

# **FY 2012 Budget Work Session**

## **Proposed FY 2012 – 2021 Capital Improvement Program**

**February 9, 2011**



# Overview of Work Session Objectives

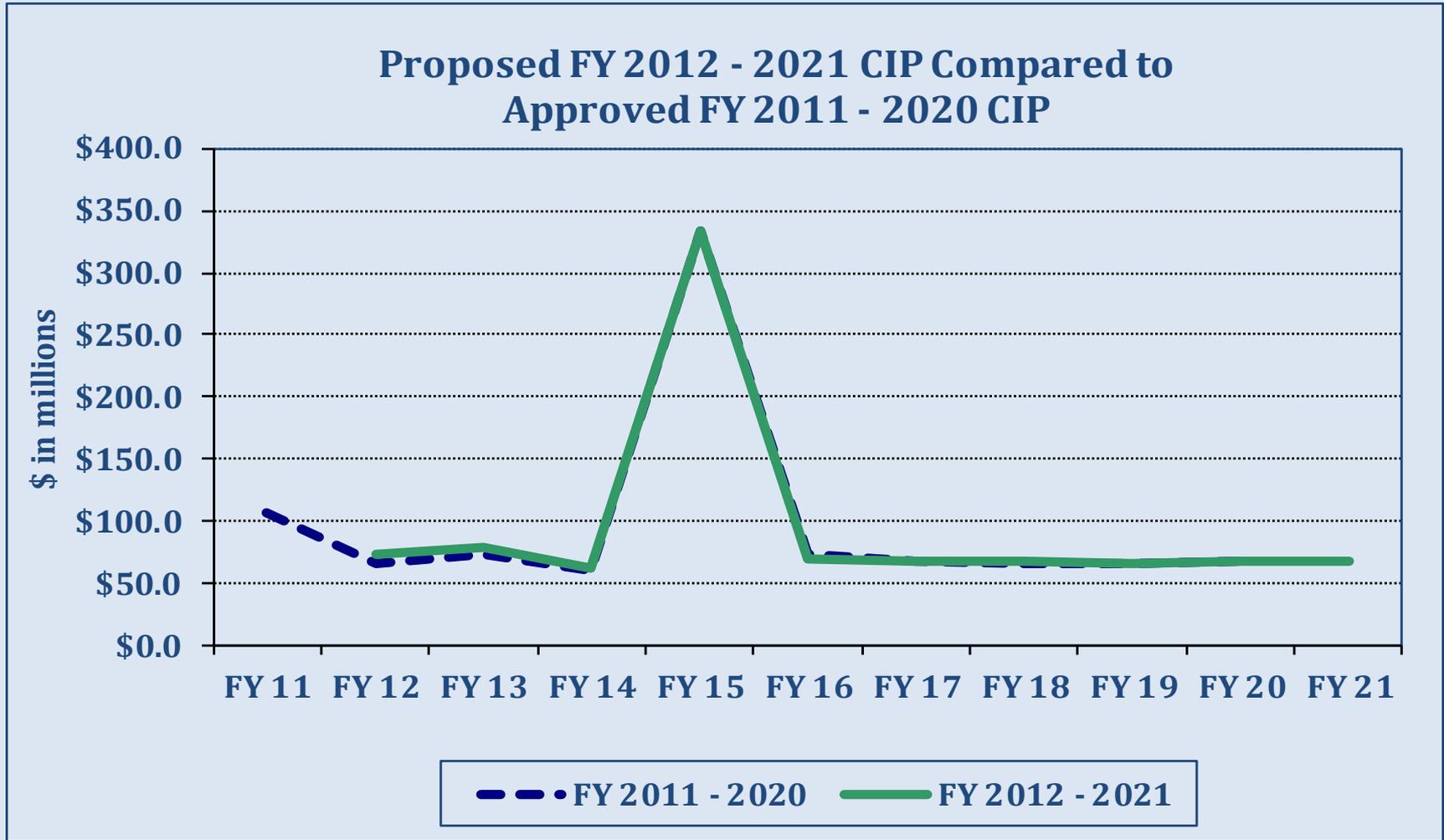
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## 4 Challenges in Constructing the Proposed FY 2012 – 2021 Capital Improvement Program

- Living within City Council Guidance for the Base CIP
- Incorporating Potomac Yard Metrorail Station into the Base CIP
- ACPS Superintendent's Proposed CIP request
- Transportation Add-On Tax Capital Project Plan



