



FY 2022/23 and FY 2023/24

Adopted Biennial Capital Improvement Program Budget Budget-in-Brief



**City of
Santa Clara**
The Center of What's Possible

City of Santa Clara Budget-in-Brief

FY 2022/23 and FY 2023/24 Adopted Biennial Capital Improvement Program Budget



To Our Santa Clara Residents:

I am pleased to present the Adopted Biennial Capital Budget for fiscal years (FY) 2022/23 and FY 2023/24 and the Five-Year Capital Improvement Program as well as amendments to the FY 2022-23 Adopted Operating Budget. This continues the biennial budget process that alternates between an operating and capital budget. This year's budget focuses on our capital infrastructure, supporting the facilities that serve our residents and community.

The Biennial Capital Budget totals \$588 million and the Five-Year CIP totals \$830 million, supporting infrastructure improvements throughout the City. Of this CIP amount, \$627 million (76%) funds capital projects for the City's utilities and there is sufficient funding in the associated utility funds to support these projects. The other projects total \$203 million and fund improvements to the parks, trails, libraries, transportation system, storm system, convention center and other City facilities. While there are major investments in these areas, significant funding gaps remain with unfunded projects identified in this budget totaling approximately \$571 million over the next five years. Long term funding strategies will need to be developed in the future to meet these infrastructure needs and options will be explored with the City Council and community involvement.

While the focus of this budget is on capital improvements, there are FY 2022/23 operating budget adjustments to update revenue estimates and account for updated labor and non-personnel costs. The City of Santa Clara must be able to maintain critical services that address our community's urgent priorities. To preserve services, the overall FY 2022/23 General Fund balancing strategy that primarily uses reserves to address the projected shortfall remains in place. Because the FY 2021/22 and FY 2022/23 Biennial Operating Budget used one-time balancing actions and reserves, additional budget balancing actions will be necessary in the upcoming FY 2023/24 and FY 2024/25 Biennial Operating Budget that will be adopted in June 2023. A combination of expenditure cuts, service deferrals, internal cost controls (e.g., hiring freeze and controls on overtime, travel, and vehicle purchases), additional local revenue, and continued use of reserves is again expected to be used.

The development of the budget is a collaborative effort with all City departments and my office along with the City Council and the public. This continued collaboration will be critical as we face the budget challenges in the upcoming year. Our focus will be on preserving critical services while balancing the budget in a fiscally responsible manner.


