

Memorandum

TO: HONORABLE MAYOR,
CITY COUNCIL AND
SUCCESSOR AGENCY BOARD

FROM: Richard A. Keit
Barry Ng

SUBJECT: SEE BELOW

DATE: February 6, 2017

Approved

D. D. SyL

Date

2/8/17

INFORMATION

SUBJECT: NORTH SAN PEDRO INFRASTRUCTURE PROJECT UPDATE

The purpose of this memorandum is to update the City Council and Successor Agency Board on the current status of the North San Pedro Infrastructure Project and to provide clarification to the recent San Jose Mercury News' article on the project. This infrastructure project is fully funded and is scheduled for completion this summer 2017.

BACKGROUND

An information memo on the North San Pedro Infrastructure and Housing Development Project was distributed to the City Council and Successor Agency Board on December 18, 2015, to provide an overview of the project at that time. Construction had recently started in support of planned redevelopment in the North San Pedro area of Downtown San José (www.sanjoseinfo.org/external/content/document/1914/2768498/1/12-18-15SARAPW.pdf).

The infrastructure project is fully funded by a \$24,160,000 State Infill and Infrastructure Grant (IIG) and administered by the Successor Agency. It is being constructed by a private company, Barry Swenson Builders. The project has been permitted and inspected by the Department of Public Works. It includes a significant level of public street improvements in support of 1,150 new housing units in the North San Pedro area.

The major public street improvements include:

- Utility and infrastructure undergrounding along St. James Street
- Traffic signal conversions at several intersections
- Widening and two-way conversion of St. James Street between Highway 87 and Market Street
- Final closure and improvements of the West Julian Street S-curve

February 6, 2017

Subject: North San Pedro Infrastructure Project Update

Page 2

Additionally, the infrastructure project includes the relocation of the Thomas Fallon Statue; frontage improvements along the development parcels; and City Reimbursable Sanitary Sewer Improvements since the streets would already be under reconstruction. At the time of the 2015 informational memorandum, it was estimated that the project would be complete by December 31, 2016.

UPDATE

Since construction began, the infrastructure project has made significant progress, but it has also experienced schedule delays due to several factors outlined below. During construction the project has affected downtown traffic patterns and routes, and it was recently the focus of a San Jose Mercury News article (www.mercurynews.com/2017/01/22/san-jose-five-more-months-to-fix-downtown-traffic-crawl/).

Project Milestones

Since November 2015, construction of the infrastructure project has been progressing steadily. The undergrounding of overhead utilities on St. James Street was completed in mid-2016, which was followed shortly by significant road work and traffic signal construction on St. James and Market Streets. This work was completed in anticipation of the most critical phase of the infrastructure project: the removal of the Julian Street westbound S-shaped curve. Additionally, public sanitary sewer improvements were completed and several public utilities were relocated.

Over the course of a three-day weekend in October 2016, a significant project milestone was achieved when the widening and conversion of St. James Street between Highway 87 and Market Street to two-way traffic and the closure of the Julian Street one-way westbound S-shaped curve from Market Street to Highway 87 was completed. In conjunction with the conversion of St. James Street, four traffic signals were modified and completed. In May 2016, the Fallon Statue was moved to its permanent location within the new center median in St James Street adjacent to Pellier Park.

Funding status

Of the \$24,160,000 in State IIG funding, there is now approximately \$7.2 million remaining: \$6 million for the completion infrastructure project and \$1.2 million for the development of the affordable housing project.

Schedule Impacts

Currently the estimated project completion date is summer 2017. Several factors have contributed to the delay. Among these are:

- Discovery of unexpected underground storage tanks at the intersection of Julian and Market Streets;
- The construction phasing and staging plan was contingent on an aggressively scheduled early utility undergrounding work, which was not completed on time;
- Complex coordination issues with various utility companies with existing facilities within the project boundary;
- The priority need to keep most, if not all, traffic lanes open during commute times during construction;
- Weather delays; and
- The general complexity of excavating and building new street and underground improvements in one of the oldest parts of Downtown San José.

