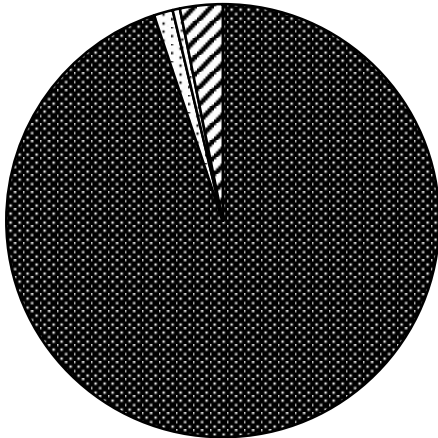


DEVELOPER ASSISTED PROJECTS

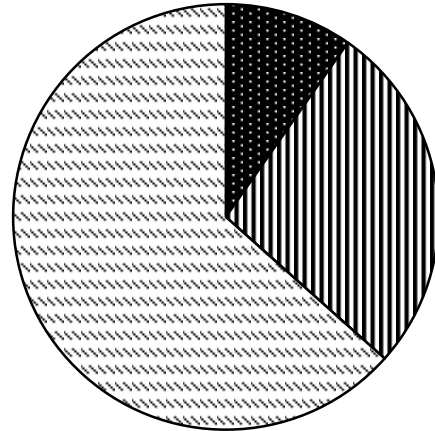
2021-2025 Capital Improvement Program

**2020-2021 Proposed
Source of Funds**



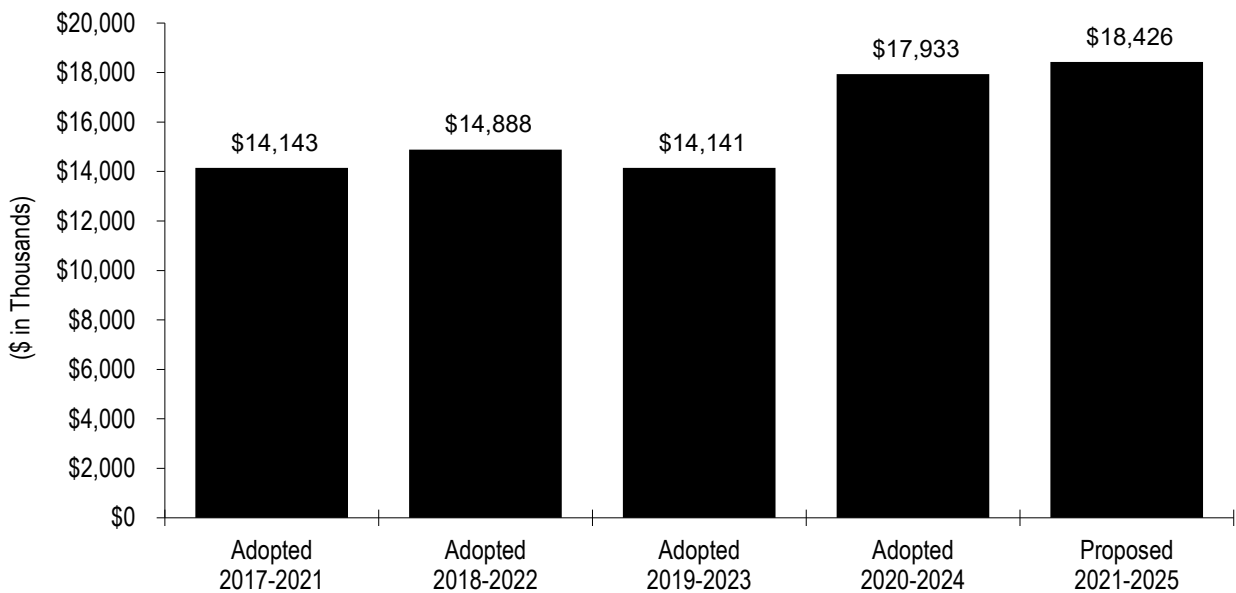
- Beginning Fund Balance
- ▨ Taxes, Fees and Charges
- ▤ Miscellaneous
- ▥ Developer Contributions

**2020-2021 Proposed
Use of Funds**



- Construction Projects
- ▥ Ending Fund Balance
- ▥ Non-Construction

CIP History



Developer Assisted Projects

2021-2025 Proposed Capital Improvement Program

Overview

INTRODUCTION

The Developer Assisted Projects Capital Program includes the management and administration of the Underground Utility Fund, the Residential Construction Tax Contribution Fund, the Contingent Lien District Fund, and the Diridon Station Impact Fee Fund, which will be budgeted as revenue is received. These funds receive money from and/or provide payments to utility companies and private land developers.