Rajeev Batra
City Manager

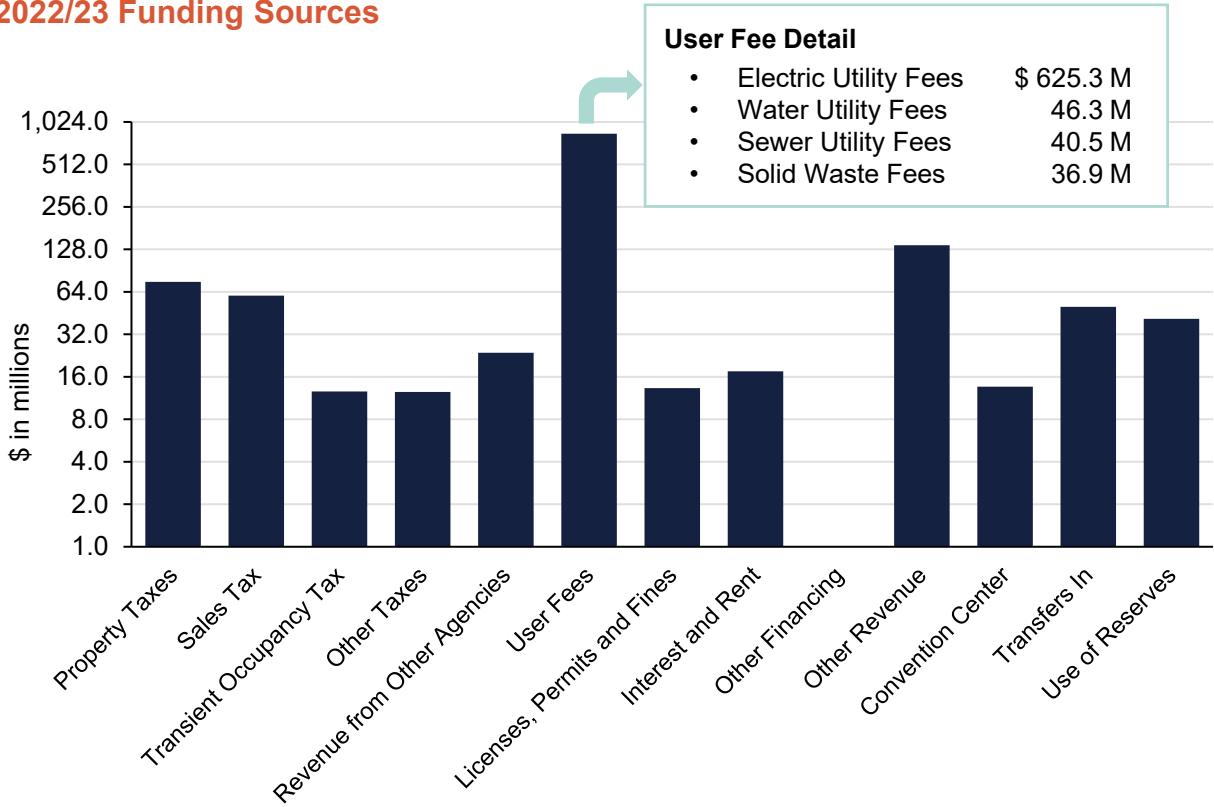


City of Santa Clara Budget-in-Brief

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Where the City Gets Its Money

FY 2022/23 Funding Sources



FY 2022/23 City Expenditure Budget

Fund Type	FY 2022/23 Amended Budget
General Fund	\$ 272,355,355
Special Revenue	28,469,289
Enterprise	815,864,620
Internal Service	42,429,153
Debt/Other	19,846,647
Capital Improvement Program	357,380,666
Less (Contributions, Transfers and Reserves)*	(204,596,482)
Total Adopted Budget	\$ 1,331,749,248

City Council Strategic Pillars

1. Promote and Enhance Economic, Housing and Transportation Development
2. Deliver and Enhance High Quality Efficient Services and Infrastructure
3. Enhance Community Sports, Recreational and Arts Assets
4. Enhance Community Engagement and Transparency
5. Ensure Compliance with Measure J and Manage Levi's Stadium
6. Manage Strategically our Workforce Capacity and Resources
7. Promote Sustainability and Environmental Protection

*Excludes contributions, reserves, and transfers to avoid double counting.



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Capital Improvement Program Budget

Five-Year Capital Improvement Program Budget by Theme

Theme	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	Five-Year CIP Total	% of CIP
Administrative Facilities	\$4,295,595	\$1,551,000	\$0	\$0	\$0	\$5,846,595	0.70%
Community Facilities	2,590,765	0	0	0	0	2,590,765	0.31%
Convention Center	2,622,854	0	550,000	0	0	3,172,854	0.38%
Electric Utility	188,712,882	184,175,278	43,319,753	31,988,667	36,453,197	484,649,777	58.37%
Other Community Projects	10,995,611	6,453,710	6,118,404	6,379,067	6,471,696	36,418,488	4.39%
Parks and Trails	22,861,252	278,000	4,500,000	0	0	27,639,252	3.33%
Sewer Utility	42,362,258	17,797,655	27,013,733	19,374,086	8,986,880	115,534,612	13.91%
Solid Waste	743,000	765,000	788,000	812,000	836,000	3,944,000	0.48%
Storm Drain	3,201,889	714,000	0	0	0	3,915,889	0.47%
Technology and Equipment	7,310,487	1,302,374	1,109,374	835,717	835,717	11,393,669	1.37%
Transportation	63,515,073	13,790,232	11,659,932	12,539,932	10,865,582	112,370,751	13.53%
Water & Recycled Water Utilities	6,715,000	5,215,000	3,935,000	3,485,000	3,485,000	22,835,000	2.75%
Five-Year CIP Total	\$355,926,666	\$232,042,249	\$98,994,196	\$75,414,469	\$67,934,072	\$830,311,652	100.0%

Capital Projects Highlights

Administrative Facilities

Replacement of Self-Contained Breathing Apparatus (SCBA) Filling Stations – This project funds the replacement of an SCBA filling station at Fire Station 9 that refills SCBA air bottles used by firefighters.

Stationary Standby Generators – This project replaces standby generators throughout the City.

Community Facilities

Park Service Center Roof – This project replaces the roof at the Park Service Center.

Central Park Master Plan – Aquatic Center – This project funds the first phase of the planning effort for the aquatic center master plan.





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Capital Improvement Program Budget

Capital Projects Highlights

Convention Center

Santa Clara Convention Center Condition Assessment Repair – The Convention Center’s CIP is managed by Spectra and is comprised of projects focused on the maintenance, repair, renovation or replacement of existing systems and infrastructure, such as HVAC, façade and aesthetic improvements, and technological advancements.

