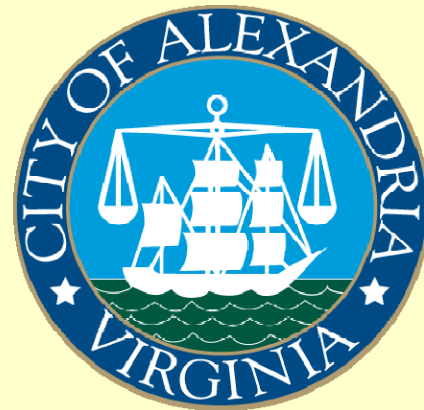


FY 2011 Budget Work Session

FY 2011 – FY 2020 Capital Improvement Program

February 24, 2010



Comparison to Prior Year CIP

FY 2010 Approved to FY 2011 Proposed "6 Year" and "10 Year" Plans				Change FY'10 Approved to FY'11 "6 Year"	
	FY 2010 Approved	FY 2011 "6 Year"	<i>FY 2011</i> <i>"10 Year"</i>	\$	%
City Base CIP	\$355.8	\$366.9	\$612.4	\$11.1	3.1%
Special Revenues	\$14.5	\$11.3	\$15.3	-\$3.2	-22.1%
TOTAL BASE CIP	\$370.3	\$378.2	\$627.7	\$7.9	2.1%
Sanitary Sewers	\$28.1	\$46.9	\$15.5	\$18.8	66.9%
Stormwater Utility	-	\$16.6	\$29.0	-	-
3¢ Transport. Tax	-	\$13.2	13.2+	-	-
GRAND TOTAL CIP	\$398.4	\$454.9	\$672.2	\$56.5	14.2%



Capital Improvement Program Development

- **Address Funding Shortfall**
- **Build a 10-year plan dealing with real needs of the City and community while assuming realistic funding levels in each year**
- **True, balanced ten-year plan**
 - **Necessary versus Desirable Projects**
 - **Time constraints and logistical considerations of higher priority projects**
- **Priority for projects that maintain existing assets and service levels**
- **Exceptions for projects that answered a public safety concern, a specific pressing business need, or completed a partial project.**



Capital Improvement Program Categories

- CIP Projects funded with base City revenue sources have been categorized into one of three Categories
 - Category 1 – Ongoing Maintenance Programs
 - \$327.5 million or 53% of base City funding including ACPS and IT Plan
 - Category 2 – Major, Stand-alone Maintenance Projects
 - \$96.2 million or 16%
 - Category 3 – New, Improvement Projects
 - \$160.3 million or 26%
- The allowance for inflation or additional projects totals \$28.3 million, or 5%, of the total base City funding over ten years.



Major Project Highlights

- **Complete the new APD Facility with \$46.9 million in additional funding**
- **Complete major Fire Station projects at Eisenhower Ave (#210), Cameron Mills (#203), Duke Street (#207), Seminary Road (#206), and Cameron Street (#205) with total ten-year funding of \$42.6 million**
- **Replace the Public Safety Computer Aided Dispatch and related Systems at an estimated cost of \$34.6 million**
- **Complete two elementary school rebuild projects and implement a modular classroom and space program for \$53.7 million**



