

■ CAPITAL FUND DEFINITION

Capital Funds account for the acquisition, construction, or rehabilitation of major fixed assets or capital projects which are not financed by special assessment, non-expendable trust funds, or proprietary funds. Capital projects include improvements to City arterials, sewers, curbs, gutters, sidewalks, drainage, and other infrastructure projects.

■ RELATIONSHIP BETWEEN CAPITAL BUDGET AND TOTAL CITY BUDGET

Each capital fund (*e.g.*, Measure M) is an independent budget with its own revenue and expenditure accounts. The majority of funding sources come from grants which may or may not be competitive and fees charged by the City on new development. Transfers into the Capital Fund budget come from several sources including the General Fund for the Police Building Debt Service obligations and from Special Revenue Funds such as special gas tax to fund Select Street Construction projects.

■ CAPITAL FUND SUMMARY

Table 7-1 summarizes Capital Fund expenditures by the department or agency that manages the funds. While capital funds do not reflect budgeted positions as noted in Table 7-1, capital funds do support several positions in the general fund and enterprise funds. City staff time (*e.g.*, engineering design) spent on capital projects is charged as labor costs which are distributed and tracked via the City's project accounting system.

Total Capital Fund Appropriations for FY08-09 is \$108,972,465 and 78% higher than last fiscal year (see table 7-1). The increase is due to new projects related to residential street improvements such as project "RESTORE" which is \$100 million project over the course of the next 3 to 5 years and a fixed guide-way multi-modal transportation corridor that integrates modern street cars (picture displayed on the cover). There are also arterial improvements such as the Bristol Street Widening project which is being completed in phases thru a funding commitment (that exceeds \$200 million) provided by the Orange County Transportation Authority (OCTA).

Capital funds are listed in Table 7-1 in descending order by their respective agency and described below by fund number as a cross-reference. The City's Public Works Agency is responsible for the entire effort and coordination of the CIP budget and works directly with the various departments in compiling and assessing each project.

● Fund 28 – Traffic Congestion Relief Program (Public Works Agency)

In July 2000, Governor Davis signed State Assembly Bill AB 2928, which provides \$400 million to cities and counties throughout the state for preservation, maintenance, and rehabilitation of local street and road systems. The identified funds are the City of Santa Ana's share of the allocation.

● Fund 30 Highway Safety & Traffic Reduction Program (PWA)

The infrastructure Bond Package passed by California voters in 11/06 included Prop 1B which contains \$20 billion for various transportation projects in California.

● Fund 32 – Measure M (Public Works Agency)

Measure M was a ballot measure passed in the 1990 election to add one-half percent to the then existing sales tax of 7.25 percent to finance for transportation improvements. This took Orange County's sales tax rate to its current level of 7.75 percent. To receive Measure M money, cities and the County of Orange must coordinate their land use and transportation decisions with neighboring jurisdictions, develop Growth Management Plans, and guarantee that Measure M funds will be used only for transportation purposes. The Orange County Transportation Authority (OCTA) administers and disburses Measure M proceeds as competitive and non-competitive funds.

● Fund 33 thru 49 – (TSIA) Transportation System Improvement Area Funds (Public Works Agency)

This account consists of separate funds which correspond to the eleven transportation system improvement areas as defined in the Santa Ana Municipal Code. Revenues come from fees the City charges for new developments in excess of \$30,000 in building valuation. The fee pays for the additional transportation requirements that new development projects generate. TSIA funds can only be used within the TSI area where the fees were levied and only for transportation capacity projects such as arterial, street widening, and traffic improvement projects.

● Fund 55– Sewer Connection (Public Works Agency)

Sewer connection fees are collected from various types of development based on the number of plumbing fixture units and the cost per lineal foot to construct a sewer main. The fees are intended to pay for sewer replacement and repair to meet the added demands on the system generated by redevelopment and new development. Fees are paid at the time of application for a sewer connection permit.

CAPITAL FUND SUMMARY

Table 7-1

DEPARTMENT/ AGENCY	Actual FY 06-07	Projected FY 07-08	Adopted FY 08-09	% of FY 08-09 Total	Increase (Decrease) Over Prior Year 07-08 to 08-09	
					In \$	In %
REVENUES						
28 Traffic Congestion Relief Fund	3,021,119	2,580,750	3,402,305	3.2%	821,555	31.8%
30 Prop. 1B Infrastructure Bond	0	3,348,575	6,684,650	6.3%	3,336,075	99.6%
32 Measure M	7,212,384	12,508,215	22,056,065	20.7%	9,547,850	76.3%
33 - 49 Transportation Area Funds	897,380	1,551,000	2,084,200	2.0%	533,200	34.4%
55 Sewer Connection Project	678,971	720,000	620,000	0.6%	(100,000)	-13.9%
58 Residential Street Improvement	263,068	555,400	20,200,000	18.9%	19,644,600	3537.0%
59 Select Street Construction	36,528,561	26,275,680	41,807,300	39.2%	15,531,620	59.1%
156 Land & Water Conservation Fund	145,606	150,000	0	N/A	(150,000)	-100.0%
161 State Bicycle Transportation Fund	0	1,000,000	0	N/A	(1,000,000)	-100.0%
169 Habitat Conservation Fund	0	345,000	122,500	0.1%	(222,500)	-64.5%
172 State Recreation Trails Program	0	240,000	0	N/A	(240,000)	-100.0%
201 - 226 Drainage Assessment	412,808	526,080	391,950	0.4%	(134,130)	-25.5%
301 Park Acquisition & Dev.	220,416	880,970	134,510	0.1%	(746,460)	-84.7%
400 Police Building Debt Service	9,945,034	9,127,225	9,127,225	8.6%	0	0.0%
	59,325,346	59,808,895	106,630,705	100.0%	46,821,810	78.3%
EXPENDITURES BY DEPARTMENT						
Public Works Agency						
28-552 Traffic Congestion Relief Fund	1,301,519	2,580,750	4,715,405	4.3%	2,134,655	82.7%
30-551 Prop. 1B Infrastructure Bond	0	3,348,575	6,684,650	6.1%	3,336,075	99.6%
32-551 Measure M	4,604,894	12,621,500	22,056,065	20.2%	9,434,565	74.7%
33 to 49 Transportation Area Funds	897,380	1,551,000	2,084,200	1.9%	533,200	34.4%
55-532 Sewer Connection Project	1,547,308	2,039,000	1,450,000	1.3%	(589,000)	-28.9%
58-Var Residential Street Improvement	10,715	555,400	20,200,000	18.5%	19,644,600	3537.0%
59-551 Select Street Construction	64,490,945	26,162,395	41,807,300	38.4%	15,644,905	59.8%
201 to 226 Drainage Assessment	244,385	526,080	391,950	0.4%	(134,130)	-25.5%
Total	73,097,146	49,384,700	99,389,570	91.2%	50,004,870	101.3%
Police Department						
400 Police Building Debt Service	9,505,352	9,127,225	9,325,895	8.6%	198,670	2.2%
Total	9,505,352	9,127,225	9,325,895	8.6%	198,670	2.2%
Parks, Recreation & Community Services						
156 Land & Water Conservation Fund	69,170	150,000	0	N/A	(150,000)	-100.0%
161-Var State Bicycle Transp. Fund	0	1,100,000	0	N/A	(1,100,000)	-100.0%
169 Habitat Conservation Fund	0	245,000	122,500	0.1%	(122,500)	-50.0%
172 State Recreation Trails Program	0	240,000	0	N/A	(240,000)	-100.0%
301 Park Acquisition & Dev.	627,151	955,330	134,500	0.1%	(820,830)	-85.9%
Total	696,321	2,690,330	257,000	0.2%	(2,433,330)	-90.4%
GRAND TOTAL	83,298,819	61,202,255	108,972,465	100.0%	47,770,210	78.1%
CAPITAL REVENUE FUNDS PERSONNEL						
Number of Positions	0	0	0		0	N/A

Note: Amounts Include Interfund Transfers

- **Fund 58 Residential Street Improvement Fund (PWA)**

The Residential Street Improvement Fund provides a funding structure for future residential street reconstruction projects.

- **Fund 59– Select Street Construction (Public Works Agency)**

This fund pays for the cost of right-of-way acquisition, construction, rehabilitation, and improvements to city streets. Revenue comes from state gas taxes, highway users tax, county gas tax, and federal programs such as the Bridge Rehabilitation & Replacement Program.



- **Fund 156– Land & Water Conservation Fund (Public Works Agency)**

This competitive grant program is administered by the National Park Service. It has been in effect since 1965 and was extended to January 2015. The funds allocated may be used for statewide planning, and for acquisition or development of neighborhood, community, and regional parks. Improvements can include outdoor recreation areas and facilities, and indoor facilities that support outdoor recreation activities. Fifty percent of the funding must be matched by the participating agency.

- **Fund 169– Habitat Conservation Fund (Parks & Recreation)**

The program was established by the California Wildlife Protection Act of 1990 (The Mountain Lion Initiative). It provides funds for acquisition, enhancement, and restoration of wildlife areas including program sand trails that bring urban residents into parks and wildlife areas. The grant requires a 50% match from a non-state source.

Providing park facilities, community services, and recreational opportunities is a continuing challenge for a built-out city like Santa Ana *which has the youngest population among the largest cities in the nation.*

- **Fund 172-State Recreation Trails Program (Parks, Recreation and Community Service)**

This competitive grant program was established under the Transportation Equity Act for the 21st Century and provides funds annually for recreational trails and trail-related projects. Approximately \$2.2 million per year is available for non-motorized projects.

- **Funds 201 through 226-Drainage Assessment (Public Works Agency)**

In accordance with Section 34-191 of the Santa Ana Municipal Code, the City has been divided into drainage assessment areas. The fee established for each drainage area is based on the need for drainage facilities in each area as shown in the City's Storm Drain Master Plan.

- **Fund 301– Park Acquisition & Development (Parks & Recreation)**

This fund is patterned after the TSIA, sewer, and drainage funds as applied to parklands. Revenues come from fees charged to developers of residential properties to defray the cost of providing green belts and recreational facilities to meet the increase in population generated by new residential development.

