

# OVERVIEW: FY27-31 RECOMMENDED CAPITAL PLAN

*Office of Budget Management  
April 14, 2026*



City of Boston  
Mayor's Office



City of Boston  
Budget

# FY 2027-2031 CAPITAL PLAN OVERVIEW

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- The FY27-31 Capital Plan totals \$4.4 billion across 321 projects in all neighborhoods, including:
  - **School Facilities:** the Shaw/Taylor, Ruth Batson, and Madison Park schools & major State of Good Repair (SOGR) investments
  - **Libraries and other Civic Buildings:** new Fields Corner Library, new Chinatown Library with affordable housing, a new Grove Hall Community Center, and SOGR investments in City Hall
  - **Parks and Open Space:** investments in over 80 parks and playgrounds
  - **Sidewalk and Roadway Improvements:** Over \$45m annually for ADA ramp compliance, and an additional \$50m annually to maintain the pavement condition index
- Builds on successes in the last year, including the Carter School, PJ Kennedy, Sarah Roberts, a dozen park and playground renovations, contributing to decarbonization at BHA, the Bill Russell Bridge, and other SOGR projects at different municipal facilities
- Maximizes our AAA bond rating while maintaining fiscal responsibility

# UNDERSTANDING THE CAPITAL PLAN

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- The Capital Plan is a representation of Boston's intentions for long-term capital improvements for the City's large inventory of capital assets: hundreds of miles of roads, dozens of bridges, parks in every neighborhood, and over 300 municipal buildings
- Provides a roadmap for what large expenditures will be made when, and aligns to revenue projections
- While not a budget itself, it is made up of individual projects and programs with projected expenditures:
  - **Project:** A discrete improvement at specific locations that will be removed from the plan at project completion - examples include Fields Corner Library and Clifford Playground
  - **Program:** A budget that supports an annually recurring improvement but at different locations - examples include street tree planting and sidewalk repairs
- The projected expenditures for any individual projects may be sufficient for advancement, or they may need increasing investment to actualize the full project
- The City uses a combination of general obligation bonds, other City funds, and grants (federal, state, and other sources) to finance the capital expenditures necessary to implement capital projects that support repairs of existing assets and the acquisition of new assets

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# FINANCING THE CAPITAL PLAN

A blue-tinted photograph of a city park at night. In the foreground, an ice skating rink is filled with people, their figures blurred from motion. The rink is enclosed by a dark wooden fence. In the background, several tall city buildings are visible, some with lights on. The sky is dark, and there are strings of small white lights hanging across the scene. The overall atmosphere is festive and urban.

# THE 3 KEY PIECES OF BOSTON CAPITAL FUNDING

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## CAPITAL PLAN

### INTENTION

The City's Capital Plan is a **planned** list of capital projects for the next five years. As a plan, it is subject to change.

## LOAN ORDERS

### AUTHORIZATION

City Council votes on and approves loan orders which provide the **authorization** to expend and finance a capital project or list of capital projects.

