

City of Somerville, MA Capital Investment Plan 2016-2025



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Mayor's Message

Fellow Residents,

In the pages of this FY16-FY25 Capital Plan for Somerville, you will see an outline of how we propose to continue our efforts to preserve and enhance the quality of our public property—and thus the quality of life in our city—in the coming years. Whether open space, underground infrastructure, surface roads, walkways, or our City buildings and schools, each designated need strategically builds upon previous investments to achieve our long-range goals of strengthening both our community and our economy. As with all investments made by my administration, each project is firmly grounded in long-term strategic planning, conservative fiscal management, and a careful review of related data. But the plan as a whole goes beyond the numbers. Above all, this is a document that codifies our shared community values.

The plan lays out specific steps for continuing our work to set into action our community's hopes and dreams as codified by our community-driven 20-year comprehensive plan, SomerVision. Developed over several years and hundreds of hours of community discussion and deliberation, SomerVision is an extraordinary document that translates the will of the community into clearly defined goals that my administration is working to achieve by 2020 including the creation of:

- 30,000 New Jobs
- 125 New Acres of Publicly-Accessible Open Space
- 6,000 New Housing Units - 1,200 Permanently Affordable
- 50% of New Trips via Transit, Bike, or Walking
- 85% of New Development in Transformative Areas



It is these goals that inform all of our planning efforts—including our capital plan. They are ambitious goals that require the careful, forward-looking strategic planning and incremental steps outlined in this document. To attract the new businesses and development that will bring us new jobs and new housing and provide the tax revenue we need for new open space and improved transit, pedestrian and bicycle infrastructure, we must have functioning, well-maintained infrastructure. SomerVision can only succeed if the City's streets, sidewalks, squares and sewer system are kept in excellent shape. This plan outlines strategic capital investments that address these needs.

Many of the projects in the following pages will be familiar from previous CIP documents. Important areas of emphasis in this iteration include infrastructure projects to pave the way for our community's desired growth in Union Square and throughout the city, needed updates to our buildings including our historic West Branch Library (an original Carnegie Library), City Hall, a proposed new fire station at 515 Somerville Ave., and improvements to our parks, and fields including a needed complete redesign of one of our largest open spaces, Lincoln Park. These individual projects along with our efforts to improve core infrastructure will collectively lay the groundwork for the future of the city.

This prudent, forward-looking strategy to capital planning has been affirmed by the City's designation with its highest ever Standard & Poor's bond rating of AA+ and its highest ever Moody's credit rating of Aa2, which both agencies cited as products of the City's strong financial practices and budget management, low overall debt, strong capacity to meet its financial commitments, and a robust, growing economy. We pledge our continued commitment to leveraging conservative fiscal management that makes desired community investments possible. We pledge to continue making Somerville a great place to live, work, play and raise a family. Thank you for your support.

Joseph C. Antone



Capital Plan Overview

What is a capital project?

A Capital Improvement Project is defined as a major, non-recurring expenditure that generally meets all of the following criteria:

1. Massachusetts General Law Chapter 44, Sections 7 & 8, permit the City to issue bonds to finance the expenditure;
2. The expenditure is a facility, object, or asset costing more than \$50,000;
3. The expenditure will have a useful life of 10 years or more for infrastructure, buildings, and parks and a useful life of five years or more for vehicles and equipment

Among the items properly classified as capital improvements are:

1. Any acquisition of land for a public purpose;
2. New public buildings or additions to existing buildings, including land acquisition costs and equipment needed to furnish the new building or addition for the first time;
3. Major alternations, renovations, or improvements to existing buildings, which extend the useful life of the existing buildings by ten (10) years;
4. Land acquisition and/or improvement, unrelated to a public building, but necessary for conservation or park and recreation purposes;
5. Major equipment acquisition, replacement or refurbishment, with a cost of at least \$50,000, and a useful life of at least five (5) years;
6. New construction or major improvements to City physical infrastructure, including streets, sidewalks, storm water drains, the water distribution system, and the sanitary sewer system. Infrastructure improvements must extend the useful life of the infrastructure by at least ten (10) years;
7. Energy conservation and alternative energy improvements to public buildings or facilities owned by the City;
8. Traffic signal, public lighting, and police and fire communication systems;
9. Purchase and installation of computer hardware and integrated financial management and accounting systems;
10. Asbestos removal from public buildings;
11. A feasibility study, engineering, or design services which are ancillary to a future capital improvement. The costs of engineering, architecture, and landscaping studies are not physical improvements, but when they are done in order to build a capital facility project, they too are contained in a CIP and can be funded by bond financing.

Benefits of a Capital Plan

The development of a Capital Investment Plan (CIP) provides many benefits for a municipality. Benefits include:

1. A CIP creates orderly and systematic planning for the replacement and rehabilitation of major equipment, facilities, and infrastructure thereby saving money and ensuring consistent and quality services over time.
2. An organized CIP provides for a more effective evaluation of alternatives and solutions rather than a crisis decision mode.
3. A CIP provides for funding of projects on a priority basis.

4. A CIP enhances the community's credit rating, control of its tax rate, and avoids sudden changes in its debt service requirements.
5. A CIP increases opportunities for obtaining federal and state aid.
6. A CIP facilitates coordination between capital needs and the operating budgets.
7. A CIP relates public facilities to the City's strategic plan or public and private development and redevelopment policies and plans.
8. A CIP keeps the public informed.

Capital Planning Process

The Capital Investment Plan is prepared from a city-wide perspective. There is no assumption of a budget quota for individual departments. The initial step of all city departments is to identify a need for a capital project. This could include information from replacement plans (vehicles, equipment); formalized plans already in place such as CDBG One-Year Action Plans, Facility master or Open Space Plans; and citizen input processes. Department Heads inventory buildings, equipment, roads, and utilities to document a need for renewal, replacement, expansion, or retirement of all physical assets.

The Finance Department prepares a long-term financial forecast. This forecast analyzes the City's capacity to afford major new expenditures. The forecast examines recent and anticipated trends in revenue, expenditures, debt, and unfunded liabilities. The analysis also reviews the amount of unspent funds available from completed and discontinued projects. This comprehensive analysis permits scheduling of funding sources to balance debt service and operating expenditures; determine available debt capacity and acceptable debt service levels; and maximize intergovernmental aid for capital expenditures. The City has also adopted Capital Investment Financing Policies as a guide for decision-making. These include benchmarks for General Fund Debt Service, Water & Sewer Enterprise Debt Service, Use of "Free Cash", and minimum Stabilization Fund Balances. These Financing Policies have been presented to the major bond rating agencies.

Formalized project requests include cost estimates, descriptions of the proposed scope of work, useful life statements, and project justifications related to the primary evaluation criteria. The charge of the Capital Investment Plan Steering Committee is to review submitted capital project requests and to recommend and prioritize based on established evaluation scoring criteria. The CIP Steering Committee recommends to the Mayor who makes the final decisions. While most departmental requests have merit, the City's projected financing resources fall short of accommodating all requests. Difficult decisions must be made as to what projects receive funding in any given fiscal year. In reviewing the requests of the operating departments, the CIP Steering Committee determines whether or not the request will fulfill one of the following goals of the Mayor:

1. [Quality of Life] Celebrate Somerville as an exceptional place to live, work and play.
2. [Safe Neighborhoods] Protect and Support families and individuals.
3. [Fiscally Sound Management] Maximize return on taxpayer dollars
4. [Education] Provide high-quality education opportunities to meet the needs of our students and community.
5. [Economic Development & Community Vision] Promote Economic Development consistent with SomerVision and the City's Comprehensive Master Plan.
6. [Accountability & Performance] Improve City performance by increasing accountability and transparency.
7. [Customer Service] Offer professional and courteous treatment, prompt and thorough responses to constituent requests, and reliable access to government services.
8. [Innovation & Technology] Utilize new technologies to better coordinate, support and deliver city services.

9. [Environment] Promote a healthy environment by adopting eco-friendly policies and implementing energy efficiency.
10. [Innovative and Responsive Workforce] Promote and innovative and responsive workplace that solves problems, achieves goals and delivers quality services to citizens.

Project Evaluation

If the project meets one of the Mayor's goals, the city uses a number of other criteria for evaluation. Major focal points of evaluation are:

- Health & safety or legal mandate
- Impact on city operations or service levels
- Future cost avoidance or return on investment
- Impact on resident quality of life or return on investment
- Impact on the environment, resiliency, & mobility
- Connection to long-term & community goals
- Project readiness
- Alternative funding availability

The CIP Steering Committee takes each project through stages of evaluation by reviewing the project information provided with the requesting department head or staff:

1. Needs assessment;
2. Review of project against policies and evaluation strategies;
3. Consider the feasibility of proposed project's to include project's necessity, priority, and location;
4. Review in-depth cost estimation and funding capacity analysis

The CIP Committee prioritizes projects based on evaluation scoring and makes recommendations both in funding and prioritization. In this step, the proposed projects are ranked in priority as objectively as possible. Projects are evaluated according to established criteria and the ratings are translated into objective numerical weights. Projects are classified into categories and each project is evaluated in relation to other projects to determine their relative importance.

The CIP committee's completed report is submitted to the Mayor. The Mayor makes final selections and funding priorities and submits them to the Board of Aldermen for appropriation as part of the Capital Budget.

The authorization and appropriation is for new projects to begin in the current or ensuing fiscal year. Out-year projects are scheduled for succeeding years as part of the Capital Investment Plan and may be incorporated into a later year Capital Budget. The Capital Budget represents the funding for the first year of that Plan each year. Projects in the first year of the Plan generally represent the city's most immediate investment priorities. Funding for the first year of the Plan is submitted to the Board of Aldermen for appropriation. Each item is considered separately in accordance with the Mass. General Laws.

The Project Description portion of the Capital Improvement Program document organizes individual data sheets for each project by the Mayor's City-wide goals. Individual project data sheets include:

1. Project titles;
2. Description & Justification: Information about the purpose and scope of the project and explanation of why the project is needed;
3. Impact on Operating Budget: An integral part of planning for a capital project is to ensure that funding is available for any additional, ongoing operating and maintenance costs that will be incurred once a project is

complete. These include: additional staffing, utilities, debt service payments, etc. The CIP addresses this issue by including anticipated impacts on the operating budget in each project data sheet;

4. Site Information: Location address (if available) indicating the project's approximate location within the city;
5. Project Costs/Source of Funds: Details of project expenditures and sources of funding, including prior years funding and sources for the project.

Sources of Funding

The City carefully examines all potential funding sources for the City's capital investment needs. The potential sources of funding for capital investment projects include:

Available Funds (Free Cash)

The City regularly appropriates General Fund "Free Cash" to finance short-term, small capital investment projects in their entirety. Funds may be appropriated directly from the General Fund Tax Levy to the Operating Budget.

Enterprise Fund Proceeds

The City operates the following Enterprise Funds: Water, Sewer, Ice Rink, and Dilboy Field. The policy of the City of Somerville is to recover the full budgetary cost of water and sewer operations and capital replacement from water and sewer use charges. Debt Service and issuance costs associated with water and sewer projects are financed from water and sewer use charges. Program receipts from the operation of the Ice Skating Rinks and the Dilboy Field may be used to finance capital projects for these respective entities.

Enterprise Fund Retained Earnings

The accumulated earnings of an Enterprise fund may be used to fund capital improvements. The earnings flow to an Equity Account known as "Retained Earnings" and are certified annually by the State Department of Revenue.

Debt Service

Projects funded by debt service refer to those expenditures that are acquired through borrowing, the payments for which may or may not affect the next fiscal year, but in any event are paid for over an extended period of time, usually three to twenty years. Those extended payments include both principal and interest, usually referred to as "debt service". The City has traditionally financed large capital projects with debt service. Debt Service can be appropriated under the General Fund Tax Levy, from Enterprise Funds, or from Stabilization Funds. In this document, these obligations may be referred to as "General Obligation Bonds."

Stabilization Funds

Massachusetts General Law, Chapter 40, Section 5B provides for the establishment and maintenance of Capital Project Stabilization Funds. The Mayor and the Board of Aldermen may vote to appropriate sums of money into a Stabilization Fund for purposes of accumulating sums for future capital project financing. Appropriations may be made from a Stabilization Fund by a two-thirds vote of the Board of Aldermen for any purpose for which the City is authorized to borrow under Chapter 44, Sections 7 and 8. The City's largest Stabilization Funds are the Capital Projects Stabilization Fund (Pay-As-You Go Projects) and the Water & Sewer Stabilization Fund.

Unexpended/Unobligated Bond Proceeds

Unexpended and unobligated balances from bond proceeds, may be appropriated on the motion of the Mayor by the Board of Aldermen, and used as a financing source for a new capital improvement projects with an asset life similar to the original issue.

District Increment Financing

M.G.L. Chapter 40Q authorizes cities and towns to create development districts to segregate the taxes levied against new property developed in such districts since they were created (“Tax Increments”) and to use and pledge such tax increments to finance project costs within the district. A development district may be as small as one parcel or may comprise up to 25% of a town or city’s land. A district can be in effect for a maximum of 30 years. Each district must have a unique development program. The development program spells out the goals of the district and the means to achieve them. Once a district and program have been certified, the city or town has the ability to use various tools to implement the program. These include acquiring land, constructing or reconstructing improvements (such as buildings, roads, schools and parks), incurring indebtedness and pledging tax increments and other project revenues for repayment of these debts. The City is using DIF as a financing tool for infrastructure development at Assembly Row.

State and Federal Grants

The City uses dedicated state aid and grant funding to finance capital investment when these funds are available. The most notable sources of this financing are Chapter 90 State Highway Funds and the Community Development Block Grant.

Sale of Surplus Property

Proceeds from the sale of surplus municipal real estate are restricted by law (M.G.L. Ch. 44, Section 63) to the payment of indebtedness incurred in acquiring such real estate. In the event no such indebtedness is outstanding, the proceeds may be appropriated by the Mayor and Board of Aldermen for a Capital Project authorized to incur debt for a period of 5 years or more or for Building Renovation or Construction. The proceeds are appropriated from an account known as “Receipts Reserved for Appropriation”.

Public/Private Partnerships

A Public/Private Partnership is a contractual agreement between a public agency and a private sector entity whereby the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility.

Other Available Funds

Other sources include Parking Meter Receipts, Insurance Recoveries, closeouts to Undesignated Fund Balance, trust funds, or gifts and donations.

Proposition 2 ½ Debt or Capital Outlay Exclusion

Proposition 2 ½ allows a community to raise funds for certain purposes above the amount of its levy limit or levy ceiling. A community can assess taxes in excess of its levy limit or levy ceiling for the payment of certain capital projects and for the payment of specified debt service costs. The additional amount for the payment of debt service is added to the levy limit or levy ceiling for the life of the debt only. The additional amount for the payment of the capital project cost is added to the levy limit or levy ceiling only for the year in which the project is being undertaken. Both exclusions require voter approval.

State Infrastructure Development Programs

The Business Improvement Districts (BID), District Improvement Financing (DIF), Infrastructure Investment Incentive Program (I-CUBED) and the Local Infrastructure Development Program are four programs available to all cities and towns of the state that provide communities and developers with an alternative set of tools in order to establish a funding mechanism to support their economic development plans. In summary, BID, DIF, I-CUBED and the Local Infrastructure Development Program are programs designed to promote new

investment in targeted areas where infrastructure, community assets, and transit opportunities are operational.

Community Preservation Act

Adopted by the Somerville electorate in November 2012, the Community Preservation Act allows a 1.5% surcharge on net property taxes to fund the acquisition, creation, preservation, and support for affordable housing, historic preservation, open space, and outdoor recreation purposes. Distributions from the Commonwealth's Community Preservation Trust Fund match total local funding on an annual basis, including surcharge revenue and dedicated additional municipal revenue.

Capital Investment Plan Financing Policies

The City of Somerville has adopted several Capital Investment Financing Policies as a guide for decision making.

1. General Fund Debt Service Benchmark

Except for projects or improvements authorized by a Proposition 2 ½ Debt Exclusion vote of the electorate, long-term debt for general financing for general municipal purposes shall be constrained to a maximum of six percent (6%) of total General Fund expenditures. This benchmark measures the City's ability to finance debt within its current budget, similar to the measurement of household income dedicated to mortgage payments. This is the most immediate measure of ability to pay; however, it only examines the ability to pay for debt within a community's existing budget.

2. Water & Sewer Enterprise Funds Benchmark

Water and Sewer Debt Service should not exceed twenty percent (20%) of water and sewer operating revenues. This benchmark allows for increased investment in the City's Enterprises but in proportion to revenue increases.