Electric Utility

Rebuild and Replacement – These projects replace the Scott Receiving Station and the Kifer Receiving Station with Gas Insulated Substations. This will also include the installation of three power transformers at each site.

NRS Transformer Replacement – This project will upgrade two existing transformers and install two additional transformers.

Grizzly Tap Line Repairs – This project will replace a 4.2-mile transmission line the connects the Grizzly project, a hydroelectric power plant to the PG&E Bucks Creek Substation.



Other Community Projects

El Camino Specific Plan – This project funds the long-range planning document to provide guidance for the future land uses for the El Camino Real Focus Area.

Precise Plan for Downtown – This project funds the study of potential benefits of moving City Hall to a location within eight blocks of the original downtown (Lafayette, Benton, Monroe, and Homestead).

Transportation Demand Management – This project provides funding for the preparation and application of Transportation Demand Management (TDM) measures monitoring and administration program. This program will be applied to over approximately 50 existing development projects with TDM requirements.

Parks and Trails

Playground Rehabilitations – Playground rehabilitation projects are planned at Maywood Park, Westwood Oaks Park, Henry Schmidt Park, and Warburton Park.

Montague Park Enhancement – This project includes an expanded pedestrian pathway loop, playgrounds, additional picnic areas, fitness stations, basketball court replacement, landscaping, and building renovations

Community Park North Phase I – This project funds Phase I, which includes community outreach, schematic design, design development, and program planning, per the Developer Agreement.





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Capital Projects Highlights

Sewer Utility

San José-Santa Clara Regional Wastewater Facility (RWF) – This project funds the City’s share of the capital improvements at the (RWF). The City owns the RWF jointly with the City of San José.

Sanitary Sewer Improvements – This project funds repairs to the sanitary sewer system identified by the inspections performed by the Sanitary Sewer System Condition Assessment Project in FY 2021/22.

Sanitary Sewer Condition Assessment – This project funds the ongoing assessment of the City’s sanitary sewer system via CCTV inspections.



Solid Waste

Sanitary Landfill Development – Post Closure – This project provides for required monthly monitoring, data collection, reporting, and landfill gas flare source testing.



Storm Drain

Storm Drain Slide Gate Rehabilitation – This project funds the replacement and installation of ten slide gates that are used to control storm water coming into the storm drain pump and lift stations.

Storm Drain Pump Station Motor and Control Maintenance, Repair, and Replacement – This project funds the replacement, maintenance and repairs of pumps, motors, controls, valves and instrumentation and related equipment for the City’s 22 storm drain pump stations.

Urban Runoff Pollution Prevention Program – This project funds the costs to comply with the Municipal Regional Stormwater National Pollutant Discharge Elimination Permit (MRP) issued by the Regional Water Quality Control Board. This includes the installation of trash capture devices to comply with Provision C.10 Trashload Reduction requirements.

Technology and Equipment

Fire Protective Equipment and Fire Defibrillator Replacements – This project funds the replacement of personal protective fire equipment and fire defibrillators that are at the end of their useful life.

Financial and Human Resources Management System Update – This project upgrades the financial and HR/payroll business applications to maintain vendor support for software and hardware.

Utility Management Information System Enhancements – This project upgrades the Utility Billing System for compliance and business process improvements.



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Capital Projects Highlights

Transportation

Annual Street Maintenance and Rehabilitation Program – This ongoing allocation funds the maintenance and repair of City streets.

Pedestrian and Bicycle Enhancement Facilities – This project serves as the local funding match to obtain grants for priority bicycle and pedestrian projects.

Public Right-of-Way ADA Improvements (Settlement Agreement) – This project improves the public right-of-way to remove barriers to accessibility under the Americans with Disabilities Act (ADA). The improvements include removal of concrete sidewalks, repair of asphalt, curb ramps and pedestrian street crossings.



Water and Recycled Water Utilities

New and Replacement Wells – This project funds the study of the feasibility of two new replacement groundwater wells.

Recycled Water System Mains and Services – This project funds the installation, upgrade, or extension of recycled water mains for incoming developments as financially and practically feasible.

