

CAPITAL IMPROVEMENT PLAN SUMMARY

The Capital Improvement Plan is vital to our City. It is a plan for physical improvements to public facilities and infrastructure throughout Houston. The underlying motive behind these programs is to improve safety, mobility, and lifestyles of Houstonians, and in turn to have a positive impact on the local economy. Recognition of this importance prompted City Council in November 1983 to establish the five-year capital improvement planning process. By resolution, it became City policy to engage in a continuous process that includes annual review, revision, and adoption of a five-year Capital Improvement Plan.

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 City's current fiscal year, which runs from July 1, 2026 through June 30, 2027. The plan is adjusted throughout the year as needs dictate or when changes are made to existing approved projects. This year's CIP continues the Administration's priorities of rehabilitation and replacement of the City's existing infrastructure. The current Adopted CIP can be viewed online at <http://houstontx.gov/cip>.

Presented below is a summary of the planned appropriations for the Adopted FY2027-FY2031 CIP and a five-year historical comparison:

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 three programs; Build Houston Forward, Combined Utility System, and Houston Airport System as illustrated in the chart below.

Public Improvement Programs

The citizens of Houston approved a Bond Election for \$410 million in November 2012, \$495 million in November 2017 and \$478 million in November 2022. 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 libraries, health facilities, parks system, solid waste facilities and public safety facilities.

Public improvement programs are funded with both non-debt and debt funding sources. The majority of the FY2027 public improvement program projects will be funded with General Obligation bonds.

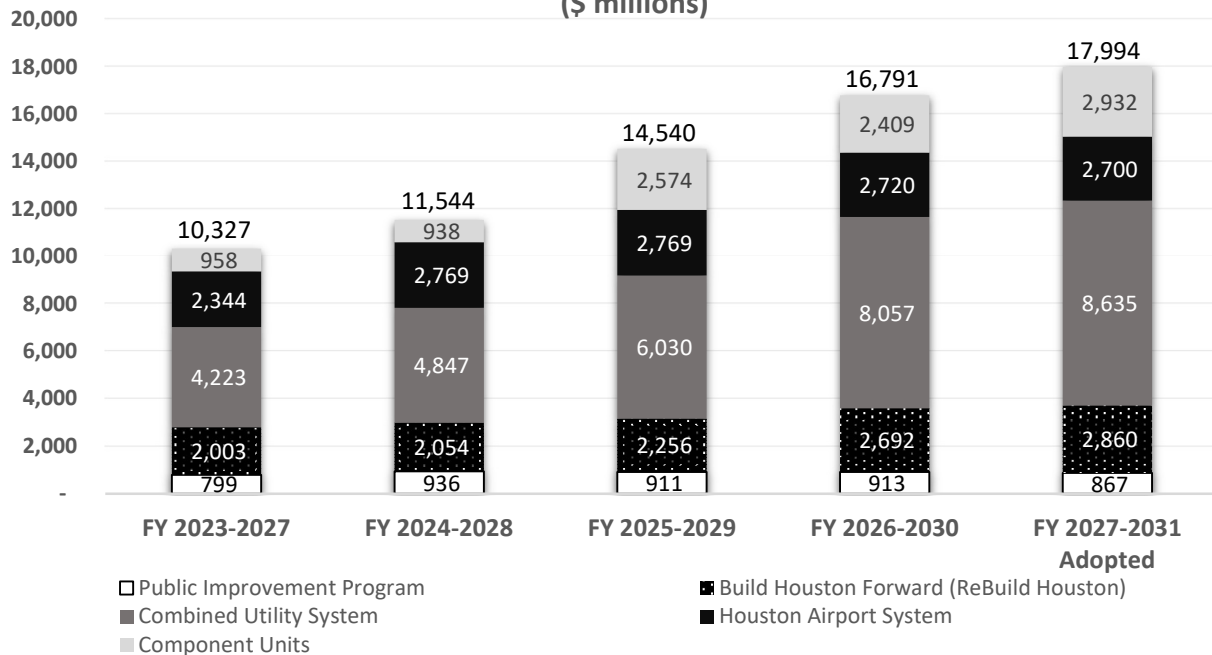
Citywide Programs

The Citywide programs include projects that may impact the Houston area citywide or departmental operations. The Citywide programs for FY2027 total about \$159 million. 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.

