

# IBA Review of the FY 2019-2023 Five-Year Capital Infrastructure Planning Outlook

City Council, Item 201

February 5, 2018



Independent Budget Analyst

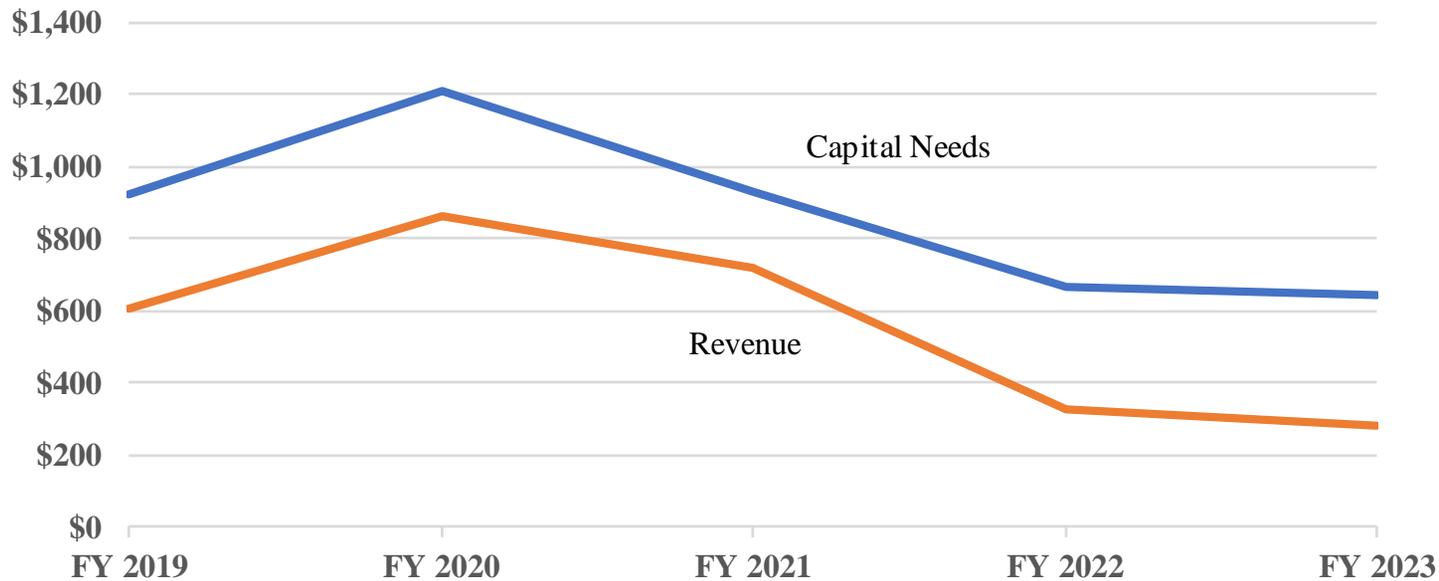




# Overview of Mayor's Outlook

*The Outlook projects a decrease in needs and funding due to completion of Phase I of Pure Water*

