



2018 BOND DEVELOPMENT QUESTION

Response to Request for Information

DEPARTMENT: Finance

REQUEST NO.: 25

REQUESTED BY: Houston

DATE REQUESTED: 06/21/18

DATE POSTED: 06/26/18

REQUEST: What is left over from each prior bond, including funds remaining from closed/completed projects? Provide totals by proposition title and category for each perspective bond year.

Could staff please identify what other types of projects can be funded with these funds, excluding 2016 bond. Specifically, which projects or needs identified in the current 2018 Bond proposal could be funded with these existing funds.

RESPONSE:

The attachments below are excerpts from the May 21, 2018 staff Bond update report. They provide a detailed breakdown of prior bond spending by year and bond proposition.

Staff is consulting with the City's legal department related to the remaining questions and as such a response will be provided via e-mail pursuant to the City's standard protocol for providing legal advice.





Prior Bond Programs

In response to Council requests and questions during the May 8, 2018 bond capacity update presentation, City staff has compiled the following information on the City's prior and active bond programs.

The City currently has mainly three active major bond programs: 2012, 2013, and 2016, and two recently substantially completed bond programs: 2006 and 2010. Active programs are defined as those with more than 5% of authorized funding to be obligated and with more than 10% to be spent. The 2006 General Bond was substantially complete as of the fourth quarter of Fiscal Year (FY) 2014; the 2010 Mobility Bond was substantially complete as of the third quarter of FY 2014.

When a bond program is approved by the voters, the full authorized amount is not appropriated all at once. Instead, appropriations are made in installments in accordance with the prioritization, coordination, and timing of projects over the life of the bond program. Bonds are usually sold over the course of five or six years, and typically lag expenditures through the City's reimbursement resolution process in order to optimize cash flow requirements.

The 2012 Bond Program was approved by the voters on November 6, 2012, and includes six propositions for a total of \$306.6 million in authorization. The 2012 Bond Program was developed in alignment with many of the priority programs of the Imagine Austin Comprehensive Plan, such as investing in a compact and connected Austin, growing and investing in Austin's creative economy, and using green infrastructure. Proposition 12 authorized \$143.3 million in funding for transportation and mobility projects including street improvements, sidewalks, bridge, bikeways, signals, and facilities. Proposition 13 authorized \$30.0 million for open space and watershed protection acquisition. Proposition 14 authorized \$77.7 million for parks and recreation projects, including citywide park improvements, facility improvements, and cemetery renovations. Proposition 16 authorized \$31.1 million in funding for public safety facility improvements. Proposition 17 authorized \$11.1 million for health and human services facility improvements. Proposition 18 authorized \$13.4 million in funding for library, museum, and cultural arts facilities improvements including interior and exterior renovations at numerous branch libraries and funding for the Austin Film Studios.

The 2012 Bond Program also included a failed proposition of \$85.0 million for affordable housing. The following year, on November 5, 2013, voters approved one proposition for \$65.0 million in authorization to support affordable housing projects and programs, including rental housing, homeownership, and home repair. The projects and programs included in the 2013 Bond Program are projected to be implemented over a five to six-year period.

The 2016 Bond Program was approved by voters on November 8, 2016 and includes one proposition for a total of \$720.0 million in authorization for local, corridor, and regional transportation and mobility improvements. This Mobility Bond program provides improvements for intersections, sidewalks, bicycle facilities, urban trails, and the Safe Routes to School Program.



