

# **2017 Proposed Capital Budget Overview**

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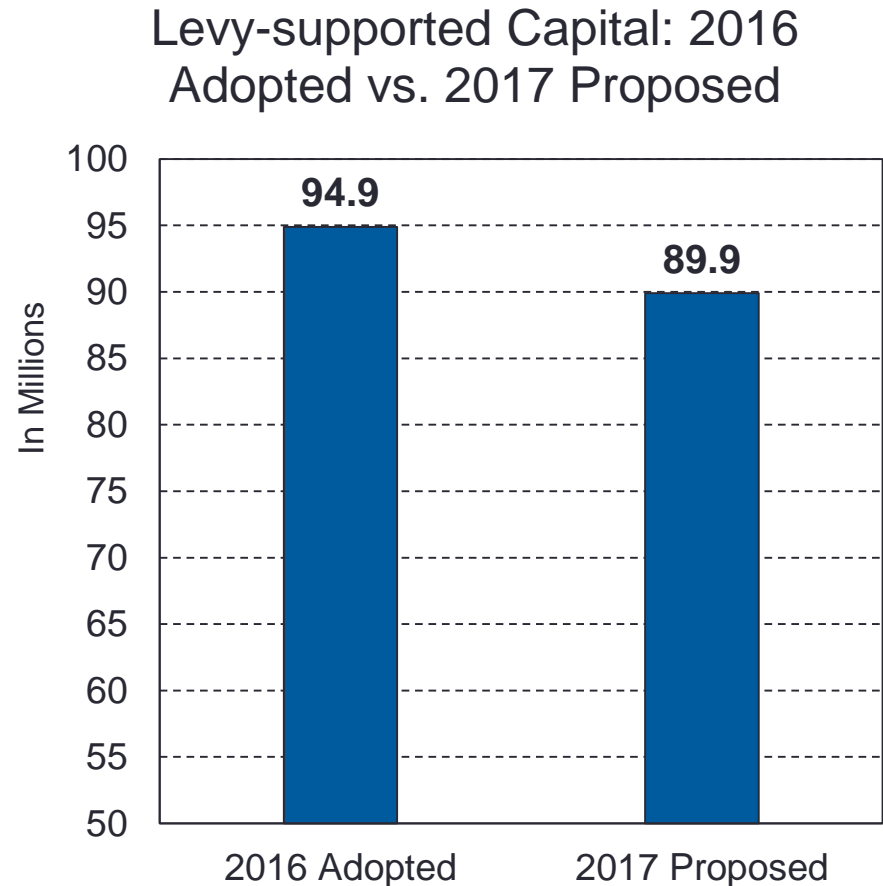
**Finance & Personnel Committee  
October 4, 2016**

# 2017 Proposed Capital Budget Summary

- ❑ 2017 General City Proposed Capital Budget
  - Levy-Supported: \$89.9 million
  - TID: \$44 million
  - Grant & Aid: \$44 million
  - Cash Revenues: \$15.6 million
  - Special Assessments: \$917,000
  - **Total General City \$194.5 million**
  
- ❑ 2017 Enterprise Funds Proposed Capital Budget
  - Parking Fund: \$3.4 million
  - Sewer Maintenance Fund: \$38.7 million
  - Water Works: \$29.2 million
  - **Total Enterprise Funds: \$71.3 million**

# 2017 Proposed Capital Overview: Levy-supported Capital

1. Levy-supported capital decreased by \$5 million from 2016
2. Slight increase in funding for Local and High Impact Street Programs
3. Funds City Hall Foundation Restoration (\$13m) and Police Administration Building (\$5.5m) projects



# 2017 Proposed Capital Budget Overview: Levy-supported Capital

- Facility Projects- \$27.6 million
  - \$13 million for City Hall Foundation Restoration
  - \$5.5 million for Police Administration Building
  - \$2.3 million for DPW Facilities projects
  - \$1.8 million for ADA Compliance (Buildings)
  - \$1.6 million for new Branch Library construction
  - \$1.2 million for Central/Neighborhood Libraries
  - \$1.2 million for Fire Station repairs
  - \$438k for LRB Research Office upgrade
  - \$280k for Police District Station repairs
  - \$226k for Health Dept. Facilities projects

