



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
tinyurl.com/SLCFY25CIP

TO: City Council Members

FROM: Ben Luedtke, Senior Analyst

DATE: August 27, 2024

RE: FY2025 Capital Improvement Program (CIP)

CIP BUDGET BOOK PAGES:

- **5-13** shows a summary table of proposed projects and funding sources
- **14-15** lists projects not recommended for funding
- **19-23** identifies existing bonds paid from CIP (does not include General Obligation bonds) and other ongoing obligations
- **27-61** has project specific pages for the recommended General Fund CIP projects
- **65-124** has project specific pages for enterprise fund capital projects (Airport, Golf, Public Utilities, and RDA)

Project Timeline:

Budget Hearings: May 21 & June 4, 2024
1st Briefing: June 6, 2024
2nd Briefing: July 2, 2024
3rd Briefing & Public Hearing: July 9, 2024
4th Briefing & Public Hearing: August 13, 2024
5th Briefing & Adoption Vote: August 27, 2024

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

NEW INFORMATION

At the August 13 briefing, the Council reviewed Council Member Puy's priority projects, continued reviewing the Attachment 2 Funding Log, and revisited several projects previously discussed. The Council decided to consider adding funding to Budget Amendment #1 to address the emergent situation on North Temple after herbicide was accidentally applied on approximately 200 trees. The Council also discussed the potential funding scenario from the staff report, and what projects might receive the remaining \$595,153 of General Fund dollars. The Council held and closed the second public hearing with approximately a dozen speakers giving public comment. The Attachment 2 Funding Log has been updated to reflect the potential funding scenario, new information, and based on the Council's deliberations. Project-specific updates are covered individually below.

Options for the \$595,153 Remaining in Potential Funding Scenario

The four projects below were discussed at the August 13 briefing for the \$595,153 remaining after the six Council priority projects identified in the potential funding scenario (see the summary and table starting on page three of this staff report).

- [#4 Complete Streets Reconstruction](#)
 - o This citywide program requested and is recommended to be fully funded at \$4.5 million. The Complete Streets Reconstruction Program is easily scalable so additional funding could be readily used.
- [#11 Safer Crossings Citywide](#)
 - o This citywide program requested \$600,000 and is recommended to be partially funded at \$300,000. Council Member Dugan suggested adding \$100,000 to ensure enough funding was available for more expensive types of traffic calming like HAWK signals. The program is easily scalable so additional funding could be readily used. The funding is intentionally flexible to address small to large traffic calming improvements for pedestrian and cyclist safety needs depending on the infrastructure at different locations.



- #48 Fayette Avenue Improvements between Washington Street & 200 West
 - o The potential funding scenario includes \$80,000 to fund designs as a Phase 1 and then the project would return in a future CIP cycle to request Phase 2 construction funding. Council Member Mano suggested fully funding the project which would use \$480,000 of the remaining funding and leave \$115,153 available for other projects.
- #53 International Peace Gardens
 - o Council Member Puy advocated for funding this project. It is not recommended for funding by the resident advisory board or the Mayor. Fully funding the project would require \$512,696. Of that total cost \$289,397 is eligible for parks impact fees and \$223,299 could come from the General Fund.
 - o Some or all of this project could be funded from project #22 Amplifying Our Jordan River Revitalization and/or the \$9 million for the Jordan River Corridor from the Parks, Trails, & Open Space Bond.
 - o If the Council only funded the security fencing part of the project (not the education signs / kiosks), then the total would be \$449,064. The security fencing is 50% eligible for parks impact fees which would be \$224,532 from parks impact fees and another \$224,532 from the General Fund.
 - o If the Council fully funded the project using \$512,696 of the remaining funding, then \$82,457 would be available for other projects. Alternatively, the Council could split the cost between the \$595,153 of remaining funds and project #22. Another option would be to fund the General Fund portion from the remaining \$595,153 and then in Budget Amendment #1 use parks impact fees for the eligible costs of the project.

#20 Memory Grove Park Urgent Repairs + Preservation & Maintenance Plan

Council Member Puy flagged the 10th subproject within this application requesting \$160,000 for a preservation and maintenance plan to potentially be shifted to another project. Council Member Wharton stated fully funding the project is his top priority for this CIP cycle and the only District Three specific project currently recommended to receive funding. He also stated the park is highly used because of the size and proximity to downtown, is prominently featured on Visit Salt Lake and other tourism sites, and a long-term plan is needed for the City's stewardship of the statewide war memorials and related uses at the park.

#22 Amplifying Our Jordan River Revitalization Scope Adjustment

Council Member Puy suggested an adjustment to the project scope on the funding log identifying the Fife Wetlands and the International Peace Gardens as the top priority areas for the \$1.5 million from CIP. These funds would be combined with the \$9 million for improvements along the Jordan River Corridor in the City. The \$9 million is anticipated from the voter-approved Parks, Trails, & Open Space Bond. The funding log is updated to reflect this scope adjustment.

#35 Faultline Park Playground Replacement

Council Member Lopez Chavez shared an update that this project had secured funding outside of CIP and did not need to be included as a Council priority project for potential funding.

#41 California Avenue Pedestrian Safety Improvements Construction

Council Member Puy advocated for recapturing the \$875,000 from the cancelled Sorenson Centers Connecting Corridor Project from five years ago and instead use \$807,000 of that total for project #41. It would fully fund recommendations of the safety study that the Council funded in FY2023 CIP. The remaining \$68,000 would go to other projects. This project would benefit the same community and many of the same students and families that use the Sorenson Centers a few blocks away. The intersections of California Avenue and Concord Street and Glendale Drive are frequently used by students and families going to and from the adjacent Glendale Middle School, Mountain View Elementary School, and Glendale Branch Library.

#47 Fairmont Park Basketball Court Scope Adjustment

Council Member Young suggested an adjustment to the scope to preserve the opportunity for more residents to weigh in on the project. She suggested that the size, location, and amenities will be determined through public engagement and coordination with other capital projects in Fairmont Park. This approach removes the specific from the project scope to allow flexibility for public feedback to adjust the project details. The funding log is updated to reflect this scope adjustment.

#48 Fayette Ave Improvements between Washington Street and 200 West

Council Members asked for additional information about the local matching funds for a UDOT project / property nearby as mentioned in the project application. The Administration reviewed the application, supporting documents, and UDOT Transportation Investment Fund (TIF) projects and plans. They concluded that “there is currently no identified UDOT TIF project that this CIP funding could be applied to as a ‘local match’.” The City’s Transportation Division is the lead office for TIF project nominations submitted by the City and confirmed there are no current applications that would relate to this CIP application.

There is no formal commitment from UDOT for this specific project. The funding log has been updated to remove that statement. The community is working with UDOT on broader and more complex projects in the area that are separate from this CIP request, such as activating and programming space underneath the Interstate 15 and West Temple on and off ramps.

#53 International Peace Gardens

Council Member Puy advocated for funding this project which is mostly adding security fencing around the perimeter of the gardens. A smaller portion of the project is adding educational signs and kiosks. The Council discussed making the International Peace Gardens a top priority for the \$1.5 million proposed in project #22 (covered above). Alternatively, the Council could consider funding project #22 and project #53 to add more improvements.

#75 Planning and Design for Future CIP Applications

Council Members discussed potentially adding policy goals for the \$350,000 proposed in this CIP cycle. Some Council Members expressed a preference of taking additional time to consider this new funding tool which could be well paired with a Capital Asset Plan once it’s available. Other Council Members expressed an interest in policy goals of implementing the Citywide Transportation Plan, traffic calming, and water conservation.

Alternatively, the Administration proposed several uses for the funds as listed below. The total cost of these uses is more than four times the recommended funding level of \$350,000.

The Administration stated the funds would likely be used by the Public Services' Department's Architectural Services Group such as for building reconfigurations and renovations, and the Transportation Division which provided the below list of potential projects.

- 1) Operationalize the newly adopted Citywide Transportation Plan (Connect SLC), which entails hiring a research fellow or consulting firm to review all city code, standards, policies, and processes for consistency, then recommend changes, updates, and new elements. Est \$180-500K. If funded, we've identified opportunities to pursue grant funds.
- 2) Concept Reports: develop preliminary designs and cost estimates for projects on the 10-year Capital Improvement Plan. Est annual need is \$300K, can use as little as \$50K.
- 3) Multimodal Traffic Control: supplement the Manual on Uniform Traffic Control Devices (MUTCD) with more nuanced/detailed standards that better address active transportation and transit. Est. \$30-50K.
- 4) Vision Zero: "near-miss" software to detect and analyze collision close calls. Also scalable. Pilot for as little as est. \$250K.
- 5) Neighborhood Byways Implementation Plan: similar to Livable Streets, a guiding document with a methodology for prioritizing neighborhood byways and coordinating them with other City plans and projects. Est. \$30-50K through on-call.
- 6) Update Ped & Bike Master Plan: Est. \$50-100K.

Budget Amendment #1: Recapture \$1,887,153 from Completed Projects and a Cancelled Project

A placeholder for a Council-added item is in Budget Amendment #1 to preserve the opportunity for the Council to quickly act on the budgetary steps necessary to recapture these funds. The Council is scheduled to hold separate briefings on Budget Amendment on August 27 and September 3.

