

CAPITAL IMPROVEMENTS

Since the establishment of the Capital Fund in 1989, the City has successfully begun the process of restoring and improving its capital assets. In August 1993, voters passed a one-half cent sales tax dedicated to capital improvement projects. This new source of revenue has greatly enhanced the City's ability to meet its capital needs. Major accomplishments and highlights of St. Louis' capital improvement program are shown on the table on the following page.

This section presents an overview of St. Louis' capital improvement program, including the planning process, the five-year Capital Improvements Plan, and the FY2002 Capital Budget. The entire Capital Improvements Plan, including a budget for each fund, account, and subaccount within the Capital Fund, is presented in a separately bound volume.

CAPITAL PLANNING PROCESS

To address the City's pressing capital infrastructure and equipment needs, the City of St. Louis established capital planning policies and the Capital Fund in 1989. City ordinances require the Budget Division, together with the Capital Committee, to develop a five-year capital improvement plan (CIP) annually. Each year, a Capital Budget must be prepared, based on the first year of the CIP. Both the CIP and Capital Budget must be submitted by the Budget Division to the Board of Estimate and Apportionment and Board of Aldermen for approval. The CIP and Capital Budget are submitted in the same manner and time as the general operating budget of the City.

CAPITAL IMPROVEMENT PROGRAM ACCOMPLISHMENTS

Roads and Bridges

- Replacement of several major bridges in the City, including the South Kingshighway, Arsenal Street, Morganford, Alabama and Natural Bridge.
- Resurfacing of arterial and residential streets throughout the City.

Neighborhood Stabilization

- Improvements, such as, lighting, street resurfacing, and new playground equipment, in the City's six major parks and many neighborhood parks
- Enhanced street lighting at all recreation centers, neighborhood parks, community schools and churches throughout the City.
- Demolition of abandoned buildings
- Improvements at the City's recreation centers

Facility Improvements and Equipment Replacement

- Repair, expansion, and construction of City-owned buildings, including the Civil Courts Building, the Justice Center, and the Police Department Area Command Stations.
- Implementation of a rolling stock replacement program
- Progress toward complying with Federal mandates
- Flood protection projects
- Warning Siren System

The Capital Committee is responsible for the assessment and review of capital needs and must develop and recommend the CIP and Capital Budget. As established by ordinance, the Capital Committee consists of the following members: the Budget Director, who serves as Chairperson, the Community Development Agency Director, the President of the Board of Public Service, the President of the Board of Aldermen (or his designee), one other Alderman appointed by the President of the Board of Aldermen, the Comptroller (or his designee), one other person from the Comptroller's office, the Mayor (or his designee), and the Chairperson of the Ways and Means Committee.

A committee of City residents, the Citizen's Advisory Committee for Capital Expenditures, is involved in the capital planning process. This committee reviews and assesses capital needs, advises the Capital Committee on the development and recommendation of the CIP and Capital Budget, and reviews the City's capital accomplishments.

The Capital Committee selects and prioritizes capital projects using established criteria. The following criteria are used to evaluate projects:

- Capital improvements that will foster St. Louis' goal of preserving and improving municipal buildings and other assets;
- Capital improvements that will foster St. Louis' goal of fiscal stability and soundness;
- Capital improvements that will foster St. Louis' goal of preserving its infrastructure and heritage;
- Projects that reduce the cost of operations or energy consumption;
- Projects that promote operational safety.

In January 1994, the Capital Committee adopted additional selection criteria. Projects are evaluated and funding recommendations are made according to the following priorities:

- 1) Required payment for existing debt service

- 2) Local match amounts for bridge and street improvements et al
- 3) Funding for State and Federal mandates, including underground storage tank abatement, ADA compliance, asbestos and lead paint abatement
- 4) Ongoing replacements necessary for City operations

FIVE-YEAR CAPITAL IMPROVEMENT PLAN

The 2002-2006 Capital Improvements Plan identified the projects funded in the FY2002 capital budget and those projects scheduled for the next four years. Projects included in the Capital Improvements Plan (CIP) from FY2002-FY2006 have a projected cost of \$400 million. The projects will be funded through a combination of local, state and federal sources. Over the five-year period, approximately \$200.3 million will be appropriated to pay for the projects. This amount includes outright purchases as well as debt service payments, and in the case of road and bridge projects, the City's local matching share of the total cost.

