

# 17.5

September 10, 2024

Honorable Mayor and City Council  
City of Long Beach  
California

## RECOMMENDATION:

Recommendation to receive supporting documentation into the record, conclude the public hearing, and take the actions necessary to adopt the Fiscal Year 2025 budget as listed in Attachment A. (Citywide)

## DISCUSSION

On August 1, 2024, the City Manager's Proposed Budget for Fiscal Year 2025 (FY 25) was delivered by Mayor Richardson to the City Council and the community for consideration. The City Council budget hearings were held on January 16, March 19, August 6, August 13, August 27, September 3, and September 10, 2024. Additionally, Budget Oversight Committee (BOC) meetings were held on August 6, August 13, August 20, August 27, September 3, and September 10, and citywide community meetings were also held in the months of January and August 2024, at which the Proposed FY 25 Budget was discussed. As a result of these meetings, there were 23 scheduled opportunities for public feedback, deliberation, and input. Additionally, input was solicited through the Long Beach Budget Priority Survey in January and the Digital Budget Comment Card in August to obtain feedback on desired City priorities and input on the FY 25 Proposed Budget. Both the Budget Priority Survey and the Digital Comment Card were promoted on the City's website, Go Long Beach Newsletter, X, Instagram and Threads, Facebook, Reddit, Nextdoor, and at community meetings. In addition, physical copies of the Digital Comment Card were available in multiple languages at City Parks and in the City Council Chambers during Budget Oversight Committee meetings, Budget Hearings, and City Council meetings until Friday, August 23, 2024, and were available at any local library branch.

At the conclusion of the hearing on September 10, 2024, the City Council will amend the Proposed FY 25 Budget as deemed appropriate and adopt the proposed budget as amended.

As part of the FY 25 Budget Adoption, there are two Ordinances to be considered for approval in Attachment A. The first Ordinance amends the Departmental Organization of the City (A-6). The second is the Appropriations Ordinance (A-15), which officially appropriates the funding for the Adopted Budget (approved in A-3) and authorizes expenditures in conformance with the Adopted Budget. For the second Ordinance to become effective on October 1, 2024, the City Council must first declare an emergency to exist before adopting the Ordinance (A-14).

There are also six Resolutions to approve the Master Fees and Charges Schedule (A-4); amend the Salary Resolution (A-7); approve the budget for the Long Beach Harbor Department (A-8); fixing rates and charges for Water, Sewer, and Gas Services to all customers (A-9); approve the

budget for the Public Utilities Department (A-10); and establish the Gann Appropriations Limit (A-13). There are also the following motions: approve the Mayor's Recommendations (A-1); approve the BOC Proposed Funding Recommendations (A-2); amend the Proposed FY 25 Budget (A-3); approve the FY 25 One-Year Capital Improvement Program (A-5); approve the FY 25 Budget for the Long Beach Community Investment Company (A-11); and approve the Harbor Fund Group transfer (A-12).

This matter was reviewed by Deputy City Attorney Ashleigh Stone on August 22, 2024, and by Budget Manager Rebecca Bernstorff on August 13, 2024.

### TIMING CONSIDERATIONS

In accordance with the City Charter, the Proposed FY 25 Budget must be adopted by September 15, 2024. Should the City Council fail to adopt the budget by that date, the City Manager's Proposed FY 25 Budget will be deemed the budget for the 2025 Fiscal Year. The Mayor has five calendar days from the City Council adoption of the budget to use his veto authority. The City Council would then have until September 30, 2024, to override the veto action by the Mayor with a two-thirds supermajority vote (six Councilmembers).

### FISCAL IMPACT

The City Charter requires that the Appropriations Ordinance govern and control the expenditure and commitment amounts stated therein relating to City departments, offices, and agencies during each fiscal year. The total Proposed FY 25 Budget for all departments and fund groups is \$4,746,872,363, which comprises of \$3,624,525,401 in new appropriation and \$1,122,346,962 in estimated carryover from FY 24 for multi-year grants and projects. Attachments B, C, and D provide the financial overview by Fund Group and Department, and Citywide revenue by Fund Group, respectively.

The Appropriations Ordinance, included as Attachment A-15, totals \$3,608,877,692 for all Fund Groups except Harbor, Sewer, Water, and Gas Fund Groups, and \$3,614,685,724 for all departments except Harbor and Public Utilities Departments. The \$5,808,032 difference between Fund Groups and Departments is due to general City indirect costs budgeted in the Financial Management Department but charged to the Harbor, Water, Sewer, and Gas Fund Groups, which are not included in the Appropriations Ordinance by Fund Group.

The proposed Harbor, Water, Sewer, and Gas Fund Group budgets are in separate City Council Resolutions included as Attachment A-8 and A-10, respectively, and total \$1,137,994,671. This total figure reflects what is in the budget system, which may vary from the figures included in the resolutions, which allow for adjustments to be made to the adopted budget in an amount not exceeding 5 percent. The final budgets are \$761,058,651 for the Harbor Fund Group, \$180,028,243 for the Water Fund Group, \$32,947,356 for the Sewer Fund Group, and \$163,960,422 for the Gas Fund Group. The Board of Harbor Commissioners adopted the budget for the Harbor Department by minute order on June 10, 2024. The Board of Public Utilities Commissioners adopted the budget for the Public Utilities Department by Resolution on June 6, 2024.

User fees and charges in the Master Fees and Charges Schedule, included as Attachment A-4, have been adjusted due to changes in service and other factors. For details regarding these proposed new fees and adjustments, please see the List of Proposed Fees Adjustments for FY 25 that has been incorporated as Exhibits B and C to the Master Fees and Charges Resolution.

