

GRESHAM CITY COUNCIL

AGENDA ITEM TYPE: DECISION



Resolution No. 3261: Submitting a General Obligation Bond Measure to Gresham Voters to Provide Community Center, Recreation, Swimming/Aquatic Facilities

Meeting Date: August 16, 2016
Service Area: Community Development

Agenda Item Number: E-3
Service Area Manager: Eric Schmidt

REQUESTED COUNCIL ACTION

Move to approve Resolution No. 3261 submitting a general obligation bond measure to Gresham voters to provide Community Center, Recreation, Swimming/Aquatic Facilities within the City of Gresham and adopting a ballot title and explanatory statement to be placed on the November 8, 2016 ballot.

PUBLIC PURPOSE AND COMMUNITY OUTCOME

The City of Gresham seeks funding to provide Community Center, Recreation, Swimming/Aquatic Facilities for the use and enjoyment of the citizens of the City of Gresham.

BACKGROUND

Gresham residents have expressed interest in building a community center in Gresham through a variety of recent public outreach projects.

The multiyear Rise Advance Dream (RAD) Gresham effort involved over 700 different community members generating over 300 ideas and nearly 400 comments. From the onset, the RAD idea that garnered the most support was the creation of a community center in Gresham. At the conclusion of RAD 2015, the community center idea had 433 votes which was nearly twice as many as the next most popular idea.

The Commission on Children & Families was formed by the Mayor and Council in September 2015 to conduct research and advise the City on the development, implementation and maintenance of strategies, policies and programs designed to strengthen and engage Gresham's children and families. In their recent final report, the Commission underscored the need for a community center and recommended the City form a separate citizen advisory group to further explore the possibility of making this project a reality. In response to these community requests and recommendations, the City formed the Community Center Task Force in May 2016.

At the July 12, 2016 Council Policy Development Meeting, staff presented the outcome from the Task Force meetings including recommended programming amenities of a potential new facility. Staff also presented conceptual cost estimates for the construction of a facility and preliminary estimates for operation and maintenance. City Council supported moving the

project forward in preparing a ballot title and explanatory statement for Council consideration to refer to the voters a general obligation bond measure to provide Community Center, Recreation, Swimming/Aquatic Facilities.

At the July 12, 2016 Council Policy Development meeting, staff presented a project cost estimate range of \$43-48,000,000. Given that this is a conceptual estimate with many project variables and that the general obligation bonds cannot exceed the amount requested in the ballot title, approval of Resolution No. 3261 seeks voter approval for the City of Gresham to issue general obligation bonds in an amount up to \$48,000,000. Every effort will be made to manage costs and identify financial efficiencies throughout the project to reduce financial impacts to taxpayers. If approved, the bonds would be payable from taxes on property or property ownership and may be issued in one or more series with each series maturing over a period of not more than 21 years.

Community facilities like this are one way local government agencies or districts provide recreational and fitness opportunities and community meeting space for their residents. Facilities like what is being proposed in Gresham can be found in communities across the Portland region, with five full service centers in the City of Portland including the Southwest and East Portland Community Centers, at least four centers as part of Tualatin Hills Parks and Recreation District and centers in or planned for Salem, Sherwood, Tigard, Clackamas and Wilsonville.

The proposed Community Center, Recreation, Swimming/Aquatic Facilities are planned to be centrally located in Gresham and accessible to residents from across the City.

RECOMMENDATION AND ALTERNATIVES

Recommendation

- Approve Resolution No. 3261.

Alternatives

- Do not approve or take no action on Resolution No. 3261. If Resolution No. 3261 is not approved, the City will not submit a measure to the electors of the City of Gresham to fund Community Center, Recreation, Swimming/Aquatic Facilities.
- Revise and then approve Resolution No. 3261. Any revisions will have to meet statutory word count and content requirements.
- Direct the City Attorney to draft a revised ballot title and explanatory statement. A revised Resolution No. 3261 would be submitted to Council for approval at the August 23, 2016 Council meeting.

BUDGET / FINANCIAL IMPACT

Since it is a General Election, there is no additional cost to the City to place the general obligation bond measure on the November 2016 ballot. The ballot measure, with voter approval, establishes the maximum amount of bonded debt that can be issued and the maximum repayment period for the debt. Implementation steps including the issuance of debt, property acquisition, and award of design and construction contracts will be presented for Council consideration at a future date.