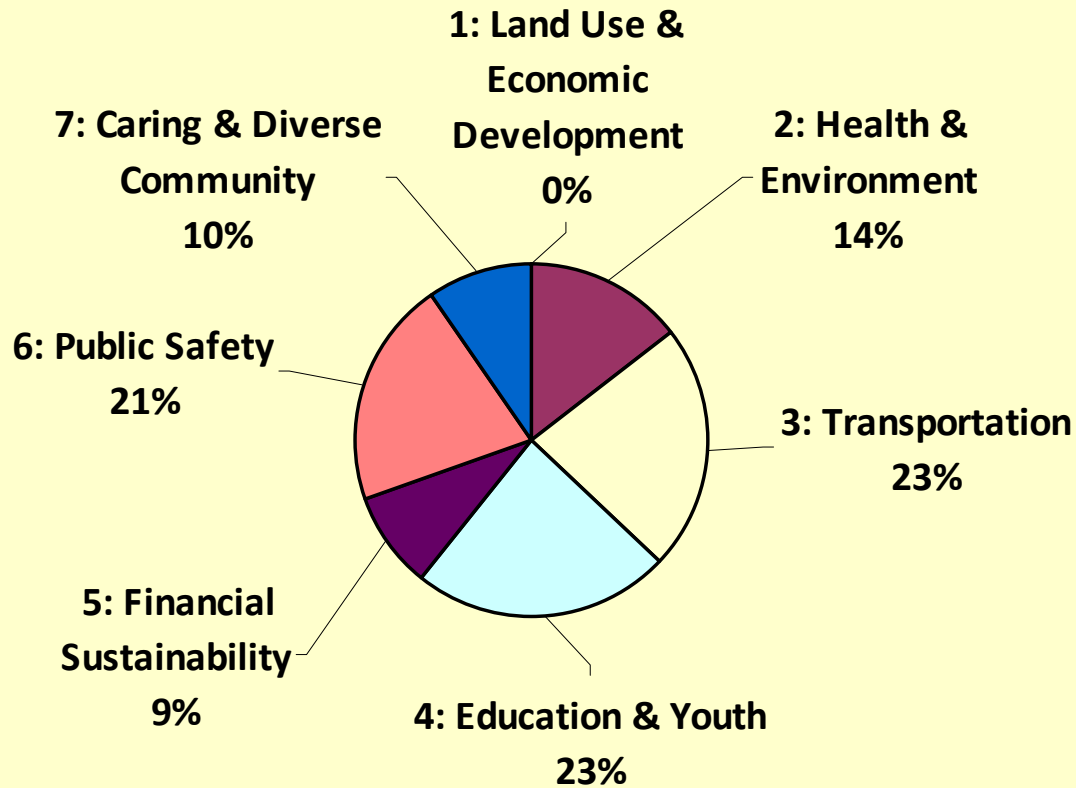
10-year Major Project Highlights

- **\$111.1 million for public transit, including \$27.8 million for DASH and \$77.4 million for WMATA capital**
- **Perform major renovation work at the Chinquapin Recreation Center - \$6.6 million**
- **\$18.0 million to replace the HVAC and other antiquated systems at City Hall**
- **Reconstruct portions of Madison and Montgomery Streets at a cost of \$6.8 million**
- **\$5.5 million to reconstruct the Windmill Hill Bulkhead**
- **\$6.1 million to replace inadequate seawalls and the utility system, as well as to dredge out the City Marina**
- **\$10.0 million to continue the City's Artificial Turf Field program**



Proposed CIP by Strategic Plan Goal Area

FY 2011 - FY 2020 Proposed CIP by Strategic Plan Goal



CIP Financing Highlights

- **General Obligation Bond borrowing and annual Cash Capital contributions remain unchanged through FY 2015**
- **The Ten-Year funding totals are:**
 - **\$468 million (75%) from G.O. Bonds**
 - **\$105 million (17%) from planned Cash Capital**
 - **\$39 million (8%) from other City and outside cash sources**
- **The all-funds base CIP totals 75% from borrowing and 25% from cash sources**
 - **Including the optional modules, this ratio changes to 71% / 29%**

