



## **CITY OF ALBANY CITY COUNCIL AGENDA STAFF REPORT**

Agenda Date: May 5, 2025

Reviewed by: NA

**SUBJECT:** Fiscal Year 2025 – Fiscal Year 2029 Capital Improvement Project Plan Study Session

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### **SUMMARY**

The Capital Improvement Project (CIP) Plan establishes the capital projects that the City of Albany endeavors to develop and implement within a five-year period. Staff are currently working to develop an update to the CIP Plan and anticipate that capital investment needs will exceed available funding and staffing resources. Within these constraints, staff are seeking Council feedback on prioritization for potential projects through a study session, including presentation on current programs, active projects, grants, and existing commitments and an overview of potential actionable projects for consideration.

### **STAFF RECOMMENDATION**

That the Council receive a presentation and provide initial feedback and priorities for staff to incorporate into the final planning for the Capital Improvement Project (CIP) Plan.

### **BACKGROUND**

The purpose of the CIP Plan is to provide a roadmap of planned Capital Improvement Projects throughout the City, and to thoughtfully allocate funding and staff resources across both capital and operating needs. In developing the CIP Plan, staff strive to balance responsible stewardship of existing facilities with the development of new services and amenities. The Plan also appraises the Council and the community of important capital efforts in development that may not yet be ready for implementation, but which need to be acknowledged in service of longer-term efforts for resource allocation and decision-making.

To balance the CIP Plan in a sustainable manner, capital programs and projects proposed for inclusion are recommended based on City guiding documents which, in concert, create an outline of documented City needs, goals, priorities and strategies for capital renewal and enhancements. These guiding documents include but are not limited to:

- City Council Strategic Plan (Strategic Plan, 2025)
- Climate Action & Adaptation Plan (CAAP, 2019)
- Active Transportation Plan (ATP, 2012, updated 2019) and the Local Streets & Roadway Plan (LSRP, 2023)
- Parks, Recreation, & Open Space Master Plan (PROS Master Plan, 2022)
- Program Management Plans including the bi-annual Pavement Management Plan (PMP) and the Sanitary Sewer Management Plan (SSMP)
- Asset-specific assessments such as the Citywide Street Lighting Evaluation (2024), the Albany Hill Forest Management & Habitat Restoration Plan (2025), the Albany Waterfront Neck and Bulb Transition Study (2016), and the Albany Bulb Long-Term Flood Protection Plan (2023)
- Albany's 2035 General Plan (General Plan)

Staff rely on guiding documents to identify projects and related preparatory initiatives that are expected to be actionable within the timeframe of the CIP Plan and within available resources. Projects identified for delivery may be straightforward projects ready for design/construction or may consist of incremental milestones to maintain forward progress on more complicated projects. Individual planning efforts, such as more precise visioning for a specific location may also be included in proposed project lists, as these efforts are essential to identification of community preferences and related project scopes. Staff then present these proposed projects for community feedback and, ultimately, approval by the City Council.

### **CIP Plan Organization**

The CIP Plan update subdivides projects into major classifications based on facility type such as Right-of-Way, Sewer & Storm Drain, Parks & Open Space, and Buildings & Facilities. Within these major categories, projects generally consist of two types of projects:

- Core Programs – projects in this category consist of capital renewal efforts to maintain existing facilities in good condition. Projects generally involve rehabilitation or major repairs and projects may be proposed for a variety of operational and maintenance reasons, including reducing operating costs, addressing safety and accessibility needs, or as a result of regulatory requirements. Existing Core Programs include Annual Rehabilitation Programs for Streets, Sidewalks, Sewers, Storm Drains, Buildings & Facilities, and, as part of the current CIP Plan update, Staff are proposing a new Core Program for an Annual Parks Rehabilitation Program.

Core Programs are designed to formalize annual capital investment into maintaining the existing level of service in the City's facilities.

- Examples of capital renewal work within Right-of-Way core programs includes sidewalk repair, pavement rehabilitation, striping renewal, patch paving, and other street repairs.

This program is differentiated from the City's operating budget in that this program focuses on projects that are not always feasible to execute within a single fiscal year or may exceed the complexity of a project under the operating budget.