The built-out topography restricts the City's ability to add open space and green belts in the face of increasing service demands from its youthful demographics. Park Acquisition & Development revenues varies each year since they depend on donations from private sources such as the Friends of the Santa Ana Zoo, and on new development activity.

- **Fund 400– Police Building Debt Service (Police Department)**

The Police Building Debt Service Fund, or Fund 400, was established to account for the defeasance of lease revenue bonds issued in March 1994 by the City of Santa Ana through the Santa Ana Financing Authority to finance the construction of the Police Administration & Holding Facility. The \$107.4 million bond issue is payable from revenues of the Financing Authority, which would consist mainly of base rental payments to the City, pursuant to a lease agreement between the City and the Authority.

The Police Building Debt Service Fund also receives an annual General Fund transfer payment to support the debt service as the expenditure provides a basic public safety function. Although technically not a capital fund, Fund 400 is included in this section because its purpose is to pay debt on a capital project.

■ IMPACT OF CAPITAL BUDGET ON OPERATING BUDGET

Projects included in the FY 08-09 CIP which may impact the operating budget are the following:

Centennial Road Renovation:

Project includes complete reconstruction/resurfacing of existing pavement, along a portion of Centennial Road. Project should result in a small reduction of routine maintenance costs, \$5,000 to \$10,000 annually.

Fairview Triangle Habitat Restoration:

Project includes the development of a 20,250 SF portion alongside the Santa Ana River Trail into a trailside rest area. This area currently sits as a vacant lot. Project will include a sheltered picnic area, decomposed granite paths, interpretive signage and a drinking fountain. Project should result in a small increase in routine maintenance costs, \$500 to \$1,000 annually.

Flower Street Bike Trail Extension:

Installation of a new 10' wide asphalt concrete bike trail, landscape and irrigation improvements, barrier fence, and trail head plaza at the junction with Sunflower Bike Trail. Project should result in a small increase in routine maintenance costs, \$1,000 to \$2,000 annually.

McFadden Triangle Habitat Restoration:

Project will enhance a 0.06 acre parcel to support riparian habitat at a site adjacent to the Santa Ana River Trail. Project includes additional landscaping, trees, walkways, seating areas, signage and upgraded irrigation system. Project should result in a small increase in routine maintenance costs, \$500 to \$1,000 annually.

Plaza of the Fountains – Fountain #1 Renovation:

Renovation of the fountain located north of the State Building in the Plaza of the Fountains. Once this facility is operational again, there will be an increase in routine maintenance and operational costs, \$10,000 to \$15,000 annually.

Santa Ana Zoo “Tierra de las Pampas” Exhibit:

Project includes the renovation of an existing area of the Santa Ana Zoo at Prentice Park, and creation of a new exhibit to house rheas, guanacos (currently in collection), and giant anteater. Project should result in a small increase in animal care expenses, \$1,000 to \$2,000 annually.

Police Administrative and holding facility improvements:

Police Department facility improvement were carried out during FY07-08 included: the replacement of all (4) uninterruptible power supply (UPS) battery groupings, redesign and construction of PO2 main air handler, re-landscape of front entry areas, testing of main electric switch gear, change out to

low water plumbing fixtures, cooling tower fill replaced, repainted entire parking structure, stalls, fire lanes, curbing, and light poles, and re-caulked window mullions. Also replaced fitness center flooring, remodeled ID photo lab to convert it from chemical processing to digital technology, installed 3M ballistic protection film on PD and Jail lobby glass windows, and completed ADA front lobby door upgrades. This plays a role as to the Police Department reducing in building facility operating budget by approximately \$235,300 for 08-09.

The Capital Budget, in contrast to the Operating Budget, is an on-going 7-year business plan updated yearly.

The City prepares a Capital Budget and an Operating Budget that are both submitted together to the Council for approval. The Operating Budget provides for general municipal delivery of services including personnel costs, supplies and services, and capital outlay for equipment. Revenues for the Operating Budget are primarily derived from recurring taxes, user fees, and intergovernmental sources.

The Capital Budget contains capital projects and differs from the Operating Budget in that the former focuses on expenditures that add to or improve the City's capital assets or infrastructure. Capital projects may fall under one or more of the following areas:

- ◆ Expenditures which may take place over more than one year thereby requiring continuing appropriations;
- ◆ Projects which require funding with debt because of significant costs to be shared by current and future beneficiaries;
- ◆ Projects which require systematic acquisition over an extended period of time in order to implement major operating systems or public programs; and
- ◆ Scheduled replacement of physical assets.

Capital Budget revenues come primarily from tax increments, Measure M monies, Transportation System Improvement Area fees, Water Utility fees, Park Acquisition & Development fees, Sewer Connection fees, and Gas Tax revenue. The General Fund may also transfer monies to the Capital Fund through the Capital Outlay Fund. For an in-depth discussion on the impact of the capital budget on the operating budget, see the City Manager's Budget Letter at the beginning of this budget book.

CAPITAL FUNDS

Traffic Congestion Relief Program	PROGRAM	Fund 28	
<p>PURPOSE: In 2002, California voters passed Proposition 42, which dedicated gas tax revenue to transportation projects. Due to financial constraints, the State suspended funding for Prop. 42 in FY 03-04 and FY 04-05. Passage of the Infrastructure Bond Package in November 2006 included Proposition 1A, which places restrictions on when and how often these funds can be borrowed and must be paid back. Because FY 07-08 is a scheduled "gap" year, the City will not be receiving new funding this year. However, allocations will resume in FY 08-09.</p>			
	ACTUAL	PROJECTED	APPROVED
	FY 06-07	FY 07-08	FY 08-09
REVENUES			
28-01-5360-2928 Traffic Congestion Relief Fund	3,021,119	2,580,750	3,402,305
TOTAL TRAFFIC SYSTEM MANAGEMENT GRANT	<u>3,021,119</u>	<u>2,580,750</u>	<u>3,402,305</u>
	ACTUAL	PROJECTED	APPROVED
	FY 06-07	FY 07-08	FY 08-09
EXPENDITURES			
028-552-6631 Improvements Other than Buildings	1,301,519	2,580,750	4,715,405
TOTAL ANTICIPATED EXPENDITURES	<u>1,301,519</u>	<u>2,580,750</u>	<u>4,715,405</u>
PROJECTS			FY 08-09
ARTERIAL IMPROVEMENTS			
Street Reconstruction/Resurfacing			
Civic Center Drive: French to Santiago			727,100
Fifth Street: Harbor to Newhope			786,000
McFadden Avenue: Bristol to Flower			560,600
Plaza Drive: MacArthur to Sunflower			890,605
Segerstrom Avenue: Bristol to Raitt			876,700
Segerstrom Avenue: Fairview to Harbor			89,400
Segerstrom Avenue: Raitt to Fairview			199,000
Segerstrom Avenue: Raitt to Fairview			586,000
TOTAL ARTERIAL IMPROVEMENTS			<u>4,715,405</u>

CAPITAL FUNDS

Highway Safety & Traffic Reduction	PROGRAM		Fund 30-551
<p>PURPOSE: The Infrastructure Bond Package passed by California voters in November 2006 included Proposition 1B, which contains almost \$20 billion for various transportation projects in California. A specific schedule for disbursement of these funds to the cities will be finalized with approval of the State's FY 2007-2008 budget.</p>			
	ACTUAL	PROJECTED	APPROVED
	FY 06-07	FY 07-08	FY 08-09
REVENUES			
30 PROP 1B INFRASTRUCTURE BOND			
5360 Prop 1B Bond Act of 2006	0	3,348,575	6,684,650
TOTAL PROP 1B INFRASTRUCTURE BOND FUND	<u>0</u>	<u>3,348,575</u>	<u>6,684,650</u>
	ACTUAL	PROJECTED	APPROVED
	FY 06-07	FY 07-08	FY 08-09
EXPENDITURES			
30 PROP 1B INFRASTRUCTURE BOND			
6631 Improvements Other than Buildings	0	3,348,575	6,684,650
TOTAL PROP 1B INFRASTRUCTURE BOND FUND	<u>0</u>	<u>3,348,575</u>	<u>6,684,650</u>
PROJECTS			
			FY 08-09
NEIGHBORHOOD IMPROVEMENTS			
Neighborhood Street Improvements			
Local Street Pavement Rehabilitation			2,743,800
TOTAL NEIGHBORHOOD IMPROVEMENTS			<u>2,743,800</u>
ARTERIAL IMPROVEMENTS			
Street Reconstruction/Resurfacing			
McFadden Avenue: Standard to Maple			1,190,000
Standard Avenue: Warner to 1st			1,525,850
Susan Street: MacArthur to Sunflower			1,000,000
TOTAL ARTERIAL IMPROVEMENTS			<u>3,715,850</u>
TRAFFIC IMPROVEMENTS			
Fairview/Harbor Interconnect and Intertie with Fountain Valley			62,500
System Detection & Transportation Information System			62,500
Traffic Signal Capital Improvement			100,000
TOTAL TRAFFIC IMPROVEMENTS			<u>225,000</u>
GRAND TOTAL			<u>6,684,650</u>

