

The City of
SAN DIEGO

**FISCAL YEAR 2025-2029
FIVE-YEAR CAPITAL INFRASTRUCTURE
PLANNING OUTLOOK**



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List of Abbreviations

1. ADA: Americans with Disabilities Act
2. ADACA: The Office of ADA Compliance and Accessibility
3. AMD: Asset Managing Department
4. AMP: Asset Management Planning
5. BRE: Business Risk Exposure
6. CARB: California Air Resources Board
7. CAP: Climate Action Plan
8. CAPH: Community Action Plan on Homelessness
9. CDBG: Community Development Block Grant
10. CEA: Coastal Erosion Assessment
11. CEF: Climate Equity Fund
12. CIP: Capital Improvements Program
13. CIP Outlook: Five-Year Capital Infrastructure Planning Outlook
14. CIPRAC: Capital Improvements Program Review and Advisory Committee
15. City: City of San Diego
16. CoC: Communities of Concern
17. CPC: Community Planners Committee
18. CPG: Community Planning Group
19. DCOO: Deputy Chief Operating Officer
20. DGS: Department of General Services
21. DIF: Development Impact Fees
22. ECP: Engineering & Capital Projects
23. EAM: Enterprise Asset Management
24. EIFD: Enhanced Infrastructure Financing District
25. EPA: Environmental Protection Act
26. EPIC: Emergency Policy Initiatives Center
27. ESPC: Energy Savings Performance Contracting
28. ESCOs: Energy Services Companies
29. FAA: Federal Aviation Administration
30. FBA: Facilities Benefits Assessment
31. FCA: Facilities Condition Assessments
32. FDC: Fire Deficient Communities
33. FY: Fiscal Year
34. GHG: Green House gas
35. HSSD: Homelessness Strategies and Solutions Department
36. IJJA: Infrastructure Investment and Jobs Act
37. ITS: Intelligent Transportation Systems
38. JOC: Job Order Contract
39. MAD: Maintenance Assessment District
40. Metro: Metropolitan System (for wastewater)
41. MG: Microgrid
42. mgd: million gallons per day
43. Muni: Municipal System (for wastewater)
44. O&M: Operations and Maintenance
45. PCI: Pavement Condition Index
46. PDC: Park Deficient Communities
47. PMMP: Pavement Maintenance and Management Plan
48. PMP: Parks Master Plan

- 49. PV/BESS: Solar & Battery Storage
 - 50. RAS: Retinal Arterial System
 - 51. RCPC: Regional Construction Procurement Committee
 - 52. RMRA: Road Maintenance & Rehabilitation Account
 - 53. RTCIP: Regional Transportation Congestion Improvement Program
 - 54. SBM: Statewide Benchmarking Committee
 - 55. SCPD: Strategic Capital Projects Department
 - 56. SDMC: San Diego Municipal Code
 - 57. SDPL: San Diego Public Library
 - 58. SDG&E: San Diego Gas & Electric
 - 59. SLS: Service Level Standards
 - 60. SRF: State Revolving Funds
 - 61. SuMo: Sustainability and Mobility Department
 - 62. SWD: Storm Water Department
 - 63. WAMP: Watershed Asset Management Plan
 - 64. WIFIA: Water Infrastructure Finance and Innovation Act
 - 65. ZEMBOP: Zero Emissions Municipal Buildings & Operations Policy
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EXECUTIVE SUMMARY

The City of San Diego (City) Fiscal Year (FY) 2025-2029 Five-Year Capital Infrastructure Planning Outlook (CIP Outlook) provides information on policy, regulatory, and other criteria used by Asset Managing Departments (AMDs) in determining capital infrastructure needs, as well as the basis for revenue projections of capital funding sources, and other considerations relevant to managing a citywide capital program. The CIP Outlook is written to follow the annual release of the Five-Year Financial Outlook to help drive more effective long-term infrastructure planning. Information in this outlook reflects data collected from the infrastructure priorities survey initiated in July 2023, other public outreach to communities, and input from AMDs, the Mayor's office, and Council Members. Projects discussed within this report have been preliminarily evaluated on criteria outlined in Council Policy 800-14, CIP Prioritization.

The CIP Outlook report is not a budget document. It is a planning tool to enable the sound allocation of resources required to meet the City's strategic goals critical to providing core services and improving the City's infrastructure. The CIP Outlook facilitates monitoring and evaluating funding availability while also considering new needs and incorporating new policies. It provides the City Council, internal stakeholders, and the public with information to aid in future budget discussion and development. Additional requests and needs beyond what is already captured in this report may also be considered in future annual budget developments.¹

To continue addressing San Diego's infrastructure backlog, which was created over decades and impacted by inadequate coordination of long-range planning across City Departments, the CIP Outlook provides a comprehensive evaluation and analysis of infrastructure planning. Improved oversight and coordination of the [City's CIP](#) will position the City to proactively mitigate inequities among communities and strengthen the development and management of the Capital Improvements Program. Additionally, the CIP Outlook has been evolving to better reflect the City's strategic plans, priority areas of focus, condition assessments and updates, as well as service level standards and capacity discussions.

Aging City infrastructure correlates with growth in the CIP. Over the next five fiscal years, the CIP needs are estimated at \$9.25 billion. This includes ongoing funding needs of existing CIP projects included in the Fiscal Year 2024 Annual CIP Budget, and newly identified capital asset needs that arise from regulatory requirements or other criteria. Additional needs of \$6.53 billion are included in FY30 and beyond for projects and programs that have already been initiated but will not be completed within the outlook period. Expected revenue sources to support CIP projects decreased slightly, primarily due to adjustments in Development Impact Fee projections. An estimated \$4.44 billion of funding will be available for future capital needs. An estimated additional \$4.81 billion would be required to meet all the needs outlined during the Outlook period.

The CIP Outlook is an annual moving projection; a new outer year is added in every report. This new outer year introduces new needs and identifies facilities that are coming due for replacement that were not due for replacement in earlier years. Because the City was built progressively over time, the replacement need trend is progressive and grows with time. Adding to increased infrastructure

¹ Department of Finance publishes the [CIP Adopted Budget](#) annually. [The Citizen's Guide to the Capital Improvement Program](#) produced by the Office of the Independent Budget Analyst, provides additional useful information about the City's CIP.

needs are increased regulations and the rising cost of materials and labor. The City continuously monitors the unit costs in awarded construction projects and updates the cost of projects to reflect the change in the market based on bidding trends. Despite the challenges mentioned above, the CIP has grown significantly in the past 3 fiscal years with cumulative adopted budgets of \$2.3 billion, a 42% increase compared to the previous 3 fiscal years.

REPORT OVERVIEW AND METHODOLOGY

The CIP Outlook follows the Five-Year Financial Outlook to increase accuracy in projecting preliminary asset needs and funding availability. It provides City Council members and residents information on capital asset needs, facilitating informed discussion around developing the Fiscal Year 2025 CIP Budget.

The CIP Outlook is divided into three primary sections. The first provides an overview of significant policies, regulations, elements, and initiatives considered for proposed CIP projects. The second section lists capital asset needs by asset type as well as asset-specific considerations. The final section describes forecasted eligible revenues that support capital needs and notes primary restrictions in allocating and expending those sources of revenue.

The City’s Fiscal Year 2024 Adopted CIP Budget provided the baseline expenditures as the starting point to formulate projections over the next five fiscal years. The Adopted CIP Budget allocates existing and anticipated funds to both new and continuing projects in the City’s multi-year CIP. **Table 1** displays the baseline expenditures referenced from the Fiscal Year 2024 Adopted CIP Budget, currently totaling a \$19.90 billion multi-year CIP.

Table 1 City of San Diego Multi-Year CIP - Fiscal Year 2024 Existing CIP Projects

Multi Year CIP	Prior Year for Existing CIP Projects	FY 2024 Adopted Budget	Future Years for Existing CIP Projects	Total
CIP Budget	\$ 5,834,213,631	\$ 704,115,321	\$ 13,364,638,199	\$ 19,902,967,151

The data in this table is based on existing CIP projects in the FY 2024 Adopted CIP Budget. “Future Years” includes expenses through the life of existing CIP projects, which could extend beyond five fiscal years. Figures referenced in this table do not include newly identified needs that may arise and result in future CIP projects.

For this report, AMDs submitted a total of approximately \$9.25 billion in capital infrastructure needs over the next five fiscal years which includes continuing to fund the needs of existing CIP projects from the Fiscal Year 2024 Adopted CIP Budget, as well as newly identified capital asset needs based on regulatory requirements or other criteria further explained in this report.

CIP Outlook Needs Assumptions

While the CIP Outlook presents a comprehensive inventory of citywide capital improvement project requests, some capital assets are either not included or are only partially projected in the report. The unique needs of AMDs, assumptions unique to individual projects, multiple asset types, executing improvements within a heavily urbanized infrastructure, limited resources, evolving priorities and demographics, performance capacity, and other challenges all contribute to the complexity of developing a multi-billion-dollar capital infrastructure plan. Consequently, the CIP Outlook does not list all capital projects and contains some that are partially projected. Please note the following exceptions:

Sea Walls, Piers, and Coastal Assets- Rising Sea Levels

Apart from Ocean Beach Pier, these assets still need to be evaluated and are not factored into the funding analysis. The [Climate Action Plan](#) (CAP) and the [Climate Resilient SD Plan](#) address sea level rise; additional work is ongoing to develop targeted coastal adaptation plans. However, most existing assets need more detailed studies to identify future needs to restore or improve coastal infrastructure in response to climate change. The Ocean Beach Pier was evaluated in 2023, and capital needs for the five-year window are included in this report.

Convention Center Expansion

Only previously approved funding by City Council was included in the report. No other capital needs or funding projections for the expansion of the Convention Center were included in this report. In 2017, the estimated total project cost to expand the convention center was \$685 million. At present market rates, the cost is anticipated to be higher. The project has been delayed due to legal challenges associated with Measure C. The project will resume if the legal issues are resolved in the City's favor, and funding has been identified. It is also anticipated that due to the age of the facility and the delays to the convention center expansion project, additional capital repairs (and costs) to the existing facility will be needed.

Information Technology Improvements

While information technology improvements, such as communication and security systems, are essential tools in maintaining and enhancing government operations and are considered capital expenditures, these types of capital projects are not included in this report, which focuses on certain identified brick-and-mortar asset types. Additional information about the City's information technology programs can be reviewed on the [City's Information Technology website](#).

Maintenance and Repair of Capital Assets

This report includes needs that are capital in nature. These needs do not include the costs necessary for general preventative maintenance and repairs of infrastructure assets. Maintenance and repair expenses are generally incurred by the operational budgets of the AMDs and are appropriated within their respective annual budgets. The report does not include replacing or expanding the City's vehicle fleet.

CAPITAL IMPROVEMENTS PROGRAM OVERVIEW

The CIP is a compilation of individual capital improvement projects and annually adopted funding sources. [CIP projects](#) provide improvements or additions to the City's infrastructure systems and are designed to enhance the overall quality of life. Executing the CIP portfolio is complex due to the volume and variety of funding sources, asset types, project delivery methods, regional demands, industry capacities, policies, and initiatives. Projects are identified through coordination with the City's AMDs capital needs, input from community stakeholders, and funding approval from the City Council. In this report, the AMDs identified their capital needs that are necessary over the next five fiscal years that would allow them to meet their established service levels, operational goals, and overall core mission. Some AMDs have initiated projects or have adopted plans and programs that will continue beyond the five-year outlook period. Revenues for the next five-year period were also projected, and capital needs were evaluated and programmed against available funding sources.

Policy updates and adopted initiatives, including [Parks for All of Us](#), [Build Better SD](#), [Council Policy 800-14](#) and [Council Policy 000-32](#), have changed how the City identifies and prioritizes infrastructure projects, which will continue to be seen in future CIP budgets and outlooks. The desired outcome of such changes is to equitably improve the City's infrastructure, public safety, and quality of life, as well as efficient project delivery and increased operational effectiveness, via all CIP investments.

Long Range Asset Planning

Asset Managing Departments receive input from the Community, Community Planning Committees, Council Offices, Service Providing Departments, and the Mayor's Office to guide their long-range planning goals and desired outcomes. Asset management plan development is also guided by information from Asset Condition Assessments, Community Plans, the City's [Climate Action Plan](#), Asset Master Plans, Service Level Standards, Legal Mandates, and existing Asset Management Plans.

The City's Enterprise Asset Management (EAM) system was enhanced in Fiscal Year 2018 by the Infrastructure Asset Management San Diego project. The system is made up of several SAP modules and integrates with most other SAP modules and several other IT systems, such as Asset Management Planning (AMP) and Primavera.

Last year, the EAM Steering Committee was formed and is chaired by the Infrastructure Branch's DCOO to expand on the initial effort that started in 2018. The current focus is on asset inventory and asset condition. The Committee meets monthly. Progress toward registering all City infrastructure assets is being measured using a report card methodology and working to integrate the data with the current operation and maintenance conditions of the assets. Additional sub-components, such as cloud-based apps like the Blueworx Mobile App, are being explored to further tie the tracking of operation and maintenance activities to planning, prioritizing, and delivering capital projects utilizing the AMP tool.

Establishing and Evaluating Service Level Standards

Level of Service is the defined service quality for a particular activity against which service performance may be measured. Service Level Standards (SLS) set a baseline threshold for public infrastructure needs and usually relate to quality, quantity, reliability, equitable access, responsiveness, or environmental impacts. Many of the City's existing SLS were established by Federal, State, or regional regulations, laws, and industry standards. Additionally, General and Community Plans help to inform public infrastructure requirements and needs. These SLS reflect accepted infrastructure requirements such as increased park space, access to public safety, improved

traffic patterns, and public safety facilities. The following sections outline various plans that directly or indirectly address SLS and guide AMDs in determining capital needs.

Necessary changes and additions to SLS for assets and services may result in revisions to the scope of work and cost projections of current CIP projects. AMDs continue to build upon current SLS to eventually include all assets. Outdated SLS must periodically be evaluated and updated to integrate newer initiatives.

