



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
tinyurl.com/SLCFY24CIP

TO: City Council Members
FROM: Ben Luedtke
Budget & Policy Analyst
DATE: July 18, 2023
RE: FY2024 Capital Improvement Program (CIP)
ANNUAL BUDGET BOOK: Pages 67-68 and 143 – 154

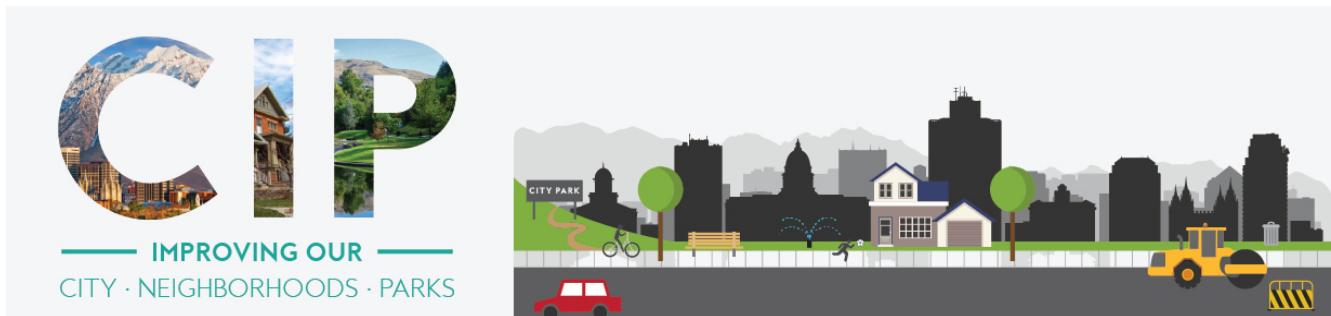
Project Timeline:

Budget Hearings: May 16 & June 6, 2023
1st Briefing: June 6, 2023
2nd Briefing: July 11, 2023
3rd Briefing & Public Hearing: July 18, 2023
4th Briefing & Public Hearing: August 8, 2023
Potential Action: August 15, 2023

Note: The Council approves debt service and overall CIP funding in the annual budget. Project specific funding is approved by September 1.

CIP BUDGET BOOK PAGES:

- 5-12 shows a summary table of proposed projects and funding sources
- 13-15 lists CIP projects not recommended for funding
- 19-23 identify existing bonds paid from CIP (does not include General Obligation bonds) and other ongoing obligations
- 27-53 has project specific pages for the recommended General Fund CIP projects
- 57-108 has project specific pages for enterprise fund capital projects (Airport, Golf, and Public Utilities)



NEW INFORMATION

The Council added a total of \$1,258,815 to the FY2024 CIP budget above the Mayor’s Recommended Budget. This funding is from two sources: \$644,126 Funding Our Future limited to the five critical need areas, and \$614,689 recaptured from capital projects older than three years which are basically General Fund dollars available to any CIP project. As a reminder, the five Funding Our Future categories are: improved street conditions (sidewalk-to-sidewalk), greater housing opportunities, better public transit services, public safety (fire, police, social workers, and 911 dispatch), and parks maintenance.

Projects of Council Member Interest Not Recommended for Funding by Advisory Board & Mayor

The total cost to fully fund the four projects listed below is \$2,214,126. Of this amount, \$496,412 could come from impact fees which is itemized by project below. The Council could fund these projects by adding funding to CIP above the Mayor’s Recommended Budget and/or shifting funding from projects that are recommended for funding. Projects are listed in district numerical order and updated since the first briefing.



Council Member Petro: Project #21 is \$830,000 for Rose Park Lane Landscaping, Trail Rebuild, and Safety

- \$235,000 is eligible for parks impact fees (second phase listed below)
- Council Member Petro expressed interest in only funding the \$30,000 for two solar feedback speed limit signs pending available funding
- The project could be partially funded in two or three phases:
 - o \$565,000 for the trail reconstruction as the first phase
 - o \$235,000 for irrigation and tree planting as the second phase
 - o \$30,000 for two solar feedback speed limit signs which could be done independently from the other two phases (at any time)

Council Member Wharton: Project #57 requesting \$210,000 for Ensign Peak Nature Park Access and Security Improvements

- The project would install new lighting, an access gate and fence at the popular trailhead, and landscaping around the entrance
- The nature park has experienced on and off nuisance (traffic, noise, littering, trespassing) and criminal activity (fires, public intoxication, firearm discharges) for several years particularly late at night
- The project appears ineligible for parks impact fees

Council Member Valdemoros: Project #22 requesting \$530,000 for Richmond Park Playground

- \$212,000 is eligible from park impact fees
- Richmond Park is also identified as a neighborhood park to be reimagined with funding from the Parks, Trails, and Open Space General Obligation Bond

