



# 2023 Bond Program Follow-up

City Council Work Session  
March 7, 2023

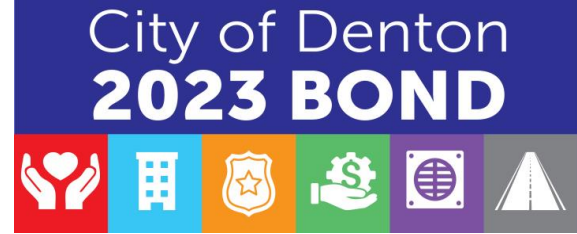


# Agenda

- Program Goals
- Propositions
- Tax Rate Projection
- Establish and Charge of Committee
- Timeline

# 2023 Bond Program

## Program Goals & Potential Propositions



### Bond Program Goals

- Align projects with Council priorities
- Maintain / Improve Existing Infrastructure
- Enhance recreational and quality of life areas
- Allow for flexibility and partnership opportunities

### Potential Propositions

- Quality of Life
- Facilities
- Public Safety Facilities
- Roadways
- Drainage
- Economic Development

Drivers: Council Priorities, Master Plans, Condition Assessment, Growth

# City of Denton 2023 BOND



Quality of Life



Facilities



Public Safety



Roadways

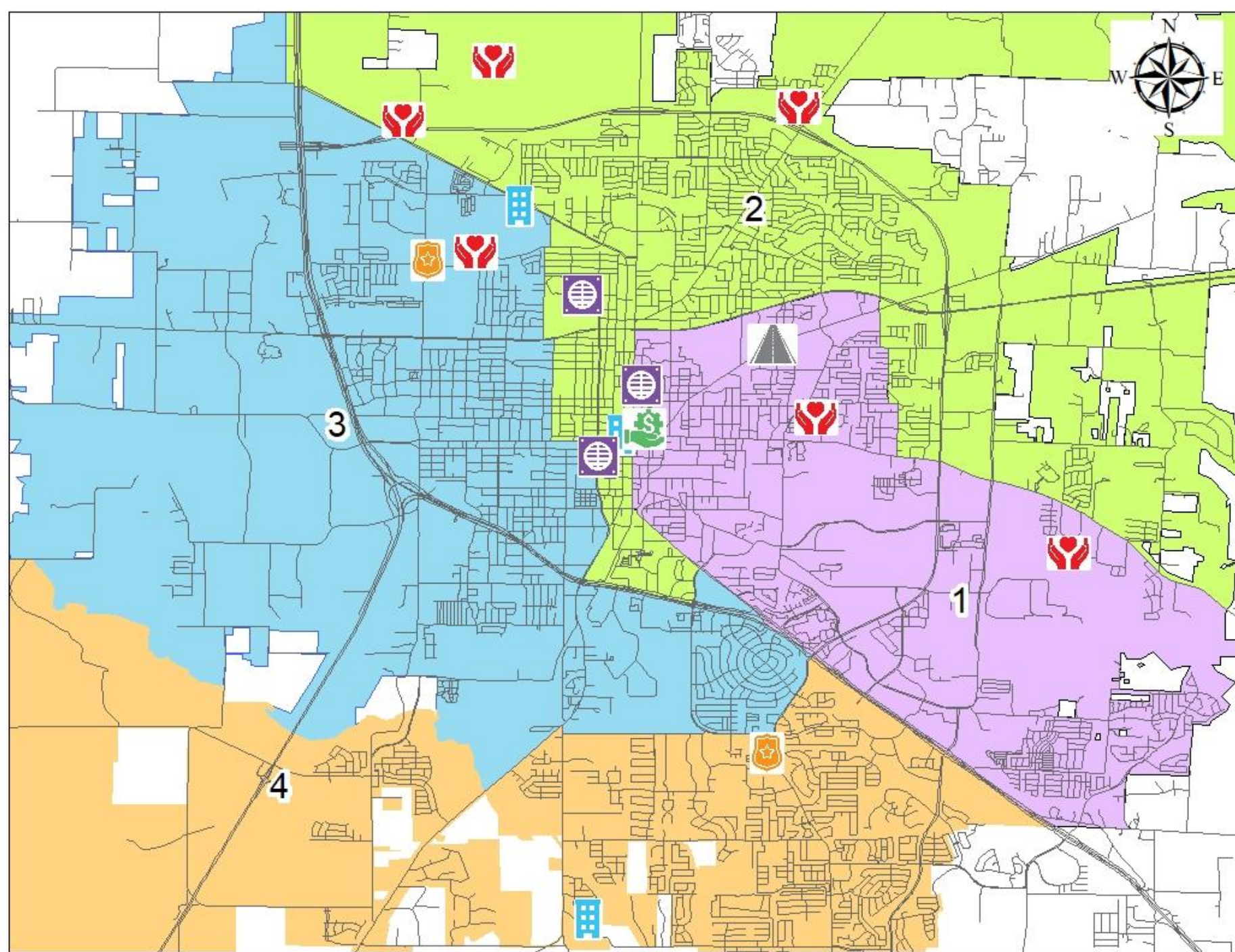


Drainage



Economic  
Development

ID 23-455 March 7, 2023





# Quality of Life Proposition \$72.5 million

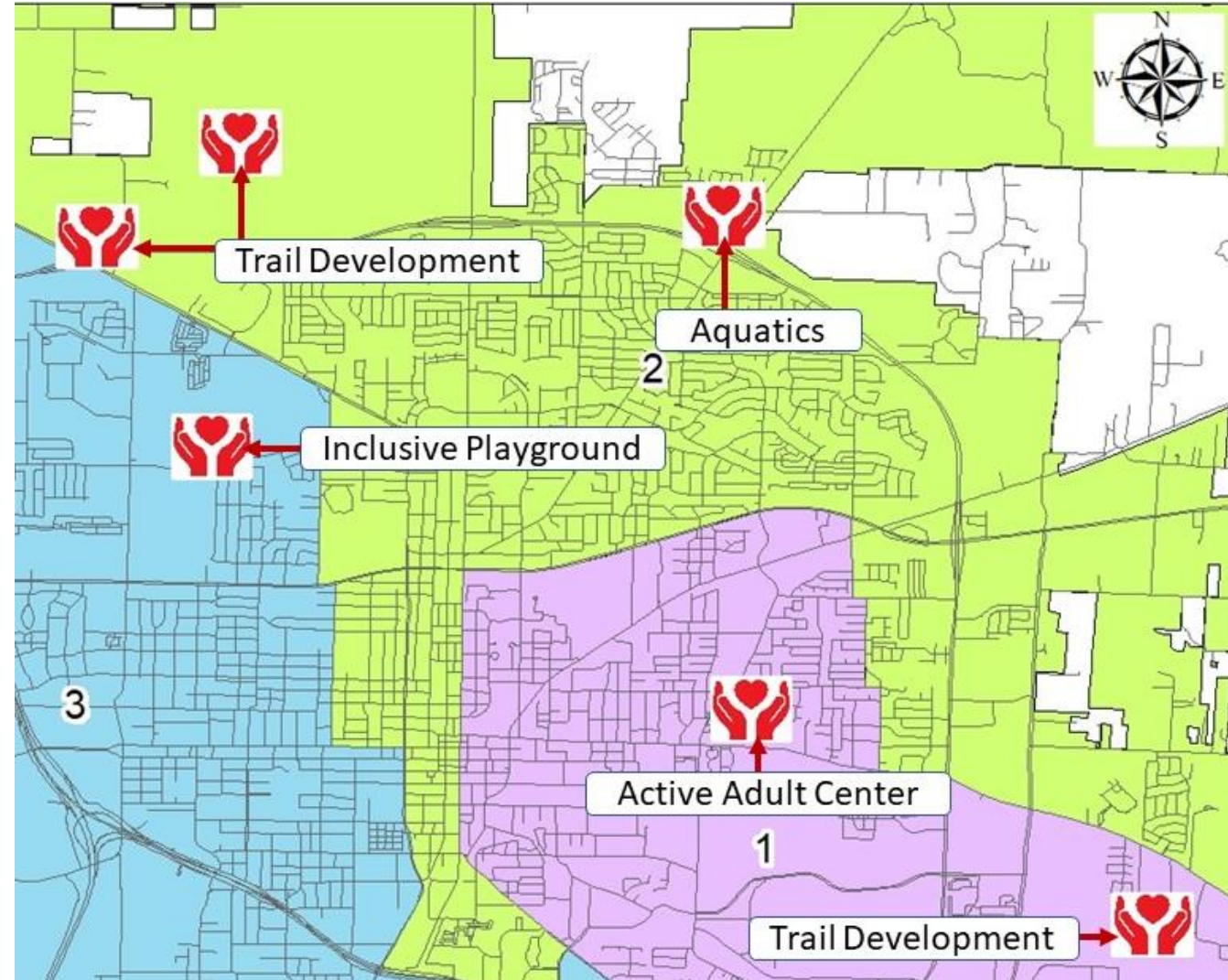
KFA: Strengthen Community and Quality of Life