CAPITAL FUNDS

Measure M	PROGRAM	Fund 32		
<p>PURPOSE: To account for the Measure M sales tax apportionment to the City of Santa Ana, and eligible expenditures for street maintenance and street improvements.</p> <p>On November 6, 1990, Orange County voters approved Measure M, the Revised Traffic Improvement and Growth Management Plan. Measure M authorized the imposition of one-half percent retail transaction and use tax for a 20-year period. The sales tax is estimated to raise \$3.1 billion countywide over the 20-year period. The Measure M sales tax ordinance which went into effect on April 1, 1991, states that 14.6% of the total 1/2 percent sales tax revenues, net administrative costs, shall be available to eligible jurisdictions for local street maintenance and improvements.</p>				
		ACTUAL FY 06-07	PROJECTED FY 07-08	APPROVED FY 08-09
REVENUES				
5038	Measure M Competitive - PY	2,538,257	2,135,000	2,135,000
5049	Measure M Competitive	77,670	6,300,965	1,773,000
5050	Measure M Turnback	3,836,829	3,872,250	4,048,065
5341	RSTP Federal Prgm Proj 1740	268,447	0	0
5621	Expense Reimbursement	48,102	0	0
5812	Earnings on Investment	384,218	200,000	200,000
5812-1	Loss(Gain) MV on Investments	58,862	0	0
5053	OCTA Transitway Project - MOS 3	0	0	13,900,000
	TOTAL MEASURE M FUND	7,212,384	12,508,215	22,056,065
		ACTUAL FY 06-07	PROJECTED FY 07-08	APPROVED FY 08-09
EXPENDITURES				
32-551 MEASURE M STREET CONSTRUCTION				
6291	Contractual Servcies	138	0	0
6611	Land	65,228	0	0
6631	Improvements Other than Buildings	4,424,528	12,421,500	7,956,065
6800-58	Transfer to Fund 58	0	200,000	200,000
		4,489,894	12,621,500	8,156,065
32-553 OCTA TRANSITWAY PROJECT - MOS 3				
6631	Improvements Other than Buildings	115,000	0	13,900,000
		115,000	0	13,900,000
	TOTAL MEASURE M FUND	4,604,894	12,621,500	22,056,065

CAPITAL FUNDS

Measure M	FY 08-09 PROJECT DETAIL		Fund 32
PROJECTS	FUNDING SOURCES		APPROVED TOTAL
	Turnback	Competitive	
NEIGHBORHOOD IMPROVEMENTS			
Curbs, Gutters, Sidewalks			
Omnibus Concrete	250,000	0	250,000
Subtotal Curbs, Gutters, Sidewalks	250,000	0	250,000
Neighborhood Street Improvements			
Neighborhood Traffic Mitigation	1,155,000	0	1,155,000
Subtotal Neighborhood Street Improvements	1,155,000	0	1,155,000
TOTAL NEIGHBORHOOD IMPROVEMENTS	1,405,000	0	1,405,000
ARTERIAL IMPROVEMENTS			
Arterial Widening			
Alton Avenue Overcrossing @ SR-55	0	141,000	141,000
Grand Avenue Widening	176,700	44,400	221,100
Grand/Dyer Intersection	0	150,000	150,000
MacArthur Boulevard @ SR-55	0	730,600	730,600
Project Development	200,000	7,000	207,000
Right of Way Management	250,000	0	250,000
Seventeenth/Broadway Intersection	0	200,000	200,000
Subtotal Arterial Widening	626,700	1,273,000	1,899,700
Street Reconstruction/Resurfacing			
Fifth Street: Harbor to Newhope	77,300	0	77,300
McFadden Avenue: Standard to Maple	211,300	0	211,300
Pavement Management	300,000	0	300,000
Standard Avenue: Warner to First	430,265	0	430,265
Subtotal Street Reconstruction/Resurfacing	1,018,865	0	1,018,865
TOTAL ARTERIAL IMPROVEMENTS	1,645,565	1,273,000	2,918,565
TRAFFIC IMPROVEMENTS			
Fairview/Harbor Interconnect and Intertie with Fountain Valley	0	250,000	250,000
Harbor at Kent - New Traffic Signal (HSIP)	40,000	0	40,000
Railroad Grade Crossing Enhancement Safety Projects	527,500	0	527,500
System Detection & Transportation Information System	0	250,000	250,000
Santa Ana at Flower Traffic Signal Modification (HSIP)	40,000	0	40,000
Santa Ana/Garden Grove "Go Local" Concept Study	200,000	0	200,000
Fixed Guideway OCTA Funding	0	8,900,000	8,900,000
Station Improvements OCTA Funding	0	2,000,000	2,000,000
Multi-Modal use of PE ROW OCTA	0	3,000,000	3,000,000
SBC (Pacific Bell) Rental Fee for Signal Interconnect	20,000	0	20,000
Traffic Management Plans	170,000	0	170,000
Total Traffic Improvements	997,500	14,400,000	15,397,500
SUBTOTAL MEASURE M PROJECTS (08-09 Funding)	4,048,065	15,673,000	19,721,065
PRIOR YEAR FUNDING			
Arterial Widening			
Alton Avenue Overcrossing @ SR-55 (PY)	0	2,135,000	2,135,000
TOTAL MEASURE M PROJECTS	4,048,065	17,808,000	21,856,065

CAPITAL FUNDS

Transportation Area Funds	PROGRAM	Fund 33 to 49		
<p>PURPOSE: In accordance with Section 8-44 of the Santa Ana Municipal Code, the City collects Transportation Area Fees from new developments in excess of \$30,000 in building valuation. Fees vary from \$1.10 to \$5.53 per square foot of floor space, depending on the type of development and the particular area that the development is located. All fees are due upon issuance of the building permit. The fee is used to fund projects to improve roadway capacity and safety. In FY 07-08, funds will be used for <i>Arterial Improvements</i> and <i>Traffic Improvements</i>.</p>				
<p>FY 08-09 TRANSPORTATION SYSTEM IMPROVEMENT AREA</p> <hr/> <p>33 - New Area B 34 - New Area E 35 - New Area F 41 - Area A 42 - Area B 43 - Area C 48 - Area C-2 49 - Area G</p> <p style="text-align: center;">TOTAL</p>	<p>Balance From Prior Year</p> <hr/> <p>0 0 0 0 0 0 0 0</p> <hr/> <p>0</p>	<p>Proposed Revenues</p> <hr/> <p>45,000 95,000 10,000 30 150 3,000 9,500 3,000</p> <hr/> <p>165,680</p>	<p>Total Revenues</p> <hr/> <p>45,000 95,000 10,000 30 150 3,000 9,500 3,000</p> <hr/> <p>165,680</p>	<p>Total Expenditures</p> <hr/> <p>45,000 0 0 2,000,000 0 26,700 9,500 3,000</p> <hr/> <p>2,084,200</p>
<p>PROJECTS</p>				
<p>ARTERIAL IMPROVEMENTS</p>				
<p>Arterial Widening</p>				
<p>Grand Avenue Widening: Area A</p>				
<p style="text-align: right;"><u>2,000,000</u></p>				
<p>TOTAL ARTERIAL IMPROVEMENTS</p>				
<p style="text-align: right;"><u>2,000,000</u></p>				
<p>TRAFFIC IMPROVEMENTS</p>				
<p>Railroad Grade Crossing Enhancement Safety Projects: Areas B, C, C-2, D</p>				
<p style="text-align: right;"><u>84,200</u></p>				
<p>TOTAL TRAFFIC IMPROVEMENTS</p>				
<p style="text-align: right;"><u>84,200</u></p>				
<p>TOTAL TRANSPORTATION AREA FUNDS</p>				
<p style="text-align: right;"><u>2,084,200</u></p>				

CAPITAL FUNDS

Sewer Connection Projects	PROGRAM	Fund 55-532	
<p>PURPOSE: The Sewer Connection Fee is collected from various types of development based on the number of fixture units and the cost per lineal foot of construction of a main sewer line. All monies received by the City as a fee for connection to the public sewers are deposited into the Sewer Connection Fee Fund and used for the construction of sewers. Fees paid at the time of application for a sewer connection permit, and no connection permit is issued until such fees are paid.</p>			
	ACTUAL FY 06-07	PROJECTED FY 07-08	APPROVED FY 08-09
REVENUES			
55 SEWER CONNECTION FEE FUND			
5484 Sewer Connection Fees	534,274	600,000	500,000
5812 Earnings on Investment	179,076	120,000	120,000
5812-1 Loss (Gain) MV on Investments	(34,379)	0	0
TOTAL SEWER CONNECTION FEE FUND	678,971	720,000	620,000
	ACTUAL FY 06-07	PROJECTED FY 07-08	APPROVED FY 08-09
EXPENDITURES			
55-532 SEWER CONNECTION PROJECTS			
6631 Improvements Other than Buildings	1,547,308	2,039,000	1,450,000
TOTAL SEWER CONNECTION PROJECTS	1,547,308	2,039,000	1,450,000
PROJECTS			
			FY 08-09
INFRASTRUCTURE IMPROVEMENTS			
Sewer Main Hot Spot Repairs and Main Replacements			527,000
Sewer Reconstruction - Parton Street: 15th to Washington			195,000
Sewer Reconstruction - Van Ness Avenue, North of Warner			400,000
Sewer Reconstruction - Washington Avenue: Bristol to Pacific			328,000
TOTAL			1,450,000

CAPITAL FUNDS

Residential Street Improvement		PROGRAM		Fund 58
PURPOSE:		Local Bond funding provided for a 5-year, \$100 million project to repair and rehabilitate neighborhood streets Citywide.		
		ACTUAL	PROJECTED	APPROVED
		FY 06-07	FY 07-08	FY 08-09
REVENUES				
5113	Host Fees	29,187	30,000	0
5499	Transportation/Oversize Permits	14,914	13,400	0
5573	Trench Cut Fees	16,796	17,000	0
5921	Street Construction Fees	185,504	290,000	0
5977	Encroachment Permit Fees	0	5,000	0
5990-29	Transfer from Special Gas Tax Fund 29	16,667	0	20,000,000
5990-32	Transfer from Measure M Fund 32	0	200,000	200,000
	TOTAL RESIDENTIAL STREET IMPROVEMENT	<u>263,068</u>	<u>555,400</u>	<u>20,200,000</u>
		ACTUAL	PROJECTED	APPROVED
		FY 06-07	FY 07-08	FY 08-09
EXPENDITURES				
58-551	Residential Street Improvement			
6631	Improvements Other than Buildings	10,715	555,400	200,000
		<u>10,715</u>	<u>555,400</u>	<u>200,000</u>
58-552	Gas Tax Residential Street Improvement			
6631	Improvements Other than Buildings	0	0	20,000,000
		<u>0</u>	<u>0</u>	<u>20,000,000</u>
	TOTAL RESIDENTIAL STREET IMPROVEMENT	<u>10,715</u>	<u>555,400</u>	<u>20,200,000</u>
PROJECTS				FY 08-09
58-552	Neighborhood Street Imp:			
	Local Street Pavement Rehabilitation			15,000,000
	Local Street Pavement Rehabilitation (PY)			5,000,000
	GAS TAX RESIDENTIAL STREET IMPROVEMENT SUBTOTAL			<u>20,000,000</u>
	TOTAL RESIDENTIAL STREET IMPROVEMENT PROJECTS			<u>20,000,000</u>

