

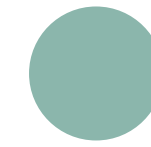


# THE CAPITAL IMPROVEMENT PLAN (CIP)

- What is a CIP?
- FY2024-FY2029 CIP Timeline
- Public Input Opportunities



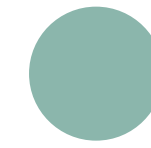
# What is the CIP?



## The CIP is a PLAN

The CIP is a six-year plan for identifying and prioritizing major capital projects such as roadway paving or building improvements.

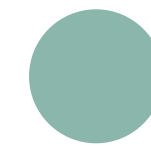
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## The CIP is a Budgeting Tool

The CIP does not spend or commit any money but instead, identifies and prioritizes projects for various upcoming years and its planned funding source.

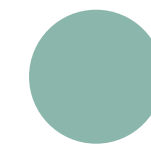
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## The CIP is an Informational Tool

The Public can utilize the CIP to learn more about upcoming capital projects, the timeline in which they are proposed, project details, evaluation criteria, costs, and links to relevant documents associated with the project.

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## The CIP is a Citizen Input Opportunity

Citizens have numerous public input avenues throughout the process from the ability to request a project to speaking at public hearings.

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# NEW HAMPSHIRE STATE RSA

## RSA 674.5: Capital Improvement Program

"674:5 Authorization. – In a municipality where the planning board has adopted a master plan, the local legislative body may authorize the planning board to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least 6 years.

The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the mayor or selectmen and the budget committee in their consideration of the annual budget."



# CITY CHARTER

*City Charter Section 7.6 - Capital Program: "The Manager shall prepare and submit to the Council a six (6) year capital program at least three (3) months prior to the final date for submission of the budget."*

The program shall include:

1

A general summary of its contents;

2

A list of all capital improvements proposed during the next six (6) fiscal years;

3

Cost estimates, method of financing, recommended time schedules for each improvement; and

4

Estimated annual operating and maintenance costs.

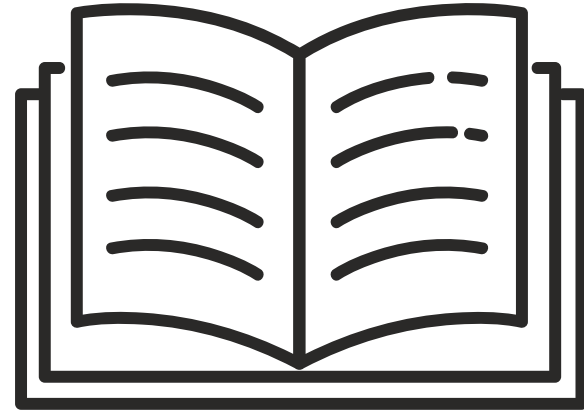


# WHAT QUALIFIES AS A CAPITAL IMPROVEMENT PROJECT?

- Land acquisition
- Construction or expansion of a public facility, street, utility or public infrastructure
- Rehabilitation of a public facility or public infrastructure, provided the cost is \$50,000 or more
- Design work or planning study related to a capital project or implementation of the Master Plan
- Any item or piece of equipment, non-vehicular in nature, that costs more than \$50,000 and has a life expectancy of 5 or more years; or
- Replacement and purchase of vehicles which have a life expectancy of more than 5 years or cost more than \$50,000



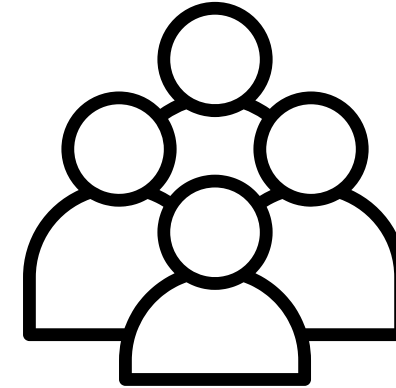
# Where do CIP projects originate?



## FY23-28 CIP



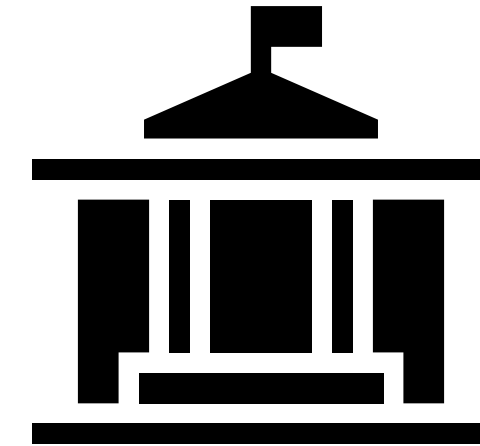
- CIP Projects Slated for FY24-29 are reviewed and updated by staff and entered into the CIP.
- Projects that no longer meet requirements or are deemed unnecessary are removed from the plan.



## Residents



- Citizens are welcomed to submit capital projects (Due September 30th).
- City Staff review the submissions under the CIP guidelines and place applicable projects in the document.
- If a project does not qualify it is redirected to the appropriate process for review and consideration.



## City Staff



- City Staff submit new Capital Projects based on the CIP project guidelines.

