

Capital Improvement Planning Process

Planning Board

September 20, 2018

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

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.

cityofportsmouth.com/planportsmouth/capital-improvement-plan

The screenshot displays a web browser window with the URL <https://www.cityofportsmouth.com/planportsmouth/capital-improvement-plan>. The page header includes the City of Portsmouth logo, the Planning Department name, and a navigation menu with items: Boards, Land Use & Zoning, Plans & Reports, Projects, Resources, Staff, and Map Geo. A search bar is also present. The main content area features the title "CAPITAL IMPROVEMENT PLAN" and a brief description: "The Capital Improvement Plan (CIP) sets forth a 6-year schedule and financing strategy to accomplish necessary public improvements and meet infrastructure needs. The Planning Board oversees the development of the Capital Improvement Plan, which supports the Board's responsibilities to prepare and amend the City's Master Plan." To the right, a "GO TO SECTION" menu lists: About CIP, CIP Process, Funding, and CIP Documents. Below this, the "About CIP" section is expanded, starting with "What is the CIP?" and "Why is the CIP important?".

City of PORTSMOUTH NH

PLANNING DEPARTMENT

Boards Land Use & Zoning **Plans & Reports** Projects Resources Staff Map Geo

City of Portsmouth > Planning Department > Capital Improvement Plan

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) sets forth a 6-year schedule and financing strategy to accomplish necessary public improvements and meet infrastructure needs. The Planning Board oversees the development of the Capital Improvement Plan, which supports the Board's responsibilities to prepare and amend the City's Master Plan.

GO TO SECTION

- About CIP
- CIP Process
- Funding
- CIP Documents

About CIP

What is the CIP?

The primary purpose of the CIP is to inform the development of the City's annual budget. According to the City Charter, each year the CIP must be submitted to the City Council at least three-months prior to the submission of the City budget.

Why is the CIP important?

Along with the annual Budget, the CIP is a management tool that endeavors to balance competing infrastructure and capital investment needs with fiscal constraints. The purposes of the CIP are to:

- Implement needed improvements on a scheduled basis
 - Provides a complete picture of the City's major development needs;
 - Coordinates activities of various City departments and agencies;

Schedule

October

- Deadline for citizen project suggestions (Oct. 15)

November

- Planning Board public information meeting (Nov. 15)

