



THE CITY OF SAN DIEGO

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## OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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# Comparative Information about other Cities' Bond and Revenue Measures

## OVERVIEW

On January 21, 2015, the Office of the Independent Budget Analyst (IBA) presented Report 14-43 REV, Revenue Options to Address Critical Infrastructure and Affordable Housing Needs, to the Infrastructure Committee. As a result of this presentation, the Committee directed the IBA to report back with information about what other neighboring cities in San Diego County have recently pursued new revenue for infrastructure, and what sources they pursued. Additionally, the IBA was asked to return to the Committee with an overview of what methods were used by other cities to pass General Obligation Bonds, and specifically, how citizens were involved in the process.

In addition to gathering information about what methods local cities have pursued for new sources of revenue, we summarize what methods other large cities have used to pass General Obligation (GO) bonds. For each bond measure, we include the purpose of the bond, the results of the election, voter threshold, the source of funds, communication techniques used to enable citizen participation, how projects were prioritized, the number of propositions and/or assets included in the measure, policies and plans that guided the process, and timetable from when the GO bond was introduced to election day (when available).

## FISCAL/POLICY DISCUSSION

### Recent Tax Measures in San Diego County

In order to provide information about what other neighboring cities in San Diego County have pursued revenue for infrastructure, we used the California Debt and Investment Advisory Commission's reports *Bond and Tax Measures Appearing on General Ballots* to prepare a matrix of this information (Attachment 1). We excluded school district ballot measures, and gathered a list of 19 ballot measures in San Diego County from 2008-2014. Although we had hoped to

include General Obligation (GO) bonds in our matrix, we found that in San Diego County, the GO Bonds from this period of time were related to Community College and K-12 school districts. As shown in the table below, San Diego County voters approved eight of the 19 measures (42.1%). Of the eight measures that passed, only one was a special tax measure and seven were general tax measures.

<b>TAX MEASURE RESULTS IN SAN DIEGO COUNTY 2008-2014</b>				
	<b>Pass</b>	<b>Fail</b>	<b>Total</b>	<b>Passage Rate</b>
<b>General Tax</b>	7	7	14	50.0%
<b>Special Tax</b>	1	4	5	20.0%

Special taxes are defined by the California Constitution as “any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund,” and require a vote of two-thirds to pass. Alternatively, general taxes, which are defined by the California Constitution as “any tax imposed for general governmental purposes,” only require a majority vote, which could explain in part why the general tax passage rate of 50% was greater than the 20% passage rate of the special tax measures.

<b>TAX MEASURES BY PURPOSE</b>			
	<b>Total</b>	<b>Passed</b>	<b>Passage Rate</b>
<b>General Government</b>	14	7	50.0%
<b>Beach Sand Replenishment</b>	2	1	50.0%
<b>Fire Fighting/Protection</b>	2	0	0.0%
<b>Road Repairs</b>	1	0	0.0%
<b>Total</b>	19	8	42.1%

As shown above, 14 of the 19 measures were for the purpose of general government, while two were for beach sand replenishment, two were for fire fighting and emergency response efforts, and one was for road repairs. For additional information about these tax measures, please see Attachment 1.

### **Recent General Obligation Bond Measures in Other Large Cities**

In order to provide the Committee with an overview of what methods were recently used by other cities to pass General Obligation bonds, we reviewed eight GO bond programs that were presented to voters between 2012-2015 in the following six cities: Atlanta, Charlotte, San Francisco, Fort Worth, Austin, and San Antonio. Those six cities placed 27 bond propositions on eight different ballots, and all but one passed<sup>1</sup>. The proposition that

<u>City</u>	<u>Election</u>
Atlanta, GA	March 17, 2015
Charlotte, NC	November 4, 2014
San Francisco, CA	June 3, 2014
Fort Worth, TX	May 10, 2014
Austin, TX	November 5, 2013
San Francisco, CA	November 6, 2012
Austin, TX	November 6, 2012
San Antonio, TX	May 12, 2012

<sup>1</sup> It should be noted that each of these cities (with the exception of San Francisco) were required to meet only a majority voter threshold for passage of their GO bonds, rather than the two-thirds threshold required in California.

failed was Austin’s affordable housing measure, which was part of a larger bond program in November 2012. The following November, Austin brought back a slightly smaller affordable housing bond, and the measure passed.

As shown in the table on the right, six of the GO bond propositions were for transportation infrastructure like streets, sidewalks, and bridges, but there were also four for public safety, four for parks and recreation bonds, three for municipal facilities, three for libraries and other cultural facilities, three for housing, and four for miscellaneous purposes.

GO BOND PROPOSITIONS BY ASSET TYPE			
	Total	Passed	Failed
Transportation Infrastructure	6	6	0
Public Safety	4	4	0
Parks and Recreation	4	4	0
Municipal Facilities	3	3	0
Housing	3	2	1
Libraries, Museums, & Cultural Facilities	3	3	0
Open Space/Watershed Protection	1	1	0
Health and Human Services	1	1	0
Drainage/Flood Control	1	1	0
Animal Care/Control	1	1	0

*Amount and Source of Funds*

The GO bonds included on the ballots ranged widely in the amount requested. At the high end, San Francisco asked its voters to approve a \$400 million bond for Earthquake Safety and Emergency Response, and San Antonio asked its voters to pass five bond propositions for a total of \$596 million in 2012. On the other end of the spectrum, the affordable housing bond on Austin’s ballot in 2013 was for \$65 million.

