Capital Project Scheduling

The City of San Diego annually allocates funding for the construction of various capital facilities to provide public improvements for the health and safety of its citizens, and to improve the quality of urban life. This allocation is established through the Capital Improvements Program.

To differentiate between the capital-spending element of the City's annual budget and the longer-term capital financial planning process, a distinction should be drawn between the capital budget and the Capital Improvements Program.

The Capital Improvements Program (CIP) is a multiyear plan that forecasts spending for all anticipated capital projects and can be considered the link between the City's planning and budgeting functions.

The capital budget, on the other hand, represents only the first year of the CIP. The primary difference between the capital budget and the CIP is that, through the annual Appropriation Ordinance approved by the City Council, the capital budget legally authorizes expenditures during the ensuing fiscal year. The CIP includes the first-year projections as well as future projects for which financing has not been secured or legally authorized. The "future years" of the CIP are therefore subject to change.

It is essential to ensure that services and facilities are responsive to the community's needs and goals. The long-range policy implications of those services and facilities also require a program that is fully supportive of the City's basic planning objectives and development plans. The Capital Improvements Program is an important vehicle in managing growth, and in implementing the City's Progress Guide and General Plan and community plans. For this reason it is the policy of the City Council that the annual preparation of the Capital Improvements Program shall be primarily based upon the City's adopted Progress Guide and General Plan, community plans, and growth management strategies.

Inasmuch as financial resources for the provision of capital improvements are limited, the formulation of the Program also requires utmost coordination among the various participating City departments in order to maximize the effectiveness of public investments and commitments.

In implementing this Program, the City Manager is responsible for developing and maintaining an updated inventory of long-range capital projects, which includes anticipated needs identified by participating departments. Those departments incorporate input from community planning groups and from Park and Recreation committees. Priorities are established based on factors that include enhancing safety, developing services in new and under-served communities, and reconstructing existing high-use facilities to expand services or reduce operations and maintenance costs.

The Development Services Department reviews this inventory and establishes citywide priorities in cooperation with the City Manager and in accordance with the objectives of

adopted growth management strategies, community plans and the General Plan. These priorities specifically guide the annual preparation of the Annual Capital Improvements Program.

While the City Charter stipulates that the City Manager has the responsibility for the annual preparation of the six-year program, the City chooses to plan for a total of eleven years in an effort to ensure the adequate consideration of longer-range needs and goals, to evaluate funding requirements and options, and to achieve consensus on the physical development of the City.

The resulting Annual Capital Improvements Program is submitted through the Planning Commission to the City Council for adoption. The findings of the Planning Commission are incorporated in the Annual Capital Improvements Program Budget.

Phased Funding

Over the last several years, as the City's Capital Improvements Program has grown and many revenue streams have leveled off, the City has less frequently considered the issuance of debt as a funding option. The major difference between pay-as-you-go funding and debt financing is that when a municipality chooses to finance debt, money is received in blocks and interest must be paid on that money. Therefore, it was determined that it was in the City's best interest to develop a methodology to use available cash and minimize idle bond proceeds. Phased funding is one of the techniques developed for that purpose.

Phased funding is a means by which large projects may be budgeted, appropriated, and contracted for in an efficient manner that maximizes the City's use of available funds. This method of funding allows the contract or project to be broken down into clearly defined portions, or phases, to fund on a contingent basis. That is, a single large project may be considered as a series of component tasks and contracted for by phase, making pursuit of each phase contingent on the availability of funds. The majority of the projects within the City's Capital Improvements Program are funded in this manner, which has allowed the City to better match revenue flows with actual expenditure plans.

Split Funding

Split Funding is a method by which two different revenue sources are used to fund a capital project on a percentage basis. This approach is most commonly used in the Water, Metropolitan Wastewater, and Airports Capital Improvements Programs to differentiate revenue sources that are frequently used for projects within these programs.

