

Construction of New Public Safety Facility and Repairs to Roads, Schools Among Top Priorities of City's Capital Improvement Program

Mayor Jon Mitchell today outlined a series of updates to the City's Capital Improvement Program (CIP) including the investment of \$5 million over five years for repairs to city roads, nearly \$10 million in school renovations and funding to design and construct the first integrated public safety center in the city's south end.

The CIP is New Bedford's long-term plan for addressing its facility, vehicle and equipment needs in a coordinated way that prioritizes projects based on need and available funding. The initial version of the plan covered the five years from FY 2014 through FY 2018 and is updated annually as projects are further refined and updated.

"Over the last three years our city has addressed many long-deferred maintenance issues at a number of city-owned facilities. From the restored façade of City Hall to new windows at the Hillman Street Complex, and new roofs at the downtown police station, Fire Station #8, the Art Museum and the Zeiterion Theatre, the City has made many necessary repairs to preserve our assets for the long term. Construction is well underway at a new elementary school in our south end, and window replacements and other much needed renovations are taking place at many other schools in the district," Mayor Mitchell said.

Mayor Mitchell added, "This year, the plan includes \$5 million

over five years dedicated for road and sidewalk repairs in our city. Our investment will serve to supplement state funding for roadwork and will increase by 50% the amount dedicated for road repairs in New Bedford.”

This year’s update includes a proposal for an FY 2017 bond in the amount of \$4,483,000 that will enable the City to continue working on existing projects and target elements of the City’s infrastructure in need of immediate repair and or renovation.

“The Capital Improvement Program is one component of a three-pronged approach that the City has taken to address its capital projects needs. This year’s update builds upon the progress that we have made in funding renovations through a combination of debt financing, grants and energy conservation measures. The objective is to allow the City to fund core needs while restraining debt over the long term,” said City Chief Financial Officer Ari Sky.

Sky added that the recent affirmation of the City’s AA- bond rating by Standard & Poor’s (S&P), combined with favorable interest rates, has allowed the City to finance major projects at an affordable cost. S&P’s most recent rating, which was released in July 2016, cited the City’s “very strong” management and financial policies and practices.

“The Capital Program is a good example of the two branches of New Bedford’s government working together to generate results for the entire community. The City Council looks forward to considering this year’s bond request and continuing the progress that we have made over the past three years,” said New Bedford City Council President Joseph P. Lopes.

The Capital Improvement Program is designed ensure that the highest priority projects receive public funding in a manner that is in keeping with the City’s ability to pay. The total budget for the five-year plan is \$54.4 million, which is a \$16.3 million reduction from the FY 2016-2020 CIP. The Mayor

has submitted a \$4.5 million bond request to the City Council to continue the progress achieved over the last three years.

The FY2017-2021 Capital Improvement Program contains a complete listing of the highest priority capital improvement projects and their descriptions.

Highlights of the Capital Improvement Program

Top funding priorities under the CIP are:

- \$5 million (i.e., \$1 million each year for five years) to begin the process of reducing the City's inventory of unfunded road rehabilitation projects. This investment by the City will increase by 50% funding dedicated for road repairs in New Bedford.
- \$7.5 million to study, design and construct a South End Public Safety Center to house fire, EMS and police services in a single facility that would modernize and better coordinate public safety services in New Bedford's South End, as was recommended by the independent public safety facilities review conducted by FACETS in 2015.
- \$10.3 million for the local share of school capital projects, including renovations to the Parker Elementary School, as well as future grant and locally-funded renovations to other schools, including the Brooks, Campbell and Swift elementary schools.
- \$10.6 million for replenishment of ambulances, fire apparatus and the City's fleet of aged vehicles.

The first step in creating the plan was the development of a Capital Needs Assessment (CNA) by the City's Chief Financial Officer, Ari Sky, which identified roughly \$101 million in needs across all City departments.

The CIP provides a plan to address current and projected renovation, restoration and major equipment replacement needs. The plan was first introduced in 2013, with the initial

version extending through 2018. With this update, the CIP extends through FY 2021.

Under the CIP, the City will pursue \$54.4 million in projects over the next five years. The plan is updated with new projects and cost estimates annually, with much of the focus on repairs and deferred maintenance.

Affordability was the most important factor in developing the CIP. In 2013, the City established a series of affordability indicators to gauge the impact of debt on the City's finances. The CIP was designed with the objective of restraining long-term financing costs and overall debt over the course of the five-year planning period.