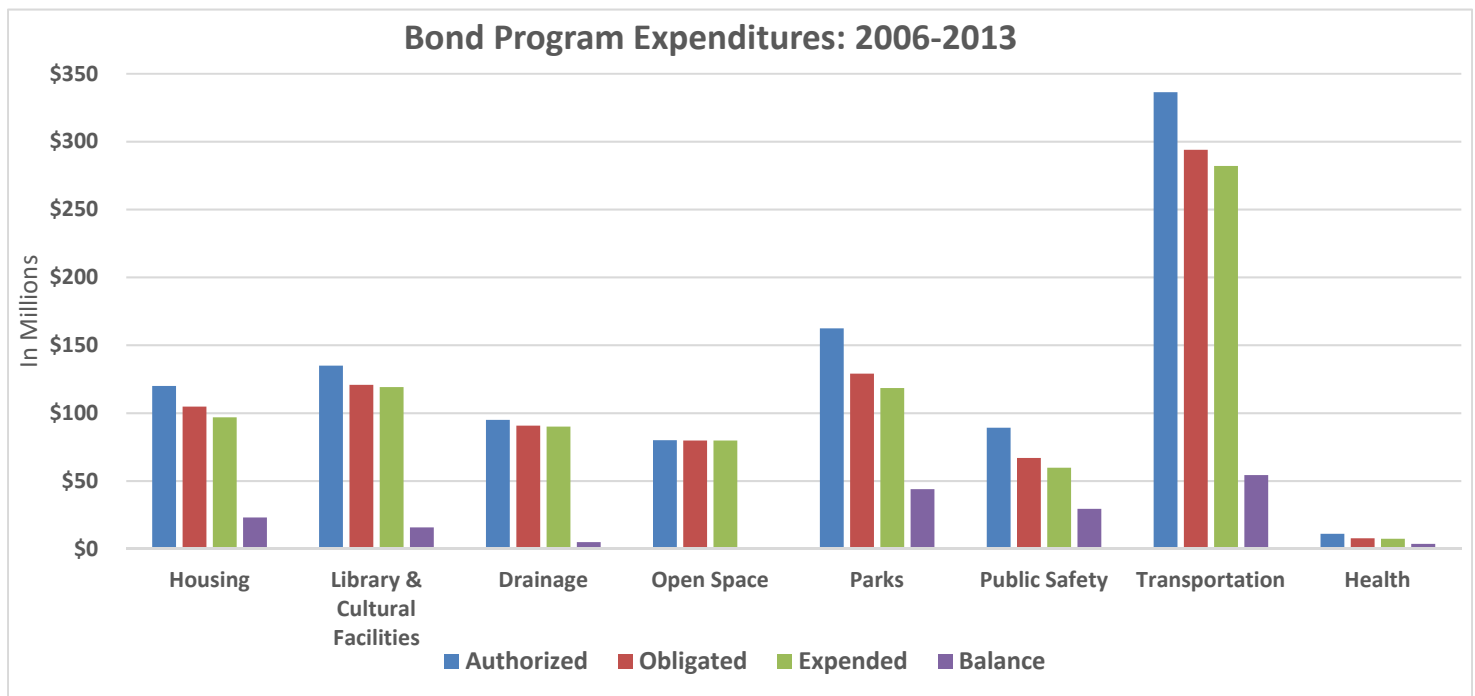


With regards to the City's active bond programs, the estimated future bond issue schedule is as follows:

Bond Package	Fiscal Year					
	2019	2020	2021	2022	2023	2024
2006	\$9.0 M					
2012	\$43.9 M	\$12.6 M				
2013	\$10.0 M					
2016	\$51.5 M	\$51.0 M	\$71.5 M	\$181.5 M	\$196.5 M	\$125.0 M
Total	\$114.4 M	\$63.6 M	\$71.5 M	\$181.5 M	\$196.5 M	\$125.0 M

The current debt service portion of the tax rate is currently 10.55 cents per \$100 valuation; it is estimated that to sell all current remaining bonds, the debt service tax rate will need to be 11.69 cents per \$100 valuation.

Below is a summary of each active bond program's outstanding debt authorization and expenditures as of May 2018. A more detailed look at each of these bond programs, including the 2016 Mobility bond (not shown in the below chart) is available in **Appendix B**.



Some terms to know in relation to this chart:

Appropriation: funding has been authorized by the City Council through approval of capital budgets

Obligated: funding has been committed through expenditures and encumbrances

Expended: the amount of funding actually paid to vendors

Balance: the remaining appropriation net of the amount expended





Appendix B - Prior Bond Program Spending by Category

Below is a summary by bond category for the City's active bond programs based on City financial information as of May 2018, including a table for each category that shows the total amount authorized, appropriated, expended, and remaining to be spent, as well as a brief overview of the major projects or programs related to the portion of the bond program remaining to be spent.

City staff are available to discuss the status of prior bond programs in more detail, should there be further questions.

