



*Stephanie Rawlings-Blake*  
Mayor

## PLANNING COMMISSION

*Wilbur E. "Bill" Cunningham, Chairman*



*Thomas J. Stosur*  
Director

### STAFF REPORT

**March 12, 2015**

**REQUEST:** FY 2016-2021 Capital Improvement Program

**RECOMMENDATION:** Approval

**STAFF:** Sara Paraniham

#### CIP Overview

By City Charter, the Planning Commission must submit a recommended six-year CIP to the Board of Estimates. The recommended budget year CIP becomes the basis for the capital component of the Ordinance of Estimates, adopted by the City Council.

#### CIP Review Schedule

- October 2014: Department of Planning sent to agencies CIP request packets including fund sources targets.
- December 2014: Requests from agencies due to the Department of Planning.
- December 2014- February 2015: Planning performs detailed review of requests.
- January 2015: Select Agencies brief Planning Commission.
- February 26, 2015: Planning Commission review of CIP Recommendations
- March 12, 2015: Planning Commission review/approval of CIP Recommendations.
- March 23, 2015: Six year CIP reviewed/approval by Board of Finance.
- May 6, 2015: CIP program reviewed/approved by Board of Estimates.
- June 2015: Budget year CIP adopted by City Council.
- July 1, 2015: Fiscal year 2016 begins.

#### CIP Request Evaluation Criteria

Projects are reviewed according to the following criteria.

- Necessary to protect public health and safety
- City funding will leverage other fund sources
- Capital investment will result in operating savings
- Fulfills a state or federal mandate
- Necessary to implement a priority housing or economic development project (ex. supports the Red Line)
- Promotes private-public partnerships

- Implements the City’s Comprehensive Master Plan, current & future area master plans and/or agency/institution’s master plan
- Implements the City’s Sustainability Plan

### **CIP Fund Sources**

- General Obligation Bonds (GO Bonds) – With voter approval, the City borrows money for specific improvements by selling General Obligation Bonds.
- General Funds – Revenue received from various payments to the City, such as property taxes and sale of property.
- General Funds HUR Eligible – State Highway User Revenues allocated by formula.
- State Funds – Includes Program Open Space, Local Impact Aid
- Federal Funds – Includes CDBG, HOME, Federal Highway Funds
- Revenue Loans – Funds from future revenues such as water bills, stormwater fees, and HUR revenue (MDOT County Transportation Revenue Bonds)
- Utility Funds – Funds from current revenues such as water bills, stormwater fees, and conduit fees
- County Grants – County contribution to shared projects, mostly water-related
- Other – Sale of city property, private money

### **Planning Recommendations**

Per the schedule outlined above, agencies make requests to the Planning Department in the fall and Planning evaluates those requests throughout the winter to develop a recommended Capital Improvement Program. As part of the evaluation process, Planning reviews all of the requests received and recommends funding in accordance with fund source targets provided by the Department of Finance. Planning is not able to recommend funding all of the agency requests due to limited funding availability. However, Planning recommends funding for almost all of agencies’ FY16 highest priority requests, and recommends funding in FY 17 for most second-level FY16 priorities.

In addition to prioritizing requests, the Planning Recommendations also include information that was not available when agencies initially made their requests.

The 2014 Loan Authorization was successful, increasing the General Obligation bond amount from \$50m for FY 15 to \$65m for FY16 and \$65m for FY17. These additional funds will help support the following priority projects:

- **Demolition** – In keeping with the Mayor’s Blight Elimination Initiative, the 10 year financial plan commits \$10m per year for demolition, including \$7.5 million/year for whole block demolition.
- **Recreation and Aquatics Facilities** – At least \$5 million/year is recommended towards implementing Recreation and Parks’ plan to build a series of citywide recreation center facilities located in parks near other recreational facilities such as pools and athletic fields.

- **Central Library Renovation** – The Central Library will receive a \$100 million dollar renovation using mostly State dollars, but the City is required to contribute \$5.3 million to the project. The City has already appropriated \$1.8 million for this project, and the CIP recommendations include the additional \$3.5 million matching funds.
- **INSPIRE** – To complement the nearly \$1 billion investment in rebuilding and renovating schools through the 21<sup>st</sup> Century Schools Initiative, the City will work with school and neighborhoods stakeholders to develop plans for the areas surrounding each school. Starting in FY16, \$2.5 million has been recommended each year to assist with implementation of those plans.
- **Inner Harbor** – Waterfront Partnership and the City of Baltimore recently completed the Inner Harbor 2.0 plan. Baltimore Development Corporation will be the lead agency for implementation of capital projects and will coordinate with other agencies. To begin implementation of this plan, \$10m have been allocated towards Rash Field and \$6m towards additional improvements.

Per the loan authorization, the CIP includes the following General Obligation Bond allocations:

	<b>FY 16</b>	<b>FY17</b>	<b>Total</b>
City School System	\$17,000	\$17,000	\$34,000
Community and Economic Development	\$23,125	\$23,875	\$47,000
Parks and Public Facilities	\$24,075	\$22,925	\$47,000
National Aquarium Chesapeake Bay Exhibit	\$400	\$400	\$800
Baltimore Museum of Art - Fire Safety	\$200	\$200	\$400
Port Discovery Children`s Museum	\$200	\$200	\$400
Walters Art Museum - The Domino Project		\$400	\$400
	<b>\$65,000</b>	<b>\$65,000</b>	<b>\$130,000</b>

### **Summary of the Recommended Capital Improvement Program**

#### **Six-Year Program**

**Agency Requests: \$ 3.384 billion**

**Planning Recommendation: \$ 3.272 billion**

#### **Budget Year**

**Agency Requests: \$ 692 million**

**Planning Recommendation: \$ 662 million**

**Fund Distribution for Recommended FY 2016 Capital Budget**  
**(All Fund Sources)**

<b><u>Agency/Dept.</u></b>	<b><u>\$ Amount in thousands</u></b>
MOIT	\$750
Mayorality-Related	\$14,285
Planning	\$740
DGS	\$30,450
School System	\$17,000
Recreation & Parks	\$14,422
Transportation	\$60,129
DPW	\$466,046
HCD	\$46,379
BDC	\$9,877
Downtown Partnership	\$1,750
<b>Total</b>	<b>\$661,828</b>

**Sources of Funds for Recommended FY 2016 Capital Budget**

<b><u>Category</u></b>	<b><u>\$ Amount in thousands</u></b>
G.O Bonds	\$65,000
General Funds	\$10,910
Revenue Loans	\$278,141
Utility Funds	\$21,070
Federal Funds	\$42,910
State Funds	\$32,082
General Funds Highway User Revenue	\$6,090
County Grants	\$178,935
Other	\$26,690
<b>Total</b>	<b>\$661,828</b>

The Department of Planning electronically notified all Compass subscribers, which includes community associations listed in the Community Association Directory.

The Department of Planning recommends approval of the FY 2016 – 2021 Capital Improvement Program.



**Thomas J. Stosur**  
**Director**