

A CITIZEN'S GUIDE TO INFRASTRUCTURE



OFFICE OF THE INDEPENDENT BUDGET ANALYST ANDREA TEVLIN, DIRECTOR

The City of
SAN DIEGO

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Cover image: The City of San Diego Central Library, which won the 2013 "Best in Show" by the Decorative Concrete Council, a specialty council of the American Society of Concrete Contractors.

Table of Contents

Table of Contents	1
List of Abbreviations.....	2
Executive Summary: Quick Look at Infrastructure.....	3
Identifying Projects for the CIP Budget.....	10
Identifying Funding and Prioritizing Projects.....	15
Budgeting for the CIP.....	21
Implementation of CIP Projects.....	23
Accountability and Oversight.....	27
Important Resources.....	28
Frequently Asked Questions.....	32
Glossary.....	36

List of Abbreviations

ADA	Americans with Disabilities Act
CDBG	Community Development Block Grant
CEQA	California Environmental Quality Act
CIP	Capital Improvements Program
CIPRAC	Capital Improvements Program Review and Advisory Committee
CPC	Community Planners Committee
CPG	Community Planning Group
DCCO	Deputy Chief Operating Officer
DIF	Development Impact Fees
FBA	Facilities Benefits Assessment
FM	Financial Management Department
FY	Fiscal Year
GO Bond	General Obligation Bond
IAM	Infrastructure Asset Management
IBA	Office of the Independent Budget Analyst
JOC	Job Order Contract
MACC	Multiple Award Construction Contracts
PFFP	Public Facilities Financing Plan
PWD	Public Works Department
TSW	Transportation & Storm Water Department

Executive Summary: Quick Look at Infrastructure

The mission of the Office of the Independent Budget Analyst (IBA) is to provide clear, objective and unbiased analysis and advice to the City Council and the public regarding all legislative items bearing financial and policy impacts to the City of San Diego. Our Office developed this Guide to provide a solid foundation of knowledge about the City of San Diego's infrastructure issues and Capital Improvements Program (CIP) for interested citizens. With this foundation, residents can become involved in, and provide thoughtful input on, new and existing capital improvement projects.

Note that this Guide can be used in conjunction with our [Citizen's Guide to the Budget](#), which provides information about the City's adopted budget and the process by which the annual operating budget is developed each year. These documents will be updated annually to reflect changes to the CIP and operating budget processes. For additional information, please visit our website www.sandiego.gov/iba, email sdiba@sandiego.gov, or call (619) 236-6555.

Guide Overview

The following two pages provide a high-level summary of the four major steps in the process of how infrastructure needs become projects and ultimately capital assets, through the implementation of the City's CIP. The remainder of the Executive Summary provides an overview of this process with additional context. The rest of the Guide provides detailed information on each of the four steps and supplemental information, such as important resources and frequently asked questions.

Introduction: What is Infrastructure?

Infrastructure includes the basic physical structures, systems, and facilities needed to provide critical services to the community such as sidewalks, streets, parks, fire stations, police facilities, and water and wastewater systems. Infrastructure impacts the public health, safety, and quality of life of San Diego neighborhoods, businesses, and visitors.

Different entities are responsible for installing and maintaining the infrastructure that they own and operate, within their boundaries or jurisdiction. For example, the City of San Diego is responsible for maintaining assets such as storm drains, streets, facilities, and the other items listed in the box on the right. The City is not responsible for the trolley, rail, or bus systems which are owned and operated by the Metropolitan Transit System—a California public agency. The County of San Diego, State of California, and U.S. governments also have responsibility for assets within the City of San Diego, including related facilities, roads, and highways.

Infrastructure within the City's Area of Responsibility:

- ◆ Compliance with the Americans with Disabilities Act (ADA)
- ◆ Airports
- ◆ Bikeways
- ◆ Bridges
- ◆ General facilities
- ◆ Libraries
- ◆ Park and recreation facilities
- ◆ Police, fire, and lifeguard facilities
- ◆ Sidewalk improvements
- ◆ Storm drainage and flood control facilities
- ◆ Street improvements
- ◆ Street lights and traffic signals
- ◆ Water and sewer facilities and pipelines

Executive Summary: Quick Look at Infrastructure

Identifying Projects for the CIP Budget	Identifying Funding and Prioritizing Projects
<p>Asset-managing departments that operate, manage, or maintain capital assets—such as Public Utilities, Transportation & Storm Water, and Park & Recreation—are responsible for identifying needed capital projects.</p> <p>How staff identify projects</p> <p>Department staff generally identify needed CIP projects based on one or more of the following:</p> <ul style="list-style-type: none"> • Policy direction from Mayor and City Council • Legal requirements or mandates • Long- and mid-range plans that guide implementation of Citywide, regional, departmental, and/or community goals • Formal assessments of the condition of assets, and systems that use this information to identify the best approach for addressing needs • Department staff assessments of needs based on experience, repair and maintenance records, and observations • City Council priorities and requests • Public input through City Councilmembers, planning or advisory committees, and/or budget hearings <p>Public Input</p> <p>In 2013, the City developed a process to obtain public input on community infrastructure needs and priorities through the Community Planners Committee (Council Policy 000-32). The committee is comprised of the chairs of individual community planning groups and have a long-standing history of advising the City on Citywide matters.</p> <p>Asset-managing departments also work with the community to address needs.</p>	<p>Identifying Funding – The General Fund is not a primary source of funding for the CIP. Asset-managing department staff—working with the Mayor, City Council, and appropriate City departments—identify funding for proposed projects, but must do so within several constraints:</p> <ul style="list-style-type: none"> • Needs greatly exceed available resources so there are competing priorities for limited funds • Many of the funding sources for capital improvement projects have restrictions on how they can be spent, including: <ul style="list-style-type: none"> • on a specific project type, such as water system or transportation, and/or • within a certain community or geographical area <p>As a result, there has been relatively little discretionary funding available, and the CIP budget is largely driven by available funding sources.</p> <p>Prioritizing Projects – Asset-managing department staff provide a ranking for each project based on Council Policy 800-14 which includes guidelines and weighted factors, such as:</p> <ul style="list-style-type: none"> • Risk to health and safety • Asset condition and impact of deferring the project • Community investment • Funding availability • Project readiness <p>Public Works Department (PWD) staff refine the priority score during implementation of the project.</p> <p>Given the constraints discussed above, CIP projects typically do not compete across different project types, funding sources, or project implementation phases.</p>

Executive Summary: Quick Look at Infrastructure

Budgeting for the CIP		Implementation of Projects in the Approved CIP Budget
July-October	PWD, in coordination with City's asset-managing departments, reviews the status of CIP projects and community needs.	<p>PWD is primarily responsible for the implementation and management of approved projects in the CIP budget. In a few cases (e.g. if a department has specialized needs), the asset-managing department will manage the project.</p> <p>Capital improvement projects are frequently large, expensive, and take multiple years to complete.</p> <p>Project Implementation Phases</p>  <pre> graph TD A[Project Initiation] --> B[Planning/Pre-Design] B --> C[Design] C --> D[Construction Bid & Award] D --> E[Construction] E --> F[Post-Construction] </pre> <p>Monitoring and Oversight – Per CIP streamlining and transparency initiatives, PWD staff report on the state of the CIP twice per year, and are available to present to committees or the full Council upon request. Included in this report is the progress of six performance measures used to evaluate the success of implementing the CIP.</p>
October – January	<p>Asset-managing departments identify needs based on the Five-Year Capital Infrastructure Planning Outlook (Capital Outlook) and prioritize projects according to Council policy. Departments submit proposed projects and requested funding to Financial Management (FM).</p> <p>FM confirms availability of requested funds.</p> <p>The Capital Outlook is updated to reflect City infrastructure capital needs. It is presented to the Committee on Infrastructure and City Council.</p> <p>The Capital Improvement Program Review and Advisory Committee (CIPRAC) reviews proposed projects and funding requests, may make adjustments, and submits for Mayor's approval.</p>	
January–March	FM works with asset-managing departments to prepare the proposed budget.	
April 15	Mayor releases the proposed budget to the public.	
May	City Council holds public budget hearings, including a separate hearing for the CIP. Council may recommend changes to the proposed budget. Mayor's May Revision to proposed budget is released.	
June	City Council reviews final changes and approves budget.	
July 1	New Fiscal Year begins.	

Executive Summary: Quick Look at Infrastructure

Getting Infrastructure Projects Approved and Implemented: the CIP Process

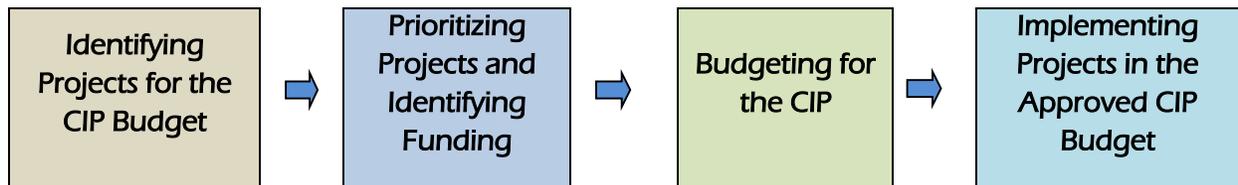
The CIP is a long-range plan for all individual capital improvement projects and funding sources. Capital improvement projects are construction projects that provide tangible, long-term improvements or additions of a fixed or permanent nature, such as a new or expanded library, or replacement of aging water pipes. The CIP is composed of over 1,300 projects and associated funding needed to implement these projects over multiple years. Decisions made regarding the CIP are generally large and expensive, and the assets will likely be used by the public for decades. The box to the right describes the differences

between capital projects, which are funded through the CIP budget, and maintenance and repair projects, which are funded out of departments' operating budgets.

The City's CIP process, or how an infrastructure need becomes a CIP project and ultimately a capital asset, is complex—it involves various players, funding sources, and asset types. The process generally includes the key steps below, which are outlined in more detail on the previous pages as well as pages 10 through 26 of this Guide.