# Proposed FY 2012 -2021 CIP Compared to Approved FY 2011 - 2020 CIP



# Potomac Yard Metrorail Station

## (Page 6-106 of Proposed CIP)

Potomac Yard Metrorail Station	FY 2012	FY 2013	FY 2014	FY 2015	Total
Total Project Budget	\$1,200,000	\$1,000,000	\$1,700,000	\$271,100,000	\$275,000,000

- **Funding plan for Potomac Yard Metrorail Station construction approved by City Council June, 2010**
- **Projected timeline:**
  - Environmental analysis complete – end of 2013
  - WMATA issues design build proposals in 2013, final design 2014
  - Construction from 2014 to 2016
- **Estimated that through the year 2040, Potomac Yard could generate for the City's General Fund \$661.8 million in new local tax revenues**



# Proposed FY 2012 -2021 CIP Compared to Approved FY 2011 – 2020 CIP

Approved FY 11- 20 to Proposed FY 12 -21			Difference	
	FY 11 - 20 Approved	FY 12 - 21 Proposed	\$ millions	%
Unrestricted City Funds	\$600.6	\$583.6	-\$17.0	-2.8%
Restricted City Funds	\$366.2	\$351.4	-\$14.8	-4.0%
<b>Subtotal City Share</b>	<b>\$966.8</b>	<b>\$935.0</b>	<b>-\$31.8</b>	<b>-3.3%</b>
Non-City Funds	\$15.3	\$21.8	\$6.5	42.8%
<b>TOTAL 10-year CIP</b>	<b>\$982.1</b>	<b>\$956.9</b>	<b>-\$25.2</b>	<b>-2.6%</b>

- **Restricted City Funds include Dedicated Sewer Taxes, Fees and Bonds; Potomac Yard Developer Contributions & Dedicated Taxes; and Comcast Revenue**
- **Non-City Funds include State Urban Funds, VDOT Revenue Sharing, Federal Grants and Developer Contributions for Specific Projects**



# Proposed FY 2012 – 2021 Capital Improvement Program Development

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- Uses the Approved FY 2011 – 2020 CIP as a starting point for development
- Builds a ten-year plan dealing with real needs of the City and community while assuming realistic funding levels for each fiscal year
- Generally adheres to City Council guidance of keeping the funding levels the same for Cash Capital and General Obligation Bonds
- True, balanced ten-year plan
  - Priority for projects that maintain existing assets & service levels
  - Necessary versus desirable projects (Project Categories)
  - Time constraints, logistical considerations, and projected cash flow needs all considered