## G.O. DEBT

### FINANCING

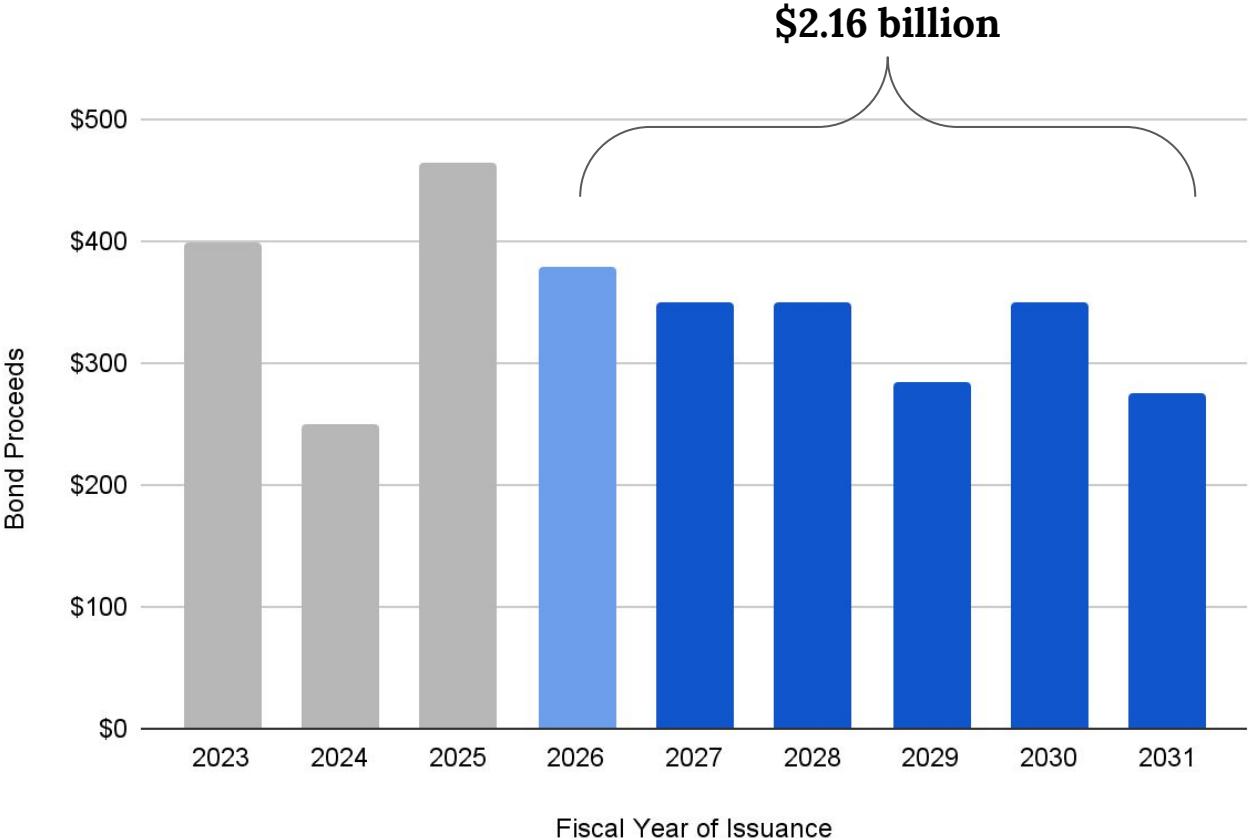
Once a project has been authorized through a loan order, the City can expend funds and issue debt (municipal bonds) to **finance** the project.

# FINANCING THE CAPITAL PLAN

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- Capital projects are funded primarily via General Obligation (G.O.) bonds that the City sells
  - G.O. bonds represent **direct general obligation debt for the City**, and are backed by the full faith and credit of the City of Boston
  - The timing of the issue depends, in part, on market conditions and internal cash needs
- The City repays the bond principal and interest as part of approved schedules, which are summarized as the **debt service** in the fixed costs component of the **annual Operating Budget**, in accordance with the City's debt management policies
- The City is authorized to issue debt against certain projects based on the Loan and Appropriation Orders that City Council authorizes and the Mayor approves
- By financing capital assets over time, more work is able to be done each year than if the City paid for projects with cash, much like a mortgage helps finance the purchase of a home

# PAST AND PROJECTED BOND ISSUANCES



- With economic uncertainty, the projected amount of total bond revenue has decreased
- Year over year issuances will be consistent but modest