3. Use of Free Cash

Free Cash in excess of Goal for the Operating Budget should be used for non-recurring or emergency expenditures or appropriated to a Stabilization Fund for future capital projects and equipment purchases. The City will endeavor to apportion a minimum of 30% of its yearly free cash certification to the Capital Investment Plan.

4. Use of Debt

All current operating expenditures will be paid for with current operating revenues. The City will not use long-term debt for current operations.

5. Sale of Assets

Proceeds from the sale of surplus municipal property shall be dedicated to capital improvement financing.

6. Stabilization Fund Balances

A minimum balance of \$4.8 million shall be maintained as reserves as of June 30th of each fiscal year. Of the \$4.8 million in reserves, a minimum balance of \$2 million shall be maintained in the Capital Stabilization Fund. This benchmark is established to maintain the City's Bond Rating.

Capital Financing Assumptions

The "Capital Budget" represents the funding for the first year of the capital improvement plan each year.

Projects in the annual budget represent the City's most immediate investment priorities and are the projects with the highest return on investment for the taxpayers of Somerville.

As noted earlier, the City strives to keep General Fund Debt Service costs at a ratio of 6% or less of General Fund Operating Expenditures. In measuring the benchmark and planning over the ten year period of the Plan, the City will assume a Long-Term interest rate of 4.5% for long-term issues and a Short Term Borrowing Rate of 2.0%. In the early stages of projects, the City generally borrows on a short term basis. The City evaluates market conditions as the project progresses to determine the feasibility of borrowing on a long-term basis. The Five Year Capital Project Plan Payment Schedule, included in the appendix, assumes borrowing on a short-term basis for a period of two years, at which point the City issues a long-term general obligation bond.

The City assumes an average growth of 4.5% a year in General Fund Expenditures.

FY16 Capital Projects

Project Name	Department	Funding Source	FY16
515 Somerville Ave Acquisition	Capital Projects	Debt Service	\$5,110,000
Lincoln Park & Argenziano Field	T&I	Debt Service	\$4,000,000
Street/Sidewalk Repairs	DPW	Debt Service, Ch. 90	\$2,200,000
ADA Curb Ramps, Sidewalks & Accessible Street Crossing Signals	DPW	Debt Service	\$1,000,000
Modular Fire Station Housing (Engine 3)	Capital Projects	Debt Service	\$835,000
West Branch Library Renovation	Capital Projects	Debt Service, CPA	\$735,000
Buena Vista Parking Garage	Capital Projects	Debt Service	\$600,000
Fire Vehicle Replacement	Fire	Debt Service	\$508,800
Accessibility Improvements - Public Buildings & Communication	DPW	Debt Service, CDBG	\$500,000
Citywide Mobility Plan	T&I	Capital Stabilization	\$470,000
Assembly Urban Renewal Plan	Planning/Zoning	Debt Service	\$445,000
Otis Park Renovation	T&I	CDBG	\$425,000
City Hall Renovations	Capital Projects	Debt Service, CPA	\$400,000
Conway Retaining Wall	DPW	Debt Service	\$400,000
East Broadway Streetscape Supplemental	T&I	Debt Service	\$325,000
Beacon Street Reconstruction	T&I	Debt Service	\$300,000
ArtFarm	Arts Council	State/Federal Grants	\$300,000
Police Vehicle Replacement	Police	Capital Stabilization, LETF	\$265,000
Hybrid Refuse Trucks (2) Supplemental Request	DPW	Debt Service	\$250,000
Backlog Sidewalk Repairs (Second Contract)	DPW	Debt Service	\$200,000
Big Belly Purchase	DPW	Debt Service	\$200,000
Hubway Bicycle Share (6 New Stations)	T&I	Debt Service	\$180,000
New Voting Equipment	Elections	Capital Stabilization	\$188,344
SHS North Wall leakage repair	Capital Projects	Debt Service	\$100,000
Decorative Barrels & Benches	DPW	Debt Service	\$100,000
Prospect Hill Park	T&I	CPA	\$85,000
Turf-to-Ice Summer Conversion Plan	Recreation	Capital Stabilization	\$67,000
Hoyt Sullivan Park	T&I	CDBG	\$65,000
Brown School Landscape & Playground Redesign	T&I	Unexpended Bond Proceeds	\$80,000
Corbett McKenna Playground Renovation	T&I	Capital Stabilization, Debt Service	\$25,000

FY16 Capital Budget Highlights

Lincoln Park & Argenziano Field

As part of a fields and open space planning process, Lincoln Park and Argenziano Field have been slated for comprehensive rehabilitation including field and park amenities, as well as remediation of drainage, utility, and maintenance concerns. The City is currently undergoing an inclusive public process to develop consensus regarding design and other decisions. This process will develop scope and construction plans for an FY16 or FY17 groundbreaking.

Building Updates and Renovations

As a comprehensive facilities assessment is ongoing, the Capital Projects department is forging ahead with multiple building and systems updates as well as more comprehensive rehabilitation projects. The FY16 Capital Plan includes funding for the West Branch Library ADA upgrade and rehabilitation, City Hall renovations, and reserved allocations for ADA building improvements citywide. These important investments in the City's buildings will not only decrease ongoing maintenance costs in select older buildings, but will make them more accessible to residents with mobility issues for community meetings and public hearings.

New Fire Station

The City, in collaboration with the Fire Department is currently undertaking an evaluation and strategic plan for fire safety services with the intent of informing decisions about future public safety needs. The City has identified a unique parcel west of Union Square which may present a one-of-a-kind opportunity to develop a new state of the art fire station with potential for a maintenance garage and training facility. As the evaluation and strategic plan are developed, the City will be exploring options for relocating Union Square's Engine 3, currently housed in the outdated public safety building at 220 Washington St. As the city evolves, public safety needs change, and the evaluation will define future fire protection locations. As this process develops, this capital plan holds funding for land acquisition and building of a new fire station, regardless of siting.

Comprehensive Plans

The City is currently undertaking multiple comprehensive planning efforts in conjunction with the Office of Strategic Planning and Community Development. First, the Assembly Square Urban Renewal Plan is slated for an update and the Capital Plan includes funding for a review of this document with respect to the numerous changes which have transformed the neighborhood in the past decade. Second, the FY16 Capital Plan includes a significant investment into the development of a Mobility Plan to develop a long-term, comprehensive vision for the city's multimodal infrastructure to guide future transportation investment and development decisions.

Infrastructure Upgrades and Developments

The City has undergone tremendous change in the past few decades, and with this new development has come increased strain on its already aging infrastructure. In the coming years, many improvements will be made to the city's underground utilities, roadway network, and built environment. This work has already begun, and in FY16 there are multiple investments ready for funding. Included are the closing out of an existing streetscape project on East Broadway, participating costs for a state-funded reconstruction of Beacon St., and recurring street and sidewalk repairs in conjunction with the City's street reconstruction plan.

FY16 Capital Budget Financing

General Fund Debt Service

Currently, the City's relatively low ratio of debt service to general fund expenditures provides budgetary flexibility to address financial problems that may arise. It is critical to note that debt payments are not discretionary; courts have ruled that these payments must be made even before salary payments for employees. Communities with high levels of debt service relative to operating expenditures have a larger portion of their budget dedicated to payments that must be made regardless of the community's financial situation. Having a lower ratio means less money is dedicated to debt service, leading to more flexibility within the operating budget. All bonding requests must be made with a clear understanding of the long-term effects to the City's financial future.

Expenditures for General Fund Debt Service are projected at \$9,669,652 for FY16. This constitutes a ratio of 4.80% General Fund Debt Service Expenditures to General Fund Expenditures. The Projected General Fund Debt Service schedule before adding on projects from the FY16-FY25 Capital Investment Plan is as follows:

Fiscal Year	Total Existing General Fund Debt Service
2016	\$9,669,652
2017	10,225,439
2018	8,358,927
2019	6,987,210
2020	6,743,867
2021	6,678,612
2022	6,617,067
2023	4,820,727
2024	4,468,060
2025	4,270,830

Parks Stabilization Fund Supported Debt Service

The Park Stabilization Fund provides funding for the construction and renovation of parks throughout the City. The Park Stabilization Fund is a source of debt service for the parks projects. In prior fiscal years, the Park Stabilization Fund has funded debt service for the following projects: Hodgkins Park, Albion Park, Grimmons Park, and Community Path Design and Improvement. The source of the funds is a development agreement with Federal Realty Investment Trust (FRIT), the developer of Assembly Square. The balance of the Park Stabilization Fund as of June 30, 2015 was \$2,810,560.

Many of the City's Parks Projects are funded from multiple sources including Community Development Block Grants, PARC Grants, and the Assembly Square Stabilization Fund. Below are the debt service obligations for the Park Stabilization fund as currently projected. It is expected that resources in the Park Stabilization Fund will be sufficient to cover debt service for the parks projects approved through FY2021. At that point, General Fund Debt Service will pick up the remaining principal and interest obligations.

	FY16	FY17	FY18	FY19	FY20	FY21
Park Stabilization Fund Debt Service	320,493	327,373	328,173	321,373	319,323	326,773

Ice Rink Enterprise Fund Supported Debt Service

The City assumed operational control of the DCR Veterans Memorial Ice Rink on Somerville Avenue in 2010. In the interest of expanding year-round recreational space for Somerville youth and residents, the City constructed a new skating rink situated adjacent to the Veterans Memorial Ice Rink, the Founders Memorial Skating Rink. Cost of construction for the Founders Memorial Skating Rink was \$3,577,877. The funding plan for the construction of the new Ice Skating Rink consisted of \$2,541,955 in General Obligation Bonds and \$1,035,922 in Capital Stabilization Funds. Debt Service for the new construction will be paid from program revenues from the Enterprise Fund. Additionally, \$202,901 in General Obligation Bonds were issued to make necessary repairs to the existing Veterans' Rink.

Fiscal Year	Founders Rink Debt Service	Veterans Rink Repairs Debt Service	Combined Debt Service
2016	238,433	29,605	268,038
2017	244,300	31,100	275,400
2018	239,650	35,275	274,925
2019	244,025	34,225	278,250
2020	242,325	33,025	275,350

Water-Sewer Enterprise Fund Supported Debt Service

Debt Service is annually budgeted in each of the Enterprise Funds for sewer construction & reconstruction, water main renovation and repair, and capital equipment purchases such as water meters. The Water & Sewer Enterprise Funds can also utilize retained earnings for future capital projects, subject to appropriation by the Mayor and the Board of Aldermen. The City is currently completing a Water & Wastewater Cost of Service/Rate Study with the assistance of the firm Woodard & Curran. The intent of this study is to develop a rate structure which funds future capital needs while limiting impacts on ratepayers.

FY15 Debt Service was budgeted at \$1,723,935 in the Water Department and \$804,493 in the Sewer Department. Debt Service is well below the 20% ratio to Operating Revenues. Total Operating Revenues in FY2015 for Water and Sewer combined were \$32,080,545. The Water/Sewer Enterprise Fund Debt Service Schedule shown below is before adding on projects identified in the FY2016-FY2025 Capital Investment Plan:

Water & Sewer Enterprise Fund Debt Service Chart

	FY16	FY17	FY18	FY19	FY20	FY21
Total Water	1,690,417	1,461,917	1,187,179	1,050,818	551,199	432,909
Total Sewer	798,187	520,326	512,866	183,976	178,176	172,200
Combined Total	2,488,604	1,982,243	1,700,045	1,234,794	729,375	605,109

Capital Stabilization Fund

“Pay-as-you-go” capital financing occurs when cash rather than some form of debt is used to fund all or a portion of a capital project. Pay-as-you-go financing allows the local government to avoid the debt markets, avoid interest and other debt issuance expenses, and expedite the purchase of less expensive or recurring capital assets. Pay-as-you-go financing helps preserve flexibility in future operating budgets and helps preserve

the City’s financial condition. The pay-as-you-go fund in Somerville is the Capital Stabilization Fund.

“Free Cash” is annually appropriated to the Capital Stabilization Fund; the Fund may also receive money from external sources. For FY16, \$917,000 of Capital Stabilization Funds are available for funding capital projects. The following projects are recommended for funding from the Capital Stabilization Fund in FY2016.

Project	Capital Stabilization Funding
New Voting Machines	\$188,344
New Voting Stations	\$50,000
Mobility Plan	\$470,000
Police Vehicles	\$142,036
Ice Rink Turf Program	\$67,000

Chapter 90 Highway Funds

Chapter 90 Highway Funds are state funds derived from periodic transportation bond authorizations and apportioned to communities for highway and street projects based on a formula taking into consideration local road mileage, local employment levels, and population estimates. Local highway projects are approved in advance by the State, then after the submission of certified expenditure reports to the Mass Highway Department, communities receive cost reimbursements to the limit of the grant. The amount of the grant changes each year. In FY2016, the City will receive \$1,143,337 in Ch. 90 Funds.

Community Development Block Grants

The Community Development Block Grants (CDBG) Entitlement Program is one of the more significant federal grant programs that make money available for local government infrastructure and capital projects. The City has identified three projects in the FY16 Capital Budget for which a portion of the project funding could be provided by CDBG funds. The City will work to identify additional FY17-FY25 Capital Projects that may be CDBG eligible to leverage more federal funds and reduce the reliance on borrowing. A full description of CDBG funded projects can be found in the CDBG “One Year Action Plan” and the OSPCD 5-year Consolidated Plan 2013-2017.

Project Name	CDBG Funding
*Marshall St Park	\$85,000
*Otis St Park Phase I	\$243,000
*Symphony Park	\$490,000
Franklin St Streetscape	\$250,000
Otis St Park Phase II	\$243,000
Public Tree Planting	\$60,000

* Indicates FY15 funded projects which are still ongoing

District Increment Financing Supported Debt Service

There are three large infrastructure projects contained in the Assembly Square Financing District. These infrastructure projects, the extension of Assembly Square Drive, installation of a storm water conduit, and construction of internal roadways in Assembly Square, were constructed to allow for the further development of Assembly Square. These infrastructure improvements are paid for by a bond supported by the incremental increase in property taxes due to the newly developed property. As of current projections, the net project benefit (incremental tax increase - debt service) is expected to exceed \$9M in total by 2020.

FY2017-FY2025 Capital Projects Plan

The Capital Investment Plan attempts to assess citywide capital needs based on the community priorities embodied in the SomerVision 2010-2030 Comprehensive Plan, produced by the community for the community, tempered by fiscal realities into a strategic approach.

Achieving SomerVision's goals requires substantial investment in public infrastructure. Somerville has made a generation's worth of improvements in only the last five years to the city's transportation and utility infrastructure, including completed projects on Somerville Avenue, Washington Street, Magoun Square, Assembly Square, and on Broadway in East Somerville. Currently, even more projects are underway on Beacon Street and throughout the city as preliminary work for the Green Line Extension continues. Moving forward, the Green Line must be completed, the Community Path extended into Boston and sewer, sidewalk, and roadway improvements must be funded and built in key areas of the city such as Central Broadway, Davis, Gilman, and Ball Squares. A modern infrastructure network is critical for making our neighborhoods safer, more accessible, and more attractive. It is also crucial for our local economy to function well and is an enabler of future growth.

In addition to physical infrastructure, investments are needed to both maintain our current buildings and construct new city facilities. Renovations to repair and modernize the current Public Safety Building would be both difficult and cost prohibitive according to state agencies and independent consultants, and a planning study currently underway will inform decision-makers regarding the siting of a new facility. The Massachusetts School Building Authority has invited the School Department into its eligibility period for Somerville High School, and a planning process is underway to outline the educational needs for future generations of high school students. Finally, an extensive update to the West Branch Library will begin soon to improve the facilities, create usable outdoor space, and make the building accessible to residents of all means.

The first year of the Capital Investment Plan (FY16) is the Capital Budget for the City and provides information on the projects that will require approval and appropriation by the Mayor and the Board of Aldermen. The remaining nine years of the plan (FY17-FY25) target the most compelling and widely acknowledged needs in the community and is subject to change based upon the availability of funds and shifting of priorities. In some cases, the Capital Investment Plan will identify an unfunded project that the administration has identified as desirable but lacks a funding source. By identifying these projects early on as priorities, policy and financial planners are given the opportunity to design scenarios around different levels of priority spending.

Somerville is limited by the Proposition 2 ½ Levy Limit. Coping with the financial constraints of the proposed capital improvements in future years requires the City to explore a variety of alternative methods of financing, beyond the traditional methods of capital financing associated with the municipal bond market. In addition to public funding from federal and state sources, the City has the proven expertise and capacity to assemble public-private partnership approaches to funding infrastructure, such as the District Improvement Financing (DIF) proposal for the Assembly Row Project in Assembly Square, allowing the Somerville Board of Aldermen to authorize \$25.75 million in general obligation bonds to reimburse the developer for public infrastructure costs. The City is still in the discussion stage of assembling a DIF strategy (if chosen) for Union Square to support development efforts therein.