Council Member Dugan: Project #46 requesting \$494,126 for Westside of Foothill Drive Safety Enhancements

- The project is 10% eligible for transportation impact fees which is \$49,412
- The project is from the 2017 Foothill Drive Implementation Strategy but this was not brought to the Council for adoption
- The project could be split into phases which would increase the total cost. Individual cost estimates by intersections and potential phase are:
 - o Phase 1:
 - 2600 East / Foothill Drive: \$110,000
 - Westminster / Foothill Drive: \$20,000
 - Laurelhurst / Foothill Drive: \$85,000
 - o Phase 2:
 - Blaine + 2500 E / Foothill Drive: \$170,000
 - Bryan / Foothill Drive: \$110,000

Council Member Fowler: Project #32 requesting \$150,000 for Sugar House Safe Side Streets Phase 2

- Phase 1 received \$153,221 in FY2022 CIP for studying, testing, public engagement, and designs of traffic calming improvements on six local streets: Hollywood Avenue, Ramona Avenue, Garfield Avenue, Lincoln Street, 1000 East, and McClelland Street
- An application was submitted in the FY2023 CIP cycle for Phase 2 but did not receive additional funding
- The FY2024 CIP application is requesting funds that would be combined with remaining funds from Phase 1 to complete the traffic calming improvements recommended in the Phase 1 traffic study

Project #1 Library Plaza Structural Assessment and Visioning

Council staff asked the Administration how does the proposed Library Plaza structural assessment and visioning project relate to the already funded 200 East Green Loop designs and study, the Washington Square Master Plan, and the several studies already done about the plaza (2002 Library Square Block Plan, 2017 Evaluating Library Square Urban Land Institute Report, 2018 GSBS Architects Library Square Study, and others)? The Administration's response is copied below for reference.

“This March, a planning and design consultant, Wenk Associates, was hired by the inter-departmental City team to work on studying the Green Loop, including more detailed planning and schematic (preliminary) design for the 200 East leg (South Temple to 900 South). Assessing land uses, utilities, transportation, demographics, future development, and other information will help the City understand the possibilities for a drastically different design for the street, including more green space and necessary utilities. This also considers the impacts and feasibility of a “festival street” between 400 South and 500 South. Final documents will form the

basis of federal grant applications that the City will submit in April 2024. The Green Loop project will target the Right of Way, as opposed to the Library Plaza CIP application which includes the public space within the block.

The submitted CIP application for this funding cycle is intended to provide a vision, plan and conceptual design for Library Plaza (\$125,000 of a larger \$190,000 Library Plaza application). If funded, this process will identify solutions and designs for activating the plaza and revitalizing the space as a site for large public events, as originally intended. Solutions will mitigate barriers to access and enjoyment, including direct sunlight, lack of shade, urban heat island effect, and protection from the elements. With Salt Lake City being a potential candidate for the 2030 or 2034 Olympics, reimagining and retrofitting this space will be critical if Library Plaza and adjacent civic sites are intended to be used to host significant events and accommodate additional capacity. It is critical that these studies, plans, and schematic designs of 200 East and Library Plaza be completed before the City can confidently understand the need for and costs of additional design and construction of these sites.”

Policy Question:

- *The Council may wish to discuss with the Administration whether the City’s policy goal is to advance the concept of a Civic Campus by further connecting the two sides of 200 East between 400 S and 500 S (Washington Square and Library Plaza). Previous Councils discussed and funded studies to look at changing this one-block section of 200 East to facilitate public events and the Civic Campus concept.*

Project #60 Maintenance of City-owned Property

The Council approved \$700,000 for this use in the last annual budget of which \$598,685 remains available. Another \$700,000 was requested of which \$200,000 (the base ongoing funding) was approved as part of the annual budget adoption on June 13. The Administration provided the following list of five projects with high-level cost estimates (FY2023 remaining funds and FY2024 requested funds). The Public Services Department is conducting a facility assessment which may recommend projects to use these funds.

Policy Question:

- *The Council may wish to discuss with the Administration whether some of the \$500,000 requested in FY2024 could be used for other CIP projects since the FY2023 remaining appropriation of \$598,685 is enough to cover the cost estimates of the five items listed below.*

\$100,000 at the Former Public Safety Building (PSB):

(Note this building is also called the Northwest Pipeline Building at 315 E 200 S)

The Administration is planning projects that will improve the safety and security of the building and surrounding property while the property is being prepared for redevelopment. These improvements include repair to an existing gate, a new motorized gate to access Magnolia parking, improvements to the park strip, ongoing landscape maintenance and cleanup (including biowaste cleanup), and car towing and disposal. These expenses are anticipated to cost up to \$100,000.

