

# Manzanita City Hall

## Phase 2 and Financing Decision

“Now this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning.”

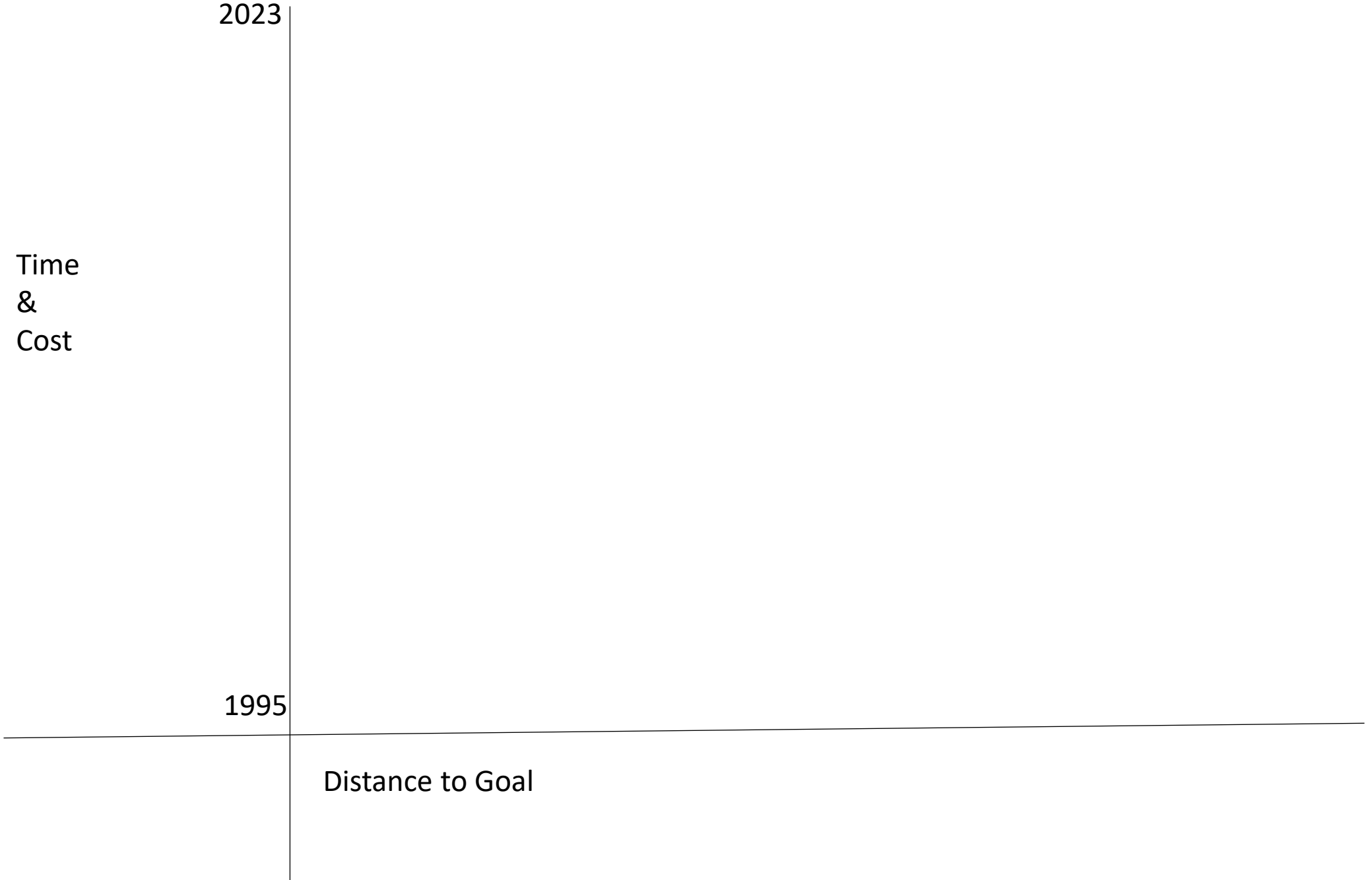
Winston Churchill

2023

Time  
&  
Cost

1995

Distance to Goal



2023

Time  
&  
Cost

Time is Money

1995

Distance to Goal

2023

If you have the land, and the resources a typical development project of this size takes about 2-3 years - start to finish.

Time  
&  
Cost

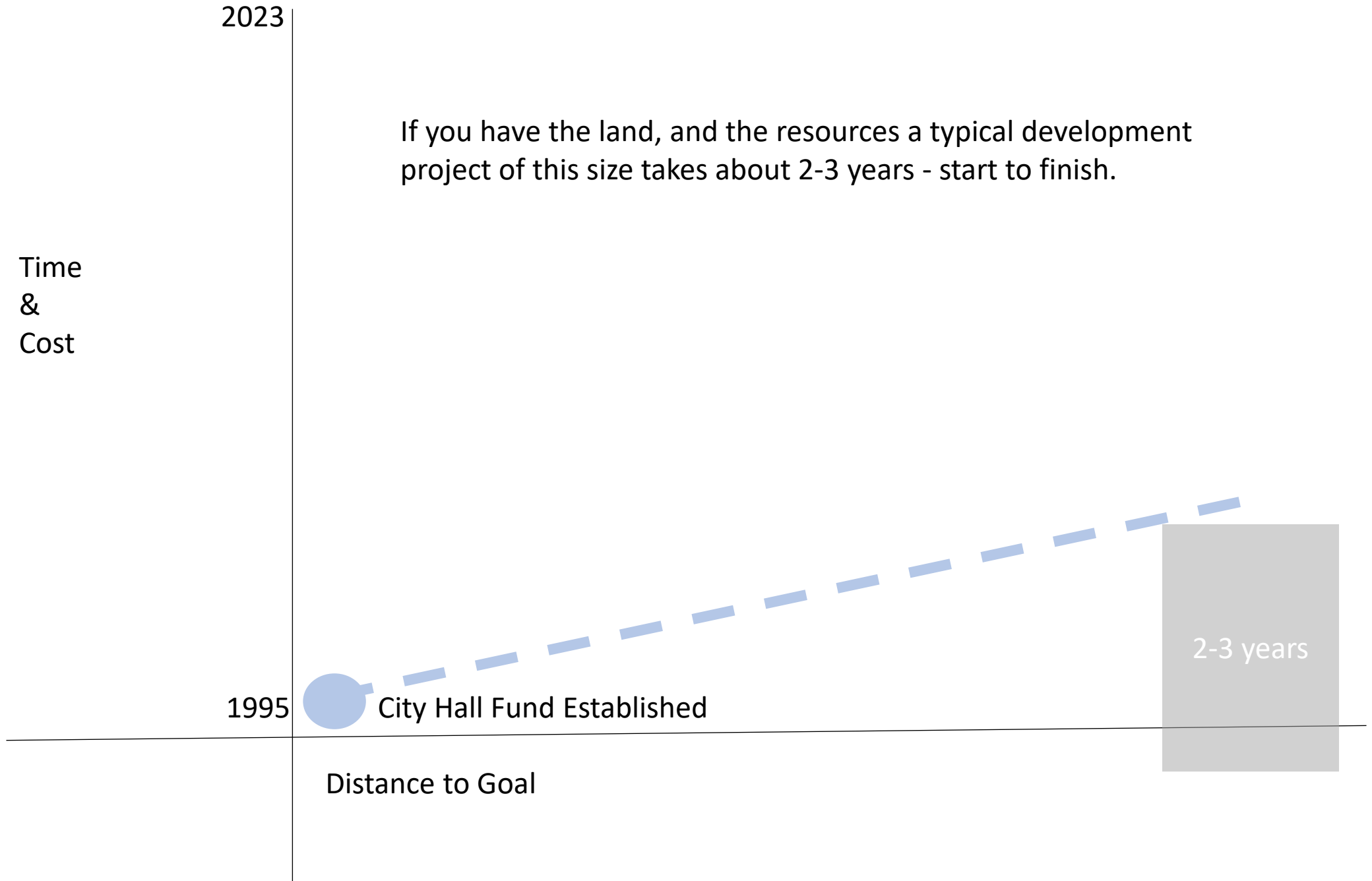
1995

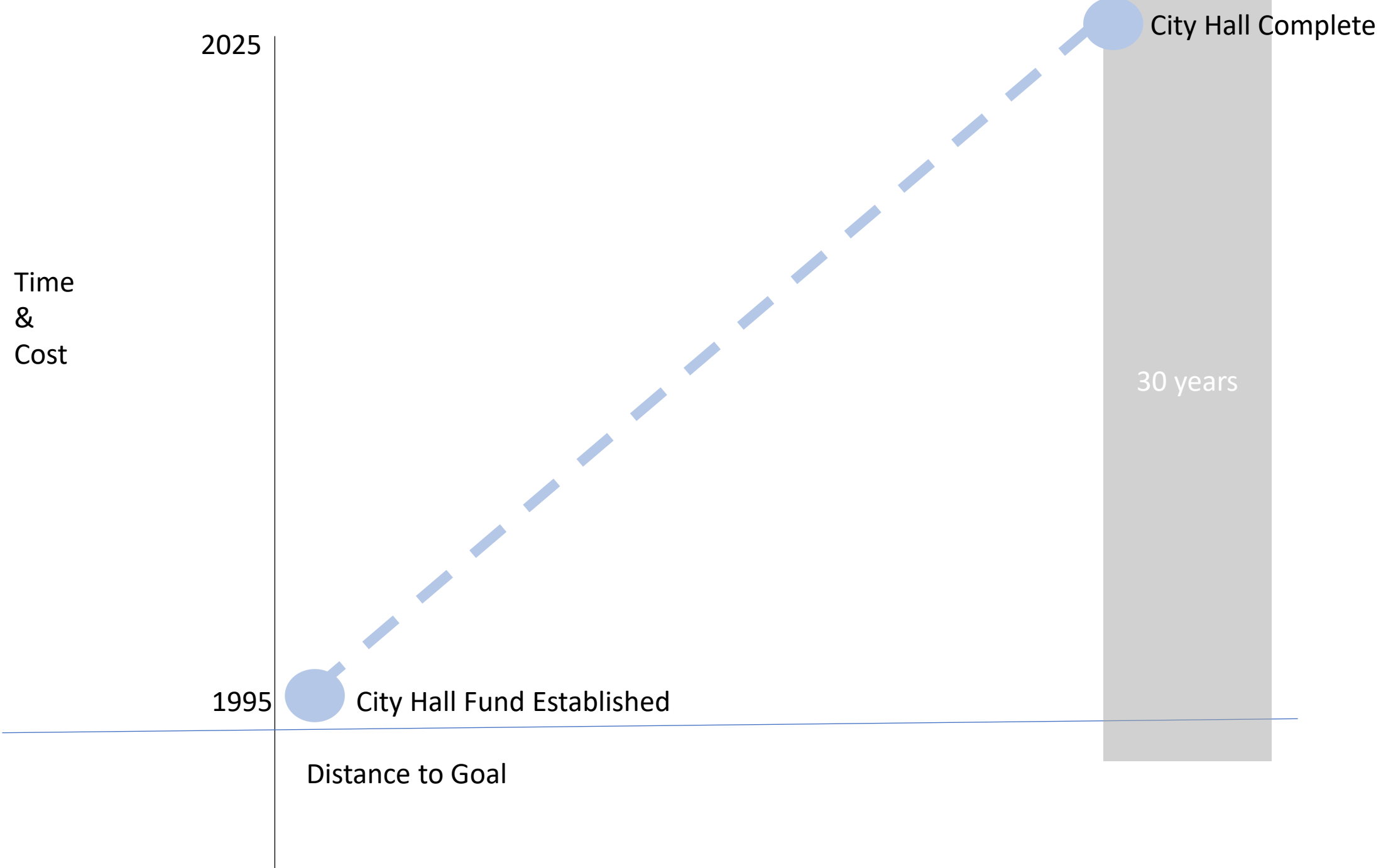


City Hall Fund Established

2-3 years

Distance to Goal





Time  
&  
Cost

1995

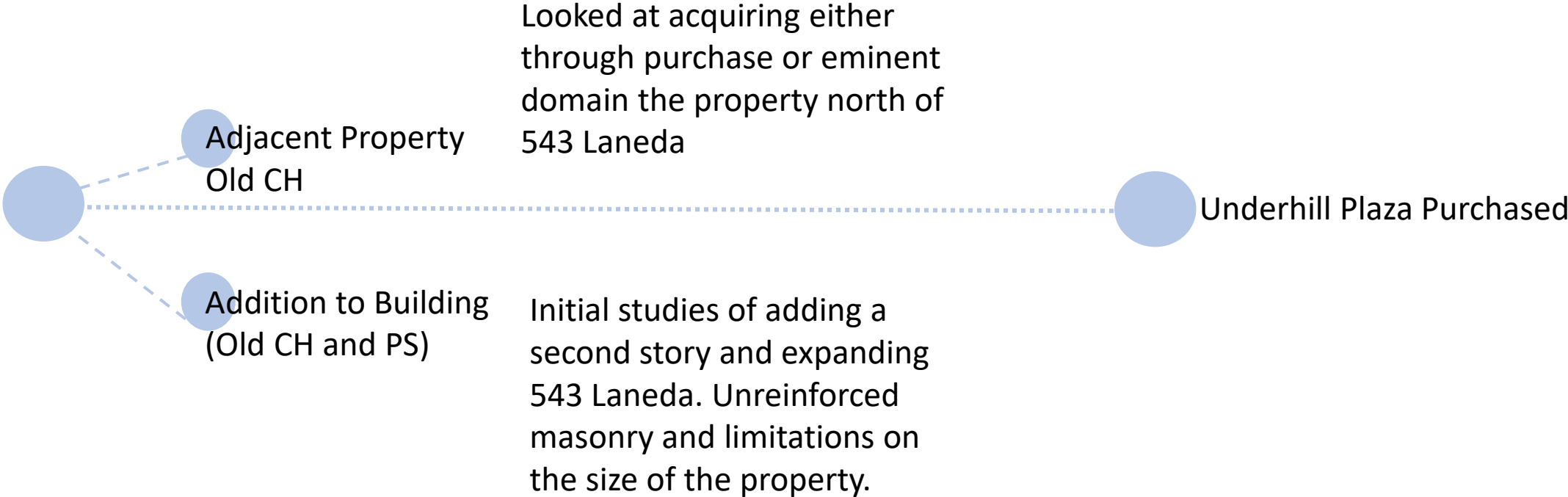


Only source of dedicated funding to the CH fund was .52% interest from LGIP account  
City Hall Fund Established

