



Capital Improvement Program

Town Council Study Session
January 22, 2013

Background

Capital Program – historical funding sources:

- General fund – year end fund balances
- Redevelopment Agency funding – tax increments
- Grants – select project types



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Challenges

Funding sources are changing.

- State elimination of RDAs
- Reduced year-end fund balances
- Grants – criteria changes



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One-Time Funding Sources

- Newly Available Revenues
- Reserves
- Potential Future Revenues



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Available Resources

- West Parr Property Sale
- RDA Dissolution
- Friends of the Library
- Existing Project Balances
- RDA Origination Loan

Total of \$5.3 million



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Reserves

Funding is in-hand; requires Council approval:

- Budget Reserves – “excess”
- Open Space Reserve – GP Policy

Total of up to \$2.8 million



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Potential Future Revenues

Requires Council direction to explore

- Surplus Property Proceeds
- Potential Tax/Fee Increases
- Estimated to be up to \$6M
- Timing issues with CIP



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Revenue Sources

Estimated totals by Category:

- Available - \$5.3 million
 - Reserves - \$2.8 million
 - Future - \$6.0 million+
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Total - \$14.1 million+



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Potential Capital Projects

Categorized into three tiers:

- Tier 1 – Candidates for 13/14 or 14/15
- Tier 2 – Candidates for 14/15 or 15/16
- Tier 3 – Candidates for 15/16 or beyond
- Some projects tied to outside funding sources
- Some projects require additional study



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Tier 1 Projects

All can be funded as 2013/14 projects:

- Creekside Sports Park Pedestrian Bridge requires Environmental Review and design
 - *\$300k grant and timeline constraints*
- Winchester/Lark Intersection Improvement Project partially funded with Developer Fees
 - *\$400 k in-hand, potentially more coming*

Total for Tier 1 projects - \$2.85 million

- \$700k from other sources



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Tier 2 Projects

Recommended as 2014/15 projects:

- Almond Grove Street Reconstruction
 - *\$4.0 million – first phase of \$12.0 million project*
 - *Community outreach and design work in advance*
 - Grant candidates, financing
 - *Los Gatos Creek Trail – Charter Oaks area*
 - *Highway 9/Creek Trail connection*
 - *Streetlight Retrofit – possible financing*
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Total for Tier 2 projects - \$7.7 million

- Up to \$2.0 million from other sources

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Tier 3 Projects

Recommended as 2015/16 or beyond projects:

- One time increases to annual work
 - *Street resurfacing*
 - *Curb, gutter, sidewalk*
- Civic Center and Downtown Parking Improvements
- Parking Garage
 - *Feasibility study required*
 - *Parking Lot 6 site*

Total for Tier 3 projects – \$10.3 million

- Unknown potential for alternate revenue sources

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Beyond Tier 3 Projects

Other issues that Council may wish to consider:

- Almond Grove – beyond phase 1
- Ongoing Pavement Maintenance
- Residential Streets requiring reconstruction
- Retaining Wall Replacement
- Improved Emergency egress to single access areas



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Council Discussion

- Consider revenue sources, projects, and priorities as presented by staff.
- Confirm use of revenue sources.
- Discuss projects scopes.
- Confirm, discuss, recommend changes to priorities list.



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Next Steps

- Council input will be used to develop the Town's FY13/14 – FY18/19 Capital Improvement Program.
- Return to Council in May with recommendations for the CIP.



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