

Capital Improvement Program Fund

The Capital Improvement Program Fund provides funding for streets, public buildings, land and other capital assets. Capital Improvement Projects are projects which generally have a useful life of 5 years or more, cost more than \$50,000, and are non-operational in nature. City Council, in their Adopted Budget Guidelines, has set a policy to allocate an amount no less than 3% of the General Fund budget for capital improvements.

The annual capital budget is part of the City's multi-year Capital Improvements Plan (CIP), which is designed to coordinate the planning, financing, and construction of capital projects. As part of the capital improvement process, it has been recognized that funding needs to be set aside for the maintenance of City facilities. Separate funding is adopted in the General Fund budget for smaller maintenance projects in the Facilities Repair Fund.

There are several factors that must be taken into consideration during the development of the capital budget. The fact that Charlottesville's public facilities and infrastructure are aging, there is no significant growth in population, and the set boundaries of the City, make capital budgeting an important part of the annual budget process. For these reasons, the City must respond to the capital needs of the community with investments aimed at revitalizing and maintaining the existing facilities and infrastructure of the City.

The City's CIP process is designed to coordinate and align capital projects with City priorities and strategies. As departments are preparing their CIP requests, they are asked to score their new and modified projects based upon a set of eight weighted criteria. These criteria not only help the department think about the type of requests they are submitting, but serve as a key factor when the CIP Budget Development Committee begins to discuss the projects as a whole, since in general requests far outweigh available funding.

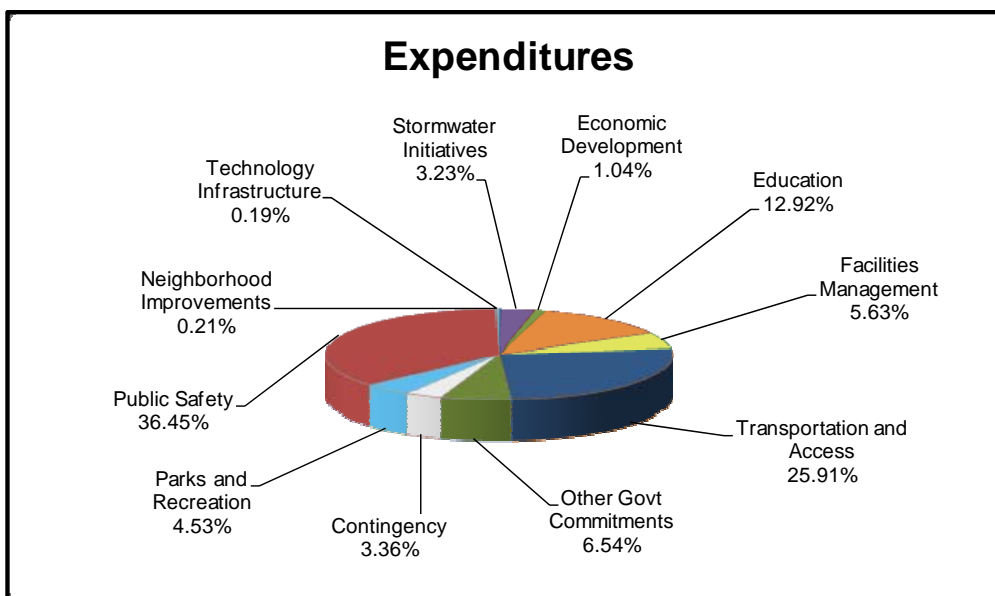
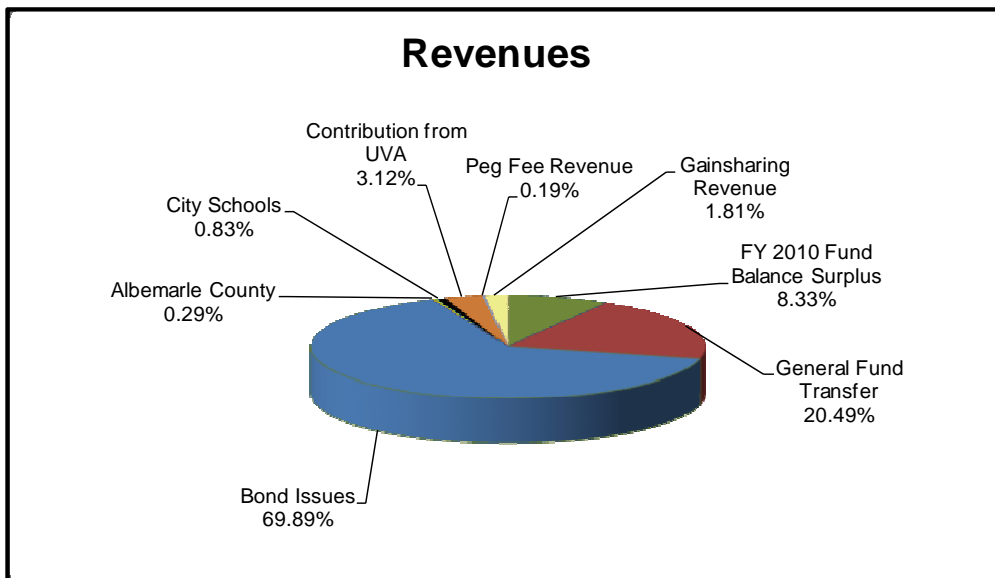
CIP submissions are received by the Budget Office, which organizes and prepares the submissions for review. The CIP Staff Ranking Committee then reviews, and if necessary re-ranks the requested projects. The CIP Staff Ranking Committee consists of staff members from Neighborhood Development Services, Public Works, Budget, Parks and Recreation, Public Safety, a member of the Planning Commission, and one member from a non-CIP requesting department, which for this year's process was the Department of Finance. The CIP is forwarded to the Budget Development Committee, which reviews all projects, their criteria scoring, and the Staff Ranking Committee recommendations, and then develops a recommendation that is fiscally sound and reflects the overall priorities of the City and its needs. The CIP Budget Development Committee consists of the City Manager, COO/CFO, Finance Director, the Director of Budget and Performance Management, the Budget and Management Analyst, and one member of the Planning Commission.