Distance to Goal

1995

2017





Time  
&  
Cost

2017



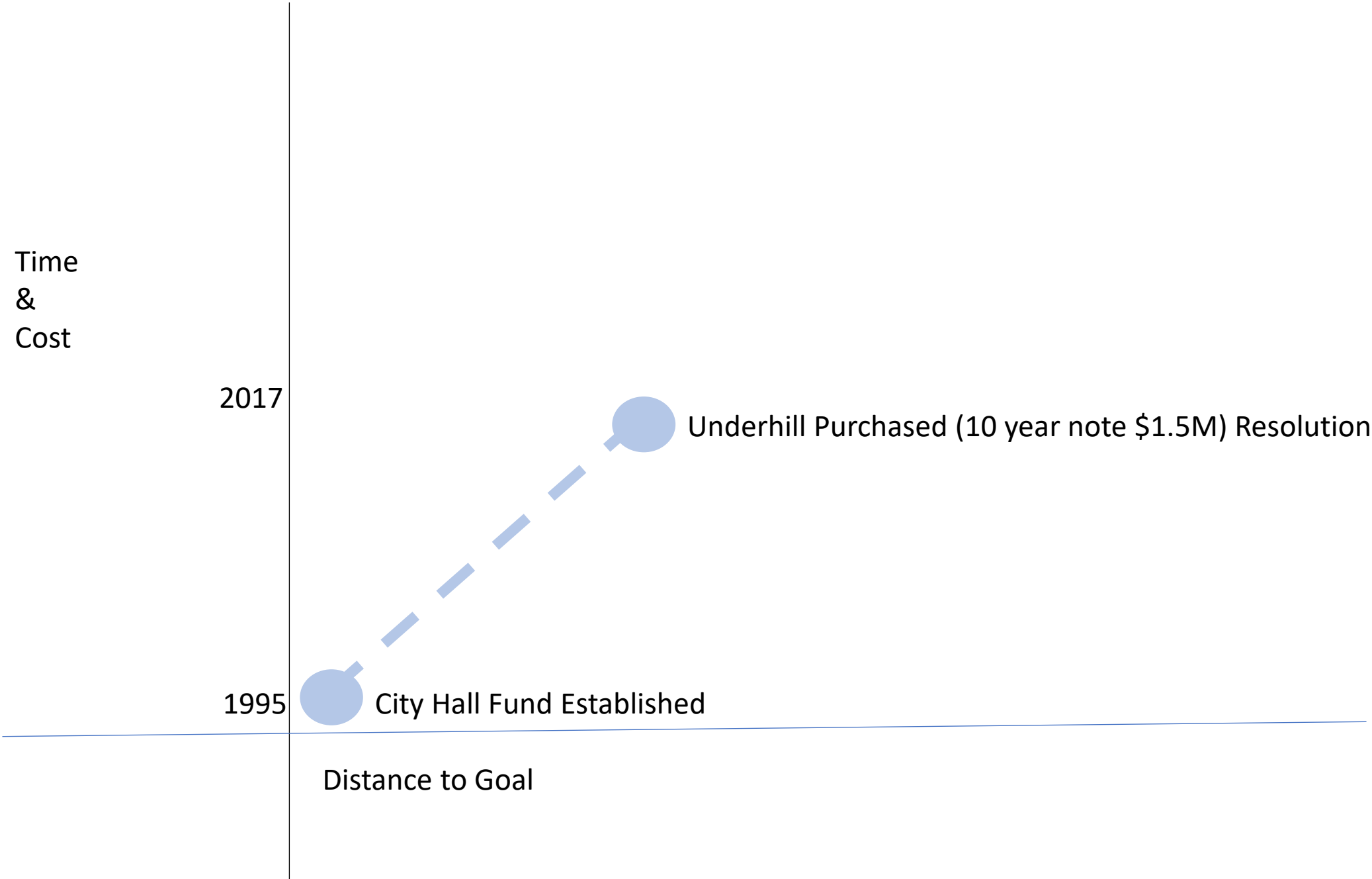
Underhill Purchased (10 year note \$1.5M) Resolution 17-11

1995



City Hall Fund Established

Distance to Goal



Time  
&  
Cost

2017

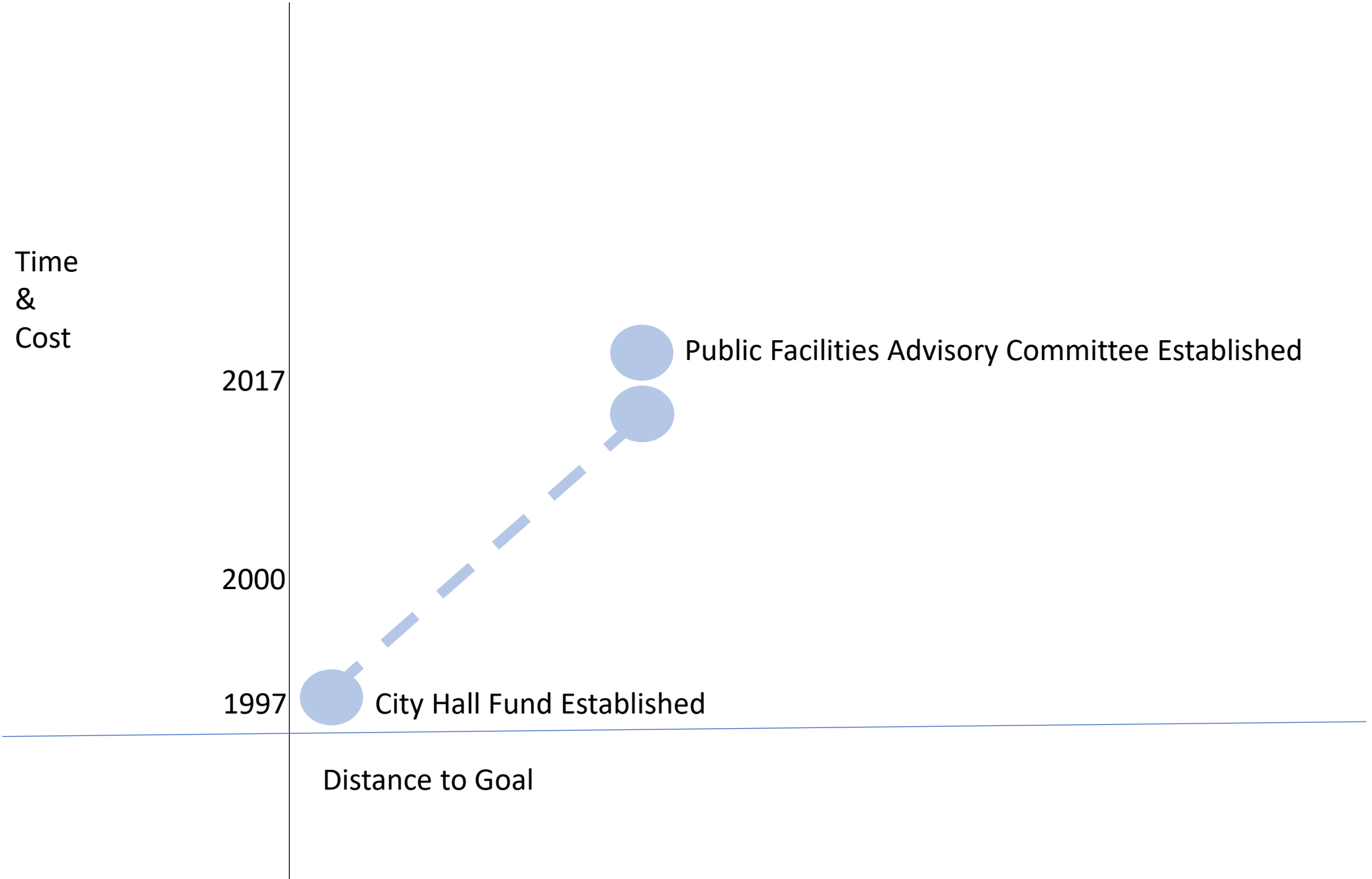
Public Facilities Advisory Committee Established

2000

1997

City Hall Fund Established

Distance to Goal



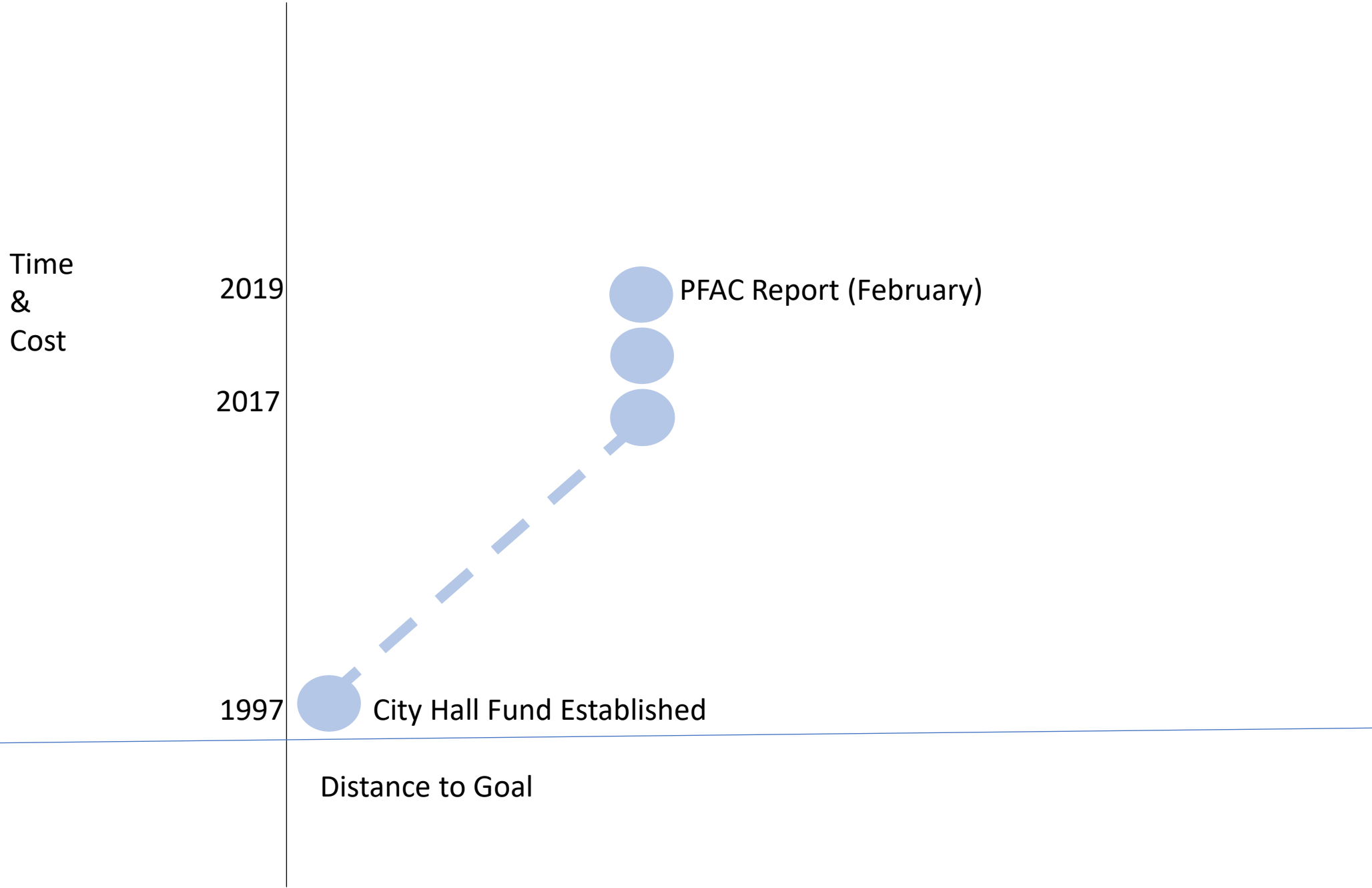
# Public Facilities Advisory Committee

- **PURPOSE**

Evaluate possible uses of the Underhill Plaza property, the current City Hall site and the old fire station site and recommend to City Council which uses should be accommodated and where the recommended uses should be located; and evaluate and make recommendations on possible funding sources to implement.

- **ASSUMPTIONS**

1. City administrative offices, police services, and emergency preparedness facilities will be located on the Underhill Plaza property as it is out of the tsunami inundation zone.
2. It is expected that a phased approach to implement any recommendations will be needed, and it is not expected that all desired uses will be implemented at once.



# PFAC Final Report - February 2019

- Final report included 10 options for the Underhill Site

“Although our committee was convened to study options for all of the city properties, it is understandable that the majority of our time was concentrated on Underhill Plaza, and the need for City Administration to operate in a safe, secure environment, in a center which is reflective of Manzanita’s values and uniqueness.”