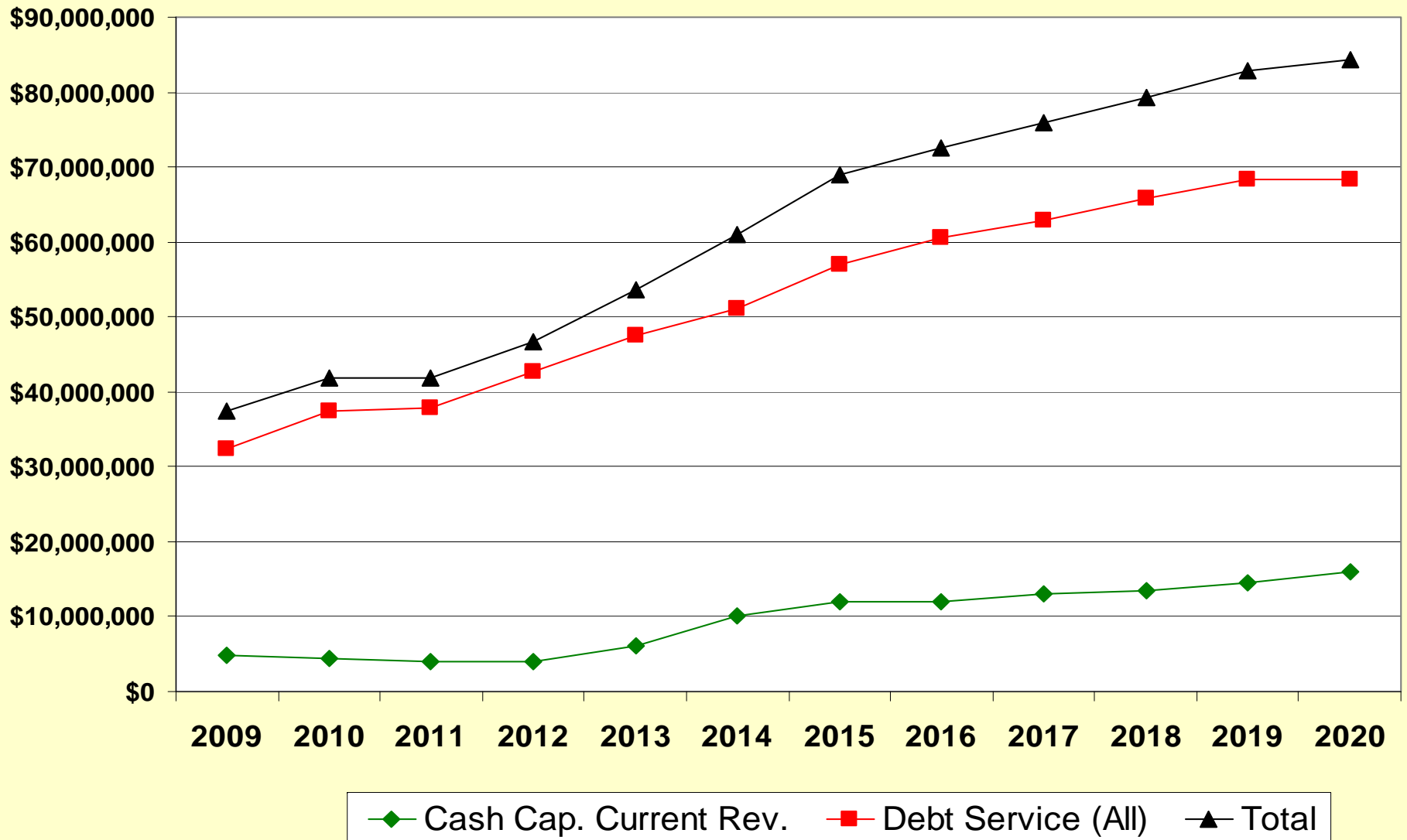


CIP Financing Highlights

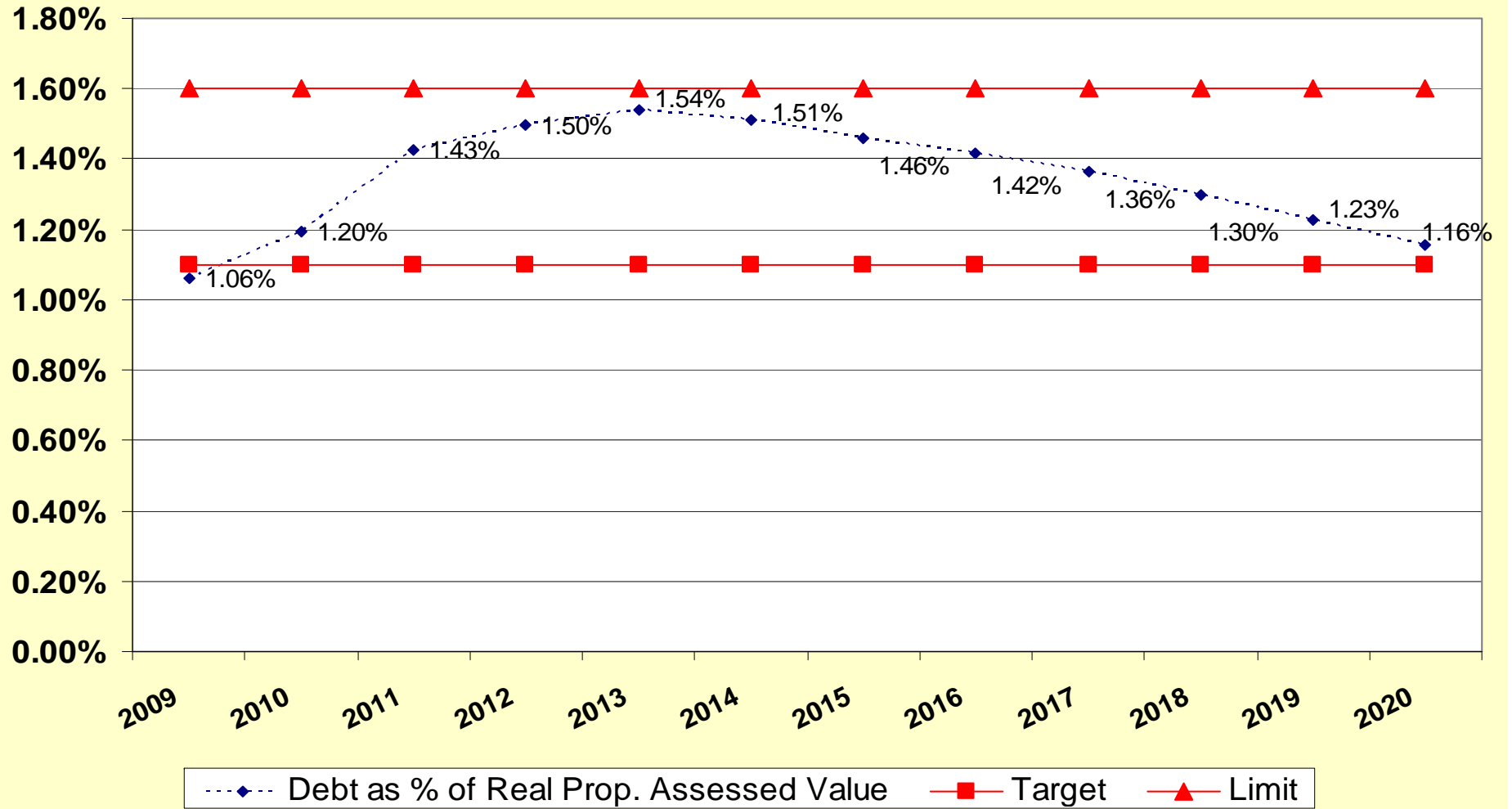
- The increase in base City funding through 2015 is attributable to the following planned uses:
 - Sale of Property Revenue - \$1.2 million
 - Reprogrammed Prior Year CIP Balances - \$5.2 million
 - Projected FY 2010 Surplus from Proposed Tax Rate Increase - \$11.0 million
- Three optional “Modules” above the base CIP are identified:
 - Stormwater Utility
 - Sanitary Sewer Fund (proposed rate increase)
 - 3-cent Commercial Add-on Transportation Tax



