

Capital Improvement Plan

Planning Board Public Input Meeting

November 19, 2015

NH Legal Authority

- The Planning Board has authority to oversee a Capital Improvement Program (RSA 674:5)
- Non-regulatory function of the Planning Board
- Supports the Planning Board's responsibilities to prepare and amend the City's Master Plan
- Informs the development of the City's annual budget

*...a recommended program of municipal capital improvement projects projected **over a period of at least 6 years.***

...may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds.

*...sole purpose and effect... shall be to aid the mayor...and the budget committee in their consideration of the **annual budget.***

City Charter Requirements

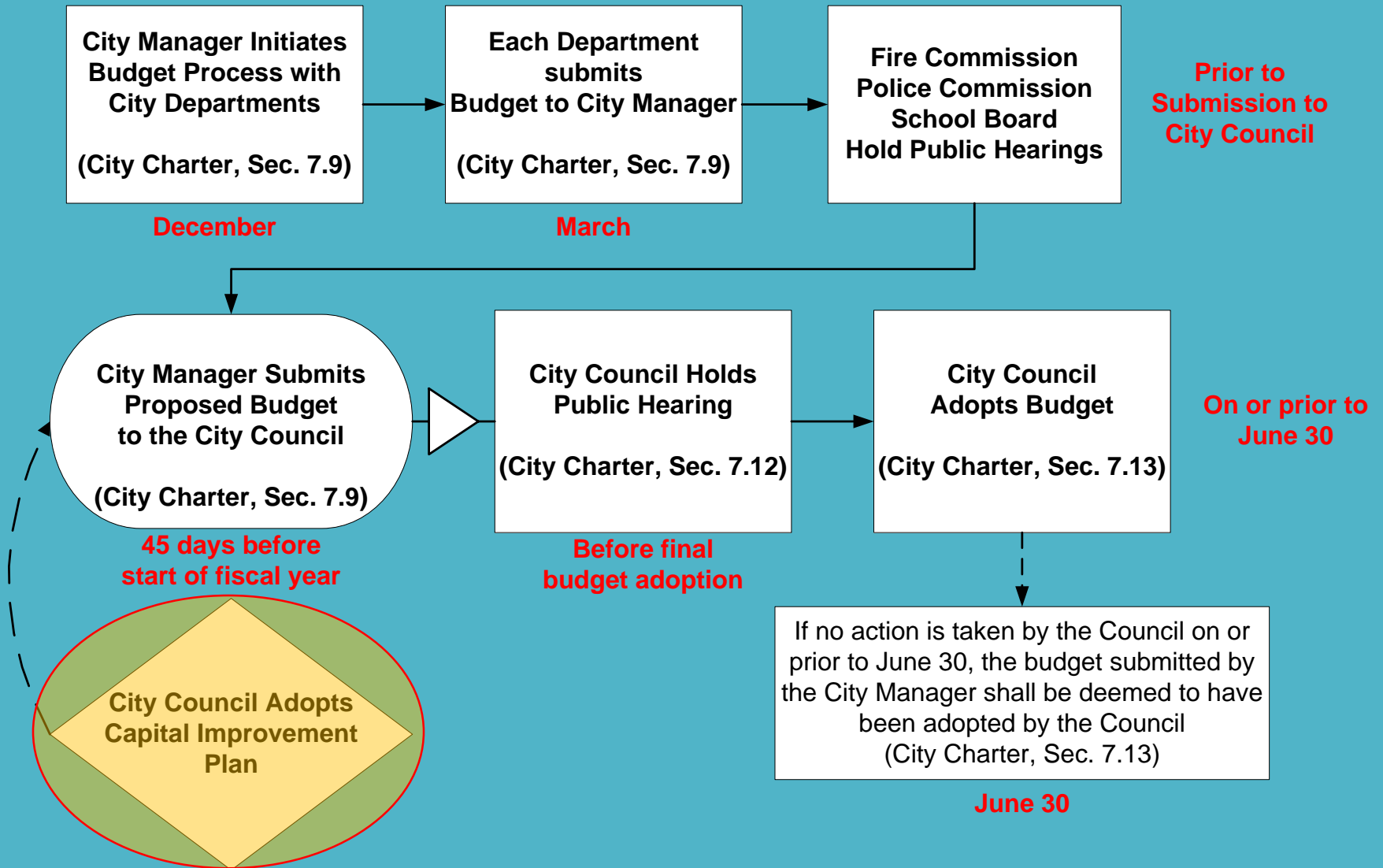
Manager must submit to the Council a six (6) year capital program at three (3) months prior to submission of the City budget.

