

CIP Funding Process and Sources

The Finance and Administrative Services Department provides the estimated revenue and/or fund balances for all funding sources available for allocation in the Capital Improvement Program (CIP). The Public Works Department reviews and evaluates project scope and location to determine appropriate funding sources and presents the proposed projects with proposed funding sources to the City Council for review and approval.

Funding	Source and Uses
UNRESTRICTED FUNDS	
CIP Reserve	General Fund operating balances as approved by the City Council and a portion of lease revenues. There are no restrictions on the type or location of projects to be funded.
Construction Tax	Revenues derived from construction and real property conveyance tax fees. Expenses are restricted to implementation of the CIP, including servicing bonds issued in connection with capital improvements; however, there are no restrictions on the type or location of projects.
Conveyance Tax	Revenues derived from Measure G creating an additional tier to existing property transfer tax for transactions over \$6.0 million. The new tax passed is Fifteen Dollars (\$15) for each One Thousand Dollars (\$1,000) of the total sales price. Council adopted a resolution establishing programmatic goals and spending priorities for the revenue generated by Measure G as follows: 40% to Public Safety Facilities, 30% to parks and Open Space Acquisition, 20% to Affordable Housing and the remaining 10% for general governmental services through the CIP.
ENTERPRISE FUNDS	
Water Fund	Revenues derived through fees and service charges charged directly to the users. Restricted to operation and maintenance of all potable and recycled water facilities required for supply, distribute, and metering.
Wastewater Fund	Revenues derived through fees and service charges charged directly to the users. Restricted to operation and maintenance of all facilities required to transport and process wastewater.

Funding	Source and Uses
Solid Waste Management Fund	Revenues derived through fees and service charges charged directly to the users. Restricted to solid waste collection, transportation, processing, and recycling services of the City and certain costs related to maintenance of the City's landfill postclosure site.
TRANSPORTATION FUNDS	
Gas Tax Fund	As prescribed by state law, restricted to transportation purposes, primarily: <ul style="list-style-type: none"> • Road construction; • Maintenance and repair of roads, highways, bridges, and culverts; • Improvement of public transportation, trade corridors, and infrastructure promoting walking and bicycling; • Reduction of congestion on major corridors; and • Certain administrative costs.
Senate Bill 1 (SB 1)/Road Maintenance and Rehabilitation account (RMRA)	Revenue from the state, derived from an increase in diesel excise and sales taxes, gasoline excise tax, the assessment of an annual transportation improvement fee based on the value of the vehicle, and an annual \$100 Zero Emissions Vehicle fee. The use of the City's share of formula funds received from the state is primarily restricted to road infrastructure maintenance and repair.
Vehicle Registration Fee—2010 Measure B	In November 2010, Santa Clara County voters approved a measure to increase the annual Vehicle Registration Fee (VRF) by \$10 for transportation-related projects. This fund is managed by the Santa Clara County Valley Transportation Authority (VTA), and 80% is allocated to the cities and County of Santa Clara based on city population and County road and expressway lane mileage; primary use of this funding is for road infrastructure maintenance and repair.

Funding	Source and Uses
<p>VTA Measure B 2016 Sales Tax</p>	<p>In November 2016, Santa Clara County voters approved Measure B, a 30-year, one-half-cent Countywide sales tax to enhance transit, highways, expressways, and active transportation (bicycles, pedestrians, and complete streets):</p> <ul style="list-style-type: none"> • The City receives an annual allocation from the Local Street and Road program to be used for road infrastructure maintenance and repair with the option to use for congestion relief projects whenever the City’s average Pavement Condition Index (PCI) is over 70.
<p>General Fund - Transportation Reserve</p>	<p>The Transportation Reserve was initially funded with \$4 million from General Fund surplus. Based on a Council resolution adopted in 2018, 80% of the increased revenue from the business license tax (2018 Measure P) is also placed into the Transportation Reserve to be used for transportation and innovative transit solutions, including:</p> <ul style="list-style-type: none"> • Mountain View Community Shuttle; • Caltrain grade separation projects; • Bicycle and pedestrian improvements; and • New transit systems to employment centers.

SHORELINE REGIONAL PARK COMMUNITY FUND

The State Legislature created the Shoreline Regional Park Community (Shoreline Community or SRPC). Tax increment derived on the difference between the frozen base year value and the current fiscal-year-assessed value and other revenues generated from the activities of the Shoreline Community are to be utilized to develop and support the Shoreline Community and surrounding the North Bayshore Area. In addition to annual operations and maintenance expenses, the SRPC is used for the following types of capital projects to support the North Bayshore Area:

- Transportation improvements, including North Bayshore Precise Plan Priority Transportation Improvements;
- Sea level rise infrastructure improvements;
- Landfill Postclosure; and
- Utility (water, sewer, storm drain) improvements.

Funding	Source and Uses
DEVELOPMENT FEES AND CHARGES	
Impact Fees	<p>Uses are restricted to projects/improvements identified in the relevant impact fee's nexus study:</p> <ul style="list-style-type: none"> • Shoreline Community Development Impact Fee—Sewer; • Shoreline Community Development Impact Fee—Transportation; • Shoreline Community Development Impact Fee—Water; and • Citywide Transportation Impact Fee (TIF).
Utility Capacity Charges	Used for new or upsized water and sewer utility mains to meet growing service demands Citywide.
Storm Drain Fund	Revenues derived from off-site drainage fees authorized by Mountain View City Code Section 28.51, which are restricted for storm drainage capital improvements.
Park Land Dedication Fund	Revenues derived from fees authorized by Chapter 41 of the Mountain View City Code, which are restricted for park and recreation projects.
Community and Public Benefit Funds	A developer may be required by Council under certain conditions to provide community or public benefits, such as area improvements or affordable housing, as a result of their development project. A developer may pay a fee in lieu of providing these community or public benefits, which will then be used by the City to provide capital improvements in the general area of the development as approved by the City Council.