

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

<p>AGENDA TITLE: Potential Bond Issue DEPARTMENT: City Manager's Office PRESENTED BY: Robert L. Olander, Interim City Manager Dick Deal, Director of Parks, Recreation & Cultural Services</p>

PROBLEM/ISSUE STATEMENT:

On January 23, 2006 the City Council asked staff to reconvene the Bond Advisory Committee in order to find a way to include the remaining costs of the South Woods property acquisition in the proposed bond issue. The revised bond issue total is recommended not to exceed \$18,500,000 in proceeds for project costs.

On Thursday, February 9, the Bond Advisory Committee met to discuss Council's request and the timing of a bond election. The Committee recommends that the Council adopt an ordinance authorizing a bond issue for the attached projects (column B) totaling \$18,500,000 for the May 16, 2006 election. In addition, the Committee recommends that the City Council adopt the ordinance unanimously.

BACKGROUND:

In October 2005, the Bond Advisory Committee presented their formal report and unanimous recommendation to the City Council. The Committee recommended proceeding with a May bond election for projects totaling \$15,000,000 (column A on the attachment). Since October the City has purchased three (3) acres of the South Woods property from the School District, at a discounted rate, and received an additional \$300,000 in grant funds for this project. There has been continuing public and Council interest in acquiring the balance of the 15.8 acre site. Informal indications from the School District and Water District are they are unlikely to sell their portion of the remaining property at a discounted rate. Due to this, the Council would like to increase the bond amount for the South Woods property from \$2,000,000 to \$6,000,000, which is the amount identified in the 2006-2011 Capital Improvement Plan. At the January 23, 2006 Council meeting, the City Council asked staff to reconvene the Bond Advisory Committee in order to find a way to include the remaining costs of the South Woods property acquisition in the proposed bond issue. The revised bond issue total is recommended not to exceed \$18,500,000 for project costs.

At the February 9 Bond Committee meeting the Committee members discussed Council's request, weighing the pros and cons for the bond increase from \$15,000,000 to \$18,500,000, as well as the advantages and disadvantages of having a May or September election. Committee members present at the February 9 meeting were:

1. Larry Blake
2. Bill Clements
3. Jim Doherty
4. Darlene Feikema
5. Sally Granger
6. Councilmember Rich Gustafson
7. Patricia Hale
8. Starla Hohbach
9. Mayor Bob Ransom
10. Councilmember Cindy Ryu
11. Shari Winstead-Tracey

In addition, two members of the public were present: LaNita Wacker supporting the South Woods property acquisition and David Berger supporting the Kruckeberg Gardens acquisition. Staff present included: Bob Olander, Interim City Manager, Dick Deal, Director of Parks, Recreation and Cultural Services, Debbie Tarry, Finance Director, and Julie Modrzejewski, Assistant City Manager.

After much active discussion, there was consensus among the Committee to move forward with the proposed list of projects totaling \$18,500,000 as attached (column B) for a May 2006 election. There were several factors involved in their recommendation:

- a. There is a sense of urgency to acquire the open space properties in order to preserve them from future development.
- b. The Committee believes it would be positive to follow the success of the School Levy and Bond.
- c. While it is a tight timeframe, the Committee believes there is adequate time based on the community's high level knowledge and awareness of the projects outlined in the bond proposal (e.g., South Woods, Kruckeberg Gardens, etc.)

FINANCIAL IMPACTS:

In order to have a bond issue that will net \$18,500,000 in proceeds for projects, the actual bond will be approximately \$18,745,000, to cover bond issuance costs. The estimated levy rate for the bond would be 28.5¢ per \$1,000 assessed value. The tax impact on an average valued home of \$289,000 would be \$82.36 per year or \$6.86 per month.

RECOMMENDATION

Staff recommends that the City Council adopt the Bond Committee's recommendation and direct staff to prepare an ordinance authorizing a bond issue for the attached projects totaling \$18,500,000 for the May 16, 2006 election.

Approved By: City Manager _____ City Attorney _____

Attachment: Bond Advisory Committee Proposed List of Projects

Bond Advisory Committee Draft List of Projects

Objective: To create a reasonably balanced and mixed list of projects (e.g., active, passive, east, west, open space, youth, adult, seniors, community and group support)

Project	Column A		Column B	
	Committee Recommendation (8/4/05 & 9/15/05)	Committee Recommendation (2/9/06)		
Hamlin Park (SPU acquisition-8.3 acres)	\$ 3,300,000	\$ 3,300,000		
Richmond Beach Saltwater Park Improvements (improvements to be identified in the master plan)	\$ 2,800,000	\$ 2,640,000		
Trail Corridors	\$ 2,500,000	\$ 2,500,000		
South Woods Property Acquisition (15.6 acres)	\$ 2,000,000	\$ 6,000,000		
Cronwell Park Improvements	\$ 1,000,000	\$ 1,000,000		
Kruckeberg Gardens (acquisition-4 acres, parking improvements)	\$ 950,000	\$ 950,000		
Field Turf at Twin Ponds Park	\$ 900,000	\$ 900,000		
Hamlin Park Improvements (backstops, concession stand, restrooms, picnic shelters, and field lighting on lower fields)	\$ 750,000	\$ 750,000		
Baseball/Softball Field Improvements (backstops, restrooms, scoreboards)	\$ 250,000	\$ 250,000		
Second Skate Park (park site TBD)	\$ 250,000			
Off Leash Dog Park (park site TBD)	\$ 150,000	\$ 150,000		
Lights on Tennis Courts at Shoreline Center	\$ 60,000	\$ 60,000		
South Echo Lake + Weiman House				
Field Turf at Shoreview Park				
Darnell Park				
Tennis Courts (resurfacing at Meridian Park and Keough Park)				
TOTAL	\$ 14,910,000	\$ 18,500,000		

Draft List Adopted by Subcommittee on 8/4/2005

Draft List Adopted by the Bond Advisory Committee on 9/15/2005

Draft List Adopted by the Bond Advisory Committee on 2/9/2005

This page intentionally left blank.