
Capital Improvement Program Fund

The Capital Improvement Program Fund (CIP) provides funding for streets, public buildings, land and other capital assets, which are of significant value and generally have a useful life of 5 years or more and cost more than \$50,000. City Council has set a policy to allocate at least 3% of General Fund Operating Budget revenues 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. Charlottesville's public facilities are aging, there is no significant growth in population, and the set boundaries of the City all combine to 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 prioritize projects, ranking them 1 – 5 based on a set of fixed criteria. This criteria not only helps the department think about the type of requests they are submitting, but serves as a key factor when the CIP Committee begins to discuss the projects as a whole since generally, requests far outweigh available funding.

CIP submissions are received by the Budget Office in early October, and in mid-October, the CIP Committee begins to meet and discuss the requested projects. The CIP Committee consists of staff members from Neighborhood Development Services, Public Works, Budget, Parks and Recreation, Public Safety and the City Manager's Office. The CIP Committee reviews all projects and their prioritization, and with guidance from the City Manager, develops a recommendation that is fiscally sound and reflects the overall priorities of the City and its needs. Once a proposal is agreed upon by the Committee, it is brought to the City Manager who then may make changes.

After review by the City Manager the recommendations for the annual capital budget are made to the Planning Commission in the fall of each year. Following Planning Commission consideration, 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.

Given the need for capital projects that exists in the community, the **FY 2007-2011** Capital Improvements Plan recommends the use of approximately **\$50 million** in long-term debt to finance a portion of the **\$54.6 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 and with PEG (Public, Education, and Government) Fees.

The Capital Improvement Program for **FY 2006-2007** contains projects totaling **\$11.8 million**, as well as a capital projects contingency account totaling **\$819,520**, for a total capital improvement program budget equaling **\$12.6 million**.

Description of Capital Projects

Bondable Projects*

Education

For FY 2007, the City of Charlottesville allocates a lump sum of approximately \$1.41 million to the City schools. Some of the projects covered by this sum include: Burnley-Moran Fire Alarm Replacement; System wide ADA Improvements; CHS Security Lighting and Surveillance system; Buford roof replacement; Clark roof replacement; Clark exterior painting and waterproofing; Interior painting system-wide; HVAC Repairs – System wide; and Walker roof replacement (design only).

Economic Development

A lump sum of \$100,000 is allocated for the purpose of building up funds to create a permanent location for the Farmer's Market and to allow for the redevelopment of the current site.

Neighborhood Improvements

For FY 2007, the City of Charlottesville allocates \$975,000 for Neighborhood Improvement projects. A lump sum of \$700,000 is allocated to fund the implementation of the Neighborhood Improvements comprehensive plan; \$175,000 for Neighborhood Drainage Projects; and \$100,000 for the building of new sidewalks.

Public Safety and Justice

For FY 2007, the City of Charlottesville allocates \$400,000 for Public Safety and Justice capital improvement projects. These funds will be used to cover architectural & engineering design costs associated with the expansion to the Ridge Street Fire Station.

Transportation and Access

For FY 2007, a total of \$2,275,000 is allocated to Transportation and Access for several purposes. First, \$1.5 million is allocated for Major Downtown Mall/Side Street reconstruction. A sum of \$75,000 is allocated for the City's share of State bridge and highway priorities, which entails the inspections and maintenance of various bridges throughout the City, and \$700,000 is allocated for the West Main Streetscape project from 10th Street to JPA.

Parks and Recreation

For FY 2007 the Parks and Recreation Department is allocated \$400,000 for improvements and upgrades to McGuffey Park. This project will include the development of a World Class Children's Park in Downtown Charlottesville, and will be a jointly funded private-public partnership with Friends of McGuffey Park, who have committed to raising up to 30% or \$240,000 in funds for the project.

General Government Infrastructure and Other Commitments

This budget proposes an additional \$2,000,000 to the **Jefferson School** project. The design concept for the Jefferson School includes an African American Heritage and Cultural Center, and the restoration of Carver Recreation Center as a recreation center, as well as some possible educational uses by PVCC. The total City funds dedicated to FY 2007, and prior budgets for Jefferson School, is over **\$6 million**.

