



Agenda Item:

035

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 5/3/04

Communication

No.: 04-203

Agenda Item Type: Resolution

Roll Call

No.:

Submitted by: Merrill Stanley, Finance Director

SUBJECT—

Setting the date of public hearings regarding the issuance of General Obligation Bonds.

SYNOPSIS—

Setting the date of five separate public hearings to be held on May 17, 2004, regarding the issuance of General Obligation Bonds to finance the FY 2004-05 Capital Improvement Program.

FISCAL IMPACT—

The funding amounts for various capital projects are consistent with the FY 2004-05 CIP, adopted by City Council on March 1, 2004. Annual debt service on this year's General Obligation Bond issue will be paid, as usual, from (1) the property tax debt service levy approved by City Council and certified to the State, and (2) tax increment funds, as available.

RECOMMENDATION—

Approval

BACKGROUND—

CIP improvements to be financed include projects in the following categories:

Bridge and Viaduct	\$2,516,000
Fire Protection Improvements	391,000
Library Improvements	5,823,000

Municipal Improvements	2,264,000
Parks Improvements	4,194,000
Sidewalk Improvements	320,000
Street Improvements	5,455,000
Traffic Control Improvements	310,000
Neighborhood and Economic Development Improvements	-
<u>11,667,000</u>	
Total	\$32,940,000

Attached are two lists of the various projects to be financed by this bond issue. The first list is the “bond-sizing spreadsheet.” This document follows the same structure and sequence as the CIP document, and lists every project to be financed, as well as the associated dollar amount of the borrowing, including issuance costs. The second list is from bond counsel, and lists the same projects sorted into separate public hearings that will be conducted on May 17, 2004. Multiple public hearings are held to be conformance with State law regarding municipal bond issues.

ECP-1

**NOT TO EXCEED \$11,460,950
GENERAL OBLIGATION BONDS
(Misc. Essential Corporate Purposes)**

Bridge and Viaduct

- * City-wide Bridges
- * S.W. Ninth Street Bridge over Yeader Creek

Fire Protection Improvements

- * Equipment Acquisition

Municipal Improvements

- * Removal of Underground Storage Tanks
- * Police and Fire Radio System Improvements

Parks Improvements

- * Road, Parking Lot, Sidewalk, Drainage Improvements
- * Park Planning and Design
- * Recreation Trails
- * Park Infrastructure
- * Park Redevelopment
- * Neighborhood Park Improvements
- * Gray's Lake Park Improvements
- * Park Building Improvements
- * Waveland Observatory
- * Public Art
- * Soccer Complex

Sidewalk Improvements

- * School Routes and Priority Sidewalks
- * City-wide Sidewalk Replacement-Public Works

Street Improvements

- * Asphaltic Paving Restoration
- * City-wide Paving - City Wide
- * City-wide Paving - Designated Neighborhoods
- * Asphaltic Overlay & Curb Replacement
- * PCC Pavement Replacement
- * Concrete Paving Restoration - PW
- * Concrete Curb & Median Replacement
- * Corridor Studies and Acquisition - SW/SE Diagonals
- * E. University/FM Hubbell - median
- * Fleur Dr. Resurfacing - Entrance of Gray's Lake to Army Post
- * I-235 Parallel Street Improvements
- * Park Avenue Widening - SW 42nd Street to SW 56th Street
- * Neighborhood Infrastructure Rehabilitation Program
- * SW Ninth Street and County Line Road Intersection
- * E. 30th Resurfacing - Dean to E. University Ave.
- * E. Indianola - S.E. 14th/Cnty Line
- * Warren Cnty - Roadway Imp.
- * Douglas Ave. Widening @ 38th

Traffic Control Improvements

- * City-wide Traffic Signal Interconnect
- * City-wide Signals, Channelization
- * LED Bulb Changeout

Neighborhood and Economic Development Improvements

- * Neighborhood Finance Corporation
- * Neighborhood Development Corporation
- * SE Development Plan

ECP-2

NOT TO EXCEED \$19,316,200
GENERAL OBLIGATION BONDS
(Essential Corporate Purposes - Urban Renewal)

