



Legislation Text

File #: 20-1591, **Version:** 1

Subject:

Council Approval of Revised 2020 CIP for 2020 Bond Issue

EXPLANATION AND SUMMARY :

On September 23, 2019, Council discussed the capital improvements plan (CIP) for fiscal years 2020 through 2036. Revisions were made and Council subsequently approved the plan on October 21, 2019.

In the interim, several initiatives have taken place and plans finalized that require an approval of a revised CIP to issue bonds in March, 2020. These changes are:

2020 Bond Issue:

1. Purchase of Maud Robinson's property at 124 Courthouse Street, SW, for future use as a public park.
2. Revised plans and construction estimates for a proposed public-private parking structure and mixed-use development at the corner of Church and Lawyers Roads NE with a private partner. This project will utilize the \$2.3 million grant from NVTVA to reduce the Town's contribution.
3. Potential property acquisition amount changed to reflect a new potential acquisition. Per State Code the details are confidential to protect our negotiating position.

2022 Bond Issue:

1. Submission of a grant request to NVTC to request funding for the Town's construction portion of a planned public parking structure at the Patrick Henry Library in Vienna, in partnership with Fairfax County.

The total amount of the 2020 bond has increased from \$28,175,000 approved in October, 2019 to \$34,500,000 currently. The details of the change are in the packet attached. This is within the \$35,000,000 borrowing authorization approved by Council in December. The seller of the potential property acquisition will make a decision by March 1, 2020. If the Town is not the winning bidder, the \$4,000,000 for the potential acquisition will be removed from the amount actually borrowed.

With a few adjustments to the model, including updating the debt service fund cash balance for the end of FY 2019 and increasing meals tax growth expected from 3 restaurants opening in 2020, the model is able to accommodate those changes without any change in the meals tax rate or change in subsequent year projects.

The bond sale is scheduled to take place March 10, 2020.

Strategic Plan Initiative: *Vienna is a fiscally responsible community*, a reliable and responsible steward of public fund. *Vienna is a safe community*, as the 2020 bond funds will fund improving water and sewer infrastructure and fund a new police station - our investment in public safety facilities.

Departmental Recommendation : Recommend approval of the revised CIP

Finance Recommendation : Recommend approval of the revised CIP

Purchasing Recommendation : N/A

Town Attorney Recommendation : The Town Council may approve the proposed Revised 2020 CIP for 2020 Bond Issue in its discretion.

Town Manager's Recommendation : I recommend the Town Council approve the Capital Improvement Plan through 2036, as presented.

Cost and Financing: \$34,500,000 in principal to be repaid from the debt service fund over 20 years;
Account Number: various for bond repayment

Decision Needed by This date: February 24, 2020

PROPOSED/SUGGESTED MOTION

"I move to approve the Capital Improvement Plan through 2036 as revised."

Or

Other action deemed necessary by Council.