* Projects that are by nature, major public improvements (i.e., new fire station, new sidewalks, new parks, etc.) and have a life expectancy beyond the term of the bond.

Non-Bondable Projects***Economic Development – Strategic Investments**

The Department of Economic Development is allocated \$136,153 for the purpose of carrying out economic development initiatives. These funds are to be used to assist in long-term strategic improvements, to grow and expand the City's tax base, and for work force development.

Neighborhood Improvements

An additional \$775,101 is allocated to Neighborhood Improvements for non-bondable projects. These projects include \$300,000 for sidewalk repair and handicapped access improvements; \$225,101 for housing initiatives; \$100,000 for various Citywide drainage projects; and \$150,000 for the establishment of a Housing Trust Fund.

Facilities Capital Projects

In FY 2007, Facilities Capital Projects has been allocated a lump sum of \$950,000 in order to fund improvements and repairs to various City owned facilities. These include the replacement of various air handlers and HVAC components; roof replacements and repairs; and any other repairs deemed to be necessary in order to preserve the City's properties. This is the first year that this has been budgeted in a lump sum, which is projected to grow at a rate of 3% per year, the same rate as the School's Capital Projects funds.

Public Safety

For FY 2007 the City of Charlottesville has allocated an additional \$104,565 that will be used to purchase 10 Mobile Data Computers for police vehicles.

Transportation and Access

Transportation and Access receives an additional \$546,964 for much needed street paving and reconstruction due to rapid deterioration that has been occurring in recent years; \$307,424 to use as matching grant funds for the CTS Operations Relocation; \$383,203 in grant match funds for CTS Transit bus replacement; \$22,511 to fund new traffic signals and traffic signal improvements; and \$154,000 to be used as the required 2% matching funds for various grant funded projects such as the Meadowcreek Parkway and Hillsdale Drive projects. Total funding for this area is \$1.4 million.

Parks and Recreation

The Parks and Recreation Department is allocated an additional \$562,065 for non-bondable projects, which include: \$225,102 for facilities improvements and maintenance; \$87,551 for landscape beautification in areas throughout the City; \$84,412 for Downtown Mall maintenance and renovations; \$100,000 for improvements to City and School playgrounds; and \$65,000 for the replacement of the Pen Park/ Meadowcreek Wash facilities.

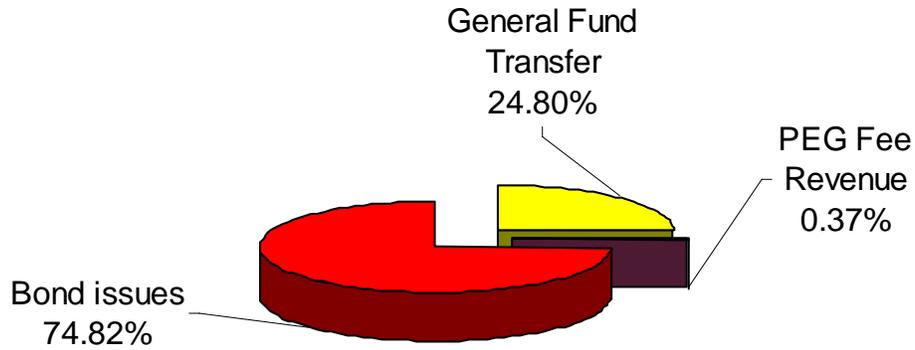
General Government Infrastructure & Other Commitments

Funds totaling \$302,679 are allocated for general government infrastructure and other projects, some of which include site work at Piedmont Virginia Community College, with the City's share totaling \$28,300; \$50,000 for the construction of a new SPCA facility (with matching funds from Albemarle County); and \$52,000 for flyovers to complete a GIS Base Mapping Update. Other projects include \$50,000 for Communications equipment related to cable television operations; \$28,138 for various repairs and renovations at the Charlottesville Albemarle Technical Education Center; \$39,392 for Geographic Information System operations; \$30,000 in one-time capital funding for the Rock House; and \$24,849 in one-time funding for JABA - Mountainside.