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

At the July 9 briefing, the Council continued reviewing projects on the Attachment 2 Funding Log and identified several projects for potential partial or additional funding. The Council also raised project-specific questions to

help inform potential uses of \$1,887,153 available to recapture from projects that were completed under budget and a cancelled project. If the Council recaptures these funds, then the rescopes would appear in a budget amendment later this year. The Council also added \$250,000 from the General Fund to CIP during the annual budget. Combined this results in a total of \$2,137,153 of General Fund dollars above the Mayor's Recommended Budget and available to allocate to any project.

The Council may wish to continue reviewing the remaining funding log projects 61 through 80. Some Council Members mentioned wanting to revisit project #47 Fairmont Park Basketball Court (\$678,600 parks impact fees and \$75,400 capital maintenance holding account) when Council Member Young will be in attendance in context of the other public investments in that park. Some Council Members also mentioned project #75 planning and design for future CIP applications to either shift the \$350,000 to other projects, add policy parameters such as certain types of projects that could access the funds, and/or ask the Administration to bring back this application with a Capital Asset Plan that would determine which projects receive the funding.

The Administration's responses to the Council's questions are shown below in order of appearance on the funding log. A potential funding scenario is shown in the table below. The Council is scheduled to hold a second public hearing on August 13. A fifth briefing could be held on August 27 if needed, which is also the last scheduled meeting for the Council to adopt the CIP budget before the September 1 deadline under state law. The Attachment 2 Funding Log has been updated with new information.

Potential Funding Scenario *(not comprehensive of options; intended for discussion purposes)*

The table below assumes recapturing the \$1,012,153 from projects that were completed under budget and the \$875,000 from the cancelled Sorenson Center connecting corridor project. There is also \$250,000 the Council added to CIP during the annual budget. Combined these three sources provide \$2,137,153 of General Fund dollars. The table below lists 17 projects that Council Members raised for potential funding. \$15,343,696 would be needed to fully fund all 17 projects. Of that total, \$3,063,397 is eligible for parks impact fees.

The scenario would use \$1.542 million across six projects that multiple Council Members expressed support for during July briefings. The \$595,153 of remaining funding could go to any project. The six projects receiving additional funding in this scenario are:

- **#12 Sugar House Park Pavilion Replacement(s):** the additional \$480,000 would fund a second pavilion replacement to match the \$960,000 the County approved for the projects (50/50 cost share).
- **#19 Traffic Signal Replacements and Upgrades:** the additional \$40,000 would provide a total of \$900,000 to fully fund two traffic signal replacements (\$450,000 each).
- **#29 Jordan River Trail Food Forest + Og Woi Partner Garden:** the \$20,000 would fund soil testing to confirm the extent of environmental contamination and needed remediation. If testing confirms the project's viability, then the Council requests the Administration return in a budget amendment to fully fund with parks impact fees.
- **#38 500 East Raised Crosswalk between 400 South and 500 South:** the \$115,000 would fully fund the project between First Step House's facilities and the Smiths grocery store across the street.
- **#41 California Avenue Pedestrian Safety Improvements Construction:** the \$807,000 would fully fund recommendations of the safety study that the Council funded in FY2023 CIP. The funds would come from recapturing the \$875,000 of the cancelled Sorenson Centers connecting corridor project. The remaining \$68,000 would go to other projects. This project would benefit the same community and many of the same students and families that use the Sorenson Centers a few blocks away.
- **#48 Fayette Avenue Improvements between Washington Street & 200 West:** the \$80,000 would fund designs as Phase 1 and then the project would return in a future CIP cycle for Phase 2 construction funding.
- **\$595,153 remaining funding could go to any project**

Project	Request	Mayor Recommended	Potential Additional	Potential Council Total	Notes
#4 Complete Streets Reconstruction	\$ 4,500,000	\$ 4,500,000	\$ -	\$ 4,500,000	Easily scalable to increase or decrease funding amount
#6 Complete Streets Overlay	\$ 3,500,000	\$ 3,500,000	\$ -	\$ 3,500,000	Easily scalable to increase or decrease funding amount

Project	Request	Mayor Recommended	Potential Additional	Potential Council Total	Notes
#11 Safer Crossings Citywide	\$ 600,000	\$ 300,000	\$ -	\$ 300,000	A HAWK signal would be at least \$365k
#12 Sugar House Park Pavilion Replacement(s)	\$ 960,000	\$ 480,000	\$ 480,000	\$ 960,000	\$480k per pavilion; County is matching City funding level
#13 Transition to Regionally Appropriate Landscapes, Adapting Irrigation Systems, and Reducing Water Use	\$ 3,250,000	\$ 500,000	\$ -	\$ 500,000	Capital maintenance is ineligible for parks impact fees
#19 Traffic Signal Replacements and Upgrades	\$ 2,700,000	\$ 860,000	\$ 40,000	\$ 900,000	\$450k per traffic signal replacement
#27 Pedestrian Safety / HAWK Signal at Richmond St. and Zenith Ave.	\$ 500,000	\$ -	\$ -	\$ -	Intersection already has rectangular rapid flashing beacons
#29 Jordan River Trail Food Forest + Og Woi Partner Garden	\$ 385,000	\$ -	\$ 20,000	\$ 20,000	\$20k for soil testing; return in budget amendment to fully fund with parks impact fees if testing allows
#35 Faultline Park Playground	\$ 337,000	\$ -	\$ -	\$ -	Ineligible for parks impact fees
#38 500 East Raised Crosswalk between 400 South and 500 South	\$ 115,000	\$ -	\$ 115,000	\$ 115,000	Located between First Step House facilities and the Smiths Grocery Store
#40 Poplar Grove Park Lighting	\$ 657,000	\$ -	\$ -	\$ -	\$219,000 is eligible for parks impact fees for interior lighting; \$438,000 from the General Fund for perimeter / street lighting
#41 California Avenue Pedestrian Safety Improvements Construction	\$ 807,000	\$ -	\$ 807,000	\$ 807,000	From the cancelled Sorenson Centers Connecting Corridor project; benefits same community
#48 Fayette Avenue Improvements between Washington Street & 200 West	\$ 560,000	\$ -	\$ 80,000	\$ 80,000	\$80k for Phase 1 design, would return for Phase 2 construction funding

Project	Request	Mayor Recommended	Potential Additional	Potential Council Total	Notes
#49 Regional Athletic Complex Adding Fields, Rose Park Lane Trail, and Planning	\$ 5,450,000	\$ -	\$ -	\$ -	Three separate projects; \$2.555 Million is eligible for parks impact fees; would need \$2.895 Million from the General Fund
#53 International Peace Gardens	\$ 512,696	\$ -	\$ -	\$ -	\$289,397 is eligible for parks impact fees; would need \$223,299 from the General Fund
#57 First Encampment Park	\$ 145,000	\$ -	\$ -	\$ -	Ineligible for parks impact fees
Trees on North Temple where Herbicide accidentally Applied	\$ 505,000	N/A	\$ -	\$ -	Not a CIP application; emergent situation and Council Member request
TOTAL COUNCIL ADDITIONAL			\$1,542,000		
OVER / UNDER AVAILABLE			\$ 595,153		

Project #4 Complete Streets Reconstruction: Council Members requested a list of all street segments rated serious and failed in the overall condition index (OCI). It's a measure of the street pavement and surface. An OCI of 100 is a new street and an OCI of zero is a failed deteriorated street. The Administration provided a dashboard (www.arcgis.com/apps/dashboards/bf4b99fa087a4475bd0f76169cf645c4) with a map of the street segment locations and summary information. Highlights include:

- 199.1 total lane miles are in serious condition which is an OCI between 11 – 25
- 31.7 total lane miles are in failed condition which is an OCI between 0-10
- \$243.6 million is the total estimated cost to fully reconstruct all the street segments in serious and failed condition (assuming a \$150 per square yard average cost)
- 84% of serious and failed segments are local streets, 11% are major / arterial roads, and 5% are collector streets (medium / in between local and arterial)
- The geographic distribution of serious and failed street segments is mostly in residential areas of the City and spread across all seven Council Districts

➤ *Policy Question: The Council may wish to ask the Administration would CIP funding for street reconstructions go entirely to street segments in the failed and serious condition categories? The City's approach to streets has been to increase maintenance of streets in good and fair condition to prolong the useful life of the pavement and reconstruct streets in worst-condition first.*

Project #11 Safer Crossings Citywide: Council Members asked are there specific locations where these funds are anticipated to be used? No specific locations were identified in the application. The Administration stated that locations are “typically selected based on safety data, opportunities to construct in conjunction with other projects/appropriations, community feedback, and nearby land uses/land use changes, such as schools or new development.” At the \$300,000 funding level two to four crosswalk enhancements could be funded or one medium project. Larger projects such as a HAWK signal would cost at least \$365,000.

