

TO: PARKS AND RECREATION COMMISSION
FROM: DAREN ANDERSON DEPARTMENT: COMMUNITY SERVICES
DATE: JULY 24, 2018
SUBJECT: REVIEW OF THE 2019-2023 CAPITAL IMPROVEMENT PLAN

RECOMMENDATION

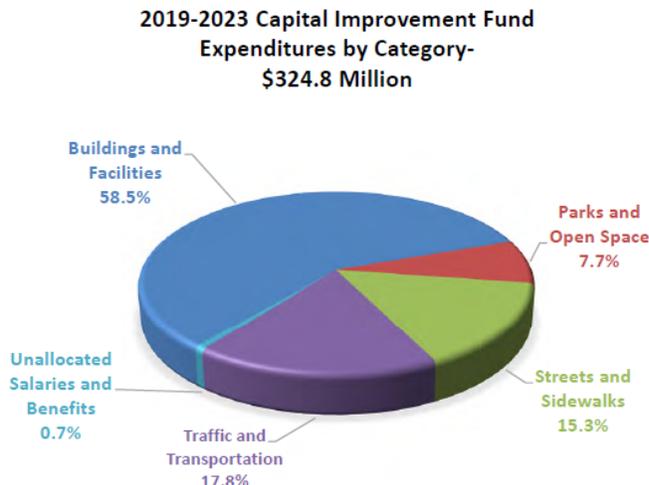
This is an informational report. No action is recommended.

BACKGROUND

The FY 2019-2023 Capital Improvement Program (CIP) Plan (<https://www.cityofpaloalto.org/civicax/filebank/documents/64860>) guides the City in the planning and scheduling of infrastructure improvement projects over the next five years. It is developed in coordination with all City departments responsible for capital projects. As required by the City Municipal Code, the Planning and Transportation Commission (PTC) reviewed the 2019-2023 CIP on May 9, 2018 to evaluate the program’s compliance with the Updated Comprehensive Plan. The PTC forwarded its recommendations to the Finance Committee and City Council. Council adopted the CIP Plan on June 18, 2018.

The FY 2019 Proposed Capital Budget, which includes the Capital Improvement Funds, Enterprise Funds, and Internal Service Funds, is \$211.7 million. The overall 2019-2023 Capital Budget is \$738.0 million. Within the Capital Budget, the Capital Improvement Fund is 125.5 million for FY 2019 and \$328.4 million for FY 2019-2023. The funding allocated towards Community Services is illustrated in the following pie chart, which shows that Parks and Open Space are allocated 7.7% of the funding over the five year Capital Improvement Fund plan.

It should be noted that the Council only approves the budget for the first year of any five year CIP, and the remaining four years are to be used for forecasting and planning.



DISCUSSION

Attachment A is a spreadsheet that shows all of Community Services Department's FY19 to FY23 CIPs broken into fiscal years.

The FY19 projects include:

Baylands Comprehensive Conservation Plan (Cont.)	General Fund	\$ 94,500
Cubberley Field RRs	Cubberley Fund	\$ 428,000
Turf Management Plan	General Fund	\$ 100,000
Mitchell - Adobe Bridge	General Fund	\$ 250,000
Hwy 101 Ped/Bike Bridge	General Fund / Grants	\$13,800,000
Boulware Design	General Fund	\$ 45,000
Baylands Boardwalk Replacement	General Fund	\$ 1,000,000
FHP Arastradero, Ester Clark Park CCP	General Fund	\$ 315,000
Park Restroom Installation	Park Development Impact Fee Fund	\$ 368,000
Baylands Athletic Center 10.5 Acres Expansion Plan	General Fund	\$ 105,000
Byxbee Park Completion Design	Park Development Impact Fee Fund	\$ 653,000
Cubberley Synthetic Turf and Track Design	Cubberley Fund	\$ 20,000
JMZ renovation	Private Donations / Impact Fees Fund	\$ 3,600,000
Rinconada Park Improvements Design (Cont.)	General Fund	\$ 330,000
Turf Management Plan	General Fund	\$ 105,000

Every CIP has a project page that provides details regarding the project description, justification, significant changes, schedule, funding, budget source, and other details. The following is an example project page:

CAPITAL IMPROVEMENT FUND



Cameron Park, January 2015

Fund: Capital Improvement Fund
Category: Parks and Open Space
Project Location: 2101 Wellesley Street between College and Stanford Avenues
Managing Department: Community Services
IBRC Reference: Catch-up
Initial Project Start: Summer 2017
Initial Project Completion: Summer 2018
Revised Project Start: Summer 2021
Revised Project Completion: Summer 2022
Project Number: PG-14002

Cameron Park Improvements

Description

This project provides funding to upgrade and renovate safety and accessibility features at Cameron Park with a primary focus on the park playground.