Definitions for the bond spending categories are as follows:

- **Authorized:** the amount approved by the voters
- **Appropriated:** funding has been authorized by the City Council through approval of capital budgets
- **Expended:** the amount of funding actually paid to vendors
- **Remaining to be Spent:** the remaining appropriation net of the amount expended

Affordable Housing

Bond Spending Category	Bond Program	
	2006	2013
Total Authorized	\$55.0 M	\$65.0 M
Total Appropriated to date	\$55.0 M	\$65.0 M
Total Expended to date	\$54.9 M	\$42.1 M
Total Remaining to be Spent	\$0.1 M	\$22.9 M

Additional details are as follows:

Proposition 1 of the 2013 Affordable Housing Bond Program included funding for Rental Housing Assistance, the GO! Home Repair Programs, and Permanent Supportive Housing. Of the \$65.0 million authorized by the voters in 2013, \$15.0 million remains to be spent (net of encumbered funds).

Information of the various categories is below.

- **Rental Housing:** Of the roughly \$44.6 million allocated to the program, \$30.0 million has been expended, with a further \$6.4 million obligated, leaving a balance remaining to be spent of approximately \$8.1 million
- **Permanent Supportive Housing:** of the \$3.1 million appropriated for this program, the balance remains unspent.
- **Ownership Housing:** Of the \$5.1 million allocated for this program, \$3.4 million has been spent, with a further \$0.4 million obligated, leaving a balance remaining to be spent of approximately \$1.3 million.





- **GO! Home Repair:** Of the \$11.9 million allocated for this program, \$8.4 million has been spent, with a further \$1.1 million obligated, leaving a balance remaining to be spent of approximately \$2.4 million. This is an average spend per year of \$1.9 million.

Transportation

Bond Spending Category	Bond Program		
	2006	2010	2012
Total Authorized	\$103.1 M	\$90.0 M	\$143.3 M
Total Appropriated to date	\$103.1 M	\$90.0 M	\$143.3 M
Total Expended to date	\$102.8 M	\$87.7 M	\$91.5 M
Total Remaining to be Spent	\$0.3 M	\$2.3 M	\$51.8 M

Additional details are as follows:

- Proposition 1 of the 2006 bond program is substantially complete, as is Proposition 1 of the 2010 bond program.
- Of the \$143.3 million authorized by the voters in Proposition 12 of the 2012 bond program for transportation/mobility projects, \$41.0 million (net of encumbrances), or 29%, remains unspent. The remaining funding for this bond program is allocated to the following programs:
 - Harold Court building renovations, preliminary design for Lamar and Burnet Corridor Improvements, and other corridor improvements

2016 Mobility Bond

Bond Spending Category	Bond Program
	2016
Total Authorized	\$720.0 M
Total Appropriated to date	\$127.5 M
Total Expended to date	\$27.3 M
Total Remaining to be Spent	\$692.7 M

Council has received regular staff updates regarding the progress of the 2016 Mobility Bond Program. The most recent update can be found at: <https://data.austintexas.gov/stories/s/2016-Mobility-Bond/9krn-a66r/>





Libraries & Cultural Facilities

Bond Spending Category	Bond Program	
	2006	2012
Total Authorized	\$121.5 M	\$13.4 M
Total Appropriated to date	\$121.5 M	\$13.4 M
Total Expended to date	\$115.5 M	\$3.5 M
Total Remaining to be Spent	\$6.0 M	\$9.9 M

Additional details are as follows:

- Proposition 18 of the 2012 General Bond included \$5.4 million to renovate the Texas National Guard Armory for use by the Austin Film Studios, with a goal of increasing the amount of square footage available for film and television production and to add office space for small creative media and film businesses. To date, just over \$0.7 million has been expended on this project.
- Proposition 4 of the 2006 Bond Program included funding for the renovation of the Mexic-Arte Museum. The status of this project has been the topic of recent discussion. As noted in the [memo](#) released by Assistant City Manager Sara Hensley on August 25, 2017, the \$5.0 million that was allocated for the use of the Mexic-Arte in 2006 is not sufficient to cover the full rehabilitation of the building, a necessary project as there are now significant structural and code compliance issues throughout the building. \$15.0 million is included in the [Bond Election Advisory Task Force's 2018 Bond recommendation](#) in order to complete the originally envisioned renovations as well as necessary structural upgrades to the Museum.

Public Safety

Bond Spending Category	Bond Program	
	2006	2012
Total Authorized	\$58.1 M	\$31.1 M
Total Appropriated to date	\$58.1 M	\$31.1 M
Total Expended to date	\$47.1 M	\$12.7 M
Total Remaining to be Spent	\$11.0 M	\$18.4 M

Additional details are as follows:

- Proposition 7 of the 2006 Bond Program included funding in the amount of \$58.1 million for a new Municipal Court building, a mounted patrol facility, and a new Northeast substation for the Austin Police Department.
 - Of the \$58.1 million general obligation bonds authorized, there remains \$5.0 million authorized, but unissued after accounting for the \$53.1 million bonds issued to date. However, \$10.7 million (net of encumbrances) of the \$58.1 million authorized by the voters remains unspent.