Capital Projects Versus Maintenance & Repair:

- ◆ Capital projects provide tangible, long-term improvements, such as: constructing a new or expanding an existing library; replacing aging water pipes; or installing a new roof.
- ◆ Maintenance includes ongoing upkeep and repairs such as patching a roof or painting a building. Maintenance is not part of the CIP budget, and many of the funding sources used for capital projects cannot be used for maintenance. Instead, maintenance is generally funded by the City's General Fund and other sources like the Gas Tax Fund for street maintenance projects.



Identifying Infrastructure Needs

Identifying infrastructure needs for existing and new assets is a joint effort between City staff and City residents. City staff from departments that operate, manage, or maintain infrastructure assets have the expertise to identify capital needs. They are also aware of the Mayor's and the City Council's policy direction, and have an understanding of related legal requirements.

In addition, the City is developing a software solution called Infrastructure Asset Management, (IAM), to improve the City's management of infrastructure assets and further enhance the City's ability to identify and prioritize needs. IAM will enable staff to use information on assets, such as current conditions, geographic locations, and maintenance history to guide CIP decisions. IAM is expected to be completed in the second quarter of FY 2018 and be phased in across five additional City departments over four fiscal years.

Executive Summary: Quick Look at Infrastructure

Infrastructure needs are also identified through various mid- and long-range plans which incorporate public input. One example includes the Regional Transportation Improvement Plan, which is a five-year plan of major transportation projects in the San Diego region funded by a variety of resources including federal, state, and local funds. In addition, City staff works with communities to identify needed public infrastructure which is included in community plans — policy documents that guide development.

Since the City's infrastructure ultimately benefits the public, community input is critical for effective implementation of the CIP. Public input is important to understand desired levels of service for public infrastructure and community priorities. The City has developed a process to solicit public input on infrastructure needs and priorities through the Community Planners Committee. Feasible project recommendations will be distributed to asset-managing departments and will be prioritized among other identified capital needs to be considered in the development of the FY 2019 CIP Proposed Budget.

Infrastructure Needs Exceed Funding

In January 2017, the City released the [Fiscal Year 2018–2022 Five-Year Capital Infrastructure Planning Outlook](#) (Capital Outlook), which identified capital needs and funding sources over the next five years. This long-term planning helps the City better manage its infrastructure needs and communicate these needs to the City Council and public. The Capital Outlook includes updates on the condition of the City's assets and service level standards, which are critical components in determining Citywide capital needs, as well as prioritizing funding.

This year's Capital Outlook identified \$4.30 billion in capital needs, and \$3.03 billion in available funding for capital projects through FY 2022. This leaves a gap of approximately \$1.27 billion in funding over the five-year period. This gap is attributed to capital needs that require support from the City's General Fund¹, the City's main operating fund, which is also used to provide core community services, such as public safety and parks and recreation. Assets primarily funded by enterprise funds are self supporting as they receive revenue from fees and charges for services that are generated by those departments' operations. Therefore, these assets do not have to compete with other high priorities supported by the General Fund. This underscores the need for long-term planning and optimal prioritization of resources.

The following table provides a summary from the Capital Outlook of total projected needs over the next five fiscal years, identified funding, and the estimated funding gap for each fiscal year.

Summary of Capital Needs, Identified Funding, and Projected Gap (dollars in millions)						
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
Capital Needs	\$ 909.7	\$ 686.6	\$ 1,153.0	\$ 899.4	\$ 650.4	\$ 4,299.1
Identified Funding	653.5	451.1	943.1	685.2	292.2	\$ 3,025.1
Gap	\$ 256.3	\$ 235.4	\$ 209.9	\$ 214.2	\$ 358.2	\$ 1,274.0

Note: Amounts may not sum to total due to rounding

Budgeting for the CIP and Implementation of Approved Projects

The Capital Outlook serves as the basis and guide for developing the City's annual CIP budget. Consistent with Section 69 of the City Charter, the Mayor releases the proposed budget by April 15. In

¹ Examples include: streets and streetlights, fire stations, and park and recreation facilities

Executive Summary: Quick Look at Infrastructure

May the City Council holds public hearings to evaluate the proposed budget and allow for public engagement on budget issues. A budget hearing is specifically held to discuss the CIP budget, individual projects, and the overall status of the CIP.

In June 2017, the City Council adopted, and the Mayor approved, a CIP budget for FY 2018 of \$475.6 million. This provides needed funding to 104 projects, of which 95 projects are existing projects that were approved in previous years, and nine are new for the 2018 fiscal year. It is important to note that capital improvement projects take multiple years to implement. Significant funding has already been appropriated in previous years for the CIP's existing projects (\$2.85 billion), and additional funding will be required in future years to complete these projects (roughly \$4.70 billion).

The City has taken steps to streamline the project implementation process and improve transparency of the CIP. Continuous internal monitoring of how projects are being implemented and the overall program's cash flow has led to efficiencies that have improved the allocation of the City's resources and timely delivery of CIP projects. Implementing complementary transparency measures, such as increased reporting, staff presentations to the City Council on the status of the CIP, and making project information more accessible has been critical in allowing the City Council and the public to provide oversight of the CIP.

Roles of Those Involved in the CIP Process

Along with the Mayor and City Council, many City departments and organizations are responsible for various aspects of the CIP process:

DCOO for Infrastructure/Public Works – The City's Deputy Chief Operating Officer (DCOO) for Infrastructure/Public Works is responsible for managing the City's infrastructure and related services. The DCOO oversees the day-to-day operations of the Infrastructure/Public Works Branch, which includes the following departments and programs:

- ◆ Environmental Services
- ◆ IAM Program
- ◆ Public Utilities
- ◆ Public Works
- ◆ Transportation & Storm Water

Mayor – Provides policy direction for identifying and prioritizing capital improvement projects, and proposes an annual CIP budget.

City Council – Identifies CIP projects, and makes changes to the proposed budget as necessary; holds public budget hearings and provides recommendations to the Mayor; approves the CIP budget and provides oversight and monitoring of projects through updates to the Infrastructure Committee; and works with the Mayor to develop funding options, and multi-year funding plans.

Executive Summary: Quick Look at Infrastructure

Asset-managing Departments and Divisions — Own, operate, manage, and maintain capital assets. The departments and divisions also identify and prioritize projects, and work with the Mayor, City Council, and other departments to find funding for needed CIP projects.

The Office of ADA (Americans with Disabilities Act) Compliance and Accessibility — Responsible for ensuring that every City-operated or funded facility, benefit, program, service, and activity is accessible and usable by people with disabilities in accordance with all federal, State, and local laws, including the ADA.

Financial Management (FM) Department — Reviews project funding requests, confirms availability of funds, and develops the CIP budget.

Office of the Independent Budget Analyst (IBA) — Reviews and advises Council on the Capital Outlook, the annual proposed CIP budget, and other legislative items that require Council approval. The IBA is also a resource to the Infrastructure Committee.

Public Works Department — Implements and manages approved projects in the CIP budget. This includes project initiation, planning, design, construction bid and award, construction, and post-construction.

Planning Department — Updates General, Community, and Public Facilities Financing Plans (which include needed infrastructure to serve the public); identifies available funding from developer fees; and issues building, environmental, and other permits.

Comptroller's Office — Ensures that funds are available prior to contract expenditures, and capitalizes assets when projects are complete.

Equal Opportunity Contracting — Enhances diversity and safeguards against discrimination in City contracts. It also manages the City's Small Local Business Enterprise Program which supports the City's policy to encourage greater contract participation by Small Local Business Enterprises.

The Mayor's CIP Review and Advisory Committee (CIPRAC) — Reviews proposed projects and project prioritization from a Citywide perspective, and forwards budget recommendations for the Mayor's approval. CIPRAC primarily includes senior-level officials from asset-managing departments.

Asset-managing Departments and Divisions:

- Airports
- Environmental Services
- Fire-Rescue
- Library
- Park & Recreation
- Petco Park
- Police
- Public Utilities
- Public Works-General Services
- QUALCOMM Stadium
- Transportation & Storm Water

Identifying Projects for the CIP Budget

The process for identifying needed capital improvements projects for the CIP budget is largely based on the City's five-year Capital Outlook. The Capital Outlook is updated annually, and includes new projects needs and data collected from assessments of the condition of the City's assets. Questions concerning various infrastructure projects can be directed to the asset-managing departments. Contact information for each department is located on page 30 of this report.

How do department staff identify needed CIP projects?

Department staff generally identify needed CIP projects based on one or more of the following:

- Policy direction from the Mayor and City Council
- Legal requirements or mandates
- Mid- and long-range plans that guide implementation of Citywide, regional, departmental, and/or community goals
- Condition assessments
- Unfunded department needs lists
- Staff assessments based on maintenance and repair records, observations, and experience
- City Council priorities and requests
- Public input through Councilmembers, community planning or advisory committees, and/or public comment at budget hearings

Policy Direction from the Mayor and City Council – Direction is provided to staff by the Mayor and through formal policies, reports, plans, and actions adopted by the City Council.

Legal Requirements or Mandates – Many CIP projects must be carried out to comply with laws and regulations, such as the Clean Water Act, or may be mandated in legal agreements. For example, the City is currently operating under a compliance order from the California Department of Public Health that requires certain water projects.

Mid- and Long-Range Plans – Various City plans include infrastructure needs and goals, and guide staff in identifying needed projects as discussed in more detail on page 14. These include the City's General Plan; Community and Public Facilities Financing Plans; department multi-year plans; and various other Citywide, regional, and asset-specific plans.

Asset Management – The City owns and maintains billions of dollars of infrastructure assets. The IAM San Diego Project (Infrastructure Asset Management), is a citywide strategic initiative being led by the Office of the Deputy Chief Operating Officer for Infrastructure/Public Works. IAM is a software solution aimed to improve the City's management of infrastructure assets.

The Project began in FY 2016 and has a projected go-live date in the second quarter of FY 2018. Originally initiated in the Public Utilities Department in FY 2014, four departments

Core Asset Management Questions:

1. What is the current state of the City's assets?
2. What is the required level of service?
3. Which assets are critical to sustained performance?
4. What are the best operations and maintenance and CIP investment strategies?
5. What is the best long-term funding strategy?

Identifying Projects for the CIP Budget

are now participating in Phase 1, including: the Department of Information Technology, Public Utilities, Public Works, and Transportation & Storm Water. A phased rollout of the system is planned to occur over four years (FY 2019–FY 2022) to include five additional asset-managing departments.

