

ATTACHMENT 3

CITY OF HESPERIA

MEASURE I CAPITAL IMPROVEMENT PLAN

EXPENDITURE STRATEGY

Fiscal Year 2018/19 – Fiscal Year 2022/23

The majority of Measure I revenue is planned to be utilized for the following types of eligible transportation improvements and policy prioritizations:

- Intent to allocate 50% or less of anticipated annual revenue on General Program Categorical expenditures. Specifically, the Measure I funds will be utilized annually to supplement the City's Street Division General Maintenance Program. This includes preservation and upkeep of existing and newly reconstructed roads to original constructed condition in order to maintain its integral useful life and to provide safe, convenient, and practical intercity transportation.
- Intent to allocate the remaining 50% of the anticipated annual revenue on the rebuilding and betterments of local roadways and alternative transportation. Local roadway betterments are scheduled to be completed under the Annual Street Improvement Project which includes full removal and reconstruction efforts designated to roads in the City in the worst condition. Targeted construction areas included in the current annual project will provide a fourth reconstructed section of Main Street. Other transportation projects in the current fiscal year program include a second phase of the Main Street Traffic Synchronization Project, the Park and Ride Expansion Project, the Aqueduct Crossing Project at the bridge on Main Street, traffic signals at Ranchero Road and Maple Avenue as well as Ranchero Road and Cottonwood Avenue, the Sultana Street Improvements, the Muscatel Street Improvements, and the Bear Valley Road Bus Stop Relocation.
- Beginning in Fiscal Year 2018/19, the first payment of the Ranchero Road Interchange Public Share Reimbursement is due to the San Bernardino County Transportation Authority (SBCTA). This 10 year payback agreement between the City and SBCTA allowed the advancement of the Ranchero Road interchange project whereby the City borrowed its local share of the project funding from SBCTA. The City obligated Development Impact Fees (DIF) as the source of this repayment, but if insufficient DIF fees are collected, SBCTA will withhold the City's annual Measure I allocation to make the payment whole on an annual basis. It is estimated that approximately 250 new homes will need to be constructed each year to meet the demands of this agreement. City Staff predicts the City will be able make the payment using DIF funds in Fiscal Year 2018/19 as well as at least a portion of the payment for FY 2019/20. Staff is still anticipating that a portion of the City's Measure I annual allocation may have to be scheduled in FY 2019/20 to cover the agreement.