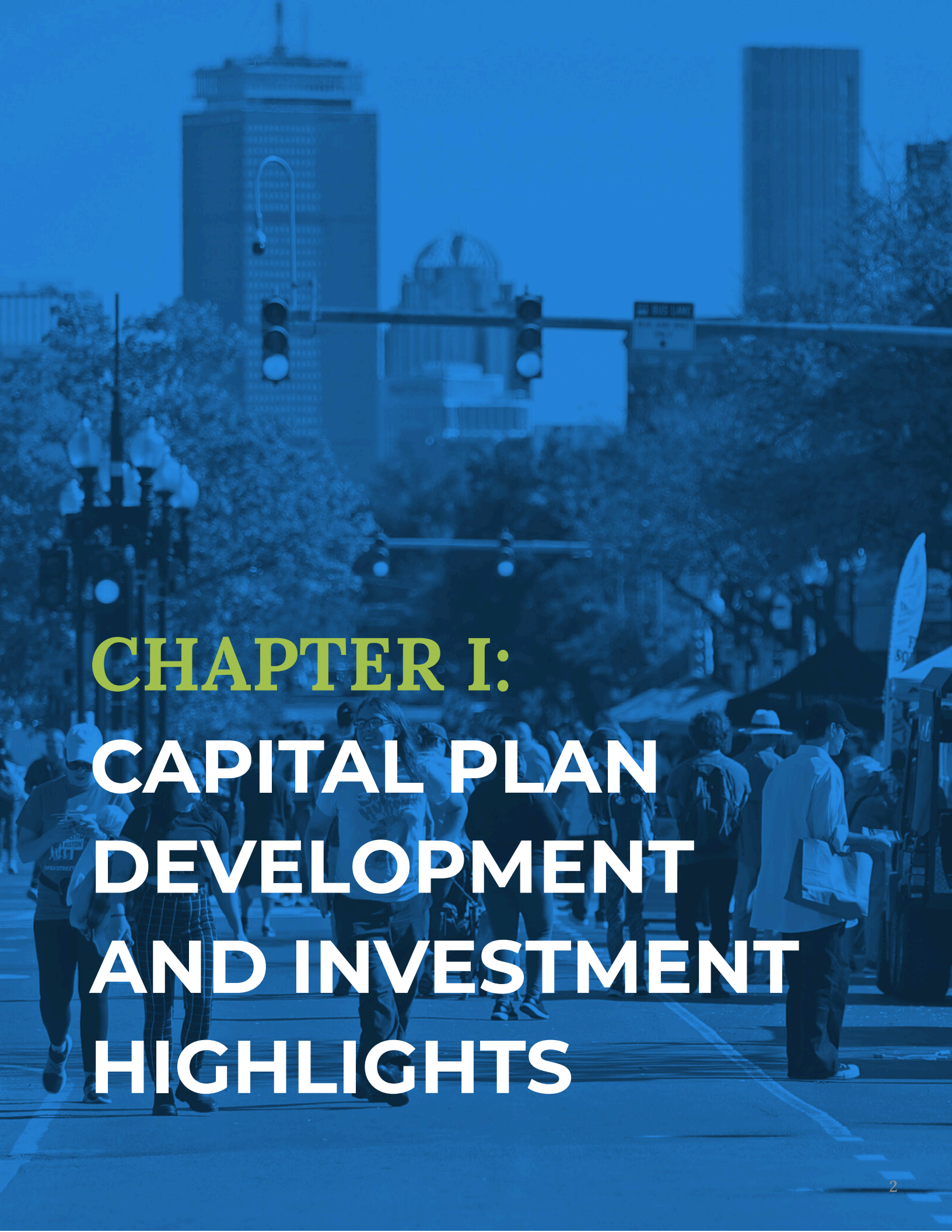




CHAPTER I: CAPITAL PLAN DEVELOPMENT AND INVESTMENT HIGHLIGHTS

PLAN DEVELOPMENT

The Capital Plan is annually revisited and restructured based on project completion, changing information about our assets, project readiness and priority, and any adjustments to the financial outlook. This revisiting is the core function for the annual development of the new Capital Plan for the City.