Atlanta’s *Blue Ribbon Commission on Waste and Efficiency in Government* proposed recurring savings and new revenues from the following to pay for its 2015 infrastructure bonds:

- Property taxes from new construction
- Aggressively pursuing the sale of surplus assets
- Maintenance and operating savings from sold assets
- Implementation of a hiring freeze for non-essential employees, and elimination of funded vacancies that are open for more than a year
- Comprehensive fee and fine assessment
- Savings from internal operations improvements
- Risk management and safety improvements
- Performance driven budgeting
- Pursuit of State tax reform

Although the purpose and amounts requested varied widely, there was one common thread through each of the measures: all of the cities proposed these bonds without raising property taxes. Often, the cities we examined were able to avoid raising taxes because they had raised property taxes in earlier years to pay for previous bond measures, but as they paid these bond measures off, they were able to continue using the elevated tax rates to pay for the new bonds. One exception to this was Atlanta. Atlanta committed to implementing a variety of initiatives identified by the

Mayor’s Blue Ribbon Commission on Waste and Efficiency in Government to help pay for its infrastructure bonds in 2015 (see text box above for additional information).

*Election Results and Voter Thresholds*

As noted earlier, 26 of the 27 GO bond propositions we studied were passed by voters. As noted earlier, the threshold for voter approval differs by state. In California, two-thirds of voters must

approve a non-education GO bond in order for it to pass, but in the other states we examined (Georgia, North Carolina, and Texas), the threshold for voter approval is a majority. Despite the majority threshold, 16 of the 27 or 59% passed with more than two-thirds of voters' support. The bond propositions that had the highest passage rates were related to transportation (5 of 6 passed with 2/3rds support or more), municipal facilities (all 3 passed with 2/3rds support or more), and public safety (3 of 4 passed with 2/3rds support or more). Alternatively, none of the affordable housing bond measures passed with more than two-thirds of voter support.

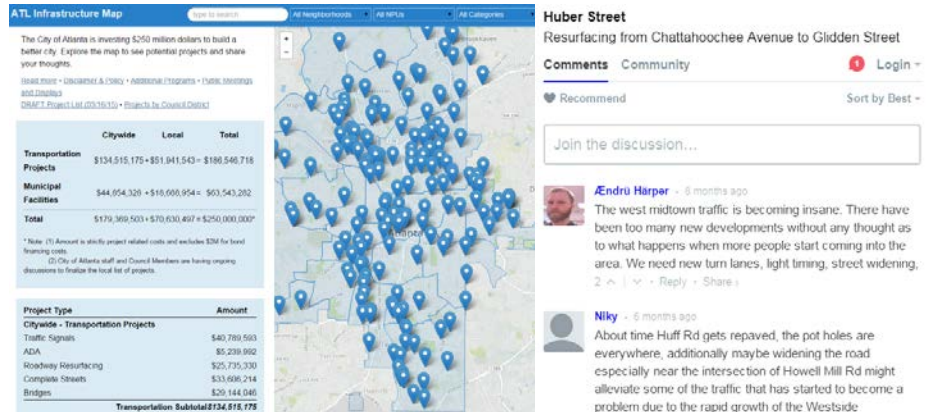
### *Citizen Involvement*

Citizen involvement was a critical component of many of the successful measures. Most of the cities we examined held community meetings to facilitate citizen involvement, developed detailed websites with information about proposed projects, conducted online surveys, and created bond pamphlets for voter education purposes. A few cities encouraged citizen participation in unique ways. For instance, San Francisco set aside \$195,000 from its 2012 Clean and Safe Neighborhood Parks bond for a Citizen's General Obligation Bond Oversight Committee (CGOBOC) to conduct regular audits of bond expenditures. The Committee holds public hearings quarterly to review bond spending, and issues annual reports on the City's bond programs. San Francisco also included \$12 million in its 2012 bond for a Community Opportunity Fund Program, which allows neighborhoods, community groups, and park partners to nominate capital projects for funding from the bond measure. Half of that funding was set aside for a Partnership Projects fund, which supports larger scale projects that have completed the environmental review process (per CEQA), garnered broad public support, have secured additional grant funding, and match the City's department and capital planning priorities.

Austin conducted broad citizen outreach efforts for several years before bringing its bond measures to the public for a vote. Between 2009 and 2012, Austin held four series of community forums, which included neighborhood meetings and working groups, in order to collect input from citizens as part of *Imagine Austin* (a guide for transforming Austin's future). The City received over 18,500 "points of community input" at these meetings, and the city used this input to identify priority programs that it eventually brought before the public as bond measures. Austin also convened task forces for its priority projects, and created a community engagement portal called *Speak Up Austin*, which was used by the City to inform citizens about ongoing projects, and give the public a way to join in on topical discussions, create/share/vote on citizen-generated ideas, and connect with others citizens.

San Antonio also prioritized citizen involvement in the development of its bond programs. San Antonio created four Community Bond Committees to advise the City Council on the bond proposal. The Committees were responsible for collecting community input and analyzing potential projects for inclusion in the bond program. The Committees were made up of 126 citizens, and the City's residents were encouraged to attend the Committee's 20 community meetings to weigh in on proposed projects. Over 800 citizens attended these meetings and participated in the Committee's process. As part of this process, Committee members toured sites that were on the proposed list to receive funding, and the Committees developed a final list of recommended projects that went before the Council and Mayor for final approval.

Atlanta was also creative in its approach to engaging citizens in the bond process. In addition to holding over 100 community meetings, it developed a website that included information about the proposed bond measures, including an interactive map of proposed projects, and used an online comment system called DISQUS to facilitate online comments and feedback on the proposed projects (see images above for an example of the interactive map, and the comment system DISQUS).



For additional information about these bond measures, please see Attachments 2 and 3.

## CONCLUSION

At the request of the Infrastructure Committee, this report provides comparative information about other cities' bond and revenue measures. We examined both local tax measures and larger cities' GO bond measures to give the Committee additional background as it considers how the City should move forward to address its critical infrastructure and affordable housing needs. This report also serves as a compliment to IBA report #15-25, which outlines infrastructure and affordable housing revenue and financing plan options.

In reviewing what other revenue measures local, as well as larger cities across the country, have pursued, we highlight the following:

- Locally, general tax measures have had a greater rate of success than special tax measures, but this may have been due in part to the fact that general tax measures require a majority vote while special tax measures require a two-thirds vote to pass.
- All of the larger cities we studied were able to propose GO bonds without raising property taxes above current levels; in most cases, as outstanding bonds matured, the property tax level which supported them was used to pay the debt service on the new bonds.
- Citizen involvement and participation in the prioritization of projects for GO bonds is a critical component of successful bond measures.
- Multiple creative methods were used in large cities to gather widespread citizen feedback on capital priorities.