City of Denton  
**2023 BOND**



## Parks, Recreation & Trails Master Plan

- Inclusive Playground - \$3.45 million
- Trail Development - \$15 million
- Aquatics Improvements - \$15 million
- Intergenerational Facility/Active Adult Center (new build) - \$39 million
  - Added based on Council feedback
- Removed Nature Center project from proposition
- No financial commitment from UNT
  - Astronomy center relocation moving forward



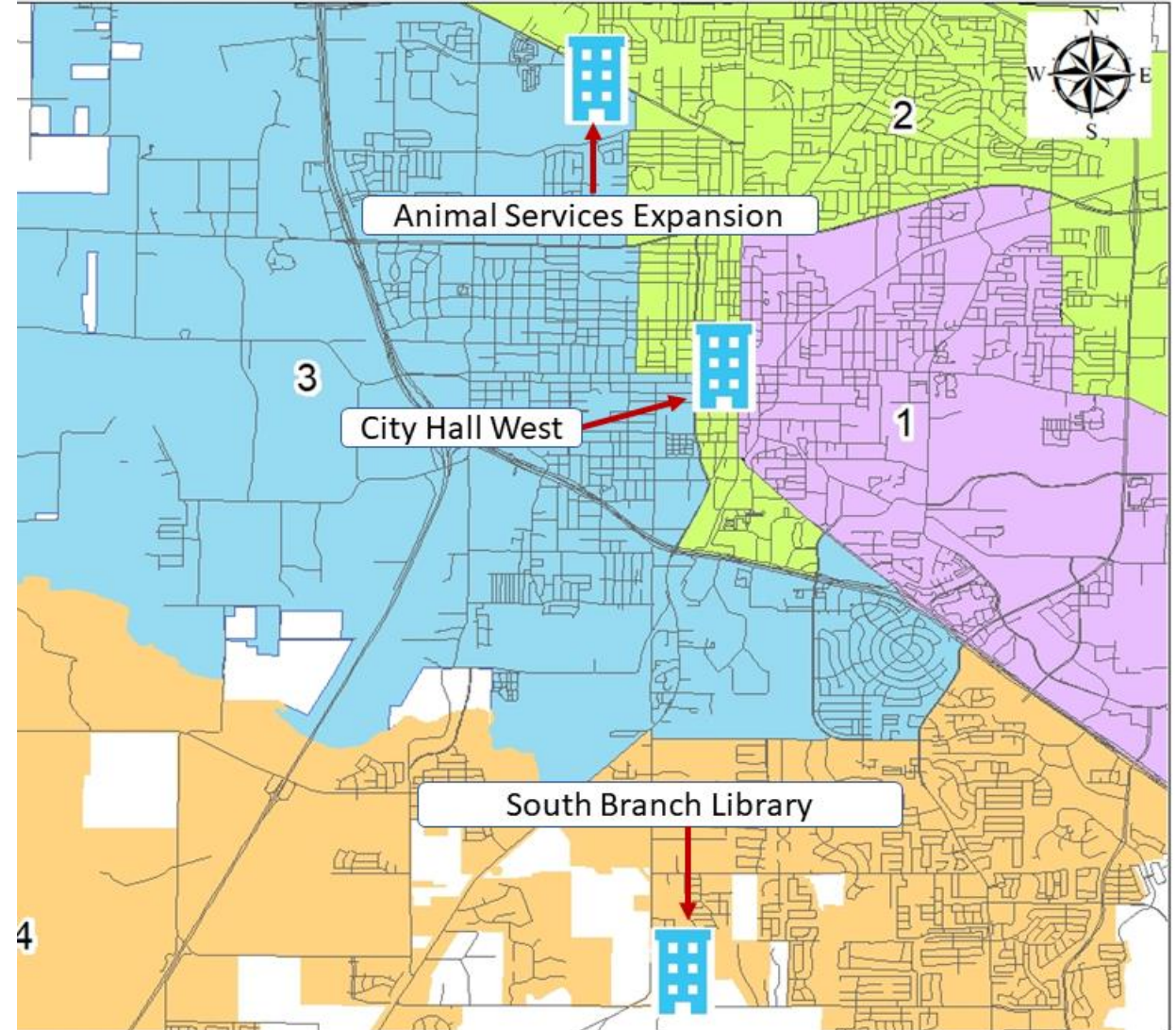


# City Facilities Proposition \$64.9 million

KFA: Enhance Infrastructure and Mobility

## Council Priority / Condition Assessment

- South Branch Library relocation (new build) - \$43 million
- Animal Shelter expansion - \$13 million
- City Hall West renovation - \$9.45 million
  
- Removed Service Center from proposition
  - Funding with Certificates of Obligations
  - Based on Facility Condition Assessment





