

City Service Area Community & Economic Development

UNDERGROUNDING PROJECT



Before Undergrounding



After Undergrounding

Mission: To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural and entertainment offerings.

The Developer Assisted Projects Capital Program reimburses developers for the construction of street improvements throughout the City and encourages the undergrounding of existing overhead utilities. As part of the Community and Economic Development City Service Area, the major objective of the capital program is to ensure that residential developments within San José include the construction of public improvements necessary to maintain or improve the infrastructure of the City.

Developers who construct residential dwelling units pay contributions to the Residential Construction Tax Contribution Fund. In turn, payments from the fund are made to developers who construct eligible improvements on major City streets in connection with new residential developments.

Underground Utility Districts are established using fees collected from developers. Undergrounding projects are prioritized within a three-year plan based on several criteria, the largest of which is the amount of fees collected within the proposed Underground District. Other criteria include whether or not the underground work can be coordinated with other capital improvement work such as street widening, and equity in the amount of undergrounding proposed among City Council Districts.

CSA CAPITAL PROGRAM

- Developer Assisted Projects

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Recent Accomplishments

- The Market/Almaden (Reed Street, Pierce Avenue, Williams Road, Balbach Street, and Viola Avenue) Rule 20A Underground Utility Project started construction in December 2008.
- Started construction on Jackson/Taylor (4th Street to 9th Street) (Rule 20A/B project) in March 2009.
- Street improvements were completed on Delmas Avenue in December 2008.
- Three median islands – two on Hillsdale Avenue and one on Communications Hill Boulevard – are due to be completed by summer 2009.

Program Highlights

Developer Assisted Projects

Capital Program

2010-2014 Adopted CIP: \$10.4 million

Undergrounding Projects – Rule 20A

- Guadalupe Gardens Phase II undergrounding project: completed installation of substructure in December 2008. Utility poles and wires are expected to be removed by December 2009.
- Market/Almaden (Reed, Pierce, William, Balbach and Viola Steets) Underground Utility District: started construction in December 2008, substructure installation is expected to be completed by December 2009 followed by pole and wire removal by December 2010.

Undergrounding Projects – Rule 20B

- Jackson/Taylor (4th to 9th Street) proposed Underground Utility District (combination Rule 20A and Rule 20B project): started construction in March 2009.
- Projects that are currently in design and are expected to start construction in 2009-2010: Park/Naglee (Naglee Avenue to Shasta Avenue and Park Avenue to Bascom Avenue), Stevens Creek Boulevard (Stearns Avenue to Calvert Drive), Camden Avenue (Bascom Avenue to Leigh Avenue), Delmas/Park (Delmas Avenue, San Fernando Street, Cahill Street, Auzerais Avenue), Monterey Highway (Willow Street to Curtner Avenue, including Cadwaller Plaza) and Evergreen Park (Yerba Buena Road to San Felipe Road).

Street Improvements

- Several street improvements including median island landscaping and center strip paving at the intersection of Oakland Road and Rock Avenue are nearing completion.

CSA OUTCOME

(Supported by the Capital Program)

- ✓ Safe, Healthy, Attractive and Vital Community

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Performance Measures

A set of consistent and comprehensive performance measurements along with targets and goals have been established for the entire capital program and adopted for each individual CSA. Measures have been established for four key areas: schedule (cycle time), cost, quality, and customer satisfaction. Please see the Budget Guide section narrative for additional information on capital projects performance measurements.

Outcome: Quality CIP Projects Delivered On-Time and On-Budget

5 Year Strategic Goals		2007-2008 Actual	2008-2009 Target	2008-2009 Estimate	2009-2010 Target	5-Year Goal
Community and Economic Development CSA delivers quality Capital Improvement Program (CIP) projects on-time and on-budget	1. % of CIP projects delivered* within 2 months of approved baseline schedule	88% (7/8)	85%	89% (8/9)	85%	85%
	2. % of CIP projects that are completed** within the approved baseline budget	0% (0/1)	90%	100% (1/1)	90%	90%
	3. % of operations and maintenance divisions rating new or rehabilitated capital facilities as being functional and sustainable after first year of use	TBD***	80%	TBD***	80%	80%
	4. % of customers rating new or rehabilitated CIP projects as meeting established goals (4 or better based on a scale of 1-5)	TBD***	85%	TBD***	85%	85%

Changes to Performance Measures from 2008-2009 Adopted Budget: No

- * Projects are considered to be "delivered" when they are available for their intended use.
- ** Projects are considered to be "completed" when final cost accounting has occurred and the project has been accepted.
- *** Survey results are not available at this time.

In 2008-2009, the Community and Economic Development CSA delivered an estimated eight of nine (89%) projects within two months of the approved baseline schedule, which is above the one-year performance target of 85%. Eight of the nine projects that were delivered in 2008-2009 are Public Art capital projects. Notable public art capital projects delivered in 2008-2009 include the art elements associated with the recently completed Fire Stations No. 12 and No. 17, Mayfair and Roosevelt Community Centers, Padre Mateo Sheedy Park, and Willow Glen Branch Library.

For the on-budget performance measurement, one project was accepted during 2008-2009. The Guadalupe Gardens City Facilities Service Conversions project was completed within the baseline budget.

This CSA will explore the possibility of conducting surveys on select Public Art projects where seeking input from City maintenance staff and/or public customers may be appropriate.

Capital Program Summary by City Service Area

Community and Economic Development

	2009-2010 Budget	2010-2014 CIP Budget	Total Budget (All Years)	Start Date	End Date
<u>Developer Assisted</u>					
<u>Projects</u>					
PG&E/Private Electrical Service Panel Conversion Reimbursement	125,000	125,000		*	Ongoing
Public Works Capital Management Costs	20,000	100,000		*	Ongoing
Reimbursement to Developers for Center Strip Paving	325,000	370,000		*	Ongoing
Reimbursement to Developers for Landscaping	694,000	948,000		*	Ongoing
Residential Program Administration	50,000	250,000		*	Ongoing
Street Improvements for New Development	40,000	40,000		*	Ongoing
Transfer to the City Hall Debt Service Fund	23,000	124,000		*	Ongoing
Underground Utility Administration (20A)	355,000	1,525,000		*	Ongoing
Underground Utility Administration (20B)	110,000	650,000		*	Ongoing
Underground Utility Program (20B)	1,700,000	5,700,000		*	Ongoing
Total: Construction/Non-Construction	3,442,000	9,832,000			
Ending Fund Balance	1,416,078	566,078 **			
Total: Developer Assisted Projects	4,858,078	10,398,078 **			
 CSA Total: Construction/Non-Construction	 3,442,000	 9,832,000 **			
Ending Fund Balance	1,416,078	566,078 **			
CSA Total:	4,858,078	10,398,078 **			

* Total Budget information is not provided due to the ongoing nature of this project.

**The 2009-2010 through 2012-2013 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.