The City Council must hold a public hearing on the CIP and must adopt it on or before the date for submission of the budget.

The capital program shall include:

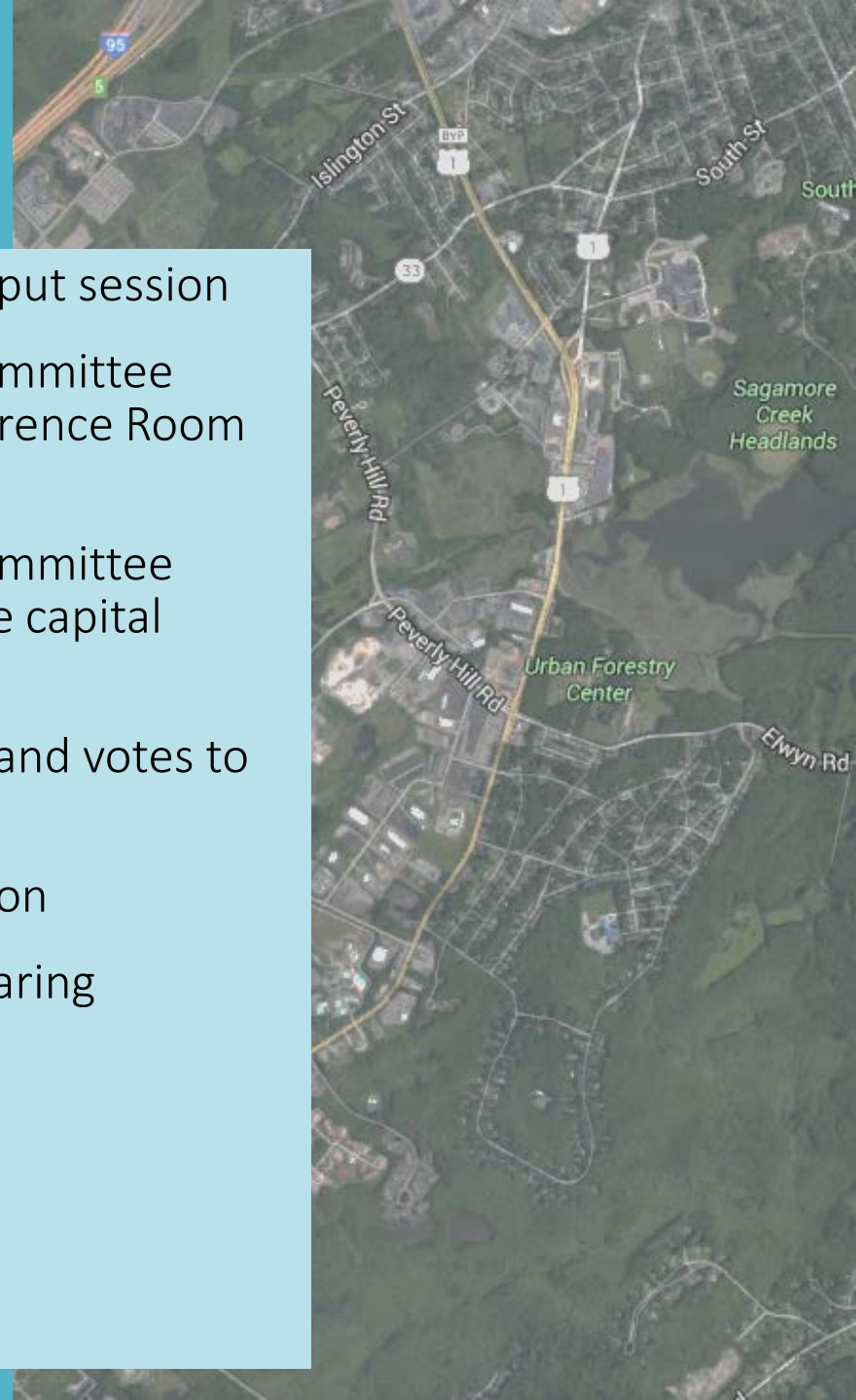
1. A general summary of its contents;
2. A list of all capital improvements proposed during the next six (6) fiscal years;
3. Cost estimates, method of financing, recommended time schedules;
4. Estimated annual operating and maintenance costs