# Capital Improvement Program

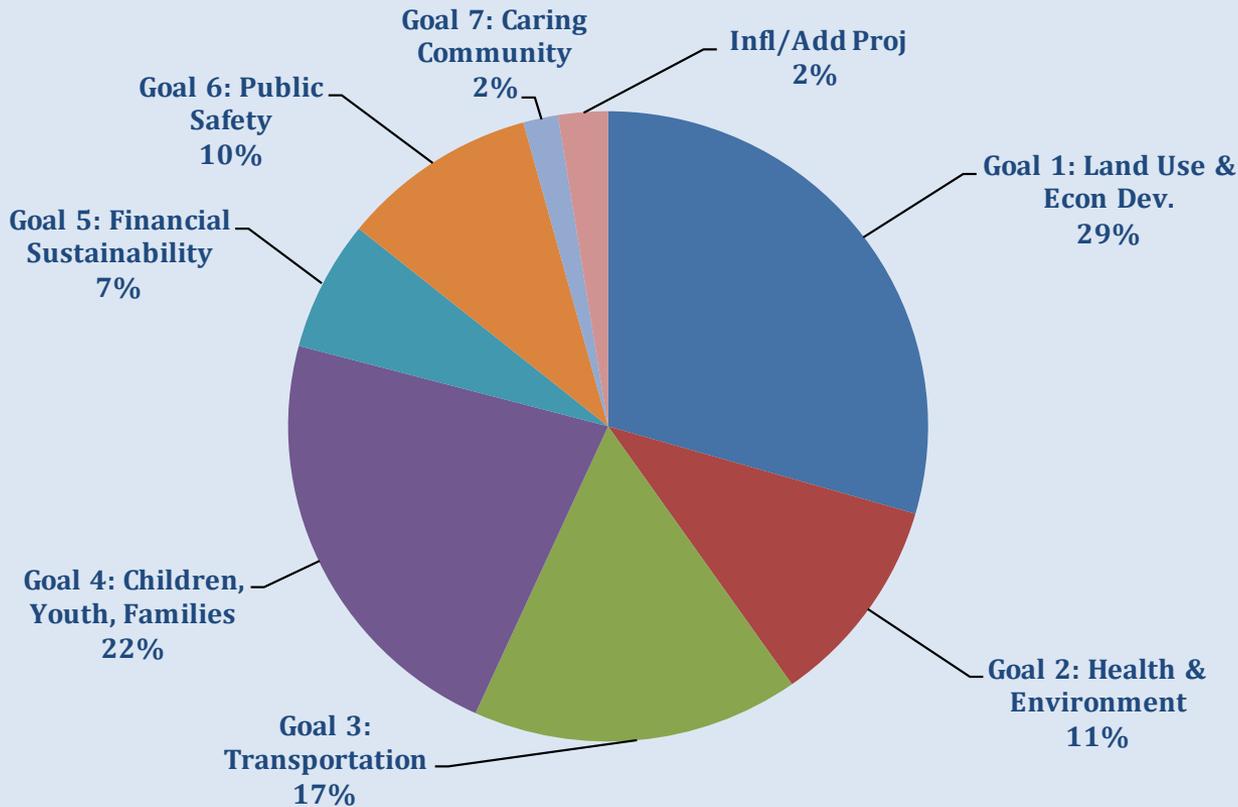
## Project Categories

City Manager's Proposed FY 2012 - 2021 CIP			Difference	
Category/Description	FY 11 - 20 Approved CIP	FY 12 - 21 Proposed CIP	\$ (millions)	%
<b>Category 1</b>				
On-Going Maintenance and Repairs	\$224.8	\$231.0	\$6.2	2.7%
<b>Category 2</b>				
Major One-Time Renovations or Repairs	\$109.2	\$97.6	-\$11.6	-10.6%
<b>Category 3</b>				
New or Completely Renovated Facilities	\$394.6	\$383.9	-\$10.7	-2.7%
<b>Uncategorized</b>				
ACPS Projects, IT Plan, Other Regional Contributions, & Inflation/Additional Projects	\$253.5	\$244.4	-\$9.1	-3.6%
<b>TOTALS</b>	<b>\$982.1</b>	<b>\$956.9</b>	<b>-\$25.2</b>	<b>-2.6%</b>



# Capital Improvement Program by Strategic Plan Goal

Proposed FY 2012 - 2021 CIP  
by Strategic Goal Group



Goal	\$ Amount
1	\$282.0 M
2	\$103.2 M
3	\$158.3 M
4	\$213.5 M
5	\$63.9 M
6	\$95.1 M
7	\$16.9 M
Inflation / Additional Projects	\$24.0 M
<b>Total</b>	<b>\$956.9 M</b>



# Capital Improvement Program by Strategic Plan Goal

CIP by Strategic Goal Group  
FY 2011 - 2020 CIP Computed to FY 2012 - 2021 CIP  
(All Revenue Sources)



Capital Improvement Program	Goal 1	Goal 2	Goal 3	Goal 4	Goal 5	Goal 6	Goal 7	Infl/Add Proj	Total
Approved FY 2011 - 2020 CIP	\$ 276.7	\$ 98.4	\$ 155.6	\$ 205.6	\$ 56.8	\$ 145.3	\$ 15.4	\$ 28.3	\$ 982.1
Proposed FY 2012 - 2021 CIP	\$ 282.0	\$ 103.2	\$ 158.3	\$ 213.5	\$ 63.9	\$ 95.1	\$ 16.9	\$ 24.0	\$ 956.9
Difference, Proposed - Approved	\$ 5.3	\$ 4.8	\$ 2.7	\$ 7.9	\$ 7.1	\$ (50.2)	\$ 1.5	\$ 4.3	\$ (25.2)



# Major Project Highlights by Strategic Plan Goal (\$ Represent 10-Year Funding)

## Goal 1: Land Use & Economic Development

- Potomac Yard Metrorail Station (*p. 6-106*) \$275.0 million
- Transportation Signage & Wayfinding System (*p. 6-15*) \$2.3 million
- Master Plan Design, Engineering & Limited  
Limited Implementation (*p. 6-19 - 21*) \$2.0 million

## Goal 2: Health & Environment

- Sanitary & Storm Sewer Systems (*p. 6-136 - 158*) \$66.6 million
- Restoration of Open Space Funding (*p. 6-63*) \$16.0 million
- City Marina Dredging (*p. 6-27*) \$6.2 million
- Oronoco Outfall Environment Mitigation (*p. 6-25*) \$2.2 million
- LED Technology for Traffic Lights (*p. 6-113*) \$0.3 million



# Major Project Highlights by Strategic Plan Goal (\$ Represent 10-Year Funding)

## Goal 3: Transportation

- WMATA Contribution (*p. 6-108*) \$74.0 million
- DASH Bus Replacement (Existing Fleet) (*p. 6-103*) \$28.3 million