**FY 2019 - FY 2023 Projected Expenditures on Capital Needs and Available Funding**  
*(\$ in millions)*

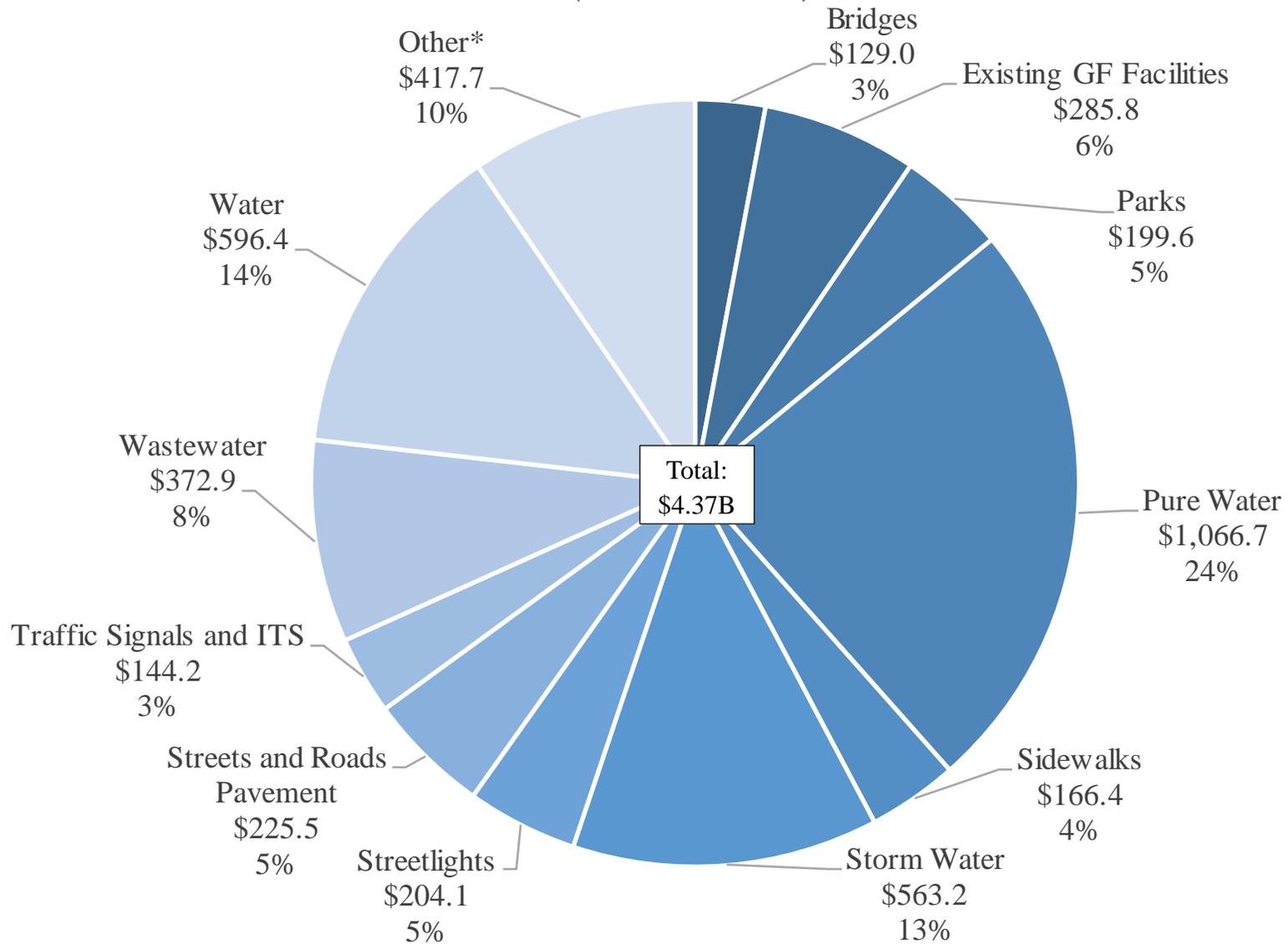


# Projected Expenditures on Capital Needs

*Capital needs increased by \$72.4 million, 1.7%, over last year's five year outlook*

- Existing CIP project needs (\$3.96 billion) + Newly identified capital needs (\$415 million) = Total projected expenditures (\$4.37 billion)
- Largest increase in capital needs over last year:
  - Storm water, water, existing General Fund facilities, sidewalks, and street and road modifications
- Largest new capital needs identified:
  - Expenses derived from General Fund facilities condition assessment and park amenities condition assessment; and Fire Station 1 (1<sup>st</sup> and B Street)