CAPITAL FUNDS

Select Street Construction	PROGRAM	Fund 59		
<p>PURPOSE: This program includes all new work, reconstruction, widening, or traffic improvements done on the "Select Street System" of the City. Funds to support this program primarily come from these sources:</p> <p>A. State Gas Tax funds (Section 2105,6,7) transferred from Fund 29. B. County Gas Tax funds administered by the Orange County Transportation Authority.</p>				
		ACTUAL	PROJECTED	APPROVED
		FY 06-07	FY 07-08	FY 08-09
REVENUES				
59 SELECT STREET CONSTRUCTION				
5335	OCTA Gas Tax Subvention	29,523,587	23,000,000	23,000,000
5341	RSTP Federal Program	0	113,285	5,442,600
5342-5	Transportation Enhancement Activities	586,721	230,970	0
5343	Highway Bridge Replacement Program (HBRP)	1,619,824	0	12,411,700
5350	Arterial Highway Rehabilitation Program (AHRP)	3,513,337	0	0
5351	Highway Safety Improvement Program	0	0	596,700
5621-3	Expense Reimbursement-Irvine	326,648	0	0
5621-5	Expense Reimbursement-SCRRA	5,067	0	0
5621-6	Expense Reimbursement-SAUSD	70,000	0	0
5790	Developer Contribution	75,000	0	0
5799	Miscellaneous Recoveries	0	0	0
5804	Rental of Property	102,810	0	0
5812	Earnings on Investment	7,334	0	0
5990	Transfer from Fund 29	698,233	2,931,425	356,300
TOTAL SELECT STREET CONSTRUCTION		36,528,561	26,275,680	41,807,300
		ACTUAL	PROJECTED	APPROVED
		FY 06-07	FY 07-08	FY 08-09
EXPENDITURES				
59-551 Select Street Construction				
6631	Land	0	0	5,442,600
6631	Improvements Other than Buildings	18,490,945	3,162,395	13,364,700
		18,490,945	3,162,395	18,807,300
59-553 OCTA Gas Tax Subvention				
6631	Improvements Other than Buildings	46,000,000	23,000,000	23,000,000
		46,000,000	23,000,000	23,000,000
TOTAL 59 SELECT STREET		64,490,945	26,162,395	41,807,300

CAPITAL FUNDS

Select Street Construction		PROJECT DETAIL			Fund 59
PROJECTS	FUNDING SOURCES			APPROVED Total	
	Gas Tax	OCTA Gas Tax	Others		
ARTERIAL IMPROVEMENTS					
Arterial Widening					
Bristol Street Widening: Phase I - McFadden to Pine	0	5,300,000	0	5,300,000	
Bristol Street Widening: Phase II - Third to Civic Center	0	17,700,000	0	17,700,000	
First Street Bridge Widening over Santa Ana River	0	0	11,770,500	11,770,500	
Grand Avenue Widening: First Street to Fourth Street	0	0	5,442,600	5,442,600	
Street Reconstruction/Resurfacing					
Rehabilitation of Bridges at Fifth Street & McFadden Avenue	0	0	641,200	641,200	
TOTAL ARTERIAL IMPROVEMENTS	0	23,000,000	17,854,300	40,854,300	
TRAFFIC IMPROVEMENTS					
Harbor at Kent - New Traffic Signal (HSIP)	0	0	0	326,700	
Railroad Grade Crossing Enhancement Safety Projects	356,300	0	0	356,300	
Santa Ana at Flower Traffic Signal Modification (HSIP)	0	0	0	270,000	
TOTAL TRAFFIC IMPROVEMENTS	356,300	0	0	953,000	
 GRAND TOTAL	 356,300	 23,000,000	 17,854,300	 41,807,300	

CAPITAL FUNDS

State Land & Water Conservation Fund		PROGRAM		Fund 156
PURPOSE: The State Land & Water Conservation Fund (LWCF) program provides matching grants for the acquisition and development of outdoor recreation areas and facilities. The program is intended to create and maintain a legacy of high quality recreation areas and facilities and to stimulate in the protection and maintenance of recreation resources.				
		ACTUAL FY 06-07	PROJECTED FY 07-08	APPROVED FY 08-09
REVENUES				
5350-5 Land & Water/ Tierra Pampas	145,606	150,000	0	
TOTAL LAND & WATER CONSERVATION FUND	<u>145,606</u>	<u>150,000</u>	<u>0</u>	
	ACTUAL FY 06-07	PROJECTED FY 07-08	APPROVED FY 08-09	
EXPENDITURES				
156-247 LAND & WATER CONSERVATION FUND				
6631 Improvements other than Buildings	69,170	150,000	0	
TOTAL ANTICIPATED EXPENDITURES	<u>69,170</u>	<u>150,000</u>	<u>0</u>	
PRIOR YEAR FUNDING PROJECTS				FY 08-09
<i>Park Facility Improvements</i>				
Santa Ana Zoo "Tierra de las Pampas" Exhibit - PY			150,000	
TOTAL PARK FACILITY IMPROVEMENTS			<u>150,000</u>	

CAPITAL FUNDS

State Bicycle Transportation Account		PROGRAM		Fund 161
PURPOSE: The State of California Department of Transportation, Bicycle Transportation Account (BTA), provides state funds for city and county projects that improve safety and convenience for bicycle commuters. To be eligible for BTA funds, a city or county must prepare and adopt a Bicycle Transportation Plan (BTP) that complies with Streets and Highways Code Section 891.2.				
	ACTUAL	PROJECTED	APPROVED	
	FY 06-07	FY 07-08	FY 08-09	
REVENUES				
5372 State Bicycle Transportation Account Grant	0	1,000,000	0	
5370 Roberti-Z'Berg Urb/Open Space	0	100,000	0	
TOTAL STATE PARKS CAPITAL PROJECTS	<u>0</u>	<u>1,100,000</u>	<u>0</u>	
	ACTUAL	PROJECTED	APPROVED	
	FY 06-07	FY 07-08	FY 08-09	
EXPENDITURES				
161-270 ROBERTI-Z'BERG-HARRIS GRANT				
6631 Improvements other than Buildings	0	100,000	0	
TOTAL ANTICIPATED EXPENDITURES	<u>0</u>	<u>100,000</u>	<u>0</u>	
	ACTUAL	PROJECTED	APPROVED	
	FY 06-07	FY 07-08	FY 08-09	
EXPENDITURES				
161-272 BICYCLE TRANSPORTATION ACCOUNT				
6631 Improvements other than Buildings	0	1,000,000	0	
TOTAL ANTICIPATED EXPENDITURES	<u>0</u>	<u>1,000,000</u>	<u>0</u>	
	ACTUAL	PROJECTED	APPROVED	
	FY 06-07	FY 07-08	FY 08-09	
TOTAL STATE PARKS CAPITAL PROJECTS	<u>0</u>	<u>1,100,000</u>	<u>0</u>	
PRIOR YEAR FUNDING PROJECTS			FY 08-09	
<i>Park Facility Improvements</i>				
161-270 Thornton Park Basketball Court - PY			100,000	
161-272 "Cienegas de las Ranas" Habitat Renovation at Thornton Park - PY			1,000,000	
TOTAL PARK FACILITY IMPROVEMENTS			<u>1,100,000</u>	

CAPITAL FUNDS

Habitat Conservation Fund		PROGRAM		Fund 169
PURPOSE: The Habitat Conservation Fund Program was established by the California Wildlife Protection Act of 1990 (The Mountain Lion Initiative). It provides funds for acquisition, enhancement, and restoration of wildlife areas, including programs and trails that bring urban residents into parks and wildlife areas. The grant requires a 50% match from a non-state source.				
		<u>ACTUAL</u> <u>FY 06-07</u>	<u>PROJECTED</u> <u>FY 07-08</u>	<u>APPROVED</u> <u>FY 08-09</u>
REVENUES				
5378-1	Habitat Conservation - Santiago Park	0	100,000	0
5798	Gifts & Donations	0	245,000	122,500
TOTAL RECREATION GRANTS FUND		<u>0</u>	<u>345,000</u>	<u>122,500</u>
		<u>ACTUAL</u> <u>FY 06-07</u>	<u>PROJECTED</u> <u>FY 07-08</u>	<u>APPROVED</u> <u>FY 08-09</u>
EXPENDITURES				
169-268 HABITAT CONSERVATION FUND				
	6631 Improvements other than Buildings	0	75,000	122,500
TOTAL ANTICIPATED EXPENDITURES		<u>0</u>	<u>75,000</u>	<u>122,500</u>
169-270 CA STATE PARK BOND				
	6631 Improvements other than Buildings	0	170,000	0
TOTAL ANTICIPATED EXPENDITURES		<u>0</u>	<u>170,000</u>	<u>0</u>
TOTAL HABITAT CONSERVATION EXPENDITURES		<u>0</u>	<u>245,000</u>	<u>122,500</u>
				<u>FY 08-09</u>
<i>Park Facility Improvements</i>				
169-268 "Centennial Sanctuary" Peninsula Waterfowl at Centennial Park				62,500
169-268 "Cienegas de las Ranas" Habitat Renovation at Thornton Park				60,000
PRIOR YEAR FUNDING PROJECTS				
169-268 McFadden Triangle Reststop - PY				75,000
169-270 Santa Anita Pool Resurfacing - PY				70,000
169-270 Sanata Ana Zoo "Tierra de las Pampas" Exhibit - PY				100,000
TOTAL PARK FACILITY IMPROVEMENTS				<u>367,500</u>