This process is multifaceted, and evaluation and decisions are subject to many considerations. This section will walk through the processes, limitations, and considerations made in developing the Capital Plan.

General Process

Every year, departments have an opportunity to submit requests to the Office of Budget Management (OBM) for projects within the five-year Capital Plan. These requests may be for new projects, enhanced scope or supplementary funds of existing projects, or identification of projects that are complete or no longer a priority to the City. All requests include cost estimates, scope descriptions, and an explanation of how the request aligns with City priorities or long-term planning initiatives.

Once all submissions are received by OBM, they are evaluated together holistically. As part of the review and evaluation, OBM considers a number of factors, including location of the project and the impacted communities, alignment with other planning efforts, advancement of City priorities, and requirements for code upgrades or other legal obligations.

At the same time, OBM reviews and updates the City's projected debt service budget and planned debt issuances. This will determine how much funding is available over the next five year period, which dictates the ability of the City to consider more or fewer new funding requests.

OBM further considers projects in our "Baseline": projects actively under construction, or with some other legal obligation to advance. The cost of financing these projects is then subtracted from the total available funding, giving OBM a financing projection in which to fit project increases or new project requests.

Capital requests that are recommended for funding are placed into a multi-year spending plan along with previously authorized projects; this is the new five-year Capital Plan. Specific budgetary needs are then evaluated across all projects, and OBM determines which projects require new loan order authorization. These loan orders are submitted to City Council, and provide the legislative authority for the City to spend and borrow for certain capital improvements. Without new annual loan order authorization, many projects in the Capital Plan will still proceed, but without new funding many projects would be forced to pause. This year, the City is requesting an additional \$398 million to support 53 different projects and programs.

State of Good Repair and Facility Condition Assessment

In 2026, the City of Boston completed its multi-year Facilities Condition Assessment (FCA), which created a living database of all city-owned facility assets and their operational condition. This database ties into facility managers' work order flows and allows OBM and the Operations Cabinet with an up-to-date view on the conditions of buildings and their systems across the city.

Historically, state of good repair (SOGR) capital requests for facilities were submitted by facility managers for needs within their portfolio. This year, OBM worked closely with the Operations Cabinet to review the FCA data to prospectively find potential SOGR projects. This process was aimed to target facilities with critical system needs, prioritize health and safety, and filter out potential projects at locations that are included within an existing capital project (for example, deferring envelope repairs at a fire station that is slated for renovation).

Once a list of potential projects was determined, OBM and Operations staff met with the user departments to cross check requests they had made with projects identified by the FCA. This allowed the City to include potential projects that the FCA didn't flag as urgent, or to remove FCA projects if the department's facility manager preferred to deprioritize them.

Although this process takes a data-driven approach, it still necessarily includes a strong human subjective review. This process will be refined over time and the City intends to continue utilizing the FCA data to make facility-based investment and planning decisions for future capital plans.

In the FY27-31 Capital Plan, there is a new project entitled "Feasibility Study Services." This project provides funding for the Public Facilities Department to undertake preliminary study and design work for the potential SOGR projects identified through the new process. This initial work aims to allow the City to better identify the feasibility of new SOGR projects, define specific scopes, and generate more accurate cost estimates prior to being added to the Capital Plan as a stand-alone project. The goal of this is to facilitate projects to advance quicker and on a more regular cadence, while also ensuring that the City is addressing its most urgent facility needs.

Operating Impacts

For each project in the Capital Plan, impact on the Operating Budget is also considered to determine if the successful implementation of the capital project would require additional staff, utility, or other contract obligations. Projects may also have positive operating impacts such as reduced utility costs for replacing inefficient lighting with LEDs. This evaluation within OBM across the Capital and Operating teams is critical to successful strategic investment plans. Based on available capacity within the Operating Budget, certain projects may be delayed or value engineered in order to ensure the City can support any operational impacts.

Financial Restrictions

Fundamentally, the City of Boston has a limit to how much capital spending it can undertake across a five-year period. Because capital expenditures are primarily funded by G.O. debt, part of this limitation is dictated by the size of the City's debt service budget within the Operating Budget. The City also maintains an internal debt policy which adds additional controls on the amount of debt issuance.