Condition Assessments

Maintaining accurate and current data on the condition of infrastructure assets is a priority for asset management. Condition assessment data allows the City to effectively plan for asset replacement, rehabilitation, or improvement to ensure their reliability and sustainability. The City has invested in condition assessments for many assets, such as streets, bridges, parks, public facilities, and airports. These condition assessments are of varying ages and lifespans. AMDs have used available condition assessment data to aid in identifying future capital needs that are reflected in the CIP Outlook.

Operations and Maintenance Impacts to Capital Investments

CIP Projects extend the useful lives of existing facilities or establish new facilities to address growth and increases in service demands. Whereas improvements to existing facilities ideally reduce the operation and maintenance expenses of aging facilities, creating new facilities introduces new operation and maintenance burdens.

Conducting ongoing planned preventative and predictive maintenance is vital for optimizing the life of capital assets in a cost-effective manner. When ongoing maintenance is not fully funded, it contributes to deferred maintenance and capital needs, raises risks of accelerated asset depreciation, and increases repair and replacement costs. While capital repair, rehabilitation, or replacement are eligible for the CIP, maintenance is an operational cost typically funded by AMD's operating budget or other non-capital funding sources. Further, many available funding sources have restrictions on funds that can be used for maintenance such as TransNet, which limits operational maintenance to 30% of the total funds the City receives.

Federal and State Mandates

The City adheres to a wide range of mandates from regulatory agencies regarding asset design and project attributes, most of which have consequences if unmet. Many legal mandates regulate specific standards, such as water and air quality rules, to preserve and maintain public health or to protect the environment. Others exist to protect civil rights, such as accessibility standards that provide access to the City's programs and services for persons of all abilities. The City's failure to meet these requirements could result in substantial fines or exposure to litigation.

Americans with Disabilities Act (ADA) Requirements

Signed into law in 1990 and updated in 2010, the Americans with Disabilities Act (ADA) ensures equal access for people with disabilities. As a federal civil right, [Title II](#) of the ADA requires state and local governments to ensure people with disabilities have access to public facilities, including the public rights-of-way, programs, and services offered by municipalities. Subsequent regulations bolstered accessibility regulations, including the Federal Department of Transportation, the California Department of Transportation, and the California Building Code.

Several City Departments play crucial roles in ensuring physical accessibility compliance. The Sustainability & Mobility Department houses the Office of ADA Compliance, which is responsible for Citywide coordination. Engineering and Capital Projects, Transportation, and Development Services Departments ensure capital improvement projects, public rights-of-way improvements, and private development, respectively, meet applicable accessibility regulations.

ADA requires that local governments maintain a complaint process for persons with disabilities who have an accessibility grievance against the municipality. Most complaints involve public rights-of-way, such as missing or inadequate curb ramps, missing sidewalks, and requests for accessible pedestrian signals at signalized roadway intersections. The City resolves complaints as efficiently and effectively as determined to be feasible. As of November 30, 2023, there are 470 open complaints, of which 139 are funded for remediation and 331 require funding.

Federal ADA regulations also require that public entities with 50 or more employees complete a transition plan that identifies and schedules modifications needed to achieve accessibility in its facilities and public rights-of-way. The City's original Facility Transition Plan, adopted in 1996, identified 212 high-use City-owned facilities requiring architectural barrier removal to achieve accessibility and necessary right-of-way modifications; all major facility barriers in the original Transition Plan were removed. In 2009, the City updated its facilities Transition Plan and identified 182 additional public facilities requiring architectural barrier removal. Since the 2009 update, the City has removed barriers in 47 of these facilities, an additional 29 facilities are funded, and eight facilities have been closed to the public and removed from the Transition Plan. Ninety-eight remaining facilities from the 2009 Transition Plan require future remediation. The City is initiating a significant update to the right-of-way portion of the Transition Plan in Fiscal Year 2024, utilizing federal and state grant funding. Completion of the update is expected in Fiscal Year 2026.

As transition plans are working, living documents, the City continues to evaluate and update its list of public facilities requiring modifications or barrier removals for compliance with current accessibility regulations. Additional work continues on Transition Plan facilities to complete major barrier remediation, including accessibility improvements to the exterior path of travel, parking lots, and playgrounds.

Preservation of Public Safety

Public safety assets are those used by City staff whose mission is to protect, preserve, and maintain the safety of the community, its environment, and its property. Typical facilities include lifeguard, fire, and police stations. Other types of projects may also result in mitigating or reducing risks to public health, safety, and the environment through improvements such as reducing traffic collisions, sewer spills, and emergency response times. The City recognizes the value of fire prevention and the need to prevent or limit the fire severity, given the type of housing stock, commercial buildings, and the threat of wildland fires on the City's edges. To meet these challenges, the City adopted safety codes that are more strenuous than those mandated by state minimums.

Initiatives and Policies

Build Better San Diego

[Build Better San Diego](#), a citywide infrastructure funding and planning initiative adopted by City Council in August 2022, supports the City of San Diego's equity, access, conservation, and sustainability goals, which prioritizes the delivery of effective fire and emergency response infrastructure, safe and enjoyable public spaces to gather, multi-modal travel, and immersive and interactive libraries. Build Better SD included an amendment to the General Plan Public Facilities Element, which provides new guidance calling for transportation, library, and public safety investments to be prioritized in the areas of greatest need, including underserved communities and areas where the most significant number of people would be served.

Parks for All of Us

[Parks for All of Us](#) was adopted in August 2021 to bring the many benefits of great parks and recreational opportunities to all City residents and visitors by addressing thirteen key policy areas. These areas focus on equitable access and programming and increased opportunities by creating citywide funding streams instead of those previously restricted by community areas so that park investments can be prioritized in the areas of greatest need, including underserved communities and areas where the greatest number of people would be served. Parks for All of Us included adopting a Parks Master Plan and an amendment to the General Plan Recreation Element.

Equity in Infrastructure

CIP programming is intended to prioritize equity across communities, continuously produce equal and equitable outcomes, and ultimately eliminate structurally excluded communities.

The term structurally excluded community takes into consideration how racial disparities are often connected to place and are rooted in historic racialized policies and practices that create and maintain unfair racial outcomes. A structurally excluded community takes into consideration how systems interact with racial and ethnic differences to design disparities and shape racial biases that impact access to health, education, economic capital, social position, safety, and opportunity.

Equity results from eliminating institutional racism and systemic disparities, providing everyone with equitable access to opportunity and resources to thrive, no matter where they live or how they identify. Equality occurs when each individual, family, neighborhood, or community has access to the same resources and opportunities without recognition that each person has different circumstances.

Council Policy 000-32 – Neighborhood Input on Infrastructure Needs and Priorities

[Council Policy 000-32](#) sets the guidelines for the City to engage with San Diegans to collect input about neighborhood infrastructure needs. Updates to this policy set forth a framework for neighborhood input on infrastructure needs and priorities for consideration in the City's CIP. These updates will support delivering infrastructure to San Diegans where it is wanted and most needed based on today's community needs and the expected service level. Specifically, the updated policy ensures that neighborhood input on the City's CIP budget is based on equitable community engagement that truly represents those living in the affected neighborhoods and communities. The policy calls for engaging San Diegans using the best available equitable engagement practices at least once every two years, including engagement with community-based organizations, community planning groups, and other interested stakeholders and individuals, with focused engagement within the City's underserved communities. This outreach also includes educational information on the CIP budget process.

Community Input

Beginning this fiscal year, the City Planning Department led the community engagement process to gather community input on infrastructure priorities to inform the projects that make their way into the City's CIP. The goal is to have one simplified process that identifies priorities for all infrastructure projects – rather than focusing only on priorities for specific funding sources, such as Development Impact Fees. The City Planning Department's focus is to take input on all community infrastructure priorities so the City can best leverage various funding sources to deliver the community's most needed priorities.

The survey to gather community input for infrastructure priorities will be open for input on a year-round basis. However, City Planning staff requested community members complete the survey by August 15, 2023, to inform this CIP Outlook report. Community input on infrastructure priorities was received through the Infrastructure Priorities Survey and the in-person community events held in June and early August. City Planning staff, in collaboration with the Engineering and Capital Projects Department, engaged with community members and shared information about the Infrastructure Priorities Survey at the following:

1. Presentation to the Community Planners Committee (CPC) on May 23, 2023
2. Booth at the Cooper Family Foundation Juneteenth Art & Cultural Celebration on June 17, 2023
3. Community meeting at Mountain View Community Center on June 22, 2023
4. Community event at Ocean Discovery Institute on August 5, 2023

The City Planning Department also shared information about the Infrastructure Priorities Survey through e-blasts to Council Offices, community planning groups, and interested community members, as well as through social media. Over 1,200 community members provided input through the Infrastructure Priorities Survey, sharing their project ideas regarding various asset types such as parks, libraries, transportation, regionally serving infrastructure, etc. The Infrastructure Priorities Survey will remain open throughout the year, and community members can continue to provide input and help guide the future five-year outlooks and the budget process.

Climate Action Plan (CAP)

The City of San Diego's [Climate Action Plan](#) (CAP) establishes a community-wide goal of reducing greenhouse gas (GHG) emissions to net zero by 2035, committing San Diego to an accelerated trajectory for greenhouse gas reductions. Achieving net-zero emissions will improve the air we breathe, the communities we live in, and our overall quality of life. Many CAP actions have already been initiated or completed. San Diego is leading by example in our capital investments – planning for the decarbonization of all City facilities and transitioning all City facilities to San Diego Community Power's 100% renewable energy service, launching a new Citywide organic waste diversion program, and investing in new assets like EV charging, on-site renewable energy, microgrids, active transportation facilities, traffic calming installations, and tree plantings. The City CIP routinely advances the six strategies of the CAP across all asset and project types.

The six strategies of the [2022 Climate Action Plan](#) are:

- Decarbonization of the Built Environment
- Access to Clean and Renewable Energy
- Mobility and Land Use
- Circular Economy and Clean Communities

- Resilient Infrastructure and Healthy Ecosystems
- Emerging Climate Actions

In direct support of the CAP, the Sustainability and Mobility Department (SuMo) leads sustainability, climate, and energy policy and projects for the City. These efforts are embedded in projects and initiatives across multiple departments. SuMo explores opportunities for both municipal operations and the broader community and conducts cost and benefit analyses on proposed efforts whenever possible.

For the CIP, SuMo is currently focused primarily on municipal assets with emissions and cost savings opportunities. The Municipal Energy Strategy established a goal of zero emissions municipal facilities by 2035, meaning all City-owned and operated buildings will be energy efficient and fueled by 100% renewable energy by 2035. The Municipal Energy Strategy also focuses on installing building automation systems to better manage building energy consumption and deploying clean energy technologies such as solar photovoltaic systems and battery storage, microgrids, and electric vehicle charging infrastructure.

Zero Emissions Municipal Buildings and Operations

In Fiscal Year 2023, the City adopted the Zero Emissions Municipal Buildings & Operations Policy (ZEMBOP), which established an implementing framework to ensure the City leads by example in decarbonizing its buildings and transitioning to a zero emissions fleet. ZEMBOP is part of [the Municipal Energy Strategy](#), and [the Municipal Energy Implementation Plan](#), all of which reflect the goal of all City-owned and operated buildings being all-electric, energy efficient and fueled by 100% renewable energy by 2035.

In Fiscal Year 2023, SuMo retained a consultant to perform electrification assessments at over 400 facilities to determine the scope and costs associated with electrifying the facility and associated fleet parking spaces. Those assessments were completed in Fiscal Year 2024. SuMo is now consolidating them into data sets for each AMD to establish rough timelines to complete all electrification efforts before 2035, paired with cost estimates to inform future year budget requests and CIP Outlooks.

Additionally, to enable the electrification and renewable generation projects required by the MEIP and ZEMBOP, in Fiscal Year 2024, SuMo procured clean energy vendors in three categories:

- Energy Services Companies (ESCOs)
- Solar & Battery Storage (PV/BESS) Vendors
- Microgrid (MG) Vendors

SuMo began work with one selected ESCO to pursue deep energy retrofits at over 50 facilities as part of the Phase 1 Energy Savings Performance Contracting (ESPC) effort. The facilities include Libraries, Recreation Centers, Fire Stations, Police Substations, one operations yard, and streetlights. SuMo anticipates implementing additional ESPC phases with additional facilities in future years.

Similarly, SuMo will work with ECP and AMDs to leverage the PV/BESS and MG vendors to implement renewable energy generation, storage, and resilience technologies at City facilities as part of both new construction and existing building retrofits. In all cases, the City has the option to leverage upfront investment by the vendors to cover the costs of the retrofits, with project budgets supplemented by grant funds and incentives. The City will then pay back the vendors' upfront investment using energy

cost savings generated by the projects or through direct clean energy purchases at rates lower than the City currently pays to our local utility providers.

Council Policy 000-31 – Transparency Policy

In Fiscal Year 2023, an updated [Capital Improvements Program Transparency Policy 000-31](#) and associated process improvements and streamlining measures were approved by City Council. The streamlining measures included amendments to the Municipal Code that increased contracting authority limits, while the concurrent changes to the transparency policy increased accountability and the detail of CIP project-related information available to City Council and the public.

Council Policy 800-14 – Prioritizing Capital Improvements Program Projects

[Council Policy 800-14](#), Prioritizing CIP Projects, establishes guidelines for how CIP projects are prioritized and funded. The policy updates include amendments to the factors that must be considered when adding needs to the CIP Outlook and Annual Capital Improvements Program Budgets. The recent amendments to this Council Policy incorporate the goals of Build Better SD, Parks for All of Us, the Climate Action Plan, and other adopted City plans and policies. The purpose is to establish an infrastructure prioritization process that can be used as a guide to deliver infrastructure efficiently and equitably across the City.

The recently adopted updates to Council Policy 800-14, will continue to provide additional project ranking methodology that more closely aligns infrastructure prioritization with the City's goals for the equitable and efficient delivery of Capital Projects. All existing projects in the CIP Outlook have been re-evaluated and rescored with updated Council Policy criteria.