For example, the Water and Metropolitan Wastewater Departments account for a project's funding by splitting the revenue source between Expansion and Replacement. The amount of the percentage split varies based on the nature of the project. A project that will replace a water main will likely be weighted toward the Replacement revenue source, unless the new main will also increase capacity, which would increase the proportion of the Expansion revenue source. Split funding allows the Water and Metropolitan Wastewater Departments to determine the cost of expanding the system as opposed to replacing existing infrastructure.

Annual Allocations

Annual Allocations are programmed expenditures that allow the City to better plan for the expansion, renovation, relocation or replacement of facilities and equipment that have reached or exceeded their anticipated service life, provide for emergency and accelerated construction needs, and provide for capital improvement project contingency needs. This type of financial planning has also allowed the City to better address state and federal standards such as those found within the Clean Drinking Water Act as well as provide for implementation of City Council Policy such as traffic light and streetlight construction and replacement.

Total Project Cost

Projects typically extend beyond a given fiscal year. As such, the total project cost for a given project may include several distinct components, depending upon the scheduling of the project:

- Expended and Encumbered
- Continuing Appropriations
- Fiscal Year 2005 Budget
- Outlying Fiscal Year Projected Cost Estimate

The eleven-year Capital Improvements Program presents the total project cost since project inception, including expenditures, encumbrances, continuing appropriations, Fiscal Year 2005 budget, and outlying year projections. Any project that was initiated prior to the current fiscal year will have expenditures, encumbrances, and/or continuing appropriations. These projects may be budgeted for Fiscal Year 2005 as well as any outlying years, depending upon project scheduling. Any project budgeted to begin during Fiscal Year 2005 will have a budget for that year as well as any outlying years, depending upon project scheduling. Projects planned for Fiscal Year 2006 or beyond will have a projected cost estimate for all relevant outlying years, depending upon project scheduling. The Total Project Cost for annual allocations is generally only the current budgeted year.

Expended and Encumbered

Projects initiated prior to Fiscal Year 2005 typically have costs and encumbrances. This is shown on the project page as "Expended and Encumbered." It includes all funds that have been expended in the project as well as any contractual or other obligations shown as encumbrances. Expended and encumbered is a cumulative amount since project inception.

Continuing Appropriations

Appropriated funding approved in the budget but not expended in the budget year are handled as continuing appropriation amounts, provided expenditure is expected during the next year. Continuing appropriations is a cumulative amount of unexpended and unencumbered appropriation since project inception. Approved funds for annual allocation projects that are not expended revert to fund balance in accordance with the annual Appropriation Ordinance.

Fiscal Year 2005 Budget

The Fiscal Year 2005 budget is the programmed expenditure for the project for the upcoming budget year. This budget amount is included in the annual Appropriation Ordinance, which gives the City the authority to expend from that capital improvement project. The annual

Capital Improvements Program

Capital Project Funding

Appropriation Ordinance also provides guidance regarding the administration of the Capital Improvements Program during the course of Fiscal Year 2005. Modifications to the Fiscal Year 2005 Capital Improvements Program Budget may occur during the course of the fiscal year through City Council Action.

Outlying Year Projection

Projects that extend beyond Fiscal Year 2015 are projected based on the project scheduling and funding availability. The City is not legally bound to any projections made in Fiscal Years 2006-2015 because they are not contained within the annual Appropriation Ordinance. Revisions and refinements of project scope, cost estimates, scheduling, and funding will affect the outlying year projections.

Project Types

The first two digits of the CIP number also indicate the nature of the project. Generally, project types are more specific than improvement types. The following table shows the systematic breakdown of what the two-digit codes mean.