## FY 2019 - 2023 Projected Expenditures on Needs by Asset (\$ in millions)



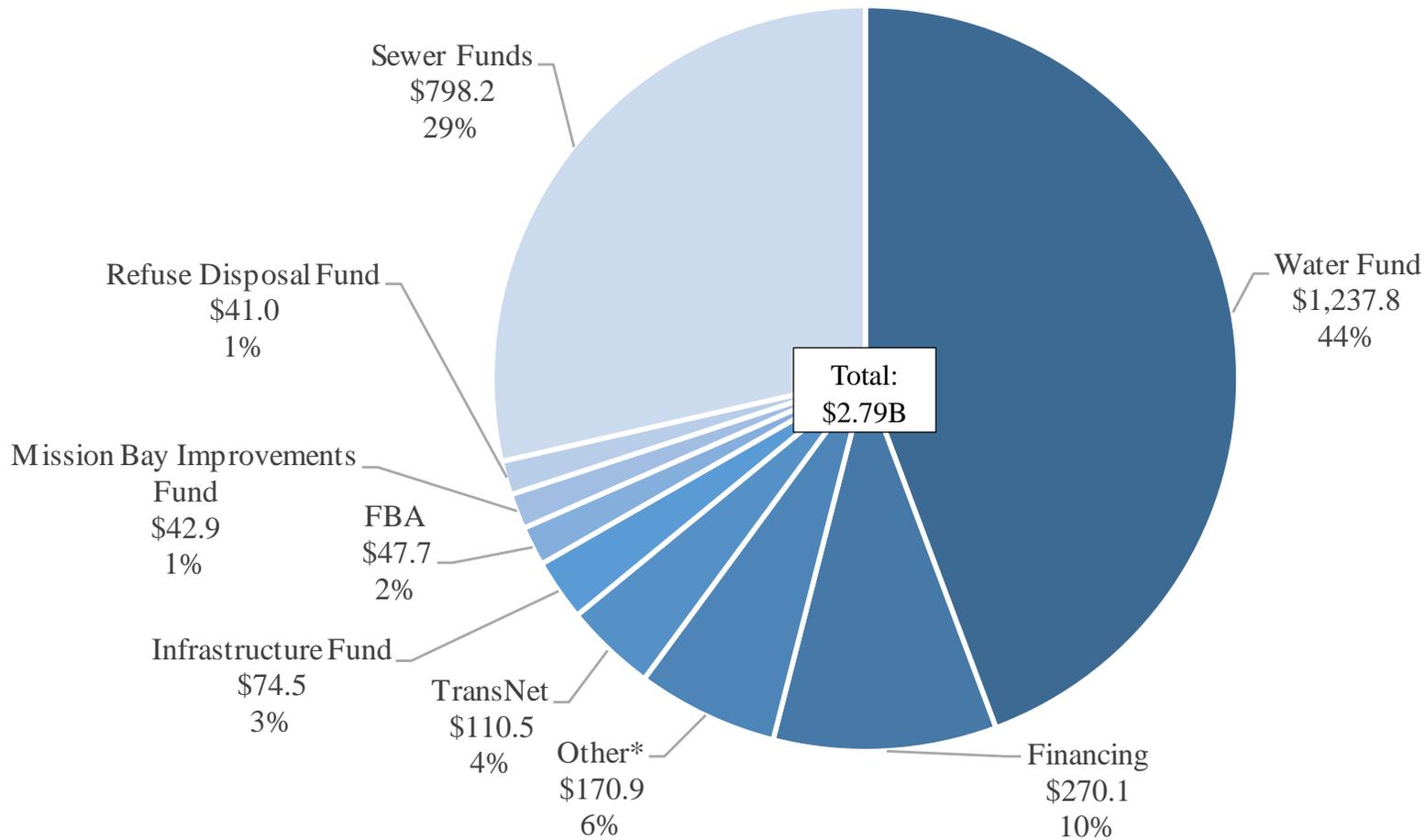


# Projected Available Funding

*Available funding decreased by \$231.4 million, 7.7%, over last year's CIP Outlook*