## Goal 4: Children, Youth, Families

- ACPS - Same as Prior Year Funding Level (*p. 6-5*) \$158.1 million
- Patrick Henry Rec Center and Chinquapin Aquatics Center (*p. 6-56, 57*) \$13.7 million
- NVCC Contribution (*6-162*) \$3.5 million

## Goal 5: Financial Sustainability

- Technology – Customer Service & Efficient Operations (*Chapter 7 - IT Plan*) \$22.8 million
- City Hall HVAC Replacement (*p. 6-76*) \$18.0 million
- Energy Management Program (*p. 6-69*) \$4.9 million



# Major Project Highlights by Strategic Plan Goal (\$ Represent 10-Year Funding)

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## Goal 6: Public Safety

- **New and Complete Renovations of Fire Stations  
(Throughout Public Buildings Section)** **\$46.5 million**
- **Computer Aided Dispatch System Repl. (p. 7-67)** **\$18.0 million**

## Goal 7: Caring Community

- **City Historic Facilities and Library Ongoing  
Maintenance and Repairs (p. 6-78, 79)** **\$5.0 million**
- **Public Art Acquisition & Maintenance (p. 6-13, 14)** **\$3.8 million**



# ACPS Superintendent's Proposed Capital Improvement Program Request

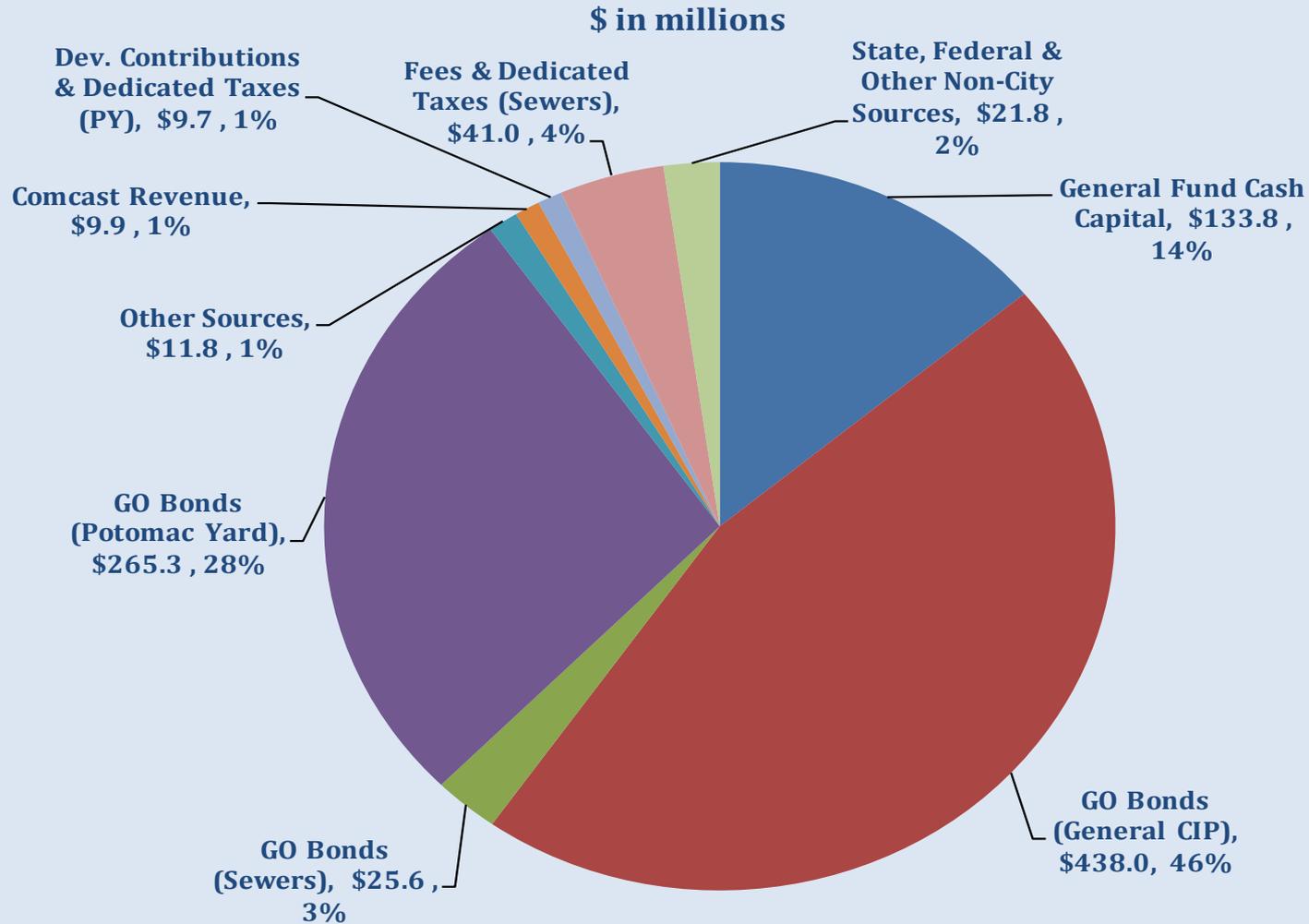
City Manager's Proposed FY 12 - 21 CIP to Superintendent's Resource Constrained Proposed FY 12 - 21 CIP			Difference	
	City Manager's Proposed FY 12 - 21 CIP	Superintendent's Proposed FY 12 - 21 CIP	\$ millions	%
School Capacity	\$51.6	\$199.3	\$147.7	286.3%
Facilities Maintenance	\$65.2	\$75.1	\$9.9	15.3%
Shared Programs	\$0.0	\$33.9	\$33.9	N/A
All Other Categories	\$41.3	\$64.2	\$22.9	55.5%
<b>TOTALS</b>	<b>\$158.1</b>	<b>\$372.6</b>	<b>\$214.5</b>	<b>135.7%</b>