# 2017 Proposed Capital Budget Overview: Levy-supported Capital

- ❑ IT Projects- \$4.8 million
  - \$1.7 million for Police RMS
  - \$1.3 million for Financial System upgrade
  - \$520k for Assessment System upgrades
  - \$384k for Municipal Court Case Tracking System
  - \$900k for Various ITMD projects and upgrades
  
- ❑ Strong Neighborhoods- \$7.4 million
  - \$2.1 million for Concentrated Blight Elimination
  - \$1.55 million for In Rem Property program
  - \$1.17 million for Strong Homes Loan program
  - \$1.1 million for Commercial Investment Program
  - \$800k for Code Compliance Loan program
  - \$450k for Housing Infrastructure Preservation Fund
  - \$250k for Commercial In Rem Property program

# 2017 Proposed Capital Budget Overview: Levy-supported Capital

## □ Infrastructure Programs- \$38.9 million

- \$6.9 million for Bridge programs
- \$19.6 million for Street programs
  - \$8 million for High Impact Streets
  - \$7.5 million for Local Streets
  - \$4.1 million for Major Streets
- \$7 million for Street Lighting
- \$2.6 million for Traffic Control
- \$1.5 million for Sidewalk Replacement
- \$800,000 for Electrical Manhole Repair
- \$500,000 for Alley Replacement

# Changes to Special Assessments in 2017 Proposed Budget

- ❑ All Special Assessments payable over 10 years
  - Increased from 6 years currently
- ❑ Increase Recovery Rate for Alleys, Sidewalks
  - Sidewalks increase from \$2.15/ln. ft. to \$3.00/ln. ft.
  - Alleys increase from \$19.00/ln. ft. to \$45.00/ln. ft.
- ❑ Property owner portion of lead service line replacement
  - Lesser of \$1,600 or 1/3 cost of replacing private portion of lead service line

# 2017 Proposed Capital Budget Overview: Enterprise Funds

- ❑ Parking Fund- \$3.3 million
  - \$1.6 million for first phase of multi-year project to refurbish MacArthur Square Parking Garage
  - \$1 million for Single Space Credit Card Meters
  
- ❑ Sewer Maintenance Fund- \$38.7 million
  - \$28 million for Sewer Relay
  - \$1.65 million for Inflow/Infiltration Reduction
  - \$1.5 million for Flood Mitigation



# 2017 Proposed Capital Budget Overview: Enterprise Funds

- ❑ Water Works- \$29.2 million
  - \$22.75 million for 15 miles of Water Main Replacement
  - \$1.85 million for Treatment and Facility improvements at Linnwood and Howard plants
  - \$2.3 million for Storage Facility improvements

