



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

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Third District

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Fourth District

JIM DESMOND
Fifth District

DATE: April 8, 2025

21

TO: Board of Supervisors

SUBJECT

CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS 2025-26 THROUGH 2029-30 (DISTRICTS: ALL)

OVERVIEW

A network of well-maintained infrastructure and amenities is essential to the quality of life, as well as health and safety, for the residents of San Diego County and the people who staff and utilize the infrastructure. The Capital Improvement Needs Assessment (CINA), referred to publicly as the Capital Plan, is a strategic, long-term infrastructure assessment of the County of San Diego's (County's) responsibility to take care of its aging infrastructure while enhancing sustainability and improving resilience of our capital investments. The CINA is reviewed and revised annually through an iterative process that considers community needs, County operational needs, and financial resources available to meet those needs.

The Fiscal Years 2025-26 through 2029-30 CINA process has identified a need for the County to modernize rural fire and sheriff stations, revitalize existing infrastructure, meet statewide stormwater mandates, and improve access to the County's extensive network of parks and trails. Today's request would approve the Fiscal Years 2025-26 through 2029-30 CINA and refer it to the Chief Administrative Officer for funding identification and timelines to implement individual projects.

RECOMMENDATION

CHIEF ADMINISTRATIVE OFFICER

Approve the Capital Improvement Needs Assessment (CINA) prioritizing County of San Diego (County) capital projects for Fiscal Years 2025-26 through 2029-30, as filed with the Clerk of the Board, and refer it to the Chief Administrative Officer for funding identification and timelines for implementation of individual projects.

EQUITY IMPACT STATEMENT

Equity is incorporated throughout the Capital Improvement Needs Assessment (CINA) planning cycle and carried through to the design and execution of each capital project. The planning cycle includes multiple touchpoints with the community and requires departments to identify how each of their capital projects promote equity and positively impact the residents of San Diego County.

SUBJECT: CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS 2025-26 THROUGH 2029-30 (DISTRICTS: ALL)

Approval of Fiscal Years 2025-26 through 2029-30 CINA will result in the continued planning, design and construction of infrastructure that will ultimately improve accessibility to behavioral health, recreational services, and public safety services in the region. If approved, today's action will further improve the equitable distribution of facilities that provide services for some of the region's most vulnerable and under-served populations including individuals with complex behavioral health needs, and individuals with justice involvement.

SUSTAINABILITY IMPACT STATEMENT

Today's board letter supports the County of San Diego's (County's) sustainability goals of engaging the community, providing just and equitable access to County services, protecting the health and wellbeing of the region, safeguarding ecosystems, habitats, and biodiversity throughout the County, and reducing pollution and waste. Development of the Capital Improvement Needs Assessment (CINA) is an iterative process designed to maximize engagement opportunities with the community and provide the upmost transparency into the capital project planning process.

Referring the Fiscal Years 2025-26 through 2029-30 CINA to the Chief Administrative Officer for consideration within the Operational Plan process will allow for the initiation and planning of a variety of capital projects, including upgrades to and replacements of aged infrastructure to improve access and remove barriers for persons of all abilities, behavioral health projects that will fill unmet needs for mental health services, and public safety projects that will improve the County's ability to provide services.

Projects that are approved for capital funding will continue to support the implementation of the Zero Carbon Portfolio Plan by adhering to Policy G-15, which seeks to reduce County facilities greenhouse gas emissions by 90% by 2030 through various means such as sustainable construction materials and electrification of building systems. Additionally, the projects included in the CINA are aligned to the Climate Action Plan and our regional efforts to decarbonize.

FISCAL IMPACT STATEMENT

There is no fiscal impact associated with the Board's approval of the FY25-26 through FY29-30 CINA Plan. There will be no change in net General Fund cost and no additional staff years resulting from today's recommended actions. The five-year CINA, contains partially funded and unfunded capital projects of approximately \$838.2 million, and actual timing of projects will be subject to funding availability and project readiness.

The first year of the CINA, FY25-26, includes only projects supported by program revenue that may only be used for a specific purpose, including the respective supported project, and projects required to support health, safety, and mandated requirements. This is in consideration of the County's current financial and operational planning landscape. Planning and budget development for FY25-26 has included strategies to close a funding gap resulting from factors including escalating costs for existing programs, new funding requests and constrained revenues. County staff has been working to reduce costs, find efficiencies and streamline programs and services. Projects included in the first year of the CINA, which do not have an identified funding source, are being considered for long-term financing. For reference, to finance \$50 million over 30 years would have an estimated annual cost of \$4 million over the term of the financing. The County is

**SUBJECT: CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS
2025-26 THROUGH 2029-30 (DISTRICTS: ALL)**

committed to making smart investments to maximize impacts in the community while balancing the long-term fiscal stability of the County. FY25-26 reflects the management of the potential risk.