Unfunded Capital Projects

Unfunded Projects by Theme	Five-Year CIP Total
Administrative Facilities	\$75.5 M
Community Facilities	\$244.4 M
Convention Center	\$12.6 M
Parks and Trails	\$141.5 M
Storm Drain	\$35.3 M
Technology and Equipment	\$3.5 M
Transportation	\$58.6 M
Total	\$571.4 M

The funding available to support capital projects is not sufficient to meet the infrastructure needs in many areas. The budget identifies unfunded projects of approximately \$571 million spread across the capital theme areas. Some of the unfunded or underfunded projects in this budget include:

- Fire Station Renovations
- Fire Station 5 Replacement
- Central Park Aquatics Center, Community Recreation Center, and Gymnasium
- Aged Infrastructure at Parks
- Annual Street Maintenance and Rehabilitation
- Stationary Standby Generators
- Storm Drain Improvements

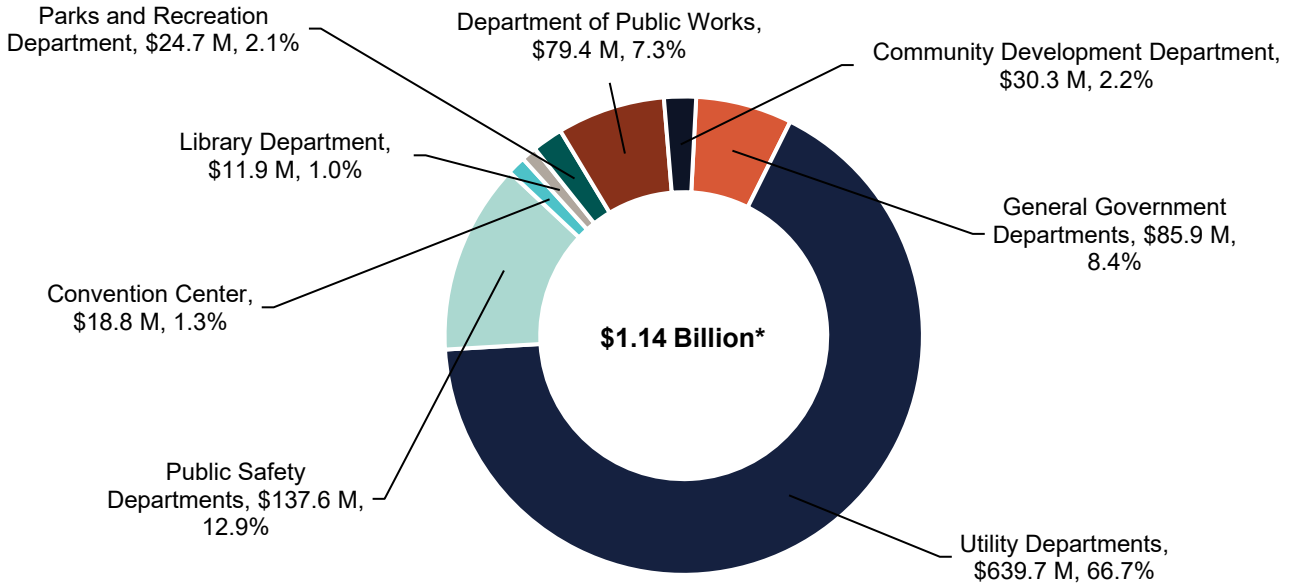


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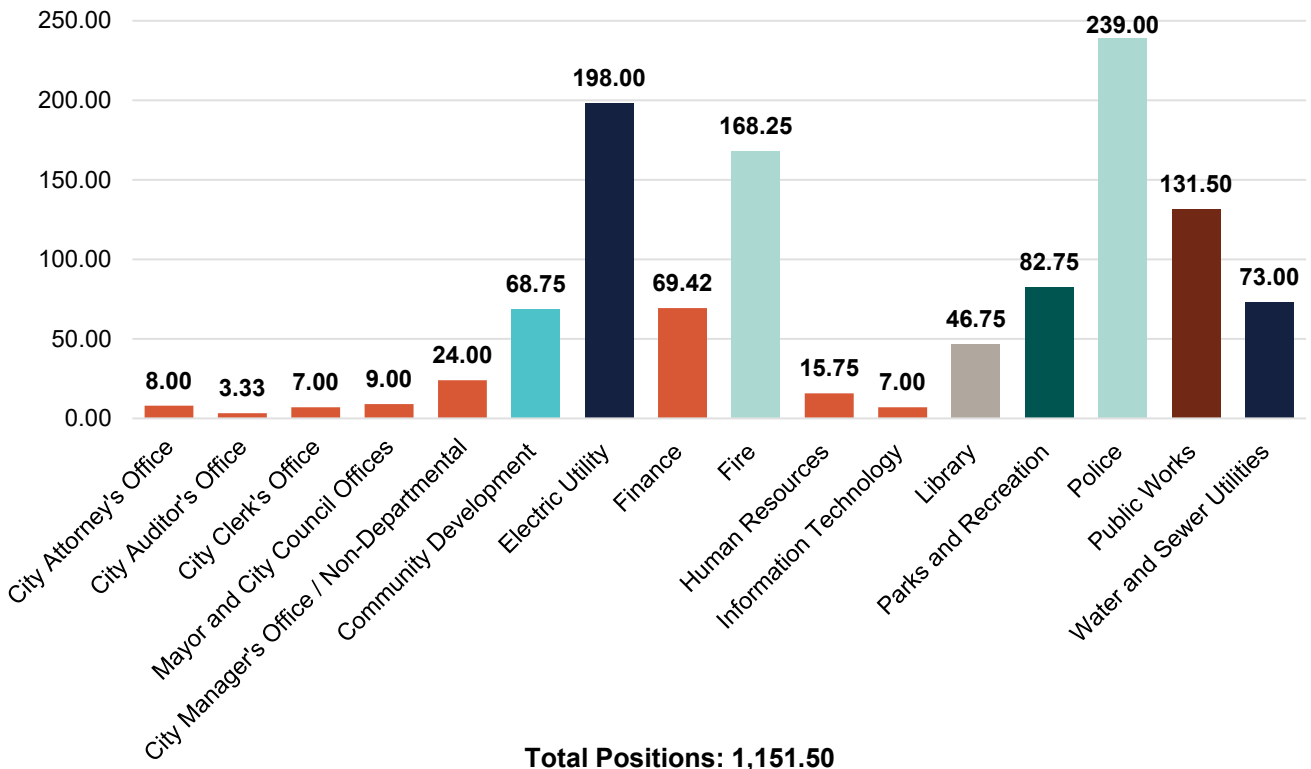
Operating Budget Expenditures by Department

2022/23 Amended Budget



*Excludes internal service funds not tied to a particular department and debt service

FY 2022/23 Positions by Department





City of Santa Clara Budget-in-Brief

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Capital Improvement Program Budget

Roster of City Council and Commission Members

City Council

Mayor	Lisa M. Gillmor
Councilmember District 1	Kathy Watanabe
Councilmember District 2	Raj Chahal
Councilmember District 3	Karen Hardy
Councilmember District 4	Kevin Park
Councilmember District 5	Sudhanshu Jain
Councilmember District 6	Anthony J. Becker

Board of Library Trustees

Leonne Broughman, Jan Hintermeister,
