART Phase II Project Team are actively identifying future funding needs and agency partnerships to explore new station elements that cannot be accommodated within the existing budget and scope of the Specific Plan or in VTA's BART Phase II Project.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment. An Environmental Impact Report will be prepared through the Santa Clara Station

Specific Plan process.

FISCAL IMPACT

There is no cost to the City other than administrative staff time and expense.

COORDINATION

This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve the Cooperative Agreement between the City of Santa Clara and the Valley Transportation Authority (VTA) for the preparation of the Santa Clara Area Plan.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Rajeev Batra, City Manager

ATTACHMENTS

1. Santa Clara Station Focus Area Boundaries Map
2. Supplemental MTC/VTA Master Funding Agreement
3. Original MTC/VTA Master Funding Agreement
4. City/VTA Transit Oriented Development Cooperative Agreement
5. Federal Transit Administration Award Agreement