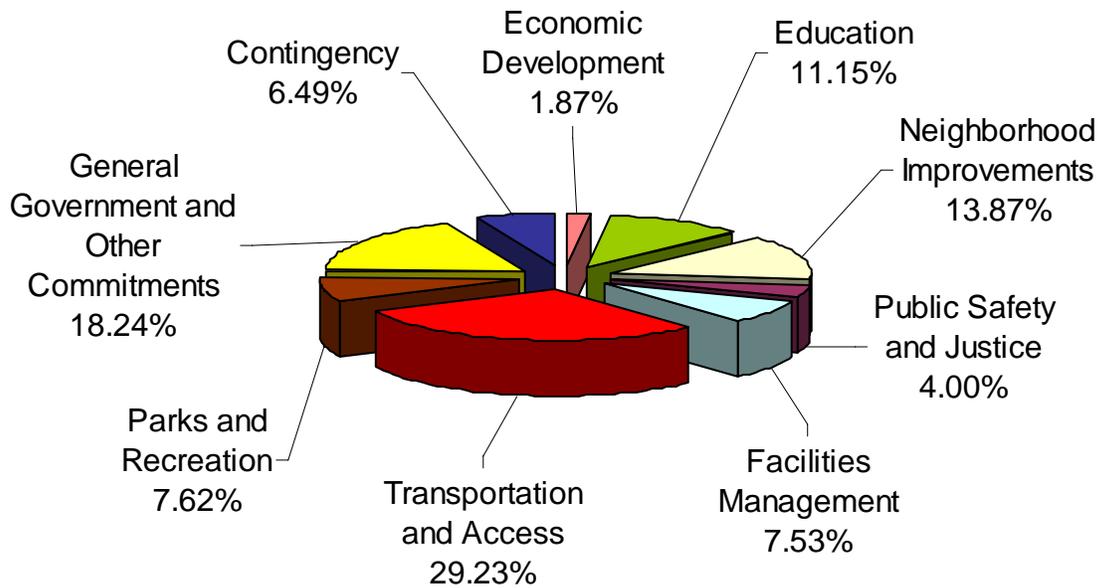
* Projects that are, by nature, major maintenance and improvements (i.e., facilities capital projects, parks maintenance, etc.) and are funded via the General Fund contribution to the CIP.