Other requested City Council actions include:

- Approving the FY 25 One-Year Capital Improvement Program (CIP) budget, included as Attachment A-5, which is contained in the Appropriations Ordinance.
- Amending the Departmental Organization Ordinance included as Attachment A-6. This amendment incorporates changes to departments, bureaus, and divisions for FY 25. These organizational changes are necessary to implement changes reflected in the Proposed FY 25 Budget. A redline version of the changes is also provided.
- Adopting the amended Salary Resolution for FY 25, which creates and establishes positions of employment while fixing and prescribing the compensation for officers and employees, is included as Attachment A-7. Historically, the Salary Schedule has been included alongside the Salary Resolution, for review by Council. Starting in FY 23, the Department of Human Resources will return to City Council at a later date for approval of the Salary Schedule to ensure accuracy and inclusion of new/updated classifications.
- Adopting the FY 25 Long Beach Community Investment Company (LBCIC) budget, included as Attachment A-11. The LBCIC budget is prepared annually for City Council approval and is a subset of the Housing Development Fund. The LBCIC oversees the delivery of housing and neighborhood revitalization services. The LBCIC approved its FY 25 Budget on May 15, 2024.
- Adopting a Resolution, included as Attachment A-13, establishing the Gann Appropriations Limit (Limit) for general purpose expenditures. In November 1979, the voters of the State of California (State) approved Proposition 4, also known as the Gann Initiative (Initiative). The Initiative places certain limits on the amount of tax revenue that can be appropriated each fiscal year. The Limit is based on actual appropriations during FY 79 and prevents overspending proceeds of taxes. Only those revenues that are considered as "proceeds of taxes" are subject to the Limit. The Limit is recalculated each fiscal year based on certain inflation and population factors provided by the State. The Proposed Budget includes tax revenue estimates that are at 49.71 percent of the 2024-2025 Appropriations Limit and, therefore, do not exceed the Limit. The City Auditor reviews this calculation for conformance to the law.

After the City Manager delivered the Proposed FY 25 Budget to the Mayor, minor technical adjustments were made to various funds and departments resulting in no bottom line changes at the fund level.

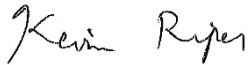
A new classification, Police Recruit Non-Career (PR-NC), is being requested to be created for use as needed with no budgetary impacts. The position will bolster Police Department's

recruitment and retention strategies by hiring and compensating police recruit applicants in advance of the next Police Academy session. This initiative addresses competition from local law enforcement agencies and aims to secure top candidates early, minimizing the risk of losing them to other agencies. PR-NC recruits will undergo pre-academy training and gain familiarity with department operations through administrative duties at the front desk, records management, and investigative support. This exposure, coupled with pre-academy training, will enhance the preparedness of police recruits for success in the Police Academy.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Kevin Riper  
Director  
Financial Management

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER

ATTACHMENTS

**List of Requested Fiscal Year 2025 Budget Adoption Actions**

1. Adopt the Mayor's proposed budget recommendations, as amended, to the Proposed FY 25 Budget. (A-1)
2. Adopt the Budget Oversight Committee's proposed funding recommendations, as amended, to the Proposed FY 25 Budget. (A-2)
3. Adopt the expenditures and revenues as identified in the Proposed FY 25 Budget, as amended. (A-3)
4. Adopt the Resolution amending the Master Fees and Charges Schedule for specified City services for Citywide fees and charges for the City of Long Beach. (A-4)
5. Approve the FY 25 One-Year Capital Improvement Program. (A-5)
6. Declare the Ordinance amending the Departmental Organization Ordinance read the first time and laid over to the next regular meeting of the City Council for final reading. (A-6)
7. Adopt the amended Salary Resolution for FY 25. (A-7)
8. Adopt the Resolution approving the FY 25 budget for the Long Beach Harbor Department as adopted by the Board of Harbor Commissioners on June 10, 2024. (A-8)
9. Adopt resolution approving Resolution UT-1518, a resolution of the City of Long Beach Public Utilities Commissioners Amending Resolution No. UT-1482 fixing rates and charges for water, sewer, and gas services to all customers. (A-9)
10. Adopt the Resolution approving the FY 25 budget of the Long Beach Public Utilities Department as adopted by the Board of Public Utilities Commissioners on June 6, 2024. (A-10)
11. Adopt a motion approving the FY 25 budget for the Long Beach Community Investment Company in the amount of \$5,725,142. (A-11)
12. Adopt a motion approving the estimated transfer of \$25,758,181 from the Harbor Fund Group to the Tidelands Operations Fund Group. (A-12)
13. Adopt the Resolution establishing the Gann Appropriations Limit for FY 25 pursuant to Article XIII (B) of the California Constitution. (A-13)
14. Declare an emergency to exist pursuant to City Charter Section 211 for the Appropriations Ordinance for FY 25, creating and establishing the fund groups of the Municipal Government and appropriating money to and authorizing expenditures from said funds and for said fiscal year. (A-14)
15. Declare the Appropriations Ordinance for FY 25, creating and establishing the fund groups of the Municipal Government and appropriating money to and authorizing expenditures from said funds and for said fiscal year as an Emergency Ordinance, read, and adopted as read and laid over to the next regular meeting of the City Council for final reading. (A-15)

**FISCAL YEAR 2025 APPROPRIATIONS ORDINANCE BY FUND GROUP**  
**(Does not include Harbor, Water, Sewer, and Gas Fund Groups)**