The final proposal from the Budget Development Committee is then presented to the Planning Commission. Following Planning Commission consideration and approval, the annual budget and revised five-year CIP are forwarded to the City Manager and then to City Council for inclusion in the annual budget.

FY 2012 Capital Improvement Program Revenues and Expenditures

The **FY 2012-2016** Capital Improvement Program recommends the use of approximately **\$42.56 million** in long-term debt to finance a portion of the **\$80.89 million** multi-year program. The balance will be funded with transfers of funds from the General Fund, through the revenue sharing agreement with Albemarle County, the usage of Fund Balance Surplus, and with contributions from Albemarle County, the University of Virginia, and the Charlottesville City Schools.

The Capital Improvement Program for **FY 2011-2012** contains projects totaling **\$23.19 million**, as well as a capital projects contingency account totaling **\$807,355**, for a total capital improvement program budget equaling **\$24.0 million**.



Description of Capital Projects

Bondable Projects

Education

In FY 2012, the City of Charlottesville allocates \$2.9 million to the City schools for various capital improvements. Some of the projects covered by this sum include: CHS Football Field Lighting Replacement; Johnson Building Envelope Restoration; Venable Restroom Renovations; and Systemwide Interior Painting. This funding also provides for the schools HVAC replacement plan, the replacement of the football bleachers at Charlottesville High School, and a contribution towards the installation of a new turf field at CHS.

Facilities Capital Projects

Facilities Capital Projects has been allocated \$1.35 million for improvements and repairs to various City owned facilities. These include Central Library elevator upgrades and second elevator installation; Window replacement at CATEC and the Jessup House; Circuit Court masonry and retaining wall repairs; Systemwide Facility Condition Assessments; Parks and Rec. Shop Building roof improvements. This funding also provides for a new City Facility HVAC Replacement Plan project.

Public Safety and Justice

In FY 2012 Public safety and Justice is allocated \$8.75 million. These funds will cover the cost of the design and construction of the new Fontaine Avenue Fire Station. The Fontaine Avenue Station project includes the complete replacement and relocation of the existing Ivy Fire Station.