\$200,000 for a Development Strategy and Spacing Needs Study:

(Note the Council may consider this item as a separate project since the scope is beyond maintenance of city-owned property)

The Administration would like to utilize a portion of these funds to issue an RFP for a consultant to develop a Disposition and Development Strategy for a suite of City-owned parcels, with the intent of planning for future space needs, identifying surplus property for future municipal purposes, and identifying property for revenue generation. This effort, anticipated to be as much as \$200,000, is somewhat outside of the scope of the approved use of funding and may require a scope adjustment.

\$100,000+ additional Funding for Major Renovations to the Annex building Leased by Odyssey House:

This project was awarded \$500,000 in CIP funding for structural repairs. Public Services is working on a site assessment in order to identify improvements and develop bids. Based on the condition of the building, it is believed that the necessary improvements may require an additional \$100,000+ to bring the building up to health, safety, and welfare standards. Odyssey House has abandoned operations in one section of the building due to safety issues and is still operating its programming in the other section on a limited basis.

\$100,000 for Maintenance of City-owned Buildings Leased to Third Parties:

The Administration would like to utilize a portion of the funding for maintenance of not only vacant city-owned property but for property that is leased to a third-party (vacant from city municipal function). Projects include replacement of a disintegrating fence at the Salt Lake Acting Company building, anticipated to be up to \$15,000. In addition, improvements are needed to the Memorial House building that are the responsibility of the City

pursuant to the lease, including items such as HVAC replacement, repair of windows and doors, repair of water damage, etc. These repairs could cost up to \$75,000.

\$50,0000 for Pre-development Work at the Fleet Block and former Public Safety Building (PSB):
 The Administration is planning to use up to \$50,000 to prepare Fleet Block and the former PSB for redevelopment. Funds will be used for surveys, title work, appraisals, subdivision of property, etc.

Project #61 Urban Trails Maintenance

(Note this is proposed to be a new ongoing annual maintenance line item)

The Administration provided the following description of this new line item. “These funds will be used for repaving, crack and seal repair, bridge re-decking, bridge replacements, trail shoulder surfacing, snow removal, debris removal on urban paved trails. Project locations include the Jordan River Parkway, 9Line Trail, Folsom Trail. Short description: These funds will be used to fund contractors, equipment, and material to maintain urban trails and trail segments that potentially come online during the fiscal year. The maintenance of these trails is necessary to keep them safe for all that use them and so they can be used year-round.”

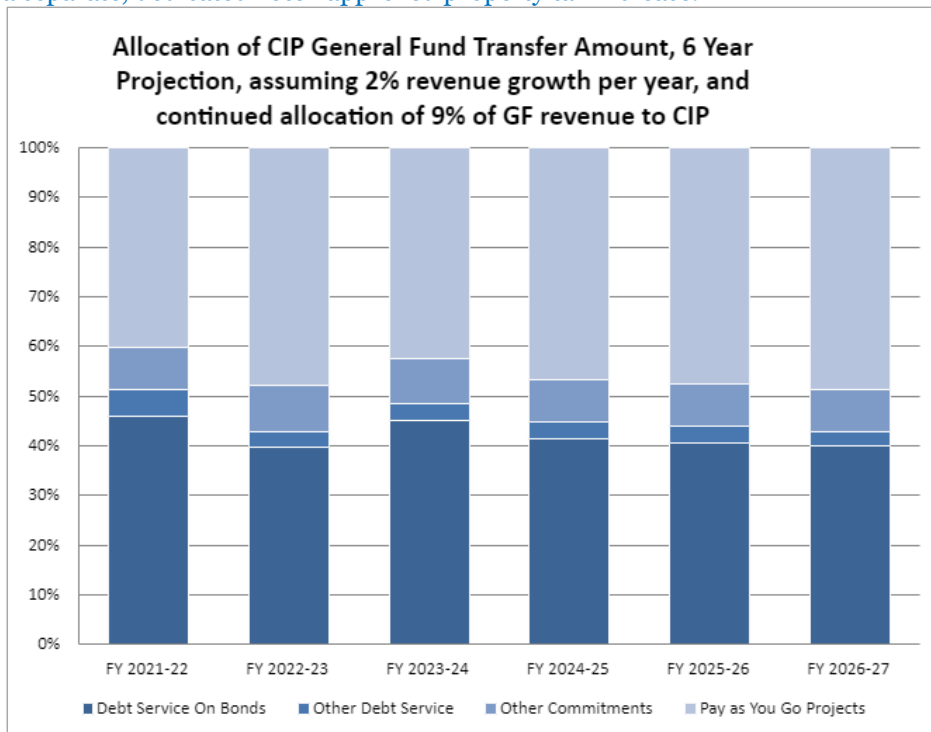
Surplus Land Fund Updated Balance

During the review of capital accounts older than three years, the Finance Department identified a few old property management accounts with land sale proceeds that should have been returned to the Surplus Land Fund because that was the original source for the unused funds. The Surplus Land Funds new balance is \$5,128,676 after these proceeds are transferred.

