

## City Council – Action Request Form

**Date:** November 19, 2018

**To:** The City Manager

**From:** Ben Rowe, Assistant City Manager  
Patrice Toney, Budget and Evaluation Director

**Council Action Requested:**

Consideration of Items Related to Approval of General Obligation Bonds on November 6, 2018:

- a. Resolution Establishing a Citizens’ Bond Oversight Committee
- b. Amendment to the FY 18-19 Project Budget Ordinance Appropriating \$122 Million in Bond Proceeds

**Strategic Focus Area:** Service Excellence

**Strategic Objective:** Maintain City’s Financial Strength

**Strategic Plan Action Item:** No

**Key Work Item:** No



**Summary of Information:**

In August 2017, the Mayor and City Council created the Citizens’ Capital Needs Committee to review the City’s capital needs and make recommendations for what the Mayor and City Council should consider in a potential bond referendum. The Committee recommended a \$120 million bond package that addressed needs in the areas of economic development, housing development, public safety, parks and recreation, and transportation. In January and February 2018, the Mayor and City Council held two Special Meetings to discuss and review the list of unmet needs and the potential bond package recommended by the Citizens’ Capital Needs Committee and staff. From these meetings, the Mayor and City Council directed staff to develop a \$122 million bond package and gather community feedback.

In March and April, the City held nine community capital needs meetings to receive feedback about a potential bond package. Over 240 citizens attended the meetings, and approximately one-third submitted written feedback about the proposed projects. In addition, feedback was received from over 60 citizens via online or social media. In August, the Mayor and City Council held a

**Committee Action:**

<b>Committee</b>	<u>Finance 11/19/18</u>	<b>Action</b>	<u>Approval</u>
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<b>For</b>	<u>Unanimous</u>	<b>Against</b>	<u></u>
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**Remarks:**

public hearing on a proposed bond package totaling \$122 million, adopted five bond orders that make up the package, and set the date for a special bond referendum on November 6th. The five bond orders would address the most critical capital needs throughout the city in the areas of economic development, housing, public safety facilities, parks and recreation, and streets and sidewalks. On November 6th, City of Winston-Salem voters approved all five bond orders.

### **Citizens' Bond Oversight Committee**

In November 2014, the Mayor and City Council created the Citizens' Bond Oversight Committee to ensure efficiency, equity, timeliness, and accountability in the implementation of the \$139.2 million in bond-funded projects. Members of the committee have conducted site visits and provided regular reports on the progress of the 2014 bond projects to the Mayor and Council over the last four years. All of the members currently are serving their second terms; however, because their terms are staggered, some members will end their service during the design and construction of the 2018 bond projects. As a result, newly appointed members would start their service without the benefit of the initial discussions about project scope, schedule, budget, and MWBE goals. City staff recommend the creation of a new Citizens' Bond Oversight Committee that would conclude the oversight work for the 2014 bond projects and monitor the implementation of the 2018 projects from the beginning. As with the first committee, the new committee would be composed of nine members who would be appointed by the City Council upon the recommendation of the Mayor. Members of the committee would be residents of the city and representative of the diversity present in the community. At least one member of the committee would be a professional engineer.

The committee would carry out the following duties and responsibilities:

- (1) To complete the oversight work for the 2014 bond projects and provide a final report to the Mayor and Council.
- (2) To review the City Manager's plan relating to the issuance of \$122 million in bonds for projects approved by City of Winston-Salem voters on November 6, 2018.
- (3) To ensure contracting meets the City's priorities regarding the participation of local vendors and Minority/Women Business Enterprises in implementing the bond-funded projects.
- (4) To monitor the timeliness of the implementation of the City Manager's plan.
- (5) To review the appropriation and spending plan of bond proceeds.
- (6) To provide regular reports to the Mayor and City Council on the progress of the 2018 bond projects.
- (7) To perform such other tasks as the Mayor and City Council may direct.

The committee shall provide regular written reports to the Mayor and City Council indicating whether (1) the timing and location of projects are equitably distributed in all areas of the City,

(2) the projects are built in a cost-effective manner and within budget targets, and (3) the projects are built to acceptable standards of quality. In addition, the Committee shall provide periodic presentations to the City Council's committees, by subject area.

In addition to the Citizens' Bond Oversight Committee, the City will launch a new bond project-tracking platform for the City's website that will enable citizens to check on the progress of both 2014 and 2018 projects in their wards and neighborhoods. The Information Systems Department currently is developing this new reporting platform.

### **Budget Amendment**

This Council Action includes a resolution establishing the new Citizens' Bond Oversight Committee and an amendment to the FY 18-19 Project Budget Ordinance to appropriate the \$122 million of authorized general obligation bonds approved on November 6, 2018.

The budget amendment includes the appropriation of \$3 million in economic development bonds for economic development initiatives in the Southeast Ward. These bonds would provide for investments in economically distressed areas of the ward. Specific projects would be considered for approval by the Mayor and Council on a case-by-case basis. Appropriation of the \$3 million would come from the \$10 million designated for economic development sites and infrastructure, leaving a balance of \$7 million for future projects.

With the appropriations in place, City staff will be bringing actions in the coming weeks to begin design work on projects authorized for public safety facilities, parks and recreation, and streets and sidewalks.