PUBLIC INVOLVEMENT

Public involvement on this topic has a robust history including RAD Gresham which not only included a thirty member citizen committee but also solicited public input at community

events and on social media. The Commission on Children and Families and the Community Center Task Force both weighed in heavily on this matter as well.

NEXT STEPS

Should Council approve Resolution No. 3261, staff will publish notice of the ballot title and voters' pamphlet explanatory statement. Any Gresham elector has the right to challenge the ballot title and explanatory statement by filing a challenge on or before August 26, 2016. After any challenge is resolved by City Council at the September 6, 2016 Council meeting, staff will submit the final ballot title and voters' pamphlet explanatory statement to Multnomah County Elections on or before September 8, 2016, formally placing the measure on the November 8, 2016 ballot for voter consideration.

ATTACHMENTS

Resolution No. 3261 with Exhibits 1 and 2

FROM:

Eric Schmidt, Community Development Director

REVIEWED THROUGH:

Bernard Seeger, Finance and Management Services Director
Sharron Monohon, Budget and Financial Planning Director
David R. Ris, City Attorney
Office of Governance and Management

FOR MORE INFORMATION

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RESOLUTION NO. 3261

A RESOLUTION TO SUBMIT A GENERAL OBLIGATION BOND MEASURE TO GRESHAM VOTERS TO PROVIDE COMMUNITY CENTER, RECREATION, SWIMMING/AQUATIC FACILITIES IN THE CITY OF GRESHAM AND ADOPTING BALLOT TITLE AND EXPLANATORY STATEMENT

The City of Gresham finds:

Whereas, the Community Center Task Force appointed by the City Council has recommended that the City of Gresham provide a community recreation and swimming/aquatic facility in the City of Gresham; and

Whereas, the City of Gresham seeks to obtain funding for Community Center, Recreation, Swimming/Aquatic Facilities; and

Whereas, the City Council desires to refer a general obligation bond measure to the electors of the City of Gresham to fund Community Center, Recreation, Swimming/Aquatic Facilities; and

Whereas, the City anticipates incurring expenditures (the “Expenditures”) to finance the costs of Community Center, Recreation, Swimming/Aquatic Facilities and wishes to declare its official intent to reimburse itself for any expenditures it may make from its general funds on community recreation and swimming/aquatic facilities from the proceeds of voter-approved general obligation bonds or other debt which may be issued as tax-exempt obligations or qualified tax credit bonds; and

Whereas, if approved, the City of Gresham would use the bond proceeds to provide community center, recreation and swimming/aquatic facilities, which may include the purchase of property, demolition, design, site preparation and improvements, construction, renovation, furnishings, and equipping of community recreation and swimming/aquatic facilities and bond issuance costs as further described in Exhibit 1 (collectively, the “Project”).

THE CITY OF GRESHAM RESOLVES:

1. **MEASURE.** An election is hereby called for the purpose of submitting to the electors of the City of Gresham a general obligation bond measure for the electors of the City to decide whether to authorize the City of Gresham to issue general obligation bonds in the amount up to \$48,000,000 for the Project. The bonds, if approved, would be payable from taxes on property or property ownership. The bonds may be issued in one or more series, and each series may mature over a period of not more than 21 years.

2. **BALLOT TITLE.** The ballot title hereby approved by Council for the measure is attached as “Exhibit 1” and incorporated herein by reference.

3. **EXPLANATORY STATEMENT.** The voters’ pamphlet explanatory statement hereby approved by Council for the measure is attached as “Exhibit 2” and incorporated herein by reference.

4. **ELECTION CONDUCTED BY MAIL.** The measure election shall be held in the City of Gresham on November 8, 2016. As required by ORS 254.465, the measure election shall be conducted by mail by Multnomah County, according to the procedures adopted by the Oregon Secretary of State.

5. DELEGATION. The City Council authorizes the City’s Election Official to act on behalf of the City and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

6. FILING WITH COUNTY ELECTIONS OFFICE. The City Election Official is directed to publish notice of the ballot title and voter’s pamphlet explanatory statements in accordance with the Gresham Revised Code and state law and to furnish a copy of this resolution to the Multnomah County Director of Elections and such other documents are required by the applicable provisions of law.

