



Staff's \$400/\$385/\$300/\$200 Million Bond Packages

In formulating the alternative programs, staff built upon the deliberations and community input received by the Bond Election Advisory Task Force, including key issues and priorities identified during the process as well as the recommended proportions of funding for four categories considered – Affordable Housing, City Facilities, Parks and Open Space, and Transportation/Mobility.

Foundation for City Manager's Alternative Programs –

Based upon analysis of Task Force recommendations and Council direction provided for the bond development process, namely:

- **Adequate Funding...Council directed the Task Force to provide for adequate funding of projects.** To insure that projects could realistically be built with the funding provided, staff focused on three funding options: 1) full funding for a project, 2) partial funding tied to a logical phasing plan (fund design this program and construction via some future funding mechanism), or 3) cut the funding completely. In other words, we did not include an arbitrary cut to the funding required without an associated cut in scope.
- **Needs Assessment...Council directed the Task Force to work within the scope of the staff-provided Needs Assessment.** The Task Force included in its recommendations funding for community-based projects that were outside the scope of the Needs Assessment. While the Task Force noted and staff concurs with the importance of supporting such projects to the benefit of the community, the Needs Assessment provided an extensive list of existing facility and infrastructure needs. The Task Force indicated often during its discussions that the amount of priority needs in the staff-developed Needs Assessment well exceeded available funding options. When compared to projects and programs already contained in the Needs Assessment, staff was not able to include funding for community-based projects in its recommendations. That being said, we intend to continue to work with the stakeholders for each of the four community-based projects recommended by the Task Force to identify potential leverage funding opportunities.
- **Consistent with funding allocations recommended by the Task Force and obtained through community input.** Task Force recommendations remained consistently proportioned as it started with \$659 million in sub-committee recommendations and then formulated its \$575 million and \$400 million package recommendations. These proportions were also consistent with the proportions identified by City of Austin citizens through participation in community meetings and online surveys. As the Task Force worked to reach its funding recommendations, some areas encountered slightly more reductions than others as the Task Force sought to find funding for community-based projects and other priorities it identified. In each of its bond

package recommendations, staff sought to make adjustments to adequately fund projects and address the highest priorities of need while maintaining funding proportions identified by both the Task Force and the community.

- **Consistent with prior bond programs and with Task Force recommendations with regard to open space.** In the City of Austin's 2000 and 2006 bond programs as well as each of the Task Force's bond package recommendations, Open Space accounts for approximately 8% of the total package. Staff maintained this proportion for Open Space in its recommendations.
- **Geographic equity and leveraging funding opportunities.** Staff sought to maintain geographic equity in making funding recommendations as well as to prioritize opportunities for leveraging funding from external sources; these were key priorities used by the Task Force in formulating their recommendations.

In addition, staff recommendations take into account remaining funding from prior bond programs. Recommendations were based upon review of obligated and available funding from the 2006 and 2010 bond programs in determining priority needs and duration of bond program going forward. The Task Force recommendations and staff recommendations for \$400 million take into account remaining funding for several of the ongoing capital improvement programs.

Both the Task Force and staff-recommended \$400 million bond packages represent a relatively lean funding recommendation for, on average, a 5-year bond program, with a focus on needs as identified by City departments, the Task Force and the community.

The staff recommendation used the Task Force's \$400 million bond package as its starting point. The Task Force requested staff analysis on potential funding by category for the \$400 million recommendation to use for its deliberations.

The staff's alternative bond packages are summarized on the following pages.

Staff's Alternative Programs –

\$400 Million Bond Package (4-5 year program) - Since the Task Force worked collaboratively with staff using the analysis provided, the staff recommendation coincides with the majority of the Task Force recommended \$400 million package. However, we do differ with the Task Force recommendation in a few areas.

\$400 Million Bond Package Recommendations

	Task Force Recommendation	%	Staff Recommendation	%
Affordable Housing	\$76,800,000	19%	\$71,500,000	18%
City Facilities	\$68,000,000	17%	\$76,100,000	19%
Parks & Open Space	\$110,000,000	28%	\$108,000,000	27%
Transportation/Mobility	\$139,200,000	35%	\$144,400,000	36%
Community-Based Projects	\$6,000,000	2%	--	--
TOTAL	\$400,000,000		\$400,000,000	

Specific staff analysis and recommendations by funding category include the following:

- Staff analysis included \$76 million for City Facilities, due to the fact that this reduces the list to all “near-term” projects, we could not justify reducing this amount further in a \$400 million package. The Task Force recommendation includes \$68 million for City Facilities, which was reached by arbitrary reductions to the APD Northwest Substation and the PW Harold Court Facility. Staff restored funding for these projects.
- Task Force recommendations included \$6 million in funding for community-based projects, which was obtained from reducing funding for design of new projects in Transportation/Mobility as well as the funding reduction from the NW Substation. Staff does not include funding for community-based projects.
- The Task Force recommended a higher proportion for Affordable Housing than what was included in the \$575 million recommendation – 19% of the total recommendation versus 17% for the \$575 million package. Staff recommends proportionate funding for Affordable Housing that is more consistent with the Task Force’s \$575 recommendation.
- The Task Force recommendation includes a reduced funding amount for the Colony Park affordable housing infrastructure project. In addition, the Task Force moved this project from Affordable Housing to the Transportation/Mobility funding category. Staff funded this project, but moved it back to the Affordable Housing category as per the initial recommendations to the Task Force.
- For parks, the staff recommendation includes reallocation of \$1 million to restore original needs assessment funding for Waterloo and Palm parks, which was reduced during the Task Force sub-committee process.
- Open Space was reduced \$3 million compared to Task Force recommendations in order to fund other projects. Even with the funding difference, open Space funding is proportionally consistent with Task Force and prior bond program allocations.
- The IH35 Corridor project was identified as a priority by the Task Force to address mobility issues for the city as well as to leverage State and Federal funding for this purpose. Staff concurs with the Task Force and community priority in this regard and included additional funding for this project in the staff recommendation.
- This package includes \$2 million to further develop the Urban Rail corridor project.