<u>FUND GROUP</u>	<u>FY 25 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 24 ESTIMATED CARRYOVER*</u>	<u>FY 25 APPROPRIATIONS**</u>
GENERAL FUND	752,915,603	-	-	752,915,603
UPLAND OIL FUND	5,636,609	-	-	5,636,609
GENERAL GRANTS FUND	11,218,746	-	28,537,290	39,756,036
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	2,238,619	-	-	2,238,619
HEALTH FUND	67,147,153	-	61,821,372	128,968,525
CUPA FUND	3,239,286	-	6,051	3,245,338
SPECIAL ADVERTISING & PROMOTION FUND	13,715,173	-	-	13,715,173
HOUSING DEVELOPMENT FUND	7,722,951	-	20,459,901	28,182,852
BELMONT SHORE PARKING METER FUND	849,990	-	-	849,990
BUSINESS ASSISTANCE FUND	773,229	-	5,011,075	5,784,304
COMMUNITY DEVELOPMENT GRANTS FUND	16,551,271	-	26,269,475	42,820,746
HOUSING AUTHORITY FUND	120,067,600	-	4,609,887	124,677,487
GASOLINE TAX STREET IMPROVEMENT FUND	12,939,365	-	16,482,234	29,421,600
CAPITAL PROJECTS FUND	207,482,326	-	723,384,908	930,867,234
SUCCESSOR AGENCY OPERATIONS	4,278,680	-	31,183,976	35,462,656
CIVIC CENTER FUND	24,652,920	-	2,091,446	26,744,366
GENERAL SERVICES FUND	93,655,943	-	18,243,984	111,899,926
FLEET SERVICES FUND	59,391,472	-	6,585,880	65,977,352
INSURANCE FUND	77,520,817	-	(630,841)	76,889,976
EMPLOYEE BENEFITS FUND	477,615,490	-	-	477,615,490
TIDELANDS OPERATIONS FUND	108,718,331	-	108,523,221	217,241,552
TIDELANDS AREA FUNDS	36,256,464	-	18,819,063	55,075,527
TIDELANDS OIL REVENUE FUND	87,748,865	-	-	87,748,865
RESERVE FOR SUBSIDENCE	-	-	-	-
DEVELOPMENT SERVICES FUND	40,349,217	-	(890,099)	39,459,119
GAS PREPAY	46,131,723	-	-	46,131,723
AIRPORT FUND	64,119,728	-	50,425,274	114,545,002
REFUSE/RECYCLING FUND	101,537,256	-	1,412,864	102,950,121
SERRF FUND	8,347,731	-	-	8,347,731
SERRF JPA FUND	-	-	-	-
TOWING FUND	8,093,427	-	-	8,093,427
DEBT SERVICE FUND	12,568,546	-	-	12,568,546
SUCCESSOR AGENCY - DEBT SERVICE	13,046,198	-	-	13,046,198
<b>TOTAL</b>	<b>2,486,530,730</b>	<b>-</b>	<b>1,122,346,962</b>	<b>3,608,877,692</b>

\*Reflects estimated carryover for accounts with projects and grants as of 5/31/24.

\*\*The total appropriations for all fund groups is \$4,746,872,363. This is derived from the total FY 25 Appropriations amount above, plus \$1,137,994,671 for the Harbor, Water, Sewer, and Gas Fund Groups not listed above. Note: figure may not account for rounding.

**FISCAL YEAR 2025 APPROPRIATIONS ORDINANCE BY DEPARTMENT**  
**(Does not include Harbor and Utilities Departments)**

<u>DEPARTMENT</u>	<u>FY 25 PROPOSED EXPENDITURES</u>	<u>CHANGES</u>	<u>FY 24 ESTIMATED CARRYOVER*</u>	<u>FY 25 APPROPRIATIONS***</u>
MAYOR AND COUNCIL	8,934,809	-	(468)	8,934,341
CITY ATTORNEY	11,022,356	-	(3,900)	11,018,456
CITY AUDITOR	3,842,386	-	-	3,842,386
CITY CLERK	5,070,251	-	-	5,070,251
CITY MANAGER	24,974,397	-	6,769,132	31,743,529
CITY PROSECUTOR	8,006,936	-	953,593	8,960,530
CIVIL SERVICE	4,352,226	-	-	4,352,226
AIRPORT	63,186,317	-	50,078,690	113,265,007
DISASTER PREPAREDNESS & EMERGENCY COMMUNICATIONS	16,617,089	-	1,843,633	18,460,722
COMMUNITY DEVELOPMENT	77,170,619	-	74,126,239	151,296,857
ECONOMIC DEVELOPMENT	29,016,680	-	5,715,436	34,732,116
FINANCIAL MANAGEMENT**	786,483,029	-	156,852,199	943,335,228
FIRE	189,714,013	-	5,184,490	194,898,502
HEALTH AND HUMAN SERVICES	201,166,285	-	66,950,753	268,117,038
HUMAN RESOURCES	44,521,277	-	(680,530)	43,840,747
LIBRARY, ARTS, AND CULTURE	21,612,015	-	5,375,615	26,987,631
ENERGY RESOURCES	101,242,956	-	(7,785)	101,235,171
PARKS, RECREATION AND MARINE	85,334,857	-	36,598,787	121,933,644
POLICE	338,075,131	-	11,981,388	350,056,518
POLICE OVERSIGHT	1,798,512	-	-	1,798,512
PUBLIC WORKS	382,408,015	-	681,039,021	1,063,447,035
TECHNOLOGY & INNOVATION	87,788,608	-	19,570,669	107,359,278
<b>TOTAL</b>	<b>2,492,338,763</b>	<b>-</b>	<b>1,122,346,962</b>	<b>3,614,685,724</b>

\*Reflects estimated carryover for accounts with projects and grants as of 5/31/24.

\*\*Department of Financial Management includes internal service charges that are contained in the resolutions of the Harbor, Water, Sewer, and Gas Fund Groups for accounting, budgeting and treasury functions, and other citywide activities such as debt service.

\*\*\*The total appropriations for all fund groups is \$4,746,872,363. This is derived from the total FY 25 Appropriations amount above, plus \$1,132,186,639 for the Harbor and Utilities Departments not listed above. Note: figure may not account for rounding.