The IAM system will improve the way the City plans, prioritizes, and delivers needed maintenance and capital improvement projects. For example, the system will have an asset management tool that will enable staff to use information on assets, such as current conditions, to develop optimal maintenance and CIP investment strategies. Once implemented, this system will support the development of the Capital Outlook.

Public Input – Citizens can provide input on needed CIP projects through various avenues, including:

- Contacting your City Councilmember www.sandiego.gov/citycouncil;
- Attending meetings or contacting representatives from community planning, recreation committees, and other groups <http://www.sandiego.gov/planning/involved/>; and
- Participating in the public outreach process aimed to gather input on community infrastructure needs and priorities through the Community Planners Committee ([City Council Policy 000-32](#)).

Condition Assessments – Like cities across the country, San Diego has recognized for many years that it faces significant deferred capital needs; however, the magnitude of the problem has not been known. In response, a series of condition assessments for City facilities, streets, sidewalks, and parks have been conducted. The assessments completed to date have begun to provide the first reliable information on the City's unmet deferred capital needs and funding gaps, as this information is being included in the City's Capital Outlook.

In addition to identifying capital needs, conducting condition assessments is a critical step in effectively managing capital assets. By having an inventory of all the City's assets and information on their location and their condition, the City can determine the level at which these assets should be maintained and at what cost. With this information, the City can develop asset management plans that identify the best strategy to address maintenance and capital needs.

The remainder of this section provides information on the results of condition assessments recently conducted.

Facilities – Between FY 2014 and FY 2016, the City conducted facilities condition assessments of 693 leased and non-leased City buildings that are supported by the General Fund. The assessment resulted in a need to invest an estimated \$828.7 million to restore and raise the buildings to a condition rating of "good" as defined by the Council-approved facility condition index. This estimate does not include funding to make any necessary facility upgrades and expansions, or to address seismic or accessibility deficiencies. These additional costs are anticipated to be addressed in an asset management plan being developed for the City's facilities. For more information about the facilities condition

Identifying Projects for the CIP Budget

assessments, refer to [City Council Report No. 16-014](#), [City Council Report No. 16-105](#), and [IBA Review of General Fund Facilities Condition Assessment and Proposed Service Level Standards](#).

Park Assets – The City’s park system includes nearly 40,000 acres of developed parks and undeveloped open space. Between FY 2014 and FY 2016, an assessment of the condition of 76 out of the City’s 249 developed parks was conducted. This assessment was limited to the condition of park amenities, which include assets such as playgrounds, playing fields, courts, parking lots, and roads. The assessment estimated that \$24.8 million is necessary to bring the condition of these amenities to “good condition,” as defined by a condition index developed by the City that is consistent with the index used for facilities. Like the facilities condition assessment, this estimate does not include costs for park amenity upgrades or expansions. In addition, Mission Bay Park and 25 other developed parks were assessed in FY 2017 (resulting pending) and 60 more developed parks will be assessed in FY 2018.

The Parks and Recreation Department anticipates completing condition assessments on the remaining developed park amenities by the end of FY 2019, and will expand assessments to include joint use and open space parks, as well as irrigation systems, after FY 2020. Once condition assessments are completed, the department anticipates being able to develop an asset management plan. Condition assessment data will also be included in the update of the Parks Master Plan which is in the early phases of development and is estimated to be completed in FY 2020.

Water and Wastewater Assets – The City’s water and wastewater systems contain about 3,300 miles of water transmission and distribution mains and about 3,100 miles of sewer pipelines. The Public Utilities Department (PUD) implements numerous condition assessments of its water and wastewater infrastructure. PUD conducts ongoing condition assessments of large diameter water and wastewater pipelines in groups over a five year period. On smaller diameter mains, PUD has completed condition assessments for 2,100 miles of asbestos cement water pipelines. The department also continues to assess 60 miles of small diameter sewer mains per fiscal year. The FY 2018 Adopted Budget provides \$5.3 million for water and wastewater pipeline condition assessments.

Sidewalks – The City maintains about 4,600 miles of sidewalks. Transportation & Storm Water (TSW) completed an inventory and assessment of the condition of the City’s sidewalk network in FY 2015. The City assessed 4,580 miles of sidewalks, and identified 620 miles of non-existent sidewalks. During the physical assessment of existing sidewalks, student engineers employed by the City identified locations where no sidewalks exist and mapped these locations with Geographic Information Systems. The sidewalk assessment identified approximately 78,000 locations Citywide with significant sidewalk deficiencies. Upon completion of the assessment, the total estimated cost to address all sidewalk deficiencies for existing sidewalks was approximately \$46 million.

State law² places the responsibility to maintain sidewalks in a safe condition largely on the adjacent property owner. However, [Council Policy 200-12](#) shifted much of this responsibility to the City. In addition, when the responsibility to replace sidewalks falls upon adjacent property owners (unless they caused the damage to the sidewalk), the City offers a cost sharing program to help offset these costs.

²California Streets and Highways Code Section 5610

Identifying Projects for the CIP Budget

Streets – The City maintains about 3,000 miles of streets. On April 21, 2015, the City Council approved the Mayor’s Five-Year Street Pavement Repair Program, which proposed 1,000 miles of street repairs over the next five years and an increase in the Overall Condition Index (OCI) of streets to 70 over the next ten years. An OCI of 70 represents the threshold at which streets are considered to be in good condition on a scale of 0 to 100.³

The City completed a pavement condition assessment in 2016 which indicated that the City’s streets have an average OCI of 72. The assessment also determined that 60 percent of streets are in good condition, 34 percent are in fair condition, and 6 percent are in poor condition.

TSW has a goal of assessing street pavement condition once every four years. It also has a long-term goal of maintaining an average OCI of 70 for its street network. The FY 2018 Adopted Budget provides a total of \$70.9 million towards this goal which supports 349 miles of street repair and maintenance.

As condition assessments continue to be implemented and asset management plans are developed, the City will continue to refine the extent of its capital needs and will be able to better plan for necessary capital replacements and repairs.

³ The OCI takes into account pavement distresses (e.g. potholes and cracking) and the roughness of the road . The *higher* the OCI score, the better the condition of the pavement. Conversely, the *lower* the facility condition index and park condition index score, the better the condition of the asset.

Identifying Projects for the CIP Budget

Infrastructure Planning in the City of San Diego

General Plan

The General Plan provides a long-term vision and comprehensive policy framework for how the City should grow and develop, provide public infrastructure and services, and improve the quality of life for San Diegans. The General Plan provides policy direction upon which land use decisions are made.

The Plan includes an introductory Strategic Framework section and the following elements: Land Use and Community Planning; Mobility; Urban Design; Economic Prosperity; Public Facilities, Services & Safety; Recreation; Conservation; Noise; and Historic Preservation. Though it is part of the Plan, the Housing Element is provided as a separate document due to the need for more frequent updates in accordance with State law.

Community Plans and Public Facilities Financing Plans

Community plans are long-range policy documents for specific geographic areas within the City that refine Citywide goals and policies in the General Plan to address unique local issues. The City's 52 community plans are components of the City's General Plan. Community plans provide land use designations, assign density ranges, and contain guidelines and recommendations for future community development. They also identify public infrastructure needed to serve the existing community and anticipated new growth based on the community's vision and policies in the City's General Plan. This needed infrastructure is included in the community's Public Facilities Financing Plans (PFFPs) along with associated financing strategies. Portions of the financing plans are funded through Development Impact Fees (DIFs) or Facilities Benefits Assessments (FBAs) which are fees assessed on developers to mitigate the impact of new development. These fees are based on the extent to which residential or nonresidential development generates a demand for, or receives benefit from, the various public facilities.

Plan Updates –PFFPs are often updated as part of the community plan update process. The PFFP updates are intended to provide an impact fee structure that is proportionate with current costs of facilities, which could result in increases to DIFs and FBAs. DIFs and FBAs are one of numerous funding sources used to fund capital improvement projects. Updates also reflect amendments to community plans. As plans continue to be updated, new and revised projects will be included in the CIP.

Development Impact Fee (DIF) – Communities that are at or near full community development collect impact fees proportionate to the impact of new development, including infill or revitalization efforts. DIF generally provides less than 10% of the funding needed for identified public facilities since there are limited opportunities for development in these communities. DIF is collected upon building permit issuance, and can be used to fund public facilities such as police, fire, library, park and recreation, and transportation facilities.

Facilities Benefit Assessment (FBA) – Communities that are relatively early in their planned development have an FBA that provides up to 100% of funds for public facilities projects identified in the community's PFFP. At the time of building permit issuance, the owner of the parcel being developed is assessed a fee that is determined by the type and size of the development and based on the FBA fee schedule. The FBA fee schedule is projected based on anticipated development, among other things.

IMPORTANT FACTS: DIF AND FBA

- Both DIFs and FBAs are collected, placed in an interest-bearing revenue account, and used within the community solely for administrative costs and those capital improvements identified in the applicable community plans and PFFPs. Neither DIFs nor FBAs can be used for maintenance, repairs, or the operation of facilities.
- Communities that have FBAs also have a DIF equal to the FBA to mitigate the impact of additional development on properties that have either already paid FBAs and/or that have never been assessed.
- Communities transition from FBA to DIF upon collection of all FBA revenue and subsequent expenditure of all funds within the interest-bearing FBA account.

Identifying Funding and Prioritizing Projects

Once priority projects are identified, asset-managing department staff work with the Mayor, City Council, and appropriate City departments, such as Financial Management (FM) and Debt Management, to identify funding. However, they must do so within two major constraints:

1. The City's infrastructure needs greatly exceed available resources. The most recent Capital Outlook identified \$4.30 billion in capital needs, and \$3.03 billion in available funding for capital projects through FY 2022. This leaves a gap of approximately \$1.27 billion in needed funding. This funding gap is attributed to assets that are not self-supporting and rely upon the General Fund for support, the City's main operating fund.
2. Due to competing priorities in the operating budget and the significant costs of capital projects, the CIP cannot rely heavily on the General Fund. Instead, capital improvements projects are primarily funded from various sources that often have specific restrictions on how they can be spent:
 - Types of projects—Many funding sources must be spent on a specific project or asset type. For example, enterprise funds—self-supporting revenues for services from fees and charges to users—can only be spent on projects to improve or maintain the condition of the assets for which the fees were collected, such as the City's airports or golf courses.
 - Geographic location—Development Impact Fees (DIFs) and Facilities Benefit Assessments (FBAs) must be used within the specific community where they were collected.
 - Contracts—Often funding sources have restrictions written into the contracts. For example, projects that are even partially funded by federal and state grants are required to use prevailing wages for the entire project, which increases the overall cost.

