



**LEWISVILLE**

Deep Roots. Broad Wings. Bright Future.

# 2024 BOND PROGRAM

December 4, 2023 Council Workshop

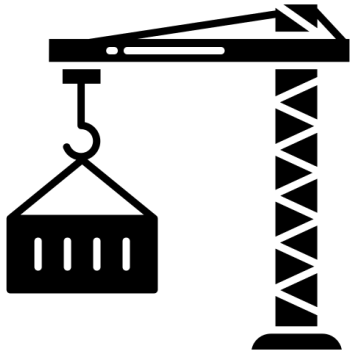
# Bond Program

# What is a General Obligation Bond Program?

- General Obligation (GO) bonds are one source of funding projects identified in a capital improvement program
- Voter-approval is required for the issuance of GO bonds
- Typically used to fund projects that will serve the community such as roads, parks and trails, facilities, and public safety purposes
- Bonds are issued over a number of years
- GO bonds are backed by the full faith and credit of the City, supported through an ad valorem tax on property

# Why Do Bond Programs Exist?

- Bond issuance is the major means for governments to finance capital improvements
- Provides necessary funds to support high-cost projects
- Allows the acquisition of assets as needed
- Spreads the cost of debt service to those who benefit from the asset
- Better able to manage budget and tax rate



Projects  
Constructed



