

# Capitola City Council

## Agenda Report



**Meeting:** July 24, 2025

**From:** Public Works Department

**Subject:** Regional Transportation Improvement Program Grant – Bay Avenue

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**Recommended Action:** Authorize staff to submit an application for Regional Transportation Improvement Program funding to complete final design of the Bay Avenue Corridor Project.

**Background:** The Bay Avenue Corridor is a major arterial linking Highway 1 to Capitola Village and other key destinations. It carries high traffic volumes, supports regional circulation, and accommodates multiple transportation modes, including pedestrians, bicyclists, and transit riders. The corridor faces longstanding challenges with congestion, multimodal safety, and access at several key intersections.

In 2024, the City implemented a quick-build project at Bay Avenue and Hill Street to test a potential “road diet” and traffic calming measures. Feedback from the pilot, along with detailed engineering analysis, informed the Bay Avenue Corridor Study, prepared by Kimley-Horn and completed in early 2025.

On February 13, 2025, staff presented the final study results to City Council, which included three long-term improvement alternatives. Council selected the roundabout control alternative (Alternative 2) as the preferred solution and directed staff to proceed with public outreach and conceptual design refinement as the next steps in project development.

In April 2025, Council approved a \$75,642 professional services agreement with Kimley-Horn and Associates, Inc. to conduct public outreach and prepare the conceptual design. Data collection and design work are underway, with outreach scheduled to begin later this summer. Conceptual planning is expected to be completed by late summer 2025.

**Discussion:** Staff intends to request approximately \$500,000 in Regional Transportation Improvement Program (RTIP) funding for final design. Advancing design at this stage will improve competitiveness for future construction funding through programs such as the Active Transportation Program (ATP) and STIP augmentation, while also accelerate project delivery. The project supports complete streets goals, improves multimodal safety and access, and addresses climate resilience.

Applications are due September 15, 2025. RTC advisory committees will review applications in October, with a final selection expected on November 6, 2025.

**Fiscal Impact:** There is no immediate fiscal impact. If awarded, required matching funds will be programmed in future capital improvement budgets.

### Attachments:

1. RTC 2025 Consolidated Call for Projects

**Report Prepared By:** Jessica Kahn, Public Works Director

**Reviewed By:** Julia Gautho, City Clerk

**Approved By:** Jamie Goldstein, City Manager