



Sunnyvale

FY 2019/20 Recommended Budget Workshop

May 23, 2019



FY 2019/20 Budget Workshop Agenda

Welcome (Mayor)

City Manager Introduction

City-Wide Budget Overview

Project Reviews by Category

Direction on Budget Supplements

Final Comments and Close

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Sunnyvale

City Manager Introduction

Kent Steffens, City Manager

The FY 2019/20 Recommended Budget

- Continues the long tradition of thoughtful and performance based long term planning and short term action planning
- Second-year of the budget cycle – focused on projects
- Maintains the high level of service the Sunnyvale Community Expects
- Meets all City Charter and Policy Requirements
- Supports Council Strategic Priorities

The FY 2019/20 Recommended Budget

- Diverse portfolio of projects
- Investments in Public Safety
- Formalization of Civic Center Phase One
- Continuation of the Sunnyvale Clean Water Program



The FY 2019/20 Recommended Budget

- Investment in personnel to attract and retain a high quality work force
- Closed last year's fiscal strategies
- Investments in climate action including additional staff



Economic Context



Economic Context

- Strong growth in property tax
- TOT at all time peak revenue
- Continued drop in sales tax revenue
- Impact fee revenue yielding strong funding for improvements



Funding for roads and sidewalks



Significant Project Highlights

- Civic Center Phase One
- Mathilda/101/237 Improvements
- Fair Oaks Bridge Renovation
- Sunnyvale Clean Water Program
- Fair Oaks Park Renovation
- Lakewood Branch Library and Learning Center

Utility Funds

Utility	Original Projection	Recommended FY 2019/20	Change in Percentage Points
Water	4.0%	0.0%	(4.0%)
Wastewater	7.0%	4.0%	(3.0%)
Solid Waste	2.0%	1.0%	(1.0%)

- Public hearing on rates – June 25th

Challenges Remain

- The Recommended Budget doesn't project our continued peak economic environment
- Revenue projections are moderated to long-term averages
- Retains sufficient reserves to weather a downturn or other unanticipated costs
- Includes a service level set-aside to address known, but loosely defined future challenges (e.g. new operating costs)

Budget Workshop

- Citywide overview of revenues and expenditures by fund
- Project reviews by category
- Pause frequently to take Council questions/discussion
- Budget Supplements at end of day – action needed on each supplement



FY 2019/20 Budget Workshop Agenda

Welcome (Mayor)

City Manager Introduction

 **City-Wide Budget Overview**

Project Reviews by Category

Direction on Budget Supplements

Final Comments and Close



Sunnyvale

Budget Overview

Tim Kirby, Director of Finance

Grace Zheng, Assistant Director of Finance

Felicia Silva, Budget Manager

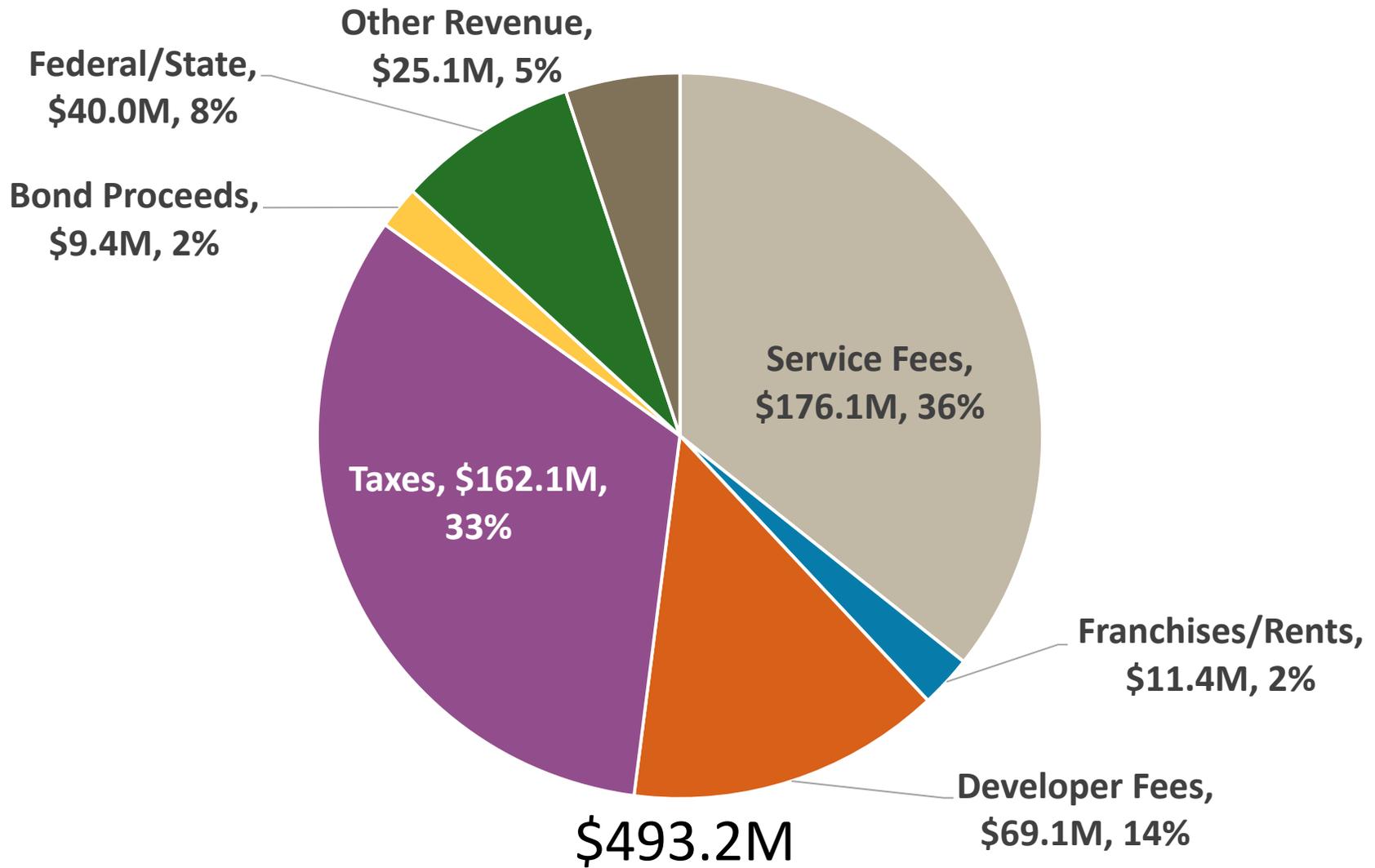
Legal Framework and Community Values

- 10-Year Balanced Budget Mandate (City Charter, Article 1302)
- 20-Year Resource Allocation Plan Requirement (City Council Policy 7.1.1)
- General Fund Budget Stabilization Fund Threshold requirement
 - 15% of revenues in first two years of the Financial Plan (City Council Policy 7.1.E (1.4))

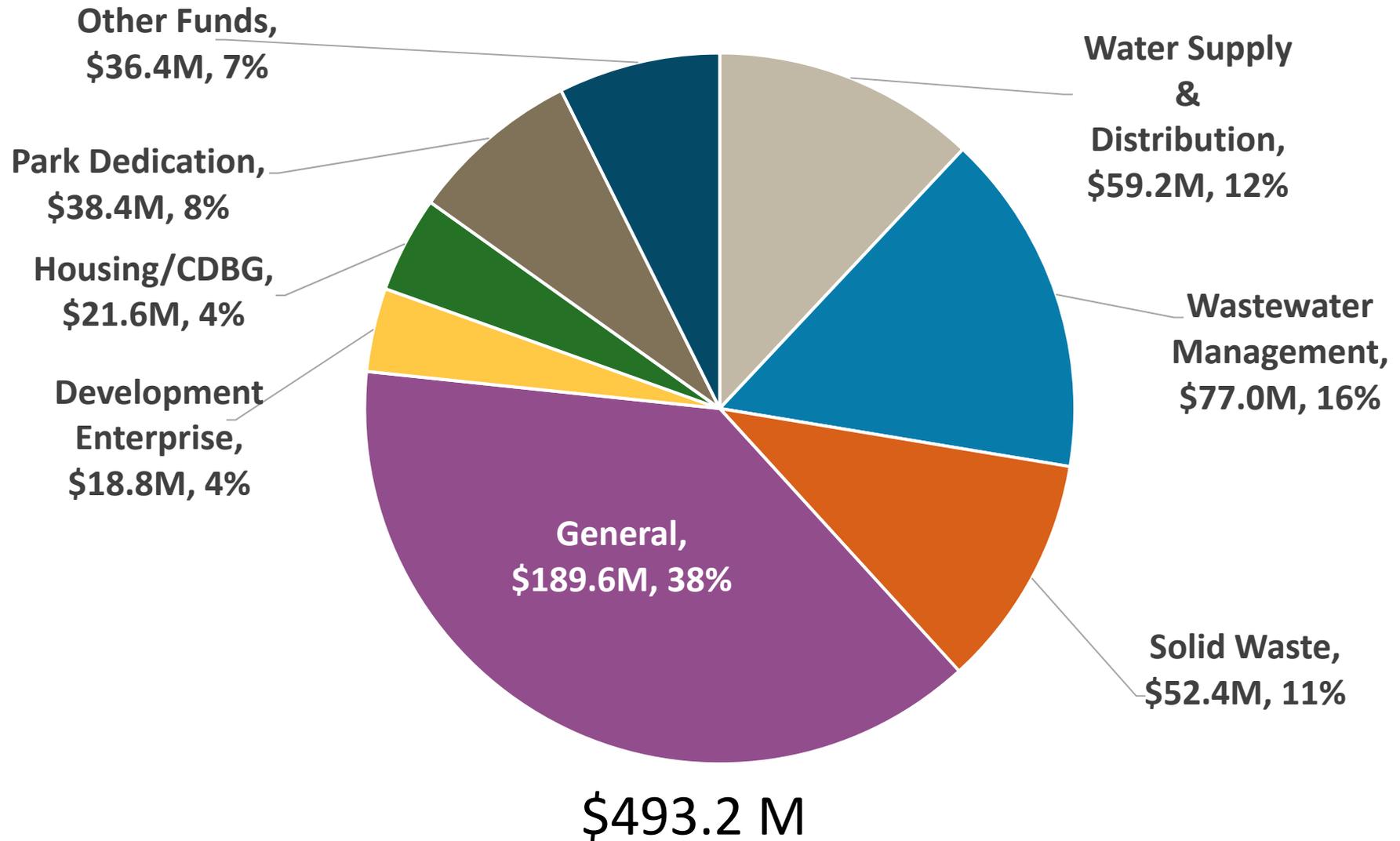
2019/20 Budget Summary

	<u>All Funds</u>
Total Revenue	\$493.2M
<u>Expenses</u>	
Operating	\$302.2M
Total Projects	96.9M
Other	9.6M
Contribution to Reserves	<u>84.5M</u>
Total Expenses	\$493.2M

Citywide Revenues by Source



Citywide Revenues by Fund



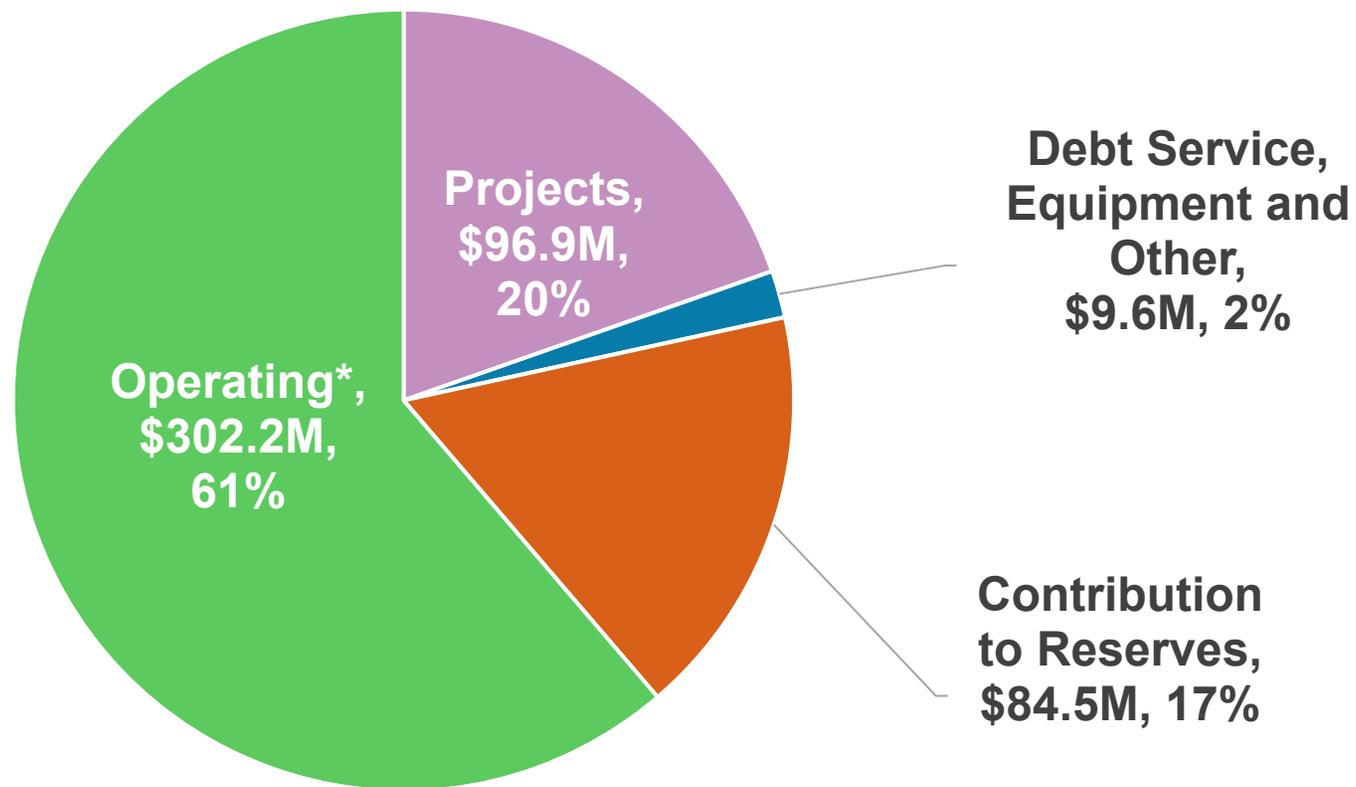
Top Tax Revenues

Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Budget	2018/19 Revised Projection	2019/20 Proposed Projection
Property Tax	\$66.6M	\$74.3M	\$75.1M	\$83.8M	\$88.4M
Sales Tax	31.0	33.0	31.9	33.3	30.6
Transient Occupancy Tax	16.6	17.7	16.5	20.7	21.9
Utility Users Tax	7.3	7.9	8.3	8.2	8.3
Gas Tax	2.8	3.2	3.8	3.3	3.8
RMRA Funds ⁽¹⁾	-	0.9	2.5	2.4	2.5
Measure B Funds ⁽²⁾	-	-	-	-	2.9
Construction Tax	4.7	5.0	4.6	4.8	4.3
Total Top Tax Revenues	\$129.1	\$142.0	\$142.7	\$156.5	\$162.7

1. Road Maintenance and Rehabilitation Funds (Senate Bill 1)

2. Measure B is a half cent County-Wide sales tax for transportation funding

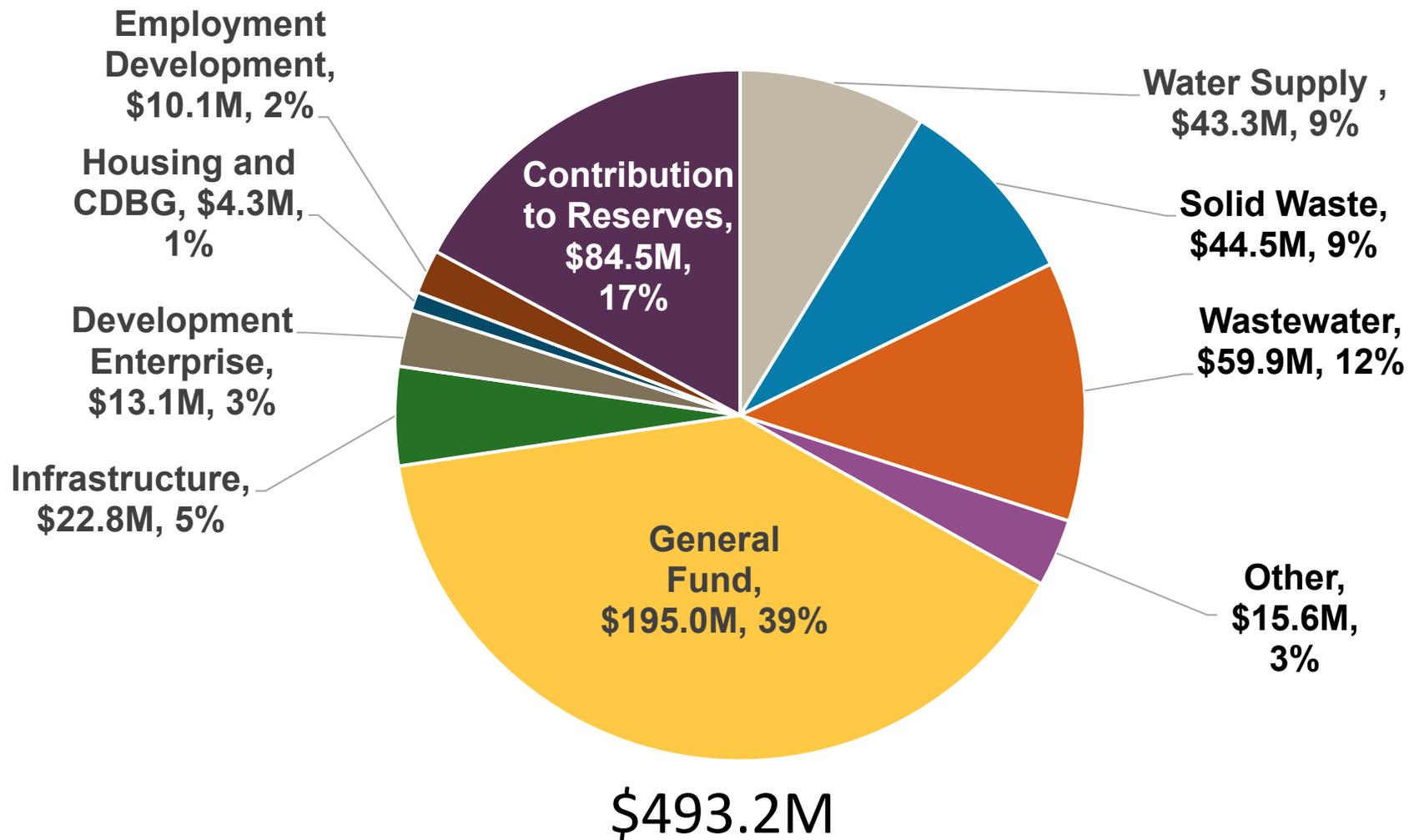
Expenditures by Type – All Funds



\$493.2M

*Excludes internal service funds.

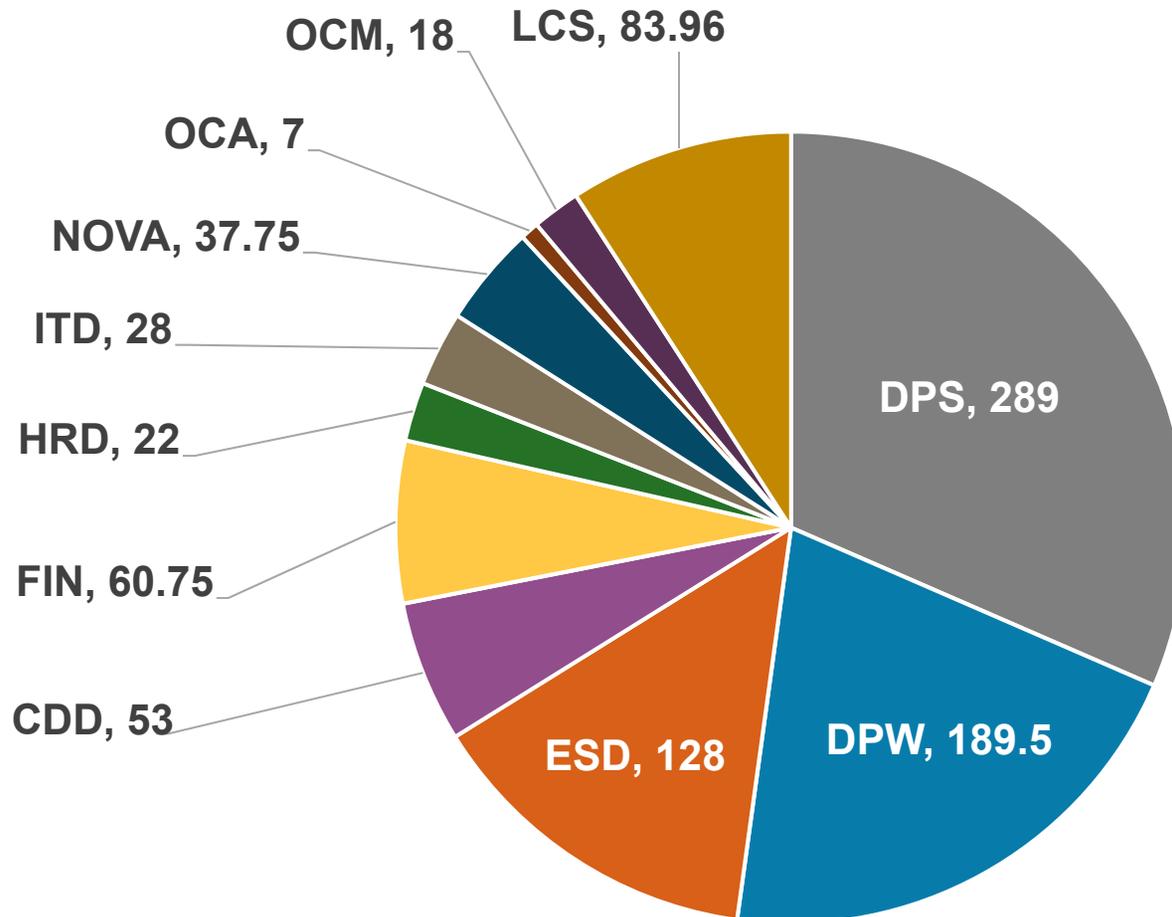
Expenditures by Fund



Operating Budget by Department – All Funds

Department	Actual 2017/18	Budget 2018/19	Plan 2019/20	% Change FY 2018/19 to FY 201/20
Community Development	\$9.8M	\$10.4M	\$11.1M	6.7%
Environmental Services	117.7	127.2	132.3	4.0%
Finance	10.2	11.2	11.7	4.5%
Human Resources	5.2	5.3	5.6	5.7%
Information Technology	9.0	9.9	9.9	0.0%
Library and Community Services	17.8	20.5	21.1	2.9%
NOVA Workforce Services	10.8	10.1	10.4	3.0%
Office of the City Attorney	2.1	2.2	2.3	4.5%
Office of the City Manager	4.1	5.8	5.4	(6.9)%
Public Safety	90.1	95.1	99.6	4.7%
Public Works	42.6	45.1	46.2	2.4%
TOTAL EXPENDITURES	\$319.4	\$342.8	\$355.6	3.7%

Positions by Department – All Funds



- Position Changes from FY 2018/19 to FY 2019/20**
- CDD, 5.0
 - FIN, 6.0
 - HRD, 2.0
 - ITD, 2.0
 - DPW, 1.0
 - ESD, 1.0

916.96 City-Wide Full-Time Equivalent (excludes Mayor/Council)

Total Compensation Assumptions

Salaries

- Reflects current MOUs and maintains market competitiveness

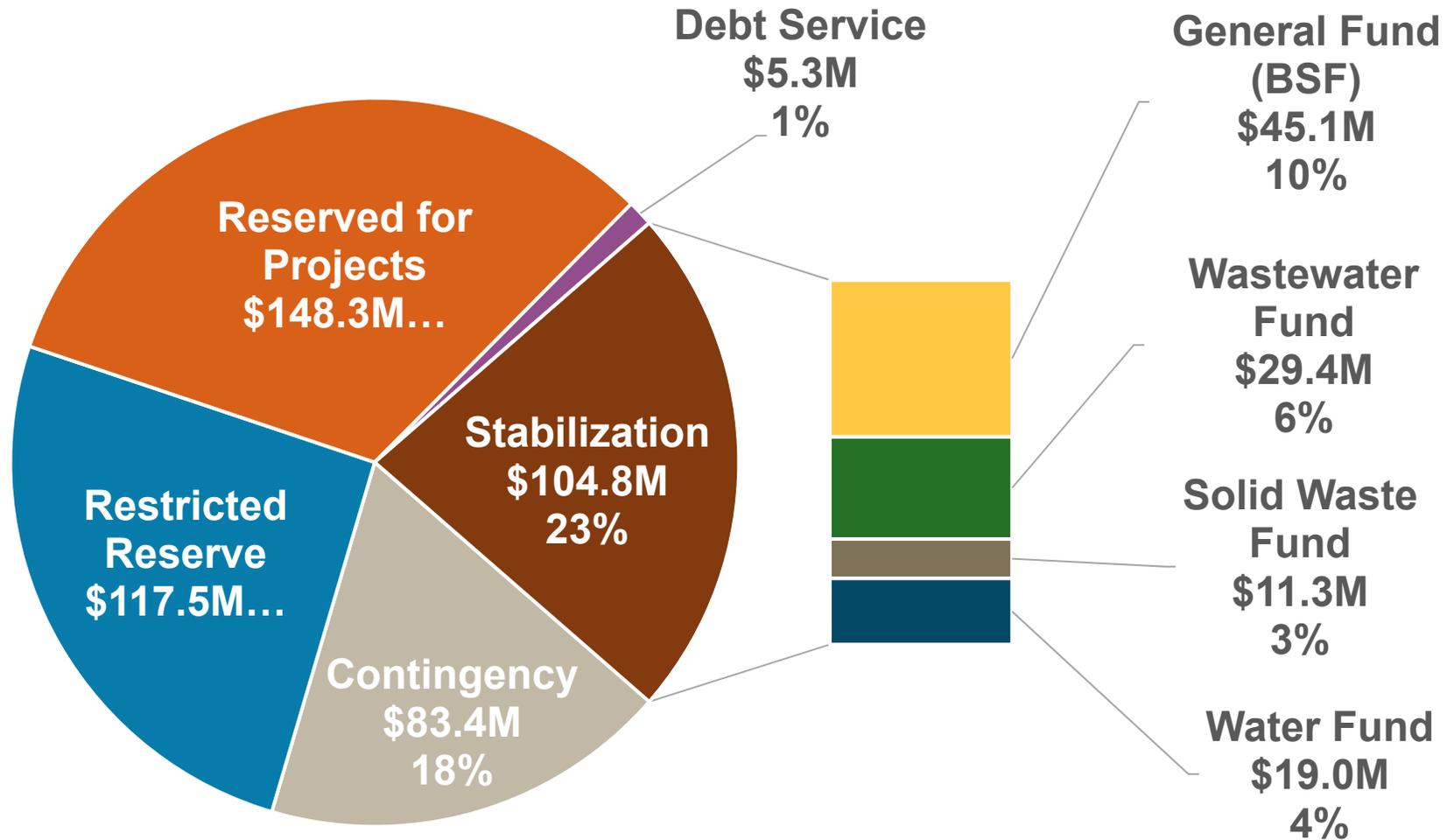
Benefits

- Updated pension assumptions based on latest actuarial information
- Continued contributions to OPEB and Pension trust
- Revised healthcare costs to reflect current enrollment and demographic data