CAPITAL FUNDS

State Recreation Trails Program		PROGRAM		Fund 172
PURPOSE: This funding source is made available by the Sate of California, Department of Parks and Recreation. This competitive grant program was established under the Transportation Equity Act for the 21st Century and provides funds annually for recreational trails and trail-related projects. Approximately \$2.2 million per year is available for non-motorized projects.				
		ACTUAL	PROJECTED	APPROVED
		FY 06-07	FY 07-08	FY 08-09
REVENUES				
172	NATIONAL RECREATION TRAILS FUND ACT			
	5360 State Aid Program	0	240,000	0
	5621 Expense Reimbursement	0	0	0
	TOTAL NATIONAL RECREATION TRAILS FUND	<u>0</u>	<u>240,000</u>	<u>0</u>
		ACTUAL	PROJECTED	APPROVED
		FY 06-07	FY 07-08	FY 08-09
EXPENDITURES				
172-251	NATIONAL RECREATION TRAILS FUND ACT			
	6631 Improvements other than Buildings	0	240,000	0
	TOTAL ANTICIPATED EXPENDITURES	<u>0</u>	<u>240,000</u>	<u>0</u>
PRIOR YEAR FUNDING PROJECTS				FY 08-09
<i>Park Facility Improvements</i>				
	Fairview Triangle Reststop - PY			132,000
	TOTAL PARK FACILITY IMPROVEMENTS			<u>132,000</u>

CAPITAL FUNDS

Drainage Assessment	PROGRAM	Fund 201 to 226		
<p>PURPOSE: In accordance with Section 34-191 of the Santa Ana Municipal Code, the City has been divided into drainage assessment areas. The fee established for each drainage area is based on the need for drainage facilities in each area as shown in the City's Storm Drain Master Plan.</p>				
<p>FY 08-09 LOCAL DRAINAGE ASSESSMENT AREA</p>	<p>Balance from Prior Year</p>	<p>Approved Revenues</p>	<p>Total Revenues</p>	<p>Total Expenditures</p>
Fund 201 - Local Drainage Area # 1	0	200	200	200
Fund 202 - Local Drainage Area # 2	0	1,500	1,500	1,500
Fund 203 - Local Drainage Area # 3	0	25,000	25,000	25,000
Fund 204 - Local Drainage Area # 4	0	800	800	800
Fund 205 - Local Drainage Area # 5	0	500	500	500
Fund 206 - Local Drainage Area # 6	0	700	700	700
Fund 207 - Local Drainage Area # 7	0	12,000	12,000	12,000
Fund 209 - Local Drainage Area # 9	0	500	500	500
Fund 210 - Local Drainage Area # 10	0	9,000	9,000	9,000
Fund 211 - Local Drainage Area # 11	0	200	200	200
Fund 212 - Local Drainage Area # 12	0	50	50	50
Fund 213 - Local Drainage Area # 13	0	1,500	1,500	1,500
Fund 221 - Local Drainage Area I	0	38,000	38,000	38,000
Fund 222 - Local Drainage Area II	0	92,000	92,000	92,000
Fund 223 - Local Drainage Area III	0	32,000	32,000	32,000
Fund 224 - Local Drainage Area IV	0	140,000	140,000	140,000
Fund 225 - Local Drainage Area V	0	18,000	18,000	18,000
Fund 226 - Local Drainage Area VI	0	20,000	20,000	20,000
TOTAL	0	391,950	391,950	391,950
 PROJECTS				APPROVED
INFRASTRUCTURE IMPROVEMENTS				FY 08-09
ADD: Allocation for future projects and project contingencies				391,950
TOTAL INFRASTRUCTURE IMPROVEMENTS				391,950

CAPITAL FUNDS

Park Acquisition & Development		PROGRAM		Fund 301 & 314	
PURPOSE: Park Acquisition and Development fees are charged to developers for all residential development in order to allow the City to maintain adequate green space and recreational facilities for the City's population as it increases as a result of such residential development. The fees this derived are the primary source of funding for development, enhancement, and renovation of the City's parklands.					
		<u>ACTUAL</u> <u>FY 06-07</u>	<u>PROJECTED</u> <u>FY 07-08</u>	<u>APPROVED</u> <u>FY 08-09</u>	
REVENUES					
301 PARK ACQUISITION AND DEVELOPMENT					
5070	Park Acquisition & Dev. Fees	0	880,970	0	
5070-3	District 3 A & D Fees	0	0	10,000	
5812	Earnings on Investments	30,000	0	2,000	
	TOTAL PARK ACQUISITION & DEVELOPMENT	<u>30,000</u>	<u>880,970</u>	<u>12,000</u>	
314 RESIDENTIAL DEVELOPMENT DISTRICT 4					
5070	Park Acquisition & Dev. Fees	183,180	0	10	
5070-99	Miscellaneous	3,232	0	0	
5070-99	Miscellaneous	4,004	0	122,500	
	TOTAL RESIDENTIAL DEVELOPMENT DISTRICT 4	<u>190,416</u>	<u>0</u>	<u>122,510</u>	
	TOTAL PARK ACQUISITION AND DEVELOPMENT	<u>220,416</u>	<u>880,970</u>	<u>134,510</u>	
		<u>ACTUAL</u> <u>FY 06-07</u>	<u>PROJECTED</u> <u>FY 07-08</u>	<u>APPROVED</u> <u>FY 08-09</u>	
EXPENDITURES					
301-232 RECREATION & COMMUNITY SVS ACQ & DEV					
6631	Improvements Other than Buildings	565,050	955,330	12,000	
6800-51	Transfer to Fund 51	62,101	0	0	
	TOTAL ANTICIPATED EXPENDITURES	<u>627,151</u>	<u>955,330</u>	<u>12,000</u>	
314-232 RESIDENTIAL DEVELOPMENT DISTRICT 4					
6631	Improvements Other than Buildings	0	0	122,500	
	TOTAL ANTICIPATED EXPENDITURES	<u>0</u>	<u>0</u>	<u>122,500</u>	
	TOTAL PARK ACQUISITION AND DEVELOPMENT	<u>627,151</u>	<u>955,330</u>	<u>134,500</u>	
				<u>FY 08-09</u>	
Park Facility Improvements					
	"Centennial Sanctuary" Peninsula Waterfowl at Centennial Park			62,500	
	"Cienegas de las Ranas" Habitat Renovation at Thornton Park			60,000	
PRIOR YEAR FUNDING PROJECTS					
	Fairview Triangle Reststop - PY			18,000	
	Flower Street Bike Trail Extension - PY			37,000	
	McFadden Triangle Landscaping - PY			75,000	
	TOTAL			<u>252,500</u>	

CAPITAL FUNDS

Police Building Debt Service	PROGRAM	Fund 400	
<p>PURPOSE: The Police Administration and Holding Facility Lease Revenue Bonds, Series 1994A were issued in March 1994 for \$107,399,438.50 at a 5.80% yield. This program accounts for the flow of funds in terms of revenues and expenditures based on the debt service schedule.</p>			
	ACTUAL	PROJECTED	APPROVED
	FY 06-07	FY 07-08	FY 08-09
REVENUES			
400 POLICE BUILDING DEBT SERVICE			
5812 Earnings on Investment	244,660	0	0
5813 Investment Income -Trustee	206,623	0	0
5990 Transfer From General Fund 11	9,126,625	9,127,225	9,325,895
5990-570 Transfer From Fund 570	367,126	0	0
TOTAL POLICE BUILDING DEBT SERVICE FUND	9,945,034	9,127,225	9,325,895
	ACTUAL	PROJECTED	APPROVED
	FY 06-07	FY 07-08	FY 08-09
EXPENDITURES			
400-343 POLICE BUILDING DEBT SERVICE			
6291 Other Contractual Services	11,601	0	196,320
6781 Bond Principal	3,893,000	3,755,000	3,870,000
6791 Bond Interest	5,600,751	5,372,225	5,259,575
TOTAL POLICE BUILDING DEBT SERVICE FUND	9,505,352	9,127,225	9,325,895

CAPITAL FUNDS

Police Building Debt Schedule

PROGRAM

Fund 400

PURPOSE: The Police Administration and Holding Facility Lease Revenue Bonds, Series 1994A were issued in March 1994 for \$107,399,438.50 at a 5.80% yield. In February 2004, the City issued a Lease Revenue Refunding Bonds Series 2004A to defease a portion of the \$107,399,438.50 in the aggregate principal amount of \$38,830,000 at an average yield of 3.0455 %. The refunding gave the City a net present value savings of \$ 3,282,010. This program shows the debt service payment schedule to defease the balance of the 1994 Lease Revenue Bonds and the Refunding Lease Revenue Bonds Series 2004A.

**CITY OF SANTA ANA
POLICE BUILDING DEBT SERVICE FUND: REFUNDING LEASE REVENUE BONDS SERIES 2004A
SCHEDULE OF ANNUAL DEBT SERVICE**

<u>Fiscal Year*</u>	<u>Principal Repayment</u>	<u>Interest Payments</u>	<u>Total Annual Interest & Principal Payments</u>	<u>Capitalized Interest DSRF** Earnings</u>	<u>Annual Net Debt Service Year Ending</u>
2008-2009	3,870,000	5,259,575	9,129,575	0	9,129,575
2009-2010	4,030,000	5,085,425	9,115,425	0	9,115,425
2010-2011	4,190,000	4,904,075	9,094,075	0	9,094,075
2011-2012	4,370,000	4,694,575	9,064,575	0	9,064,575
2012-2013	4,585,000	4,541,625	9,126,625	0	9,126,625
2013-2014	4,685,000	4,381,150	9,066,150	0	9,066,150
2014-2015	5,030,000	4,193,750	9,223,750	0	9,223,750
2015-2016	5,345,000	3,879,375	9,224,375	0	9,224,375
2016-2017	5,680,000	3,545,313	9,225,313	0	9,225,313
2017-2018	6,035,000	3,190,313	9,225,313	0	9,225,313
2018-2019	6,410,000	2,813,125	9,223,125	0	9,223,125
2019-2020	6,815,000	2,412,500	9,227,500	0	9,227,500
2020-2021	7,240,000	1,986,563	9,226,563	0	9,226,563
2021-2022	7,690,000	1,534,063	9,224,063	0	9,224,063
2022-2023	8,170,000	1,053,438	9,223,438	0	9,223,438
2023-2024	8,685,000	542,813	9,227,813	0	9,227,813
TOTAL	<u>92,830,000</u>	<u>54,017,678</u>	<u>146,847,678</u>	<u>0</u>	<u>146,847,678</u>

* Fiscal Year begins July 1st and ends June 30th.