Transportation and Access

For FY 2012, a total of \$4.93 million is allocated to Transportation and Access projects which include: Street reconstruction and paving at \$1,534,694; \$300,000 for the design and construction of new sidewalks; \$3.0 million for the Old Lynchburg Road project; and \$100,000 for the undergrounding of utilities.

In the Adopted FY 2011 Capital Improvements Program, there was \$350,000 programmed in FY 2012 to continue the improvements along West Main Street. In order to facilitate the completion of the improved pedestrian lighting portion of the project prior to the summer, the West Main Streetscape project was allocated, with City Council approval, \$350,000 from the Capital Contingency account during FY 2011. The amount which was projected for the West Main Account in the FY 2012 CIP has been moved to the Contingency as repayment for this advanced allocation.

Parks and Recreation

For FY 2012 Parks and Recreation Department is allocated \$500,000 to continue repairs to the aged bath house at the Washington Park swimming pool and \$250,000 for McIntire Park Master Plan Implementation, which will be used for the future development of McIntire Park..

Non-Bondable Projects

Education

\$200,000 is allocated for the Charlottesville City Schools small capital improvement program. This funding is offset 100% through a contribution from the schools specifically for this program.

Economic Development

The Department of Economic Development is allocated \$250,000 for the purpose of carrying out economic development initiatives. These funds assist in long-term strategic improvements that grow and expand the City's tax base, and for workforce development initiatives.

Neighborhood Improvements

\$50,000 has been allocated for the Neighborhood CIP Funds project. Funds will be used for various capital projects that are either solicited by neighborhoods, or are determined to be needed by City Council, and that are not otherwise covered by the traffic calming, sidewalk, or drainage capital programs.

Transportation and Access

Transportation and Access receives \$349,134 in grant match funds for CAT Transit bus replacement and bus related purchases; \$212,180 for sidewalk repair; \$100,000 for citywide traffic improvements; \$100,000 for bicycle infrastructure; \$100,000 for the intelligent transportation system; \$125,000 for State bridge and highway inspections; \$200,000 for minor bridge repairs; and \$100,000 for Citywide ADA improvements to sidewalks and curbs throughout the City. Total funding for this area is \$1.23 million.

Parks and Recreation

The Parks and Recreation Department is allocated an additional \$337,158 for non-bondable projects, which include: \$106,090 for improvements to City and School playgrounds; \$79,568 for Trails and Greenway development; \$51,500 for urban tree preservation and planting; and \$100,000 for the future acquisition of parkland within the City of Charlottesville.

Stormwater Initiatives

Stormwater Initiatives are allocated funds totaling \$775,000. These projects include \$175,000 for Neighborhood Drainage projects and \$600,000 for Citywide Stormwater Initiatives to carry out major improvements to the City's Stormwater infrastructure, which currently has over 13 miles of the system that has been identified as being in need of immediate repair or replacement based on the deterioration of the pipes. This funding is to be reevaluated annually with the Capital Improvement Budget with the long term goal to shift this to a self-supporting utility.

Technology Infrastructure

Allocated at \$45,000, the Communications Technology Account/Public Access Television project will allow the City to continue upgrading and improving its cable network services and programming to the citizens of Charlottesville. This item is offset 100% by PEG Fees paid to the City.

Other General Government Commitments

The mission of the **Charlottesville Housing Fund** is to meet the housing challenges facing our residents by dedicating, consolidating, and expanding financial support for the preservation and production of affordable housing in our community. This program is allocated \$1.4 million in the FY 2012 CIP.

Funding in the amount of \$125,000 is allocated for the **Home Energy Conservation Grant Program** which provides savings on utilities, facilitates low income families to be able to afford energy saving measures, and reduces the usage of nonrenewable energy.

\$35,000 is allocated for the purchase on new **Voting Machines** that will be required due to the reprecincting of the City.

Operational Impacts

In the FY 2012 Capital Improvement Program (CIP), eight projects were identified as significant non-routine capital expenditures. For the purposes of this analysis, significant non-routine capital expenditures are those projects which will cost more than \$250,000, are not routine maintenance, such as street and sidewalk reconstruction or facilities maintenance, and are not recurring projects. The operational impacts of these projects are discussed below.