The infrastructure project is fully funded, and delays to the completion of the infrastructure Project are not related to the status of potential funding for an adjacent planned street improvement, the Julian & St. James “Livable Streets” Couplet Conversion Project. This is currently an unfunded project that involves the conversion of St. James Street (Market Street to Fourth Street) and Julian Street (Market Street to Third Street) to two-way traffic.

Julian & St. James “Livable Streets” Couplet Conversion Project

In July 2016, the San José Department of Transportation applied for a \$6,753,000 One Bay Area Grant (Cycle 2) for purpose of removing the existing street couplets on Julian Street (Market Street to Third Street) and St. James Street (Market to Fourth Street). Beyond restoring the historic street grid with two-way operations on these street segments, the project also includes Complete Street design elements such as pedestrian scale street lighting, traffic calming, bicycle infrastructure, accessible ramps, and high-visibility decorative crosswalks.

The Santa Clara Valley Transportation Authority administers One Bay Area Grants locally in Santa Clara County, and recently the City was informed that this project would not be recommended for a grant at this time. Department of Transportation staff will continue to look for other funding opportunities to deliver this needed project in Downtown San José.

Of note, the scope of this project is not included in the infrastructure project under construction. The recent San Jose Mercury News article that suggested that the lack of funding for the Julian & St. James “Livable Streets” Couplet Conversion Project has caused delays to the infrastructure project is not accurate. These are two separate projects that are near each other bordering on Market Street.

Traffic Patterns and Routes

The infrastructure project includes the restoration of the historic street grid pattern in the North San Pedro area of Downtown San José. One-way travel routes that motorists have used since the late 1970s are being removed to accommodate two-way street operations with the goal of improving access and the pedestrian and bicycle environment in anticipation of new

February 6, 2017

Subject: North San Pedro Infrastructure Project Update

Page 4

development. Additionally, the infrastructure project adjusts traffic patterns in the North San Pedro area with Market Street as the major thoroughfare to Highway 87. To support this new traffic pattern, while Julian Street east of Market remains one-way, a second left-turn lane from Julian onto southbound Market Street has been implemented to accommodate increased traffic.

Although this alters traffic routes that motorists have been accustomed to, travel times through Downtown San José are not expected to exceed acceptable limits upon completion of the infrastructure project. Over time motorists will adjust to the changes in travel routes and will plan accordingly.

During construction of the Infrastructure Project, it was expected that motorists would experience travel delays as construction took place in active city streets. To minimize impacts, staff worked with the contractor on: 1) detailed construction phasing plans, 2) allowable construction hours, 3) construction signage, 4) outreach to the San José Downtown Association, Council District 3 Office, adjacent residences/businesses, and 5) coordination with other construction projects within the vicinity. Staff will continue to monitor construction activity and minimize impacts as much as possible.

Remaining Infrastructure Work to Complete

Additional traffic signal work will be completed in the coming months at the intersections of Highway 87 Northbound on-ramp/off-ramp and St. James Street, Market and St. James Streets; and at Terraine and St. James Streets. Final paving and sidewalks also will be completed along Market and St. James Streets, and the public streets within the North San Pedro area (i.e., Terraine Street, Bassett Street, Devine Street), that will comprise the new grid street pattern, will be completed in support of new development.

COORDINATION

This memorandum has been coordinated with the Department of Transportation, the Department of Planning, Building and Code Enforcement, and the City Attorney's Office.

/s/
RICHARD A. KEIT
Managing Director

/s/
BARRY NG
Director of Public Works

For questions related to the Infill and Infrastructure Grant please contact Richard Keit, Managing Director, Successor Agency, at (408) 795-1849. For questions related to the Infrastructure Project please contact Michael Liw, Deputy Director, Department of Public Works at (408) 535-6835.