

Capital Improvement Program Funding Sources

Funding Sources

The Capital Improvements Program (CIP) uses a variety of funding sources to support projects. This section outlines some of the more common funding sources used in the CIP.

Gas Tax Fund

The Gas Tax Fund collects revenue resulting from a tax on the sale of gasoline. The City's share of gas tax revenue is based on a formula that takes into account vehicle registration, assessed property valuation, and population. The funding generated is used to perform citywide repairs and restoration to existing roadways, reduce congestion, improve safety, and provide for the construction of assets within the public right-of-way.

General Fund

The General Fund is the City's main operating fund that pays for basic City services that use most of the City's tax revenue, such as public safety, parks, and library services. The General Fund is also supported by fees from licenses and permits, fines, and investment earnings. Some allocations to the CIP budget are allocated from the operating budget of General Fund departments.

Golf Course Enterprise Fund

The Golf Course Enterprise Funds support 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 in turn are used to fund capital projects that improve and/or maintain the condition of the courses.

Infrastructure Fund

The Infrastructure Fund is used exclusively for "the acquisition of real property, construction, reconstruction, rehabilitation, repair and maintenance of infrastructure," including the associated financing and personnel costs. The Infrastructure Fund was established by Section 77.1 of Article VII of the City Charter to be a dedicated source of revenue to fund General Fund infrastructure. The amount of revenue received by the fund is determined based on a formula that accounts for growth in major General Fund revenues and reductions in pension costs.

Mission Bay Park and 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. The funds in the Mission Bay Park Improvement Fund may only be expended in Mission Bay Park for permanent or deferred capital improvements of existing facilities, as well as to improve environmental conditions consistent with the Mission Bay Park Master Plan. The funds in the San Diego Regional Parks Improvement Fund may only be expended for permanent or deferred capital improvements in San Diego's regional parks. The City of San Diego's regional parks include Balboa Park, Chicano Park, Chollas Lake Park, Mission Trails Regional Park, Otay

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River Valley Park, Presidio Park, San Diego River Park, open space parks, and coastal beaches and parks.

Mission Trails Regional Park Fund

The Mission Trails Regional Park Fund mainly consists of rent monies from a variety of different communication facility leases on Cowles Mountain. Funds are to be used for capital improvements in the Mission Trails Regional Park.

Recycling Fund

The Recycling Fund is an enterprise fund that supports the City's recycling programs, receiving revenue from a variety of fees associated with recycling.

Refuse Disposal Fund

Refuse Disposal Fund is an enterprise fund that is 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.

San Diego Regional Parks Improvement Fund

The San Diego Regional Parks Improvement Fund receives revenue from Mission Bay rents and concessions in accordance with San Diego City Charter Article V, Section 55.2. These funds may only be spent on capital improvements in the City's regional parks, including Balboa 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. Once the revenue is received, the Parks & Recreation Department works with the San Diego Regional Parks Improvement Fund Oversight Committee to identify specific sub-projects based on the actual amount of available revenue.

Sewer Funds

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 a variety of financing strategies, including pay-as-you-go cash financing, bond financing, and state revolving fund loans.

TransNet Funds

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 to guarantee that the City spends a certain amount of discretionary funds on the maintenance and improvement of the public right-of-way. The City utilizes TransNet cash for projects as much as possible in an attempt to minimize the use of debt due to added costs of financing. The use of TransNet Commercial Paper through SANDAG is a borrowing tool that can be used to raise cash needed to cover cash-flow deficits and is generally viewed as a lower-cost alternative to other financing

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methods. In an attempt to further minimize financing costs, the issuance of TransNet Commercial Paper may be utilized when feasible.

Trench Cut/Excavation Fee Fund

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 as a result of trenching. In conjunction with the Streets Preservation Ordinance adopted in January 2013, Council approved a graduated increase in fees towards full cost recovery. Fees depend on the size of the trench, the age of the pavement, and the type of utility.