**FISCAL YEAR 2025 REVENUES BY FUND GROUP**  
**(Does not include Harbor, Water, Sewer, and Gas Fund Groups)**

<u>FUND GROUP</u>	<u>FY 25 PROPOSED REVENUES</u>	<u>CHANGES</u>	<u>FY 25 PROPOSED BUDGETED REVENUES</u>
GENERAL FUND	723,223,326	-	723,223,326
UPLAND OIL FUND	9,898,351	-	9,898,351
GENERAL GRANTS FUND	10,757,006	-	10,757,006
POLICE & FIRE PUBLIC SAFETY OIL PROD ACT FUND	2,265,348	-	2,265,348
HEALTH FUND	62,764,763	-	62,764,763
SPECIAL ADVERTISING & PROMOTION FUND	13,717,197	-	13,717,197
HOUSING DEVELOPMENT FUND	4,486,609	-	4,486,609
BELMONT SHORE PARKING METER FUND	893,794	-	893,794
BUSINESS ASSISTANCE FUND	728,199	-	728,199
COMMUNITY DEVELOPMENT GRANTS FUND	9,071,230	-	9,071,230
GASOLINE TAX STREET IMPROVEMENT FUND	12,628,624	-	12,628,624
CAPITAL PROJECTS FUND	209,008,929	-	209,008,929
CIVIC CENTER FUND	25,671,529	-	25,671,529
GENERAL SERVICES FUND	94,283,784	-	94,283,784
FLEET SERVICES FUND	78,268,670	-	78,268,670
INSURANCE FUND	85,388,496	-	85,388,496
EMPLOYEE BENEFITS FUND	478,273,017	-	478,273,017
TIDELANDS OPERATIONS FUND	105,398,036	-	105,398,036
TIDELANDS AREA FUNDS	32,764,952	-	32,764,952
TIDELANDS OIL REVENUE FUND	96,873,865	-	96,873,865
RESERVE FOR SUBSIDENCE	5,286,979	-	5,286,979
DEVELOPMENT SERVICES FUND	38,970,203	-	38,970,203
GAS PREPAY FUND	-	-	-
AIRPORT FUND	73,660,268	-	73,660,268
REFUSE/RECYCLING FUND	74,516,115	-	74,516,115
SERRF FUND	150,000	-	150,000
SERRF JPA FUND	-	-	-
TOWING FUND	7,323,379	-	7,323,379
HOUSING AUTHORITY FUND	125,902,164	-	125,902,164
SUCCESSOR AGENCY OPERATIONS	4,219,567	-	4,219,567
CUPA FUND	1,864,161	-	1,864,161
DEBT SERVICE FUND	10,974,916	-	10,974,916
SUCCESSOR AGENCY DEBT SERVICE	30,162,041	-	30,162,041
<b>TOTAL</b>	<b>2,429,395,519</b>	<b>-</b>	<b>2,429,395,519</b>



## Capital Program Overview



Note: Residential Streets and ADA Curb Ramps are not shown on map.

# **FY 25 Capital Improvement Program (CIP)**

## **BACKGROUND**

Development of the annual Capital Improvement Program (CIP) is an intensive process, involving a comprehensive review of the goals and direction of the City's future infrastructure needs. The CIP provides resources to renovate, renew, and expand the City's infrastructure, which is essential to the day-to-day needs of the community and improves resident's quality of life, through improvements to the City's roadways, storm drains and treatment systems, parks and sports fields, fire and police facilities, libraries, and airport facilities. Development of the Capital Budget is a broad and extensive process, that seeks to address the objectives of the City's future infrastructure needs and is informed by a wide range of stakeholders, including input from the community.

The CIP also serves as a financial tool, which identifies funds for the wide variety of mid and longer-term capital projects, as well as a planning tool to ensure capital projects are consistent with the City's General plan.

The Proposed Fiscal Year 2025 (FY 25) CIP is developed with input incorporated from public workshops and presentations to community groups and local elected officials. The purpose of this collaboration is to determine specific priorities to enable the City to effectively concentrate its capital investment. To determine the best investments to make now, the size, age, and diverse infrastructure of the City requires significant consideration to realize the most cost-effective and beneficial returns in the future. This CIP furthers the work to ensure that we continue to build equity considerations into the identification and prioritization of infrastructure rehabilitation and expansion. Any capital plan must take into consideration the financial impact on its citizens, balancing the ever-changing needs of the City with the capacity to finance those improvements and the maintenance that comes with them.

## **BUDGET PROCESS**

Public Works serves as the lead Department for developing the Proposed FY 25 CIP Budget. Public Works, in conjunction with other Departments, reviewed the City's capital needs and prioritized project submittals based on established criteria outlined below. Departments are requested to submit projects for funding consideration with a priority ranking, and the Public Works Department, Financial Management Department, and City Manager review and evaluate submittals. Project submittals are also evaluated within the context of available funding limits to ensure that the limited resources available fund priority projects, while at the same time, maintain the City's existing infrastructure and minimize future replacement costs.

- The ability of the project to meet health, safety, and legal concerns and mandates;
- The value of the project to prolong the life of City assets or avoid/minimize future repair costs;
- The benefit the project will provide the community in support of the goals articulated in the Strategic Plan;
- The potential for the project to generate savings or increase productivity; and
- The extent to which the project will secure future funds through program planning or grant eligibility.

The CIP Budget allocates existing funds and anticipated revenues to both new and continuing projects in the City's multi-year CIP and is based upon an analysis of available funding sources as well as a review of project needs and priorities. The City's CIP needs outweigh available resources; therefore, the Proposed Budget is constrained by funding availability.

# FY 25 Capital Improvement Program (CIP)

## BUDGET HIGHLIGHTS

The Proposed Capital Budget and CIP presented in this document will guide the City in the planning, scheduling, and budgeting of capital improvement projects over the next year. This overview highlights the major capital investments within each of the seven capital programs listed below. The strategic capital investment in the City's infrastructure includes major enhancements and repairs to critical public assets and the CIP focuses on the renovation, renewal, and expansion of City infrastructure that is critical to serve the day-to-day needs of our community. In particular, the next three years are expected to see a surge of infrastructure activity as a number of new projects have been funded with Measure A Bond proceeds, included in the Elevate '28 Infrastructure Investment Plan, approved by City Council in FY 2024.