Bridge and Viaduct

- * SW Ninth Street Viaduct over ML King Jr. Pkwy
- * SW Eighth Street Viaduct over ML King Jr. Pkwy
- * University Ave. Bridge over Des Moines River

Library Improvements

- * Central Library

Municipal Improvements

- * Colosimo Property

Parks Improvements

- * Sec Taylor Stadium Infrastructure
- * Riverwalk

Street Improvements

- * Downtown Area Street Restoration
- * Durable Pavement Markings
- * Martin Luther King Jr. - North/South
- * SE Connector - SW 2nd - SE 6th

Neighborhood and Economic Development Improvements

- * Western Gateway
- * SE Ag Park
- * AG Tech Park Storm Sewer
- * Court Avenue Partners Housing
- * Knapp/Hatch Housing TIF
- * Development Opportunities

GCP-3

**NOT TO EXCEED \$644,850
GENERAL OBLIGATION BONDS
(General Corporate Purposes - Library)**

Library Improvements

- * Collection Additions and Replacement

GCP-4

**NOT TO EXCEED \$736,150
GENERAL OBLIGATION BONDS
(General Corporate Purposes - Park Improv.)**

Park Improvements

- * Blank Park Zoo Improvements
- * Community Center Improvements
- * Wading Pool Improvements
- * Botanical Center Improvements
- * Swimming Pool and Aquatic Improvements

GCP-5

**NOT TO EXCEED \$781,850
GENERAL OBLIGATION BONDS
(General Corporate Purposes - Municipal Improv.)**

Municipal Improvements

- * Enhanced City-wide Information and Communication System
- * Muni Bldg. - HVAC, Elec., Plumbing
- * Municipal Building Improvements
- * Public Works Building Improvements
- * Energy Conservation
 - Parking Lot Rehabilitation

SUMMARY

<u>Hearing</u>	<u>Principal amount of projects included in hearing</u>	<u>Percent of total principal</u>	<u>Costs of issuance allocation (1.54%)</u>	<u>"Not to exceed" hearing amount</u>
ECP-1	\$11,287,000	34.79%	\$173,950	\$11,460,950
ECP-2	19,023,000	58.64	293,200	19,316,200
GCP-3	635,000	1.97	9,850	644,850
GCP-4	725,000	2.23	11,150	736,150
GCP-5	<u>770,000</u>	<u>2.37</u>	<u>11,850</u>	<u>781,850</u>
	\$32,440,000	100.0%	\$500,000	\$32,940,000

DCORNELLW40322/116187/87

CITY OF DES MOINES

ESTIMATION OF BOND PROCEEDS AND COSTS
GENERAL OBLIGATION BONDS, SERIES 2024

Total Issue = 32,940,000 Issuance Cost Allocation = 1.54%

Project Code	Project	Tax Status	Amount Required by CIP			Issue Costs		Total By Category
			GO Funded	TI Funded	Total Funding Requirement	Rounding to Nearest 1000	Total Issue Cost	
Bridge and Viaduct								
BRV003	City Wide Bridges	TE	175,000	-	175,000	-	-	175,000
BRV030	SW Ninth Street Bridge Over Yeuder Creek	TE	440,000	-	440,000	-	-	440,000
BRV034	SW Ninth Street Viaduct Over ML King, Jr. Parkway	TE	-	1,045,000	1,045,000	-	-	1,045,000
BRV035	SW Eighth Street Viaduct Over ML King, Jr. Parkway	TE	-	250,000	250,000	-	-	250,000
BRV036	University Ave Bridge over the Des Moines River	TE	-	568,000	568,000	-	-	568,000
BRV099	Unallocated (Issuance Costs)		-	-	-	(105)	38,105	38,000
	Bridge and Viaduct Total =		615,000	1,863,000	2,478,000	(105)	38,105	2,516,000

Fire Protection Improvements								
FR013	Equipment Acquisition	TE	385,000	-	385,000	-	-	385,000
FR099	Unallocated (Issuance Costs)		-	-	-	80	5,920	6,000
	Fire Protection Total =		385,000	-	385,000	80	5,920	6,000

