

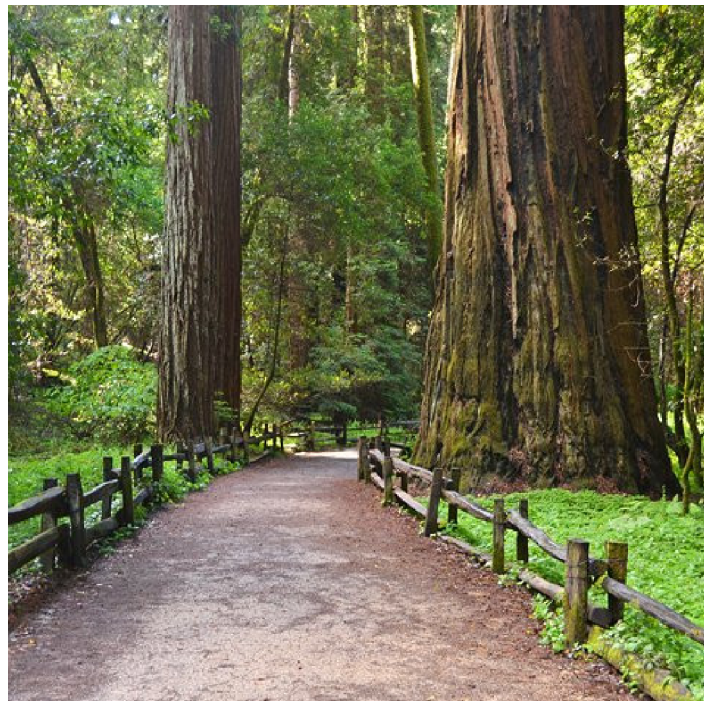


CITY OF SANTA CRUZ

California

FY 2023 Capital Investment Program

July 1, 2022 - June 30, 2023



Guide to the Adopted Capital Investment Program

FY 2023 – FY 2027 Budget

Capital Investment Program

The City faces an ongoing challenge to meet its capital needs with limited resources. The preparation and adoption of the Capital Investment Program (CIP) is an important part of the City's planning process to identify and meet those needs. It is a multi-year schedule of projects with their associated costs and proposed funding sources. The CIP represents the best efforts to allocate available resources toward projects that provide the most benefit for the people of Santa Cruz. It also highlights areas where funding is deficient.

Generally, projects in the CIP are relatively large-dollar amount, nonrecurring outlays and are for the purpose of constructing, purchasing, improving, replacing or restoring assets with multi-year useful life. In addition, certain special projects and activities are included.

The CIP includes proposed projects for the next five fiscal years. It also describes projects that will be carried over from the current fiscal year. The first year of the CIP is, by and large, incorporated into and adopted with the annual budget.

Financing

The two basic methods to fund the CIP projects are (1) pay-as-you-go, which requires use of current revenues or cash on hand; and (2) pay-as-you-use, which uses debt financing to spread acquisition costs over the period of time the City plans to use a capital asset. Funds dedicated to pay-as-you-go include a share of transient occupancy taxes, grants, parks facilities taxes and fees, traffic impact and other development fees, and user fees in the enterprise funds. Both of these funding methods are useful, depending on the nature of the projects.

Using the CIP

The Capital Investment Program is divided into five sections:

- Climate Action Plan and Climate Action Plan Update
- General Fund CIP funding priority criteria
- Projects that are unfunded in fiscal years 2023-2027
- Maps of existing projects
- New and existing projects

Climate Action Plan and Climate Action Plan Update

The Climate Action Plan (CAP) adopted in 2012 specifies the greenhouse gas emissions targets and sectorally specific milestones as well as 254 measures to reach those targets and milestones by 2020. The CAP 2020 has now sunset and the Climate Action Plan 2030 development is underway. The Climate Adaptation Plan Update (CAPU) was adopted in 2018 and is an appendix to the Local Hazard Mitigation Plan (2018). It includes 44 prioritized measures to adapt the City to the impacts of climate change. Since 2015, the City's Sustainability Team has evaluated the adopted Capital Improvements Program (CIP) projects to identify those that implement the CAP and CAPU. The CAP and CAPU implementation CIP project lists are included in the front of the budget to give City leaders and decision-makers more information in considering the adopted budget. City staff may also reference these lists in preparing Health in All Policies agenda report language.

