

Capitola council ponders \$6.5 million budget

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A \$6.5 million budget is being proposed for the city of Capitola by City Manager Steve Burrell.

The recommended budget is \$603,626 smaller than the \$7,093,134 budget approved by the City Council last year.

Still, it includes more than a million dollars in public works and community facility projects.

The City Council is planning to hold a marathon budget session next Thursday, beginning at 5:30 p.m. Burrell is asking the council to spend two hours reviewing the budget itself and then, at 7 p.m., listen to presentations from the dozen or so

groups seeking a portion of the city's federal revenue sharing funds.

The availability of any federal revenue sharing fund for the cities and the counties is still questionable. The Reagan Administration wants to eliminate revenue sharing, but Burrell is forecasting, based on the budget now being considered by the House of Representatives, that the city will receive between \$81,000 and \$108,000.

"The overall budget can be best described," Burrell said in his budget message to the City Council, "as one that continues to reflect policies of improving Capitola and providing a number of long desired facilities for the community."

"The parking program is

well on its way and will result in a major improvement in the Village area when completed. The gymnasium (at New Brighton Middle School) will be under construction this summer as will the community center. A number of road improvements are planned and the continuation of our pavement management system should allow us to see the program become a preventative program in the near future."

Revenues increased 14 percent over Burrell's projections for this year, and he believes the growth will continue this year.

But despite the increased revenues, the city's "estimated balances" — its savings accounts — will be cut from \$1,250,517 this June to just \$531,

154 in June 1986.

That's as low as Burrell wants to see the city's bank account go. A lot of the city's surplus funds have been poured into the purchase of the Pacific Cove Mobile Home Park, the purchase and installation of, first, the parking banks, and now parking meters.

Burrell is also telling the council that it's time to either set up the Village assessment district and start charging business license surcharges in the Village, or find some other revenue sources to replace that missing money.

"The revenue from the parking meters from a seasonally adjusted basis appears to be as projected," Burrell adds, but it's not enough to start repaying

the city's general fund for the loans made to buy Pacific Cove and purchase the parking meters and banks.

So far as the day-to-day operations of the city is concerned, Burrell's budget is essentially a status quo budget. He is recommending that the council approve the hiring of just one new employee next budget year — an account clerk to assist Finance Officer Ardith Fugate.

Some of the capital improvement projects included in the city budget have already been approved, but they won't actually be built and paid for until the new budget year begins.

This is also the first year that the Redevelopment Agency will spend significant amounts of money: Burrell is recommend-

ing \$350,000 for seven city-owned low income housing units on 38th Avenue, \$600,000 to rebuild 42nd, 43rd and 44th avenues; and \$200,000 for median strips on 41st Avenue between Clares Street and Gross Road, and on Capitola Road between 41st Avenue and 45th avenues.

Another \$284,000 in federal highway fund will be spent for the 41st Avenue medians between Capitola Road and the railroad tracks.

The city will also spend \$75,000 to rebuild the 1500 block of Wharf Road and the entrance to the Capitola Wharf; \$650,000 for the community gymnasium, \$10,000 for the Rispin Mansion library feasibility study, and \$184,000 to start work on the Jade Street Community Center.

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May 24, 1985
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