Capital Improvement Program (CIP)
Frequently Asked Questions

1. What is the “Capital Improvement Program” (CIP)?
   ✓ A six-year funding plan for “general government” capital projects.
   ✓ A framework for decisions on future local bond and state grant requests.
   ✓ Proposed by the Mayor and approved by the Assembly.

   [The CIP includes, but does not program, the latest federal funding plan proposed in the Anchorage Metropolitan Area Transportation Solutions (AMATS) Transportation Improvement Program (TIP)]

2. Who identifies projects and funding for inclusion in the draft CIP?
   ✓ In the General Government CIP, projects are identified and proposed by each department:
     - Project Management & Engineering (PM&E): Road, safety, drainage, pedestrian, traffic projects.
     - Office of Economic and Community Development: Parks, trails, libraries.
     - Anchorage Fire Department: Fire equipment and facility needs.
     - Anchorage Police Department: Police equipment and facility needs.
     - Public Transportation: Transit equipment and facility needs.
     - Maintenance and Operations: Municipal facility and fleet needs.

3. How does each department identify and prioritize projects?
   ✓ Each department maintains a list of capital project needs.
   ✓ Throughout the year, each department adjusts its needs list to delete projects completed and to add new projects.
   ✓ New projects are identified through: a) municipal or state agency comments; b) Community Council recommendations; c) calls from elected officials, and d) suggestions from the public.
   ✓ Each Department uses standard criteria for evaluating, scoring, and ranking all projects in their department. For example, PM&E uses 15 criteria established to evaluate transportation projects.

4. Where does capital project funding come from?
   ✓ Bonds: Primary funding source is voter approved bonds.
   ✓ Federal: secondary funding source is federal funding programmed through the AMATS TIP
   ✓ State: Legislative grants also provide funding, but more sporadic based on state budget status.
   ✓ Mill Levies: The Chugiak/Eagle River/Birchwood area residents approved special taxes that fund road and parks projects, following priorities established by their local road and park boards.

5. What is the typical schedule for development of the CIP?
   ✓ In the spring, OMB routes project lists to the community councils for comments.
   ✓ Each department evaluates projects identified and develops a prioritized needs list.
   ✓ In May, OMB provides departments with proposed funding levels for next six years.
   ✓ In June, departments submit their draft CIP to OMB for distribution and review by other departments.
   ✓ In the summer, the Administration reviews the consolidated preliminary CIP.
   ✓ In late summer, adjustments are made by each department to reflect Administration comments.
   ✓ In September, the draft CIP is submitted to the Assembly.
   ✓ In November and December, following public hearings on the budget, the Assembly approves the CIP.
   ✓ In February, the Assembly holds a public hearing and takes approves bond ballot propositions.
   ✓ In April, voters decide on bond propositions in a municipal election.
   ✓ In May, the Legislature finalizes its capital budget.
   ✓ In June, the Governor adjusts and/or approves the State legislative capital budget.

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1 Separate CIPs are prepared by Anchorage School District and municipally owned utilities. In the Municipal Utility CIP, projects are identified and proposed by each utility:
   - Municipal Light and Power: Electrical facilities within their service area boundaries.
   - Anchorage Water and Wastewater Utility: Public water and sewer facilities.

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