Project #24 Art Barn Failing Infrastructure and Accessibility Improvements: The Council asked would any ADA issues remain at the facility after this project? An ADA ramp outside from the ground level to the basement has significant deterioration and a steep grade that are not addressed by this project. Funding to address the outdoor ramp could return to the Council in a future CIP cycle. The Administration provided the

below cost breakout. Note that there are five items with an estimated cost of \$255,000 and six items with unknown costs that could be completed depending on remaining funding after the other five items.

Failing Infrastructure

- \$45,000 - Replace failing wood floors throughout the building, and should budget permit, address deteriorating carpet and repairs to basement floors due to previous leakage.
- \$100,000 - Lower-Level Artist Studio and Community Workspace Renovation.
- Unknown cost - Should budget permit upon completion of application priorities; we would like to complete an evaluation of the Art Barn to address any additional failing infrastructure issues such as dry rot, foundation failures, and other concerns our team has yet to identify.

Accessibility

- \$45,000 - Bring up to code: Accessibility ramp at entrance to Finch Lane Gallery.
- Unknown cost - Bring up to code: Accessibility ramp to basement board room.
- Unknown cost - Remodel basement bathroom to make accessible, should funds permit and ADA audit deems a priority.
- Unknown cost - Update Art Barn interior and exterior signage to make it more accessible and community oriented.

Environmental & Sustainability

- \$35,000 - Upgrade gallery lighting and electrical to be more sustainable and efficient.
- Unknown cost - Add active transportation and an EV hub for increased options in this region of the City.
- Unknown cost - Implement water-wise landscaping around building to decrease maintenance.

Other

- \$30,000 - Reconfiguration of administrative suite to maximize space, should budget permit.

Metrics: The Council requested metrics for the Art Barn and Finch Lane Gallery. The below summary tables were provided by the Administration in response with metrics for Fiscal Years 2023 and 2024 (July 1, 2022 through June 30, 2024). The Arts Council also states that “The Finch Lane Gallery in the Art Barn is activated year-round M-F 9am-5pm and Tues until 8:30pm. The Art Barn also serves as the administrative offices of the Arts Council for 11 staff, as well as 20-30 seasonal and part-time employees in the summer.”

Visitors	Exhibitions	Rentals	Total Annual Visitors
FY23	2039	692	2731
FY24	2804	1172	3976

Events	Gallery Strolls/Receptions (individual events)	Facility Rentals/ Community Utilization	Performances/ Workshops	Partnership Events	Total Annual Events
FY23	14	18	5	16	53
FY24	15	31	5	21	72

Sales	Total Annual Art Works Sold
FY23	19
FY24	47

Artists	Total Individual Artists Served
FY23	78
FY24	66

Project #27 Pedestrian Safety / HAWK Signal at Richmond St. and Zenith Ave.: Council Members asked whether any alternative pedestrian safety improvements could be made to this location that are less expensive than a HAWK signal for this CIP cycle, and a future application could address a HAWK signal if it is still needed? The Administration confirmed that this location has rectangular rapid flashing beacons (RRFB) currently and the next recommended incremental step is a HAWK signal with a total project request of \$500,000. The Administration added that the “1300 East / Richmond Reconstruction project will rebuild this intersection in 2025 with upgraded pedestrian ramps while keeping existing geometry and RRFBs.”

Project #29 Jordan River Food Forest and Community Garden: Council Members asked, what, if any, liability does the City have for food grown from community gardens, orchards, and food forests on city-owned land? The Administration responded that “Gardens managed by Wasatch Community Gardens (WCG), the constituent applicant for this application, are done so under the recently renewed Green City Growers contract. This contract requires the contractor to indemnify and hold the City harmless for claims associated with the operations of these gardens.”

Project #31 Route 209 Bus Shelters and Amenities: Council Members asked is it correct that the City owns and pays for the concrete pads at bus stops and UTA owns and pays for capital and ongoing maintenance of shelters and other amenities (benches, lighting, signs, trash and recycling bins) at bus stops? The Administration responded that, “yes, UTA purchases, installs, and maintains stop amenities (shelters, trash cans, seating, bike racks) anywhere that we pour a concrete pad, install sidewalks to the curbside where the bus stops, and other elements needed to make a stop ADA accessible. This assumes we only want standard furnishings in accordance with ridership thresholds; custom or upgraded furnishings would be the City’s responsibility to maintain. UTA has their own bus stop program with slightly higher ridership thresholds for amenities and has numerous stops along the Route 209 that are in various stages of design and construction and will be completed at the end of August. UTA is paying for the full design, construction, and ongoing maintenance of these stops (no City funds involved).”

Council Members also asked for a status update on delays from supply chain issues for new bus shelters and funding options for more bus shelters. The Administration stated that UTA has now installed the delayed bus shelters. More bus shelters are anticipated to be installed in nine-12 months. The time from order to delivery of a bus shelter is approximately seven months and UTA has limits on how many can be ordered at once such as production capacity from the manufacturer and contract terms. In recent years, the Council has annually approved \$1.1 million for transit capital which the Transportation Division reports funds approximately 60 bus stops and a couple first / list mile connections. The City often leverages the transit capital CIP funding with external funding such as state and federal grants, UTA funding, and CDBG. The resident advisory board and the Mayor recommended \$750,000 for transit capital in FY2025 CIP.

- *Policy Question: The Council may wish to discuss with the Administration whether Council review of current bus stop guidelines and policies would be helpful. For example, under what criteria does the City want bus stop amenities at a higher level of service than UTA’s standards? This could require new ongoing funding for enhanced maintenance.*

Project #33 Green Loop Designs for 500 West: The Council asked several questions about the overall concept of a Green Loop downtown and the \$3.14 million request in FY2025 CIP for designs along 500 West. The questions and Administration’s responses are shown in Attachment 10. Note that the Council has a separate briefing scheduled on August 13 specifically about the Green Loop. There is a separate transmittal and presentation from the Administration for the Green Loop briefing with additional information.

Project #35 Faultline Park Playground: Council Members asked, does the project include any enhancements to the park that would be eligible for parks impact fees? The Administration confirmed that this project is ineligible for parks impact fees because the playground replacement is in the same footprint as the existing playground and is a straightforward like-for-like replacement.

Project #40 Poplar Grove Park Lighting: Council Members asked how much of this project is eligible for parks impact fees, and how does it fit into the City’s Streetlighting Master Plan? In reviewing the project application, Council staff identified a total cost discrepancy where the application budget section is \$657,000 requested but a lower amount of \$620,000 is listed on the funding log. The Administration has confirmed the higher amount of \$657,000 is correct. The funding log has been updated to correct the error. One third of the project cost, \$219,000, is eligible for parks impact fees for the eight new interior lights that expand capacity for the park to be used for recreation at night. The Administration stated that “the new streetlights at 1200 West and 700 South will be designed in accordance with the City’s Streetlighting Master Plan and in collaboration with the Public Utilities Department. The poles, fixtures, shielding, spacing, etc., within and near the park will all be compliant with that plan and best practices and standards.”

Project #49 Regional Athletic Complex Adding Fields, Rose Park Lane Trail, and Planning: The Council requested a more detailed budget breakout for the individual projects and how much of each is eligible for parks impact fees? The Administration provided the below table and explanation for reducing the total cost and the individual project cost estimates.

“Public Lands’ original request was for \$6,250,000. After further assessing impact fee eligibility and other factors, we would like to reduce this to \$5,450,000. If the City Council desires to partially fund or phase this application and not include any construction, then planning and design would only be General Fund eligible. It is preferable that planning, design, and construction are funded at the same time, for the sake of efficiency and impact fee eligibility. A more detailed justification and breakdown of costs, scopes, and possible funding sources by and within each task are included in the below table, its footnotes, and the following paragraph.

Task	General Fund	Impact Fees	Total
1. Rose Park Lane Trail Improvements and Beautification	\$545,000 ¹	\$305,000 ²	\$850,000
2. Planning, Design, and Engagement for 30 Undeveloped Acres at the RAC and 3.2 Acres of Rose Park Lane Open Space	\$350,000 ³	\$250,000 ⁴	\$600,000
3. Phase 1 Construction (2 public fields, walkways, north parking lot)	\$2,000,000 ⁵	\$2,000,000 ⁶	\$4,000,000
Total	\$2,895,000	\$2,555,000	\$5,450,000

Footnotes to the above table:

- 1 Replacement: Existing Rose Park Lane trail demolition and reconstruction; irrigation repairs
- 2 New Amenities: Irrigation and landscaping improvements on Rose Park Lane (water meter, mains, laterals, xeriscaping, ground cover, shrubs, trees)
- 3 Planning and engagement that creates a vision for expanding the RAC’s fields, the Rose Park Lane Open Space, and future public amenities in both spaces (\$100,000 from General Fund), as well as the non-impact fee-eligible costs for the development of Phase 1’s construction documents (\$250,000).
- 4 Impact fee-eligible costs for the development of Phase 1’s construction documents
- 5 Non-impact fee-eligible costs for the construction of Phase 1’s improvements
- 6 Impact fee-eligible costs for the construction of Phase 1’s improvements

Public Lands believes that, in addition to the \$305,000 in impact fee-eligible expenses from Task 1 (see table above), the impact fee eligibility of the remainder of this application (Tasks 2 and 3) is 50%, or \$2,250,000, for a total of \$2,555,000 in impact fees. This was based primarily on the length of the Regional Athletic Complex’s season, during which the fields would be open at all: April 15 to October 31, or approximately 196 (54%) out of 365 to 366 calendar days. A slight reduction from 54% to 50% should be considered because we estimate that, during roughly 60-70 days per season, these two fields may be either reserved by tournaments or in need of preparation or repair by our grounds crews, and therefore not usable by the public. 60-70 is fewer days per season than many of the impact fee-eligible, publicly accessible and reservable fields, pavilions, and other infrastructure elsewhere in the Public Lands system.”