** Debt Service Reserve Fund (DSRF)

CAPITAL IMPROVEMENT PROGRAM (CIP)

Capital investments to construct, maintain, repair, and improve Santa Ana’s hardscape are needed to meet the City’s goal to provide first-rate infrastructure and community facilities, and to assure the City’s continued economic vitality. The Capital Improvement Program (CIP) lists and describes all planned projects and is updated yearly to reflect current and projected conditions. As shown in **Figure 7-1**, the City plans to invest \$440.4 million in CIP projects between FY 2008-09 and FY 2014-15 with \$110.6 million budgeted in FY 08-09.

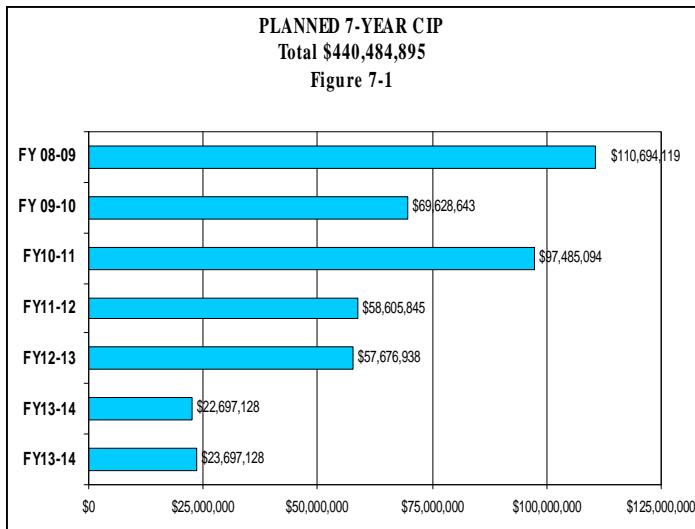


Table 7-2 shows FY 08-09 Budgeted CIP and per capita expenditure ratios for the seven largest Orange County cities. Santa Ana’s CIP funding is considerably lower than Anaheim’s primarily due to the presence of Disneyland and other franchises located within the city which require improved access roads to these attraction. Santa Ana’s CIP budget is projected at \$110.6 million with Arterial and Neighborhood Street projects making up approximately 75% of the total City in FY 08-09. For this upcoming year, the City has made a strong emphasis on neighborhood street improvements and has allocated approximately \$26.6 in CIP funds alone.

CITY	Budgeted CIP	Population	Per Capita Expenditures
Fullerton	87,772,140	137,437	\$639
Anaheim	152,855,094	346,823	\$441
Santa Ana	110,694,119	353,184	\$313
Garden Grove	53,592,750	173,067	\$310
Huntington Beach	38,588,575	201,993	\$191
Orange	23,515,500	140,849	\$167
Irvine	31,355,869	209,806	\$149

Source: Individual cities and State of California Department of Finance

SOURCES OF FUNDS

To ensure proper levels of capital investment, the City uses various funding sources to finance the projects outlined in the City’s CIP. **Figure 7-2** shows funding sources and amounts available to the City for capital projects. These funds are generally available to the City through government grants, development fees, and special local taxes.

Orange County Combined Transportation Funding Programs

The City receives transportation funding from Orange County through the following programs: Measure M Streets and Roads Programs, Arterial Highway Financing Program (AHFP), and Inter-modal Surface Transportation Efficiency Act (ISTEA) programs. The Revised Traffic Improvement & Growth Management Plan, better known as **Measure M**, was approved by Orange County voters in November 1990 allowing a 0.5 percent sales tax increase for a twenty year period. Measure M tax revenues must be used solely for transportation improvement projects and programs and is distributed in four categories: 43% to Freeway Projects; 25% to Transit Projects; 21% to Local Streets and Roads Projects; and 11% to Regional Streets and Roads Projects.

The **Arterial Highway Financing Program (AHFP)** was established in 1958 to develop an orderly system of arterial highways throughout Orange County in accordance with a countywide Master Plan of Arterial Highways (MPAH). The intent is to assist Orange County cities fund their regional transportation facilities. AHFP funds for cities come from a portion of Orange County’s Highway Users Tax allocation administered by the OCTA.

The **Intermodal Surface Transportation Efficiency Act (ISTEA)** of 1991 provides federal funding for local transportation projects. Unlike previous federal transportation acts, ISTEA is more flexible in that local governments are granted more control over funding administration. ISTEA-funded projects include the Local & Regional Surface Transportation Program (STP), Congestion Mitigation/Air Quality, Bridge Replacement, and Mass Transit.

Gas Tax

The Gas Tax is a major source of funding for research, planning, construction, improvement, maintenance, and operation of public streets and highways. Gas tax monies are allocated to localities according to a population-based formula that takes into account the overall transportation needs of the state.

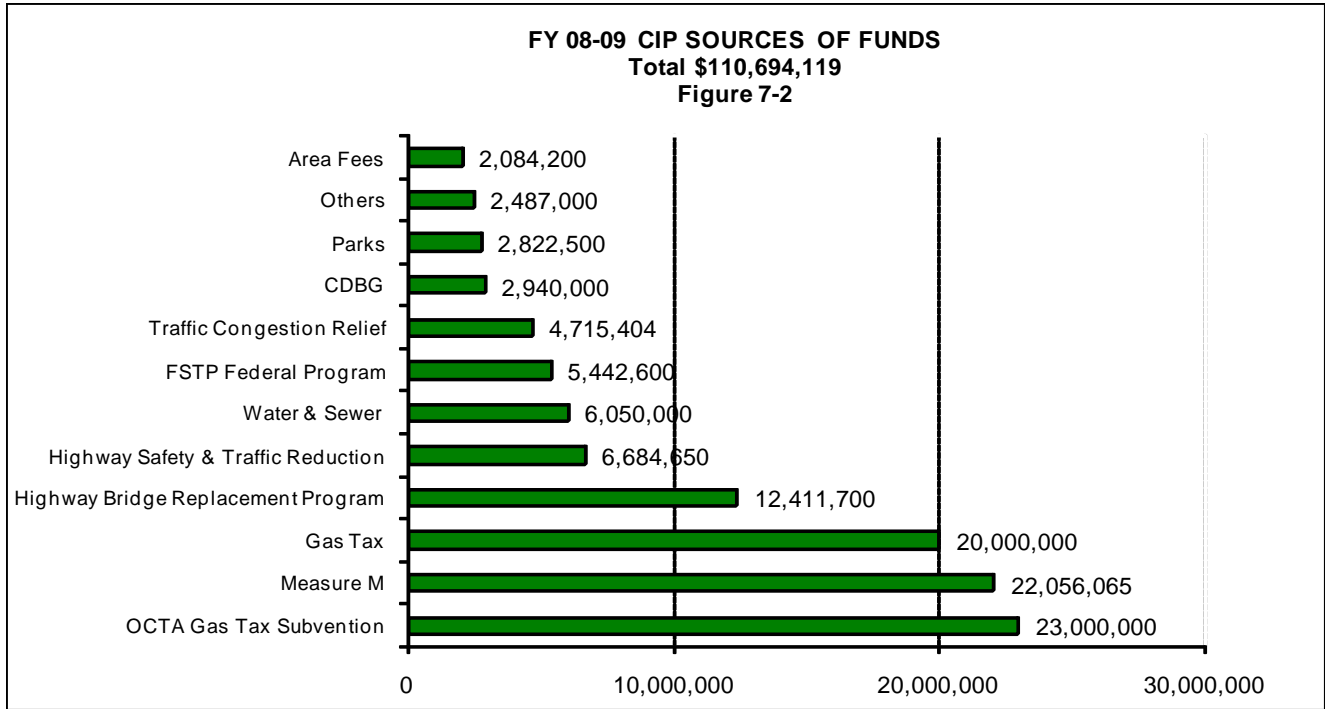
Tax Increment

When a Redevelopment Project Area (RPA) is created, all real estate in the RPA is given a base assessment value. Changes in ownership, and new development or improvements would increase the assessed value of the improved property, which is then reassessed at a higher value. The property tax increase over the base assessment value is

called the tax increment. The City’s Community Development Agency (CDA) has the authority to use tax increment money for capital projects. CDA issues tax allocation bonds to pay for these projects. The County of Orange collects the tax increment revenue and makes it available to CDA upon demonstration of debt.

Park Acquisition & Development Funds

The City Council established a per capita standard of two acres of park and recreation facilities per one thousand City residents. To maintain this standard, the City charges a Residential Development Fee to any person or corporation adding a net increase in the number of residential units or converting apartments to condominiums in the City. The proceeds are used for the acquisition, construction, and renovation of park and recreation facilities.



Community Development Block Grants (CDBG)

CDBG is a federal program to help eliminate blight, develop viable communities with decent housing, and expand opportunities for low- and moderate- income families. A maximum of 15% of CDBG monies received annually may be used for Social Services programs, with the balance going to capital projects.

Sewer Connection Fees

These fees pay for sewer connections related to various types of developments. Fees are paid at the time of application for a sewer connection permit, and are based on the number of fixture units and the cost per lineal feet of construction of a main sewer line.

Drainage Area Fees

Like TSIA fees, drainage fees are paid by developers to offset the cost of system improvements to accommodate new development. The City is divided into several local drainage areas created by City Council resolution. The City maintains a separate fund for each local drainage area. Revenue in each drainage area fund must be expended within the boundaries of the drainage area from which the fees were collected.