UNDERGROUND UTILITIES	
MILES OF UNDERGROUNDED UTILITIES IN THE PAST 10 YEARS (includes cable, electrical, phone, etc.)	6

The 2021-2025 Proposed Capital Improvement Program (CIP) provides funding of \$18.4 million, of which \$14.1 million is allocated in 2020-2021. This program is part of the Community and Economic Development City Service Area (CSA) and supports the following outcome: *Safe, Healthy, Attractive, and Vital Community*.

PROGRAM PRIORITIES AND OBJECTIVES

This capital program is used to facilitate the undergrounding of existing overhead facilities, reimburse developers for the construction of certain street improvements throughout the City, and manage contingent lien districts throughout the City. Based on the CSA outcomes supported by this program, the following list of priorities has been developed:

- Complete projects according to the In-Lieu Fee Underground Master Plan and Council-approved Underground Utility Workplan;
- Continue to leverage PG&E/utility company investment averaging \$4.1 million per year using In-Lieu Fee funds for Administration of the Rule 20A program;
- Adjust projects in the Underground Utility Workplan to address utility company resource issues and high priority emergency work;
- Leverage developer reimbursements to fund projects, which promote the General Plan goals of the transportation network; and
- Use Contingent Lien reserves to fund future improvements in existing districts.

SOURCES OF FUNDING

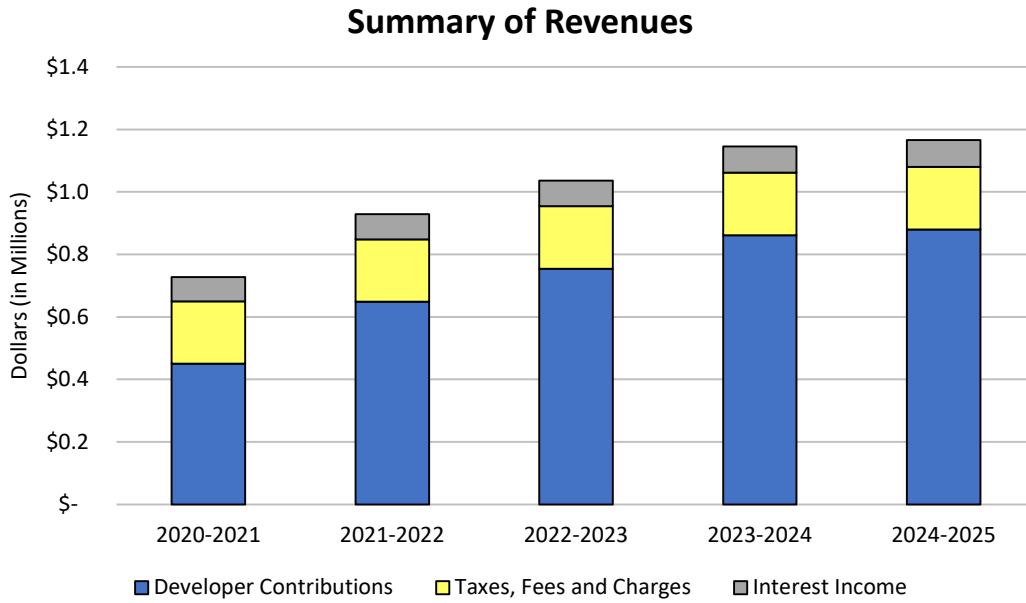
The 2021-2025 Proposed CIP provides funding of \$18.4 million, of which \$14.1 million is allocated in 2020-2021. The five-year program funding level increased by \$493,000 from \$17.9 million in the 2020-2024 Adopted CIP, mainly due to higher estimates in Underground Utility In-Lieu Fee. Revenue for this CIP is derived from three sources: the Underground Utility In-Lieu Fee (\$3.6 million), the Residential Construction Tax (\$1.0 million), and elements of various contingent districts (\$3.0 million).