Potential Projects  
Developed



Blue Ribbon  
Committee Meets



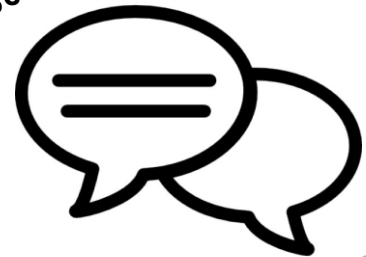
Lewisville Residents Vote



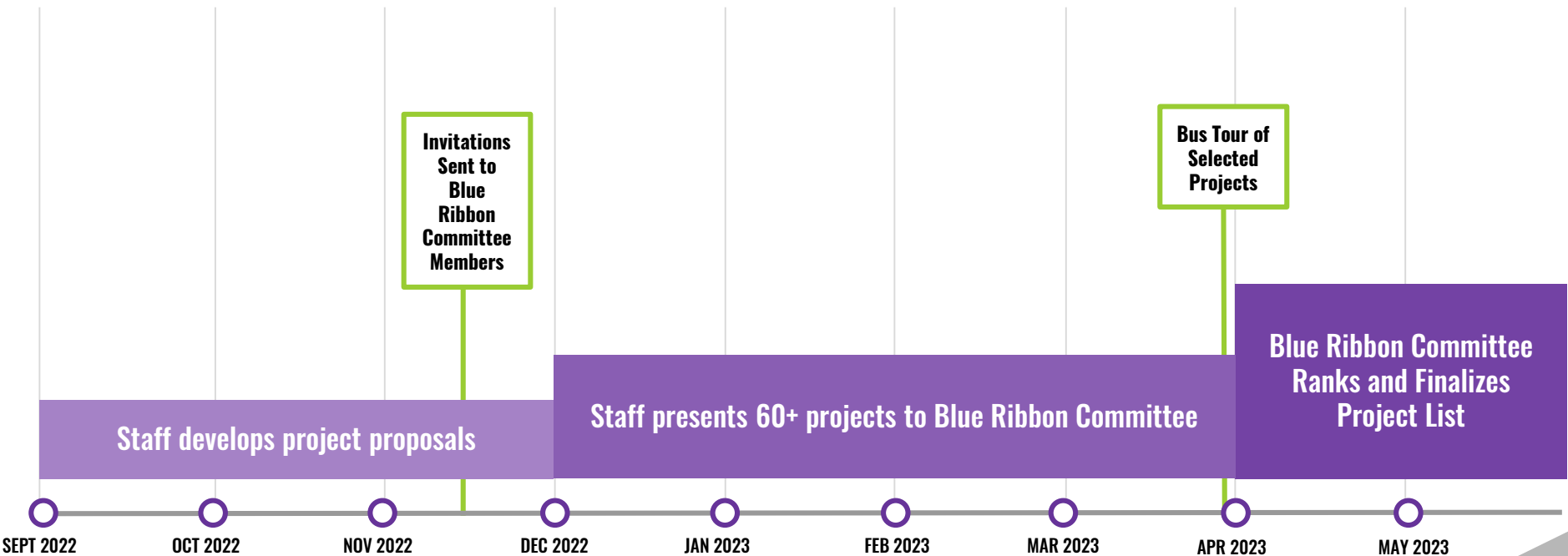
Projects Presented  
to City Council



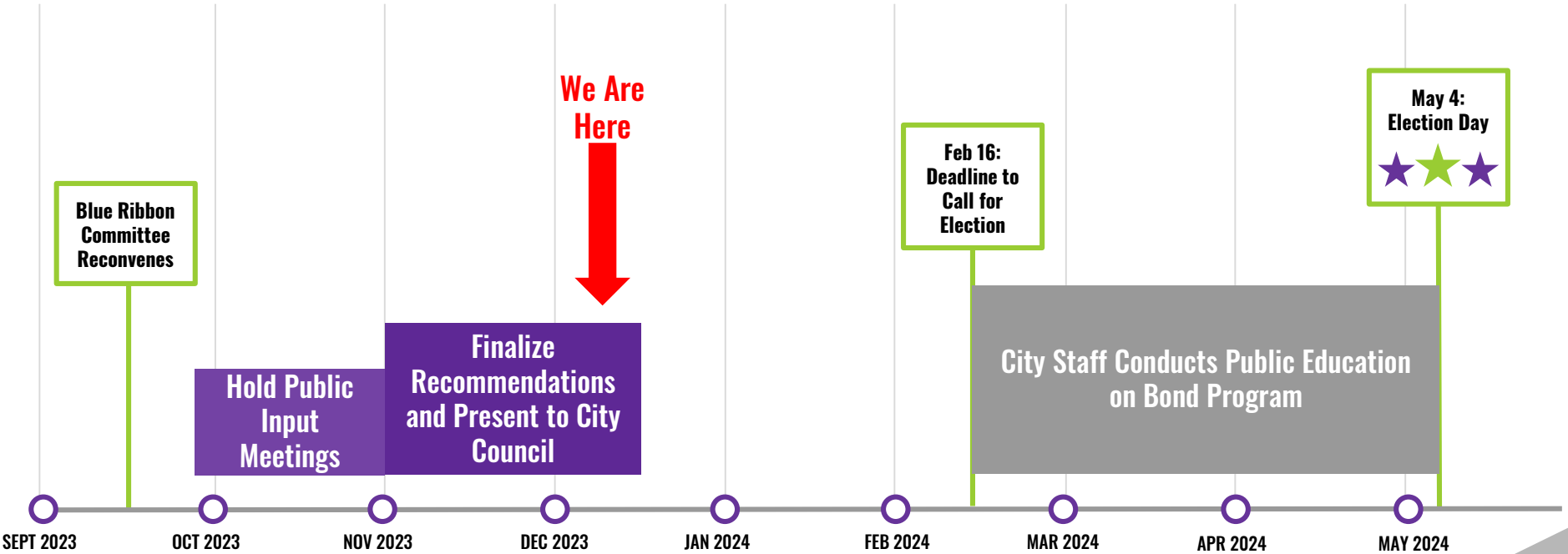
Public Input  
Meetings  
Held



# What Has Happened So Far?



# What Has Happened So Far?



# **Blue Ribbon Committee - Community Outreach**



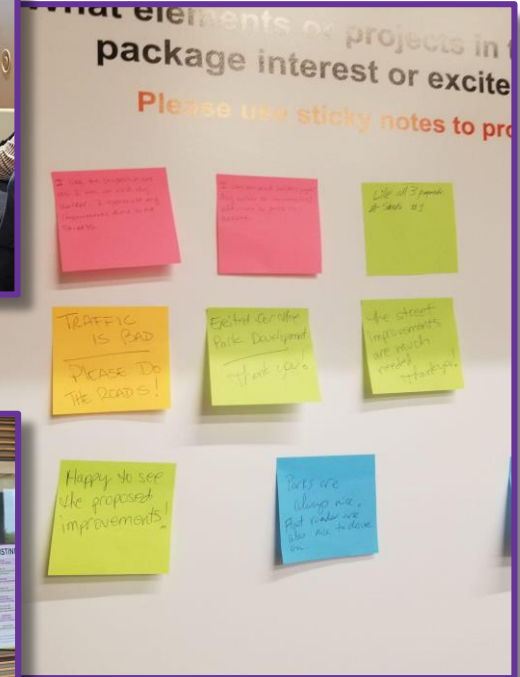
# Blue Ribbon Capital Projects Advisory Committee

- **8 Member Committee of City of Lewisville Residents**
  - **Attended 20 meetings**
  - **Dedicated more than 40 hours to participating in Blue Ribbon meetings, public input sessions, and a City tour**
  - **Invested numerous extra hours in scrutinizing over 1,000 pages of project data and assessing individual project rankings**



# Community Outreach

- Community Survey
- Joint Public Input Meeting with the Lewisville Ambassadors Program
- Three Additional Public Input Meetings
  - Lewisville Grand Theater
  - Thrive
  - Killian Middle School