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- Attachments:
1. Matrix of San Diego County Bond and Tax Measures
  2. Matrix of Other Cities' General Obligation Bond Measures
  3. Summary of Other Cities' General Obligation Bond Measures

<b>SUMMARY OF RECENT GOVERNMENT BOND AND TAX MEASURES IN SAN DIEGO COUNTY</b>									
<b>Agency</b>	<b>Type of Tax/Debt</b>	<b>Amount of Bond/Tax</b>	<b>Purpose</b>	<b>Measure</b>	<b>% Yes</b>	<b>% No</b>	<b>Result</b>	<b>Threshold</b>	<b>Election Date</b>
City of National City	General Tax	Sales Tax: Continue existing 1¢ tax for 20 years.	General Government	D	68.60	31.40	Pass	Majority	November 4, 2014
Julian Cuyamaca Fire District	Special Tax	Parcel Tax: Impose tax from \$197 to \$500 on parcels with an existing structure and from \$9.50 to \$43 on vacant parcels.	Fire Protection/ Emergency Response	P	46.14	53.86	Fail	2/3	November 4, 2014
Rincon Ranch Community Services District	Special Tax	Parcel Tax: Levy an annual special tax override not to exceed \$5.20/acre, plus \$150/parcel with a provision for an annual increase not to exceed the annual engineering news record for the prior year.	Road Repairs	S	64.29	35.71	Fail	2/3	November 4, 2014
City of Coronado	General Tax	Transient Occupancy Tax: Increase tax from 8% to 10%.	General Government	F	60.10	39.90	Pass	Majority	November 6, 2012
City of Del Mar	General Tax	Sales Tax: Impose a 2-1/2% sales tax on medical marijuana sales, which would be reduced to 1% if a statewide tax is imposed on such transactions.	General Government	H	44.00	56.00	Fail	Majority	November 6, 2012
City of Santee	General Tax	Transient Occupancy Tax: Increase tax from 6% to 10%.	General Government	U	56.80	43.20	Pass	Majority	November 6, 2012
City of San Diego	General Tax	Sales Tax: Impose a temporary one-half cent sales tax for up to five years.	General Government	D	38.10	61.90	Fail	Majority	November 2, 2010
City of Chula Vista	General Tax	Utility User's Tax: Modernize the city's 1978 Telephone Users' Tax to revise the method for calculating and collecting the tax to reflect technological and legal changes. The rate will not change.	General Government	H	43.70	56.30	Fail	Majority	November 2, 2010
City of Del Mar	General Tax	Transient Occupancy Tax: Impose tax on guests of short-term rentals (30 days or less).	General Government	J	43.40	56.60	Fail	Majority	June 8, 2010
City of Solana Beach	General Tax	Business Tax: Adopt an ordinance to implement a business tax.	General Government	L	43.50	56.50	Fail	Majority	June 8, 2010
City of Chula Vista	General Tax	Sales Tax: Add a one cents sales/transaction tax on purchases within the city limits of Chula Vista for ten years.	General Government	A	32.50	67.50	Fail	Majority	May 5, 2009

<b>SUMMARY OF RECENT GOVERNMENT BOND AND TAX MEASURES IN SAN DIEGO COUNTY</b>									
<b>Agency</b>	<b>Type of Tax/Debt</b>	<b>Amount of Bond/Tax</b>	<b>Purpose</b>	<b>Measure</b>	<b>% Yes</b>	<b>% No</b>	<b>Result</b>	<b>Threshold</b>	<b>Election Date</b>
County of San Diego	Special Tax	Parcel Tax: Levy from \$52/parcel per year to \$1,000/year beginning 2009-2010 for 30 years.	Wildfire Prevention/ Firefighting	A	63.60	36.40	Fail	2/3	November 4, 2008
City of La Mesa	General Tax	Sales Tax: Increase tax by 3/4% effective 4/1/2009.	General Government	L	55.50	44.50	Pass	Majority	November 4, 2008
City of El Cajon	General Tax	Sales Tax: Increase tax by one-half of a cent, effective no sooner than 4/1/2009, to expire in 20 years.	General Government	J	51.80	48.20	Pass	Majority	November 4, 2008
City of National City	General Tax	Sales Tax: Repeal existing 1% tax.	General Government	M	42.70	57.30	Fail	Majority	November 4, 2008
City of Del Mar	General Tax	Transient Occupancy Tax: Adopt an ordinance to increase rate up to 13%.	General Government	H	62.40	37.60	Pass	Majority	November 4, 2008
City of Encinitas	Special Tax	Transient Occupancy Tax: Levy 2% tax on short-term vacation rental units (less than 30 days).	Beach Sand Replenishment/ Stabilization	K	70.00	30.00	Pass	2/3	November 4, 2008
City of Encinitas	General Tax	Transient Occupancy Tax: a tax of 8% on short term rental units (for 30 days or less) effective 1/1/2009.	General Government	F	56.40	43.60	Pass	Majority	June 3, 2008
City of Encinitas	Special Tax	Transient Occupancy Tax: a tax of 2% on short term rental units (for 30 days or less) effective 1/1/2009.	Beach Sand Replenishment and Stabilization	G	65.00	35.00	Fail	2/3	June 3, 2008