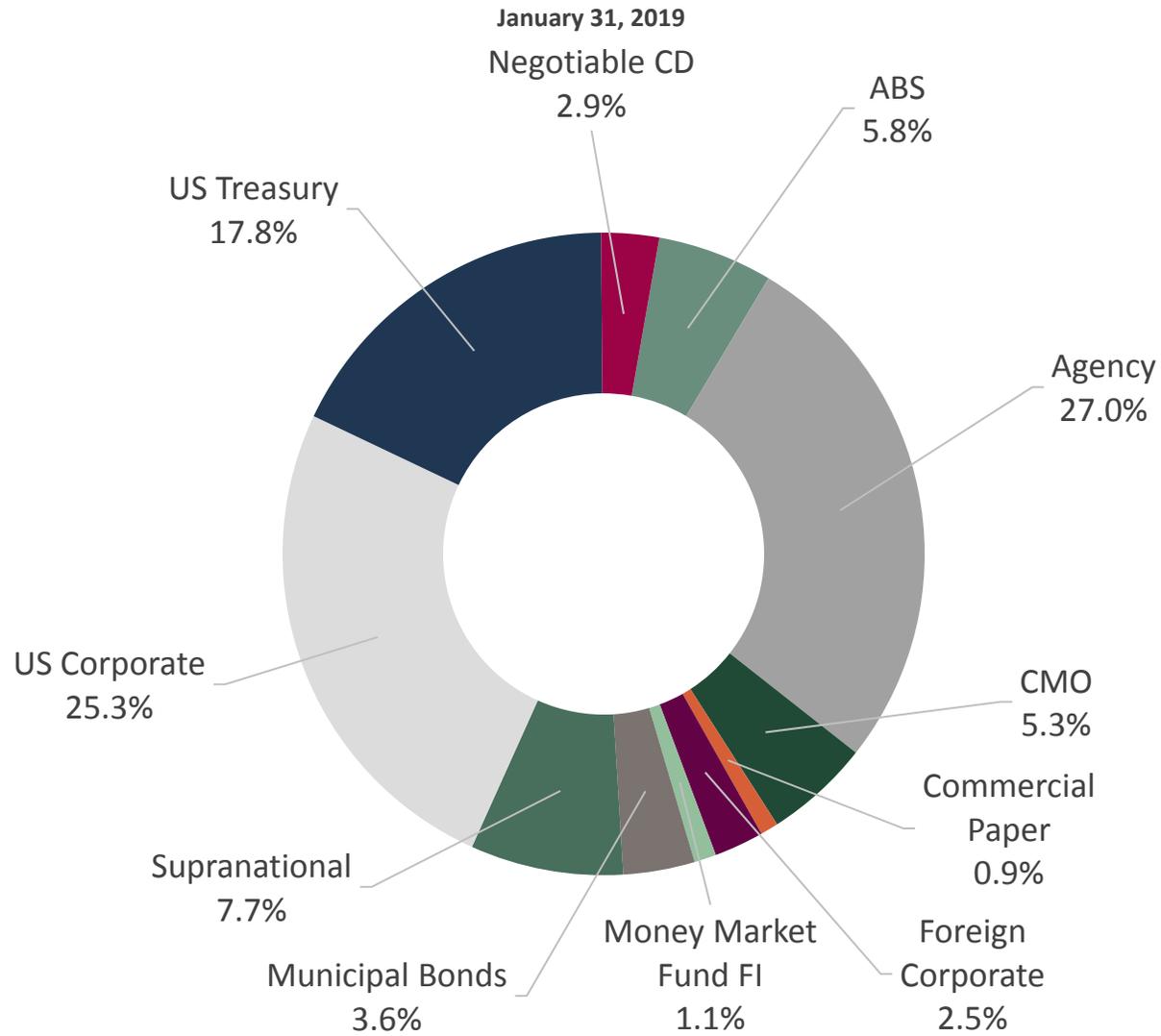
Total Compensation

- 6% change between FY 2018/19 and FY 2019/20

Reserve Balances by Type – All Funds



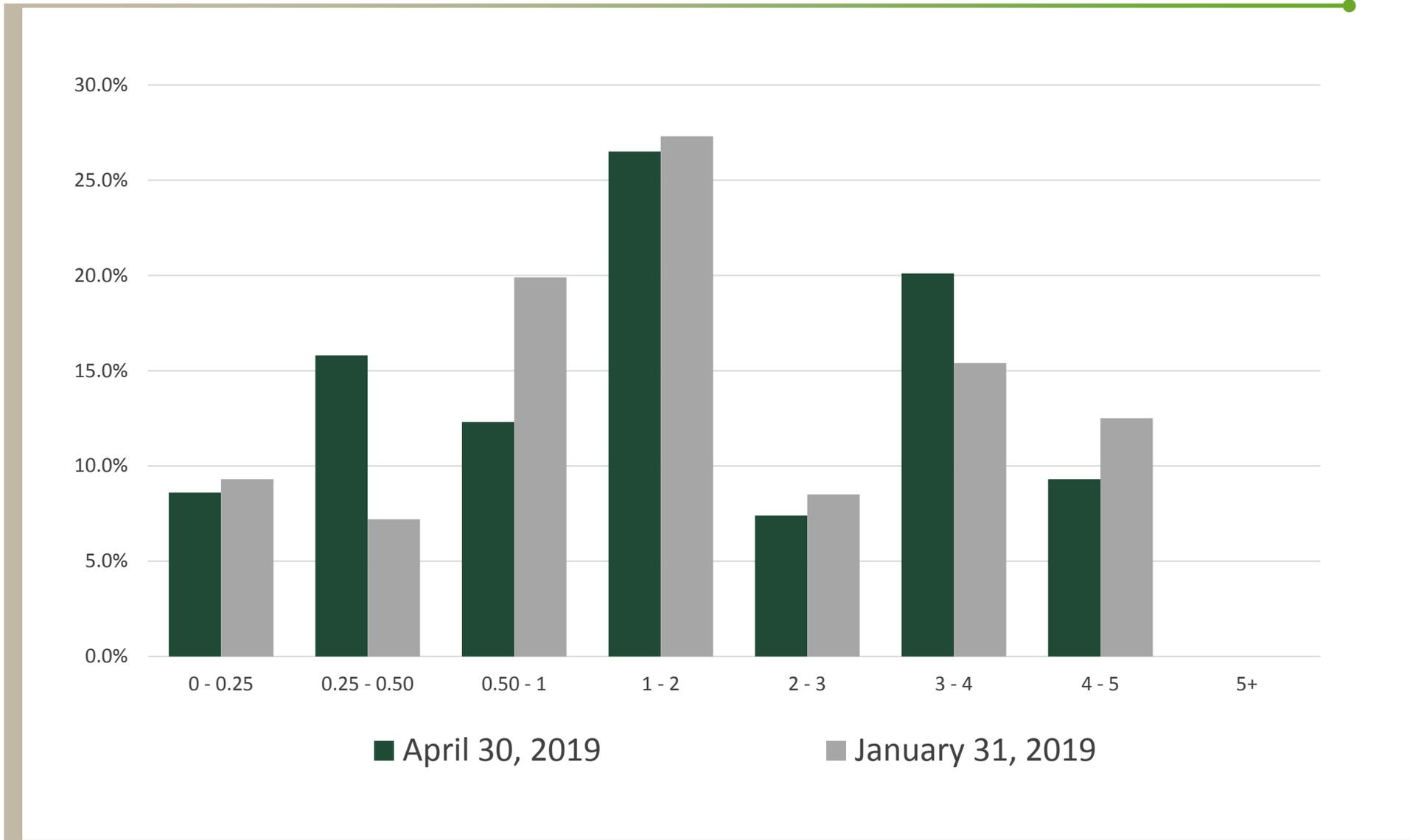
Total Porfolio - \$568 M



Duration Distribution

April 30, 2019 vs. January 31, 2019

As of April 30, 2019

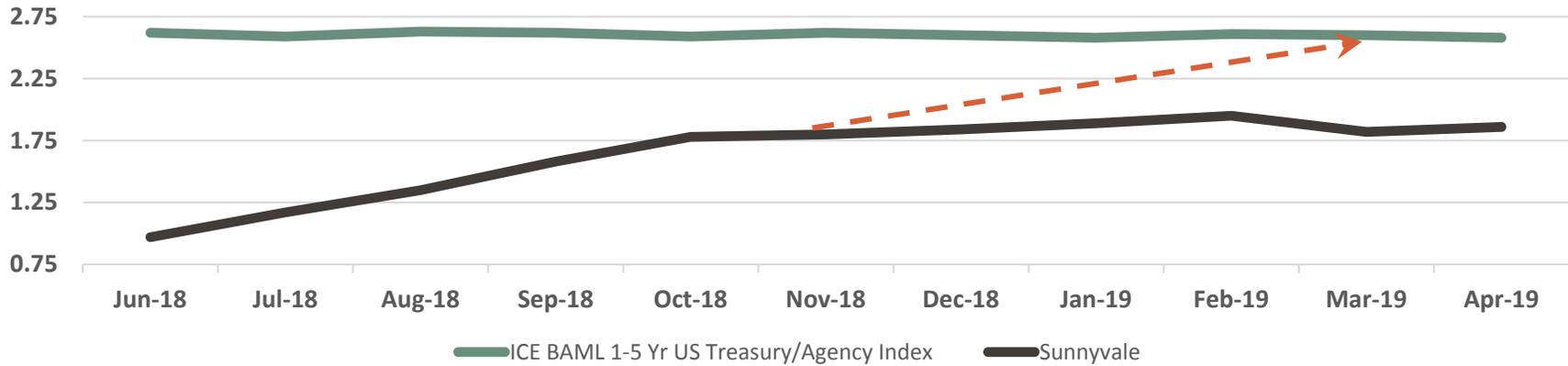


Gradual Strategy Shift

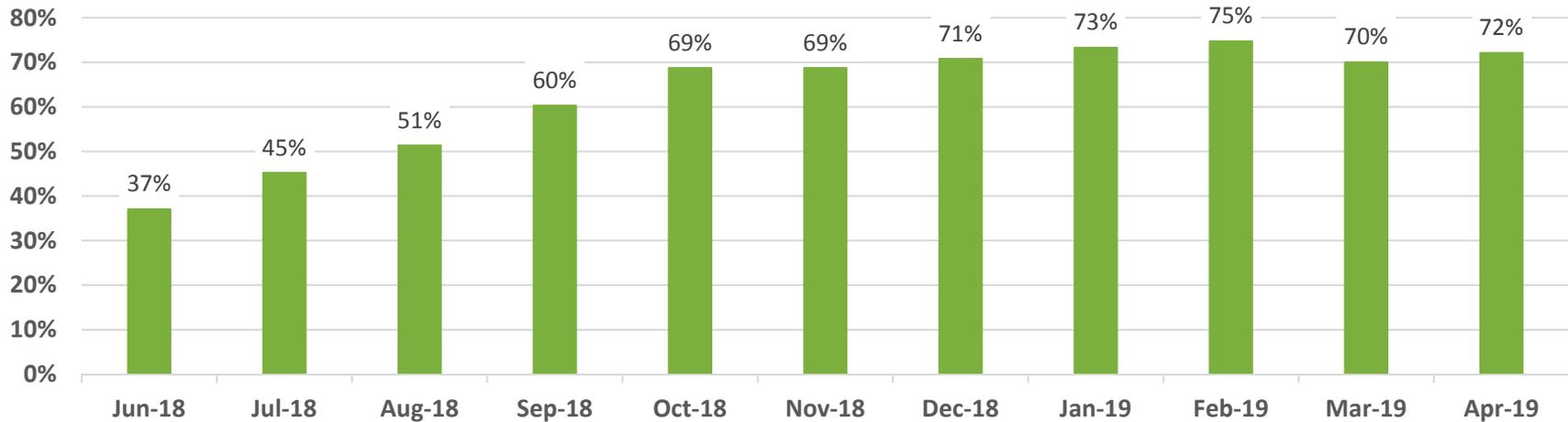
As of April 30, 2019

- Chandler has been tactical in implementing the new strategy because of the rising rate environment.

City of Sunnyvale Strategy Implementation



City of Sunnyvale Duration as a Percentage of Benchmark Duration





Sunnyvale

Revenue and Expenditures by Fund



Sunnyvale

General Fund

Top General Fund Revenues

Revenue Source	2017/18 Actual	2018/19 Budget	2018/19 Revised Projection	2019/20 Budget	% Change 2019/20 over 2018/19
Property Tax	\$74.3M	\$75.1M	\$83.8M	\$88.4M	5.5%
Sales Tax	33.0	31.9	33.3	30.6	(8.1)%
Transient Occupancy Tax	17.7	16.5	20.7	21.9	5.8%
Utility Users Tax & Franchise	15.0	15.7	15.6	15.9	1.9%
Top General Fund Revenues Subtotal	\$140.0M	\$139.2M	\$153.4M	\$156.8M	2.2%
Total General Fund Revenue	\$207.4	\$214.9	\$204.3	\$210.1	2.8%
Total General Fund Revenue (adjusted*)	\$167.9	\$162.1	\$177.5	\$180.6	1.8%

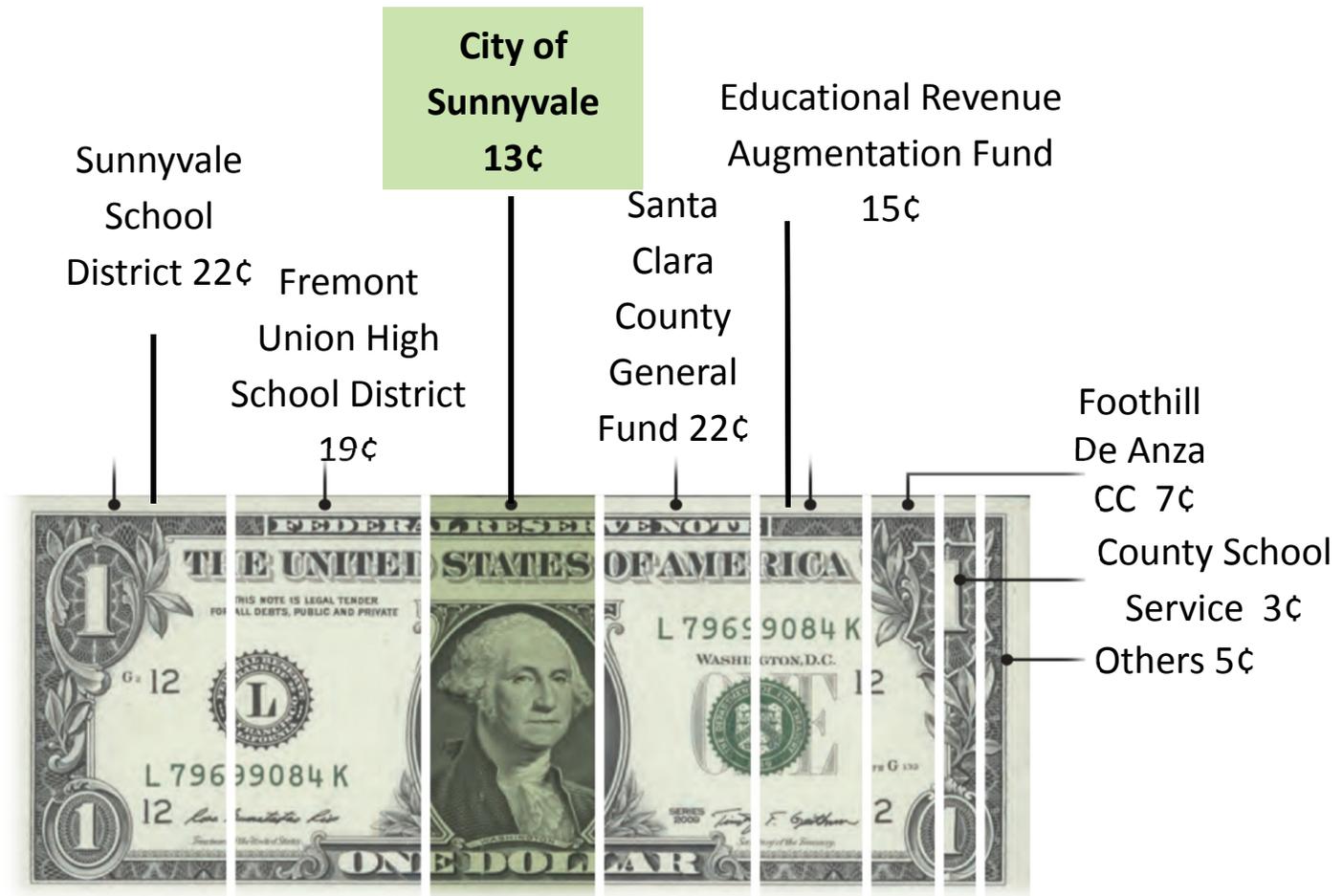
* Adjusted excludes: Sale of Property, Interfund revenues, In Lieu Charges and Transfers from Other Funds

Major General Fund Revenues

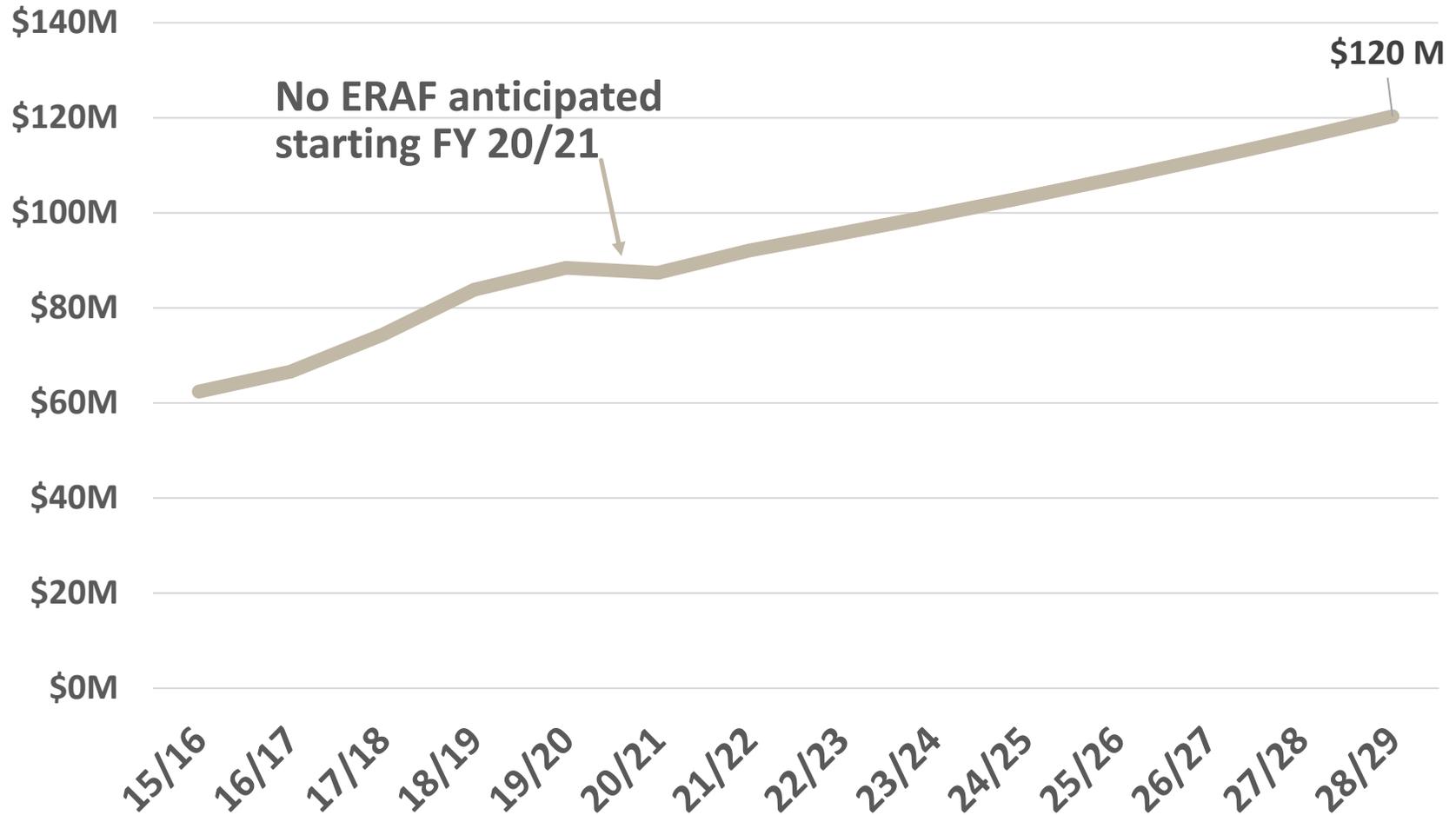
	Stable	Trend	City Controlled	Percent of General Fund
Property Tax	<input checked="" type="checkbox"/>	↑		42%
Sales Tax		↓		15%
TOT		↑	<input checked="" type="checkbox"/>	10%
UUT	<input checked="" type="checkbox"/>	↑	<input checked="" type="checkbox"/>	4%
			Total	71%