# Project Prioritization and Propositions

# How Were the Projects Selected?

- **68** projects totaling **\$1B+** submitted by staff based on infrastructure condition, planning efforts, and known impacts to project areas
- Projects were prioritized based on:
  - Transportation, circulation, and public safety
  - Existing infrastructure
  - Revitalization and balanced growth
  - Quality of life
  - Equity
  - External funding, timing, and location, impact on operational budget
  - Special considerations
- City staff and Blue Ribbon Committee ranked all projects separately, then met to discuss results
- Blue Ribbon Committee fine-tuned project prioritization
  - Projects able to be funded within recommended bond capacity made the final list

# POTENTIAL PROJECT LISTING BY PRIORITY

1	\$540,000 Corporate Drive Supplemental Funding	9	\$29,480,630 Northeast Old Town Streets	17	\$3,000,000 Levee Improvement District (LID) Trails
2	\$2,067,180 McKenzie-Hembry Neighborhood Rehab, Phase 2	10	\$8,424,758 West College Street Paving and Drainage, Phase 2	18	\$13,839,206 Valley Ridge Blvd. Extension (Construction Funding)
3	\$3,503,405 South Kealy Avenue, Phase 2	11	\$24,546,164 Vista Ridge Park and Amphitheater	19	\$11,686,007 South Cowan Ave. Paving and Drainage (Construction Funding)
4	\$8,712,960 South Charles Street (Purnell Street to I-35E)	12	\$18,835,125 Lake Park Redevelopment	20	\$15,954,361 Meadow Glen Neighborhood Rehab, Phases 1 and 2
5	\$2,500,000 Fire Station #4 - Land Purchase	13	\$9,563,232 Lewisville Valley 4 (Construction Funding)	21	\$9,611,399 Gene Carey Animal Shelter and Adoption Center Expansion
6	\$32,228,582 Vista Mall Street Infrastructure	14	\$11,327,709 Lewisville Valley 1 (Construction Funding)	22	\$2,970,250 Alley Replacement
7	\$8,628,553 Purnell Street - Redbud Street Connection	15	\$4,844,645 Huffines Blvd. (Corporate Dr. to Stonewall Dr.)	23	\$4,500,000 Land Acquisition for Parks and Open Space
8	\$2,610,550 10-Minute Walk to a Park - Trails and Walkability Connections	16	\$28,123,695 South Mill Street, Phase 2	24	\$4,905,000 Castle Hills Trails Corridor

The information presented here represents the preliminary recommendations of the Blue Ribbon Committee for potential projects to include in a possible May 2024 bond election. The dollar amounts and projects could change before the final recommendations are presented to the City Council for consideration, and could be changed by the City Council before the election is called. This information is being presented in the interest of gathering public input prior to City Council action.

## Potential Ballot Propositions

**PROPOSITION 1 - \$198,500,000:** STREETS IMPROVEMENTS

**PROPOSITION 2 - \$47,500,000:** PARKS, OPEN SPACE, &  
RECREATION IMPROVEMENTS

**PROPOSITION 3 - \$16,400,000:** PUBLIC SAFETY IMPROVEMENTS

# Proposition 1 - Potential Streets Improvement Projects - \$198,500,000

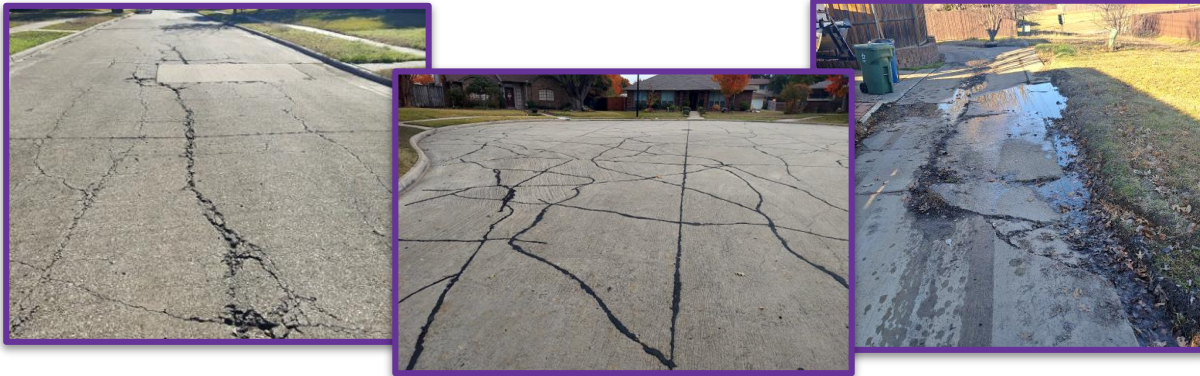
- Corporate Drive (Supplemental Funding)
- McKenzie-Hembry Neighborhood Rehab, Phase 2
- South Kealy Avenue, Phase 2
- South Charles Street (Purnell to I-35E)
- Vista Mall Street Infrastructure
- Purnell - Redbud Connection
- Northeast Old Town Streets
- West College Street Paving and Drainage, Phase 2
- Lake Park Street Infrastructure