Transportation System Improvement Area Fees

Transportation System Improvement Area (TSIA) Fees are paid by developers to offset the cost of providing transportation system improvements for new development. The fee is a percentage of the estimated construction costs. TSIA fees can only be used to improve the transportation system within that TSI area.



CIP PROJECT CATEGORIES

Capital improvement investments are methodically and consistently tracked based on the six major project categories the City has used over the last decade: arterial, traffic, neighborhood, infrastructure, city facility and park improvements as shown in page 7-27.

Arterial Improvements

Arterial improvements refer to street widening and street reconstruction/resurfacing projects and account for over \$56.3 million or approximately 50.9% of the total CIP budget for FY 08-09. The largest projects include arterial widening of Bristol Street (\$17.7 million) and First Street bridge widening over the Santa Ana River (\$11.7 million).

Infrastructure Improvements

Infrastructure improvements refer to water, storm drain, sewer, and underground utility projects and account for \$7.6 million or 6.94% of the CIP. The largest projects include Bristol Street (Third St. to Civic Center) underground utilities and various water main replacements throughout the City (\$4.6 million).

Traffic Improvements

Traffic improvement budget for FY08-09 is \$16.6 million which equal to 15.05% of the total CIP budget. The largest project under this category is the “Go Local” project. The cities of Santa Ana and Garden Grove have developed a vision for transit, improved highway access, and economic development in both cities. The “Go Local” vision includes a multi-modal transportation corridor to Central Orange County that integrates modern streetcars, bus rapid transit, autos, bicycles and pedestrians, using the Santa Ana Regional Transportation Center on the east and the Pacific Electric Right-of-Way on the west.

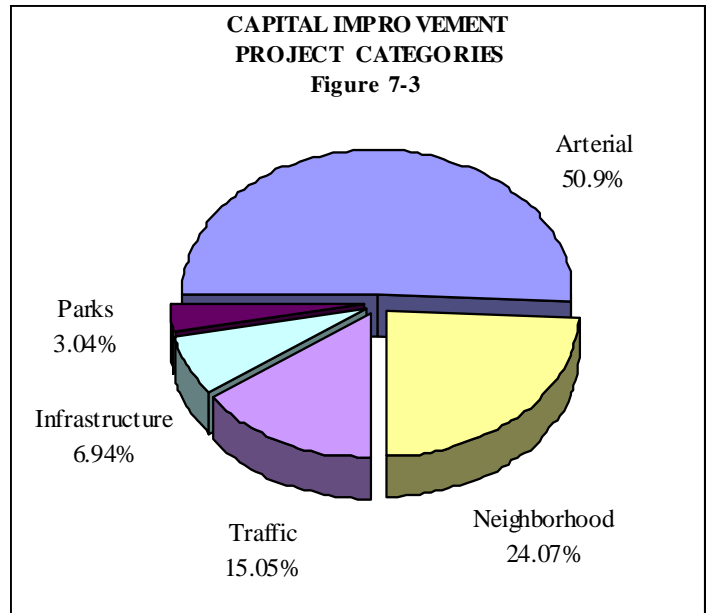


Park Facility

The City has allocated \$3.3 million or 3.04% of the total CIP budget to Park Facilities. The largest park facility projects include improvements Flower Street bike trail extension, Santa Ana Zoo “Tierra de las Pampas” exhibit, Centennial road renovations, Thorton Park basketball court and the “Centennial Sanctuary” Peninsula Waterfowl.

Neighborhood Improvements

This category includes citywide curb, gutter, sidewalk replacements and neighborhood street improvements. More than \$26.6 million or 24.07% of the total CIP budget has been earmarked for this category. The priority in FY 08-09 is to focus on neighborhood streets.



CIP PROCESS CALENDAR

From *December through March*, departments prepare their Capital Improvement Program (CIP) requests by identifying capital project needs and establishing project feasibility, scheduling, alternatives, and cost estimates. CIP requests are reviewed and/or approved by the respective department head to ensure consistency with City goals and priorities. Projects receiving such approval are submitted to the City Manager for final review.

In *April*, Public Works staff evaluates the capital project requests. Typically, Public Works is the lead agency in the formulation of the CIP since most CIP projects and funding sources are under its purview. The Community Development Agency provides considerable CIP funding from the agency’s tax increment monies.

Historically, the City’s practice has been to identify CIP funding on the premise of “no change in the City’s current staff or service levels.” On the basis of this evaluation, and direction from the City Manager, the proposed CIP budget is prepared for submission to the Planning Commission and the City Council.

During *May* of each year, the Planning Commission reviews the CIP and submits recommendations to the City Council. The City Council also reviews the CIP document, as presented by the City Manager, along with any Planning Commission recommendations. The Council holds public hearings, as required, and directs any revisions or deletions. The CIP is then adopted, along with the rest of the annual City budget by City Council ordinance.

PRIORITY FACTORS FOR CIP INCLUSION

The City uses established criteria to determine which projects to include in the final CIP. The criteria is reviewed annually and modified as necessary. Priority is given to projects that:

1. are required by an agreement with another agency;
2. are essential to public health or safety;
3. are grant funded and would have minimal or no operating cost impact on the General Fund;
4. will preserve an existing capital facility and avert greater expenses in future years, with no increase in General Fund operating cost; (e.g., continuation of a 10-year cycle street maintenance program);
5. save on General Fund operating costs;
6. fulfill a City commitment (evidenced by previous inclusion in the CIP and community support) to provide minimum facilities in areas deemed deficient;
7. purchase land for future projects at favorable “pre-developed” prices;
8. are new facilities with minimal or no operating cost, or whose operating cost has been designated by the Council as exceptions to the established operating cost policy;
9. are to be constructed as a cost-sharing activity in conjunction with another agency;
10. generates sufficient revenue to be essentially self-supporting;
11. increases the use or efficiency of an existing facility with minimal or no operating cost increase;
12. fulfill City commitment (evidenced by previous inclusion in the CIP and by community support) to provide greater than minimal facilities;
13. are grant funded but would require increased operating costs in the General Fund; and
14. are not grant funded and would require increased operating costs in the General Fund, and have not been designated as exceptions to the operating cost policy by previous City Council actions.

Santa Ana is one of only 28 cities nationwide, and of only 2 in Orange County, to receive the highest rating of *Class 1* city in the Insurance Services Office, Inc. (ISO) survey of community fire safety. This distinction was achieved in part because of the City’s proactive investments in firefighting capital assets. The ISO evaluation criteria is described below.

FIRE DEPARTMENT (50 %): includes number and location of fire engine companies on duty; availability of fire equipment, (e.g., aerial ladders), firefighter training; and response time.

WATER SUPPLY (40%): includes water sufficiency to fight a fire, beyond normal needs; water pump, storage and filtration systems; number and location of fire hydrants and their location.

FIRE ALARMS (10%): includes adequacy of fire dispatch systems; number of phone lines in fire dispatch center; size of dispatch staff per shift; firefighter notification methods.

ISO FIRE PROTECTION RATINGS OF ORANGE COUNTY CITIES

Class 1 (Outstanding) to Class 10 (Unprotected)

CITY	RATING
Anaheim	1
Brea	3/9**
Buena Park	2
Costa Mesa	2
Cypress	3/9**
Dana Point	3/9**
Fountain Valley	3
Fullerton	2
Garden Grove	2
Huntington Beach	2
Irvine	3/9**
La Habra	3
Laguna Beach	4
Laguna Hills	3/9**
Laguna Niguel	3/9**
Lake Forest	3/9**
Los Alamitos	3/9**
Mission Viejo	3/9**
Newport Beach	2
Orange	2
Placentia	3/9
San Clemente	4
San Juan Capistrano	3/9**
Santa Ana	1
Seal Beach	3/9**
Stanton	3/9**
Tustin	3/9**
Villa Park	3/9**
Westminster	2
Yorba Linda	3/9**
Orange County	3/9**

Class 1 to 8: area is classified as protected, which means the community has at least one fire hydrant every 1,000 feet and a fire station every 5 miles.

Class 9: semiprotected and usually indicates a rural area.
Class 10: unprotected.

** Split ratings are for communities served by the Orange County Fire Authority, which serves both urban and rural areas. The better score would represent the urbanized communities, the lower score represents rural areas.