7. DECLARATION OF INTENT TO REIMBURSE. The City hereby declares its official intent pursuant to Treasury Regulation Section 1.150-2 to reimburse itself with the proceeds of the bonds or other debt for any expenditures on the Project incurred by it prior to the issuance of such debt.

Yes: _____

No: _____

Absent: _____

Abstain: _____

Passed by the Gresham City Council and effective on _____.

Erik Kvarsten
City Manager

Shane T. Bemis
Mayor

Approved as to Form:

David R. Ris
City Attorney

EXHIBIT 1

BALLOT TITLE

Caption:

City of Gresham Community Center, Recreation, Swimming/Aquatic Facilities Bonds

Question:

Shall Gresham provide Community Center, Recreation, Swimming/Aquatic Facilities, including pools, event/exercise/educational programming space, gymnasium; issue \$48,000,000 bonds? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

Summary:

Uses general obligation bonds to provide Community Center, Recreation, Swimming/Aquatic Facilities (“Facilities”). Amenities expected to include pools for lap swimming, swimming lessons, aquatic exercise classes; recreational/leisure pool with large curvy waterslide, water features for family entertainment; senior center providing activities for older adult residents; classroom meeting space for community education courses and children’s programming; gymnasium, workout/exercise facilities and equipment; community meeting space for birthday parties, meetings, community groups, events and celebrations; community kitchen, other amenities. Facilities would be centrally located in Gresham.

The Community Center concept emerged from Gresham’s multi-year Rise, Advance, Dream (RAD) community visioning process and 2016 Gresham Commission on Children and Families.

Bond proceeds could be used for purchase of property, demolition, design, site preparation and improvements, construction, renovation, furnishings, equipment and bond issuance costs. Bonds may be issued in separate series and each series will mature in 21 years or less. Estimated bond tax rate is thirty-five cents per \$1,000 assessed property value. Bond revenues and project expenditures would be monitored by Gresham’s citizen volunteer Finance Committee.

EXHIBIT 2

VOTERS PAMPHLET EXPLANATORY STATEMENT

The City of Gresham has placed Community Center, Recreation and Swimming/Aquatic Facilities on the ballot for voter consideration.

The Community Center, Recreation and Swimming/Aquatic Facilities would be home to a range of amenities, expected to include a six lane, 25 yard lap swimming pool, swimming lessons, aquatic exercise courses, and leisure/recreational pool for children and families with water park features and a large curvy waterslide. Additionally, the amenities are expected to include a senior center that provides activities and programming for Gresham's older adult residents, classroom meeting space for community education courses and children's programming, event and conference space, a gymnasium for basketball and other indoor sports, a children's drop-in center for preschool programming and children's activity classes, work-out and exercise equipment and facilities for fitness, aerobics, dance, and exercise courses. Additional planned amenities include a commercial kitchen for catering, cooking courses, or community use, a venue for birthday parties, retirement ceremonies, and family celebrations, a large indoor rock climbing wall, and an indoor running track.

Gresham does not currently have public facilities of this type, and heard the concept emerge as a recommendation during the multi-year Rise, Advance, Dream (RAD) community engagement and visioning process, in which it was ranked the top priority, and the 2016 Gresham Citizen Commission on Children and Families Final Report, which cited a community center as a recommendation.

Community facilities like this are one way local government agencies or districts provide recreational and fitness opportunities and community meeting space for their residents. Facilities like what is being proposed in Gresham can be found in communities across the Portland region, with five full service centers in the City of Portland including the Southwest and East Portland Community Centers, at least four community centers as part of Tualatin Hills Parks and Recreation District and community centers in or planned for Salem, Sherwood, Tigard, Clackamas and Wilsonville.

Public Input:

- Multi-Year Rise, Advance, Dream (RAD) Community Visioning and Engagement Project
- 2016 Gresham Citizen Commission on Children and Families Final Report
- 2016 Gresham Community Center Task Force
- Gresham City Council meetings on July 12, 2016 and August 16, 2016.

Oversight: Gresham's citizen volunteer Finance Committee would monitor bond revenues and project expenditures.

The proposed Community Center, Recreation, Swimming/Aquatic Facilities are planned to be centrally located in Gresham and accessible to residents from across the City. If approved by voters, the City of Gresham would issue up to \$48,000,000 in General Obligation bonds which could be issued in separate series. Each series will mature in 21 years or less. Estimated bond tax rate is thirty-five cents per \$1,000 assessed property value.