# PFAC Design Options

1. New City Hall and police department, based on a 35% increase in floor space from existing city hall (5,000 sq ft)
2. As (1), based on desirable space for existing functions (6,785 sq ft)
3. As (1), based on 20-year requirements (7,435 sq ft)
4. As (3), plus floor space for emergency hub functions (7,734 sq ft)
5. As (3), plus renovate and relocate Quonset building for emergency storage and emergency hub functions (9,885 sq ft)
6. As (4), plus Quonset renovated and relocated for community meeting hall (10,184 sq ft)
7. As (4) plus new meeting hall (TBD Sq ft)
8. As (4) plus new meeting hall (TBD Sq ft). Relocate and renovate the Quonset building for storage & emergency hub.
9. Renovate existing school building for city administration and police. Relocate and renovate the Quonset building for storage and emergency hub. Uses structural engineer's estimate for renovations.
10. Renovate existing school building and add 1,830 sf floor space. Includes 750 sf community space.

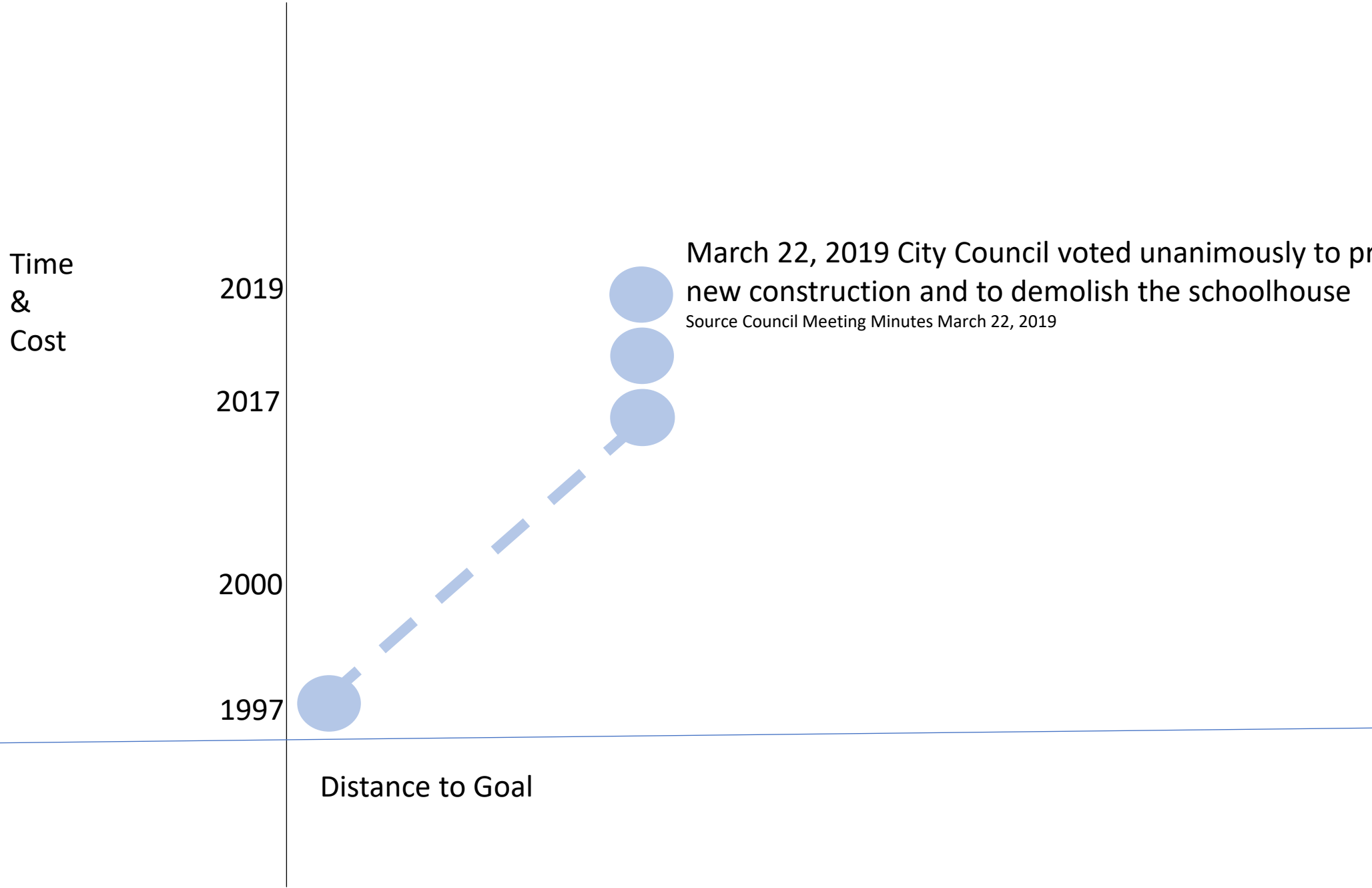
Two Additional options “Do Nothing” and “Low-Cost Modular Construction” were discussed at a workshop with the City Council and discarded and are not therefore presented here.

# Renovate or New Construction

- WRK Report
- Strickler Engineering

“ ...the Public Facilities Advisory Committee commissioned WRK Engineering to perform a structural study to identify the conditions of the old school structure. The study reported that the structure is in poor condition. The Council then determined that more information was needed in order to make a final determination on what to do with the structure. Staff contracted the services of Stricker Engineering to perform a second assessment. John Doyle, from the engineering firm was present to deliver his findings. Doyle’s findings included his recommendation to demolish the building as it might be more expensive to remodel than to built new; the foundation is \*probably made with beach sand, the west wall is flaking off, and the top part is damaged; the additional costs to consider are the asbestos removal; the mechanical, plumbing and electrical systems would have to be replaced; and since the structure was built on 1948 the building could only be slightly improved without major renovations and high costs.”

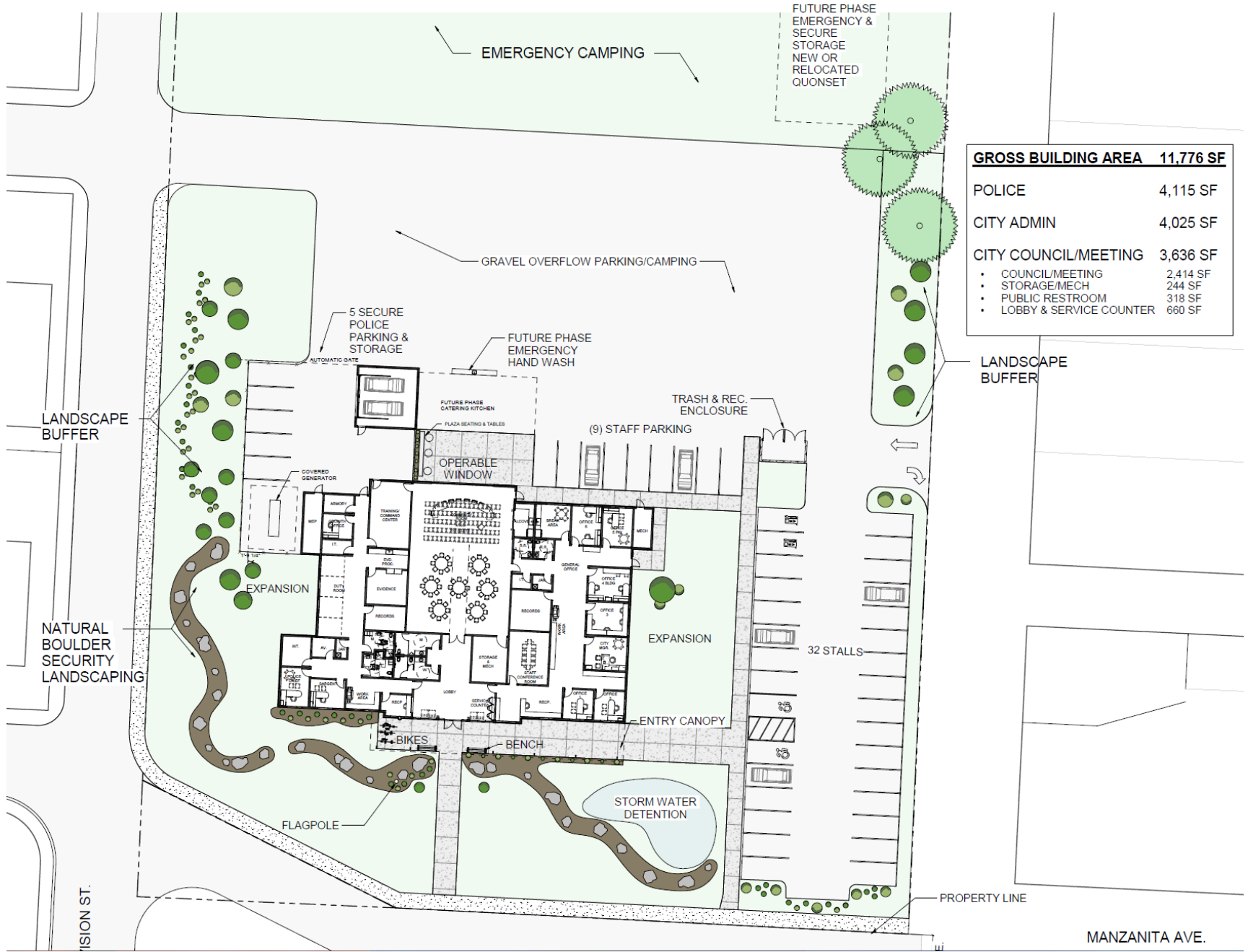
\*source corrected Minutes from March 22, 2019 as approved on May 8, 2019





# Bond Measure

- Scott Steele Architects hired to do a schematic design based on the new construction options (2,4,5 and 6) in the PFAC report.
- More public outreach including informal “coffees” and development of a webpage devoted to the City Hall project.
- Town Hall Meeting in June 2019
- Resolution 19-08 – Authorizing up to 6.5 Million in GO Bonds for the Construction of an Emergency Hub and Offices for Police and Administrative Personnel and Related Matters
- GO Bond \$0.50/\$1000 in November 2019