Projects included in the CIP have been grouped into three major categories. These categories are road and bridge improvements, neighborhood stabilization projects, and facility improvements and equipment replacement. Table 1 presents a summary of proposed capital projects for the next five years. The projects presented in the FY2002 column represent the FY2002 Capital Budget, while projects in subsequent years will be reviewed and updated on an annual basis. A detailed description of each proposed project is included in the separately bound Capital Improvements Plan.

Road and Bridge Improvement Projects

Most of the costs of the transportation projects are funded through the Federal Surface Transportation Program. The CIP will provide a total of \$22.4 million toward road and bridge improvements over the next five years. Of this amount, \$15.4 million will serve as the City's local match for federally funded projects with an estimated value of over \$70.0 million. This represents about 25

percent of the total CIP projects either in progress or begun during the five-year-period.

**TABLE I
CAPITAL IMPROVEMENTS PLAN
USE OF FUNDS**

	FY2002	FY2003	FY2004	FY2005	FY2006	TOTAL
<u>Road and Bridge Improvement Projects</u>						
Surface Transportation Program (T-21 match)	\$3,155,000	\$3,730,000	\$4,185,000	\$3,505,000	\$800,000	\$15,375,000
Arterial Street Resurfacing / Repair	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Bridge Resurfacing / Repair	331,300	350,000	350,000	350,000	350,000	1,731,300
Total Road and Bridge Improvement Projects	4,486,300	5,080,000	5,535,000	4,855,000	2,150,000	22,106,300
<u>Neighborhood Stabilization Projects</u>						
Ward Improvements	9,093,750	9,360,500	9,603,000	9,894,000	10,233,500	48,184,750
Police Department Improvements (Debt Service)	1,393,000	1,391,000	1,391,000	1,385,000	1,385,000	6,945,000
Major Park Improvements & Debt Service	3,091,800	3,182,570	3,265,020	3,363,960	3,479,390	16,382,740
Major Park Improvements Grants	900,000	0	0	0	0	900,000
Recreation Center Improvements	545,625	561,630	576,180	593,640	614,010	2,891,085
Major Parks - Metro Parks Projects	937,500	772,000	792,000	816,000	844,000	4,161,500
Neighborhood Parks - Metro Parks Projects	1,406,250	1,158,000	1,188,000	1,224,000	1,266,000	6,242,250
Total Neighborhood Stabilization Projects	17,367,925	16,425,700	16,815,200	17,276,600	17,821,900	85,707,325
<u>Facility Improvements and Equipment Replacement</u>						
Civil Courts Building Renovation (FY94 Lease Purchase)	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	13,000,000
Justice Center / MSI	10,250,000	10,250,000	10,250,000	10,250,000	10,250,000	51,250,000
Multimodal Facility Debt Service	370,000	370,000	370,000	370,000	370,000	1,850,000
Improvements to City Buildings, Equipment and Development	1,825,000	1,500,000	1,325,000	1,350,000	1,250,000	7,250,000
Rolling Stock Replacement Debt Service	2,100,000	2,100,000	2,100,000	2,100,000	0	8,400,000
Other Rolling Stock Replacement	350,000	1,000,000	1,000,000	1,000,000	5,000,000	8,350,000
Federal Mandates	350,000	450,000	200,000	200,000	200,000	1,400,000
Total Facility Improvements and Equipment Replacement	17,845,000	18,270,000	17,845,000	17,870,000	19,670,000	91,500,000
All Capital Improvement Projects	\$39,689,950	\$39,775,700	\$40,195,200	\$40,001,600	\$39,641,900	\$199,313,625

The CIP also includes \$5.3 million for arterial street resurfacing and \$1.7 million for bridge repair/resurfacing. These street and bridge improvements will be funded entirely with City dollars. Prior to the passage of the capital improvement sales tax, many needed arterial street and bridge repairs went undone.