Recent GO Bond Measures							
Location	Date of Election	Purpose of Bond	Bond Amount	Result of Election	Voter Threshold	Number of Propositions/Asset Classes	Source of Funds
Atlanta, GA	March 17, 2015	Infrastructure	\$252 million	All Passed	Majority	2 Propositions: \$187.9M transportation improvements; \$64.1M Municipal Facilities	Implementation of Mayor's Blue Ribbon Commission on Waste and Efficiency in Government recommendations
Charlotte, NC	November 4, 2014	Transportation, infrastructure, and affordable housing	\$146 million	All Passed	Majority	3 Propositions: \$111M public streets/infra; \$20M neighborhood infra; and \$15M affordable housing	Previous property tax increase (in 2013), sales tax receipts, and other capital program revenues
San Francisco, CA	June 3, 2014	Earthquake Safety and Emergency Response	\$400 million	Passed	Two-Thirds	1 Proposition: \$85M fire stations; \$55M firefighting water system; \$30M police stations; \$165M relocate motorcycle police and crime lab facilities; \$65M relocate medical examiner facility	Kept property taxes the same, but issued the bond after the City paid off previous bonds
Ft. Worth, TX	May 10, 2014	Capital Improvement	\$292 million	All Passed	Majority	7 Propositions: \$220M streets and transportation; \$31M Parks and Rec; \$13M libraries; \$9M fire safety; \$2M municipal court; \$15M Municipal Service Facility; \$2M animal care/control facility	The City used a four-year process of shifting the City's additional property tax revenue in order to make its debt payments for capital improvement projects
Austin, TX	November 5, 2013	Affordable Housing	\$65 million	Passed	Majority	1 Proposition supported three areas: rental housing development assistance; home ownership programs; and home repair programs	The debt service on the bond was expected to be funded within the current tax rate, so no property tax increases were anticipated as a result of the bond measure.
San Francisco, CA	November 6, 2012	Clean and Safe Neighborhood Parks	\$195 million	Passed	Two-Thirds	1 Proposition: \$99M neighborhood parks; \$35M waterfront parks; \$16M failing playgrounds; \$21M citywide parks; \$5M water conservation; \$4M park trails; \$12M Community Opportunity Fund; \$4M park forestry; and \$195K Citizens' Oversight Committee Audits	Kept property taxes the same, but issued the bond after the City paid off previous bonds



Recent GO Bond Measures							
Location	Date of Election	Purpose of Bond	Bond Amount	Result of Election	Voter Threshold	Number of Propositions/Asset Classes	Source of Funds
Austin, TX	November 6, 2012	Capital Improvement	\$306.6 million	6/7 Passed	Majority	7 Propositions: \$143M transportation; \$30M open space and watershed; \$78M park and recreation; \$78M housing; \$31M public safety; \$11.1M health and human services; \$13.4M library, museum, and culture arts	The debt service on the bond was expected to be funded within the current tax rate, so no property tax increases were anticipated as a result of the bond measure.
San Antonio, TX	May 12, 2012	Infrastructure	\$596 million	All Passed	Majority	5 Propositions: \$337M streets, bridges, & sidewalks; \$128M drainage & flood control; \$87M parks, rec, and open space; \$29M library, museum & culture arts; \$14M public safety	The debt service on the bond was expected to be funded within the current tax rate, so no property tax increases were anticipated as a result of the bond measure.

**Atlanta, Georgia****Date of Special Election:** March 17, 2015**Purpose/Use of Bond:** Infrastructure**Bond Amount Requested:**

\$252 million, broken into two measures:

- \$187.9 million for transportation improvements to streets, traffic control devices, sidewalks, bridges, and ADA compliance
- \$64.1 million to upgrade municipal facilities including buildings and recreational centers, and for ADA compliance

**Results of Election:** Both items passed with a large amount of support.

- Transportation improvements bond measure: 88.21% Yes, 11.79% No
- Municipal facilities bond measure: 85.52% Yes, 14.48% No

**Voter Threshold:** Majority

**Source of Funds:** Atlanta proposed a General Obligation public infrastructure bond, with ad-valorem property tax revenues as pledged security for debt service payments. However, the City emphasized throughout the election that it would not raise property taxes. To pay the debt on the bonds, the City proposed the implementation of a variety of initiatives that were identified by the Mayor's Blue Ribbon Commission on Waste and Efficiency in Government. Proposed recurring savings and new revenues included:

- Property taxes from new construction
- Aggressively pursuing the sale of surplus assets
- Maintenance and operating savings from sold assets
- Implementation of a hiring freeze for non-essential employees, and elimination of funded vacancies that are open for more than a year
- Comprehensive fee and fine assessment
- Savings from internal operations improvements
- Risk management and safety improvements
- Performance driven budgeting
- Pursuit of State tax reform

**Communication Techniques to enable Citizen Participation and Involvement:** Citizens were encouraged to offer feedback at public information meetings, through social media, or by contacting the City through email or by phone. The City also urged people to contact their City Council members to inform them about which projects they cared about most. The Departments of Public Works and Planning and Community Development, in coordination with the Atlanta City Council, held three rounds of public information meetings (over 100 community meetings) to educate Atlanta's residents, and to gather feedback and determine project priorities for the 2015 proposed infrastructure bond. The City developed a website that included information about the proposed bond, including an interactive map of proposed projects (which was online for more than a year), and used DISQUS (an online comment system) to facilitate online comments and feedback on the proposed projects. The City gathered comments and questions from more than 600 people, and took public comments and expert recommendations into consideration in order to determine the prioritization of projects.

**Prioritization of Projects:**

The City, through a public engagement and voting process, determined the criteria it would use to weigh various projects. Key criteria included:

- Infrastructure sustainability (number of years past life cycle)
- Providing for pedestrian and bike facilities (construct or upgrade bike/pedestrian facilities)
- Promoting public health and safety (bike lanes, pedestrian lighting, ADA improvements)
- Leveraging Federal/State funds (80% or more)
- Connecting to transit (proximity to rail and bus routes)
- Green infrastructure innovation (recycled materials, rain gardens, etc.)
- Preserving of neighborhoods (connectivity to schools or historic venues)
- Connecting to other projects (proximity to other projects)
- Being part of Connect Atlanta or other City plans/reports
- Being part of a Neighborhood/Development adopted plan

After gathering input for over a year, the City Council was expected to vote on a finalized list of projects prior to the March 17, 2015 special election, but that vote was delayed. It is now expected to vote on the final list between now and fall 2015. However, the Atlanta City Council did vote in January 2015 to distribute \$5.6 million for projects inside each of the city's 12 districts—for a total of \$67.2 million—with \$1.4 million in non-transportation projects to be identified at the council district level.

