

# **PUBLIC INFRASTRUCTURE BOND DISCUSSION**

**CITY COUNCIL  
JULY 30, 2024**



**REDONDO  
BEACH**

# TIMELINE



Prior to August 6th

## **Must Determine**

- If Bond is Desired
- Public Facilities to Include
- Total Amount of Bond Issuance

## **Council to Approve**

- Resolution of Public Necessity (2/3 Vote of Council)
- Ordinance Ordering Submission of General Obligation Bond to the Public (2/3 Vote of Council)
  - Requires 2 Readings, Takes Effect Immediately
- Resolution Placing the Bond Measure on the Ballot and Requesting Consolidation with the Statewide General Election



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# COUNCIL DIRECTION

## July 16 Council Meeting

- Directed Staff to Continue Preparation for a General Obligation Bond Measure for the November 5, 2024 Statewide General Election

Facility	Griffin Study	With Add'l Contingency
Fire Station #1 (New Const)*	\$17,536,326	\$19,289,959
Fire Station #2 (New Const)*	\$26,149,389	\$28,764,328
Police Department HQ (New Const)*	\$29,420,000	\$32,362,000
Police Department Annex (Renovation)**	\$10,777,123	\$12,932,548
<b>TOTAL PROJECT COSTS</b>		<b>\$93,348,834</b>

\*Add'l 10% Contingency

\*\*Add'l 20% Contingency

- Rounded to \$93,350,000
  - Valuation of \$17.45 per \$100,000 of assessed value
  - \$6,250,000 Average Annual Debt Service

# STAFF RECOMMENDATION

- Approve Resolution of Necessity
- Approve for Introduction and First Reading
  - Ordinance Ordering the Submission of the GO Bond Measure to the Voters

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# UPDATED FACILITIES COST ANALYSIS

## City Facilities Examined

- Fire Stations 1 and 2
- Police Headquarters and Annex
  - Consolidated Option Included
- Public Works Yard
- City Hall

Facility	Option 1: Renovation	Option 2: New Construction (Police HQ Site)	Option 3: New Construction (Police Annex Site)
Fire Station #1	\$11,423,924	\$17,536,326	\$17,536,326
Fire Station #2	\$7,851,486	\$26,149,389	\$26,149,389
Police Department HQ	\$12,705,507	\$94,763,316	Included Below
Police Department Annex	\$10,777,123	Included Above	\$95,644,316
Public Works Yard	\$6,157,859	\$19,621,970	\$19,621,970
City Hall	\$36,171,000	\$64,506,000	\$64,506,000
<b>TOTAL PROJECT COSTS</b>	<b>\$85,086,899</b>	<b>\$222,577,001</b>	<b>\$223,458,001</b>

# FACILITIES COST ANALYSIS (06/11/2024)

## Examined Key City Facilities

- City Hall
- Police Headquarters and Annex
- Public Works Yard
- Fire Stations 1 and 2
- City Hall

Facility	Renovation	Replacement
City Hall	\$36,256,000	\$63,802,000
Police Department Headquarters	\$12,446,000	\$29,420,000
Police Department Annex	\$10,557,000	\$21,811,000
Public Works Yard	\$6,032,000	\$15,232,000
Fire Station #1	\$11,191,000	\$17,232,000
Fire Station #2	\$7,691,000	\$13,016,000
Total	\$84,173,000	\$160,513,000

# VOTER THRESHOLD

## Current Law

- General Obligation Bonds Require 2/3 Vote of the People



**ACA 1**

## Proposed Constitutional Amendment

November Statewide General Election

Lower Voter Threshold to 55% for Construction, Reconstruction, Rehabilitation, or Replacement of Public Infrastructure and Other Items

Includes Enhanced Accountability Measures

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# TIMELINE



Following August 6th

## Staff to Engage

- Municipal Advisor
  - Determine Schedule, Provide Additional Advice Related to Bond Issuance
- Bond Counsel
  - Issue legal opinion that City has met all legal and procedural requirements
- Underwriter
  - Help City to Structure, Price, and Facilitate the Sale of Bond Issuance