Source: Insurance Services Office, Inc. of New York 1998

FIGURE 7-4

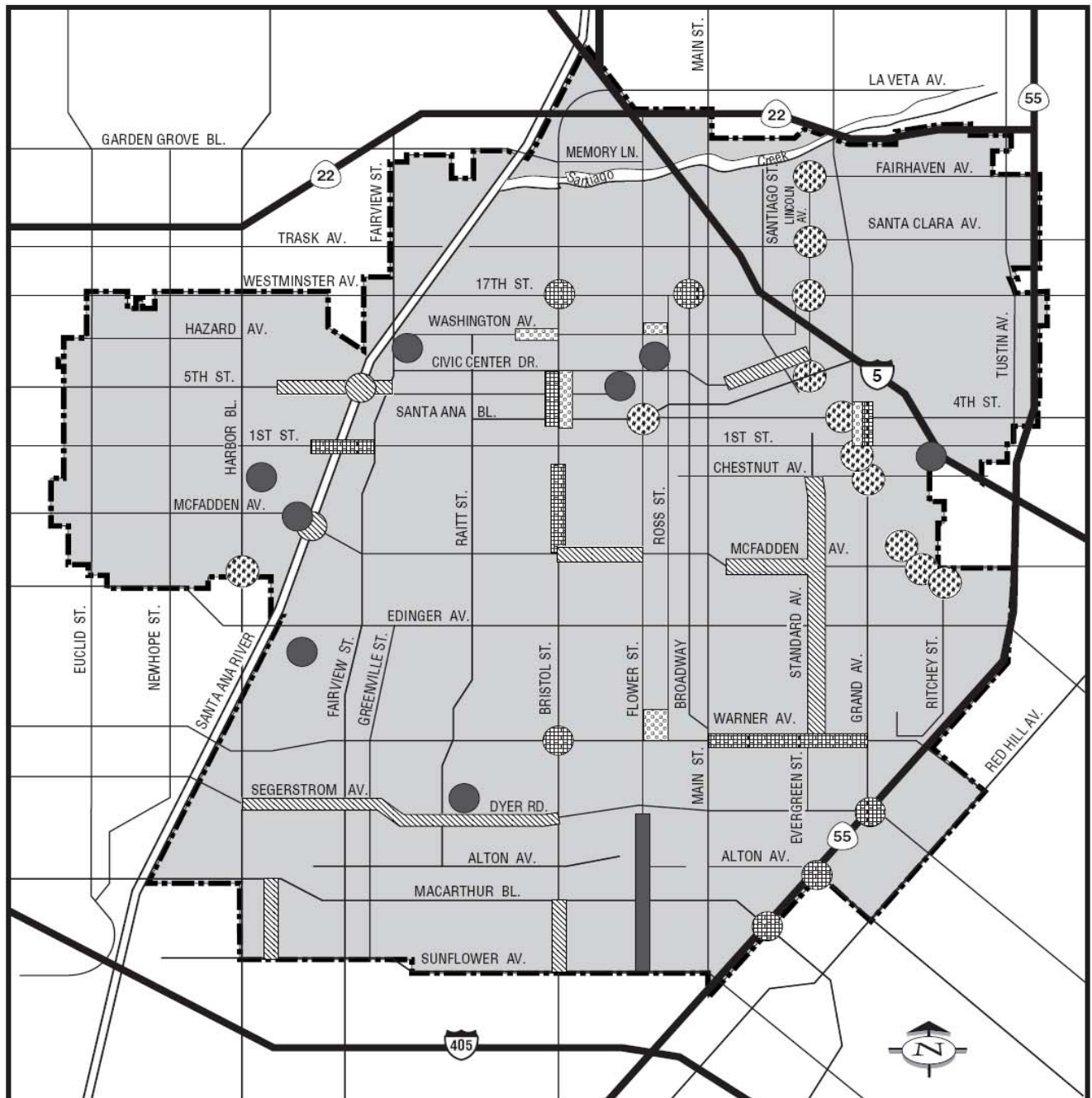


City of Santa Ana Construction Projects

Target Schedules
2008-2009

LEGEND

- Neighborhood Street Improvements
- Arterial Widening
- Street Reconstruction/Resurfacing
- Traffic Improvements
- Infrastructure Improvements
- Park Facility Improvements



**CITY OF SANTA ANA
CAPITAL IMPROVEMENT PROGRAM (CIP)
FY 08-09 CIP PROJECTS BY CATEGORY**

<u>PROJECTS</u>	<u>TOTAL</u>
I. NEIGHBORHOOD IMPROVEMENTS	
Neighborhood Street Improvements	
Neighborhood Traffic Mitigation	1,155,000
Project Restore: Local Street Pavement Rehabilitation	25,243,800
Subtotal Neighborhood Street	26,398,800
Curb, Gutter, Sidewalk	
Omnibus Concrete	250,000
Subtotal Curb, Gutter, Sidewalk	250,000
TOTAL NEIGHBORHOOD IMPROVEMENTS	26,648,800
II. ARTERIAL IMPROVEMENTS	
Arterial Widening	
Alton Avenue Overcrossing @ SR-55	2,276,000
Bristol Street Widening: Phase I - McFadden to Pine	5,300,000
Bristol Street Widening: Phase II - Third to Civic Center	17,700,000
First Street Bridge Widening over Santa Ana River	11,770,500
Grand Avenue Widening: First Street to Fourth Street	7,663,700
Grand/Dyer Intersection	150,000
MacArthur Boulevard @ SR-55	730,600
Project Development	207,000
Right-of-Way Management	250,000
Seventeenth/Broadway Intersection	200,000
Subtotal Arterial Widening	46,247,800
Street Reconstruction/Resurfacing	
Civic Center Drive: French to Santiago	727,100
Fifth Street Rehabilitation: Fairview Street to Jackson Street	863,300
McFadden Avenue: Bristol to Flower	560,600
McFadden Avenue: Standard to Maple	1,401,300
Pavement Management	300,000
Plaza Drive: MacArthur to Sunflower	890,604
Rehabilitation of Bridges at Fifth Street and McFadden Avenue	641,200
Segerstrom Avenue: Bristol to Raitt	876,700
Segerstrom Avenue: Fairview to Harbor	89,400
Segerstrom Avenue: Raitt to Fairview	785,000
Standard Avenue: Warner to First	1,956,115
Susan Street: MacArthur to Sunflower	1,000,000
Subtotal Street Reconstruction/Resurfacing	10,091,319
TOTAL ARTERIAL IMPROVEMENTS	56,339,119

**CITY OF SANTA ANA
CAPITAL IMPROVEMENT PROGRAM (CIP)
FY 08-09 CIP PROJECTS BY CATEGORY**

PROJECTS **TOTAL**

III. TRAFFIC IMPROVEMENTS

Traffic Improvements

Fairview/Harbor Interconnect and Intertie with Fountain Valley	312,500
Harbor at Kent - New Traffic Signal (HSIP)	366,700
Railroad Grade Crossing Enhancement Safety and Quiet Zone Improvement Projects	968,000
System Detection and Transportation Information System	312,500
Santa Ana at Flower Traffic Signal Modification (HSIP)	310,000
Santa Ana/Garden Grove "Go Local" Concept Study	14,100,000
SBC (Pacific Bell) Rental Fee for Signal Interconnect	20,000
Traffic Management Plans	170,000
Traffic Signal Capital Improvement	100,000

Subtotal Traffic Improvements **16,659,700**

TOTAL TRAFFIC IMPROVEMENTS **16,659,700**

IV. INFRASTRUCTURE IMPROVEMENTS

SEWER

Sewer Main Hot Spot Repairs and Main Replacements	527,000
Sewer Reconstruction - Parton Street: 15th to Washington	195,000
Sewer Reconstruction - Van Ness Avenue, North of Warner	400,000
Sewer Reconstruction - Washington Avenue: Bristol to Pacific	328,000

Subtotal Sewer **1,450,000**

WATER

Water Main Replacements	4,600,000
-------------------------	-----------

Subtotal Water **4,600,000**

STORM DRAIN

Subtotal Storm Drain **0**

UNDERGROUND UTILITIES

Bristol Street: Third to Civic Center	1,024,000
Grand Avenue: First to Fourth	610,000

Subtotal Underground Utilities **1,634,000**

TOTAL INFRASTRUCTURE IMPROVEMENTS **7,684,000**

**CITY OF SANTA ANA
CAPITAL IMPROVEMENT PROGRAM (CIP)
FY 08-09 CIP PROJECTS BY CATEGORY**

<u>PROJECTS</u>	<u>TOTAL</u>
V. PARK FACILITY IMPROVEMENTS	
Park Improvements/Renovation	
"Centennial Sanctuary" Peninsula Waterfowl at Centennial Park	125,000
Centennial Road Renovation	440,000
"Cienegas de las Ranas" Habitat Renovation at Thornton Park	120,000
Fairview Triangle Reststop	150,000
Flower Street Bike Trail Extension	1,112,000
McFadden Triangle Landscaping	150,000
Santa Anita Pool Resurfacing	70,000
Santa Ana Zoo "Tierra de las Pampas" Exhibit	1,000,000
Thornton Park Basketball Court	195,500
Subtotal Park Improvements/Renovation	3,362,500
TOTAL PARK FACILITY IMPROVEMENTS	<u>3,362,500</u>
GRAND TOTAL	<u><u>110,694,119</u></u>

**CITY OF SANTA ANA
SEVEN-YEAR CAPITAL IMPROVEMENT PROGRAM
FY 08-09 THROUGH FY 14-15**

PROJECTS	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	TOTAL
I. NEIGHBORHOOD IMPROVEMENTS								
Neighborhood Street Improvements	26,398,800	27,626,900	38,895,689	10,094,000	12,218,230	11,407,128	11,697,128	138,337,875
Curb, gutter, Sidewalk Improvements	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,750,000
Total Neighborhood Improvements	26,648,800	27,876,900	39,145,689	10,344,000	12,468,230	11,657,128	11,947,128	140,087,875
II. ARTERIAL IMPROVEMENTS								
Arterial Widening	46,247,800	28,059,243	44,991,105	35,338,745	35,196,108	450,000	250,000	190,533,001
Street Reconstruction/Resurfacing	10,091,319	5,331,000	4,225,300	4,343,100	572,600	300,000	300,000	25,163,319
Total Arterial Improvements	56,339,119	33,390,243	49,216,405	39,681,845	35,768,708	750,000	550,000	215,696,320
III. TRAFFIC IMPROVEMENTS								
Traffic Improvements	16,659,700	817,500	300,000	280,000	290,000	290,000	200,000	18,837,200
Total Traffic Improvements	16,659,700	817,500	300,000	280,000	290,000	290,000	200,000	18,837,200
IV. INFRASTRUCTURE IMPROVEMENTS								
Sewer	1,450,000	2,100,000	2,450,000	2,800,000	3,150,000	3,500,000	4,000,000	19,450,000
Water	4,600,000	4,500,000	5,000,000	5,500,000	6,000,000	6,500,000	7,000,000	39,100,000
Storm Drain	0	0	0	0	0	0	0	0
Underground Utilities	1,634,000	944,000	1,373,000	0	0	0	0	3,951,000
Total Infrastructure Improvements	7,684,000	7,544,000	8,823,000	8,300,000	9,150,000	10,000,000	11,000,000	62,501,000
V. PARK IMPROVEMENTS								
Park Improvements/Renovation	3,362,500	0	0	0	0	0	0	3,362,500
Total Park Improvements	3,362,500	0	0	0	0	0	0	3,362,500
GRAND TOTAL	110,694,119	69,628,643	97,485,094	58,605,845	57,676,938	22,697,128	23,697,128	440,484,895