Project #53 International Peace Gardens: The Council requested a cost breakout for the improvements and how much of the project could be eligible for parks impact fees. The Administration provided the below table and stated \$289,397 is eligible for parks impact fees of the \$512,696 total cost.

Task	Description	Qty	Unit	Unit Price	Subtotals
Construction + Soft Costs and Contingency	Decorative, 6’ Steel Security Fencing and Gates	1	LS	\$250,000	\$250,000
	Educational Entrance Signage/Kiosks	3	EA	\$3,000	\$9,000
	Educational Panels	28	EA	\$1,000	\$28,000
	Construction management, design contingency, permits, fees (40% of above costs)	1	LS	\$114,800	\$114,800
	Construction contingency (10% of project value, above five items), needed to bid	1	LS	\$40,180	\$40,180
<i>Task Subtotal:</i>					\$441,980
Inflation Factor	8% annually for two years from, application’s cost estimate	1	LS	\$70,716	\$70,716
<i>Task Subtotal:</i>					\$70,716
PROJECT TOTAL:					\$512,696

Project #57 First Encampment Park: The Council asked whether this project was partially or possibly fully addressed by Funding Our Future parks maintenance appropriations in recent years including the \$683,152 for capital maintenance in the FY2025 annual budget. The Council also asked whether the LDS Church has been engaged in discussions about supporting the project. The Administration responded that several capital maintenance items of the project had been completed with FOF parks maintenance appropriations as listed below. However, additional funding is likely needed for some remaining items, especially drainage improvements and sewer system connections. The Public Lands Department stated recent conversations have not engaged the LDS Church but could reach out to explore interest.

Capital maintenance items addressed at First Encampment Park with FOF parks capital maintenance appropriations include:

- “Irrigation: Parks Division crews have tested and assessed all irrigation and adjusted irrigation to limit spray on monument signs and engravings. A more thorough overhaul of the entire park’s irrigation system is still needed due to the current system’s aging infrastructure.
- Invasive Species: Some of this work has been completed using maintenance funding.
- Stone Engravings: In consultation with the community groups involved in the park, we have hired a contractor to create two new tablet monuments to ensure historical accuracy of all engravings. The stone that was originally used was not ideal for engravings, posing repair difficulties. These new monuments will last longer. Several of the existing stones are salvageable and will be re-inked with the same contractor, in collaboration with the community.
- Plaques: We have commissioned the design and installation of three new plaques that will be installed in Summer 2024.
- Benches: Old benches have been removed and new benches were installed in 2024.”

Project #76 Vacant and Leased City-owned Property Maintenance: The Council asked how the funding would be used? There is approximately \$1.1 million available from FY2023 and FY2024 and \$700,000 proposed in FY2025. The Administration provided the below response that most of the funds are proposed to be used for predevelopment at the Fleet Block such as mitigating security issues, demolitions, utility disconnections, and environmental remediation (e.g., asbestos, soil contamination). Note that the \$500,000 of FY2025 CIP funding could be approved on August 27 as part of the CIP project-specific allocations vote, and the FY2023 and FY2024 would be rescopes in Budget Amendment #1.

“The Administration is requesting that \$700,000 of FY 23 and FY 24 CIP Vacant/Surplus Maintenance funding be rescoped to prepare the Fleet Block property, located at 300 – 400 West and 800 – 900 South for redevelopment. In addition to the \$700,000, the Administration is proposing that up to \$500,000 of the CIP Vacant/Surplus Maintenance funding be allocated for the same purpose through the FY 25 CIP budget, for a total of \$1,200,000. Funding will be utilized to prepare the property for redevelopment and to mitigate mounting security and safety issues. It has become increasingly costly to secure the block, with the Administration seeing an immediate need for security services of over \$250,000 per year to address daily break-ins and vandalism. Rather than hiring long-term security services, the Administration proposes substantially decreasing security concerns and increasing public safety at the property site as soon as possible. Specific activities will be terminating utility connections, surveying the property, abating asbestos and other environmental contaminants within the buildings, and demolition activities. The CIP Vacant/Surplus Maintenance funding to be rescoped for this project is broken down as follows:

- FY 2023: \$200,000
- FY 2024: \$500,000
- FY 2025: \$500,000”

Trees on North Temple where Herbicide was Accidentally Applied: Council Members asked what funding would be needed to replace the dying trees and landscaping along North Temple where herbicide was accidentally sprayed last fall. The \$683,152 of FOF parks capital maintenance appropriation could be used. Alternatively, the Council could add a project to CIP for this purpose or request the Administration recommend in a budget amendment funding to remedy the situation. The Public Lands Department stated 174 dead or dying trees are estimated to be removed in the next couple months. The irrigation system along North Temple is in good condition. The Department provided the below interim plan and table of potential costs.

“In the interim, the Division is working with a contractor to schedule the removal of dead trees. The top four inches of soil will be removed, and mulch will fill in the ROWs. The department will install large planters to hold

soil and trees to prevent contaminated soil from reaching the trees. These new trees in planters can be transplanted back into the park strips once soil tests confirm that it is safe to do so. Public Lands leaders will meet with community groups prior to tree removal to begin repairing trust and provide detailed information. Details will be provided about the herbicide application occurrence, our current situation, and the City's proposed path forward. A more detailed action plan and timeline is being developed as the department works with contractors and identifies materials delivery dates.”

Item	Subtotal
Tree removal, stump grinding, new trees planted in planters	\$85,000
Tree planters (Qty 100, Unit Cost ~\$2,000)	\$200,000
Landscaping, soil removal (top 4”), mulch, modify irrigation for planters	\$220,000
Total	\$505,000

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

At the July 2 briefing, the Council discussed the possible recapture of \$1,887,153 from completed projects and a cancelled project. The funds could be used for new CIP projects and/or added to the Cost Overrun Account. The Council also requested two larger policy discussions with the Administration at a future date. First is about the Cost Overrun process, amounts, and percentages as shown in Resolution 29 of 2017 section 11 (See Attachment 1). Second is all funding and programs for sidewalks which likely includes the Public Services, Community & Neighborhoods, and Public Utilities Departments, and the deliberations could result in changes to City Code such as the 50/50 cost share program. The Council also asked what resources would be needed to provide ongoing regular publicly available status updates for CIP projects. Council staff will coordinate with the Administration on next steps for these policy topics.

The Council began reviewing the funding log (Attachment 2) which was updated to be formatted for printing. Note that the projects are listed from high to low scores by the CDCIP resident advisory board. The Council is scheduled to continue reviewing the funding log at the July 9 work session in the afternoon. The first of two public hearings is scheduled for the July 9 formal meeting in the evening.

Projects of Council Member Interest for Potential Additional Funding

Listed below are projects identified by Council Members as potential priorities for funding. This list is a snapshot based on the July 2 briefing and will likely change based on future briefings.

- Project #4 Complete Streets Reconstruction requested \$4.5 Million and the Board recommended \$3.5 Million and the Mayor recommended full funding.
 - o Council Members Young and Dugan identified this project as a high priority if additional funding is available such as the potential recapture of \$1 million from completed projects. They emphasized that local residential streets have not seen as much improvement compared to major arterial streets in recent years. Part of this is a result of the policy decision to split the \$87 million voter-approved Streets Reconstruction Bond 80% to major streets and 20% to local streets. The Council could identify local residential streets as the priority for some or all funding to reconstruct streets this CIP cycle.
- Project #6 Complete Streets Overlay requested \$3.5 Million and Board recommended \$2.75 Million and Mayor recommended full funding.
 - o Like Project #4 above, Council Members Young and Dugan identified this project as a high priority if additional funding is available. The Council could identify local residential streets as the priority for some or all funding to reconstruct streets this CIP cycle. It's important to note that many of the streets in worst condition are local residential streets where the pavement is in serious or failing condition. An asphalt overlay is not an option once pavement has deteriorated to a serious or failed condition, so a full reconstruction is needed in those cases.
- Project #11 Safer Crossings Citywide requested \$600,000 and is recommended for \$300,000 from the Board and the Mayor.