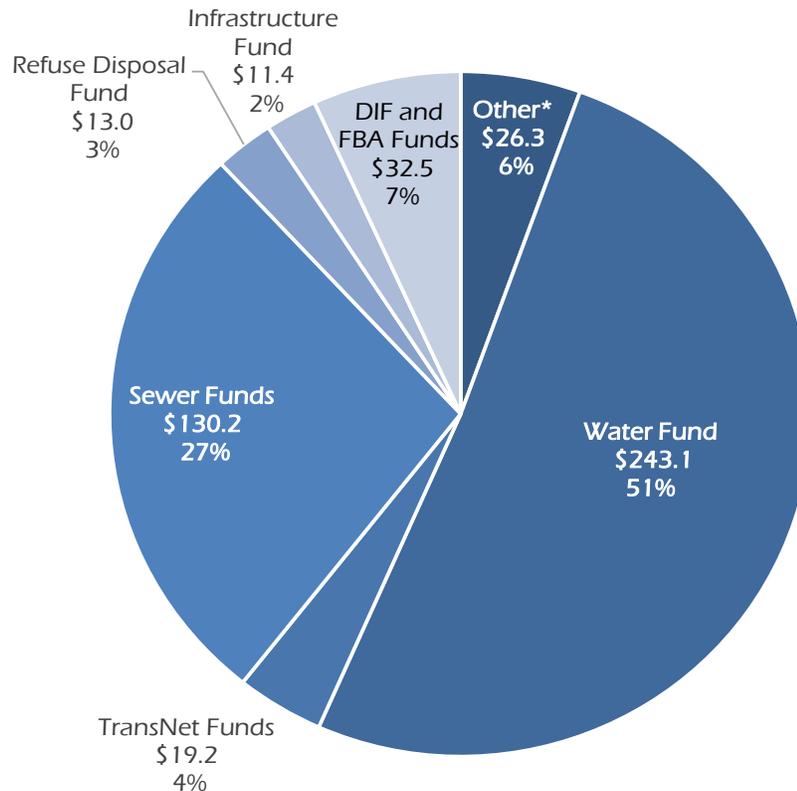
As a result of these restrictions, there is relatively little discretionary funding available and some asset types or departments have more funds than others. For example, as shown in the pie chart on page 16, Public Utilities resources (Sewer and Water Funds) make up about 78 percent of the total FY 2018 Adopted CIP Budget. These funds are supported by water and sewer rates and can only be used for capital improvements to the City's water and sewer systems. The table also on page 16 describes the various funding sources supporting the FY 2018 Adopted CIP Budget.

CIP FUNDING

- Due to limited available funding, the majority of the CIP budget includes funding for ongoing projects rather than new projects. For example, the FY 2018 Adopted CIP Budget includes additional funding for 104 projects, 95 of which are existing projects, and nine are new projects.
- The City uses "phased funding" for large CIP projects which allows the project to be divided into phases and contracted for separately. This phases in funding as it is needed rather than tying up funding that could be used elsewhere. The remaining funds needed for project completion are shown in the budget as "unidentified funding." It is anticipated that funding to complete the construction of the project will be identified when it is needed in a future fiscal year. In some cases, funding cannot be identified when needed, which can cause projects to be put on hold. These projects are generally shown in the CIP budget as "unfunded or underfunded."

Identifying Funding and Prioritizing Projects

FY 2018 CIP Budget Funding Sources
 (\$ in millions) and Percent of Total CIP Budget (\$475.6M)



*Other sources include: Antenna Lease Fund, Capital Outlay Fund, Environmental Growth Funds, Golf Course Enterprise Fund, Lease Purchase Fund, Library System Improvement Fund, Maintenance Assessment Districts, Mission Bay Park Improvement Fund, Ocean Beach Pier (Concessions) Fund, Regional Parks Improvement Fund, San Diego Unified School District—Capital Outlay, and Trench Cut/Excavation Fee Fund

FY 2018 CIP FUNDING SOURCES			
FUNDING SOURCE	DESCRIPTION & RESTRICTIONS	FY 2018 Budget	Percent of Total CIP Budget
Antenna Lease Fund	Revenue from lessees of wireless communication facilities on City property and must be used to primarily benefit the property or community where wireless facilities are located.	\$ 300,000	0.1%
Capital Outlay Fund	Revenue from the sale of City-owned property and is authorized to be used for the acquisition, construction, and replacement of permanent public improvements and to reimburse the General Fund for prior capital expenditures and for the financing costs. Proceeds may not be used for maintenance and repair.	1,500,000	0.3%
Development Impact Fees	Fees assessed to mitigate the impacts of development on a community. These funds must remain in the same community that they were assessed in to expand existing or build new City facilities in order to support the increased population.	21,572,366	4.5%
Environmental Growth Funds	A portion of franchise fee revenue from the transmission and distribution of gas, electricity, and steam is allocated to this fund, and used for environmental preservation and enhancement.	1,927,365	0.4%
Facilities Benefit Assessments	Generally provides 100% of funds for public facilities projects which service a designated area of benefit and are identified in the PFFP. Fees are paid on the actual development when permits are issued.	10,950,000	2.3%

Identifying Funding and Prioritizing Projects

FY 2018 CIP FUNDING SOURCES (CONTINUED)			
FUNDING SOURCE	DESCRIPTION & RESTRICTIONS	FY 2018 Budget	Percent of Total CIP Budget
Golf Course Enterprise Fund	Enterprise funds that receive revenue from the 3 City owned and operated golf courses. These funds are used for capital projects that improve and/or maintain the condition of these courses.	5,500,000	1.2%
Infrastructure Fund	Voter-approved ballot measure in June 2016. Until 2043, this measure redirects General Fund revenue, as specified, and establishes a funding source for CIP projects that rely on General Fund support.	11,386,545	2.4%
Lease Purchase Fund	A form of financing used as a mechanism for the lease purchase of essential equipment in addition to pay-as-you-go funding.	1,018,572	0.2%
Library System Improvement Fund	This fund was established with multi-year bond proceeds, certain Transient Occupancy Tax revenues, and receipts received under the Master Settlement Agreement with the tobacco industry. Funds are utilized for the construction and improvement of specific library facilities throughout the City.	1,884,482	0.4%
Maintenance Assessment Districts	Property owners in these districts assess themselves fees to pay for capital improvements, maintenance, services and activities in their community.	450,000	0.1%
Mission Bay Park Improvement Fund	This fund receives revenue from Mission Bay rents and concessions. These funds may only be spent for capital improvements within Mission Bay Park.	6,825,570	1.4%
Ocean Beach Pier (Concessions) Fund	This fund receives lease and concession revenue which may only be used for Ocean Beach Pier improvements.	670,981	0.1%
Refuse Disposal Fund	This fund receives revenue from customers and City departments which are used to operate the Miramar Landfill and maintain the City's inactive landfills. Capital projects are typically related to ensuring regulatory compliance.	13,000,000	2.7%
Regional Parks Improvement Fund	This fund receives revenue from Mission Bay rents and concessions. These funds may only be used for capital improvements in the City's regional parks.	3,675,307	0.8%
San Diego Unified School District - Capital Outlay	This fund was established as part of an agreement for the exchange, purchase, and disposition of property interests between the City and the school district. Funding in FY 2018 is provided to replace the boilers at the Central Library.	500,000	0.1%
Sewer Funds	Enterprise funds that receive revenue from a variety of sources, including sewer rates, bond financing, state revolving fund loans and grants. These funds are used for Environmental Protection Agency Consent Decree projects and projects that meet the requirements of the Clean Water Act, as well as to replace and/or rehabilitate the aging sewer system infrastructure.	130,212,336	27.4%
TransNet Funds	This fund receives a one-half cent local sales tax that can only be used for projects in the City's right-of-way which include roadway improvements, bicycle facilities, bridges, pedestrian facilities and traffic signals.	19,187,459	4.0%
Trench Cut/Excavation Fee Fund	The City collects fees from excavators to recover the costs associated with repaving and reconstruction due to trench cuts and pavement excavations.	2,000,000	0.4%
Water Fund	Enterprise funds that receive revenue from a variety of sources, including water rates, bond financing, state revolving fund loans and grants. These funds are used to support capital projects that support the City's water system and to meet State and federal requirements.	243,082,290	51.1%
Total		\$ 475,643,273	100.0%

Identifying Funding and Prioritizing Projects

Other Funding Sources

In addition to the funding sources being used in FY 2018, the City uses several other sources to fund capital improvement projects based on their availability. Some of these sources have restrictions on how they can be used.

Federal and State Grants—The federal and state governments provide grant funds for capital improvements projects. For example, the U.S. Department of Housing and Urban Development provides funds each year through the Community Development Block Grant (CDBG) Program to benefit low and moderate income citizens through improvements to local communities. These improvements cover a wide variety of eligible activities such as public services, community/economic development, and capital improvement. Funding for capital improvement may be used for public facilities and public improvements, including neighborhood facilities, fire stations, libraries, water and sewer facilities, parks, streets, and sidewalks. These funds also have certain restrictions on how they can be spent, such as they cannot be used for operating or maintaining public facilities or public improvements, and capital improvement projects using CDBG funds must be completed within 24 months.

CDBG Program

The City's FY 2015-2019 Consolidated Plan outlines the City's goals, objectives, and priorities for allocating CDBG funds.

The City uses an email distribution list in order to keep interested parties informed about the CDBG allocation process. If you would like to be included in this list, please send a message to CDBG@sandiego.gov stating "please add me to the list" and provide your e-mail address.

The City will allocate approximately \$29.8 million in CDBG funding in FY 2018, of which \$5.9 million is designated for CIP projects located in qualified low and moderate income areas. Additional CDBG funding may become available throughout the course of FY 2018.

