

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 11, 2013
	Agenda Item No.	29
	Roll Call No.	<u>13-0206</u>
	Communication No.	<u>13-072</u>
	Submitted by:	Scott E. Sanders, Finance Director

AGENDA HEADING:

Set date for public hearings regarding the issuance of general obligation bonds for the FY 2013-14 Capital Improvement Budget.

SYNOPSIS:

Set date for six public hearings regarding the issuance of general obligation bonds for the FY 2013-14 Capital Improvement Budget. This is the first step in the process to finance the construction of capital projects totaling \$36.145 million. These hearings are being held in tandem with the approval of the budget so that the debt service payments associated with these projects can be included in the budget.

FISCAL IMPACT:

Amount: \$36,735,000 plus interest; made up of \$36,145,000 project costs and \$590,000 issuance expenses.

Funding Source: Fiscal Year 2013-14 Operating Budget:

- Property Tax Debt Service Levy – Debt Service Fund – DS001, FIN900100;
- Tax Increment Fund – Special Revenue Fund – SP370, FIN909105.

ADDITIONAL INFORMATION:

A public hearing must be held prior to any borrowing by the City. This hearing is to consider bonding for the FY 2013-14 Capital Improvement Budget that will be submitted for approval by City Council on February 25, 2013. City staff reviewed projects that anticipated the availability of non-City funding to determine the certainty of those funds. The final sizing of the bonds will occur in April or May. Below is the current status of non-City funding related to the projects that will be funded in part with bond proceeds from this issuance.

- East 46th and Hubbell Ave Intersection Improvements (\$450,000 State – Confident in Funding)
- Euclid Avenue Intersection Improvements (\$1,280,000 State – Committed)
- Indianola Avenue Widening – S.E. 14th to Army Post Road (Phase 3 - \$3,000,000 Federal (FY 14 &15) – Committed)
- SW 9th Street Widening - Titus Avenue to Kenyon Avenue (\$1,000,000 (funding restored) Federal; \$500,000 State – Committed)
- Southeast Connector – S.E. Sixth Street to S.E. 14th (\$4,632,907 Federal – Committed)
- Southeast Connector - S.E. 14th Street to S.E. 30th Street (\$14,208,000 Federal – Committed, \$4,746,000 Federal allocated by MPO, but subject to Transportation Appropriations in FY 15 & 16)

- Municipal Service Center (\$5,000,000 Federal - Committed)
- Traffic Control Neighborhood Program (\$240,000 State – Committed)
- Traffic Signals, Channelization, and School Crossings (\$900,000 State – Committed)
- Traffic Signal Interconnection (\$100,000 State – Committed)

City staff will continue to review general obligation funding needs to monitor if additional grant funding can reduce the amount of City debt issuance. Specific projects to be financed are detailed in a list at the end of this communication. Projects are summarized by category as follows:

CATEGORY	AMOUNT
Bridge Improvements	\$ 1,600,000
Fire Protection Improvements	\$ 1,450,000
Library Improvements	\$ 735,000
Miscellaneous Improvements	\$ 2,805,000
Municipal Building Improvements	\$ 8,160,000
Park Improvements	\$ 4,490,000
Street Improvements	<u>\$ 16,905,000</u>
TOTAL PROJECT IMPROVEMENTS	\$ 36,145,000
Issuance Costs	<u>\$ 590,000</u>
TOTAL BOND ISSUE	\$ 36,735,000

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- February 25, 2013: Hold hearing and approval of Capital Improvement Program (CIP) for FY 2013-14.
- February 25, 2013: Hold hearing and approval to proceed with issuance of 2013 General Obligation Bonds.
- April, 2013: Directing sale of bonds and approval to release preliminary offering statement.
- Early May, 2013: Special Council meeting to award low bid on sale of bonds.
- June, 2013: 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 first 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 \$22,815,000
GENERAL OBLIGATION BONDS
(Misc Essential Corporate Purposes)

Bridge Improvements (\$1,600,000)

- Citywide Bridge Repairs (\$1,000,000)
- South Union Street Bridge over Yeader Creek (\$600,000)

Fire Protection Improvements (\$1,160,000)

- Equipment Acquisition (\$1,160,000)

Miscellaneous Improvements (\$2,325,000)

- Neighborhood Finance Corp. (\$1,000,000)
- Neighborhood Development Corp. (\$1,000,000)
- City Tree Replacement Fund (\$200,000)
- Public Art (\$100,000)
- Underground Storage Tank (\$25,000)