Library Improvements								
LIB046	Collection Additions and Replacement	TE	635,000	-	635,000	-	-	635,000
LIB047	Central Library	TE	-	5,100,000	5,100,000	-	-	5,100,000
LIB099	Unallocated (Issuance Costs)		-	-	-	(189)	85,189	85,000
	Library Total =		635,000	5,100,000	5,735,000	(189)	85,189	5,823,000

Project Code	Project	Tax Status	Amount Required by CIP			Issue Costs		Total By Category
			GO Funded	TI Funded	Total Funding Requirement	Rounding to Nearest 1000	Total Issue Cost	
Municipal Improvements								
BLD063	Removal of Underground Storage Tanks	TE	10,000	-	10,000	-	-	10,000
BLD060	Enhanced City-Wide Information and Comm. Systems	TE	500,000	-	500,000	-	-	500,000
BLD074	Main Bldg. - HVAC, Elec., Plumbing	TE	30,000	-	30,000	-	-	30,000
BLD079	Police and Fire Radio System Improvements	TE	250,000	-	250,000	-	-	250,000
BLD060	Colosiano Property	T	-	1,200,000	1,200,000	-	-	1,200,000
BLD085	Municipal Building Improvements	TE	135,000	-	135,000	-	-	135,000
BLD108	Public Works Building Improvements	TE	15,000	-	15,000	-	-	15,000
BLD110	Energy Conservation	TE	70,000	-	70,000	-	-	70,000
BLD111	Parking Lot Rehabilitation	TE	20,000	-	20,000	-	-	20,000
BLD099	Unallocated (Issuance Costs)		-	-	-	(291)	34,291	34,000
	Municipal Improvements Total =		1,030,000	1,200,000	2,230,000	(291)	34,291	2,264,000

TAX STATUS: T = Taxable TE = Tax Exempt DTE = Double Tax Exempt

Parks Improvements								
PGS010	Road, Parking Lot, Stormwater, Drainage Imp	TE	155,000	-	155,000	-	-	155,000
	Total =		155,000	-	155,000	-	-	155,000

CITY OF DES MOINES

DISTRIBUTION OF BOND PROCEEDS AND COSTS
GENERAL OBLIGATION BONDS, SERIES 2004

	Total Issue =	32,940,000	Issuance Cost Allocation =	1.54%	
PKS0013 Blank Park Zoo Improvements	TE	300,000	300,000	-	300,000
PKS0033 Community Center Improvements	TE	40,000	40,000	-	40,000
PKS004 Wading Pool Improvements	TE	125,000	125,000	-	125,000
PKS040 Park Planning and Design	TE	190,000	190,000	-	190,000
PKS045 Recreation Trails	TE	620,000	620,000	-	620,000
PKS047 Park Infrastructure	TE	395,000	395,000	-	395,000
PKS100 Park Redevelopment	TE	350,000	350,000	-	350,000
PKS116 Botanical Center Improvements	TE	200,000	200,000	-	200,000
PKS132 See Taylor Stadium Infrastructure	TE	75,000	75,000	-	75,000
PKS137 Neighborhood Park Improvements	TE	65,000	65,000	-	65,000
PKS140 Gray's Lake Park Improvements	TE	130,000	130,000	-	130,000
PKS143 Park Building Improvements	TE	50,000	50,000	-	50,000
PKS147 Waveland Observatory	TE	60,000	60,000	-	60,000
PKS153 Swimming Pool and Aquatic Improvements	TE	200,000	200,000	-	200,000
PKS158 Public Art	TE	100,000	100,000	-	100,000
PKS159 Soccer Complex	TE	1,000,000	1,000,000	-	1,000,000
PKS162 Riverwalk	TE	-	-	-	-
TPC0999 Unallocated (Issuance Costs)	TE	3,055,000	1,075,000	63,308	64,000
Parks Improvement Total =			4,130,000	63,508	64,000