IDENTIFYING CAPITAL NEEDS

Numerous factors establish capital needs, but City strategic initiatives, master plans, policies, federal and local mandates, service level standards (SLS), stakeholder input, and condition assessments are common triggers for AMDs to define and request capital needs. Vetting of requests includes calculated risk assessments via Asset Management Planning software and requirements for operational maintenance strategies, as developed by AMDs.

Projected Capital Needs: Fiscal Year 2025-2029, FY2030 & Beyond

The projected capital needs through Fiscal Year 2029 are approximately \$9.25 billion, with approximately \$4.44 billion of projected funding for those needs, resulting in an estimated funding gap of \$4.81 billion reflected in **Table 2**.

Table 2 Summary of Infrastructure Needs, Funding, and Funding Gap Fiscal Years 2025-2029

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Capital Needs	\$ 1,587,882,483	\$ 2,212,196,662	\$ 1,787,072,929	\$ 1,846,169,320	\$ 1,820,616,077	\$ 9,253,937,471
Funding	\$ 1,120,166,559	\$ 931,582,922	\$ 923,084,933	\$ 826,523,968	\$ 638,350,453	\$ 4,439,708,835
Gap	\$ 467,715,924	\$ 1,280,613,741	\$ 863,987,996	\$ 1,019,645,352	\$ 1,182,265,623	\$ 4,814,228,636

While the summary in **Table 2** outlines the needs for the combined enterprise and non-enterprise assets, **Table 3a** provides the projected expenditures of the capital needs by asset type. All City infrastructure needs are not represented because not all capital needs can be feasibly addressed within the next 5 fiscal years. Enterprise Funds account for specific services funded directly by fees and charges to users, such as water and sewer services, intended to be self-supporting. Several asset types with needs fully funded by Enterprise Funds are unrelated to the funding gap.

Table 3a. Summary of Projected Capital Asset Needs Fiscal Years 2025-2029

Asset Type	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Airports	4,579,113	15,644,338	9,771,883	2,869,790	11,235,956	44,101,080
Bike Facilities	31,521,540	24,531,000	27,457,498	20,910,000	22,233,000	126,653,038
Bridges	60,702,462	34,609,000	21,957,334	45,000,000	46,800,000	209,068,796
Emergency Shelters	10,996,017	4,712,657	-	-	-	15,708,674
Existing Facilities	39,072,166	29,161,130	28,079,144	25,276,589	24,617,136	146,206,165
New Fire Stations	30,212,266	36,823,394	154,307,197	62,739,214	26,708,240	310,790,311
New Fleet Facilities	-	17,800,400	132,300	13,189,800	166,800	31,289,300
Golf	-	-	23,353,165	39,737,600	-	63,090,765
Landfills	8,650,000	3,800,000	700,000	4,550,000	-	17,700,000
New Libraries	8,700,000	33,000,000	-	-	-	41,700,000
New Lifeguard Stations	2,450,000	13,800,000	15,600,000	3,800,000	-	35,650,000
Parks	46,434,949	303,992,761	155,919,141	297,849,248	178,121,840	982,317,939
New Police Stations	8,191,161	12,645,498	-	-	131,706,309	152,542,968
Pure Water - Potable Reuse	268,929,462	82,725,078	35,468,432	26,706,239	21,064,317	434,893,527
Sidewalks	20,627,000	19,447,000	20,546,894	21,130,000	21,896,000	103,646,894
Stormwater	322,778,129	705,655,972	466,908,699	327,033,061	381,380,696	2,203,756,557
Streetslights	74,757,000	88,689,000	92,237,000	95,926,000	99,763,000	451,372,000
Streets and Roads - Modifications	20,480,849	102,954,885	20,434,607	23,007,332	16,676,929	183,554,602
Streets and Roads - Pavement	114,597,309	199,295,388	200,040,672	322,284,081	415,346,226	1,251,563,676
Traffic Signals and ITS	10,518,647	4,000,000	8,231,197	8,374,803	8,606,043	39,730,690
Wastewater	191,940,557	141,653,163	187,198,051	205,315,746	130,842,594	856,950,111
Water	311,743,857	337,255,997	318,729,716	300,469,818	283,450,991	1,551,650,378
Total Need	\$ 1,587,882,483	\$ 2,212,196,662	\$ 1,787,072,929	\$ 1,846,169,320	\$ 1,820,616,077	\$ 9,253,937,471

Some AMDs have initiated projects or have adopted plans and programs that will continue beyond the five-year outlook period. Capital needs that could be reasonably projected are reflected in **Table 3b**.

Table 3b. Summary of Projected Capital Asset Needs Fiscal Year 2030 & Beyond

FY 2030 & Beyond	
Asset Type	
Bike Facilities	500,000
Existing Facilities	641,024,585
New Fire Stations	483,000,000
Parks	57,500,000
Pure Water - Potable Reuse	826,808,687
Sidewalks	154,394,000
Stormwater	875,915,754
Streetlights	13,870,789
Streets and Roads - Modifications	70,000,000
Streets and Roads - Pavement	421,275,654
Traffic Signals and ITS	118,857,957
Wastewater	965,506,293
Water	1,904,010,790
Total Need	\$ 6,532,664,509

The following sections provide overviews of projected capital needs, how they were developed by each AMD, and additional information regarding unique needs for each asset type.

Airports, AMD: Department of Real Estate & Airport Management

Airports	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 4,579,113	\$ 15,644,338	\$ 9,771,883	\$ 2,869,790	\$ 11,235,956	\$ 44,101,080
Funding Source						
Airport Funds	4,579,113	15,644,338	9,771,883	2,869,790	11,235,956	44,101,080
Funding Source Total	\$ 4,579,113	\$ 15,644,338	\$ 9,771,883	\$ 2,869,790	\$ 11,235,956	\$ 44,101,080
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The Airport Management Division within the Department of Real Estate and Airport Management manages the Brown Field Municipal and the Montgomery-Gibbs Executive Airports with a combined 1,430 acres. These two general aviation airports contain nearly eight miles of runways and taxiways, which safely accommodate over 300,000 annual aircraft operations, including those of the military, U.S. Customs and Border Protection, San Diego Police, San Diego Fire-Rescue, Cal-Fire, Sheriff, Medi-Evacs, as well as business and recreation sectors. The most critical factor associated with airport management is maintaining safety. To that end, the CIP plays an important role by rehabilitating and repairing the pavement and lighting runways, taxiways, and aircraft ramp areas.

The need for the capital improvement projects outlined over the next five years have been determined by the Pavement Maintenance and Management Plan (PMMP) included in the Airport Master Plans. This plan is completed by conducting visual pavement inspections and collecting data such as distress types, severities, and quantities, then entering that into software to calculate the current Pavement Condition Index. Please see the links below for each airport's PMMP:

<http://www.sdairportplans.com/wp-content/uploads/2018/03/FINAL-SDM-PMMP-Report.pdf>
<http://www.sdairportplans.com/wp-content/uploads/2018/06/MYF-PMMP-Report.pdf>

The Airport Management Division prioritizes these projects based upon the above PMMP criteria, project costs, Airport Improvement Entitlement Funds allocated by the Federal Aviation Administration (FAA), FAA Grant Funding opportunities available, and the balance of the Airport Enterprise fund. The needs outlined for the Division CIP over the next five fiscal years totals \$44.1 million.

These capital improvements are primarily funded by FAA and Caltrans matching grants and enterprise funds. The Airports are a non-general fund managed by the Department as an enterprise fund. Roughly 80% of revenues are received via rents and leases of property in and around both airports, with the remaining 20% coming from services such as parking and transient fees. These revenues are Federally obligated to remain with the Airport Enterprise fund so that the City's airports can remain self-sustaining.

Bike Facilities, AMD: Transportation Department

Bike Facilities	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 31,521,540	\$ 24,531,000	\$ 27,457,498	\$ 20,910,000	\$ 22,233,000	\$ 126,653,038
Funding Source						
Development Impact Fees (Community DIF)	5,050,000	65,000	18,750	3,750	78,750	5,216,250
Development Impact Fees (Citywide DIF)	438,414	-	3,750,000	-	-	4,188,414
Financing	2,950,000	950,000	-	-	425,000	4,325,000
Regional Transportation Congestion Improvement Program	50,000	-	-	-	-	50,000
TransNet Funds	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Funding Source Total	\$ 10,488,414	\$ 3,015,000	\$ 5,768,750	\$ 2,003,750	\$ 2,503,750	\$ 23,779,664
Gap	\$ 21,033,126	\$ 21,516,000	\$ 21,688,748	\$ 18,906,250	\$ 19,729,250	\$ 102,873,374

The City's Bike Program continues to implement the [Bike Master Plan](#) and [Community Plans](#) by programming capital improvements and taking advantage of opportunities provided by the City's [Street Maintenance Program](#), Utilities Undergrounding Program, and Public Utilities water and sewer pipeline replacement projects. The Bike Program is committed to improving and/or installing a minimum of 40 bike lane miles per year, as this bundling strategy has proven to be an efficient and cost-effective strategy for creating new and/or improving existing bike lanes throughout the City.

The CIP Outlook assumes full implementation of the Bicycle Master Plan in 20 years by Fiscal Year 2044. The total need included in the CIP Outlook decreased by \$11.3 million over last year, primarily due to updated cost estimates and project schedules.

Bridges, AMD: Transportation Department

Bridges	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 60,702,462	\$ 34,609,000	\$ 21,957,334	\$ 45,000,000	\$ 46,800,000	\$ 209,068,796
Funding Source						
Olay Mesa EIFD	-	5,109,000	-	-	-	5,109,000
Development Impact Fees (Community DIF)	388,800	-	-	-	-	388,800
Grants	42,692,305	-	6,850,416	-	-	49,542,721
Regional Transportation Congestion Improvement Program	11,110,600	5,000,000	5,000,000	5,000,000	5,000,000	31,110,600
TransNet Funds	4,010,157	200,000	200,000	200,000	200,000	4,810,157
Funding Source Total	\$ 58,201,862	\$ 10,309,000	\$ 12,050,416	\$ 5,200,000	\$ 5,200,000	\$ 90,961,278
Gap	\$ 2,500,600	\$ 24,300,000	\$ 9,906,918	\$ 39,800,000	\$ 41,600,000	\$ 118,107,518

There are 164 vehicular and pedestrian bridges, which cross over roadways, and are owned and maintained by the City. Caltrans inspects bridges that carry vehicular traffic once every two years. Caltrans prepares a bridge inspection report detailing the condition of the bridge and the needed repairs. Based on the data gathered from Caltrans' inspection reports, the City's goal is to plan and initiate one major bridge rehabilitation project and provide minor bridge rehabilitation work for 15 bridges per year.

The CIP Outlook assumes all identified repair needs to be addressed in 10 years by Fiscal Year 2034. The total need included in the CIP Outlook decreased by \$39.3 million over last year due to the allocation of additional funding to the Palm Avenue Interstate 805 Interchange project in Fiscal Year 2024.

Emergency Shelters, AMD: Homeless Strategies and Solutions Department

Emergency Shelters	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 10,996,017	\$ 4,712,657	\$ -	\$ -	\$ -	\$ 15,708,674
Funding Source						
Infrastructure Fund	10,996,017	4,712,657	-	-	-	15,708,674
Funding Source Total	\$ 10,996,017	\$ 4,712,657	\$ -	\$ -	\$ -	\$ 15,708,674
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The creation and addition of shelters falls under the General Plan element of Housing and addresses challenges detailed in the [City's Community Action Plan on Homelessness \(CAPH\)](#). Adopted by City Council in October 2019, the CAPH provides a roadmap to prevent homelessness, and quickly create paths to safe and affordable housing and services for people who experience homelessness in our community.

A key recommendation in the CAPH is to invest in new housing and service options. This investment includes a permanent increase in temporary crisis response solutions, which includes non-congregate and congregate emergency shelters for individuals and families experiencing homelessness. A mix of congregate and non-congregate emergency shelters is necessary to meet the varying levels of need across diverse populations (e.g., survivors of domestic violence, seniors, families, individuals with substance use disorders, youth, etc.).

On October 19, 2023, the work completed to update the data and targets established in the 2019 CAPH on the estimated needs for shelter beds was presented to the Land Use and Housing Committee, reflecting up to an additional 930 beds needed to meet the need for emergency shelter beds. This planning document presents the capital projections for meeting this added capacity in the coming years. This adjustment accounts for the COVID-19 pandemic's continued adverse impact on housing stability and increases in unsheltered individuals as demonstrated in the annual Point-in-Time Count, administered by the Continuum of Care for San Diego County, as well as monthly unsheltered counts, administered by the Downtown San Diego Partnership.

For the CIP Outlook, the estimated capital costs for creating sustainable emergency shelter and bridge housing is \$15.7 million. This estimate assumes 930 new shelter bed units plus 700 replacement beds to serve up to 1,632 individuals at a cost per bed of \$11,494. Approximately \$5.2 million would be needed in Fiscal Year 2025 for replacement beds, and the remaining \$10.5 million would be needed in Fiscal Year 2025 and Fiscal Year 2026 to expand bed capacity. The Homelessness Strategies and Solutions Department pursues state and federal government funding opportunities to implement the CAPH.

CIP requests will help advance the strategic focus to "[Create Homes for All of Us](#)," as detailed in the [Citywide Strategic Plan](#). Every San Diegan deserves to have a safe place they call home. The City's strategic plan prioritizes creating diverse, affordable, accessible housing for all. To create housing for all of us, the City envisions San Diego's unsheltered residents being quickly placed in stable housing options. The strategic plan outlines ways to reduce the population experiencing homelessness with person-centered, compassionate services.