View as a group, not individually

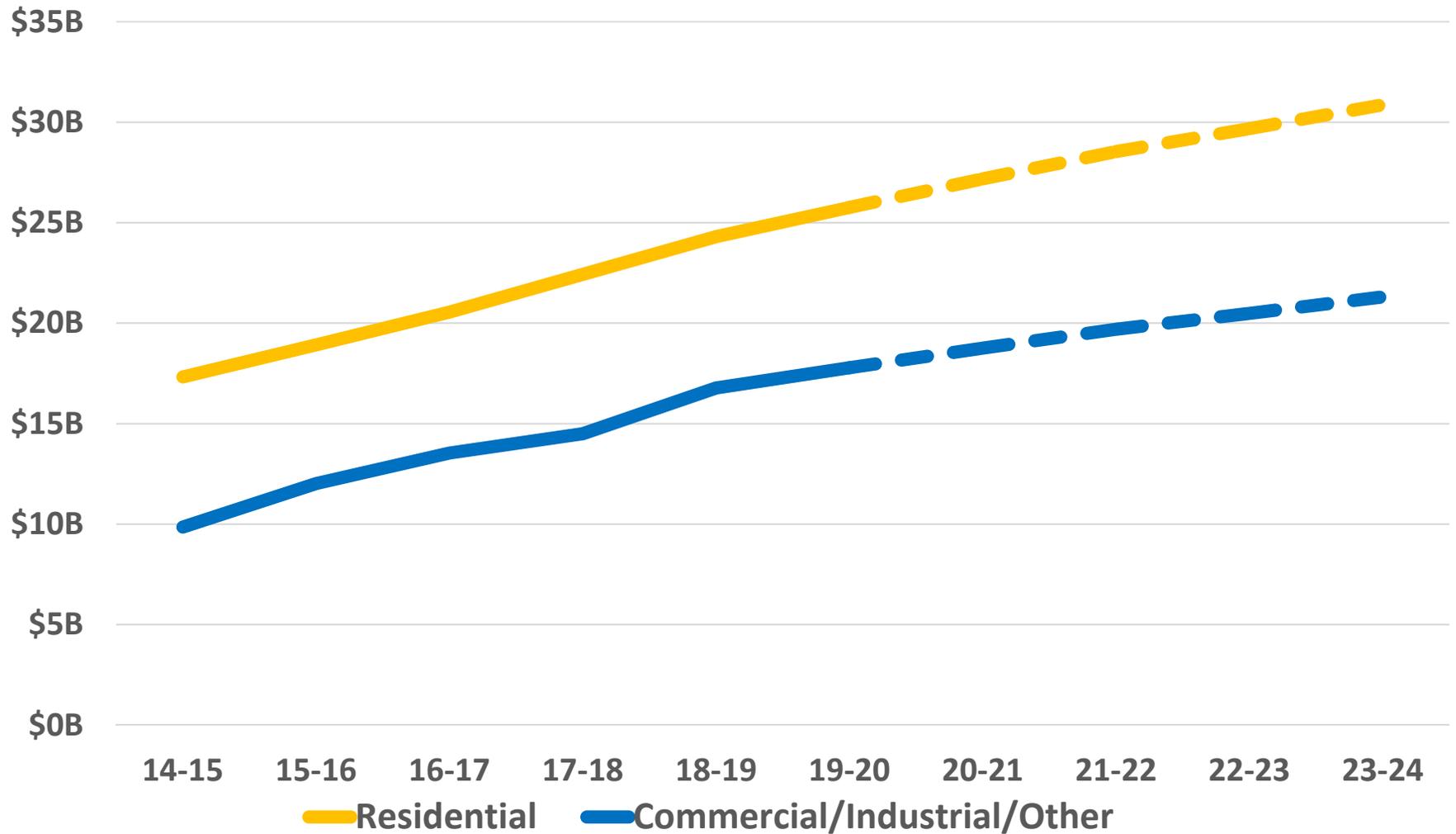
Property Tax Breakdown



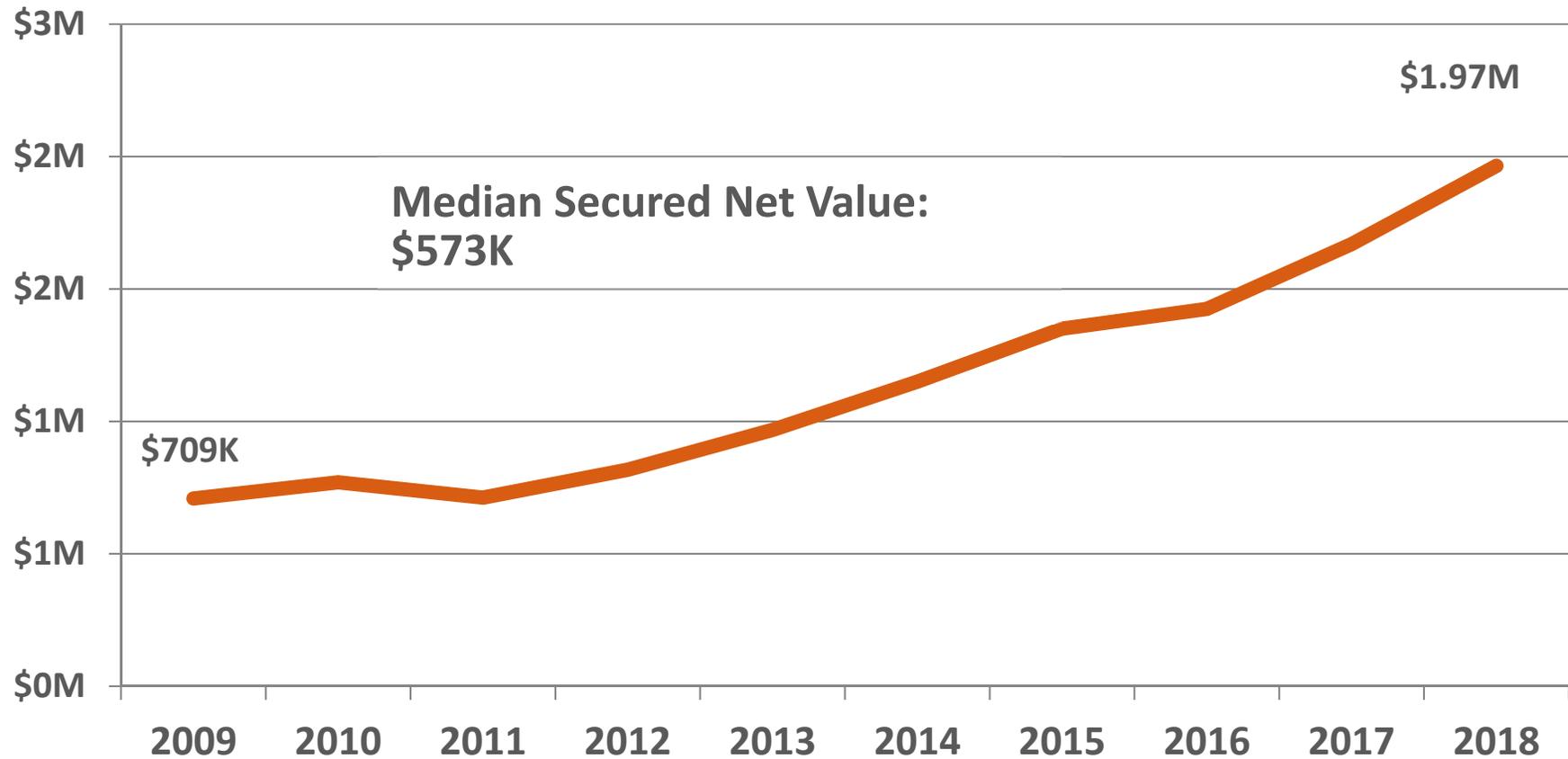
Property Tax



Sunnyvale Assessed Values

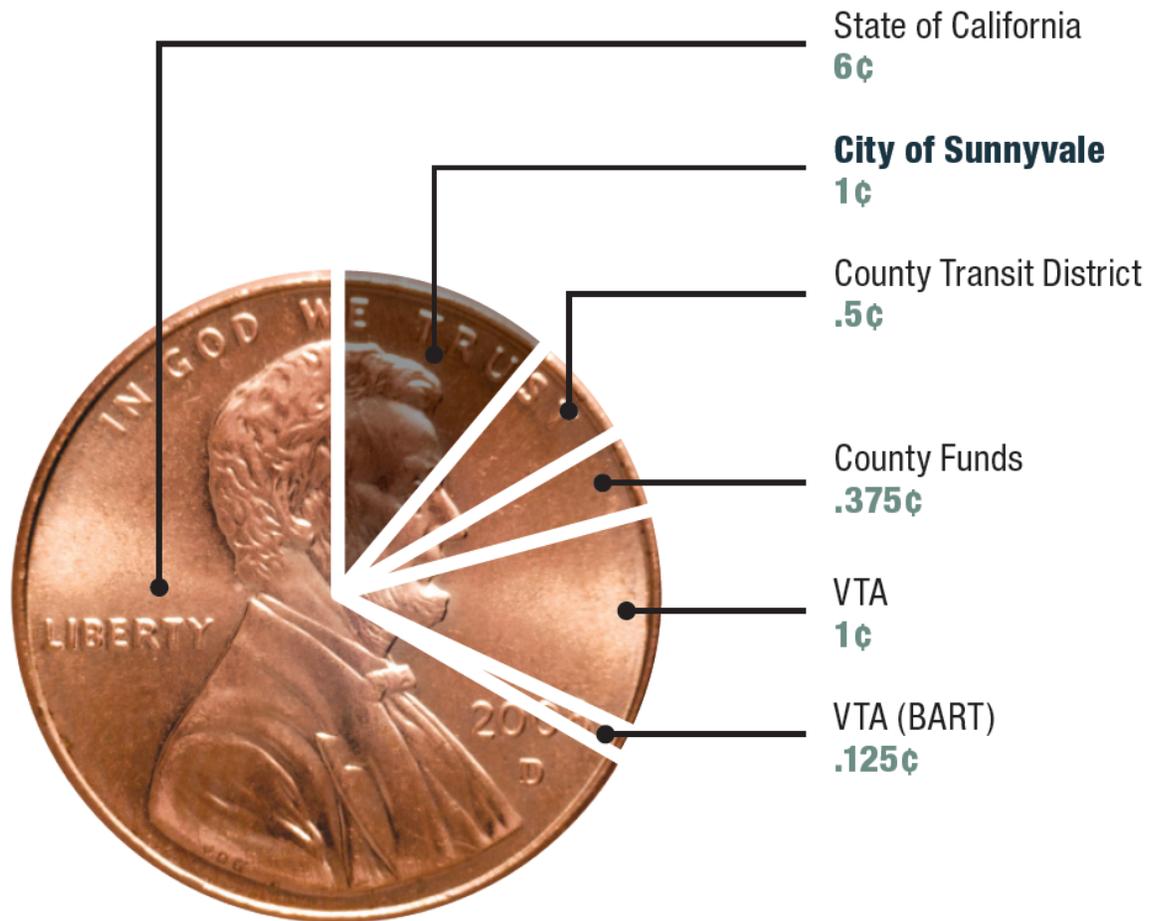


Single Family Median Price History

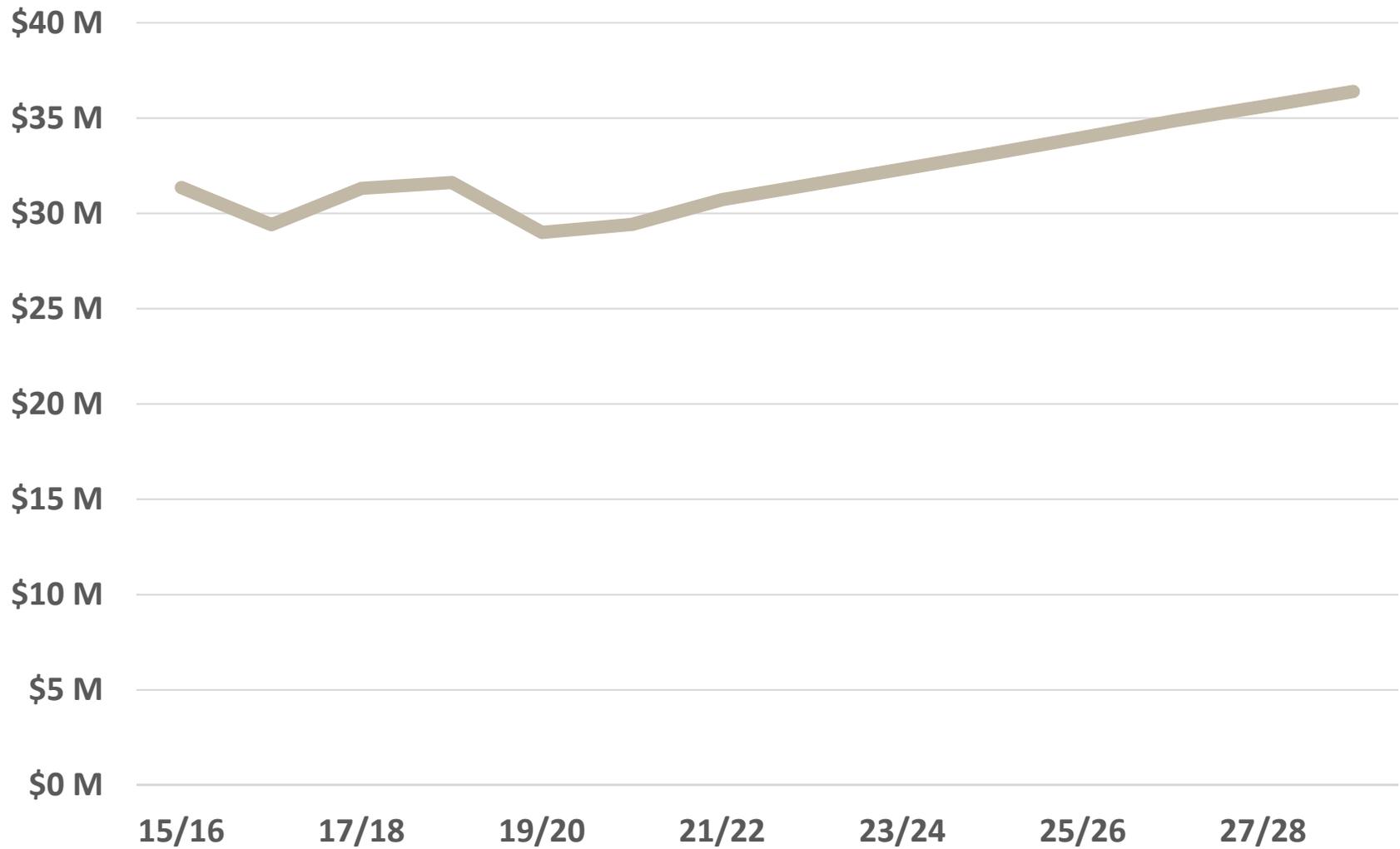


Sales Tax

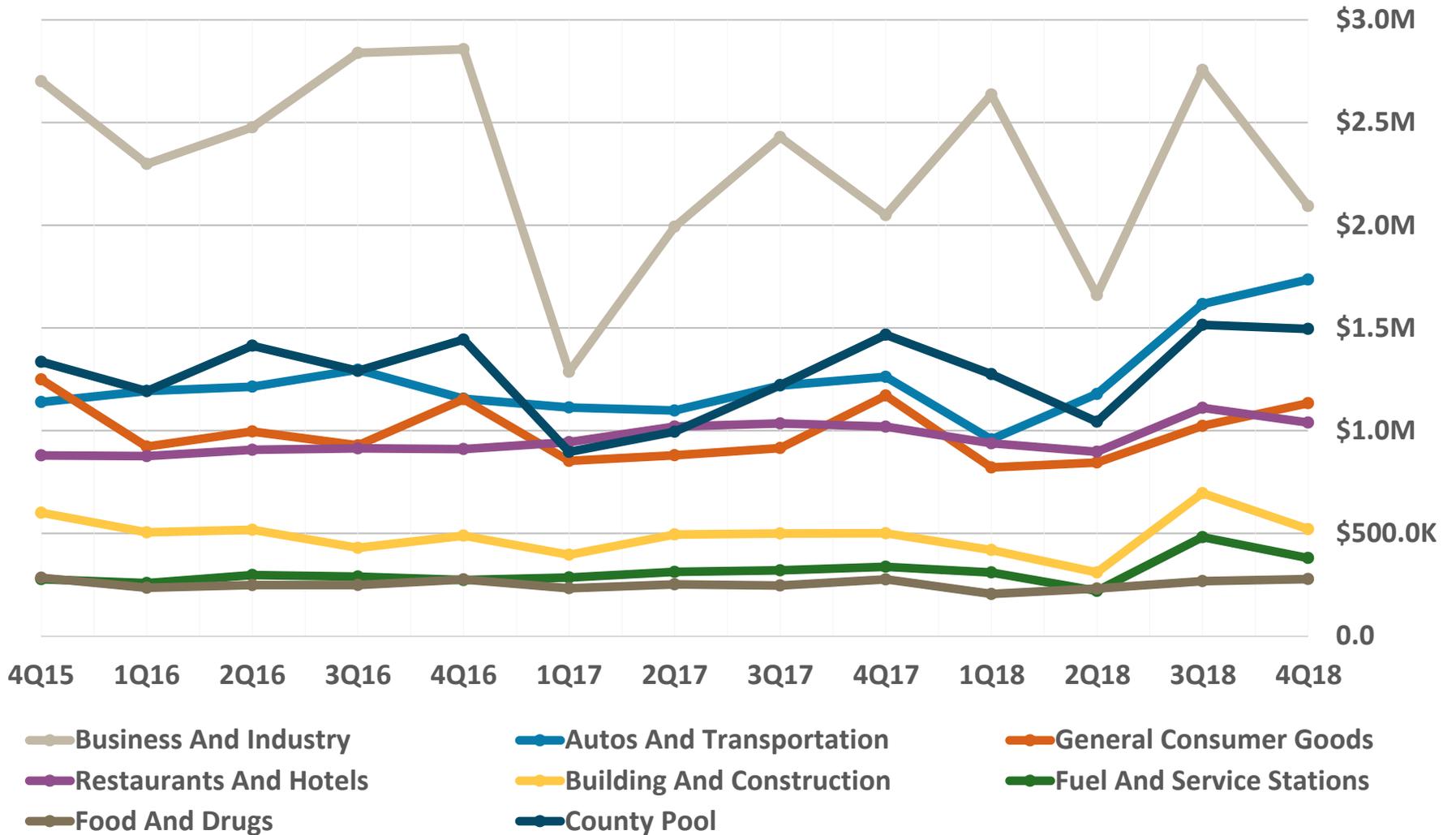
How 9 cents of Sales Tax is Distributed



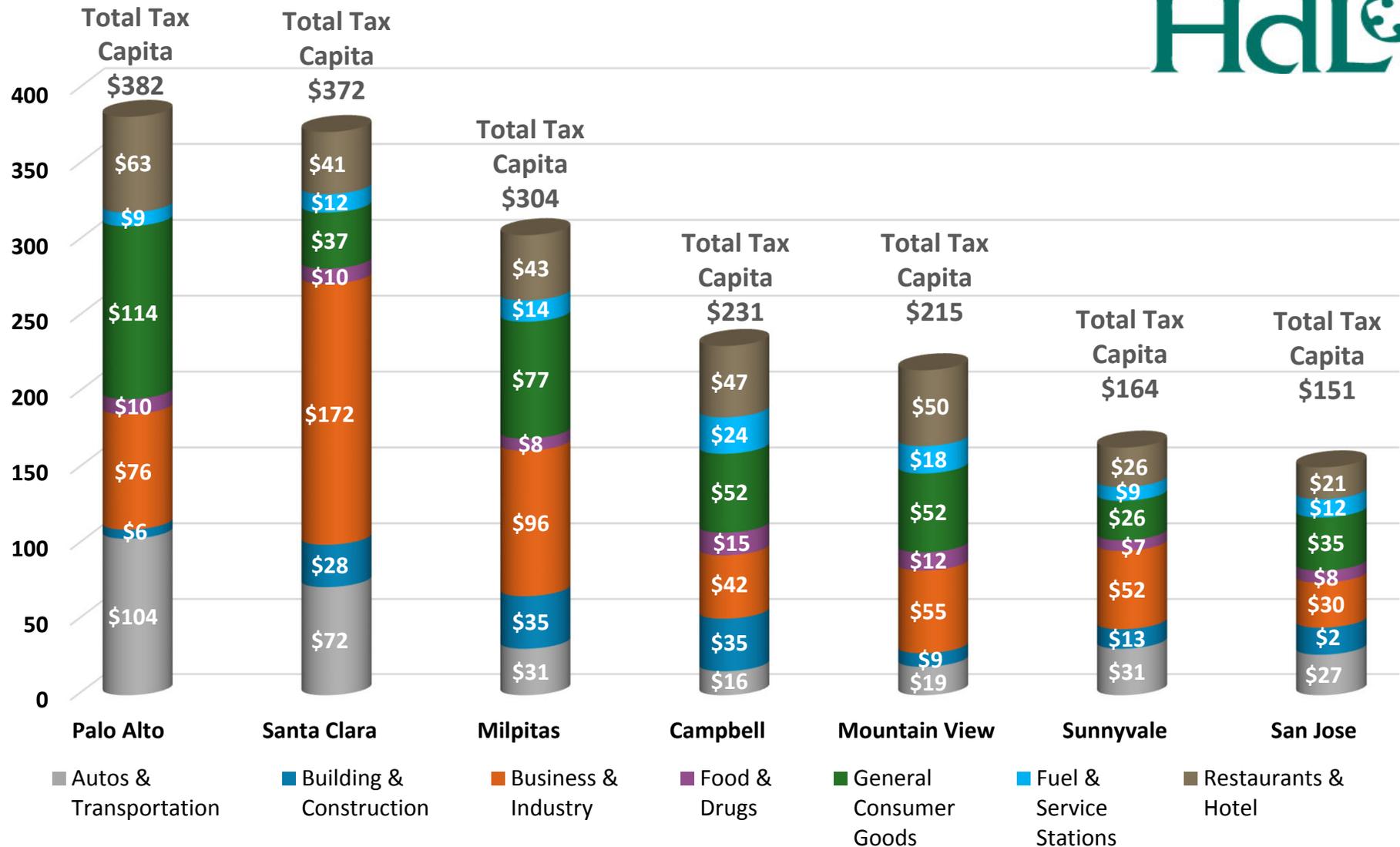
Sales Tax



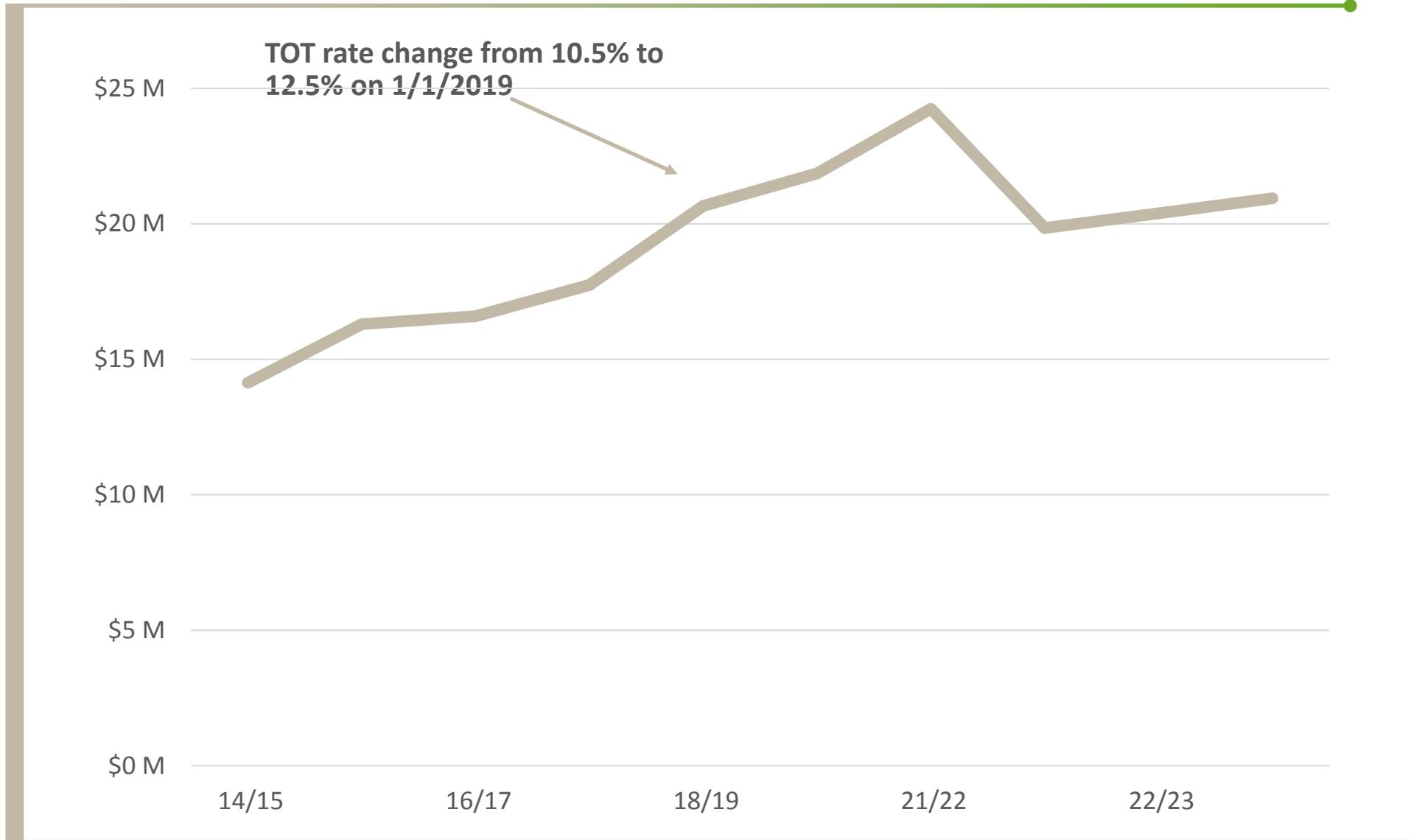
Sales Tax by Major Industry Group



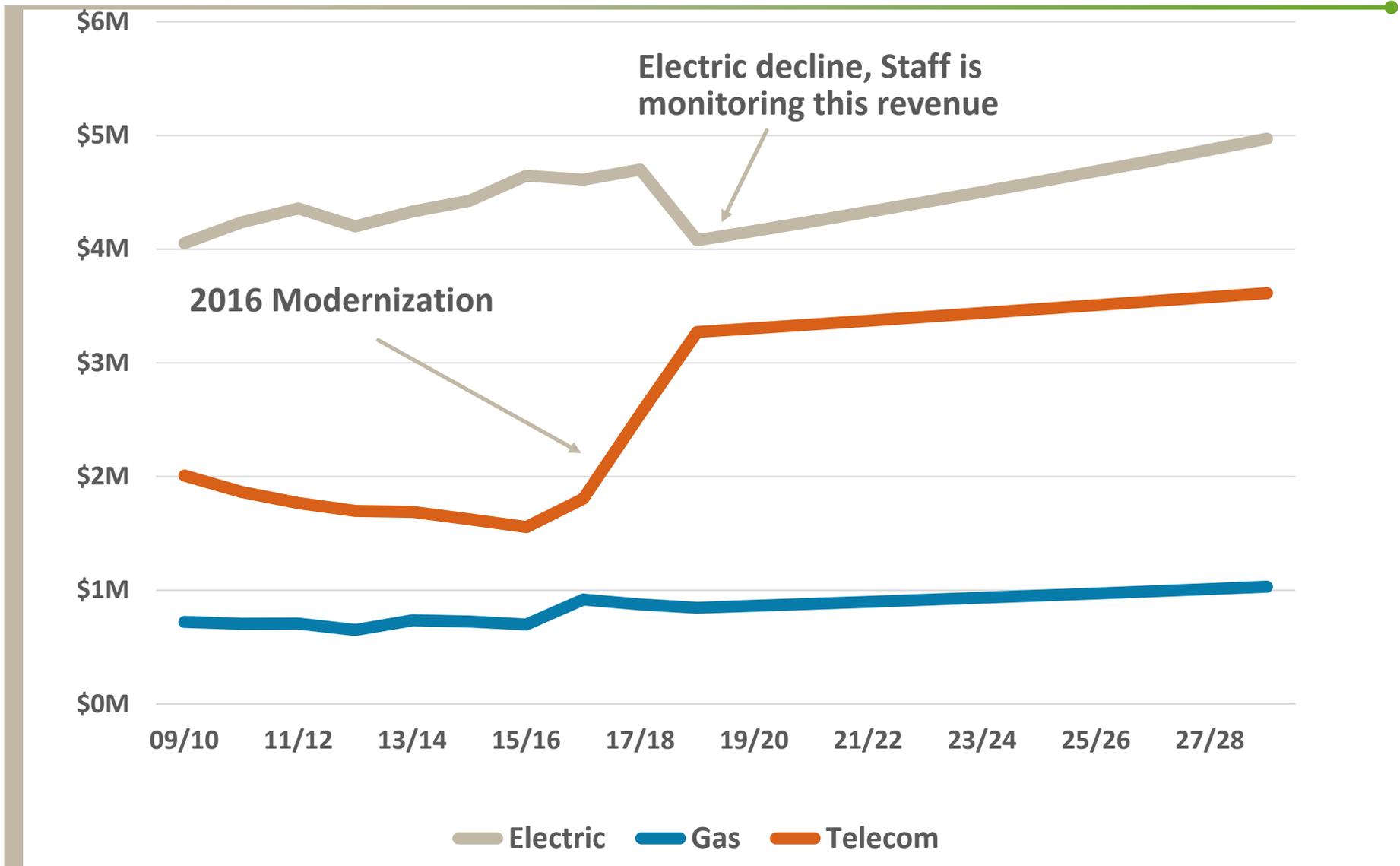
Sales Tax Per Capita by City



Transient Occupancy Tax



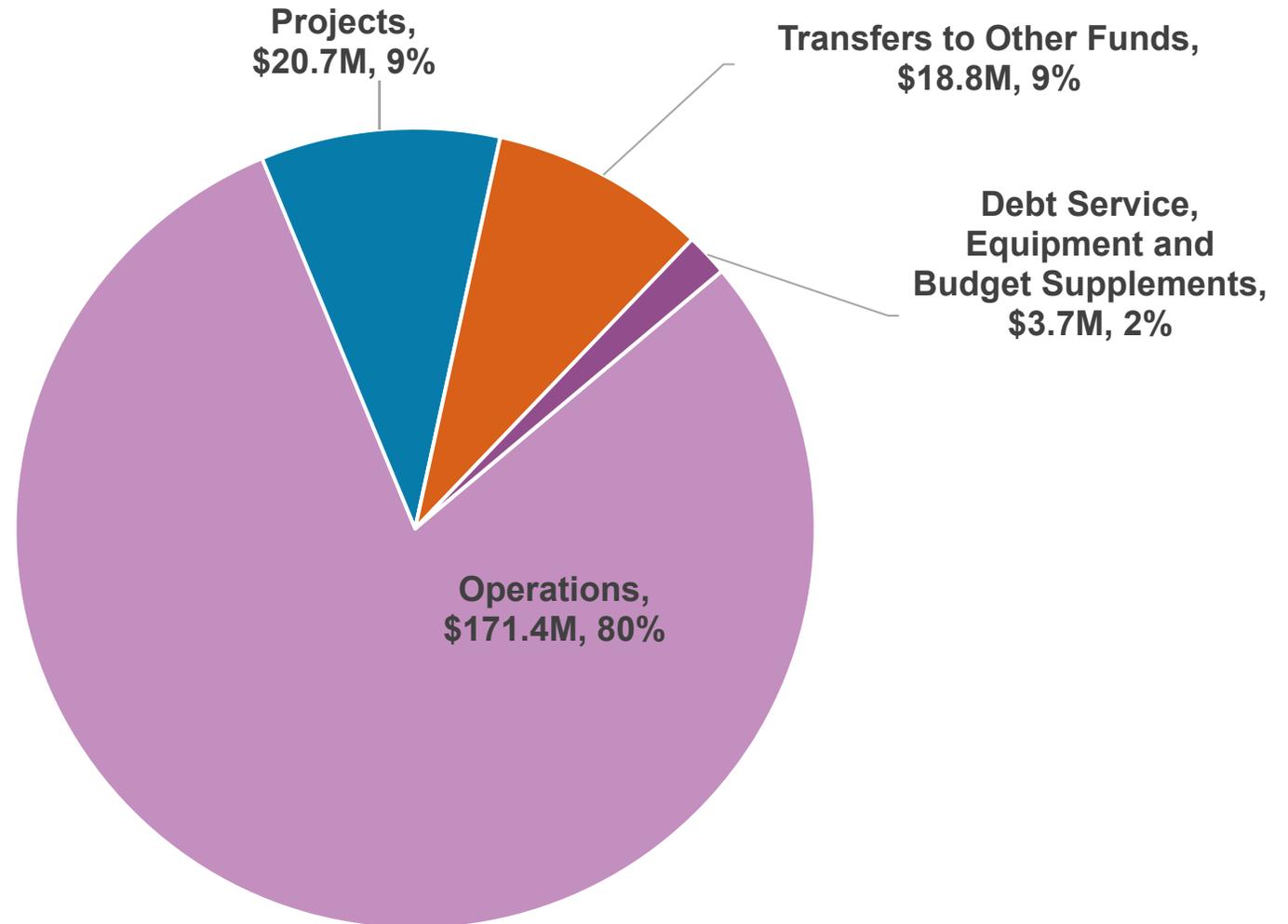
Utility Users Tax



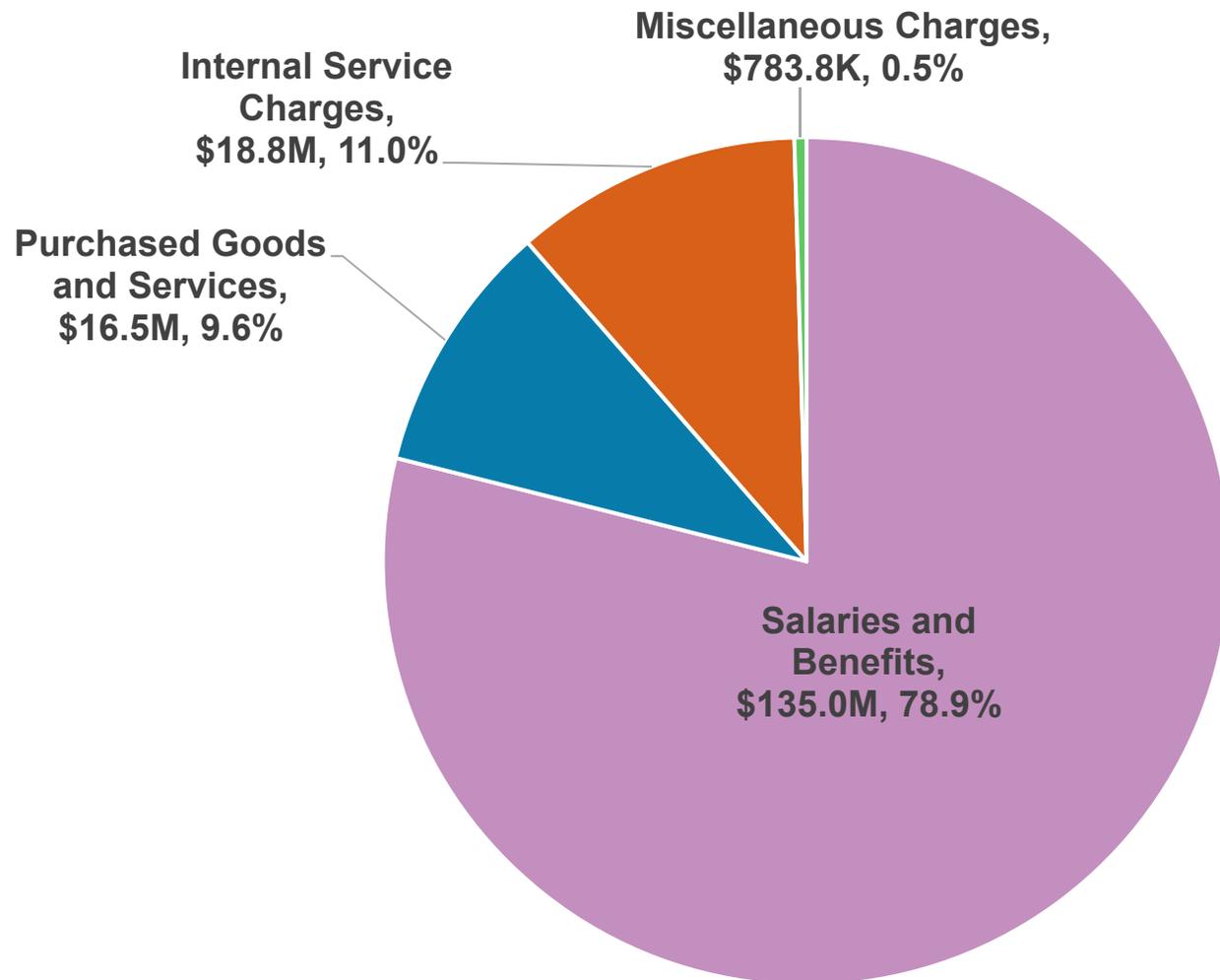
Other Revenue Highlights

- **Construction Tax**
 - Continue to remain strong in 18/19
 - Project to remain elevated for 19/20
 - Taper down to historical average in 23/24
- **Real Property Transfer Tax**
 - Continue to remain in the \$2M range in recent years
 - \$1.8M projected for 18/19
 - Taper to 3-year average for 19/20; 7-year average thereafter
- **Sale of Property**
 - Former Margarine Plant sold for \$33 million, 85% more than the initial estimate.