<u>Project</u>	<u>FY12 CIP Cost</u>	<u>Operational Impacts</u>	<u>Operational Increases/Savings</u>
Charlottesville High School Football Bleachers	\$ 1,200,000	None.	New bleachers would replace an existing structure so there are no additional structures to maintain. If replacement does not occur then approximately \$30,000 worth of maintenance would be required to keep bleachers open for an additional year.
Fontaine Avenue Fire Station	\$ 8,750,000	Increased utility and maintenance costs, possible increased equipment costs, no increase in personnel costs.	No operational increases until construction is complete - estimated FY 2013. Once complete, increased utility and maintenance cost of approximately \$4 per square foot.
New Sidewalks	\$ 300,000	Increase in overall annual sidewalk maintenance costs.	Approximately \$10 per square foot of new sidewalk constructed.
Old Lynchburg Road	\$ 3,000,000	Increased road maintenance cost upon completion of project.	No operational increases for FY 2012, but after the project is completed the city will incur additional sidewalk maintenance costs of approximately \$10 per square foot of new sidewalk that is constructed. Maintenance cost for the new stormwater drainage system will be handled through the Stormwater Initiatives CIP project.
Washington Park Pool Bathhouse Replacement	\$ 500,000	Decreased maintenance and utility costs.	Replacement of aging building and inefficient mechanical systems will result in reduced utility and maintenance costs. The amount of savings cannot be determined until final design and construction are completed.
McIntire Park - Master Plan Implementation	\$ 250,000	Maintenance costs.	Since this project represents the redevelopment of existing parkland maintenance will be handled using existing resources, resulting in no operational increases for the city. Newer playground equipment and picnic shelters could result in some maintenance savings over the existing equipment.
CAT Transit Bus Replacement	\$ 349,134	Decrease in maintenance costs.	Newer buses normally have lower maintenance costs associated with them than the buses they are replacing. Amount of savings will be dependent upon condition of bus being replaced.
Stormwater Initiatives	\$ 600,000	Increased personnel and maintenance supply cost; decreased maintenance costs.	Project is an increase in funding to existing operations. Increased personnel and supply costs will be covered by additional CIP funding.

