CAPITAL IMPROVEMENT PLAN SUMMARY

In November 1983, the City Council established a five-year capital improvement planning process for physical improvements to public facilities and infrastructure. By resolution, it became City policy to engage in a continuous five-year capital improvement planning process that includes annual review, revision, and adoption of a five-year Capital Improvement Plan (CIP). The five-year CIP is revised annually to include new projects, reflect changes in priorities, and extend the plan an additional year. The first year of the plan is the current CIP and it is revised throughout the year as needs dictate or when changes are made to existing approved capital projects.

The CIP provides a schedule for appropriation of capital projects. Details on capital projects for public improvement programs include allocations toward Fire, General Government, Homeless & Housing, Library, Parks, Police, Health, and Solid Waste Management projects. Enterprise capital programs include Airport, Storm Drainage System, Street & Traffic Control, Wastewater, and Water projects. Programs implemented citywide include Information Technology and Fleet projects. The City of Houston Fiscal Year 2021 – 2025 Adopted Capital Improvement Plan is available online at http://www.houstontx.gov/cip/21cipadopt/.

Presented below is a summary of the planned appropriations for the Adopted FY2021 - FY2025 CIP:

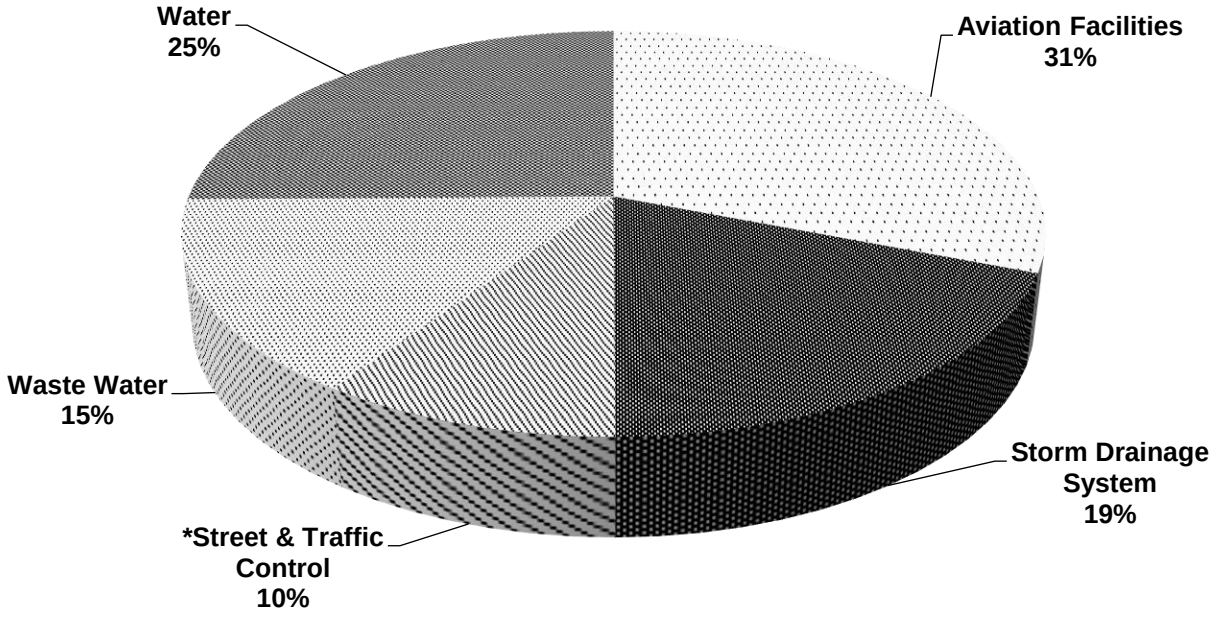
FY2021 - FY2025 Adopted CIP
($ Thousands)