General Fund Expenditures by Type



General Fund Operating Expenditures by Type

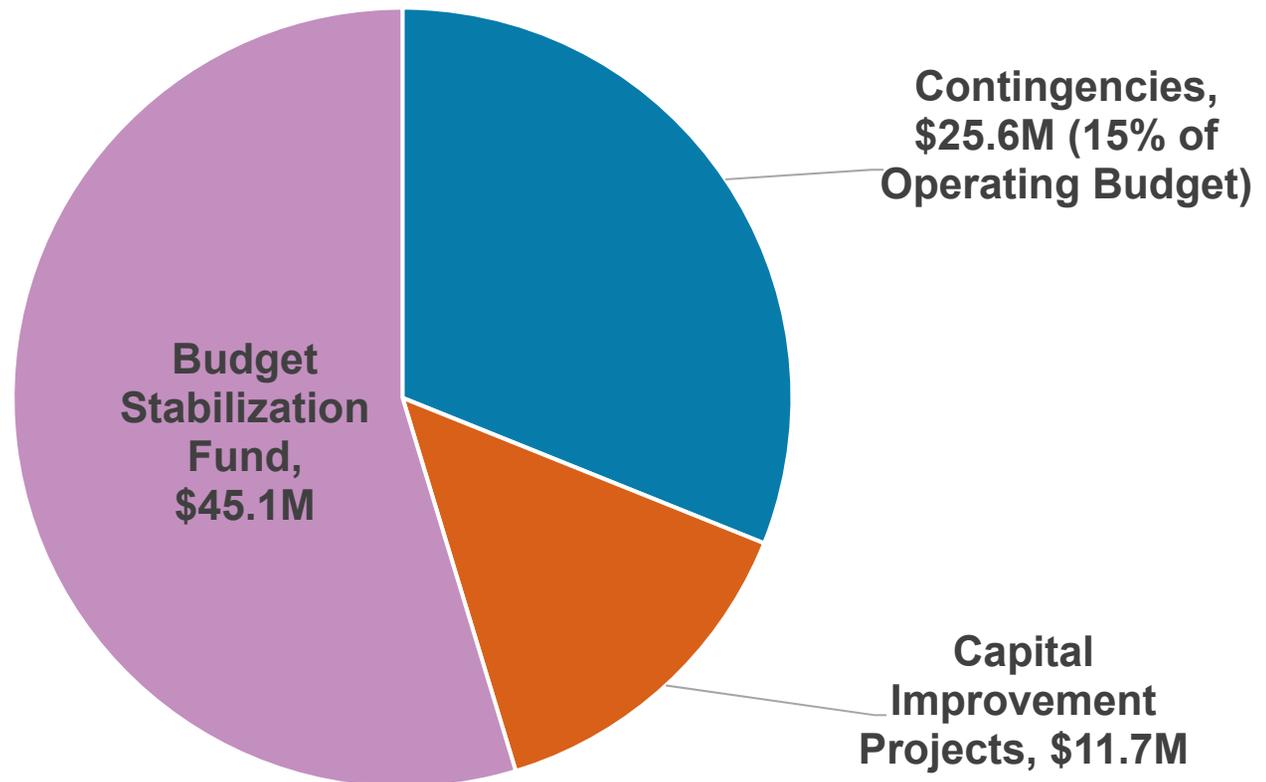


General Fund Operating Expenditures by Department

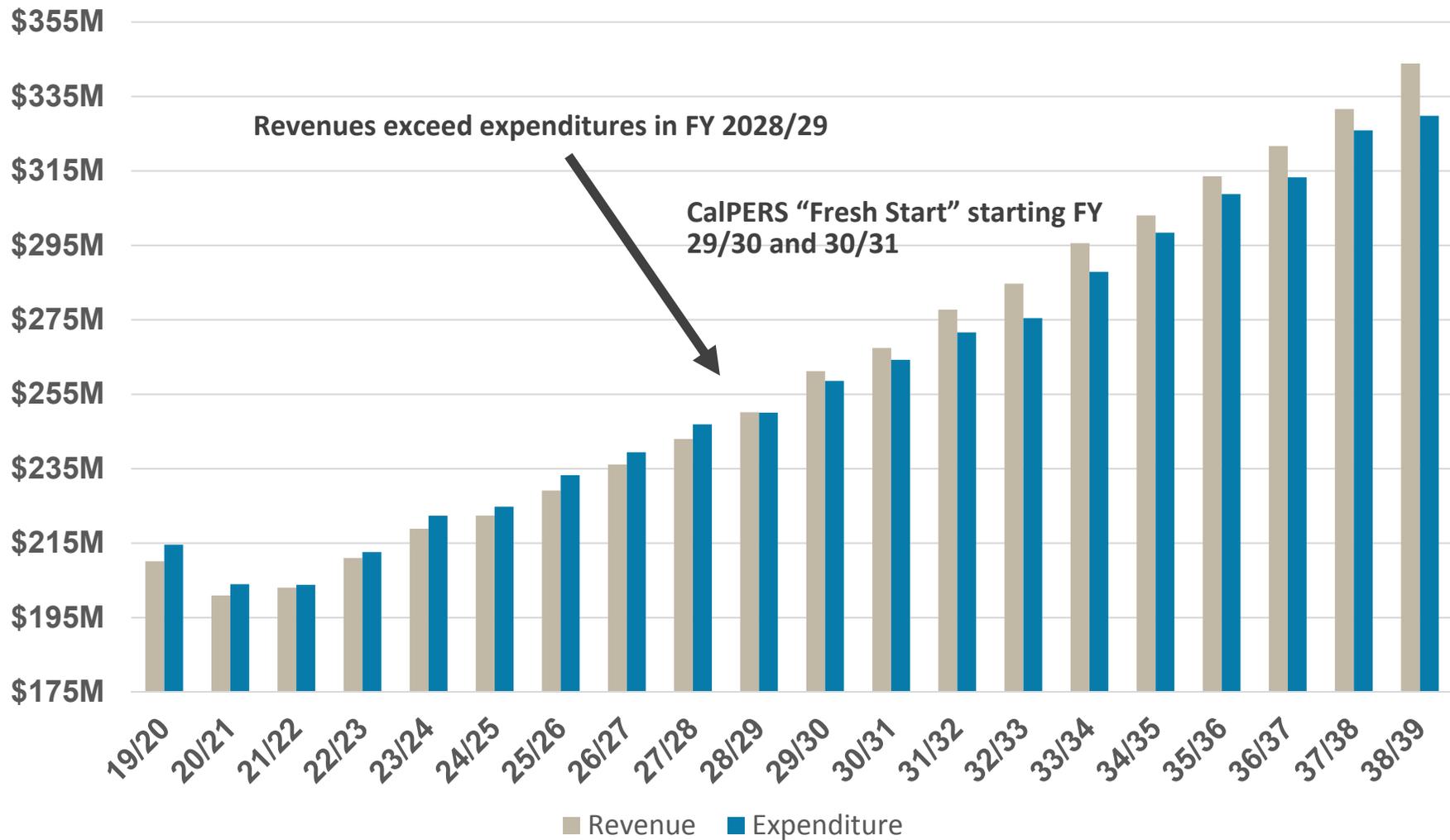
Department	Actual 2017/18	Budget 2018/19	Plan 2019/20	% Change 2018/19 to 2019/20
Community Development	\$1.1M	\$1.4M	\$1.4M	2.4%
Environmental Services	0.0	1.6	1.8	12.5%
Finance	9.4	10.3	10.8	5.1%
Human Resources	4.6	4.9	5.1	4.1%
Library and Community Services	17.0	19.5	20.4	2.6%
Office of the City Attorney	1.7	1.7	1.8	3.9%
Office of the City Manager	4.1	5.8	5.4	(6.8)%
Public Safety	89.3	93.6	98.2	6.2%
Public Works	22.5	25.4	26.4	2.2%
TOTAL EXPENDITURES	\$149.7	\$164.2	\$171.3	4.3%

General Fund Reserves

FY 2019/20 Designated Reserves

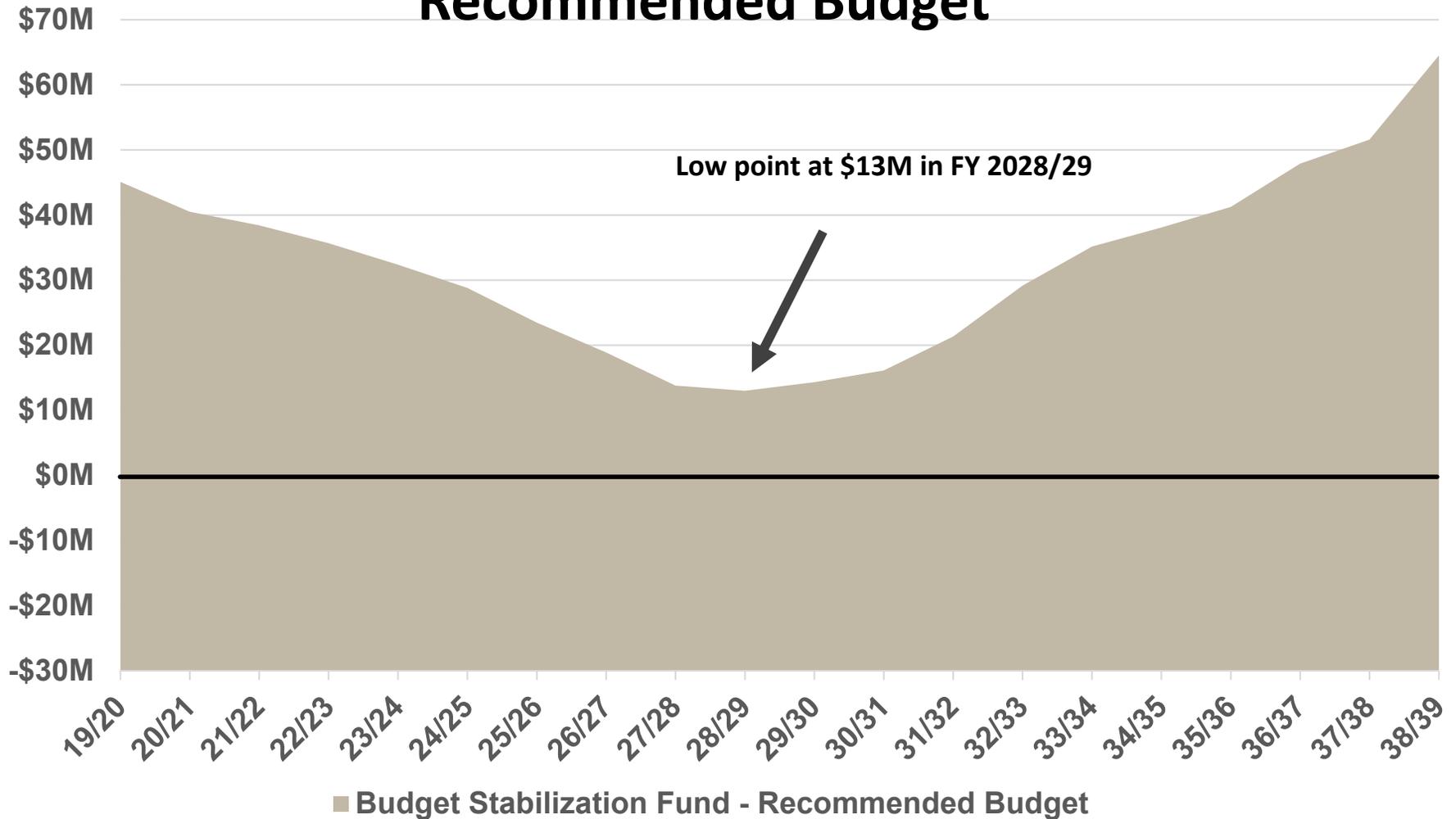


General Fund Revenue vs. Expenditure Growth

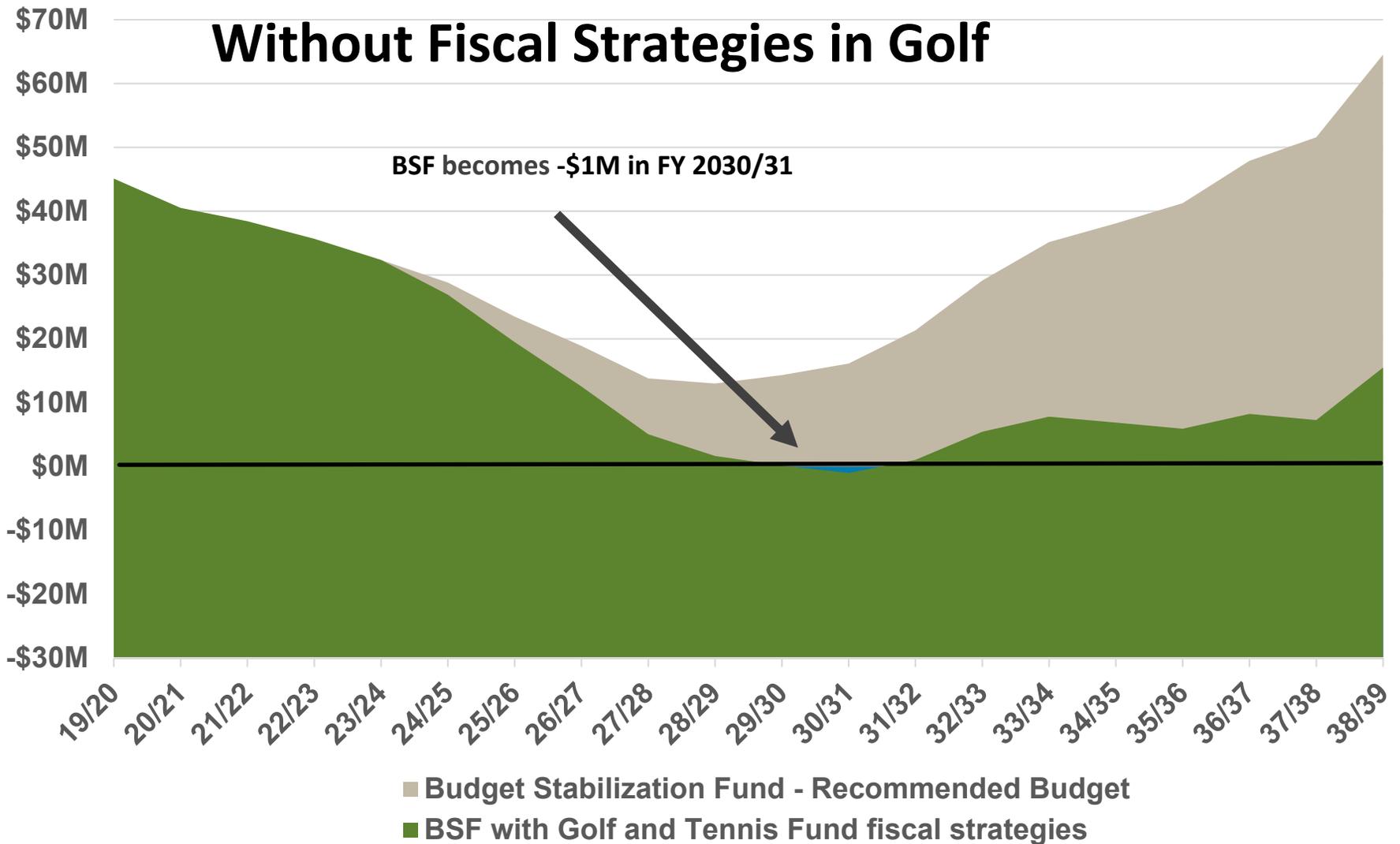


General Fund Budget Stabilization Fund

Recommended Budget



General Fund Budget Stabilization Fund



Capital Improvement Projects Reserve

Fiscal Policy 7.1E.1.2 - One time revenue to be used for capital improvement or expansion.

	<u>FY 19/20</u>
Beginning Balance	\$6.0 M
ERAF contribution	5.5
Transfer Charles St. Property	9.0
Interest on CIP Reserve	0.2M
<u>831340 Civic Center Modernization</u>	<u>(9.0)</u>
Ending CIP Balance	\$11.7

Capital Improvement Projects Reserve

Independent study conducted by Macias Gini & O'Connell LLP with the following objectives:

- To determine the variance between the reporting of the CIP reserve in the CAFR and the Budget
- To confirm the actual Fund Balance
- To determine whether the City is complying with CIP budgeting and accounting policies and procedures

Capital Improvement Projects Reserve

Observations & Recommendations:

- Reporting of reserve was reconciled successfully
- Confirmed the FY 2017/18 budgeted year end balance should be \$23.6M
- City Staff to adopt Administrative Policy for preparing the CIP Reserve



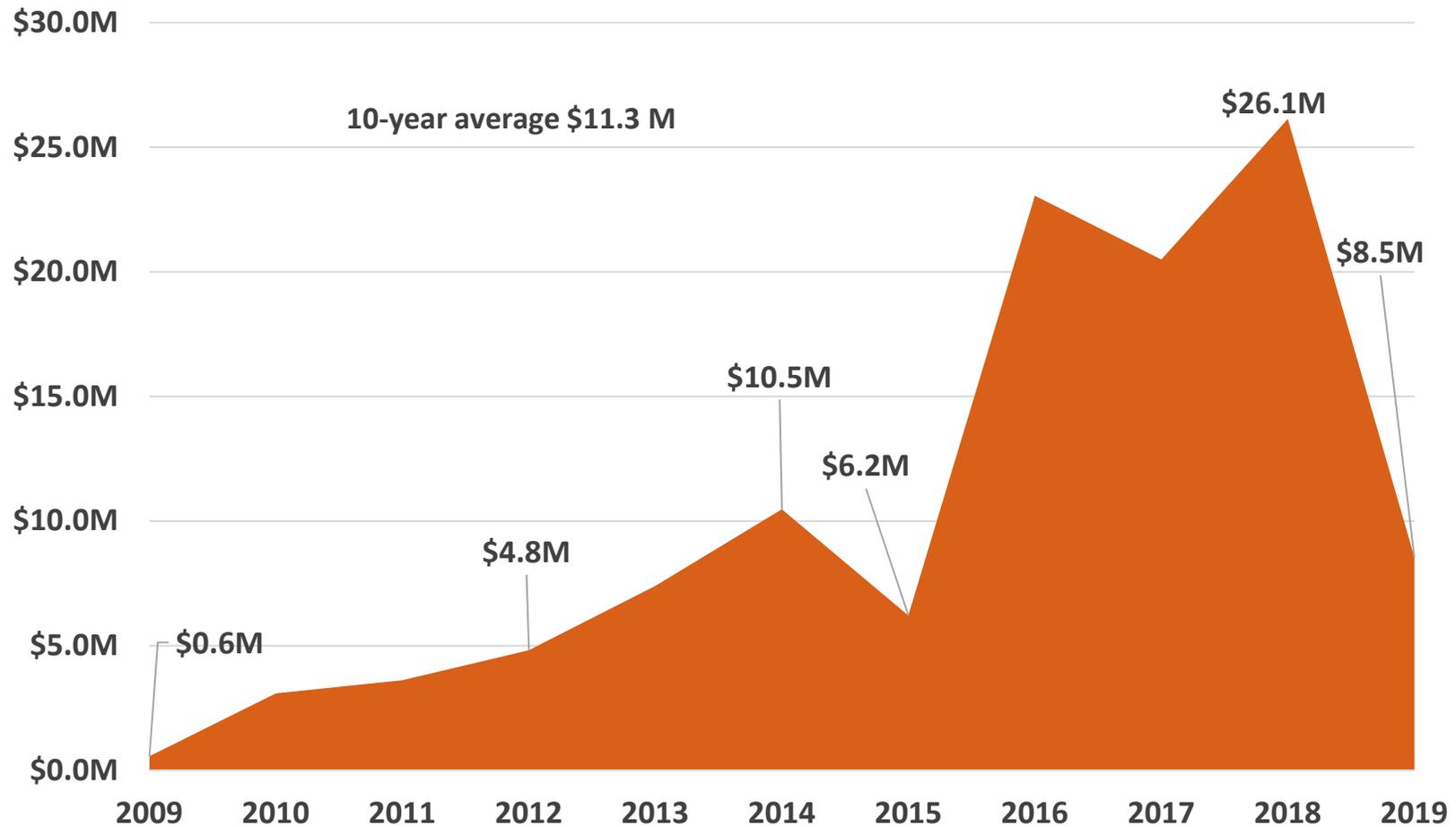
Sunnyvale

Special Revenue Funds

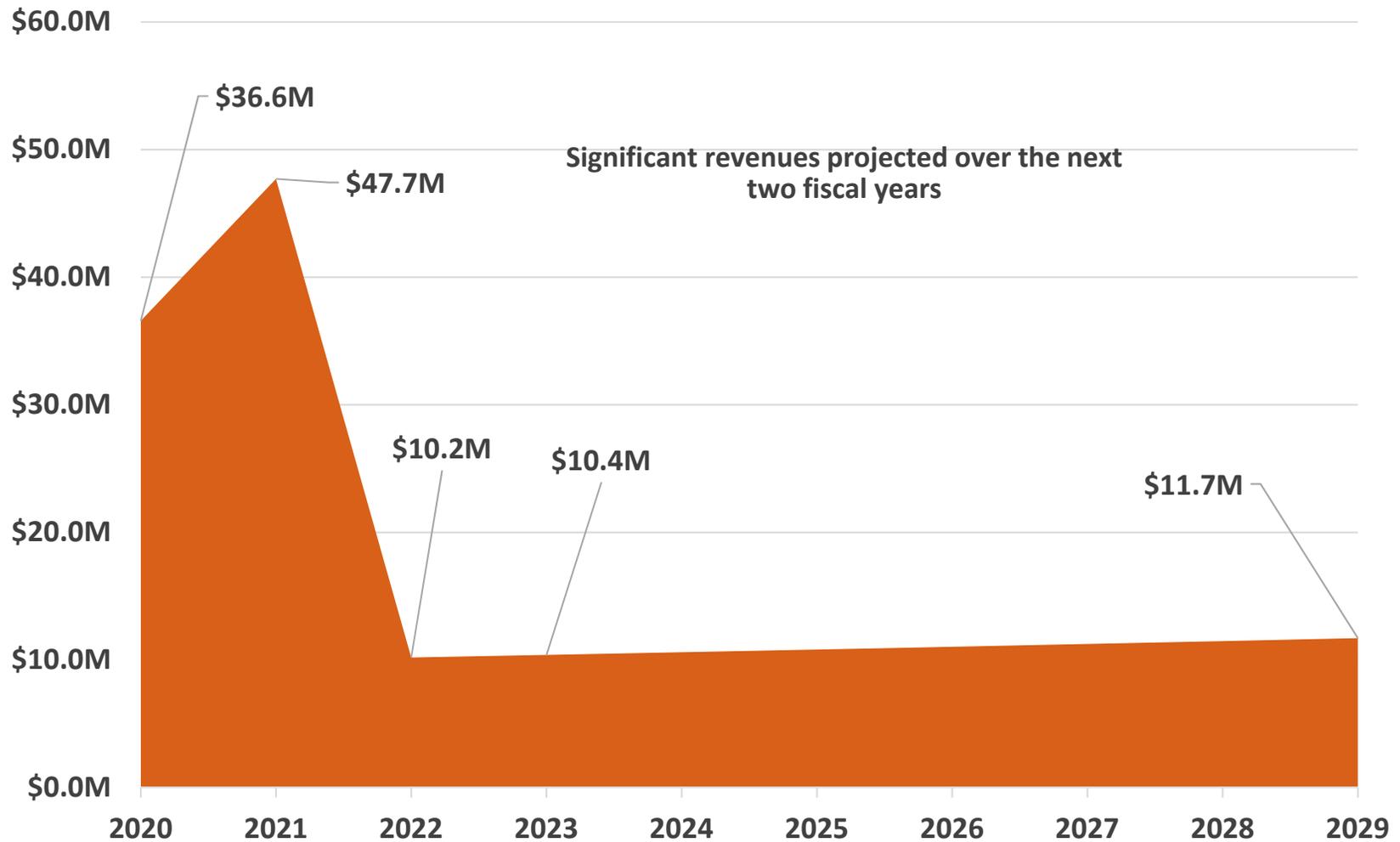
Park Dedication Fund

- Accounts for impact fee revenue collected from housing projects for park and recreation infrastructure
- Funds renovation of all city parks through the twenty year plan
- Currently \$213.8 M in projects budgeted from FY 2019/20 to FY 2038/39
- Revenues expected to peak in FY 2020/21
- Included basis for long-term revenue projection (land value \$130/sq ft x .009 acres/dwelling unit x 200 units per year)

Park Dedication Fund Revenue - History



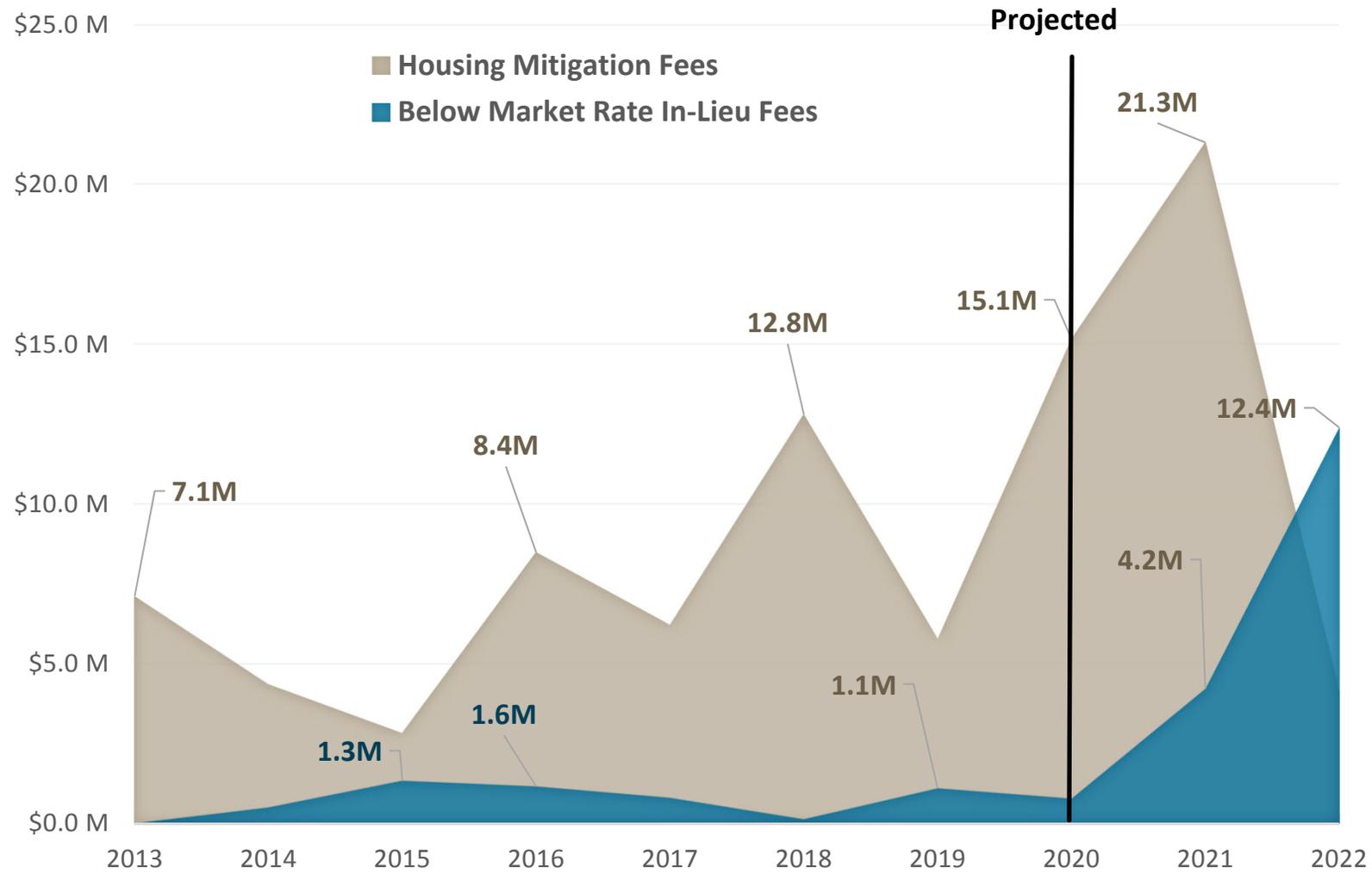
Park Dedication Fund Revenue - Projected