Municipal Bonds—State and local governments often issue bonds to finance public works projects. Bond proceeds may be used to construct, acquire, or make improvements to capital infrastructure, but cannot be used to operate or maintain public projects. Two types of municipal bonds are most commonly used to finance public infrastructure in California—lease revenue bonds and general obligation (GO) bonds. The difference between the two is the source of repayment for the bonds. Repayment includes the principal and interest on the bond.

Lease Revenue Bonds—The City has primarily used this type of bond to finance infrastructure projects in recent years. Generally, lease revenue bonds involve creating a public facility lease between the City and a public entity, for a nominal rent. The public entity issues the bonds to be paid over a 30 year period. It then leases back that same facility to the City at a rate sufficient to cover the principal and interest payments on the bonds. The City's General Fund is responsible for making the annual lease payments to the public entity. These lease obligations do not constitute indebtedness under the State constitutional debt limitation, and are therefore not subject to voter approval which requires two-thirds majority vote. It is important to note that because lease payments are made from the City's General Fund, each time the City issues this type of bond, it adds another 30 year long-term payment obligation to the General Fund.

Identifying Funding and Prioritizing Projects

Since 2009, the City has relied on lease revenue bonds as a major funding source for infrastructure supported by the General Fund. The table to the right shows the deferred capital lease revenue bonds the City has issued to date.

Fiscal Year	Bonds Issued (\$ in millions)
FY 10	\$103.3
FY 11	-
FY 12	75.0
FY 13	35.0
FY 14	-
FY 15	120.0
FY 16	-
FY 17	-
Total:	\$333.3

Between FY 2010 and FY 2015 the City issued lease revenue bonds totaling \$333.3 million, known as DC 1, DC 2, DC 2A, and DC 3. The City had initially planned to issue an additional \$270.0 million in lease revenue bonds over fiscal years 2017, 2018, and 2019, however the City is continuing to spend down the balance of bond proceeds, and other cash, before issuing more debt. The table below provides an update on the expenditure of bond proceeds through April 30, 2017. Approximately \$25.2 million has yet to be encumbered or expended.

The City is also looking into other financing options for General Fund assets such as developing a commercial paper borrowing program. Commercial paper is a short-term financing mechanism that allows the City to borrow when funds are needed for projects instead of issuing the full amount of project costs upfront using long-term bonds.

UPDATE ON DEFERRED CAPITAL BOND SPENDING (as of April 30, 2017)					
Year Issued	Bond	Total	Encumbered	Expended	Remaining Funds
FY 10	DC 1	\$ 103,300,000	\$ -	\$ 103,300,000	\$ -
FY 12	DC 2	75,000,000	-	75,000,000	-
FY 13	DC 2A	35,000,000	-	35,000,000	-
FY 15	DC3	120,000,000	38,900,000	55,900,000	25,200,000

General Obligation (GO) Bonds—GO bonds offer the City another possible alternative to the continued use of lease revenue bonds. When the City issues GO bonds, the bonds are secured by the City’s promise to levy additional property tax sufficient to pay annual principal and interest on the bonds. Since GO bonds require an increase in property tax, they must achieve two-thirds voter approval. They are also typically the least expensive type of debt available to municipalities. Because interest rates on GO bonds are slightly lower than interest rates for lease revenue bonds, the City can reduce financing costs for capital improvement projects by using GO bonds.

GO BOND PROGRAMS IN OTHER CITIES

Cities like San Francisco, San Antonio, and Austin have used multi-year GO bond programs to finance capital improvements to streets, parks, public buildings, and other types of infrastructure. In these cities, bond oversight committees, task forces, and community forums have been used to engage citizens, develop community priorities, and provide independent oversight of bond fund spending. For more information, please view the IBA’s report (15-26): [Comparative Information about other Cities’ Bond and Revenue Measures](#).

Project Prioritization and CIPRAC

Because the City’s infrastructure needs exceed available funding, department staff must prioritize capital improvements projects. Asset-managing department staff provide a ranking for each project based on the

Identifying Funding and Prioritizing Projects

prioritization factors and corresponding scoring weights listed in the table below, per [Council Policy 800-14](#).

Priority Ranking Factors (Council Policy 800-14)

Given the funding constraints previously discussed, CIP projects typically do not compete across different project categories⁴, funding sources, or project phases. CIPRAC reviews projects and the ranking scores that were submitted by asset-managing departments. In rare cases when there is available discretionary funding or projects' ranking scores are tied, CIPRAC assesses the needed projects and proposes which project(s) should receive the funding and submits these recommendations to the Mayor for inclusion in the proposed budget. CIPRAC makes an effort to assign available funds to projects that will allow a partially funded project to be completed.

Factors	Enterprise-Funded Assets and Mandated Programs	Mobility Assets	Public Safety Assets	Neighborhood Assets
Risk to Health, Safety and Environment, and Regulatory or Mandated Requirements	25%	20%	15%	10%
Asset Condition, Annual Recurring Costs, and Asset Longevity	20%	20%	20%	15%
Community Investment & Economic Prosperity	20%	20%	10%	25%
Level & Quality of Service	10%	20%	30%	20%
Sustainability & Conservation	10%	5%	5%	10%
Funding Availability	5%	5%	10%	5%
Project Readiness	5%	5%	5%	5%
Multiple Category Benefit & Bundling Opportunities	5%	5%	5%	10%
Total	100%	100%	100%	100%

⁴ Enterprise-funded assets such as City golf courses; mandated programs are required by legal mandate or consent decree; mobility assets such as bridges; public safety assets such as police facilities; and neighborhood assets such as libraries.

Budgeting for the CIP

Budget Overview

A budget represents an organization's forecast of the revenues it will receive and expenditures it will incur in the upcoming year. Similar to many large cities, the City of San Diego's budget includes an operating budget and a CIP budget. The operating budget provides an outline of how the monies coming into the City will be spent to operate and maintain City functions and services, including public safety and parks and recreation. In contrast, the CIP budget allocates available revenue for capital projects

to rehabilitate, improve, or build new public infrastructure, such as streets, libraries, parks, and water pipes. Cities separate the CIP budget because capital infrastructure projects are generally large and expensive, take multiple years to complete, and require special financing sources outside of the City's General Fund.



CIP Budget Process

The annual CIP budget is the City's mechanism for getting projects approved and implemented. The City's annual budget is developed over several months and follows the guidelines and timeline established by the City Charter and [City Council Budget Policy 000-02](#). Although developed in conjunction with the operating budget, the CIP budget process generally begins earlier than that of the operating budget. In previous years, the CIP budget process was initiated with:

- The Public Works Department reviewing the status of ongoing CIP projects, and
- Asset-managing departments identifying and prioritizing their capital needs.

Page 5 within the Executive Summary of this Guide includes a CIP budget calendar for a typical fiscal year.

Because the City of San Diego has a Strong Mayor—Strong Council form of government, the budget is proposed by the Mayor with input from the City Council and the public, and adopted by the City Council. The City's previous Council-Manager form of government in place prior to 2006 did not have the division of power inherent in separate legislative and executive branches. Instead, the Mayor was an equal voting member of the City Council which set City policies, as well as the budget, and a professional city manager carried out these policies.

The FY 2018 Adopted CIP Budget

The CIP Budget includes funding for: (1) projects started in previous years that are ongoing in FY 2018, and (2) new projects starting in FY 2018. The table on the following page shows funds included in the FY 2018 Adopted CIP Budget by department or division.

- "Prior Years" includes a total of approximately \$2.90 billion for ongoing CIP projects that was approved by the City Council in prior-year CIP budgets. This amount includes both funding that has

Budgeting for the CIP

been expended or designated for a specific purpose (encumbered) and carryover funding (continuing appropriations).

- “FY 2018 Adopted Budget” includes a total of approximately \$475.6 million for new and ongoing projects that were approved by the City Council in June 2017.
- “Future Years” reflects approximately \$4.70 billion in funding needs that are estimated to be needed to complete existing projects and new projects approved in FY 2018.
- The “Total” of approximately \$8.02 billion represents the City’s past, present, and future commitment for implementing approved CIP projects.

Department or Division	Prior Years	FY 2018 Adopted Budget	Future Years	Total
Airports	\$ 20,595,375	\$ -	\$ -	\$ 20,595,375
Citywide	56,654,482	3,395,240	514,050,000	574,099,722
Environmental Services	49,087,036	14,230,000	44,173,755	107,490,791
Fire-Rescue	95,447,925	1,000,000	87,125,126	183,573,051
Library	243,149,385	2,594,482	37,030,938	282,774,805
Park & Recreation	336,098,268	44,650,524	245,166,642	625,915,434
Police	15,208,927	-	-	15,208,927
Public Utilities	1,181,048,166	370,717,958	1,993,282,357	3,545,048,481
Public Works-General Services	30,633,211	4,800,000	234,217,006	269,650,217
Transportation & Storm Water	825,499,212	34,255,069	1,540,020,441	2,399,774,722
Total	\$ 2,853,421,992	\$ 475,643,273	\$ 4,695,066,265	\$ 8,024,131,530

Note: Amounts may not sum to total due to rounding

Public Input Process on Infrastructure Needs and Priorities for the CIP Budget

The City has initiated a formal public input process to collect community needs from Community Planning Groups to inform the next Five-Year Capital Infrastructure Planning Outlook (Capital Outlook) anticipated to be released around January 2018. [Council Policy \(000-32\)](#) outlines this outreach process. The Capital Outlook provides a long-range revenue and expenditure plan to address capital needs from a Citywide perspective. This plan serves as the basis for the development of annual CIP budget and provides the City Council and the public with valuable context going into the budget adoption process. Better planning also improves overall management of the City’s infrastructure.

Citizens play a critical role in helping the City identify and implement a more comprehensive solution to address infrastructure problems. With the Capital Outlook, City staff are able to more effectively plan for the inclusion of community recommended projects over a five-year period, rather than through the annual budget. The City can also identify priority unfunded needs, and develop strategies for financing these projects so that infrastructure needs are more comprehensively addressed.

Implementation of CIP Projects

Project implementation includes management and oversight of projects from initiation through project completion. For efficiency purposes, the implementation and management of CIP projects is centralized in the Public Works Department.