Utilities Undergrounding Program Fund

This fund provides for the undergrounding of City utilities. San Diego Gas & Electric (SDG&E), AT&T, and the cable companies all contribute funds for the purpose of undergrounding overhead facilities. This amount is deposited with the City to be used solely for the undergrounding of electrical lines and associated activities.

Water Fund

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 a variety of financing strategies, including pay-as-you-go cash financing, bond financing, commercial paper, and state revolving fund loans.

A complete list of funding sources in the CIP and their budgets are provided below in **Table 1**.

Table 1: Capital Improvements Program by Funding Source

Funding Source	Prior Fiscal Years	FY 2020	Future Fiscal Years	Funding Source Total
Airport Funds	\$ 7,278,632	\$ -	\$ -	\$ 7,278,632
Antenna Lease Fund	1,100,000	-	55,766	1,155,766
Bond Financing	135,584,606	-	149,358,368	284,942,974
Bus Stop Capital Improvement Fund	151,873	-	296,000	447,873
Capital Outlay - Land Sales	37,882,887	-	-	37,882,887
Capital Outlay - Other	4,665,547	-	20,556,000	25,221,547
Capital Outlay - Police Decentralization Land Sales	1,012,864	-	-	1,012,864
Convention Center Funds	1,744,026	-	-	1,744,026
Deferred Capital Projects Bonds	160,293,652	-	-	160,293,652
Developer Funding	34,108,943	-	2,819,123	36,928,066
Development Impact Fees	165,995,399	-	(2,432,240)	163,563,159
Donations	86,515,497	-	30,250,000	116,765,497
EDCO Community Fund	920,000	-	-	920,000

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Funding Source	Prior Fiscal Years	FY 2020	Future Fiscal Years	Funding Source Total
Energy Conservation Program Fund	\$ 3,191,679	\$ -	\$ 2,000,000	\$ 5,191,679
Energy Upgrades CEC Loan Fund	30,273,755	-	-	30,273,755
Enhanced Infrastructure Financing District Fund	369,048	-	727,500	1,096,548
Environmental Growth Funds	9,999,696	-	-	9,999,696
Facilities Benefit Assessments	341,562,716	-	80,597,245	422,159,961
Federal Grants	192,040,403	-	53,042,730	245,083,133
Fleet Services Internal Service Fund	3,617,028	1,270,598	8,117,441	13,005,067
Gas Tax Fund	19,460,091	4,156,286	8,219,784	31,836,161
General Fund	81,348,639	258,000	(26,445)	81,580,194
Golf Course Enterprise Fund	25,737,729	3,000,000	-	28,737,729
Infrastructure Fund	28,053,468	7,600,622	13,398,220	49,052,310
Infrastructure Improvement Funds	1,496	-	-	1,496
Lease Purchase Fund	9,902,504	-	-	9,902,504
Library System Improvement Fund	10,195,308	-	-	10,195,308
Maintenance Assessment Districts	2,023,764	-	-	2,023,764
Mission Bay Park Improvement Fund	45,439,474	7,734,786	35,169,875	88,344,135
Mission Trails Regional Park Fund	1,567,126	195,332	841,713	2,604,171
Non-CIP Funds	300,000	-	-	300,000
OneSD/ERP Funding	6,487,494	-	-	6,487,494
Other Funding	53,948,772	-	1,509,466	55,458,238
Other Grants	763,016	-	3,085,950	3,848,966
Parking Meter Districts	1,800,000	-	9,200,000	11,000,000
Park Service District Funds	4,743,201	-	-	4,743,201
Proposition 42 Replacement - Transportation Relief Fund	14,794,685	-	-	14,794,685
Recycling Fund	17,075,200	1,100,000	-	18,175,200
Redevelopment Funding	91,926,046	-	12,549,718	104,475,764
Refuse Disposal Fund	49,078,030	4,300,000	-	53,378,030
Regional Transportation Congestion Improvement Program	41,038,654	-	6,074,424	47,113,078
San Diego Regional Parks Improvement Fund	23,775,909	3,500,000	11,914,461	39,190,370
San Diego Unified School District	21,141,657	-	-	21,141,657
Sea World Traffic Mitigation Fund	10,750,000	-	-	10,750,000
Sewer Funds	732,919,075	310,278,460	915,268,691	1,958,466,226
Stadium Fund	808,734	-	-	808,734
State Grants	52,412,522	-	210,000	52,622,522
Sunset Cliffs Natural Park Fund	825,613	-	-	825,613