Large capital expenditures for infrastructure are often not supportable in a single budget year. Even in high growth municipalities, sufficient budget growth to support large jumps in expenditures is rare. Critical and necessary projects will add significant dollars to debt service in the Operating Budget. Meeting the challenge

of financing these large capital expenditures with a long-term strategy may need to include consideration of a Proposition 2 ½ debt exclusion, which with voter approval allows municipalities to increase tax revenues for a limited period of time. A debt exclusion allows a municipality to annually raise the amount of the annual debt service payment for a capital project, including principal and interest, until the debt is paid, while not increasing the levy limit or becoming part of the base for calculating future years' levy limits. By no means should a debt exclusion be considered a singular, long-term solution to our challenges but rather as one of several tools the municipality could consider in its financing plan.

Union Square

The City has partnered with US2 as the Master Developer for Union Square. US2 will work closely with the City and its professional consultants to provide coordination and support for major transportation and infrastructure improvements including: (1) improving the water distribution systems and reducing flooding issues; (2) improving access, flow and safety for all modes of transportation, including vehicular, pedestrian, bicycle, MBTA bus service and the Green Line station; (3) maximizing the usable, central public open space in Union Square; and (4) creating a distinctive destination point for visitors to Union Square.

The full cost of the major streetscape and utility improvements in the Union Square project is currently estimated at \$50 million, spread over multiple years in this plan. The City will work to coordinate public and private resources to advance these needed improvements.

City Building Facilities Evaluation

The City's is currently undergoing a pilot Consolidation Planning and Maintenance Program for Public Buildings. There are approximately 2.9 million square feet of city-owned buildings. Over the years, city building improvement projects were frequently deferred due to budgetary constraints. Most of these buildings have aging heating, cooling and ventilation systems. Historically, maintenance for these buildings has also been underfunded, leading to a backlog of both preventive and reactive maintenance. There has been no shortage of plans for the City's building stock. Between 2003 and 2011 there were at least 5 studies, both internal and overseen by consultants. More recently, the Capital Planning, SomerStat, Finance, OSPCD, and School departments have met together to review these studies and update their recommendations to reflect current and future space needs. The Capital Planning department is evaluating the condition of these city buildings and will determine what improvements and renovations each of those buildings require to continue to be of service or to be sold.

In particular the following buildings are being evaluated in terms of existing conditions in addition to current and future uses:

City Hall, Somerville High School, City Hall Annex, Edgerly School, Cummings School, the Recreation Building, the DPW Building and DPW Yard, the Public Safety Building, offices currently located in the Tufts Administration Building (TAB), and the Homans Building.

Final determinations or cost estimates for these buildings are not all included in this CIP at this time. These issues are complicated by the fact that many unknowns still exist relative to the Public Safety Building and High School complex. Nonetheless, those who are involved with consolidation planning are optimistic that the City will meet its' space needs in a way that optimizes the use of existing buildings.

Somerville High School

The School Building Committee has been meeting regularly since September 2015 in an effort to lead the development of an educational plan for the High School. Based off of this educational plan, architectural and

design analyses will be completed, and the process will move forward to cost estimates. Preliminary cost figures will be refined through this process with oversight by the committee. This CIP includes a placeholder amount for the school, but by no means is this estimate final.

Citywide Infrastructure Improvements

As part of the CIP, many large-scale infrastructure projects are planned over the next decade to both expand capacity for current residents and unlock the potential for development in the areas of the city marked for transformation in the SomerVision Plan. These projects include streetscape work on Central Broadway and in Davis Square in order to improve pedestrian flow, aesthetics, and safety. Roadway improvements in Union Square, Gilman Square, Beacon St and Ball Square will outfit these parts of the city with better pedestrian and bicycle infrastructure while repairing some of the City's worst and most heavily-traveled roads. Lastly, critical comprehensive water and sewer infrastructure projects are listed in this document, including at Union Square, Davis Square, Lincoln Park, and Nunziatio Field, among others.

Together, these road and utility projects will help to reduce the city's reliance on older outdated infrastructure and diminish the likelihood of system failures in the coming years. The city's current water and sewer infrastructure can develop capacity issues during high-volume events, and many of the projects listed for the next ten years will help to alleviate these issues. For more information regarding water and sewer infrastructure projects, please refer to the listings on pages 84-85.

Projected General Fund Debt Service

After the inclusion of the FY16-FY25 Projects

The chart below projects General Fund Debt Service for all FY2016-FY2025 Projects financed by General Fund Debt Service. The City's goal of maintaining a Debt Service to General Fund Expenditures ratio below 6% is exceeded in FY2020, but could drop below that threshold if alternative funding sources can be identified and utilized instead of General Obligation Bonding. It is important to note that actual timelines will vary and the table below is merely an estimate.

Fiscal Year	Projected Total GF Debt Service	Projected GF Expenditures	Debt Service as a % of GF Expenditures
2016	10,156,566	211,020,063	4.81%
2017	11,907,585	220,515,966	5.40%
2018	12,457,943	230,439,184	5.41%
2019	13,526,455	240,808,948	5.62%
2020	17,462,092	251,645,350	6.94%
2021	20,658,099	262,969,391	7.86%
2022	24,047,649	274,803,014	8.75%
2023	23,553,266	287,169,149	8.20%
2024	26,344,516	300,091,761	8.78%
2025	28,300,730	313,595,890	9.02%

Street & Sidewalk Repairs

Project Description: Road maintenance, road reconstruction, and sidewalk repair projects as prioritized by the Neighborhood Street Reconstruction Program

Project Category: Recurring investment

Lead Department: Engineering

Project Address: Citywide

Justification: Making the City streets and sidewalks safe and accessible to all is a top priority. Given Somerville's density, city streets and sidewalks are heavily utilized and thus require frequent maintenance. The City must continually invest in this infrastructure to ensure that all pedestrians, motorists, and cyclists can maneuver through the city safely and efficiently.

Alternative Funding Sources: The City anticipates using a combination of Debt Service and Chapter 90 funds.

Operational Cost Impact: Newly reconstructed and resurfaced streets and sidewalks cost less to maintain and will therefore decrease the operational costs associated with future repairs and maintenance.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 17,500,000	2,200,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Total	\$ 17,500,000	2,200,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000

ADA Curb Ramps, Sidewalks, & Accessibility Features

Project Description: Funding for ADA curb ramps, sidewalks, and accessibility features throughout the city as outlined in the City’s ADA Transition Plan.

Project Category: Recurring investment

Lead Department: Engineering, Capital Projects, Health & Human Services

Project Address: Citywide

Justification: Somerville’s aging infrastructure has a significant backlog of ADA concerns which are addressed both as part of the ADA transition plan and on an ongoing basis as they arise. The City plans on making recurring investments to remediate these issues over the coming years. This \$1M each year will be used to remediate non-compliant curb ramps, install crosswalks signage, and resolve any compliance issues that arise.

Alternative Funding Sources: GO Bonds, Operating Budget

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 10,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	\$ 10,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Fire Vehicle Replacement

Project Description: Replacement vehicles for the Somerville Fire Department fleet.

Project Category: Recurring investment

Lead Department: Fire Department

Project Address: 266 Broadway

Justification: The City combines National Fire Protection Association recommendations with current vehicle conditions to develop a long-term replacement plan for all departmental vehicles. Properly functioning assets are critical to operations and the safety of residents.

Alternative Funding Sources: Debt Service

Operational Cost Impact: New apparatus will require less ongoing maintenance and repairs than an aging fleet.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	1,073,125	508,800	564,375	TBD	TBD	TBD	TBD
Total	\$ 1,073,175	508,800	564,375	-	-	-	-

Accessibility Improvements - Public Buildings

Project Description: Design, construction, and installation of accessibility improvements to schools and other public buildings.

Project Category: Recurring investment

Lead Department: Health & Human Services, Capital Projects

Project Address: Citywide

Justification: The City owns and maintains several buildings that are not in compliance with current accessibility standards. The 2013 ADA Self-Evaluation identified millions in accessibility improvements at public buildings. The City will bring these buildings into compliance over time with annual capital investments as outlined in the 2015 ADA Transition Plan.

Alternative Funding Sources: TBD

Operational Cost Impact: TBD

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 5,000,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	\$ 5,000,000	500,000	500,000	500,000	500,000	500,000	500,000

Police Vehicle Replacement

Project Description: Annual replacement of Police Department vehicles.

Project Category: Recurring investment

Lead Department: Somerville Police Department

Project Address: 220 Washington St

Justification: Police vehicles are operational 24 hours a day, 365 days a year. The average life of a marked front line police cruiser is less than two years due to this level of wear and tear. It is necessary to replace existing front line vehicles and convert them to a secondary purpose.

Alternative Funding Sources: In some years, police vehicles may be funded by pay-as-you-go sources.

Operational Cost Impact: New vehicles will replace older vehicles in the police fleet. The vehicles are expected to be less expensive to maintain than existing front line vehicles.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	265,000	265,000	TBD	TBD	TBD	TBD	TBD
Total	\$ 265,000	265,000	-	-	-	-	-

Tree Planting

Project Description: Plant and replace trees in the city through the use of contracted services.

Project Category: Recurring investment

Lead Department: Public Works & OSPCD

Project Address: Citywide

Justification: The City aspires to reach its goal of increasing the tree canopy in order to reap the many benefits of urban trees for our community including improved air quality, reduced storm water runoff, reduced heating and cooling costs, traffic calming effects, and reduction in the concentration of the greenhouse gas CO₂.

Alternative Funding Sources: Community Development Block Grant Funds



Source: Flickr u/Sackton

Operational Cost Impact: The City's tree planting contract comes with a three-year maintenance agreement after which city staff will be responsible for ongoing costs in proportion to the number of trees planted.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Debt Service	\$ 1,000,000	100,000	100,000	100,000	100,000	100,000	100,000
CDBG	\$ 500,000	50,000	50,000	50,000	50,000	50,000	50,000
Total	\$ 1,500,000	150,000	150,000	150,000	150,000	150,000	150,000

Decorative Barrels & Benches

Project Description: Purchase decorative recycling and trash barrels and benches to be installed throughout the city. These items are built to withstand the elements, are easily cleanable, and require very little maintenance.

Project Category: Recurring investment

Lead Department: Public Works

Project Address: Citywide

Justification: These aesthetically pleasing and durable benches and barrels improve the city's streetscape, decrease litter on city streets, and encourage pedestrian traffic. There are currently more than 330 barrels installed throughout our streets and parks; the city aspires to match a recycling barrel with each trash barrel.

Alternative Funding Sources: Various pay-as-you-go methods

Operational Cost Impact: Increasing the amount of barrels in the city will result in higher costs to empty those barrels, but it is expected that current staffing levels can manage the increase. Costs savings will be realized as the next generation of barrels can be refurbished at a reduced rate as compared to purchasing new barrels.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 1,000,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	\$ 1,000,000	100,000	100,000	100,000	100,000	100,000	100,000

DPW Vehicle Replacement

Project Description: Purchase new vehicles for the Department of Public Works to replace existing aged vehicles as prioritized by the DPW Commissioner and Fleet Manager. DPW has developed an anticipated replacement schedule and the City will strive to fully fund this plan on an ongoing basis.

Project Category: Recurring investment

Lead Department: Public Works

Project Address: I Franey Rd

Justification: The City's DPW had an aging fleet, with many vehicles still in service past their expected life cycle. Replacement of older vehicles will reduce the amount of downtime and resources spent maintaining the fleet.

Alternative Funding Sources: Primarily GO Bonds, supplemented by various pay-as-you-go sources.

Operational Cost Impact: Replacement vehicles will save significant amounts in maintenance and repairs annually.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 9,534,000	-	1,145,000	1,257,000	1,115,000	1,017,000	1,000,000
Total	\$ 9,534,000	-	1,145,000	1,257,000	1,115,000	1,017,000	1,000,000

Assembly Square Urban Renewal Plan

Project Description: Since its adoption in 2012, there have not been any major updates to the Assembly Square Urban Renewal Plan. Since the original plan was based on a number of assumptions including the presence of a 400,000 square-foot retail facility built by IKEA. A major plan change would allow the City to begin looking at individual parcels and buildings within the remaining 73 acres of the site not under development by FRIT and examine best uses for them. This analysis will intend to maximize the remaining space and continue towards reaching the full economic development potential of the city.

Project Category: Planning

Lead Department: OSPCD: Planning & Zoning

Project Address: Assembly Square Neighborhood

Justification: A major plan change would allow the City to ask what infrastructure improvements might be required to accommodate new development as well as how to best fund these improvements outside of the current DIF area. These options include (among others) I-Cubed or a new DIF application. A major plan change would also allow an extension of the current plan beyond its current 2022 expiration and provide the predictability needed to encourage growth and development through the inevitable cycles of economic activity. This proposed major plan change will involve qualified professional consultants in the areas of planning and design, financial and economic analysis, infrastructure capacity analysis, engineering work, and appraisal services.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operational costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Planning Study	\$ 445,000	445,000	-	-	-	-	-
Total	\$ 445,000	445,000	-	-	-	-	-

Gilman Square Revitalization Plan

Project Description: In collaboration with consultants, plan for and design operational and aesthetic improvements to the Gilman Square Neighborhood in anticipation of the Green Line MBTA Gilman Square Station.

Project Category: Planning/Study

Lead Department: OSPCD: Planning & Zoning

Project Address: Gilman Square

Justification: The anticipated addition of a new MBTA Green Line stop in Gilman Square requires careful planning to ensure that the neighborhood is prepared for the station and the changes which will come along with it. With this in mind, the Gilman Square Revitalization Plan will contextualize the goals and visions laid out in SomerVision and seek design and when needed, acquire real property for design along the Medford/School/Pearl St Corridor.



Alternative Funding Sources: CDBG, GO Bonds

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Planning Study	\$ 300,000	-	300,000	-	-	-	-
Total	\$ 300,000	-	300,000	-	-	-	-

Winter Hill Revitalization Plan

Project Description: In collaboration with consultants, develop a revitalization plan for the Winter Hill neighborhood along Broadway.

Project Category: Planning/Study

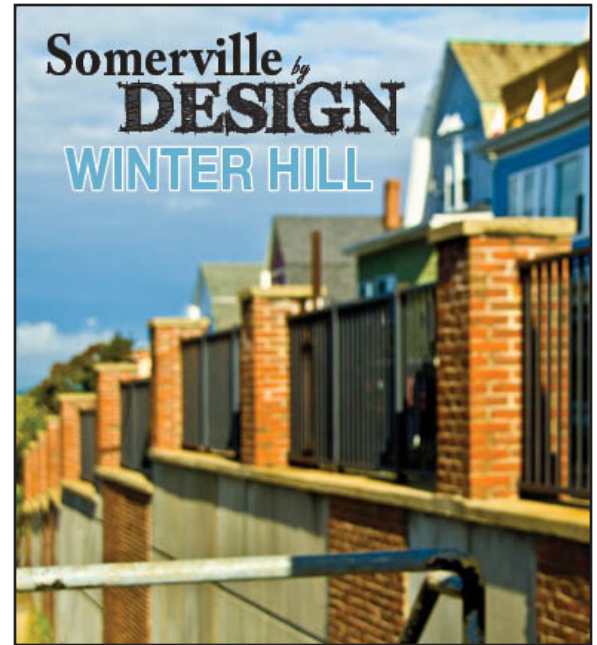
Lead Department: OSPCD: Planning & Zoning

Project Address: Winter Hill Neighborhood

Justification: The proposal involves revitalizing the Broadway/ Winter Hill commercial corridor, focusing upon larger, strategically-located commercial properties while also strengthening and improving existing local businesses. This process, completed with significant community input, is an opportunity to attract new, mixed-use development on a scale consistent with zoning along the Broadway corridor as outlined in SomerVision.

Alternative Funding Sources: CDBG, GO Bonds

Operational Cost Impact: TBD



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Planning Study	\$ 500,000	-	500,000	-	-	-	-
Total	\$ 500,000	-	500,000	-	-	-	-

Brickbottom Revitalization Plan

Project Description: In collaboration with consultants, complete a revitalization plan for the Brickbottom neighborhood in the South East of the city.

