

## **The Recommended FY2027-2032 Capital Program and FY2027 Capital Budget**

Bill Nos 260200 and 260201

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Good morning, Council President Johnson and members of City Council. I am Octavia Howell, Executive Director of the Philadelphia City Planning Commission. Along with my colleagues, I am here to present, for your review and consideration, the Recommended Capital Program for Fiscal Years 2027 to 2032 and the Capital Budget for the 2027 Fiscal Year. These proposals were approved by the Planning Commission on March 10, 2026. As both the Program and Budget are key instruments of planned physical development by City agencies and institutional partners, the Philadelphia Home Rule Charter directs that their initial preparation and submission to the Mayor be a function of the Philadelphia City Planning Commission. The Planning Commission taking action on the Budget and Program are required under the Charter before Council's consideration.

The Recommended FY27-32 Capital Program and FY27 Capital Budget represent the Administration's continued commitment to making the City of Philadelphia the safest, cleanest, greenest big city in the nation, with access to economic opportunity for all. The Recommended Program is a six-year plan for investing in neighborhood and community facilities like parks, libraries, and recreation centers; specialized vehicles including fire and sanitation trucks; repairs to city streets and sidewalks; maintenance of City-owned buildings; and technological infrastructure. The Recommended Budget reflects the spending appropriations for the first year of the six-year Program.

The Recommended investments in this Budget and Program take steps to address the City's capital needs and long-term goals while also reflecting the City's financial resources and spending capacity. The City balances making new infrastructure investments with the City's ability to pay back the money that the City borrows to fund those investments while still having the capacity to make necessary operating investments. The Recommended Capital Program reflects funding choices that are both responsive to current needs and proactive investments for the future of the City.

This six-year Capital Program recommends just over \$1.5 billion in new, City, tax-supported, general obligation bond funding to support public improvements throughout the City.. This Recommended Program is the City's largest capital program ever. When possible, City funds are used to leverage additional

resources provided by regional, state, federal, and private partners. Considering all sources of funding, including self-sustaining Aviation and Water funds, and carryforward appropriations from previous years, the Recommended Capital Program proposes \$22.1 billion in total improvements. In FY27, the Recommended Capital Budget calls for nearly \$281.2 million of new, general obligation bond funding.

The FY27-32 recommended Capital Program and Budget include:

- **\$131.4M in FY27 and \$837.4M over the full program for Clean and Green:** This funding area prioritizes street paving, ADA-ramps; electric vehicle charging stations; investment into a Guaranteed Energy Savings Act initiative that will support projects at Health facilities, Homeless Services facilities and the Quadplex; sanitation facilities and equipment; and improvements to city parks, trails, pools and playgrounds. These investments will improve the quality of life in Philadelphia and make all neighborhoods cleaner, greener, and more vibrant.
- **\$79.3M in FY26 and \$301.4M over the full program for Public Safety.** These investments include continuing to renovate the burn building at the Fire Academy; security and building improvements at the city's prison facilities; building improvements at Police and Fire facilities; vehicles such as Fire Engines and Medic Units; fully funding the construction of two new health centers; and Vision Zero infrastructure to improve traffic safety on city streets. These recommended investments will increase the safety of Philadelphia's neighborhoods, residents, and uniformed public servants.
- **\$30.4M in FY26 and \$142.7M over the full program for Core Support:** Recommended capital investments for core support include information technology upgrades to optimize and streamline the city's financial and procurement systems; upgrading the database for the City's preliminary arraignment system; building and life safety improvements to City facilities; improvements to City-owned vehicle fuel sites; and funding to construct a factory to produce modular housing to accelerate the production of homes and create family-sustaining jobs.
- **\$40.1M in FY26 and \$230.7M over the full program for Economic Opportunity:** To expand access to economic opportunity for all, the Planning Commission recommends capital investments in neighborhood commercial corridors throughout the city; critical repairs and maintenance of local public transit infrastructure (unlocking state and federal matching funds); and investments in cultural institutions, such as the African American Museum, Philadelphia Museum of Art, Dell Music Center, the Mann Music Center, and the Please Touch Museum.

We are pleased to propose these investments, but I must emphasize that, while this is the largest capital program in the City's history, the proposed investments cannot fully meet the documented need for

capital investments in City facilities. This recommendation seeks to balance the fiscal constraints of the City's relatively weak tax base with its immense infrastructure needs.

Increasing City borrowing means increasing debt service and fixed costs, reducing the City's budgetary flexibility. Overall, given our financial constraints, the Recommended Capital Program and Budget invests in the City's infrastructure to the greatest extent possible.

Thank you for the opportunity to testify. We would be happy to answer any questions that you may have.