Capital eligibility is governed by Massachusetts General Law, in Chapter 44 Section 7. With rare exception, the City may not finance with debt any project not eligible under that statute; in addition, any potential private uses of the investment could impact our tax-exempt financing strategy, which the City relies upon to earn the most advantageous interest rates. Not all expenditures related to the City's assets are eligible to be financed per MGL and IRS rules and therefore cannot be included in the Capital Plan.

Other Considerations

Climate Impact & Climate Budgeting

In FY27, the City of Boston is piloted the integration of climate budgeting into our Operating Budget and Capital Plan. Climate budgeting includes a set of strategies and tools designed to “mainstream” climate priorities into existing budgetary decision-making processes.

Climate budgeting will also help OBM to better understand and track the climate impacts of the Capital Plan and enable the City of Boston to communicate to residents how City departments are advancing climate action every year.

For the FY27 Climate Budgeting Pilot, OBM and the Environment Department collaborated on developing new strategies and questions to integrate climate priorities into the existing budgetary cycle. Moving forward, this will help us understand the best ways in which climate budgeting can help the City of Boston achieve our climate goals.

Citywide Collaboration

Projects are generally submitted for inclusion in the Capital Plan by individual departments based upon their specific departmental capital needs. However, there are often synergies to be found for projects or sets of projects across multiple departments. OBM's capital planning team uses its unique city-wide view to find areas where multiple departments can be pulled in to collaborate on delivering projects that provide more comprehensive upgrades to specific areas or neighborhoods. For example, if the Parks Department has a project to renovate a park, OBM may coordinate with the Public Works Department to see if there's alignment to also improve the sidewalks, ramps, and pedestrian crossings around the park.

Equity and Need Consideration

Across the entire City of Boston there are significant capital needs. Unfortunately, the City does not have enough financing or operational capacity to undertake every single potential project over the five year period covered by the FY27-31 Capital Plan. With that in mind, when analyzing projects for inclusion in the Capital Plan or when approving projects to begin design or construction work, OBM also evaluates each project using an equity lens. This is to ensure that all neighborhoods and districts around the city, especially those that have historically been underinvested in, receive the capital improvements that their residents deserve.

MAJOR INVESTMENT AREAS

The City of Boston is responsible for maintaining a large inventory of capital assets, including roads, bridges, schools, parks, libraries, public safety equipment, and more. The City's capital investments enhance our neighborhoods, improve mobility, support the academic agenda of our schools and reinforce public safety with quality emergency response tools.

With City planning efforts guiding many of the investments in this plan, projects in the FY27-31 Capital Plan are grouped within the investment initiatives below.

Education

The City is committed to modernizing Boston's Public Schools' infrastructure. With City bond funds and a strong working relationship with the Massachusetts School Building Authority (MSBA), the BPS capital portfolio includes 40 projects and programs with a total budget over \$1.2 billion.

Implementation of the Long-Term Facilities Improvements Plan for Boston Public Schools will result in new school buildings and major transformations, reconfigurations to predominantly align schools with preK-6 and grade 7-12 pathways, and increased investments district-wide for all school buildings and communities. Funds have been appropriated to facilitate the implementation of the plan, and include improvements to the Frederick School, Brighton High School, South Boston Educational Complex, and others across the district.

These projects build off of success already seen across the city in the past few years. The recently completed Sarah Roberts School, the relocation of the Horace Mann to a fully renovated facility, and the completion of the expansion of the PJ Kennedy all stand as shining examples of projects undertaken by the City. As regular state of good repair work and additional planning is undertaken, additional school renovation projects will be identified and progress.

The new Shaw-Taylor School, new Ruth Batson Academy, and the new Madison Park Technical Vocational High School have all been accepted into the MSBA core program. This program is integral to the City's success in increasing the number of state-of-the-art facilities available for BPS students. Since 2022, the City has completed three major school projects through this

program: the Boston Arts Academy, the Josiah Quincy Upper School, and the Carter School. The City is proud of this partnership, and will continue leveraging this opportunity to deliver on additional major construction projects.

