

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	April 20, 2009
	Agenda Item No. 20 Roll Call No. <u>09-</u> Communication No. <u>09-220</u> Submitted by: Allen McKinley, Finance Director	

AGENDA HEADING:

Electing classifications and procedures for proposed bond projects and setting the date of public hearings regarding the issuance of general obligation bonds for the FY2009-10 Capital Improvement Budget (May 4, 2009).

SYNOPSIS:

Recommend approval of project classifications and to set the date of May 4, 2009, to hold 10 public hearings regarding the issuance of general obligation bonds for the FY2009-10 Capital Improvement Budget. This is the first step in the process to finance the construction of capital projects totaling \$25.44 million.

FISCAL IMPACT:

Amount: \$25,820,000 made up of \$25,439,500 project costs and \$380,500 issuance expenses.

Funding Source: Fiscal Year 2009-10 Operating Budget:

- Property Tax Debt Service Levy – Debt Service Fund – DS001 FIN900100, Page 114.
- Tax Increment Fund – Special Revenue Fund – SP370 FIN909105, Page 115.
- Housing Services Fund – Enterprise Fund – SP350 HSG029000, Page 138.

ADDITIONAL INFORMATION:

A public hearing must be held prior to any borrowing by the City. This action sets the date for the public hearing to consider bonding for the FY2009-10 Capital Improvement Budget that was approved by City Council on February 23, 2009. Since the adoption of the budget, city staff has further reviewed general obligation funding needs and recommends the following adjustments which have been incorporated into the recommended council actions:

1. Housing Services Energy Performance Improvements - \$500,000

This is to meet the local match requirement for federal stimulus funding for energy performance improvements to be made to Housing Services facilities. Available cash on hand is prohibited from being used as the local match. The retirement of the debt will come from Housing Services funds.

2. Superblock Improvements - \$2,600,000

The maximum allowable bonding under the current circumstances is \$1,000,000. The balance (\$2.6 million) of funding cannot be accomplished until the adoption of an urban renewal plan. Such plan is being developed by city staff and will be presented to Council for consideration later this summer.

City staff is also in the process of reviewing projects that anticipated the availability of non-city funding to determine the certainty of those funds. **The final sizing of the bonds will not be established until staff has presented to the City Council the status of non-city funding related to the projects that will be funded in part with bond proceeds from this issuance.**

Specific projects to be financed are detailed in a list at the end of this communication. Projects are summarized by category, as follows:

<u>CATEGORY</u>	<u>AMOUNT</u>
• Bridge Improvements	\$ 1,200,000
• Neighborhood/Economic Development Improvements	\$ 2,167,000
• Fire Protection Improvements	\$ 1,785,000
• Library Improvements	\$ 675,000
• Municipal Building Improvements	\$ 2,517,500
• Park Improvements	\$ 7,135,000
• Sidewalk Improvements	\$ 455,000
• Street Improvements	\$ 8,755,000
• Traffic Control Improvements	\$ 250,000
• <u>Housing</u>	\$ 500,000
TOTAL PROJECT IMPROVEMENTS	\$25,439,500
<u>Issuance Costs</u>	<u>\$ 380,500</u>
TOTAL BOND ISSUE	\$25,820,000

PREVIOUS COUNCIL ACTION(S):

Date: February 23, 2009

Roll Call Number: 09-331

Action: On proposed Annual Budget for fiscal year ending June 30, 2010 and Capital Improvements Program for fiscal years 2009-10 to 2014-15. Moved by Coleman to adopt. Motion carried 7-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

May 4, 2009: Public hearing concerning issuance of bonds.

May 18, 2009: Directing sale of bonds and approval to release preliminary offering statement.

June 3, 2009: Special Council meeting to award low bid on sale of bonds.

June 8, 2009: Council authorization to issue bonds and levy taxes.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.

PROJECT CLASSIFICATIONS
and
HEARINGS SUMMARY

ECP-1

NOT TO EXCEED \$15,895,000
GENERAL OBLIGATION BONDS
(Misc. Essential Corporate Purposes)

Bridge and Viaduct (\$1,200,000)

- SW Seventh Street Bridge over Raccoon River (\$1,000,000)
- Structural Repair and Corrosion Protection (\$200,000)

Economic Development Improvements (\$2,167,000)

- Neighborhood Development Corporation (\$1,000,000)
- Neighborhood Finance Corporation (\$1,167,000)

Fire Protection Improvements (\$1,030,000)

- Equipment Acquisition (\$1,030,000)

Municipal Improvements (\$250,000)

- City-wide Radio System Improvements (\$250,000)

Parks Improvements (\$3,515,000)

- Cemetery Infrastructure and Improvements (\$270,000)
- Fort Des Moines Stabilization Projects (\$55,000)
- Forestry Improvements (\$100,000)
- Gray's Lake Park Improvements (\$180,000)
- Neighborhood Park Improvements (\$800,000)
- Neighborhood Streetscape Matching Funds (\$25,000)
- Park Building Improvements (\$700,000)
- Park Redevelopment \$685,000)
- Public Art (\$250,000)
- Recreation Trails (\$250,000)
- Soccer Complex (\$150,000)
- Urban Conservation Projects (\$50,000)

Sidewalk Improvements (\$330,000)