Project Types			
11	Storm Drains – Storm Drains	41	Sewer – Pump Stations, Force Mains
12	Flood Control – Flood Control	42	Sewer – Treatment Plants, Labs and Disposal
13	Flood Control – Annual Allocations	43	Sewer – Existing
17	Storm Drains – Annual Allocations	44	Sewer – Existing
18	Storm Drains – Annual Allocations	45	Sewer – Other
20	Other Parks – Annual Allocations	46	Sewer – Existing
21	Balboa Park	52	Streets and Highways – Streets
22	Mission Bay Park	53	Streets and Highways – Bridges
23	Other Parks – Community Parks	54	Streets and Highways – Pedestrian Bridges
25	Golf Course	58	Streets and Highways – Bikeways
28	Other Parks – Community Parks	59	Streets and Highways – Miscellaneous
29	Other Parks – Community Parks	61	Traffic Control – Street Lighting
31	Buildings and Land – Airports	62	Traffic Control – Traffic Signals
32	Environmental Services – Refuse Disposal and Environmental Protection	63	Traffic Control – Median Barriers, Miscellaneous
33	Buildings and Land – Fire	64	Traffic Control – Other
34	Buildings and Land – Stadium	68	Traffic Control – Annual Allocations
35	Buildings and Land – Libraries	70	Water – Mains and Transmission Pipelines
36	Buildings and Land – Police	72	Water – Treatment/Filtration Plants
37	Buildings and Land – Miscellaneous Buildings	73	Water – Existing Facilities Improvements and Upgrades
38	Buildings and Land – Miscellaneous Facilities	74	Water – Storage, including Reservoirs and Standpipes
39	Building and Land – Economic Development and Redevelopment	75	Water – Upgrades and Improvements to Other Water Facilities
40	Sewer – Mains and Trunk Sewers		

Neighborhood Policing Areas

The City of San Diego has several neighborhood policing areas. Each community planning area consists of one or more neighborhoods under a Police Service Area. These neighborhoods are shown on each detailed project map. The following table shows the neighborhoods sorted by community planning area. Some policing neighborhoods extend beyond a single community planning area; in these cases, the neighborhood is listed more than once.

Community Planning Areas and Policing Neighborhoods	
Balboa Park (BP)	**East Elliott (EE)**
Balboa Park	Tierrasanta
Park West	**Fairbanks Country Club (FCC)**
South Park	North City
Barrio Logan (BL)	**Greater Golden Hill (GGH)**
Barrio Logan	Golden Hill
Black Mountain Ranch (BMR)	**Greater North Park (GNP)**
Black Mountain	North Park
Carmel Mountain Ranch (CMR)	University Heights
Carmel Mountain	**Kearny Mesa (KM)**
Carmel Valley (CV)	Kearny Mesa
Carmel Valley	**La Jolla (LJ)**
Centre City (CC)	La Jolla
Core-Columbia	La Jolla Village
Cortez	**Linda Vista (LV)**
East Village	Linda Vista
Gaslamp	Morena
Harborview	**Mid-City (MC)**
Horton Plaza	City Heights East
Little Italy	City Heights West
Marina	Darnall
Clairemont Mesa (CM)	El Cerrito
Bay Ho	Gateway
Clairemont Mesa East	Kensington
Clairemont Mesa West	Normal Heights
North Clairemont	Oak Park
College Area (CA)	Rolando
College Area	Talmadge
Del Mar Mesa (DMM)	Webster
North City	

Community Planning Areas and Policing Neighborhoods, Continued	
Midway/Pacific Highway (MPH)	**Peninsula (PEN)**
Midway District	La Playa
Miramar Ranch North (MRN)	Loma Portal
Scripps Ranch	Point Loma Heights
Mission Bay Park (MBP)	Roseville/Fleet Ridge
Mission Beach	Sunset Cliffs
Mission Beach (MB)	Wooded Area
Mission Beach	**Rancho Bernardo (SPV)**
Mission Valley (MV)	Rancho Bernardo
Grantville	**Rancho Penasquitos (RP)**
Mission Valley East	Rancho Penasquitos
Mission Valley West	**Sabre Springs (SS)**
Navajo (NAV)	Sabre Springs
Allied Gardens	**San Pasqual Valley (SPV)**
Del Cerro	San Pasqual
Grantville	**San Ysidro (SY)**
Lake Murray	San Ysidro
San Carlos	**Scripps Miramar Ranch (SMR)**
Ocean Beach (OB)	Scripps Ranch
Ocean Beach	**Serra Mesa (SM)**
Old San Diego (OSD)	Birdland
Old Town	Serra Mesa
Otay Mesa (OM)	**Skyline-Paradise Hills (SPH)**
Ocean Crest	Bay Terraces
Otay Mesa	Jamacha-Lomita
Otay Mesa/Nestor (OMN)	Paradise Hills
Otay Mesa West	Skyline
Egger Highlands	**Sorrento Hills (SH)**
Nestor	Carmel Valley
Otay Mesa West	**Southeastern San Diego (SSD)**
Palm City	Chollas View
Pacific Beach (PB)	Emerald Hills
Pacific Beach	Encanto
Pacific Highlands Ranch (PHR)	Grant Hill
North City	Jamacha/Lomita

