



2012-2013 CAPITAL BUDGET

**2013-2017 CAPITAL
IMPROVEMENT PROGRAM**



**COMMUNITY AND
ECONOMIC
DEVELOPMENT
CSA**

City Service Area Community & Economic Development

UNDERGROUNDING PROJECT

Before Undergrounding



Almaden Ave at Reed St, looking north

After Undergrounding



Almaden Ave at Reed St, looking north
(Market/Almaden Rule 20A Underground Utility Project)

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 five-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

City Service Area Community & Economic Development

Recent Accomplishments

- Completion of the Market/Almaden Rule 20A undergrounding of utilities (Reed Street, Pierce Avenue, Williams Road, Balbach Street, and Viola Avenue) in summer 2011.
- Completion of the Median island on Oakland Road in fall 2011.
- Completion of the Stevens Creek Rule 20A undergrounding of utilities (Stevens Creek Blouvard – Stern Avenue to Calvert Drive) in March 2012.
- Anticipated completion of the Jackson/Taylor Rule 20A/B (4th Street to 9th Street) Underground Utility Projects in summer 2012.

Program Highlights

Developer Assisted Projects

Capital Program

2013-2017 CIP: \$8.1 million

Undergrounding Projects – Rule 20A (Through Rule 20A, the California Public Utilities Commission requires Pacific Gas and Electric (PG&E) to set aside funds annually to finance the undergrounding of overhead electrical facilities located on public streets within the City of San José).

- Park/Naglee Rule 20A Underground Utility
- Delmas/Park Rule 20A Underground Utility
- Jackson/Taylor Rule 20A Underground Utility
- Aborn Road Rule 20A Underground Utility
- Evergreen Park Rule 20A Underground Utility

Undergrounding Projects – Rule 20B (Rule 20B Underground Utility Districts combine several smaller undergrounding projects into one large project so as to minimize the undesirable result of piecemeal undergrounding of utility facilities throughout the City).

- Delmas/Park Rule 20B Underground Utility
- Jackson/Taylor Rule 20B Underground Utility

CSA OUTCOME

(Supported by the Capital Program)

- ✓ Safe, Healthy, Attractive and Vital Community

City Service Area Community & Economic Development

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 focus on schedule (cycle time) and project delivery cost. Please see Budget Guide section narrative for additional information on capital performance measures.

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

5 Year Strategic Goals		2010-2011 Actual*	2011-2012 Target	2011-2012 Estimate	2012-2013 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 that are completed within the approved baseline budget**	100% (8/8)	90%	100% (4/4)	90%	90%

Changes to Performance Measures from 2011-2012 Adopted Budget: Yes¹

* The number of projects may vary from the 2010-2011 Adopted Budget Estimate as a result of the date of the estimated beneficial use of the project being revised with the project expected to be delivered in the following fiscal year as well as the inclusion of projects in the 2010-2011 Actual not originally included in the estimate due to incomplete information at that time.

** Projects are considered "completed" when final cost accounting has occurred and the project has been accepted; projects are considered "on budget" when the total expenditures do not exceed 101% of the baseline budget.

¹ Changes to performance measures from 2011-2012 Adopted Budget:

- × "% of CIP projects delivered within 2 months of approved baseline schedule" was deleted because public art projects are very dependent on the design and implementation of the capital project and if the capital project was delayed, this would cause the public art project also to be delayed. Therefore, this performance measurement would not be very meaningful.

For the purposes of reporting performance measures, the Developer Assisted Projects (DAP) in the CIP are captured in the Transportation and Aviation (TAS) CSA performance measures. These projects were moved to the TAS CSA as the work performed to deliver the DAP is done by the roadway and street light engineering staff. The capital projects tracked in this CSA are typically public art projects. Notable public art projects estimated to be delivered in 2011-2012 within the approved public art budget include the artwork at the Calabazas Library, Fire Station No. 24 (formerly Fire Station No. 36), Japantown, and Starbird Teen Center.

Capital Program Summary by City Service Area
Community and Economic Development

	2012-2013 Budget	2013-2017 CIP Budget	Total Budget (All Years)	Start Date	End Date
<u>Developer Assisted Projects</u>					
Capital Program and Public Works Department Support Service Costs	77,000	395,000		*	Ongoing
Reimbursement to Developers for Center Strip Paving	220,000	320,000		*	Ongoing
Reimbursement to Developers for Landscaping	570,000	670,000		*	Ongoing
Residential Program Administration	30,000	110,000		*	Ongoing
Street Improvements for New Development	30,000	130,000		*	Ongoing
Transfer to the City Hall Debt Service Fund	14,000	77,000		*	Ongoing
Transfer to the General Fund: Interest Income	2,000	21,000		*	Ongoing
Underground Utility Administration (20A)	345,000	1,775,000		*	Ongoing
Underground Utility Administration (20B)	72,000	380,000		*	Ongoing
Underground Utility Program (20B)	1,450,000	3,650,000		*	Ongoing
Total: Construction/Non-Construction	2,810,000	7,528,000			
Ending Fund Balance	1,334,211	583,211 **			
Total: Developer Assisted Projects	4,144,211	8,111,211 **			
 CSA Total: Construction/Non-Construction	 2,810,000	 7,528,000 **			
Ending Fund Balance	1,334,211	583,211 **			
CSA Total:	4,144,211	8,111,211 **			

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

**The 2012-2013 through 2015-2016 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.