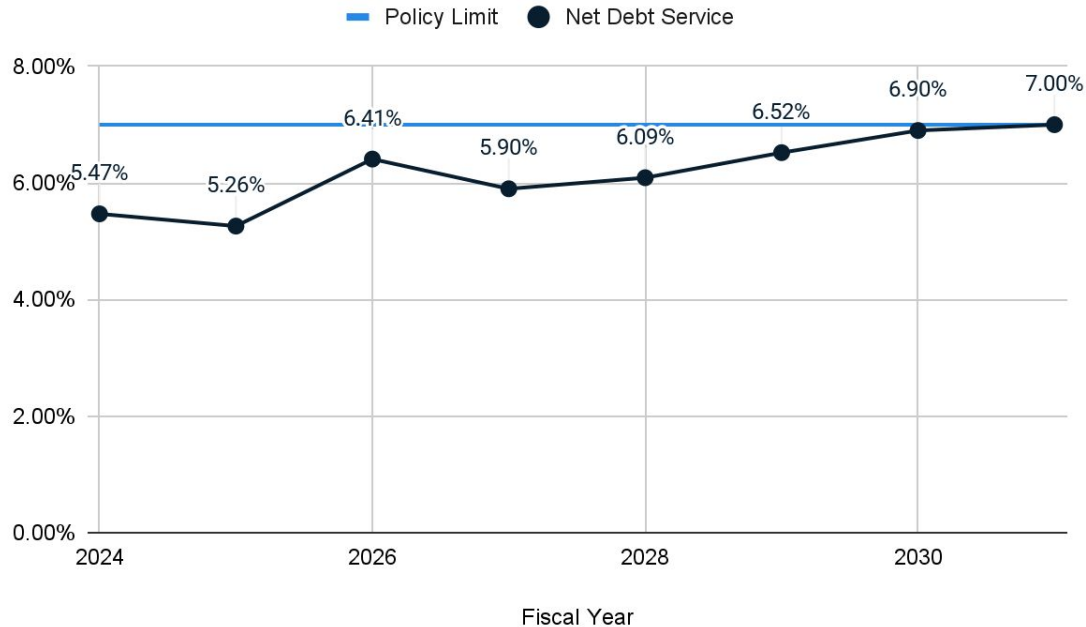


# DEBT MANAGEMENT POLICY

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- Key components of the City's policy include:
  - Annual debt service shall not exceed 7% of Operating Budget expenditures
  - Rapid repayment of principal
    - At least 30% of principal repaid within 5 years
    - At least 55% of principal repaid within 10 years
  - Variable rate debt is limited to 20% of outstanding principal
- The policy enforces fiscal responsibility, limits our debt exposure, allows us to recapture borrowing capacity quickly, and is a factor considered in the City's overall credit rating
- Adherence to these policies has been a major factor in earning and maintaining our AAA bond rating

# OPERATING BUDGET DEBT SERVICE WITHIN 7%



Approaching the 7% policy limit creates consequences and trade-offs for the Plan's capacity:

- The City's flexibility to accommodate projects on the margin is reduced
- Bond issuances become more sensitive to the annual growth rate of the Operating Budget

# PROJECT PLANNING

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- Completion of the Facility Condition Assessment (FCA) for BPS and the City provides data backed information for all facilities
  - Allows for apples to apples comparison across facility types and user departments
  - Supports long-term planning efforts for state of good repair investments
- As projected revenue constricts, City's focus of capital investments increasingly turns to targeted SOGR projects
- City continues to advance several large keystone projects currently in the pipeline