Community Planning Areas and Policing Neighborhoods, Continued	
Southeastern San Diego (SSD), continued	**Torrey Highlands (TH)**
Lincoln Park	Black Mountain
Logan Heights	**Torrey Pines (TP)**
Mountain View	Del Mar Heights
Mount Hope	Torrey Pines
Shelltown	**University (NUC)**
Sherman Heights	Alta Vista
Skyline	Sorrento Valley
Southcrest	University City
Stockton	**Uptown (UPT)**
Valencia Park	Hillcrest
Sub Area 2 (North City Future Urbanizing Area) (FUA)	Midtown
North City	Mission Hills
Tia Juana River Valley (TRV)	Park West
Tia Juana River Valley	University Heights
Tierrasanta (TIR)	**Via de la Valle (VV)**
Tierrasanta	North City

The City's Progress Guide and General Plan

Planning is critical to assist a city in its evolution, as well as to protect the health, safety, and welfare of its residents. Recognizing this, the State of California requires each city to have a General Plan to guide its future and mandates through the Government Code that the plan be periodically updated to ensure relevance and utility. In 1979, the City Council adopted the most recent Progress Guide and General Plan, with its basic goal of the "fostering of a physical environment in San Diego that will be most congenial to healthy human development." The plan establishes an encompassing framework of policies that address Citywide issues of growth management and development, and offers a comprehensive strategy for major public concerns including housing, redevelopment, land conservation, parks, streets, libraries, public safety, and other public facilities.

In 1990 the "Guidelines for Future Development" were adopted as a new chapter of the Progress Guide and General Plan. This chapter established a "tier system" of growth management that primarily guided the development of new communities on vacant land and established redevelopment and reinvestment goals in the older, urbanized communities.

Community Plans

The City's community plans contain additional detailed planning guidance, and represent the Land Use Element of the Progress Guide and General Plan. Community plans establish specific recommendations and objectives in a given community for future land uses and public improvements. The community plan provides a long-range physical development guideline for elected officials and citizens engaged in community development. Citizen involvement has been a long-standing concept in the City of San Diego. In the 1960s and 1970s, the City Council adopted policies that established and recognized community planning groups as formal mechanisms for community input in the decision making processes. Community planning groups provide citizens with an opportunity for involvement in advising the City Council, the Planning Commission, and other decision makers on development projects, community plan amendments, rezoning projects, and public facilities. The recommendations of the planning groups are integral components of the planning process, and are highly regarded by the City Council and staff.

The general and community plans are policy documents, which require regulatory tools and programs to help implement their goals and standards. The implementation tools for planning documents include the Municipal Code, the Multiple Species Conservation Program (MSCP), zoning, Neighborhood Code Compliance, facilities financing plans, and redevelopment plans. These regulations and programs help guide land use, development, and design.