Following approval of the budget, project implementation will continue or move to the next phase for ongoing projects, and new projects will be initiated. The project implementation phases generally depend on the contracting method used. The City uses the “Design-Bid-Build” method for the majority of its CIP projects. This method generally entails either designing the project in-house or hiring a consultant for design, and then going through the bid and award process for the construction contract. The implementation phases for this method are shown on the following page.

The City also uses other contracting methods when appropriate, such as:

- 1) *Design-Build*, where the City hires a design and contractor team to design and construct a project under one contract;
- 2) *Job Order Contracting* for as-needed construction projects not contemplated at the time of contract award. Projects are authorized through task orders up to \$5 million for pipeline and pavement work, and \$1 million for all other work. Cumulative amount of task orders may not exceed \$30 million without Council approval; and
- 3) *Emergency Contracting*, where Council is notified of a health, safety, or property-related emergency and prequalified contractors are awarded contracts without advertisement and competition.

Choosing the right procurement process depends on a number of factors, such as the complexity of the project, its schedule, and available cash flow.

PROJECT IMPLEMENTATION

- CIP projects are generally large and expensive, and take multiple years to complete.
- The Public Works Department is generally not involved in identifying capital needs or funding—this is primarily the responsibility of asset-managing departments (e.g., Park & Recreation, and Transportation & Storm Water), in concert with the Mayor, City Council, Financial Management, and other City departments. Public Works’ role is to implement projects once they have been approved in the CIP budget.
- Original estimated costs of CIP projects and priority scores are revised, as necessary, by Public Works during the design phase when the project scope is refined, and more detailed information is known on environmental and historical impacts and other issues.
- Public Works launched a CIP website that provides information on ongoing CIP projects via an interactive map: <https://www.sandiego.gov/cip/>

Implementation of CIP Projects

Project Initiation

Asset-managing departments determine preliminary scope of project, confirm funds, and submit to Public Works



Planning/Pre-Design

Public Works develops the preliminary scope of work, as well as cost and schedule estimates; conducts needed research, surveys, and preliminary reviews; refines the priority score of project; and confirms funds



Design

Public Works conducts design studies, investigations, and calculations; develops final construction plans, specifications, and engineer's estimates and related construction costs; conducts community outreach and notification; performs constructability review and related studies; and acquires needed land or easement



Construction Bid & Award

Public Works determines contract specifications, advertises projects for construction bids, conducts technical evaluation committee, and selects most responsive and responsible bidder



Construction

Public Works oversees construction of project; performs quality assurance and control; tests construction materials; and manages project scope, cost, and schedule. Asset-managing department attends final walk-through



Post-Construction

Public Works conducts warranty inspections; files project plans and drawings with the City's Permit Records and Mapping Section; and provides long-term monitoring and reporting of environmental mitigation. The Comptroller's Office capitalizes the asset

Implementation of CIP Projects

Enhancements to Project Implementation

CIP Streamlining and Transparency – Public Works led an initiative to expedite the process of authorizing contracts and allocating resources, and to increase transparency of the CIP. The initiative, approved by the City Council in 2012, resulted in changes to the Municipal Code and the development of [City Council Transparency Policy \(000-31\)](#). Efforts to improve the CIP include:

Streamlining mechanisms such as:

- Increasing the City Council’s approval thresholds for various types of contracts and agreements.
- Not requiring projects approved in the CIP budget to go back to Council to approve the award of a consultant or construction contract, unless requested, thereby reducing project delays.
- Authorizing Public Works to use Multiple Award Construction Contracts (MACCs) for implementation of certain CIP projects (design and construction services for water, sewer, and storm drain pipeline projects). MACCs are contracts awarded through a single solicitation that results in the award of design-build task orders to multiple contractors. Individual task orders may not exceed \$30 million, and all task orders may not exceed \$100 million without Council approval. This method is designed to reduce costs and time by streamlining the bidding and contract award process.

Methods to increase transparency including:

- Providing additional project information in the published CIP budget document.
- Dedicating a City Council budget hearing specifically for the CIP.
- Public Works reporting on the state of the CIP to the City Council semi-annually and being available to present to committees or the full Council upon request.
- Public Works maintaining a [CIP Website](#) with project information.
- Updating and annually releasing the Capital Outlook.

In addition to the streamlining measures above, more process improvements and streamlining measures were initiated in FY 2016 including:

- Online vendor registration, bidding, and award of construction contracts (eBidding/eSignatures)
- Streamlined environmental review
- Expanded use of City construction crews for small projects which has helped improve responsiveness to smaller CIP needs, such as installation of minor missing sidewalks and curb ramps.
- Obtaining approval for a group of consultant contracts for CIP projects based on a portfolio of

Implementation of CIP Projects

services, instead of seeking individual contract approvals.

- Improved coordination of paving roads with underground infrastructure construction projects.
- Electronic review of documents needed to obtain mayoral approval related to CIP projects.
- Expanded use of MACCs; implementation of batch/options contracting (batches projects with similar scopes together in one contract); and increased use of Job Order Contracts. These measures increase the flexibility of available CIP delivery methods, reduce time associated with procurement, and expedite project implementation.
- Increasing the size of average construction contracts to take advantage of economies of scale.
- Community input for the selection of design-build teams early in the design phase of the project to avoid cost overruns and project delays.

Current ongoing streamlining activities include: (1) establishing procedures for performance evaluations of consultants providing architectural and engineering services; and (2) finalizing standardized designs for comfort stations and shade structures to allow projects move forward more efficiently.

Additionally, beginning in December 2015, the Financial Management Department has produced the Semi-Annual CIP Budget Monitoring Report which provides updates on the City's CIP cash management process improvements.⁵ The purpose of these improvements is to efficiently manage cash in the CIP and enhance timely completion of CIP projects. Cash management improvements include:

- A CIP budget review process in which capital projects are reviewed to identify any excess budget that can be reallocated to other priority projects. This results in a consolidated request from departments to adjust project budgets; reducing staff time in preparing individual Council requests.
- A CIP budget monitoring process that closely tracks several significant CIP funds to better manage budget and cash across the entire capital program.
- Only obligating (or encumbering) funds necessary to support activities in the current fiscal year for several construction contracts, as opposed to allocating the entire funding amount to projects despite not needing some of it until future years. This allows other projects to move forward.
- Grouping project contingency budgets to spread risk of cost overruns to a larger pool of projects, resulting in net savings, as savings from individual projects cover cost overruns in other projects.
- Development of a commercial paper borrowing program to be used as a short-term financing tool for General Fund supported capital needs (e.g. streets, storm water, and City facilities).

⁵ More information on Public Works and Financial Management's streamlining and cash management process improvements can be viewed in IBA reports 15-11: [IBA Review of the Mayor's Five-Year Process Improvement and Streamlining for Capital Improvement Program Delivery](#), and 15-12: [IBA Review of the Mayor's Capital Improvements Program \(CIP\) Cash Management Process Improvements](#).

Accountability and Oversight

City Council

As the Legislative Branch of government, the City Council is responsible for setting policy direction; enacting, reviewing, and modifying legislation as appropriate; and adopting the annual budget. The Legislative Branch provides a check and balance to the City's Executive Branch, with the Mayor serving as the Chief Executive Officer. As part of the CIP streamlining measures adopted by the City Council in March 2012, Public Works staff report to the City Council on the status of the CIP biannually. Staff is also available to present to committees or the full Council upon request.

In addition to the Infrastructure Committee, the Budget and Government Efficiency, Budget Review, and Audit Committees are specifically charged with overseeing major components of the City's financial operations. The committee structure includes ten Council committees to help Councilmembers analyze specific legislative matters in a focused and efficient manner. All of the Council committees are listed in the above box.

The Ten Council Committees

1. Audit
2. Budget & Government Efficiency
3. Budget Review
4. Economic Development & Intergovernmental Relations
5. Environment
6. Infrastructure
7. Public Safety & Livable Neighborhoods
8. Rules
9. Smart Growth & Land Use
10. Select Committee on Homelessness

Infrastructure Committee

The Infrastructure Committee focuses on the Capital Improvement Program (CIP), the annual update of the Capital Outlook, asset management, additional streamlining opportunities, infrastructure financing strategies, and community CIP hearings, among other related topics.

Budget & Government Efficiency Committee

The Budget and Government Efficiency Committee's responsibilities include the annual budget, financial reports, purchasing and contracting, and equal opportunity contracting, among other issues.

Budget Review Committee

The Budget Review Committee is responsible for the annual budget development process. During public budget hearings held in May, Councilmembers may request that specific projects be brought back to Council prior to awarding contracts. These committee meetings also allow members of the public to ask questions of City staff, provide input to committee members relating to the annual budget, and provide an opportunity for the Council to thoroughly analyze any budget issues.

Audit Committee

The Audit Committee provides independent legislative oversight for the City's accounting and financial processes. On July 11, 2011, the Audit Committee heard a performance audit of the City's CIP.

Meeting agendas and minutes can be found online at: www.sandiego.gov/city-clerk/officialdocs/legisdocs/cccm meetings.

Important Resources

CIP Website

The Public Works Department maintains a website that includes information about the Capital Improvements Program (CIP), including project information, and bid and contracting opportunities. Visit www.sandiego.gov/cip for more information.

Documents

[City of San Diego FY 2018 Adopted Budget](#): In June 2017, the City of San Diego approved the FY 2018 Budget, which began on July 1, 2017. The FY 2018 Adopted Budget and past year's budgets can be found on the Financial Management Department's website at www.sandiego.gov/fm/annual.

[City Council Budget Policy 000-02](#): This policy establishes guidelines and standards relating to the operating and CIP budgets, budgetary controls, and revenues and expenditures.

[City Council Project Prioritization Policy 800-14](#): This policy establishes an objective process for ranking CIP projects. Asset-managing departments utilize this policy when ranking their needs lists before submitting them to CIPRAC.

[City Council Transparency Policy 000-31](#): This policy enhances transparency by improving access to information related to the CIP. It also establishes a framework to make information about the CIP readily available to interested parties.

[City Council Community Planners Committee Policy 600-09](#): This policy establishes a citizens' organization that serves in an advisory capacity to the City regarding matters related to the General Plan and the various community plans.

