



Request for City Council Committee Action From the Finance Department

Date: February 9, 2004
To: Ways and Means Committee
Referral to: None

Subject: 2005 – 2009 CAPITAL PROCESS & CLIC INFORMATION

Recommendations

1. Adopt the attached 2004 CLIC Schedule and establish the capital budget submission deadline as noon on April 9, 2004.
2. Adopt the attached 2004 CLIC Capital Guidelines for use in evaluating 2005 – 2009 Capital requests.
3. Provide tax supported resource direction to CLIC, departments, independent boards & commissions.

Previous Directives

(any past Council actions or directions to staff)

Prepared/Submitted by Michael Abeln, Director, Capital & Debt Management, 673-3496

Approved by: Patrick Born, City Finance Officer _____

John Moir, City Coordinator _____

Presenters in Committee: Michael Abeln, Director, Capital & Debt Management

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): Capital Funding direction to Departments, Independent Boards & Commissions for 2005 – 2009 Capital Process.
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other
- Not applicable

Background/Supporting Information Attached

The attached 2004 CLIC Schedule for the 2005 - 2009 Capital process has been developed and agreed to by the Executive Committee of CLIC.

CLIC staff support for the two primary task forces will be provided by Thavisack (Sok) Silaphet of the Community Planning & Economic Development Department and Ray Waaraniemi of the Finance Department. The main body of CLIC and the overall capital process will be administered by Michael Abeln, Director, Capital and Debt Management from the Finance Department.

2004 CLIC SCHEDULE FOR THE 2005-2009 CAPITAL BUDGET PROCESS:

CLIC will formally convene their first meeting on March 30th. All capital budget requests will be due at noon on Friday April 9th. A joint public hearing between CLIC and the Planning Commission will be held on June 10th at 5:05 p.m. The main body of CLIC will finalize their capital recommendations around the end of June and the Executive Committee of CLIC will present their recommendations to the Mayor in mid July. The CLIC report will be distributed the week of July 26th. This schedule is over two weeks earlier than last year to allow more time for decision making prior to the Mayor's budget speech in August.

CLIC 2004 CAPITAL GUIDELINES:

Attached to this letter are the revised CLIC 2004 Capital Guidelines. The Executive Committee of CLIC held a series of meetings in December and January and has made a few changes to the rating system to be used for the 2005 – 2009 Capital process. Changes to the guidelines are identified with underlining and italics as well as handwritten numbers and comments relating to last year. The primary theme for the changes was to provide additional emphasis on a project's ability to help achieve City Goals and Objectives.

2005-2009 CAPITAL DIRECTION FOR CITY TAX SUPPORTED RESOURCES:

The new Capital System implemented in 2003 has been updated for 2005 – 2009 and will be available for use on February 13th. As a general rule, Capital projects previously submitted but not in the currently adopted five-year capital improvement program (2004 - 2008) should be resubmitted for 2009. If a submitting agency believes a request should receive funding sooner, they should suggest moving another project (from their group) of similar resource levels to 2009 to make room for the change.

Municipal Building Commission

The Municipal Building Commission (MBC) is requested to submit capital proposals for the 2005-2008 period with City tax supported resources consistent with the adopted five-year capital program. For 2009, to ensure suitable projects are available, MBC may submit proposals totaling approximately 120% of their 2008 approved city funding or approximately \$1,140,000.

Library Board

The Library Board is requested to submit capital proposals for 2006 – 2009 at \$1,600,000 per year of City tax supported resources to be used in conjunction with the Community Library referendum dollars. The Library Board is requested to submit community library proposals for the 2005 – 2009 timeframe showing utilization of the “referendum” funding and city tax supported funding. The Library Board submission should also address footnote t) of the 2004 Capital Resolution (2003R-612) regarding a progress report and cost update by facility.

Park and Recreation Board

The Park and Recreation Board is requested to submit capital proposals for the 2005 - 2008 period with City tax supported and Park Board capital infrastructure levy resources consistent with the currently adopted five-year capital program. For 2009, to ensure suitable projects are available, the Park Board may submit proposals totaling approximately 120% of their 2008 total approved tax supported funding or approximately \$3,240,000. The Park Board submission should also address footnote q) of the 2004 Capital Resolution (2003R-612) regarding a summary report of expenditures incurred in 2003 and future project plan details for 2005 – 2009.

Public Works Department

The Public Works department is requested to submit capital proposals for the 2005 – 2008 period with City tax supported resources consistent with the currently adopted five-year capital program. For 2009, to ensure suitable projects are available, Public Works may submit proposals totaling approximately 125% of their 2008 tax supported funding or \$20,000,000.

MSA FUNDING:

Public Works is directed to align the 2005-2009 MSA program to accurately reflect the anticipated MSA funding level.

Other City Departments

Other city departments and outside organizations are requested to update their project information for proposals in the adopted five-year capital program and submit other proposals as appropriate for 2009. If projects are for City buildings or major space renovations, coordinate requests through the Public Works Property Services Division.

CAPITAL LONG-RANGE IMPROVEMENT COMMITTEE (CLIC):

The City Council requests that CLIC:

- 1) Rate all capital proposals submitted for years 2005-2009.
- 2) Plan for Year 2005 – 2009 City Resources as indicated in the Table below:

For Property Tax Supported Infrastructure Improvements

As approved by City Council in January 2003 as part of the Five Year Financial Direction

Recommended Resources by Category	2005	2006	2007	2008	2009	Totals
						(In thousands)
Net Debt Bond Authorizations	21,600	23,500	23,500	23,500	23,500	115,600
Park Board Capital Infrastructure Levy	645	860	1,075	1,290	1,505	5,375
	<u>22,245</u>	<u>24,360</u>	<u>24,575</u>	<u>24,790</u>	<u>25,005</u>	<u>120,975</u>
Prior Year Adjustment made by Mayor and Council*	-177	0	0	0	0	-177
2005 - 2009 Resource Assumptions for CLIC	<u>22,068</u>	<u>24,360</u>	<u>24,575</u>	<u>24,790</u>	<u>25,005</u>	<u>120,798</u>

Notes:

* - Adjustments represent dollars advanced to/from projects in the Capital programs in prior years.

This summary represents the City's commitment for General Infrastructure assets within the City of Minneapolis. General Infrastructure assets include public buildings, roads, bridges, street lights, traffic signals, parks & libraries.