- City Manager's Proposed CIP follows City Council guidance to keep funding levels same as Approved FY 2011 - 2020 CIP
- Superintendent's Proposed CIP includes five new schools over first nine years of plan (Approved FY 2011 - 2020 CIP included two new schools).



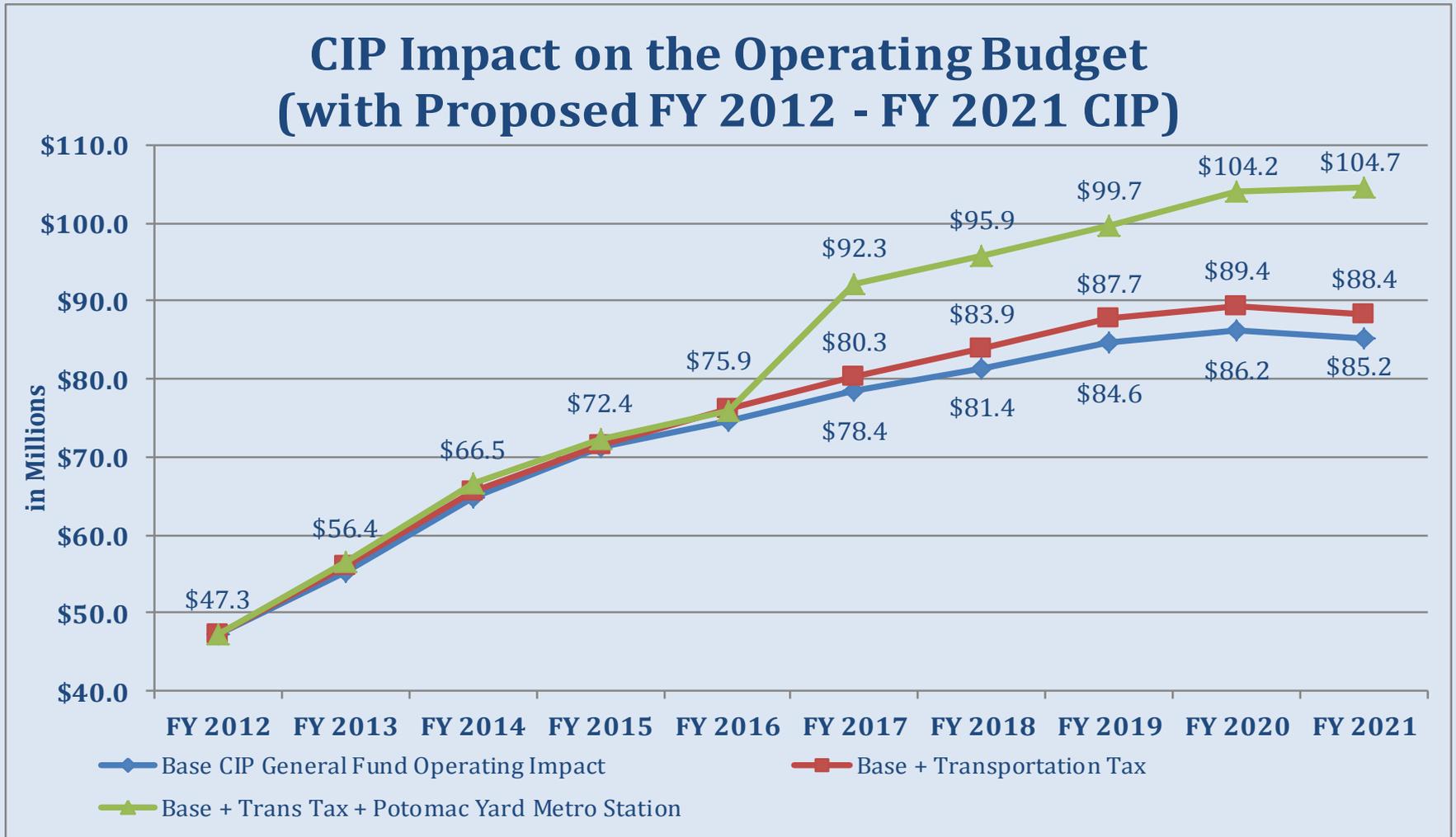
# Proposed FY 2012 – 2021 CIP Financing Highlights