December

- Planning Board CIP Advisory Committee evaluates requests

January

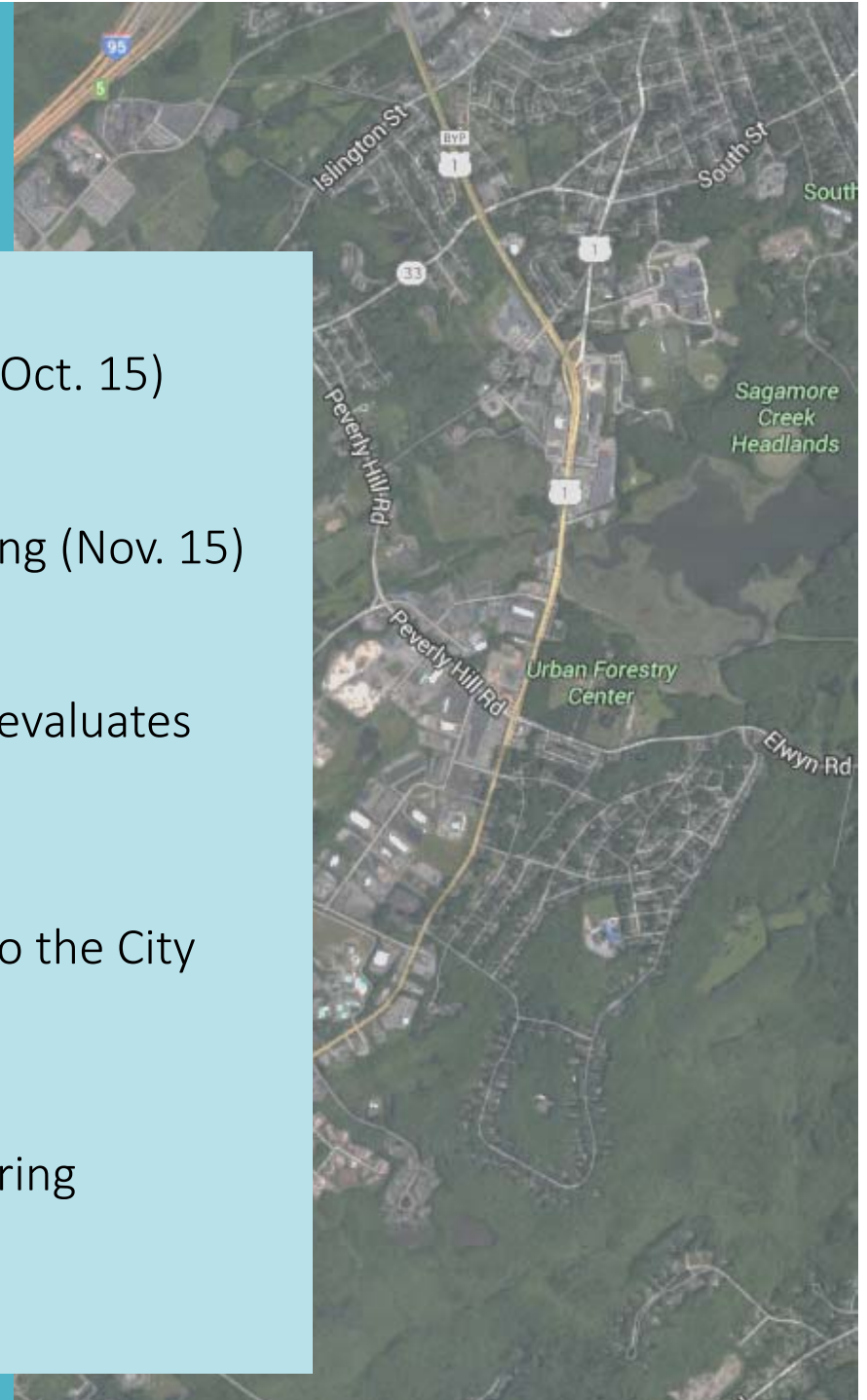
- Planning Board adopts CIP and submits to the City Council

February

- City Council work session and public hearing

March

- City Council CIP Adoption



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.

CIP Project Requests

- ❖ All project requests are submitted via City Departments to the City Manager.
- ❖ New Project Request
 - Clear statement of need
 - Location
 - Justification for the project
 - Costs
 - Net effect on the operating budget
 - Implementation schedule
- ❖ Current Projects
 - Funding request adjusted if additional funds are required
 - Implementation schedule updated



Capital Improvement Program Project Suggestion Form

Please use this form if you have a project to recommend for consideration in the Capital Improvement Program. All project requests will be reviewed by the appropriate City Department and shared with the Planning Board CIP Subcommittee for consideration in this year's or future year's Capital Improvement Program.

Submitter's Name (please print) _____

Submitter's Address _____

Project Location _____

Project Type (please check one)

- Land Acquisition
- Construction or expansion of a new public facility, street, or utility
- Rehabilitation of a facility
- Design work or planning study
- Equipment (non-vehicular)
- Replacement or purchase of vehicles
- Other _____