Project Category: Planning/Study

Lead Department: OSPCD: Planning & Zoning

Project Address: Brickbottom Neighborhood, South East Somerville

Justification: Brickbottom has been identified by the SomerVision master plan as one of the areas of the city targeted for growth and transformation. As a means of implementing the aims of the Inner Belt/Brickbottom Plan completed in conjunction with Goody Clancy and in recognition of the effects likely to arise from the nearby Green Line MBTA station and the Grounding McGrath Initiative, the revitalization plan will serve as a stepping stone to account for these anticipated changes.

Alternative Funding Sources: CDBG, GO Bonds

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Planning Study	\$ 300,000	-	300,000	-	-	-	-
Total	\$ 300,000	-	300,000	-	-	-	-

Lincoln Park & Argenziano Field

Project Description: Improvements to Lincoln Park and play area and Argenziano Field. Additional updates will be made to the field as a way to update and increase capacity, and to underground water/sewer infrastructure to alleviate flooding issues.

Project Category: Parks & playgrounds

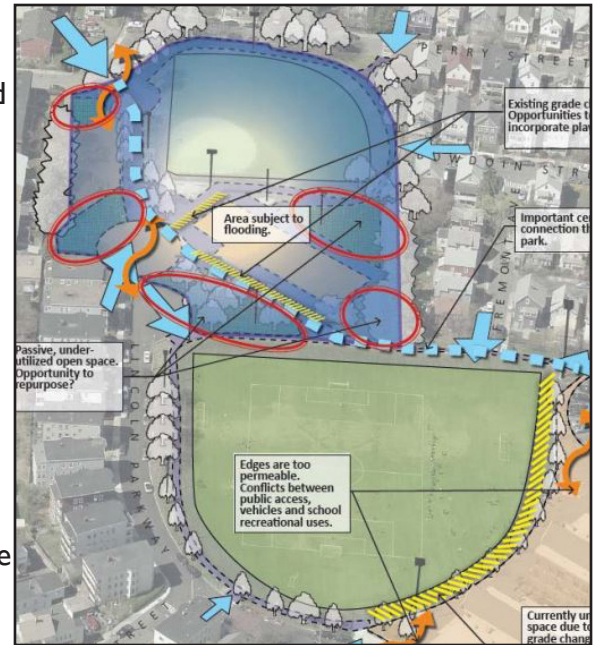
Lead Department: OSPCD: Transportation & Infrastructure

Project Address: 290 Washington St

Justification: Lincoln Park is one of the largest city-owned and most heavily-used parks in Somerville. It is in need of field, park, and amenity upgrades. As part of a larger fields overhaul, Lincoln Park has been slated as an integral part of meeting the city's future recreation needs.

Alternative Funding Sources: GO Bonds, Community Preservation Act

Operational Cost Impact: No increased costs beyond existing operating expenses.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 9,425,000	4,000,000	5,425,000	-	-	-	-
Total	\$ 9,425,000	4,000,000	5,425,000	-	-	-	-

Foss Park Improvements

Project Description: Improvements to the fields and amenities at the state-controlled Foss Park, the largest green space in Somerville.

Project Category: Parks & Playgrounds

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: Fellsway West

Justification: The City is working with the Department of Conservation and Recreation on developing a strategic plan for Foss Park as part of a larger fields & open space master plan, intending to update and enhance one of the most-used parks in the city.

Alternative Funding Sources: State Cost-Sharing, CPA, GO Bonds

Operational Cost Impact: TBD



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 6,500,000	-	1,500,000	5,000,000	-	-	-
Total	\$ 6,500,000	-	1,500,000	5,000,000	-	-	-

Otis St Playground Renovation

Project Description: Improvements to the Otis St Playground.

Project Category: Parks & Playgrounds

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: 60 Otis St

Justification: The City has received a PARC grant to make improvements to the Otis St Playground. This project will make repairs to landscape features and playground equipment which is in need of renovation.

Alternative Funding Sources: PARC Grant, CDBG

Operational Cost Impact: None beyond existing operating costs.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction (CDBG)	\$ 425,000	425,000	-	-	-	-	-
Total	\$ 425,000	425,000	-	-	-	-	-

Draw 7 Park

Project Description: Remediation of winter 2015 damage and improvements to Draw 7 park.

Project Category: Parks & playgrounds

Lead Department: OSCPD: Transportation & Infrastructure

Project Address: Great River Rd

Justification: The City used the site of Draw 7 park as a snow farm during the historic winter of 2014-15 and must remediate soil damage. The City also has plans to update the park in future years as part of a plan to make the city's waterfront more accessible.

Alternative Funding Sources: GO Bonds, Federal Realty Investment Trust Contributions

Operational Cost Impact: If the park were to transfer from Dept of Conservation & Recreation to City control, Somerville DPW would be responsible for maintenance.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Remediation	350,000	-	350,000	-	-	-	-
Construction	\$ 3,500,000	-	-	3,500,000	-	-	-
Total	\$ 3,850,000	-	350,000	3,500,000	-	-	-

Hoyt Sullivan Park

Project Description: Improvements to Hoyt-Sullivan Park.

Project Category: Parks & Playgrounds

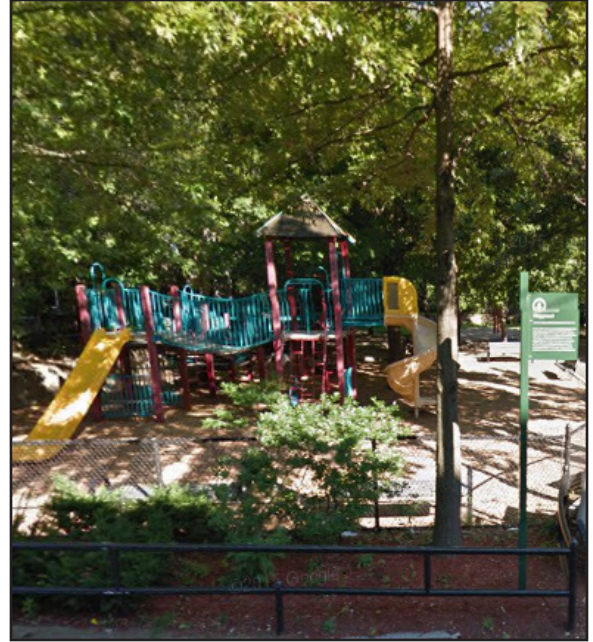
Lead Department: OSPCD:Transportation & Infrastructure

Project Address: 119 Central St

Justification: The City has received a \$400,000 PARC grant to rehabilitate the existing features and courts at Hoyt-Sullivan Park. The park is in need of an upgrade as some features have fallen into a state of disrepair.

Alternative Funding Sources: CDBG

Operational Cost Impact: None beyond existing operating costs.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 65,000	65,000	-	-	-	-	-
Total	\$ 65,000	65,000	-	-	-	-	-

Brown School Landscape & Playground Redesign

Project Description: Redesign of the Brown School landscaping.

Project Category: Parks & Playgrounds

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: 201 Willow Ave

Justification: In collaboration with the School Department the City is exploring a number of playground updates throughout Somerville schools. Many of these projects listed in future years will be prioritized in an updated Open Space Plan, currently being created. This plan will assess current conditions and future needs for all parks and playgrounds in the city, and be used to guide future investments. Currently under review at the Brown School are the asphalt playground area and green space surrounding the school, with the intent to create more usable space for students and teachers.



Alternative Funding Sources: Prior or new GO Bonds

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 50,000	50,000	-	-	-	-	-
Total	\$ 50,000	50,000	-	-	-	-	-

Corbett-McKenna Playground Renovation

Project Description: Improvements to the Corbit-McKenna Playground.

Project Category: Parks & Playgrounds

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: Munroe St & Prospect Hill Pkwy

Justification: Corbett-McKenna Playground is in need of an update as part of the greater Prospect Hill Park redesign. Some elements require replacement or repair and will be remediated through this project.

Alternative Funding Sources: Capital Stabilization, GO Bonds

Operational Cost Impact: None beyond existing operating costs.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 25,000	25,000	-	-	-	-	-
Construction	\$ 250,000	-	250,000	-	-	-	-
Total	\$ 275,000	25,000	250,000	-	-	-	-

Winter Hill Playground Renovation

Project Description: Improvements to the Winter Hill School playground.

Project Category: Parks & Playgrounds

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: 115 Sycamore St

Justification: In collaboration with the School Department the City is exploring a number of playground updates throughout Somerville schools. Many of these projects listed in future years will be prioritized in an updated Open Space Plan, currently being created. This plan will assess current conditions and future needs for all parks and playgrounds in the city, and be used to guide future investments.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 1,080,000	-	1,080,000	-	-	-	-
Total	\$ 1,080,000	-	1,080,000	-	-	-	-

Healey School Playground

Project Description: Improvements to the play area at the Healey School.

Project Category: Parks & Playgrounds

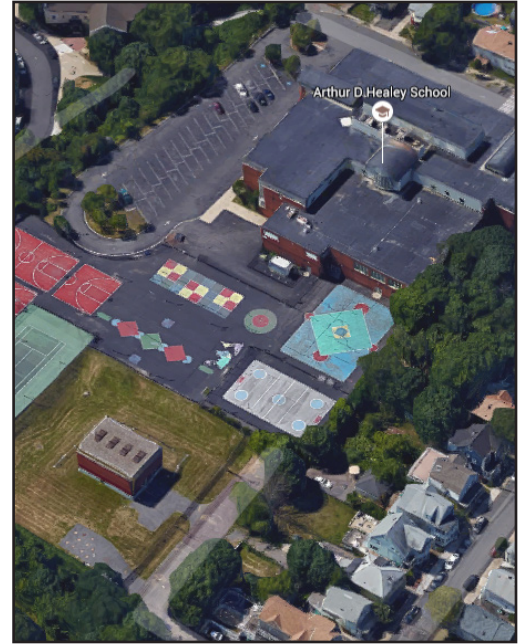
Lead Department: OSPCD: Transportation & Infrastructure

Project Address: 5 Meacham St

Justification: Currently, the CPA is funding a community-driven master plan for the Healey School recreation area. This plan will inform the City as to the renovation needs of the playground.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operating costs.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 100,000	-	100,000	-	-	-	-
Construction	\$ 1,000,000	-	-	1,000,000	-	-	-
Total	\$ 1,100,000	-	100,000	1,000,000	-	-	-

Boathouse Renovation & Shore Drive Improvements

Project Description: This project will provide for the design work and construction to make the Blessing of the Bay Boathouse and surrounding park a more inviting, accessible, and utilized public amenity. The building and park are currently under DCR control, but the City intends to collaborate and pursue a cost-sharing agreement on this renovation.



Project Category: Parks & Playgrounds

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: 32 Shore Dr

Justification: The Blessing of the Bay Boathouse is a Somerville treasure and helps connect the city with the Mystic River. An improved boathouse can provide greater recreational opportunities and help to draw more community members to our valued but underutilized waterfront for outdoor activities.

Alternative Funding Sources: DCR cost sharing, GO Bonds, Community Preservation Act

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 500,000	-	-	500,000	-	-	-
Construction	\$ 2,900,000	-	-	-	2,500,000	400,000	-
Total	\$ 3,400,000	-	-	500,000	2,500,000	400,000	-

Prospect Hill Park

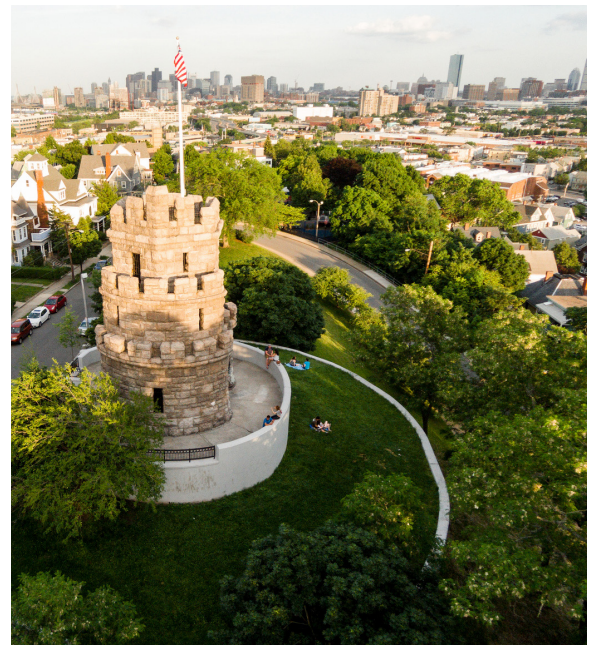
Project Description: Improvements to landscape, amenities, and accessibility at Prospect Hill Park.

Project Category: Parks & Playgrounds

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: Prospect Hill Pkwy & Munroe St

Justification: The City recently completed a restoration of the historic Prospect Hill Tower, and is preparing to improve the surrounding park by re-imagining the open space, passive elements, and historic context of the site. Work will include design, landscaping, and accessibility improvements. The Project has already received \$85,000 in CPA funding for design services during the FY15 cycle and this work is ongoing.



Source: Flickr / Eric Kilby

Alternative Funding Sources: GO Bonds, Community Preservation Act

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 85,000	85,000	-	-	-	-	-
Construction	\$ 1,000,000	-	-	1,000,000	-	-	-
Total	\$ 1,085,000	85,000	-	1,000,000	-	-	-

Nunziato Field Improvements

Project Description: Install retention pools to reduce flooding problems in Union Square and make improvements to the athletic field and adjacent dog park.

Project Category: Parks & playgrounds

Lead Department: OSPCD: Transportation & Infrastructure, Water & Sewer

Project Address: Summer St & Vinal Ave

Justification: Nunziato field is one of only a few large city-controlled parcels that can house a retention pool large enough to improve drainage in Union Square. Additionally, it is a heavily-utilized green space that is in need of field and dog park improvements.

Alternative Funding Sources: Water & Sewer Enterprise Funds, GO Bonds

Operational Cost Impact: None beyond existing operating costs.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 700,000	-	700,000	-	-	-	-
Construction	\$ 7,000,000			7,000,000			
Total	\$ 7,700,000	-	700,000	7,000,000	-	-	-

515 Somerville Ave Acquisition & New Fire Station

Project Description: Land acquisition and construction costs for a newly fire station in Union Square.

Project Category: Major building project

Lead Department: Capital Projects

Project Address: 515 Somerville Ave

Justification: The City is currently working with a contractor to assess any changes in the fire protection needs of the city. Pending the results of this study, a location has been identified that could site a replacement for the current Engine 3 Station on the east side of Union Square.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: A well-equipped, appropriately-sized, and updated fire station in Union Square will serve multiple city wards.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Land/ROW	\$ 5,110,000	5,110,000	-	-	-	-	-
Design	\$ 1,500,000	-	1,500,000	-	-	-	-
Construction	\$ 13,500,000	-	5,500,000	8,000,000	-	-	-
Total	\$ 20,110,000	5,110,000	7,000,000	8,000,000	-	-	-

City Hall Renovations

Project Description: Perform a rehabilitation of cff; Provide an independent HVAC system, emergency generator, address ADA issues, address program space needs, upgrade restrooms, repoint exterior mortar joints, repair roofing and any structural concerns, and repaint the exterior of City Hall.

Project Category: One-time expenditure

Lead Department: Capital Projects

Project Address: 93 Highland Ave

Justification: Existing building systems have long passed their life expectancy. With the approval of a new High School building by the MSBA, City Hall must have its own heating system installed. Other renovations and upgrades will enhance and restore this historically-significant and beautiful building.



Source: Flickr u/EKilby

Alternative Funding Sources: Community Preservation Act

Operational Cost Impact: This work will decrease interior water leaks and accompanying patch work along with modernizing existing systems.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 400,000	400,000	-	-	-	-	-
Construction	\$ 4,000,000	-	4,000,000	-	-	-	-
Total	\$ 4,400,000	400,000	4,000,000	-	-	-	-

New Police Station

Project Description: Feasibility study and construction for a new public safety building at a yet-to-be-determined site.

Project Category: Major building project

Lead Department: Capital Projects, SPD

Project Address: TBD

Justification: State agencies and independent contractors have concluded that it would be both difficult and cost-prohibitive to undertake renovations to repair and modernize the current public safety building, which was originally built as an MBTA maintenance facility. The building has also been estimated at about half the size necessary to accommodate appropriate public safety needs.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Preliminary	\$ 250,000	-	-	250,000	-	-	-
Design	\$ 1,500,000	-	-	-	1,500,000	-	-
Land/ROW	-	-	-	-	-	-	-
Construction	\$ 13,500,000	-	-	-	-	13,500,000	-
Total	\$ 15,250,000	-	-	250,000	1,500,000	13,500,000	-

Somerville High School Reconstruction

Project Description: The City has received approval to move ahead with feasibility and design work for a proposed new high school building. This process will take into account the siting, phasing, and construction challenges which face this type of large-scale project.