The City is also continuing district-wide state of good repair investments in bathroom upgrades and renovations, radiator covers, new water fountains and associated plumbing, elevator upgrades, school yards, life safety and security improvements, and technology infrastructure, as well as leveraging the MSBA Accelerated Repair Program to fund roof, window, and HVAC repairs.

The MSBA's ARP program now accepts applications for heat pump construction, allowing the City to participate in HVAC improvements while staying in compliance with the Fossil Fuel Free Executive Order. In the 2025 ARP, Boston was accepted for two heat pump projects at the Margarita Muñoz Academy and the Orchard Gardens K-8, which are about to begin design. The ARP will also, in some cases, help share the cost of code compliance upgrades triggered as a result of other ARP work. The City is utilizing this opportunity to make additional investment at the Adams School as part of the 2024 ARP round.

Open Space

Boston is committed to strengthening our existing park system and investing in new open spaces. Through the use of City capital dollars and leveraging external funds, the City continues to expand and upgrade the number of high quality passive and active recreational facilities throughout Boston. Parks, playground, and courts are essential recreational infrastructure that promote the health and well-being of Bostonians. The FY27-31 Capital Plan continues funding those assets, with \$233 million planned investment across 85 projects over the next five years.

The majority of these projects focus on renovating and upgrading specific playgrounds and parks across the City. Some of these are actively in construction, such as Ryan Playground, Ringer Playground, Ronan Park, Billings Field, and Ceylon Park. The plan also includes the implementation of the Franklin Park and Boston Common Master Plans, as the City oversees the upkeep and upgrade of these historic parks in the Emerald Necklace. In addition, the Parks Department is focused on important state of good repair investments such as repairs to retaining walls, improvements to pathways, upgrades to field lights, artificial turf replacement, and other general parks improvements.

In the FY27-31 Capital Plan, the Parks and Recreation Department continues to take important steps to increase Boston's climate readiness, through innovative resiliency projects at Ryan Playground, Moakley Park, and in Fort Point Channel. The project at the Mary Ellen Welch Greenway is expected to make significant progress in FY27 and will implement Green Stormwater Infrastructure (GSI) to decrease rainwater runoff during storm events and complement open spaces by expanding biodiversity, beautification, and ornamental value. At the Condor Street Urban Wild, another project will address the potentially damaging effects of sea

level rise and storm volatility. The planned work will improve visitor experience and safety and enhance the quality of water and aquatic wildlife habitat in the immediate area of Chelsea Creek.

One hundred percent of Bostonians live within a ten-minute walk of a park, but those spaces are only truly equitable if they serve the diverse needs of all our residents. The City recognizes the need for inclusive design across Boston and will continue to address equity in all neighborhoods. In furtherance of that goal, the City is continuing the expansion of its tree canopy, with \$5.6 million planned expenditures over the next five years, building on \$4.4 million already invested through FY25.

The FY27-31 Capital Plan also includes planning funds for land management investments in the 29 urban wilds across the City. The urban wilds protect land with natural wetland resources or steep and rocky areas as a natural resource in the City, helping promote biodiversity and offering respite for residents. Future capital investments include planting new trees and other vegetation, installing boardwalks and paths, removing debris, adding and improving signage, and completing surveys to improve land management best practices.

Transportation

More than other major investment areas, The City's capital expenditures on transportation projects rely on investment from City, State, and Federal resources. The foremost focus of these capital investments is ensuring that the bridges, roads, sidewalks, and curb ramps across the city remain fully functional and in a state of good repair. In addition, the City is making targeted investment in high-risk areas and intersections to slow our streets, enhance transportation by walking, biking, or transit, and reduce vehicular conflict as we continue to reach for our Vision Zero goals.

With a focus on continued investment on state of good repair for all transportation assets, the Streets Cabinet seeks to leverage asset improvement work, such as resurfacing or pedestrian ramp reconstruction, to deliver incremental but important safety and reliability improvements to communities across the city. In other words, the City aims to deliver safety improvements alongside state of good repair work and vice versa, ensuring that capital dollars allocated towards transportation infrastructure provide the maximum return on investment for the city's residents.