- Discrete Projects - projects in this category largely consist of enhancements to existing facilities, renewal of facilities which are not covered by Programs, or construction of new facilities. For more complicated projects, discrete projects may also consist of development of planning and guiding documents for continuing of forward progress. Other projects in this category may be programmatic documents aimed at improving management of Core Programs.
  - Examples of active or completed discrete projects include the Jackson Bikeway, the Citywide Street Lighting Evaluation, and Marin Avenue Phase 2.

Discrete Projects are differentiated from a Core Program in that discrete projects have distinct beginning and endings. Occasionally work under a Core Program triggers the need for coordinated work across program disciplines and facility types, requiring higher complexity or costs. In those situations, rather than managing separately from within each Core Programs, it may be more appropriate to manage as discrete “Major Projects”.

A recent example is the Marin Avenue Pavement and Curb Ramp Rehabilitation Project (Marin Streetscape) which started under the Annual Street Rehabilitation Program but ultimately developed into a streetscape project that includes elements of transportation enhancements, signal renewal, and potential streetlight improvements.

This CIP will additionally include an “Other” category, as necessary projects for the long-term maintenance and stewardship of the Albany Bulb will be proposed, though a funding source is as yet undetermined.

### **CIP Plan as a Living Document**

As underlined in the Marin Streetscape example above, the CIP Plan is a living document. Ultimately, the CIP Plan acts as a bridge between long-term needs and goals, budgeting, and implementation. New projects can be added as needs are identified and existing projects are completed, and multiple projects may be combined into a single project for final delivery, particularly when projects develop into more complex endeavors.

Not all projects have sufficient funding or clarity to proceed through construction within a single CIP cycle. For these projects, implementation is often a multi-step and iterative process as projects move from vision, to planning, to design, and into construction – requiring strategic project development, coordination with other project timelines, staff resources, phasing, and identification of funding opportunities to support further project development.

## **DISCUSSION**

This study session includes a high-level CIP Plan process overview, and review of projects & programs spanning multiple categories and in various stages of activity and development. The action before the Council at this study session is to review the broad scope of needs and desires across the City and provide general prioritization and perspectives on the proposed programs and projects. It should be underscored that many projects in the CIP Plan are regulatorily required/mandated and will continue to be high priority. Proposed budgets and schedules will then be developed based on prioritization and balancing staff resources for delivery with available funding and brought back to the Council in a formal Draft CIP Plan for review & feedback.

Due to the breadth of projects, it is recommended that the discussion remain focused on high-level project overview for the purposes of initial discussions on prioritization. Programs/projects will need to be considered both across and within each CIP Plan Category with the goal being to identify and recognize where prioritization discussions may require further staff evaluation on adjustments to project budget, schedule, or scope to achieve a realistic draft CIP Plan for presentation to City Council at a future Council meeting.

The current spread of programs and projects is enclosed as Attachment 1 to this report (CIP Plan Project List) for ease of review.

### **Staff Resources**

Given current CIP Program project statuses, staff anticipate that Public Works staff and CIP Program resources will be primarily engaged in two major projects anticipated to start construction around Fall 2025 (Marin Avenue Pavement & Curb Ramp Rehabilitation project and Brighton Avenue Easement Sewer Rehabilitation) and last for approximately one year through mid-FY27. Planning and design level project development on other projects is expected to continue during this time, but delivery schedules may be impacted by these major construction efforts. Unforeseen projects or expediting the delivery of projects during this time is expected to require an increase in project delivery costs due to the need for additional consultant support.

### **Feedback at Advisory Body Meetings**

For projects under Right-of-Way and Parks & Open Space categories, projects were first presented to their associated advisory bodies (Transportation Commission and Parks, Recreation, and Open Space (PROS) Commission) for feedback on prioritization; comments are summarized below.

- Parks, Recreation, and Open Space (PROS) Commission – With a more recently developed Annual Rehabilitation Core Program, staff presented at PROS on two occasions to provide more time to discuss CIP Plan and project prioritization.

Feedback provided to Staff generally consisted of prioritizing and supporting the following projects:

- Sand Volleyball Court at Oceanview Park
- Annual Parks Rehabilitation Program (with support for staff to rotate projects between locations and look for opportunities to add minor enhancements noted in the Parks, Recreation, and Open Space Master Plan)
- Citywide Turf Audit

Interest was expressed by commission member in proposed efforts for activating recreational space through projects to initiate detailed programming of Ohlone Greenway (a linear park) and Pierce Street Park.