Developer Assisted Projects

2021-2025 Proposed Capital Improvement Program

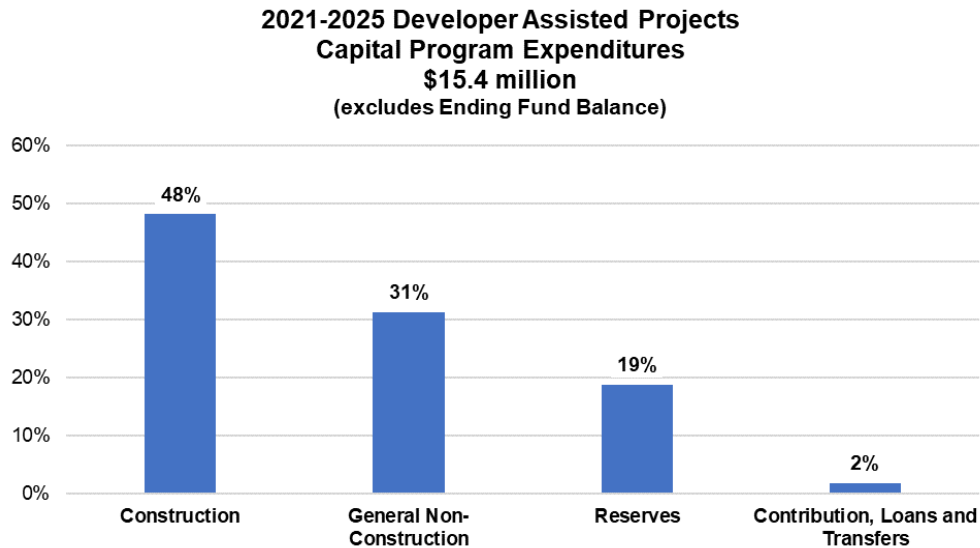
Overview

SOURCES OF FUNDING



PROGRAM HIGHLIGHTS

The Developer Assisted Projects Capital Program expenditures are organized to show the use of funds in several categories. The following highlights the major projects in the program. For further information on the program’s individual projects, please refer to the Detail Pages.



Developer Assisted Projects
2021-2025 Proposed Capital Improvement Program
Overview

PROGRAM HIGHLIGHTS

Underground Utility

Within the Underground Utility Fund, current City Council approved Underground Utility District (UUD) project priorities are listed below. The status of Rule 20A projects remain relatively unchanged from the 2019-2020 Adopted Capital Budget due to PG&E’s schedule.

Project Name	Location	Project Status
Aborn Rd. Rule 20A UUD	Aborn Rd., Pumpherston Wy. to White Rd.	100% complete summer 2019. (PG&E managed construction)
Tully Rd. Rule 20A UUD	Tully Rd., between Kenoga Dr. and 720 feet west of Senter Rd.; Senter Rd. between Parrott St. and 170 feet south of Tully Rd.	90% complete, pole out expected spring 2020. (PG&E managed construction)
Delmas Ave./Park Ave. Rule 20A UUD	San Fernando St., Delmas Ave. to Wilson Ave.; Cahill St., San Fernando St. to Santa Clara St.; Delmas Ave., San Fernando St. to Auzerais Ave.; and Auzerais Ave., Delmas Ave. to Bird Ave.	90% complete, pole out expected winter 2020. Requires construction of the Delmas/Park Ave. Rule 20B project. (PG&E managed construction)
Delmas Ave./Park Ave. Rule 20B UUD	Delmas Ave., Santa Clara St. to San Fernando St.; San Fernando St., Delmas Ave. to Route 87; and Park Ave., Bird Ave. to Delmas Ave.	Expected to start construction summer 2020. (City managed construction)
White Rd. Rule 20A UUD	Alum Rock Ave. to Rose Ave.	90% complete, pole out expected spring 2020. (PG&E managed construction)
Monterey Rd. Rule 20A UUD	Willow St. to Curtner Ave.	Expected to start construction summer 2021. (PG&E managed construction)
Lincoln Ave. Rule 20A UUD	Lincoln Ave., West San Carlos St. to 160 feet northwest of Coe Ave.; Auzerais Ave., 190 feet west of Lincoln Ave.; Northrup St., Lincoln Ave. to Highway 280; Parkmoor Ave., Lincoln Ave. to 280 feet west of Northrup St.; and Paula St., 210 feet west of Lincoln Ave.	General Conditions Agreement executed November 2019. Expected to start construction March 2022. (PG&E managed construction)

Developer Assisted Projects

2021-2025 Proposed Capital Improvement Program

Overview

PROGRAM HIGHLIGHTS

Underground Utility (cont.)