Existing Facilities – General Fund, AMD: General Services, Facilities Services Division

Existing General Fund Building Facilities	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 39,072,166	\$ 29,161,130	\$ 28,079,144	\$ 25,276,589	\$ 24,617,136	\$ 146,206,165
Funding Source						
Development Impact Fees (Citywide DIF)	-	-	150,000	200,000	-	350,000
Mission Trails Regional Park Fund	-	260,712	268,533	276,589	284,887	1,090,721
Regional Park Improvements Fund	4,400,000	-	-	-	68,449	4,468,449
Funding Source Total	\$ 4,400,000	\$ 260,712	\$ 418,533	\$ 476,589	\$ 353,336	\$ 5,909,170
Gap	\$ 34,672,166	\$ 28,900,418	\$ 27,660,611	\$ 24,800,000	\$ 24,263,800	\$ 140,296,995

The Department of General Services, Facilities Services Division, provides repair, modernization, and improvement services to over 1,600 municipal facilities comprised of 6.5 million square feet of floor space. The capital improvements projected by the Facilities Services Division include those for existing City facilities from multiple AMDs, including Police, Fire-Rescue, Lifeguard, Library, Parks and Recreation, Department of Real Estate and Airport Management, and Fleet Services.

Projects included in the outlook are determined by using a combination of input solicited from AMDs, research of existing condition assessment reports, and field observations. The outlook is then prioritized by capital project improvements related to health, safety, regulatory compliance issues, and underserved communities. Projects that meet the prioritization guidelines are projected in earlier years of the CIP Outlook, while other projects are programmed in later years.

The most recent facilities condition assessments (FCA) for City facilities were completed between Fiscal Year 2014 and Fiscal Year 2016. Many of the needs remain to be addressed. A projected \$641 million is needed to fund the capital backlog, which is included in the FY2030 & beyond needs, as reflected in **Table 3b**. Industry standards recommend that facility condition assessments should be conducted every five years. Once updated, funding need amounts are expected to increase based on the continual deterioration of facilities, inflationary factors, and impacts from CAP and ZEMBOP requirements, which are not included in the table above. Where applicable, Facilities Services leverages the electrification assessments completed by the Sustainability and Mobility Department to most effectively and efficiently assist in addressing citywide facility needs.

Fire Stations and Lifeguard Stations, AMD: Fire-Rescue Department

New Fire Stations	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 30,212,266	\$ 36,823,394	\$ 154,307,197	\$ 62,739,214	\$ 26,708,240	\$ 310,790,311
Funding Source						
Olay Mesa EIFD	2,021,606	5,000,000	11,552,546	7,739,214	5,708,240	32,021,606
Development Impact Fees (Community DIF)	6,350,039	1,473,394	125,000	125,000	125,000	8,198,433
Development Impact Fees (Citywide DIF)	1,000,000	1,000,000	1,500,000	2,000,000	2,000,000	7,500,000
Financing	-	1,249,600	19,867,700	3,000,000	-	24,117,300
Infrastructure Fund	-	2,750,400	504,505	-	-	3,254,905
Funding Source Total	\$ 9,371,645	\$ 11,473,394	\$ 33,549,751	\$ 12,864,214	\$ 7,833,240	\$ 75,092,243
Gap	\$ 20,840,621	\$ 25,350,000	\$ 120,757,447	\$ 49,875,000	\$ 18,875,000	\$ 235,698,068

New Lifeguard Stations	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 2,450,000	\$ 13,800,000	\$ 15,600,000	\$ 3,800,000	\$ -	\$ 35,650,000
Funding Source						
Development Impact Fees (Community DIF)	65,000	65,000	32,500	-	-	162,500
Funding Source Total	\$ 65,000	\$ 65,000	\$ 32,500	\$ -	\$ -	\$ 162,500
Gap	\$ 2,385,000	\$ 13,735,000	\$ 15,567,500	\$ 3,800,000	\$ -	\$ 35,487,500

The Fire-Rescue Department is committed to rehabilitating, replacing, and constructing Fire-Rescue facilities to serve a population of 1.4 million within a 343-square mile area. The Department operates 51 fire stations, two 911 communications centers, an air operations facility, a training facility, nine permanent lifeguard stations, and 35 seasonal lifeguard towers.

The table above summarizes the funding needed for new fire and lifeguard stations planned through Fiscal Year 2029 to improve emergency response times. The needs in the Fire Stations and Lifeguard Stations tables above reflect the construction of 10 facilities. Also included are the Department's top

priorities – a new Fire Training Facility, Fairmount Avenue Fire Station, and improvements to the Emergency Command and Data Center (ECDC) for HVAC Replacement and Dispatch Floor Electrical Upgrades.

A new training facility is necessary because the existing site will be re-purposed in 2027 for a new Public Utilities Water Reclamation Plant, part of the Pure Water - Phase II Program. To reduce costs, the Fire-Rescue Department recommends minimal grading, utility installation and phased construction on a new site at a cost of \$171.8 million. All other assets/facilities to be built at this site would be scheduled for 2029 or beyond and have not been programmed in the CIP Outlook.

Upgrades and replacement of the HVAC system and dispatch floor electrical system for ECDC are necessary because these systems are aging past their useful service life and are not able to fully support the current demand of the 911 center.

A Standards of Response Coverage review study (known as the Citygate Report) was initially completed in 2010 and identified the Fairmount Avenue Fire Station as the highest priority to fill gaps in emergency response times. The [Citygate Report](#) was updated in 2017 and continued to recognize this fire station as a priority need. Additional priority fire stations necessary to meet service levels, as identified by the Citygate Report, are Fire Station 49 – Otay Mesa, Fire Station 48 – Black Mountain Ranch, Fire Station 51 – Skyline Hills, Fire-Rescue Air Operations Facility Phase II, Torrey Pines Fire Station, East Village Fire Station, and Del Mar Mesa/Torrey Hills. Other fire stations identified in the updated Citygate Report previously adopted by City Council are also included. Remodels are also necessary to bring facilities up to current standards (e.g., industry practices, building codes, space requirements for new equipment, etc.). Fire Station 16 is one of the facilities in need of a remodel.

Lifeguard facility needs are determined based on individual facility condition assessments and gaps in service coverage. New or replacement lifeguard facilities include the North Pacific Beach Lifeguard Station, Ocean Beach Lifeguard Station, Santa Clara Junior Lifeguard Facility, Northern Garage Dorm Replacement, and Northern Garage Feasibility Study.

Projected costs for capital renewal at existing fire and lifeguard stations are captured under the Facilities – General Fund. Needs are derived from the preliminary Fire-Rescue Asset Management Plan.

Fleet, AMD: General Services, Fleet Division

New Fleet Facilities	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ -	\$ 17,800,400	\$ 132,300	\$ 13,189,800	\$ 166,800	\$ 31,289,300
Funding Source						
Financing	-	17,800,400	132,300	13,189,800	166,800	31,289,300
Funding Source Total	\$ -	\$ 17,800,400	\$ 132,300	\$ 13,189,800	\$ 166,800	\$ 31,289,300
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Fleet vehicle needs are not included in this report

The Department of General Services (DGS), Fleet Operations Division provides City Departments with comprehensive fleet management services, mainly by providing a dependable fleet of over 4,500 motor vehicles and equipment. Funding is needed to replace the large vehicle car washes at Fleet repair facilities and to extend the useful life of the Police Department substations' car washes.

DGS has completed an initial Fleet Electrification Assessment, which estimates costs for vehicle replacement, vehicle electricity usage, and vehicle maintenance required to meet CAP goals. The assessment also calculates capital costs for EV charging hardware and infrastructure improvements

to support the hardware at four City operations yards. These estimated infrastructure costs are reflected in the Outlook.

In addition, Fleet Operations is working to develop a City Fleet Vehicle Replacement and Electrification strategy consistent with the Climate Action Plan, Municipal Energy Implementation Plan, and the California Air Resources Board (CARB) Advanced Clean Fleet regulations.

Landfills, AMD: Environmental Services Department

Landfills	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 8,650,000	\$ 3,800,000	\$ 700,000	\$ 4,550,000	\$ -	\$ 17,700,000
Funding Source						
Refuse Disposal Fund	8,650,000	3,800,000	700,000	4,550,000	-	17,700,000
Funding Source Total	\$ 8,650,000	\$ 3,800,000	\$ 700,000	\$ 4,550,000	\$ -	\$ 17,700,000
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The Environmental Services Department operates a municipal solid waste landfill and maintains eight closed landfills and eight inactive burn sites, all of which require sustained improvements. Waste deposited in landfills creates a potential risk to public health and the environment, as recognized by local, state, and federal regulations. As waste decomposes in landfills over time, there are potential air and water quality impacts mainly caused by the creation of landfill gas containing methane, the production of leachate, and excessive differential settlement.

The Environmental Services Department’s 5-year outlook is comprised of projects required to support operational needs, maintain regulatory compliance, and protect the health and safety of the public and the environment. Such projects include landfill gas system improvements and additions, grading and drainage improvements, stormwater retention basin expansions, and facility improvements.

Funding in future years is requested to implement seven projects. Five proposed projects are for the active West Miramar Landfill, and two are for closed City landfills. Future funding for these projects will be requested in the Refuse Disposal CIP Fund, while no funding is currently requested in the Recycling CIP Fund.

Libraries, AMD: Library Department

New Libraries	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 8,700,000	\$ 33,000,000	\$ -	\$ -	\$ -	\$ 41,700,000
Funding Source						
Development Impact Fees (Community DIF)	3,713,867	50,000	-	-	-	3,763,867
Development Impact Fees (Citywide DIF)	100,000	100,000	-	-	-	200,000
Infrastructure Fund	500,000	-	-	-	-	500,000
Funding Source Total	\$ 4,313,867	\$ 150,000	\$ -	\$ -	\$ -	\$ 4,463,867
Gap	\$ 4,386,133	\$ 32,850,000	\$ -	\$ -	\$ -	\$ 37,236,133

The San Diego Public Library (SDPL) system includes the Central Library and 35 branch libraries located throughout the City. Needs for library facilities are determined via a combination of service level standards, condition assessments and community input, and Library Master Plan. Projected costs for capital renewal at existing libraries are captured under the Existing Facilities – General Fund section of this report. The most pressing needs to be addressed are the lack of space for library programming and seating, including dedicated study spaces, library collection materials, and technology.

The Library Department ranks and prioritizes projects based on need, input from the public, and guiding principles in the [Library Master Plan](#). In 2019, the framework for a new Library Master Plan was commissioned to review and update the 21st Century Library Plan from 2002, which previously guided capital investment in the City’s libraries for the last two decades. Phase 1 of the Library Master Plan concluded with the completion of the [Framework](#) in 2021, creating a comprehensive vision and

guiding principles for future development and improvement of San Diego's library network. The process combined analysis of internally and externally sourced data with robust engagement of community members, stakeholders, leadership, and staff of the SDPL and the City.

Phase 2 of the Master Plan was completed in Fiscal Year 2024. It assessed each library facility and recommended capital improvements to meet the vision and principles established in the Phase 1 Master Plan Framework while meeting the City's sustainability goals outlined in the Climate Action Plan and recognizing CIP Prioritization Policy 800-14. Each facility was assessed for current condition, alignment with SDPL's service vision and operating model, capacity to serve current and future community needs, and potential for improvement. Phase 2 includes a more detailed study of each library building, use of services and spaces, compliance with modern codes, and the age and condition of its systems, and identifies the recommended scope of improvements for each facility (e.g., renovate, expand, replace, or relocate) and the priorities for near-term and long-term projects.

During this Five-Year CIP Outlook, Library facility projects include the expansion of the existing Ocean Beach Branch Library, currently in the design phase; a complete rebuild of the San Carlos Branch Library with design and bridging documents to be completed in Fiscal Year 2024; a rebuild of the Linda Vista Branch Library Patio; replacement of the chiller for the Point Loma Branch Library; restoration of the Old Logan Heights Library to serve as a community building with purpose defined through a community input process; renovation of the City Heights Branch Library Performance Annex; and an expansion of the Scripps Miramar Ranch Library parking lot (currently in the design phase).

In addition, construction of the Pacific Highlands Ranch Branch Library is anticipated to be completed and opened in the Summer of 2024. The new library facility will provide an 18,000 square foot branch library on a 1.5-acre site in the Pacific Highlands Ranch community. Amenities for this facility include but are not limited to children and teen areas, several study rooms, a computer area, community meeting rooms with a catering kitchen, a space for the Friends of the Library, and various outdoor patios.

Lastly, the new Oak Park Branch Library site has been identified and will be located on College Grove Drive. The project provides for the design and construction of a new library of approximately 20,000 sq. ft. and a 10,000 sq. ft. sorting facility. The library building will consist of entry/community services, reader service area, informal reading/special feature area, reference area, multipurpose room, adult/young adult area, children's area, and staff support areas. Design began in Fiscal Year 2023, and construction is anticipated to begin in Fiscal Year 2025. This is the highest priority project for the Library Department, as the current library site is too small to provide adequate library service to the community.

