

POLICIES AND CRITERIA

Every two years the City Council adopts policies and criteria for the evaluation of capital projects to be included in the general obligation bond program and decade plan. On April 3, 2006, the City Council adopted R-06-21; Enactment R-2006-039 establishing policies and criteria for the 2007 planning cycle. Please refer to Appendix C-13 for a complete copy of the resolution. Following is a summary of the provisions of that resolution.

Policy Legislation

The following adopted policies of the City of Albuquerque are cited in R-06-21:

- *Albuquerque / Bernalillo County Comprehensive Plan*
- Council Bill F/S R-70; Enactment 91-1998: *Growth Policy Framework*
- Council Bill R-01-344; Enactment 172-2001: *Centers & Corridors*
- Council Bill F/S O-02-39; Enactment 34-2002 and Council Bill F/S R-02-111(A); Enactment 112-2002; *Planned Growth Strategy*
- Council Bills F/S(2)O-04-20; Enactment 51-2004 Public Safety Impact Fees; F/S(2)O-04-71; Enactment 52-2004 Roadway Facilities Impact Fees; F/S(2)O-04-72; Enactment 53-2004 Drainage Facilities Impact Fees and F/S(2)O-04-69; Enactment 54-2004 Park, Recreation, Trails and Open Space Impact Fees.
- Council Bill F/S R-04-159; Enactment 117-2004 Interim Council policy regarding reduced impact fees.

Funding Criteria

The approximate allocation of funds among the various implementing agencies were established in R-06-21 as follows:

- 30% to the Streets Divisions, Department of Municipal Development
- 9% to the Hydrology (Storm Drainage) Division, Department of Municipal Development.
- 5% to the Park Design & Construction Division, Department of Municipal Development
- 6% to the Parks & Recreation Department.
- 10% to the Public Safety Departments, including: the Fire Department, and the Police Department.
- 27% to all other Community Facilities, including: cultural services department; environmental health department; family and community services department; department of finance and administrative services; planning department; and the department of senior affairs.
- 6% to the Council-Neighborhood Set-Aside program.

Please refer to Table 1 for the approved allocation of the 2007 general obligation bond program.

Funding Allocation Chart

Department/Division	Allocated R-06-21	Amount Departments Requested	Approved Program
Streets Divisions of DMD	\$42,500,000	\$51,713,000	\$39,510,000
Storm Drainage Division of DMD	\$12,000,000	\$14,900,000	\$10,300,000
Park Design & Construction Division of DMD	\$7,000,000	\$9,000,000	\$13,300,000
Parks & Recreation Department	\$9,000,000	\$11,250,000	\$18,510,000
Public Safety Departments	\$14,000,000	\$19,590,000	\$11,958,000
Police Department	\$9,000,000	\$13,540,000	9,350,000
Fire Department	\$5,000,000	\$6,050,000	\$2,608,000
Transit Department	\$7,000,000	\$8,500,000	\$7,000,000
Affordable Housing Mandate [F/S(3) O-06-8]			\$10,000,000
Community Facilities	\$37,268,000	\$109,230,000	\$38,809,000
Cultural Services		\$49,125,000	\$9,075,000
Fac., Energy, Security, Parking, CIP Div. of DMD		\$3,110,000	\$1,350,000
Environmental Health Department		5,000,000	\$6,550,000
Family & Community Services		\$12,220,000	\$11,800,000
Finance & Admin. Svs / 3% Energy Conserv. ¹		\$9,625,000	\$5,784,000
Planning Department		\$18,900,000	\$3,500,000
Department of Senior Affairs		\$11,100,000	\$750,000
Sub-Total 2007 G.O. Bond Program	\$128,768,000	\$224,183,000	\$149,387,000
Council-Neighborhood Set-Aside Program	\$9,000,000	\$9,000,000	\$9,000,000
Total 2007 G.O. Bond Program ²	\$137,768,000	\$233,183,000	\$158,387,000
Notes			
1. Reference F/S O-06-34 regarding 3% of the G.O. Bond Program for energy conservation and renewable energy projects.			
2. Total 2007 General Obligation Bond Program, excluding 1% for Public Art estimated at approximately \$1.6M.			