FY 2012-2016 Capital Improvement Program

	<u>Adopted</u> FY12	<u>Projected</u> FY13	<u>Projected</u> FY14	<u>Projected</u> FY15	<u>Projected</u> FY16	<u>5 Year Total</u>
Revenues						
Transfer from General Fund	4,919,505	5,549,739	5,740,530	5,936,919	6,139,066	28,285,759
Transfer from Gainsharing Accounts	433,550	0	0	0	0	433,550
FY 2010 Fund Balance Surplus	2,000,000	0	0	0	0	2,000,000
Contribution from Albemarle County (CATEC)	12,500	0	0	114,500	0	127,000
Contribution from Albemarle County (Central Library)	56,500	175,000	75,000	0	0	306,500
Contribution from Schools (Small Cap Program)	200,000	200,000	200,000	200,000	200,000	1,000,000
Contribution from UVA (Fontaine Ave Station)	750,000	0	0	0	0	750,000
Federal/State Transportation Funds (Emmet St./250 Bypass Improvements)	0	4,700,000	0	0	0	4,700,000
Federal/State Transportation Funds (Hillsdale Drive Connector)	0	500,000	0	0	0	500,000
PEG Fee Revenue	45,000	45,000	45,000	45,000	45,000	225,000
CY 2012 Bond Issue	15,589,500	0	0	0	0	15,589,500
CY 2013 Bond Issue	0	10,356,226	0	0	0	10,356,226
CY 2014 Bond Issue	0	0	6,743,257	0	0	6,743,257
CY 2015 Bond Issue	0	0	0	5,662,990	0	5,662,990
CY 2016 Bond Issue	0	0	0	0	4,216,678	4,216,678
TOTAL AVAILABLE REVENUES	\$24,006,555	\$21,525,965	\$12,803,787	\$11,959,409	\$10,600,744	\$80,896,460
Expenditures						
BONDABLE PROJECTS						
EDUCATION	Adopted	Projected	Projected	Projected	Projected	5 Year
<u>Project</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>Total</u>
Lump Sum to Schools (City Contribution)	1,100,517	1,133,533	1,167,539	1,202,565	1,238,642	5,842,796
City Schools HVAC Replacement Plan	500,000	750,000	750,000	750,000	750,000	3,500,000
Charlottesville High School Football Bleachers	1,200,000	0	0	0	0	1,200,000
Charlottesville High School Turf Field	100,000	0	0	0	0	100,000
SUBTOTAL	\$2,900,517	\$1,883,533	\$1,917,539	\$1,952,565	\$1,988,642	\$10,642,796
FACILITIES CAPITAL PROJECTS	Adopted	Projected	Projected	Projected	Projected	5 Year
<u>Project</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>Total</u>
Lump Sum to Facilities Capital Projects	1,100,517	1,133,533	1,167,539	1,202,565	1,238,642	5,842,796
City Facility HVAC Replacement	250,000	250,000	250,000	200,000	200,000	1,150,000
SUBTOTAL	1,350,517	\$1,383,533	\$1,417,539	\$1,402,565	\$1,438,642	\$6,992,796
PUBLIC SAFETY AND JUSTICE	Adopted	Projected	Projected	Projected	Projected	5 Year
<u>Project</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>Total</u>
Bypass Fire Station Renovation	0	0	2,150,000	2,000,000	0	4,150,000
Ivy Road/Fontaine Area Fire Station Replacement	8,750,000	0	0	0	0	8,750,000
Circuit Court Renovation	0	0	0	0	500,000	500,000
SUBTOTAL	\$8,750,000	\$0	\$2,150,000	\$2,000,000	\$500,000	\$13,400,000
TRANSPORTATION AND ACCESS	Adopted	Projected	Projected	Projected	Projected	5 Year
<u>Project</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>Total</u>
Undergrounding Utilities	100,000	100,000	100,000	100,000	100,000	500,000
New Sidewalks	300,000	300,000	300,000	300,000	300,000	1,500,000
West Main Streetscape	0	350,000	350,000	350,000	350,000	1,400,000
Street Reconstruction	1,534,694	1,565,735	1,597,707	1,630,638	1,664,557	7,993,331
Old Lynchburg Road	3,000,000	0	0	0	0	3,000,000
Belmont Bridge - State Revenue Sharing Match	0	2,500,000	0	0	0	2,500,000
Hillsdale Drive Connector - State Revenue Sharing Match	0	500,000	0	0	0	500,000
Edgewood and Harris Street	0	500,000	0	0	0	500,000
SUBTOTAL	\$4,934,694	\$5,815,735	\$2,347,707	\$2,380,638	\$2,414,557	\$17,893,331
PARKS AND RECREATION	Adopted	Projected	Projected	Projected	Projected	5 Year
<u>Project</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>Total</u>
Washington Park Pool/Bathhouse	500,000	0	0	0	0	500,000
Rives Park Renovations	0	500,000	0	0	0	500,000
Azalea Park Renovations	0	375,000	375,000	0	0	750,000
McIntire Park - Master Plan Implementation	250,000	250,000	300,000	0	0	800,000
SUBTOTAL	\$750,000	\$1,125,000	\$675,000	\$0	\$0	\$2,550,000
SUBTOTAL BONDABLE PROJECTS	\$18,685,728	\$10,207,801	\$8,507,785	\$7,735,768	\$6,341,841	\$51,478,923
Bondable Contingency	728,715	204,156	170,156	154,715	126,837	1,384,579
TOTAL BONDABLE EXPENDITURES	\$19,414,443	\$10,411,957	\$8,677,941	\$7,890,483	\$6,468,678	\$52,863,502
STATE AND FEDERAL FUNDED PROJECTS						
TRANSPORTATION AND ACCESS	Adopted	Projected	Projected	Projected	Projected	5 Year
<u>Project</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>Total</u>
Emmet Street/250 Bypass Improvements	0	4,700,000	0	0	0	4,700,000
Hillsdale Drive Connector	0	500,000	0	0	0	500,000
SUBTOTAL	\$0	\$5,200,000	\$0	\$0	\$0	\$5,200,000
SUBTOTAL STATE AND FEDERAL PROJECTS	\$0	\$5,200,000	\$0	\$0	\$0	\$5,200,000

