



MEETING SYNOPSIS

February 26, 2020

The following is a summary of the second Elevate Advisory Council Financial Analysis subcommittee meeting. The agenda and other materials can be found on the Elevate Tuscaloosa website under Advisory Council > Meetings. A discussion was held on the following topics:

Review Elevate financial projections and timeline

Mayor Walt Maddox (City of Tuscaloosa) introduced Katy Beth Jackson (City of Tuscaloosa Manager of Finance and Special Projects for Urban Development), who oversees financial review of Elevate projects.

Ms. Jackson led the subcommittee through the changes to the 10-year projection spreadsheet (a copy can be found in the meeting materials on the Elevate website).

1. Added revision date and initials at bottom right corner of projection sheet

2. Updated bond issuance colors

The bond issue dates on the previous version of the spreadsheet were represented in different shades of green. In order to create more contrast, the bond issues are now represented in the following colors (a legend is located at the bottom of the spreadsheet):

- a. Fiscal Year (FY) 2021 light green
- b. FY 2022 light blue
- c. FY 2023 light yellow
- d. FY 2024 peach

All bond issues are projected to be repaid over 30 years with projected annual interest rates increasing each year in order project conservatively. For comparison, the city currently pays about \$45,000 per million and estimates paying \$55,000 per million in FY 2021 and \$65,000 per million in FY 2024.

3. Downtown-University Corridor

- a. Added \$750,000 in cash to FY 2020 for anticipated professional services by McGiffert and Associates. For now, the \$750,000 is estimated to be 10% of the \$7.5 million total slated for the project. The amount will be amended once an actual contract is approved.
- b. Changed the bond issuance, now \$6.75 million (reduced by \$750,000), from FY 2021 to FY 2022. Debt service payments will start the year after construction.



4. Bowers Park

Changed the bond issuance from FY 2022 to FY 2023. This change is recommended due to the Parks and Recreation subcommittee’s decision to conduct a survey and due diligence studies before recommending improvements to Bowers Park.

5. Experience Venue(s)

Added \$110,000 in cash to FY 2020. The projected bond issue slated for 2023 has been reduced by \$110,000 and is now \$42.89 million. This amount corresponds to the recently-approved contract with Johnson Consulting to conduct a feasibility study this year.

6. McAbee Center

Added \$500,000 in cash to FY 2020 for anticipated professional services. The amount is estimated at 10% of the \$5 million slated for the project. The projected bond issue for 2021 has been reduced by \$500,000 and is now \$4.5 million.

7. Professional Services

Changed the \$250,000 originally slated for FY 2020, 2021, and 2022 to \$1 million, all in FY 2020. The \$750,000 that was split between FY 2020, 2021, and 2022 has been increased to \$1 million in order to match the operating budget adopted by City Council.

Most professional service fees are being accounted for in the project they relate to (i.e. Johnson Consulting with the Experience Venue). However, this category is in place for professional services that are not related to a single project.

8. Project Trinity

Changed the bond issuance from FY 2023 to FY 2024 (which did not exist on the previous spreadsheet). Mayor Maddox noted that this project could be completely funded by ALDOT and may not require the \$7.5 million in Elevate funds. The master plan for the project includes a bridge off James I Harrison Jr. Parkway over I-20/59 that will connect to Andrews Street East (the road adjacent to the McFarland Mall site). The goal is to reduce traffic on McFarland Blvd and Skyland Blvd and is not expected to occur in the near future. Mayor Maddox has encourage Councilor Sonya McKinstry to propose other ideas for using these funds within District 7.

9. FY 2024 Bond Issue row

Added a row for FY 2024 bond payments, which did not exist on the previous version of the spreadsheet.

10. Saban Center: Engineering and Design

- a. Changed FY 2020 cash amount to \$550,000 for a project coordination contract for the master planning and programming phase for the facility.
- b. Changed FY 2021 cash amount to \$1.45 million to keep total cash payments for professional services at \$4 million total over three years.



11. Sokol Park

Added a new row for Sokol Park with a \$9.5 million projected bond issue for FY 2023.

