



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 6/21/2022

ITEM NO: 9

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DATE: June 14, 2022  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Submit Applications in the One Bay Area Grant Program

**RECOMMENDATION:**

Authorize the Town Manager to submit applications in the One Bay Area Grant Program.

**BACKGROUND:**

On June 2, 2022, the Santa Clara Valley Transportation Authority (VTA) approved the program and criteria of the One Bay Area Grant Program Cycle 3 (OBAG 3) and issued a Call-for-Projects. The OBAG program was created by the Metropolitan Transportation Commission (MTC) in 2012 to better integrate the region's discretionary Federal Highway Administration's funding program with the Plan Bay Area. The primary objective of the program is to strategically advance Plan Bay Area 2050 implementation through OBAG investments and policies. OBAG 3 covers the four-year period from Fiscal Year (FY) 2023 to 2026. Additional OBAG 3 program information can be found at: <https://mtc.ca.gov/funding/federal-funding/federal-highway-administration-grants/one-bay-area-grant-obag-3>

Compared to the previous grant cycles, MTC made significant changes in this OBAG cycle. The details are provided in the June 2, 2022, VTA Board memorandum (Attachment 1). The funding estimate for Santa Clara County is approximately \$91 million. Funds are available for projects that meet the eligibility requirements for any of the four competitive program categories: (1) fix-it-first road preservation, (2) complete streets, (3) safe routes to school, and (4) planning.

OBAG 3 has a requirement that a minimum 70% of the proposed projects received must be located within or connected to a Priority Development Area (PDA) or be within one mile of a PDA boundary. The Town does not have a PDA and the closest PDA is in the City of Campbell. Most of the Town's projects will need to compete in the 30% non-PDA portion. This is an important requirement that affects the Town's projects' competitiveness.

**PREPARED BY:** Ying Smith  
Transportation and Mobility Manager

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Interim Parks and Public Works Director

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DISCUSSION:

Town staff and representatives to the VTA Committees have provided input to VTA over the last several months regarding the program criteria. Town staff reviewed the priority projects in the Town's 2020 Bicycle and Pedestrian Master Plan (BPMP) Update and the Fiscal Year (FY) 2022/23 Capital Improvement Program (CIP), and selected several projects based on an evaluation against the OBAG Selection Criteria (Attachment 2). Based on the evaluation and consideration of the Town's CIP funding projections, staff is recommending five candidate projects to be submitted in OBAG. These projects all potentially meet the eligibility requirements and are considered to be the Town's most competitive projects. Following is a summary of the recommended projects:

**Highway 17 Bike/Pedestrian Overcrossing (BPOC)**

Construct a bicycle and pedestrian bridge over Highway 17, to the south of Blossom Hill Road.

The project is currently in the final design phase. The schedule shows the completion of final design (Plans, Specifications, and Estimate) in 2024. The construction phase is currently unfunded. The grant application would request funding for the construction phase (see Table 1 in the Fiscal Impact section of this report for the costs).

**Winchester Boulevard Complete Streets South Segment (Winchester South)**

Design and construct complete streets improvements between Blossom Hill Road and Lark Avenue. This phase of the project will expand on the Class IV bike lanes project and add landscaped median, fill sidewalk gaps, and enhance pedestrian crossings.

In 2020, the Town completed the conceptual design, which recommended complete streets improvements, such as Class IV bike lanes with hard separations, a landscaped median, new sidewalk, and enhanced pedestrian crossings. The Class IV bike lanes between Blossom Hill Road and Albright Way were installed in 2021. The final design was awarded a Measure B capital grant in the amount of \$1,734,250, which can be used as a local match to the OBAG grant.

The grant application would request funds for the final design and construction phases of complete streets improvements between Blossom Hill Road and Lark Avenue. This segment of Winchester Boulevard borders City of Monte Sereno and City staff is supportive of submitting a joint grant application. If both the Town and City Councils approve the authorization, Town staff will work with City staff on a joint application. Staff would discuss with the City of Monte Sereno combining Winchester north and south in one application to increase the projects competitiveness.

DISCUSSION (continued):

**Barrier Crossing Enhancements for the Los Gatos Creek Trail/Winchester Boulevard Corridor (Winchester North)**

Design and construct improvements on Los Gatos Creek Trail and Winchester Boulevard between Lark Avenue and the northern Town Limits.

Staff is taking a corridor approach and exploring options to enhance the State Route 85 crossing to improve active transportation safety and promote higher usage in a corridor that includes both Winchester Boulevard and the Los Gatos Creek trail. The project would evaluate and prioritize improvements on both the street and trail, including enhancements on Winchester crossing SR 85, trail improvements, and potential trail re-alignment to ensure this segment is flood-proof.