The FY27-31 Capital Plan continues to make significant investments to ensure that the City's streets and sidewalks are accessible, reliable, and safe for all. The Capital Plan includes hundreds of millions of dollars allocated to the reconstruction of sidewalks and ramps and roadway reconstruction. This significant allocation of capital integrates funds for ADA Ramp improvements and compliance into the sidewalk and roadway reconstruction annual programs, ensuring that all major projects on roadways provide compliant ramps as part of the investment.

Over the last decade, the City has deployed significant quick build safety interventions as part of its Vision Zero initiative. These have helped the City to develop a traffic safety record that is among the best in the nation. Focus has now shifted towards taking these quick build interventions and putting them into a more permanent condition using all available methods and tools, from full reconstructions to cast in place concrete. Not only will this reduce operational costs associated with maintenance, but will contribute to the beauty and character of our neighborhoods. Within this vein, the multi-year transformation of Cummins Highway in Mattapan is expected to complete in summer 2026.

Further building on this goal, the City is actively undertaking several neighborhood-based safety projects across the city. These include Congress and Sleeper Streets in Fort Point Channel, Jones Avenue in Mattapan, Wood Avenue in Hyde Park, Lower Roxbury in Roxbury, Pleasant Street in Dorchester, and Lost Village Streets in Charlestown. This work represents context-specific improvements to enhance the street and roadway and provide critical safety infrastructure for all users.

Collaboration with State, MBTA, and Federal partners continues where possible. The Massachusetts Chapter 90 program, which delivers around \$17.5 million annually to the City, forms the backbone of our resurfacing and roadway reconstruction program, and helps support other projects like Cummins Highway, Congress Street, and Jones Avenue. Our Safe and Reliable Streets program, which delivers public realm improvements, is funded by Boston's portion of Transportation Network Companies (TNC) funding, collected and distributed by the State. Over the past four years, the City of Boston has successfully won multiple federal grants to advance key street safety initiatives. This includes the Blue Hill Avenue grant to reconstruct the street from Mattapan Square to Grove Hall and the Safe Streets for All (SS4A) grants, which help reconstruct intersections across the City to improve safety and reliability for all users. An early project under the SS4A grants include a full redesign and reconstruction of Andrew Square in South Boston.

The City plans to keep making key investments in its bridges and is allocating over \$50 million in the FY27-31 Capital Plan towards the City's bridge maintenance program. Demolition of the Northern Avenue Bridge is expected to move forward in FY27. Additional capital is also being deployed to neighborhood bridges such as Cambridge Street Bridge, McArdle Bridge, Austin Street Bridge, and the bridges on the Fort Point Channel.

By investing in asset management programs for our bridges, street lights, ramps, and pavement markings, among other assets, Boston will continue targeting a state of good repair that ensures the safe and reliable movement of people across the City.

Civic Buildings & Central Facilities

Boston proudly maintains a large network of libraries and community centers, which play a vital role in fostering community engagement and provide essential resources to our residents. These

civic buildings facilitate community participation and offer a wide range of education, recreational, and social services that enhance the quality of life for our community members. The FY27-31 Capital Plan continues Boston's commitment to providing state of the art facilities to every neighborhood.

The new Grove Hall Community Center broke ground in FY26 and construction is expected to progress throughout FY27. When completed, this new center will be the first stand-alone facility in Dorchester, the largest neighborhood in the City, and builds on the existing shared BCYF-BPS Centers in Dorchester. The City also broke ground on the new North End Community Center in FY26 and anticipates major construction work to begin this summer, leveraging State funds. Investment in state of good repair projects at community centers continues across the city, including work at the Hyde Park, Curley, and Orchard Gardens Community Centers. Finally, improvements and repairs to the Tobin Community Center will continue to progress, delivering accessibility and HVAC improvements to allow the center to function as a cooling center during hot summer months.