	2021	2022	2023	2024	2025	Total 2021-2025
Public Improvement Programs						
Fire	16,909	13,114	16,577	10,290	7,949	64,841
General Government	29,338	17,577	16,509	5,259	1,366	70,049
Health	13,222	5,514	10,248	14,846	853	44,684
Homeless & Housing	880	880	880	880	880	4,400
Library	8,877	2,117	1,366	3,671	18,868	34,899
Parks and Recreation	27,627	19,273	17,234	31,962	15,643	111,739
Police	26,740	40,373	12,119	12,973	5,973	98,178
Solid Waste Management	11,558	1,404	1,558	1,084	514	16,119
Subtotal	**135,151**	**100,252**	**76,493**	**80,966**	**52,046**	**444,908**
Enterprise Programs						
Aviation Facilities	538,705	816,901	650,316	293,535	190,585	2,490,042
Storm Drainage System	330,375	129,678	114,550	159,316	129,419	863,338
Street & Traffic Control	164,883	202,605	182,960	139,505	321,952	1,011,906
Wastewater	267,273	211,556	318,638	194,476	202,584	1,194,527
Water	438,942	653,160	224,191	240,455	207,646	1,764,393
Subtotal	**1,740,178**	**2,013,900**	**1,490,655**	**1,027,287**	**1,052,185**	**7,324,206**
Citywide Programs						
Technology	19,014	12,242	7,755	7,455	2,800	49,266
Fleet	53,500	36,001	35,237	35,734	26,550	187,022
Subtotal	**72,514**	**48,243**	**42,992**	**43,189**	**29,350**	**236,288**
City Programs Total	**1,947,844**	**2,162,396**	**1,610,140**	**1,151,442**	**1,133,581**	**8,005,402**
Component Units	**396,291**	**339,769**	**236,547**	**174,702**	**26,804**	**1,174,113**
Overlap Between Component Units and Public Improvement Programs	(13,566)	(13,200)	(1,000)	(2,500)	-	(30,266)
Grand Total	**2,330,569**	**2,488,965**	**1,845,687**	**1,323,644**	**1,160,385**	**9,149,249**

Enterprise Programs

The Adopted Capital Improvement Plan calls for the appropriation of $2.3 billion in FY2021. Of the total appropriations planned for the current plan year, $1.7 billion are from Enterprise Programs. Enterprise programs include projects that are primarily funded from user-fee supported funds, which address a full range of capital facility and infrastructure improvements and distributed among the five programs as illustrated in the chart below. Of all enterprise funding the largest program, with 31% of the enterprise allocation, is Aviation Facilities Improvements. These improvements are funded from various sources including the Airport Improvement Fund (Fund 8011), Airport Renewal and Replacement Fund (Fund 8010), Commercial Paper / General Airport Revenue Bonds and passenger facility charges.

FY2021 Enterprise Programs



** The Dedicated Drainage and Street Renewal Funds for Street & Traffic Control, Storm Drainage and METRO Projects Construction are not technically enterprise funds, but are grouped with Enterprise Programs for clarity.*