Parks & Golf Courses, AMD: Parks and Recreation Department

Parks	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 46,434,949	\$ 303,992,761	\$ 155,919,141	\$ 297,849,248	\$ 178,121,840	\$ 982,317,939
Funding Source						
Climate Equity Fund	8,949,938	9,508,841	-	-	-	18,458,779
Olay Mesa EIFD	4,811,468	7,042,047	2,958,563	-	3,348,953	18,161,031
Development Impact Fees (Community DIF)	7,778,264	1,197,241	2,560,863	3,418,633	3,617,546	18,572,546
Development Impact Fees (Citywide DIF)	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	85,000,000
Mission Trails Regional Park Fund	253,118	-	-	-	-	253,118
Regional Park Improvements Fund	3,200,565	8,303,575	9,040,434	9,812,773	10,553,850	40,911,197
Funding Source Total	\$ 34,993,353	\$ 41,051,704	\$ 34,559,860	\$ 33,231,406	\$ 37,520,349	\$ 181,356,671
Gap	\$ 11,441,596	\$ 262,941,057	\$ 121,359,281	\$ 264,617,843	\$ 140,601,492	\$ 800,961,268
Parks - Golf Courses	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ -	\$ -	\$ 23,353,165	\$ 39,737,600	\$ -	\$ 63,090,765
Funding Source						
Golf Course Enterprise Fund	-	-	23,353,165	8,000,000	-	31,353,165
Funding Source Total	\$ -	\$ -	\$ 23,353,165	\$ 8,000,000	\$ -	\$ 31,353,165
Gap	\$ -	\$ -	\$ -	\$ 31,737,600	\$ -	\$ 31,737,600
Parks - Mission Bay Improvements	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 14,115,335	\$ 15,420,925	\$ 16,789,378	\$ 18,223,721	\$ 19,727,127	\$ 84,276,486
Funding Source						
Mission Bay Improvements Fund	14,115,335	15,420,925	16,789,378	18,223,721	19,727,127	84,276,486
Funding Source Total	\$ 14,115,335	\$ 15,420,925	\$ 16,789,378	\$ 18,223,721	\$ 19,727,127	\$ 84,276,486
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The Parks and Recreation Department oversees more than 42,400 acres of developed parks, open space, underwater parks, and golf courses, including 60 recreation centers, 15 aquatic centers, approximately 292 playgrounds in 9,314 acres of developed parks, as well as over 27,109 acres of open space, and the 110-acre Mount Hope Cemetery. Additional information about the park system can be found in the [Parks and Recreation Department Fast Facts](#).

On August 3, 2021, the City Council approved the new [Parks Master Plan](#) (PMP). While the City's current park system has resulted in many beautiful and enjoyable parks for some, the system is not equitable across San Diego communities. Lack of funding and land constraints have widened park shortfalls in typically older, more densely populated neighborhoods, adversely affecting communities of concern. The PMP addresses these inequities, so everyone has equitable access to safe, clean, thriving park spaces.

Approximately one in four City parks assessed as part of the PMP has a maintenance and capital backlog of 20% or higher. Deferred maintenance increases the reinvestment needed to improve conditions in existing parks. To facilitate specific projects consistent with the PMP, the Department considers information from a variety of sources, including but not limited to [Community plans](#), [Regional park plans](#), [Unfunded park improvements list](#), [Unfulfilled general development plans](#), [Age Friendly Action Plan](#), City Council and community planning group priorities, and other stakeholder organizations. Projected costs for capital renewal at existing park facilities are captured under the Existing Facilities – General Fund needs section of this report. The [park amenity condition assessment report](#) identifies many needed facility and building improvement projects.

The Parks & Recreation Department is also responsible for maintaining shoreline parks. As part of the oversight and management of the City's shoreline parks, in 1993, 2003, and 2018, the City commissioned Coastal Erosion Assessments (CEA) of its 14 miles of shoreline from Sunset Cliffs Park to Black's Beach at Torrey Pines City Park. The studies assessed 71 sites and rated them low, moderate, or high risk based on geological observations and knowledge of conditions that pose the greatest potential threat to the public. The 2018 CEA update utilized visual observations of the bluff conditions and human use of the sites to provide a priority rating. The priority ratings consider the presence of pedestrian hazards, limitations to pedestrian access, and signs of bluff instability. The 2018 CEA

priority rankings, along with the 2003 CEA geologically based risk ratings, are utilized by the City to identify remedial actions.

The City has identified potential strategies to adapt to coastal erosion and other climate change-related hazards in the Climate Resilient SD plan, which was adopted in December 2021. The Transportation, Stormwater, Public Utilities, and Parks and Recreation Departments inspect and monitor coastal assets identified in the CEA on an ongoing basis. Moving forward, the City continues to plan for sea level rise and evaluate options for coastal assets. As future capital needs are identified, the costs will be included in future five-year forecasts.

Police Stations, AMD: Police Department

New Police Stations	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 8,191,161	\$ 12,645,498	\$ -	\$ -	\$ 131,706,309	\$ 152,542,968
Funding Source						
Infrastructure Fund	879,736	-	-	-	-	879,736
Funding Source Total	\$ 879,736	\$ -	\$ -	\$ -	\$ -	\$ 879,736
Gap	\$ 7,311,425	\$ 12,645,498	\$ -	\$ -	\$ 131,706,309	\$ 151,663,232

The Police Department serves all communities throughout the City through nine patrol division facilities, a Police Plaza, a Traffic Division, and a Headquarters downtown. The Police Department has four new facility projects planned during this CIP Outlook, including Police Plaza tenant improvements, an Academy building, a Firearms Training Facility, and a Northern Division facility. All other projects for existing police stations are captured under the Existing Facilities – General Fund needs section of this report, including security fencing for the Southeastern Division facility, parking lot poles and lighting improvements for nine Divisions and Air Support, and concrete pavement replacement for the Northern Division parking lot.

The Department took custody of Police Plaza (previously the Chargers Training Facility), planning to remodel it to allow several decentralized Police Units to be in one centralized location. These units include the Neighborhood Policing Division, Traffic Division, SWAT Unit, Training Division, Early Identification and Intervention System, Wellness, Canine, Child Care facility, Operational Support, and others. Several Units are already at this location. The facility needs to be redesigned for more efficient use of its square footage, as it is still configured as a professional football training facility. A feasibility study for this was completed in 2021, and needs are shown in the outlook period for the design and construction of the improvements. This location also needs an Academy building to include design and construction to accommodate all police training recruits.

The Home Avenue firearms range was decommissioned. This was the site where personnel for the Department completed all firearms training. With the loss of the Home Avenue firearms range, the Department needs a new firearms training facility to meet all the qualifications and State-mandated training. Needs are for feasibility study and design, projected early and construction projected later in the CIP Outlook period for this project.

In addition, funding is needed for the feasibility study, land acquisition, design, site improvements, and construction of the Police Northern Division. Northern Division is the oldest of the patrol buildings, which initially opened in 1968. The current Northern Division building faces numerous challenges as personnel and technology have evolved. As an example, the building is constructed of hardened concrete walls and metal interior partition walls that inhibit Wi-Fi capability. The current wiring and data ports have been maximized, and the opportunity for further technological and data expansion capabilities has diminished. A new facility is needed within the outlook period.

Finally, there is a need for security fencing for the Police Southeastern Division. Funding is needed for parking lot poles and lighting improvements to enhance the security and visibility of officers and civilian employees at Central, Northwestern, Southeastern, Southern, Eastern, Traffic, Northern, Northeastern and Air Support. As well as concrete pavement replacement for the Northern Division. These requests are included under the Existing Facilities – General Fund needs section of this report.

Sidewalks, AMD: Transportation Department

Sidewalks	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 20,627,000	\$ 19,447,000	\$ 20,546,894	\$ 21,130,000	\$ 21,896,000	\$ 103,646,894
Funding Source						
Development Impact Fees (Community DIF)	455,348	97,871	585,432	1,459,316	1,558,773	4,156,739
Development Impact Fees (Citywide DIF)	-	1,115,600	-	1,000,000	1,000,000	3,115,600
Infrastructure Fund	3,432,264	-	-	-	-	3,432,264
TransNet Funds	869,470	1,000,000	1,000,000	1,000,000	1,000,000	4,869,470
Funding Source Total	\$ 4,757,082	\$ 2,213,471	\$ 1,585,432	\$ 3,459,316	\$ 3,558,773	\$ 15,574,073
Gap	\$ 15,869,918	\$ 17,233,530	\$ 18,961,463	\$ 17,670,684	\$ 18,337,227	\$ 88,072,821

The Transportation Department has identified long-term goals of repairing and replacing all damaged sidewalks that fall under the City’s maintenance responsibility by the end of Fiscal Year 2034. A condition assessment of the City’s sidewalks was conducted in Fiscal Years 2014 and 2015. At that time, approximately 85,500 locations were deficient at a total replacement cost of approximately \$52.7 million. Since the assessment, approximately 66,500 locations have been completed, and an additional 19,500 locations have been funded for repair, but these locations do not entirely correlate with the 2015 sidewalk assessment locations. Sidewalks are a living asset; the assessment was a snapshot of damages. The department has identified additional damages, and the current sidewalk replacement need is estimated at \$238 million in current dollars for uplifts of 1.5 inches or greater, as well as cracked, subsided, and tree-damaged sidewalks.

These deficiencies are repaired by utilizing the department’s Sidewalk Repair and Replacement CIP. The cost to address all current CIP sidewalk deficiencies within 14 years is about \$18.4 million annually in current year dollars. This \$238 million need does not include deficiencies of sidewalk uplifts of 1.5 inches or less, which is budgeted in the Department’s operations and maintenance budget and is not included in the CIP Outlook.

A second goal is to install 350,000 linear feet of new sidewalks by the end of Fiscal Year 2034, which equates to 35,000 linear feet per year. In addition, the Department will program upgrades, including curb ramps and sidewalks, to facilities in the public right-of-way to meet obligations under the ADA.

The Transportation Department maintains a list of ADA unfunded needs based on complaints received from The Office of ADA Compliance and Accessibility (ADACA). Most complaints are requests for new curb ramp installation or replacement of existing non-compliant curb ramps. Currently, there is a need for approximately \$9 million to close out all complaints on the unfunded needs list. New complaints come in regularly, with an approximate annual need of \$1.2 million. The long-term goal is to complete all new installations and close out the existing complaints by Fiscal Year 2029. Then, maintain the unfunded needs on an annual basis.

The department is projecting a need of \$9.0 million for Fiscal Year 2025 and a need of \$1.2 million dollars for Fiscal Years 2026 and 2029 to complete ADA related projects. The total need included in the CIP Outlook increased by \$13.2 million over last year due to increased costs for sidewalk replacement projects.

Stormwater Infrastructure (Drainage), AMD: Stormwater Department

Stormwater	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 322,778,129	\$ 705,655,972	\$ 466,908,699	\$ 327,033,061	\$ 381,380,696	\$ 2,203,756,557
Funding Source						
Development Impact Fees (Community DIF)	8,142,042	5,544,018	2,453,024	493,373	34,659	16,667,116
Financing	107,271,009	176,100,185	169,833,299	100,393,006	-	553,597,499
Grants	1,472,000	-	-	-	-	1,472,000
Funding Source Total	\$ 116,885,051	\$ 181,644,203	\$ 172,286,323	\$ 100,886,379	\$ 34,659	\$ 571,736,615
Gap	\$ 205,893,078	\$ 524,011,769	\$ 294,622,376	\$ 226,146,682	\$ 381,346,037	\$ 1,632,019,942

The Stormwater Department's (SWD) mission is to build and maintain effective stormwater infrastructure to ensure all San Diegans have safe, clean water. SWD's primary goals are to reduce the City's flood risk and to protect and improve water quality. The City is proposing a significant investment in the planning, design, and construction of stormwater infrastructure to reduce costs and speed progress toward meeting those goals. Integrating water quality and flood resiliency projects where possible will allow the City to address stormwater infrastructure needs more efficiently.

The City's stormwater infrastructure is largely past its useful life, resulting in system deterioration and failure. Age, combined with deferred maintenance due to historic underfunding of the storm drain system, poses a risk of flooding and catastrophic failure. This is evident from the number of emergency drainage repairs that have occurred over the last three rainy seasons. Emergencies are unpredictable and require that a portion of the limited funding available to the SWD be diverted to address them. In the previous three years (Fiscal Year 2021–Fiscal Year 2023), emergencies have required nearly \$52 million to address, mainly funded through reallocation from other priority proactive projects.

Increased and evolving clean water regulations have enormously expanded the City's compliance obligations and associated infrastructure costs. The increase in regulatory requirements over time, coupled with years of underfunding, will continue adversely impacting San Diego's natural resources and local water quality. Nearly all of the City's rivers and streams are considered impaired under the federal Clean Water Act, and over 99% of the City drains to those waterbodies, contributing to the problem.

To address compounding capital needs, SWD developed a Funding Strategy to determine a funding mechanism for a dedicated funding source for stormwater. Additionally, the City executed a Water Infrastructure Finance and Innovation Act (WIFIA) Master and Credit loan agreement on August 9, 2022, with the Environmental Protection Agency (EPA) to fund critical stormwater infrastructure needs. The WIFIA Agreement allows for issuing up to three (3) Credit loan agreements over 5 years under the master agreement for a maximum loan amount of \$359.2 million. Moreover, SWD has made significant progress in pursuing supplemental federal and state funding sources and successfully secured a total of \$10.5 million for the Maple Canyon Restoration, Southcrest Green Infrastructure, and Upper Auburn Creek Revitalization projects.

Stormwater infrastructure funding needs are projected based on the Watershed Asset Management Plan (WAMP). The WAMP is a planning tool that develops the projects, tasks, actions, program elements, and levels of investment needed within all City watersheds to manage each watershed's assets to meet levels of service, including regulatory compliance requirements. The WAMP consists of two main asset categories – physical and programmatic assets. Physical assets are human-made items that one can touch and see and provide service, such as pipes, pumps, channels, inlets, and outfalls. Programmatic assets are human-created actions and activities that provide a level of service and include the personnel, equipment, and contracts required to operate and maintain physical assets

and meet regulatory requirements. SWD determines funding needs and prioritizes funding requests for all assets based on Business Risk Exposure (BRE) methodology, which considers environmental, economic, and social factors, including equity. The BRE score for each asset is calculated by multiplying the probability of failure by the consequence of failure.

The WAMP financial model predicts comprehensive stormwater program, infrastructure, and operating costs. Infrastructure funding needs are calculated based on the cost to replace physical assets when assets do not meet the required level of service or reach the end of their useful lives. Many stormwater physical assets are already past their useful life; therefore, they are modeled in the WAMP as “failed,” and the need to replace the asset is rolled over to a subsequent fiscal year.

The WAMP projects that the total stormwater infrastructure funding need is approximately \$2.2 billion over the next five fiscal years.