Housing Mitigation Fund

- Consists of 2 Major Revenue Sources:
 - Impact fees for developing commercial or residential projects
 - Below Market Rate Housing In-Lieu Fee
- Strong development activity based on approved and pending applications
- Major Upcoming Housing Projects : Butchers Corner, Pastoria Corners, and the Corn Palace

Housing Mitigation Fund Historical and Projected Revenues



Other Special Revenue Funds

- Gas Tax Fund
- 2016 Measure B (New in FY 2019/20)
- SB-1 (Road Maint and Rehab Fund)
- HOME Fund
- RDA Housing Fund
- Community Development Block Grant
- Asset Forfeiture
- Police Services Augmentation
- Employment Development (NOVA)
- Youth and Neighborhood Services

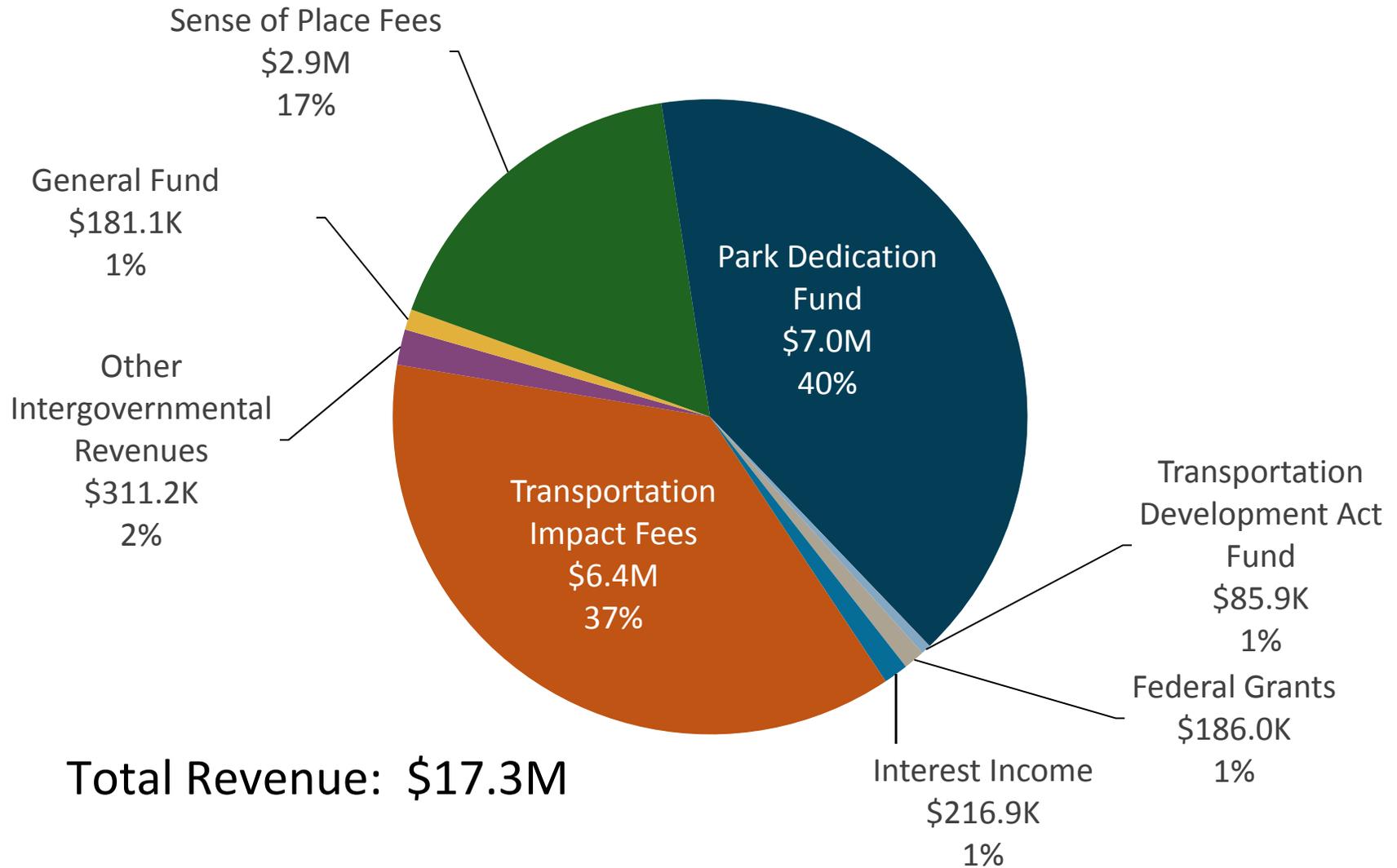




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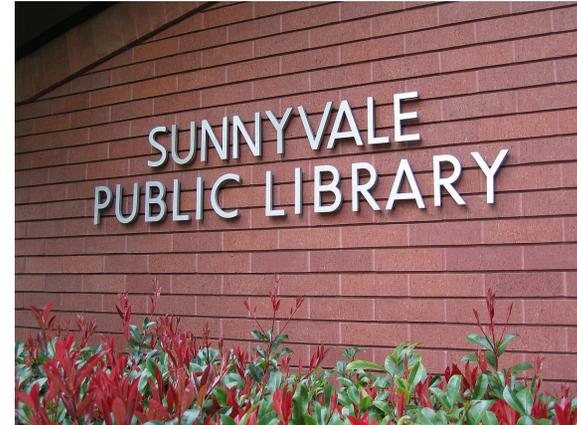
Capital and Infrastructure Funds

Capital Projects Fund – FY 2019/20 Projected Revenues

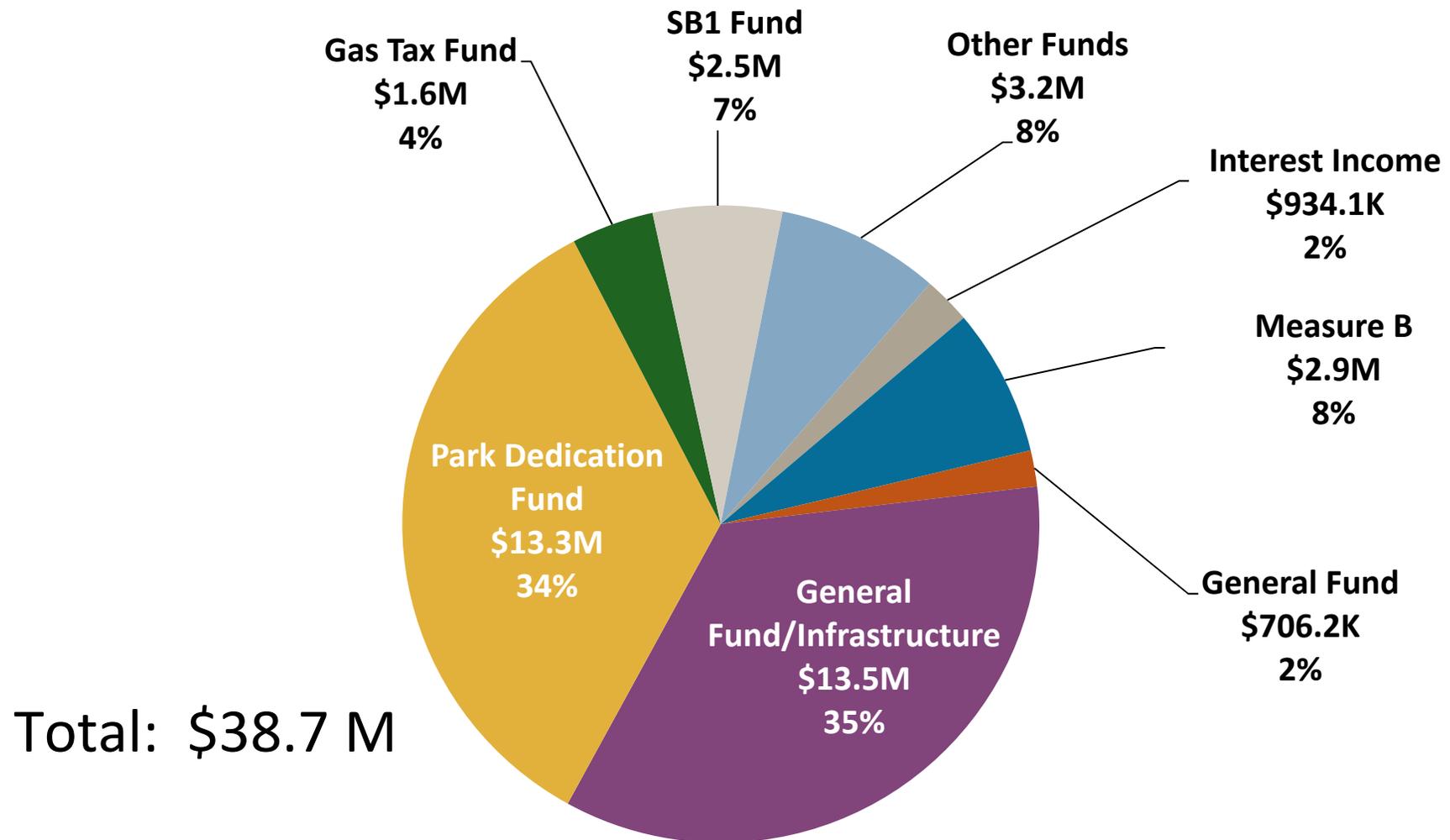


Major Capital Projects

- Lakewood Branch Library Facility
- Washington Pool Expansion
- Fair Oaks Avenue Overhead Bridge



Infrastructure Renovation and Replacement Fund



Civic Center Modernization Project

	Prior FY Actual	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget	Total
Project Costs	\$1.6M	\$47.3M	\$400K	\$82.4M	\$82.4M	\$400K	\$214.5M
Project Revenues	-	33.0	-	101.0	-	-	134.0
Transfers from Other Funds	1.0	24.7	15.5	-	25.0	-	66.2

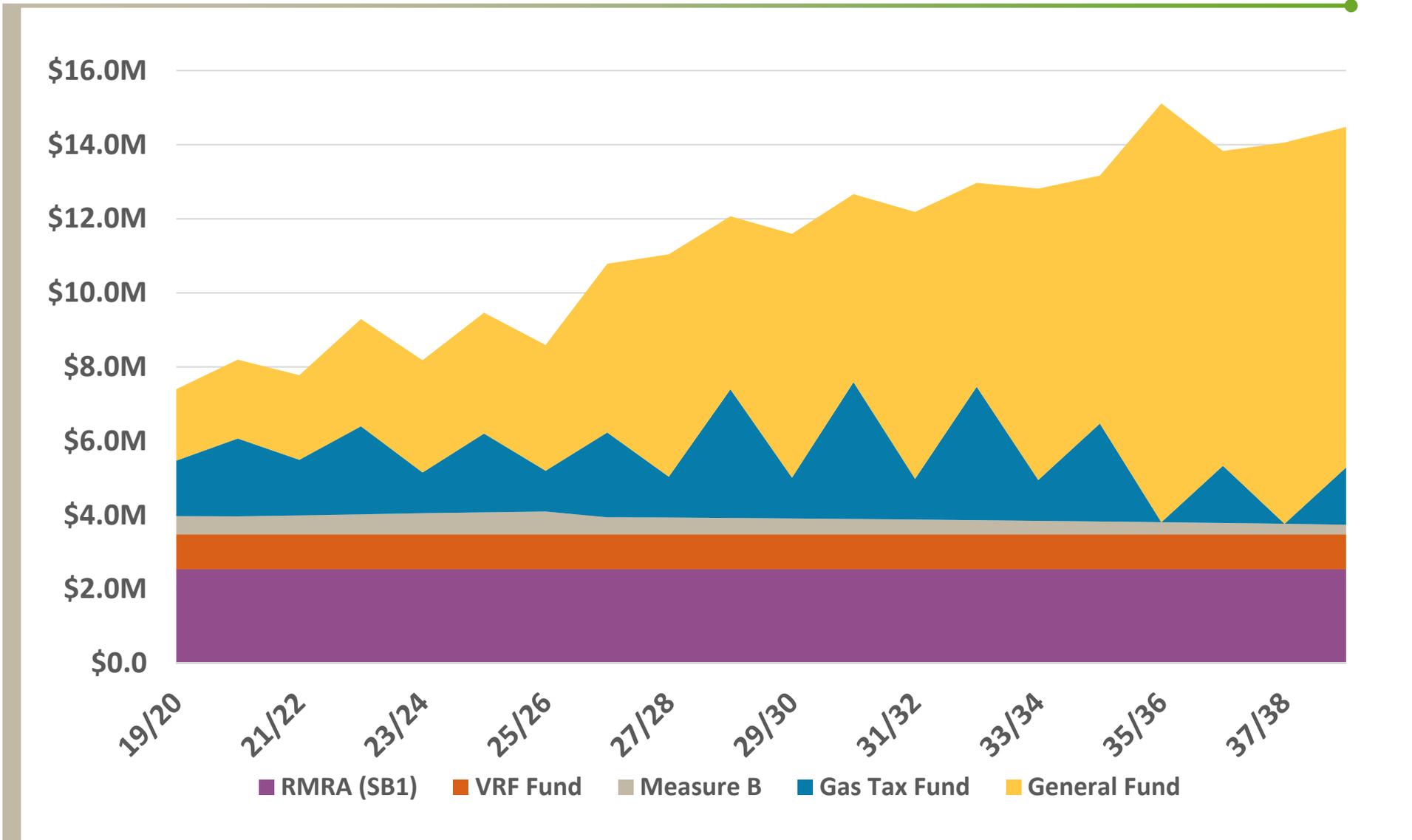


Other Major Infrastructure Projects

- All Inclusive Playground
- Fair Oaks Park Renovation and Enhancement
- Playground Equipment Replacement



Pavement Funding





Sunnyvale

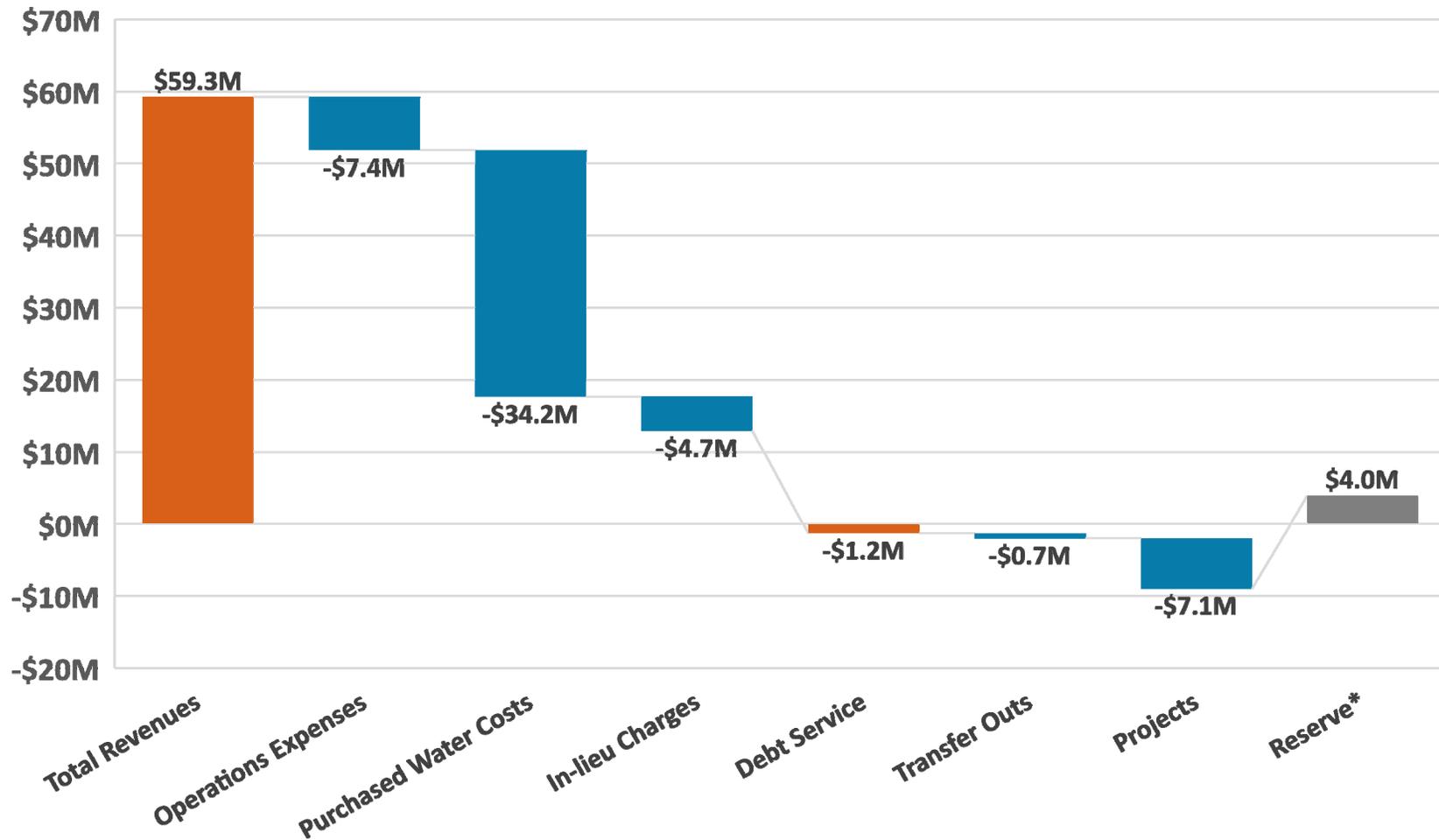
Enterprise Funds

Utility Funds

Utility	Original Projection	Recommended FY 2019/20	Change in Percentage Points
Water	4.0%	0.0%	(4.0%)
Wastewater	7.0%	4.0%	(3.0%)
Solid Waste	2.0%	1.0%	(1.0%)

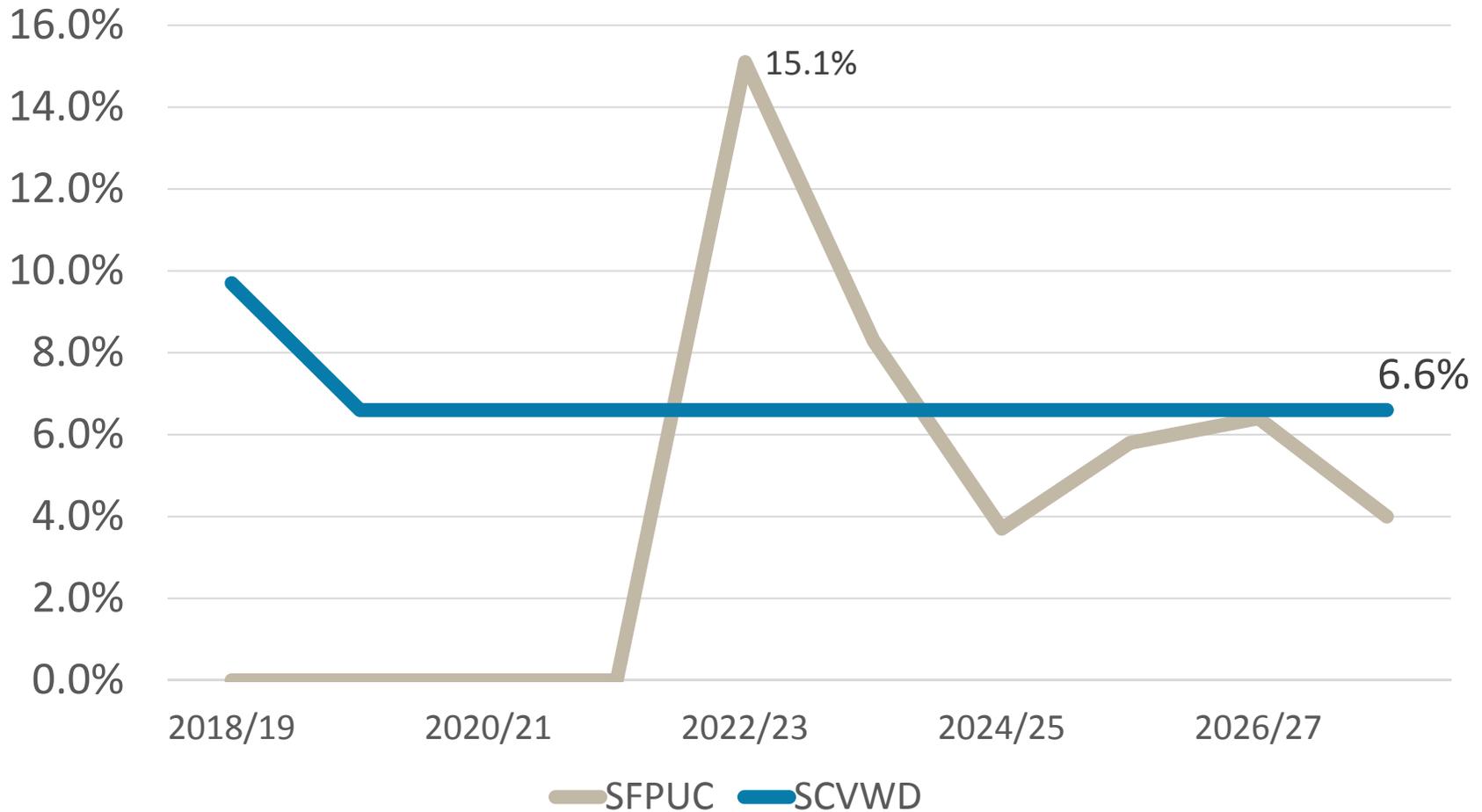
- Public hearing on rates – June 25th

Water Supply and Distribution Fund - FY 2019/20



* Reserve uses include Debt Service, Capital Expenditures, Contingencies, and Rate Stabilization

Wholesale Water Costs



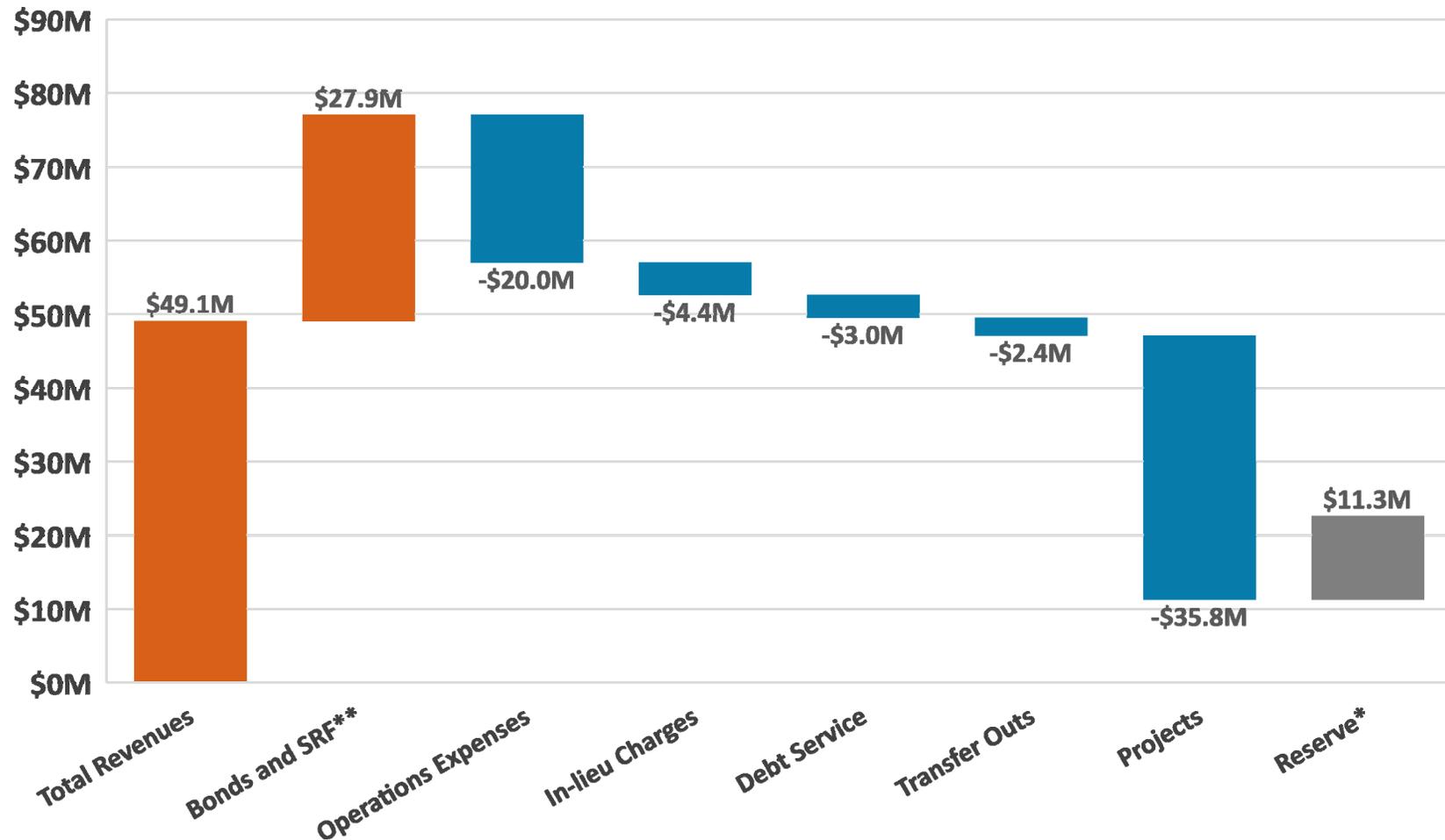
SFPUC: San Francisco Public Utilities Commission; SCVWD: Santa Clara Valley Water District (now known as Valley Water)

Water Project Highlights:

- \$84.7 million to replace aging water mains
- Water tank and well renovations
- Seismic Vulnerability Study



Wastewater Management Fund - FY 2019/20



* Reserve uses include Debt Service, Capital Expenditures, Contingencies, and Rate Stabilization

** State Revolving Fund Loan

Wastewater Project Highlights:

- \$22.8 million to replace manholes and sewer pipes
- Lawrence Expressway Sanitary Sewer Rehabilitation
- “SmartCover” Monitors for manholes



20-Year Cleanwater Program Funding Summary

FY 18/19 Adopted Budget	\$707.2M
Changes:	
BID Market Adjustments	24.5
Inflation Adjustments	71.8
Further Validation of Master Plan	55.2
Other Adjustments & 20 th year	17.7
FY 19/20 Recommended Budget	\$876.4
Total Changes	\$169.2