CIP Debt Load Projections through FY2027

The Administration provided the following chart to illustrate the ratio of ongoing commitments to available funding through FY2027. Pay as you go projects reflect new capital projects. The chart shows relatively stable debt load projections using approximately 55% of the annual General Fund transfer to CIP. An important caveat to note is the chart assumes 9% of ongoing General Fund revenues are transferred into CIP annually. The FY2023 budget hit the 9% transfer goal but the City has typically been closer to 7% over the past 15 years. The FY2024 budget transferred 7.1% of ongoing General Fund revenues into CIP (after including the Council’s \$1.2 million above the Mayor’s Recommended Budget) which means less funding is available to go to new projects.

Most of these commitments are debt payments on existing bonds. Other commitments include, ESCO debt payments, the Crime Lab lease, capital replacement funding for parks and facilities, contributions to the CIP cost overrun account and the 1.5% for art fund. The CIP Budget Book includes an overview and details on each of the ongoing commitments. Note that General Obligation (G.O.) bonds are not paid from CIP because they are funded through a separate, dedicated voter-approved property tax increase.



– Information below was provided to the Council at earlier briefings –

ISSUE AT-A-GLANCE

Each year, the Council appropriates overall funding available for the Capital Improvement Program (CIP) and approves debt payments and ongoing obligations as part of the annual budget in June. Over the summer, the Council reviews individual projects and per state law must approve project specific funding by September 1. CIP is an open and competitive process where residents, local organizations, and City departments submit project applications. The Community Development and Capital Improvement Program (CDCIP) resident advisory board reviews the applications in public meetings and makes funding recommendations to the Mayor and Council. The Mayor provides a second set of funding recommendations which this year are identical to the advisory board's except one project; \$150,000 for Westside Art was proposed after the CDCIP board completed their deliberations. The Council considers both sets of funding recommendations and ultimately decides project specific funding. Funding for capital improvements sometimes occurs in midyear budget amendments but the annual CIP process is the Council's largest annual opportunity to fund large public construction projects. This report provides an overview of the proposed overall budget for FY2024, projects of Council Member interest not recommended for funding, policy questions, and further details in the Additional Info section and attachments.

Overview of the FY2024 CIP Proposed Budget

The total FY2024 CIP budget is \$39.3 million which is \$7.4 million (16%) less than last year. FY2023 was a record year for CIP with nearly \$47 million total funding plus the \$67.5 Million Sales Tax Bond and \$85 million Parks, Trails, and Open Space General Obligation Bond. The proposed FY2024 CIP budget is closer to the City's typical total CIP funding level in recent years. However, the General Fund transfer to CIP (first row in the table below) is 6.8% of ongoing revenues which is slightly below the 7% seen in most budget years (last year was a record at 9%). An additional \$851,814 would be needed to reach the 7% level for FY2024. Most of the lower total CIP funding is caused by removal of \$3.7 million in one-time funds used in FY2023 to replace hand held radio equipment and the shift of \$1.8 million from Funding Our Future for parks from CIP (as it was in the FY2023 budget) to personnel costs. The Administration indicates that ongoing funding spent on vehicles this year for those personnel could be added to CIP again next year. The table below details funding sources for CIP by fiscal year. See Attachment 5 for an overview of the major CIP Funding Sources. Other highlights include:

\$10.3 Million Unrestricted Funds – \$10,287,935 of the ongoing transfer from the General Fund are unrestricted funds available for any new projects (the most flexible funding available). This does not include the Funding Our Future source which the Council has restricted to five critical need areas.

\$1.4 Million Decrease of Impact Fees Spending – The amount of impact fees in the proposed CIP budget is the smallest amount since FY2017. There are over \$20.7 million of impact fees available to spend across the four types: fire, parks, police, and transportation. Most of the available funds are for parks and transportation. See Additional info section for more. It's worth noting the Council sometimes approves significant amounts of impact fees for capital expenses in midyear budget amendments so CIP is not the only relevant budget opening.

\$300,000 Decrease for County 1/4¢ Sales Tax for Transportation – This became a new funding source three years ago and is available to transportation projects per state law. As seen in other sales tax revenue line items, this one has experienced significant growth in recent years but is projects to slightly decrease in FY2024.

\$10.9 Million Debt and Lease Payments – \$10,901,526 (44%) of the General Fund transfer to CIP (including Funding Our Future dollars) is needed to cover debt payments and the Crime Lab lease payment. However, it should be noted that \$4,393,161 of this amount is for a first-year payment on a proposed sales tax revenue bond for which the Council has not approved the list of projects. This funding could be used for FY2024 projects if the Council declines to proceed with the bond or approves a smaller bond.