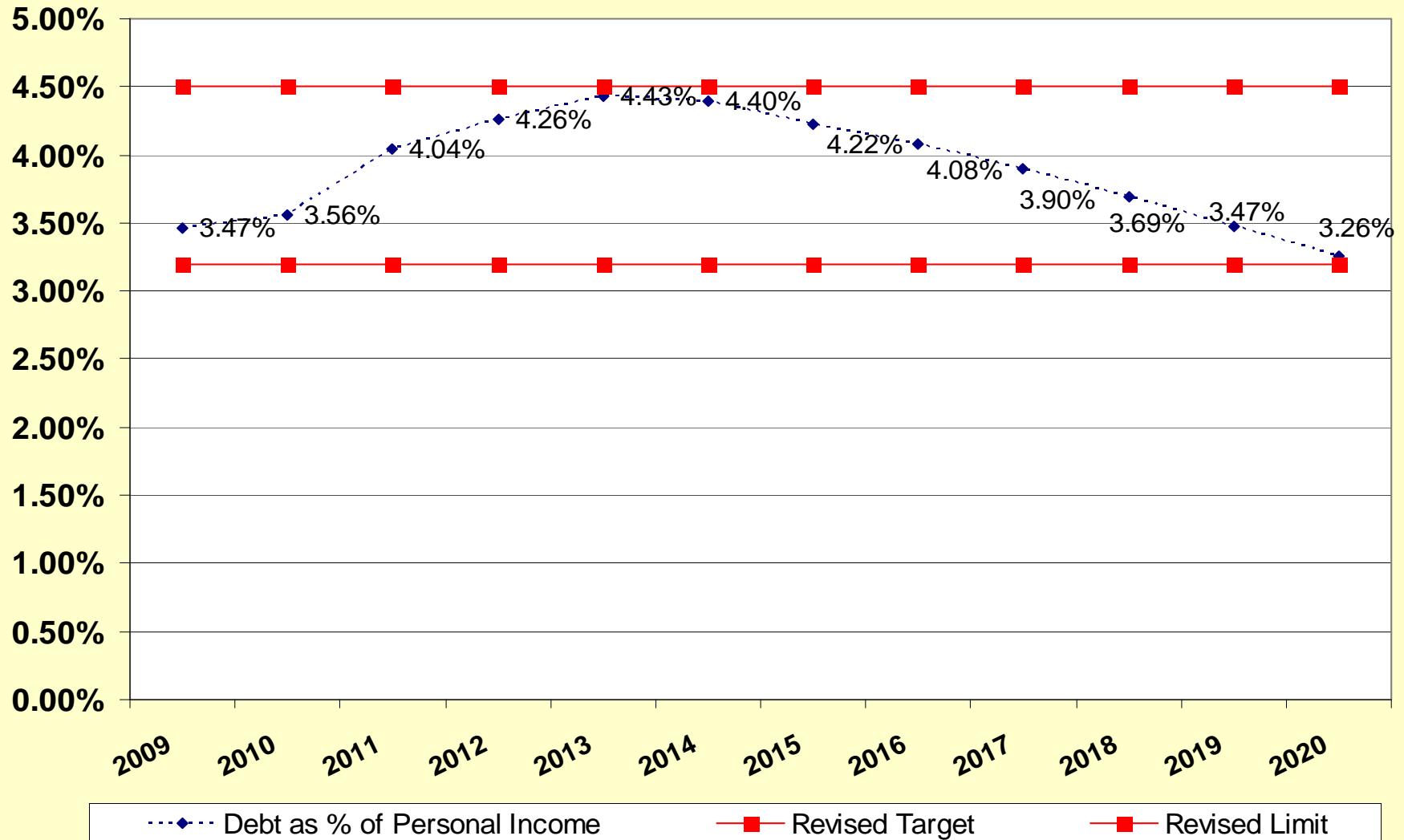
CIP Impact on Operating Budget (with Proposed FY 2011-FY 2020 CIP)