Neighborhood Stabilization Projects

Neighborhood stabilization capital projects include improvements in the City's 28 wards, recreation centers, parks, and Police Department. Approximately \$86 million in neighborhood stabilization projects is included in the five-year plan. Proposed five-year plan funding includes the following:

- \$48.4 million for ward improvements
- \$21.5 million for major park improvements
- \$6.9 million for Police Department improvements
- \$2.9 million for recreation center improvements
- \$6.2 million for neighborhood park improvements

The majority of neighborhood stabilization projects will be improvements in the City's neighborhoods and parks. In FY2002, each ward will receive \$326,440 for capital improvements specific to each ward. In the past, aldermen have spent these funds to resurface residential streets, improve neighborhood parks, reconstruct alleys, enhance street lighting and replace refuse containers.

Facility Improvement and Equipment Replacement

Approximately \$91.8 million in facility improvements and equipment replacement is planned for the next five years. More than 72% of this amount will be expended to retire the debt associated with the new downtown Justice Center and the expansion of the Medium Security Institution, the renovations to the Civil Courts Building and the new Multimodal facility.

Facility improvement and equipment replacement projects proposed in the five-year plan include:

- \$51.2 million for the MSI expansion and Justice Center financing
- \$13.0 million for renovations to the Civil Courts building
- \$8.4 million for rolling stock lease/purchase debt service
- \$7.4 million for improvements to City buildings and equipment replacement
- \$1.55 million for Federal mandate compliance

Funding Sources

The capital projects included in this plan will be financed through a combination of local, state, and federal sources. Table II presents a summary of estimated resources available for capital expenditures for the next five years. A brief description of the funding sources follows.

TABLE II
CAPITAL IMPROVEMENTS PLAN
SOURCE OF FUNDS

	FY2002	FY2003	FY2004	FY2005	FY2006	TOTAL
Previous Year General Fund Operating Balance in Excess of 5%	\$1,100,000	\$0	\$0	\$0	\$0	\$1,100,000
General Fund Operating Balance	4,100,000	\$0	\$0	\$0	\$0	4,100,000
1/2 Cent Sales Tax for Capital Improvements	18,187,500	18,721,000	19,206,000	19,788,000	20,467,000	96,369,500
1/10 Cent Sales Tax for Metro Parks (40% Major Parks)	937,500	772,000	792,000	816,000	844,000	4,161,500
1/10 Cent Sales Tax for Metro Parks (60% Neighborhood Parks)	1,406,250	1,158,000	1,188,000	1,224,000	1,266,000	6,242,250
EDI-Special Project Grant	400,000	0	0	0	0	400,000
U. S. Department of Agriculture Reforestation Grant (Forest Park)	500,000	0	0	0	0	500,000
Transfer from Gaming Fund	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
Income from Sale of City Assets	760,000	750,000	750,000	750,000	750,000	3,760,000
General Fund Transfer for Justice Center Payment	5,400,000	6,700,000	6,700,000	6,700,000	6,700,000	32,200,000
Beginning Balance (Debt Service Reserve Earnings)	80,000	80,000	80,000	80,000	80,000	400,000
General Fund Transfer for FY94 Civil Courts Debt	1,075,000	2,300,000	2,300,000	2,300,000	2,300,000	10,275,000
General Fund Transfer for Surface Transportation Program	0	800,000	800,000	800,000	800,000	3,200,000
General Fund Transfer for Eads Bridge Project	0	625,000	0	0	0	625,000
Gasoline Tax Revenues	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	8,750,000
TOTAL SOURCES OF REVENUE	<u>\$39,696,250</u>	<u>\$37,656,000</u>	<u>\$37,566,000</u>	<u>\$38,208,000</u>	<u>\$38,957,000</u>	<u>\$192,083,250</u>

Local Sources

The major local funding source is the one-half cent sales tax for capital improvements. This tax was passed in 1993 and should provide about \$18.3 million this year for capital improvements. Proceeds from the capital improvement sales tax are distributed among the City's 28 wards (50%), citywide improvements (20%), major parks (17%), the Police Department (10%), and recreation centers (3%).