# Public Safety Facilities Proposition \$25.3 million

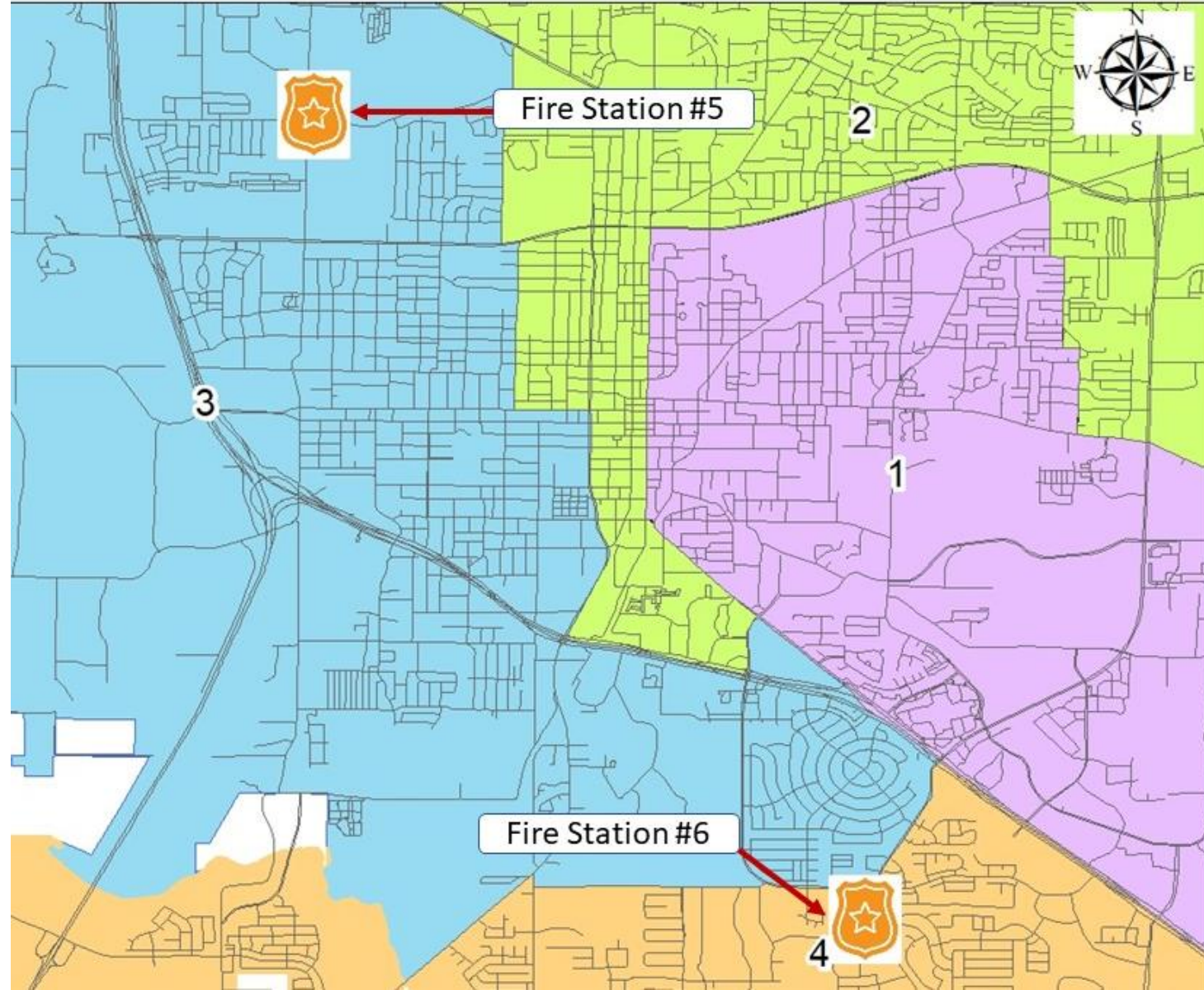
KFA: Support Healthy & Safe Communities

City of Denton  
**2023 BOND**



## Prioritized in Condition Assessment

- Fire Station No. 5 (re-build) - \$12.65 million
- Fire Station No. 6 (re-build) - \$12.65 million
  
- No changes made to proposition since last discussion.