[City Council Community Planning Groups Policy 600-24](#): This policy identifies responsibilities and establishes minimum operating procedures governing the conduct of planning groups when they operate in their officially recognized capacity.

[City Council Policy on Neighborhood Input on Infrastructure Needs and Priorities 000-032](#): This policy formalizes the role and process for neighborhood input on infrastructure needs and priorities, for consideration in the City's CIP budget and the Capital Outlook.

Recent Infrastructure Related Reports from the Office of the IBA

- Report #17-11: [IBA Review of General Fund Facilities Condition Assessment and Proposed Service Level Standards](#)
- Report #17-11: [IBA Review of the FY 2018-2022 Five-Year Capital Infrastructure Planning Outlook](#)

For a complete report listing visit: www.sandiego.gov/iba/reports/infrastructure

Important Resources

City Contacts

Mayor's Office

The Mayor serves as the City's Chief Executive Officer. Through the Chief Operating Officer, the Office oversees the City's daily operations, and implements programs and initiatives to carry out the City's policy objectives. The Mayor is also responsible for proposing the City's annual budget by April 15th of each year, revising it as appropriate after input from the public and City Council through the May budget hearings, and producing the final adopted budget that is approved by the City Council in June. To contact the Office of the Mayor, call 619-236-6330, email kevinfaulconer@sandiego.gov or visit the Office's website at www.sandiego.gov/mayor.

Public Works Department

Once a capital project is approved, Public Works is the department that implements, manages, and oversees the project throughout the process. To learn more about specific capital projects, please call 619-533-4207, email engineering@sandiego.gov, or visit www.sandiego.gov/cip.

Office of the Independent Budget Analyst (IBA)

The mission of the IBA is to provide clear, objective, and unbiased analysis and advice to the City Council and the public regarding all legislative items bearing financial and policy impacts to the City of San Diego. IBA reports are made available to the public and are presented to the City Council during Council meetings, budget hearings, and committee meetings. To contact the Office of the IBA, please call 619-236-6555, email sdiba@sandiego.gov, or visit the Office's website at www.sandiego.gov/iba.

Asset-managing Department Contacts

In addition to the Public Information Officers who are assigned to some of the departments to provide information about CIP projects, asset-managing departments may also be contacted by interested parties with questions or project input. The table on the following page includes contact information for these specific departments and divisions.

Community Groups, Committees, and Districts

Community Planners Committee (CPC)

The CPC was created to ensure communication between the various Community Planning Groups, and to solicit public input on Citywide issues. The chairperson of each Community Planning Group is designated to act as their community's representative to the CPC. To access CPC meeting agendas, minutes, and additional information please visit: www.sandiego.gov/planning/community/cpc.

Community Planning Groups (CPGs)

Community Planning Groups act as a formal mechanism for community input in the CIP decision-making process. They give citizens an opportunity to suggest projects to the City Council, the Planning Commission, asset-managing departments, and other decision makers. For more information

Important Resources

about the City’s CPGs visit: www.sandiego.gov/planning/community/cpg.

Park & Recreation Boards and Committees

Park and Recreation Committees act as vehicles for public input to the Park & Recreation Board, which makes recommendations to City Council via Council or committee meetings. For more information please visit: www.sandiego.gov/park-and-recreation/general-info/boards.

Asset-managing Department Contacts

Responsible Department or Division	Capital Infrastructure Assets	Website	Contacts	
			For capital needs	For ongoing CIP projects
ADA Compliance & Accessibility	ADA Compliance & Accessibility	www.sandiego.gov/adacompliance/	Division Contact: (619) 236-5979; adacompliance@sandiego.gov	619- 533-4207 engineering@sandiego.gov
Airports Division	Brown & Montgomery Fields	www.sandiego.gov/airports	Brown: 619-424-0455 Montgomery: 858-573-1440	
Fire-Rescue Department	Fire and lifeguard stations and related facilities	www.sandiego.gov/fire	Michelle Yamamoto 619-533-4303; myamamoto@sandiego.gov	
Library Department	Central Library and 35 branch libraries	www.sandiego.gov/public-library	Stephanie Gilbert 619-236-5889; sgilbert@sandiego.gov	
Park & Recreation Department	Golf courses, parks, playgrounds, recreation centers, and swimming pools	www.sandiego.gov/park-and-recreation	Andrew Field, Assistant Director (619) 236-6643; Afield@sandiego.gov	
Police Department	Police stations, firing ranges, and related facilities	www.sandiego.gov/police	Kyle Meaux 619-531-2221; kmeaux@pd.sandiego.gov	
Public Utilities Department	Water and sewer pipelines, pump stations, treatment centers, reservoirs and	www.sandiego.gov/publicutilities	Arian Collins, Supervising PIO 619-527-3121; ACollins@sandiego.gov	
Public Works-General Services Department	Upgrades and capital repairs to City facilities, such as HVAC replacement and roof repairs	www.sandiego.gov/publicworks/about/gensvcs	Hotline 619-533-4207	
QUALCOMM Stadium	Upgrades and capital repairs to QUALCOMM Stadium	www.sandiego.gov/qualcomm	Stadium Contact: 619-641-3100 stadium@sandiego.gov	
Real Estate Assets Department	City-owned real estate such as the City Concourse & Parkade	www.sandiego.gov/real-estate-assets	Division Contact: 619-236-6020	
Transportation & Storm Water Department	Bikeways, streets, sidewalks, street lights, traffic signals; and storm drains, pipes, and outfalls	www.sandiego.gov/planning/programs/transportation www.sandiego.gov/stormwater	Bill Harris, Supervising PIO 858-541-5354; BillHarris@sandiego.gov	
Environmental Services Department	Landfills (active & inactive); energy efficient programs for City facilities	www.sandiego.gov/environmental-services	Darren Greenhalgh, Assistant Director Phone: (858) 573-1214 Dgreenhalgh@sandiego.gov	

Important Resources

City Council Offices

District 1

Councilmember Barbara Bry

202 C Street, 10th Floor
San Diego, CA 92101

Email: barbarabry@sandiego.gov

Phone: (619) 236-6611

District 2

Councilmember Lorie Zapf

202 C Street, 10th Floor
San Diego, CA 92101

Email: loriezapf@sandiego.gov

Phone: (619) 236-6622

District 3

Councilmember Chris Ward

202 C Street, 10th Floor
San Diego, CA 92101

Email: christopherward@sandiego.gov

Phone: (619) 236-6633

District 4

Council President Myrtle Cole

202 C Street, 10th Floor
San Diego, CA 92101

Email: myrtlecole@sandiego.gov

Phone: (619) 236-6644

District 5

Council President Pro Tem Mark Kersey

202 C Street, 10th Floor
San Diego, CA 92101

Email: markkersey@sandiego.gov

Phone: (619) 236-6655

District 6

Councilmember Chris Cate

202 C Street, 10th Floor
San Diego, CA 92101

Email: chriscate@sandiego.gov

Phone: (619) 236-6616

District 7

Councilmember Scott Sherman

202 C Street, 10th Floor
San Diego, CA 92101

Email: scottsherman@sandiego.gov

Phone: (619) 236-6677

District 8

Councilmember David Alvarez

202 C Street, 10th Floor
San Diego, CA 92101

Email: davidalvarez@sandiego.gov

Phone: (619) 236-6688

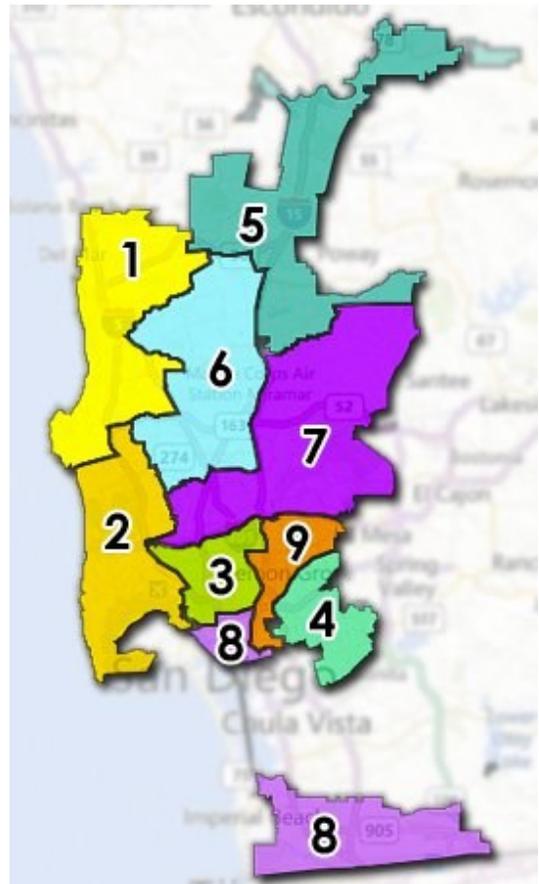
District 9

Councilmember Georgette Gómez

202 C Street, 10th Floor
San Diego, CA 92101

Email: georgettegomez@sandiego.gov

Phone: (619) 236-6699



Frequently Asked Questions

What is the difference between the City's operating budget and the CIP budget?

The operating budget provides an outline of how the monies coming into the City will be spent to operate and maintain City functions and services, including public safety and parks and recreation. The operating budget is primarily supported by the General Fund and is used for day-to-day recurring operating expenses for City services and functions. In contrast, the CIP budget allocates available revenue for capital projects to rehabilitate, improve, or build new public infrastructure, such as streets, libraries, and parks. The CIP is funded by various sources that often have restrictions on how they can be spent.

Is the CIP budget a multi-year plan?

The FY 2018 CIP budget includes one year of funding and future costs for completing: (1) projects started in previous years that are ongoing in FY 2018; and (2) new projects starting in FY 2018. The Five-Year Capital Infrastructure Planning Outlook identifies known capital needs and funding sources over the next five years. It is released annually and will be used as a guide in developing the City's annual CIP budget.

Can the City use more funds from the General Fund for CIP projects?

Because the General Fund is the primary funding source for basic City services, and those funds are limited, the General Fund is only used for a small portion of the most urgent capital projects that do not have any other available funding sources.

How can I determine if my project is capital in nature?