Project Category: Major building project

Lead Department: Capital Projects, School Department

Project Address: 81 Highland Ave

Justification: The current high school building was constructed in the 19th century and despite numerous renovations and investments is no longer serving the community at a high level. The Massachusetts School Building Association may fund up to 80% of the cost of a renovated or newly-constructed high school, and the City is undertaking preliminary work regarding siting, capacity, and programmatic needs. This process will clarify what type of financial commitment the City will be required to make and lay the ground work for a top tier high school for future generations.

Alternative Funding Sources: MSBA funding, GO Bonds, Building & Construction Stabilization Fund, Possible Proposition 2 1/2 Debt Exclusion.

Operational Cost Impact: The current building requires significant repairs to remain serviceable for future years, and has developed many ongoing maintenance needs which require significant investment of time and money. A newly-built or renovated high school building will decrease maintenance costs for future years.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Preliminary	-	-	-	-	-	-	-
Design	\$ 12,000,000	2,000,000	6,000,000	4,000,000	-	-	-
Land/ROW	-	-	-	-	-	-	-
Construction	\$ 25,000,000	-	-	-	-	-	25,000,000
Total	\$ 37,000,000	2,000,000	6,000,000	4,000,000	-	-	25,000,000

West Branch Library Renovation

Project Description: Renovation of the City’s West Branch Library. Currently, the building requires both ramps and an elevator to become ADA compliant and allow for increased use and programming. This project will add an ADA-accessible entrance and bathroom facilities on the North corner of the library, and redesign the interior usage based off current and projected programming needs.



Project Category: Major building construction

Lead Department: Capital Planning

Project Address: 40 College Ave

Justification: Currently, the library requires ramps, and elevator, and bathroom facilities to become ADA compliant. Current designs also include a community meeting space, a scarce resource throughout the city.

Proposed Funding Sources: GO Bonds, Community Preservation Act

Operational Cost Impact: Renovation will decrease the need for continued patchwork repairs to the building interior. No significant ongoing changes.

Capital Costs	10yr Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 735,000	735,000	-	-	-	-	-
Construction	\$ 6,500,000	-	6,500,000	-	-	-	-
Administration	-	-	-	-	-	-	-
Total	\$ 7,235,000	735,000	6,500,000	-	-	-	-

New Somerville Library Central Branch

Project Description: The City is currently exploring options regarding the programming and space needs at libraries citywide. As part of these discussions, the potential for re-siting the Central Branch is being explored as part of a new SHS ‘campus’ or in Union Square. Regardless of location, the current historic building will require renovations and an update within the coming decade.

Project Category: One-time projects

Lead Department: Capital Projects

Project Address: TBD

Justification: The current Central Branch Library is an historic Carnegie library on the National Register of Historic Buildings, but as the Library Department defines programmatic and space needs for the coming decades, it is likely that this building may not be appropriate for the future needs of the community. Much is still yet to be determined regarding a new Central Branch Building, but the city is anticipating a project taking place in the next decade.

Alternative Funding Sources: State Library Grants, GO Bonds

Operational Cost Impact: TBD



Source: Allison Evans Photography

Capital Costs	Total Cost	FY17	FY18	FY19	FY20	FY21	FY22
Design	\$ 3,000,000	-	-	-	-	3,000,000	-
Land/ROW	-	-	-	-	-	-	-
Construction	\$ 29,000,000	-	-	-	-	-	29,000,000
Total	\$ 32,000,000	-	-	-	-	3,000,000	29,000,000

East Broadway Streetscape Supplemental

Project Description: Closeout expenses for the East Broadway Streetscape project. The FY16 allotment is to pay for the final costs associated with the completion of the project, with the \$150,000 in FY17 proposed for added sidewalk and lighting features in the project area.



Project Category: Infrastructure

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: East Broadway

Justification: The costs slated for FY16 are required to close out the streetscape project. The FY17 work will improve sidewalk and lighting features to make the area feel consistent with the rest of the city.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operating costs once complete.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 475,000	325,000	150,000	-	-	-	-
Total	\$ 475,000	325,000	150,000	-	-	-	-

Beacon Street Reconstruction

Project Description: Full depth reconstruction of Beacon St from Somerville Ave to the Cambridge city line.

Project Category: Infrastructure

Lead Department: OSPCD:Transportation & Infrastructure,Water & Sewer

Project Address: Beacon St

Justification: Beacon Street is an aging urban roadway in need of major utility and roadway upgrades. This full-depth reconstruction will improve the function and flow of traffic, while dramatically improving pedestrian and bike infrastructure on one of the city’s most heavily used bicycle routes. The plan includes new sidewalks, new crosswalks, curbing, and improved drainage as well as traffic and pedestrian signal upgrades between Oxford St. and the Cambridge City line.



Alternative Funding Sources: The total cost of \$9M is funded in full by the federal government and the State. The City is responsible for \$1.5million in participating costs used in the case of overages during the project construction.

Operational Cost Impact: None beyond regular maintenance for all city streets.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 1,100,000	300,000	800,000	-	-	-	-
Total	\$ 1,100,000	300,000	800,000	-	-	-	-

Gilman Square Roadway Improvements

Project Description: Improve the intersection of Medford, Pearl, and Marshall Streets and create a plaza at Gilman Square.

Project Category: Infrastructure

Lead Department: OSPCD: Transportation & Infrastructure

Project Address: Medford St, Pearl St, & Marshall St

Justification: Improve access, flow, and safety for all modes of transportation (pedestrian, bicycle, MBTA bus, and vehicular) in coordination with the Green Line Extension and create a sense of place and community space through targeted enhancements as developed via community input gathered by Somerville by Design. For more information please refer to the draft Gilman Square Plan.



Alternative Funding Sources: GO Bonds

Operational Cost Impact: Improved landscaping will require additional maintenance that can be absorbed by existing staff.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 250,000	-	250,000	-	-	-	-
Construction	\$ 2,500,000	-	-	1,500,000	1,000,000	-	-
Total	\$ 2,750,000	-	250,000	1,500,000	1,000,000	-	-

Sidewalk Repair Backlog Remediation (Phase 2 of 2)

Project Description: Contract services to remediate a backlog of sidewalk repair issues.

Project Category: One-time expenditures

Lead Department: Public Works

Project Address: Citywide

Justification: Due to capacity issues, the Department of Public Works retains a backlog of sidewalk repairs throughout the city which it cannot complete. The use of contractors to remediate this list of projects will allow the DPW to focus on new work orders and ensure their timely completion.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: Remediation of existing sidewalk repairs will reduce the amount of patches and emergency maintenance required by DPW staff.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 200,000	200,000	-	-	-	-	-
Total	\$ 200,000	200,000	-	-	-	-	-

Union Square Streetscape & Utility Improvements

Project Description: Adjust traffic flow in Union Square and improve the streetscape infrastructure to improve pedestrian flow, aesthetics, and safety. This project will also address longstanding traffic and storm water flooding issues and encourage economic development in the neighborhood.

Project Category: Infrastructure

Lead Department: OSPCD: Transportation & Infrastructure, Water & Sewer

Project Address: Union Square

Justification: Improvements will enhance the current streetscape and infrastructure in Union Square and provide for future needs in the square. Please see the Union Square Revitalization Plan for more information.



Alternative Funding Sources: Water & Sewer Stabilization Fund, State Grants, GO Bonds

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 32,400,000	-	10,640,000	5,680,000	16,080,000	-	-
Total	\$ 32,400,000	-	10,640,000	5,680,000	16,080,000	-	-

Central Broadway Streetscape Improvements

Project Description: Evaluate existing transportation needs and prepare an urban streetscape design that improves safety while also fostering a distinctive sense of place along Central Broadway and building on the character of the Winter Hill neighborhood.

Project Category: Infrastructure

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: Broadway from Foss Park to Magoun Square

Justification: This area has been long neglected. The goal of this project is to improve longstanding streetscape issues while improving the corridor and maximizing public green space along Broadway to the southerly edge of Foss Park, Somerville’s largest green space.



Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operating costs once complete.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 400,000	-	-	400,000	-	-	-
Land/ROW	-	-	-	-	-	-	-
Construction	\$ 12,800,000	-	-	-	2,400,000	6,400,000	4,000,000
Total	\$ 13,200,000	-	-	400,000	2,400,000	6,400,000	4,000,000

Davis Square Streetscape & Utility Improvements

Project Description: To address issues in the square related to signal timing and aging infrastructure with the goal of improving access, flow, and safety for all users as well as upgrading the public space, all while preserving the character of Davis Square.

Project Category: Infrastructure

Lead Department: OSPCD: Transportation & Infrastructure, Water & Sewer

Project Address: Davis Square

Justification: Davis Square is one of the city’s busiest business districts and most traveled intersections for all modes of transportation. It is in need of traffic, pedestrian, and cycling infrastructure improvements to promote safety and flow and ADA improvements to ensure accessibility, as well as strategic streetscape updates and design changes that will maximize the community benefits of its public space. Please refer to the OSPCD website for more information on this project.



Alternative Funding Sources: GO Bonds, W&S Enterprise Funds

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 9,000,000	-	-	6,000,000	3,000,000	-	-
Total	\$ 9,000,000	-	-	6,000,000	3,000,000	-	-

Ball Square Roadway Improvements

Project Description: Roadway improvements at the intersection of Broadway and Boston Ave associated with the new MBTA Green Line station.

Project Category: Infrastructure

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: Boston Ave & Broadway

Justification: Improve access, flow, and safety for all modes of transportation (pedestrian, bicycle, MBTA bus, and vehicular) in coordination with the Green Line Extension.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY19	FY20	FY21	FY22	FY23	FY24
Design	\$ 500,000	-	500,000	-	-	-	-
Construction	\$ 5,000,000	-	-	2,500,000	2,500,000	-	-
Total	\$ 5,500,000	-	500,000	2,500,000	2,500,000	-	-

Conway Retaining Wall

Project Description: Replace and reinforce the retaining wall at Conway Park.

Project Category: One-time projects

Lead Department: Capital Projects

Project Address: 560 Somerville Ave

Justification: The retaining wall has been evaluated by engineers and been deemed a safety concern. While the wall has not moved in a significant amount of time, the assessment concluded it should be replaced.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 400,000	400,000	-	-	-	-	-
Total	\$ 400,000	400,000	-	-	-	-	-

Citywide Mobility Plan

Project Description: Develop a Citywide Mobility Plan in collaboration with a contractor.

Project Category: Planning/Study

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: Citywide

Justification: A Mobility Plan will be employed to guide the planning, design, renovation, and expansion of the city’s transportation-related infrastructure improvements including; streets, walkways, signage, bike paths, parking facilities, and connections to public transit, state highways, waterways, and access to marine and air facilities.

Alternative Funding Sources: Capital Stabilization

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Capital Stabilization	\$ 470,000	470,000	-	-	-	-	-
Total	\$ 470,000	470,000	-	-	-	-	-

ArtFarm Construction

Project Description: This project will convert the former 2.2 acre waste transfer station and incinerator into a self-sustaining creative space where artists, entrepreneurs, educators, and community members come together to experience transformational activities that cultivate community. The Somerville Arts Council has already received approximately \$900,000 dollars in State and Federal grants for this project.

Project Category: One-time project

Lead Department: Arts Council, Capital Projects

Project Address: 10 Poplar St

Justification: The City has been working with the neighboring Brickbottom Artists to develop a plan to activate the site of the former waste transfer station until a long-term plan for this space is determined. This project has the ability to engage local residents, activate an area of the city with less vibrancy, and pioneer urban techniques in the fields of sustainable building modes, agriculture, and community engagement.

Alternative Funding Sources: Federal and State grants, GO Bonds

Operational Cost Impact: TBD. Project leads envision a sustainable financial model for the ArtFarm.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 300,000	300,000	-	-	-	-	-
Construction	\$ 630,000	-	630,000	-	-	-	-
Total	\$ 930,000	300,000	630,000	-	-	-	-

Hubway Bicycle Share Expansion

Project Description: Expansion of the Somerville Hubway bicycle sharing program by adding six new stations over the next two years.

Project Category: One-time project

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: Citywide

Justification: The City would like to expand the Hubway bicycle sharing network by adding new stations in East Somerville and other under served locations.

Alternative Funding Sources: Public-Private Partnership, Pay-as-you-go

Operational Cost Impact: Any new stations will incur additional annual operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Procurement	\$ 360,000	-	180,000	180,000	-	-	-
Total	\$ 360,000	-	180,000	180,000	-	-	-

SHS North Wall Leakage Repair

Project Description: Repair damage caused by moisture intrusion in the North Wall of Somerville High School

Project Category: One-time projects

Lead Department: Capital Projects

Project Address: 81 Highland Avenue

Justification: If the North Wall is not repaired, the moisture intrusion could worsen and further degrade the integrity of the school. Given the unknown status of Somerville High School, a temporary solution may be deemed most appropriate.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 100,000	100,000	-	-	-	-	-
Construction	\$ 1,000,000	-	1,000,000	-	-	-	-
Total	\$ 1,100,000	100,000	1,000,000	-	-	-	-

Buena Vista Parking Garage Repairs

Project Description: The City-owned Buena Vista Parking Garage in Davis Square has developed a structural issue which has required a small section of the garage to be shut down.

Project Category: One-time project

Lead Department: Capital Projects

Project Address: Buena Vista Rd

Justification: City engineers have determined that the garage is safe for use, but it has been suggested that repairs should be completed now to avoid future costs.

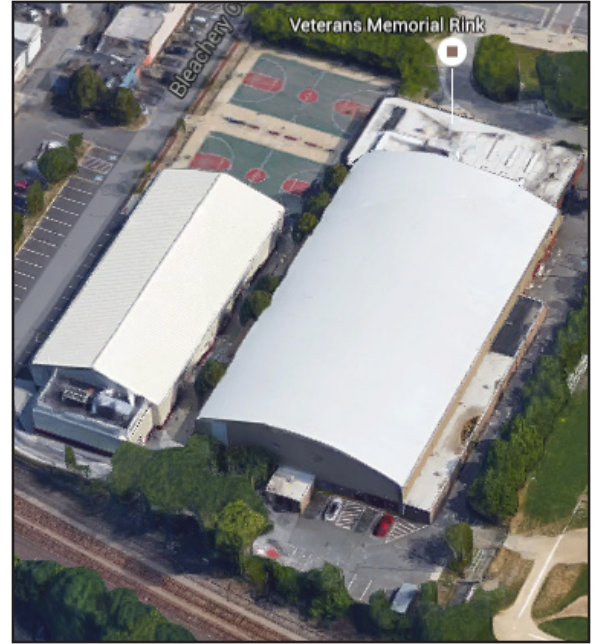
Alternative Funding Sources: GO Bonds

Operational Cost Impact: This repair should minimize the need for future, larger-scale repairs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 600,000	600,000	-	-	-	-	-
Total	\$ 600,000	600,000	-	-	-	-	-

Turf-to-Ice Summer Conversion Plan

Project Description: Purchase of a turf material for indoor use at the Founders Memorial Ice Rink during the summer season. This will enable more consistent access to field space during the summer for youth and adult leagues, as well as generate a more consistent revenue stream for the Rink Enterprise Fund.



Project Category: One-time purchase

Lead Department: Recreation

Project Address: 570 Somerville Ave

Justification: Athletic field space is at a premium in Somerville, especially during the summer season as youth sports, Recreation Department programming, and adult leagues all vie for space. A turfed indoor field can be used for many activities including soccer, bocce, futsal, and children’s parties. Critically, using the smaller rink in this way will smooth revenue generation for the rinks over the course of the year, contributing to the viability of the enterprise fund.

Alternative Funding Sources: Capital Stabilization

Operational Cost Impact: The Turf-to-Ice Conversion is anticipated to increase revenues for the Rinks Enterprise Fund.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 67,000	67,000	-	-	-	-	-
Total	\$ 67,000	67,000	-	-	-	-	-

Big Belly Purchase

Project Description: Purchase *Big Belly* trash receptacles to be installed throughout the city. These trash barrels are able to be remotely monitored by Public Works employees for more efficient clearing.

Project Category: One-time purchase

Lead Department: Public Works

Project Address: Citywide

Justification: *Big Belly* trash receptacles are an improvement over traditional trash barrels. By reporting their current capacity, these barrels inform City staff when they need to be cleared and can therefore increase productivity. Additionally, these barrels can be branded, refurbished, and last longer than traditional refuse containers.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: More overall barrels in the city lead to increased costs to clear them, but *Big Belly* functionality may enable DPW employees to collect on an as-needed basis.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 200,000	200,000	-	-	-	-	-
Total	\$ 200,000	200,000	-	-	-	-	-

Hybrid Refuse Trucks

Project Description: Purchase of two hybrid refuse trucks to replace aging vehicles in the City's fleet.