CIP and the Annual Budget Process



Timeline

- November 19 -- Planning Board public input session
- December 2 -- Planning Board CIP Subcommittee reviews citizen CIP requests (6pm, Conference Room A, City Hall)
- December 9 -- Planning Board CIP Subcommittee meets with each department to prioritize capital requests
- January 21 -- Planning Board adopts CIP and votes to submit the CIP to City Council
- February 8 -- City Council CIP Work Session
- February 16 -- City Council CIP Public Hearing
- March 7 -- City Council Adoption of CIP



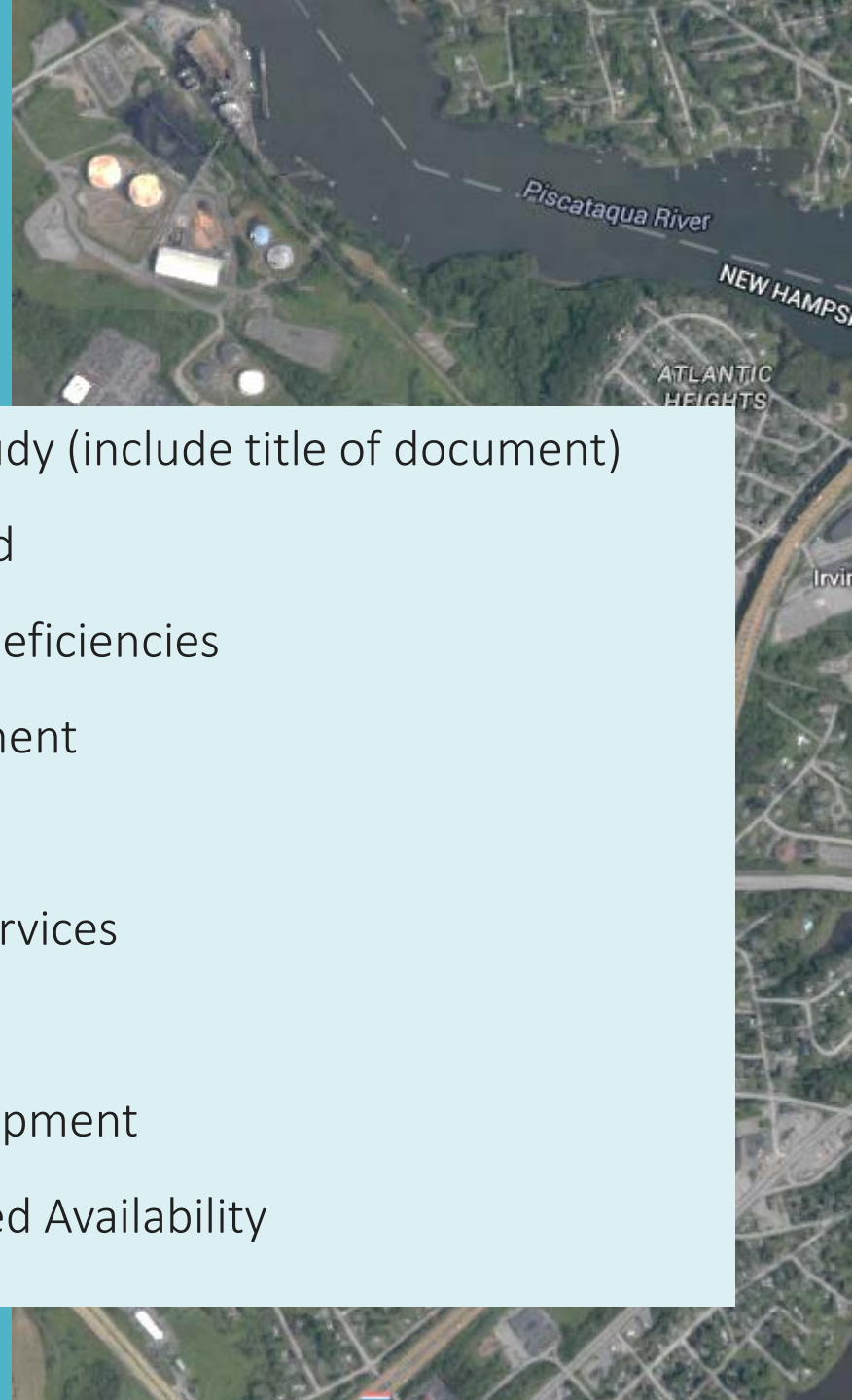
Capital Improvement Projects include one or more of the following:

- ❖ Land acquisition;
- ❖ Construction or expansion of a new facility or utility lines;
- ❖ Non-recurring rehabilitation of a facility provided the cost is \$50,000 or more;
- ❖ Design work or planning study related to a capital project or implementation of the Master Plan;
- ❖ Any item or piece of equipment, non-vehicular in nature, that costs more than \$50,000 and has a life expectancy of 5 or more years; or
- ❖ Replacement and purchase of vehicles which have a life expectancy of more than 5 years or cost more than \$50,000.

A capital improvement is a major expenditure, which is made infrequently or is non-recurring.

Project Justification Criteria

- ❖ Identified in Planning Document or Study (include title of document)
- ❖ Addresses Public Health or Safety Need
- ❖ Alleviates Substandard Conditions or Deficiencies
- ❖ Responds to Federal or State Requirement
- ❖ Improves Quality of Existing Services
- ❖ Provides Added Capacity to Existing Services
- ❖ Reduces Long-Term Operating Costs
- ❖ Provides Incentive to Economic Development
- ❖ Eligible for Matching Funds with Limited Availability



Methods of Financing

Capital Improvement Plan projects are funded from a variety of sources.

Deciding on which method of financing for a project depends on a number of factors:

- ❖ Cost of the project
- ❖ Its useful life
- ❖ Eligibility of the project to receive funds from other than local taxes
- ❖ Long-term and short-term financial obligations of the City
- ❖ The project's relative priority in terms of implementation

The Capital Improvement Plan seeks to maximize the potential benefits from all revenue sources.

General Fund

Federal / State Grants

General Obligation Bonds

Revenues (Parking,
Water, Sewer)

State Revolving Loan
Fund

Public Private Partnership

CIP Project Prioritization

The following factors are considered when selecting the priority level:

- Project requirements – Is the project required to meet legal, compliance, or regulatory requirements?
- Timing – How soon does the project need to be implemented to address the needs identified?
- Strategic alignment – To what extent is the project aligned with other city projects, policies, processes?
- Public value – How much value does the outcome of this project provide to the general public? How much public support is there for implementing this project?
- Finance planning – Is the project fundable in the time frame identified, are there available funding sources for this project?

Priority Levels

- A) implement within 3 years
- B) implement within 6 years
- C) implement after 6 years
- O) ongoing allocations of funding are required for this project

CIP FY2017-2022 Requests to Date

- ❖ Total Individual Project Requests = 90
- ❖ Existing projects (carried forward from previous CIP) = 67
- ❖ New project requests = 23
- ❖ Priorities (as currently proposed)
 - (A) complete within 3 years = 44%
 - (B) complete within 6 years = 21%
 - (C) complete after 6 years = 5%
 - (O) ongoing allocations of funding = 30%
- ❖ Total FY17 General Fund requests = \$2,312,400

CIP impact on General Fund Budget

(requests to date)