**Number of Propositions/Assets:** Atlanta's citizens voted on two propositions, as addressed above. Prior to the vote, the City released its list of over 230 proposed citywide projects, with an additional 351 in local projects for consideration from the 12 Council Districts. The list of 351 suggested local projects resulted from meetings with Council Members and thousands of comments received from the public, but required additional analysis to determine the feasibility, scope, budget, and limits. As noted above, each Council District received \$5.6M in funding available for these types of projects.

**Goals/Policies/Plans Established to Guide the Process:** As mentioned above, the Mayor established a Blue Ribbon Commission on Waste and Efficiency in Government to help develop a strategy for funding the \$250 million infrastructure bond without raising property taxes. The Commission's report put forward a plan for implementing its recommendations, including the establishment of a public dashboard, the use of a project management office, the development of a project charter and timeline, and a commitment to collecting stakeholder and public input.

**Timetable:** Atlanta's Mayor, Kasim Reed, discussed plans for an infrastructure bond in January of 2014, during his inaugural address. In March 2014, he established a Blue Ribbon Commission on Waste and Efficiency in Government, which identified cost-saving strategies that would allow Atlanta to invest in infrastructure without raising property taxes. The Commission released its report in June 2014, and the City began its first round of public meetings that same month. The City Council voted in January 2015 to bring the infrastructure bond to a vote on March 17, 2015, and public meetings continued through the beginning of March.

**Charlotte, North Carolina****Date of Election:** November 4, 2014**Purpose/Use of Bond:** To invest in the city's transportation systems, neighborhood infrastructure, and affordable housing.**Bond Amount Requested:**

\$146 million, broken into three measures:

- \$111 million to upgrade and enhance streets and infrastructure
- \$20 million to improve infrastructure in the city's older neighborhoods and emerging high-growth areas
- \$15 million to build housing for low to moderate income individuals and families

**Results of Election:** All three items passed.

- Public Improvement Bond: 70.19% Yes, 29.81% No
- Neighborhood Improvement Bond: 71.09% Yes, 28.91% No
- Housing Bond: 63.59% Yes, 36.41% No

**Voter Threshold:** Majority**Source of Funds:** The General Obligation bonds will be paid for largely thanks to an increase in property taxes that occurred in 2013. Sales tax receipts and other capital program revenues will help produce the remaining cash flow needed by the City to cover the debt service over the life of the bonds.**Communication Techniques to enable Citizen Participation and Involvement:** The City of Charlotte developed a website with information about proposed projects, and project timelines. It also hosted, and continues to host community meetings to keep members of the public updated about proposed projects, and to give them opportunities to share their ideas and concerns.**Prioritization of Projects:** Projects were identified from the City's Capital Budget and the Community Investment Plan (CIP), a five-year infrastructure plan that matches the City's highest priority capital needs with a financing schedule. CIP projects were chosen based on an analysis of community data, and based on input from the county, private sector, and other partners with the goal of determining which projects would provide the greatest community impact, generate new residential and commercial development, stimulate job growth, and strengthen the City's competitiveness. Based on feasibility and cost effectiveness, city staff recommended projects to Council for inclusion in the bond package. The City Council reviewed the list, and was able to make changes to it. The Council approved a final list of projects for inclusion in the bond package, and placed the three propositions on the ballot.**Number of Propositions/Assets:**

Fourteen major projects were proposed to receive funding from the 2014 General Obligation Bonds:

- \$12.5 million for land acquisition and street connections along Independence Boulevard Corridor
- \$3.0 million for planning and design of the bridge over I-85 connecting Research Drive to J.W. Clay Boulevard
- \$15.1 million for the bridge over I-85 connecting University Pointe/IBM Drive to IKEA Boulevard

- \$16.6 million for transportation infrastructure to improve pedestrian, bike and vehicle access to the Blue Line Extension transit stations
- \$12.5 million for infrastructure in North Graham Street and Statesville Road area to support and grow innovative industries such as technology, biosciences, healthcare, and energy
- \$5.2 million for Neighborhood Transportation Programs to enhance safety and mobility
- \$12.1 million for the Eastern Circumferential Road from Hanberry Boulevard to Back Creek Church Road
- \$5.0 million for the Cross Charlotte Biking/Walking Trail
- \$15.0 million for sidewalks and pedestrian safety
- \$3.0 million for traffic signal system coordination
- \$7.0 million for traffic control devices
- \$4.0 million to repair and replace bridges
- \$15.0 million for the Charlotte Housing Trust Fund to provide affordable housing for low and moderate income households
- \$20.0 million for Neighborhood Infrastructure

**Goals/Policies/Plans Established to Guide the Process:** Charlotte's Community Investment Plan (CIP) was the primary guide for the process.

**Timetable:** The City Council began planning for the vote two years earlier. It took approximately a year for the Council to agree on its capital spending program, but the General CIP was approved by City Council on June 10, 2013. The City Council voted in July 2014 to bring the bond to the voters, and the proposals were included on the November 2014 ballot.

