



TO: Rob Hernandez, City Manager

FROM: David Maxwell, Chief Financial Officer 

DATE: July 18, 2017

SUBJECT: Financing Plan Update for Gwinnett Street Widening and Downtown Streetscape Improvements

As part of the 2017 capital improvement plan, City Council approved the widening of Gwinnett Street from I-16 to Stiles Avenue to support the new arena site. The widening of this road will provide improved ingress/egress access to the new arena and is one of the major infrastructure improvements planned to support this facility. The funding source for this project was identified in the budget as a Downtown Savannah Authority (DSA) bond issue secured by the City of Savannah. The current estimate for the cost of this project is \$6 million, which includes funding for right of way acquisition and construction. The City earlier made petition to the DSA board for assistance with this bond issue and was approved. Public notifications and votes, as required by law, have been planned with the preliminary issuance schedule as follows:

- August 3, 2017 – 1st reading at City Council meeting of DSA application to issue bonds
- August 3, 2017 – Notice of intent to issue bonds announced at City Council meeting
- August 17, 2017 – Public hearing and 2nd reading of DSA application to issue bonds at City Council meeting
- August 31, 2017 – Bonds are sold, City Council accepts the best bid and adoption of the intergovernmental agreement by DSA and City Council

In addition, the City's adopted capital improvement plan requires \$2 million in capital be provided through the issuance of general obligation bonds (GOB) to design and construct streetscape improvements to the downtown corridors of Broughton Street, Bay Street and River Street. These improvements will include items such as sidewalks, lighting, signage and other amenities which will enhance the aesthetics, functionality and safety of these corridors. The issuance of this year's GOB in the amount of \$2 million is part of a larger plan to finance the \$14 million total needed for the project. The bonds planned for this purpose are as follows:

• Downtown Savannah Authority Tax-exempt Revenue Bonds, Series 2016	\$ 8,000,000
• City of Savannah General Obligation Bonds, Series 2016	2,000,000
• City of Savannah General Obligation Bonds, Series 2017	2,000,000
• City of Savannah General Obligation Bonds, Series 2018	<u>2,000,000</u>
	<u>\$14,000,000</u>

No assistance from the Downtown Savannah Authority will be required to issue the GO bonds as the City is allowed under state law to issue \$2 million in general obligation bonds annually for street improvements. These bonds will be secured by the full faith and credit of the City and represent a general obligation thereof. These bonds are being issued as general obligation debt in anticipation of an allocation being provided in SPLOST VII for their retirement. As general obligation debt, their repayment through SPLOST funds is allowable under state law. The preliminary schedule for issuing the GOB is as follows:

- August 17, 2017 – Public hearing at the Council meeting for the purpose of considering the issuance of the bonds
- August 31, 2017 – Bonds sold with Council adopting the bond resolution and accepting the best bid
- August 31, 2017 – 1st and 2nd reading of ordinance authorizing the levying of taxes to service the GOB

It is anticipated that much of the work needed for the both of these bond issues will overlap and provide certain efficiencies in bringing the bonds to market. Our financing team consisting of City staff, the City Attorney, bond counsel (Gray Pannell & Woodward LLP), and co-financial advisors (PFM, Inc, and M. Johnson Consultants, LLC*) is working to prepare the arrangements and documents necessary for the competitive bond sale which is scheduled for August 31, 2017.

cc: Brooks Stillwell, City Attorney
David Maxwell, CFO
Melissa Carter, Research and Budget Director

*Indicates Minority Business Enterprise

2017-2021 STREET IMPROVEMENTS

Infrastructure in this category is designed to preserve the City's streets, bridges, highways, sidewalks, rights-of-way, and lanes. Improvements in the 5 year plan, as in year 2017, are primarily ongoing maintenance projects.

STREET ASSETS

Asset	Quantity
Paved streets	687.2 miles
Unpaved streets	9.12 miles
Curb	631 miles
Sidewalks	369 miles
City-maintained bridges	41

REVENUE SUMMARY

Funding Source	2017	2018	2019	2020	2021	5 Year Total
General Fund	\$ 0	\$ 2,584,000	\$ 2,225,000	\$ 2,175,000	\$ 2,225,000	\$ 9,209,000
DSA Bond	20,500,000	2,000,000	0	0	0	22,500,000
General Fund (Preservation Fee)	66,000	200,000	50,000	20,000	20,000	356,000
Total	\$ 20,566,000	\$ 4,784,000	\$ 2,275,000	\$ 2,195,000	\$ 2,245,000	\$ 32,065,000

PROJECT SUMMARY

Project Name	2017	2018	2019	2020	2021	5 Year Total
ADA Access Ramp	\$ 0	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 800,000
Asphalt Road Reconstruction	0	200,000	200,000	200,000	200,000	800,000
Asphalt Roadway Resurfacing Extended	0	300,000	300,000	300,000	300,000	1,200,000
Bridge Maintenance	0	309,000	200,000	200,000	200,000	909,000
Concrete Road Reconstruction	0	200,000	200,000	200,000	200,000	800,000
Downtown Streetscape Improvements	2,000,000	2,000,000	0	0	0	4,000,000
Gwinnett Street Widening	5,000,000	0	0	0	0	5,000,000
LMIG Resurfacing	0	325,000	325,000	325,000	325,000	1,300,000
New Sidewalk Install	0	100,000	250,000	200,000	250,000	800,000
Repair/Install Curbs	0	100,000	100,000	100,000	100,000	400,000
Resurfacing	0	150,000	150,000	150,000	150,000	600,000
River Street Ramps Reconstruction	66,000	200,000	50,000	20,000	20,000	356,000
Sidewalk Repairs	0	100,000	200,000	200,000	200,000	700,000
Street Paving	0	100,000	100,000	100,000	100,000	400,000
Waters Ave Corridor Phase II	0	500,000	0	0	0	500,000
West River Street Public Improvements	13,500,000	0	0	0	0	13,500,000
Total	\$20,566,000	\$4,784,000	\$2,275,000	\$2,195,000	\$2,245,000	\$32,065,000