- Transportation Commission – Following a presentation and question/answer period, feedback provided to Staff generally consisted of prioritizing the following discrete projects:
  - Upper Solano Avenue Curb Ramp Renewal Project
  - Shared Use Path Renewal Project (with specific focus on the Ohlone Greenway Bikeway)
  - Critical Intersection Lighting Upgrades
  - Speed Hump (2024 List) Project

Comments from Commissioners included (a) a request for clarification on how current CIP Plan prioritization will be coordinated with the ongoing Albany Active Transportation Plan (ATP) Update, (b) interest in North Albany Traffic Calming implementation, and (c) interest in revisiting traffic circles on Dartmouth.

- a) Staff recommended that future CIP Plan project prioritization related to Active Transportation projects be included in discussions as part of ATP development.
- b) Staff explained that delivery of the North Albany Traffic Calming Project is contingent on multiple factors. First, the project is contingent on completion of the Brighton Avenue Easement Sewer Project in the area. Second, Staff anticipate complexities with the project related to storm drainage and curb ramps which may make this project less actionable in the immediate term.
- c) Although not specifically answered at the Commission meeting, Staff's suggestion is that the best avenue for discussions on revisiting of features which were not previously included under a completed ATP project, such as traffic circles on Dartmouth Avenue, is to reconsider for review as part of the ongoing ATP Update for City-wide discussions on ATP prioritization.

## **Coordination with Projects in Other Categories**

Space for recreational activities and transportation infrastructure are in high demand within the City of Albany and project development within these spaces are expected to have multi-disciplinary considerations and needs. Specifically, proposed Parks & Open Space projects to improve recreational programming within the Ohlone Greenway linear park and at Pierce Street Park will require coordination with proposed Active Transportation projects for renewal of the Ohlone Greenway shared use path and conceptual design development for the segment of the Pierce Street Path within the Pierce Street Park.

## **FINANCIAL CONSIDERATIONS**

The total preliminary cost for the current draft project list across the five fiscal year span of the CIP Plan exceeds \$50 million, which exceeds available funding. This amount does not include future costs for many major projects (e.g., Buchanan and Solano Streetscapes), nor does it include implementation of all activities & facilities described in planning documents (e.g., Watershed Management Plan update, Street Light Evaluation, or the ATP Plan Update).

Furthermore, this amount also excludes potential costs and liabilities associated with ongoing management of the landfill and City buildings & facilities. Examples include Long Term and Near-Term Sea Level Rise/Flood Protection projects and the anticipated need for funding of deferred maintenance in City buildings and facilities.

While some prioritization is needed, investment into the City's assets in all categories is expected to provide both meaningful support for short-term project delivery and advance milestones for longer-term efforts. Major funding sources for capital programs, planning, and projects may include but are not limited to:

- Parks & Open Space Parcel Tax (Measure M)
- Lighting & Landscaping Assessment District 1988-1 (88-1)
- CA State Prop 68 Per Capita and RIRE Grants
- Albany Sidewalk & Pathway Repair Parcel Tax revenues
- State SB1/Road Maintenance and Rehabilitation Account funds
- Alameda CTC Measure BB and VRF Direct Local Distributions
- Albany Street & Storm Drain Tax revenues (Measure F, 2006)
- Community Development Block Grant funds (CDBG)
- State Transportation Development Act Article 3 Bike & Pedestrian funds (TDA3)
- State Highway Users Tax Account (HUTA) pass-through funds
- MTC Climate Program Active Transportation Capital Design Technical Assistance Grant (\$300,000 – Pierce-Cleveland Bikeway Connection Project)
- Sewer Enterprise Fee Capital Funds
- Library Maintenance Fund

- City Buildings Reserve Fund
- Departmental reserves, as appropriate for programmatic enhancements
- Development Impact Fees, as appropriate
- Other Grants

All available resources will be considered, including the potential appeal of certain projects to grantors, expected revenues, reserve fund policies, operating budget needs, and more in programming funds into the future comprehensive Draft CIP Plan. Funding appropriations will be recommended at the time of CIP Plan Adoption.

### **NEXT STEPS**

Following the Study Session, resulting feedback and prioritization will be used by Staff to develop a draft CIP Plan Update which incorporates funding and project delivery across projects, programs, or categories for further discussions at City Council.

### **Attachment**

1. CIP Plan Project List