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Funding Source	Prior Fiscal Years	FY 2020	Future Fiscal Years	Funding Source Total
TransNet - Extension Bikeways	\$ 1,399,770	\$ -	\$ -	\$ 1,399,770
TransNet Funds	192,574,794	20,589,394	91,690,207	304,854,395
Trench Cut/Excavation Fee Fund	11,551,167	2,000,000	8,000,000	21,551,167
Unidentified Funding	-	-	2,555,766,378	2,555,766,378
Utilities Undergrounding Program Fund	85,102,179	5,000,000	20,000,000	110,102,179
Water Fund	1,048,132,940	344,777,064	1,213,370,591	2,606,280,595
Total	\$ 3,905,387,310	\$ 715,760,542	\$ 5,251,630,966	\$ 9,872,778,818

Unidentified Funding

Some projects may lack sufficient identified funding to complete the project. These projects display an “unidentified funding” amount in the project pages. Each project with an unidentified amount is summarized in each department's Unfunded Needs List. A complete list of all projects with unidentified funding is provided below in **Table 2**.

Table 2: Capital Improvement Projects Unfunded Needs

Project	Page No	Priority Score	Priority Category	Unidentified Funding	Percent Unfunded
North Park Mini Park / S10050	253	53	Low	\$ 23,984	0.70 %
N Torrey Pines Rd Bridge/ Los Penasquitos / S00935	473	56	Medium	100,000	0.70 %
Fairbrook Neighborhood Park Development / S01083	226	58	Medium	84,093	1.60 %
Carmel Creek NP Improvements / S16037	194	58	Medium	50,000	2.90 %
Bay Terrace Senior Center / S16060	189	57	Medium	200,000	3.20 %
SR 163/Friars Road / S00851	489	61	Medium	2,300,000	3.60 %
Balboa Pk Bud Kearns Aquatic Complex Imp / S17000	188	65	Low	139,299	4.60 %
El Camino Real to ViaDeLaValle (1/2 mile) / S00856	452	53	Medium	2,519,898	6.60 %
Ocean Air CP - Turf Upgrades / S16030	256	58	Medium	500,000	7.10 %
Fire-Rescue Air Operations Facility / S15012	151	78	Medium	1,614,904	9.10 %
University Avenue Complete Street Phase1 / S18001	503	81	High	622,180	9.30 %
La Paz Mini Park / S11103	236	61	High	348,883	13.40 %
Mohnike Adobe and Barn Restoration / S13008	251	62	High	333,973	15.20 %
Otay Mesa Truck Route Phase 4 / S11060	476	55	Medium	3,630,000	15.50 %
Pacific Highlands Ranch Branch Library / S14023	165	58	Low	4,175,761	16.90 %
Museum of Man Seismic Retrofit / L12003	252	68	High	2,186,950	19.50 %
Children's Park Improvements / S16013	206	63	High	1,200,000	20.00 %
Balboa Park Plaza de Panama Project / L17002	186	66	High	23,419,700	22.90 %
Villa Monserate Neighborhood Park Upgrades / S16048	295	58	Medium	404,343	23.90 %
Hickman Fields Athletic Area / S00751	231	60	Medium	2,720,417	25.80 %