Comparison of CIP Funding Sources by Fiscal Year

CIP Funding Sources	Adopted 2021-22	Adopted 2022-23	Proposed 2023-24	FY2023 to FY2024	
				\$ Change	% Change
General Fund	\$ 15,126,884	\$ 25,231,431	\$ 21,189,461	\$ (4,041,970)	-16%
Funding Our Future*	\$ 3,580,000	\$ 5,100,000	\$ 3,626,875	\$ (1,473,125)	-29%
Class C	\$ 3,021,706	\$ 3,000,000	\$ 3,500,000	\$ 500,000	17%
Impact Fees**	\$ 8,276,103	\$ 4,159,755	\$ 2,968,850	\$ (1,190,905)	-29%
CDBG	\$ 322,000	\$ 722,000	\$ -	\$ (722,000)	ONE-TIME
Repurpose Old CIP Accounts***	\$ 252,271	\$ 152,660	PENDING	-	ONE-TIME
County 1/4¢ Sales Tax	\$ 4,900,000	\$ 8,000,000	\$ 7,700,000	\$ (300,000)	-4%
Surplus Land Fund	\$ 200,000	\$ -	\$ -	\$ -	ONE-TIME
Smith's Naming Rights Revenue	\$ 154,000	\$ 154,000	\$ 150,000	\$ (4,000)	-3%
SLC Sports Complex ESCO	\$ 148,505	\$ 148,505	\$ 150,500	\$ 1,995	1%
Memorial House Rent Revenue	\$ 68,554	\$ 68,554	\$ 50,000	\$ (18,554)	-27%
TOTAL	\$ 36,027,131	\$ 46,736,905	\$ 39,335,686	\$ (7,401,219)	-16%
TOTAL without ONE-TIME	\$ 35,252,860	\$ 45,862,245	\$ 39,335,686	\$ (6,526,559)	-14%

*Includes % to CIP "off the top" available to any project, and funding for transit, and public right of way infrastructure. Also, funding source is ongoing but Council could change the use categories in the future

**There are four impact fee types: fire, parks, police and streets

***Includes recaptured funds from multiple funding sources

Note: There's a \$22,892 debt service rescope reduction not separated out in the table above for FY2022

Projects of Council Member Interest Not Recommended for Funding by Advisory Board & Mayor

The total cost to fully fund the four projects listed below is \$2,514,126. Of this amount, \$747,000 could come from parks impact fees which is itemized by project below. The Council could fund these projects by adding funding to CIP above the Mayor's Recommended Budget and/or shifting funding from projects that are recommended for funding. Projects are listed in district numerical order:

Council Member Petro: Project #21 is \$830,000 for Rose Park Lane Landscaping, Trail Rebuild, and Safety

- \$235,000 is eligible for parks impact fees
- The project could be partially funded in two or three phases:
 - o \$565,000 for the trail reconstruction as the first phase
 - o \$235,000 for irrigation and tree planting as the second phase
 - o \$30,000 for two solar feedback speed limit signs which could be done independently from the other two phases (at any time) and potentially with funding from the temporary traffic calming intervention funding in the Transportation Division's base budget

Council Member Puy: Project #18 requesting \$500,000 for Madsen Park Improvements

- \$300,000 is eligible from park impact fees
- CDCIP Board said if additional funding is available, then this project is their next highest priority
- Madsen Park is also identified as a neighborhood park to be reimaged with funding from the Parks, Trails, and Open Space General Obligation Bond

Council Member Valdemoros: Project #22 requesting \$530,000 for Richmond Park Playground

- \$212,000 is eligible from park impact fees
- Richmond Park is also identified as a neighborhood park to be reimaged with funding from the Parks, Trails, and Open Space General Obligation Bond

Council Member Dugan: Project #46 requesting \$494,126 for Westside of Foothill Drive Safety Enhancements

- Some elements might be partially eligible for transportation impact fees
- The project is from the 2017 Foothill Drive Implementation Strategy but this was not brought to the Council for adoption
- A request has been submitted to the Administration for phasing options

Council Member Fowler: Project #32 requesting \$150,000 for Sugar House Safe Side Streets Phase 2

- Phase 1 received \$153,221 in FY2022 CIP for studying, testing, public engagement, and designs of traffic calming improvements on six local streets: Hollywood Avenue, Ramona Avenue, Garfield Avenue, Lincoln Street, 1000 East, and McClelland Street
- An application was submitted in the FY2023 CIP cycle for Phase 2 but did not receive additional funding
- The FY2024 CIP application is requesting funds that would be combined with remaining funds from Phase 1 to complete the traffic calming improvements recommended in the Phase 1 traffic study