The following pages provide a summary of each section with a dollar amount that represents adopted funding for FY 25:

- Airport
- Beaches
- Mobility & Safety
- Parks
- Public Facilities
- Utilities
- Harbor

## ALLOCATION PLAN

	<b>FY 25 Proposed</b>
<b>Sources<sup>1</sup>:</b>	
Airport Fund	\$2,000,000
Tidelands Fund	\$7,000,000
Gas Fund	\$9,975,000
Gasoline Tax Street Improvement Fund	\$16,800,000
General Capital Projects Fund	\$12,902,805
Measure A (Inclusive of \$65.5M Bond Proceeds)	\$77,991,662
Transportation Fund	\$32,700,000
Water Utility	\$50,071,000
Sewer	<u>\$12,400,000</u>
<b>Subtotal</b>	<b>\$221,840,467</b>
 Harbor	 \$370,150,000
 <b>Grand Total</b>	 <b>\$591,990,467</b>
 <b>Uses:</b>	
Airport	\$2,000,000
Beaches	\$8,950,000
Mobility & Safety	\$101,962,805
Parks	\$19,675,000
Public Facilities	\$12,806,662
Utilities	<u>\$76,446,000</u>
<b>Subtotal</b>	<b>\$221,840,467</b>

## FY 25 Capital Improvement Program (CIP)

Harbor

\$370,150,000

**Grand Total**

**\$591,990,467**

<sup>1</sup> Each fund receives revenue from various sources such as bonds, fees, and grants. Funding sources for the Capital Projects Fund may include, but are not limited to: County Park Bonds, County Grants, Developer Fees, Federal Grants, General Fund, Lease Revenue Bonds, Park Impact Fees, State Grants, Traffic Impact Fees, and Uplands Oil Capital Fund.

### Airport

Long Beach Airport (LGB) offers a variety of services to air carriers, commercial and general aviation users, as well as the traveling public. Funding for Airport Capital Improvement Projects is derived from several sources including Federal Aviation Administration (FAA), Airport Improvement Program grants (AIP), Transportation Security Administration (TSA) grants, Passenger Facility Charges (PFC), Customer Facility Charges (CFC), Airport fees, and operating revenues. The focus of the Airport Capital Improvement Program is to continue improving the safety, security, and operations of the Airport to meet the mandates of the FAA and TSA.

In FY 24, the Airport, in partnership with the Department of Public Works, completed the installations and commissioning of the solar canopies on parking structures A and B. The design and construction of the solar canopies were funded by an owner-operator power purchase agreement, which is also funding the ongoing maintenance.

The Terminal Area Improvements Program (Phase II) is nearing completion. The Meeter and Greeter Plaza hardscape areas and the remaining restrooms, concession space, and baggage service offices opened to the public on March 11, 2024. Progress continues with the Historic Terminal Renovations which includes the Rental Car Customer Service Counters and is anticipated to be complete by July 2024.

The \$16.5M Terminal Roadway Improvements project continues to progress and is estimated to be completed in October 2024. The project consists primarily of the construction of two new crosswalks, roadway, and pedestrian island between the Terminal and (future) Ground Transportation Center, widening of Donald Douglas Drive adjacent to the Terminal building, modifications to the intersection of Barbara London Drive and Donald Douglas Drive, vehicle wayfinding signage, asphalt and concrete pavement, roadway striping, and various landscape improvements.

<b>Project Title</b>	<b>FY 25 Proposed</b>
Airport Terminal Area Improvements	\$1,000,000
Airport Pavement Rehabilitation	<u>\$1,000,000</u>
<b>Total Airport Projects</b>	<b>\$2,000,000</b>

### Beaches

Two assets that help make Long Beach unique are its beaches and marinas. These City-operated and maintained assets provide recreational enjoyment to both residents and visitors. In FY 24, the City completed the Bayshore Concession Stand Access Lift Project, Junipero Sports Court

## FY 25 Capital Improvement Program (CIP)

and Skating Area, Aquarium Parking Garage LED Upgrades and Naples Catch Basin Repairs and Seawalls Grouting.

The City continues to invest and enhance its coastal and natural resources through the Colorado Lagoon Open Channel Restoration project, which is currently under construction and is expected to be completed in FY 25. High quality public access along the waterfront continues to be a priority, as the City expects to break ground on the Davies Boat Launch Ramp, Parking Lot, and Restroom Improvement project to improve boater access and feature enhanced amenities like fish cleaning stations and upgraded restrooms.

In FY 24, design and engineering were completed for the Rainbow Lagoon Curb Repair Project and the Marina Green Parking Lot Rehabilitation, which will feature new infiltration basins and EV chargers. The Convention Center Roof Rehabilitation plans were also completed, that allow for the installation of solar panels to help meet energy efficiency goals as a City and provide and re-establish the lifespan of the roof. Investments in these facilities will continue to help support the City's entertainment and tourism areas and enhance the overall user experience.

<b>Project Title</b>	<b>FY 25 Proposed</b>
Beach Facility Improvements	\$3,200,000
Beach Parking Lot Rehabilitation	\$900,000
Beach Stairway Replacement	\$300,000
Pier Improvements	\$1,000,000
Seawall Improvements	\$750,000
Lagoon and Wetlands Improvements	<u>\$2,800,000</u>
<b>Total Beach Projects</b>	<b>\$8,950,000</b>

### **Mobility & Safety**

The Mobility & Safety section contains programs designed to meet the increased needs for mobility resulting from economic growth, utilizing a combination of different funding sources. Funding sources include the City of Long Beach Measure A, Los Angeles County Proposition A and C, Gas Tax Street Improvement Capital, Transportation Improvement Fees, Los Angeles County Measure M and R, AB 2766, State Road Maintenance and Rehabilitation Act, along with Federal, State, and County grants.

