Proposed FYs 2019-2021 CIP Budget Study Session

Jaime Boscarino, Finance Director
April 2, 2019
Study Session 4/2/19 City Council Meeting

- Staff Presentation
- City Council Discussion
- Public Comments
- Staff Recommendations
Budget Process

• Part of biennial budget process
• 2-Year CIP Budget
• 5-Year CIP Plan
• FYs 2019-2021
  • 132 Total Projects ~ $97.1M
CIP BUDGET PROCESS TIMELINE

Oct 2018
• CIP Kickoff Meeting

Nov 2018 – March 2019
• Staff Review (Evaluation of needs, fund balance analysis)

April 1, 2019
• Capital Facilities Committee Meeting

April 1, 2019
• Planning Commission Meeting (General Plan Consistency)
Background – CIP Budget

- The CIP Budget is a “Strategic Five-Year Planning” document
- Funding based on available Fund Balance/Net Position
- CIP Projects can be Multi-Funded
- General Fund – Capital Reserves supports CIP Projects (Facilities/Library/Stormwater)
CIP Budget Format

- Summary Section
- Deferred Requirements
- CIP Projects by Category Section
- CIP Projects by Fund Section
Project Detail Sheets

Description
Project Manager
Justification
Comments
Consistency to the General Plan
Operations Impact
City Council CIP Priority
Funding
Picture

Capital Improvement Program
Facility Project
Civic Arts Plaza Campus Masterplan and Improvements
- CI5540 -

Description: Re-examine the uses and activities at the Civic Arts Plaza (CAP), develop options to create a new town center for public activities, and make modifications as needed to the building and existing site to encourage an active downtown area surrounding the Civic Arts Plaza.

Project Manager: Liz Perez/Peter Gilli

Justification: In order to promote a downtown area at and near the CAP, it was determined a full analysis of the CAP site and various physical improvements was needed. As a City Council priority, this project will facilitate that goal.

Comments: Exact scope of the project will be developed through the first phase of design and feasibility studies. Decisions on the final scope of work will be vetted through public engagement, City Council Capital Facilities Committee, and community stakeholders to name a few.

General Plan Consistency: Public Buildings Element

Operations Impact: Final scope will determine if there are any operational costs associated with the final plans.

Begin Date: Summer 2018  End Date: Fall 2023  Priority: One  Carryover: Yes

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City Council CIP Priorities

- City Council established guidance for prioritizing capital projects in February 2009 & updated in April 2015 to add City Council Top Priority to Priority 1

**Priority 1** – Address Health & Safety, Legal, and Regulatory Requirements or a Top City Council Priority

**Priority 2** – Necessary, but not essential, and there could be consequences, if deferred

**Priority 3** – Nice to do and would contribute to quality of life, but not essential
### Proposed FYs 2019-2021 CIP Budget

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<th>No.</th>
<th>Category</th>
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*Deferred Maintenance* $17.2M
Historical CIP Budget Comparison

Change from FYs 2017-2019 to FYs 2019-2021

- FYs 2017-2019 - $59.8M
- FYs 2019-2021 - $97.1M
  - Variance of $37.3M (62.4%)
    - $27.8M = 5 projects
      - $15.8M – LRGGC Groundwater Utilization ($6M grant)
      - $ 4.6M – Willow Lane Improvements ($2.5M grant)
      - $ 4.5M – Street Light Acquisition
      - $ 1.9M – Solar Canopies at MSC ($1.5M grant)
      - $ 1.0M – CAP Master Plan Improvements
CIP THEMES

- Maintenance City – Aging Infrastructure
- Funding for Infrastructure
- Rising Costs
- CAP & Downtown Investments
- Stormwater Program
- Landscape Improvements
- Lighting
CITY COUNCIL TOP 10 PRIORITIES FY 2019-20

- Rams
- Comprehensive General Plan Update
- Campus Master Plan
- Fiscal Sustainability
- Homelessness and mental health
- Economic Development
- Arts, Culture, Literacy (CAP 25th Anniversary)
- Environmental Sustainability
- Housing Shortfalls
- Public Infrastructure
Location Map of CIP Projects
<table>
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<tr>
<th>Project #</th>
<th>Project Name</th>
<th>Category</th>
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<td>Los Robles Greens Golf Course Groundwater Utilization Project</td>
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<td>6. CI5330</td>
<td>Improvements to Newbury Road Project Area</td>
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<td>7. CI5086</td>
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**Top Ten FYs 2019-21 CIP Projects**

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FY 2019-20 & FY 2020-21 CIP Funding Sources - $97.1M

- General Fund (Inc. Library): $9,276,700 (9.5%)
- Transportation Fund: $4,300,200 (4.4%)
- Wastewater Fund: $15,060,000 (15.5%)
- Gas Tax Funds: $16,586,700 (17.2%)
- Water Fund: $31,685,000 (32.6%)
- Stormwater Fund: $406,000 (0.4%)
- Capital Projects / Developer Fee Funds: $5,326,466 (5.5%)
- Other Enterprise Funds: $595,000 (0.6%)
- State/Federal Funds: $5,757,491 (5.9%)
- Lighting & Landscaping Funds: $8,145,000 (8.4%)
FYs 2019-2021 CIP Budget $9.3M; Carryover $15.0M (including Library)

• Discretionary funding
• General Fund capital reserves
• Primarily improvements/maintenance of City facilities
GENERAL/LIBRARY FUND PROJECT HIGHLIGHTS

