



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2024-401

Agenda Item# H.3.

Agenda Date: 6/4/2024. **Department:** Financial & Administrative Services

Meeting Type: Council Meeting **Category:** Public Hearing Agenda

Title: 2024 – 401 Resolution Making Certain Findings and Determinations Regarding the Proposed Financing of a New Fleet Servicing Garage and Various Capital Improvement Projects and Equipment Acquisitions for the City of Greensboro

Council Priority: Place an 'x' in the box.

- | | |
|--|--|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Funding of Infrastructure</u> |

Council District: All

Public Hearing: Yes

Advertising Date/By: 5/23/2024

Contact 1 and Phone: Marlene Druga, Ext.2094

Contact 2 and Phone: Chris Payne, Ext. 451-1998

PURPOSE:

A Resolution Making Certain Findings and Determinations Regarding the Proposed Financing of a New Fleet Servicing Garage and Various Capital Improvement Projects and Equipment Acquisitions for the City of Greensboro, North Carolina and Requesting the Local Government Commission to Approve the Financing Arrangement.

To hold a public hearing and to request City Council to approve filing of a debt application in an amount not to exceed \$47,500,000 with the Local Government Commission (LGC), to make certain findings about the proposed financing and to approve the financing team.

BACKGROUND:

The proposed financing includes issuing not to exceed \$47,500,000 Limited Obligation Bonds to finance construction and equipping of a new fleet servicing garage (\$30,000,000) and various other public improvement needs (\$15,000,000) in addition to estimated cost of issuance. Bids from subcontractors for the new garage facility are nearing completion and staff expects finalization of a guaranteed maximum price from Samet Corporation for consideration of a construction contract award at the June 18, 2024 City Council meeting.

Vision Statement: "A Community with Endless Economic Opportunities and Exceptional Quality of Life."

Other infrastructure needs supported by this request include \$5,281,000 for Parks and Recreation deferred maintenance projects including pool, playgrounds, trails, Bog Garden boardwalk replacement and property acquisition, among others as well as:

Cultural Arts Center, Including Roof	\$1,060,000
Heritage House	\$1,000,000
Gateway Corridor Improvements	\$1,000,000
Transfer Station Repairs	\$781,500
Greensboro Science Center, Including Parking	\$525,000
Building Repairs/Renovations Including HVAC	\$500,000
Police Facility Security (Fencing, Cameras)	\$391,000
Library, Including Roof	<u>\$292,500</u>
Subtotal Other Improvements	\$10,831,000

Estimated annual debt service declines from approximately \$4 million to \$1.9 million over the 15 – 20 year term of the debt at average 3.54% interest.

City Council will be requested to approve the sale and issuance of the debt on June 18, 2024 followed by requested LGC approval on July 9, 2024. If approved, bond sale will occur on July 17, 2024.

BUDGET IMPACT:

No property tax increase is anticipated for the issuance of this debt. Debt service will be included in the annual budget ordinance appropriations.

ACCOUNT NUMBER:

N/A

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council approve the attached resolution making certain findings and determinations regarding the proposed financing of a new fleet servicing garage and various capital improvement projects and equipment acquisitions for the City of Greensboro, North Carolina and requesting the Local Government Commission to approve the financing arrangement.