



Department of Land Use

JOINT RECOMMENDATION

**New Castle County Capital Program & Budget
Fiscal Year 2010-2015**

April 21, 2009

DESCRIPTION

The Delaware Code requires that the County Executive submit the Capital Program and Budget to the Department of Land Use for its review and recommendation to County Council, and also to the Planning Board for the sole purpose of determining whether the program and budget are in accordance with the Comprehensive Development Plan. The Capital Program consists of the six fiscal years following its June 30th adoption, and the Capital Budget refers to the first year of the Capital Program. The Capital Program and Budget were transmitted to County Council on March 17, 2009.

BACKGROUND & ANALYSIS

One of the basic purposes of capital improvement programming is to coordinate physical and fiscal planning in order that the greatest possible benefits may be realized from the County's existing and anticipated financial resources. To accomplish this, a ranking of desired public improvements must be established by assigning a need-based priority to each project. The ranked project list is then reconciled with the County's ability to pay for the projects over time. Other benefits of the Capital Program and Budget process include the following: translation of the County's Comprehensive Development Plan, individual department functional plans and studies, and other programs and policies into tangible projects; the possibility of guiding private development so that it occurs in a way that is in conformity with the Comprehensive Development Plan; coordination of the capital projects of all County Departments so that they will further the implementation of the Comprehensive Development Plan; keeping the public informed of the County's long-range development plans; and enabling the County Executive and the County Council to better understand long-term cash needs, and to better anticipate the necessary financing for both capital and operating activities.

The 2007 Comprehensive Development Plan Update was adopted by County Council on July 24, 2007, approved by the County Executive on July 26, 2007, and certified by Governor Ruth Ann Minner on September 7, 2007. The four core principles of the 2007 Comprehensive Plan Update include: building connected communities in both new growth and redevelopment areas; concentrating new growth and supporting redevelopment in established communities as a method of preserving valuable, limited resources; coordinating the delivery of public and private sector services to meet the needs of residents; and recognizing that an equitable sharing of the

costs and benefits of growth comes by expecting that growth in infrastructure or services should pay for itself.

The goals of previous comprehensive planning efforts, which directly relate to the capital budget, are still valid and include the following: controlling the pace of development through the availability of developable land and adequate infrastructure; coordination and efficient and effective use of governmental resources at all levels to improve the quality of life for our citizens; provision of adequate community facilities, services, and utilities consistent with the future land use plan; integration of the County's infrastructure and service plans with land use plans to provide efficient delivery of services; and requiring that new development contribute to the cost of community facilities and services.

The current capital budget is an austere budget, totaling \$57 million (17 projects totaling \$58,698,000 were deauthorized) a modest \$13.6 million increase from last year's conservative budget of \$43.4 million; however, the reduced Capital Budget is part of a balanced approach along with operating budget reductions to solve the projected \$40 million budget deficit in the upcoming fiscal year.

Over 94,000 new residents are projected by the year 2030, which translates to more than 46,000 new households. To preserve quality of life, additional infrastructure will be necessary, and impact fees will be used to supplement the future cost of equipment, vehicles, and buildings necessary to serve new development. For example, impact fees are currently being used to assist volunteer fire companies in the purchase of capital equipment, and in the construction of new substations to serve new communities.

Substantial reductions have been made to the Capital Budget, cutting roughly \$75 million in previously-authorized projects for the coming fiscal year, impacting 40 projects from sewers to parks to libraries. Most capital projects have been delayed, and a few have been cancelled, with the exception of sewer projects and computer-related capital projects. Computer-related capital expenses, which are necessary to maintain the County servers, website, and databases, will cost \$1.675 million to maintain in the upcoming budget year. Sewer projects are necessary preventative maintenance for the 1,800-mile sewer system that is required for compliance per an enforcement action by the Environmental Protection Agency (EPA) and the Delaware Department of Natural Resources and Environmental Control (DNREC). This directive includes rehabilitation of the aging Brandywine Hundred sewer infrastructure and expanding sewer line inspections to further protect and improve the health of our waterways.

Sanitary sewer infrastructure is one of the most important services that New Castle County provides, and consists of 1,800 miles of sewer line, 165 pump stations, and more than 38,000 manholes, which are being retrofitted to reduce stormwater infiltration at an ultimate cost of \$10 million to reduce wastewater treatment costs. In addition, ongoing computerization of sewer system data is also enabling County personnel to better manage sewer rehabilitation. Countywide, sewer and stormwater projects will cost about \$55.3 million in FY 2010, including among others: an available balance of \$36.6 million from a prior authorization for the Southern Sewer Service Area, and \$22.3 million for sewer rehabilitation in Brandywine Hundred in FY

2010 with funding for the northern and southern Brandywine Hundred sewer rehabilitation ultimately expected to approach \$162.7 million.

DEPARTMENT OF LAND USE RECOMMENDATION

The Department believes that the proposed Capital Program and Budget is based on sound land use planning principles and is in accordance with the Comprehensive Development Plan, and recommends County Council approval of the New Castle County Capital Program & Budget, Fiscal Year 2010-2015.

PLANNING BOARD RECOMMENDATION

At the business meeting held on April 21, 2009, the Planning Board considered the recommendation offered by the Department of Land Use. On a motion made by Mr. Weinberg and seconded by Mrs. MacArtor, the Planning Board concurred with the Department's recommendation, and the motion was adopted by a vote of **6-0-2** (Yes: Anderson, MacArtor, McDowell, Singer, Weinberg, and Wilson; Absent: McGlinchey and Udo).

STATUTORY GUIDELINES

In the phraseology of 9 Delaware Code Section 2603 (a), the Department of Land Use finds that the recommended Capital Program & Budget, Fiscal Year 2010-2015 would promote the convenience, order, and welfare of the present and future inhabitants of this state.



Victor Singer, Chairman
New Castle County Planning Board



David M. Culver, General Manager
Department of Land Use