## \$956.9 Million – All Revenue Sources



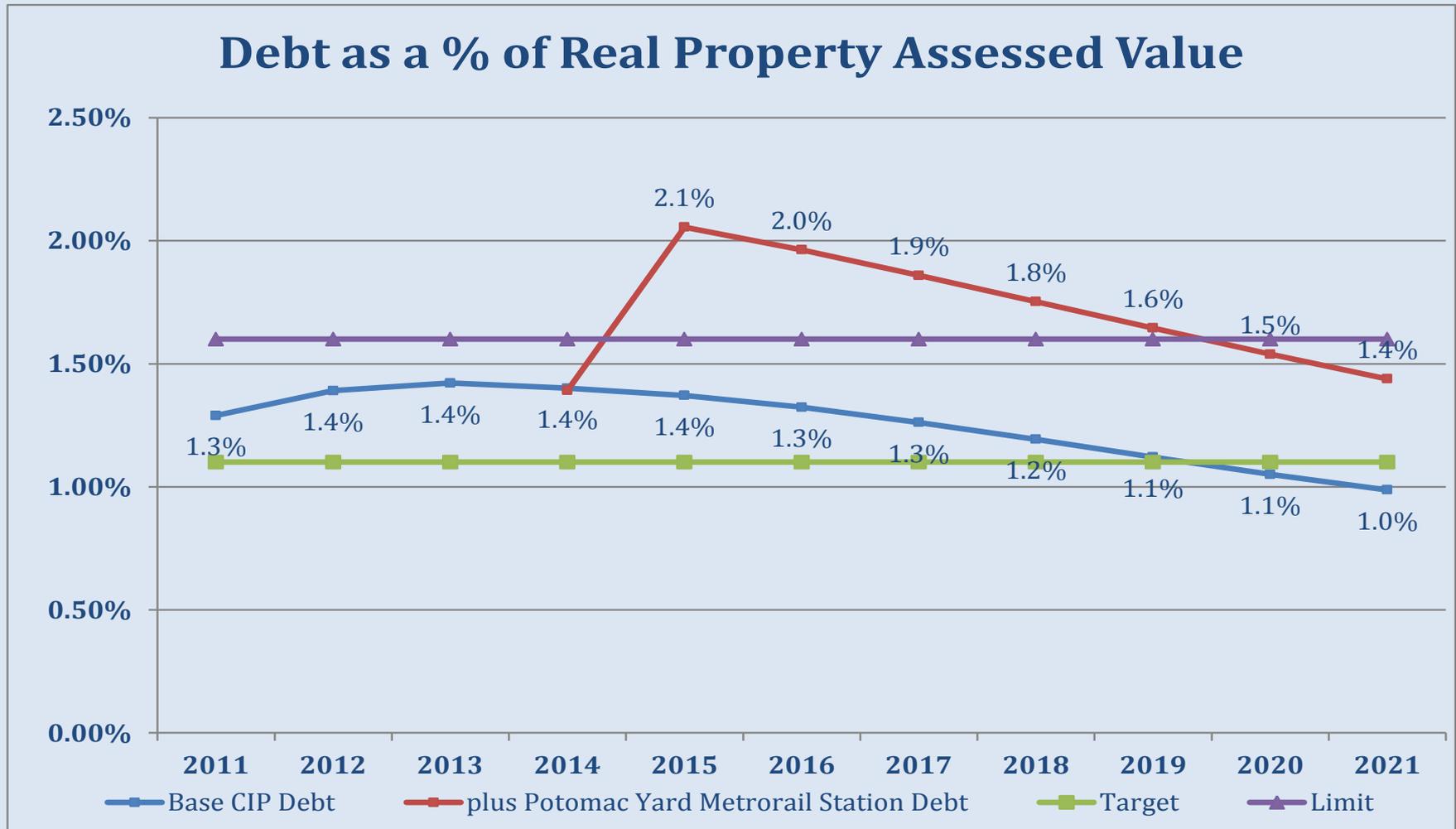
# Proposed FY 2012 -2021 CIP

## Debt Service Impact on Operating Budget

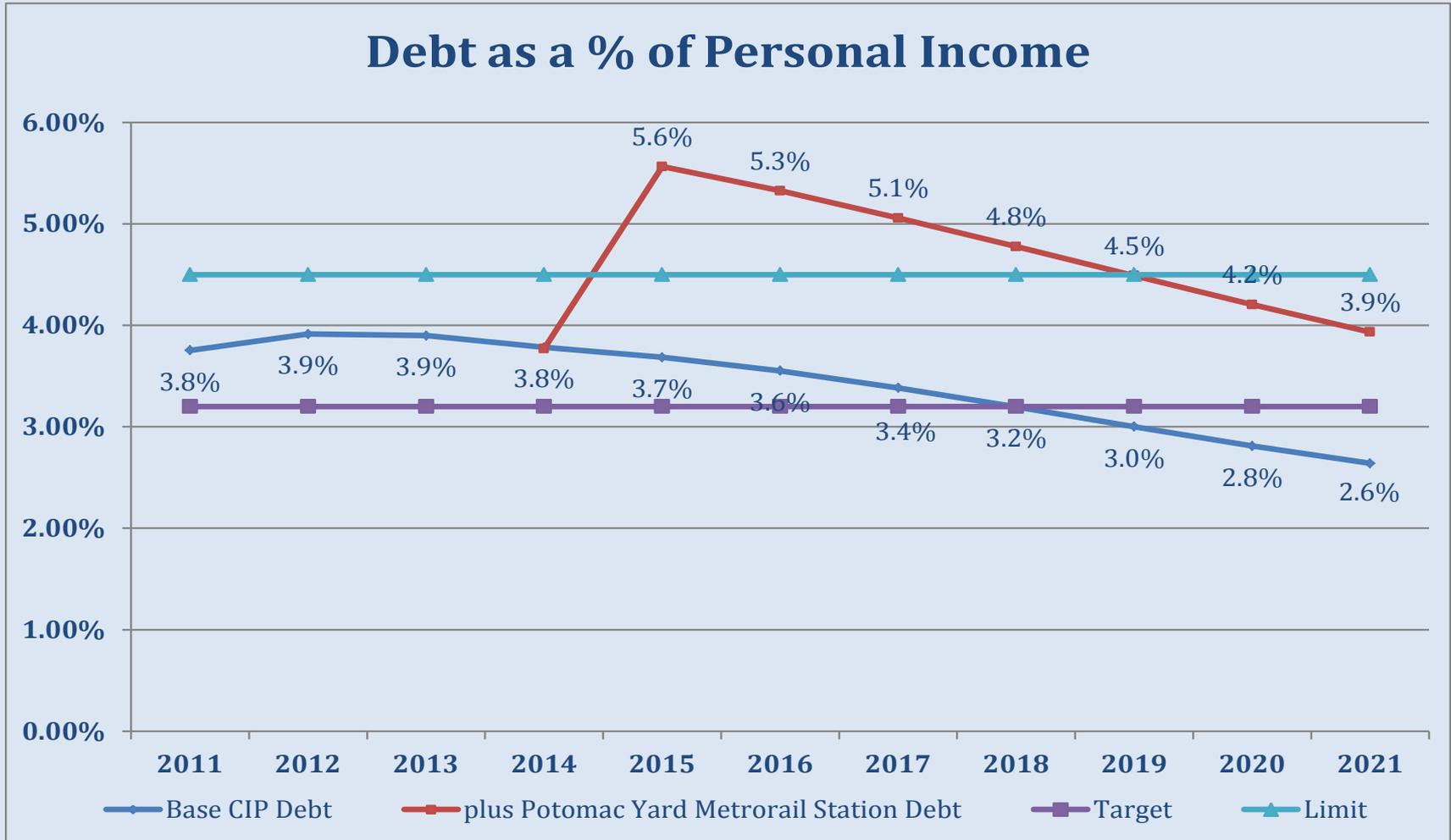


# Proposed FY 2012 -2021 CIP

## Debt as a Percentage of Real Property Assessed Value

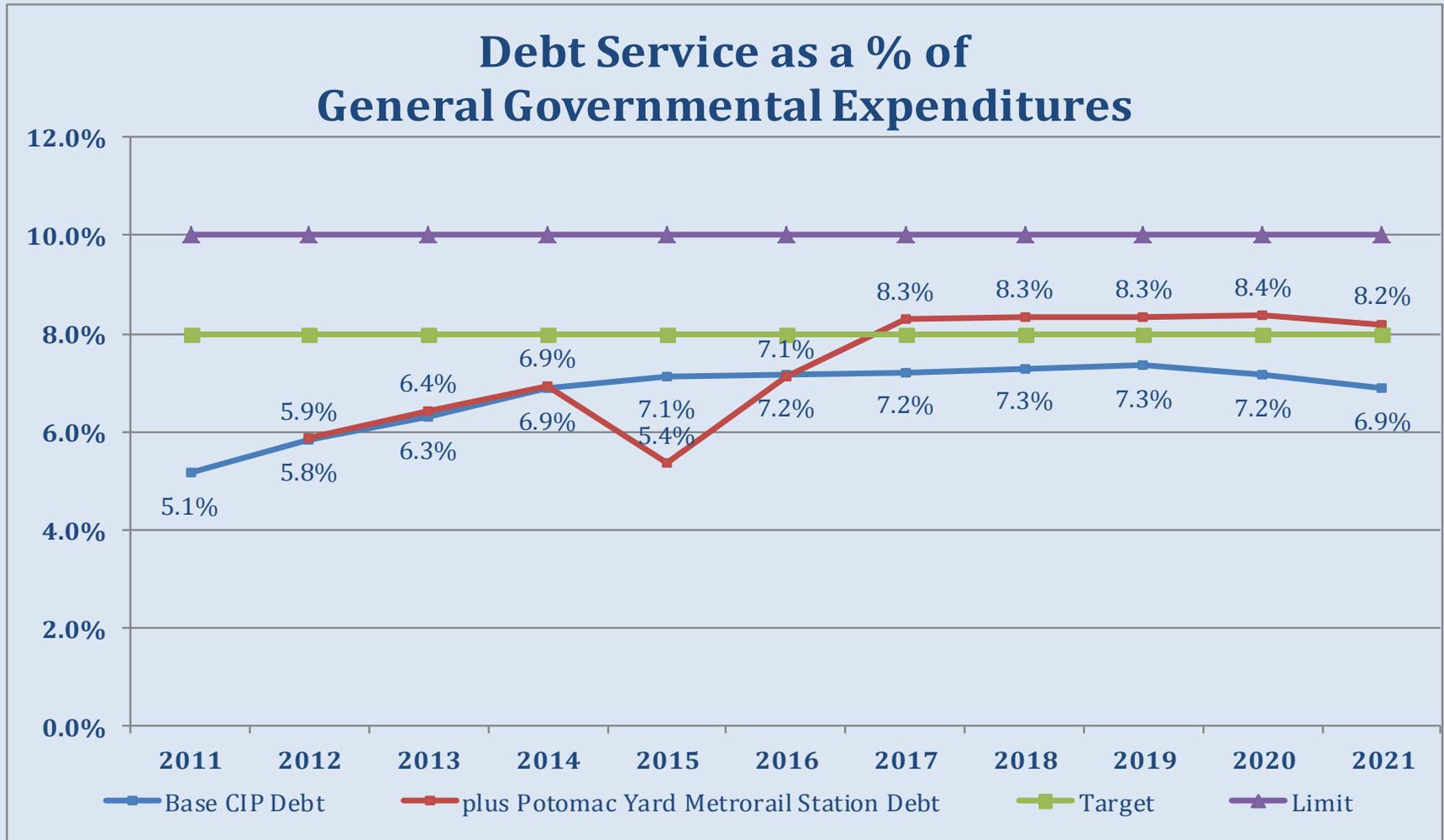


# Proposed FY 2012 -2021 CIP Debt as a Percentage of Personal Income



# Proposed FY 2012 -2021 CIP

## Debt Service as a Percent of General Govt. Expenditures



# Transportation Add-On Tax

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- **Optional Transportation Add-On Tax projects developed at 12.5 cent rate**
- **Reduction of 12.5 cent rate would require new project prioritization based on available revenues and debt capacity**
- **List of projects included in Appendix B of Proposed CIP**
- **Tuesday, February 15 work session – Strategic Goal #3, Transportation**



# Next Steps / Important Dates

## February – March, 2011

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- **City staff work with ACPS staff to continue review of ACPS CIP**
- **Other CIP projects to be discussed as part of Goal Group work sessions**
- **Tuesday, February 15 – Work Session / Transportation Add-On Tax (Goal #3 – Transportation)**
- **Saturday, March 14 – Set Maximum Tax Rate**
- **Monday, March 16 – Joint Work Session with School Board**