Simplified Funding Log and Project Scores from CDCIP Resident Advisory Board

(See Attachment 4 for the simplified funding log)

The CDCIP Board scored each CIP application which serves as a general guide to help inform funding decisions but is not meant to be strictly adhered to. The Board recommends that if additional funding were available, then project #18 Madsen Park Improvements be prioritized. The log also includes a social vulnerability index developed by the Centers for Disease Control (CDC) using 16 factors to rank Census Tracts. The next column shows scores from the Sustainability Department where 10 is the highest (best) possible. Then the Parks, Natural Lands, Urban Forestry, and Trails or PNUT Board scores are shown where 1 is the highest (best) possible. The last column on the right side shows current pavement conditions for public right of way (streets, alleys, curb & gutter, and sidewalks) where applicable.

Recapture Funds from Completed Projects and Unfinished Projects Older than Three Years

(Attachment 6 – Pending at time of publishing this staff report)

The CIP and Debt Management Resolution (Attachment 1) states that remaining funds should be considered for recapture from completed projects and unfinished projects that are older than three years unless there has been significant progress. The table in Attachment 6 is the staff's attempt to follow up on the Council's policy guidance for CIP projects. Most of the 128 projects received General Fund dollars or impact fees. Some of this funding could be recaptured by the Council as one-time revenue for General Fund uses, however, the other sources like Class C, CDBG, impact fees, and donations have uses limited by law. The table was sent to the Administration to identify whether a project is completed and status updates for unfinished projects. A response and potential funding to recapture will be added to one of the Council's upcoming unresolved issues briefings.

POLICY QUESTIONS

1. **Capital Asset Plan Early Policy Check-in Briefing** – The Council may wish to schedule a briefing for an early policy check-in about the guiding priorities and framework for developing the Capital Asset Plan (five-year CIP plan). The Non-departmental budget has a \$350,000 transfer to IMS for Capital Asset Planning software to facilitate development and periodic updating of the plan. See Attachment 7 for the Council's potential policy goals, metrics, and requests from a briefing in 2019.
2. **Livable Streets (Traffic Calming) Program Funding Level** – The Council may wish to discuss the funding level and pace of implementing the Livable Streets Program. See Attachment 9 with information from the Transportation Division including first year accomplishments and maps of the highest need zones. The Division anticipates completing six or seven zones (neighborhoods) at the proposed funding level of \$1.35 million in FY2024 combined with the \$2 million from FY2023 CIP. An additional \$9 million would be needed to fully fund the remaining 18 high need zones (red, orange, and yellow on the color-coded map assuming an average cost of \$500,000 per zone).
3. **Combine Two Separate \$150,000 Appropriations for Westside Art** – The Council may wish to continue the discussion from the RDA FY2024 budget overview about whether to combine two separate \$150,000 appropriations proposed for new art on the Westside. One appropriation is proposed in CIP and the other is proposed in the RDA 9-Line Project Area.
4. **Inflationary Price Increases and the Cost Overrun Account** – The Council may wish to ask the Administration how inflationary price increases have impacted departments utilizing the CIP Cost Overrun Account, and if additional funding may be needed to avoid project scope reductions. The Council could also re-evaluate the funding level for the account and/or the formula for the maximum amounts a project may receive, which hasn't been updated since 2004 (see section 11 of Attachment 1).
5. **Resources to Support Constituent Applications** – The Council may wish to discuss with the Administration the need to address geographic equity issues with additional targeted City resources for neighborhoods that submit few or no constituent applicants. Some Council Members expressed interest in being proactive to support constituent applications from neighborhoods with higher poverty rates.

Some constituents and CDCIP Board Members commented at public meetings in recent years that they felt like some projects get more support from departments than others.

- 6. **CIP Project Status Reports** – The Council may wish to ask the Administration about mechanisms to facilitate the up-to-date sharing of information on current CIP projects. In the past, there were a variety of mechanisms to share information, ranging from topic-by-topic email requests to consolidated monthly reports. Council Members could then more quickly provide accurate/timely information to interested constituents.

ADDITIONAL & BACKGROUND INFORMATION

Definition of a CIP Project

As defined in the Council-adopted 2017 Capital and Debt Management Guiding Policies Resolution (Attachment 1), a CIP project must “involve the construction, purchase or renovation of buildings, parks, streets or other physical structures, ... have a useful life of five or more years, ... have a cost of \$50,000 or more, ... or significant functionality can be demonstrated...such as software.” The Council also set a three-year spending deadline as part of the guiding policies. CIP accounts older than three years are periodically reviewed for recapture from projects that finished under budget or were not pursued.