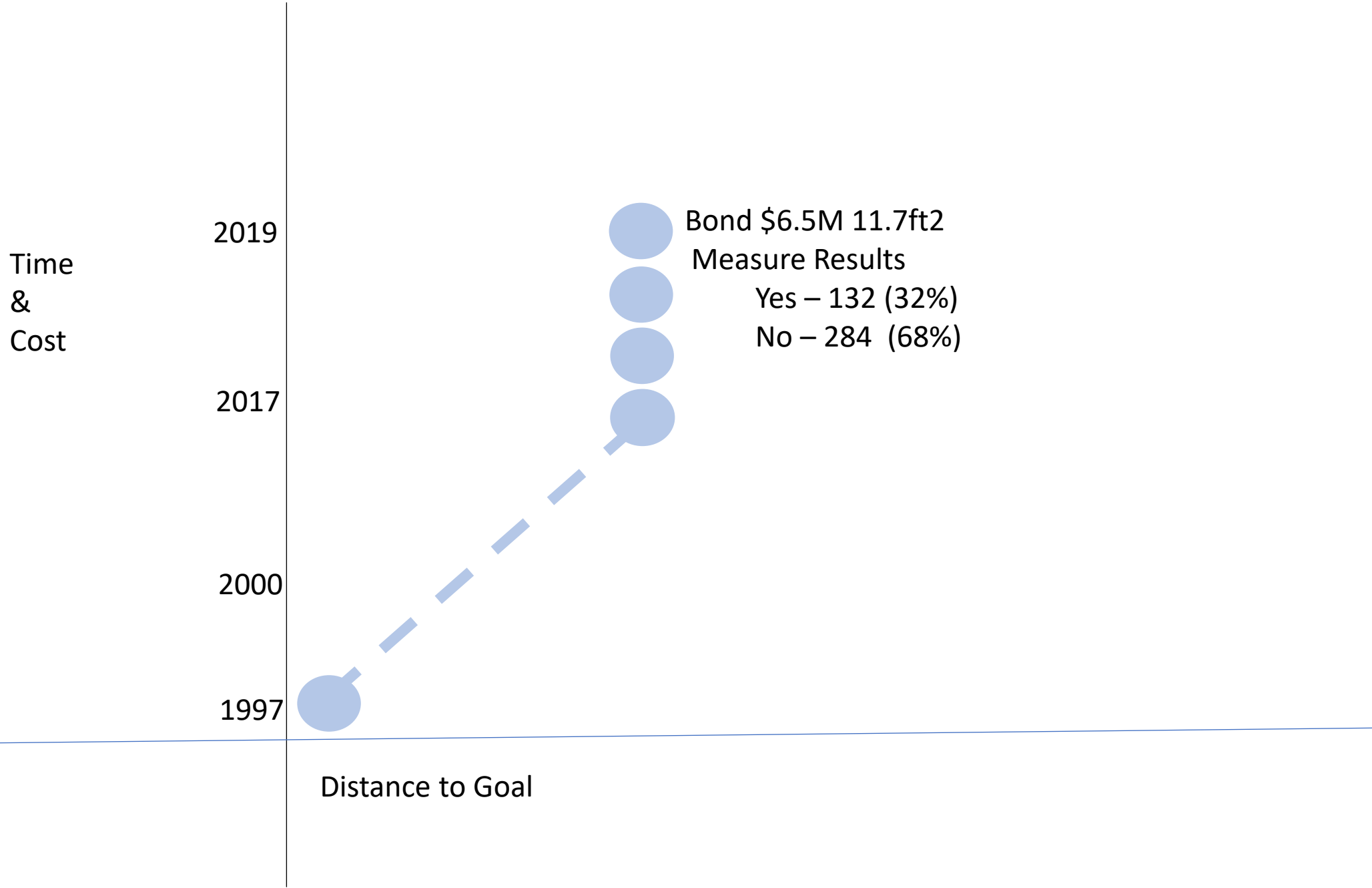


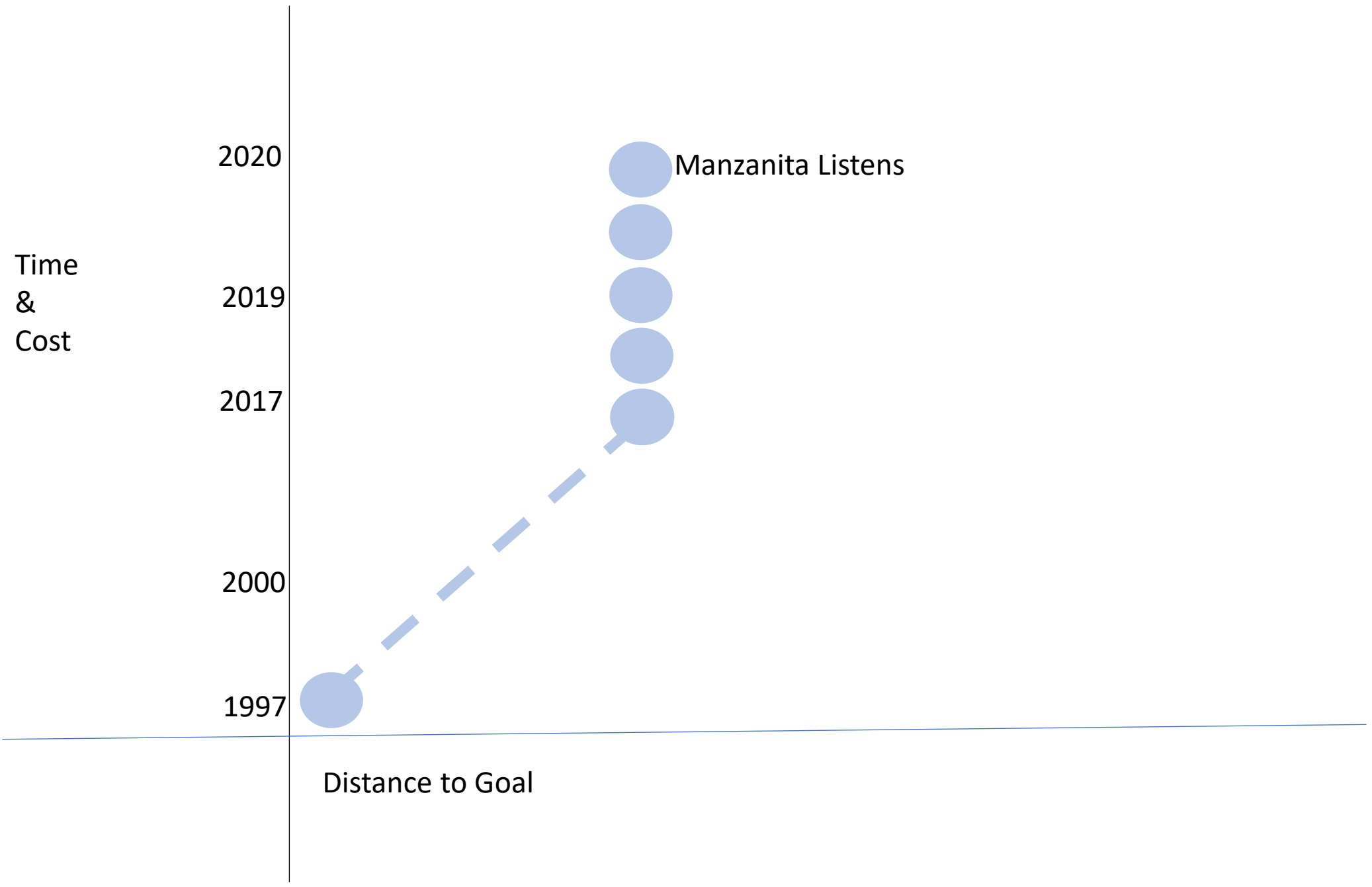
**GROSS BUILDING AREA 11,776 SF**

POLICE	4,115 SF
CITY ADMIN	4,025 SF
CITY COUNCIL/MEETING	3,636 SF
• COUNCIL/MEETING	2,414 SF
• STORAGE/MECH	244 SF
• PUBLIC RESTROOM	318 SF
• LOBBY & SERVICE COUNTER	660 SF

LANDSCAPE BUFFER

MANZANITA AVE.





# Manzanita Listens

- January 2020 – Council committed to a year long process to listen to Citizens
- Established work sessions to discuss and hear from the public regarding next steps
- Conducted a survey
- Held focus groups



MANZANITA LISTENS

CITY HALL PLAZA PROJECT

2020

Evacuation of Laneda City Hall, COVID 19, City Manager Resigns

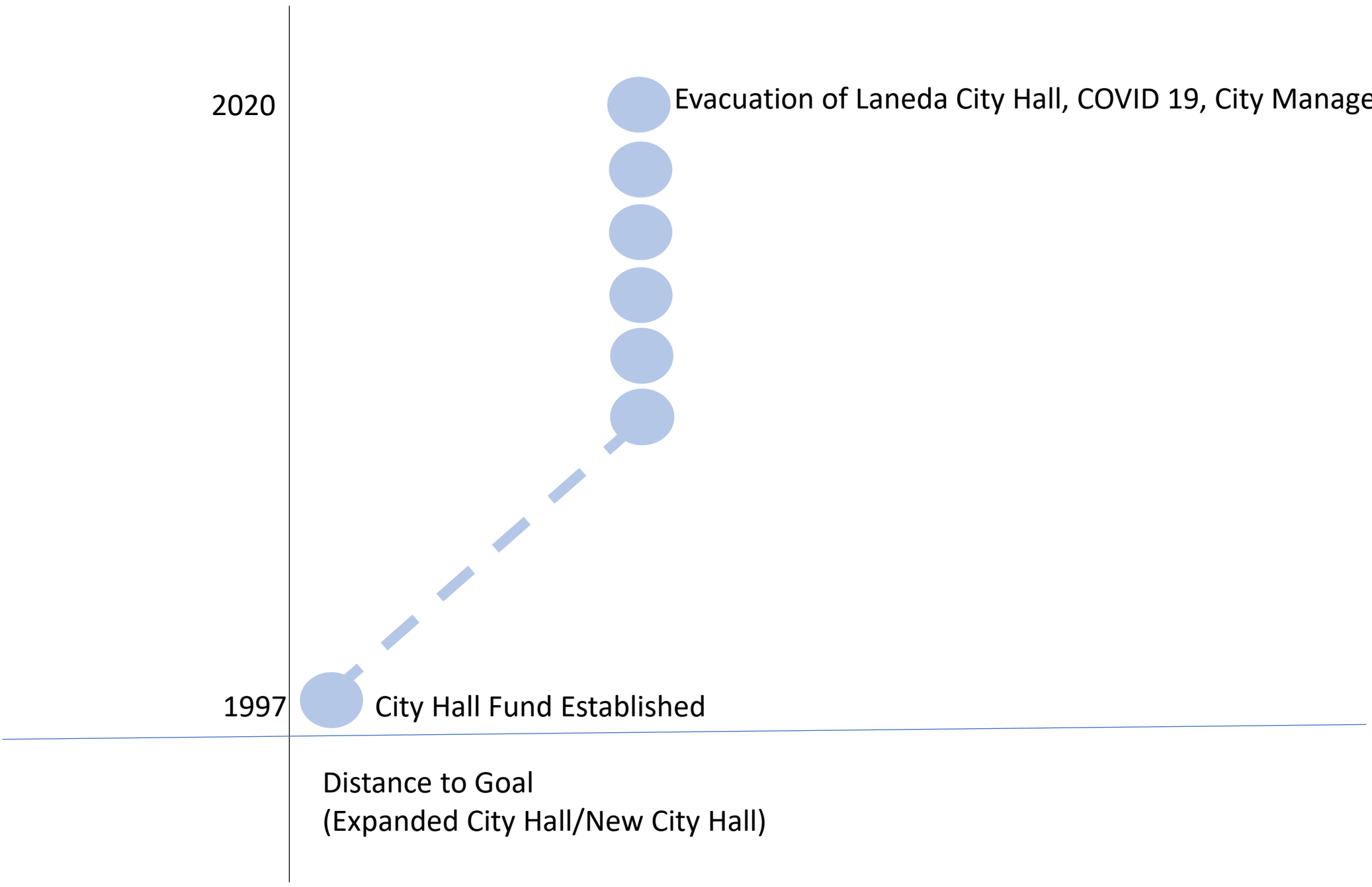


1997



City Hall Fund Established

Distance to Goal  
(Expanded City Hall/New City Hall)



# Overview of Manzanita Listens Effort

Meetings &  
Attendance

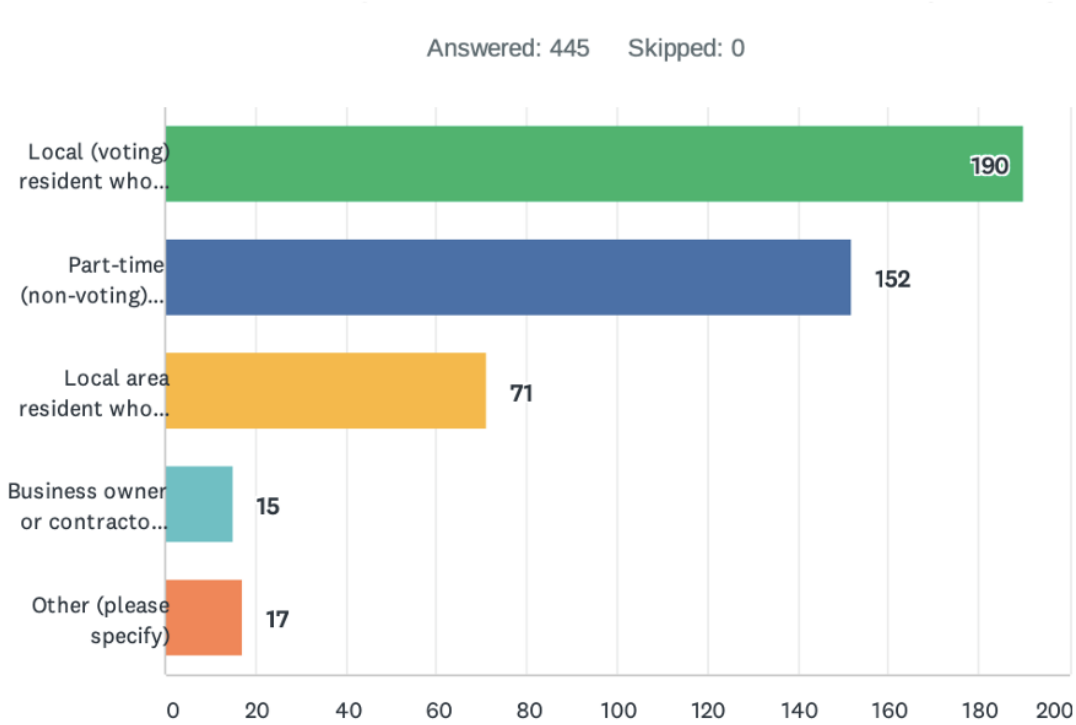


# Manzanita Listens Survey



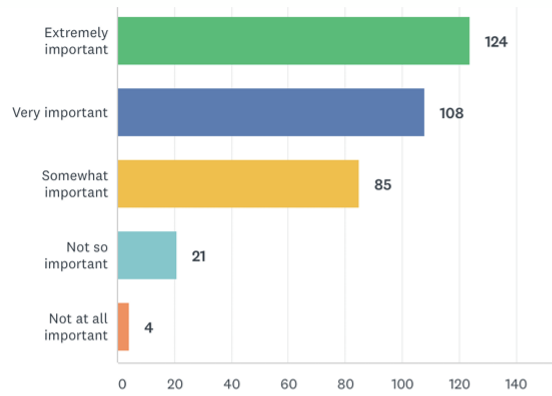
## DEMOGRAPHICS

The survey respondents included 190 local Manzanita voters, 152 property owners who do not vote in Manzanita, 71 local area residents, 15 Manzanita business owners or local contractors, and 17 persons who described their status as *other*. The research team limited its analysis to the categories of 192 local voting residents and 152 property owners.

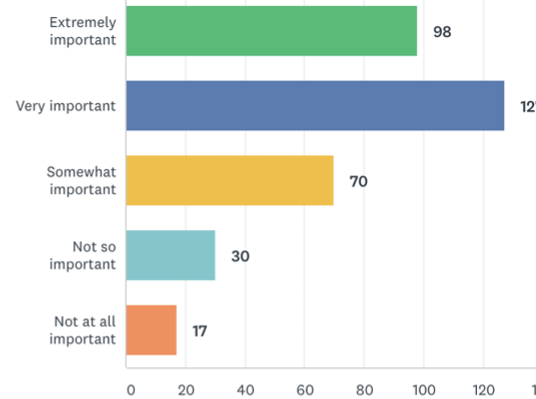




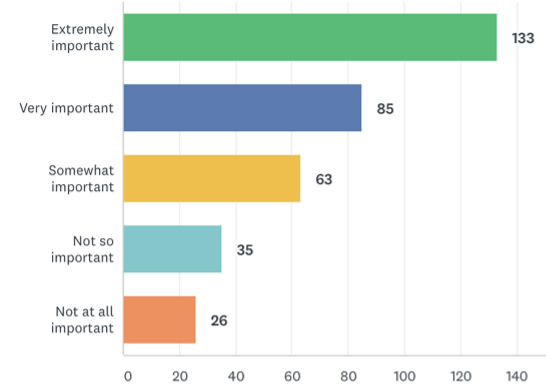
Cost of constructing and maintaining the building.



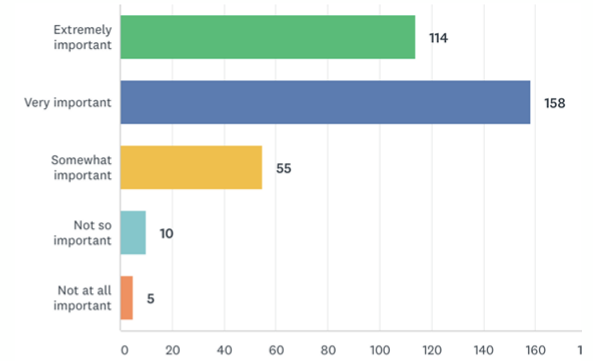
Building sustainability, such as energy efficiency, alternative/renewable energy sources, and electric vehicle chargers.