Cleanwater Program Funding Summary

BID Market Major Adjustments:

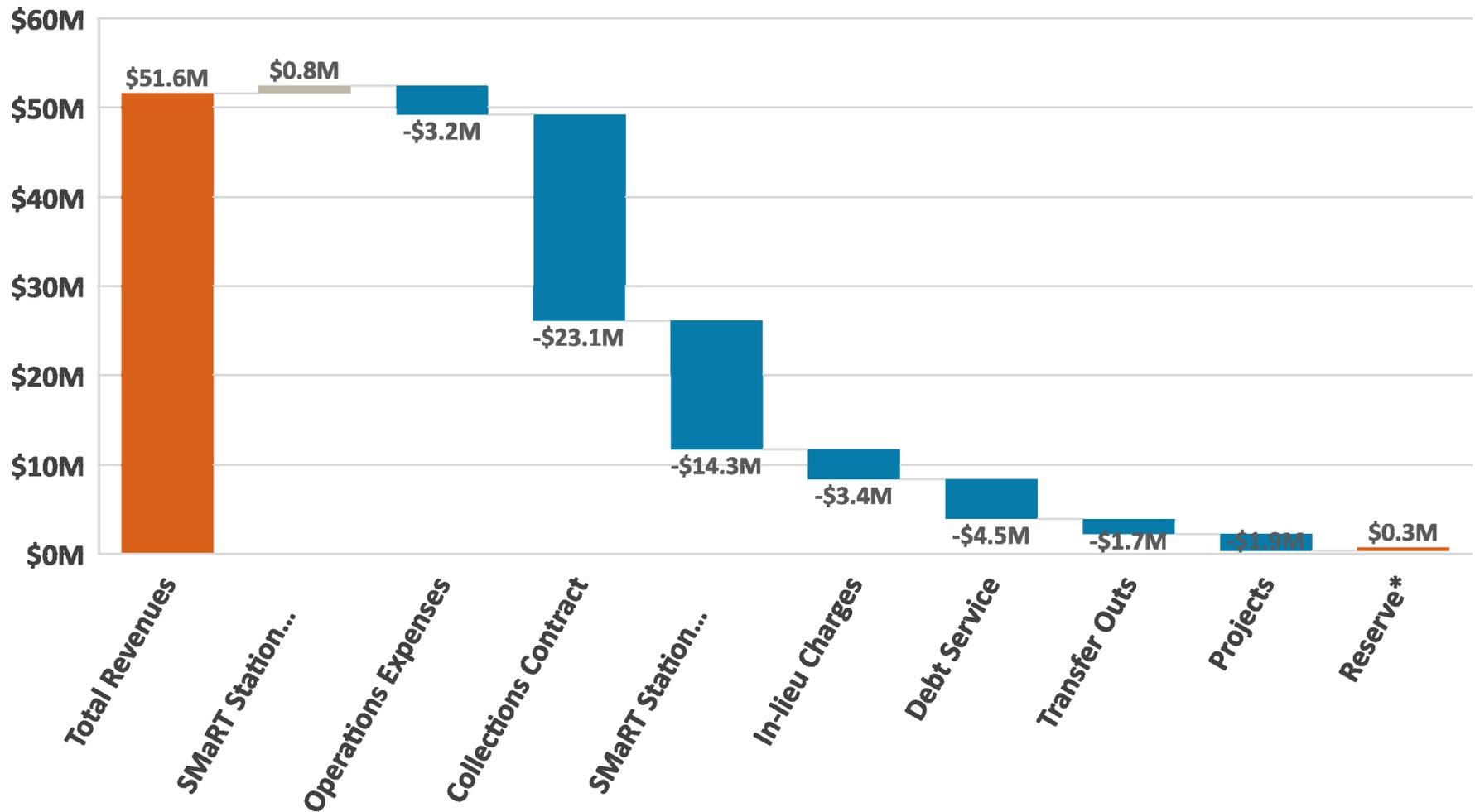
- \$15.4M adjustment from Project 833510 SCWP UV Disinfection
- \$4.5M adjustment from Project 833150 SCWP Existing Plant Rehabilitation



Inflation Major Adjustments:

- \$24.5M adjustment in Project 833210 SCWP Secondary Treatment Improvements
- \$7.9M from Project 833150 SCWP Existing Plant Rehabilitation
- \$11.0M from Project 833420 SCWP Secondary Treatment Improvements
- \$12.0M from Project 833430 SCWP Primary Effluent Diurnal EQ and Emergency Storage

Solid Waste Management Fund - FY 2019/20



* Reserve uses include Debt Service, Capital Expenditures, Contingencies, and Rate Stabilization

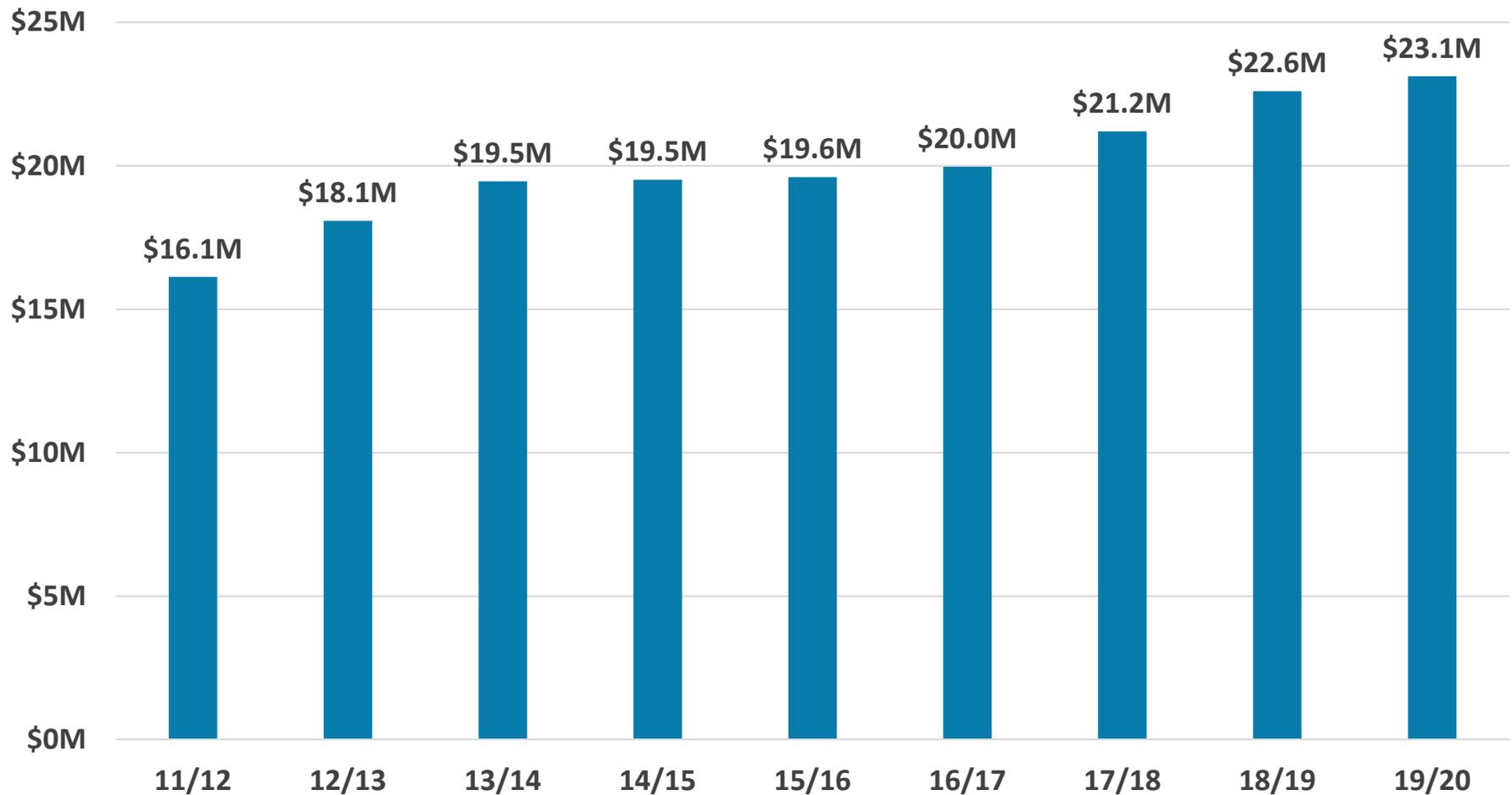
Solid Waste Project Highlights:

- Zero Waste Strategic Plan
- SMaRT Station Equipment Replacement & Operations
- Solar Installations at City Facilities



Collections Contract – Bay Counties Waste Services

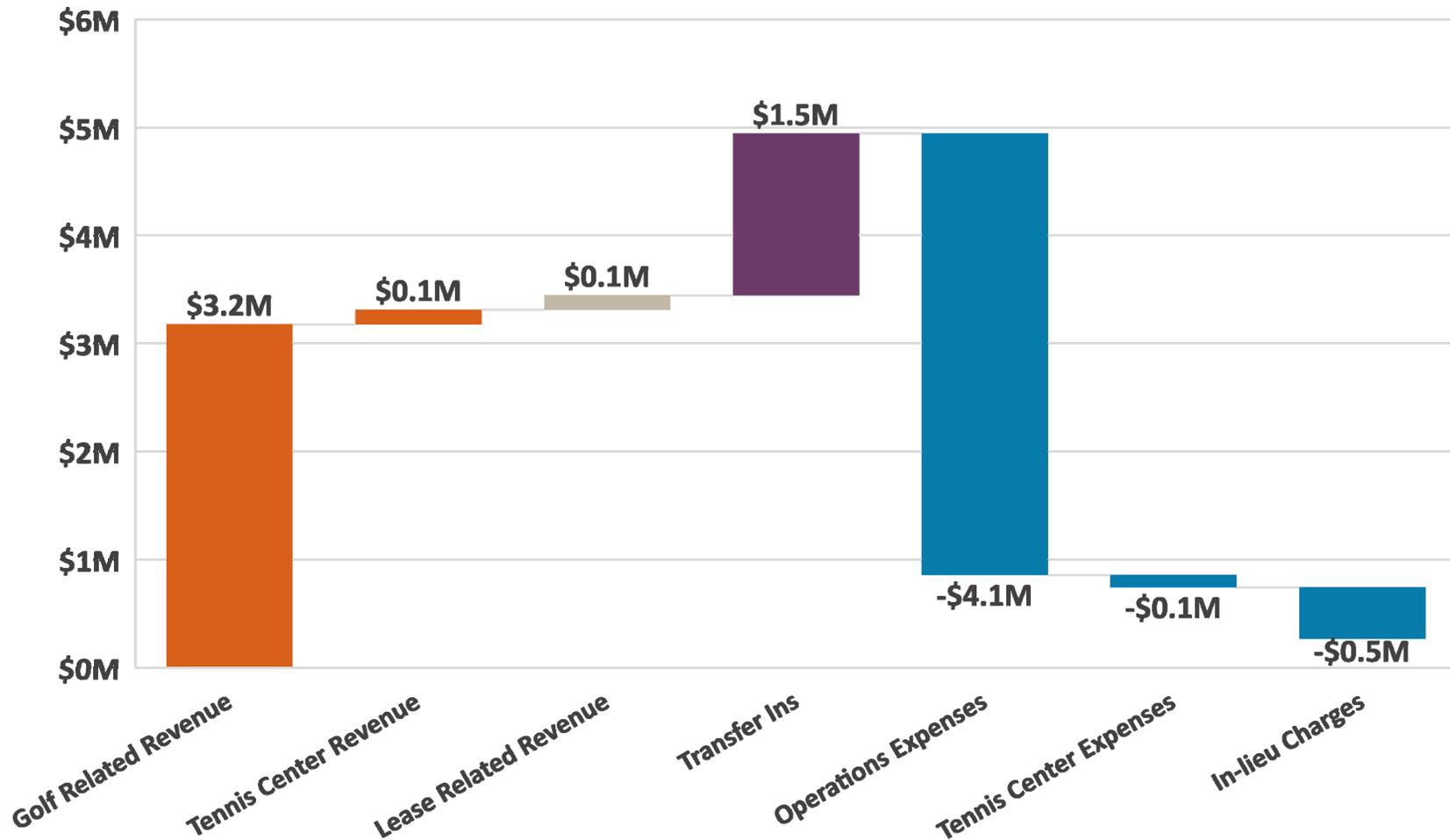
Actual and Requested Payment Amounts



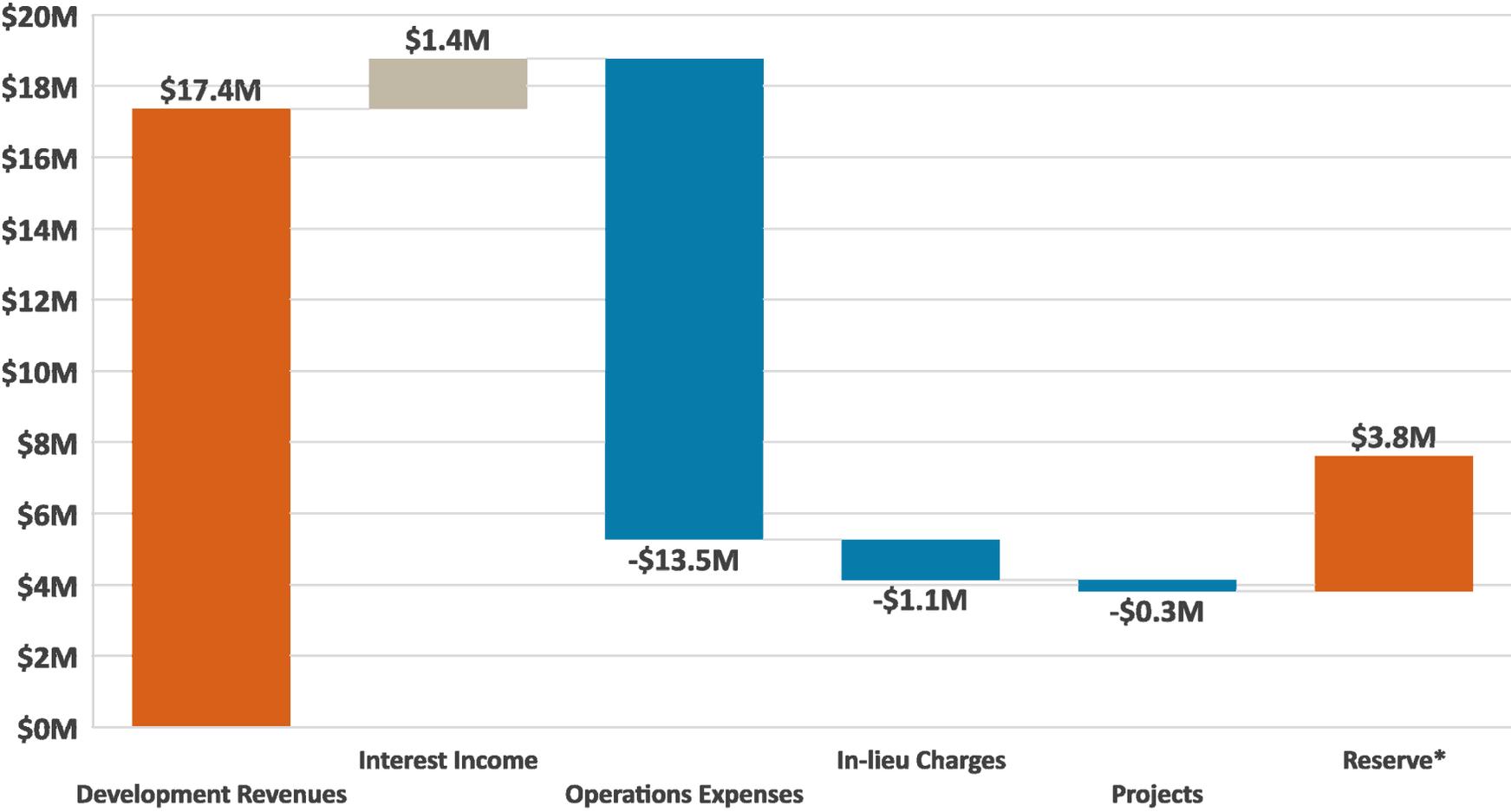
Solid Waste Cost of Service

- Conducted every five years
- Recalibrates rates to reflect current costs to each customer class
- Study identified significant reduction in volume of garbage collected
 - Reduction in residential FoodCycle rates
 - Commercial costs change in ways that vary by container size