Project Category: One-time Purchase

Lead Department: Public Works - Sanitation

Project Address: I Franey Rd

Justification: The two hybrid refuse trucks will replace city vehicles that have reached the end of their useful life. Intended to be used to clear trash barrels throughout the city, these hybrid vehicles will also be more energy efficient than the vehicles they will be replacing.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: Replacement vehicles should require less ongoing maintenance and use less fuel as compared to the City's current vehicles.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 250,000	250,000	-	-	-	-	-
Total	\$ 250,000	250,000	-	-	-	-	-

Modular Fire Station Housing (Engine 3)

Project Description: Construct modular fire station housing to replace the current trailer housing members of SFD Engine 3.

Project Category: One-time purchase

Lead Department: SFD, Capital Projects

Project Address: 255 Somerville Ave

Justification: The existing trailer has outlived its useful life. The modular station is a cost-effective, medium-term solution until a permanent station can be built.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: Once completed, the ongoing maintenance costs of a new modular station should be lower than those of the current trailer.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 835,000	835,000	-	-	-	-	-
Total	\$ 835,000	835,000	-	-	-	-	-

New Voting Equipment

Project Description: Purchase new voting machines in preparation for the 2016 general election.

Project Category: One-time purchase

Lead Department: Elections

Project Address: Citywide

Justification: The City's current voting machines have served their useful life and are in need of replacement. Newer models will be less likely to malfunction, require less ongoing maintenance, and can have wireless transmission of election results (when approved by the State). All these factors will provide for a better voting experience for Somerville residents.

Alternative Funding Sources: Capital Stabilization

Operational Cost Impact: Updated voting machines should lead to reduced need for ongoing repairs as compared to the current aging stock.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 160,000	160,000	-	-	-	-	-
Total	\$ 160,000	160,000	-	-	-	-	-

Union Square Civic Center Block Acquisition

Project Description: The D-1 Civic Center Block is one of the integral elements of the Union Square Revitalization Plan (“the Plan”). As envisioned in the Plan, the D-1 Block offers the potential for the relocation of the public library, private commercial space, and structured parking to serve all of Union Square. The City has partnered with US2 developers as a Master Developer Partner for the Union Square disposition parcels. Site assembly has been completed by the SRA for the D-2 Block as the location for the Union Square Green Line Station. Authorization to expend funds for the acquisition of the D-1 parcels represents the next step in implementing the Plan. A portion of the \$2.5 million funding request reflects the current aggregate assessed value of the privately owned parcels (approximately \$1.9 million). The balance of the request will be allocated toward required appraisal, relocation, and legal costs, consistent with the City’s experience in assembling the D-2 Block.

Project Category: Land acquisition

Lead Department: OSPCD

Project Address: Union Square

Justification: The Civic Center Block is an integral part of the approved Union Square Revitalization Plan. In addition to providing a site for a new central public library and increased efficiency arising from the consolidation of municipal services, the Civic Center Block can be a catalyst for significant private investment and commercial development in the immediate area, consistent with the goals of the Plan. The authorization of funding in FY16, in advance of the actual expenditure of funds would allow the City to effectively demonstrate the ability and the means by which the SRA could assemble the Civic Center Block. It is anticipated that funds would be expended between FY17 and FY20.

Alternative Funding Sources: GO Bonds, Public/Private Partnerships

Operational Cost Impact: Though exact amounts cannot be determined at this time, there will be additional costs incurred after the properties are acquired including securing, demolishing, and maintaining the sites.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Land/ROW	\$ 2,500,000	-	2,500,000	-	-	-	-
Total	\$ 2,500,000	-	2,500,000	-	-	-	-

Combined Emergency Dispatch System

Project Description: Purchase and Installation of a consolidated Somerville Public Safety System to be used by both the Police and Fire Departments for dispatch and records management. Currently, the Somerville Police and Fire Departments use the same, but completely separate installations of the Queues Enforth Development, Inc (QED) Acuity Computer Aided Dispatch (CAD) System. The Police and Fire CAD systems do not communicate in any way with each other. With the exception of a single interface for 911 calls, there is currently no sharing of data or information between these two systems.

Project Category: One-time purchase

Lead Department: SFD, SPD, Information Technology

Project Address: Citywide

Justification: The City would experience immediate benefits from the consolidation of the QED CAD system into a single, unified platform, including sharing data about incidents (such as names, addresses, descriptions, and history) and having both Police and Fire dispatchers able to see share and update ongoing information.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: Once upgraded, the City will realize costs savings based on the need to maintain a single software license.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 134,741	-	134,741	-	-	-	-
Total	\$ 134,741	-	134,741	-	-	-	-

Highland Avenue Fire Station Renovation (Engine 7)

Project Description: Repairs and renovation of the Highland Ave fire station housing SFD's Engine 7.

Project Category: One-time expense

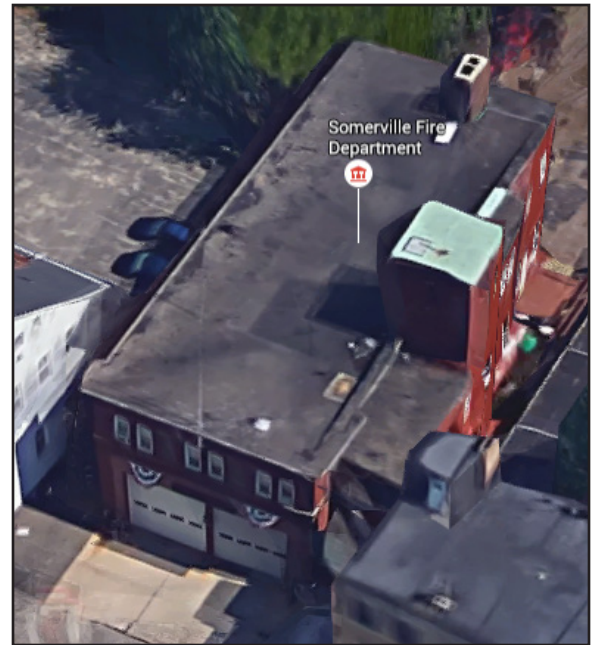
Lead Department: Fire Department

Project Address: 265 Highland Ave

Justification: The condition of the building calls for a renovation to support the health and safety of the firefighters working out of Engine 7.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: Repairs and renovation of Engine 7 should minimize expenses related to emergency maintenance issues.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 2,500,000	-	-	500,000	2,000,000	-	-
Total	\$ 2,500,000	-	-	500,000	2,000,000	-	-

Teele Square Fire Station Renovation (Engine 6)

Project Description: Renovate Engine 6 to improve living space and interior layout.

Project Category: One-time expenditure

Lead Department: SFD, Capital Projects

Project Address: 6 Newbury St

Justification: The condition of the building calls for a renovation to support the health and safety of the fire-fighters working out of Engine 6.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: Repairs and renovation of Engine 6 should minimize expenses related to emergency maintenance issues.



Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 3,000,000	-	-	-	1,000,000	2,000,000	-
Total	\$ 3,000,000	-	-	-	1,000,000	2,000,000	-

Fire SCBA Tanks

Project Description: Replacement tanks for the Fire Department's set of self-contained breathing apparatus.

Project Category: One-time purchase

Lead Department: Fire Department

Project Address:

Justification: The current 30 and 60-minute cylinders will reach their end of service life in 2018. The City received the current cylinders through grant funding in 2003 and plan on pursuing the same funding source during the 2017 grant cycle. These cylinders are necessary for incidents in MBTA tunnels as well as for technical rescue operations.

Alternative Funding Sources: Assistance to Firefighters Grant Program

Operational Cost Impact: None beyond one-time expenditures.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Purchase	\$ 135,000	-	135,000	-	-	-	-
Total	\$ 135,000	-	135,000	-	-	-	-

Wayfinding (Street Signage)

Project Description: Design, fabricate, and install comprehensive wayfinding signs.

Project Category: One-time expenditure

Lead Department: OSPCD:Transportation & Infrastructure

Project Address: Citywide

Justification: A comprehensive wayfinding plan will better promote Somerville’s economic activity by directing passersby, Green Line users, and others to the city’s neighborhood business districts. It will also reduce traffic congestion and create a better sense of place and visual aesthetic throughout the city. This project will be advised by the currently underway Citywide Mobility Study.

Alternative Funding Sources: GO Bonds

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Study Contract	\$ 900,000	-	-	225,000	675,000	-	-
Total	\$ 900,000	-	-	225,000	675,000	-	-

Central Hill/City Hall Concourse Park

Project Description: Improve the open space on the City Hall concourse and redevelop the Central Hill playground area with new sidewalks, curbing, paving, drainage, major landscaping, playground improvements, and re-visioning of the Dilboy Memorial. This project will be influenced greatly by the decisions made regarding the siting and scope of a new Somerville High School, and may eventually be rolled into the SHS project.

Project Category: One-time expenditure

Lead Department: TBD

Project Address: 79-93 Highland Ave

Justification: An improved Central Hill Park and City Hall Concourse improvements will define and enhance the Central Hill area as a destination for active recreation and passive enjoyment.

Alternative Funding Sources: GO Bonds, Community Preservation Act

Operational Cost Impact: None beyond existing operating costs.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 200,000	-	-	200,000	-	-	-
Construction	\$ 2,800,000	-	-	-	2,800,000	-	-
Total	\$ 3,000,000	-	-	200,000	2,800,000	-	-

Skateboard Park

Project Description: Develop a dedicated skateboard park. As of yet no determination has been made on size or location.

Project Category: One-time expenditure

Lead Department: TBD

Project Address: TBD

Justification: Recreational space for youth and teenagers is a key priority and offering a variety of uses in these spaces best serves our diverse population. There is no dedicated skateboard facility in the City, which has led youths to use squares, benches, monuments or inappropriate playground space for their recreation. A skateboard park will provide sanctioned space and a more suitable and safer environment for our skateboard community.

Alternative Funding Sources: GO Bonds, Community Preservation Act

Operational Cost Impact: TBD

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Design	\$ 150,000	-	-	-	-	150,000	-
Construction	\$ 850,000	-	-	-	-	-	850,000
Total	\$ 1,000,000	-	-	-	-	150,000	850,000

East Branch Library Remodel

Project Description: Expansion, repairs, and needed upgrades to the East Branch Library.

Project Category:

Lead Department: Capital Projects

Project Address: 115 Broadway

Justification: The East Branch Library is heavily used, particularly by those within the immediate neighborhood and youth attending nearby schools. The building also functions as a polling station and holds English as a Second Language (ESL) classes. The building, however, does not have the capacity to expand current services, cannot hold multiple events at the same time, and requires repair and modernization work to address functionality, technical, and code-related issues. This Carnegie Library should also be a landmark along this busy commercial corridor and repairs will enhance its presence along the upgraded East Broadway streetscape.



Source: Allison Evans Photography

Alternative Funding Sources: GO Bonds, Community Preservation Act

Operational Cost Impact: Renovation will decrease the need for continued patchwork repairs to the building interior.

Capital Costs	Total Cost	FY16	FY17	FY18	FY19	FY20	FY21
Construction	\$ 2,700,000	-	-	2,700,000	-	-	-
Total	\$ 2,700,000	-	-	2,700,000	-	-	-

Appendix A: Water Enterprise Fund-Supported Projects

Year Const.	Improvements	CCE	Funding Source	Year Financed	Project Value	Bonding Duration
2016	Webster St C&L	\$0	MWRA	2016	\$0	10
2016	Beacon St C&L	\$0	MWRA	2016	\$0	10
2016	Washington St C&L	\$0	MWRA	2016	\$0	10
2016	Pearl St C&L	\$100,000	MWRA	2016	\$102,500	10
2016	Cross St C&L	\$200,000	MWRA	2016	\$205,000	10
2016	Tufts St C&L	\$92,000	MWRA	2016	\$94,000	10
2017	Prospect St Replace	\$50,000	MWRA	2017	\$52,531	10
2017	Allen St Replace	\$120,000	MWRA	2017	\$126,075	10
2017	Linden St Replace	\$50,000	MWRA	2017	\$52,531	10
2017	Merriam St Replace	\$50,000	MWRA	2017	\$52,531	10
2017	Charleston St Replace	\$7,000	MWRA	2017	\$7,354	10
2017	Somerville St Replace	\$10,000	MWRA	2017	\$10,506	10
2017	Hanson St Replace	\$35,000	MWRA	2017	\$36,772	10
2017	Properzi St Replace	\$5,000	MWRA	2017	\$5,253	10
2017	Dimick St Replace	\$19,719	MWRA	2017	\$20,717	10
2016	Washington St C&L	\$15,000	MWRA	2016	\$15,375	10
2016	Broadway C&L	\$17,000	MWRA	2016	\$17,425	10
2016	Mt Vernon St C&L	\$26,270	MWRA	2016	\$26,927	10
2016	Clarendon Ave Replace	\$16,390	MWRA	2016	\$16,800	10
2016	Newbury St Replace	\$50,000	MWRA	2016	\$51,250	10
2016	Cameron Ave Replace	\$150,000	MWRA	2016	\$153,750	10
2016	Broadway C&L + Replace	\$350,000	MWRA	2016	\$358,750	10
2016	Powder House Blvd C&L	\$75,000	MWRA	2016	\$76,875	10
2016	Alewife Brook Pkwy Replace	\$25,000	MWRA	2016	\$25,625	10
2016	Curtis St C&L + Replace	\$50,000	MWRA	2016	\$51,250	10
2016	Professors Row Replace	\$600,000	MWRA	2016	\$615,000	10
2016	Packard Ave Replace	\$200,000	MWRA	2016	\$205,000	10
2016	College Ave (Hi Zone) Replace	\$100,000	MWRA	2016	\$102,500	10
2016	Dearborn Rd Replace	\$200,000	MWRA	2016	\$205,000	10
2017	Cedar St Drainage (30% of \$7.5M)	\$1,125,000	GO Bond	2017	\$1,181,953	20
2018	Cedar St Drainage (30% of \$7.5M)	\$1,125,000	GO Bond	2018	\$1,211,502	20
2019	Davis Sq Infrastructure (65% of \$12M)	\$7,800,000	GO Bond	2019	\$8,609,741	20
2018	Union Sq Infrastructure	\$15,000,000	GO Bond	2018	\$16,153,359	30
2016	Brickbottom Infrastructure	\$0	Cash	2016	\$0	10
2018	Water Annual Capital	\$1,900,000	GO Bond	2018	\$2,046,092	20
2019	Water Annual Capital	\$1,900,000	GO Bond	2019	\$2,097,244	20
2020	Water Annual Capital	\$1,900,000	GO Bond	2020	\$2,149,676	20
2021	Water Annual Capital	\$1,900,000	GO Bond	2021	\$2,203,417	20

Year Const.	Improvements	CCE	Funding Source	Year Financed	Project Value	Bonding Duration
2022	Water Annual Capital	\$1,900,000	GO Bond	2022	\$2,203,417	20

Appendix B: Sewer Enterprise Fund-Supported Projects

Year Const.	Improvements	CCE	Funding Source	Year Financed	Project Value	Bonding Duration
2016	Cedar St Drainage (70% of \$7.5M)	\$2,625,000	GO Bond	2017	\$2,690,625	20
2017	Cedar St Drainage (70% of \$7.5M)	\$2,625,000	GO Bond	2018	\$2,757,891	20
2018	Nunziato Field Flood Mitigation	\$10,000,000	GO Bond	2019	\$10,768,906	20
2019	Davis Sq Infrastructure (35% of \$12M)	\$4,200,000	GO Bond	2020	\$4,636,014	20
2020	Central Broadway Infrastructure	\$6,000,000	GO Bond	2021	\$6,788,449	20
2017	Union Sq Infrastructure	\$35,000,000	GO Bond	2018	\$36,771,875	30
2015	Brickbottom Infrastructure	\$0	GO Bond	2016	\$0	10
2015	MWRA I/I Work	\$0	MWRA	2016	\$0	5
2016	Sewer Annual Capital	\$1,500,000	GO Bond	2017	\$1,537,500	20
2017	Sewer Annual Capital	\$1,500,000	GO Bond	2018	\$1,575,938	20
2018	Sewer Annual Capital	\$1,500,000	GO Bond	2019	\$1,615,336	20
2019	Sewer Annual Capital	\$1,500,000	GO Bond	2020	\$1,655,719	20
2020	Sewer Annual Capital	\$1,500,000	GO Bond	2021	\$1,697,112	20