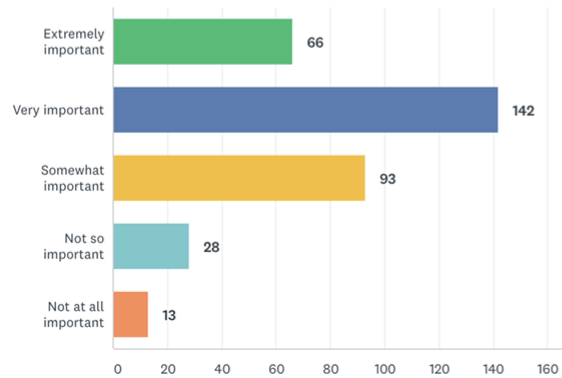
Emergency services. How important is it that the building be designed to be used as an emergency command center when needed?



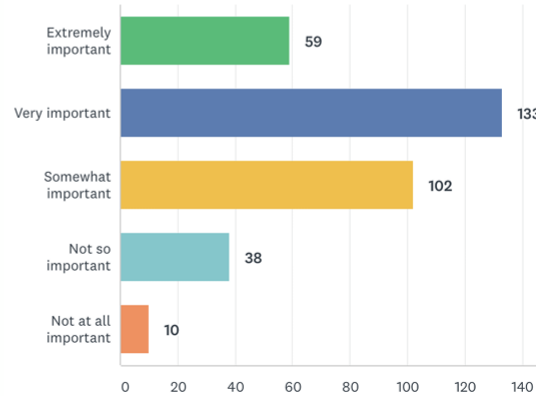
Useful life of the building. How long it will last.



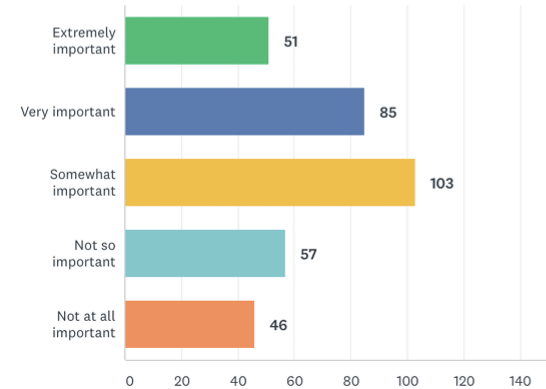
Scalability. The building can be added to at a later time.



Aesthetics/architecture. What the building looks like.



Large community meeting/event space that accommodates up to 150 people. For comparison, the Pine Grove Community House holds 99 people.



# Concept Summary



	A	B	C
Construction Type	Limited choice	Wider choices	Widest choice
Material Finishes	Lower quality/durability	Commercial quality/durability	High quality/durability
Design Considerations	Very limited (e.g., low ceilings, fixed floor plan)	Less limited (e.g., increased flexibility for floor plans, building layout)	Few limits (e.g., totally flexible floor plans, flexible ceiling height)
Seismic Preparedness & post-disaster replacement*	Least resilient – likely will require replacement	Moderate – may require replacement	Most resilient –usable post disaster
Sustainability	Code minimum	Code minimum w/some features	Code minimum w/features
Lifespan	Approx. 20 – 25 years	Approx. 40+ years	Approx. 50+ years
Cost	Lowest cost (varies)	Approx. 1.5 - 2 x Cost of A	Approx. 2-2.5 x Cost of A

*\*All buildings used for public safety are required to meet higher seismic requirements, regardless of building concept*



A: Cheap on front end but will likely replace it in ten years. Would rather see longer term investment.

A: not an economical, cost-effective option. As another person said, look at costs over time.

A: Prioritizes economics over function.

A: Coastal building is difficult. Want something that will last.

A: Nehalem's new city Hall is an A/low ceiling, somewhat claustrophobic. Not what is desired.

A: Given failure of bond, this may be option residents more willing to pay for.

A; Penny wise pound foolish.



B: Like similarity to Columbia Bank and Library

B/C: Would like mindfulness around price tag. Bond was a "swing and miss" because too much was brought under one roof.

B+ option is desired

B/C: would also like new technologies invested in with caution because there continue to be advances in that area.

B+ would be good. Options to cover parking, or additional walkways on site to protect visitors/employees from weather. Design sensitive to senior population.

B: More the kinds of longterm buildings desired in community representative of community and what we admire in community.

B: Design matters. Who we are as community. Want public and employees to be comfortable. Extra design of C adds on to cost. Attractive facade matters.

C: go for "best you can do", plan ahead to make it last long-term.

C: Longer longevity of life, and getting extra 10 years out of building would make a big difference.



B/C: Doesn't need to be extravagant but should be able to withstand emergencies.

B/C: Building should be sustainable and long-lasting. Would like to see combination to spend more on B to get benefits of C.

B/C: Additional support. Durability and lifecycle costs should be strongly considered (replacing siding, harsh environment).

C: Reflects community, and is investment in future. Community is growing and this option reflects future growth.

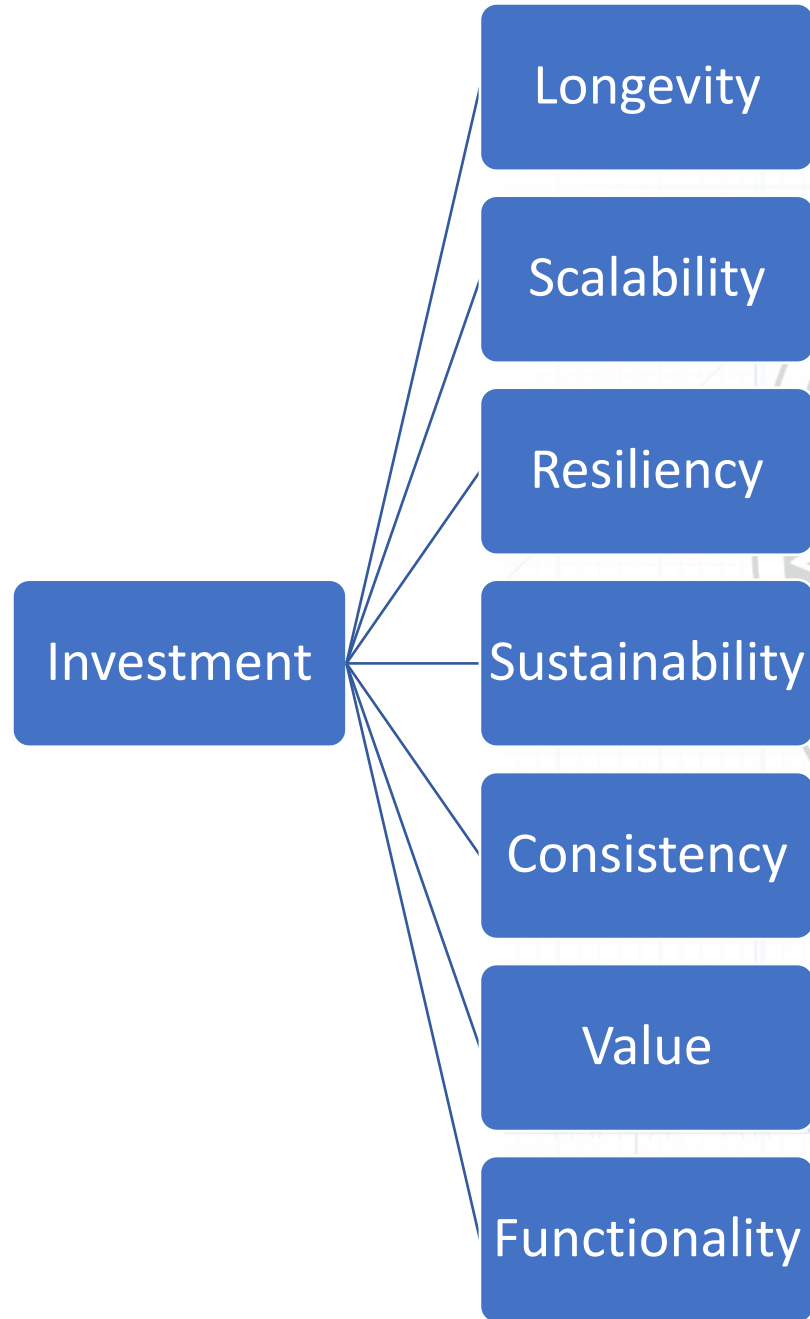
C: steel may be sturdier in earthquakes but drive costs up.

C: Shouldn't be "pointlessly glitzy".

C: "Go big or go home", would like to see ability to expand/add on to building for future needs in 10-20 years.

C: Responsibility to region to serve as that hub in emergency ("can't depend on next town over"). (may be achievable with B as well). Not just about city hall staff but broader function of society in emergency.

# Overall Summary of Input



## Option B



B
Wider choices
Commercial quality/durability
Less limited (e.g., increased flexibility for floor plans, building layout)
Moderate – may require replacement
Code minimum w/some features
Approx. 40+ years
Approx. 1.5 - 2 x Cost of A



# Resolution 20-21

August 2020

## RESOLUTION NO 20-21

### A RESOLUTION APPROVING THE DESIGN AND CONSTRUCTION OF A NEW CITY HALL FACILITY FOLLOWING REMOVAL OF THE EXISTING STRUCTURES ON THE UNDERHILL SITE AND ADOPTING PROJECT PRINCIPLES

**WHEREAS**, the City of Manzanita needs a new City Hall to consolidate city services in a single location, promote more efficient government, and to accommodate future growth; and

**WHEREAS**, the City has purchased the Underhill Plaza property for a new City Hall; and

**WHEREAS**, a new structure can be designed to meet the City's program requirements and would have lower life cycle costs as new building expected to have significantly longer useful life; now, therefore

#### **BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MANZANITA:**

**Section 1.** The City will pursue a design and construction of a new City Hall.

**Section 2.** The City will remove the existing structures (old school and Quonset hut) on the Underhill Plaza site.

**Section 3.** The City will adopt the following seven project principles to provide direction and guide future decision makings for the new City Hall project design and construction.

#### **1. ESSENTIAL**

There is an urgent need for a new City Hall.

- City staff moved out of the current City Hall due to hazardous conditions in the building. Current temporary offices are less than one third of the space necessary for efficient day to day operations and to provide good customer service. A new City Hall has been under discussion for many years, and the time is now to move forward with the project.

#### **2. CONSOLIDATION.**

The Project will include a consolidation of Administration and Public Safety into one building.

- Consolidating all City departments into one facility will improve administrative efficiency and provide better service to the community.

#### **3. LOCATION.**

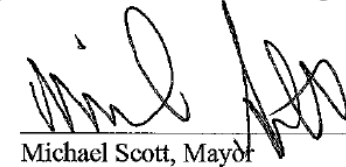
The new City Hall will be located on the City Plaza site (formerly Underhill Plaza).

- The City purchased the City Plaza property in 2017 for the expressed purpose of locating a City Hall or other City facility on the property. This property is large and can accommodate the City Hall, and potentially other public/community uses.

# Resolution 20-21

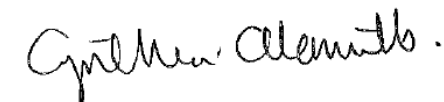
- Importantly, the property is outside the tsunami inundation zone, making it an excellent location for emergency response coordination and possible shelter following a seismic event.
4. **NEW BUILDING**  
The new City Hall will be designed and constructed on the City Plaza site following demolition of the existing structures on site.
    - This decision is based on analysis by experts and a review of that information by the City's third party Project Manager.
    - The City is developing a schedule for demolition and continues to work with existing tenants to find alternative business locations.
  5. **COMMUNITY OUTREACH**  
The City is developing a community outreach plan to seek input from community to inform decisions regarding the City Hall project.
  6. **PROJECT MANAGER.**  
City will retain an outside Project Manager to assist City staff and the City Council with project direction, planning and implementation.
  7. **FUNDING**  
Following the Community Outreach effort, City Council will determine final funding approach for the project, including possible sale of City owned property, loans and other funding sources.

**Passed by the City Council and signed by me in authentication of its passage this 5th day of August, 2020.**



Michael Scott, Mayor

ATTEST:



Cynthia Alamillo, City Manager/Recorder

2021

2020

2019

2017

1997

New City Manager, Resolution 21-03



Distance to Goal  
(Expanded City Hall/New City Hall)

# Resolution 21-03

**RESOLUTION NO 21-03  
A RESOLUTION ADOPTING COMMUNITY VALUES AND GOALS FOR THE  
MANZANITA CITY HALL PROJECT**

**WHEREAS**, the City of Manzanita conducted public outreach regarding the building of a new City Hall through Manzanita Listens; and

**WHEREAS**, as a result of that process certain community guidelines, values and goals were identified; and

**WHEREAS**, the Manzanita City Council wishes to incorporate those values and goals moving forward; now therefore

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MANZANITA:**

**Section 1.** That the new city hall goals will be:

1. The new city hall will combine the most value for the community investment. The city hall will be durable, adaptable, scalable, functional and efficient. The building will be able to withstand coastal conditions and that is resilient in the event of an earthquake.
2. The new city hall will match the unique culture and norms of the community.
3. The new city hall will be environmentally sustainable.

