

DATE: April 29, 2026

TO: Bicycle/Pedestrian Advisory Committee

FROM: Marichrisse Hoang, Associate Civil Engineer
Edward Arango, Assistant Public Works Director/City Engineer

VIA: Allison Boyer, Assistant Public Works Director

SUBJECT: **Transportation Development Act Article 3 Funding**

RECOMMENDATION

Recommend to the City Council to allocate the accumulated Transportation Development Act Article 3 funds to Interim Pedestrian Mall Improvements (Castro Intersections), Project 23-49.

BACKGROUND

Transportation Development Act Article 3 (TDA3) funding is an annual state grant program that provides funding for pedestrian and bicycle projects based on a return of a portion of sales tax revenues per capita. The Santa Clara Valley Transportation Authority (VTA) administers the TDA3 grant process for Santa Clara County and provides each city and the County of Santa Clara a portion of the TDA3 funding on a formula basis.

On an annual basis, agencies can identify funding to be allocated to one or more projects. VTA also allows cities to bank their share of TDA3 funds for up to five years to enable cities to accumulate funds for larger projects. Once TDA3 funding has been allocated to a project, the City must complete the work and submit invoices for reimbursement within three years.

Recently funded projects include bicycle- and pedestrian-related intersection improvements, crossing enhancements, protected bikeways, sidewalks, curb ramps, audible and countdown pedestrian signals, bicycle maps, bicycle racks, and education programs. Historically, the City has taken both approaches on the allocation of funding, either banking its allocation until it had sufficient funds for larger projects, or most recently, allocating the funding to specific projects.

As shown in Table 1, the amount of annual TDA3 funding received by the City has varied in recent years based on the amount of the total sales tax revenues received.

Table 1: Recent TDA Article 3 Awards to Mountain View

Fiscal Year	Award	Allocation	Amount	Cumulative Available
2018-19	\$63,958	Citywide Crosswalk Enhancements	\$100,000	\$149,970
2019-20	\$91,798	Villa/Shoreline Intersection Improvements	\$241,768	\$0
2020-21	\$83,174	Banked	-	\$83,174
2021-22	\$82,299	Banked	-	\$165,473
2022-23	\$113,394	Banked	-	\$278,867
2023-24	\$67,630	Miramonte Avenue Improvements, Project 20-01	\$346,497	\$0
2024-25	\$121,052	Miramonte Avenue Improvements, Project 20-01	\$121,052	\$0
2025-26	\$104,530	Grant Road and Sleeper Avenue Intersection Improvements (Phase II), Project 21-39	\$104,530	\$0
2026-27	\$165,225	TBD	-	\$165,225

For Fiscal Year 2018-19, the City allocated \$100,000 in TDA3 funds toward Citywide Crosswalk enhancements; and in Fiscal Year 2019-20, the City allocated \$241,768 toward Villa/Shoreline Intersection Improvements. Both projects have been completed and the City has been reimbursed for the work.

For Fiscal Years 2023-24 and 2024-25, the City allocated \$346,497 and \$121,052 respectively in TDA3 funds toward Miramonte Avenue Improvements, Project 20-01. The project limits are from Cuesta Drive to Castro Street, and includes a variety of both pedestrian and bicycle improvements. Construction of the Miramonte project started in March 2026, with completion anticipated by December 2026. In Fiscal Year 2025-26, the City allocated \$104,530 in TDA3 funds toward Grant Road and Sleeper Avenue Intersection Improvements (Phase II), Project 21-39. This second phase of the project includes the following improvements at three intersections:

1. Rengstorff Avenue/Junction Avenue

- Pedestrian Hybrid Beacon
- High-visibility crosswalk striping
- Enhanced advanced warning signage and striping
- Additional streetlight

2. West Middlefield Road/Terra Bella Avenue

- Rectangular Rapid Flashing Beacons for both eastern and western crosswalks

- Enhanced advance warning signage and striping

3. Cuesta Drive/Bonita Avenue

- Rectangular Rapid Flashing Beacons at the crosswalk
- High-visibility crosswalk striping
- Enhanced advanced warning signage and striping
- Additional streetlight
- Upgrade existing curb ramps to meet current Americans with Disabilities Act (ADA) standards

Grant Road and Sleeper Avenue Intersection Improvements (Phase II), Project 21-39, is anticipated to start construction in fall 2026.