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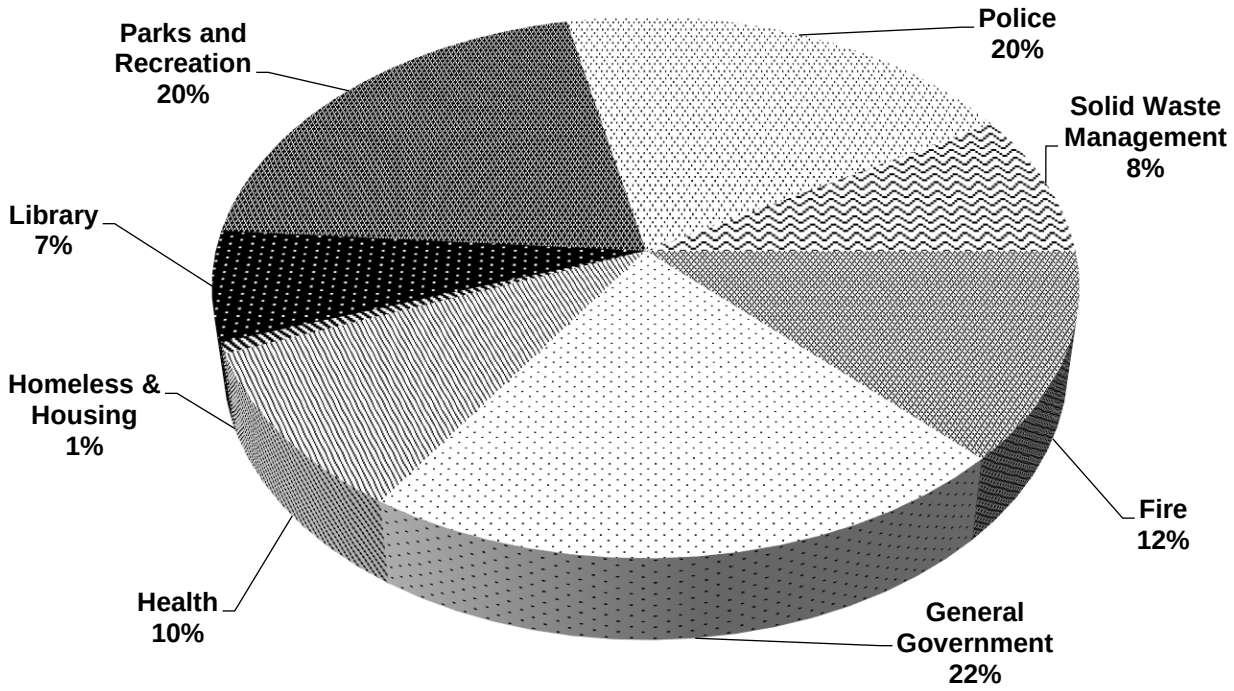
Public Improvement Programs

The citizens of Houston approved a Bond Election for $625 million in November 2006, $410 million in November 2012 and $495 million in November 2017. Public improvement projects include vertical and horizontal construction projects for general public use, services, and safety. Significant projects are the continued construction, rehabilitation and renovation of the library system; continued implementation of the "Parks Master Plan" program; public safety facilities; replacement, rehabilitation and construction of fire stations; and replacement or upgrading of solid waste facilities. However, the focus of the Fiscal Year 2021-2025 Adopted Capital Improvement Plan is Hurricane Harvey Recovery.

Of the $135 million in the public improvement programs, General Government utilizes $29 million at 22% of the total. This program is funded with both non-debt and debt funding sources. Of FY2021 General Government funding sources, 61% are from GO Bonds with 39% being funded by a combination of other funds**.**

FY2021 Public Improvement Programs

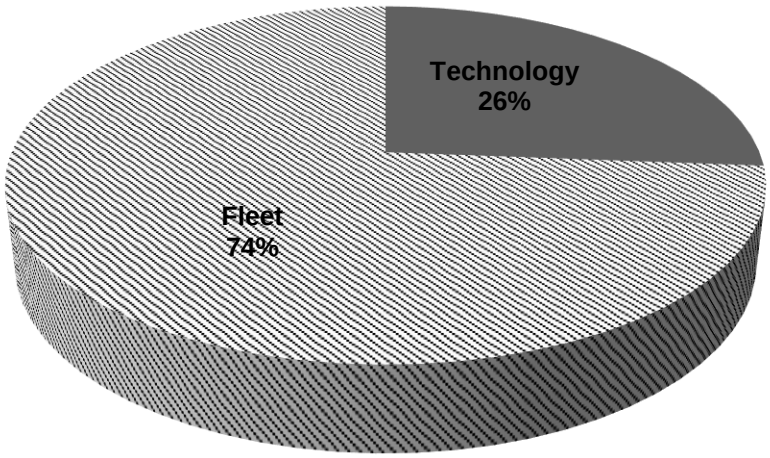


Note: Figures may not add to 100% due to rounding.