# Proposition 1 - Potential Streets Improvement Projects

- Lewisville Valley 1 (Construction Funding)
- Lewisville Valley 4 (Construction Funding)
- Huffines Blvd (Corporate Drive to Stonewall)
- South Mill Street, Phase 2
- Valley Ridge Extension (Construction Funding)
- South Cowan Avenue Paving and Drainage (Construction Funding)
- Meadow Glen Neighborhood Rehab, Phases 1 and 2
- Alley Replacement





# Proposition 2 - Potential Parks, Open Space, & Recreation Improvement Projects - \$47,500,000

- 10-Minute Walk to a Park Initiative - Trails and Walkability Connections
- Vista Ridge Park and Amphitheater
- Park and Trail Improvements at Lake Park
- Levee Improvement District Trails
- Land Acquisition for Parks and Open Space
- Castle Hills Trails Corridor

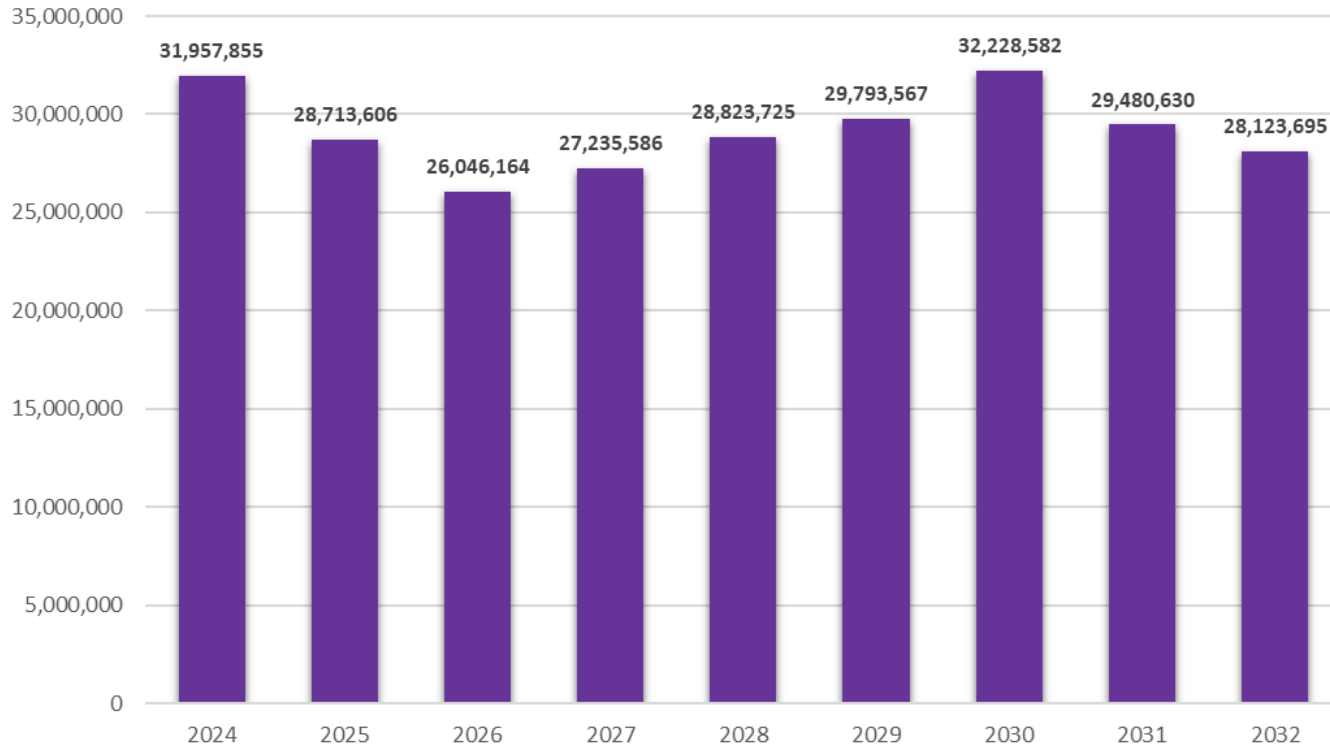


# ■ Proposition 3 - Potential Public Safety Improvement Projects - \$16,400,000

- Lewisville Lake Fire Support
- Lewisville Lake Swim Area Safety Improvements
- Fire Station #4 - Land Purchase
  - Originally built in 1988
- Animal Shelter Expansion