Category:	Street Improvements	Start Year:	2017
Project Name:	Downtown Streetscape Improvements	Department:	ACM-Utilities, Development, & Construction
Project Number:	TBD	Description:	Improve streetscape and business environment in the area.
Contact Person/ Project Manager:	Peter Shonka; pshonka@savannahga.gov		

FUNDING SCHEDULE

Project Name	Funding: Inception To Date	Planned Funding Requests					5-Year Plan Total	Total Funding Allocations
		FY17	FY18	FY19	FY20	FY21		
Downtown Streetscape Improvements	0	2,000,000	2,000,000	0	0	0	4,000,000	4,000,000

FUNDING SOURCES

Source	Amount
2017 DSA Bond Fund	4,000,000
Total	4,000,000

ACTUAL EXPENDITURES TO DATE

Project Name	Total Expended Through FY15
Downtown Streetscape Improvements	0

DETAILS

Objective:	To make improvements to the public infrastructure in the area	Council Priority:	Economic Growth
Benefits:	Improved pedestrian safety and aesthetics, enhancing potential for increased commercial development		
Scope/Comments:	Street, sidewalk, streetscape and drainage improvements as well as extension of the Riverwalk.		
Related Projects:	NA	Recurring/Non-Recurring:	Non-Recurring
Total of This Request Enough to Complete Project?	Yes	Estimated Amount Needed To Complete Project After 2021:	NA

SCHEDULE & STATUS

Phase	Cost	FY17	FY18	FY19	FY120	FY21
Planning	0					
Design	0					
Construction	4,000,000					

OPERATING BUDGET IMPACT

No impact expected.		Estimated Annual Impact	
Description:	N/A	Personnel	0
		Contractual	0
		Commodities	0
		Other	0
		Total	0



Aerial view of the West end of River Street

LOCATION

Address:	various
Neighborhood:	North Historic District
Council District:	1

Category:	Street Improvements	Start Year:	2017
Project Name:	Gwinnett Street Widening	Department:	Streets Maintenance
Project Number:	TBD	Description:	Widening of Gwinnett Street
Contact Person/ Project Manager:	John Sawyer		

FUNDING SCHEDULE

Project Name	Funding: Inception To Date	Planned Funding Requests					5-Year Plan Total	Total Funding Allocations
		FY17	FY18	FY19	FY20	FY21		
Gwinnett Street Widening	0	5,000,000	0	0	0	0	5,000,000	5,000,000

FUNDING SOURCES

Source	Amount
DSA Bond	5,000,000
	0
	0
Total	5,000,000

ACTUAL EXPENDITURES TO DATE

Project Name	Total Expended Through FY15
Gwinnett Street Widening	0

DETAILS

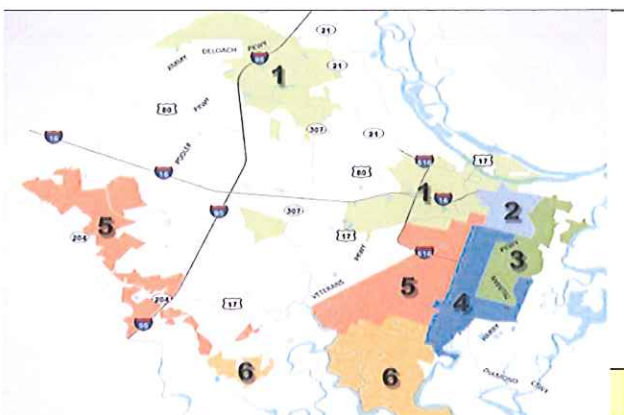
Objective:	Widen Gwinnett Street to 4-Lanes	Council Priority:	Neighborhood Vitality
Benefits:	Increase traffic mobility on Gwinnett Street in support of the Arena project		
Scope/Comments:	Convert Gwinnett Street from an existing 2-lane facility to a 4-lane facility in support of the New Arena project.		
Related Projects:	CC0206 New CC Arena	Recurring/Non-Recurring:	Non-Recurring
Total of This Request Enough to Complete Project?	Yes	Estimated Amount Needed To Complete Project After 2021:	N/A

SCHEDULE & STATUS

Phase	Cost	FY17	FY18	FY19	FY20	FY21
Planning	0					
Design	0					
Repair/Maintenance	5,000,000					

OPERATING BUDGET IMPACT

No impact expected.		Estimated Annual Impact	
Description:	N/A	Personnel	0
		Contractuals	0
		Commodities	0
		Other	0
		Total	0



LOCATION

Address:	Various locations City-wide
Neighborhood:	Various
Council District:	Various