- Council Members Dugan and Lopez Chavez identified this project for potential additional funding and asked how far the recommended funding level could go. A HAWK signal at a single location would cost more than the recommended funding level and require using another funding source to be completed such as the Cost Overrun Account or paired with a Livable Streets traffic calming project. The recommended funding level would be enough for a few smaller safety improvements such as flashing crosswalk signs, colored / stamped concrete, raised crosswalk, and pedestrian refuge islands.
 - Council Member Lopez Chavez has heard safety concerns from constituents about the intersection of 700 South and 900 East which could use these funds for smaller safety improvements as well as intersections along 500 South between 700 East and 900 East.
- Project #12 Sugar House Park Pavilion Replacement(s) requested \$960,000 and is recommended for \$480,000 by the Board and the Mayor.
 - Council Members Mano and Young commented that funding two pavilions at the requested funding level might have some savings and efficiencies compared to funding one pavilion at a time. They also expressed support to fully fund this project given that the County has budgeted matching funds of \$960,000 and would reduce that budget to match a lower City project-specific funding level. The pavilion replacements have an equal cost share split 50/50 between the City and County. If this project was fully funded, then four pavilion replacements would remain at Sugar House Park and would return for funding in future CIP cycles.
- Project #13 Transition to Regionally Appropriate Landscapes, Adapting Irrigation Systems, and Reducing Water Use requested \$3.25 Million and is recommended for \$500,000 by both the Board and the Mayor.
 - Some Council Members asked for a prioritization of projects that could use these funds. The Public Lands Department provided the below list of the highest need areas based on irrigation system conditions:
 - 1200 East islands (South Temple to 400 South): Irrigation upgrades
 - 700 East islands (900 South to 1300 South, UDOT owned and SLC maintained): Irrigation upgrades
 - 1300 East medians/islands and park strips (Parkway Avenue to Claybourne Avenue): Irrigation upgrades
 - Allen Park: Full irrigation system improvements to supplement GO Bond funding and provide cost efficiency with concurrent implementation and in concert with the recommendations from the 2024 Adaptive Reuse and Management Plan
 - Roots Disc Golf/Jordan River Par 3: New irrigation and root watering systems specifically for trees
 - Some Council Members commented in recent discussions on the need for capital maintenance improvements and water conservation specifically for medians and islands. The Public Lands Department identified five high need irrigation system replacement locations on islands as shown below. Note that these five are after the three medians / islands (1200 East, 700 East, and 1300 East) listed in the top priorities list above. The Department also noted that water costs are the second highest operating expense after personnel costs, and medians are one of the largest opportunities to reduce water use by upgrading irrigation systems to water trees separately from ornamental grasses.
 - 200 West islands (north of North Temple)
 - 200 South islands (east of 900 East)
 - 600 East Islands (South Temple to 900 South)
 - Parleys Way islands
 - 800 West islands (300 North to ~150 South, 600 South to 900 South)
- Project #19 Traffic Signal Replacements and Upgrades requested \$2.7 Million and the Board recommended \$730,000 and the Mayor recommended \$860,000.
 - Council Members Mano, Young, and Dugan flagged this project for potential additional funding to ensure a minimum of two traffic signal replacements could be funded. Recent traffic signal projects estimated the cost at \$450,000 for an intersection so at least \$900,000 would likely be needed for two intersections, and the Cost Overrun Account could contribute some additional funding if needed.
 - Council Member Lopez Chavez emphasized that upgrading signals for cyclists and pedestrians is a safety need in addition to replacing older signals.

- Project #20 Memory Grove Park Repairs and Preservation & Maintenance Plan requested \$1.91 Million and was not recommended for funding by the Board but recommended for full funding by the Mayor.
 - o Multiple Council Members requested a detailed cost breakout of the individual projects, prioritization of the projects, and what, if any, obligations the City has as stewards of the war memorials and monuments in the park.
 - o Upon review, the Public Lands Department “does not believe that there are any agreements in place that legally bind the City nor any partners to ongoing maintenance of the monuments and memorials in the park. We will continue to investigate within our department and with our partners to determine if there are any that we have missed. Though informal, several groups do help or have helped with regular cleanups and small projects in the park (typically in-kind, but sometime monetarily), including the Veterans of Foreign Wars, Preservation Utah, the Beta Sigma Phi International Sorority, and the Friends of Memory Grove (which is organized through the Greater Avenues Community Council).”
 - o One of the nine sub-projects would directly improve a monument in the park. The proposed preservation and maintenance plan would recommend detailed improvements, repairs, and cost estimates for the other monuments in the park. The nine sub-projects and associated costs are listed below:
 - Meditation Stairs stone repairs (\$119,700)
 - Repointing the 8-pillar monument (pagoda) (\$79,900)
 - Repairing front entrance gate concrete pillars (\$81,250)
 - Replacing the westside entryway planter (\$8,200)
 - Cleaning and recoating the fountain to preserve concrete (\$27,000)
 - Redo the Canyon Road sidewalk within the park so that it is historically correct (as the stones are currently placed in concrete instead of mortar) (\$98,000)
 - Podium repairs (\$11,100)
 - Remove and replace concrete lighting (\$31,000) (more could be appropriated to this task in order to fully replace all concrete lighting in Memory Grove and City Creek Parks, as well as along Canyon Road – *note this is one of the most urgent projects*)
 - Replace the asphalt path with a concrete path on the west hillside, near the Capitol Building (\$602,500) – *note this is one of the most urgent projects*
 - Soft costs for the above nine projects estimated at \$691,350 for contingency, permits, design costs, and inflation over two years. These represent 40% of the total \$1.75 Million cost.
- Project #29 Jordan River Trail Food Forest + Og Woi Partner Garden requested \$385,000 but did not receive a funding recommendation from the Board or the Mayor.
 - o Council Members Petro and Wharton identified this as a project of interest. The two projects could be funded separately, which slightly increases the total cost. The Food Forest creation is estimated to cost \$280,000 and formalizing and bringing up to standards the Og-Woi community garden is estimated to cost \$120,000. There is uncertainty about potential environmental contamination and impacts to the cost and project feasibility at these funding levels. The Administration reports that given these concerns, a conservative approach would be to fund the project with General Fund dollars and then after construction in a midyear budget amendment using park impact fees to reimburse the General Fund.
- Project #41 California Avenue Pedestrian Safety Improvements Construction requested \$807,000 and did not receive a funding recommendation from the Board or the Mayor.
 - o Council Member Puy expressed interest to staff about recapturing the \$875,000 from the cancelled corridor connection project at the Sorenson Center Campus and using some of those funds to fully fund project #41. He mentioned this traffic calming project is a few blocks down California Ave from the Sorenson Center Campus and would benefit many of the same students and families using the Center’s facilities as well as those attending the adjacent Glendale Middle School and Mountain View Elementary School. Council Member Young expressed support for this approach.
- Project #48 Fayette Avenue Improvements between Washington Street & 200 West requested \$560,000 but did not receive a funding recommendation from the Board or the Mayor.
 - o Council Members Mano, Lopez Chavez, and Puy identified this project for potential funding and requested phasing options for smaller projects. One option is to split the project into a design

phase estimated to cost \$80,000 and then a second phase funding construction at approximately \$480,000 in a future CIP cycle. The CIP project funding could be used as a local match for state grant applications that the constituent has expressed an interest in pursuing.

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

At the July 2 and July 9 briefings, the Council may wish to identify any priority projects that do not have funding recommendations or where additional funding is proposed, and any project-specific questions. Responsive information and funding options would be gathered so the Council could balance the CIP project-specific budgets on August 13 or 20. As part of the annual budget adoption vote on June 11, the Council made three changes to the Mayor's Recommended Budget for FY2025 CIP:

- Increased the transfer by **an additional \$250,000 from the General Fund** to the CIP Fund which are the most flexible dollars available for any CIP project.
- Added **\$2 million for project #23 the Livable Streets traffic calming program** from the quarter cent sales tax for transportation fund balance (separate from General Fund Balance) which neither the resident advisory board nor the Mayor recommended to fund. The Council discussed a desire to prioritize this program for funding over the next several years to reach all of the higher need neighborhoods and a longer-term goal of implementing traffic calming in all residential neighborhoods. The Council may wish to request that the Administration include stable ongoing funding for Livable Streets traffic calming as a high priority in developing a five-year Capital Asset Plan.
- Added **\$3 million for public utility upgrades underneath 2100 South** during the street reconstruction between 700 East and 1100 East from Funding Our Future Fund Balance in addition to the \$7 million approved in Budget Amendment #5 of FY2024. The City anticipates reimbursement in the future by requiring connection agreements of adjacent property owners as they seek to tie into the upgraded utility lines. The resulting connection fee is proportional to each property's front footage per City Code. The connection fee obligation is also recorded against the adjacent properties so current and future owners are notified of it.

Recapture \$1 Million from Completed Projects

The Administration confirmed there is \$1,012,153 of general fund dollars remaining and could be recaptured from CIP projects that were constructed and fully closed out. Per the Council's CIP policies section 12 (see Attachment 1), these funds could be made available as additional funding to the Cost Overrun Account in FY2025. It has a current balance of \$937,232 and is proposed to receive an additional \$223,171 in FY2025 CIP for a new balance of \$1,160,403. The Council could recapture some or all of the \$1,012,153 from completed projects or designate some of it for the Cost Overrun Account. The Administration reports this account has lower utilization in recent years because the formula in CIP policy section 11 (see Attachment 1) has dollar limits that have lost significant purchasing power since originally set in 2004. This means that the Cost Overrun Account does not fill project funding gaps as much as before. The Council could request that the Administration review and recommend adjustments to the Cost Overrun Account formula including the dollar and percentage limits.