Projects

This section provides information on adopted capital investments over the next 5 years. It is organized by primary fund or funding source and function. Within each subsection, projects are arranged alphabetically.

Each project is identified by a project name and number (if previously assigned), and a project description/justification. It also includes a total project cost estimate. If applicable, the project cost estimate is reduced by additional outside funding sources, to arrive at a “net expenditure”. This is the net amount that must be funded by the primary funding source of the fund. This information is provided for each of the periods displayed:

- **“Prior Years”** Shows the total amount that has been spent on the project in prior years up to the end of the last fiscal year.
- **“2022 Budget”** Shows the total amount appropriated for the current fiscal year.
- **“2022 Estimated”** Shows the total amount of the FY 2022 funding that will be spent on the project, including what has been spent or encumbered and what will be carried forward into FY 2023.
- **“2023 Adopted”, “FY 2024 Estimated”, “FY 2025 Estimated”, “FY 2026 Estimated”, and “FY 2027 Estimated”** Each individual column shows the adopted (year 2022 only) and the future estimated funding required for the project for each identified fiscal year.
- **“Total 2023 - 2027”** Shows the total adopted funding required for the projects in FY 2023, and the total estimated funding required for FY 2024, FY 2025, FY 2026, and FY 2027.

At the end of each section is a summary of total project costs, funding sources, and net project costs for capital projects, maintenance and other projects, and a combined total for the fund(s).

General Fund CIP funding priority criteria

Over the past several years, the General Fund budget has not had the resources required to fund a capital program. As a budget balancing strategy, General Funded projects have mostly been deferred or alternative funding sources pursued.

This year, new project requests were reviewed and prioritized based on several factors including consistency with the Council's Re-Envision Santa Cruz recovery strategy. The various dimensions of evaluation included: fiscal sustainability and project funding availability; projects located in the Downtown and other business sectors; infrastructure: asset condition, maintenance and longevity; regulatory or mandatory requirements; and project readiness.

Projects ranking high in priority based on the above criteria are identified as Priority 1, and are identified in the project description as such. As funding becomes available, the City Manager will fund from the prioritized list as needed.

Unfunded Projects

The Unfunded Projects section includes those projects in Priority 1 as described above, and projects in Priority 2 that will be proposed once funding is identified, and staff resources are available.

Fund Balance Projections

This section includes a Five-year projection of sources, uses and fund balances for each fund included in the CIP. An overview of the impact of projected revenue and expenditures on fund balances over time can be seen in these tables. Fund balance projections for the following funds are included in the "Fund Balance Projection" section of the CIP. The following table identifies funding sources for each fund:

Fund	Primary Funding Source	Major Project Types
Governmental:		
Capital Improvement Fund-General	Grants, share of transient occupancy tax, General Fund subsidy	Storm drains, transportation, government, buildings, parks, playgrounds, wharf, sidewalks, utility undergrounding, and lighting
Capital Improvement Fund - Arterial Streets and Roads Fund	Grants, City Public Trust Fund, General Fund	Transportation
Information Technology Fund	General Fund, Enterprise Fund	Information Technology applications and infrastructure
Clean Rivers, Beaches, and Ocean Tax Fund	Tax assessments	Environmental, education
Community Development Block Grant (CDBG) Fund	Grants	Housing and Community Development
Gas Tax Fund	State gasoline tax	Transportation
2016 Transportation Measure D	Sales tax	Transportation

Fund	Primary Funding Source	Major Project Types
Parks and Recreation Fee Fund	Subdivision developer impact fees	Parks, playgrounds, community centers, and other Parks and Recreation facilities
Parks and Recreation Facility Tax Fund	Residential construction excise tax	Parks, playgrounds, community centers, and other Parks and Recreation facilities
RDA/SA-Redevelopment Obligation Retirement Fund	Property Tax	Successor Agency Funds
RDA/SA - Low/Mod Income Housing Funds	Property Tax	Affordable Housing Construction
RDA/SA-Capital Projects Fund	Property Tax	Street improvements, property rehabilitation, economic development, and other capital improvements
RDA/SA-Capital Projects-Admin	Property Tax	Administrative Costs of Successor Agency.
RDA/SA-Capital Projects-Del Mar Theater	Property Tax	Property management, maintenance and capital improvements to the Del Mar
SA City Low/Mod Income Housing Funds	Property Tax	Housing and Community Development
Federal American rescue plan funding	Grants	Homelessness Response
CA14 Homelessness Action Plan	Grants	Homelessness Response