Table 1

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Project Selection Criteria

Specific project selection criteria were adopted in R-06-21 for each funding allocation category and were written to incorporate the growth policy and fiscal goals established in the enabling legislation. To review these criteria in detail, please refer to Appendix C-13.

Minimize Operating Budget Impact

In order to minimize the impact of capital projects on the general fund operating budget, to emphasize the preservation of existing assets, and to correct critical deficiencies, R-06-21 established a goal that approximately 90% of the G.O. bond program shall be for rehabilitation and deficiency correction of existing facilities and systems, except that funds required to pay for growth related impact fee reductions shall not be included in the calculation of the 90% goal. As shown in Table 2, approximately 93% of the 2007 General Obligation Bond Program meets this requirement.

Rehabilitation and Deficiency Correction Summary

Funding Allocation Category	Recommended Funding	Rehabilitation	Percent of Total	Deficiency	Percent of Total	Total % R & D
Affordable Housing	\$10,000,000			\$10,000,000	100%	100%
Community Facilities	\$38,809,000	\$12,539,500	32%	\$24,729,500	64%	96%
Parks & Recreation	\$31,810,000	\$11,125,000	35%	\$18,885,000	59%	94%
Storm Drainage	\$10,300,000	\$6,425,000	62%	\$3,525,000	34%	97%
Streets Divisions	\$39,510,000	\$28,610,000	72%	\$7,270,000	18%	91%
Public Safety	\$11,958,000	\$5,608,000	47%	\$3,800,000	32%	79%
Transit Department	\$7,000,000	\$5,500,000	79%	\$1,500,000	21%	100%
TOTAL¹	\$149,387,000	\$69,807,500	47%	\$69,709,500	47%	93%

¹ Excluding \$9.0 million for Council-Neighborhood Set-Aside and 1% for Public Art estimated at about \$1.6 million.

Table 2

Project Categorization

As part of the planning process, the Administration is required to categorize projects in the Mayor's recommended capital program as: growth, rehabilitation, deficiency, mandate or improvements, defined as follows:

- **Growth:** New facilities, component additions, or system upgrades that provide service or capacity for new customers (defined as customers not currently using the system); or that restore needed reserves previously used to support new users.
- **Rehabilitation:** Projects that extend the service life of an existing facility or system, or that restore original performance or capacity by rehabilitating or replacing system components.
- **Deficiency:** Projects that correct inadequate service, provide system backup capability, or minimize downtime or loss of service ability.
- **Improvements:** Projects that enhance the efficiency or customer satisfaction of an existing system that are not covered in the above categories, including costs to conduct special studies directly related to the implementation of the capital program.
- **Mandate:** Projects that are required in order to comply with regulation(s) of federal, state, or local jurisdictions.

Project Area

A boundary based on the water line extension policy contained in Council Bill R-390, has been established. Projects outside that boundary may not be funded by the capital program. A map of this area may be found in Appendix A-24.

High, Medium and Low Priority Projects

All projects proposed for the 2007 G.O bond program are required to be rated by a staff committee using the criteria provided in R-06-21. The ratings are to be divided into high, medium and low priority, and no more than ten percent of the Mayor's proposed G.O. bond program funds may be ranked in the low category. (As provided in R-06-21, Council-Neighborhood Set-Aside Projects are selected by City Councilors, and approved by vote of the full City Council. Thus, they were not reviewed, rated or ranked. In addition, projects that were added by amendment of the City Council, were not reviewed, rated or ranked.) Approximately 7.2% of the recommended 2007 general obligation bond program funds are associated with projects that ranked low. A ranked listing of projects may be found in Appendix A-14.