Project Name	Location	Project Status
McKee Rd./Jose Figueres Ave. Rule 20B UUD	Jose Figueres Ave. to North Jackson Ave.	Project is currently in preliminary design phase. Expected construction start date of spring 2021. (City managed construction)



(before)



(after)

Fire Station 26 south side Tully Rd. west of Senter Rd.

MAJOR CHANGES FROM THE 2020-2024 ADOPTED CIP

The overall size of the Developer Assisted Projects CIP has increased by \$493,000 from \$17.9 million in the 2020-2024 Adopted CIP to \$18.4 million in the 2021-2025 Proposed CIP. The following table outlines the most significant change to project budgets, including new/augmented allocations and reduced/eliminated allocations.

Project	Incr/(Decr)
Underground Utility Program (20B)	\$2.0 million

OPERATING BUDGET IMPACT

There are no operating and maintenance cost impacts associated with the projects programmed in the 2021-2025 Proposed CIP. Within the Underground Utility Program, utility companies maintain their own facilities.

Developer Assisted Projects
2021-2025 Proposed Capital Improvement Program
Source of Funds (Combined)

	Estimated						
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
Underground Utility Fund (416)							
Beginning Balance	9,445,583	8,266,583	6,887,583	4,663,583	2,328,583	1,554,583	8,266,583 *
Revenue from Use of Money and Property							
Interest Income	30,000	32,000	35,000	37,000	39,000	41,000	184,000
TOTAL Revenue from Use of Money and Property	30,000	32,000	35,000	37,000	39,000	41,000	184,000
Developer Contributions							
Various Developer Contributions	600,000	450,000	648,500	754,500	861,500	880,000	3,594,500
TOTAL Developer Contributions	600,000	450,000	648,500	754,500	861,500	880,000	3,594,500
Total Underground Utility Fund (416)	10,075,583	8,748,583	7,571,083	5,455,083	3,229,083	2,475,583	12,045,083 *
Residential Construction Tax Contribution Fund (420)							
Beginning Balance	2,335,748	2,152,748	1,968,748	1,777,748	1,585,748	1,397,748	2,152,748 *
Revenue from Use of Money and Property							
Interest Income	50,000	45,000	45,000	45,000	45,000	45,000	225,000
TOTAL Revenue from Use of Money and Property	50,000	45,000	45,000	45,000	45,000	45,000	225,000
Residential Construction Tax							
Residential Construction Tax--	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000

Developer Assisted Projects
2021-2025 Proposed Capital Improvement Program
Source of Funds (Combined)

	Estimated						
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
TOTAL Residential Construction Tax	200,000	200,000	200,000	200,000	200,000	200,000	1,000,000
Total Residential Construction Tax Contribution Fund (420)	2,585,748	2,397,748	2,213,748	2,022,748	1,830,748	1,642,748	3,377,748 *
Contingent Lien District Fund (634)							
Beginning Balance	3,625,108	3,003,108	116,000	90,000	60,000	50,000	3,003,108 *
Reserve for Encumbrance	8,437						
Transfers							
Transfer from Contingent Lien District Funds	116,140						
TOTAL Transfers	116,140						
Total Contingent Lien District Fund (634)	3,749,685	3,003,108	116,000	90,000	60,000	50,000	3,003,108 *
TOTAL SOURCES	16,411,016	14,149,439	9,900,831	7,567,831	5,119,831	4,168,331	18,425,939 *

* The 2021-2022 through 2024-2025 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Developer Assisted Projects

2021-2025 Proposed Capital Improvement Program Use of Funds (Combined)