Once capital projects are approved for the CINA, departments and programs estimate funding needs, identify funding sources and incorporate ongoing costs including staffing and operations and maintenance as part of the annual Chief Administrative Officer (CAO) Recommended Operational Plan for the Board's consideration. Staff will return to the Board for consideration and approval as part of the FY25-27 CAO Recommended Operational Plan for any fiscal impacts associated with future related recommendations.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

Capital Improvement Needs Assessment

The Capital Improvement Needs Assessment (CINA), referred to publicly as the Capital Plan, is a planning document that includes a prioritized list of capital improvement project needs over a five-year period that require funding. The CINA is not a budget document, rather it is a planning tool that presents the community and operational needs for capital investments, and the estimated financial resources that would be required to meet those needs.

Preparation of the CINA is guided by Board Policy G-16, Capital Facilities Planning. Capital improvement projects include, but are not limited to, new buildings, land acquisitions, parks, new green infrastructure and other stormwater projects and major systems renovations that directly support existing County of San Diego (County) programs or services and require capitalization for financial reporting purposes. The CINA does not include capital projects previously approved and fully funded or other Public Works infrastructure projects like, road improvements, airports, and similar infrastructure projects funded by dedicated program revenues, such as TransNet, gas tax and user fees. Projects that do not directly support an existing County program are also not included. Also excluded from the CINA are non-facility infrastructure projects, including major upgrades to the County's enterprise technology and systems. The CINA is supplemented by departmental or program-focused master plans and Strategic Facility Plans (SFPs) comprised of future capital projects that have been already identified as significant community initiatives. These long-range projects provide visioning and planning for the County. Departments prioritize these projects and add them to the CINA based on projected funding availability and project readiness.

To capture the operational needs that are presented in the CINA, departments and programs identify and compile a list of necessary capital investments based on recommendations from SFPs, operational requirements, community feedback and/or Board input. They review the needs and prepare a preliminary scope, cost estimate, schedule, and identification of ongoing operations and maintenance costs. Departments are tasked with evaluating their projects to determine if they align with and promote the County's strategic goals of sustainability, equity, justice, empower and community.

SUBJECT: CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS 2025-26 THROUGH 2029-30 (DISTRICTS: ALL)

After completing the multi-level review process, the CINA is presented to the Board for approval. Once approved, departments and programs propose funding for their capital projects in the Chief Administrative Officer (CAO) Recommended Operational Plan. The first year of the CINA is used to identify immediate priorities. The actual timing of project implementation and funding for projects will be subject to funding availability and project readiness which will vary from year to year. Departments adjust project requests on the CINA to ensure that the amount requested matches the projected funding that is available. Over time, this can result in the number of projects per year and the dollar amount needed to fund those projects shifting between years on the CINA.

Plan, then Implement

Capital projects included in the CINA are implemented through a two-phase approach, consisting of pre-construction and construction phases. The pre-construction phase, identified in green on the CINA document, encompasses planning activities like site programming, identification of project risks, environmental analysis, creation of procurement documents, identification of ongoing operations and maintenance costs, design, and development of a budget quality estimate. Projects progress to the construction phase only after completing pre-construction and being deemed ready for implementation, at which point they are recommended for construction funding, a request identified in blue on the CINA document. This dual-phase approach minimizes the risk of underfunding, which can lead to project delays and scope reductions.

Transparency and Community Engagement

This CINA planning cycle, Department of General Services enhanced community engagement by implementing a collaborative, grassroots approach, organizing ten outreach events over six months across the county. Staff directly connected with approximately 2,300 attendees who had the opportunity to discuss the Capital Plan with department teams and participate in the planning process thereby fostering greater transparency, trust, and accessibility. Where possible, departments and programs update their five-year project forecasts based on the feedback collected at these events.

In addition to in-person engagement events, community stakeholders are encouraged to provide input on capital needs in their communities and participate on an ongoing basis via the County's Capital Plan website. The website is designed to increase transparency and optimize engagement. It provides opportunities to comment and ask questions about the CINA, detailed information about the capital planning process, proposed projects, and departments contact information should a stakeholder want to obtain more information on a specific project or program.

The final CINA is presented in Attachment A entitled *Fiscal Years 2025-26 through 2029-30 CINA*. Projects in the final CINA are listed in the "FY 25-26" column on Attachment A and will be referred to the CAO for consideration in the CAO Recommended Operational Plan Fiscal Years 2025-26. The projects listed in FY 25-26 include HHSA Children's Crisis Residential, County Fire Training Tower, Ramona Sheriff Substation, and Probation's Less Restrictive Placement. Estimated CINA funding is summarized in the table below.

SUBJECT: CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS 2025-26 THROUGH 2029-30 (DISTRICTS: ALL)

CINA PROGRAM FINANCIAL SUMMARY	
Five Year Funding Required for CINA Projects	Estimated Funding Required for Fiscal Year 25-26 for CINA Projects
\$838.2M	\$26.4M

Features of the County's Capital Program

Sustainability

The projects included on the CINA have been evaluated based on the extent to which the project promotes sustainability and environmental justice. The evaluation includes identifying whether the project actively combats climate change through innovation and sustainable facility construction; whether the project improves the health of the community and the natural environmental through sustainable designs; and whether the project will conserve natural and agricultural resources.