	Total Issue =	315,000	Issuance Cost Allocation =	4.844	
Sidewalk Improvements					
STR061 School Routes and Priority Sidewalks	TE	75,000	75,000	-	75,000
STR064 City-wide Sidewalk Replacement - Public Works	TE	240,000	240,000	-	240,000
STR085 Unallocated (Issuance Costs)				4.844	5,000
Sidewalk Total =		315,000	315,000	4.844	5,000

TAX STATUS: T = Taxable TE = Tax Exempt DTE = Double Tax Exempt

CITY OF DES MOINES

DISTRIBUTION OF BOND PROCEEDS AND COSTS
GENERAL OBLIGATION BONDS, SERIES 2004

Total Issue = 32,940,000 Issuance Cost Allocation = 1.54%

Project Code	Project	Tax Status	Amount Required by CIP			Total Funding Requirement	Net Issue Cost	Issue Costs Rounding to Nearest 1000	Total Issue Cost	Total By Category
			GO Funded	TI Funded	Total					
Street Improvements										
STR003	Asphaltic Paving Restoration	TE	650,000	-	650,000	-	-	-	-	650,000
STR013 & SP	City-wide paving - City Wide	TE	275,000	-	275,000	-	-	-	-	275,000
STR013 & SP	City-wide paving - Designated Neighborhoods	TE	235,000	-	235,000	-	-	-	-	235,000
STR020	Asphaltic Overlay & Curb Replacement	TE	50,000	-	50,000	-	-	-	-	50,000
STR045	FCC Pavement Replacement	TE	50,000	-	50,000	-	-	-	-	50,000
STR075	Downtown Area Street Restoration	TE	-	150,000	150,000	-	-	-	-	150,000
STR100	Double Pavement Markings	TE	-	10,000	10,000	-	-	-	-	10,000
STR102	Concrete Paving Restoration - FW	TE	500,000	-	500,000	-	-	-	-	500,000
STR103	Concrete Curb & Median Replacement	TE	500,000	-	500,000	-	-	-	-	500,000
STR118	Corridor Studies and Acquisition - SW/SE Districts	TE	280,000	-	280,000	-	-	-	-	280,000
STR138	Martin Luther King Jr. - North/South	TE	-	250,000	250,000	-	-	-	-	250,000
STR198	E Univ/FM Hub-Median	TE	165,000	-	165,000	-	-	-	-	165,000
STR199	Fleur Dr. Rerurfacing Entrance of Gray's Lake to Army Post	TE	42,000	-	42,000	-	-	-	-	42,000
STR201	I-235 Parallel Street Improvements	TE	150,000	-	150,000	-	-	-	-	150,000
STR202	Park Avenue Widening-SW 42nd Street to SW 56th Street	TE	250,000	-	250,000	-	-	-	-	250,000
STR205	Neighborhood Infrastructure Rehabilitation Program	TE	1,000,000	-	1,000,000	-	-	-	-	1,000,000
STR206	SW Ninth Street and County Line Flood Intercession	TE	125,000	-	125,000	-	-	-	-	125,000
STR209	E 30th Resurfacing - Dean to E Univ Ave	TE	185,000	-	185,000	-	-	-	-	185,000
STR213	E Indiana-SE 146th/County Line	TE	200,000	-	200,000	-	-	-	-	200,000
STR214	SE Connector-SW 2nd-SE 6th	TE	-	125,000	125,000	-	-	-	-	125,000
STR215	Warren City Roadway Imp	TE	80,000	-	80,000	-	-	-	-	80,000
STR216	Douglas Ave Widening @ 38th	TE	100,000	-	100,000	-	-	-	-	100,000
STR699	Unallocated (Issuance Costs)	TE	-	-	-	-	-	-	-	-
Streets Total =			4,837,000	535,000	5,372,000		82,607	393	83,000	83,000
			4,837,000	535,000	5,372,000		82,607	393	83,000	83,000