- Teen/Adult Centers: $3,000,000 (carryover)
- CAP Campus Master Plan: $1,000,000, plus $1,500,000 carryover
- Woolsey Fire Restoration: $970,000, plus $350,000 from other funds
- Civic Center Plaza Streetscape: $600,000, plus $1,500,000 carryover (Total $3,100,000 including other funds)
Six-Year General Fund & Library Fund Capital Expenditures & Proposed Budget

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<th>Actual</th>
<th>Projection</th>
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<td>$3.6M</td>
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GAS TAX FUNDS

- FYs 2019-2021 CIP Budget $16.6M; Carryover $0.2M
- Revenue restricted to streets and roads projects
  - (pavement maintenance, sidewalks, bicycle lanes)
- Funding from Gas Taxes (HUTA, SB1, TDA)
- Previous deferred maintenance

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10-Year Gas Tax/Streets Revenue History and Proposed Budget

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Highlight of Gas Tax Projects

Pavement Overlay Arterial
$10,900,000

Pavement Slurry
$2,100,000

Curb Ramps
$800,000

Sidewalk Replacement
$800,000
**Capital Projects/Developer Fees Funds**

- Proposed FYs 2019-2021 CIP Budget $5.3M; Carryover $8.8M
- Levied on new development projects
- Used to construct public facilities, including:
  - Streets
  - Sidewalks
  - Traffic signals
- Decrease in Developer Fees due to build-out
- Change in Traffic Impact Fees
**Highlight of Capital Projects/Developer Fees Funds**

- **Los Feliz Sidewalks**
  - $663,000, plus $898,000 grant and $40,000 carryover

- **Lawrence Dr @ Teller Rd Intersection Improv**
  - $1,300,000, plus $160,000 grant and $633,000 carryover

- **Willow Lane Improvements**
  - $629,150, plus $55,831 carryover and $3,945,850 in other funds, including $2,484,150 grant
LIGHTING & LANDSCAPING FUNDS

- Proposed FYs 2019-2021 CIP Budget $8.1M, Carryover $925,000
- Funded by Lighting & Landscape Assessment District & Ad Valorem Property Tax
- Challenges in future funding of capital projects

Traffic Signal Upgrades Projects $1,420,000

Street Light Acquisition $4,450,000

Forestry Master Plan Demo Sites Carryover of $925,000, plus $550,000 carryover from GF
STORMWATER FUND

• Proposed FYs 2019-2021 CIP Budget $406,000
• Projects needed to meet permit requirements
• Funded by Countywide Stormwater Assessment
  • Inadequate to meet capital requirements – General Fund Support

Watershed Management Plan $200,000
NPDES Hydromodification Study $70,000
Catch Basin Trash Control Devices $36,000, plus $35,657 Grant
Federal/State Grants Fund

- Proposed FYs 2019-2021 CIP Budget $5.8M; Carryover $0.9M

Los Feliz Sidewalks $898,000

Rancho Rd Sidewalk and Bike Lanes $939,684, plus $665,000 Carryover

Willow Lane Improvements $2,484,150
**Water Fund Projects**

- Proposed FYs 2019-21 CIP Budget $31.7M, Carryover $10.8M
- Funded by Capital Component portion of Water Rates, Connection Fees

- Los Robles Groundwater Well - $15,800,000, plus $800,000 Carryover
- La Granada Pump Station - $1,650,000, plus $3,400,000 carryover
- Reservoir Improvements
  - Tara - $2,150,000 carryover
  - La Granada - $1,900,000 carryover
  - Proposed FYs 2019-21 CIP Budget $31.7M, Carryover $10.8M
  - Funded by Capital Component portion of Water Rates, Connection Fees

- Water Master Plan Improvement Projects - $400,000
Wastewater Fund Projects

- Proposed FYs 2019-2021 CIP Budget $15.1M, Carryover $6.2M
- Funded by Wastewater Component of Wastewater Rates, Connection Fees

- HCTP Secondary Clarifier #2 & #3 Coating & Rehab - $1,360,000
- Unit Y & Unit W Interceptor Projects - $1,100,000, plus $2,600,000 Carryover
- HCTP Master Plan Implementation - $1,000,000
**Highlight of Transportation Fund Projects**

- **Proposed FYs 2019-2021 CIP Budget**
  - $4.3M; Carryover $3.8M
- **Majority of funding from federal grants & TDA funds**
- **Projects will not move forward if grant funding is not awarded**

- **Transit Electric Bus Purchases**
  - $1,000,000, plus $500,000 Carryover

- **Transportation Center Bus Parking**
  - $825,000, plus $1,975,000 Carryover

- **Electric Vehicle Charging Infrastructure**
  - $1,000,000, plus $500,000 Carryover

- **Bus Shelter Enhancements**
  - $200,000
OTHER ENTERPRISE FUNDS

• Golf Course
  • Proposed FYs 2019-2021 CIP Budget - $500,000
    • Misc. Maintenance Improvements (CI5390)

• Theatres
  • Proposed FYs 2019-2021 CIP Budget - $300,000 (carryover)
    • Kavli Theatre Upgrades (MI2088)

• Solid Waste
  • Proposed FYs 2019-2021 CIP Budget - $45,000
    • Portion of Solar Canopies at MSC (CI5265)
SUMMARY

• Proposed FYs 2019-2021 CIP Budget $97.1M, 132 Projects
• Financially Feasible
• Maintenance community
• Aging Infrastructure
1. Receive information on Proposed FY 2019-20 and FY 2020-21 Capital Improvement Program Budget.

Discussion