Parks Improvements (\$2,410,000)

- Cemetery Infrastructure and Improvements (\$50,000)
- Gray's Lake Park Improvements (\$90,000)
- Neighborhood Park Improvements (\$725,000)
- Park Building Improvements (\$500,000)
- Recreation Trails (\$770,000)
- Road, Sidewalk, and Utility Improvements (\$100,000)
- Urban Conservation Projects (\$175,000)

Street Improvements (\$15,005,000)

- Asphaltic Paving Restoration (\$700,000)
- Concrete Curb & Median Replacement (\$675,000)
- Concrete Paving Restoration (\$700,000)
- Indianola Avenue Widening (\$1,750,000)
- East 46th and Hubbell Intersection (\$100,000)
- Euclid Avenue Intersection Improvements (\$425,000)
- McKinley Ave Widening (\$100,000)
- Neighborhood Infrastructure Rehabilitation Program (\$1,375,000)
- Park Avenue Widening – SW 56th St to SW 63rd St (\$100,000)
- Residential Paving Program (\$100,000)
- Southeast Connector – SE 14th St to SE 30th St (\$6,000,000)

- SW 9th Street Widening (\$550,000)
- Sidewalk Replacement Program (\$550,000)
- Sidewalks – ADA Compliance (\$1,000,000)
- Sidewalks – School and Priority Routes (\$100,000)
- Streetscape Improvements (\$200,000)
- Traffic Control Neighborhood (\$120,000)
- Traffic Signal, Channelization, and School Crossings (\$100,000)
- Traffic Signal Interconnection (\$120,000)
- Traffic Signal LED Replacement Program (\$20,000)
- Traffic Sign Inventory Program (\$220,000)

Issuance Costs (\$315,000)

ECP-2 **NOT TO EXCEED \$10,475,000**
GENERAL OBLIGATION BONDS
(Essential Corporate Purposes – Urban Renewal)

Building Improvements (\$6,750,000)

- Municipal Service Center (\$6,750,000)

Parks Improvements (\$1,650,000)

- Principal Park Stadium Improvements (\$500,000)
- Grants to Blank Park Zoo for Improvements (\$1,150,000)

Street Improvements (\$1,900,000)

- Southeast Connector – SE 6th Street to SE 14th (\$1,000,000)
- Southeast Connector – SE 14th Street to SE 30th (\$750,000)
- Skywalk Improvements (\$150,000)

Issuance Costs (\$175,000)

GCP-3 **NOT TO EXCEED \$760,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Library)

Library Improvements (\$735,000)

- Collection Additions and Replacement (\$500,000)
- Miscellaneous Building Improvements (\$135,000)
- SE Branch (\$100,000)

Issuance Costs (\$25,000)

GCP-4 **NOT TO EXCEED \$975,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Municipal Buildings)

Municipal Building Improvements (\$950,000)

- Energy Conservation Program (\$150,000)
- HVAC, Electrical & Plumbing Improvements (\$350,000)
- Municipal Building Improvements (\$400,000)
- Public Works Building Improvements (\$50,000)

Issuance Costs (\$25,000)

GCP-5 **NOT TO EXCEED \$775,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Municipal Buildings, Parks)

Municipal Building Improvements (\$460,000)

- Municipal Building Re-Roofing (\$135,000)
- Police Academy Improvements (\$100,000)
- Police Facility Improvements (\$225,000)

Fire Improvements (\$290,000)

- Fire Station Remodeling (\$290,000)

Issuance Costs (\$25,000)

GCP-6 **NOT TO EXCEED \$935,000**
GENERAL OBLIGATION BONDS
(General Corporate Purposes – Miscellaneous Improvements)

Miscellaneous Improvements (\$480,000)

- Enhanced City-wide Information System (\$480,000)

Parks Improvements (\$430,000)

- Community Center Improvements (\$120,000)
- Sports Complexes (\$130,000)
- Swimming Pool and aquatic Improvements (\$150,000)
- Wading Pool Improvements (\$30,000)

Issuance Costs (\$25,000)

SUMMARY

Hearing	Project(s)	Issuance	Total
ECP-1	\$ 22,500,000	\$ 315,000	\$ 22,815,000
ECP-2	10,300,000	175,000	10,475,000
GCP-3	735,000	25,000	760,000
GCP-4	950,000	25,000	975,000
GCP-5	750,000	25,000	775,000
GCP-6	910,000	25,000	935,000
TOTAL	\$ 36,145,000	\$ 590,000	\$ 36,735,000