Recapture \$875,000 from a Cancelled Project: Connecting Corridor for Sorenson Multicultural Center and Unity Center Funded Five Years Ago

The Council fully funded the proposed connecting corridor project to link the two community center buildings on the Sorenson Campus five years ago. The Administration has confirmed that the project is cancelled. Per the Council's CIP policies (see Attachment 1), unfinished projects older than three years should be reviewed for funding recapture. The \$875,000 are General Fund dollars which are the most flexible of the CIP funding sources and available to go to any project.

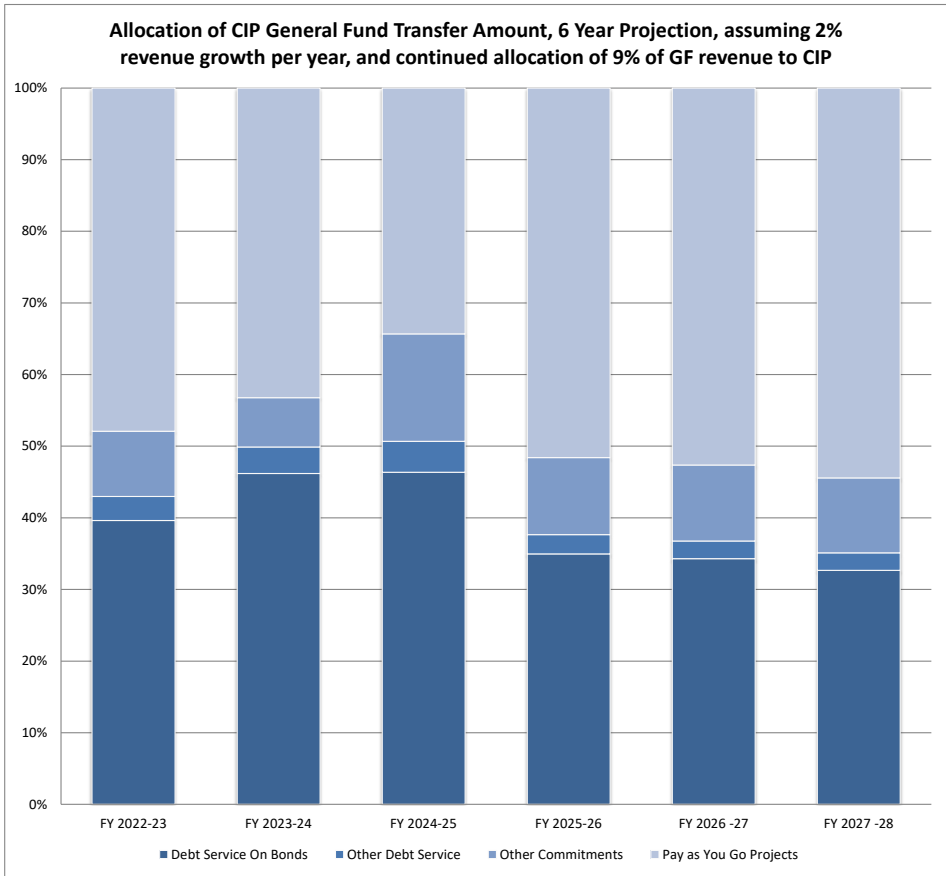
Aging Reports and Status Updates for CIP Projects

The Council may wish to ask for a list of projects that are older than 2 years, and any notes about the status of the project, obstacles, and anticipated completion dates.

Updated CIP Debt Load Projections Chart through FY2028

The Finance Department provided the below updated chart of projected debt load on the CIP Fund through FY2028. This updated version from the one in the Additional Info Section reflects a 9% goal for the annual

transfer from the General Fund to CIP instead of the historical 7% trend. It also includes larger ongoing projects funding outside of the competitive CIP process such as new urban trail capital maintenance, new planning and design funding, expanded public lands capital maintenance, and expanded vacant and leased city owned property maintenance.



– 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 includes using \$15 million from a capital maintenance holding account that was created 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 General Fund CIP budget for FY2025, projects of Council Member interest not recommended for funding, policy questions, and further details in the Additional Info section and attachments.

Overview of the FY2025 CIP Proposed Budget

The total FY2025 CIP budget is \$43.1 million. However, this increases to \$58.1 million when including the \$15 million capital maintenance holding account that the Council created in FY2024 Budget Amendment #5 and is being added to the summer CIP deliberations. This is \$17.5 million (43%) more than last year. The FY2024 CIP budget was closer to the City’s typical funding levels in recent years. FY2023 was a record year for CIP with nearly \$47 million total funding plus the \$67.5 Million Sales Tax Revenue Bond and voters approved \$85 million for Parks, Trails, and Open Space General Obligation Bonds. The Council approved spending the first \$24.6 million issuance of that Parks Bond in October 2023.

The combined \$25.2 million from the General Fund + Funding Our Future transfer to CIP (first and third rows in the table below) is 6.8% of ongoing revenues which is slightly below the 7% seen in most budget years. On May 7, in Budget Amendment #5 of FY2024, the Council appropriated \$15 million to a CIP holding account for capital maintenance projects. Taken together, the \$40.2 million from the General Fund (\$15 million plus the \$25.2 million) would be equivalent to a 10.8% of ongoing General Fund revenues transfer to CIP which is the largest percentage for many years. Previous plans identified 7% as a recommended minimum level of investment and a goal of 9%. The City did reach the 9% funding level in FY2023, although several departments have noted difficulty with getting projects constructed due to staffing constraints, continued supply chain challenges, and construction inflation.

A funding log summarizing the CDCIP resident advisory board and mayoral funding recommendations including the \$15 million for capital maintenance is available as Attachment 2. Note that the funding log is not formatted for printing and is best viewed on an electronic device with a large screen. Updated funding logs formatted for printing will be available for the July and August deliberations. 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:

Comparison of CIP Funding Sources by Fiscal Year

CIP Funding Sources	Adopted 2021-22	Adopted 2022-23	Adopted 2023-24	Proposed 2024-25	FY2024 to FY2025	
					\$ Change	% Change
General Fund	\$ 15,126,884	\$ 25,231,431	\$ 21,189,461	\$ 21,355,753	\$ 166,292	1%
Capital Maintenance Holding Account	\$ -	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000	ONE-TIME
Funding Our Future*	\$ 3,580,000	\$ 5,100,000	\$ 4,271,001	\$ 3,837,642	\$ (433,359)	-10%
Class C	\$ 3,021,706	\$ 3,000,000	\$ 3,500,000	\$ 4,250,000	\$ 750,000	21%
Impact Fees**	\$ 8,276,103	\$ 4,159,755	\$ 2,968,850	\$ 3,824,800	\$ 855,950	29%
CDBG	\$ 322,000	\$ 722,000	\$ -	\$ -	\$ -	ONE-TIME
Repurpose Old CIP Accounts***	\$ 252,271	\$ 152,660	\$ 614,689	PENDING	-	ONE-TIME
County 1/4¢ Sales Tax	\$ 4,900,000	\$ 8,000,000	\$ 7,700,000	\$ 8,200,000	\$ 500,000	6%
Surplus Land Fund	\$ 200,000	\$ -	\$ -	\$ -	\$ -	ONE-TIME
Smith's Naming Rights Revenue	\$ 154,000	\$ 154,000	\$ 150,000	\$ -	\$ (150,000)	-100%
Landfill Revolving Fund	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	ONE-TIME
SLC Sports Complex ESCO	\$ 148,505	\$ 148,505	\$ 150,500	\$ 155,300	\$ 4,800	3%
Memorial House Rent Revenue	\$ 68,554	\$ 68,554	\$ 50,000	\$ 20,000	\$ (30,000)	-60%
TOTAL	\$ 36,027,131	\$ 46,736,905	\$ 40,594,501	\$ 58,143,495	\$ 17,548,994	43%
TOTAL without ONE-TIME	\$ 35,252,860	\$ 45,862,245	\$ 39,979,812	\$ 41,643,495	\$ 1,663,683	4%

*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

\$9.3 Million Unrestricted General Funds – \$9,370,549 of the ongoing transfer from the General Fund are unrestricted funds available for any new projects (the most flexible funding available). This is calculated by removing the debt service payments on existing bonds and rental payments for properties the City leases long-term. The Council has restricted Funding Our Future to five critical need areas which is not part of this amount.

\$855,950 Increase using Impact Fees – The amount of impact fees in the proposed CIP budget is \$3,824,800 which is entirely parks impact fees. There are over \$24.2 million of impact fees available to spend across the four types: fire, parks, police, and transportation. Most of the available funds are for parks. See the Additional Info section for details.

\$500,000 Increase using County 1/4¢ Sales Tax for Transportation – This became a new funding source four 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. The City has conservatively budgeted for new sales tax line items until a few years of actual revenues is available on which to base future projects. As a result, the Quarter-cent Sales Tax for Transportation Fund Balance is estimated to have \$6 million available in addition to the \$8.2 million in the FY2025 CIP proposed budget. The Council took a straw pool on June 4 during the unresolved issues briefing to use \$2 million of that Fund Balance for the Livable Streets traffic calming Program which neither the CDCIP resident advisory board nor the Mayor recommended funding in FY2025.