- City-wide Sidewalk Replacement-Public Works (\$255,000)
- School Routes and Priority Sidewalks (\$75,000)

Street Improvements (\$6,455,000)

- Traffic Median Island Replacement (\$80,000)
- Army Post Widening – SE 5th to SW 9th (\$850,000)
- Asphaltic Paving Restoration (\$775,000)
- City-wide Paving (\$100,000)
- Concrete Curb & Median Replacement (\$550,000)
- Concrete Paving Restoration – PW (\$555,000)
- SW 9th Street and DART Way Intersection Imp. (\$100,000)
- E. Indianola Widening - S.E. 14th/Cnty Line (\$1,000,000)
- McKinley Ave. Widening - Fleur Drive to E. Indianola Ave. (\$100,000)
- Merle Hay Rd and Urbandale Ave Intersection Imp. (\$500,000)
- Neighborhood Infrastructure Rehabilitation Program (\$1,045,000)
- E. Army Post Road – Median Island Replacement (\$225,000)
- PCC Pavement Replacement (\$175,000)
- Rehabilitation and Preservation of Major Roadways (\$400,000)

Traffic Control Improvements (\$250,000)

- City-wide Traffic Signal Interconnect (\$85,000)
- City-wide Signals, Channelization (\$50,000)
- City-Wide Neighborhood Traffic Control Program (\$115,000)

Public Housing (\$500,000)

- Public Housing Energy Performance (\$500,000)

Issuance Costs (\$198,000)

ECP-2

NOT TO EXCEED \$3,100,000

GENERAL OBLIGATION BONDS

(Essential Corporate Purposes - Urban Renewal)

Fire Improvements (\$500,000)

- Central Fire Station Replacement (\$500,000)

Parks Improvements (\$75,000)

- Principal Park Stadium Improvements (\$75,000)

Sidewalk Improvements (\$125,000)

- Downtown Skywalk System (\$125,000)

Street Improvements (\$2,300,000)

- Downtown Area Street Restoration (\$300,000)
- SE 6th Street Widening – Court to DM River (\$2,000,000)

Issuance Costs (\$100,000)

GCP-3

**NOT TO EXCEED \$695,000
GENERAL OBLIGATION BONDS**

(General Corporate Purposes - Library)

Library Improvements (\$675,000)

- Collection Additions and Replacement (\$550,000)
- Miscellaneous Building Improvements (\$100,000)
- South Branch Parking Lot Renovation (\$25,000)

Issuance Costs (\$20,000)

GCP-4

**NOT TO EXCEED \$995,000
GENERAL OBLIGATION BONDS**

(General Corporate Purposes - Municipal Buildings)

Municipal Building Improvements (\$995,000)

- ADA Improvements (\$100,000)
- Municipal Building Re-roofing (\$325,000)
- HVAC, Electrical, & Plumbing Imp (\$200,000)
- Municipal Building Improvements (\$250,000)
- Public Works Building Improvements (\$20,000)
- Energy Conservation (\$100,000)

GCP-5

**NOT TO EXCEED \$555,000
GENERAL OBLIGATION BONDS**

(General Corporate Purposes – Fire and Municipal Buildings)

Fire Protection Improvements (\$255,000)

- Fire Station Remodeling (\$255,000)

Municipal Building Improvements (\$280,000)

- Police Station Remodeling (\$150,000)
- Parking Lot Rehabilitation (\$30,000)
- Police Academy Improvements (\$100,000)

Issuance Costs (\$20,000)

GCP-6 **NOT TO EXCEED \$770,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Parks)

Park Improvements

- First Tee (\$750,000)

Issuance Expense (\$20,000)

GCP-7 **NOT TO EXCEED \$995,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Municipal Improvements)

Municipal Improvements (\$722,500)

- Enhanced City-Wide Info System (\$742,500)
- Channel 7 Upgrade (\$250,000)

Issuance Costs (\$2,500)

GCP-8 **NOT TO EXCEED \$815,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes - Parks)

Park Improvements (\$795,000)

- General Zoo Improvements (\$315,000)
- Community Center Improvements (\$150,000)
- Wading Pool Improvements (\$180,000)
- Swimming Pool and Aquatic Improvements (\$150,000)

Issuance Costs (\$20,000)

GCP-9 **NOT TO EXCEED \$1,000,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes - Parks)

Park Improvements (\$1,000,000)

- Blank Park Zoo Gibbon Exhibit (\$500,000)
- Blank Park Zoo Macaque Exhibit (\$500,000)

GCP-10 **NOT TO EXCEED \$1,000,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes - Parks)

Park Improvements (\$1,000,000)

- Superblock (\$1,000,000)

SUMMARY

<u>Hearing</u>	<u>Project(s)</u>	<u>Issuance</u>	<u>Total</u>
ECP-1	\$ 15,697,000	\$ 198,000	\$15,895,000
ECP-2	3,000,000	100,000	3,100,000
GCP-3	675,000	20,000	695,000
GCP-4	995,000	0	995,000
GCP-5	535,000	20,000	555,000
GCP-6	750,000	20,000	770,000
GCP-7	992,500	2,500	995,000
GCP-8	795,000	20,000	815,000
GCP-9	1,000,000	0	1,000,000
GCP-10	1,000,000	0	1,000,000
TOTAL	\$ 22,439,500	\$380,500	\$25,820,000