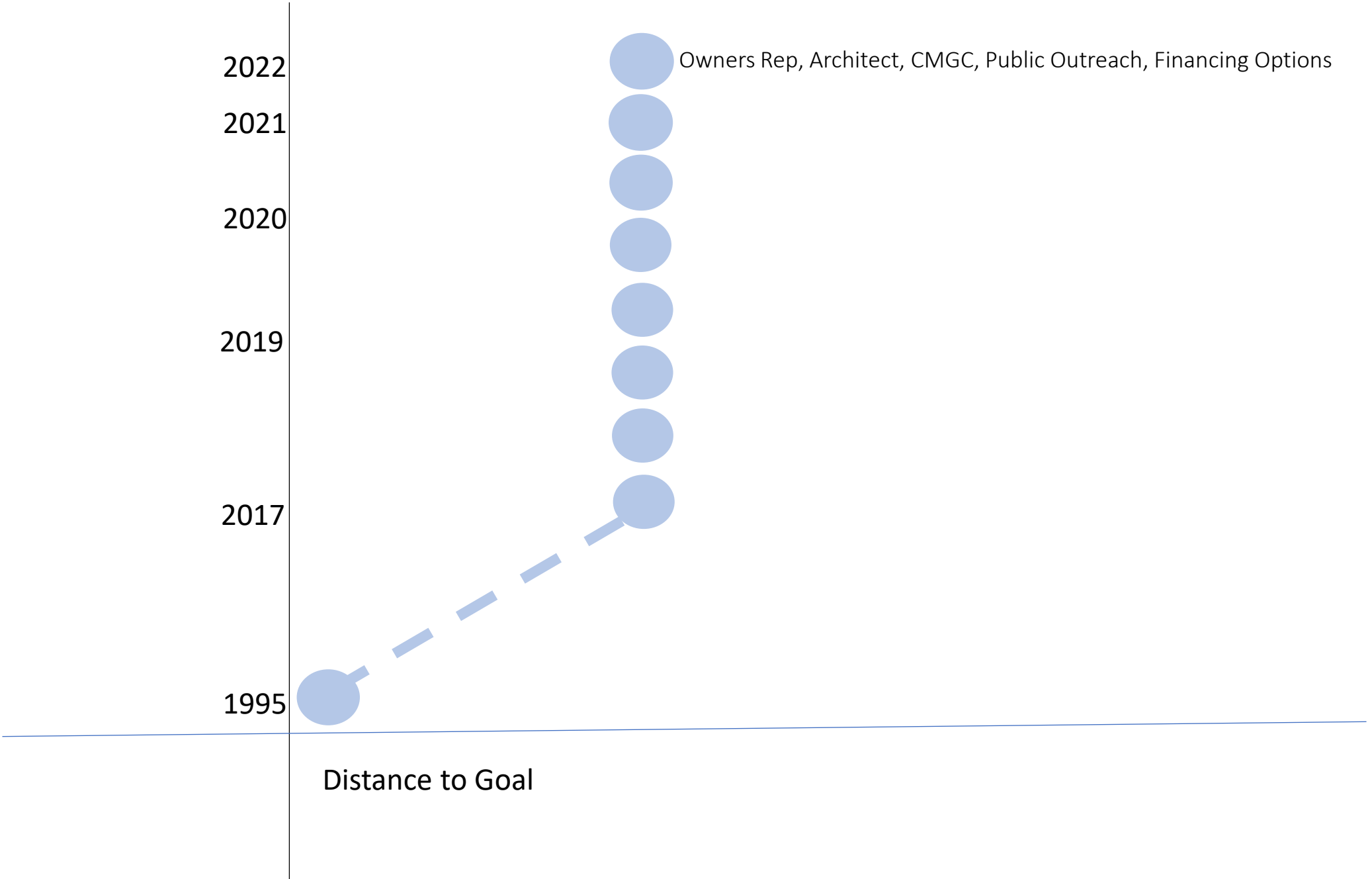
**Section 2.** City Council will incorporate these values as it implements all phases of the city hall project. Together, we will build a city hall that:

1. Reflects the culture and diverse values of our community
2. Creates an inspiring workspace for our staff
3. Provides for user-friendly, efficient customer service
4. Embraces innovation

**Passed by the City Council and signed by me in authentication of its passage this 9th day of June 2021.**







# Project Milestones by Phase

## PHASE I

- Building the team
- Site work
- Sell Old City Hall
- Schematic Design (SD)
- Overall Financial strategy

## PHASE II

- Design Development (DD)
- Construction Documents (CD)
- Construction Contract (GMP)
- Construction

# Project Milestones by Phase

## PHASE I

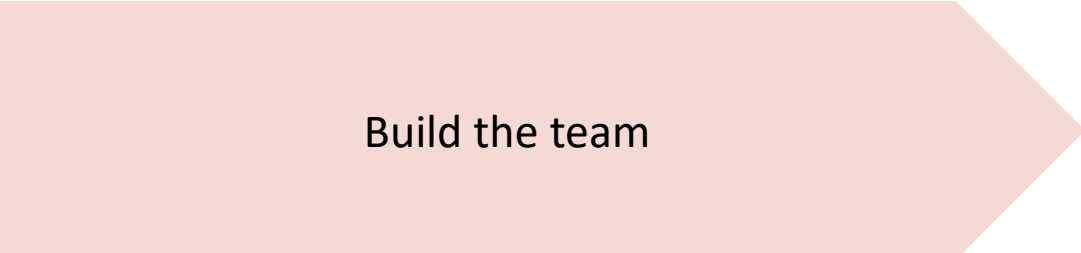
- Building the team
- Site work
- Sell Old City Hall
- Schematic Design (SD)
- Overall Financial strategy

## PHASE II

- Design Development (DD)
- Construction Documents (CD)
- Construction Contract (GMP)
- Abatement and Demolition
- Construction

**ACTION**

**OUTCOME**



Build the team

Hire Owners Representative  
Hire Project Architect  
Hire CMGC

Team is set for advancing the project through design and construction.



Site Work

Additional Testing  
Remediation

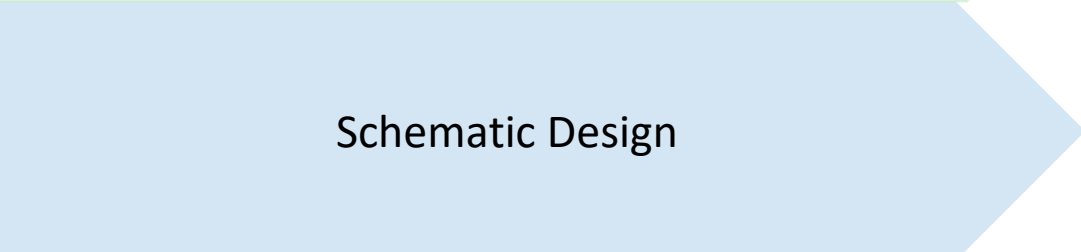
Environmental remediation is complete, and site is development ready.



Sell old City Hall

Appraisal  
Public Hearing  
Sell Property

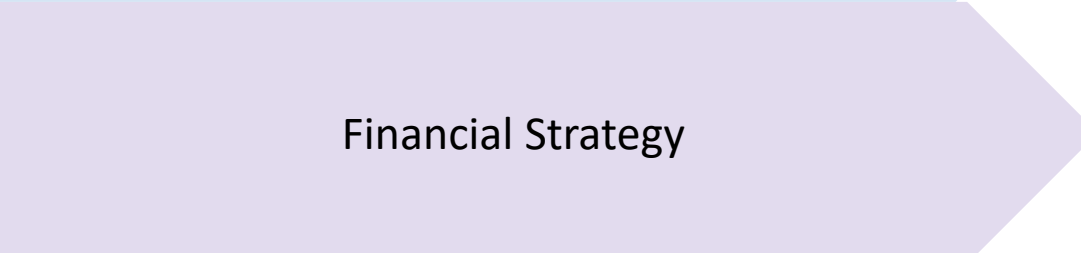
Property is sold funds are set aside into the City Hall Fund.



Schematic Design

Community Engagement  
Evaluate background information  
Additional due diligence  
Preliminary building concepts  
Select preferred option

A building designed with input from the community that is cost effective, and delivers on project goals.

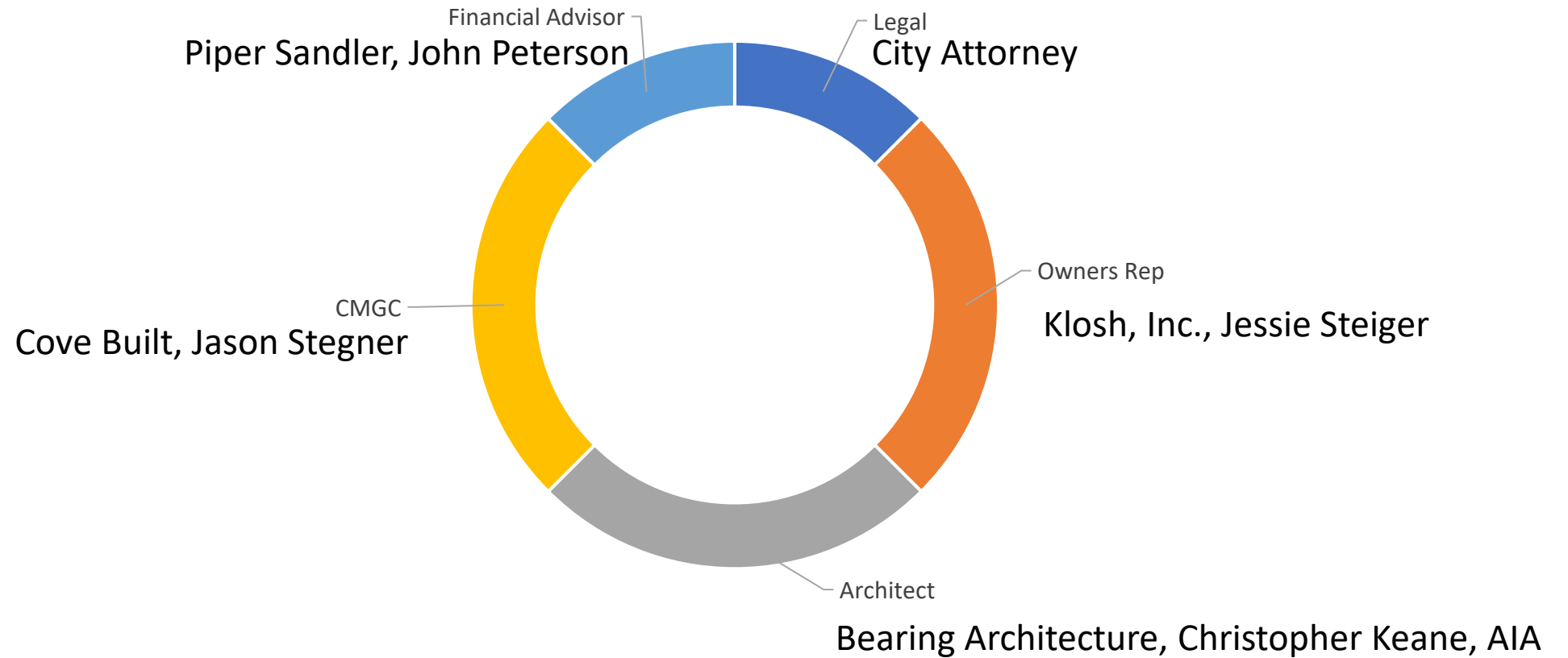


Financial Strategy

Identify sources and uses  
Develop financial strategy and plan

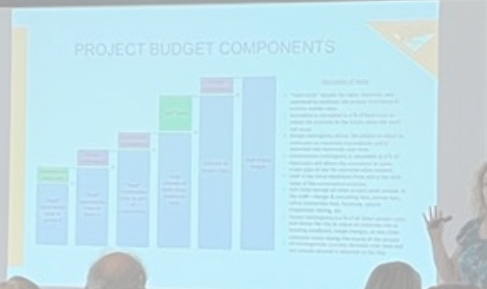
Funding is secured.

# Project team





# Public Outreach







## Town Hall 1

- August 29
- Survey
- How do we gain your trust?
- What do we need to know about the Manzanita culture?
- What should a civic building be like in Manzanita?
- Other programs or uses you'd like to see on the site.
- Do you have ideas about design / development of site you'd like to share?
- Visual Preference Survey



## Town Hall 2

- October 3, 2022
- Showed the community three concept plans
  - Schoolhouse
  - Q Hut
  - New Construction