**San Francisco, California****Date of Election:** June 3, 2014**Purpose/Use of Bond:** Earthquake Safety and Emergency Response (ESER)**Bond Amount Requested:** \$400 million**Results of Election:** The 2014 Earthquake Safety and Emergency Response Bond passed with 79.04% voting Yes, and 20.96% voting No.**Voter Threshold:** Two-Thirds**Number of Propositions/Assets:**

The bond proposition included funding for the following five projects/programs:

- \$85 million to seismically upgrade neighborhood fire stations
- \$55 million to seismically upgrade the emergency firefighting water system
- \$30 million to seismically upgrade district police stations and other infrastructure
- \$165 million to relocate the motorcycle police and crime lab facilities from the seismically deficient Hall of Justice
- \$65 million to relocate the medical examiner's facility from the seismically deficient Hall of Justice

**Source of Funds:** The City proposed no increases in property tax rates for the bond program. Instead, it proposed to keep property tax rates the same, and issued the new bonds once the City had paid off previous bonds that funded the construction and improvements of other public assets (i.e. neighborhood parks and libraries, Laguna Honda Hospital, San Francisco General Hospital, the Academy of Sciences and the Asian Art Museum).**Citizen Participation/Involvement/Committees:** The Citizen's General Obligation Bond Oversight Committee (CGOBOC) is charged with conducting regular audits of Earthquake Safety and Emergency Response (ESER) bond expenditures. The Committee holds public hearings quarterly to review bond spending, and issues an annual report on the bond program to various public bodies including: the Police and Fire Commissions, Board of Supervisors, and the Mayor's Office.**Citizen Communication Techniques:** The City developed a website, and published detailed information about which projects would be funded by the bond measure. After the bond election, the City committed to posting quarterly updates about bond expenditures, as well as bringing updates to the fire and police commissions, Capital Planning Committee, and Board of Supervisors as part of the 10-year capital plan and annual capital budget processes.**Prioritization of Projects:** These projects were selected because they were included in the City's Ten-Year Capital Plan. The plan, which is adopted annually by the Mayor and Board of Supervisors, prioritizes capital needs across all City departments. The \$400 million ESER bond proposal was included in the current capital plan, and built on the \$412 million ESER bond that was passed in 2010.

The City also developed "transparent selection criteria and rules" as a part of ESER 2014, which included using specific criteria to objectively prioritize projects, and establishing clear rules for funding, scope, and changes in the prioritization of projects.

The Public Works Department prepared comprehensive capital project planning procedures to guide the prioritization of police district stations, and neighborhood fire stations. The Auxiliary Water Supply System Steering Committee, which included senior technical and operational managers from the Fire Department, Public Works, and the San Francisco Public Utilities Commission, helped prioritize projects related to the Emergency Firefighting Water System. The Auxiliary Water Supply System Management Oversight Committee, which includes executive managers for those three departments, approved the final proposal from the Steering Committee.

**Goals/Policies/Plans Established to Guide:** The City's Ten-Year Capital Plan played a large role in guiding the bond process.

**Fort Worth, Texas****Date of Election:** May 10, 2014**Purpose/Use of Bond:** Finance a five-year capital improvement program**Bond Amount Requested:** A total of \$292 million for the 7 propositions listed below:

- Street and Transportation Improvements—\$219,740,000
- Parks, Recreation, and Community Center Improvements—\$31,440,000
- Library System Improvements—\$12,650,000
- Fire Safety Improvements—\$9,285,000
- Municipal Court Improvements—\$1,530,000
- Municipal Service Facility Improvements—\$15,080,000
- Animal Care and Control Facility Improvements—\$2,350,000

**Number of Propositions/Assets:** As noted above, Fort Worth's 2014 Bond program included seven propositions.**Source of Funds:** Three years before bringing the bond program to its citizens, Fort Worth began a four-year process of shifting the City's additional property tax revenue in order to make its debt payments for capital improvement projects. As a result of this process, Fort Worth was able to issue the public bonds without a tax rate increase.**Results of Election:**

All 7 Bond propositions passed:

- Streets & Transportation: 83.30% Yes, 16.70% No
- Parks & Rec: 78.43% Yes, 21.57% No
- Library: 78.07% Yes, 21.93% No
- Fire Safety: 82.26% Yes, 17.74% No
- Municipal Court: 67.83% Yes, 32.17% No
- Municipal Service Facility: 68.21% Yes, 31.79% No
- Animal Care/Control Facility: 77.76% Yes, 22.24% No

**Voter Threshold:** Majority**Citizen Participation/Involvement/Committees:** The City held 31 public meetings, and set up an online public input forum (YourFortWorth.com) and a mail and telephone hotline to gather comments and suggestions from the public about what projects they wanted to see included in the bond program.**Citizen Communication Techniques:** As noted above, the City held a number of public meetings, and set up a hotline and a website to accept additional public input. The City also developed the *2014 Bond Program Booklet*, which included project details for each of the propositions (e.g. which streets were slated for repairs).**Prioritization of Projects:** City staff conducted infrastructure condition and needs assessments, and used public input from departments to develop a preliminary list of potential capital improvement project needs for the next five years. It also calculated how much funding was available for these projects. The preliminary list was then presented at public meetings in order to gather input from



Councilmembers and the public about what projects they thought were important. City staff took this input into consideration and developed a final proposed project list.

**Goals/Policies/Plans Established to Guide:** The annual Comprehensive Plan provided a guide for which projects were initially selected for the proposed list of projects.

**Timetable:**

- |                        |  |
|------------------------|--|
| August – Nov. 2012:    | The development of the annual Comprehensive Plan was used to gather input from residents. The feedback received from these public meetings helped inform the initial bond projects proposal. |
| January 9, 2013:       | A City Council workshop was held to create a preliminary list of projects proposed for funding for use during the public input phase.  |
| July – Nov. 2013:      | Public input phase – input from citizens regarding the proposed projects list was collected via public meetings, the City’s public engagement website, and a hotline.                        |
| Dec. 2013 & Jan. 2014: | City staff presented to the City Council regarding the citizen input received and the proposed bond program project list adjustments resulting from that input.                              |
| February 11, 2014:     | The City Council adopted the ordinance, which called for the May 10, 2014 bond election.   |

**Austin, Texas****Date of Election:** November 5, 2013**Purpose/Use of Bond:** Affordable Housing**Bond Amount Requested:** \$65 million**Source of Funds:** The debt service on the bond was expected to be funded within the current tax rate, so no property tax increases were anticipated as a result of the bond measure.**Results of Election:** The bond passed, with 60.39% voting yes, and 39.61% voting no.**Voter Threshold:** Majority**Citizen Participation/Involvement/Committees:** Between 2009 and 2012, Austin held four series of community forums, which included neighborhood meetings and working groups, in order to collect input from citizens as part of *Imagine Austin* (a guide for transforming Austin's future). The City received over 18,500 "points of community input" at these meetings, and affordable housing and affordability were identified early in the process as important community needs. As a result, affordable housing became one of the City's eight priority programs.