## Potential GO Bond Issuance by Year



The 2024 Bond Program is considered a 10-year plan. Project timing and market conditions will determine if we need to extend issues into the final year (FY 2033)



# **Supplemental Funding - Proposed GO Bond Funded Projects**

# ■ Total Cost of 24 Potential Projects - \$321,770,349

- Supplemental Funding Sources
  - \$23,450,000 - Denton County Bond Funding
  - \$10,295,125 - 4B Funding
  - \$25,621,813 - Utility Fund Cash and Bonds

**Total GO Bond Project Cost - \$262,403,411**

# Denton County Bond Funding - \$23,450,000

- \$6,000,000 - Corporate Drive Supplemental Funding
- \$5,200,000 - McKenzie-Hembry Neighborhood Rehab, Phase 2
- \$2,175,000 - South Kealy Avenue, Phase 2
- \$2,750,000 - South Charles Street (Purnell Street to I-35E)
- \$5,000,000 - West College Street Paving and Drainage, Phase 2
- \$2,325,000 - Huffines Blvd (Corporate Drive to Stonewall Dr)



# Utility Fund Cash and Bond Funding - \$25,621,813

- \$2,000,000 - McKenzie-Hembry Neighborhood Rehab, Phase 2
- \$1,250,000 - South Kealy Avenue, Phase 2
- \$2,000,000 - South Charles Street (Purnell Street to I-35E)
- \$2,171,813 - Vista Mall Street Infrastructure
- \$1,500,000 - Purnell Street - Redbud Street Connection
- \$2,500,000 - Northeast Old Town Streets
- \$2,500,000 - West College Street Paving and Drainage, Phase 2
- \$1,800,000 - Lewisville Valley 4 Construction Funding
- \$1,800,000 - Lewisville Valley 1 Construction Funding
- \$100,000 - Huffines Blvd (Corporate Drive to Stonewall Dr)
- \$2,500,000 - South Mill Street, Phase 2
- \$500,000 - Valley Ridge Blvd Extension (Construction Funding)
- \$1,500,000 - South Cowan Avenue Paving and Drainage (Construction Funding)
- \$3,500,000 - Meadow Glen Neighborhood Rehab, Phases 1 and 2



# Status of 2015 Bond Program

# Streets

- **Old Town TOD - Main & Mill** - Complete
- **Midway - Huffines to 544** - Complete
- **Timberbrook Subdivision** - Complete
- **Indian Oaks Subdivision** - Bid Awarded, Pending Construction
- **North Mill Street** - Pending Bid Award
- **Holford's Prairie Road** - Design Complete, Pending ROW Acquisition
- **South Kealy** - Design Complete, Obtaining ROW
- **College Street - Cowan to Mill** - Design Complete, Pending Bid Advertisement
- **McKenzie & Hembry** - Design Complete, Pending ROW Acquisition<sup>(24)</sup>
- **East College - Mill to Railroad** - 90% Design, Obtaining ROW
- **Jones/Cowan/Kealy-Jones** - FLAP Grant, FHWA Managed, Design 90% Complete, Ongoing Utility and COE Coordination
- **Elm and Poydras Street** - Pending Bid Award

# Streets

- **Civic Circle & Valley Parkway** - Pending Bid Award
- **North Cowan with Water Line** - Design 60% Complete
- **Mill Street at 121** - TxDOT Funded, In Design
- **Northwest Old Town/Jones Street** - NWOT is in the early stages of design due to multiple scope changes and escalation issues - Jones Street from Mill to Cowan is complete
- **East Jones (LLELA)** - FHWA dropped this portion of the above project from the FLAP Grant due to raw waterline relocation issue
- **Valley 4 Subdivision** - Funded with Series 2023 bonds, projected start date Q1 2025<sup>(24)</sup>
- **Railroad Street** - Funded with Series 2022 bonds, projected start date Q1 2024
- **Cowan Street - Phase 1** - Funded with Series 2021 bonds, projected start date Q1 2024<sup>(24)</sup>
- **Valley 1 Subdivision** - Funded with Series 2023 bonds, projected start date Q1 2025<sup>(24)</sup>
- **Valley Ridge East** - Funded with Series 2023 bonds, projected start date Q1 2024<sup>(24)</sup>
- **Meadow Glen Subdivision** - Funded with Series 2023 bonds, projected start date Q1 2025<sup>(24)</sup>

## ■ Parks/Aquatics

- **Thrive/Pool** - Completed
- **Various Trail Design/Development** - Completed and In-Progress
- **Lake Park Day Use** - Part of Master Plan<sup>(24)</sup>
- **Lake Park Campground/Pavilion** - Part of Master Plan<sup>(24)</sup>