# How are projects *evaluated* and *prioritized*?



Responds to a Federal or State Requirement



Address Public Health or Safety Need



Alleviates Substandard Conditions or Deficiencies



Eligible for Matching Funds with Limited Availability



Timing or Location Coordinate with Synergistic Project



Identified in a Planning Document or Study



Improves Quality of or Provides Added Capacity to Existing Services



Reduces Long-Term Operating Costs



Provides Incentive to Economic Development



Responds to a Citywide Goal or Submitted Resident Request



# Funding Sources

- General Fund**  
Funded by Capital Outlay Funds (Pay as you go funding)  
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- Federal/State**  
Federal or State Funded Sources  
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- Bond/Lease/SRF**  
Bond/Lease/State Revolving Fund Loan Program  
(Borrowing)  
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- Other**  
Other Non-Operating Budget Funding such as Rolling Stock  
or Information Technology Non-Operating Funds  
-----
- Revenues**  
Revenues from Special Revenue Funds or Enterprise Funds  
(Special Revenue Funds - Parking/Prescott  
Park/Stormwater/Community Campus/Indoor Pool)  
(Enterprise Funds - Water/ Sewer)  
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- PPP (Public Private Partnership)**  
Partnership funding through a private entity or donations



# THE CIP PROCESS HAS NO FINANCIAL COMMITMENT



**Project Proposed**  
Funding Proposed  
(Estimated Cost & Proposed Funding Source)  
*No financial commitment.*



**CIP Reviewed & Adopted by Planning Board**  
*No financial commitment.*



**CIP Reviewed & Adopted by City Council**  
*No financial commitment.*



**Projects for the Next Fiscal Year  
Move to the Proposed Annual Budget.**  
*No financial commitment.*



**Adoption of the CIP by  
the Planning Board or  
the City Council DOES  
NOT commit the City  
to any project or  
appropriation.**



**The Budget is Adopted.**  
*Limited Financial Commitment*

# Project Funding

## (Upon the Adoption of the Annual Budget)

### Capital Outlay



Pay-as-you-go Funding ("Cash")

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City Goal is to allocate up to 2% of the City's Prior Year General Fund Budget for Capital Outlay.

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Appropriated upon the start of the new fiscal year (and the adoption of the budget)

### Bond Issuance



Funding through Borrowing

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Bonded projects require a separate public hearing and vote of the City Council (AFTER the CIP and Budget are Adopted)

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The City's Net Debt Service as a Percentage of the General Fund Budget Target is 10%

# PUBLIC INPUT OPPORTUNITIES

## Project Submission

Have a project that meets the CIP Project criteria? Submit it to the City Online or in the Planning Department at City Hall  
DEADLINE: September 30th



## Planning Board CIP Public Hearing

The Planning Board holds a public hearing following the CIP Presentation in December.



## City Council CIP Public Hearing

The City Council holds a Public Hearing on the Capital Improvement Plan in February



## City Council Budget Public Hearing

The City Council Holds at least one Public Hearing on the City's Budget which will include relevant projects from the CIP.





- **August/September**
  - Process kickoff
  - Citizen Request forms accepted  
**(DUE September 30th)**

- **October**
  - Citizen Requests are reviewed
  - City Departments submit project requests
  - The CIP financials are prepared and the document is assembled

- **January/February/March**
  - City Council reviews, holds a public hearing, and adopts the CIP