Appendix C: Capital Project List by Type

Project Name	Year	Type	CIP Total
Backlog Sidewalk Repairs (Second Contract)	FY16	Infrastructure	\$200,000
Gilman Square Roadway Improvements	FY16	Infrastructure	\$2,750,000
Beacon Street Reconstruction	FY16	Infrastructure	\$1,100,000
East Broadway Streetscape Supplemental	FY16	Infrastructure	\$475,000
Union Square Streetscape & Utility Improvement	FY17	Infrastructure	\$32,400,000
Central Broadway Streetscape	FY18	Infrastructure	\$13,200,000
Davis Square Streetscape Improvements	FY18	Infrastructure	\$9,000,000
Ball Square Roadway Improvements	FY20	Infrastructure	\$5,500,000
City Hall Renovations	FY16	Major Building	\$4,400,000
West Branch Library Renovation	FY16	Major Building	\$7,235,000
New Fire Station	FY16	Major Building	\$15,000,000
515 Somerville Ave Acquisition	FY16	Major Building	\$5,110,000
New Police Station	FY18	Major Building	\$15,250,000
SHS Design and Architecture	FY17	Major Building	\$12,000,000
Somerville High School Reconstruction	FY21	Major Building	\$25,000,000
New Somerville Library Central Branch	FY21	Major Building	\$32,000,000
Turf-to-Ice Summer Conversion Plan	FY16	One-Time	\$65,000
SHS North Wall leakage repair	FY16	One-Time	\$1,100,000
New Voting Equipment	FY16	One-Time	\$160,000
Hubway Bicycle Share (6 New Stations)	FY16	One-Time	\$360,000
Big Belly Purchase	FY16	One-Time	\$200,000
Hybrid Refuse Trucks (2) Supplemental Request to Replacement Schedule	FY16	One-Time	\$250,000
Conway Retaining Wall	FY16	One-Time	\$400,000
ArtFarm Construction	FY16	One-Time	\$930,000
Citywide Mobility Plan	FY16	One-Time	\$470,000
Buena Vista Parking Garage	FY16	One-Time	\$600,000
Modular Fire Station Housing (Engine 3)	FY16	One-Time	\$835,000
Civic Center Block Acquisitions	FY17	One-Time	\$2,500,000
Combined Emergency Dispatch System	FY17	One-Time	\$134,741
Highland Ave Fire Station Renovation (Engine 7)	FY18	One-Time	\$2,500,000
Teele Square Fire Station (Engine 6) Renovation	FY19	One-Time	\$3,000,000
Self Contained Breathing Apparatus (30 Minute)	FY18	One-Time	\$54,000
Self Contained Breathing Apparatus (60 Minute)	FY18	One-Time	\$81,000
Wayfinding (Street Signage)	FY18	One-Time	\$900,000
Central Hill/City Hall Concourse Park	FY18	One-Time	\$3,000,000
Skateboard Park	FY20	One-Time	\$1,000,000
East Branch Library Remodel	FY18	One-Time	\$2,700,000
Corbett-McKenna Playground Renovation	FY16	Parks & Playgrounds	\$275,000

Project Name	Year	Type	CIP Total
Brown School Playground	FY16	Parks & Playgrounds	\$330,000
Brown School Landscape Redesign	FY16	Parks & Playgrounds	\$50,000
Hoyt Sullivan Park	FY16	Parks & Playgrounds	\$65,000
Draw 7 Park	FY16	Parks & Playgrounds	\$3,850,000
Otis Park Renovation	FY16	Parks & Playgrounds	\$425,000
Foss Park Improvements	FY16	Parks & Playgrounds	\$6,500,000
Lincoln Park & Argenziano Field	FY16	Parks & Playgrounds	\$8,250,000
Winter Hill Playground Renovation	FY17	Parks & Playgrounds	\$1,080,000
Kennedy School Playground	FY17	Parks & Playgrounds	\$350,000
Healey School Playground	FY17	Parks & Playgrounds	\$1,100,000
Boathouse Renovation and Shore Drive Improvements	FY18	Parks & Playgrounds	\$3,400,000
Nunziato Field Improvements	FY17	Parks & Playgrounds	\$700,000
Prospect Hill Park	FY16	Parks & Playgrounds	\$1,085,000
Assembly Urban Renewal Plan	FY16	Planning	\$445,000
Gilman Square Revitalization Plan	FY17	Planning	\$300,000
Winter Hill Revitalization Plan	FY17	Planning	\$500,000
Brickbottom Revitalization Plan	FY17	Planning	\$300,000
Decorative Barrels & Benches	FY16	Recurring	\$1,000,000
Tree Planting	FY16	Recurring	\$1,500,000
Police Vehicle Replacement	FY16	Recurring	\$265,000
Accessibility Improvements - Public Buildings & Communication	FY16	Recurring	\$5,000,000
Fire Vehicle Replacement	FY16	Recurring	\$1,073,175
ADA Curb Ramps, Sidewalks & Accessible Street Crossing Signals	FY16	Recurring	\$10,000,000
Street/Sidewalk Repairs	FY16	Recurring	\$17,500,000
DPW Vehicle Replacement	FY16	Recurring	\$9,534,000

Appendix D: Total General Fund Debt Service

City of Somerville, Massachusetts
Total General Fund Debt Service as of June 30, 2015
Including Subsequent Issue

Aggregate Debt Service

Date	Principal	Interest	Total P+I
06/30/2015	-	-	-
06/30/2016	7,110,623.08	2,559,028.83	9,669,651.91
06/30/2017	7,455,123.08	2,770,316.38	10,225,439.46
06/30/2018	6,020,623.08	2,338,303.93	8,358,927.01
06/30/2019	4,875,623.08	2,111,586.46	6,987,209.54
06/30/2020	4,825,623.08	1,918,244.00	6,743,867.08
06/30/2021	4,935,623.08	1,742,989.04	6,678,612.12
06/30/2022	5,071,622.08	1,545,445.32	6,617,067.40
06/30/2023	3,488,622.08	1,334,105.38	4,820,727.46
06/30/2024	3,284,622.08	1,203,437.94	4,488,060.02
06/30/2025	3,194,622.08	1,076,207.99	4,270,830.07
06/30/2026	2,919,622.08	955,452.36	3,875,074.44
06/30/2027	2,964,622.08	856,591.77	3,821,213.85
06/30/2028	2,814,622.08	769,103.07	3,583,725.15
06/30/2029	2,139,622.08	682,741.88	2,822,363.96
06/30/2030	2,144,622.08	619,861.95	2,764,484.03
06/30/2031	2,099,622.08	556,394.50	2,656,016.58
06/30/2032	2,144,622.08	486,827.06	2,631,449.14
06/30/2033	2,209,622.08	415,234.62	2,624,856.70
06/30/2034	1,905,517.00	345,825.29	2,251,342.29
06/30/2035	1,265,517.00	295,124.31	1,560,641.31
06/30/2036	1,295,517.00	256,995.22	1,552,512.22
06/30/2037	1,335,517.00	215,828.63	1,551,345.63
06/30/2038	1,370,517.00	173,143.29	1,543,660.29
06/30/2039	990,517.00	136,001.70	1,126,518.70
06/30/2040	1,020,517.00	104,566.36	1,125,083.36
06/30/2041	1,045,517.00	72,081.02	1,117,598.02
06/30/2042	1,075,517.00	38,720.68	1,114,237.68
06/30/2043	215,517.00	4,310.34	219,827.34
Total	\$81,197,873.44	\$25,584,469.32	\$106,782,342.76

Par Amounts Of Selected Issues

August 15 2006 water broken out -Lincoln Park School (I).....	1,800,000.00
August 15 2006 water broken out -School Renovations (I).....	130,000.00
August 15 2006 water broken out -Electrical Upgrades and Improvements (I).....	200,000.00
August 15 2006 water broken out -Sidewalk & Signals (I).....	100,000.00
August 15 2006 water broken out -Homens Renovation (I).....	125,000.00
August 15 2006 water broken out -Powder House Building (I).....	380,000.00
August 15 2006 water broken out -Ladder Truck (I).....	340,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref Feb 15 97 Kennedy School (O).....	2,685,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref of Feb 15 97 Healy School (I).....	50,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref of Feb 15 97 Building Remodeling (I).....	50,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref of Feb 15 97 Land Acquisition (I).....	20,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref April 1 98 Building Remodeling (I).....	240,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref April 1 98 Land Acquisition (I).....	450,000.00
August 15 2006 Adv Ref 97 & 98 -Adv Ref April 1 98 Healy School (O).....	2,905,000.00
February 12 2008 MSBA School (I).....	6,553,891.44
February 1 2009 -Trum Field FH I (I).....	325,000.00
February 1 2009 -Trum Field FH II (I).....	250,000.00
February 1 2009 -Trum Field FH III (I).....	1,300,000.00
February 1 2009 -Dept Equipment (I).....	475,000.00
February 15 2010 -Lincoln Park School (I).....	1,765,000.00
February 15 2010 -Outdoor Rec. Facilities-Albion (I).....	30,000.00
February 15 2010 -Outdoor Rec. Facilities-Grimmons (I).....	30,000.00
February 15 2010 -Hodgkins Park & Ballfield (I).....	30,000.00
February 15 2010 -Central Hill Memorial Park (I).....	30,000.00
February 15 2010 -School Construction (I).....	65,000.00
April 1 2010 -Library (I).....	153,500.00
April 1 2010 -Edgerly School (O)**.....	8,045,000.00
April 1 2010 -Edgerly Land Acq (I)**.....	920,000.00
April 1 2010 -Community Center (I).....	328,000.00
April 1 2010 -Kennedy School (O)**.....	515,000.00
April 1 2010 -Healey School (O)**.....	402,000.00
April 1 2010 -Building Renovations (I).....	66,500.00
April 1 2010 -Telephone Network Upgrade (I).....	30,500.00
April 1 2010 -Fire Pumper 1 (I).....	35,500.00
April 1 2010 -Fire Pumper 2 (I).....	35,500.00
June 15 2010 ESCO (ISO).....	5,890,000.00
February 23 2011 -School Construction (I).....	345,000.00
February 23 2011 -Pumper Fire Truck (I).....	330,000.00
February 23 2011 -Outdoor Rec. Facility Albion (I).....	260,000.00
February 23 2011 -Outdoor Rec. Facility Albion 2A (I).....	85,000.00
February 23 2011 -Outdoor Rec. Facility Albion 2B (I).....	440,000.00
February 23 2011 -Outdoor Rec. Facility Grimmons 1A (I).....	110,000.00
February 23 2011 -Outdoor Rec. Facility Grimmons 1B (I).....	155,000.00
February 23 2011 -Outdoor Rec. Facility Grimmons 2 (I).....	370,000.00
February 23 2011 -Hodgkins Park 1A (I).....	185,000.00
February 23 2011 -Hodgkins Park 1B (I).....	375,000.00
February 23 2011 -Hodgkins Park 2 (I).....	170,000.00
February 23 2011 -Computer 1B (I).....	105,000.00
February 23 2011 -Departmental Equipment (I).....	480,000.00
February 23 2011 -Community Path Design and Improvement (I).....	225,000.00
May 17 2012 DIF (O).....	15,400,000.00
September 25 2013 MSBA School (O).....	6,034,482.00
October 24 2013 -Building Renovations (I).....	310,000.00
October 24 2013 -School Renovation (I).....	295,000.00
October 24 2013 -Street Resurfacing (I).....	295,000.00
October 24 2013 -Public Safety Building Repairs (I).....	690,000.00
October 24 2013 -School Remodeling (I).....	7,685,000.00
October 24 2013 -Morse-Kelley Park Renovations (I).....	275,000.00
October 24 2013 -Dickerman Park Renovations (I).....	160,000.00
October 24 2013 -High School Roof Repair (I).....	145,000.00
October 24 2013 -Departmental Equipment-Radio (I).....	40,000.00
October 24 2013 -School Building Remodeling (I).....	95,000.00
October 24 2013 -Remodeling - Fire Headquarters (I).....	50,000.00
October 24 2013 -Remodeling-DPW Roof (I).....	45,000.00
October 24 2013 -Departmental Equipment-Dump Sander Truck (I).....	240,000.00
October 24 2013 -Departmental Equipment-Hot Top Vehicle (I).....	125,000.00
October 24 2013 -Departmental Equipment-Pickup Truck (I).....	115,000.00
October 24 2013 -Departmental Equipment-Street Sweeper (I).....	145,000.00
October 24 2013 -Firehouse Renovation (I).....	25,000.00
October 24 2013 -DPW Equipment (I).....	40,000.00
October 15 2015 -ISD Office Renovations (I).....	13,225.00
October 15 2015 -School & City Building Improvements (I).....	488,800.00
October 15 2015 -Ladder Truck 1 (I).....	1,047,975.00
October 15 2015 -Ladder Truck 2 (I).....	18,000.00
October 15 2015 -Union Square Revitalization Plan (I).....	5,880,500.00
October 15 2015 -Recreation Department Vehicle (I).....	33,500.00
October 15 2015 -Street Repair & Reconstruction (I).....	498,000.00
October 15 2015 -Network Infrastructure Replacement (I).....	623,000.00
TOTAL.....	81,197,873.44

Appendix E: Standard & Poor's Credit Rating Report: October 5, 2015

Summary:

Somerville, Massachusetts; General Obligation

Credit Profile		
US\$8.602 mil GO mun purp loan bnds ser 2015 due 10/15/2040		
<i>Long Term Rating</i>	AA+/Stable	New
Somerville GO		
<i>Unenhanced Rating</i>	AA+(SPUR)/Stable	Affirmed
Many issues are enhanced by bond insurance.		

Rationale

Standard & Poor's Ratings Services has assigned its 'AA+' long-term rating and stable outlook to Somerville, Mass.' series 2015 general obligation (GO) municipal purpose loan bonds. At the same time, Standard & Poor's affirmed its 'AA+' long-term rating, with a stable outlook, on the city's existing GO debt.

Somerville's full-faith-and-credit GO pledge, subject to the limitations of Proposition 2 1/2, secures the bonds. We understand bond proceeds will permanently finance bond anticipation notes (BANs) maturing Oct. 16, 2015, which were originally issued to fund various capital projects throughout the city.

The rating reflects our assessment of Somerville's:

- Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with "good" financial policies and practices under our financial management assessment (FMA) methodology;
- Strong budgetary performance, with balanced operating results in the general fund and an operating surplus at the total governmental fund level;
- Strong budgetary flexibility, with an available fund balance in fiscal 2014 of 14.6% of operating expenditures;
- Very strong liquidity, with total government available cash of 29.8% of total governmental fund expenditures and 7.0x governmental debt service, and access to external liquidity we consider strong;
- Adequate debt and contingent liability position, with debt service carrying charges of 4.2% of expenditures and net direct debt that is 41.0% of total governmental fund revenue, and low overall net debt at less than 3.0% of market value, but a large pension and other postemployment benefit (OPEB) liability and the lack of a plan to sufficiently address the obligation; and
- Strong institutional framework score.

Very strong economy

We consider Somerville's economy very strong. The city, with an estimated population of 78,357, is located in Middlesex County in the Boston-Cambridge-Newton, Mass. MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 127% of the national level and per capita market value of \$133,903. Overall, the city's market value grew by 11.1% over the past year to \$10.5 billion in 2015. The county unemployment rate was 4.6% in 2014.

Somerville is a fully developed 4-square-mile city adjacent to Boston and Cambridge. The city continues to sustain ongoing economic development within Assembly Square and Union Square driven by residential and commercial construction. These developments have led to continued new growth in the city's tax base, which management projects to be \$3.2 million in fiscal 2016, \$300,000 greater than the \$2.9 million initially budgeted. In addition, a new subway station is scheduled to open by 2018, which would provide additional access to the city limits of Boston.

Leading employers within the city include:

- Tufts University (2,193 employees);
- ABM Industries (2,000);
- Somerville School Department (1,100); and
- Cambridge Health Alliance (1,014).

Strong management

We view the city's management as strong, with "good" financial policies and practices under our FMA methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

City management is conservative in its budgeting approach, and relies on historical data, as well as budget-to-actual results for revenue and expenditure assumptions. The management team also has biweekly meetings to monitor budget performance, and uses "SomerStat," a real-time monitoring program that provides current budget-to-actuals. The city maintains a five-year capital plan that identifies funding sources, and is currently being updated. Management has historically maintained a debt policy limiting debt service to 5% of budget and a formal reserve policy of maintaining stabilization reserves of at least 5% of expenditures. The city's investment policy is rooted in state statute, and holdings, as well as earnings are updated monthly internally and to the council as part of the budget update. We understand the city does not maintain a long-term revenue and expenditure forecast at present.