\$750,000 Increase using Class C (gas tax) – The City’s annual CIP budget for Class C funding has been relatively flat at \$3 million - \$3.5 million for many years. This year, an additional \$750,000 was identified in the cash reserves / fund balance when incoming revenues exceeded the budget. The Finance Department is conducting a reconciliation to determine whether additional funds could be available.

\$12 Million Debt and Lease Payments – \$11,985,204 (48%) of the ongoing General Fund transfer to CIP (including Funding Our Future dollars) is needed to cover debt and rental payments. This calculation does not include the \$15 million from the capital maintenance holding account because those are one-time dollars from the General Fund balance.

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

(Attachment 6 – Review by Departments was 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. A response and potential funding to recapture will be added to one of the Council’s upcoming unresolved issues briefings.

Differences between CDCIP Board and Mayoral Funding Recommendations

The CDCIP Board’s recommendations do not include the \$15 million for capital maintenance projects because the appropriation was made after the Board’s final FY2025 budget meeting. The tables below summarize the Mayor’s funding recommendations to use the \$15 million for capital maintenance projects in three ways. The Mayor’s recommendations also add \$1.5 million of funding on top of the CDCIP Board’s funding levels from three sources: \$84,490 more from the General Fund, \$750,000 more from Class C (gas tax), and \$678,600 more from parks impact fees.

Mayor recommends additional funding to projects recommended by the CDCIP Board

Project	CDCIP Board Funding Recommendations						Mayor Additional Funding		Totals (Board + Mayor)
	General Fund	Class C (Gas Tax)	Parks Impact Fees	Funding Our Future Streets	Funding Our Future Transit	Transportation 1/4 ¢ Sales Tax	General Fund	Capital Maintenance Holding Account	
Complete Streets Reconstruction		\$3,500,000						\$ 1,000,000	\$4,500,000
Completes Streets Overlay						\$ 2,750,000		\$ 750,000	\$3,500,000
Facilities Replacement and Renewal Plan	\$1,366,350							\$ 1,390,150	\$ 2,756,500
Sport Courts and Playgrounds Replacements	\$ 549,150						\$54,490	\$ 904,450	\$ 1,508,090
Traffic Signal Replacements & Upgrades				\$ 500,000	\$ 230,000			\$ 130,000	\$ 860,000
Amplifying Our Jordan River Bond			\$1,300,000					\$ 200,000	\$1,500,000

Mayor recommends funding capital maintenance projects without CDCIP Board funding recommendations

Project	Projects with Funding Only Recommended by the Mayor				
	General Fund	Class C (Gax Tax)	Parks Impact Fees	Capital Maintenance Holding Account	Totals
700 South Phase 7 from 4600 West to 5000 West				\$ 4,500,000	\$ 4,500,000
Memory Grove Park Urgent Repairs, Preservation, and Maintenance Plan	\$ -			\$ 1,910,000	\$ 1,910,000
Art Barn Failing Infrastructure and ADA Improvements				\$ 500,000	\$ 500,000
Fairmont Park Basketball Court			\$ 678,600	\$ 75,400	\$ 754,000
Alleyway Improvements				\$ 500,000	\$ 500,000
Historic Signs / Markers	\$ 30,000				\$ 30,000
Public Way Concrete Replacement and Repairs		\$750,000			\$ 750,000

Mayor recommends substituting \$3.14 million from the capital maintenance holding account for an equivalent amount of quarter cent sales tax for transportation funding recommended by the CDCIP Board for rebuilding the 400 South Jordan River Bridge and reallocate the \$3.14 million to the Green Loop project for designing eligible transportation parts of the project.

Project	CDCIP Board		Mayor		
	1/4 ¢ Sales Tax for Transportation	Totals	1/4 ¢ Sales Tax for Transportation	Capital Maintenance Holding Account	Totals
400 South Jordan River Bridge Reconstruction	\$ 4,000,000	\$ 4,000,000	\$ 860,000	\$ 3,140,000	\$ 4,000,000
Green Loop	\$ -	\$ -	\$ 3,140,000	\$ -	\$ 3,140,000

Budget Cleanup Position & Funding Inadvertently Not in Mayor's Recommended Budget: New Financial Analyst IV FTE for Impact Fees Tracking and Compliance

The Administration notified the Council Office earlier this week that a financial analyst IV FTE was inadvertently not included in the Mayor's Recommended Budget. The position would be funded for 10 months to recognize the time to hire at a cost of \$143,258 at pay grade 32. The fully loaded annual cost is estimated at \$171,910. The position would be fully funded from impact fees and entirely dedicated to tracking, compliance, and planning for impact fees. The four types of impact fees could equally split the cost of the position. The Finance Department provided the below summary of why the position is needed:

"We are requesting the position based on the new requirements from the state auditor. The reporting and tracking for impact fees has become extremely complex. All impact fees that are budgeted must be tracked individually. This includes the dedicated revenues that are associated by the building permit as well as any match. Individual revenues and expenses have to be tied to the individual project. This tracking is going to take a lot of work for Salt Lake City to ensure that the revenues are being spent in a timely fashion by project and to update the departments that the timing of the funds needing to be spent. If we don't do this type of tracking on an ongoing basis, it could result in more refunds that have to be given." *Staff note: state law requires impact fees to be encumbered or spent within six years of the City receiving them, and a refund of impact fees must be paid with interest to the original payor.*

POLICY QUESTIONS

1. **\$15 Million Capital Maintenance Holding Account** – The Council may wish to discuss whether the funding recommendations for the one-time \$15 million capital maintenance holding account align with the policy goals to catch up on capital renewal and maintenance projects and any potential changes. Some Council Members expressed interest in adding more funding for street reconstruction and overlay

projects, especially on local streets. The existing Overall Condition Index or OCI for roads that need to be reconstructed is 83% are local and 17% are arterial (major) roads, and for roads that are eligible for an asphalt overlay is similar at 83% local, 14% arterial, and 3% collector (in between local and arterial).

2. **Differences between CDCIP Board and Mayoral Funding Recommendations** – The Council may wish to ask the Administration about the different funding recommendations from the CDCIP residents advisory board and the Mayor as summarized in the three tables earlier in this report.
3. **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 second year accomplishments and maps of the highest need zones. The Division anticipates completing 10 zones (neighborhoods) with the additional \$2 million straw polled by the Council at the June 4 meeting. An additional \$8 million would be needed to fully fund the remaining 16 high need zones (red, orange, and yellow on the color-coded map assuming an average cost of \$500,000 per zone).
4. **Sidewalk Repair and Replacement Funding** – The Council may wish to have a policy discussion about the City's overall approach to sidewalk repairs, replacements, and ADA ramps. The Council discussed these issues in CIP last year such as using a sliding scale based on income for the 50/50 cost share program, wanting to better understand the citywide sidewalk assessment results, how the separate cost share program and proactive repair programs are related, and adding sidewalks as an eligible funding strategy for the new 2025 – 2029 Consolidated Plan for CDBG. The FY2025 CIP budget includes \$750,000 for public right of way sidewalk repairs and replacements, and a separate \$500,000 for the Proactive Public Way Concrete Repair Program which is broader to include assets in addition to sidewalks like retaining walls, curb and gutter. The Council may also wish to consider whether some of this funding should be moved out of the annual CIP competition and placed in the Engineering Division's operational maintenance budget. The Council endorsed this approach for multimodal bike lane maintenance moving \$200,000 from the CIP competition into the Streets Division's base operating budget.
5. **Placeholder for Reconnecting Communities Implementation Grant Local Matching Funds** – The Council may wish to discuss when to identify local matching funds for anticipated applications to the federal government to construction improvements addressing the east-west transportation divide. The City received a \$1.97 million grant from the federal reconnecting communities planning grant and \$1.77 million of local matching funds were provided (\$1.27 million from the City and \$500,000 from the Utah Transit Authority). Council Members have encouraged the Administration to consider applying for federal implementation grant funding which may need to be done before the final planning study report is available. There are limited federal funding opportunities to implement the results of the study but the largest federal grants are scheduled to only be available for two or three more years. Most of these construction grants are authorized by the Inflation Reduction Act and Bipartisan Infrastructure Law.
6. **Status of 2022 Sales Tax Revenue Bond Projects** – The Council may wish to request an update and next steps for capital projects funded by the 2022 bond which have not spent most of the available funding in the past two years such as the \$6.1 million for westside railroad quiet zones, \$7.5 million for radio tower upgrades, \$3 million for Fisher Mansion stabilization and improvements, \$2 million for an urban wood reutilization program, and \$3 million for the city owned ballpark (before The Bees announced a relocation out of the city). Some of these projects are issued by tax-exempt bond funds which have approaching spending deadlines in the next couple years.
7. **Status of \$24.6 Million First Issuance of the Parks Bond Projects** – The Council may wish to ask the Administration for next steps to spend these funds that the Council gave final spending approval for in October 2024. Only \$30,169 out of \$24.6 million has been spent so far.
8. **Capital Asset Plan Early Policy Check-in Briefing** – The Council may wish to request a briefing for an early policy check-in about the guiding priorities and framework for developing the Capital Asset Plan (five-year CIP plan bridging the City's 20-year master plans and annual CIP budgets). Some Council Members have expressed an interest in identifying the Livable Streets Program as a top priority in the Capital Asset Plan to ensure funding over multiple years. They have also mentioned performance metrics for CIP such as time from appropriation to completing construction. The FY2024 Non-departmental budget transferred \$350,000 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.

