



# STAFF REPORT

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May 11, 2022  
File Number 0430-55

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## SUBJECT

### FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM AND FISCAL YEAR 2022/23 CAPITAL IMPROVEMENT PROGRAM BUDGET STATUS –

## DEPARTMENT

Finance

## RECOMMENDATION

Request the City Council review the proposed Fiscal Year 2022/23 Five-Year Capital Improvement Program and Budget and authorize staff to return with the Fiscal Year 2022/23 Capital Improvement Program and Budget for final adoption on June 8, 2022.

Staff Recommendation: Provide Direction (Finance Department: Christina Holmes)

Presenter: Edrilyn D. Cruz, Accountant

## FISCAL ANALYSIS

See Below.

## PREVIOUS ACTION

The preliminary Five-Year CIP and FY2021/22 CIP Budget update was taken to the City Council on May 12, 2021. The City Council approved the Five-Year CIP and Budget for FY2021/22 on June 9, 2021.

## BACKGROUND

The Five-Year Capital Improvement Program (“CIP”) is a five-year planning tool for major infrastructure, capital construction, improvements, maintenance projects, and other non-capital type projects to accommodate restricted funding requirements. The CIP budget is adopted for a single year only, but the plan includes projected programming over a five-year period. The budget is updated and developed annually with a review of on-going projects, determination of available funding, and evaluation and prioritization of projects that respond to current needs and priorities of the City of Escondido (“City”).

Section 1 of the attached Preliminary CIP Budget lists the staff recommendations of projects to be funded in the FY2022/23 Five-Year Capital Improvement Program. A detailed description of each project and the funding source is provided, sorted by the type of project: General City, Library, Parks and Recreation, Public Art, Public Works, Streets, Wastewater Utilities and Water Utilities.



# CITY *of* ESCONDIDO

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A description of funding sources and projected available balances and uses are listed in Section 2 of the Preliminary CIP Budget. Nearly all capital projects in the City are paid for using funds which are restricted in some fashion by the funding source:

- Gas Tax, Road Maintenance and Rehabilitation funds, and Transnet funding account for a majority of the City's \$19 million in street projects.
- Development Impact fees, including Park Development, Public Art, Public Facilities, Storm Drain, and Traffic Impact Fees, are collected for the purpose of mitigating the impact of the development on the community. As the City continues to experience growth and expansion resulting from new development, it is anticipated that in FY2022/23, approximately \$13 million from collections of development impact fees will be available to support appropriate projects.
- Water and Wastewater Capital Projects totaling \$75 million are funded by a combination of customer fees, cost sharing with local agencies, and loan funding.

The proposed projects included in Attachment 1 do not include projects that do not have an identified funding source. A list of unfunded Infrastructure projects CityWide, totaling more than \$250 million, was provided to the City Council on April 20, 2022, and is included as Attachment 2.

### **ATTACHMENTS**

1. Attachment 1 – Preliminary Five-Year Capital Improvement Program and Budget FY2022/23-FY2026/27
2. Attachment 2 – Unfunded Infrastructure Projects