Mobility improvements include roadway rehabilitation, complete streets and corridor improvements, traffic signal system and intersection upgrades, transit improvements, replacement parking and traffic lane striping, neighborhood traffic management, and mobility enhancements in the right-of-way. This section also includes programs that evaluate traffic impacts throughout the city while responding with projects to reduce vehicle miles traveled (VMT), provide balanced transportation options, and enhance traffic safety.

When designing arterial and local streets, each location is addressed using the complete streets design framework. When designing a roadway, several factors are considered such as the conditions for people who walk, bicycle, and use public transportation. The program delivers various improvements including reconstructing and resurfacing of major, secondary, and residential streets; upgrading accessibility of curb ramps to comply with current American

## FY 25 Capital Improvement Program (CIP)

Disabilities Act (ADA) regulations; installing bicycle facilities; replacement of street signs; repairing neighborhood sidewalks, curbs, and gutters; and rehabilitating bridges to repair deficiencies identified by bridge inspection reports.

The paving program is guided by the City's Infrastructure Investment Plan (IIP) and Pavement Management Program (PMP), which is updated biannually. Staff also plan projects to coordinate with Community Development, the Utilities Department, and projects from other departments and agencies. The program is designed to make the best use of limited funds. This is not a "worst first" methodology, as the City uses a balanced approach between maintaining "good" streets in good condition, while also allocating funding to eliminate the backlog of streets in "poor" condition. There are several factors that are taken into consideration when the City evaluates the selection of streets, such as the Safe Streets Long Beach Plan, Bike Master Plan, surface and subsurface conditions, utility work (pipeline construction), future developments in the area, and potential conflicts with other projects. The goal is to rehabilitate a roadway when it is in "good" condition versus delaying repairs to a state in which the street is in a "poor" condition, which significantly increase the costs of repairs.

In FY 24, Public Works completed 45 lane miles of arterial street repairs, 43 lane miles of residential street repairs, 7.3 miles of alley restoration, 42 lane miles of Complete Street Corridor projects.

The following Complete Street/Corridor projects are anticipated to have their designs completed in FY 24: Studebaker Road Improvements between 2<sup>nd</sup> St to Carson Ave, Shoreline Drive Realignment, and the Mid-City Traffic Signal Improvements – area bordered by Alamitos/7<sup>th</sup>/Redondo/Ocean.

The following Complete Streets/Corridor projects will continue in the design phase into FY 25: Pacific Ave Cycle Track, between Ocean Blvd to Anaheim St; Pine Ave Bike Blvd, North of 11<sup>th</sup> St; Orange Avenue Backbone Bikeway; Atlantic Avenue Corridor improvements between Ocean Boulevard and San Diego Freeway; Willow Street Corridor Improvements between West City Limits to City of Signal Hill; and the Downtown Walkable Street Corners Project. Also notable is the Shoemaker Bridge Improvement Project that will continue its design phase into FY 25. The Shoemaker bridge project has a tentative construction end date in 2028. Traffic Engineering is also designing pedestrian medians and bulb-outs at all 20 pedestrian/bicycle priority intersections on the High Injury Network identified in the Safe Streets Long Beach Plan.

The following Complete Street Projects will begin construction in FY 25: Anaheim Street Improvements between LA River and PCH; Studebaker Road Improvements between 2<sup>nd</sup> St to Carson Ave; Del Amo Boulevard between Long Beach Boulevard and Atlantic Avenue; and Clark Avenue between Anaheim Street and Monlaco Road.

Construction is anticipated to be completed in early FY 25 for the following Complete Street Projects: Market St Improvements between LA River and Cherry Avenue and the Artesia Great Boulevard project.

<b>Project Title</b>	<b>FY 25 Proposed</b>
CIP Administration	\$10,322,096
Residential Street Improvements	\$26,500,000
Pothole Repairs	\$629,000

## FY 25 Capital Improvement Program (CIP)

Arterial Street Rehabilitation	\$20,945,000
Arterial Corridor Enhancements	\$10,332,904
ADA Rapid Response	\$550,000
ADA Curb Ramp Improvements	\$9,883,805
ADA Sidewalk Improvements	\$2,650,000
Crack/Slurry Seal Program	\$4,250,000
Alley Improvements	\$1,500,000
Bridge Improvements	\$1,300,000
Citywide Sinkholes Repairs	\$1,250,000
Bikeway and Pedestrian Improvements	\$3,050,000
Citywide Striping and Signage Program	\$4,600,000
Median and Parkway Improvements	\$1,400,000
Neighborhood Traffic Mitigation	\$500,000
Parking Garage Improvements	\$1,000,000
Parking Lot Improvements	\$700,000
Traffic Signal Improvements	<u>\$600,000</u>
<b>Total Mobility Projects</b>	<b>\$101,962,805</b>

### Parks

Long Beach has over 170 parks and over 3,000 acres of open space that are used daily by residents and visitors. Parks contribute greatly to the livability of Long Beach, host festivals, concerts and athletic events that draw thousands of visitors, bringing tourism revenue to local restaurants, hotels, and stores, all while boosting the local economy.

Many of Long Beach's parks and open spaces face aging infrastructure and there is a significant effort to rehabilitate existing park assets and infrastructure. Deferred critical repairs have resulted in necessary capital projects to rehabilitate various park sites, while providing an opportunity to upgrade to more energy and water efficient systems. Through intentional planning and design, new parks, playgrounds, and open spaces provide public benefits including access to nature, promoting healthy and active lifestyles, and providing spaces and places for children to learn, socialize, and play.

In FY 24, the City completed construction of the El Dorado Duck Pond, Rose Park Improvements, Davenport Park Gas Treatment and Control System (Phase 1) and Davenport Park Expansion (Phase 2), 14<sup>th</sup> Street Park Playground, El Dorado Park Sports Fields Fencing Improvements (Phase 2) and Basketball Court Improvements, Bixby Park Lighting Improvements, and initiated construction on the improvements at the historic Bixby Park Bandshell. The Department also initiated construction on several park projects including the MacArthur Park Rehabilitation, El Dorado Sports Fields Restroom and Joe Rodgers Park Restroom improvements. These improvements will not only modernize these restrooms but improve their overall accessibility.