# Roadways Proposition \$38 million

KFA: Enhance Infrastructure and Mobility

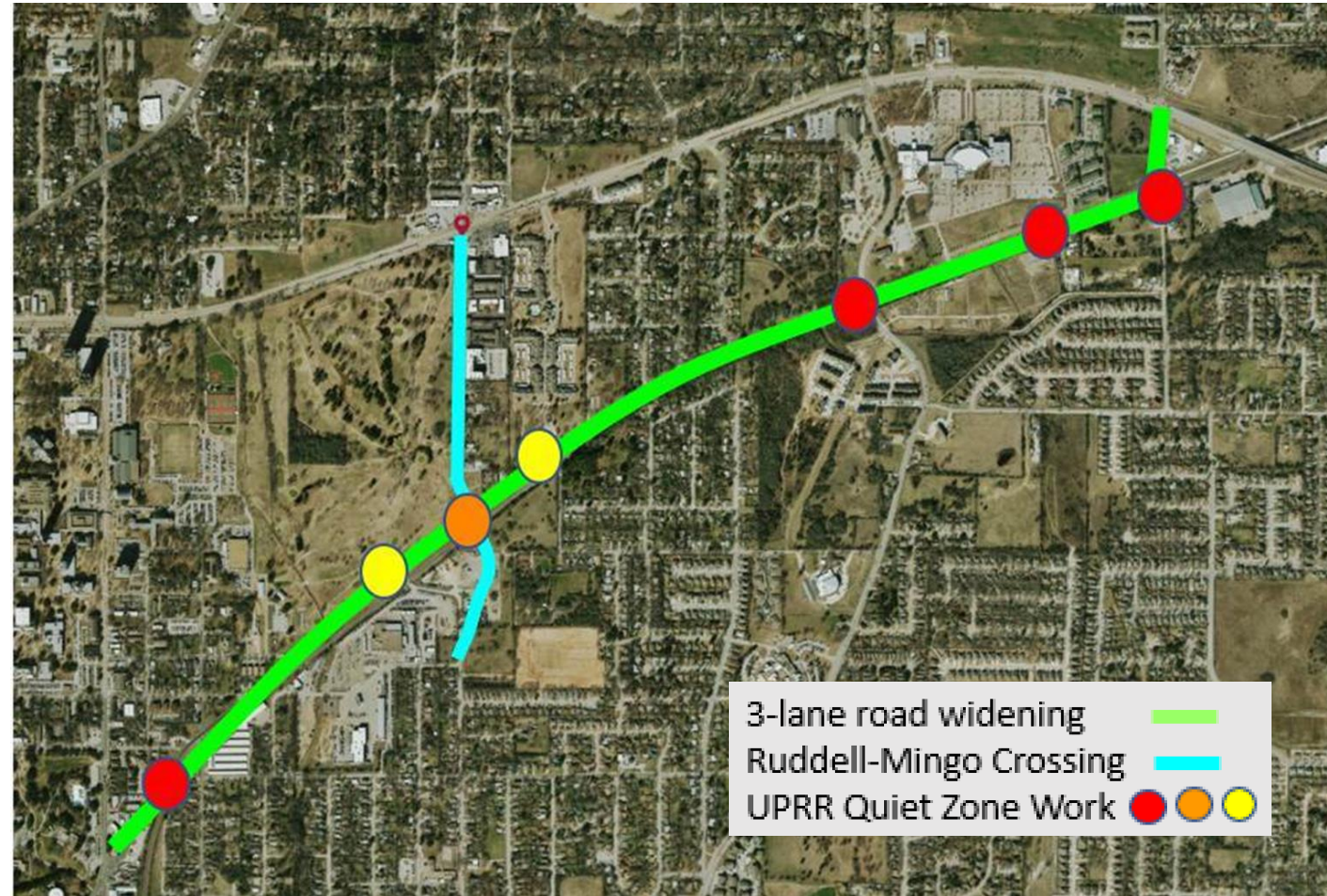
City of Denton  
**2023 BOND**



## 2014 Bond Program

Ruddell/Mingo roadway improvement including Quiet Zones - \$38 million

- Mingo Road – Bell Avenue to Mockingbird/US 380
- Ruddell Drive – US 380 to Mingo
- Quiet zone locations