Citywide Programs

The Citywide programs include projects that may impact the Houston area citywide or departmental operations. The Citywide programs for FY2021 total about $73 million. Fleet Management constitutes 74% of the funding allocation with $53.5 million. Technology projects make up the remainder with a $19 million allocation. The Fleet and Technology programs provide improvements and equipment necessary for City services and business processes. Fleet will use funding to purchase new vehicles for departments citywide.

FY2021 Citywide Programs



Non-Debt Funding Sources

Funding sources which support the CIP include but are not limited to bond proceeds and commercial paper, Metropolitan Transit Authority funds, Harris County funds, Houston Parks Board funds, Federal Aviation Administration funds, Airport Improvement funds, Texas Department of Transportation funds, and Enterprise system user fees. Both Public Improvement and Citywide programs use non-debt funding sources to supplement department needs.

Presented below is a summary of the planned appropriations for FY2021 - FY2025 with the percentage of non-debt funding sources used by each program:

General Obligation Bond Summary Fiscal Year Planned Appropriations ($ Thousands)		
	FY2021-FY2025	**Leverage of Non-Debt Funding Sources**
Public Improvement Programs		
Fire	64,841	0%
General Government	41,337	41%
Health	44,684	0%
Homeless & Housing	4,400	0%
Library	34,899	0%
Parks and Recreation	90,188	19%
Police	86,978	11%
Solid Waste Management	16,119	0%
Subtotal	**383,445**	**14%**
Citywide Programs		
Technology	48,766	1%
Fleet	155,357	17%
Subtotal	**204,123**	**14%**

Impact to Operating Budget

Capital improvement costs in the CIP are classified into two categories: direct project costs and associated increases to annual operational costs. Examples of direct project costs include purchases of land or facilities, design and construction of new facilities or renovation of existing facilities, and initial equipment purchases for new or renovated facilities. Operating costs include staffing, maintenance or service (including electrical) costs related to new, renovated or expanded facilities. The impacts of operating costs on capital projects are monitored closely for inclusion in the annual operating budget.

Presented below is a summary of the projected General, Aviation and Houston Public Works operational costs associated with the Adopted FY2021 - FY2025 CIP:

Fiscal Year Planned Operational Cost ($Thousands)						
	2021	**2022**	**2023**	**2024**	**2025**	**Total 2021 - 2025**
Equipment	-	-	-	-	-	-
Other	2,390	2,390	23,386	65,958	87,070	181,194
Personnel	595	700	725	725	725	3,470
Services	371	1,295	1,701	1,784	3,018	8,169
Supplies	-	-	170	188	308	667
Subtotal	**3,356**	**4,385**	**25,982**	**68,655**	**91,121**	**193,499**
Revenue	-	-	20,996	63,568	84,680	169,244
Savings	300	125	129	133	137	823
***Subtotal**	**300**	**125**	**21,125**	**63,701**	**84,817**	**170,067**
Grand total	**3,056**	**4,260**	**4,857**	**4,955**	**6,304**	**23,432**
Source of Funds						
Aviation	-	-	1,123	1,244	2,648	5,015
General Fund	3,356	4,385	3,863	3,843	3,793	19,240
Houston Public Works	(300)	(125)	(129)	(133)	(137)	(823)
Total funds	**3,056**	**4,260**	**4,857**	**4,955**	**6,304**	**23,432**

***Revenue and savings are shown as offsets to planned operational costs.**

Of the $3.06 million of projected operational costs for FY2021, 17.7% will cover new staffing previously not needed for the issuance of city services with the majority of personnel being related to the Houston Police Department's Body Cameras project.

Presented below is the project listing of the operational impacts planned for FY2021. A complete list is available within the City of Houston Fiscal Year 2021 - 2025 Adopted Capital Improvement Plan and online at http://www.houstontx.gov/cip/21cipadopt/.