	Estimated 2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
<u>Developer Assisted Projects</u>							
Underground Utility Program (20B)	1,375,000	1,375,000	2,207,000	2,537,000	1,105,000	200,000	7,424,000
Other Developer Assisted Projects - Construction	1,375,000	1,375,000	2,207,000	2,537,000	1,105,000	200,000	7,424,000
Developer Assisted Projects - Construction	1,375,000	1,375,000	2,207,000	2,537,000	1,105,000	200,000	7,424,000
Contingent Lien District Administration	22,000	26,000	26,000	30,000	10,000	10,000	102,000
PG&E/Private Electrical Service Panel Conversion Reimbursement			148,500	4,500	61,500	30,000	244,500
Quimby/Fowler Creek Riparian Restoration	608,437						
Reimbursement to Developers for Center Strip Paving	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Reimbursement to Developers for Landscaping	150,000	150,000	150,000	150,000	150,000	150,000	750,000
Residential Program Administration	30,000	30,000	35,000	35,000	35,000	35,000	170,000
Street Improvements for New Development	100,000	100,000	100,000	100,000	100,000	100,000	500,000
Underground Utility Administration (20A)	250,000	300,000	310,000	320,000	330,000	340,000	1,600,000
Underground Utility Administration (20B)	84,000	87,000	90,000	92,000	95,000	98,000	462,000
General Non-Construction - Developer Assisted Projects	1,344,437	793,000	959,500	831,500	881,500	863,000	4,328,500
Developer Assisted Projects - Non Construction	1,344,437	793,000	959,500	831,500	881,500	863,000	4,328,500
Capital Program and Public Works Department Support Service Costs	95,000	91,000	146,000	168,000	74,000	14,000	493,000
Allocations	95,000	91,000	146,000	168,000	74,000	14,000	493,000
Transfer to the Contingent Lien District Fund	116,140						
Transfers to Capital Funds	116,140						
City Hall Debt Service Fund	8,000	12,000	12,000	12,000	12,000	12,000	60,000
Transfers to Special Funds	8,000	12,000	12,000	12,000	12,000	12,000	60,000
General Fund - Interest Income	50,000	45,000	45,000	45,000	45,000	45,000	225,000
Transfers to the General Fund	50,000	45,000	45,000	45,000	45,000	45,000	225,000

Developer Assisted Projects

2021-2025 Proposed Capital Improvement Program Use of Funds (Combined)

	Estimated						
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5-Year Total
Transfers Expense	174,140	57,000	57,000	57,000	57,000	57,000	285,000
Evergreen Creek District Reserve		1,042,557					1,042,557
Evergreen Specific Plan District Reserve		1,039,596					1,039,596
Silicon Valley Bridge District Reserve		292,250					292,250
Silver Creek Development District 1A Reserve		284,833					284,833
Silver Creek Development District 1B Reserve		201,872					201,872
Expense Reserves - Non Construction		2,861,108					2,861,108
Total Expenditures	2,988,577	5,177,108	3,369,500	3,593,500	2,117,500	1,134,000	15,391,608
Ending Fund Balance	13,422,439	8,972,331	6,531,331	3,974,331	3,002,331	3,034,331	3,034,331 *
TOTAL	16,411,016	14,149,439	9,900,831	7,567,831	5,119,831	4,168,331	18,425,939 *

* The 2020-2021 through 2023-2024 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

Developer Assisted Capital Program
 2021-2025 Proposed Capital Improvement Program
Detail of Ongoing Construction Projects

Underground Utility Program (20B)

CSA	Community and Economic Development	Initial Start Date	Ongoing
CSA Outcome	Safe, Healthy, Attractive and Vital Community	Initial End Date	Ongoing
Department	Public Works	Revised Start Date	
Location	City-wide	Revised End Date	
Council Districts	City-wide	Initial Project Budget	
Appropriation	A4654		

Description Rule 20B Underground Utility Districts are established with fees paid to the City when a developer opts out of placing facilities underground at the time of development. Projects are prioritized with a five-year plan based on several criteria, the largest of which is the total amount of fees collected within the Underground District. This allocation is used for the design, construction, and administration of these projects.

Justification Underground Utility Ordinance No. 23187 mandates that fees collected pursuant to the ordinance be used to fund the conversion of overhead utility facilities to underground facilities. The purpose of the conversion is to implement the urban design policies of Envision San José 2040 General Plan.

Notes Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

Major Cost Changes

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Expenditure Schedule (000s)							
Construction	1,375	1,375	2,207	2,537	1,105	200	7,424
Total	1,375	1,375	2,207	2,537	1,105	200	7,424

Funding Source Schedule (000s)							
Underground Utility Fund (416)	1,375	1,375	2,207	2,537	1,105	200	7,424
Total	1,375	1,375	2,207	2,537	1,105	200	7,424

Annual Operating Budget Impact (000s)							
Total							

Developer Assisted Capital Program
2021-2025 Proposed Capital Improvement Program

Detail of Ongoing Non-Construction Projects

Underground Utility Administration (20A)

CSA Community and Economic Development
CSA Outcome Safe, Healthy, Attractive and Vital Community
Department Public Works
Council Districts City-wide
Appropriation A4786

Description PG&E and other utility companies allocate their own funds to replace existing overhead electrical facilities with underground electrical facilities within the communities they serve. This allocation provides funding for the day-to-day administration of the undergrounding program, including design and plan review, coordination, inspection of undergrounding projects, underground service alert location, and legislation of the Underground Utility Districts.