In 2012, Austin convened a Task Force and an Affordable Housing Committee (which met between February and April in 2012) to gather input about how Austin should address its affordable housing needs. In order to encourage citizen participation and input, the City held four community workshops, two task force community forums, and set up a website, hotline, email address, and created a community engagement portal called *Speak Up Austin*. *Speak Up Austin* was used by the City to inform citizens about ongoing projects, and give the public a way to join in on topical discussions, create/share/vote on citizen-generated ideas, and connect with others citizens.

**Citizen Communication Techniques:** The City of Austin developed a website and used *Speak Up Austin* to help educate voters about the proposed bond. The website included access to briefings and memos prepared by staff and presented to the Mayor and Council. And as noted above, the City held a variety of public meetings to communicate with citizens.**Prioritization of Projects:** In order to prioritize projects, Austin began by conducting a Community Needs Assessment, a process that also included two public hearings. Next, the City developed an Action Plan that incorporated the results of the Community Needs Assessment. The City accepted public input for a month on the Draft Action Plan before finalizing it.**Number of Propositions/Assets:**

Austin's citizens voted on one proposition for the affordable housing bond, which included three areas of focus:

- Rental Housing Development Assistance (to build, and acquire and rehabilitate units to provide additional affordable housing units)
- Home Ownership Programs (to provide grants and loans to enable home ownership, create land trusts, and produce additional affordable housing for purchase)
- Home Repair Programs (to address substandard or hazardous housing conditions, and to help seniors and persons with disabilities make accessibility modifications)

**Goals/Policies/Plans Established to Guide:** As noted above, a Community Needs Assessment and an Action Plan were developed to guide the process. Moreover, the City adopted Guiding Principles for bond development in December 2011 that helped drive the process.

**Timetable:** Austin began collecting feedback from its citizens from 2009-2012. During this time, affordable housing was identified as a priority project, and the City began convening committee and task forces focused on the issue. Austin included a housing bond in its 2012 bond package; however, that particular bond failed and was brought up again in 2013. On Jan. 17, 2013, the City Council passed a resolution, which began the bond development process. The resolution directed the City Manager to report back to Council with information related to housing market data, comparative practices among peer cities, and outcomes of existing affordable housing regulations and policy. On April 25, 2013, the City Council received its first briefing on the bond program. In June 2013, the Council received two additional briefings about affordable housing strategy, housing market data, a proposed financial strategy, and short- and long-term funding strategies. On August 8, 2013, the Council passed an ordinance calling for a special bond election on November 5, 2015.

**San Francisco, California****Date of Election:** November 6, 2012**Bond Amount Requested:** \$195 million**Purpose/Use of Bond:** Clean and Safe Neighborhood Parks. Specifically, the bond funded:

- Neighborhood Park Repairs and Renovations—\$98,805,000
- Waterfront Park Repairs, Renovations, and Development—\$34,500,000
- Failing Playgrounds—\$15,500,000
- Citywide Parks—\$21,000,000
- Water Conservation—\$5,000,000
- Park Trail Reconstruction—\$4,000,000
- Community Opportunity Fund—\$12,000,000
- Park Forestry—\$4,000,000
- Citizens' Oversight Committee Audits—\$195,000

**Source of Funds:** According to the ballot language, the City proposed to use property taxes to pay principal and interest on the General Obligation Bond. It also permitted landlords to pass through 50% of any resulting property tax increase to their tenants. The City Comptroller estimated that the average tax rate for the bonds from 2013-2014 through 2037-2038 would be \$0.0053 per \$100 of assessed valuation, or \$5.28 per \$100,000. It should also be noted that according to San Francisco's debt management policy, the City may only issue new General Obligation bonds as old ones are retired, in order to keep the property tax impact from general obligation bonds approximately the same over time.

**Results of Election:** The bond passed with 72.11% voting yes, and 27.89% voting no.**Voter Threshold:** Two-Thirds

**Citizen Participation/Involvement/Committees:** As part of the bond program, \$195,000 was set aside for a Citizen's General Obligation Bond Oversight Committee (CGOBOC) to conduct regular audits of bond expenditures. The Committee holds public hearings quarterly to review bond spending, and issues an annual report on the bond program to various public bodies including: the Parks, Recreation, and Open Space Advisory Committee (PROSAC); Recreation and Park Commission; Port Commission; Board of Supervisors; and the Mayor.

Additionally, \$12 million was included for the Community Opportunity Fund Program, which allows neighborhoods, community groups, and park partners to nominate capital projects for funding from the bond measure. Half of that funding was set aside for a Partnership Projects fund, which supports larger scale projects that have completed the environmental review process (per CEQA), garnered broad public support, have secured additional grant funding, and match the City's department and capital planning needs.

**Citizen Communication Techniques:** Both the Recreation and Parks Department, and the Port of San Francisco agreed to dedicate portions of their websites to publish information and progress reports about the bond program (including expenditures, and quarterly schedules).

**Prioritization of Projects:** The City conducted a study of its parks, and determined it had over \$1 billion in capital needs. The bond was part of the City's Ten Year Capital Plan, which was first issued in 2005.

**Number of Propositions/Assets:** This bond was considered as one proposition on the ballot, but was divided out (as discussed previously) to reflect how much would be spent on different types of projects.

**Goals/Policies/Plans Established to Guide:** San Francisco's Ten Year Capital Plan was used to determine the projects selected for the bond program. Additionally, the City published a Bond report on August 23, 2012 to provide additional information about what projects were selected, their projected timeline for completion, as well as accountability measures. The accountability measures included information about what the City would do in case projects ran over projected costs, and how the Citizens' Review Board would conduct audits of the program.