Enterprise:

Water Fund	User Fees	Water system infrastructure
Water Fund - SDC	User Fees	Water system Development
Wastewater Fund	User Fees	Wastewater system infrastructure
Refuse Fund	User Fees	Sanitation, recycling and landfill infrastructure
Parking Fund	User Fees	Downtown parking district facilities, including parking lots and structures
Storm Water Fund	Storm water fees	Flood control facilities
Storm Water Overlay Fund	Storm water fees	Flood control facilities

Projects that support the Climate Action Plan

Project Name	Project #	New/Existing
125 Coral Street Navigation Center*	c102301	new
Bay Drive Protected Bike Lanes and Pedestrian Path	c402301	new
Chestnut Park Basketball Court Resurfacing*	c302303	new
Fire Department Chipper*	c212312	new
Grant Park - Basketball Court Renovation*	c302307	new
Infield Irrigation at DeLaveaga Park Ballfields	c302306	new
Lower Pacific Avenue Medians*	c302310	new
North Coast System Phase 4	c702303	new
Study of Recreational Facility Maintenance Needs*	c302301	new
Tyrrell Park - Pathway, Stage Area and Pedestrian Safety Improvements	c302309	new
University Terrace Park - Basketball Court and Tennis Court Renovation	c302308	new
Vegetation Management Tools/Heavy Equipment*	c212313	new
Tyrrell Park - Pathway, Stage Area and Pedestrian Safety Improvements	c302309	new
Un-Signalized Crossing Improvement Project	c402215	existing
Advance Dilemma Zone Detection and Retroreflective Signal Back Plate Upgrades	c402216	existing
Garfield Park Renovation	c302235	existing
Ocean View Park Redesign	c302236	existing
Harvey West Park Infrastructure Improvements	c302238	existing
Pacific Station North	c512201	existing
Pacific Station South	c512202	existing
Harvey West Pool - Pool Lighting, Controls, and Cleaning Systems Replacement and Updates	c302102	existing
Trail Across 135 Dubois Easement	c302104	existing
Grant Park - Restroom Plumbing Upgrade	c302105	existing
Irrigation System Improvements	c302122	existing
Civic Roof Repair*	c302140	existing
Trails Study	c301908	existing
Bay High Intersection Improvements	c401103	existing
MB Sanctuary Scenic Trail (Rail Trail) Segment 7	c401413	existing
Citywide Traffic Signal Controller Upgrade	c401602	existing
MB Sanctuary Scenic Trail (Rail Trail) Segments 8 & 9	c401804	existing
Swanton Blvd Multi Use Trail Connector	c401805	existing
Market Street Bike lanes and Sidewalk	c401806	existing
Downtown Bike Locker Replacement Program	c401812	existing
Downtown Intersection Improvements	c401903	existing
Delaware - Swift Intersection Improvements	c401904	existing
Bay - West Cliff Intersection Improvements	c401905	existing
Project Name	Project #	New/Existing

Landfill Master Plan Development	c401909	existing
San Lorenzo River Walk Lighting	c401910	existing
Mission Street Improvement Plan	c402001	existing
Murray Street Bridge Seismic Retrofit and Barrier Rail	c409321	existing
Farmers Market Structure*	c511901	existing
Advanced Metering Infrastructure	c701603	existing
Recycled Water	c701611	existing
Recycled Water- SDC	c701612	existing
Public Facilities –Maintenance - CEC	m609195	existing

*This project implements the Climate Action Plan only if it is explicitly designed or specified with sustainability features.

