

REF: M-15-23
DATE: February 8, 2024

GENERAL INFORMATION

Subject

Request - Review of the 2024-2028 Capital Improvement Program for Impact on the Master Plan

Applicant - Wade Kapszukiewicz, Mayor

Applicable Plans and Regulations

- Toledo 20/20 Comprehensive Plan “Toledo by Choice” adopted by Ordinance 827-00 and subsequently amended.
- Toledo Municipal Code (TMC) Chapter 165, Capital Improvement Program

CIP Process

- TMC Chapter 165 provides for referral of the CIP from City Council to the City Plan Commission for review of the impact on the Master Plan. 2-3%

STAFF ANALYSIS

The 2024-2028 Capital Improvement Program (CIP) for Impact on the Master Plan has been forwarded to the Toledo City Plan Commission for review and recommendation pursuant to Toledo Municipal Code Chapter 165 - Capital Improvement Program. Although the 2024-2028 CIP includes capital expenditures from a variety of funding sources, the primary focus of this CIP review and analysis will be the “Traditional” (income tax-funded) portion of the Capital Improvement Program.

Toledo’s Income Tax consists of two primary components, a permanent 1½% tax and a ¾% tax subject to renewal by the voters every four years. Additionally, voters approved an additional ¼% income tax for five years specifically to fund roadway improvements starting in 2020. This fund has led to the resurfacing of an additional fifty lane miles of roadway each year. The ¼% tax is up for renewal in March. Of the permanent 1½% tax, one sixth is allocated to capital projects (equaling ¼%). Of the temporary ¾% tax, one third is allocated to capital projects (also equaling ¼%). A portion of the percentages allocated to the CIP has been redirected to the operating budget for the past several years.

STAFF ANALYSIS (cont'd)

The proposed CIP Plan is attached as Exhibits “A”, “B” and “C”. Exhibit “A” contains the sources and uses of funds for the income tax funded portion of the CIP, with a breakdown of project support and specific projects included in Exhibit “B” and “C”. As shown in Exhibit “A”, the total of the CIP sources over the next five years is \$354.7 million, before deducting debt service obligations of \$88.2 million (new) and \$14.5 million (existing) also shown in Exhibit “A”. The CIP sources total \$65.2 million for 2024, a decline of \$15.5 million from 2023, before deducting \$17.7 million for debt service and \$24 million for transfer to the General Fund.

Although the CIP is a five-year plan, traditionally the focus of City Council and the Administration has been those projects that are proposed for funding in the first year. The CIP in years two through five is a guide to future capital spending that may be revised due to changing priorities and special project needs necessitating re-direction of funds in future years. This analysis will focus primarily on the 2024 expenditures and how they relate to the goals of the Toledo 20/20 Comprehensive Plan, “Toledo By Choice”, adopted by Toledo City Council in 2000, and subsequently amended, as the master plan for the City of Toledo.

The Toledo 20/20 Comprehensive Plan

The Toledo 20/20 Plan includes 193 recommendations grouped under the following categories: regional, overall policy, neighborhood and commercial land use, community design, marketplace, housing, recreation, transportation and other infrastructure. The 2024-2028 CIP projects are analyzed against the Toledo 20/20 Plan using the above categories, with special emphasis on those projects slated for 2024.

Regional

The 2024-2028 CIP does not specifically address regional needs, although a portion of the CIP will go towards bridges and major street paving which has an indirect impact on the region.

Overall Policy (Citywide)

The Toledo 20/20 Plan establishes the overall character, extent and location of various land uses and serves as a guide to communicate the policies of the Toledo 20/20 Comprehensive Plan to citizens, the business community, developers and others involved in the development of the City of Toledo.

The 2024-2028 CIP allocates \$103,544 to support Plan Commission staff in 2024. This funding is allocated under the project support budget for 2024 (Exhibit “B”). This project furthers the 20/20 Plan Recommendations #28 (Plan Commission staffing), #126 (promote self-sufficient neighborhoods by providing necessary amenities and services within the neighborhood) and other recommendations relating to the revitalization of existing neighborhoods.

STAFF ANALYSIS (cont'd)

Neighborhood and Commercial Land Use

The 2024-2028 CIP does not specifically address neighborhood and commercial land use needs, although a portion of the CIP will go towards bridges, street paving, and sidewalk repairs which has an impact on neighborhoods.