**Timetable:** In July 2012, the Board of Supervisors passed a resolution declaring a public interest in and the necessity of improving the safety and quality of neighborhood parks and waterfront open spaces across the City. It also passed an ordinance calling for a special election in November of 2012 for the \$195 million Clean and Safe Neighborhood Parks Bond. However, planning for this General Obligation bond measure began with the City's Ten Year Capital Plan. San Francisco passed a \$185 million Clean and Safe Neighborhood Parks Bond in 2008, and as the projects from that bond measure were completed, the City was able to come back and build upon the previous bond measure.

**Austin, Texas****Date of Election:** November 6, 2012**Purpose/Use of Bond:** Capital Improvements**Bond Amount Requested:** \$306.6 million**Source of Funds:** The City's General Obligation Bonds are repaid by property taxes. However, at election time the City anticipated that there would be no increase in the property tax rate that year as a result of the passage of the propositions.**Results of Election:** Austin voters approved six of the seven bond propositions, allowing the City to borrow \$306.6 million for capital improvement projects.

- \$143.3 million transportation and mobility improvement bonds: 55.10% Yes, 44.90% No
- \$30.0 million open space and watershed protection bonds: 55.95% Yes, 44.05% No
- \$77.7 million park and recreation improvement bonds: 59.25% Yes, 40.75% No
- \$78.3 million housing bonds: 48.58% Yes, 51.42% No
- \$31.1 million public safety facility improvement bonds: 55.27% Yes, 44.73% No
- \$11.1 million health and human services facility improvement bonds: 59.82% Yes, 40.18% No
- \$13.4 million library, museum, and cultural arts facility improvement bonds: 60.51% Yes, 39.49% No

**Number of Propositions/Assets:** Voters weighed in on seven bond propositions, and passed all of them except for the housing bond, as noted above.**Voter Threshold:** Majority**Citizen Participation/Involvement/Committees:** Like it did with the 2013 Affordable Housing bond, Austin set up a website, hotline, email address, and created a community engagement portal called *Speak Up Austin* to gather public input. Additionally, Austin's 2012 Capital Improvements Bond Program was developed with extensive community input and help from a citizen task force.**Citizen Communication Techniques:** In addition to holding public meetings, and using its website and *Speak Up Austin* to communicate with its citizens, Austin produced a voter information brochure that articulated which projects would benefit from the bonds.**Prioritization of Projects:** The Bond program prioritized the rehabilitation and renovation of existing City infrastructure and facilities, but also made investments in new initiatives that were prioritized as a result of the *Imagine Austin Comprehensive Plan*. Additionally, Austin uses its annual Long-Range CIP Strategic Plan (LRCSP) to prioritize its capital improvement projects.**Goals/Policies/Plans Established to Guide:** In December 2011, the City adopted Guiding Principles for bond development to help drive the process. The City's LRCSP and *Imagine Austin Comprehensive Plan* also helped guide the prioritization of projects.**Timetable:**

- October 2011: The City Council created the citizen's Bond Election Advisory Taskforce
- December 2011: The City Council approved Guiding Principles for bond development

- February 2012: A \$1.49 billion Needs Assessment was given to the Taskforce by City staff
- February-March 2012: The Taskforce considered the Needs Assessments and developed recommendations
- June 2012: The Taskforce and the City Manager recommended a bond measure to the City Council
- August 2012: The City Council voted to place the \$385 million bond measure on the November ballot

**San Antonio, Texas****Date of Election:** May 12, 2012**Purpose/Use of Bond:** Infrastructure**Bond Amount Requested:** \$596 million**Source of Funds:** When the bond was brought to a vote, it was expected that the City's property tax rate was sufficient to cover the debt service payments, and a property tax rate increase was not necessary.**Results of Election:** All five of the bond measures passed. See below for additional information.**Number of Propositions/Assets:**

The bond measure was divided into five propositions:

- \$337.44 million for Streets, Bridges & Sidewalks – 72% voted Yes, 28% voted No
- \$128.03 million for Drainage & Flood Control – 73% voted Yes, 27% voted No
- \$87.15 million for Parks, Recreation & Open Space – 64% voted Yes, 36% voted No
- \$29.03 million for Library, Museum & Cultural Arts Facilities – 62% voted Yes, 38% voted No
- \$14.35 million for Public Safety Facilities – 67% voted Yes, 33% voted No

**Voter Threshold:** Majority**Citizen Participation/Involvement/Committees:** Four Community Bond Committees were created to advise the City Council on the bond proposal. The Committees were responsible for collecting community input and analyzing potential projects for inclusion in the bond program. The Committees were made up of 126 citizens, and the City's residents were encouraged to attend the Committee's 20 community meetings to weigh in on proposed projects. Over 800 citizens attended these meetings and participated in the Committee's process.

Additionally, San Antonio has a Citizens Bond Oversight Commission, which was established in 2003, and is tasked with monitoring the progress of the 2012 bond program.

**Citizen Communication Techniques:** The City advertised its public meetings, and broadcasted many of the Community Bond Committees' meetings online. Additionally, the City created a website that outlined its plans, and developed a GIS map of proposed projects.**Prioritization of Projects:** In September 2011, San Antonio's City Council created four Community Bond Committees to advise and make recommendations to the City Council about which capital improvement projects it should consider for inclusion in the proposed 2012 – 2017 bond program. Each Council member appointed three citizens to each of the committees, and the Mayor appointed two to each committee to serve as co-chairs. The Mayor also appointed three "Tri-Chairs" who provided oversight for the four Committees. The Committees approved a list of projects for prioritization, and presented their recommendations for City Council approval in January 2012.**Goals/Policies/Plans Established to Guide:** The Community Bond Committees prepared a report for the City Council, which outlined which projects it recommended for inclusion in the \$596 million bond program.



**Timetable:** The City began holding public Community Bond Committee meetings in October 2011 to solicit input from residents. In December 2011, the Committees toured proposed projects, and held their last meetings where they voted to approve project recommendations for the City Council's consideration. The City Council and Mayor approved the final list of recommended projects in January 2012, and in February called for an election in May 2012.