Streetlights, AMD: Transportation Department

Streetlights	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 74,757,000	\$ 88,689,000	\$ 92,237,000	\$ 95,926,000	\$ 99,763,000	\$ 451,372,000
Funding Source						
Climate Equity Fund	564,100	709,800	4,481,197	4,624,803	4,856,043	15,235,943
Development Impact Fees (Community DIF)	560,000	-	-	-	-	560,000
Development Impact Fees (Citywide DIF)	2,061,586	884,400	-	2,218,568	2,354,071	7,518,625
TransNet Funds	289,000	200,000	200,000	200,000	200,000	1,089,000
Funding Source Total	\$ 3,474,686	\$ 1,794,200	\$ 4,681,197	\$ 7,043,371	\$ 7,410,114	\$ 24,403,568
Gap	\$ 71,282,314	\$ 86,894,800	\$ 87,555,804	\$ 88,882,629	\$ 92,352,886	\$ 426,968,433

The Transportation Department’s (TD) long-term goal is to install 5,602 targeted new streetlights by the end of Fiscal Year 2034, which equates to approximately 560 streetlights per year. This is projected to complete all currently identified needs in 10 years by Fiscal Year 2034. Additionally, about 120 additional streetlights are installed annually through the Utilities Undergrounding Program.

TD’s goal also includes the replacement of all 43 remaining obsolete streetlight series circuits to meet modern electrical standards over 10 years through Fiscal Year 2034, as well as replacing approximately 2,700 streetlight poles and fixtures per year, which represents the replacement of approximately 5% of the City’s total streetlight poles per fiscal year over a 10-year period, through Fiscal Year 2034. The total need included in the CIP Outlook increased by \$191.4 million over last year, primarily due to a change in the service level for replacement from 25 years to 10 years.

Street Improvements, AMD: Transportation Department

Streets and Roads - Modifications	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 20,480,849	\$ 102,954,885	\$ 20,434,607	\$ 23,007,332	\$ 16,676,929	\$ 183,554,602
Funding Source						
Bus Stop Capital Improvement Fund	140,255	98,000	98,000	98,000	98,000	532,255
Climate Equity Fund	-	-	17,807	-	-	17,807
Olay Mesa EIFD	-	12,734,197	-	-	-	12,734,197
Development Impact Fees (Community DIF)	1,883,659	1,756,606	12,500	14,112	-	3,666,877
Development Impact Fees (Citywide DIF)	-	500,000	-	781,432	845,929	2,127,361
Regional Transportation Congestion Improve	1,967,625	-	-	-	-	1,967,625
TransNet Funds	5,352,167	1,500,000	1,500,000	1,500,000	1,500,000	11,352,167
Undergrounding Utilities Fund	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000
Funding Source Total	\$ 19,343,705	\$ 26,588,803	\$ 11,628,307	\$ 12,393,544	\$ 12,443,929	\$ 82,398,288
Gap	\$ 1,137,143	\$ 76,366,082	\$ 8,806,300	\$ 10,613,788	\$ 4,233,000	\$ 101,156,313

Streets and Roads - Pavement	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 114,597,309	\$ 199,295,388	\$ 200,040,672	\$ 322,284,081	\$ 415,346,226	\$ 1,251,563,676
Funding Source						
Development Impact Fees (Community DIF)	1	-	-	-	-	1
Financing	22,050,000	-	-	3,810,200	19,408,200	45,268,400
Infrastructure Fund	8,180,871	15,562,075	29,904,241	38,301,246	46,730,401	138,678,834
TransNet Funds	4,045,743	14,494,931	15,560,072	16,594,721	17,601,103	68,296,570
Trench Cut/Excavation Fee Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Funding Source Total	\$ 36,276,614	\$ 32,057,006	\$ 47,464,313	\$ 60,706,167	\$ 85,739,704	\$ 262,243,804
Gap	\$ 78,320,694	\$ 167,238,382	\$ 152,576,359	\$ 261,577,914	\$ 329,606,522	\$ 989,319,871

The Transportation Department manages the City's roadway infrastructure of approximately 2,662 centerline miles of asphalt streets, 120 centerline miles of concrete streets, and 204 miles of paved alleys. Street Improvements consist of two types of projects. One type is Streets and Roads - Modifications, which comprises traffic calming and other road repurposing and/or reconfiguration projects. The second type is Streets and Roads - Pavement improvements. These projects are focused on asphalt overlay and concrete and asphalt reconstruction efforts.

TD's long-term goal is to maintain the City's street network in good condition, which equates to an average network Pavement Condition Index (PCI) of 70 or above. TD determined the operations and maintenance and capital funding needs to achieve this goal in five years based on updated data from the recent pavement condition assessment.

The funding need includes the repair of asphalt streets, concrete streets, and paved alleys. Capital needs for street infrastructure do not include slurry seal maintenance, funded by the Department's operational budget.

Compared to the previous CIP Outlook, the total need, including Operations and Maintenance activities, increased by \$843.9 million as overall construction costs continue to rise with inflation. Increased soft costs and the focus on implementing bicycle infrastructure bundled with resurfacing projects have also contributed to higher total project costs.

TD recently completed a pavement condition assessment and updated funding requirements and miles to be repaired. These numbers are reflected in the table below and display funding and mileage goals needed to achieve a PCI of 70 in 5 years.

It is important to note that TD is currently assessing various funding scenarios to identify the lowest investment needed to achieve a PCI of 70 and also considers operational feasibility. These funding numbers were unavailable when this 5-year outlook was prepared, but they will be published as part of the Transportation Department's Pavement Management Plan. As scenarios of achieving PCI of 70 in 5 versus 10 years are considered in advance of adopting the Pavement Management Plan, annual funding needs and mileage goals will fluctuate.

Street Repair Mileage Goals to Maintain Average Pavement PCI 70					
Activity	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Slurry Seal	562.8	412.2	555.7	369.8	191.2
Overlay	58.1	92.4	60.1	35.2	86.4
Concrete Streets		0.7	1.4	0.8	2.5
Reconstruction	0.9	15.9	14.1	65.7	50
Total	621.7	521.3	631.3	471.6	330.1
Required Funding (O&M/CIP)	\$ 248,533,632	\$ 357,144,442	\$ 357,294,711	\$ 639,416,224	\$ 582,124,149

All projected Road Maintenance & Rehabilitation Account (RMRA) and a portion of the projected Gas Tax and TransNet revenues are planned to be applied to support slurry seal maintenance during the

five-year outlook period. Since slurry seal activities are considered maintenance and not capital, their need and revenue values are not reflected in this report.

Traffic Signals and Intelligent Transportation Systems (ITS), AMD: Transportation Department

Traffic Signals and ITS	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 10,518,647	\$ 4,000,000	\$ 8,231,197	\$ 8,374,803	\$ 8,606,043	\$ 39,730,690
Funding Source						
Climate Equity Fund	289,429	-	4,481,197	4,624,803	4,856,043	14,251,472
Development Impact Fees (Community DIF)	1,924,355	97,871	585,432	1,459,316	1,558,773	5,625,746
Development Impact Fees (Citywide DIF)	-	-	-	1,000,000	1,000,000	2,000,000
TransNet Funds	3,547,418	1,850,000	1,850,000	1,850,000	1,850,000	10,947,418
Funding Source Total	\$ 5,761,202	\$ 1,947,871	\$ 6,916,628	\$ 8,934,119	\$ 9,264,816	\$ 32,824,635
Gap	\$ 4,757,445	\$ 2,052,130	\$ 1,314,569	\$ (559,316)	\$ (658,773)	\$ 6,906,054

The Transportation Department's goal is to install all new traffic signals on the needs list, upgrade all existing traffic signals to current safety and accessibility standards, and implement the [Traffic Signal Communications Master Plan](#) by Fiscal Year 2034. The costs to implement the Master Plan are assumed to be linear through 2034. New traffic signals continue to be identified and added to the CIP Outlook need. Also, aging traffic signal infrastructure increases the need for traffic signal upgrades.

The total need included in the CIP Outlook decreased by \$16.9 million over last year primarily due to an adjusted need for the Transportation Management Center within the five-year period.

Wastewater, Water Infrastructure and Pure Water, AMD: Public Utilities Department

Wastewater	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 191,940,557	\$ 141,653,163	\$ 187,198,051	\$ 205,315,746	\$ 130,842,594	\$ 856,950,111
Funding Source						
Sewer Funds	191,940,557	141,653,163	187,198,051	205,315,746	130,842,594	856,950,111
Funding Source Total	\$ 191,940,557	\$ 141,653,163	\$ 187,198,051	\$ 205,315,746	\$ 130,842,594	\$ 856,950,111
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Water	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 311,743,857	\$ 337,255,997	\$ 318,729,716	\$ 300,469,818	\$ 283,450,991	\$ 1,551,650,378
Funding Source						
Water Fund	311,743,857	337,255,997	318,729,716	300,469,818	283,450,991	1,551,650,378
Funding Source Total	\$ 311,743,857	\$ 337,255,997	\$ 318,729,716	\$ 300,469,818	\$ 283,450,991	\$ 1,551,650,378
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*Note: Cost of Service Studies and ongoing projections show that projected revenue provides enough rate capacity through Fiscal Year 2025. These projections assume additional rate increases will be approved between now and Fiscal Year 2029. Fiscal Year 2024, Fiscal Year 2025 and a portion of Fiscal Year 2026 are covered under current approved rates. There are various funding sources such as Revenue Bonds, Water Commercial Paper program, SRF funding for both Water and Wastewater projects, including Pure Water costs funded by the Wastewater System, and WIFIA for Pure Water costs financed by the Water System.

The Public Utilities Department (PUD) provides water, wastewater, and recycled water services to approximately 1.4 million water customers and 3 million wastewater customers within the San Diego region. PUD's primary mission is to consistently provide our customers with access to safe and clean drinking water. Additionally, the Department is dedicated to ongoing wastewater management, ensuring its collection, treatment, recovery, and safe disposal. Both systems operate around the clock, seven days a week.

The water system extends over 404 square miles. This system includes 49 water pump stations, 29 treated water storage facilities, nine surface reservoirs, three water treatment plants, and approximately 3,300 miles of pipelines. The recycled water system includes three pump stations and over 99 miles of purple pipe and delivers an annual average of over 9.5 mgd for irrigation, manufacturing, and other non-potable uses. The wastewater system consists of the Municipal (Muni) System and the Metropolitan (Metro) System. The Muni System consists of approximately 3,000 miles of pipelines and 77 sewer pump stations and collects and conveys wastewater from residences and businesses. The Metro System consists of three wastewater treatment plants, one bio-solids processing facility, four pump stations, and two outfalls, and provides treatment and disposal services

for the City and 12 other agencies and districts (collectively referred to as the “Participating Agencies”) within a 450-square mile area, who are responsible for approximately 33% of all Metro Fund expenditures.

PUD supports a utility system that is generally built out and does not expect significant growth in customers or its distribution/collection system. The CIP, with the exclusion of the Pure Water program and Advance Metering Infrastructure, generally supports the infrastructure needed to repair and replace water supply and wastewater collection and treatment and meet regulatory compliance. To keep up with the replacement of aging infrastructure, the City continues to aim to award the replacement and/or rehabilitation of 45 sewer miles and the replacement of 35 water miles annually, which is approximately 1% of the pipeline system each year. Due to the long life span of pipeline, much of the Department’s current work occurs in older neighborhoods of the City, developed prior to the post World War II development boom, when the City’s population was still under half a million people.

The City has an extensive network of Dams, with an average age of 92 years. The Condition Assessment for Dams is anticipated to be completed by Fiscal Year 2027. The Department’s preliminary estimated cost of \$1 billion improvements could be needed over the next several decades to ensure dam safety and performance at all nine dams. The Department has incorporated the costs for several dam improvement projects, including the replacement of the Lake Hodges Dam, into this outlook, but due to the scale of the projects, additional costs will be incurred in periods outside the outlook for these projects and new projects will be identified in the Condition Assessment process.

The CIP Outlook generally reflects the rehabilitation and replacement of the Wastewater and Water systems. The Department raises rate revenue through a cost of service process (the latest studies can be found at Rate Increases | Public Utilities | City of San Diego Official Website), and the needs are identified in the Department’s Five-Year Financial Outlook for funding for water and wastewater projects. This process weighs the capital vs operating needs of the utilities while considering the end rate impact on our customers. This information is compared with past historical spending patterns to allocate projected resources across the Utilities different asset types.

Finally, various internal and external resources, which can include bond financing, commercial paper financing, water and sewer rate revenues, development capacity fees, state and federal loans, and grants, are considered in the rate-setting process. These funding sources have many different attributes that must be evaluated, but all funding must be used to benefit the rate payers of each utility system. Some of the considerations includes cashflow/liquidity, intergenerational costs/benefits, interest costs, private use of public assets, administrative overhead, and the expected useful life of the end assets.

Pure Water

Pure Water - Potable Reuse	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Need	\$ 268,929,462	\$ 82,725,078	\$ 35,468,432	\$ 26,706,239	\$ 21,064,317	\$ 434,893,527
Funding Source						
Sewer Funds	190,758,411	49,597,059	23,965,831	19,868,371	18,291,333	302,481,005
Water Fund	78,171,051	33,128,020	11,502,600	6,837,868	2,772,984	132,412,522
Funding Source Total	\$ 268,929,462	\$ 82,725,078	\$ 35,468,432	\$ 26,706,239	\$ 21,064,317	\$ 434,893,527
Gap	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Another major PUD initiative is Pure Water San Diego. Pure Water is the City’s phased, multi-year pure program, that uses proven water purification technology to provide a safe, secure, and sustainable local water supply, while meeting secondary equivalency for ocean discharges by turning recycled

water into drinkable water through water purification technology. Phase 1 is anticipated to produce 30 mgd of the Pure Water Program's total expected 83 mgd capacity. In addition to Phase 1, the CIP Outlook includes the planning of Phase 2 and the design and construction of the Phase 2 demonstration facility. Phase 2 of the Pure Water Program is expected to be fully implemented by 2035. The CIP Outlook includes the construction and completion of Phase 1 of the Pure Water Program and the need for the preparation of design, bid documents, and demonstration facility for Phase 2 of the program. Additional needs for the construction of Phase 2 will be included in future Outlooks.