Stephen Ricossa, Debbie Tryforos, Jonathon
Evans

Cultural Commission

Candida Diaz, Debra von Huene, Jonathan
Marinero, Paul McNamara, Louis Samara,
Siddarth Sundaram, Jennifer Garcia Vega

Housing Rehabilitation Loan Committee

Darius Brown, Carmen Pascual

Planning Commission

Nancy A. Biagini, Ricci Herro, Qian Huang,
Lance Saleme, Priya Cherukuru,
Yashraj Bhatnagar

Senior Advisory Commission

Edmund Drozek, Tom Freitas, James Hohenshelt,
Grant L. McCauley, Nancy Toledo, Veena Sterling,
Judy Hubbard

Civil Service Commission

Tahir Naim, Willie D. Brown Jr., John Casey,
Franklin J. Felizardo, Carolyn McAllister

Historical and Landmarks Commission

Kathleen Romano, Michael Celso, Megan
Swartzwelder, Patricia Leung, Amy Kirby,
Ana Vargas-Smith, Ed Stocks

Parks and Recreation Commission

Burt Field, Sajid Hai, Maureen Reilly Chu,
Kelly Gonzalez, Brittany Ricketts, Eversley Forte,
Dana Caldwell

Salary Setting Commission

Eric Chu, Marjorie Banko, MV Kumar,
John Sontag, Ram Misra

Youth Commission

Mitchell Blanda, Kaitlyn Butcher, Mitali Gaidhani,
Rishith Gopisetti, Aarav Gupta, Ahmad Ismail,
Jasmine Kelly-Tanti, Khadeejah Khan, Malia
Martin, Rajvi Khanjan Shroff, Riya Mehta, Hiranya
Parekh, Palak Parikh, Samarth Suresh, Sarah Zuo



The Budget-in-Brief is intended to provide an overview of the City of Santa Clara's FY 2022/23 and FY 2023/24 Adopted Biennial Capital Improvement Program Budget. The complete budget document can be accessed on the Finance Department's website at: <https://www.santaclaraca.gov/our-city/departments-a-f/finance>

Questions about this report should be directed to:

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