All new capital projects are guided by Board Policy G-15, Design Standards for County Facilities and Property, the Climate Action Plan (CAP), the Zero Carbon Portfolio Plan and the Electric Vehicle (EV) Roadmap. They include sustainability requirements and goals in the procurement process, which ensures sustainability is a key factor considered with the award of every project. Since 2016 new County buildings have been designed to be all-electric and Zero Net Energy (ZNE), which means they produce as much renewable power as they consume when measured over a calendar year. These buildings have also been built to exceed State Energy Code by 20% since the first step towards ZNE is significantly reducing energy use in the building. To date, the County operates 11 ZNE buildings, with 4 others in the solicitation or design & construction process. As a minimum requirement, all new buildings are designed to achieve Leadership in Energy and Environmental Design (LEED) Gold certification. Within the County's portfolio, there are currently 69 buildings with LEED ratings, out of which 58 have attained LEED Gold or higher status. Throughout the design and construction of a capital project, the County collaborates closely with the sustainability consultant, the architect, and the contractor to significantly decrease embodied carbon by employing alternative materials and construction methods. Lastly, new facilities include low-flow equipment and drought-tolerant native landscaping and drip irrigation, as well as smart controllers, to limit potable water use.

Capital Renewal

As stewards of the County's facility portfolio, Department of General Services (DGS) continually monitors the performance and integrity of County-owned structures to inform decisions on revitalization, replacement, or disposition. Aging facilities, particularly those whose major systems are reaching life expectancy, are analyzed for program delivery efficiency and compliance with regulatory requirements such as building codes and the Americans with Disabilities Act. A comprehensive condition assessment of buildings and major building systems is performed periodically, while the cost of operating and maintaining buildings is regularly monitored as part of DGS's routine business processes.

The CINA recommends significant investments to renew aging infrastructure. Larger renewal projects in future years of the CINA include the major systems renovation and modernization at the Emergency Operations Center and Vista Detention Center. These renewal projects demonstrate

SUBJECT: CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS 2025-26 THROUGH 2029-30 (DISTRICTS: ALL)

the County's commitment to operational efficiency and maintaining existing building infrastructure.

Maintenance of our existing infrastructure remains a priority. While larger capital renewal projects are included in the CINA, other major maintenance projects are forecasted separately on the Major Maintenance Implementation Plan (MMIP). The MMIP is developed concurrent with the CINA, and funding for major maintenance projects is requested by departments through the CAO Recommended Operational Planning process.

Fully Funded Active and Completed Projects

Capital projects that were approved and fully funded in previous fiscal years are not included in today's action. There are approximately 42 fully funded projects currently in design, procurement or construction including the County Animal Shelter, Public Health Lab, Casa de Oro Library, Major Systems Replacements at the Hall of Justice, as well as upgrades and improvements to various county parks, including the Mira Mesa Epicentre and Calavo Park.

An additional 11 projects have been completed in the current fiscal year, including the Ramona Community Resource Center, Tri-City Psychiatric Facility, improvements at Sweetwater Campground, a new neighborhood park at Four Gee, and additional amenities at County Administration Center Waterfront Park. Appropriations for the active and recently completed projects are summarized in the table below.

FULLY FUNDED ACTIVE AND COMPLETED PROJECTS FINANCIAL SUMMARY	
Appropriations for Active Capital Projects	Appropriations for Recently Completed Capital Projects
\$574M	\$61M

ENVIRONMENTAL STATEMENT

The approval and referral of the CINA priorities to the Chief Administrative Officer for timing and funding identification is not an approval of a project under the California Environmental Quality Act (CEQA). The action does not commit the County to a definite course of action with respect to any project listed on the CINA (CEQA Guidelines, Sections 15352(a) and 15378(b)(4)).

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action to approve the CINA program for Fiscal Years 2025-26 through 2029-30 supports the Strategic Initiatives of Sustainability, Equity, Justice, Empower, and Community in the County of San Diego's Strategic Plan. Linkage to the Strategic Plan is one of several criteria considered by departments when evaluating projects for inclusion on the CINA. The projects on the CINA help ensure that neighborhoods are safe for residents to live, work and recreate; support environments that foster viable, livable communities while bolstering economic growth; make it easier for residents to lead healthy lives while improving opportunities for children and adults; and provide equitable access to essential infrastructure to ensure superior delivery of services to our residents.

SUBJECT: CAPITAL IMPROVEMENT NEEDS ASSESSMENT - FISCAL YEARS
2025-26 THROUGH 2029-30 (DISTRICTS: ALL)

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ebony N. Shelton', written in a cursive style.

EBONY N. SHELTON
Chief Administrative Officer

ATTACHMENT

ATTACHMENT A – Fiscal Years 2025-26 through 2029-30 CINA