9. **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).
10. **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.

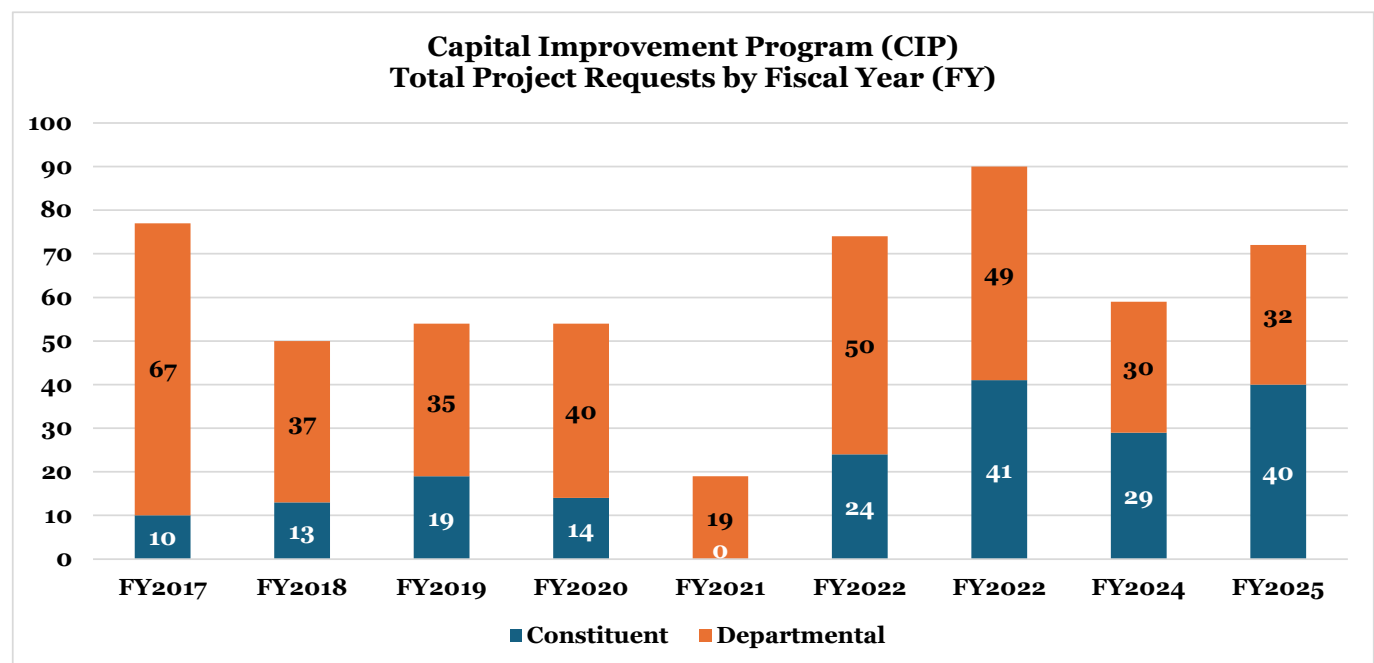
ADDITIONAL & BACKGROUND INFORMATION

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.

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 from a constituent or internal to a City department. The FY2025 CIP cycle has 72 project requests which is above 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.



Note: this chart only includes funding requested in the competitive portion of CIP so debt service and ongoing obligations are generally not reflected in the above figures

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 2023. 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.

Surplus Land Fund

The Administration reports the current available to spend balance is \$4,833,240. 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. The funds remaining in this special account until used and do not lapse to General Fund Balance.

Cost Overrun Account

The Administration reports the current available to spend balance is \$937,233. The FY2025 CIP budget includes \$223,171 of additional funding. If the two appropriations are approved, then the total available balance would be \$1,160,404. The Administration some prior year recaptured funding may also be available and the amount was being confirmed at the time of publishing this report. 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 created the first ongoing dedicated funding for conservation and maintenance of the City’s public art collection consisting of over 270 pieces and counting.

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 May 1, 2024 and includes a couple adjustments based on Budget Amendment #5 of FY2024 which was adopted after the Mayor’s Recommended Budget was proposed to the Council on May 7. Available to spend impact fee balances are bank account balances subtracting encumbrances and expired funds. The Mayor’s recommended CIP budget proposes using \$3,824,800 of parks impact fees. Impact fees must be encumbered or spent 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	\$ Expiring in FY2027
Fire	\$578,695	More than two years away	-
Parks	\$20,931,089	August 2026	\$6,893,768

Police	\$1,553,249	More than two years away	-
Transportation	\$1,154,192	August 2026	\$2,691,888

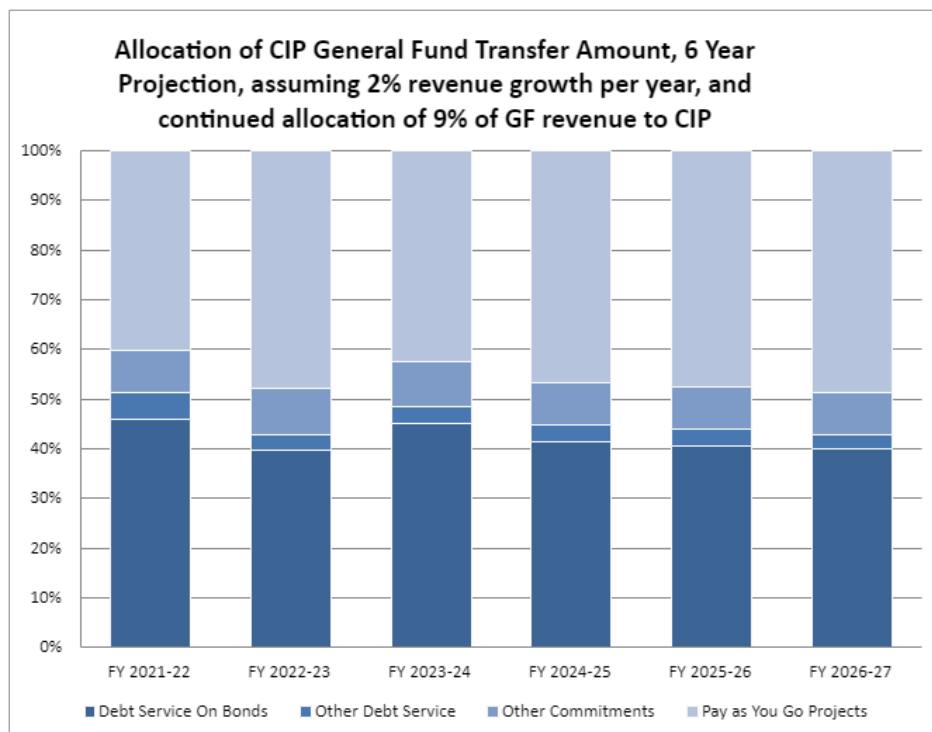
Note: Encumbrances are an administrative function when impact fees are held under a contract

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.

An updated version of this chart was pending at the time of publishing this staff report. The below version is from last year.



Clarifying “Complete Streets” and “Livable Streets” Initiatives

(See Attachment 9 for a Livable Streets Program update from the Transportation Division including second 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.

The program's website is available at: <https://www.slc.gov/transportation/plans-studies/livable-streets/#LivableStreetsProjects>

Public Map of FY2025 CIP Project Applications

The Administration shared the below link to a recently published public map of the FY2025 CIP project applications which includes an overlay of Council Districts for reference. Note that some projects are a polygon for a larger area, others are lines such as for alleyway improvements, and some are dots when a project is limited to a single property.

<https://maps.slcgov.com/portal/apps/webappviewer/index.html?id=64074a434d9b4e5f86000306b65813a2>

ATTACHMENTS

1. Capital and Debt Management Guiding Policies Resolution 29 of 2017
2. FY2025 CIP Funding Log – *Note the spreadsheet from the Administration is not formatted for printing*
3. Mayor's Recommended CIP Book FY2025 Including \$15 Million for Capital Maintenance
4. FY2025 Simplified CIP Funding Log by CDCIP Board Scores – *PENDING*
5. Overview of CIP Major Funding Sources
6. List of Completed and Unfinished Projects Older than Three Years – *PENDING REVIEW BY DEPARTMENTS FOR POTENTIAL FUNDING RECAPTURE*
7. Capital Asset Plan (CAP) Council Requests from January 2019
8. Regular CIP Projects Cost Estimates (last updated July 2023)
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

FOF – Funding Our Future

FTE – Full-time Employee

FY – Fiscal Year

GO Bond – General Obligation Bond

PSB – Public Safety Building