  - Mockingbird Lane (Addition)
  - Private Driveway (Addition)
  - Nottingham Road (Addition)
  - Ruddell Street (Addition)
  - Frame Street (Addition)
  - Pertain Drive (Removal)
  - Willis Street (Removal)





# Drainage Proposition \$55 million

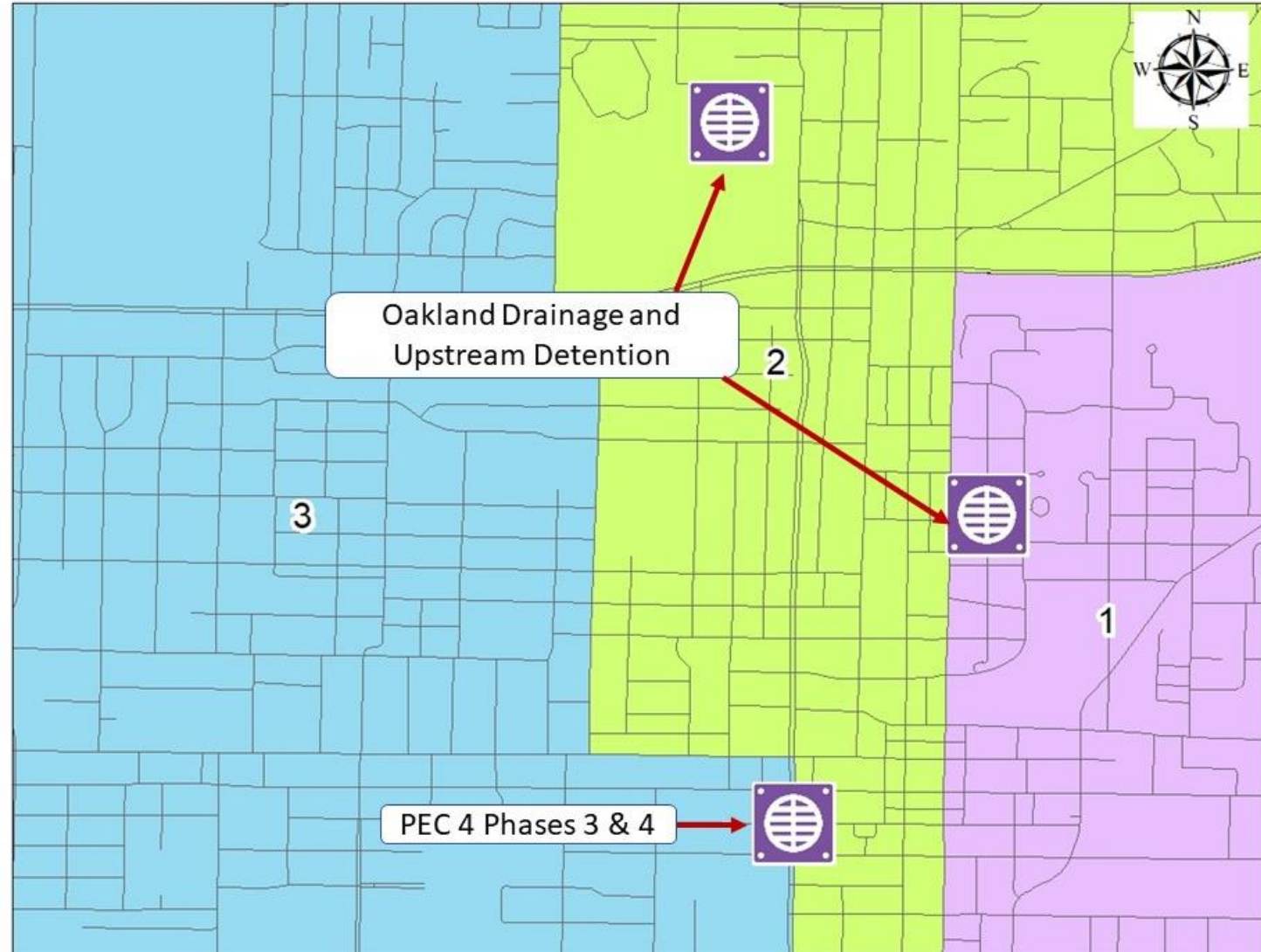
KFA: Enhance Infrastructure and Mobility