FY 2007 Capital Improvement Program Revenues and Expenditures

Revenues



Expenditures



FY 2007-2011 Capital Improvement Program

	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Revenues						
Beginning Fund Balance	(\$5,450,206)	(\$4,706,276)	(\$2,052,718)	\$1,540,845	\$4,760,568	
General Fund Transfer	3,315,000	3,815,000	4,315,000	4,815,000	5,315,000	\$21,575,000
PEG Fee Revenue	50,000	50,000	50,000	50,000	50,000	\$250,000
CY 2007 Bond Issue	10,000,000					\$10,000,000
CY 2008 Bond Issue - Meals Tax		10,000,000				\$10,000,000
CY 2009 Bond Issue			10,000,000			\$10,000,000
CY 2010 Bond Issue				10,000,000		\$10,000,000
CY 2011 Bond Issue - Meals Tax					10,000,000	\$10,000,000
TOTAL AVAILABLE REVENUES	\$7,914,794	\$9,158,724	\$12,312,282	\$16,405,845	\$20,125,568	\$65,917,213
Expenditures						
BONDABLE PROJECTS						
EDUCATION	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Lump Sum to Schools	1,406,886	1,449,093	1,492,566	1,537,343	1,583,463	\$7,469,351
CHS Gym Improvements/Walker Admin Offices	0	0	0	800,000	0	\$800,000
SUBTOTAL	\$1,406,886	\$1,449,093	\$1,492,566	\$2,337,343	\$1,583,463	\$8,269,351
ECONOMIC DEVELOPMENT	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Relocation of Farmers Market	100,000	0	0	0	0	100,000
SUBTOTAL	\$100,000	\$0	\$0	\$0	\$0	\$100,000
NEIGHBORHOOD IMPROVEMENTS	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Comprehensive Plan Implementation	700,000	600,000	618,000	636,540	655,626	\$3,210,166
Neighborhood Drainage Projects	175,000	175,000	175,000	175,000	175,000	\$875,000
New Sidewalks	100,000	100,000	100,000	100,000	100,000	\$500,000
SUBTOTAL	\$975,000	\$875,000	\$893,000	\$911,540	\$930,626	\$4,585,166
PUBLIC SAFETY AND JUSTICE	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Fire Station HQ Expansion	400,000	1,500,000	0	0	0	\$1,900,000
Bypass Fire Station Replacement	0	600,000	2,400,000	0	0	\$3,000,000
Ivy Road/Fontaine Area Fire Station Replacement	0	600,000	0	2,400,000	0	\$3,000,000
SUBTOTAL	\$400,000	\$2,700,000	\$2,400,000	\$2,400,000	\$0	\$7,900,000
FACILITIES CAPITAL PROJECTS	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Combined General District Court Facility	0	0	165,000	0	0	\$165,000
SUBTOTAL	\$0	\$0	\$165,000	\$0	\$0	\$165,000
TRANSPORTATION AND ACCESS	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Major Downtown Mall/Side street Reconstruction/Undergrounding	1,500,000	1,545,000	1,591,350	1,639,091	1,688,263	\$7,963,704
Utilities						
State Bridge and Highway Priorities	75,000	75,000	75,000	75,000	75,000	\$375,000
West Main Streetscape - 10th to JPA	700,000	0	0	0	0	\$700,000
SUBTOTAL	\$2,275,000	\$1,620,000	\$1,666,350	\$1,714,091	\$1,763,263	\$9,038,704
PARKS AND RECREATION	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
McIntire Park Improvements	0	120,068	123,670	127,380	131,202	502,320
McGuffey Park Upgrades & Improvements	400,000	0	0	0	0	\$400,000
SUBTOTAL	\$400,000	\$120,068	\$123,670	\$127,380	\$131,202	\$902,320
GENERAL GOVERNMENT INFRASTRUCTURE AND OTHER COMMITMENTS	<u>Adopted FY07</u>	<u>Projected FY08</u>	<u>Projected FY09</u>	<u>Projected FY10</u>	<u>Projected FY11</u>	<u>5 Year Total</u>
Project						
Jefferson School	2,000,000	0	0	0	0	2,000,000
SUBTOTAL	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
SUBTOTAL BONDABLE PROJECTS	\$7,556,886	\$6,764,161	\$6,740,586	\$7,490,353	\$4,408,554	\$32,960,541