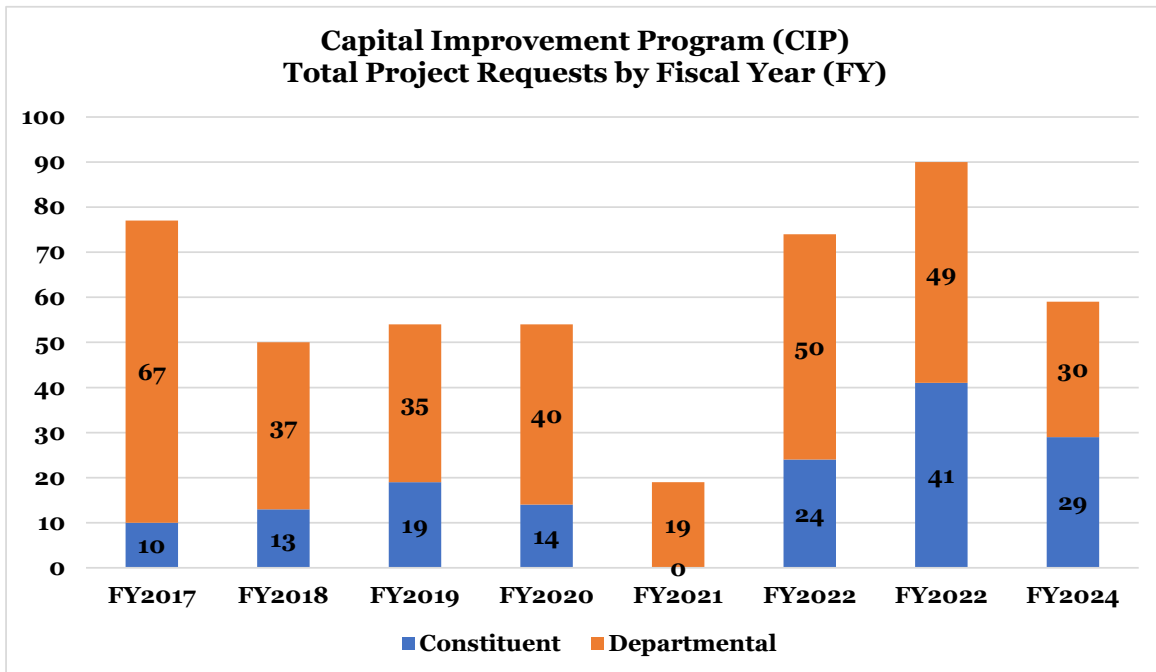
Cost Estimates for Regular CIP Projects

(Attachment 8)

Cost estimates will be updated over the summer to inform the Council’s project-specific deliberations in July and August. The current version was last updated in July 2022. Cost estimates for various types of projects are based on actual costs from recent years. The document was developed by Council staff in collaboration with the Administration. The three categories of project cost estimates are parks, streets, and transportation. Inflation and supply chain constraints have continued to impact the City’s capital projects so the costs shown in the current version are likely more expensive now. Some categories have seen significant increases while others have closer to typical inflation rate increases. The Engineering Division provided some context that the City doesn’t know to what extent the larger price increases are temporary (such as related to pandemic caused short-term supply chain disruptions) or longer-term trends.

Comparison of CIP Project Requests by Year and Type

This chart was prepared by Council staff as a comparison of total project requests on the CIP funding log since FY2017, and whether the application is come a constituent or internal to a City department. The FY2024 CIP cycle has 59 project requests which is about average over the time shown in the chart. FY2021 had the fewest with 19 project requests only from departments (it was intentionally an “abbreviated CIP cycle” per the Administration at the time). FY2023 had the most with 90 project requests.



Surplus Land Fund

The Administration reports the current available to spend balance is \$2,374,127 and another \$2,195,130 is proposed in FY2023 Budget Amendment #6. If approved, then the total available balance would be \$4,569,257. The Surplus Land Fund receives proceeds from the sale of real property (land and buildings). According to City policy the Surplus Land Fund can be spent on purchasing real property. The funds are one-time because the property can only be sold once.

Cost Overrun Account

The Administration reports the current available to spend balance is \$823,081 and another \$100,000 is proposed in FY2023 Budget Amendment #6 as a reimbursement to the account. The FY2024 CIP budget includes \$247,571 of additional funding. If the two appropriations are approved, then the total available balance would be \$1,170,652. The Council established this account for projects that experience costs slightly higher than budgeted. A formula determines how much additional funding may be pulled from the Cost Overrun account depending on the total Council-approved budget. See section 11 of Attachment 1 for the formula. This process allows the Administration to add funding to a project without returning to the Council in a budget amendment. A written notification to the Council on uses is required. The purpose is to allow projects to proceed with construction instead of delaying projects until the Council can act on a budget amendment which typically takes a few months.