Capital improvements projects are construction projects that provide tangible long-term improvements or additions of a fixed or permanent nature; have value; and can be depreciated, such as a new or expanded library, replacement of aging water pipes, or a new streetlight. In contrast, maintenance includes ongoing upkeep and repairs with a short lifecycle, such as patching a roof, planting trees, painting a building, or replacing carpeting. Asset-managing department staff can provide additional clarification, if needed (see contact information on page 30).

What is CIPRAC?

The Capital Improvements Program Review & Advisory Committee (CIPRAC) is an internal decision-making body largely made up of senior-level officials from City asset-managing departments. It reviews projects and corresponding ranking scores submitted by departments during the budget process, and makes project recommendations to the Mayor for inclusion in the Mayor's proposed budget. CIPRAC's goal is to ensure that the projects are appropriately ranked from a Citywide perspective, balancing needs and budget with policy objectives.

Why do certain projects with lower priority scores make it into the budget and receive funding over projects with higher scores?

Generally this occurs as a result of funding availability, and related limitations associated with those funds. For example, Water & Sewer Funds can only be expended for water and sewer projects, thus

Frequently Asked Questions

creating a situation where a low scored water or sewer project may be funded before a higher priority scored park or street project.

How many projects were funded in FY 2018, and how many of those were new projects?

For the FY 2018 CIP budget, 104 projects were provided additional funded of approximately \$475.6 million. Of those 104 projects, nine are new projects and the others are existing projects that will be completed over multiple years.

How will I know if a project I am interested in is funded?

Projects that are proposed to be funded for the next fiscal year will be released in the Mayor's proposed budget by April 15th of the prior fiscal year.

What happens to projects that do not make it into the CIP Budget?

Asset-managing departments keep track of their unfunded needs, and any feasible project not selected for implementation remains on the department's unfunded needs list to be considered for future funding when available.

How can I follow the progress of an approved capital project?

The CIP website, www.sandiego.gov/cip/projectinfo, provides an updated interactive map and tools for public use that displays information on current capital projects. You may also contact the corresponding project manager listed in Volume 3 of the City's FY 2018 Adopted Budget – Capital Improvements Program found on the Financial Management Department's website www.sandiego.gov/fm/annual, contact your Council District's office (see page 31) or contact the asset-managing department (see page 30).

Why would an approved project not have any funding identified for the current fiscal year even though it was identified for funding in previous fiscal years?

The City uses "phased funding" for large CIP projects, which is a good cash management practice. For example, a project will be started when it has sufficient funds to complete planning and design in order to get it off the ground. The remaining funds needed for project completion are shown in the budget as "unidentified funding."

It is anticipated that funding to complete the construction of the project will be identified when it is needed in a future fiscal year. In some cases, funding cannot be identified when needed which can cause projects to be put on hold. The projects are generally shown in the CIP budget as "unfunded or underfunded." These projects remain in their current implementation phase until more funding can be identified, or they are removed from the CIP budget.

How is a capital project removed from the CIP budget?

A project comes off of the capital project list (and CIP budget) once it is completed or constructed, or through Council approval.

Frequently Asked Questions

Why do some projects languish without receiving money even though they have been approved as a capital project?

A common cause for this stems from a lack of available or eligible funding. Other issues include that a proposed project is affected by legal or environmental requirements, or a project lacks community support.

Who do I contact regarding questions about a project that is unfunded?

If a project has already been approved and initiated, call 619-533-4207, email engineering@sandiego.gov, or submit an inquiry online at www.sandiego.gov/cip/about/comment. Additionally, Volume 3 of the City's Adopted Budget has a project page on each approved CIP project, including the project manager and his or her contact information: www.sandiego.gov/fm/annual.

Is there available funding throughout the year that is not part of the regular budget to do small capital projects?

No additional planned funding is set aside throughout the fiscal year, but state and federal grants or other opportunities may become available. In addition, the CIP budget includes annual allocations which are essentially pots of monies that may be used to fund ongoing maintenance and repair projects throughout the fiscal year. Annual allocations are typically used to fund smaller projects that are expected to last for less than one year.

Does the age of a community affect the investments it receives from the City?

The City does not prioritize specific communities over others, but there are two important points related to the age and level of development in a community:

- First, more established communities will have older assets that may require improvement or replacement. This will increase the priority ranking score of the project.
- Second, more established communities that are at or near build out are only able to collect Development Impact Fees on developer infill or revitalization efforts. This generally provides less than 10% of the funding needed for identified public facilities. In contrast, communities that are relatively early in their planned development assess fees as development occurs. In this case, the Facilities Benefit Assessment provides up to 100% of funds for public facilities projects identified in the community's financing plan.

What qualifies a capital project as an emergency project?

A capital project becomes an emergency project once there is a threat to the lives and safety of the public. For example, the replacement of a failed water main, and the repair of sidewalks, streets, and other public property damaged by the resultant flooding would qualify as an emergency project.

When and how can I provide input into the projects that are selected for next year's CIP process?

Citizens can provide input on needed CIP projects through various avenues, including:

- Contacting your City Councilmember (see page 31) or visit: www.sandiego.gov/citycouncil;

Frequently Asked Questions

- Providing public comment during City Council budget hearings;
- Contacting staff from the applicable asset-managing department (shown on page 30);
- Attending meetings or contacting representatives from the relevant planning groups or committees: www.sandiego.gov/planning/involved/; and
- Provide public input on community infrastructure needs and priorities through the Community Planners Committee ([City Council Policy 000-32](#)).

In order to provide input for the following fiscal year, it is most effective to become involved early in the CIP budget process, before the asset-managing departments begin to compile and prioritize their needs lists in September. After the Mayor releases the proposed budget by April 15th, the public also has an opportunity for input through budget hearings that are held in May.

Glossary

Asset Management – A recommended practice for effectively and sustainably managing assets at a desired level of service for the lowest life cycle cost. Asset management provides needed information on existing assets, such as condition and desired level of service, so that City staff can develop optimal strategies for maintenance and rehabilitation or replacement of assets.

Asset-managing Departments and Divisions - These departments and divisions identify, prioritize, and—working with the Mayor, Council, and appropriate City departments—find funding for needed capital improvement projects. Asset-managing departments or divisions include: Airports, Environmental Services, Fire-Rescue, Library, Park & Recreation, Petco Park, Police, Public Utilities, Public Works-General Services, QUALCOMM Stadium, and Transportation & Storm Water.

Bond - A funding tool representing a written promise to pay a specific sum (face value or principal amount) in the future (maturity date), plus interest. In California, municipal government bonds are only used to finance capital improvements.

Capital Asset - Land, structures, equipment, and intellectual property that have an estimated life of one year or more.

Capital Improvement Project - The construction, purchase, or major renovation of buildings, utility systems, and other facilities, as well as land acquisition and roadway projects.

Capital Improvements Program (CIP) - The long-range plan for all individual capital improvement projects and funding sources. CIP projects are unique construction projects that aim to install new, replace old, or rehabilitate existing infrastructure.

CIP Budget – An annual allocation to CIP projects. It also identifies future funding and needs.

Capital Improvements Program Review and Advisory Committee - A committee comprised of senior-level officials from City departments that reviews proposed CIP projects from a Citywide perspective and forwards proposed budget recommendations for the Mayor’s approval and, during the annual budget process, City Council’s approval.

Community Plan - Community plans provide land use designations, assign density ranges, and contain detailed policies and guidelines at the community level. They also identify public infrastructure needed to serve the community based on the community’s vision, and policies in the City’s General Plan.

Deferred Capital – Needed capital improvements, refurbishment, or expansion to existing facilities that have been put off. Postponing capital projects is generally due to limited available funding, but often will increase the cost of repairs as the condition of facilities, roadways, and other infrastructure worsens.

Development Impact Fees (DIF) – Fees that are collected within urbanized communities to mitigate the impact of new development.

Enterprise Funds – Funds established to account for specific services, which are funded directly by fees and charges to users such as water and sewer services. These funds are intended to be self-supporting.

Facilities Benefits Assessments (FBA) – An FBA generally provides 100% of funds for public facilities

Glossary

projects that service a designated area of benefit, and are identified in the Public Facilities Financing Plan.

General Fund - The City's main operating fund that pays for basic City services such as police and fire, parks, and library services.

General Obligation (GO) Bond - GO bonds are backed by the full faith and credit of the issuing municipality, including the ability to raise taxes to make debt financing payments. GO bonds require two-thirds voter approval and are typically the least expensive type of debt available to municipalities. Lower rates will significantly reduce the final costs of capital improvement projects as the bonds are paid off over a 20 to 30 year period.

Grant - A contribution by a government or other organization to support a particular function.

Infrastructure - The basic structures and underlying facilities needed for the functioning of a community and its economy, such as public facilities, streets, roads, bridges, tunnels, parks, storm drains, and water and sewer systems.

Maintenance Assessment District – Property owners within a specified district are assessed for the purpose of financing maintenance of open space areas, street medians, rights-of-way, and in some cases, mini-parks and streetlights.

Maintenance & Repair - The care and upkeep of existing assets, such as resurfacing streets and replacing leaking roofs.

Operating Budget - Authorized expenditures for ongoing municipal services such as public safety, street maintenance, parks, and libraries. The detail of the City of San Diego's operating budget can be found in Volume 2 of the City's annual budget document.

Proposed Budget - The Mayor's recommendation for the City's financial operations, which includes an estimate of proposed expenditures and revenues for a given fiscal year.

Public Facilities Financing Plan (PFFP) – PFFPs establish priorities for infrastructure needs that are identified in the related community plan, as well as existing and potential funding sources. Generally, the plans are funded through Development Impact Fees or Facilities Benefits Assessments, which are fees assessed on developers to mitigate the impact of new development.

Revenue Bonds – A revenue bond guarantees repayment solely from revenue generated by a specified entity associated with the purpose of the bonds, rather than from a tax increase. Revenue bonds may carry a slightly higher interest rate because the revenue source is perceived to be slightly less secure than that of GO bonds, which are considered the most secure type of municipal bonds.

Unfunded needs list – A summary of projects with insufficient funding for project completion, which identifies both the amount of funding required and the component of work that is not funded. This information can be found by department in the City's CIP budget document.

Unidentified funding – An amount required for project completion, but for which no funding source has been identified. This information can be found in the City's CIP budget document.