Community Design

The 2024-2028 CIP provides for \$261,276 in 2024 to support the 1% For the Arts Program as shown in Exhibit "A". The Toledo Municipal Code requires that one percent of capital project funding be allocated for public art programs. An important element of community design is public art.

Marketplace

The 2024-2028 CIP does not specifically address marketplace needs. In previous years, the CIP was used to help fund the Developer Incentive Pool to promote economic development within the City.

Housing

There are no specific allocations in the 2024-2028 CIP to support housing programs. Prior to 2007, CIP funding was specifically allocated for demolition programs as well as infrastructure to support housing development projects. Currently, the funding for these activities is provided by the general fund, Lucas County Land Bank, and community development block grant dollars.

Recreation

The 2024-2028 CIP allocates \$850,000 thousand for Savage Park improvements per a grant match as shown in Exhibit "C". Funding for recreational purposes declined in the CIP in recent years due to alternative funding availability as part of the American Rescue Plan Act.

STAFF ANALYSIS (cont'd)

Transportation

The Toledo 20/20 Plan contains a number of recommendations pertaining to the construction and maintenance of infrastructure. Among the recommendations in the Plan that are met by the projects in the 2024-2028 CIP are Recommendation #75 (street resurfacing) and Recommendation #76 (bridge and culvert maintenance and construction).

A total of \$12.2 million is included in 2024 for major street projects, which will leverage state and federal funding, \$3.9 million for bridge projects, and \$375 thousand for sidewalks as shown in Exhibit "C". This is in addition to \$24.5 million from the ¼% income tax approved by voters in 2020 for residential roadways.

Other Major 2024 CIP Expenditures

Other major 2024 CIP expenditures not previously mentioned include: \$3.5 million for new vehicles and vehicle replacements, \$1.7 million for new equipment, \$500 thousand for the relocation of Water Street, and \$450 thousand for an expansion and improvements to the landfill gas collection shown in Exhibit "C". The list of overall expenditures is down in 2024 due to a lower CIP and a higher transfer to the general fund.

Summary

The 2024-2028 CIP furthers the implementation of at least four goals of the Toledo 20/20 Plan. The Toledo 20/20 Plan provides the framework to coordinate project planning between different City departments. The transfer of CIP dollars to the General Fund is a concern, but in recent years this has been a precautionary measure with funding returned midway through the fiscal year. The downside is that a large percentage of the CIP budget is never reviewed for compliance with the adopted comprehensive land use plan. This is something staff will look to address once the new plan Forward Toledo is finalized and adopted later this year.

The achievement of goals from the Toledo 20/20 Plan through CIP funding remains constrained as in previous years. Staff will look to change this for future CIP plans once the new comprehensive land use plan, Forward Toledo, is completed later this year. This document offers us a chance to reset and reevaluate our priorities as a community for the next 10-20 years and is influenced by substantial public input. CIP funding can play an instrumental role in implementing the goals of the plan through targeted and coordinated project implementation that will have a lasting impact on the City of Toledo and its neighborhoods.

STAFF RECOMMENDATION

Staff recommends that the Toledo City Plan Commission recommends approval of the 2024-2028 Capital Improvement Program as being in conformance with the Toledo 20/20 Comprehensive Plan, to the Toledo City Council.

SPECIAL STUDY
TOLEDO CITY PLAN COMMISSION
REF: M-15-23
DATE: February 8, 2024
TIME: 2:00 p.m.

JL

Exhibit "A": Capital Improvement Program Estimated Sources and Uses of Funds 2024-2028

Exhibit "B": Capital Improvement Program Project Support 2024-2028

Exhibit "C": Capital Improvement Program Project Appropriations 2024-2028

EXHIBIT "A"

SOURCES AND USES

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Exhibit A - Capital Improvement Plan Sources and Uses 2024-2028

Projected Sources	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2024-2028 Total
Income Taxes Allocated for CIP	\$ 49,456,595	\$ 51,151,814	\$ 52,734,035	\$ 54,363,723	\$ 56,042,301	\$ 263,748,466
Other Revenues, Transfers and Closeouts	1,930,436	746,300	2,246,300	2,246,300	6,321,300	13,490,637
New Debt Issuance & Other Obligations	13,825,000	12,300,000	6,800,000	18,015,000	7,500,000	58,440,000
Total Sources	65,212,030	64,198,114	61,780,335	74,625,023	69,863,601	335,679,103