1.5% for New Art and Maintenance of Existing Artworks

(New annual report is pending from the Arts Council)

The Administration stated the annual report required by ordinance about maintenance of City artworks in the past fiscal year and planned for the next will be transmitted to the Council in July or August. This timing is after the annual budget is adopted so the amount of funding available in CIP overall allows the 1.5% to be calculated and inform how those funds would be used.

Salt Lake City Code, Chapter 2.30, established the Percent for Art Fund and designates roles for the Art Design Board and Arts Council related to artist selection, project review and placement. The Public Art Program also oversees projects with funding from the Airport and RDA. In April 2021 the Council amended Chapter 2.30 to make several changes to the ordinance including an increase from 1% to 1.5% of ongoing unrestricted CIP funding for art. There is no ceiling so the Council could approve funding for art above 1.5%.

The ordinance also sets a range of 10%-20% for how much of the resulting annual funding is allocated to maintenance (as opposed to new artworks). This section of the ordinance also states that before funds are deposited into the separate public art maintenance fund a report from the Administration will be provided to the Council identifying works of art that require maintenance and estimated costs. This creates the first ongoing dedicated funding for conservation and maintenance of the City's public art collection consisting of over 270 pieces and counting. The collection is expected to continue growing. Note that in Budget Amendment #2 of FY20 the Council made a one-time appropriation of \$200,000 to establish an art maintenance fund.

Impact Fee Unallocated "Available to Spend" Balances and Refund Tracking

The Council approved several million dollars of impact fee projects in the past few years. The table below is current as of April 24, 2023, and includes a couple adjustments based on Budget Amendment #6 of FY2023. Available to spend impact fee balances are bank account balances subtracting encumbrances and expired funds. The Mayor's recommended CIP budget proposes using \$2,728,850 of parks impact fees and \$240,000 of transportation impact fees. The total amount of the four impact fee types is \$20,730,097. Impact fees must be encumbered within six years of the City receiving them. Expired impact fees must be returned to the entity who paid them with interest over the intervening six years.

Type	Unallocated Cash "Available to Spend"	Next Refund Trigger Date	Amount of Expiring Impact Fees
Fire	\$0	More than two years away	-
Parks	\$13,980,808	More than two years away	-
Police	\$1,339,030	More than two years away	-
Transportation	\$5,410,259	More than two years away	-

Note: Encumbrances are an administrative function when impact fees are held under a contract

Clarifying "Complete Streets" and "Livable Streets" Initiatives

(See Attachment 9 for a Livable Streets Program update from the Transportation Division including first year accomplishments and maps of the highest need zones)

There are two separate pots of funding – one for “complete streets” and another for “Livable Streets” – which are both under the CIP umbrella. The “complete streets” funding is intended to be used to ensure that major street reconstruction projects meet the standards defined in City Code Chapter 14.06, with elements like bike lanes (Complete Streets). The “Livable Streets” funding is intended to be used for neighborhood scale traffic calming projects as defined by the Livable Streets program presented to the Council in October 2021. This is separate from street reconstruction projects. The program ranked all 113 zones citywide across several variables including crash data, community assets, and resident socioeconomic factors. In August 2022, the Council provided policy guidance that a citywide needs-based equity approach should be used to prioritize zones based on the ranking.

CIP Tracking Technology Improvements

The Administration reports improvements are ongoing to CIP tracking of projects and applications. A project dashboard is in development. Once complete, the Administration plans to make the dashboard publicly available. The City currently provides a public interactive construction and permits project information map available here: <http://maps.slcgov.com/mws/projects.htm>

ATTACHMENTS

1. Capital and Debt Management Guiding Policies Resolution 29 of 2017
2. FY2024 CIP Funding Log – *Note the spreadsheet from the Administration is not formatted for printing*
3. FY2024 Mayor’s Recommended CIP Budget Book Log
4. FY2024 Simplified CIP Funding Log by CDCIP Board Scores
5. Overview of CIP Major Funding Sources
6. List of Completed and Unfinished Projects Older than Three Years
7. Capital Asset Plan (CAP) Council Requests from January 2019
8. Regular CIP Projects Cost Estimates (last updated July 2022)
9. Livable Streets Traffic Calming Program First Year Accomplishments Summary and Updated Zone Map

ACRONYMS

CAP – Capital Asset Plan (a five-year CIP plan)

CDBG – Community Development Block Grants

CDC – Centers for Disease Control

CDCIP – Community Development and Capital Improvement Program Advisory Board

CIP – Capital Improvement Program

ESCO – Energy Service Company

FTE – Full-time Employee

FY – Fiscal Year

GO Bond – General Obligation Bond

IMS – Information Management Systems Department

PSB – Public Safety Building