## ■ Public Safety

- **Fire Station #3 Relocation** - Completed
- **Police Facility Addition (now Public Safety Complex)** - CMAR In-Progress<sup>(21)</sup>

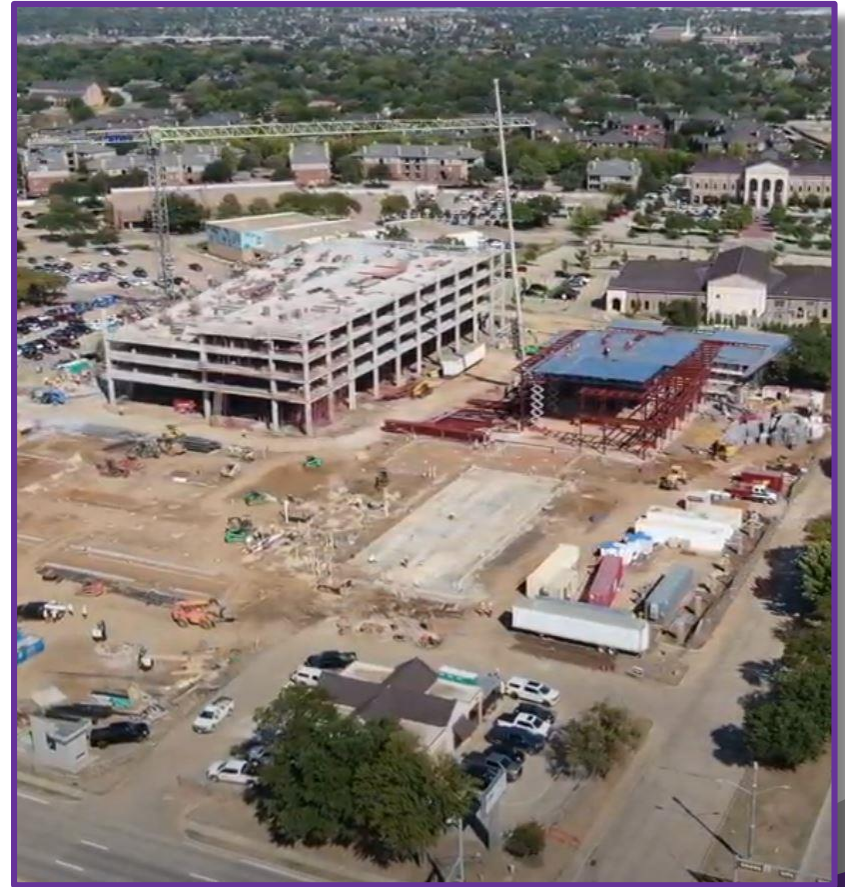
<sup>(21)</sup> - Supplemental Funding Approved In  
2021 Bond Program

<sup>(24)</sup> - Supplemental Funding Proposed In  
2024 Bond Program

# Status of 2021 Bond Program

# Public Safety

- **Tittle McFadden Public Safety Complex**
  - **Issues in tranches-Series 2022 and Series 2023**
  - **Construction in progress**
  - **Estimated completion Spring/Summer 2025**



# Historical Tax Rate Data and Potential Property Tax Impact

# Stable Tax Rate

## City Tax Rate Allocation



\*The rightmost column outlines the potential rate increase following the approval of the 2024 bond program, which, in a “worst case scenario”, results in a 1.5-cent increase bringing the tax rate to .434079. It is worth noting that even with this increase, the rate would remain below the FY 2023 tax rate of .443301. Historically, the City has not had to consider the rate increase.