The City's General Fund, supported by local taxes and fees, contributes to the Capital Fund. In the FY2002 Capital Budget, \$12.3 million will be transferred from the General Fund (including the prior year operating fund balance and general fund balance) to the Capital Fund for capital projects. These funds are used to pay debt service on the expansion at the Medium Security Institution, construction of the Justice Center, and the renovation of the Civil Courts Building and to help fund the City's local match requirement for bridge and street projects. Additional local revenues, about \$760,000 expected from the sale of City assets, such as vehicles and / or property.

Beginning in FY2002 the City Parks and Recreation system will receive funds from the regional 1/10 Cent Metro Parks Sales Tax. Over the next five years, the City's portion of the tax will be approximately \$10.4 million with 40% going to the major parks and 60% going to the neighborhood parks.

In addition, half of any general fund-operating surplus is by ordinance transferred to the Capital Fund each year. If any general fund operating surpluses become available in future years, the City will budget these funds in the Capital Budget on a year-by-year basis. Another local source of funds is revenue derived from riverboat gaming, which is discussed later in this section.

State Sources

The Capital Fund receives funding through several taxes and fees imposed by the State of Missouri. The City has allocated a portion of the proceeds of the statewide gasoline tax to be used for capital improvements. In FY2002, \$1.75 million in gasoline tax revenues will be transferred to the Capital Fund. The entire revenue increase from additional gasoline tax revenues was dedicated to the Capital Fund. These revenues are used to help fund the City's local match requirements on bridge replacement and street repair projects financed through the Federal STP program.

In 1995 the state legislature recently imposed an additional \$35 court filing fee on cases filed in the 22nd Judicial Circuit Court in St. Louis. Revenues generated from this filing fee are being used to assist in financing renovations to the Civil Courts Building. This additional filing fee generates about \$700,000 annually. These revenues are included in the general fund transfer for the FY94 Civil Court lease purchase.

Federal Sources

The City of St. Louis relies heavily upon Federal funding to finance its road and bridge improvement projects. Federal funding is available through the Surface Transportation Program (STP), which was established through the Intermodal Surface Transportation Efficiency Act (ISTEA). The ISTEA program provides 75 to 100 percent of the cost of major bridge renovation or replacement projects and certain street improvement projects. The St. Louis Metropolitan region receives approximately \$14 million annually in such matching funds and is currently on a three year planning cycle. In FY2002, Forest Park will receive a \$500,000 grant for reforestation from the U.S. Department of Agriculture. Also, in FY2002 Tower Grove Park and Willmore Park will each receive \$200,000 from the EDI-Special Project Grant.

Gaming Revenues

Currently, the City benefits from three direct sources of gaming revenues. The first is a 10% share of the state tax on gaming adjusted gross receipts, (AGR). With the state tax set at 20%, the City's share is equal to 2% of AGR. The state also imposes a two-dollar fee for all admissions to a gaming boat, with the City receiving one-half of this fee, or a dollar per admission. A third source of revenue is the lease between the City's Port Authority and the riverboat operator. The current lease with the President Casinos specifies a payment of 2% of AGR.

Based on AGR on the riverfront since the approval of slot machines along with an unrestricted admissions policy, the City projects annual revenues of approximately \$6.2 million per year from these three sources of gaming revenues.