# CIP PROCESS TIMELINE

*HOW THE CIP GOES FROM PROJECTS TO THE BUDGET....*



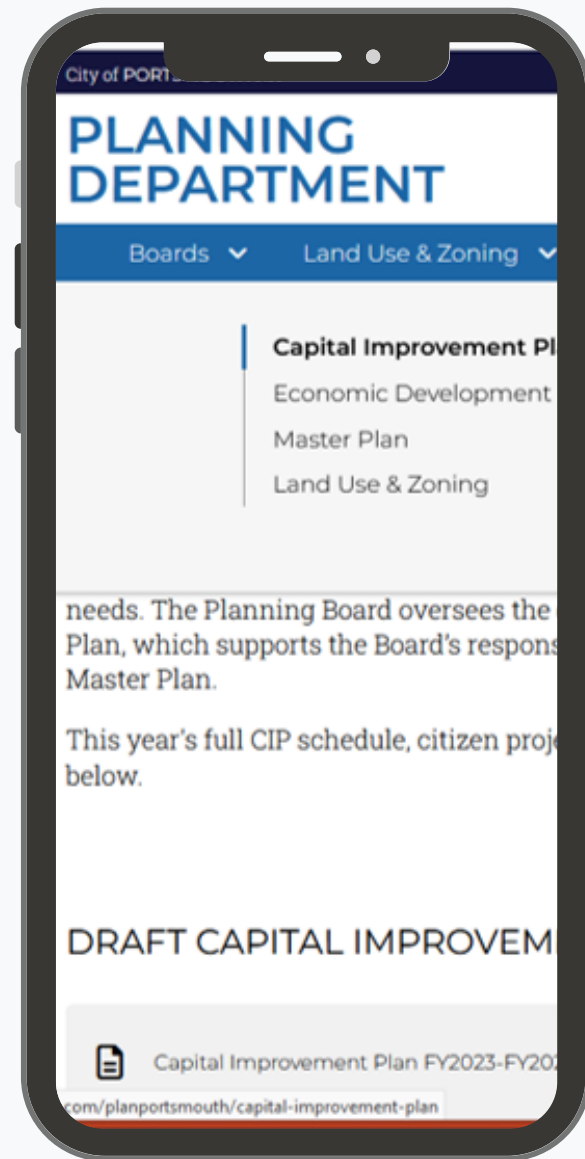
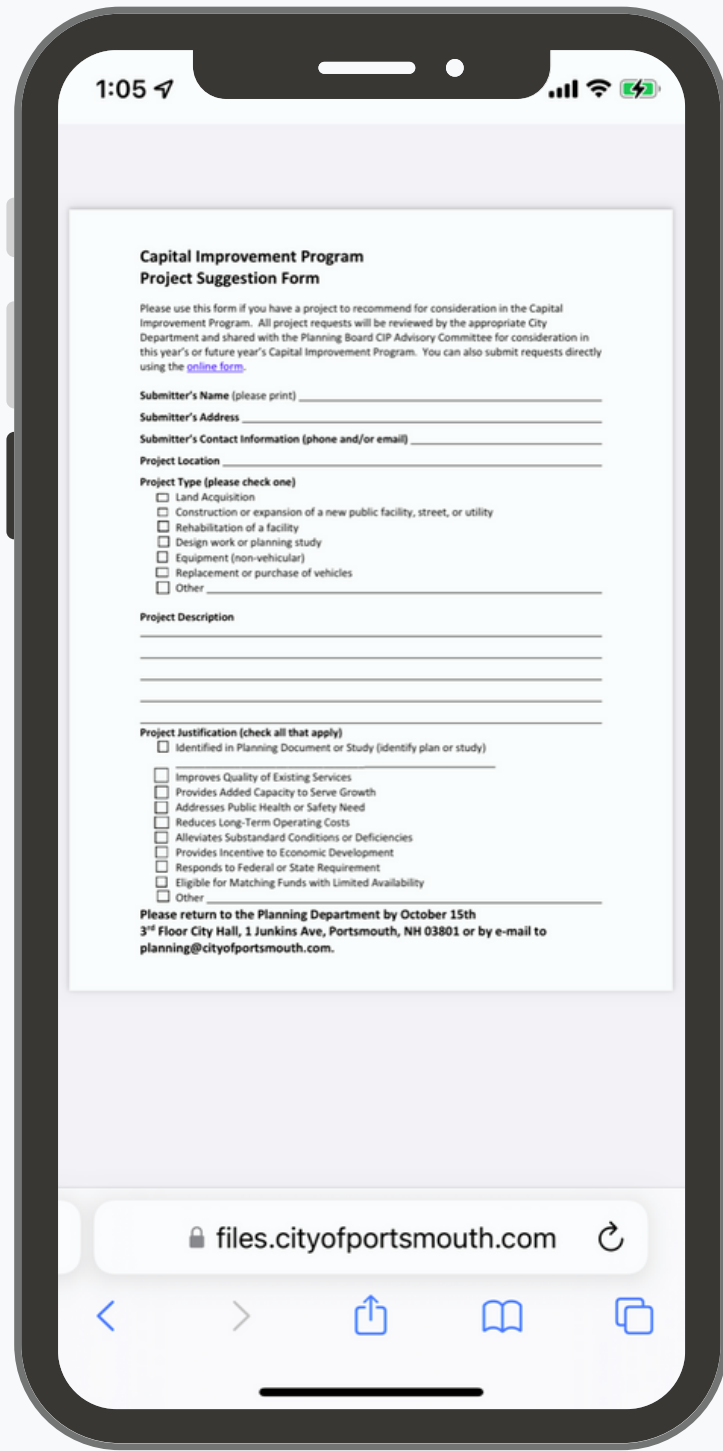
- **April/May/June**
  - Capital Projects for the upcoming Fiscal Year are incorporated in the Proposed Annual Budget



- **November/December**
  - Planning Board reviews, holds a public hearing, and votes to recommend the adoption of the CIP by the City Council



FY2024-2029



# How to Submit a Project

[CityofPortsmouth.com/planportsmouth/capital-improvement-plan](https://www.cityofportsmouth.com/planportsmouth/capital-improvement-plan)

- 1) Review that one or more of the CIP Project Qualifications are met
- 2) Submit your project idea through one of the following methods:
  - a. Utilize the CIP Citizen Project Suggestion Form (a fillable PDF) located online  
<https://www.cityofportsmouth.com/planportsmouth/capital-improvement-plan>
  - b. Come into the City's Planning Department and fill out a form in person.

***Deadline - September 30th.***

## What is the next step?

- Projects are reviewed
- Projects are then either moved forward as its own unique project, combined with an existing project, or deemed unqualified as a CIP project.
- All Citizen requests are listed (including City Staff Review Comments) in the CIP in Appendix I.