

BOND REFERENDUM

Further Consideration & Discussion



Council Work Session

April 26, 2024

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Agenda

1. **Q & A**
2. **Staff Recommendation & Alternate Scenario**
3. **2024 Timeline**
4. **Council Discussion**

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We have \$50 million in debt capacity, without raising taxes.

We can put a bond referendum on the ballot this year or next.

We need clear direction from you on projects and timing ASAP.

For affordable housing, there are multiple funding sources.

- Dedicated “Penny for Affordable Housing”
- Community Partners
- Federal funding
- Revolving Loan Fund
- Bonds

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For large capital projects, bonds are often the best (or only) funding source.

- Town facilities (i.e. Fire stations, Parks & Rec Admin Bldg, etc)
- Major infrastructure (Greenways, sidepaths, etc)
- Fire trucks (unless we establish a "Penny for")

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Q & A

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How does the debt fund operate?

- Established in FY 2009
- Portion of tax rate dedicated to debt service
- Used to pay existing debt service and to build up capacity to pay future debt service
- Dedicated resource to keep from temptation to repurpose dollars

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Can we borrow more than \$50.5 million?

- We have capacity for \$50.5 million **without raising taxes**
- We have capacity for an additional \$27 million, but **we would have to raise taxes to borrow this amount.**
- At the retreat, BMD Director **recommended not using** additional capacity to allow for future opportunities

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If 2024 referendum approved, when will money be available?

For a \$44 million referendum, we would **estimate** 3 issuances:

- Approx. \$13-15 million in 2025
- Approx. \$13-15 million in 2027
- Approx. \$13-15 million in 2029/2030

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How do staff identify and plan for capital projects?

- Ongoing assessments (streets, facilities, etc)
- Strategic plans (Fire, Parks and Rec, etc)
- Council and community interests (splash pad, greenways, etc)

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Staff Recommendation & Alternate Scenario

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Project Evaluation Criteria

- Impact
- Urgency
- Tradeoffs
- Co-benefits
- Resilience lens
- Effective use of limited resources
- Alignment w/Complete Community
- Racial Equity lens
- Shovel-readiness
- Staff capacity
- Alternative funding/partnerships

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Original Staff Recommendation (2024 or 2025)

\$6.5 million LOBS

Parking Deck	\$2.5M*
Ladder Truck	2.3M
Police Station Upfit	1.7M

** Total to borrow is \$12.5 M but \$10 M was included in original capacity calculations*

\$44 million referendum

Public Safety Facilities	\$15.0M
Affordable Housing	10.0M
Streets & Sidewalks	10.0M
Parks & Rec Facilities	4.5M
Public Facilities	2.5M
Open Space/Greenways	2.0M

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PUBLIC SAFETY
\$15M

AFFORD. HOUSING
\$10M

STREETS & SIDEWALKS
\$10M

PARKS & REC FACILITIES
\$4.5M

PUBLIC FACILITIES
\$2.5M

OPEN SPACE/ GREENWAYS
\$2.0M

Fire Station 4*

Legion Road
LIHTC project

Fire Station 3

Fordham Sidepath

ADA Transition

Ephesus Sidewalks

Raleigh Rd Sidepath

Artificial Turf at Homestead, Southern

Climbing wall, pickleball, splashpad

Climate Action projects

Bolin Creek Greenway extension

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**Fire Station cost only*

Alternate Scenario w/Aff Housing Increase (2024)

\$6.5 million LOBS

Parking Deck	\$2.5M
Ladder Truck	2.3M
Police Station Upfit	1.7M

** Total to borrow is \$12.5 M but \$10 M was included in original capacity calculations*

\$44 million referendum

Public Safety Facilities		\$15.0M
Affordable Housing	10M	15.0M
Streets & Sidewalks	10M	7.5M
Parks & Rec Facilities		4.5M
Public Facilities		2.5M
Open Space/Greenways		2.0M

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PUBLIC SAFETY
\$15M

AFFORD. HOUSING
~~-\$10M~~ **\$15M**

STREETS & SIDEWALKS
~~-\$10M~~ **\$7.5M**

PARKS & REC FACILITIES
\$4.5M

~~**PUBLIC FACILITIES**~~
~~-\$2.5M~~

OPEN SPACE/ GREENWAYS
\$2.0M

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Legion Road
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Aff Housing Projects

Fordham Sidepath

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~~Ephesus Sidewalks~~

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Climbing wall, pickleball, splashpad

~~Climate Action projects~~

Bolin Creek Greenway extension

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**Fire Station cost only*

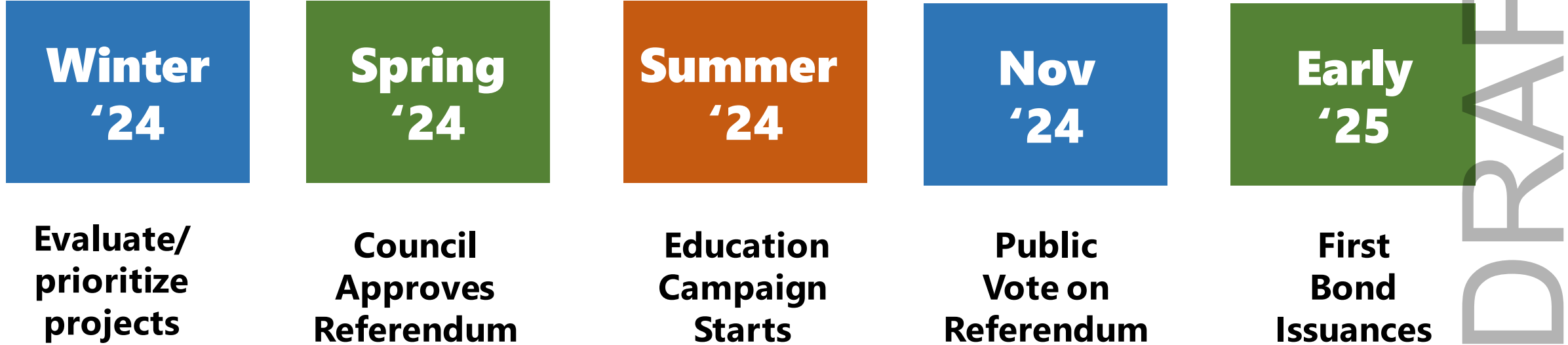
We do not recommend including these projects in 2024 referendum

Street Resurfacing	\$10.0 M
Townwide Sidewalks	3.5 M
Downtown Streetscape (per mile)	18.5 M
PW Building #1 Addition	6.0 M
Historic Town Hall Renovation	10.0 M
Joint Training Center	15.0 M
P&R Admin Building/Clay Studio	4.5 M
Recreation Facility Upgrades	2.0M
Affordable Housing	8.5 M
Solid Waste Transfer Station	10.0 M
Police Station Property Remediation	18.0 M

2024 Referendum Timeline

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2024 Referendum Schedule



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2024 Council Deadlines

Referendum Plan	May 1
Preliminary Findings Resolution	May 15
Introduce Bond Orders, Set Public Hearing, Filing of Debt Statements	June 5
Hold Public Hearing, Adopt Bond Orders, Set Ballot Questions & Referendum Date	June 17

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Council Discussion

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**Do you want to move ahead with
alternate scenario in 2024?**

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