Projects that support the Climate Adaption Plan Update

Project Name	Project #	New/Existing
DeLaveaga Park - Branciforte Creek Trail Culvert Repair	c302304	new
Escalona Avenue Storm Drain Pipe replacement	c402302	new
Fire Boat	c212303	new
Fire Department Chipper	c212312	new
Fire Engine Ladder (Pierce Tiller 100')	c212202	new
Fire Engine Type I Pierce Pumper (1)	c212315	new
Fire Engine Type I Pierce Pumper (1)	c212316	new
Fire Station #1 & Fire Admin Replacement*	c212311	new
Fire Station #2 Replacement*	c212310	new
Fire Station #3 Front Driveway*	c212307	new
Fire Station #3 Rear Expansion*	c212306	new
Fire Station #5*	c212314	new
Fire Station 2 Rear Expansion*	c212302	new
Fire Stations Paging System*	c212301	new
Lower Pacific Avenue Medians*	c302310	new
North Coast System Phase 4	c702303	new
Santa Cruz Regional Public Safety Training Center	c212305	new
Station #3 Sewer Line Clean Out	c212309	new
Wharf - Redesign South Landing*	c302302	new
Pacific Station North*	c512201	existing
ASR - Mid County Existing Infrastructure	c702101	existing
ASR - Mid County New Wells	c702102	existing
ASR - Santa Margarita Groundwater Basin	c702103	existing
ASR - New Pipelines	c702104	existing
Newell Creek Pipeline Felton/Graham Hill WTP	c702105	existing
Newell Creek Pipeline Felton/Loch Lomond WTP	c702106	existing
Union/Locust Building Generator	c702107	existing
N. Coast Repair Ph4 Des and Construction	c702108	existing
N. Coast Repair Ph5 Des and Construction	c702109	existing
FEMA Certification of San Lorenzo River	c402109	existing
San Lorenzo Park Redesign	c301907	existing
Garfield Park Irrigation	c301911	existing
Bethany Curve Park Improvements	c301915	existing
Wharf Commons Surfacing Improvements	C302228	existing
Mission Hill Utility Undergrounding	c401004	existing
San Lorenzo River Pump Station #2	c401207	existing
Riverside Ave Utility Underground Phase II	c401208	existing
Pogonip Creek Sedimentation Removal	c401306	existing
Trevethan Storm Drain Project - Phase 1	c401307	existing

Project Name	Project #	New/Existing
Branciforte Creek Channel Repair and Maintenance	c401313	existing
San Lorenzo River Levee Storm Drain Maintenance	c401314	existing
State Route 1 Bridge Replacement	c401402	existing
West Cliff Drive Revetment Repair	c401501	existing
Chestnut Street Storm Drain Replacement	c401505	existing
Bay Drive Storm Damage Repair	c401507	existing
Catch Basin Replacement Program	c401610	existing
Wastewater Treatment Facility Infrastructure and Major Equipment	c401706	existing
Downtown SLR Drainage System Assessment	c401707	existing
CMP Storm Drain Pipe Replacement	c401709	existing
Curtis Street Storm Drain Phase II	c401802	existing
Soquel/Pine Storm Drain	c402002	existing
Murray Street Bridge Seismic Retrofit	c409321	existing
SLR Flood Control Environ Rest Project	c409512	existing
Jesse Street Marsh	c409669	existing
San Lorenzo River Lagoon Management Program	c601403	existing
Main Replacements- Engineering Section	c700002	existing
Main Replacements- Distribution Section	c701507	existing
ASR and In-Lieu Feasibility Study	c701609	existing
Aquifer Storage and Recovery	c701610	existing
Recycled Water Feasibility Study	c701611	existing
Recycled Water	c701612	existing
Newell Creek Pipeline Rehab/Replacement	c701701	existing
Water Supply Augmentation	c701705	existing
N Coast System Major Diversion Rehab	c701802	existing
Main Replacements- Eng Section- Transmission	c709833	existing
West Cliff Drive Multi-use Path Pavement Rehabilitation	m400819	existing
West Cliff Stair Repair at Indicators	m401402	existing
Nearby Lagoon Park Rehab-Maint. (Annual)	m409668	existing
Public Facilities - Maintenance	m609195	existing

*This project will implement the Climate Adaptation Plan depending on which resiliency measures are integrated into a green design approach or are considered to enhance existing resiliency benefits.