- More conservative projections for Community Development Block Grant and facilities benefit assessment revenue
- Lower federal grant for bridge project
- Public Utilities Department revenue projections decreased

## FY 2019 - 2023 Projected Funding by Source (\$ in millions)





# Projected Funding Gap

*Funding gap of \$1.58 billion attributed to General Fund assets*

Asset Type	Need	Funding	Gap	Percent of Needs Funded
Storm Water	\$ 563,249,030	\$ 104,384,826	\$ 458,864,204	18.5%
Streetlights	204,100,000	1,419,100	202,680,900	0.7%
Existing GF Facilities	285,789,324	120,646,961	165,142,363	42.2%
Parks	199,611,687	44,721,636	154,890,051	22.4%
Sidewalks	166,366,076	14,350,900	152,015,176	8.6%
Traffic Signals and ITS	144,217,600	10,915,000	133,302,600	7.6%
Bike Facilities	121,627,047	5,900,000	115,727,047	4.9%
Bridges	128,991,685	28,104,658	100,887,027	21.8%
Streets and Roads - Modifications	113,993,993	59,546,569	54,447,424	52.2%
New Fire Stations	69,121,532	39,679,916	29,441,616	57.4%
New Lifeguard Stations	6,319,967	0	6,319,967	0.0%
New Libraries	8,342,000	4,212,410	4,129,590	50.5%
New Police Stations	-	-	-	0.0%
Streets and Roads - Pavement	225,500,000	225,500,000	-	100.0%
<b>General Fund Asset Total</b>	<b>\$ 2,237,229,941</b>	<b>\$ 659,381,976</b>	<b>\$ 1,577,847,965</b>	<b>29.5%</b>

# Notable General Fund Asset Needs

*Many General Fund asset needs identified, 29.5% funded*

- Capital needs for many asset types driven by department-set goals or asset management plan
  - Bike facilities: Install at least 50 bike lane miles per year
  - Existing General Fund facilities: Draft facilities asset management plan to achieve Council-approved service level standard
  - Sidewalks: repair and replace by FY 2024; install 62.5 miles in 10 years
  - Traffic signals: upgrade traffic signal communication and technology and install all signals identified on needs list by FY 2028

# Mayoral CIP Priorities

*Priorities reflected in allocation of flexible funding sources*

## Future Financing Proceeds Projected Allocations for FY 2019-FY2023

Asset Type	Total Funding Over Outlook Period	Distribution
Streets and Roads - Pavement	\$ 106,019,027	39.3%
Existing General Fund Facilities	104,248,696	38.6%
Storm Water	45,871,601	17.0%
New Fire Stations	13,960,676	5.2%
<b>Total</b>	<b>\$ 270,100,000</b>	<b>100.0%</b>

## Infrastructure Fund Projected Allocations for FY 2019-FY2023

Asset Type	Total Funding Over Outlook Period	Distribution
Storm Water	\$ 58,513,225	78.5%
Streets and Roads - Pavement	15,986,775	21.5%
<b>Total</b>	<b>\$ 74,500,000</b>	<b>100.0%</b>

# Opportunities for Council to Set Priorities

## *Council can set CIP priorities in a variety of ways*

- Review and approval of Proposed CIP Budget
- Budget priority memoranda
- CIP priorities through online survey
- Approving appropriations through individual Council items or budget monitoring reports
- Approval of commercial paper project list
- Approving service level standards (e.g. park amenities and fire stations)

# Items to Keep In Mind for CIP Budget Review

- Operational costs should be considered with new facilities and increased investment for certain assets
- Weighing in on commercial paper project list and setting service level standards are significant opportunities for Council
- Until asset management strategies implemented, CIP Outlook best comprehensive resource to inform CIP budget decisions