Strong budgetary performance

Somerville's budgetary performance is strong in our opinion. The city had balanced operating results in the general fund of negative 0.3% of expenditures, and surplus results across all governmental funds of 1.8% in fiscal 2014.

The city's budgetary performance is adequate in our opinion. Somerville had balanced operating results in the general fund of negative 0.3% of expenditures, and surplus results across all governmental funds of 1.8% in fiscal 2014.

Our total governmental fund calculation includes an \$8.7 million adjustment for one-time capital outlay financed by bond proceeds in the city's capital projects fund. The slight deficit in the general fund was primarily driven by transferring funds to the OPEB Trust and Community Preservation Fund.

Somerville's fiscal 2015 budget totaled \$220 million, and included a free cash appropriation of \$3.5 million. Although management indicates the fiscal year generated \$10.6 million in free cash, the city experienced a snow and ice shortfall of \$8.5 million due to the harsh winter. Consequently, management used \$3 million of the generated free cash, \$629,300 in operating transfers, and \$2 million in rainy-day stabilization funds to alleviate the shortfall, which still leaves a \$2.8 million deficit that management will be carrying over the next three fiscal years in order to raise the requisite tax revenue to close the gap. We understand the city will also be receiving about \$1.7 million in Federal

Emergency Management Agency aid within the next two years. For fiscal 2016, Somerville's budget totals \$228 million, and again includes a \$3.5 million free cash appropriation, which is in line with historical practice. The city's leading revenues sources include property taxes, state aid, and excise taxes at 55%, 32%, and 4% of general fund revenues, respectively. Current property tax collections are strong, in our opinion, averaging greater than 99% of the levy in the past five fiscal years.

Overall, we expect the city's budgetary performance will remain strong despite the significant snow and ice shortfall in fiscal 2015. The city's \$10.6 million generation of free cash, departmental turnbacks, and ability to carry the shortfall over three budget cycles alleviates our concern of significant deterioration in budgetary performance. At the same time, the city's leading revenue sources are stable and management has historically demonstrated an ability to make the necessary budget adjustments to align recurring revenues with recurring expenditures; therefore, we do not expect further deterioration in budgetary performance over the next two fiscal years.

Strong budgetary flexibility

Somerville's budgetary flexibility is strong, in our view, with an available fund balance in fiscal 2014 of 14.6% of operating expenditures, or \$30.4 million.

Our calculation includes adding \$8.9 million in committed stabilization funds, which are available with council approval. Somerville closed fiscal 2014 with \$30.4 million in available reserves, including an unassigned, assigned, and committed fund balance. While management used about \$3 million in free cash generated and \$2 million in stabilization funds to cover part of the snow and ice shortfall in 2015, the city's budgetary flexibility will remain strong, in our opinion. Furthermore, we believe the \$3.5 million in free cash appropriated to balance the 2016 general fund budget will be regenerated, as management has historically not drawn on this appropriation and uses it as part of its budgetary practices.

Very strong liquidity

In our opinion, Somerville's liquidity is very strong, with total government available cash of 29.8% of total governmental fund expenditures and 7x governmental debt service in 2014. In our view, the city has strong access to external liquidity if necessary.

Our calculation includes a \$29 million adjustment for bond proceeds and restricted cash in the city's capital projects fund and nonmajor governmental funds. We believe the city's strong access to external liquidity is supported by its frequent debt issuances including GO bonds and BANs. Despite the use of free cash and stabilization reserves in fiscal 2015, we expect the city will maintain its very strong liquidity metrics given its total governmental fund cash position.

Adequate debt and contingent liability profile

In our view, Somerville's debt and contingent liability profile is adequate. Total governmental fund debt service is 4.2% of total governmental fund expenditures, and net direct debt is 41.0% of total governmental fund revenue. Overall net debt is low at 0.9% of market value, which is in our view a positive credit factor.

After this issue, the city will have \$117.4 million in total direct debt outstanding, of which \$32 million is BANs. Management indicates it does not have significant debt plans in the next two years outside of the long-term financing of this issue of BANs.

In our opinion, a credit weakness is Somerville's large pension and OPEB liability, without a plan in place that we think will sufficiently address the obligation. The city's combined pension and OPEB contributions totaled 9.2% of total governmental fund expenditures in 2015. Of that amount, 5.3% represented contributions to pension obligations and 3.9% represented OPEB payments. The city made its full annual required pension contribution in 2015. The pension funded ratio is 57%.

We believe the costs associated with the city's long-term liabilities will continue to rise in the medium term given the pension system's current funding level, and the size of the unfunded liability. At the same time, we note that the city's efforts to reduce the OPEB liability has resulted in declines in each of the last four actuarial valuations. In addition, Somerville has established an irrevocable trust fund to begin funding its OPEB liability. The projected balance as of June 30, 2015, is \$806,323. Although we believe the establishment of the trust is a proactive step in addressing the liability, we do not view the current annual funding of \$200,000 to be a material amount relative to the unfunded liability, which is \$285.3 million as of June 30, 2014.

Strong institutional framework

The institutional framework score for Massachusetts municipalities is strong.

Outlook

The stable outlook reflects our view of Somerville's access to the Boston MSA and ongoing economic growth, which will continue to benefit the local tax base. We believe the city's strong management conditions and improving economic outlook should provide an environment for a consistent and balanced budgetary performance, as well as maintenance of strong budgetary flexibility. For these reasons we do not expect to change the rating within the two-year parameter outlook of the outlook horizon.

Upside scenario

All else remaining equal, over time we could raise the rating if underlying fundamentals improve to levels commensurate with higher rated peer credits, and management demonstrates an ability to maintain a strong budgetary performance, and sustained growth in available reserves while instituting a credible plan to mitigate the rising fixed costs associated with its pension and OPEB liabilities.

Downside scenario

Although not likely within the two-year parameter of the outlook period, if Somerville's high pension and OPEB costs materially affect its operating profile resulting in a trend of weak budgetary performance and a significant decline in available reserves, we could lower the rating.

Related Criteria And Research

Related Criteria

- USPF Criteria: Assigning Issue Credit Ratings Of Operating Entities, May 20, 2015
- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- Criteria: Use of CreditWatch And Outlooks, Sept. 14, 2009

Summary: Somerville, Massachusetts; General Obligation

- USPF Criteria: Debt Statement Analysis, Aug. 22, 2006
- USPF Criteria: Financial Management Assessment, June 27, 2006
- USPF Criteria: Limited-Tax GO Debt, Jan. 10, 2002

Related Research

- Institutional Framework Overview: Massachusetts Local Governments

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

Appendix F: Moody's Credit Rating Report: June 1, 2015



Rating Action: **Moody's assigns positive outlook to Somerville, MA's GO rating**

Global Credit Research - 01 Jun 2015

Assigns MIG 1 to \$40.9M GO BANs, affirms Aa2 on \$95.9M GO debt

New York, June 01, 2015 --

Moody's Rating

Issue: Series A General Obligation Bond Anticipation Notes; Rating: MIG 1; Sale Amount: \$8,906,449; Expected Sale Date: 06-11-2015; Rating Description: Note: Bond Anticipation

Issue: Series B General Obligation Bond Anticipation Notes; Rating: MIG 1; Sale Amount: \$32,000,000; Expected Sale Date: 06-11-2015; Rating Description: Note: Bond Anticipation

Opinion

Moody's Investors Service has assigned a MIG 1 rating to the city of Somerville MA's \$8.9 million Series A General Obligation Bond Anticipation Notes (dated June 11, 2015 and payable October 16, 2015), and \$32 million Series B General Obligation Bond Anticipation Notes (dated June 11, 2015 and payable June 10, 2016). Concurrently, Moody's has assigned a positive outlook and affirmed the Aa2 underlying rating on the city's \$95.9 million in outstanding GO debt.

SUMMARY RATING RATIONALE

The MIG 1 rating reflects the city's strong underlying long-term credit strength, sufficient liquidity and adequate management of refinancing risk. The rating also incorporates the city's successful access to the capital markets as a frequent issuer over the last five years.

The Aa2 rating reflects the city's sizeable tax base which has experienced significant growth in recent years due to ongoing redevelopment efforts. Additionally, the Aa2 incorporates the stable financial position supported by healthy reserve levels, as well as manageable long-term liabilities for pension and OPEB.

OUTLOOK

The positive outlook reflects our expectation that the city will continue to prudently manage its financial operations and maintain its reserves at a minimum at the current levels. Additionally, growth in the tax base is expected to continue due to ongoing redevelopment efforts which are bolstered by the approved Green Line extension project.

WHAT COULD MAKE THE RATING GO UP

- Continued tax base expansion, and improvement in resident wealth levels
- Continued improvement in available reserves
- Reduced reliance on annual free cash appropriations

WHAT COULD MAKE THE RATING GO DOWN (removal of the positive outlook)

- Material declines in the tax base
- Lack of additional tax base expansion
- Deficit operations and failure to maintain structural balance
- Significant reduction in reserves
- Significantly increased debt burden beyond current expectations

OBLIGOR PROFILE

Somerville is the most densely populated municipality in New England, with an estimated population of 78,804. The city is favorably located directly north of Boston, and is directly served by rapid transit.

LEGAL SECURITY

Debt service on the notes and all rated debt is secured by the city's GO limited tax pledge as debt service has not been exempt from the property levy limitations of Proposition 2 ½.

USE OF PROCEEDS

The notes are being issued fund various city capital needs.

PRINCIPAL METHODOLOGIES

The principal methodology used in the long-term rating was US Local Government General Obligation Debt published in January 2014. The principal methodology used in the short-term rating was US Bond Anticipation Notes published in April 2014. Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

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Appendix F: 10-Year CIP Project Forecast

Project	Type	Funding Source	Total	2016	2017
Street/Sidewalk Repairs	Recurring	Debt Service, Ch. 90	\$17,500,000	\$2,200,000	\$1,700,000
ADA Curb Ramps, Sidewalks & Accessible Street Crossing Signals	Recurring	Debt Service	\$10,000,000	\$1,000,000	\$1,000,000
Fire Vehicle Replacement	Recurring	Debt Service	\$1,073,175	\$508,800	\$564,375
Accessibility Improvements - Public Buildings & Communication	Recurring	Debt Service, CDBG	\$5,000,000	\$500,000	\$500,000
Police Vehicle Replacement	Recurring	LETF	\$265,000	\$265,000	
Tree Planting	Recurring	Debt Service, CDBG	\$1,350,000		\$150,000
Decorative Barrels & Benches	Recurring	Debt Service, Cap Stab	\$1,000,000	\$100,000	\$100,000
DPW Vehicle Replacement	Recurring	Debt Service	\$9,534,000		\$1,145,000
Assembly Urban Renewal Plan	Planning	Debt Service	\$445,000	\$445,000	
Gilman Square Revitalization Plan	Planning	Debt Service, CPA	\$300,000		\$300,000
Winter Hill Revitalization Plan	Planning	Debt Service	\$500,000		\$500,000
Brickbottom Revitalization Plan	Planning	Debt Service	\$300,000		\$300,000
Lincoln Park & Argenziano Field	Parks & Playgrounds	Debt Service	\$9,425,000	\$4,000,000	\$5,425,000
Foss Park Improvements	Parks & Playgrounds	Debt Service	\$6,500,000		\$1,500,000
Otis Park Renovation	Parks & Playgrounds	CDBG	\$425,000	\$425,000	
Draw Seven Park	Parks & Playgrounds	Debt Service	\$3,850,000		\$350,000
Hoyt Sullivan Park	Parks & Playgrounds	CDBG, PARC	\$65,000	\$65,000	
Brown School Landscape & Playground Redesign	Parks & Playgrounds	GO Bonds	\$50,000	\$50,000	
Corbett-McKenna Playground Renovation	Parks & Playgrounds	Cap Stab, Debt Service	\$275,000	\$25,000	\$250,000
Prospect Hill Park	Parks & Playgrounds	Debt Service, CPA	\$1,085,000	\$85,000	
Winter Hill Playground Renovation	Parks & Playgrounds	Debt Service	\$1,080,000		\$1,080,000
Kennedy School Playground	Parks & Playgrounds	Debt Service	\$350,000		\$350,000
Healey School Playground	Parks & Playgrounds	Debt Service, CDBG	\$1,100,000		\$100,000
Boathouse Renovation and Shore Drive Improvements	Parks & Playgrounds	Debt Service	\$3,400,000		
Nunziato Field Improvements	Parks & Playgrounds	Debt Service, W&S Ent.	\$7,700,000		\$700,000

2018	2019	2020	2021	2022	2023	2024	2025
\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000
\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
\$1,257,000	\$1,115,000	\$1,017,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
\$5,000,000							
\$3,500,000							
\$1,000,000							
\$1,000,000							
\$500,000	\$2,500,000	\$400,000					
\$7,000,000							

Modular Fire Station Housing	One-Time	Debt Service	\$835,000	\$835,000	
Buena Vista Parking Garage	One-Time	Debt Service	\$600,000	\$600,000	
Project	Type	Funding Source	Total	2016	2017
Citywide Mobility Plan	One-Time	Cap Stab	\$470,000	\$470,000	
Conway Retaining Wall	One-Time	Debt Service	\$400,000	\$400,000	
ArtFarm Construction	One-Time	Debt Service, Grants	\$930,000	\$300,000	\$630,000
Hybrid Refuse Trucks	One-Time	Debt Service	\$250,000	\$250,000	
Big Belly Purchase	One-Time	Debt Service	\$200,000	\$200,000	
Hubway Bicycle Share	One-Time	Debt Service	\$360,000		\$180,000
New Voting Equipment	One-Time	Cap Stab	\$160,000	\$160,000	
SHS North Wall leakage repair	One-Time	Debt Service	\$1,100,000	\$100,000	\$1,000,000
Turf-to-Ice Summer Conversion Plan	One-Time	Cap Stab	\$65,000	\$65,000	
Civic Center Block Acquisitions	One-Time	Debt Service	\$2,500,000		\$2,500,000
Combined Emergency Dispatch System	One-Time	Debt Service	\$134,741		\$134,741
Highland Ave Fire Station Renovation (Engine 7)	One-Time	Debt Service	\$2,500,000		
Teele Square Fire Station (Engine 6) Renovation	One-Time	Debt Service	\$3,000,000		
Self Contained Breathing Apparatus (30 Minute)	One-Time	Cap Stab	\$54,000		
Self Contained Breathing Apparatus (60 Minute)	One-Time	Cap Stab	\$81,000		
Wayfinding (Street Signage)	One-Time	Debt Service	\$900,000		
Central Hill/City Hall Concourse Park	One-Time	Debt Service	\$3,000,000		
Skateboard Park	One-Time	Debt Service	\$1,000,000		
East Branch Library Remodel	One-Time	Debt Service	\$2,700,000		
515 Somerville Ave Acquisition	Major Building	Debt Service	\$5,110,000	\$5,110,000	
New Fire Station	Major Building	Debt Service	\$15,000,000		\$7,000,000
West Branch Library Renovation	Major Building	Debt Service, CPA	\$7,235,000	\$735,000	\$6,500,000
City Hall Renovations	Major Building	Debt Service, CPA	\$4,400,000	\$400,000	\$4,000,000
New Police Station	Major Building	Debt Service	\$15,250,000		
SHS Design and Architecture	Major Building	Debt Service	\$12,000,000		\$2,000,000
Somerville High School Reconstruction	Major Building	Debt Service	\$25,000,000		
New Somerville Library Central Branch	Major Building	Debt Service	\$32,000,000		
East Broadway Streetscape Supplemental	Infrastructure	Debt Service	\$475,000	\$325,000	\$150,000
Beacon Street Reconstruction	Infrastructure	Debt Service	\$1,100,000	\$300,000	\$800,000
Gilman Square Roadway Improvements	Infrastructure	Debt Service	\$2,750,000		\$250,000
Backlog Sidewalk Repairs (Second Contract)	Infrastructure	Debt Service	\$200,000	\$200,000	
Union Square Streetscape & Utility Improvement	Infrastructure	Debt Service, CDBG, & Other	\$32,400,000		\$10,640,000
Central Broadway Streetscape	Infrastructure	Debt Service	\$13,200,000		
Davis Square Streetscape Improvements	Infrastructure	Debt Service	\$9,000,000		
Ball Square Roadway Improvements	Infrastructure	Debt Service	\$5,500,000		

