

Capital Improvement Capital Project Guidelines & Ranking Criteria

Project Ranking By Area of Emphasis

Questions regarding these guidelines and the CIC Request forms should be directed to Kathy Brengosz, Staff Assistant to the CIC, extension 3926.

This document is intended to provide guidance to departments when filling out Capital Improvement Requests. It provides the basis for the Capital Improvements Committee's review of capital requests. Requests will be evaluated using an "Area of Emphasis" format. Each area describes a different dimension of the request that can be evaluated independently. The Capital Improvements Committee has chosen areas of emphasis that it believes are relevant to the priorities and budgetary goals of the City as a whole. Each area of emphasis is followed by a list of considerations in question format. These questions are designed to elicit the degree to which capital requests address the fundamental aspects of the area of emphasis. It is not necessary to provide answers to every question. They are provided to give departments the opportunity to systematically quantify the effects of their projects on the City's budget. The questions can also be used as a guide when developing capital projects to ensure that they are designed in the most cost effective and efficient manner. The Committee realizes that not all areas of emphasis or considerations are relevant to all projects. When taken together however, they provide a comprehensive base of information that can be used to assess of each project and maximize the use of limited capital dollars.

All Capital Improvement Projects will be evaluated using the following areas of emphasis.

1. Health and Safety
2. Regulatory Compliance
3. Impact on Operational / Capital Budget
4. Compliance with Comprehensive Plan
5. Infrastructure Needs
6. Economic/Community Development
7. Special Considerations

Projects will be scored on a scale of 1 through 10 for each area based on the degree to which the project addresses the attributes of the particular area of emphasis. Scores for each area of emphasis will be weighted depending on the type of project. Projects will be ranked by their final weighted score.

Note: A project's score is not the final determination for receiving funding. It's possible that certain projects will be of such urgency or importance that they will receive priority funding regardless of their overall score.

Descriptions of each area of emphasis and the attributes or considerations that will determine the score are as follows:

1) Health and Safety

Health and safety typically involves such things as fire service, police service, emergency response and communications, safe roads, public health, and flood control. A health clinic, fire station or police station would directly impact the health and safety of citizens, thus scoring high in this category. Similarly, safety improvements in a school or public building might score points in this category while adding concession stands to an existing facility would probably not. Considerations in this area of emphasis would include:

- a) Does the project **directly reduce risks** to people or property (i.e. flood control, building security, vandalism)?
- b) Does the project **directly promote improved health or safety**?
- c) Does the project **mitigate an immediate risk**?

2) Regulatory Compliance

This criterion includes regulatory mandates such as court orders, state statutes (ex NR 151), ADA compliance etc. Considerations in this area of emphasis would include:

- a) Does the project **address** a legislative, regulatory or court-ordered **mandate**?
- b) Will the project impact **foreseeable regulatory issues**?
- c) Does the project promote **long-term regulatory compliance**?
- d) Will there be **serious negative impact** on the City if compliance is not achieved?
- e) Are there **other ways to mitigate** the regulatory concern?

3) Impact on Operational Budget

Some projects may affect the operating budget for the next few years or for the life of the facility. A fire station or library must be staffed and supplied; therefore these projects have an impact on the operational budgets for the life of the facility. Replacing a storm sewer will not require any additional resources from the operational budget. This criterion also relates to the City's objective to build in a sustainable and energy efficient manner. Considerations in this area of emphasis would include:

- a) What is the **return on investment** that will be generated by this project?
- b) What is the **expected payback** period for this project?
- c) Will the facility require **additional personnel** to operate? If yes, please describe.
- d) What is this project's **effect on FTEs**?
- e) Will the project lead to a **reduction in personnel or maintenance costs**? If yes, please describe.
- f) Will the project lead to **increased productivity**?
- g) Will the facility require significant **annual maintenance**? If yes, please describe/quantify.
- h) Will the new facility require **additional equipment** not included in the project budget?
- i) If new equipment is required, what is the **estimated cost of the equipment**?
- j) Will the new facility require the construction of **additional facilities and infrastructure** not included in the project budget?
- k) Will the new facility **reduce time and resources expended on maintenance** of current outdated systems?
- l) Is there a **revenue generating opportunity**? (e.g. user fees) If yes, please describe.
- m) Does the project **minimize life-cycle costs**?
- n) Will the project result in a reduction or increase in **energy use**?
- o) What is the magnitude or cost of any change in energy usage?
- p) Does the project involve **specific energy reduction strategies** or features? If yes, please describe
- q) Will this project cause **disruptions to regular city operations**? If yes, please describe and estimate the costs associated with the disruption.
- r) Are there **other potential costs** associated with this project that are not addressed above? If yes, please describe and quantify.