- \$7.2 million is the funding remaining for the municipal court facility. The City Council has recently authorized a lease for a new multi-year lease for a temporary Municipal Court facility while plans for a new Municipal Court facility are developed.
- As a result of shifting community priorities related to the purchased land, during the adoption of the FY 2017 budget, City Council authorized reallocating funds from the Northeast substation project to the Mounted Patrol facility. The latter project, due to unforeseen circumstances related to existing site conditions, require additional funding above what was allocated in the 2012 Bond Program.

Health and Human Services

Bond Spending Category	Bond Program
	2012
Total Authorized	\$11.1 M
Total Appropriated to date	\$11.1 M
Total Expended to date	\$7.4 M
Total Remaining to be Spent	\$3.7 M

Additional details are as follows:

In Proposition 17 of the 2012 bond program, voters approved just over \$11.0 million for improvements, expansions, and new facilities for the City's Health and Human Services Department.

- To date, \$7.4 million has been expended, with a further \$0.4 million obligated, leaving a balance of approximately \$3.4 million (net of encumbrances).
 - The Montopolis Community Building & Recreation Center Project is a joint project between the Parks and Recreation Department and the Health and Human Services Department. This project began in October 2016 with approval schematic design. To date, the Neighborhood Center Project has entered the negotiation and execution phase of a construction contract with Flintco services, and are anticipated to finalize construction by quarter 4 of FY 2020.





Open Space & Stormwater/Drainage

Bond Spending Category	Bond Program	
	2006	2012
Total Authorized	\$145.0 M	\$30.0 M
Total Appropriated to date	\$145.0 M	\$30.0 M
Total Expended to date	\$140.1 M	\$29.8 M
Total Remaining to be Spent	\$4.9 M	\$0.2 M

Additional details are as follows:

- **Onion Creek – Flood Hazard Mitigation, Ecosystem Restoration, & Recreation**
 - Buyout efforts for this United States Army Corp of Engineers (USACE) partnership project, which included the acquisition of 483 properties, are complete, and the recreation area has been designed and is currently under construction
 - 97% of the \$25.2 million of 2006 bond funding appropriated to this project has been spent, but it is not anticipated that the remaining bond funding will be needed. The Watershed Protection Department (WPD) plans to reallocate the remaining funds to the Upper Onion Flood Risk Reduction project to acquire land in FY 2019.
- **Little Walnut Creek – Flood Risk Reduction from Metric to Rutland**
 - The project is moving towards 90% design, with construction anticipated to begin in late FY 2019.
 - Construction of this project will take at least two years, and the 2006 bond funding will be used for the construction contract.
- **Waller Creek - Guadalupe St, W. 35-37th Storm Drain Improvements**
 - Cost savings from completed 2006 drainage bond projects were re-allocated to high priority flood risk reduction projects, including the Guadalupe SDI project (also identified for potential 2018 bond funds).
 - Potential 2018 bond funding would be used to fully-fund construction; the remaining 2006 bond funds will be used towards preliminary engineering/design, and are planned to be spent by FY 2019.





Parks and Recreation

Bond Spending Category	Bond Program	
	2006	2012
Total Authorized	\$84.7 M	\$77.7 M
Total Appropriated to date	\$84.7 M	\$77.7 M
Total Expended to date	\$83.3 M	\$35.1 M
Total Remaining to be Spent	\$1.4 M	\$42.6 M

Additional details are as follows:

- The 2006 bond program for the Parks and Recreation Department (PARC) is substantially complete.
- Regarding the 2012 bond program, PARC is approximately 45% complete.
 - As noted above, PARC is a participant in the Montopolis Community Building & Recreation Center Project; \$9.0 million of the remaining \$32.5 million (net of encumbrances) for PARC in the 2012 bond is earmarked for this project, with an estimated completion date of 2020.
 - Other projects currently underway for PARC include:
 - Waller Creek District improvements
 - Parkland Acquisition and Development
 - Facility and Parkland Improvements. This category includes the Barton Springs bathhouse renovation, Master Plan Phase 1 implementation at Holly Shores, and improvements to the Elisabet Ney Museum.