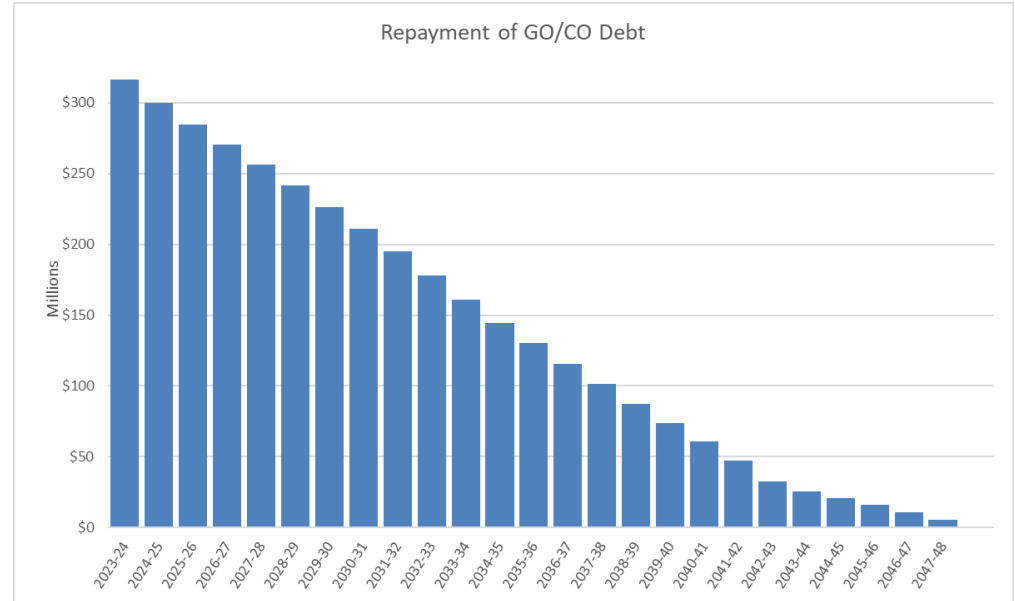
# Overlapping Tax Rate

- Tax rates applicable to Lewisville property owners
- Reflects adopted rates for tax years 2022 and 2023
- Decreased tax rates for each taxing entity

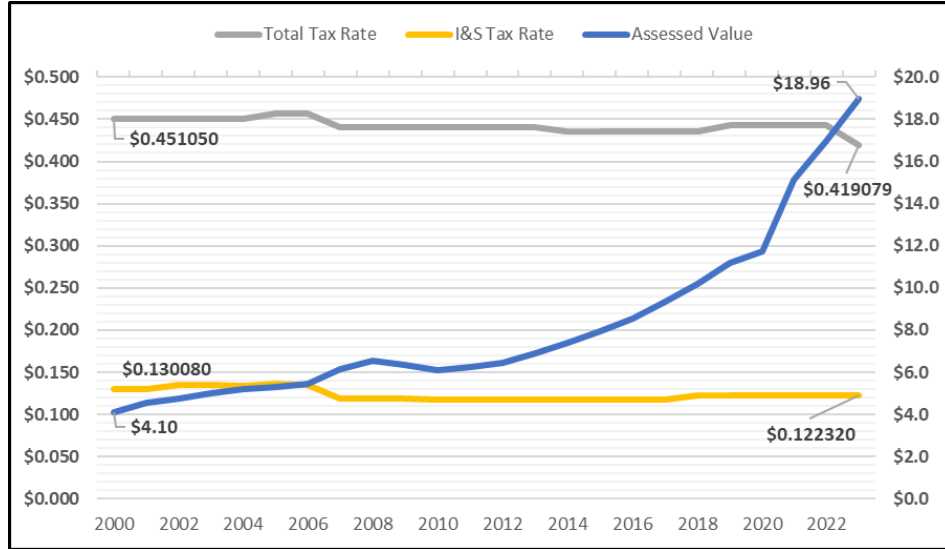
	<u>2022</u>	<u>2023</u>	<u>Change</u>
Lewisville ISD	1.236800	1.130100	(0.106700)
Denton County	0.217543	0.189485	(0.028058)
City of Lewisville	<u>0.443301</u>	<u>0.419079</u>	<u>(0.024222)</u>
Total	<u>1.897644</u>	<u>1.738664</u>	<u>(0.158980)</u>

# Outstanding Ad Valorem Debt

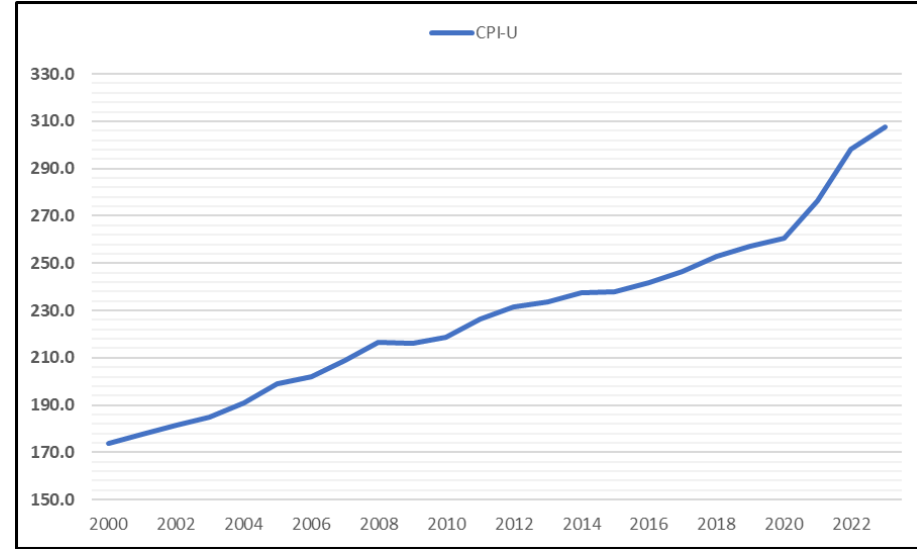
- **Total GO/CO Debt - \$329.3 million**
  - **General Obligation - \$316.4 million**
  - **Certificates of Obligation - \$12.9 million**
- **Self-Supporting Portion - \$73.4 million**
  - **4B Sales Tax, TIRZ, Utility Fund**
- **Ad Valorem Supported - \$255.9 million**