Justification

As park infrastructure ages, safety and compliance issues need to be addressed. This project will ensure compliance and address accessibility needs as well as safety issues.

Significant Changes

2018-2022 CIP: Project shifted from Fiscal Year 2020 to Fiscal Year 2022 due to a reprioritization of parks projects.

2017-2021 CIP: Project shifted from Fiscal Year 2018 to Fiscal Year 2020 pending completion of the Parks Master Plan and a reprioritization of parks projects.

Funding Sources Schedule

Funding Source	Prior Years	FY 2018 Budget	FY 2018 Est.	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	5 Year CIP Total	Beyond 5 Year CIP	Total
Capital Improvement Fund	0	0	0	0	0	0	141,682	0	141,682	0	141,682
Total	0	0	0	0	0	0	141,682	0	141,682	0	141,682

Expenditure Schedule

Project Phase	Prior Years	FY 2018 Budget	FY 2018 Est.	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	5 Year CIP Total	Beyond 5 Year CIP	Total
Construction	0	0	0	0	0	0	141,682	0	141,682	0	141,682
Total	0	0	0	0	0	0	141,682	0	141,682	0	141,682

Operating Impact

This project is not anticipated to impact operating expenses.

Relationship to Comprehensive Plan	Relationship to Comprehensive Plan	Potential Board/Commission Review:
Primary Connection Element: Community Services & Facilities Section: Maintenance of Parks and Community Facilities Goal: C-3 Policy: C-3.3 Program: C3.3.1	Secondary Connection Element: Community Services & Facilities Section: Maintenance of Parks and Community Facilities Goal: C-3 Policy: C-3.2 Program: C3.2.1	Parks and Recreation Commission
Environmental Impact Analysis: This project is expected to have a possible exemption from CEQA under Section 15301.		

Funding

The funding for the projects comes from a variety of different funds. The majority of the CIPs are funded through the General Fund. Projects that meet the criteria of Impact Fees (which include amenities that increase the capacity of a park) may utilize Park Development Impact Fee funding (e.g. new park restroom). Projects at Cubberley Community Center may be able to use Cubberley Funds, which is an account that the City contributes the \$XX that were once paid to the Palo Alto School District under the Covenant not to Develop Agreement.

The total cost of the FY19 CSD related projects is approximately \$20.8 million

Prioritization

The method for prioritizing projects has evolved through the years. In the past staff was asked to fill out priority matrix forms and rank projects based on the following criteria:

- Council Direction
- Leverage Funding (Private/Public/Grants/Impact Fees)
- Health and Safety Requirements
- Code/Legal Requirements
- Operational Needs and Efficiency
- Sustainability
- Community Priorities
- Revenue Generating Potential

Over the last several years, staff has prioritized projects based on a combination of the criteria listed above, as well as feedback from the Parks and Recreation Commission, the Parks Master Plan, and addressing the Catch-up/Keep-up projects as a priority. Catch-up and Keep-up are terms used by the City's Infrastructure Blue Ribbon Committee that evaluated the City's infrastructure in 2011. The Catch-up projects are ones that were identified previously as a priority need for repair or replacement, but were never implemented. Erosion repairs to Buckeye Creek is a good example of a Catch-up project because it was identified many years ago as a need, but wasn't addressed. Keep-up projects are the ones that are forecasted to be necessary for repair or replacement in a coming year. A good example of a Keep-up project would be a park playground that will have reached the end of its anticipated useful life (typically 15 years).

CIP Process Timeline

- October/November—Staff begin planning for the next capital budget and meet with the Parks and Recreation Commission Ad Hoc Committee to discuss prioritizing the projects.
- December/January—Staff submit the proposed five year capital budget to Finance Department

- April--Planning and Transportation Commission review the Capital Plan to ensure that the projects comply with the Comprehensive Plan.
- May-- Finance Committee review's capital plan
- June-- Council reviews and adopts capital budget

PREPARED BY: _____

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