## FY 25 Capital Improvement Program (CIP)

Other significant milestones in FY 24 include the bidding and advertising of three major projects including Ramona Park Playground, Silverado Park Playground, and the new 51<sup>st</sup> Street Greenbelt Park, which will add new recreational amenities and open space in the City of Long Beach.

<b>Project Title</b>	<b>FY 25 Proposed</b>
Park Open Space Development	\$4,300,000
Park Amenity Improvements	\$5,650,000
Park Facility Improvements	\$9,000,000
Park Lighting Improvements	<u>\$725,000</u>
<b>Total Parks Projects</b>	<b>\$19,675,000</b>

### Public Facilities

The City of Long Beach owns over 250 facilities throughout the City that continue to provide residents with public services, recreational opportunities, places to learn, and public safety. These facilities include but are not limited to the following: Libraries, Health Facilities, Fire Stations, and Police Stations.

In FY 22 the City completed the Citywide Facility Condition Assessment (FCA), which measures the Facility Condition Index (FCI) of each facility. The FCI helps prioritize funding for repairs that will address leaking roofs, HVAC, energy efficiencies, structural repairs, maintenance, and other deficiencies. The assessments form the basis of capital improvement programming and identify early action items for facility maintenance. The FCA/FCI data allows staff to identify and prioritize items in need of repair based on resources available at the time.

In FY 24, the following public facility projects were completed: Animal Care Facility Improvements, Bay Shore Library Window Replacement, Drake Park Community Center HVAC and Roof, Fire Department Academy Training Tower Repairs, Fire Department Headquarters Generator Project, Los Altos Library HVAC Improvements, Scherer Park Community Center Improvements. Design was completed for Drake Park Community Center Interior Improvements, North Police Department HVAC and Roof Replacement, and Police Department Crime Lab. Design is underway for the downtown Senior Center, El Dorado Branch Library Improvements, Main Health Building Improvements, West Health Department Childcare Facility, and the West Police Station Fire Alarm System Upgrades. Projects currently under construction are the Fire Station 14 Workforce Privacy Improvements, Police Department Training Academy, Mark Twain Library HVAC Energy Upgrades, Burnett Library Roof Replacement and HVAC Energy Upgrades, Bayshore Library Improvements, and the Los Altos Library HVAC Upgrades.

As part of the declared Homeless Emergency, the City initiated various projects to address homelessness. Construction is underway for Project Homekey at 5950 Long Beach Blvd., Project Homekey at 1725 Long Beach Blvd., Multi-Service Center Roof and HVAC Upgrades, Youth Shelter and Navigation Center, and Emergency Shelter Roof Upgrades. Design is underway for the Emergency Shelter Interior Improvements.

In FY 25, additional Health Department locations, Libraries, Fire Department facilities, and Police Department facilities are anticipated to begin design work and/or construction related improvements.



## FY 25 Capital Improvement Program (CIP)

Project Title	FY 25 Proposed
Facility Improvements	\$12,681,662
Energy Efficiency Improvements	<u>\$125,000</u>
<b>Total Public Facilities</b>	<b>\$12,806,662</b>

### Utilities

The Utilities section is comprised of three services to Long Beach residents. These critical services are provided by the Long Beach Utilities Department and the Public Works Stormwater Management Division. In addition, these departments work closely to coordinate water, gas, and street improvement projects in the right-of-way, adhering to the City's "Dig Once" policy preventing any newly paved or slurried street from being torn up. In FY 25, the Utilities budget includes a proposed total of \$76.4 million of new funding.

### Long Beach Utilities Department

#### *Natural Gas*

In November of 2022, voters approved Measure BB amending the city charter to merge existing natural gas and water utilities into one publicly operated entity, the Long Beach Utilities Department. The Gas operation under the new Utilities Department oversees approximately 1,900 miles of natural gas pipelines. The Department's objective is to provide safe and reliable natural gas service to over 150,000 businesses and households in the most cost-efficient manner. All operations are conducted in strict compliance with the U.S. Department of Transportation (DOT) pipeline safety regulations - 49 CFR Parts 190-199, and local government codes. The Department is engaged in a long-term pipeline infrastructure replacement program focusing on pipelines and facilities identified in its Distribution Integrity Management Plan (DIMP). In the past decade, over 100 miles of distribution main and service pipelines have been installed or replaced to improve overall system integrity.

The Capital Improvement Program (CIP) takes a system-wide approach to find patterns and targets pipeline replacement in areas of high risk or consequence within the system. There are numerous factors that affect which pipelines are selected for replacement including age, material type, leakage history, etc. In addition to pipeline replacement, the CIP addresses capital needs to maintain and operate regulator stations, valves, rectifiers, and other gas facilities. The CIP funds mandated critical programs such as cross bore inspections, meter replacement, gas facility surveys, cathodic protection, and equipment inspections. The Department will continue to work closely with the Public Works Department to coordinate gas pipeline projects with street improvement projects..

Project Title	FY 25 Proposed
Gas Pipeline/Facility Replacement	\$6,066,959
Sewer Lateral Inspections (Crossbores)	\$2,128,933
Meter/SCADA Replacement	<u>\$1,779,108</u>
<b>Total Natural Gas</b>	<b>\$9,975,000</b>

## FY 25 Capital Improvement Program (CIP)

### **Water**

Planned capital improvements to the City's water and sewer system encompass a wide range of projects. The Utilities Department will continue replacing aging infrastructure that is approaching the end of its useful life, including, but not limited to, water pipelines, valves, and meters. The Department continues to coordinate pipeline projects with Public Works' Street Rehabilitation projects. The Department issued bonds in FY 24 to facilitate an increased, multi-year, investment in its water infrastructure. Planned capital improvements include drilling new local water wells, refurbishing existing wells, and rehabilitating existing storage tanks.