Projected Uses	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2024-2028 Total
Existing Debt Service	17,771,319	17,938,791	18,026,490	17,305,815	17,161,987	88,204,402
Projected New Debt Service	-	1,977,415	3,162,425	3,817,553	5,553,159	14,510,552
Project Support	6,543,190	6,608,622	6,674,708	6,741,455	6,808,870	33,376,845
Major Road & Bridge Projects - City Match	12,200,000	9,800,000	6,800,000	7,500,000	7,500,000	43,800,000
Buildings, Improvements & Equipment	16,077,750	4,817,750	3,817,750	14,332,750	7,892,750	46,938,750
1% for the Arts Contribution	261,276	202,819	165,914	295,017	231,485	1,156,510
Transfer to General Fund	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	120,000,000
Total Uses	76,853,535	65,345,397	62,647,288	73,992,589	69,148,251	347,987,059

Projected Fund Balance	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Projected Starting Fund Balance*	11,167,588	3,261,083	2,113,800	1,246,847	1,879,281
Change in Fund Balance	(7,906,505)	(1,147,283)	(866,953)	632,433	715,351
Projected Ending Fund Balance	\$ 3,261,083	\$ 2,113,800	\$ 1,246,847	\$ 1,879,281	\$ 2,594,631

*Projected starting fund balance, excluding non-spendable portion

Project Internal Debt Limit - 90% Calculation	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
1/9th of Projected Income Tax	25,157,838	25,925,907	26,717,017	27,531,861	28,371,150
Projected Net Debt Service	20,089,069	22,233,956	23,506,665	23,441,118	25,032,896
Net Debt Service/Income Tax	79.9%	85.8%	88.0%	85.1%	88.2%

EXHIBIT “B” PROJECT SUPPORT

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Exhibit B - Capital Improvement Plan - Proposed Project Support

Funds Center	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
10200-Office Of The Mayor	19,608	19,804	20,002	20,202	20,404
10202-Communications	15,825	15,983	16,143	16,305	16,468
10400-Plan Commission	103,544	104,579	105,625	106,681	107,748
14700-Finance ERP	50,608	51,114	51,625	52,141	52,663
14800-Debt Management	77,037	77,807	78,585	79,371	80,165
22500-Transportation	750,682	758,189	765,771	773,428	781,163
23100-Streets, Bridges & Harbor	257,523	260,098	262,699	265,326	267,979
35000-Engineering Services	4,879,770	4,928,568	4,977,853	5,027,632	5,077,908
40100-Parks	388,593	392,479	396,404	400,368	404,371
Total Project Support	6,543,190	6,608,622	6,674,708	6,741,455	6,808,870

EXHIBIT "C"

PROJECT APPROPRIATIONS

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Exhibit C - Capital Improvement Plan Project Closeouts

Department	Project Name	Original Project Year	Recommended Closeout
City Council	Furniture for Council	2022	\$ 2,916
Fire & Rescue	Fire Engines & Ladder Truck	2019	8,685
Fire & Rescue	Cardiac Monitors	2022	269
Information Technology	ICT Network Infrastructure	2019	11
Information Technology	Software Compliance	2019	99,946
Parks & Youth Services	Ball Field Facility Upgrades	2020	427
Parks & Youth Services	Revitalization of Park Infrastructure	2021	4,690
Parks & Youth Services	Continued Parks Revitalization Initiative	2022	4,634
Police	Security Cameras for City of Toledo Parks	2022	530
Police	Police Interrogation Room IT	2022	8,550
Police	Additional Flock Cameras for Police	2022	30,000
Public Service	Miami Street Over NSRR	2015	1,439
Public Service	GCCS at Hoffman Road Landfill	2018	78,141
Public Service	Major Mechanical & HVAC	2021	35
Public Service	PAL Sports Field	2021	8,295
Public Service	Street Sweepers	2021	205,680
Public Service	Replacement Excavator for Solid Waste at the Hoffman Road Landfill.	2022	13,910
Public Service	Mid-Size Plow Trucks for Snow and Ice Control and Street Maintenance	2022	48,980
TMC	Court Security	2020	144,500
TDOT	Replace SBH Excavator	2021	55
TDOT	Sidewalk Program	2021	186,116
TDOT	Snow Plow Racks for Snow and Ice Control Operations.	2022	490
TDOT	Sidewalk Improvements	2022	199,837
Total			\$ 1,048,135