# MAJOR ACCOMPLISHMENTS - BPS

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## PJ Kennedy School



## Carter School



# MAJOR INITIATIVES - FACILITIES

## Fields Corner Library



## Grove Hall Community Center



# MAJOR ACCOMPLISHMENTS - PARKS

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## Clifford Playground



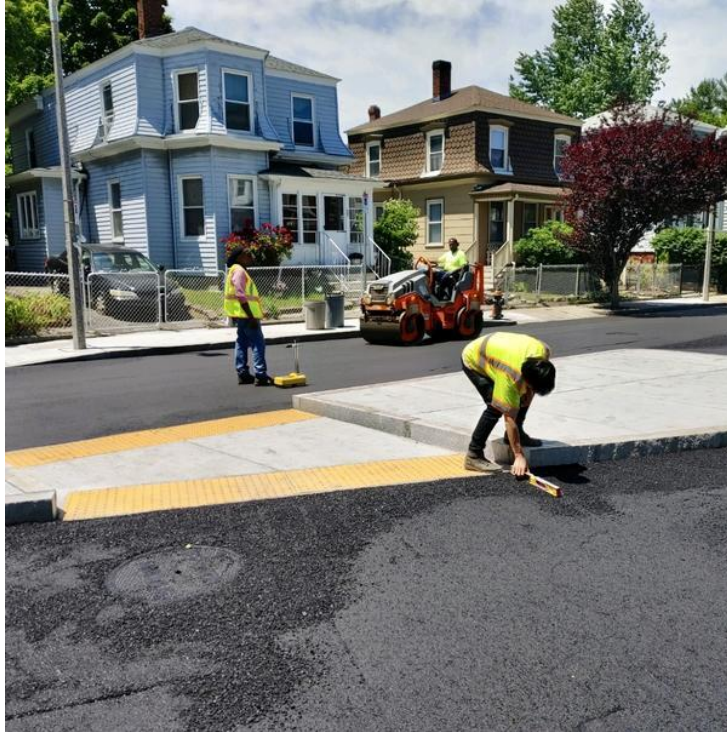
## Codman Square Park



# MAJOR ACCOMPLISHMENTS - STREETS

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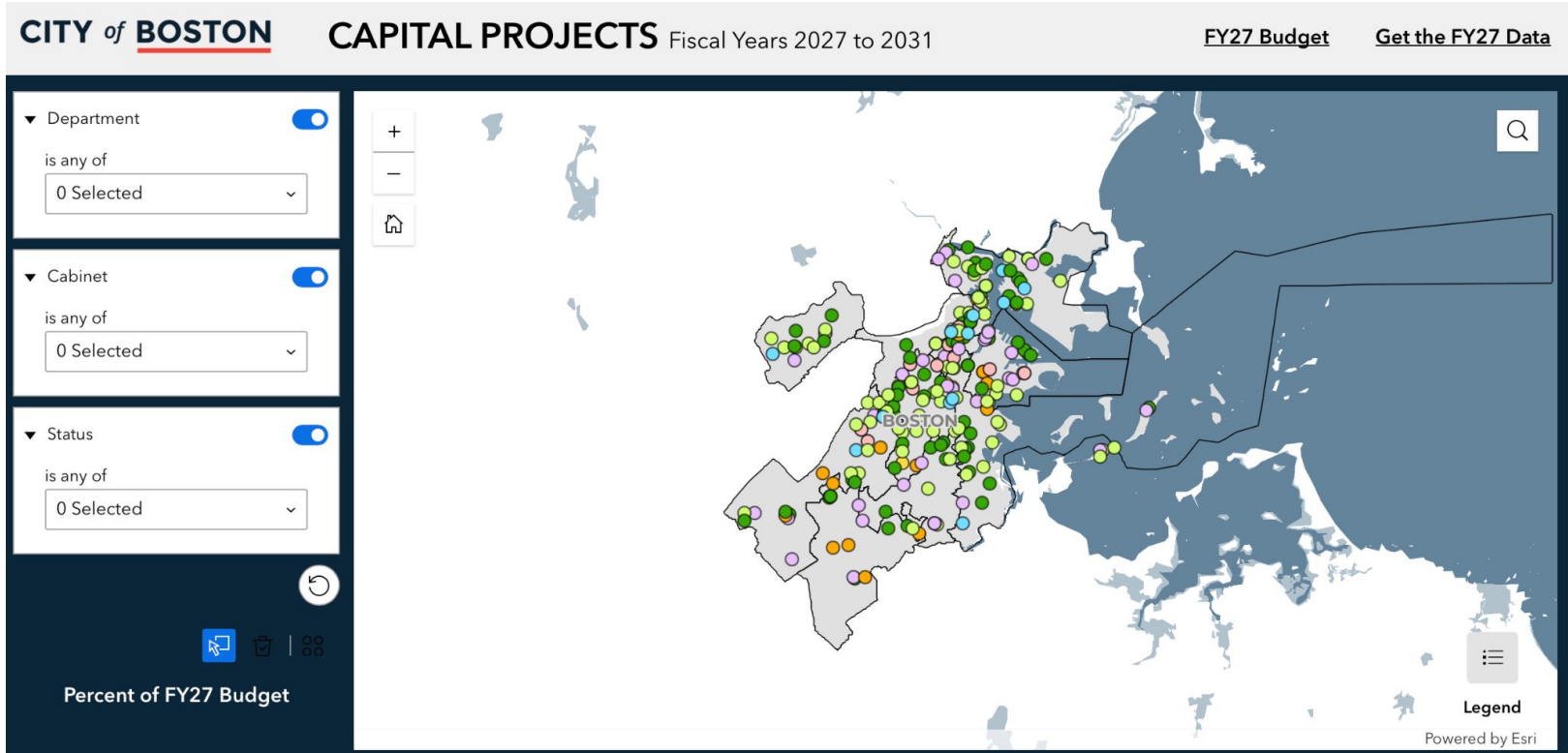
## Roadway Resurfacing and Ramp Construction



## Pleasant Street Neighborhood Safety



# CAPITAL PROJECTS DASHBOARD



# PROJECT TRACKER - PLANNING ADVISORY COUNCIL

HOME › DEPARTMENTS › BOSTON-DIGITAL-SERVICE › CITYWIDE PROJECT TRACKER

## CITY OF BOSTON PROJECT TRACKER

### SEARCH PROJECTS

### VIEW

LIST

MAP

### FILTERS

Phase >

Neighborhood >

Type of Project >

218 Projects

### MATTAHUNT COMMUNITY CENTER RENOVATION

Completed Mattapan Community Centers and Pools

We renovated the BCYF Mattahunt Community Center. Features include a pool, community room with accessible stage, a teen...



### PETERS PARK LITTLE LEAGUE FIELD AND RAMSAY PARK BASEBALL FIELD IMPROVEMENTS

Completed Multiple Neighborhoods

Parks and Green Space

We updated Ramsay Park in Roxbury and Peters Park in the South End. Sign up for project updates!



### PLEASANT STREET TRAFFIC-CALMING PROJECT



# CONCLUSION

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- The FY27-31 Recommended Capital Plan plans to invest \$4.4 billion in every neighborhood in our schools, parks, streets, civic buildings, and long-term planning
- This Capital Plan's investments build upon several years of successful investments - over \$1.4 billion invested since 2022
- While the amount of capital investment possible is a function of the Operating Budget, we continue to leverage our AAA credit rating to maximize our total bond revenue
- With a focus on targeted state of good repair projects along with our signature projects, this Capital Plan delivers a strong vision and roadmap to ensure that every constituent has the resources they need to thrive in Boston