12. Project Capital Investments page

- a. Updated bond dates for Bowers Park, Downtown-University Corridor, Project Trinity, and the Tuscaloosa Tennis Center
- b. Updated bond colors

13. Project Financing page

- a. Moved Downtown-University Corridor to FY 2022 (from 2021)
- b. Moved the Tuscaloosa Tennis Center to FY 2022 (from 2021)
- c. Moved Bowers Park to FY 2023 (from 2022)
- d. Reduced bond amounts where applicable to reflect changes to cash paid in FY 2020
- e. Added FY 2024 bond issuance and moved Project Trinity to it (from 2023)

14. Western Riverwalk

Changed Western Riverwalk from FY 2021 bond issue to FY 2022 and updated the debt service payments and coloring.

Ms. Jackson reviewed the table "FY 2020-2029 Projected Totals" located in the bottom left corner of the projection. The first line item "Available Funds" is the sum of the first 10 years "Total Available Funds", which includes projected tax revenues and other income totaling \$234,465,640. The second line item "Expenditures" is the sum of all the projected expenditures for the first 10 years, which totals \$203,114,649. The "Undesignated Balance" line item is the difference between the two numbers, which is \$31,350,991. The final line item "Average Undesignated Balance" is the average annual undesignated balance for the first 10 years, which is \$14,032,467.

A discussion was held on service duplication. Steven Rumsey (subcommittee member) inquired if it would be more economical to combine the services of the Tuscaloosa Public Library and the University of Alabama libraries. Members discussed the differences between the users of the facilities and the need for both. The Mayor also discussed the experiential programming that will be incorporated into the Saban Center.

Councilwoman Cynthia Almond (subcommittee ex-officio member) inquired about the \$115,000 cash in FY 2020 for Harris-Nicol Water Recreation and Trails. Ms. Jackson informed members that the amount is to pay for the master planning contract with TTL that has been approved and is underway. The project will be phased and stakeholder engagement is also in process.



Snow Hinton Park Infrastructure Analysis

Jarrold Milligan (City of Tuscaloosa) reminded members that Barge Design Solutions has been hired to provide a master plan for Snow Hinton Park. Now, there is a recommendation that they also conduct an analysis of city infrastructure in that area. The cost for the additional services would be \$98,700. The scope of services includes assessments of: roadways, pavement, sidewalks, traffic signals, lighting, signs, and storm water drainage. The analysis is expected to require 95 days. The City of Tuscaloosa and Barge will host a community workshop on March 12, 2020 at Northington Elementary School from 5 to 7 PM to get feedback on what the community would like to see incorporated at the park.

Overview of accountability portal project

Brendan Moore (City of Tuscaloosa) introduced David Koh with Slipstitch, LLC who has been hired to develop an online portal containing Elevate project and financial information. The portal will give every member of the community the opportunity to see where Elevate funding is being spent and is expected to be available by the end of April.

Nicole Prewitt (subcommittee member) inquired about the long-term maintenance of the portal and the associated costs. Mr. Moore informed members that Mr. Koh is working with Donald Malone (webmaster for the City of Tuscaloosa) and other staff members to create a process for updating the portal routinely.

Mr. Koh discussed the goals of making the portal user-friendly and easy to update. He noted the importance of illustrating to the public how Elevate funding is being utilized and leveraged with other funding sources, such as federal grants and private matches.

Mr. Moore encouraged members to provide feedback on what they want to see on the portal. Mr. Koh agreed that input is best received early in the development process.

Next Steps

The Financial Analysis subcommittee recommended approval of the following items to the full Elevate Advisory Council:

1. Revisions to the 10-year projection and timeline
2. \$98,700 additional scope of services by Barge Design Solutions for an infrastructure analysis around Snow Hinton Park

The next subcommittee meeting will be scheduled at a later date.

Financial Analysis – Feb 29, 2020

First Name	Last Name	In attendance
Cynthia	Almond	X
Karen	Brooks	X
Joseph/Rob	Brown/Steward	X
Terrance	Dedrick	X
Chris	England	
David	Pass	X
Nicole	Prewitt	X
Steven	Rumsey	X
Jimmy	Warren	X