



Downtown Development Phase (II) Proposed Funding Strategy

2013 Proposed Capital Improvement Program
Presented January 15th, 2013

Garland Downtown Phase (II)

Cost by Project Categories (in 000's)

□ City Center Development	\$15,877
□ Infrastructure Repairs and Improvements	3,856
□ City Facilities Improvements and Demolition	<u>4,750</u>
Total Projected Cost of Phase (II)	<u>\$24,483</u>

Phase (II) Spans the 2013 and 2014 Capital Improvement Programs

Garland Downtown Phase (II)

Funding Source Criteria Utilized

- ❑ Must come from **one-time or restricted funding sources** that cannot be used in the operating budget for ongoing expenditures such as public service, salaries and employee benefits.
- ❑ Must **not include** the issuance of additional **tax-supported debt**.
- ❑ **Cannot trigger an increase in** the debt service portion of the **property tax rate**.
- ❑ Must **not delay** the funding and implementation of voter approved **2004 Bond Projects**.

Garland Downtown Phase (II)

Funding Sources - Economic Development Reserves

\$12.6 Million

-
- Garland does **not have a source of ongoing funding** for economic development.
 - Economic Development (ED) Reserves have been created by **saving one-time funds** as they have materialized (i.e., sale of land or property).
 - **GP&L ED Reserves** – created from transfers of **excess fund balance** in 2010 and 2011. A total of **\$17.7 million** was placed in reserve for ED (\$109 million was placed in the Rate Mitigation Fund during the same period.)
 - **Total ED Reserves** Available for Future Projects - \$24.1 million.
 - ED Reserves Proposed to be **Used for Downtown Phase (II)** - \$12.6 million.

Garland Downtown Phase (II)

Funding Sources – Prior-Year Debt Proceeds

\$5.0 Million

-
- **Savings** from Completed CIP Facility Projects
(can only be used for City facilities) \$3.7 Million

 - **Prior-Year Debt Proceeds:** \$1.3 Million
 - Downtown Streetscape
 - City Hall UPS
 - Library Parking Lot Lighting
 - Walnut Pedestrian Corridor

Does Not Represent Additional Debt Issuance

Garland Downtown Phase (II)

Funding Sources – Downtown /Forest-Jupiter TIF Proceeds

\$4.3 Million

Tax Incremental Financing District (TIF)

- **TIF Debt Issuance** – Principal and Interest payments made from
Downtown / Forest-Jupiter TIF \$3.0 Million

- Downtown / Forest-Jupiter **TIF Fund Balance** \$1.3 Million

TIF Debt Does Not Impact Property Tax Rate

Garland Downtown Phase (II)

Funding Sources – Utility and Restricted Funds

\$2.6 Million

-
- **Utility Funds** for Respective Infrastructure \$1.4 Million
 - **PEG Fee Balance** – Restricted Use CGTV Capital \$1.1 Million
 - **Tree Mitigation Fund** – Restricted Use Tree Replacement \$100,000

Restricted Funds May Not be Used for General Purposes

Garland Downtown Phase (II)

Funding Sources – Recap

\$24.5 Million

	In Millions
Economic Development Funds	\$12.6
Prior-Year Debt Proceeds	5.0
Downtown/Forest-Jupiter TIF Funding	4.3
Utility and Restricted Funds	<u>2.6</u>
Total Funding Provided	<u>\$24.5</u>

- ✓ Utilizes one-time and restricted funds that cannot be used for ongoing expenses such as public services or salaries...
- ✓ Does not require the issuance of tax-supported debt.
- ✓ Does not trigger an increase in the property tax rate.
- ✓ Does not delay funding and implementation of 2004 Bond Projects.

Garland Downtown Phase (II)

Cost by CIP Year and CIP Program Area (in 000's)

CIP Program Areas	Prior to 2013	2013 CIP	2014 CIP	Combined CIPs
(1) Economic Development	\$ 77	12,781	4,729	\$ 17,587
(2) Drainage		1,363		1,363
(3) Library	6	344		350
(4) Water		513		513
(5) Wastewater		98		98
(6) Electric		817		817
(7) Misc. – Facilities Management		2,668	667	3,335
(8) Misc. – Information Technology	15	405		420
Total Downtown Phase (II)	\$ 98	18,989	5,396	\$ 24,483

Detail Schedule of Programs and Projects in 2013 CIP Appendix (D)