4) Compliance with Comprehensive Plans

Comprehensive Plans help ensure that future development makes the City of Milwaukee a desirable place to live and work. For example, public parks, libraries, schools, multi-use trails, open space, and preservation of community character enhance the quality of life for citizens. Milwaukee's Citywide Policy Plan was approved by the Common Council on March 2, 2010. The plan can be found on the Department of City Development's website. <http://city.milwaukee.gov/Plansandstudies/CitywidePolicyPlan.htm>. In addition to the Citywide Policy plan, there may be other plans or studies that are applicable to a specific capital request. Considerations in this area of emphasis would include:

- a) Is the project **in conformance with and supportive of** the goals, objectives and strategies of any applicable **Comprehensive Plan**?
- b) Is the project supported by City Of Milwaukee sponsored special studies?
- c) Does the project relate to the results of a City of Milwaukee citizen survey, committee or board?
- d) Does the project increase or enhance **educational opportunities** for City of Milwaukee citizens?
- e) Does the project increase or enhance **recreational opportunities** and/or green space?
- f) Will the project **mitigate blight**?
- g) Does the project target the **quality of life** of all citizens or does it target one demographic?
- h) Is one population affected positively and another negatively?
- i) Does the project preserve or improve the **historical or natural heritage** of the City?
- j) Is the project consistent with **established community character**?
- k) Does the project **expand** the range of **transportation, employment, and housing choices** in a fiscally responsible manner?
- l) Does the project improve, mitigate or prevent degradation of **environmental quality** (e.g. water quality, improve or reduce pollution including noise and/or light pollution)?

5) Infrastructure Needs

This element relates to basic or core infrastructure needs of the City with an emphasis on infrastructure preservation. Constructing a facility in excess of facility or service standards would score low in this category. Considerations in this area of emphasis would include:

- a) Does the project **adequately promote** the city's goals relating to **infrastructure preservation**?
- b) How does the request affect the pertinent replacement cycle? Provide specifics.
- c) Has the facility being replaced **exceeded its useful life**?
- d) Will this project **extend the useful life** of an existing facility?
- e) Do **maintenance costs** exceed replacement costs?
- f) Have the costs of unplanned or corrective maintenance related to the facility been documented?
- g) Does this project replace an **outdated system**?
- h) Does the project incorporate **new technology** that will provide enhanced service?
- i) Does the project **extend service** to encourage new development or redevelopment?
- j) Will this project improve the functionality or service life of **other related infrastructure**?
- k) Will this project **prevent** the likely **failure of critical building systems**?

6) Economic/Community Development

Economic/Community Development considerations relate to projects that foster the development, re-development or expansion of a diversified business/industrial base or designated growth area. Projects that will help create jobs and generate a positive financial contribution to the City would be included in this category, as would a streetscape project in a designated growth area. Providing the needed infrastructure to encourage redevelopment of a shopping center would score high in this category. Reconstructing a storm drain line through a residential neighborhood would likely score low in the economic development category. Considerations in this area of emphasis would include:

- a) Does the project have the potential to promote economic/community development in areas **where growth is desired**?
- b) Will the project continue to promote or enhance economic/community development in an already developed area?
- c) Is the **net impact** of the project positive?
- d) Would an **alternate location** for this project provide a greater positive economic impact?
- e) Will the project **produce desirable jobs** in the City?
- f) Will the project **rejuvenate an area** that needs assistance?
- g) Will the project promote the **equitable distribution** of the costs and benefits of development?

7) Special Considerations

This area of emphasis relates to projects that because of special circumstances or emergencies must be undertaken immediately or in the very near future. Projects scoring high in this category must demonstrate an immediate mandate or hazard that cannot be ignored. Considerations in this area of emphasis would include:

- a) Is there a significant **external funding** source that can only be used for this project and/or which will be lost if not used immediately (e.g. proffers, grants through various federal or state initiatives, and private donations)?
- b) Is this project **currently funded** in an existing Capital Improvement Program?
- c) Are there critical **timing issues** associated with this project?
- d) Are there **inter-jurisdictional considerations**?
- e) Will the **delay** of the project **result in future construction costs that are significantly higher** than expected inflations rates?