The City of Villages and Strategic Framework Element

The Strategic Framework Element proposes a "City of Villages" strategy. The draft Strategic Framework Element is intended to replace the 1990 Guidelines for Future Development and to

guide the update of the 1979 Progress Guide and General Plan as well as the City's community plans. The 1990 guidelines primarily addressed the development of vacant land and were largely successful in ensuring that new communities were built with adequate public facilities. However, the guidelines did not focus on an implementation program to provide public facilities upgrades concurrent with infill growth in the older communities. The guidelines are now largely out of date given that less than ten percent of the City's developable, vacant land remains, and new strategies are needed to address existing public facilities shortfalls and growth pressures. The draft Strategic Framework Element provides a new approach on how to meet housing and employment needs and to preserve and enhance San Diego's existing neighborhoods.

Through over a decade of public meetings focused on the future of San Diego and more than 150 public meetings held specifically to gather input to help formulate the vision and values incorporated in the Strategic Framework Element. The City of Villages is the strategy embodied in the draft element. This new chapter of the General Plan would set the City's long-term policy for growth and development. It calls for growth to occur in compact, mixed-use centers linked by transit. It encourages high quality, infill development to enhance existing neighborhoods and meet future needs.

The term "village" is defined as a community-oriented center where residential, commercial, employment and civic/education uses are integrated. Villages are intended to be unique to the community, pedestrian-friendly, and have elements to promote neighborhood or civic gatherings. The land use mix includes public spaces and a variety of housing types and densities. Villages would require upgraded public facilities and amenities to meet community needs. Increased transit services are essential in order to meet mobility goals. The element includes a City of Villages map that identifies a hierarchy of villages to be located throughout the City. Village categories include: Downtown San Diego, Sub-regional Districts, Urban Village Centers, Neighborhood Village Centers, and Transit Corridors.

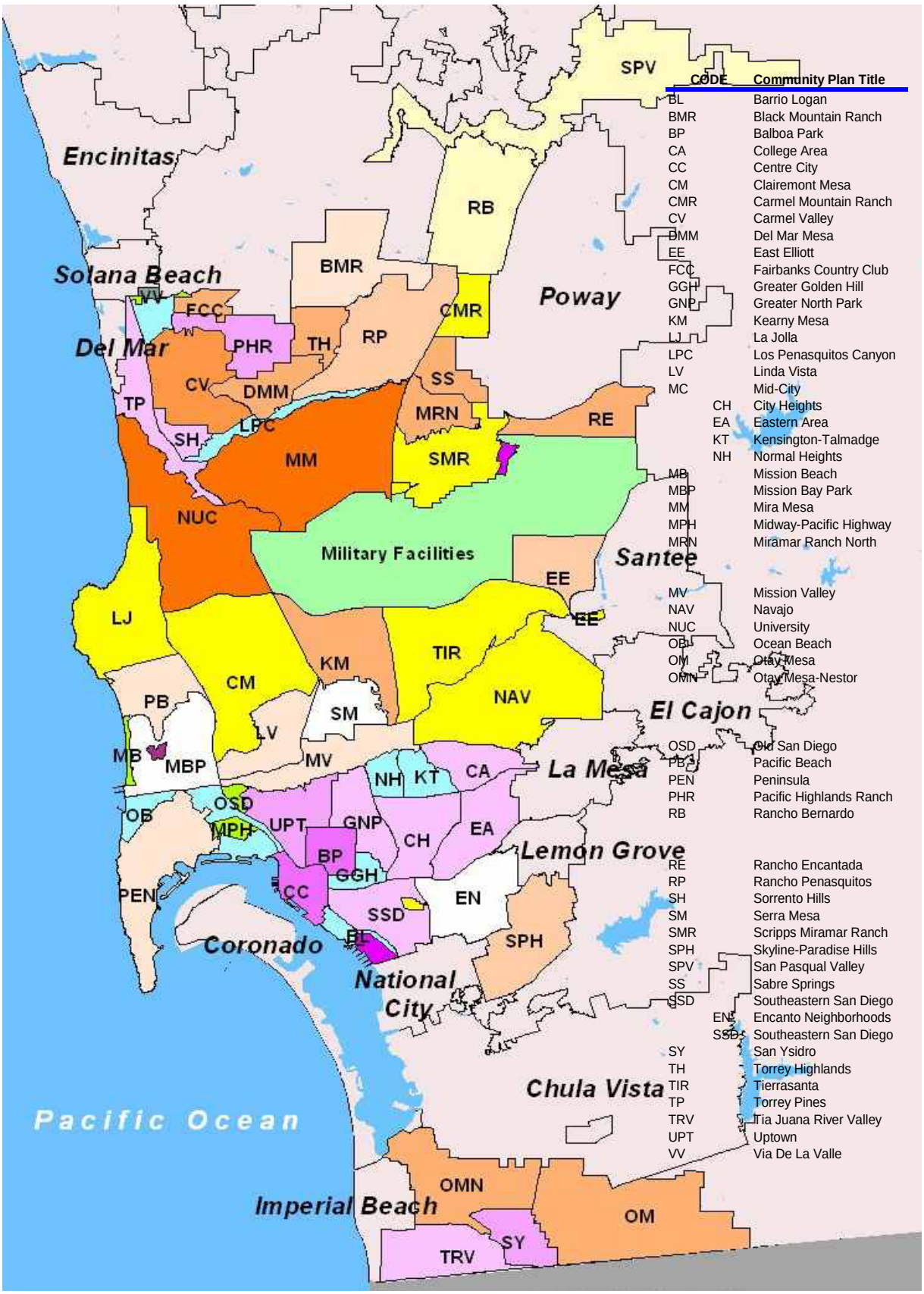
The Strategic Framework Element would be accompanied by a Five-Year Action Plan. The Action Plan is the implementation program for updating the General Plan and executing the City of Villages growth strategy. In addition, three pilot villages will be selected to demonstrate how the City of Villages can be realized. A major challenge to implementing the plan will be to secure new financing sources to pay for needed public facilities in the older, urbanized communities.

