



Legislation Text

File #: 22-2876, Version: 1

TO: Mayor and Members of City Council

THRU: Douglas J. Hewett, ICMA-CM, City Manager

FROM: Jay C. Toland, CMA - Chief Financial Officer/Assistant City Manager

DATE: August 8, 2022

RE:
Public Hearing on Order Authorizing \$60,000,000 Public Safety Improvement Bonds, Bond Order Authorizing \$25,000,000 Streets, Sidewalk, and Connectivity Bonds, and Order Authorizing \$12,000,000 Housing Bonds

Consider Final Adoption of the Bond Orders and Resolution Calling for a Bond Referendum

COUNCIL DISTRICT(S):
All

Relationship To Strategic Plan:

Goal 4: Desirable place to live and recreate.

Executive Summary:

City Council will conduct the public hearing on the orders for \$60,000,000 Public Safety Improvement Bonds, \$25,000,000 Streets, Sidewalk, and Connectivity Bonds, and \$12,000,000 Housing Bonds. After the public hearing, Council will be asked to consider the adoption on second reading the bond orders approved by Council on first reading on June 27, 2022, as amended, and the passage of a resolution calling for a bond referendum on November 8, 2022.

Background:

On April 28, 2022, City Council held a special meeting to discuss unfunded needs in the City. The City Council directed staff to initiate the process to set bond referendums for November 8, 2022, for not to exceed \$60,000,000 in general obligation bonds for public safety improvement capital projects, not to exceed \$25,000,000 in general obligation bonds for streets, sidewalk, and connectivity capital projects, and not to exceed \$12,000,000 in general obligation bonds for affordable housing capital projects and funding the Housing Trust Fund.

On May 9, 2022, the City Council adopted a preliminary findings resolution authorizing staff to submit an application to the Local Government Commission for the proposed authorization of Public Safety

Improvement Bonds, Streets, Sidewalk, and Connectivity Bonds, and Housing Bonds.

On June 27, 2022, the bond orders for the \$60,000,000 Public Safety Improvement Bonds, \$25,000,000 Streets, Sidewalk, and Connectivity Bonds, and \$12,000,000 Housing Bonds was introduced and unanimously adopted on first reading at the regular Council meeting. At that meeting, a statement of estimated interest and sworn statement of debt was submitted to the City Clerk.

At the August 8, 2022 meeting, City Council will conduct the public hearing on the bond orders. At the conclusion of the public hearing, Council will be asked to adopt the bond orders as well as adopt a resolution calling for a bond referendum on November 8, 2022. A copy of the proposed City Council proceedings is attached for your review. The Resolution Calling for a Bond Referendum is included in the proceedings document.

In summary, the resolution schedules the referendum for Tuesday, November 8, 2022, provides instructions regarding the process, and provides the substantial form of the official ballot

Issues/Analysis:

Several actions will be required in the next few months to proceed with the bond referendums in November. If any actions are not taken within the timeframe outlined in the calendar, the next opportunity to consider authorizing general obligation bonds will be November, 2016.

Also, the estimated interest for the total amount of \$97,000,000 in general obligation bonds, based on a 4.50% interest rate, semi-annual interest payments and a repayment period of 20 years, is \$45,832,238.

Budget Impact:

No budget impact at this time. If voters authorize the City Council to issue the aggregate amount of \$97,000,000 in General Obligation Bonds in November, then the City Council would have 7 years to use that debt capacity. The City Council is not required to issue the authorized bonds or to use all of the authorized debt capacity. Any debt issued would have to be repaid

Options:

At the conclusion of the public hearing, staff recommends that Council move to:

1. Staff recommends that City Council move to adopt the following:

- (a) Adopt the Order Authorizing \$60,000,000 Public Safety Improvement Bonds;
- (b) Adopt the Order Authorizing \$25,000,000 Streets, Sidewalk, and Connectivity Bonds, as amended;
- (c) Adopt the Order Authorizing \$12,000,000 Housing Bonds Order.

The City Council is requested to adopt the bonds orders in three separate actions, one motion for each bond order.

Note: After the Bond Orders are adopted, Council is requested to proceed with a motion to

adopt the Resolution Calling for a Bond Referendum.

(d) Adopt the Resolution Calling for a Bond Referendum.

2) Not adopt the bond orders and resolution and provide direction to staff

Recommended Action:

Approve Option 1 above

Attachments:

Proceedings for August 8, 2022 meeting including:

Order Authorizing \$60,000,000 Public Safety Improvement Bonds

Order Authorizing \$25,000,000 Streets, Sidewalk, and Connectivity Bonds

Order Authorizing \$12,000,000 Housing Bonds Order

Resolution calling for a Bond Referendum