FISCAL YEAR 2027 BUDGET

FY2027-FY2031 Adopted CIP (\$ Thousands)						
	2027	2028	2029	2030	2031	2027-2031
Public Improvement Programs						
Fire	15,653	16,855	9,335	24,786	10,951	77,580
General Government	4,405	189,706	4,105	1,949	2,549	202,714
Health	16,144	10,618	2,203	1,713	1,863	32,541
Homeless & Housing	1,630	1,630	-	-	-	3,260
Library	5,399	10,336	11,561	3,672	17,196	48,164
Parks and Recreation	12,547	17,709	3,791	5,233	6,280	45,560
Police	24,004	28,084	6,772	5,539	5,439	69,838
Subtotal	79,782	274,938	37,767	42,892	44,278	479,657
Enterprise Programs						
Aviation Facilities	594,985	526,863	550,446	442,366	585,124	2,699,784
Storm Drainage System	345,395	388,977	252,006	210,855	82,650	1,279,883
Street & Traffic Control	393,454	239,510	581,498	186,888	178,872	1,580,223
Wastewater	817,564	624,171	1,087,227	525,655	488,795	3,543,411
Water	785,646	931,702	697,816	1,306,415	1,340,087	5,061,666
Solid Waste Management	24,024	4,112	314	1,024	334	29,808
Subtotal	2,961,069	2,715,334	3,169,307	2,673,203	2,675,862	14,194,775
Citywide Programs						
Technology	66,127	15,601	7,186	5,756	928	95,598
Fleet	92,528	45,965	51,468	50,032	51,507	291,500
Subtotal	158,655	61,566	58,654	55,788	52,435	387,098
City Programs Total	3,199,506	3,051,838	3,265,728	2,771,883	2,772,575	15,061,530
Component Units	919,104	787,435	1,068,948	151,634	11,901	2,939,023
Overlap Between Component Units and Public Improvement/Enterprise Programs	(7,500)	-	-	-	-	(7,500)
Grand Total	4,111,111	3,839,273	4,334,676	2,923,517	2,784,476	17,993,053

CIP Fiscal Year Comparison (\$ millions)



Totals may reflect slight variances due to rounding.

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 FY2027-FY2031 with the percentage of non-debt funding sources used by each program:

General Obligation Bond Summary		
Fiscal Year Planned Appropriations (\$ Thousands)		
	2027-2031	Leverage of Non-Debt Funding
Public Improvement Programs		
Fire	77,580	0%
General Government	202,714	0%
Health	32,541	0%
Homeless & Housing	3,260	0%
Library	48,164	0%
Parks and Recreation	43,560	4%
Police	69,838	0%
Subtotal	477,657	0%
Citywide Programs		
Technology	85,163	11%
Fleet	194,548	33%
Subtotal	279,711	28%
Total	757,368	

Impact on 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 FY2027-FY2031 CIP:

Fiscal Year Planned Operational Cost (\$Thousands)						
	2027	2028	2029	2030	2031	2027-2031
Equipment	-	-	-	-	-	-
Other	2,650	5,584	4,340	344	99	13,017
Personnel	-	-	-	-	-	-
Services	25	25	25	25	-	100
Supplies	-	-	-	-	-	-
Subtotal	2,675	5,609	4,365	369	99	13,117
Revenue	-	-	-	-	-	-
Savings	-	-	-	-	-	-
*Subtotal	-	-	-	-	-	-
Grand total	2,675	5,609	4,365	369	99	13,117
<i>Source of Funds</i>						
Aviation	-	-	-	-	-	-
General Fund	2,675	5,609	4,365	369	99	13,117
Houston Public Works	-	-	-	-	-	-
Total funds	2,675	5,609	4,365	369	99	13,117

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

Significant Anticipated Appropriations

The following outlines significant anticipated appropriations within the Capital Improvement Plan for FY2027 for Public Improvement, Enterprise, Component Units and Citywide programs. 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.

CIP No.	Category/Project Name	FY2027 Planned Appropriation (\$Thousands)
	Public Improvement Programs	
C-EQ0008	Airpack (SCBA) and filling systems	\$5,000
H-000138	Env Hlth Admin Bldg (Park Place) Roof	\$3,511
F-000703	Swimming Pool Upgrades	\$3,182
	Enterprise Programs	
	<i>Build Houston Forward</i>	
N-321040	Citywide Street & Traffic Rehabilitation	\$150,000
M-430296	Regional Stormwater Detention	\$78,725
M-430006	Storm Water Action Team (SWAT)	\$48,046
M-420126	Local Drainage Program (LDP)	\$45,500
	<i>Combined Utility System</i>	
S-000900	Surface Water Transmission Program	\$252,500
R-000265	Wastewater Treatment Plant Improvements	\$210,981
R-000267	Lift Station Renewal & Replacement	\$147,157
	<i>Aviation</i>	
A-000494	APM Guide Way Structural Enhancements	\$76,385
A-000725	IAH CONSOLIDATED EMPLOYEE LOT	\$57,200
A-000691	IAH - Central Utility Plant (CUP) Improv	\$53,000
	Citywide Programs	
W-10EREP	HPD - Emergency Response - Patrol	\$14,072
X-680060	HITS - Public Safety CAD Replacement	\$9,985
X-680062	HITS - SAP S4 HANA	\$9,540
	Component Units	
T-072400	Live Oak St. Improvement Project	\$26,287
T-173500	Detention Basin A	\$15,000
T-202800	Southwest Civic Core Campus	\$14,500