In appropriating these revenues the City has opted for a spending formula that maximizes the impact of these receipts without making ongoing City operations dependent on the success of the gaming industry. By state statute, the 2% of AGR the City receives from the state is set aside for use in providing services necessary for the safety of the public visiting gaming boats. Funds from this source are therefore appropriated primarily for Police Department services on the riverfront and for riverfront street lighting, and for public right-of-way improvements. Revenue from the admission fee is unrestricted as to use and will be used to supplement funds available for capital improvement projects.

FY2002 CAPITAL BUDGET

The capital budget for FY2002 is \$40.41million. Table III presents a summary of the FY2002 capital budget. Citywide capital projects comprise over 57 percent of the total capital budget and ward improvement projects are about 23 percent of the budget. The remainder is divided among major parks, recreation centers, and the Police Department. The one-half cent sales tax for capital improvements is the largest source of capital funding and will provide approximately \$18.3 million in revenue for capital improvements in FY2002. Other major sources of funding include transfers from the General Fund, gasoline tax revenues, and gaming revenues.

The FY2002 capital budget is about 3% higher than the previous year's budget. Debt service charges for the major construction and equipment are almost the same as last year. Roads and Bridges Reconstruction programs are up approximately 25% and City Building Improvements is down 20% and Equipment Programs are up 10% over last year. Funds available for Neighborhood Stabilization projects supported by the sales tax for capital improvements are almost the same for FY2002. Funds for parks will increase over 10%, due to one time Grants received from Federal sources and the new Metro Parks Sales Tax.

The major areas of capital improvement spending are summarized in the following table. A more detailed break down of the sources and uses of funds are listed in the exhibits at the end of this section. A complete detail of the five-year Capital Improvements Plan (CIP) can be found in a separate volume.

**TABLE III
FY02 CAPITAL BUDGET**

	FY01 Budget	FY02 Budget
SOURCES		
Previous Year General Fund Balance in Excess of 5%	\$1,000,000	\$1,100,000
General Fund Balance Operating Balance	0	4,100,000
Capital Improvement Sales Tax	18,000,000	18,187,500
Metro Parks Sales Tax	0	2,343,750
Landmark Local Parks Program Grant	1,187,140	0
U.S. Department of Agriculture Reforestation Grant	0	500,000
EDI- Special Project Grant	1,387,500	400,000
Beginning Balance (Debt Service Reserve Earnings)	80,000	80,000
Gaming Revenues	4,000,000	4,000,000
Gasoline Tax	1,750,000	1,750,000
General Fund Transfer - ISTEIA	800,000	0
General Fund Transfer for Eads Bridge Project	625,000	0
General Fund Transfer - Civil Courts	1,000,000	1,075,000
Fund 1218 Transfer - Civil Courthouse Construction Fund	2,000,000	0
General Fund Transfer - Justice Center Lease Payment	5,400,000	5,400,000
Fund 1218 Transfer - DSR Earnings	300,000	0
Fund 1113 Transfer - Building Demolition	1,100,000	0
Income from Sale of City Assets	825,000	760,000
Total Sources	39,454,640	39,696,250
USES		
Citywide		
Existing Debt	13,342,000	14,884,900
Surface Transportation Program Match (T-21)	1,645,000	3,155,000
Eads Bridge Deck/Approach Replacement Project	625,000	0
Arterial Streets	1,000,000	1,000,000
Bridge Resurfacing/Repair	350,000	331,300
Rolling Stock Replacement	2,100,000	350,000
Federal Mandates	150,000	350,000
City Building Improvements	2,565,000	1,825,000
Major Park Improvements	462,500	400,000
Board of Education - Vashon Development	1,100,000	0
Total Citywide	23,339,500	22,296,200
Ward Improvements	9,000,000	9,093,750
Major Park Debt Service & Improvements	5,172,140	5,935,625
Police Department Improvements	1,403,000	1,818,750
Recreation Center Improvements	540,000	545,625
	16,115,140	17,393,750
Total Uses of Funds	39,454,640	39,689,950
Operating Balance	\$0	\$6,300

Citywide

Approximately \$22.9 million in citywide capital improvement projects are funded for FY2002.