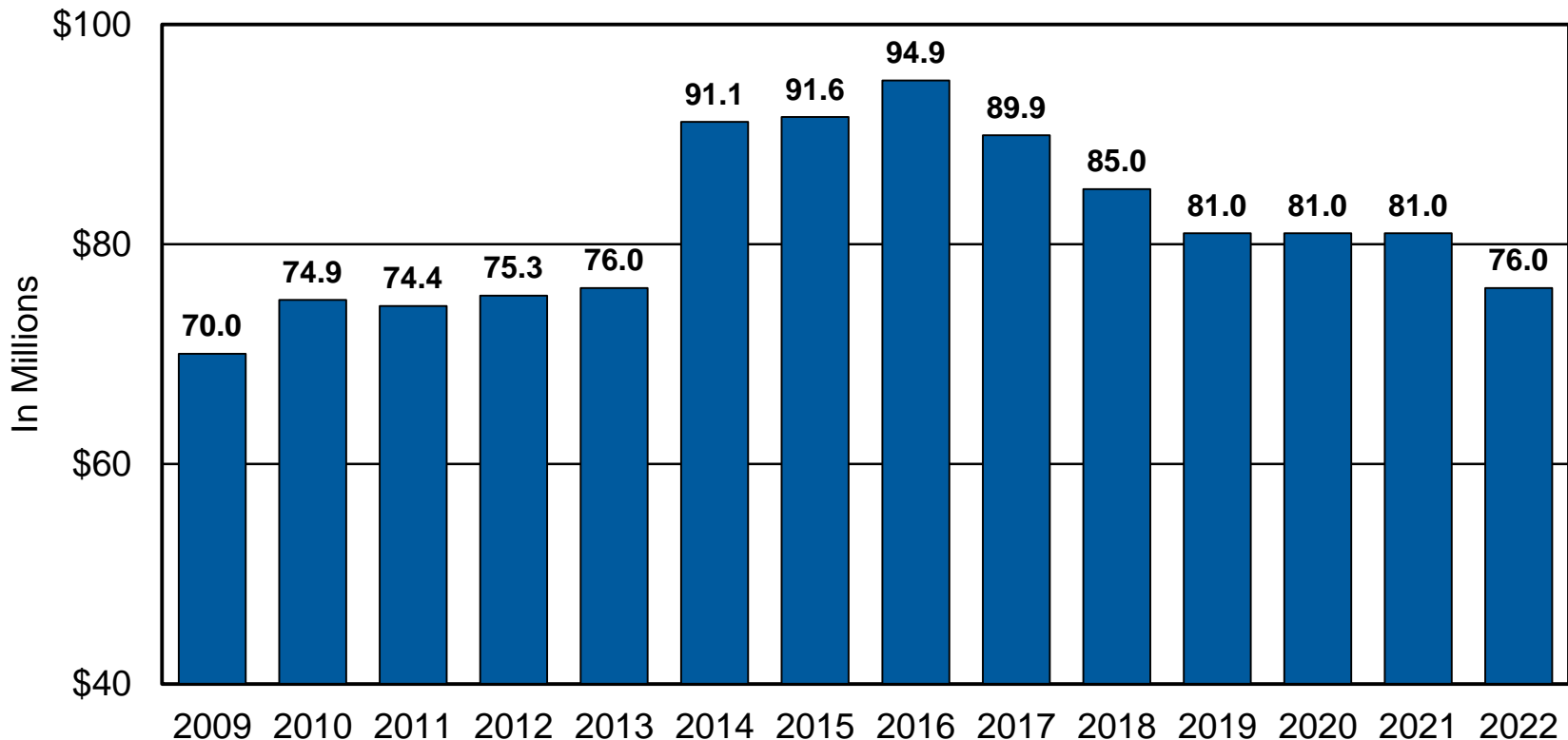
# Outlook for 2017-2022 Capital Improvements Plan

- ❑ Recent increases in levy-supported borrowing have contributed to higher debt service levy
- ❑ Near-term pressures on levy-supported capital budget expected to recede by end of 6 year plan
  - City Hall Foundation Restoration project
  - Police Administration Building Remodel
  - ADA Compliance
  - Strong Neighborhoods Programs
- ❑ Long-term pressures on levy-supported capital budget
  - Lead Service Line Replacement
  - Traditional Infrastructure
    - Streets, Bridges, etc.

# Outlook for 2017-2022

## Capital Improvements Plan

Levy-supported Capital Improvements Program  
2009 through 2016, 2017 Proposed, 2018 through 2022 Planned



\* Does not include school purpose borrowing.

# Key Takeaways

- ❑ Funding for Facility projects remains a challenge
  - PAB, City Hall Foundation
- ❑ Core infrastructure funding remains strong
  - Local/High Impact Streets- slight increase from 2016
  - Funding for secondary infrastructure programs to be supplemented by unencumbered carryover balances
- ❑ 2017 Proposed Budget initiates first year of a scale-down of levy-supported Capital Budget in order to limit the impact of future borrowing on debt service levy