# Option 1

Remodel the Schoolhouse



# Option 1 – Schoolhouse remodel



## ANSWERS

I do not like this plan

I like this plan

## RESPONSES

74%

26%

54

19

73 Answered

0 Skipped

# Option 2

Quonset Hut Reuse



# Quonset Hut Reuse



## ANSWERS

I do not like this plan

I like this plan

## RESPONSES

62%

38%

45

28

73 Answered

0 Skipped

# Option 3

New Construction



# Option 3 New construction



## ANSWERS

I like this plan

I do not like this plan

## RESPONSES

71%

29%

52

21

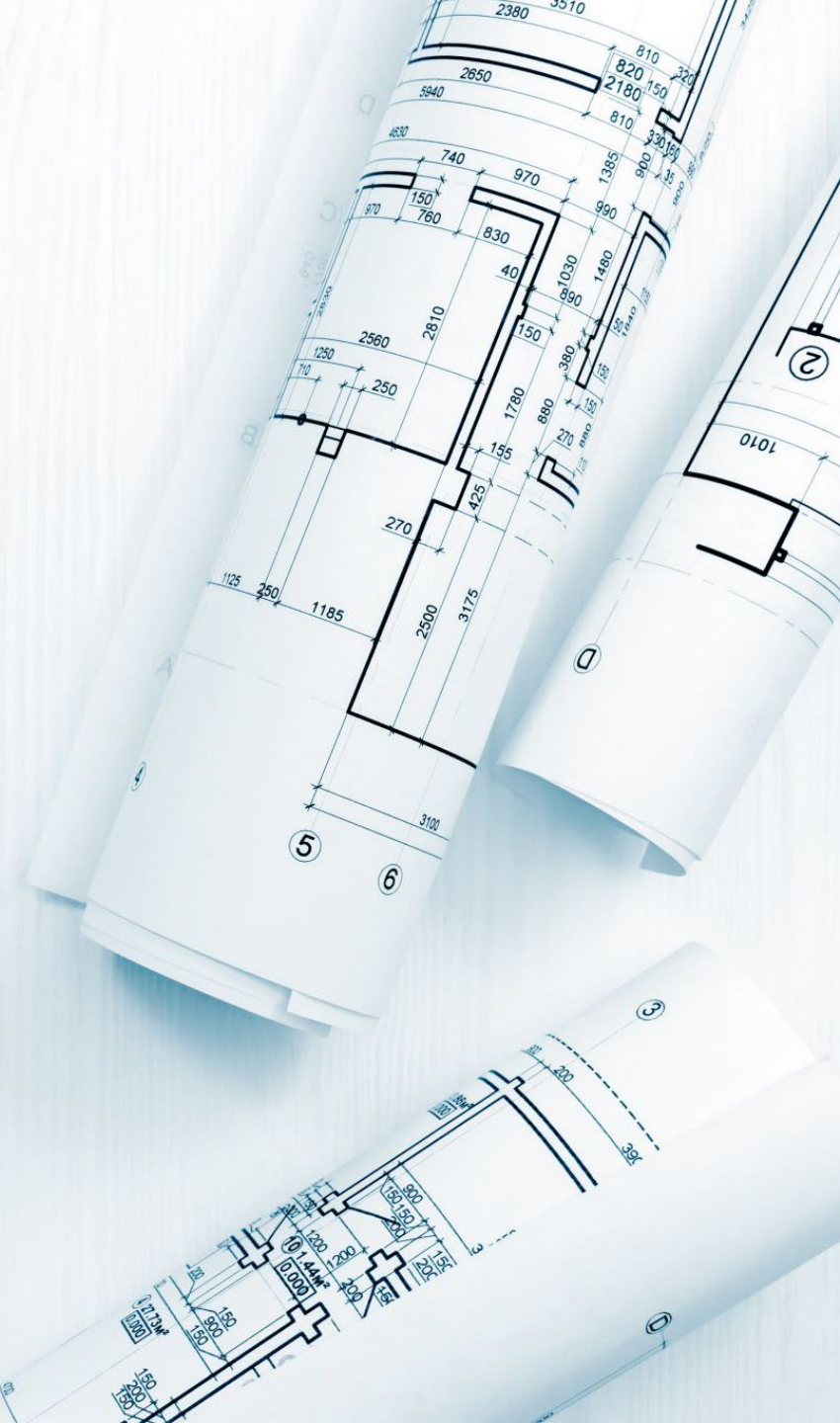
73 Answered

0 Skipped



# Town Hall 3

- Nov 16, 2022
- Combined what we learned from outreach, additional due diligence and professional opinion of the City's selected contractor
- Budget and Finance



# More Due Diligence on Feasibility of a Remodel – Hazardous Materials

- Schoolhouse
- Flooring is asbestos
- Roof is asbestos.
- Mold is all over interior – will need to strip all walls & ceilings down to studs
- Exterior sheathing has mold.
- Mold on back side of drywall & insulation, possible to maybe isolate interior walls.
- Exterior walls major water intrusion will be a challenge to remediate, drywall & insulation need to go. Mold is prolific from water intrusion events. Need to strip interior completely to evaluate structure.
- Strip down to studs – clean or encapsulate.

- Quonset Hut
- Asbestos is on roof in silver paint. Scraping off is hard vs replacing may be easier.
- Roof is leaking & there's mold.
- Quonset has mold growth on wood,
- Some rot in the wood. garage has big leaks & mold.
- Maintenance garage has big leaks & mold.

# More Due Diligence on Feasibility of a Remodel – MTI Structural

- Deteriorated concrete was found throughout the footing along with cracking that radiated upwards from the footing into the CMU wall above.
  - Appeared to be differential settlement contributing to the apparent cracking of the foundation.
  - Concrete crumbled in several areas under the force of light tapping with a carpenter hammer.
  - Iron oxide dust and corroded reinforcement was observed. This type of corrosion is usually indicative of calcium chloride and water intrusion in the concrete.
- 
- Found bar in places that had been oxidized to the extent that 90% of the bar was lost. Aggregate bond appeared non-existent in places and gradation was atypical for any mix design commonly produced by today's suppliers.
  - Swiss hammer readings were taken on the West, and East sides of structure on the stem wall.
  - Rebound values were very inconsistent and ranged from too low to read on the scale to approx. 3000 psi.
  - A wide range of rebound hammer readings were observed within a very small area.

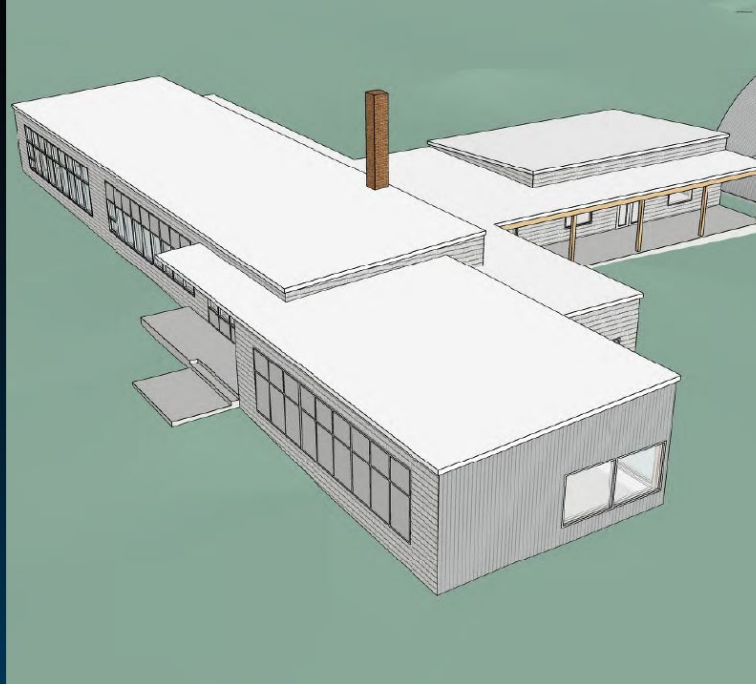
# Due Diligence – Geotechnical

- Liquefaction between 30 to 40 feet BGS. • Lateral spreading towards the lake and Ocean. • We will need deep foundations for risk category IV structures. • Risk category II could potentially be supported on shallow spread footings
- Shallow spread footings can be placed on firm native subgrade or on top of engineered fill.
- Continuous wall and isolated spread footings should be at least 18 and 24 inches wide, respectively.
- The bottom of exterior footings should be at least 24 inches below the lowest adjacent exterior grade.
- The bottom of interior footings should be established at least 18 inches below the base of the floor slab.
- Use a minimum of 12 inches of compacted gravels below the spread footings, wall footings and grade beams.

- Deep foundations should be supported below 40 feet BGS.
- Continuous flight auger (CFA) piles are an economical method of supporting the proposed structures.
- Recommend the CFA piles be installed at least 10 feet into the dense to very dense sands which were encountered below a depth of 40 feet in the borings.
- The minimum depth of the CFA piles is recommended to be 50 feet BGS.
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- The minimum depth of the CFA piles is recommended to be 50 feet BGS.

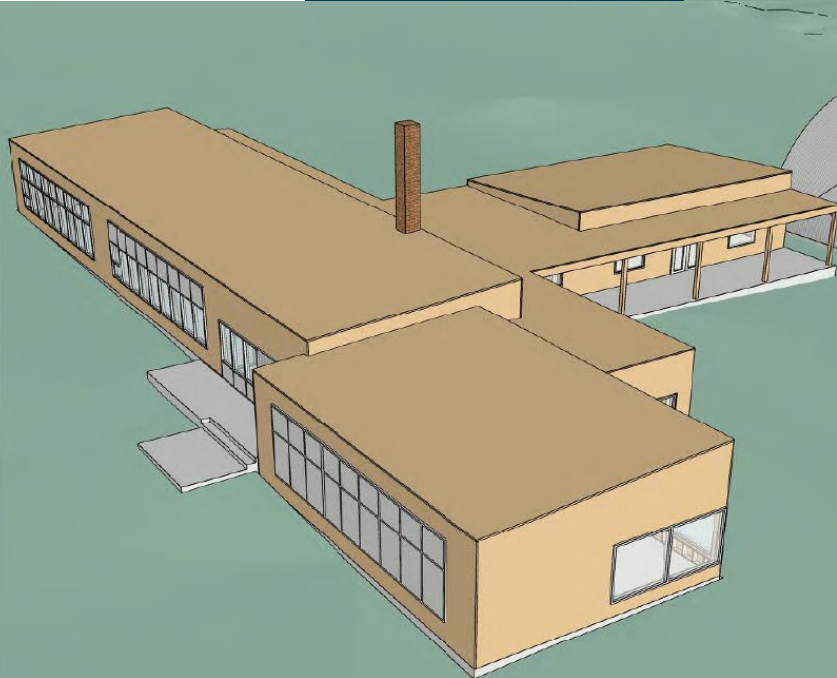
## Roofing/Siding

- Asbestos report requires removal of roof material.
- Building has inadequate waterproofing. Siding needs to be removed to properly waterproof.
- Will need to be removed and/or patched based on new location of openings.



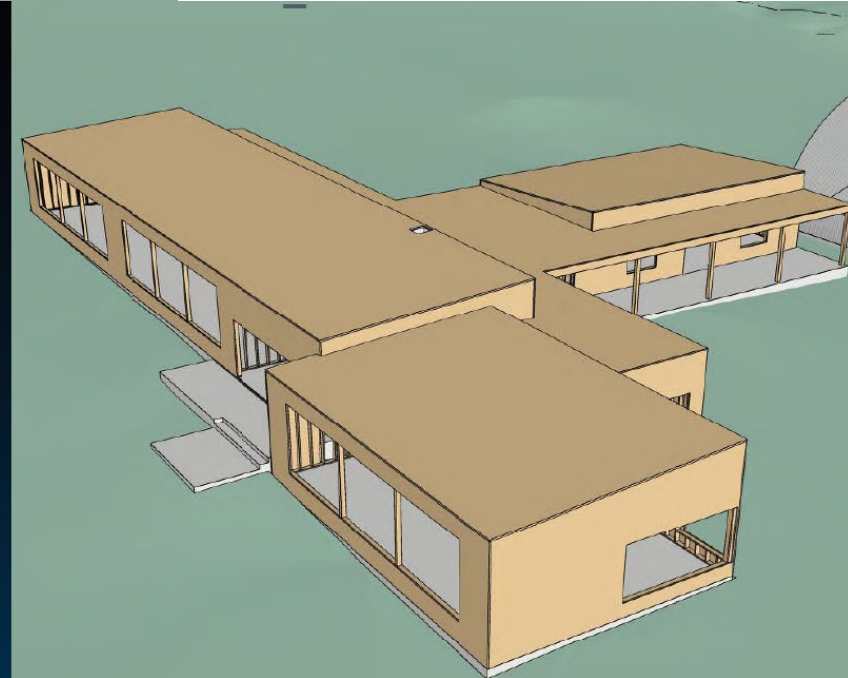
## Windows

- Single glazed
- Leaky
- Don't meet energy code



## Sheathing, Interior walls, and Flooring

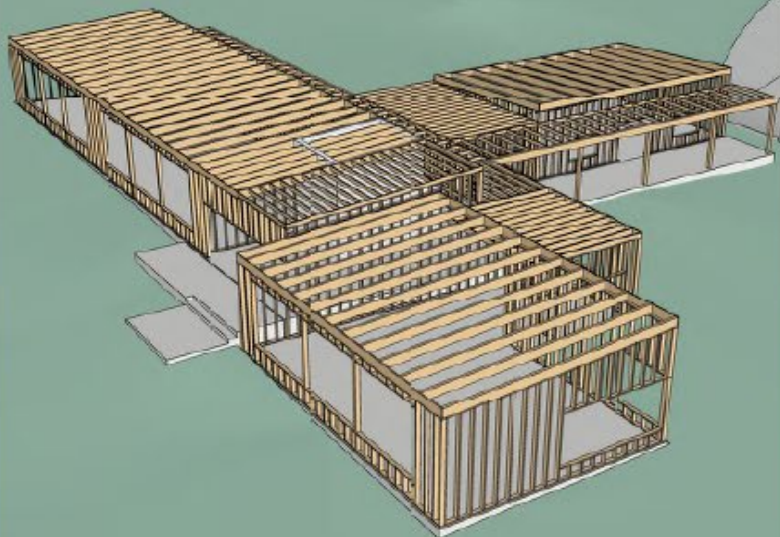
- Sheathing doesn't provide required shear strength as per current code. Will need to be upgraded and reconfigured based on new location of openings and shear wall design.
- Mold. Will need to be remediated.
- Asbestos in floor finishes, mastic, and drywall tape. All will need to be removed and remediated.





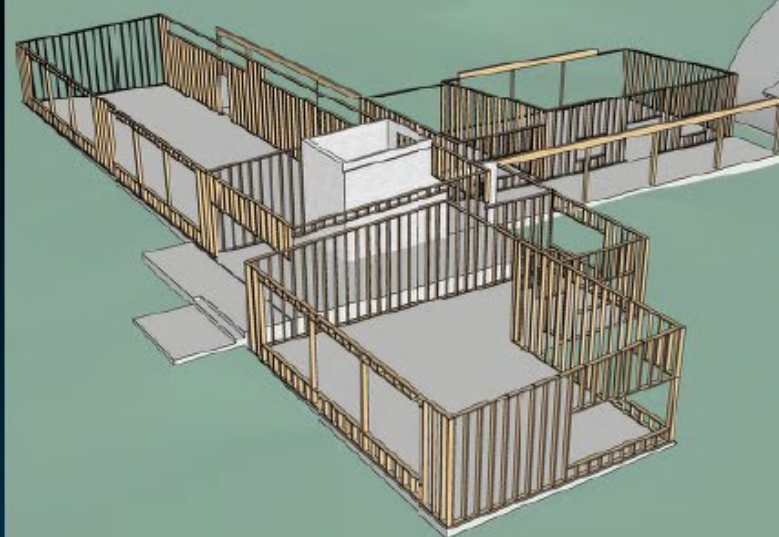
## Roof Framing

- Large areas appear to be overstressed under current code required snow loading. Will need further exploration. Likely will require replacement or reinforcing.