\$385 Million Bond Package (4-5 year program) – CITY MANAGER RECOMMENDATION

The City Manager recommended bond package proposes funding that maintains the current debt service tax rate, given the most recent debt capacity information provided by the Financial Services Department. This package remains proportionately consistent with Task Force and other staff recommendations across the four categories of funding.

City Manager Recommendation Summary: \$385 Million Bond Package

	City Manager Recommendation	%
Affordable Housing	\$65,000,000	17%
City Facilities	\$76,100,000	20%
Parks & Open Space	\$104,500,000	27%
Transportation/Mobility	\$139,400,000	36%
Community-Based Projects	--	--
TOTAL	\$385,000,000	

Specific changes from the staff \$400 million recommendation include the following:

- Affordable Housing allocation remains proportionate to the bond package recommendations made by the Task Force and obtained through community input. This category includes funding for the Colony Park affordable housing infrastructure project.
- City facilities funding recommendation remains at the staff \$400 million level due to the lack of options for incremental reductions on stand-alone facilities projects.
- Parks ongoing CIP programs experienced some reductions for the Building Renovations, Metropolitan Parks and Neighborhood Parks programs.
- Open Space funding remains at approximately 8% of the total recommendation.
- For Transportation/Mobility, the following projects and programs had reduced funding recommendations compared to the staff \$400 recommendation: IH35 Corridor project, North Burnet/North Lamar Corridor project, the neighborhood partnering program and the Minor Bridges and Culverts program.
- This package includes \$2 million to further develop the Urban Rail Corridor project.

\$300 Million Bond Package (3-4 year program) - At the \$300 Million funding level, staff recommendations remained proportionately consistent with funding allocations recommended by the Task Force and the community. Staff took into account the phases of work or projects that could be completed in a shorter time period as well as the highest priorities of need in formulating this recommended bond package.

Staff Recommendation Summary: \$300 Million Bond Package

	Staff Recommendation	%
Affordable Housing	\$50,000,000	17%
City Facilities	\$50,000,000	17%
Parks & Open Space	\$80,000,000	27%
Transportation/Mobility	\$120,000,000	40%
Community-Based Projects	--	--
TOTAL	\$300,000,000	

Specific funding recommendations for each category include the following:

- Affordable Housing allocation remains proportionate to the bond package recommendations made by the Task Force and obtained through community input. This category includes funding for the Colony Park affordable housing infrastructure project.
- City Facilities recommendation reduces funding for the APD Northwest Substation to only include funding for land acquisition, preliminary and design phases.
- Public Work's Harold Court Facility is removed from the City Facilities list as no phasing options were available for this project.
- Parks ongoing programs saw additional reductions in several areas such as Building Renovations, District Parks, and Metropolitan Parks and Recreational Facilities improvements.
- PARD, WPD and PDR collaboratively recommend combining funding for Waterloo and Palm Parks into the overall project for Waller Creek & Trail Improvements. This re-organization of funds is meant to tether the individual funds together in order to have a significant impact along the corridor and will allow for greater flexibility at the time of project implementation.
- Open Space funding is in keeping with historical and Task Force allocations of approximately 8% for the total package.
- Transportation/Mobility includes reduced funding for IH35, N. Lamar/N. Burnet Corridor, and Public Work's Minor Bridges/Culverts program. Funding levels for ongoing ATD and PW improvement programs remain relatively consistent with those recommended in the \$400 million package, as these programs are considered a high priority for addressing existing transportation infrastructure needs.

\$200 Million Bond Package (2-3 year program) - Staff took a similar approach for the \$200 million recommendation as it did for the \$300 million package with respect to funding allocations for the categories of need as well as logical phasing and reduction of projects and programs as necessary.

Staff Recommendation Summary: \$200 Million Bond Package

	Staff Recommendation	%
Affordable Housing	\$30,000,000	15%
City Facilities	\$36,000,000	18%
Parks & Open Space	\$54,000,000	27%
Transportation/Mobility	\$80,000,000	40%
Community-Based Projects	--	--
TOTAL	\$200,000,000	

Specific funding recommendations for each category include the following:

- Affordable Housing allocation remains relatively proportionate to the bond package recommendations made by the Task Force and obtained through community input. This category includes funding for the Colony Park affordable housing infrastructure project.
- Since City Facilities projects are stand-alone projects and can only be phased or removed altogether from the recommendation, several projects had to be removed from the list at the \$200 million level. This included projects for AFD, APD, Library and HHS. The Onion Creek Fire Station project was reduced to funding for land acquisition, preliminary and design phases.
- Parks ongoing capital improvement programs encountered further reductions in several areas such as Building Renovations, District Parks, and Metropolitan Parks and Recreational Facilities improvements. PARD will prioritize projects within this reduced funding amount accordingly.
- The Montopolis Community Building is reduced back to its original needs assessment amount for replacement of the building only, not additional capacity for collocation of HHS programs and services as was included for the \$400 million, \$385 million and \$300 million recommendations.
- Open Space funding remains at approximately 8% of the total bond package recommendation.
- Recommended funding for Transportation/Mobility is reduced to funding ongoing ATD and PW improvement programs for a 2-3 year cycle, in consideration of available funding remaining from prior bond programs.

A more detailed listing of staff recommendations for each project and program is included in the Summary of Bond Package Recommendations chart included in your backup binder. Detailed descriptions of projects and programs are included in the binder appendix.