City of Denton  
2023 BOND



## Stormwater Master Plan *(in progress)*

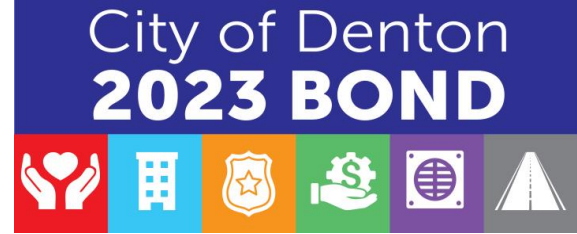
- Oakland Drainage and Upstream Detention Improvements - \$ 31.1 million
- PEC 4 Phases 3 & 4 Drainage Improvements - \$25.4 million
- No changes made to proposition since last discussion.





# Economic Development Proposition \$80 million

KFA: Foster Economic Opportunity & Affordability



## Economic Growth

- Affordable Housing - \$10 million
- City Hall with Public Private Partnership (new build/location) - \$70 million
  - Authorized in Government Code Chapter 2267
  - Agreement between Government Entity and Private Developer to deliver facilities in a cost-effective and more time efficient than using traditional sources of procurement and public financing
  - Various delivery structures (design-build, design-build-operate, etc.)
  - Center for Alternative Finance & Procurement – project screening to assess the suitability for alternative delivery of project
  - Historic City Hall will continue to be utilized for city purposes

# Public Art

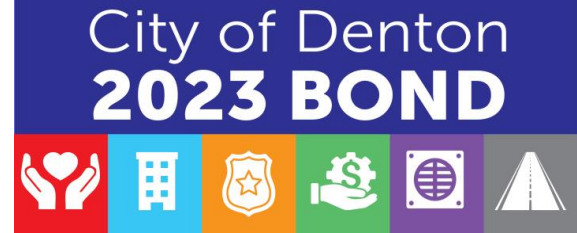
In 2013, the City Council approved a revised Public Art Policy which states:

- “The City Council will consider placing a standalone bond proposition on future general purpose capital improvement bond authorization elections that, if approved by the voters, will fund public art projects. The amount of each public art bond proposition will be determined by the City Council within a range, if existing priorities so permit, of between 2% and 4% of those portions of the capital improvement bond program authorization election that do not apply to streets, drainage, traffic control, and other related infrastructure.”
  - 2012 Bond Program – Public Art proposition totaled \$400,000
  - 2014 Bond Program – Public Art proposition totaled \$535,000
  - 2019 Bond Program – Public Art proposition totaled \$619,000

## Recommendation:

- Advance to Special Citizen Bond Advisory Committee to make recommendation to Council on inclusion of public art in bond program.

