



CITY OF  
**PALO  
ALTO**

## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Transportation**

**Meeting Date: June 17, 2024**

Report #:2404-2861

### **TITLE**

Approval of a Funding Agreement with Federal Railroad Administration to Receive \$6 Million for the Preliminary Engineering and Environmental Documentation Phase for the Grade Separation Projects at Churchill Avenue, Meadow Drive, and Charleston Road crossings. CEQA status – statutorily exempt per CEQA section 15262; this funding agreement will partially fund CEQA/NEPA review of the grade separation projects.

### **RECOMMENDATION**

The Rail Committee and Staff recommends that the City Council approve the funding agreement with the Federal Railroad Administration (FRA) under its Rail Crossing Elimination program to provide the City with \$6 Million towards Preliminary Engineering and Environmental Documentation Phase to be completed by June 2027 for Grade Separation Projects at Churchill Avenue, Meadow Drive, and Charleston Road crossings and authorize the City Manager or his designee to execute the funding agreement. The remaining \$14 Million in funding is anticipated from non-federal funding sources of the Santa Clara County 2016 Measure B Grade Separation funding.

### **EXECUTIVE SUMMARY**

The Connecting Palo Alto Rail Grade Separation Project involves grade separation at four at-grade crossings; however, the city has been diligently working actively at the three crossings of Churchill Avenue, Meadow Drive, and Charleston Road. The Office of Transportation Staff submitted an application requesting a \$6.0 Million Federal Grant from the Rail Crossing Elimination Program for a contribution towards Preliminary Engineering and Environmental Documentation preparation in October 2022, with the remaining \$14.0 Million required from the non-federal funding and is currently anticipated from the Santa Clara County Measure B Grade Separation Fund. This phase is planned to be completed in three years ending in June 2027. On May 23, 2024, the Rail Committee reviewed and unanimously recommended the proposed draft of FRA funding Agreement for approval to the City Council. However, FRA has yet to finalize this agreement. Therefore, staff will provide the FRA agreement as a supplemental report. Staff

recommends that the City Council approve the Funding Agreement with the Federal Railroad Administration and authorize the City manager or their designee to execute the agreement.

## **BACKGROUND & ANALYSIS**

The Caltrain commuter train service owned and operated by Peninsula Corridor Joints Powers Board (PCJPB) runs north-south along Alma Street in Palo Alto. There are currently seven major throughfares where people and vehicles cross along this corridor in Palo Alto. Three of these crossings are already grade-separated, however, the other four (Palo Alto Avenue, Churchill Avenue, Meadow Drive, and Charleston Road) cross the tracks at the same level. Alma Street runs parallel to the rail corridor thereby creating intersections that are controlled by traffic signals adjacent to the train tracks at these crossings.

Caltrain plans to run electric trains on a more frequent schedule and implement its 2040 Business Plan. Therefore, traffic congestion is expected to increase at these existing at-grade locations and adjacent intersections. In the event, that the City does not pursue safety and mobility improvements, a total gate downtime of 9 minutes during peak hours is expected with electrification, which is 15% of the peak hour time. These queues will only get longer with the implementation of Caltrain's 2040 plan and will create congestion and safety issues.

Therefore, the City has initiated the Connecting Palo Alto Project and is actively pursuing the conceptual design for the grade separations at Churchill Avenue, Meadow Drive, and Charleston Road crossings. Over the past two years, the Rail Committee has provided a significant review and direction to staff in review of the conceptual design that includes the refinements to underpass alternatives, preliminary geotechnical analysis, traffic and circulation studies, noise and vibration analysis, four tracking segments, the Council Adopted Criteria, and Caltrain staff comments, and proposing possible solutions, etc. On April 16, 2024, the Rail Committee (Staff Report 2402-2675<sup>1</sup>), after reviewing the work completed to date, the project will include Partial Underpass Alternative as preferred alternative for Churchill Avenue crossing and Hybrid and Underpass Alternative to continue for Meadow Drive and Charleston Road for advancing grade separation alternatives into the Preliminary Engineering and Environmental Documentation Phase. The Rail Committee in its recommendations included review of components such as optimizing bicycle pedestrian crossings and minimizing right of way impacts during the early stages of the Preliminary Engineering phase.

The Connecting Palo Alto Grade Separation Project is a significant infrastructure project with project costs expected to be well above \$500 Million for the three crossings at Churchill Avenue, Meadow Drive, and Charleston Road. Therefore, City Staff continuously strive to seek grant funding from various federal and state programs. In October 2022, staff applied for Federal

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<sup>1</sup> Rail Committee, April 16, 2024; Agenda Item 1, SR# 2402-2675  
<https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplatelD=14249>

Funding under the Rail Crossing Elimination Program that was developed by the Federal Railroad Administration under the Infrastructure Investment and Jobs Act (IIJA). The project was selected for \$6.0 Million in Federal assistance towards the Preliminary Engineering and Environmental Phase. The remaining contribution of funding of \$14 Million is supplemented by the voters-approved 2016 Santa Clara County Measure B Funding dedicated for Grade Separations in Santa Clara County which includes the project crossings. This phase is planned to be completed in three years ending in June 2027. The Measure B Grade Separation funding is managed by the Santa Clara Valley Transportation Agency (VTA).