Highlights include:

- \$12.7 million in lease purchase payments for the renovation of the Civil Courts Building, the Justice Center and the new Multimodal facility
- \$2.5 million for local match payments for road and bridge improvement projects under the Federal Surface Transportation Program
- \$2.5 million for the rolling stock replacement program
- \$1.9 million for City building projects, equipment and flood protection
- \$500,000 for projects required under Federal mandates, including asbestos and lead paint abatement, and improvements to comply with the Americans with Disabilities Act

Ward Improvements

In FY2002, \$9.1 million will be appropriated for ward improvements. Each of the 28 wards will receive \$326,440 for capital improvements specific to each ward. Projects typically include improvements in neighborhood parks, residential street resurfacing, repairs to alleys, street lighting enhancement, and dumpster replacement.

Major Parks

The City's six major parks will receive approximately \$4.0 million in FY2002 for capital improvement projects from the Half-Cent and Metro Parks sales tax funds. The distribution of these funds among the parks is based upon the acreage of the park. The FY2002 Capital Budget appropriates the amounts on the next page for each park:

Forest Park	\$2,479,750
Tower Grove Park	\$525,880
Carondelet Park	\$343,850
Fairground Park	\$250,800
O'Fallon Park	\$242,720
Willmore Park	\$202,260

In addition to the above funds, Forest Park will receive \$500,000 from a U.S. Department of Agriculture grant and Tower Grove and Willmore Parks will each receive \$200,000 from grant funds.

In addition to the major parks, various neighborhood parks and recreation center will benefit from the new Metro Parks sales tax. In FY2002 the tax will provide \$1.41 million which will be used for improvement projects at 19 locations.

Recreation Centers

\$548,430 is appropriated for capital improvements at recreation centers. The City currently operates 10 recreation centers located throughout the City. Capital improvements planned for FY2002 include painting, ceiling and HVAC at Tucker & Park Recreation Center, HVAC, electric/plumbing and doors at the Wohl Center, interior door replacement and ADA upgrades at Buder Recreation Center and ADA upgrades at West End Center.

Police Department

The portion of the capital improvement sales tax allocated to the Police Department will be used for debt service on the area command stations. The debt service payment scheduled for FY2002 approximately \$1.4 million. Funds remaining after debt service on the area command stations have been paid for will be used to augment lease payments on the Downtown Justice Center.

Capital Improvements Plan - Impact on Operations

One of the criteria used in developing the City's Capital Improvements Plan is based on the impact a capital project may have on current and future operating budgets. Knowing to what extent a given project will increase or decrease future operating costs provides the opportunity to plan ahead once the project is approved and funded. For the most part, projects such as road and bridge improvements, building improvements and rolling stock replacement effectively improve the City's infrastructure and reduce the strain on resources dedicated for street, building and vehicle maintenance. Of course with the increase in the number of projects made possible by 1/2-cent sales tax proceeds, more operating funds have been allocated in recent years for design and engineering. For example, the Board of Public Service staff increased to address increased demand of design work and project management. The enhanced lighting program has increased the City's energy costs, whereas the completion of a salt storage facility should reduce run-off and decrease the amount of salt purchased. While the operating budget impact of this kind of capital spending is not project specific, other large capital projects such as the downtown City Justice Center and take over of the Old Federal Courthouse will have a unique and sometimes identifiable impact on the City's general fund budget. The following is a summary of projects from the FY2002 Capital Budget that have or will have known impacts on future operating costs.