FY 2007-2011 Capital Improvement Program

NONBONDABLE PROJECTS						
ECONOMIC DEVELOPMENT						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
Economic Development (Strategic) Initiatives	136,153	144,738	153,580	162,687	172,068	\$769,226
SUBTOTAL	\$136,153	\$144,738	\$153,580	\$162,687	\$172,068	\$769,226
NEIGHBORHOOD IMPROVEMENTS						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
Housing Initiatives	225,101	231,854	238,810	245,974	253,354	\$1,195,093
Housing Trust Fund	150,000	150,000	150,000	150,000	150,000	\$750,000
Sidewalk Repair	300,000	300,000	300,000	168,826	173,891	\$1,242,717
City Wide Drainage Projects	100,000	103,000	106,090	109,273	112,551	\$530,914
SUBTOTAL	\$775,101	\$784,854	\$794,900	\$674,073	\$689,796	\$3,718,724
FACILITIES CAPITAL PROJECTS						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
Lump Sum to Facilities Capital Projects	950,000	978,500	1,007,855	1,038,091	1,069,233	\$5,043,679
SUBTOTAL	\$950,000	\$978,500	\$1,007,855	\$1,038,091	\$1,069,233	\$5,043,679
PUBLIC SAFETY						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
Mobile Data Computers	104,565	110,635	116,705	229,000	171,335	\$732,240
SUBTOTAL	\$104,565	\$110,635	\$116,705	\$229,000	\$171,335	\$732,240
TRANSPORTATION & ACCESS						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
Belmont Bridge 2% Match	0	166,000	0	0	0	\$166,000
Hilsdale Drive - 2% Match	24,000	0	0	0	0	\$24,000
Street Reconstruction	546,964	563,373	580,274	597,682	615,613	\$2,903,906
Meadowcreek Parkway - 2% Match	100,000	131,000	0	0	0	\$231,000
Meadowcreek Parkway Interchange - 2% Match	30,000	0	0	0	0	\$30,000
JPA Bridge 2% Match	0	80,000	0	0	0	\$80,000
City Match for CTS Operations Relocation	307,424	0	0	0	0	\$307,424
CTS Transit Bus Replacement Match Requirement	383,203	0	0	0	0	\$383,203
Traffic Signals	22,511	23,186	23,882	24,598	25,336	\$119,512
SUBTOTAL	\$1,414,102	\$963,559	\$604,156	\$622,280	\$640,949	\$4,245,045
PARKS & RECREATION						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
Landscape Beautification	87,551	90,178	92,883	95,670	98,540	\$464,822
Parks Facility Improvements and Maintenance	112,551	115,928	119,406	122,988	126,678	\$597,551
Recreation Facility Improvements and Maintenance	112,551	115,928	119,406	122,988	126,678	\$597,551
Downtown Mall Maintenance and Renovations	84,412	86,945	89,554	92,241	95,009	\$448,161
Parks Playground Improvements	50,000	51,500	53,045	54,636	56,275	\$265,456
School Parks System-wide Improvements	50,000	51,500	53,045	54,636	56,275	\$265,456
Pen/Meadowcreek Wash Facilities	65,000	0	0	0	0	\$65,000
SUBTOTAL	\$562,065	\$511,979	\$527,339	\$543,159	\$559,455	\$2,703,997
GENERAL GOVERNMENT INFRASTRUCTURE AND OTHER COMMITMENTS						
<u>Project</u>	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>5 Year</u>
	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>Total</u>
CATEC Improvements	28,138	28,982	29,851	30,747	31,670	\$149,388
Piedmont Va Community College Capital Work (City Share)	28,300	0	0	0	0	\$28,300
Society for the Prevention of Cruelty to Animals (City Share)	50,000	0	0	0	0	\$50,000
Communications/Cable TV Equipment	50,000	50,000	50,000	50,000	50,000	\$250,000
Voter Verifiable Paper Audit Trail	0	100,000	0	0	0	\$100,000
GIS Base Mapping Update (Flyovers)	52,000	0	0	0	0	\$52,000
Geographic Information System	39,392	40,575	41,792	43,046	44,337	\$209,142
Rock House Capital Investment (One Time Funding)	30,000	0	0	0	0	\$30,000
JABA - Mountainside (One Time Funding)	24,849	0	0	0	0	\$24,849
SUBTOTAL	\$302,679	\$219,557	\$121,643	\$123,793	\$126,007	\$893,679
SUBTOTAL NONBONDABLE PROJECTS	\$4,244,665	\$3,713,822	\$3,326,178	\$3,393,083	\$3,428,843	\$18,106,590
SUBTOTAL TOTAL PROJECT EXPENDITURES	\$11,801,551	\$10,477,983	\$10,066,764	\$10,883,436	\$7,837,397	\$51,067,131
CONTINGENCY	\$819,520	\$733,459	\$704,673	\$761,841	\$548,618	\$3,568,111
TOTAL EXPENDITURES	\$12,621,071	\$11,211,442	\$10,771,437	\$11,645,277	\$8,386,015	\$54,635,242
ENDING FUND BALANCE	(\$4,706,276)	(\$2,052,718)	\$1,540,845	\$4,760,568	\$11,739,553	