# Estimated Costs



	Cost Estimate	Other Funding	2023 Funding
Aquatics	\$ 15,000,000		\$ 15,000,000
Inclusive Playground	\$ 3,450,000		\$ 3,450,000
Trail Development	\$ 15,000,000		\$ 15,000,000
Intergenerational Facility (Active Adult Center)	\$ 39,066,000		\$ 39,066,000
<b>Quality of Life Proposition Subtotal</b>	<b>\$ 72,516,000</b>		<b>\$ 72,516,000</b>
City Hall West	\$ 9,450,000	\$ 460,000	\$ 8,990,000
Animal Services Expansion	\$ 13,000,000		\$ 13,000,000
South Branch Library	\$ 43,000,000		\$ 43,000,000
<b>Facilities Proposition Subtotal</b>	<b>\$ 65,450,000</b>		<b>\$ 64,990,000</b>
Fire Station #6	\$ 12,650,000		\$ 12,650,000
Fire Station #5	\$ 12,650,000		\$ 12,650,000
<b>Public Safety Facilities Subtotal</b>	<b>\$ 25,300,000</b>		<b>\$ 25,300,000</b>
Ruddell / Mingo & Quiet Zones	\$ 38,000,000		\$ 38,000,000
<b>Roadways Proposition Subtotal</b>	<b>\$ 38,000,000</b>		<b>\$ 38,000,000</b>
Oakland Drainage & Upstream Detention	\$ 31,100,000		\$ 31,100,000
PEC Phases 3 & 4	\$ 25,400,000	\$ 1,500,000	\$ 23,900,000
<b>Drainage Proposition Subtotal</b>	<b>\$ 56,500,000</b>		<b>\$ 55,000,000</b>
Affordable Housing	\$ 10,000,000		\$ 10,000,000
City Hall	\$ 70,000,000		\$ 70,000,000
<b>Economic Development Proposition Subtotal</b>	<b>\$ 80,000,000</b>		<b>\$ 80,000,000</b>
<b>Total</b>	<b>\$ 337,766,000</b>	<b>\$ 1,960,000</b>	<b>\$ 335,806,000</b>
Public Art (4%) - Facilities & Public Safety	\$ 3,630,000		\$ 3,611,600

# Tax Rate Projection

Debt Tax Rate	\$250 million	\$300 million	\$335 million
2023	0.20448	0.20448	0.20448
2024	0.21797	0.21797	0.21797
2025	0.26145	0.26539	0.26934
2026	0.27764	0.28505	0.29246
2027	<b>0.28574</b>	0.29614	0.30654
2028	0.28460	<b>0.29757</b>	<b>0.31054</b>
2029	0.25612	0.26833	0.28055
2030	0.23733	0.24879	0.26025
Rate Increase	<b>0.081</b>	<b>0.093</b>	<b>0.102</b>
Excluding Planned Issuance	<b>0.046</b>	<b>0.057</b>	<b>0.064</b>

### Debt Forecast Assumptions:

- 6% assessed value growth.
- 20-year term bonds.
- 6-year issuance timeline.
- 5.5% interest rate.
- \$1.5 million use of reserves.
- CIP Budget planned CO issuance (\$111.7 million).
  - Includes Service Center in FY 2024



# Establishing a Committee

- Council establish new bond committee by resolution
  - Special Citizen Bond Advisory Committee (SCBAC)
  - Directs the appointment of members
  - Provides a charge for the committee
- SCBAC makes recommendations to the Council:
  - Projects to include in a bond program
  - Dollar amounts tied to each project, total program
- Meets regularly and utilizes staff to further vet and discuss capital projects
  - Monthly meetings in the evenings from April to June, at minimum
  - Quorum of 10 members required for meetings, Council may change quorum requirement
  - The committee will elect a Chair and Vice-Chair
- SCBAC dissolves on Election Day
- Staff will bring back separate action item to establish and provide charge



# Committee

- Each Council seat appoints 2 committee members
  - Full Council vote on members for District 4 representation
  - 14 committee members appointed by Council members
- Bond Oversight Committee appoints 5 committee members
  - **Total of 19 committee members**
  - Consistent with 2019 SCBAC
- Charge of the Committee - Make recommendations to Council on the dollar amounts and projects to be considered by the public in the November 2023 election.
  - Quality of Life
  - City Facility
  - Public Safety Facility
  - Roadway
  - Drainage
  - Economic Development
  - Public Art
- Optional - Not exceed a specified dollar amount in a final recommendation.



# Tentative Bond Election Timeline

- March: City Council Work Sessions; Initiate committee meetings
- April – June: Committee meetings
- July: Final Report to City Council; Establish bond propositions
- August: City Council calls November election
  - A November 2023 bond election would need to be called between August 9th –21st.
- October: Early voting begins
- November: Election day – Tuesday, November 7, 2023

# Questions

## City of Denton 2023 BOND

