

Capital Project & Bond Issue Update

August 6, 2018

City Staff



Project Update

General Obligation Bond Projects

Parking Garage Projects

Coliseum Complex Improvements

Tanger Center for the Performing Arts



2018 GO Bond Issue

\$155 Million General Obligation Bond Issue:

- Requires City Council approval August 21, 2018
- Bonds financed over 20 years – approved by LGC and issued September 2018
 - Issue \$115 million remaining balance of 2008 and 2009 voter approved bonds
 - \$102.5M Street Improvements
 - \$ 5.0M Parks & Recreation
 - \$ 7.5M Greensboro Science Center
 - (includes refinancing of outstanding \$50M bond anticipation note)
 - Issue \$40 million of 2016 voter approved bonds
 - \$10.4 M Housing
 - \$ 7.1 M Community & Economic Development
 - \$11.0 M Parks & Recreation
 - \$11.5 M Transportation (includes resurfacing)



GO Bond Issues 2019-2023

Remaining 2016 Authorized Bonds:

- Note Issue October 2019
Issue \$50 million Construction Note
 - \$8.6 M Housing
 - \$21.9 M Community & Economic Development
 - \$11.0 M Parks and Recreation
 - \$8.5 M Transportation (includes resurfacing)

- Bond Issue February 2021
 - Refinance October 2019 Construction Note to Bonds

- Note Issue October 2021
Issue \$36 M Construction Note
 - \$6.0 M Housing
 - \$9.5 M Community & Economic Development
 - \$12.5 M Parks & Recreation
 - \$8.0 M Transportation (includes resurfacing)

- Bond Issue February 2023
 - Refinance October 2021 Construction Note to Bonds
 - Tax rate allocated to debt service may increase from 9.50 cents to 10.50 cents



Parking Garages

February 1 Parking Garage (850 Spaces)

- Project Budget: \$31.2 million (land, design and construction) – completion 2020
- Estimated Hotel & Office Building Tax Base Impact – up to \$48 million

Eugene St. Parking Garage (940 to 1,000 spaces)

- Project Budget Phase 1: \$7.2 million (land and design) – completion 2019
 - Receive developer payment of \$2.3 million on exchange of property
- Project Budget Phase 2: \$20 million (construction) – completion 2020
- Estimated Hotels & Office/Mixed Use Buildings Tax Base Impact – up to \$122 million

Bond Issue October 2018

- Requires City Council approval August 21, 2018
 - Issue Bonds for February 1 Garage and Phase 1 Eugene St. Garage
 - \$36.1 million improvements financed by parking fees, property tax and sales tax
 - \$40.1 million bonds issued (including construction, bond issue costs and capitalized interest)
 - Bonds financed over 30 years - approved by LGC and issued October 2018

Bond Issue May 2019 – Eugene St. Garage Phase 2 (\$21.8 million bond issue)



Parking Garage Funding

- **Revenue resources to fund operating and debt service cost:**
 - Annual Property Tax on new downtown hotels, new office/residential buildings, new office buildings and major building renovations, estimated at \$170 million
 - County Sales Tax on hotel room rentals
 - Does not include separate Hotel/Motel (Room Occupancy) Tax Revenue
 - Revenue from parking facilities enterprise fund:
 - Enterprise-wide Parking Fees required to pay balance of cost
 - Increase rates in all City decks from \$65/month to \$85/month Jan. 1, 2019 and increase over next 5 yrs. to \$120/month and then adjust annually thereafter as needed
 - Reserved space rate increase from \$75/month to \$110/month Jan. 1, 2019 and increase over next 5 yrs. to \$156/month and then adjust annually thereafter as needed
 - On-street meters and parking lots; rates increased annually



Coliseum Improvements 2016-2019

Completed Projects: \$13.8 million (2016-2018)

- G League Fieldhouse \$6.0 million
- Roof Replacements \$3.8 million
- North Lobby/Parking Improvements/Other \$2.7 million
- CVB Parking Lot Improvements/G League Offices \$1.3 million

Planned Projects: \$15.0 million (Aug. 2018 - Dec. 2019)

- Aquatic Center 4th Pool \$8.7 million
 - \$1 million funded from City Capital account
- Replacement of SEC Retractable Portable Seating \$2.4 million
- North Entrance/Parking Lot Improvements \$1.5 million
- Roof Replacements \$1.4 million
- Replacement of A/C cooling towers \$600,000
- Replacement of ice chiller plants \$400,000



Coliseum Improvements 2016-2019

Improvements of \$28.8 million financed by Hotel/Motel Tax Revenue

- \$27.8 million funded from City 3% levy
- \$1.0 million funded from County 3% levy – City Capital account

Bond Issue October 2018

- Requires City Council approval August 21, 2018
 - Increase budget from \$24.5 million to \$29.9 million to fund improvements, bond issue costs and capitalized interest
 - Funded by \$28.3 million bonds, \$1.0 million City Capital account & \$610,000 sales tax/interest
 - Bonds financed over 25 years - approved by LGC and issued October 2018
 - In addition to above bonds, refinance \$5.3M aquatic center bonds issued in 2010

Hotel/Motel Tax Revenue

- Annual revenue of \$4.3 million and future revenue growth sufficient to fund \$3.9 million debt service on existing and new bonds and maintain debt service reserve



Tanger Center for the Performing Arts

Project Budget: \$84.7 million (land, design, building & equipment)

- City Share \$42.9 million
 - Bonds issued January 2018
 - Debt Service funded from ticket sales, parking fees and County hotel/motel tax levy allocated to City Capital account
- Private Donors \$41.8 million
 - MOU with Community Foundation that includes bank financing commitment
 - Funding \$5 million design costs and \$36.8 million construction

Building under construction and on schedule

- \$58.4 million construction contract
 - \$12.4 million invoiced to date

Project Completion 2020