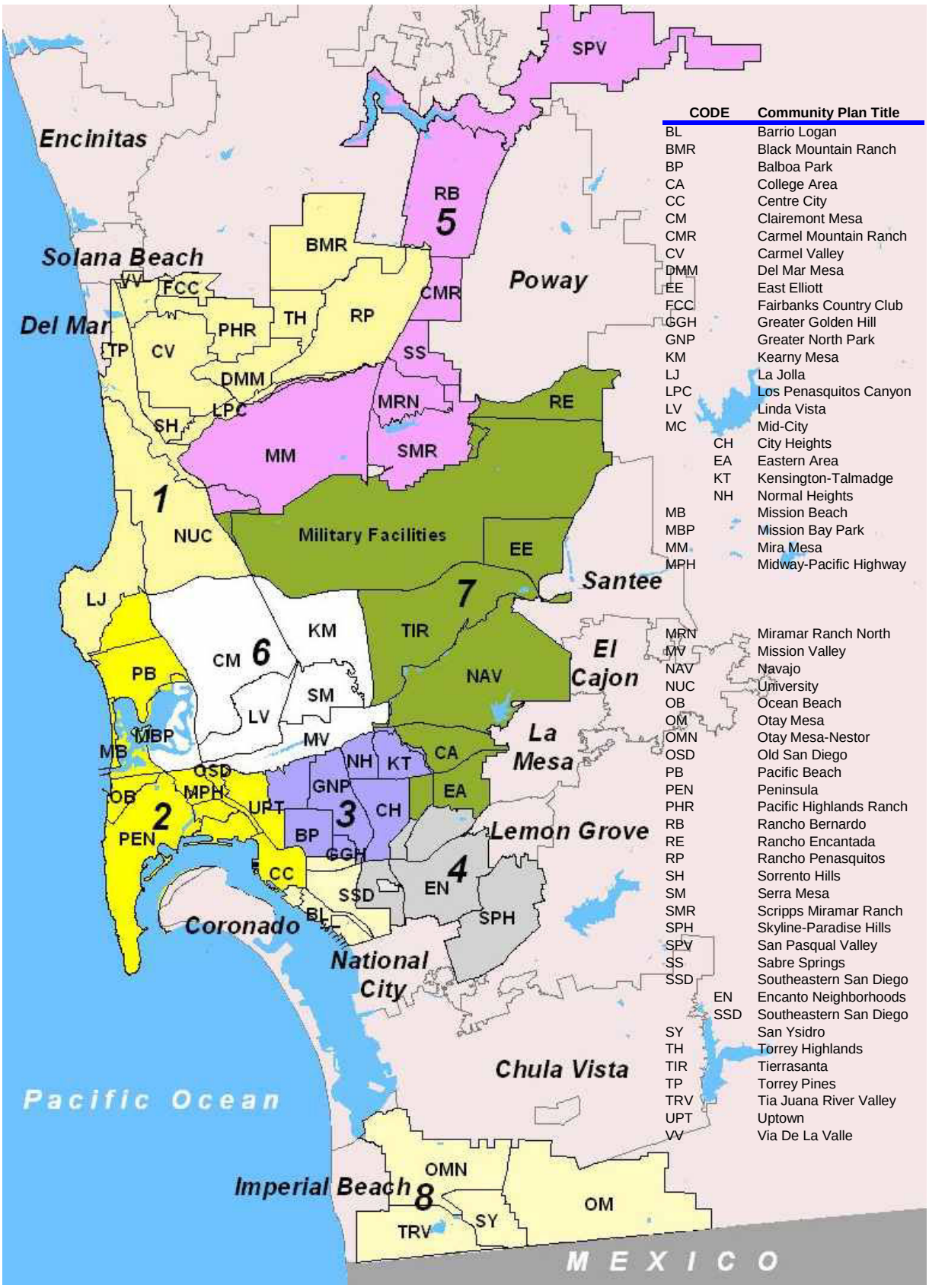
CIP Conformance to the City's Progress Guide and General Plan and Community Plans