CAPITAL IMPROVEMENTS PLAN - IMPACT ON OPERATIONS SUMMARY

Division	Project	Operating Budget Impact
Corrections & Police	<u>City Justice Center</u>	<p>The debt service on the Justice Center is scheduled to increase to \$10.25 million in FY2002. This cost is being funded by an estimated \$5.4 million in prisoner reimbursements from the State, \$4.4 million in citywide Capital revenues and \$435,000 from Police capital accounts</p> <p>While the new Justice Center will be significantly more efficient to run on a per bed basis, the overall rise in the number of detention beds will result in a net increase in operational costs. Upon opening of the Justice Center, \$5 mil in operational costs at the St. Louis County facility will no longer be necessary, leaving the net annual increase in operational costs at an estimated \$6 mil. This increased cost is expected to be offset by an estimated \$800,000 in annual savings due to the consolidation of the Police Departments prisoner processing / holdover function with the intake function of the Corrections Division upon completion of the Justice Center.</p>
City Wide Accounts	<u>Civil Court Building Lease</u>	<p>Of the \$2.6 million in annual debt service required to retire the debt on the FY94 Civil Courts building improvement lease, \$1.1 mil. is from the City's General Fund. Approximately \$0.7 mil. of this amount is from court fees specifically dedicated to the building improvements leaving the net annual impact on general and capital revenues at \$1.9 mil.</p>
BPS	<u>Surface Transportation Program (T-21), Arterial Street & Bridge Repair, Ward & Other Improvements</u>	<p>The Board of Public Service (BPS) provides the engineering, design and project management services for the City's public work projects. While many of these projects may be small in size and have little impact on the operating budget, collectively the need to design and manage a greater number of projects has led to increases in the operating budget for BPS. The cost of recent personnel additions is about \$300,000. Also, the budget for BPS in FY03 will contain \$800,000 in local matching funds as part of the federal T-21 street repair programs.</p>
Parks/Forestry	Building Demolition	<p>The City incurs a number of costs related to abandoned and derelict buildings. The demolition of these structures does provide some relief in areas such as the Building Division which must continually ensure that the buildings are securely boarded-up. It also costs twice as much to control weed and debris around a vacant building than a vacant lot. Assuming the demolition of about 500 buildings, the City can expect savings of about \$60,000 per year in these areas.</p>

CAPITAL IMPROVEMENTS PLAN - IMPACT ON OPERATIONS SUMMARY

Division	Project	Operating Budget Impact
Traffic	Street Lighting Enhancement	By the end of FY01, approximately 65% of the City's 51,000 street lights will have been enhanced with higher wattage bulbs. This public safety initiative has focused on public gathering areas such as parks, schools, churches and recreation centers. The direct impact on the operating budget from this initiative has been an increase in utility bills due to the increased wattage of the street lights. The estimated annual cost increase for those light enhancements already completed or underway totals about \$450,000. This cost can be expected to increase about \$10,000 per year due to utility costs increases. Additionally, aldermen continue to fund lighting enhancement in their wards, from the Ward portion of the Capital Budget. This will cause a more limited annual cost increase.
<u>Facilities Management</u>	<u>Old Federal Courthouse</u>	In the spring of 2001, the City acquired the Old Federal Courthouse adjacent to the City's new Justice Center. The Board of Public Service will experience design and management costs associated with repairs and renovations required. Facilities Management Division will experience operational costs for building maintenance and utility cost for the additional facility. The FY02 Budget includes \$145,000 in debt payments to GSA for the building and \$2.6 million for utilities costs, improvements and maintenance of the facility.

Department / Division	FY02	FY03	FY04	FY05	FY06
City Wide Accounts (net revenues)	\$375,000	\$375,000	\$375,000	\$375,000	\$375,000
Public Safety - (Corrections)	900,000	6,000,000	6,000,000	6,000,000	6,000,000
Public Safety (Police)	0	(800,000)	(800,000)	(800,000)	(800,000)
BPS - President's Office	300,000	1,100,000	1,100,000	1,100,000	1,100,000
Parks-Forestry Division (site maintenance)	(60,000)	(70,000)	(80,000)	(90,000)	(100,000)
Streets - Traffic & Lighting	450,000	460,000	470,000	480,000	490,000
BPS - Facilities Management	2,604,000	2,045,000	2,045,000	2,045,000	2,045,000
	\$4,569,000	\$9,110,000	\$9,110,000	\$9,110,000	\$9,110,000