# City Assessed Value Growth, Tax Rate, and CPI

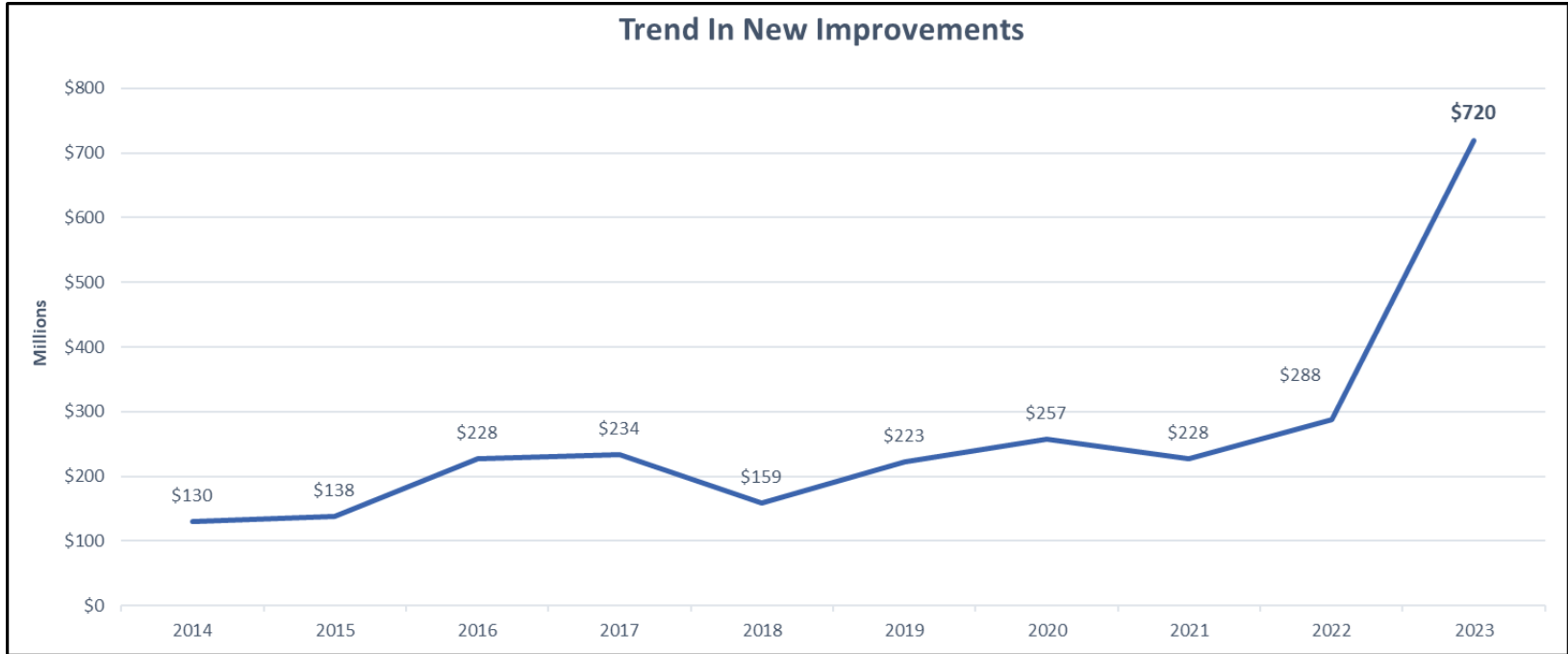


Assessed Value and Tax Rates



CPI

# New Taxable Value Growth Trend



# Potential Property Tax Impact (Worst Case Scenario)

Median Home Value: **\$351,567**

Total Bond Package: **\$262.4M**

Current Tax Rate: **\$0.419079** per \$100 valuation (or 41.9 cents)

Tax Rate Increase (Worst Case Scenario): **+\$0.015** per \$100 valuation (or 1.5 cents) to \$0.434079

Impact to Homeowner: **\$52.74 (annual) / \$4.39 (monthly)**

# What's Next?

- Receive direction from City Council on 2024 bond program
- City Council calls for election
  - Deadline to call for an election is February 16, 2024
- Residents vote on propositions on **May 4, 2024** ballot

# Bond Program Q&A



Scan the QR code link to visit  
the 2024 Proposed Bond  
Election webpage