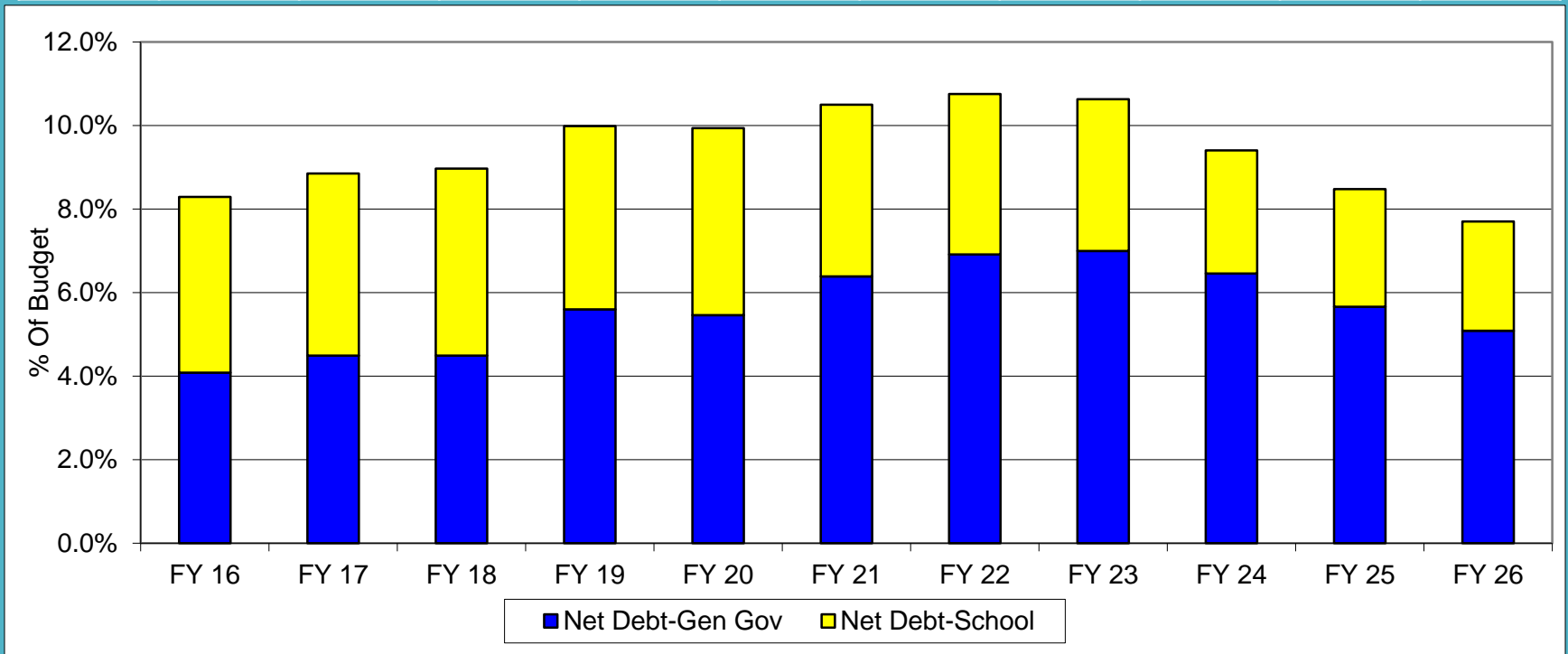
- ❖ The goal for the Annual Budget portion allocated for the Capital Outlay (CIP) is 2% of the prior year's **General Fund Budget**

Fiscal Year	Requests (General Fund portion)	General Fund Target (2% of Prior Year Budget)	City Council adopted CIP	City Council adjustment for final Budget
2016	\$2,330,000	\$1,900,000	\$1,850,000	\$1,765,000
2017	\$2,312,400	\$2,020,900		

CIP impact on Debt Service -- *PRELIMINARY*

- ❖ Per City policy, the annual target for total Debt Service is no more than 10% of annual appropriation

FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
8.29	8.85	8.97	9.99	9.94	10.50	10.75	10.63	9.41	8.48	7.70



CIP citizen requests received to date

Project Location	Description	Type
Peverly Hill Rd	New construction	New sidewalk
FW Hartford Dr & TJ Gamester Ave	Rehabilitation of existing facility	Improve sidewalks
Burkitt St	Rehabilitation of existing facility, new construction	Repaving, add sidewalk, add 4-way stop
Islington St from Cornwall to Bridge	New construction	Corridor improvement and sidewalks
Islington Creek Neighborhood Street improvements	Rehabilitation of existing facility	Sidewalks and street improvements
McDonough St	Rehabilitation of existing facility	Sidewalks and street improvements
Lafayette Rd (McKinley Rd to Rye town line)	New construction	Add sidewalks and pedestrian traffic signals

Public Input Session