IDENTIFYING SOURCES TO FUND CAPITAL NEEDS

The following section details the most common and reliable funding sources to support the City's capital infrastructure needs. To fund CIP projects and meet capital needs, various ongoing and one-time use funding sources are appropriated depending upon specific fiscal year revenue forecasts. Funding source definitions, restrictions, and constraints are described below. Amounts shown below are those anticipated to be allocated to the CIP and may not reflect the total revenue projected to be received by the fund in any given year. Some funding sources identified in the table below may vary from forecasted amounts due to unforeseen circumstances, such as economic downturns, fewer land sales (Capital Outlay Fund), and declines in the rate of development (Development Impact Fees [DIF] and Facilities Benefit Assessment [FBA] funds).

It is important to note that certain funding sources, such as the Infrastructure Fund and the Climate Equity Fund, can be used to support the operating budget and are not required to be used in the CIP budget as long as they are used for the purposes intended for each funding source. In addition, the Fiscal Year 2025-2029 Five-Year Financial Outlook for the General Fund has projected deficits in each fiscal year of the Outlook. The contributions to these funding sources can be waived annually if proposed by the Mayor and approved by the City Council. Alternatively, if the contributions are not waived, they can be used to support operations for their intended purposes. This Capital Infrastructure Planning Outlook assumes all projected revenues for the Infrastructure Fund and the Climate Equity Fund would be available to fund the CIP budget each fiscal year in the Outlook period. While these sources have been allocated toward specific uses as described in the capital needs section of the Outlook, the use of these funds will ultimately be determined through the annual budgetary process.

Funding Capacity

When developing the annual budget, City staff evaluate trends in revenue activity and other general economic factors that impact changes to CIP project costs and supporting revenue sources. Situations to be scrutinized annually include projects with costs anticipated to be incurred upon completion, ramifications of canceled projects, and delays in project implementation.

The CIP budget is the mechanism that implements the CIP and fulfills a requirement of the [City Charter-Section 69](#). The City Council annually approves the CIP budget and the allocation of funds for the included projects via the [Appropriations Ordinance](#), which establishes the legal spending authority for each budgeted Fund, Department, or both based upon the adopted budget and [City Charter-Section 69](#). These limits include appropriations carried forward from prior years as authorized in the [City Charter-Section 84](#). Based on updated information, spending limits can be amended during the year through City Council approval.

Impacts on the City's Debt Ratios, as defined in the City's Debt Policy, are evaluated when considering the use of debt financing supported by the General Fund. Generally, annual debt service as a percentage of general fund revenues should remain under 10.0%. When combined with pension and OPEB costs, the percentage should remain under 25.0%. Current projections show that the impacts of projected debt service costs on these ratios will stay within these parameters through Fiscal Year 2029, reaching highs of approximately 6.4% and 23.1%, respectively. Additional capital financing needs not assumed in this report, such as any potential General Fund backed debt issued for the Climate Action Plan implementation, may increase debt ratios up to or exceeding the guidelines outlined in the Debt Policy, depending on future General Fund revenues. Reductions in General Fund

revenues or increases in pension payments would also adversely affect the debt ratios. Any future Council action requesting debt financing, per the Debt Policy, will include an affordability analysis explaining the impacts to the debt ratios. The following sections describe fund types along with information particular to each listed fund.

Capital Project Funding Sources and Restrictions

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Airport Funds	4,579,113	15,644,338	9,771,883	2,869,790	11,235,956	44,101,080
Bus Stop Capital Improvement Fund	140,255	98,000	98,000	98,000	98,000	532,255
Climate Equity Fund	9,803,467	10,218,641	8,980,200	9,249,606	9,712,086	47,964,000
Olay Mesa EIFD	6,833,074	29,885,244	14,511,109	7,739,214	9,057,193	68,025,834
Development Impact Fees (Community DIF)	36,311,373	10,347,000	6,373,500	6,973,500	6,973,500	66,978,873
Development Impact Fees (Citywide DIF)	13,600,000	18,600,000	25,400,000	27,200,000	27,200,000	112,000,000
Financing	132,271,009	196,100,185	189,833,299	120,393,006	20,000,000	658,597,499
Golf Course Enterprise Fund	-	-	23,353,165	8,000,000	-	31,353,165
Grants	44,164,305	-	6,850,416	-	-	51,014,721
Infrastructure Fund	23,988,888	23,025,132	30,408,746	38,301,246	46,730,401	162,454,413
Mission Bay Improvements Fund	14,115,335	15,420,925	16,789,378	18,223,721	19,727,127	84,276,486
Mission Trails Regional Park Fund	253,118	260,712	268,533	276,589	284,887	1,343,839
Refuse Disposal Fund	8,650,000	3,800,000	700,000	4,550,000	-	17,700,000
Regional Park Improvements Fund	7,600,565	8,303,575	9,040,434	9,812,773	10,622,299	45,379,646
Regional Transportation Congestion Improvement Program	13,128,225	5,000,000	5,000,000	5,000,000	5,000,000	33,128,225
Sewer Funds	382,698,969	191,250,222	211,163,882	225,184,117	149,133,927	1,159,431,116
TransNet Funds	20,113,955	21,244,931	22,310,072	23,344,721	24,351,103	111,364,782
Trench Cut/Excavation Fee Fund	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Undergrounding Utilities Fund	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000
Water Fund	389,914,907	370,384,017	330,232,317	307,307,685	286,223,975	1,684,062,901
Total	1,120,166,559	931,582,922	923,084,933	826,523,968	638,350,453	4,439,708,835

Airports Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 4,579,113	\$ 15,644,338	\$ 9,771,883	\$ 2,869,790	\$ 11,235,956	\$ 44,101,080
Airports	4,579,113	15,644,338	9,771,883	2,869,790	11,235,956	44,101,080

The Airports Fund is an enterprise fund managed by the Department of Real Estate and Airport Management. It supports the City's two regional airports, Montgomery Field and Brown Field. Roughly 80% of revenues are received via rents and leases of property in and around both Airports, with the remaining 20% coming from services such as parking and transient fees. These revenues are Federally obligated to remain with the Airport Enterprise fund so that the City's airports can remain self-sustaining. Federal Aviation Administration grants also provide funding for airport capital projects. Only revenues needed to support capital needs are reflected in the table above.

Bus Stop Capital Improvement Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 140,255	\$ 98,000	\$ 98,000	\$ 98,000	\$ 98,000	\$ 532,255
Streets and Roads - Modifications	140,255	98,000	98,000	98,000	98,000	532,255

Bus Stop Improvement funding is available via a Memorandum of Understanding with the Metro Transit System. The funding can only be used for improvements to bus stops. These improvements include the installation of bus stop pads in the City Right-of-Way.

Climate Equity Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 9,803,467	\$ 10,218,641	\$ 8,980,200	\$ 9,249,606	\$ 9,712,086	\$ 47,964,000
Parks	8,949,938	9,508,841	-	-	-	18,458,779
Streetlights	564,100	709,800	4,481,197	4,624,803	4,856,043	15,235,943
Streets and Roads - Modifications	-	-	17,807	-	-	17,807
Traffic Signals and ITS	289,429	-	4,481,197	4,624,803	4,856,043	14,251,472

The Climate Equity Fund (CEF) was created by [Resolution 313454](#) in March 2021 to help underserved

communities respond effectively to the impacts of climate change. CEF revenues are received from a portion of the gas and electric franchise fees.

CEF projects must impact reducing greenhouse gas emissions, enhancing safety in public rights-of-way, relieving congestion, or achieving other climate equity concerns and be in disadvantaged communities located within areas that score between 0 and 60 on the Climate Equity Index.

Development Impact Fee Funds

Development Impact Fees (Community DIF)						
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 36,311,373	\$ 10,347,000	\$ 6,373,500	\$ 6,973,500	\$ 6,973,500	\$ 66,978,873
Bike Facilities	5,050,000	65,000	18,750	3,750	78,750	5,216,250
Bridges	388,800	-	-	-	-	388,800
New Fire Stations	6,350,039	1,473,394	125,000	125,000	125,000	8,198,433
New Libraries	3,713,867	50,000	-	-	-	3,763,867
New Lifeguard Stations	65,000	65,000	32,500	-	-	162,500
Parks	7,778,264	1,197,241	2,560,863	3,418,633	3,617,546	18,572,546
Sidewalks	455,348	97,871	585,432	1,459,316	1,558,773	4,156,739
Stormwater	8,142,042	5,544,018	2,453,024	493,373	34,659	16,667,116
Streetlights	560,000	-	-	-	-	560,000
Streets and Roads - Modifications	1,883,659	1,756,606	12,500	14,112	-	3,666,877
Streets and Roads - Pavement	1	-	-	-	-	1
Traffic Signals and ITS	1,924,355	97,871	585,432	1,459,316	1,558,773	5,625,746
Development Impact Fees (Citywide DIF)						
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 13,600,000	\$ 18,600,000	\$ 25,400,000	\$ 27,200,000	\$ 27,200,000	\$ 112,000,000
Bike Facilities	438,414	-	3,750,000	-	-	4,188,414
Existing Facilities	-	-	150,000	200,000	-	350,000
New Fire Stations	1,000,000	1,000,000	1,500,000	2,000,000	2,000,000	7,500,000
New Libraries	100,000	100,000	-	-	-	200,000
Parks	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	85,000,000
Sidewalks	-	1,115,600	-	1,000,000	1,000,000	3,115,600
Streetlights	2,061,586	884,400	-	2,218,568	2,354,071	7,518,625
Streets and Roads - Modifications	-	500,000	-	781,432	845,929	2,127,361
Traffic Signals and ITS	-	-	-	1,000,000	1,000,000	2,000,000

Development Impact Fees (DIF) are collected to mitigate the need for new infrastructure from the impact of new development. With the passage of various ordinances in 2021 and 2022, the City began implementing the Parks for All of Us and Build Better San Diego Citywide Initiatives, which included a change from community-based Developer Impact Fees to asset-based Citywide Development Impact fees. This Citywide initiative also transitions away from former public facilities financing plans to reliance on the current annual Capital Improvements Program budget to ensure DIF are expended on relevant and meaningful projects and enables the quick delivery of public spaces and infrastructure. Some of the asset-based DIFs also have additional components, such as Fire Deficient Communities (FDC), Park Deficient Communities (PDC), and Communities of Concern (CoC), where part of the fee collected is allocated for those specific purposes. Additionally, included in the TransNet Funding requirements is a provision for the collection of a Regional Transportation Congestion Improvement Program Fee (RTCIP). This fee is considered a DIF and is restricted for use on those projects that relieve congestion and are located along the Regional Arterial System.

While Facilities Benefit Assessments are no longer collected, since all new development is subject to the requirement to pay DIF to mitigate impacts to infrastructure needs across the City, some funding from a legacy collection of revenues remains available to be appropriated. Funds are restricted for use on projects in an approved Public Facilities Financing Plan or Impact Fee Study for the community where the fee was collected. The revenue projection above accounts for the transition from neighborhood specific FBAs and DIFs to the asset specific DIFs described above.

With the adoption of Build Better SD and Parks for All of Us and the existing pipeline clauses, the following types of DIF funds exist:

Development Impact Fees (Community DIF)

Before adopting Citywide DIF, new development projects paid into separate community based DIF funds. These funds continue to be available for projects identified in the Public Facilities Financing Plans for the purpose for which they were originally collected. No significant additional revenue is anticipated for these funds, but the existing fund balances remain available for expenditure.

Development Impact Fees (Citywide DIF)

Citywide DIFs have four components:

Citywide Parks DIF

Citywide Parks DIF provides a simplified fee to fund the City’s parks system in accordance with the Park Nexus Study to meet the demands for parks resulting from new developments.

Citywide Library DIF

Citywide Library DIF provides a simplified fee to fund the City’s library system in accordance with the Library Nexus Study to meet the demands for library services resulting from new developments.

Citywide Mobility DIF

Citywide Mobility DIF provides a simplified fee to fund the City’s mobility network in accordance with the Mobility Nexus Study to meet the demands for walking/rolling, biking, taking transit and driving resulting from new developments.

Citywide Fire DIF

Citywide Fire DIF provides a simplified fee to fund the City’s fire stations and safety networks in accordance with the Fire Nexus Study to meet the demands resulting from new development.

Build Better SD amended the San Diego Municipal Code (SDMC) to shift the time when fees are due from building permit issuance to before final inspection. This change gives applicants more time to pay fees without requiring fee deferral agreements. However, altering the timing of fee payments may result in a temporary decrease in DIF revenue generation in the coming years. This is because some projects at final inspection have already paid fees at building permit issuance, while others at building permit issuance will only pay fees at final inspection. These considerations have led to a conservative approach in making DIF projections for the next few years. As each year passes, City Planning staff will gather additional data to make more informed projections of incoming revenue.

General Fund Financing

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 132,271,009	\$ 196,100,185	\$ 189,833,299	\$ 120,393,006	\$ 20,000,000	\$ 658,597,499
Bike Facilities	2,950,000	950,000	-	-	425,000	4,325,000
New Fleet Facilities	-	17,800,400	132,300	13,189,800	166,800	31,289,300
New Fire Stations	-	1,249,600	19,867,700	3,000,000	-	24,117,300
Stormwater	107,271,009	176,100,185	169,833,299	100,393,006	-	553,597,499
Streets and Roads - Pavement	22,050,000	-	-	3,810,200	19,408,200	45,268,400

Debt financing to fund public infrastructure is a valuable strategy for local governments to spread the cost of significant long-term assets over their useful life. The City has several different financing mechanisms, including bonds, loans, and Commercial Paper Notes. Other financing tools are leveraged based on the types of projects, cash flow needs, and revenue source pledged to repay these financings.

Lease Revenue Bonds and Commercial Paper Notes can be used on many different types of asset classes, such as parks, libraries, fire stations, storm drains, and transportation assets. The projections shown above for the 5-year period are primarily for Stormwater asset improvements to meet the requirements of the WIFIA Agreement, with the remaining forecast for the remaining asset types. Existing continuing appropriations already authorized by the City Council but are contingent on future financings are not included in the projections above.