TAX STATUS: T = Taxable TE = Tax Exempt DTE = Double Tax Exempt

CITY OF DES MOINES

DISTRIBUTION OF BOND PROCEEDS AND COSTS
GENERAL OBLIGATION BONDS, SERIES 2004

Total Issue = 32,940,000 Issuance Cost Allocation = 1.54%

Project Code	Project	Tax Status	Amount Required by CIP			Issue Costs		Total Issue Cost	Total By Category
			GO Funded	TI Funded	Total Funding Requirement	Rounding to Nearest 1000	Net Issue Cost		
Traffic Control Improvements									
STR097	City-wide Traffic Signal Interconnect	TE	100,000	-	100,000	-	-	100,000	
TCF091	City-wide Signals, Communication...	TE	135,000	-	135,000	-	-	135,000	
TECO95	LED Bulb Changeout	TE	70,000	-	70,000	-	-	70,000	
TCF007	Unallocated (Issuance Costs)		305,000	-	305,000	310	5,000	5,000	
Traffic Total =						310	5,000	310,000	
Neighborhood and Economic Development Improvements									
URR014	Neighborhood Finance Corporation	TE	1,200,000	-	1,200,000	-	-	1,200,000	
URR037	Western Gateway	TE	4,500,000	-	4,500,000	-	-	4,500,000	
URR035	SE AG Park	TE	1,000,000	-	1,000,000	-	-	1,000,000	
URR048	Neighborhood Development Corporation	TE	40,000	-	40,000	-	-	40,000	
URR060	SE Development Plan	TE	200,000	-	200,000	-	-	200,000	
URR087	AG Tech Park Storm Sewer 1b	TE	1,660,131	-	1,660,131	-	-	1,660,131	
URR088	Court Avenue Partners Housing	TE	1,839,869	-	1,839,869	-	-	1,839,869	
URR090	Knapp/Hatch Housing TIF	TE	50,000	-	50,000	-	-	50,000	
URR099	Development Opportunities	TE	-	-	-	315	177,000	177,000	
URR099	Unallocated (Issuance Costs)		2,298,000	9,200,000	11,498,000	315	177,000	11,667,000	
Total Economic Development =						315	177,000	11,667,000	
Total			13,467,000	18,973,000	32,440,000	1,160	500,000	32,940,000	
Total Tax-Exempt			13,467,000	17,773,000	31,240,000	-	-	31,240,000	
Total Taxable			-	1,200,000	1,200,000	-	-	1,200,000	
Total Double Tax-Exempt			13,467,000	18,973,000	32,440,000	1,160	500,000	32,940,000	

TAX STATUS: T = Taxable TE = Tax Exempt DYE = Double Tax Exempt

CITY OF DES MOINES

DISTRIBUTION OF BOND PROCEEDS AND COSTS
GENERAL OBLIGATION BONDS, SERIES 2004

Total Issue = 32,940,000 Issuance Cost Allocation = 1.54%

Issuance Costs	Amount
Bond Counsel	25,000
Printing	6,500
Financial Advisor	40,000
Moody's and S&P	20,500
Arbitrage	25,000
Miscellaneous	25,000
	<u>142,000</u>
Underwriters Discount	356,350
Total Issue Costs	<u>498,350</u>
Issuance Cost Allocation	1.54%
	<u>Rounding = 1,160</u>

Bond Allocation By Source

	Percent of Total (Net)	Net Amount	Issue Costs (No Rounding)	Gross Amount
Property Tax Funded - Tax-Exempt	41.5%	13,667,000	207,568	13,874,568
Property Tax Funded - Taxable	0.0%	-	-	-
Tax Increment - Tax-Exempt	54.3%	17,775,000	273,936	18,048,936
Tax Increment - Double Tax Exempt	0.0%	-	-	-
	<u>96.3%</u>	<u>31,242,000</u>	<u>481,504</u>	<u>31,721,504</u>

Bond Allocation By Tax Status

	Percent of Total (Net)	Net Amount	Issue Costs (No Rounding)	Gross Amount
Tax Exempt (Series 2004)	96.3%	31,240,000	481,504	31,721,504
Double Tax Exempt (Series 2004)	0.0%	-	-	-
Taxable (Series 2004)	3.7%	1,200,000	18,495	1,218,495
	<u>100.0%</u>	<u>32,440,000</u>	<u>500,000</u>	<u>32,940,000</u>