The vast majority of capital improvement projects are consistent with the relevant community plan(s) and public facilities financing plans. Most projects are also in conformance with the City's Progress Guide and General Plan of 1979. Those few projects that are not consistent with the relevant community plan(s) or the City's Progress Guide and General Plan will include a community plan amendment as part of the approval process.

Capital Improvements Program

Community Planning





CODE	Community Plan Title
BL	Barrio Logan
BMR	Black Mountain Ranch
BP	Balboa Park
CA	College Area
CC	Centre City
CM	Clairemont Mesa
CMR	Carmel Mountain Ranch
CV	Carmel Valley
DMM	Del Mar Mesa
EE	East Elliott
FCC	Fairbanks Country Club
GGH	Greater Golden Hill
GNP	Greater North Park
KM	Kearny Mesa
LJ	La Jolla
LPC	Los Penasquitos Canyon
LV	Linda Vista
MC	Mid-City
CH	City Heights
EA	Eastern Area
KT	Kensington-Talmadge
NH	Normal Heights
MB	Mission Beach
MBP	Mission Bay Park
MM	Mira Mesa
MPH	Midway-Pacific Highway
MRN	Miramar Ranch North
MV	Mission Valley
NAV	Navajo
NUC	University
OB	Ocean Beach
OM	Otay Mesa
OMN	Otay Mesa-Nestor
OSD	Old San Diego
PB	Pacific Beach
PEN	Peninsula
PHR	Pacific Highlands Ranch
RB	Rancho Bernardo
RE	Rancho Encantada
RP	Rancho Penasquitos
SH	Sorrento Hills
SM	Serra Mesa
SMR	Scripps Miramar Ranch
SPH	Skyline-Paradise Hills
SPV	San Pasqual Valley
SS	Sabre Springs
SSD	Southeastern San Diego
EN	Encanto Neighborhoods
SSD	Southeastern San Diego
SY	San Ysidro
TH	Torrey Highlands
TIR	Tierrasanta
TP	Torrey Pines
TRV	Tia Juana River Valley
UPT	Uptown
VV	Via De La Valle