NONBONDABLE PROJECTS

	Adopted	Projected	Projected	Projected	Projected	5 Year
Project	FY12	FY13	FY14	FY15	FY16	Total
EDUCATION						
School Small Capital Improvements Program	200,000	200,000	200,000	200,000	200,000	1,000,000
SUBTOTAL	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
ECONOMIC DEVELOPMENT						
Economic Development (Strategic) Initiatives	250,000	257,000	265,225	273,182	281,377	1,326,784
SUBTOTAL	\$250,000	\$257,000	\$265,225	\$273,182	\$281,377	\$1,326,784
NEIGHBORHOOD IMPROVEMENTS						
Neighborhood CIP Funds	50,000	50,000	50,000	50,000	50,000	250,000
SUBTOTAL	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
TRANSPORTATION & ACCESS						
Sidewalk Repair	212,180	218,545	225,101	231,854	238,810	1,126,490
State Bridge and Highway Inspections	125,000	128,750	132,613	136,591	140,689	663,643
Minor Bridge Repairs	200,000	206,000	212,180	218,545	225,101	1,061,826
Emmet Street/250 Bypass Improvements (City Match)	0	500,000	0	0	0	500,000
CAT Transit Bus Replacement Match	349,134	395,325	193,905	63,223	48,129	1,049,716
Intelligent Transportation System	100,000	100,000	100,000	100,000	100,000	500,000
City Wide Traffic Improvements	100,000	100,000	100,000	100,000	100,000	500,000
Citywide ADA Improvements - Sidewalks and Curbs	100,000	100,000	100,000	100,000	100,000	500,000
Bicycle Infrastructure	100,000	100,000	100,000	100,000	100,000	500,000
SUBTOTAL	\$1,286,314	\$1,848,620	\$1,163,799	\$1,050,213	\$1,052,729	\$6,401,675
PARKS & RECREATION						
Parks and Schools Playground Renovations	106,090	109,273	112,551	115,927	119,406	563,247
Trails and Greenway Development	79,568	81,955	84,414	86,946	89,554	422,437
Urban Tree Preservation and Planting	51,500	53,045	54,636	56,275	57,963	273,419
Parkland Acquisition	100,000	100,000	100,000	100,000	100,000	500,000
SUBTOTAL	\$337,158	\$344,273	\$351,601	\$359,148	\$366,923	\$1,759,103
STORMWATER INITIATIVES						
Neighborhood Drainage Projects	175,000	175,000	175,000	175,000	175,000	875,000
Stormwater Initiatives	600,000	600,000	100,000	100,000	100,000	1,500,000
SUBTOTAL	\$775,000	\$775,000	\$275,000	\$275,000	\$275,000	\$2,375,000
TECHNOLOGY INFRASTRUCTURE						
Communications Technology Account/Public Access	45,000	45,000	45,000	45,000	45,000	225,000
SUBTOTAL	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$225,000
OTHER GOVERNMENTAL COMMITMENTS						
YMCA Pool (City Share)	0	625,000	0	0	0	625,000
Charlottesville Housing Fund	1,410,000	1,528,154	1,569,322	1,611,600	1,655,016	7,774,092
Home Energy Conservation Grant Program	125,000	125,000	125,000	125,000	125,000	625,000
Voting Machines	35,000	0	0	0	0	35,000
SUBTOTAL	\$1,570,000	\$2,278,154	\$1,694,322	\$1,736,600	\$1,780,016	\$9,059,092
SUBTOTAL NONBONDABLE PROJECTS	\$4,513,472	\$5,798,047	\$4,044,947	\$3,989,143	\$4,051,045	\$22,396,654
Nonbondable Contingency	78,640	115,961	80,899	79,783	81,021	436,304
TOTAL NONBONDABLE EXPENDITURES	\$4,592,112	\$5,914,008	\$4,125,846	\$4,068,926	\$4,132,066	\$22,832,958
TOTAL PROJECT EXPENDITURES	\$24,006,555	\$21,525,965	\$12,803,787	\$11,959,409	\$10,600,744	\$80,896,460