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Project	Page No	Priority Score	Priority Category	Unidentified Funding	Percent Unfunded
Median Installation / AIG00001	470	Annual	Annual	\$ 2,700,000	27.20 %
Guard Rails / AIE00002	457	Annual	Annual	1,500,000	29.20 %
MB GC Clbhouse Demo/Prtbl Building Instl / S01090	241	60	High	2,063,816	31.90 %
Wangenheim Joint Use Facility / S15007	297	59	Medium	3,125,082	35.60 %
Traffic Signals - Citywide / AIL00004	501	Annual	Annual	6,807,200	36.90 %
Traffic Signals Modification / AIL00005	502	Annual	Annual	8,850,000	37.40 %
Taft Joint Use Facility Development / S15026	285	62	High	2,187,521	38.80 %
Doyle Park Community Park ADA Upgrades / S15037	218	64	High	275,000	39.50 %
Traffic Calming / AIL00001	500	Annual	Annual	6,410,000	40.20 %
Canon Street Pocket Park / S16047	191	58	Medium	575,452	40.70 %
Chollas Lake Improvements / L18001	208	64	High	900,000	43.90 %
City Facilities Improvements / ABT00001	401	Annual	Annual	63,918,538	49.90 %
SD River Dredging Qualcomm Way to SR163 / S00606	275	69	Medium	975,000	57.70 %
La Media Road Improvements / S15018	465	85	High	20,106,762	60.90 %
Sidewalk Repair and Reconstruction / AIK00003	485	Annual	Annual	57,000,000	71.80 %
State Route 56 Freeway Expansion / RD14000	491	N/A	N/A	91,000,000	73.60 %
Street Light Circuit Upgrades / AIH00002	494	Annual	Annual	18,610,000	74.90 %
Golf Course Drive Improvements / S15040	228	50	Medium	3,941,404	75.20 %
New Walkways / AIK00001	474	Annual	Annual	83,575,000	76.50 %
Palm Avenue Interstate 805 Interchange / S00869	478	53	Medium	27,500,000	78.90 %
Coastal Rail Trail / S00951	448	72	High	19,425,628	79.40 %
Talmadge Traffic Calming Infrastructure / S17001	286	53	Medium	1,089,993	79.60 %
Drainage Projects / ACA00001	451	Annual	Annual	366,187,917	81.40 %
NTC Aquatic Center / S10000	254	56	Low	8,000,000	84.30 %
Minor Bike Facilities / AIA00001	471	Annual	Annual	107,956,000	84.90 %
Fairmount Avenue Fire Station / S14018	139	83	High	13,822,205	85.60 %
North Pacific Beach Lifeguard Station / S10119	152	83	Medium	6,319,697	87.10 %
San Carlos Branch Library / S00800	166	N/A	N/A	20,983,720	87.50 %
Market St-Euclid to Pitta-Improvements / S16022	467	50	Low	4,976,600	89.40 %
Install T/S Interconnect Systems / AIL00002	459	Annual	Annual	120,785,400	91.60 %
Fire Station No. 51 - Skyline Hills / S14017	149	83	Medium	12,890,957	92.80 %
Watershed CIP / ACC00001	509	Annual	Annual	402,338,480	93.00 %
Beyer Park Development / S00752	190	51	Low	18,319,686	94.20 %
Los Penasquitos Cyn Preserve STRl Restor / S13014	239	35	Low	1,865,540	95.50 %
Installation of City Owned Street Lights / AIH00001	460	Annual	Annual	188,280,000	95.60 %
Sea World Dr/I5 Interchange Improvement / S00888	484	74	High	119,072,571	99.10 %

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Project	Page No	Priority Score	Priority Category	Unidentified Funding	Percent Unfunded
Fire Station No. 54 - Paradise Hills / S00785	150	81	Medium	\$ 13,216,346	99.40 %
Convention Center Phase III Expansion / S12022	107	N/A	N/A	681,640,478	99.50 %
Total				\$ 2,555,766,378	



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