Construction on the Fields Corner Branch Library has progressed significantly in FY26, with the brand-new home for the library expected to be complete by fall 2026. The new home of the Chinatown Branch broke ground in spring 2025 and construction is ongoing; this project is part of the City's Housing with Public Assets initiative, which leverages public projects to forward the construction of new housing. This strategy is also being contemplated for the new West End and Uphams Corner branches, with design and feasibility studies underway. Design is concluding on the Egleston and South End Branches.

The City is also committed to making investments in existing library facilities to ensure that buildings remain in good condition for constituents. Projects in the FY27-31 plan include a new roof on the Brighton Library and both HVAC repairs and roof repairs at the Central Library.

In addition, the City has multiple projects in the FY27-31 Capital Plan to repair and modernize City Hall, which will improve the building and plaza for the workers and constituents that use this crucial municipal space. These projects include repairs and upgrades to the nearly 60 year old HVAC system, design and construction of a new four stop elevator to replace the broken escalators between the second and third floors, and Phase 2 of major repairs to the south side of City Hall Plaza, and waterproofing and programmatic improvements to the interior courtyard. Construction completed this year on the renovated 26 Court Street building, providing a high quality office space for Boston's staff and employees.

State of good repair projects are also planned and underway at a myriad of other facilities across the city. This includes upgrades to the Veronica Smith Center, window replacements at 1010 Massachusetts Avenue, roof repairs at 201 Rivermoor Street, HVAC improvements to the City's Animal Shelter, and repairs to the marquee and loading dock at the Strand Theatre.

Climate and Coastal Resilience

The FY27-31 Capital Plan includes investments to support a healthy environment, reduce energy consumption and greenhouse gas emissions, and prepare for climate change. These long-term planning efforts and early action items are essential for protecting the safety and vitality of existing residents, businesses, and institutions, and for ensuring the implementation of continued growth and development. In FY27, the City will continue its capital commitment to the Army Corp of Engineers lead Climate Ready Boston Harbor Study, an in-depth study of the feasibility of measures along and within Boston Harbor to reduce the vulnerability of Boston to coastal flooding and sea-level rise.

The City is also maintaining a \$75 million Coastal Resilience Reserve project in the Capital Plan. The City will use this budget to provide the local match for state, federal, or other grants that it may be awarded over the next few years, and to execute on interim solutions for near-term flood pathways. The City is proud to have won grant awards for the Carlton Wharf and Lewis Street Mall project in East Boston, design funds for Moakley Park in South Boston, and received federal funds for Christopher Columbus Park on the border of Long Wharf and the North End. The City is continuing to pursue other State and Federal grant opportunities for other projects where feasible.

In FY27-31, the Climate Resilience Reserve, a separate project from the Coastal Resilience Reserve, will support adding climate resilience features to existing projects. For example, a play lot renovation project could become more resilient through the addition of a storm water retention system. If the project budget cannot accommodate the additional scope, the Resilience Reserve can be used to fund the improvements without sacrificing the project's original goals. This reserve has been successfully deployed to support additional project scope at Copley Square, Codman Square, and Ryan Playground.

In FY27, the City will complete a targeted initiative to improve the energy efficiency of municipally-owned exterior lights. The first locations identified as part of this initiative were an upgrade of the track and field lighting at English High School and the conversion of gas streetlamps to LED lights in Bay Village.

Work on the HVAC improvements at the Otis Elementary, and the geothermal project at the JFK Elementary, are both underway and managed in collaboration between Boston Public Schools, Environment, and Public Facilities Department. These projects are under construction with the City's ESCO contract with Honeywell, a unique resource that allows the City to move quickly on energy improvement projects.

Public Health & Safety

The FY27-31 Capital Plan includes key improvements, repairs, and renovations of public health and safety buildings and infrastructure across the Fire, Police, EMS, and Public Health Commission departments

The FY27-31 Capital Plan invests in multiple fire stations in neighborhoods across Boston. These capital investments will improve fire protection and emergency services that are vital to neighborhood safety. Projects in the plan include exterior repairs at Engine 9, installation of fire detection and alarm system upgrades at seven fire stations across the City, and structural repairs at Engine 21. The new Engine 17 facility is complete and Phase 2 of the project is underway to build a new fueling station, additional parking, and landscape improvements. The Plan also encompasses projects for study of potential rebuilds of additional fire stations including Engine 3, Engine 8, and Engine 18.