OPERATIONAL IMPACT 2021-2025 CAPITAL IMPROVEMENT PLAN ($ Thousands)					
CIP No.	**Project**	**Operational Costs**	**Revenue**	**Savings**	**Net Impact**
D-000226	Facility Condition Reassessments	98	-	-	98
D-200001	HPW– HPC Land Purchase/Garage	-	-	(300)	(300)
F-000849	Restroom Building Upgrades	37	-	-	37
F-000853	Brock Adventure Park (BAP)	195	-	-	195
L-000107	Bioremediation of Pollution Controls	25	-	-	25
X-100052	HPD - Body Cameras	533	-	-	533
X-250002	GSD - Work Order System	15	-	-	15
X-650011	ARA - 311 Upgrade or Replacement	275	-	-	275
X-680015	Network Refresh	64	-	-	64
X-680038	IT Help Desk Software Upgrades	100	-	-	100
X-680042	SAP System to Monitor Interfaces	129	-	-	129
X-680044	Managed Contract Services	1,810	-	-	1,810
X-900001	LGL - Case Mgt System Replacement	75	-	-	75
	*Total:	3,356	-	(300)	3,056

***Revenues and savings are shown as offsets to planned operational costs.**

Anticipated Appropriations

The following table outlines anticipated appropriations within the Capital Improvement Plan for FY2021 for Public Improvement, Enterprise, and Citywide programs over $10 million. These projects include all funding sources available to the City of Houston, including partnerships with other governments and private entities. Planned appropriations are correlated to spending. However, due to the nature and length of construction timelines, spending can span multiple fiscal years.

Projects Over $10 Million		
CIP No.	**Project Name**	**FY2021 Planned Appropriations ($ Thousands)**
A-000800	Executive Program Manager Services-ITRP	460,588
S-000900	Surface Water Transmission Program	177,961
S-000065	NE Water Purification Plant Expansion	150,876
M-43E101	HMGP North Canal Project	123,713
N-321040	Citywide Street & Traffic Rehabilitation	92,286
R-000267	Lift Station Renewal & Replacement	72,344
R-000536	Wastewater Treatment Plant Consolidation	44,562
M-43HCFC	Harris County Flood Control Dist Agrmt	44,051
M-450500	Storm Water Improvements Under R/S	42,796
S-000890	Lake Houston Dam Projects	42,796
R-000265	Wastewater Treatment Plant Improvements	40,382
R-002011	Neighborhood Sewer Systems Improvements	39,352
T-101300	Northpark Drive Overpass Project	32,801
R-000266	Neighborhood Sewer Rehab Program	31,830
S-000056	East Water Purification Plant	28,750
T-173500	Detention Basin A	28,000
M-430296	Regional Stormwater Detention	27,355
T-1635B0	Memorial Park Infrastructure Phase I	27,000
A-000570	Reconstruction of Taxiway NA & NB - IAH	25,000
M-420HUD	CDBG Disaster Recovery Program	24,867
M-410039	Cottage Grove East Area	18,721
S-001000	Pump Station Program	17,973
M-430006	Storm Water Action Team (SWAT)	17,500
N-000751	West Alabama Paving & Drainage	15,870
T-200900	Mall Redevelopment Project	14,000
S-000035	Neighborhood Water Main Replacement	13,488
N-100003	Shepherd and Durham Paving & Drainage	13,172
M-410015	Magnolia Park Area	12,885
M-420126	Local Drainage Program (LDP)	12,233
R-000500	WW Improvements under M/N	12,182
W-12ERES	HFD - Emergency Response Vehicles	12,118
T-191400	Shepherd Drainage System Improvements	12,080
T-032500	Bagby Street Improvements	12,000
D-HARVEY	GG HARVEY Restoration Projects	11,973
D-200001	HPW– HPC Land Purchase/Garage	11,512
S-000701	Lg Diameter Water Line Rehab	11,127
W-10ERES	HPD - Emergency Response Vehicles	10,776
A-000581	Terminal A Modernization Program	10,000