Requirements for the use of TDA3 funds include that projects have no outstanding legal, environmental, or right-of-way issues; that the applicant has sufficient staffing and local match funds to complete the project; and that the project has been conceptually reviewed to the point that all contingent issues have been considered. To avoid potential rescission of funds, projects must be ready to implement within one year of the application cycle.

ANALYSIS

As shown in Table 1, in Fiscal Year 2026-27, the City will receive \$165,225 in new TDA3 funds. There were no existing banked funds; therefore, the total TDA3 funding available is \$165,225.

Staff has identified two options for potential allocation of TDA3 funding, where option one is staff's recommendation:

1. Interim Pedestrian Mall Improvements, Castro Intersections (23-49): **Staff Recommendation.** The first phase of the project is a pedestrian-focused enhancement to improve pedestrian crossings at the Castro Street intersections with Dana Street and Villa Street. This includes a center pedestrian crossing aligned with the existing pedestrian mall central walkway pathway, to support pedestrian movement. The improvements include shortened pedestrian crossings, new traffic signals and accessible pedestrian signals, improved lighting, and bollards for safety.

BPAC reviewed the design concept for this first phase of the project at their [June 25, 2025](#) meeting, and recommended that the Council Transportation Committee (CTC) recommend to City Council to approve the design concept. On December 2, 2025, CTC recommended Council approve the design concept, and on [March 10, 2026](#), Council approved the design

concept. Design will be completed in fall 2026 and construction is anticipated to begin early 2027. TDA3 funding is recommended for phase one of the project.

The second phase of the project is located at the California Street and Castro Street intersection. The second phase project will begin after the first phase design is complete and will incorporate a modern roundabout, bike infrastructure, and connections to existing bike lanes.

2. Miramonte Avenue Improvements, Castro Street to El Camino Real (25-28): Consistent with the [January 27, 2026](#) Council approved preferred concept plan, the project features Class IV barrier and parking-protected bikeways, new dashed lines for bicyclists across “conflict zones” at side streets, updated and new crosswalks, a Rectangular Rapid Flashing Beacon (RRFB) at Miramonte Avenue and West Park Drive, and potential locations for new trees. These features are implemented by removing one travel lane in each direction on Miramonte Avenue and eliminating parking in areas identified through a parking analysis as having minimal parking demand. Design is estimated to be completed in early 2027. The Miramonte Project can be an alternative project for allocation of the TDA3 funds.

Consistent with the requirements for the use of TDA3 funds, both projects are ready to implement. Staff evaluated the option of banking this year’s allocation and utilizing the funds in a later year. Given the recent cost escalation with the ongoing global impacts to fuel costs, as well as revenue reductions, staff does not recommend banking.

NEXT STEPS

Staff will be bringing the TDA3 funding allocation to the City Council for consideration in June 2026 and will be sharing BPAC’s recommendation.

RECOMMENDATION

Recommend to the City Council to allocate the accumulated Transportation Development Act Article 3 funds to Interim Pedestrian Mall Improvements (Castro Intersections), Project 23-49.

ALTERNATIVES

1. Recommend to the City Council to allocate the accumulated TDA3 funds to Miramonte Avenue Improvements (Castro Street to El Camino Real), Project 25-28.
2. Recommend banking TDA3 funds and utilizing the funds in a future year.

cc: APWD Arango, Boyer, PCE Gonzales, SCE Cervantes, ACE Hoang, SMA Doan, Nunez, File (23-49)