The Capital Plan continues the City's investment in the Fire Department's annual apparatus replacement program, which provides replacement engines, ladders, and towers on a regular basis, with 15 vehicles received or expected between FY25 and FY28.

The FY27-31 plan focuses on state of good repair investments for the Police Department. These include repairs to roofs and envelopes at stations C-6, C-11, E-13, and E-18, elevator repairs to stations D-4 and A-1, and replacement of the current E-911 battery backup system.

The Capital Plan includes continuing work on the \$123 million investment of radio and communication infrastructure improvements for the EMS, Fire, and Police radio systems. This investment improves the reliability and service of the radio systems for our first responders.

Construction of a new EMS Station in the Seaport is underway and is expected to be completed by summer 2026, and the recently completed EMS training facility at 201 Rivermoor Street has proved successful. The City is also planning repairs to the Northampton Square garage.

Technology, Arts, and Culture

The City is dedicated to delivering exceptional City services by leveraging investments in technology. In FY27, the City will advance two major public facing projects: the revitalization of Boston 311, and the beginning of a transformation of the permit & licensing systems.

The 311 project, already substantially underway, will continue to modernize BOS:311 by moving from a legacy system to a cloud-based service that will improve security, reliability, and enhance the experience for the public and the call center employees. Development and integration with a new asset and order management system in Streets, Parks, and other cabinets will further improve the constituent and municipal employee experience by streamlining asset management, 311 cases, and other work orders. This is similar to the work order and asset management systems developed for facility managers, integrating Facility Condition Assessment (FCA) data and a dedicated software for work orders.

The permit and license project will improve internal management of these systems and streamline constituent application processes. The ultimate goal is to develop a system that enhances the user experience, decreases administrative burden internally and externally, and improves internal management.

The City is also devoting resources to our Cyber Security needs, ensuring that the City is ready and protected against attacks, as well as investing in our core technology infrastructure, data analytics, and broadband and digital equity.

The Mayor's Office of Arts and Culture Percent for Art Program is an important initiative, bringing permanent, public art to improve municipal spaces for constituents across the City. New public artwork advanced as a result of this initiative includes sculptures at City Hall, Boston Arts Academy, and the new Ruggles Corridor; murals at the Vine Street BCYF Center, Malcolm X Park, and the Carter School; and projections, pavers, and sculptures in Copley Square.

This year's Plan will allow projects such as the Chinatown Worker Statutes Project, a memorial for Cocoanut Grove in Statler Park, and the Legacy of Frederick Douglass project in Roxbury to progress towards completion. In addition, the FY27-31 Capital Plan includes a new project to design and build a memorial to Crispus Attucks, the first person killed in the Boston Massacre.

Housing

The City is committed to the expansion of housing options and leverages the Capital Plan to support the Boston Housing Authority in major redevelopment and renovation projects. These investments include three major housing projects that are underway: BHA Charlestown, Mildred C. Hailey Redevelopment, and the Mary Ellen McCormack Redevelopment.

BHA Charlestown is progressing, with the first new building containing 102 income-restricted units completed and construction on the second building expected to start in 2026. The first two buildings of the public-private redevelopment of the Mildred C. Hailey development were completed in FY26 and demolition work on the next two buildings is expected to occur this year.

The first new building in the redevelopment of Mary Ellen McCormack in South Boston is under construction. When completed, Phase 1 of the project will comprise 1,365 units of new mixed-income housing (572 of which are affordable replacement units), 69,000 square feet of community and retail space, 2.3 acres of open space, and approximately 520 parking spaces.

Economy

As a \$4.4 billion investment in the City's assets, the Capital Plan supports economic growth in Boston by creating construction jobs and investing in infrastructure that unlocks economic activity. From the establishment of a contract for construction to the completion of a project, the City is ensuring that the location and partnerships on work is advancing our commitment to equity and supporting all Bostonians. From investing in all neighborhoods to following MWBE procedures, the Capital Plan works to ensure that the economy of all our neighborhoods is supported.