Golf and Tennis Operations Fund - FY 2019/20

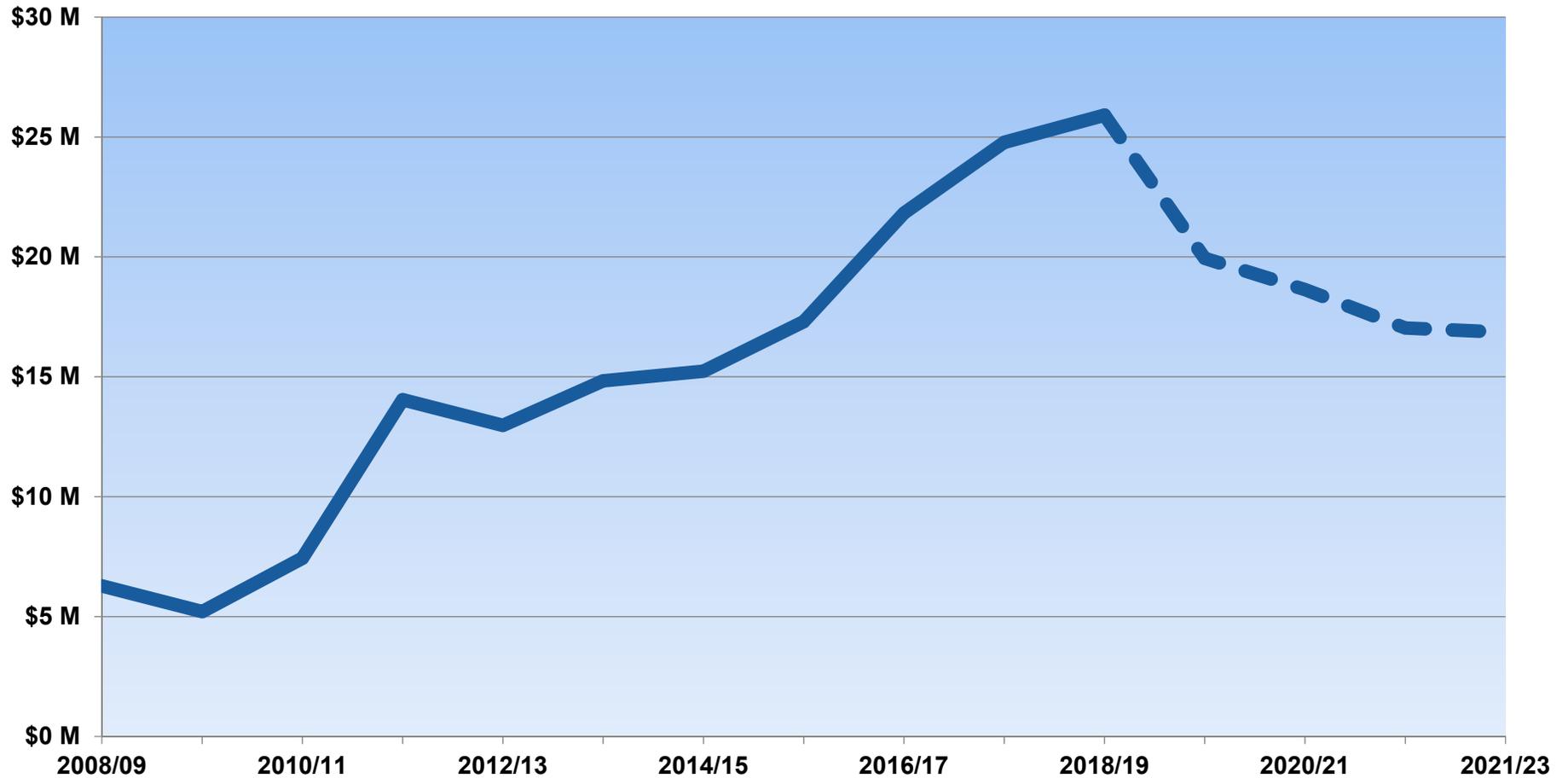


Development Enterprise Fund - FY 2019/20

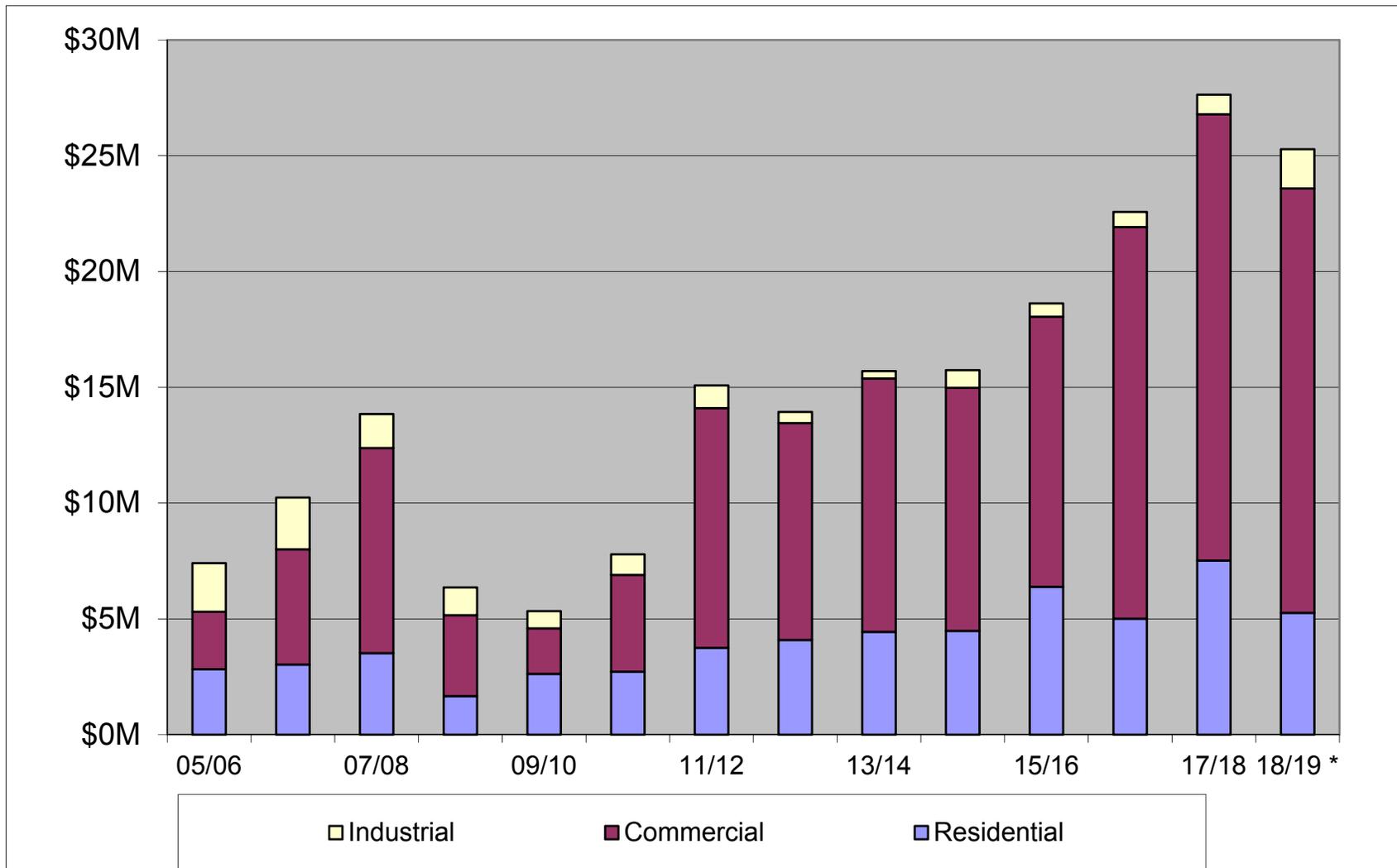


* Reserve will be used for low development activities future years

Development Revenue History



Development Revenues



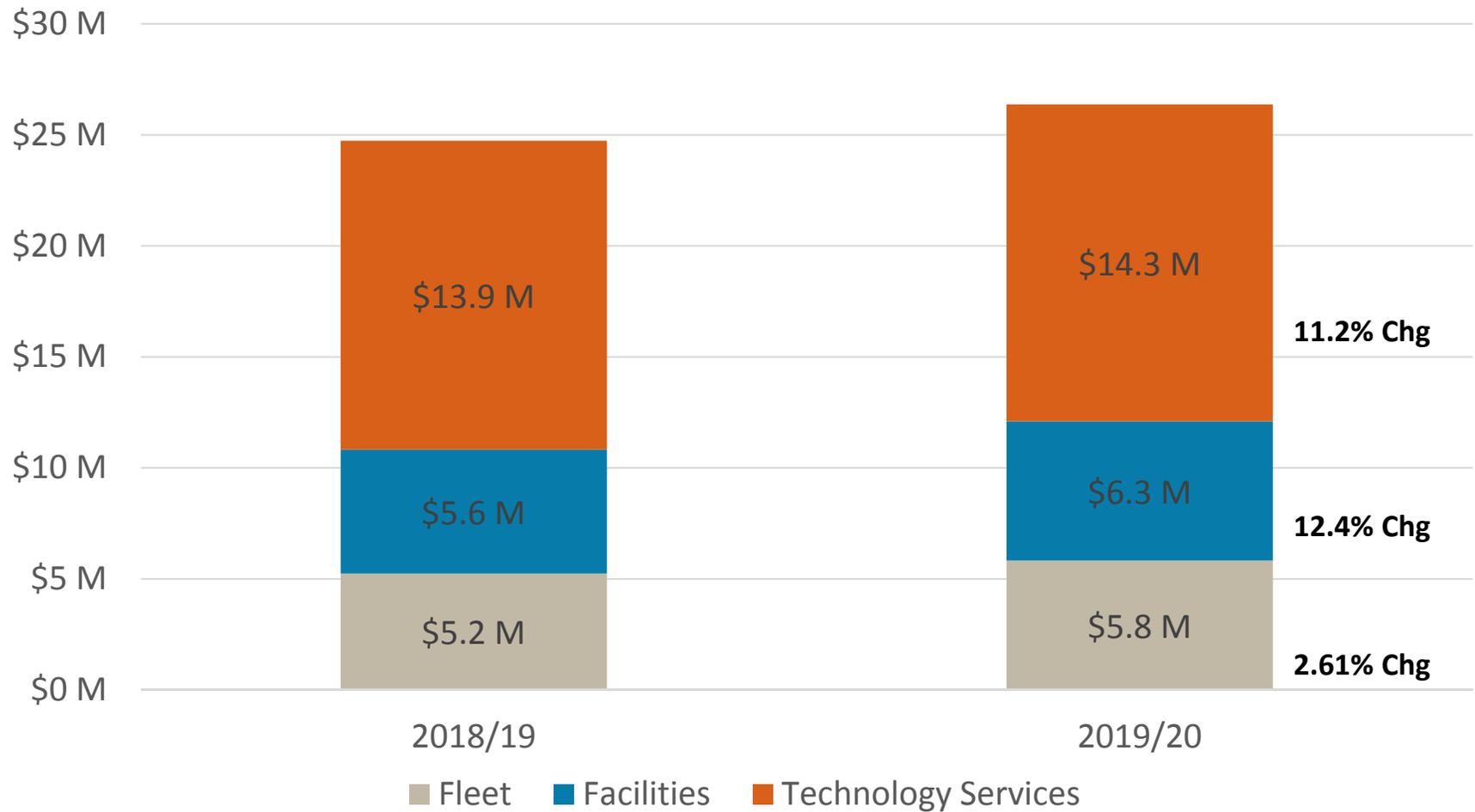
* FY 18/19 data as of April 2019



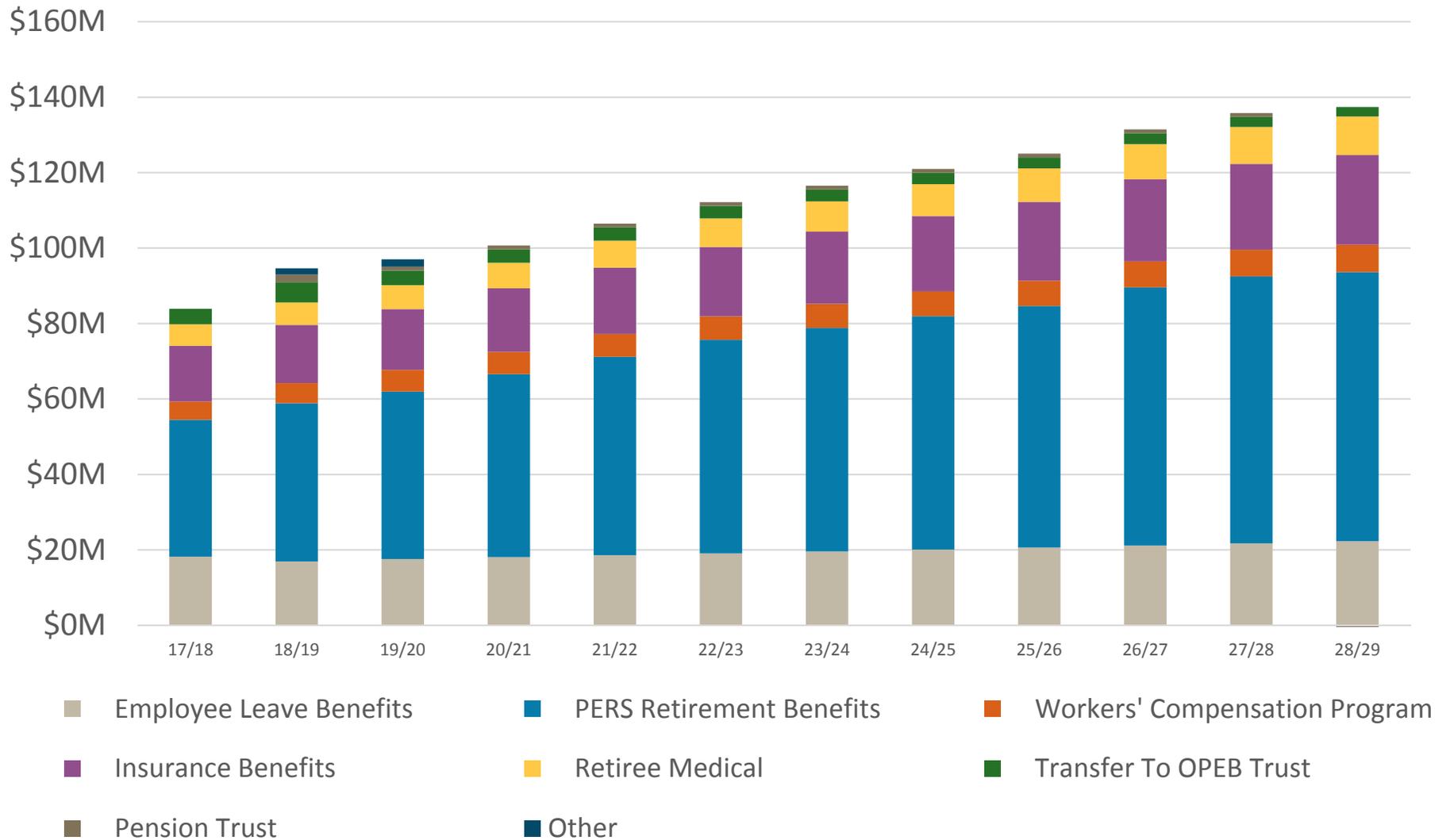
Sunnyvale

Internal Service Funds

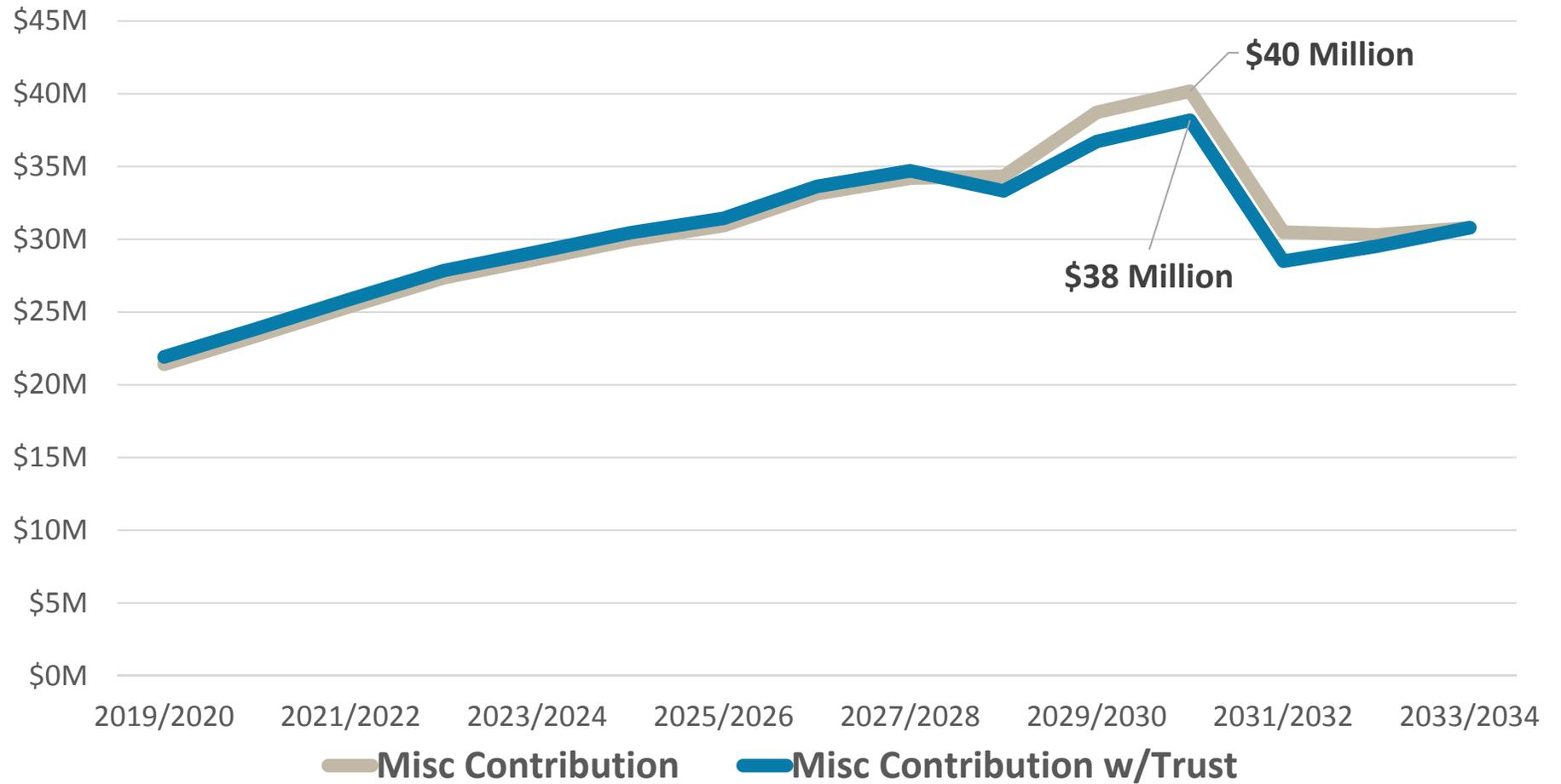
General Services Fund



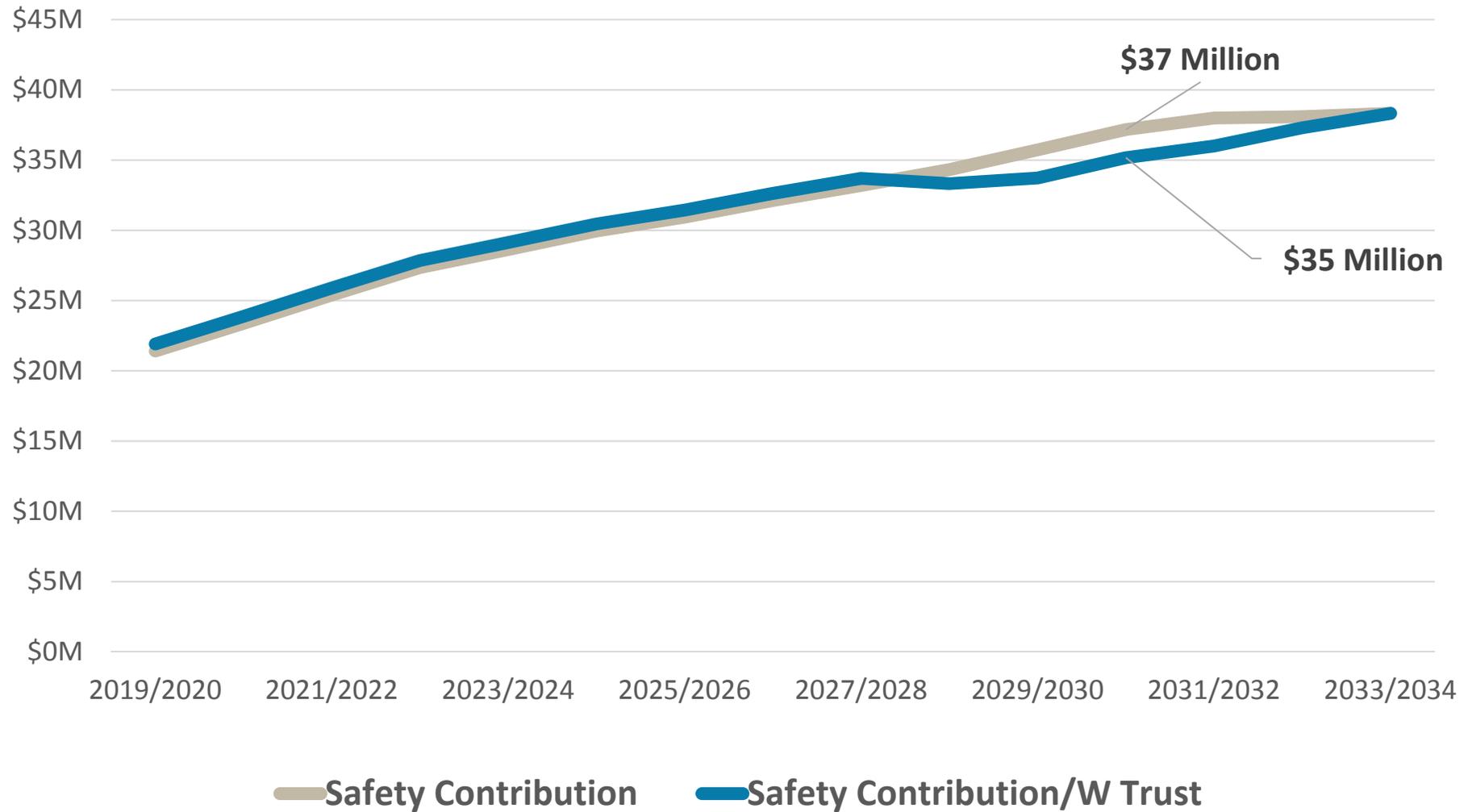
Employee Benefits Fund Requirements



Impact on Miscellaneous Rates



Impact on Safety Rates



FY 2019/20 Budget Workshop Agenda

Welcome (Mayor)

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City-Wide Budget Overview

Project Reviews by Category

Direction on Budget Supplements

Final Comments and Close



Sunnyvale

Environmental Services - General Fund

Ramana Chinnakotla
Director of Environmental Services



Climate Action Plan Implementation

- **Project Status:**
Underway
- **Project Completion:**
FY 2021/22

Strategy 1
Promoting Clean Electricity



Strategy 2
Decarbonizing Buildings



Strategy 3
Decarbonizing Transportation & Sustainable Land Use



Strategy 4
Managing Resources Sustainably



Strategy 5
Empowering Our Community



Strategy 6
Adapting to a Changing Climate



Climate Action Playbook

- Draft Playbook released in March
 - ◆ Community input complete
- Proposed Budget:
 - ◆ Ongoing Operating Costs ~\$500K/year
 - 2 FTE: Environmental Program Specialist and Transportation Planner
 - ◆ One-time ~\$1.6M over three years; Consultants, Temp Staffing
- Final to Council expected summer 2019





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Water and Wastewater

Urgent Water Main Repairs

- **Project Status:** Planning (New)
- **Project Budget:** \$500K
 - ◆ \$250K FY2019-20
 - ◆ \$250K FY2020-21



Water System Seismic Risk & Vulnerability Study

- **Project Status:** Planning (New)
- **Project Budget:** \$200K
- **Project Completion:** FY 2020/21



Fire Hydrant Replacement

- **Project Status:** Planning (New)
- **Project Budget:** \$300K
 - ◆ \$150K FY2019-20
 - ◆ \$150K FY2020-21
- **Project Completion:** FY 2020/21



Emergency Sewer Repairs

- **Project Status:** On-going
- **Proposed 20 year Project Budget:** \$3.6M
- **Project Completion:** On-going



Replacement, Repair & Rehab - Sanitary Sewer

- **Project Status:** On-going
- **Proposed 20 year Project Budget:** \$19.9M
- **Project Completion:** On-going



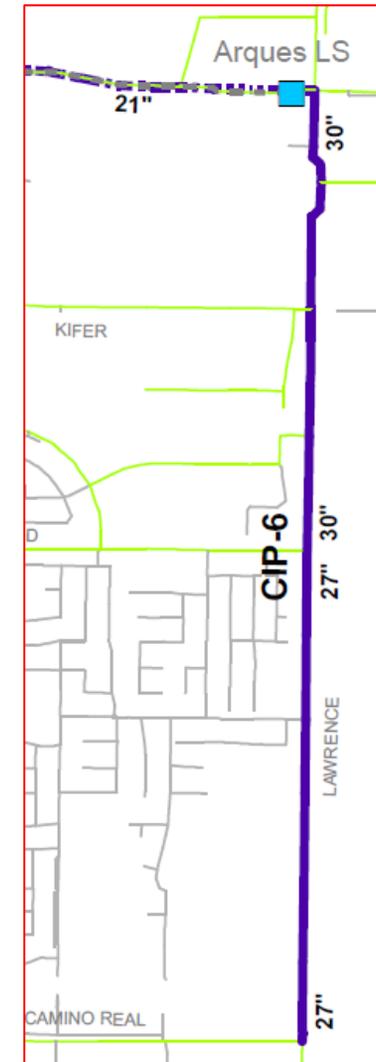
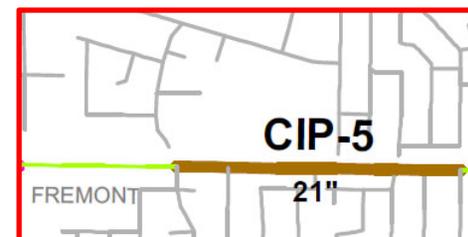
Sewer Capacity Enhancement Projects

- **Project Status:** Planning
- **Project Budget:** \$10M
- **Project Completion:** FY2035/36
- **Areas Identified:**
 - ◆ Mathilda,
 - ◆ Innovation
 - ◆ Borregas
 - ◆ Hwy 101 & 237 Crossings



Sewer System Capacity Model

- System Master Plan done in 2015
 - ◆ Mostly included pipes 10-inch or larger
 - ◆ Only 30% of collection system evaluated
- Proposed Model will provide more details and refine the capacity improvement projects



Water Level Monitors

- **Project Status:** Planning
- **Project Budget:**
 - ◆ \$70K – Sewer Manholes
 - 10 Smart Covers
 - ◆ \$27K – Storm Drain Manholes
 - 5 Smart Covers
- **Project Completion:**
FY 2019/20



WPCP Biosolids Processing

- **Project Status:** On-going
- **Project Budget:** \$18M
- **Project Completion:**
FY 2025/26





Sunnyvale

Solid Waste & Recycling

Post 2021 Solid Waste Franchise RFP

- **Project Status:** Underway
- **Project Budget:** \$256K
- **Project Completion:**
FY 2020/21



SMaRT Station Post 2021 Rebuild

- **Project Status:** Planning
- **Project Budget:** \$30M
- **Project Completion:**
FY 2022/23



Zero Waste Strategic Plan

- **Project Status:** On-going
- **20 yr Project Budget:** \$21M
- **Project Completion:** On-going



Solar Installations on City Facilities

- **Project Status: Underway**
 - ◆ Construction Expected to begin in FY 2019/20
- Power Purchase Agreement being executed with vendor
- **Project Completion: FY 2019/20**





Sunnyvale

Questions/Discussion

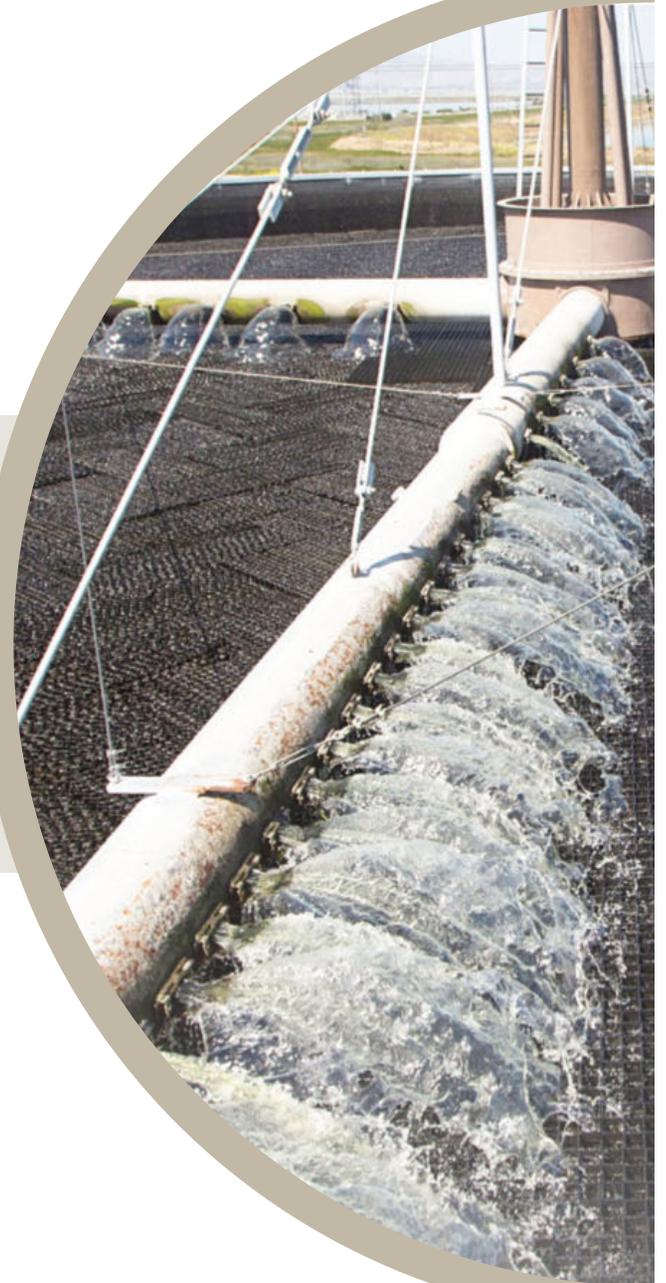


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Sunnyvale Clean Water

Ramana Chinnakotla,
Director of Environmental Services

Chip Taylor, Director of Public Works



Sunnyvale Cleanwater Program

Topics

General Updates

Design and Construction Update

WIFIA Update

Cleanwater Program

General Update

- In construction:
 - ◆ Primary Treatment/Headworks (completion end 2020)
- In Design:
 - ◆ Secondary Treatment and Dewatering (start construction mid 2021)
 - ◆ Caribbean Drive Parking and Trail Access Enhancements (start construction Fall 2019)
 - ◆ Existing Plant Rehabilitation (start construction end 2021)
 - ◆ Administration and Laboratory Building (start construction early 2021)

Cleanwater Program

Design and Construction Update

- Primary Project in construction
- Secondary Treatment and Dewatering in Design
- Existing Plant Rehab out for RFP for designer
- Administration and Lab Building in design



Cleanwater Program - WIFIA

- \$166M WIFIA application
- Application due October 2019

Projects included in WIFIA:

- Existing Plant Rehabilitation
- Administration and Laboratory Building
- Secondary Treatment/Thickening and Dewatering





Sunnyvale

Questions/Discussion



Sunnyvale

Governance & Community Engagement

Kathleen Boutté Foster
Chief Information Officer



Completed Projects

Colocation Move

- Phase I completed October 2018
- All systems throughout the City were impacted but there were little or no service disruptions

IT Service Management

- Completed May 13th 2019
- Digitized all workflows (i.e. paperless)
- Consolidated service requests and the knowledge base
- Utilizing best practices, reporting

Completed Projects

Computer Training Center

- Began in July 2018 and completed in October 2018
- Larger training space - 25 work stations + WiFi



Mobile Data Terminals

- Deployed 53 MDTs for Public Safety
- Several months of extensive testing
- Seamless deployment with no service interruptions

In Progress Projects

IT Strategic Plan

- IT Projects prioritized Citywide
- Alignment of projects to Council priorities and/or department goals
- SMART goals for ITD established
- Formal plan to be developed based on new direction to include culture assessment and project priorities in FY 19/20

In Progress Projects

Colocation Move

- Phase II involves DPS systems being moved to the Colocation but this has been deferred until after a new CAD system is implemented

Risk Assessment

- Prior assessment completed in late 2017 and most of the recommended changes have been implemented
- Next assessment will take place once a vCISO is onboarded (RFP in progress)

In Progress Projects

District Based Elections

- Community Engagement Outreach Plan approved December 2018
- Phase 1: Education and Public Input (January-April 2019)
- Council direction to hold a March 2020 ballot measure election
- Council will decide district structure in June 2019
- Phase 2: District Map Drawing (July-December 2019)



In Progress Projects

Organizational Development

- Consultant hired in November 2018
- Feedback gathered from approx. 175 staff surveys
- 10 recommendations provided to the City
- Implementation will start FY 2019/20

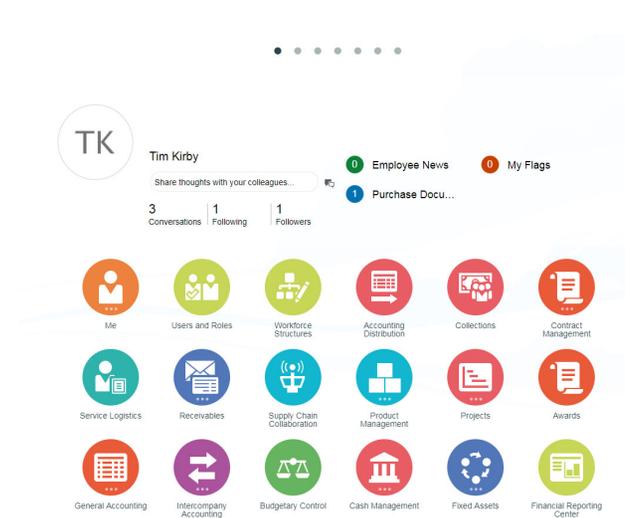


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Significant Funded Project Highlights

Enterprise Resource Planning

- Project kicked off in November 2018
- General Ledger first draft complete
- Phase I: Finance being configured
- Phase II: HR being configured
- Addressing complex payroll / benefit configurations
- Incorporating the business process review analysis provided by the Government Finance Officers Association
- Evaluating options to replace systems integrator



Permit System Replacement

- RFP issued in June 2018
- Vendor demonstrations completed in November 2018
- Three vendors selected for sandbox environment evaluations
- Sandbox evaluations completed in January and February 2019
- Vendor selected
 - ◆ Contract negotiations in progress



Microsoft Office Upgrade

- Microsoft End of Life for operating systems
- Windows 7 to 10 for desktops
- Server (various levels)
- Over 400 systems will be upgraded in FY 2019/20



General Plan Updates

- Updates to the Noise and Air Quality Sections of the Sunnyvale General Plan completed
- Follow-up item to the Land Use and Transportation Element General Plan updated
- Update may also include additional Environmental Justice Policies
- Project will commence in late Spring 2019



Census 2020

Implementation of the City's complete count efforts focused on community education, awareness and technical assistance

- Funding will be allocated for:
 - ◆ Neighborhood Mini-grants
 - ◆ Marketing materials
- Seeking additional funding from the Silicon Valley Community and the County of Santa Clara
- Project Budget: \$35K





Sunnyvale

Questions/Discussion



Sunnyvale

Traffic and Transportation

Chip Taylor
Director of Public Works



Traffic & Transportation Agenda

Topics

Long Range Plans

Mathilda/237/101

Fair Oaks Ave Overhead Bridge

Caltrain Grade Separations

Traffic & Transportation Agenda Cont.

Topics

Bernardo Ave Undercrossing

Pavement and Sidewalks

Downtown Specific Plan

Bicycle Improvement Program

Long Range Plans

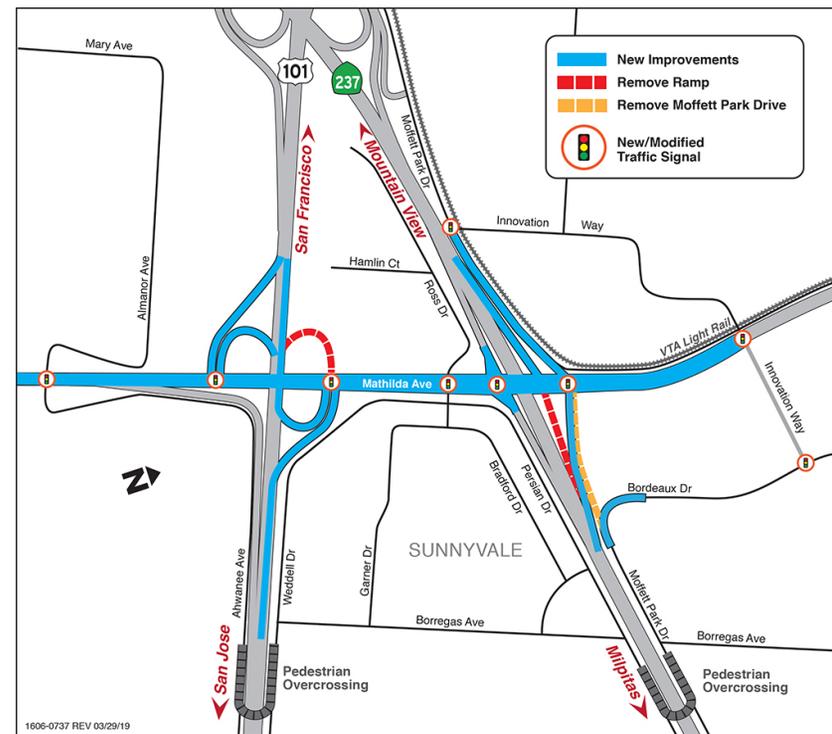
Transportation Plans

- Specific Plans
- Bicycle Plan, Safe Routes to School Plan, Pedestrian Safety and Circulation Plan



Mathilda/237/101

- **Project Status:**
Construction commenced
January 2019
- **Project Budget: \$42M**
 - ◆ City of Sunnyvale - \$8M
 - ◆ Measure B Funds - \$17M
 - ◆ SB 1 Funds - \$17 M
- **Project Completion:**
August 2020



Fair Oaks Ave. Overhead Bridge

- **Project Status:**
 - ◆ Design is 100% complete
 - ◆ Request for construction authorization is underway
- **Project Budget: \$22.8M**
 - ◆ City of Sunnyvale - \$2.8M
 - ◆ Highway Bridge Program Funds - \$20M
- **Project Completion:**
FY 2020/21



Caltrain Grade Separations at Mary and Sunnyvale Study

- **Project Status:**
 - ◆ Study underway
 - ◆ Study Session planned for summer 2019
- **Project Budget: \$500K**
- **Project Completion: Fall 2019**
- **Next Steps**



Bernardo Ave Undercrossing

This project has been identified by the Santa Clara Valley Transportation Authority (VTA) as a Tier 1 Bicycle Expenditure Program (BEP) project priority.