The Winchester Boulevard Complete Streets project was awarded a Measure B capital grant for final design. The Charter Oaks Trail Repair project is programmed in the FY 2022/23 CIP. This grant application would include a modified project definition based on the two existing capital projects. The grant application would request funds for the final design and construction phases. The Town could leverage the Measure B grant with the OBAG grant. This project is within one mile of a Campbell PDA boundary and would be eligible to compete in the 70% PDA portion.

**Blossom Hill Road Safety Improvements (BHR)**

Construction phase of safety improvements on Blossom Hill Road between Los Gatos Boulevard and Hillbrook Drive.

The *Blossom Hill Road Traffic Calming Feasibility Study* was completed in 2020. Staff will begin the design work this year.

The grant application would request funds for the construction phase. The project would include both safety improvements and street resurfacing components and therefore fits in multiple categories, road preservation, complete streets, and safe routes to school. The Town may allocate future formulaic dollars in the street resurfacing program as the local match.

**Shannon Road Repair (Shannon)**

This project would repair the roadway on Shannon Road between Santa Rosa Drive and Diduca Way, which was annexed from the County in 2018. The scope of work would include repair of the roadway, installation of guardrails, and stabilization of the embankment by installing a new retaining wall.

DISCUSSION (continued):

The project is programmed in the FY 2022/23 CIP and staff has completed the 65% design. Although the Town has allocated some local funds, a gap to fully fund the construction phase still remains. The grant application would request funds for the construction phase. The project is in the fix-it-first road preservation category.

CONCLUSION:

Staff is recommending authorizing submittal of applications for the above five candidate projects in the OBAG 3 Grant Program.

COORDINATION:

This report was coordinated with the Complete Streets and Transportation Commission. The Commission unanimously voted to support staff's recommendations at its May 12 and June 9 meetings. The Commission had discussions and comments on the Shannon Road Repair project at the June 9 meeting, provided valuable feedback to staff, and volunteered to conduct bicycle and pedestrian counts to support the applications.

Staff coordinated with City of Monte Sereno staff regarding the Winchester South project. At its meeting on June 21, the Monte Sereno City Council will consider a similar staff recommendation to submit a joint grant application.

FISCAL IMPACT:

There is currently no fiscal impact as a result of submitting OBAG applications; however, if the grant applications are awarded, the Council will have the opportunity to review the funding agreements, decide whether to accept the grant funds, and identify and commit to local match funds.

Compared to past grant applications, the Town is seeking construction funds for all projects. It should be noted that the funds requested and the local match amounts that would be required are substantial. A minimum local match of 11.47% is required in this program. The local match may come from local or other non-federal sources. Two of the projects, Winchester South and North, have received Measure B grant funds in the past, which may be considered as the local match. The Town Council may allocate future formulaic dollars in the street resurfacing program as the local match for the BHR project. The BPOC project would require a significant amount of local match, which could come from the General Fund Appropriated Reserve (GFAR) or other future grant funds. For reference, the project costs and local match amounts are provided in Table 1.

Table 1 - Candidate Projects: Costs and Local Match

Project	Cost	Match	Percent	Match Status	Funding Gap
Highway 17 Bicycle & Pedestrian Overcrossing (BPOC)	\$ 38,819,000	\$ 4,452,539	11.47%	Not secured	\$ 4,452,539
Winchester Boulevard Complete Streets Southern Segment (Winchester South)	\$ 30,260,000	\$ 3,470,822	11.47%	Partially secured	\$ 2,245,206
Barrier Crossing Enhancements (Winchester North)	\$ 15,840,000	\$ 1,816,848	11.47%	Partially secured	\$ 834,214
Blossom Hill Road Safety Improvements (BHR)	\$ 4,550,000	\$ 682,500	15%	Future formulaic dollars	\$ 682,500
Shannon Road Repair (Shannon)	\$ 4,372,000	\$ 874,400	20%	Budgeted	\$ -
<b>Total</b>	<b>\$ 93,841,000</b>	<b>\$ 11,297,109</b>			<b>\$ 8,214,459</b>

If all five projects were awarded OBAG grant funds, the Town would be required to provide a total of \$11.3 million in matching funds over five years, \$8.2 million of which has not been secured. However, this is a very unlikely outcome in a highly competitive grant program. A more realistic scenario is that the Town is successful with one to two applications and will be required to provide approximately \$1.5 million as the local match.

#### ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

#### Attachments:

1. VTA Board Memo - One Bay Area Grant Cycle 3 Program and Project Selection Criteria
2. OBAG 3 Santa Clara County Project Selection Criteria