Notes Selected budget information is not provided due to the ongoing nature of this project.

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Expenditure Schedule (000s)							
General Administration	250	300	310	320	330	340	1,600
Total	250	300	310	320	330	340	1,600

	FY20 EST	FY21	FY22	FY23	FY24	FY25	5 YEAR TOTAL
Funding Source Schedule (000s)							
Underground Utility Fund (416)	250	300	310	320	330	340	1,600
Total	250	300	310	320	330	340	1,600

Developer Assisted Capital Program
 2021-2025 Proposed Capital Improvement Program

Summary of Reserves

Project Name	Evergreen Creek District Reserve	Initial Start Date	N/A
5-Yr CIP Budget	\$ 1,042,557	Initial End Date	N/A
Total Budget	\$ 1,042,557	Revised Start Date	
Council Districts	8	Revised End Date	
Description	This reserve sets aside funding for the Evergreen Creek District in the Contingent Lien District Fund to facilitate cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The district collects contingent assessments from properties that benefit from the improvements constructed or are to be constructed, and reimburses those who have either financed or constructed the improvements. Any remaining funds will be liquidated to the appropriate parties in the event that all improvements are constructed and all contingent assessments are collected for the respective district.		

Project Name	Evergreen Specific Plan District Reserve	Initial Start Date	N/A
5-Yr CIP Budget	\$ 1,039,596	Initial End Date	N/A
Total Budget	\$ 1,039,596	Revised Start Date	
Council Districts	8	Revised End Date	
Description	This reserve sets aside funding for the Evergreen Specific Plan District in the Contingent Lien District Fund to facilitate cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The district collects contingent assessments from properties that benefit from the improvements constructed or are to be constructed, and reimburses those who have either financed or constructed the improvements. Any remaining funds will be liquidated to the appropriate parties in the event that all improvements are constructed and all contingent assessments are collected for the respective district.		

Project Name	Silicon Valley Bridge District Reserve	Initial Start Date	N/A
5-Yr CIP Budget	\$ 292,250	Initial End Date	N/A
Total Budget	\$ 292,250	Revised Start Date	
Council Districts	2	Revised End Date	
Description	This reserve sets aside funding for the Silicon Valley Bridge District in the Contingent Lien District Fund to facilitate cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The district collects contingent assessments from properties that benefit from the improvements constructed or are to be constructed, and reimburses those who have either financed or constructed the improvements. Any remaining funds will be liquidated to the appropriate parties in the event that all improvements are constructed and all contingent assessments are collected for the respective district.		

Project Name	Silver Creek Development District 1A Reserve	Initial Start Date	N/A
5-Yr CIP Budget	\$ 284,833	Initial End Date	N/A
Total Budget	\$ 284,833	Revised Start Date	
Council Districts	2	Revised End Date	
Description	This reserve sets aside funding for the Silver Creek Development District 1A in the Contingent Lien District Fund to facilitate cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The district collects contingent assessments from properties that benefit from the improvements constructed or are to be constructed, and reimburses those who have either financed or constructed the improvements. Any remaining funds will be liquidated to the appropriate parties in the event that all improvements are constructed and all contingent assessments are collected for the respective district.		

Developer Assisted Capital Program
2021-2025 Proposed Capital Improvement Program

Summary of Reserves

Project Name	Silver Creek Development District 1B Reserve	Initial Start Date	N/A
5-Yr CIP Budget	\$ 201,872	Initial End Date	N/A
Total Budget	\$ 201,872	Revised Start Date	
Council Districts	2	Revised End Date	
Description	This reserve sets aside funding for the Silver Creek Development District 1B in the Contingent Lien District Fund to facilitate cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The district collects contingent assessments from properties that benefit from the improvements constructed or are to be constructed, and reimburses those who have either financed or constructed the improvements. Any remaining funds will be liquidated to the appropriate parties in the event that all improvements are constructed and all contingent assessments are collected for the respective district.		
