



PUBLIC WORKS DEPARTMENT

CITY HALL

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CITY COUNCIL STAFF REPORT

Meeting: May 2, 2017

Subject

Amendment to Funding Agreement between the City of Cupertino and the Santa Clara Valley Transportation Authority (VTA) for the I-280/Wolfe Road Interchange Improvements Project.

Recommended Action

Authorize the City Manager to execute an amendment to an existing agreement with the VTA to identify their respective obligations in regard to the I-280/Wolfe Road Interchange Improvements Project.

Background

In anticipation of increasing traffic demands and the need for enhanced multi-modal connectivity along Wolfe Road across I-280, the VTA initiated and is in the process of completing a Project Study Report/Project Initiation Document (PSR/PID) for the purpose of identifying alternatives for a new interchange on Wolfe Road at I-280. Following completion of the PSR/PID, a Project Approval/Environmental Document (PAED) will be completed, with the goal being final Plans, Specifications and Estimates (PS&E) and ultimately construction of a new interchange. In the absence of funding constraints, construction of a new interchange could begin by 2020.

On November 17, 2015, City Council authorized the City Manager to execute a funding agreement with the VTA to identify their and the City's respective obligations in regards to the Project. The funding agreement, in essence, provided for a contribution of \$1,200,000 from the City for completion of the PSR/PID (comprised of a \$1,000,000 contribution from Apple and a \$200,000 contribution from the Irvine Company). The PSR/PID is nearing completion, and VTA is looking to immediately begin the PAED phase of the Project.

Discussion

Cupertino Property Development II, LLC, developers of the Hotel project at 10380 Perimeter Road, have deposited \$500,000 with the City as a one-time contribution

towards all obligations related to the I-280/Wolfe Road Interchange Project. The Amendment to the Funding Agreement modifies the original Funding Agreement to increase the City's contribution to the Project from \$1,200,000 to \$1,700,000 to include the aforementioned \$500,000. It is VTA's intent that this additional funding will be applied towards the PAED phase of the Project. Additional funding for the PAED phase will likely come from cost savings from the PSR/PID phase, as well as Measure B sales tax revenue.

Sustainability Impact

N/A

Fiscal Impact

The City's additional \$500,000 contribution to the Project is entirely developer-funded. Consequently, there is no fiscal impact to the City.

Prepared by: Timm Borden, Director of Public Works

Approved for Submission by: David Brandt, City Manager

Attachments:

A - Draft Amendment to Funding Agreement