## **ANALYSIS**

Office of Transportation staff has been working with Federal Railroad Administration and Caltrain Staff in developing the Funding Agreement. Following the City Council Study Session on April 29, 2024, (Staff Report 2402-2593<sup>2</sup>) the Rail Committee on May 23, 2024 unanimously recommended approval of the proposed funding agreement with Federal Railroad Administration (Staff Report 2404-2952<sup>3</sup>). However, FRA has yet to finalize this agreement. Therefore, staff will provide the FRA agreement as a supplemental report to the City Council.

The staff report presents the proposed Funding Agreement with the Federal Railroad Administration for the City Council Approval. The major terms of the agreement are as follows:

Project Scope: Preliminary Engineering and Environmental Documentation for Churchill Avenue, Meadow Drive, and Charleston Road Grade Separation

Federal Railroad Contribution (30%)	- up to \$ 6.0 Million
Non-Federal Fund Contribution (70%)	- up to \$14.0 Million
Expected Date of Execution	- July 2024
Expected Completion Date	- June 30, 2027

The corridor serves the Caltrain passenger commuter trains, the Union Pacific Railroad freight service, and plans to serve the future California High-Speed Rail services. The railroad right of way is maintained and operated by the Peninsula Corridor Joints Power Board (PCJPB) and has operating and maintenance agreements with other existing and planned service operators. Therefore, PCJPB will serve as the lead implementing agency and will play a major role in the design and construction of this grade separation project.

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<sup>2</sup> City Council, April 29, 2024: Agenda Item 2, SR# 2402-2593

<https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplateld=14249>

<sup>3</sup> Rail Committee, May 23, 2024, Agenda Item 1, SR# 2404-2952

<https://cityofpaloalto.primegov.com/Portal/viewer?id=0&type=7&uid=5c311e03-48fa-423e-8eda-b96d0809d0dc>

Depending upon the City Council selection of the preferred alternatives, the early work on the conceptual plans will be performed to refine these alternatives that will also include developing alternatives at 15% level of engineering design for the selection of preferred design to move forward into the development of 35% design for the Preliminary Engineering phase and complete the environmental documentation and seek environmental clearance under California Environmental and Quality Act (CEQA) and National Environmental Protection Act (NEPA).

Staff is also working with the three agencies that are Santa Clara County Valley Transportation Authority (VTA), Peninsula Corridor Joints Powers Board (PCJPB) also known as Caltrain, and the City of Palo Alto to develop a three-party cooperative agreement. This agreement will formalize the roles of each agency for the preparation of Preliminary Engineering and Environmental documentation and funding from the Measure B Grade Separation funding. Staff will bring this agreement for the rail committee review and approval of the City Council in near future.

### **FISCAL/RESOURCE IMPACT**

Funding for this agreement is programmed in the 2024-2028 Capital Improvement Plan in the Meadow Drive and Charleston Road (PL-24000) and Churchill Avenue (PL-24001) Rail Grade Separation and Safety Improvements projects. The total anticipated cost for the Preliminary Engineering and Environmental Documentation Phase is estimated at \$20 Million. The Federal Railroad Administration will fund 30% of the cost up to \$6.0 Million and the remaining \$14 Million is expected to be funded through Santa Clara County Measure B Grade Separation funding through a separate agreement with Santa Clara Valley Transportation Agency. Funding for possible amendments to the agreement and/or future agreements as discussed in the Discussion section will be requested through budget amendments as needed or appropriated through the annual budget process.

### **STAKEHOLDER ENGAGEMENT**

The Rail Committee and the City Council meetings are open to the public, offering community members opportunities to provide comments and feedback. The Rail Committee meetings are regularly conducted, and their information is posted on the City Calendar. Residents who have subscribed to City Meetings notifications receive notifications about the Rail Committee meetings. Additionally, notifications about the Rail Committee and the City Council meetings are disseminated through the City's YouTube Channel. The Transportation Department also provides updates on City projects, including Rail Grade Separation projects, in the Transportation Connect Newsletter and, on the project's, ConnectingPaloAlto.com website. As part of the next steps, staff sent postcards to the community including all frontage residents in the project boundaries for outreach and public information sharing in advance of the City Council Study Session on April 29, and the May 23 Rail Committee and June 10 Council meetings. City also issued a rail blog "Stay on the Track" providing the latest rail news and details about the project updates. This rail blog is hosted on the City's main webpage and is communicated through various city channels.

**ENVIRONMENTAL REVIEW**

The proposed action is part of a planning study for a possible future action, which has not been approved, adopted, or funded and is therefore exempt from the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15262. The future decision to approve the construction of any one of the identified potential alternatives would be subject to CEQA and require the preparation of an environmental analysis. The project plans to enter the Preliminary Engineering and Environmental Documentation Phase and will conduct an environmental review pursuant to CEQA and NEPA requirements.

**ATTACHMENTS**

None (Funding Agreement will be provided through a supplemental report)

**APPROVED BY:**

Philip Kamhi, Chief Transportation Official