- **Project Status:**

- ◆ Conceptual design and environmental analysis is underway (completion FY 2021/22)
- ◆ Project is likely to start construction in FY 2025/26
- ◆ Estimated cost \$9.9M (2013 \$\$'s)
- ◆ Project will need coordination with the City of Mountain View

Pavement/Sidewalks/Curbs/and Gutter

- **Project Status:** Pavement Condition Index (PCI) is 77. The City's goal is 80.
- **Project goals FY 2018/19:**
 - ◆ Slurry seal – 5+ mil sq. ft.
 - ◆ Chip seal – 1.7 mil sq. ft.
 - ◆ Crack seal – 1.3 mil Lin ft.
 - ◆ Patch repairs – 200K sq. ft.
- **Project Budget: \$4.4M**
 - ◆ SB 1 Fund: \$2.5M
 - ◆ Measure B Funds: \$1M
 - ◆ S83 VRF Funds: \$945K



Pavement/Sidewalks/Curbs and Gutter Cont.

- **Project Status (FY 2018/19):**

- ◆ Construction commenced:
March 2019
- ◆ Estimated completion:
October 2019

- **Project Goals:**

- ◆ Sidewalk segments repaired: 680

- **Project Cost: \$1.9 M**

- ◆ Starting in FY 2019/20 this project will be funded using Measure B Funds.



Downtown Specific Plan

Transportation Related Projects

- Built by development, City contribution (\$14.7M)
- Traffic signals (new/modifications)
- Median islands, paver inlaid sidewalks, decorative crosswalks
- Downtown Wayfinding and Gateways (FY 2023/24)



Bicycle Improvement Program

Bicycle/Pedestrian Plans

- Bicycle Capital Improvement Plan
- Bicycle Plan, Safe Routes to School Plan, Pedestrian Safety and Circulation Plan
- Vision Zero Plan



Bicycle Improvement Program Cont.

Bicycle/Pedestrian Plans Project Highlights

Project Number	Project Name	Project Status	FY2019/20 Budget
833000	Sunnyvale SNAIL Neighborhood Improvements	New	\$6.1M
833800	Pedestrian/Bicycle Improvements – Homestead Rd at Homestead HS	New	1.3
833850	Sunnyvale Safe Routes to School Improvements	New	2.4
834570	Install Green Bike Lanes	New	121K
FY 2019/20 Budget for Bicycle/Pedestrian Improvements			\$9.8M



Sunnyvale

Questions/Discussion



Sunnyvale

Public Safety

Chief Phan S. Ngo





Address Public Safety and are also supportive of the overall quality of life in the city.

Funded by:

- The General Fund
- Asset Forfeiture and SLES
- State and Federal Grant funds

Public Safety Projects - Overview

Department -Overview

Provides fully integrated public safety services: police, fire and emergency services, organized into ten programs.



Recruitment & Training

Project Number	Project Initiated Year	Positions	Hired	Open Positions	Separated	In Training	PSOII	FY2019/20 Budget	FY2020/21 Budget
826330	FY16/17	20	20	-	7	-	13	-	-
826340	FY17/18	20	20	-	7	10	3	\$ 1.5 M	-
826350	FY18/19	22	21	1	-	21	-	4.9 M	-
834110	FY19/20	19	-	19	-	-	-	6.5 M	\$ 3.7 M
834120	FY20/21	13	-	13	-	-	-	205 K	5.0 M
	FY21-41							76 K	2.4 M
Total Budgeted for Current Recruitment Projects								\$ 13.3 M	\$ 11.1 M

Recruitment & Training

- Ongoing funding for the selection, recruitment and training of new recruits over the next 20 years.
- Each project is based on a two-year budget plan that covers the entire training cycle of a cohort of recruits.
- Costs are all inclusive until training is complete.
- Twenty-year plan increased by \$22.3 M
- The twenty-year investment for recruitment and training projects is approximately \$84 million.

Public Safety– Ongoing Projects

Project Number	Project Name	FY2019/20 Budget
832220	Fire Prevention (Non-HazMat) Technology Project	\$23K
832230	Fire Prevention HazMat Technology Project	41K
832260	Office of Emergency Services	53K
832830	Fire Station 2 Training Trailer Maintenance	10K
833980	Office of Traffic Safety – Bike & Pedestrian Education*	11K
833990	Office of Traffic Safety – Selective Traffic Enforcement*	38K
	<i>*grant funded projects</i>	
All of the above projects are anticipated to be completed in FY2019/20		

Public Safety New Projects

Project Number	Project Name	Project Status	FY2019/20 Budget
834270	DPS Headquarters Records Unit Workstation Upgrade	New	\$65K
834310	Department of Public Safety Property Access Panel	New	35K
834320	Fire Stations 2 and 4 Interior Painting	New	40K
834280	Armored Response Vehicle Glass Replacement	New	20K
	Total FY2019/20 Budgeted for New Projects:		\$160K

Safe Routes to Schools

Project Number	Project Name	Project Status	FY2019/20 Budget
832290	Safe Routes to Schools	Ongoing	\$ 181K
833850	Sunnyvale Safe Routes to School Improvements	New- DPW project	2.4M
Total FY2019/20 Budgeted for Safe Routes to Schools			\$ 2.5M



Sunnyvale

Questions/Discussion



Sunnyvale

Park and Recreation

Chip Taylor
Director of Public Works



Parks & Recreation

Topics

Washington Community Swim Center

Park Enhancement Projects/Fair Oaks Park

Parks Project Swap

Playground Equipment Replacement

Washington Community Swim Center

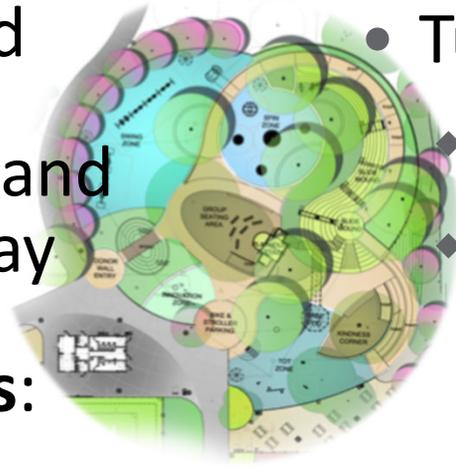
- **Project Status:** Bid/award Summer 2019; construction Fall 2019
- **Project Budget:** \$14.3M
 - ◆ FY 19/20 added \$6.9M
- **Project Completion:** FY 20/21



Park Enhancement Projects/Fair Oaks Park Update

Enhancement Projects

- **Project Status:** Ongoing
- 17 Park Renovation Projects
- Funded by the Park Dedication Fund
- Park Standards and Details underway
- **Project Budgets:** \$116.1M



Fair Oaks Park

- **Project Budgets:** \$14.9M
- **Project Status:** late summer/early fall 2019
- Turf replacement
- ◆ Design FY 29/30
- ◆ Construction FY 30/31

Parks Project Swap

- **Project 830310:**
Community Center
Grounds Renovation
and Enhancements
 - ◆ Moved forward to FY 21/22 (design) and FY 23/24 (construction)
 - ◆ Project Budget: \$13.4M
- **Project 830410:** Ortega Park

- ◆ Pushed back to FY 32/33 (design) and FY 33/34 construction
- ◆ Project Budget: \$16.8M



Playground Equipment Replacement

- **Project Status:** Ongoing
 - ◆ Seven park sites listed for FY 19/20
 - Washington Park
 - Victory Village
 - Encinal Park
 - Greenwood Manor
 - De Anza Park
 - Ponderosa Park
 - Baylands Park
- **Project Budget:** \$4M





Sunnyvale

Questions/Discussion

Library/Administrative Facilities

Topics

Lakewood Library Branch Facility

Library Program Space

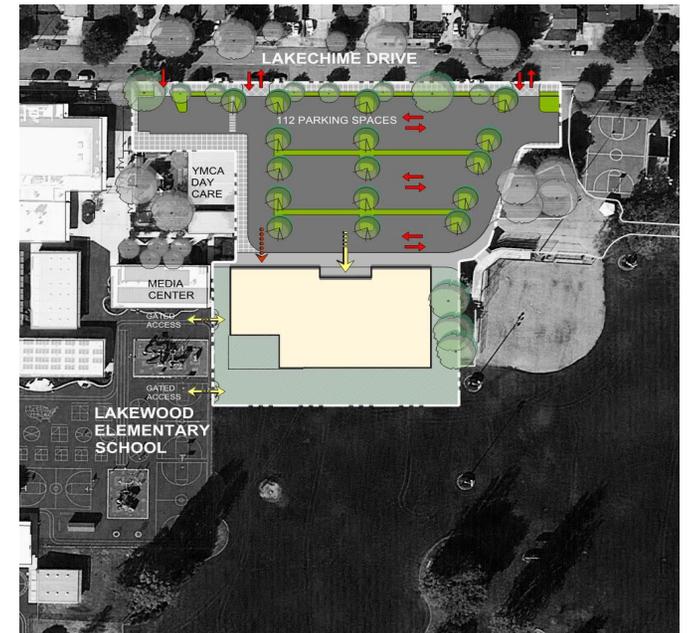
Civic Center Modernization

Civic Center Phase II Planning

Public Safety Emergency Generator Replacement

Lakewood Branch Library & Learning Center

- Size: 20,068 sq. ft.
- Total Project Cost \$20.9 M
 - ◆ Contributions from Fremont & SESD estimated at \$3 M each



Library Program Space

- Creates two group study rooms, with moveable wall to combine spaces
 - ◆ Smaller room seats 4-6
 - ◆ Larger room seats 10-12
- Creates Tech Training Lab for public and staff use
 - ◆ 18 PCs/seats
- \$210k funds construction and equipment



Civic Center Modernization

- **Project Status:** In design
 - ◆ Construction anticipated to begin summer 2020
- Schematic Design review coming up for Council this Summer
- **Project Completion:** FY 2022/23



Public Safety Emergency Generator Replacement

- **Project Status:**
 - System assessment complete
 - Consultant Service Agreement awarded May 2019
- Purchasing finalizing the contract followed by the Notice to Proceed (NTP)
- **Project Budget:** \$3M
- **Project Completion:** FY 20/21



Sunnyvale

Questions/Discussion



Sunnyvale

Housing

Trudi Ryan
Director of Community Development



Block 15 Affordable Housing Site

- City Funds Committed
 - ◆ **\$12.5** Million City Loan to Related CA:
 - \$8.5 Million in Housing Mitigation Funds
 - \$4 Million in Low/Mod Income Housing Fund (RDA)
- Land Use Entitlement Review
 - ◆ Submitted April 2019
- Next Steps
 - ◆ Apply for LIHTC Funds and remaining funding sources
 - ◆ Construction anticipated Winter 2020/Spring 2021
 - ◆ City issue funds at close of escrow, finalize Ground Lease

Tenant Based Rental Assistance (TBRA)

- Program funded with HOME federal funds
 - ◆ Provides housing payment assistance to homeless individuals
- Partnership: City, Downtown Streets Team, Sunnyvale Community Services, & Abode
- 2018/19 and 2019/20 Contract
 - ◆ **\$919,000** in HOME Funds
 - ◆ \$100,000 in Housing Mitigation Funds

Homeless Prevention and Rapid Rehousing (HPRR)

- Program funded through Low/Mod Income Housing Funds (RDA)
 - ◆ Provides direct financial assistance for housing costs, including:
 - Short term rent assistance
 - Security deposit
 - Utility payment assistance
 - Case management
- Contract awarded to Sunnyvale Community Services
 - ◆ **\$250,000** budgeted every alternate year plus carryover

Housing Strategy - 2017 Study Issue

- \$200,000 project budget
 - ◆ \$60,00 expended (mid-May)
- Contract with BAE Urban Economics & Placeworks
- Project Status:
 - ◆ Outreach and stakeholder meetings held in 2019
 - ◆ Mobile Home Parks / Inclusionary Housing
 - Final Outreach June 2019
 - Draft Inclusionary Ordinance/Palmer Fix August 2019
 - Council Updates Fall 2019
 - ◆ Age-friendly focus kick-off July 2019
 - ◆ Council Study Session on Strategy early 2020

Community Development Block Grants (CDBG)

- 2019 CDBG Entitlement = **\$1.1 M**
- 2018 projects still underway
 - ◆ Persian Drive sidewalk
 - ◆ Workfirst Sunnyvale (DST, SCS)
- Action Plan approved by May 7 - including:
 - ◆ Affordable housing rehabilitation
 - ◆ Workfirst Sunnyvale
 - ◆ ADA Curb Ramps
 - ◆ Five Human Service Programs

Outside Group Funding

- General Fund – Human Services
 - ◆ Supplements CDBG
 - ◆ Grant maximum \$24,999
- \$135,000 –for 2019/20 and 2020/21
 - ◆ Increase from \$100,000 in 2018/19
- Recommended Annual Increase
 - ◆ Based on Population Growth



Sunnyvale

Questions/Discussion

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Budget Supplements

No.	Title	Cost	Fund	Recommendation
1	Evaluation of Right to Lease Ordinance	\$60K one-time	General Fund	Recommended for Funding
2	Update and Review Heritage Resource Inventory and Include Potential Resources Associated with Technological Innovation	\$325K one-time	General Fund	Not Recommended
3	Responsible Construction Ordinance	\$25K one-time	General Fund	Recommended for Funding
4	Ascertain Suitable Location(s) for the Installation of Youth Cricket Batting Cages and Potential Funding Sources	\$25K one-time	General Fund	Recommended for Funding
5	Improving Traffic Operations at Fremont/Bernardo/Hwy 85	\$150K one-time	General Fund	Recommended for Funding
6	Consider the Feasibility of Establishing an Eruv in Sunnyvale	\$50K one-time	General Fund	Recommended for Funding
7	Single Use Plastics Strategy	\$50K one-time	Solid Waste Enterprise Fund	Recommended for Funding

Budget Supplements Continued

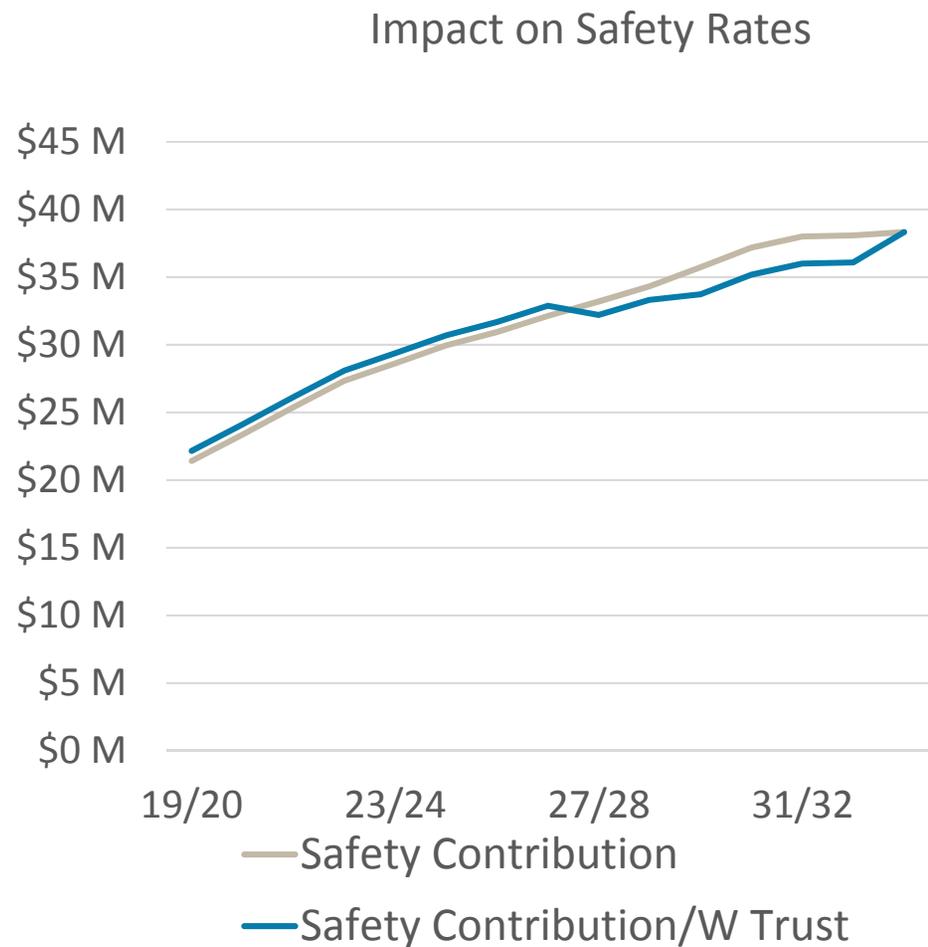
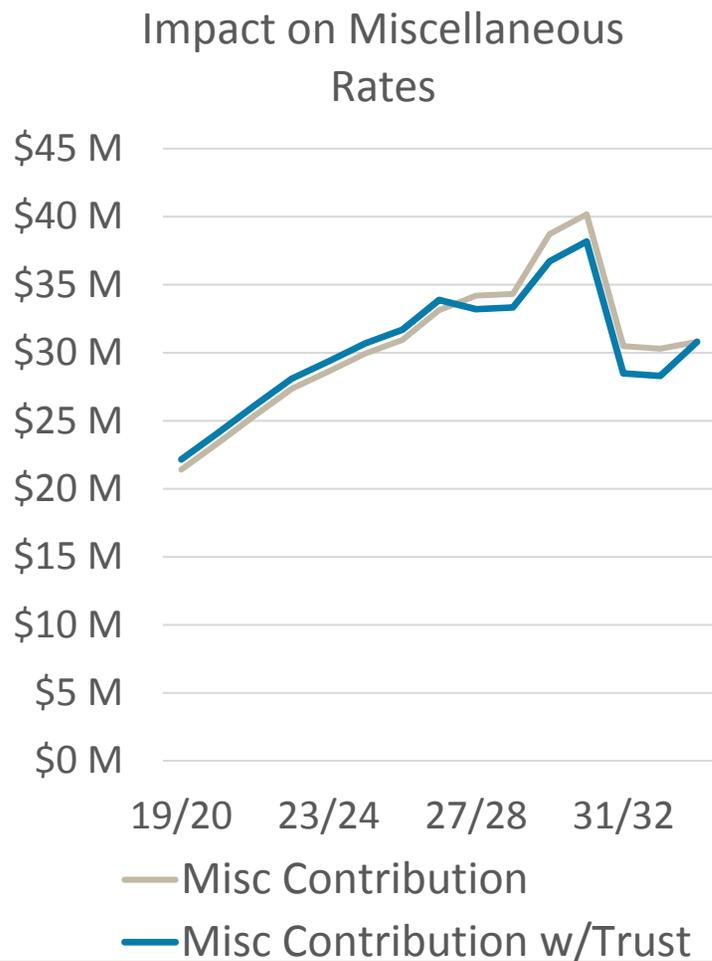
No.	Title	Cost	Fund	Recommendation
8	Evaluate Options for Revisions to the Sunnyvale Business License Tax	\$50K one-time	General Fund	Recommended for Funding
9	Explore Strategies to Promote Cultural Inclusion in City Programs and Services	\$60K one-time	General Fund	Recommended for Funding
10	Increase the Service Level Pertaining to City Advocacy in Sacramento and the Regional Area	\$70K on-going	General Fund	Recommended for Funding
11	Increase Community Events Grant Funding	\$10.5K on-going	General Fund	Recommended for Funding
12	Increase Neighborhood Grant Program Funding	\$3K on-going	General Fund	Recommended for Funding
13	Increase the Planned Contribution to the City's Pension Trust Fund	\$1 Million each, for nine years	Multiple Funds	Not Recommended

Budget Supplement #13: Pension Trust Fund Contribution

	20-Year Total	Estimated Return
Option 1: \$1M Contribution annually for 9 years	\$9M	\$11.2 M
Option 2: \$500K Contribution annually for 9 years	\$4.5M	\$5.7 M

Budget Supplement #13: Pension Trust Fund Contribution

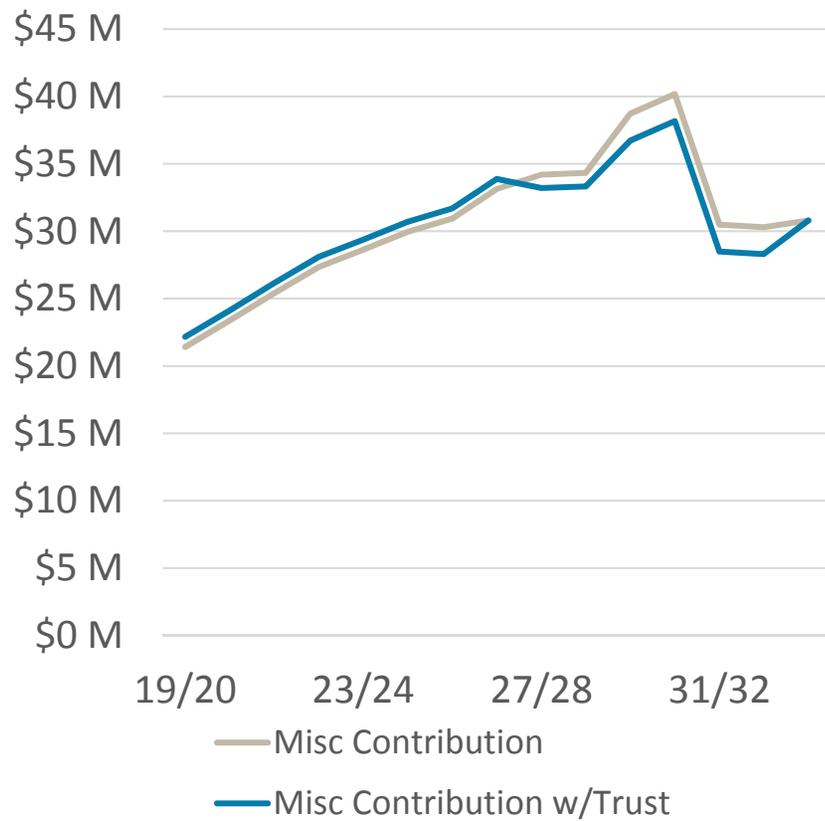
Scenario #1 Additional \$1M Contribution



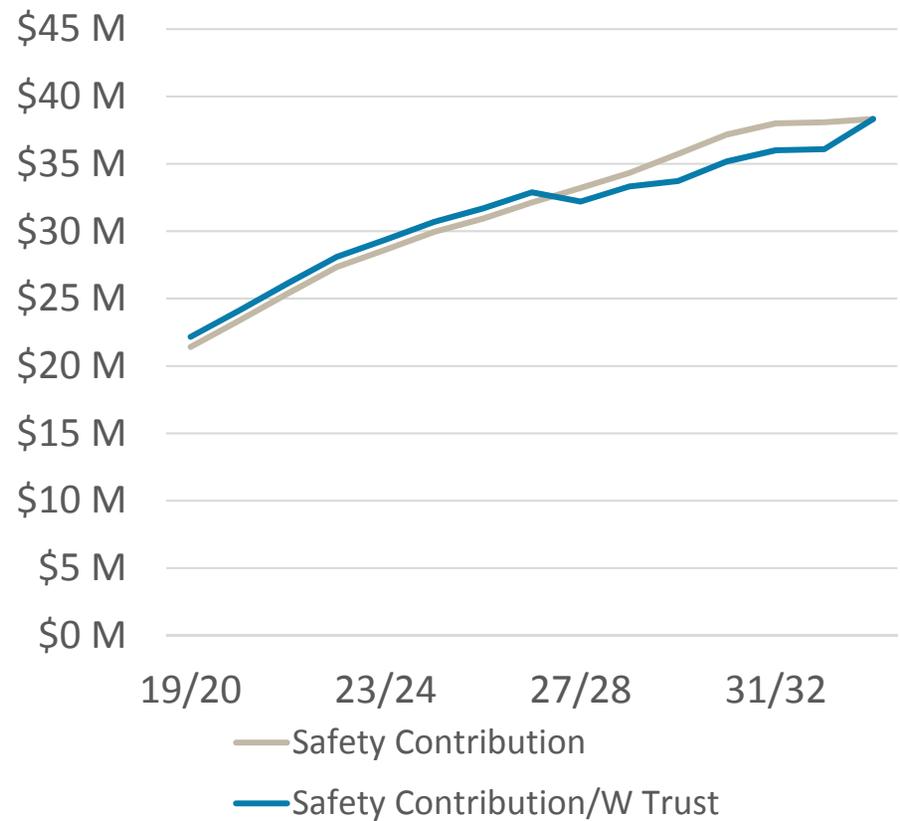
Budget Supplement #13: Pension Trust Fund Contribution

Scenario #2 Additional \$500K Contribution

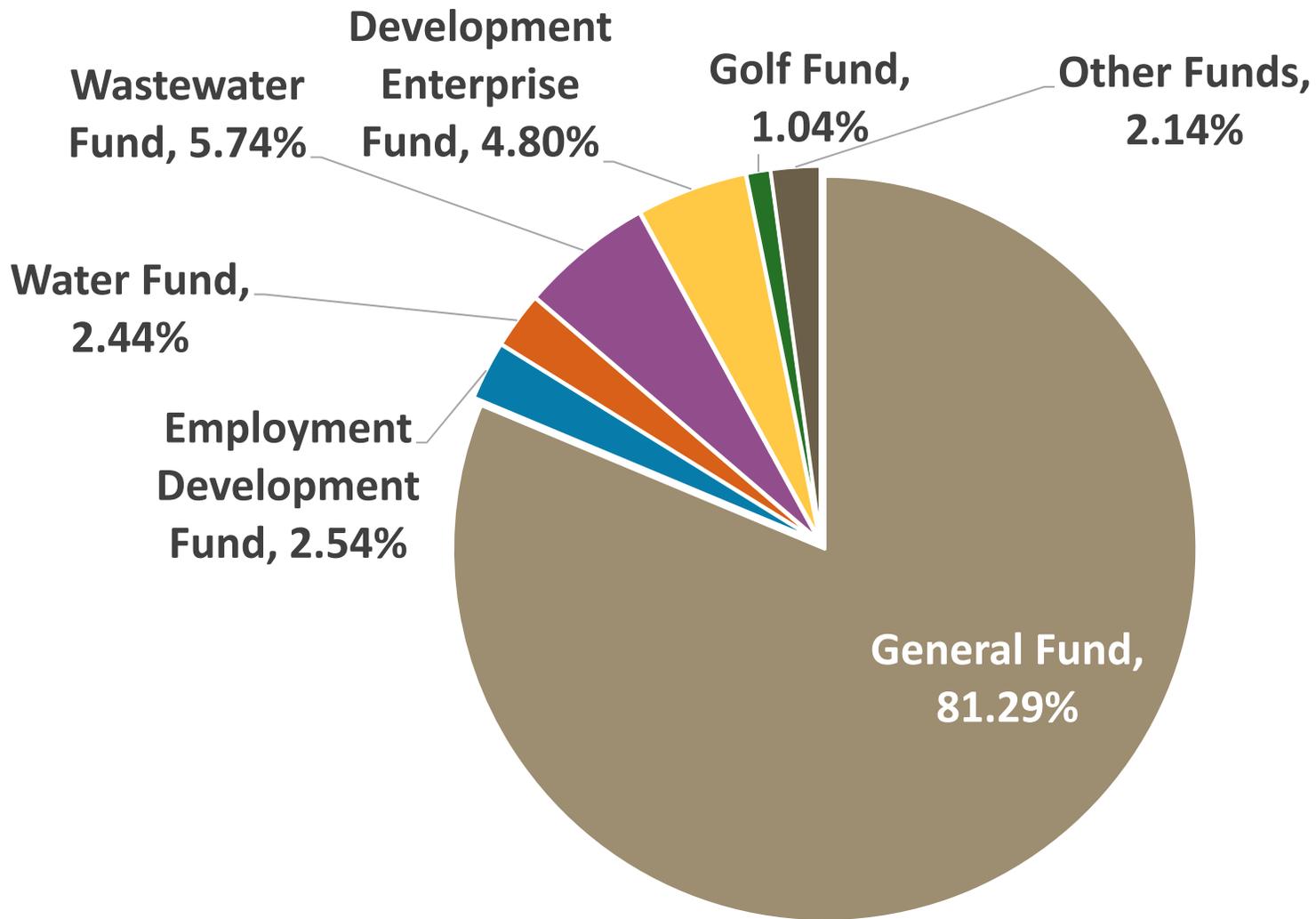
Impact on Miscellaneous Rates



Impact on Safety Rates



Budget Supplement #13: Pension Trust Fund Contributions



FY 2019/20 Budget Workshop Agenda

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 **Final Comments and Close**