The City has executed or is working on various types of loan agreements. As described under the Stormwater Infrastructure (Drainage) section, the WIFIA Agreement has been executed and is a funding source for stormwater improvements. The City is also finalizing State Revolving Fund (SRF) Loans for specific large stormwater projects. These SRF Loans may be partially or fully backed by the Storm Drain Fund from Storm Drain Fee revenue, with the remaining stormwater capital projects funded by the General Fund.

Golf Course Enterprise Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ -	\$ -	\$ 23,353,165	\$ 8,000,000	\$ -	\$ 31,353,165
Golf	-	-	23,353,165	8,000,000	-	31,353,165

The Golf Course Enterprise Fund supports the City's three municipal golf courses: Balboa Park, Mission Bay, and Torrey Pines. These funds receive revenue from the operations of the golf courses, which are, in turn, used to fund capital projects that improve and/or maintain the condition of the courses.

Grants

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 44,164,305	\$ -	\$ 6,850,416	\$ -	\$ -	\$ 51,014,721
Bridges	42,692,305	-	6,850,416	-	-	49,542,721
Stormwater	1,472,000	-	-	-	-	1,472,000

Although the Infrastructure Investment and Jobs Act (IIJA) added to and expanded existing grant programs, including Community Development Block Grants, grant funding is generally challenging to predict because funding is contingent upon approved grant agreements that may include complex contingency requirements to maintain eligibility. There are many anticipated grant awards in the coming fiscal years. However, the CIP Outlook only includes four grant-funded projects with approved agreements.

Infrastructure Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 23,988,888	\$ 23,025,132	\$ 30,408,746	\$ 38,301,246	\$ 46,730,401	\$ 162,454,413
New Fire Stations	-	2,750,400	504,505	-	-	3,254,905
New Libraries	500,000	-	-	-	-	500,000
New Police Stations	879,736	-	-	-	-	879,736
Sidewalks	3,432,264	-	-	-	-	3,432,264
Streets and Roads - Pavement	8,180,871	15,562,075	29,904,241	38,301,246	46,730,401	138,678,834
Emergency Shelters	10,996,017	4,712,657	-	-	-	15,708,674

The Infrastructure Fund was established by the City Charter, Article VII, Section 77.1, to be a dedicated source of revenue to fund General Fund infrastructure costs. Generally, the amount of revenue the fund receives is determined by a formula that accounts for growth in major General Fund revenues and reductions in pension costs.

The Infrastructure Fund may be used exclusively for "the acquisition of real property, construction, reconstruction, rehabilitation, repair and maintenance of infrastructure," including the associated financing and personnel costs. It is one of the less restricted funding sources within the CIP and may be used on any asset type in any community within the City.

Mission Bay Park Improvement Funds & San Diego Regional Parks Improvement Funds

Mission Bay rents and concessions revenue is allocated to the Mission Bay Park and San Diego Regional Parks Improvement Funds in accordance with the [San Diego City Charter, Article V, Section 55.2](#).

Mission Bay Park Improvement Funds

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 14,115,335	\$ 15,420,925	\$ 16,789,378	\$ 18,223,721	\$ 19,727,127	\$ 84,276,486
Parks	\$ 14,115,335	\$ 15,420,925	\$ 16,789,378	\$ 18,223,721	\$ 19,727,127	\$ 84,276,486

The funds deposited in the Mission Bay Park Improvement Fund may only be expended on projects in Mission Bay Park for permanent or deferred capital improvements of existing facilities and to improve environmental conditions. All project allocations are consistent with the Mission Bay Park Master Plan and approved by the Mission Bay Park Oversight Committee.

San Diego Regional Parks Improvement Funds

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 7,600,565	\$ 8,303,575	\$ 9,040,434	\$ 9,812,773	\$ 10,622,299	\$ 45,379,646
Existing Facilities	4,400,000	-	-	-	68,449	4,468,449
Parks	3,200,565	8,303,575	9,040,434	9,812,773	10,553,850	40,911,197

The San Diego Regional Parks Improvement Fund may only be expended for permanent or deferred capital improvements in San Diego's regional parks as approved by the Regional Parks Oversight Committee. The City of San Diego's regional parks include Balboa Park, Chicano Park, Chollas Creek Park, Chollas Lake Park, Mission Trails Regional Park, Otay River Valley Park, Presidio Park, San Diego River Park, open space parks, and coastal beaches and contiguous coastal parks.

Mission Trails Regional Park Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 253,118	\$ 260,712	\$ 268,533	\$ 276,589	\$ 284,887	\$ 1,343,839
Existing Facilities	-	260,712	268,533	276,589	284,887	1,090,721
Parks	253,118	-	-	-	-	253,118

The Mission Trails Regional Park Fund mainly consists of rent monies from various leases for the communication facilities on Cowles Mountain. Funds are restricted to capital improvements in the Mission Trails Regional Park.

Otay Mesa Enhanced Infrastructure Financing District (EIFD) Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 6,833,074	\$ 29,885,244	\$ 14,511,109	\$ 7,739,214	\$ 9,057,193	\$ 68,025,834
Bridges	-	5,109,000	-	-	-	5,109,000
New Fire Stations	2,021,606	5,000,000	11,552,546	7,739,214	5,708,240	32,021,606
Parks	4,811,468	7,042,047	2,958,563	-	3,348,953	18,161,031
Streets and Roads - Modifications	-	12,734,197	-	-	-	12,734,197

This fund was established to finance certain public infrastructure and community benefit projects in the Otay Mesa EIFD on a pay-go basis and to support bonds, as authorized under EIFD Law Government Code sections 53398.50 and 53398.88. The district is funded through property tax increment revenues generated from taxable property within the district. Otay Mesa EIFD revenue is restricted to capital projects listed in the Otay Mesa Infrastructure Financing Plan as approved by the Otay Mesa EIFD Public Financing Authority, the district's governing body. The district is currently expected to issue bonds supported by district revenues in Fiscal Year 2026 based on the projected funding needs of eligible projects.

Refuse Disposal Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 8,650,000	\$ 3,800,000	\$ 700,000	\$ 4,550,000	\$ -	\$ 17,700,000
Landfills	8,650,000	3,800,000	700,000	4,550,000	-	17,700,000

Refuse Disposal Fund is an enterprise fund used to operate the City's Miramar Landfill and maintain the City's inactive landfills. Most of the capital projects supported by this fund are focused on ensuring regulatory compliance at these landfills. Projects are funded and prioritized based on deferred capital and regulatory requirements. Only revenues needed to support capital needs are reflected in the table above. It is anticipated that the City will seek to enter into a loan agreement in an estimated amount of \$40 million in Fiscal Year 2024 that will be backed by Refuse Disposal Fund revenues to finance the Organics Processing Facility Project.

Regional Transportation Congestion Improvement Program

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 13,128,225	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 33,128,225
Bike Facilities	50,000	-	-	-	-	50,000
Bridges	11,110,600	5,000,000	5,000,000	5,000,000	5,000,000	31,110,600
Streets and Roads - Modifications	1,967,625	-	-	-	-	1,967,625

The Regional Transportation Congestion Improvement Program (RTCIP) is an element of the TransNet Extension Ordinance requiring the City to collect an exaction for new residential developments. RTCIP Fees are to be spent only on improvements to the Retinal Arterial System (RAS) to mitigate development impact. Improvement projects include traffic signal coordination, freeway interchange improvements, railroad grade separations, and express bus or rail transit upgrades.

TransNet Funds

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 20,113,955	\$ 21,244,931	\$ 22,310,072	\$ 23,344,721	\$ 24,351,103	\$ 111,364,782
Bike Facilities	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Bridges	4,010,157	200,000	200,000	200,000	200,000	4,810,157
Sidewalks	869,470	1,000,000	1,000,000	1,000,000	1,000,000	4,869,470
Streetlights	289,000	200,000	200,000	200,000	200,000	1,089,000
Streets and Roads - Modifications	5,352,167	1,500,000	1,500,000	1,500,000	1,500,000	11,352,167
Streets and Roads - Pavement	4,045,743	14,494,931	15,560,072	16,594,721	17,601,103	68,296,570
Traffic Signals and ITS	3,547,418	1,850,000	1,850,000	1,850,000	1,850,000	10,947,418

TransNet, a one-half-cent local sales tax, is used for traffic congestion relief and transportation improvements. In addition to roadway enhancements, TransNet Funds are utilized for bikeway and pedestrian projects. TransNet includes a Maintenance of Effort (MoE) provision, which establishes minimum base levels of discretionary funds spending annually on the maintenance and improvement of the public right-of-way to continue to receive funding. The City utilizes TransNet cash for projects as much as possible to minimize the issuance of bonds, which increases the costs of funding projects.

Trench Cut/Excavation Fee Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 2,000,000	\$ 10,000,000				
Streets and Roads - Pavement	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000

Pavement deterioration studies show that pavement excavations will significantly degrade and shorten pavement life. Street Damage Fees are collected from excavators to recover the increased repaving and reconstruction costs incurred by the City because of trenching. The Streets Preservation Ordinance, adopted in January 2013 and recently revised in Fiscal Year 2024, established fees that depend on the size of the trench, the age of the pavement, and the type of utility.

Utilities Undergrounding Program Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 10,000,000	\$ 50,000,000				
Streets and Roads - Modifications	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000

This fund provides for the undergrounding of City utilities. San Diego Gas & Electric (SDG&E), AT&T, and the cable companies contribute funds to underground overhead facilities. This amount is deposited with the City to be used solely for undergrounding electrical lines and associated activities. Only revenues planned for allocation to the City CIP are estimated for this report.

Sewer Funds

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 382,698,969	\$ 191,250,222	\$ 211,163,882	\$ 225,184,117	\$ 149,133,927	\$ 1,159,431,116
Pure Water - Potable Reuse	190,758,411	49,597,059	23,965,831	19,868,371	18,291,333	302,481,005
Wastewater	191,940,557	141,653,163	187,198,051	205,315,746	130,842,594	856,950,111

Sewer Funds are enterprise funds that support the Municipal and Metropolitan Sewer Systems. Funding for sewer capital projects is provided by sewer rates and grants. Projects utilize various financing strategies, including pay-as-you-go cash financing, bond financing, and state revolving fund loans.

Water Fund

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Projected	\$ 389,914,907	\$ 370,384,017	\$ 330,232,317	\$ 307,307,685	\$ 286,223,975	\$ 1,684,062,901
Pure Water - Potable Reuse	78,171,051	33,128,020	11,502,600	6,837,868	2,772,984	132,412,522
Water	311,743,857	337,255,997	318,729,716	300,469,818	283,450,991	1,551,650,378

The Water Fund is an enterprise fund that supports the City's Water System. Funding for water capital projects is provided by water rates and grants. Projects utilize various financing strategies, including pay-as-you-go cash financing, bond financing, commercial paper notes, WIFIA loans, and SRF loans.

CIP CAPACITY

The Capital Improvements Program (CIP) is implemented (designed and constructed) through a combination of many consultants, contractors, vendors, and City staff. The City has demonstrated continuous and significant growth in CIP investment over the past several years. Currently, annual capital investments exceed \$1 billion. This has been achievable through the matched growth in the consulting industry, the construction industry, and City staff.

ECP organizes and leads quarterly agency meetings and discussions at the Regional Construction Procurement Committee (RCPC) and the Statewide Benchmarking Committee (SBM) that are attended by cities within the region and state. These meetings and discussions have highlighted a regionally strong CIP competing for the same pool of staff, consultants, and contractors.

ECP is charged with implementing the centralized CIP and succeeded in the most recent fiscal year, filling staffing vacancies and reducing the current departmental vacancy rate from 20% in Fiscal Year 2023 to approximately 12% in Fiscal Year 2024. To continue reducing the Department vacancy rate, ECP has increased its outreach and participation in recruitment events and job fairs at various colleges and universities. The goal is to reduce the annual vacancy rate to below 10%, expanding the capacity to deliver an increasing CIP. ECP has also undergone a comprehensive operational assessment and implemented multiple process improvement measures to support the efficiency and effectiveness of delivering the City's CIP.

City staffing is not the only variable in the capacity to implement the CIP. The City also has an ongoing coordination effort with other regional agencies on the timing of major construction contracts to spread out the demand within the fiscal year on these limited shared resources. The City continues to evaluate additional streamlining opportunities of existing processes to use the available limited staffing resources best and make the delivery of projects more efficient.

CONCLUSION

The CIP Outlook documents the collection, analysis, and summary of the currently known capital needs and the forecasting of possible funding sources for these capital needs over a subsequent five-year period. This effort continues the increased commitment to invest and allocate resources to address the City's current and future capital needs to maintain and develop the City's complex infrastructure systems.

Providing adequate public infrastructure involves a continuous review of the City's capital needs and various service level standards, as well as a transparent and organized outreach effort to all communities that involves all San Diegans in the planning of City's CIP.

In essence, this annual publication serves as a guide and a window into how the City stewards plan, prioritize, create, preserve, replace, and manage the vast and complex network of the public's capital assets and projects.

The CIP Outlook enables City leaders to support neighborhoods equitably with reliable infrastructure, ensures transparency in its plans for capital assets and projects, guides the delivery of those plans as effectively as possible, and projects future needs to improve the quality of life for all San Diegans.

Hyperlinked References

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6. City’s Information Technology website <https://www.sandiego.gov/it/services>
7. Capital Improvements Program Review Advisory Committee (CIPRAC)
<https://www.sandiego.gov/cip/about/ciprac>
8. Council Policy 800-16 http://docs.sandiego.gov/councilpolicies/cpd_800-16.pdf
9. Council Policy 000-32 http://docs.sandiego.gov/councilpolicies/cpd_000-32.pdf
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17. IBA Public Guide to Infrastructure & the FY 2024 Adopted CIP Budget [IBA Public Guide to Infrastructure & the FY 2024 Adopted CIP Budget](#)
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