Proposed CIP FY 2011-2020 Debt as Percent of Real Property Assessed Value

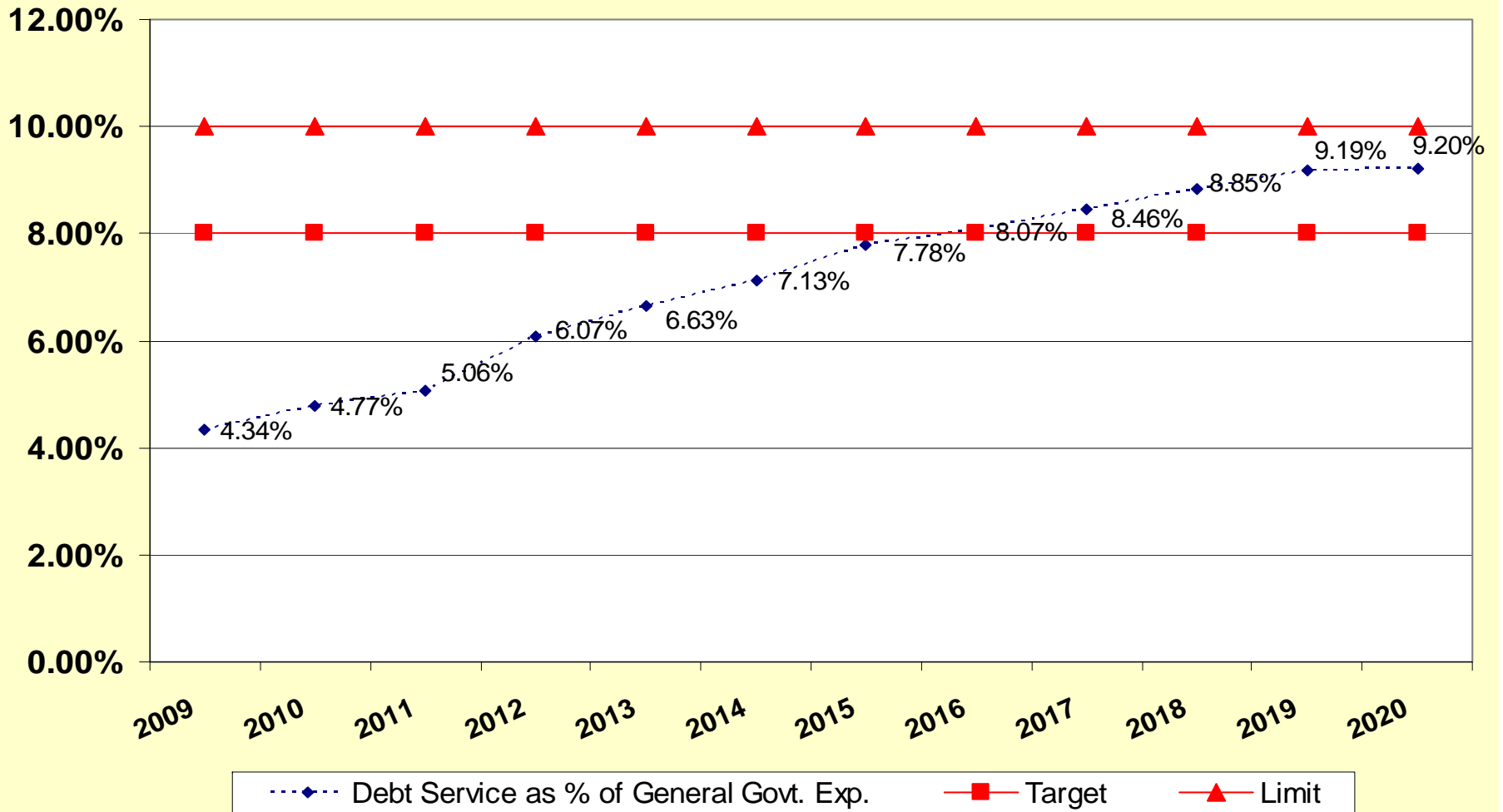


Proposed CIP FY 2011-2020 Debt as Percent of Personal Income



Proposed CIP FY 2011-2020

Debt Service as Percent of General Government Expenditures



Potomac Yard (PY) Metro Station

- Decision to proceed with new Metrorail station to be made as part of North Potomac Yard Small Area Plan.
- Projected timeline
 - Environmental assessment
 - Design - Build
 - Construction from 2014 to 2016
- Estimated Cost - \$240 million (highest cost of 3 active options)
 - Will require substantial raising of City debt targets and limits
- Estimated net new local tax revenue at PY through 2040 not needed for debt service – over \$500 million



Projects Not Included in the CIP

- Several major projects were reduced, delayed or removed from the Proposed CIP in order to fit within projected revenue estimates:
 - Chinquapin Recreation Center Reconstruction (renovations only) - \$13.6 M
 - Patrick Henry Recreation Center (tied to ACPS project) - \$6.1 M
 - Warwick Pool Replacement - \$3.3 M
 - Artificial Turf Field program (delayed until FY 2017) – \$1.2 M
 - Public Art Acquisition Program (delayed until FY 2017) - \$1.5 M
 - Fire Station #211 – \$9.7 M
 - DASH Fleet Expansion - \$34.8 M
 - Public Safety CAD Replacement (funded at lesser amount) - \$15.4 M
 - Street Reconstruction Revenue Sharing Program - \$4.0 M
 - Other Projects - \$1.8 M