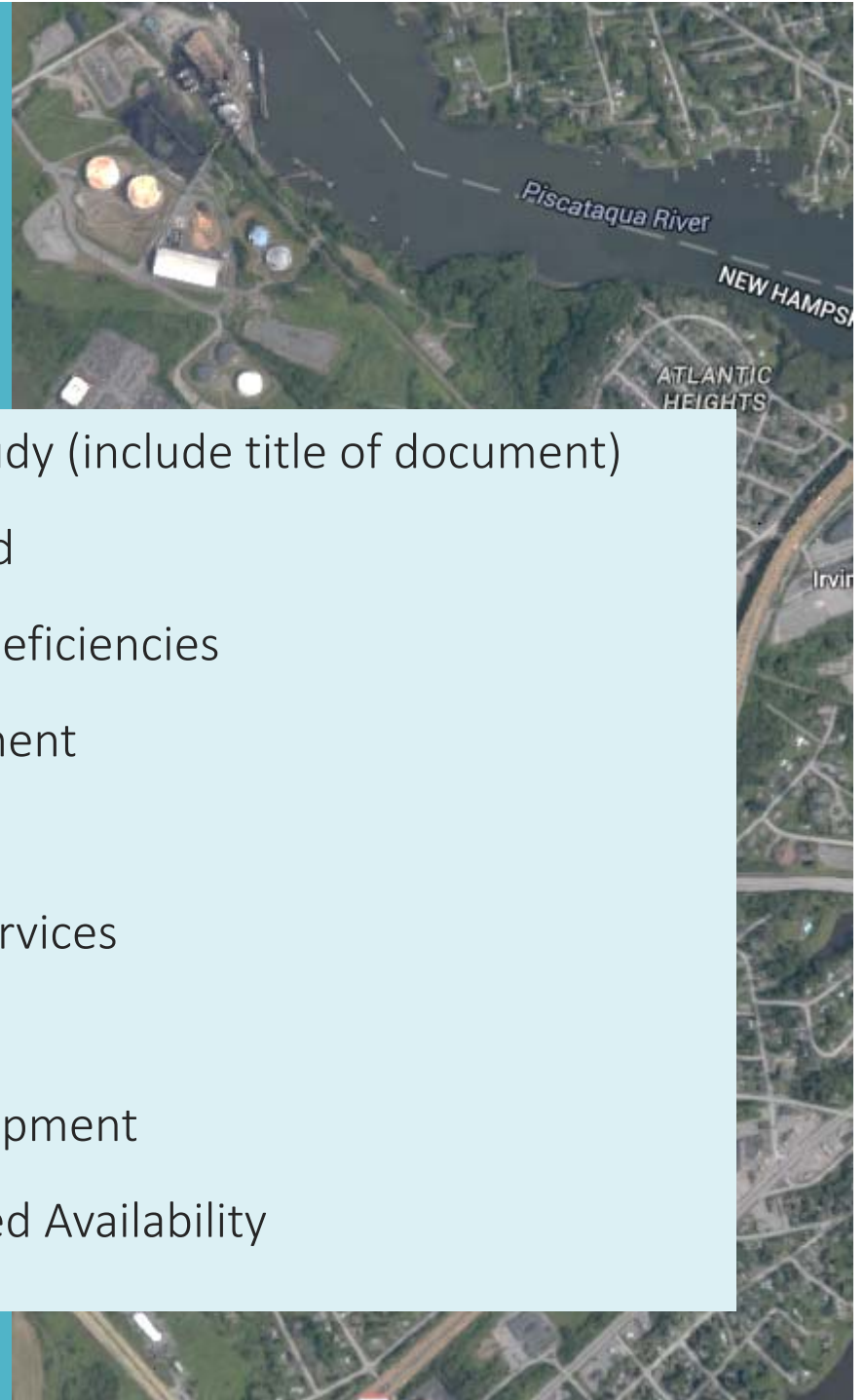
Project Description

Project Justification (check all that apply)

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

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
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Sources for CIP Projects

- ❖ Federal state mandates or regulations
- ❖ Infrastructure / Facility updates or expansions
- ❖ Planning priorities
 - Related to implementation of the Master Plan or related studies
- ❖ Policy priorities
 - Specific direction provided by City Council

- ❖ Master Plan and supporting documents, such as:
 - Bicycle & Pedestrian Plan
 - Climate Change Vulnerability and Adaptation Plan
 - Hazard Mitigation Plan
 - Public Urban Lands Assessment
- ❖ State or federal mandates or requirements, such as:
 - Americans with Disabilities Act compliance
 - US EPA Municipal Separate Storm Sewer System requirements
 - Clean Water Act
- ❖ Facility Needs Assessments and Studies
- ❖ Pavement Management Index (Roads) and Sidewalk Assessment Inventory
- ❖ Regional and State Transportation Improvement Plans (TIPS)
- ❖ Water System Master Plan
- ❖ City Policies, such as:
 - Complete Streets
 - Bike and Walk Friendly Communities

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 and the Annual Budget