These investments will improve production, conveyance, treatment, storage, and distribution of water to its customers. The Sewer CIP budget reflects a sustained level of investment in infrastructure, as the Department follows a programmatic CIP based on an updated Sewer Master Plan.

<b>Project Title</b>	<b>FY 25 Proposed</b>
<b>Potable Water</b>	
In-House Water Main Replacement	\$250,000
Meter Replacement Program	\$50,000
Large Valve Replacement	\$4,200,000
Water Pipeline Improvement	\$3,500,000
Water Pipeline Replace/Install	\$5,000,000
Alamitos Reservoir Improvements	\$4,200,000
Treatment Plant Improvements	\$2,800,000
New Well Development/Equipment	\$9,300,000
Well Rehabilitation	\$5,175,000
Recycled Water Improvements	\$0
Recycled Developer Projects	\$7,866,000
Water Facility Improvements	\$2,730,000
Water Miscellaneous	<u>\$5,000,000</u>
<b>Total Water Fund</b>	<b>\$50,071,000</b>

### **Sewer**

Sewer Pipeline Rehab	\$2,261,000
Sewer Pipeline Replacement/Installation	\$2,096,000
Sewer Lift Stations	\$4,183,000
Sewer Miscellaneous	<u>\$3,860,000</u>
<b>Total Sewer Fund</b>	<b>\$12,400,000</b>

## FY 25 Capital Improvement Program (CIP)

### Stormwater/Environmental Compliance

The Stormwater Management Division is responsible for maintaining the City's storm drain pipeline network and pump stations and monitoring stormwater quality within Long Beach. Water quality compliance is handled through the City's National Pollutant Discharge Elimination System (NPDES) permit. The City continues to invest Measure W funding to implement the Watershed Management Program, construct the Long Beach Municipal Urban Stormwater Treatment (LBMUST) Facility, install and maintain low flow and trash capture devices, and other projects to keep Long Beach in compliance with its NPDES permit.

Additional Stormwater projects being funded in FY 25 include: Citywide Catch Basin Trash excluder Installations, Los Cerritos Channel Sub-basin 4 Stormwater Capture Facility, LFD Systems, Deforest Wetlands Trash Mitigation, Skylinks Golf Course Stormwater Capture System, installation of a Trash Interceptor Barge, update to the 2004 Stormwater Master Plan, and Phase 2 of the Long Beach Municipal Urban Stormwater Treatment (LBMUST) project.

<b>Project Title</b>	<b>FY 25 Proposed</b>
Pump Station and Storm Drain System Improvements	\$1,000,000
Water Quality Improvements	<u>\$3,000,000</u>
<b>Total Stormwater</b>	<b>\$4,000,000</b>

### Harbor Department

The Harbor Department (Port), with its deep-water channels, rail access, and ongoing investment in state-of-the-art facilities, continues to be the preferred gateway for Asia-Pacific trade and an operational model for its environmental innovations and initiatives. The Port continues to implement a long-term capital improvement program designed to provide Port tenants with secure, state-of-the-art facilities capable of accommodating international trade and safeguarding regional economic benefits in a sustainable manner while ensuring economic vitality, ecological health, and community integrity.

The Port forecasts investing \$2.3 billion in capital projects over the next decade to increase cargo-handling efficiency and enhance competitiveness. This investment will also stimulate the economy by creating thousands of direct construction jobs along with indirect service and commercial opportunities.

In FY 25, the Port is forecasting to spend \$368.3 million on capital projects (excluding furniture, fixtures, and equipment). Most notable is a \$219.8 million investment to enhance rail infrastructure, with the centerpiece being the Pier B On-Dock Rail Support Facility Program budgeted at \$204.9 million. This project alone represents over half of the entire FY 25 capital budget. Other significant projects involve enhancing port-wide safety and security, critical infrastructure upgrades to sewer, street, water and storm water assets, and investing in projects that further advance the Port's environmental initiatives.

<b>Project Title</b>	<b>FY 25 Proposed</b>
<b>Terminal Projects</b>	
Pier G South Slip Development	\$1,735,000
Middle Harbor (Piers D/E/F)	\$3,723,000

## **FY 25 Capital Improvement Program (CIP)**

Pier S Paving & Storm Drain Improvements	\$1,193,000
Other Terminal Projects	<u>\$295,000</u>
<b>Total Terminals Projects</b>	<b>\$6,946,000</b>

### **Port-wide Security & Safety Projects**

Fireboat Station 20	\$0
Other Port-wide Security & Safety Projects	<u>\$12,378,000</u>
<b>Total Fire Station/Port-Wide Security &amp; Safety Projects</b>	<b>\$12,378,000</b>

### **Bridges & Railways**

Pier B On-Dock Rail Support Facility	\$204,900,000
Fourth Track at Ocean Boulevard	\$0
Terminal Island Wye Track Realignment	\$14,713,000
Gerald Desmond Bridge Demolition	\$2,883,000
Other Railway Projects	<u>\$200,000</u>
<b>Total Bridges &amp; Railways</b>	<b>\$222,696,000</b>

### **Other Capital Projects**

Port Infrastructure (Sewer, Street, Water, and Stormwater)	\$20,862,000
Information Technology Projects	\$16,335,000
Field Office Staff Facility	\$2,096,000
Berth D48-50 Transit Shed Abatement & Renovation	\$921,000
Pier G Metro Shiploader 2 Replacement	\$7,400,000
Engineering Miscellaneous Projects	\$33,631,000
Environmental Projects	\$5,000,000
Furniture, Fixtures, and Equipment	\$1,896,000
Pier Wind	\$25,000,000
Zero Emissions, Energy Resilient Operations Program (ZEERO)	\$11,989,000
Supply Chain Information Highway Project	<u>\$3,000,000</u>
<b>Total Miscellaneous Project</b>	<b>\$128,130,000</b>

<b>Total Harbor Department</b>	<b>\$370,150,000</b>
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