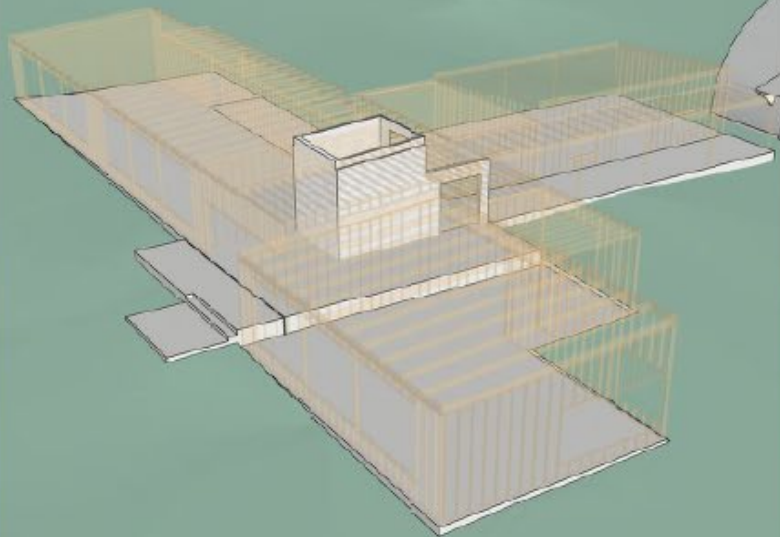
## Wall Framing

- Lots of rot in sill plates.
- Framing largely sitting at or below grade.
- Mold. Will need to be remediated.
- Will need to be replaced/reconfigured based on new location of openings and shear wall design.



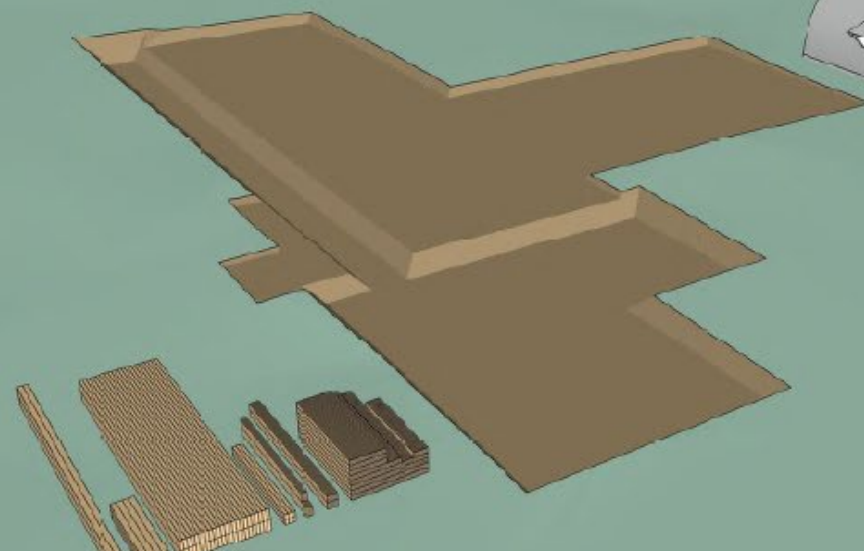
## Foundation/Slab

- Slab edge deteriorating in multiple locations. Anchor bolts exposed and rusting in multiple locations.
- 3.5" slab with wire mesh. No rebar in slab according to drawings.
- In order to provide proper foundation for shear wall tie downs and walls will need to repair slab edge. Will require removing framing to access and dowling to old slab.
- Framing ideally would be set on conc curb so wood not sitting at or below grade.
- More labor intensive and risky to reuse foundation than to pour new proper slab and footings.



## What's Left?

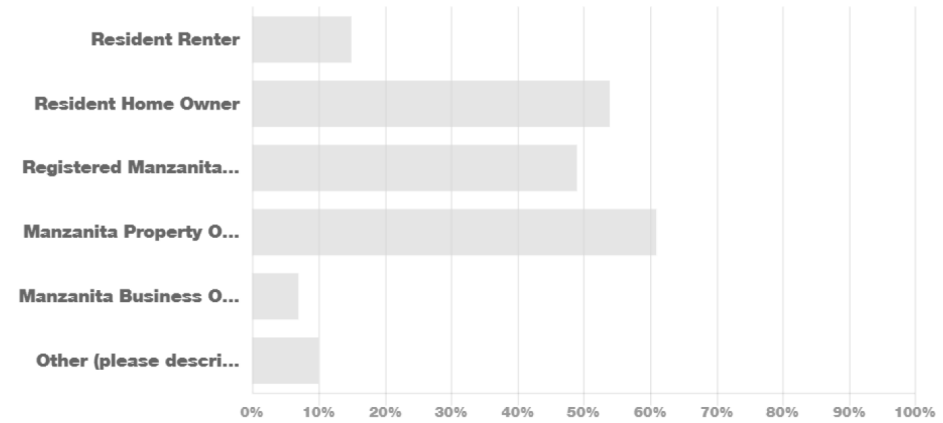
AFI



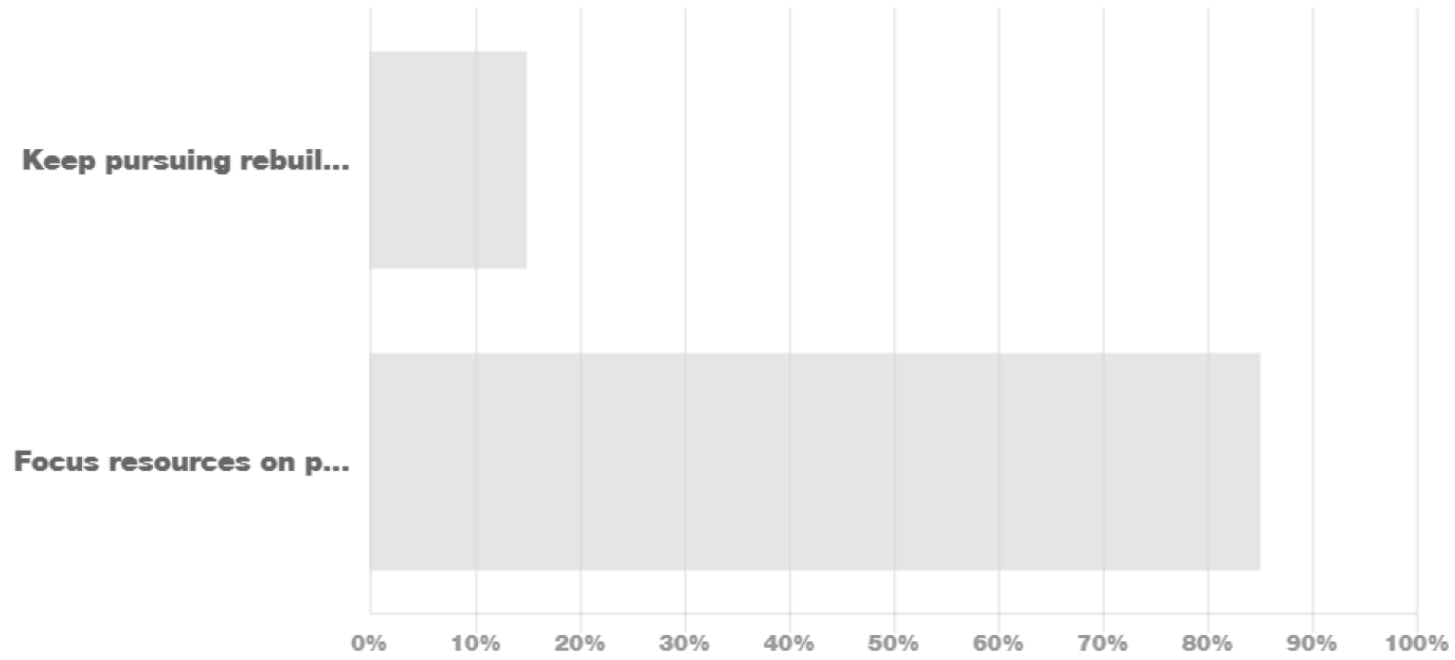




# survey



ANSWERS	RESPONSES	
Manzanita Property Owner	61%	25
Resident Home Owner	54%	22
Registered Manzanita Voter	49%	20
Resident Renter	15%	6
Other (please describe below)	10%	4
Manzanita Business Owner	7%	3



**ANSWERS**

**RESPONSES**

Focus resources on proceeding with new design options?

85%

Keep pursuing rebuilding existing structures in current configuration?

15%



# Site Analysis

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	Size (acres)	Tsunami Evacuation	ASCE	Landslide	Emergency Gathering	Storage Potential
Underhill Plaza	2.67	Outside	Outside	None	Yes	Yes
Old City Hall	0.22	XXL	Outside	None	No	No
Public Safety / Temp City Hall	0.47	XXL	Partial	Moderate to None	No	No

# Site Analysis

	Condition			Studies				
	Foundation	Structure	Hazardous Materials	Survey	Geo Tech	Concrete Testing	Structural Evaluation	Phase 1 ESA
Underhill Plaza	Poor	Poor	X	X	X	X	X	X
Old City Hall	Unknown	Unknown	Partial	None	None	None	None	None
Public Safety / Temp City Hall	Unknown	Unknown	Partial	None	None	None	None	None

# Scheme 1 Full Demo

- Compact.
- Leaves more of the site for future development.
- No on-site storage.



## Scheme 2 Salvage Quonset Hut

- Project engages corner of Manzanita Avenue and Division Street.
- Uses more of the site.
- On-site storage remains.



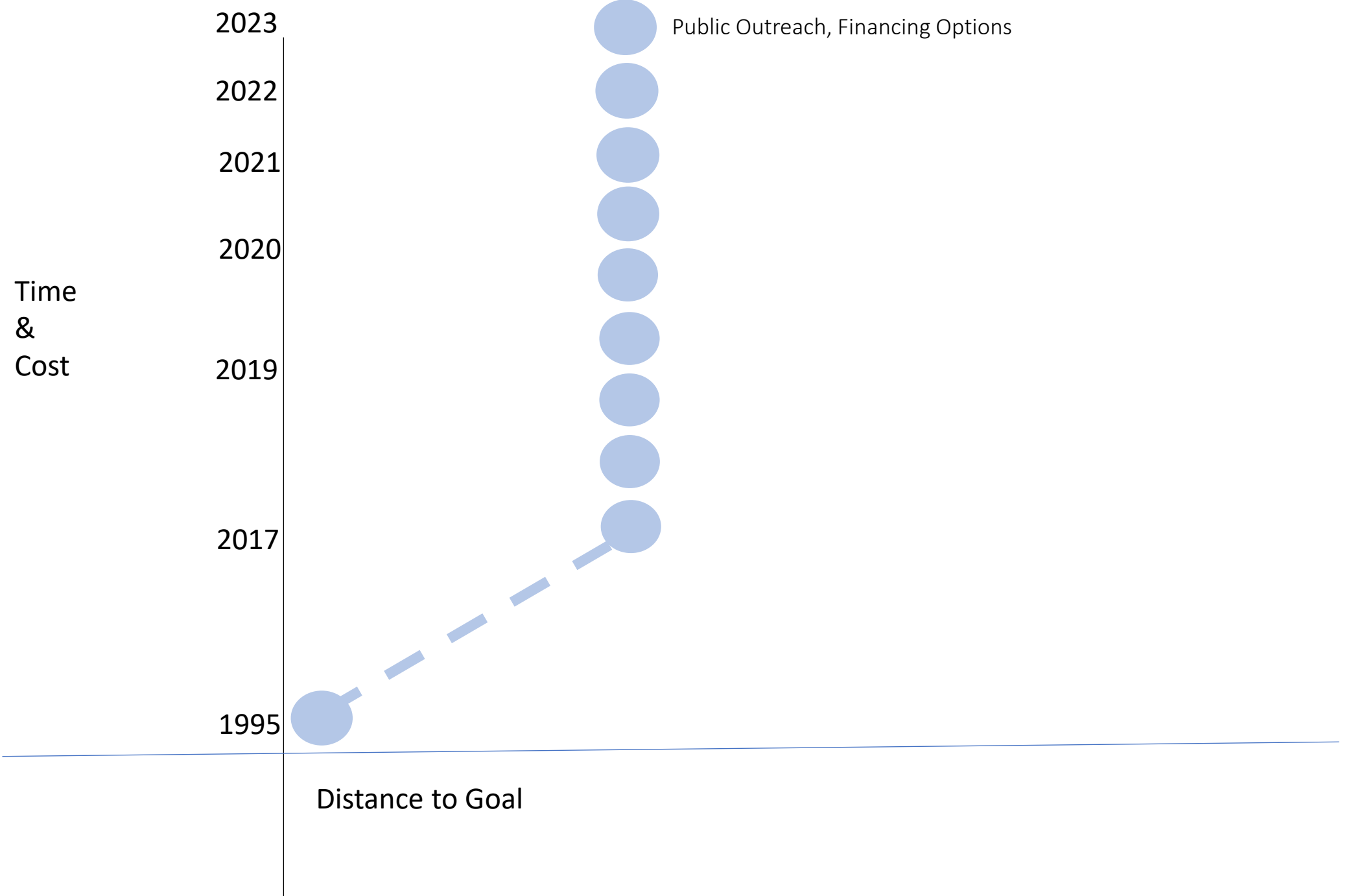


## Considerations

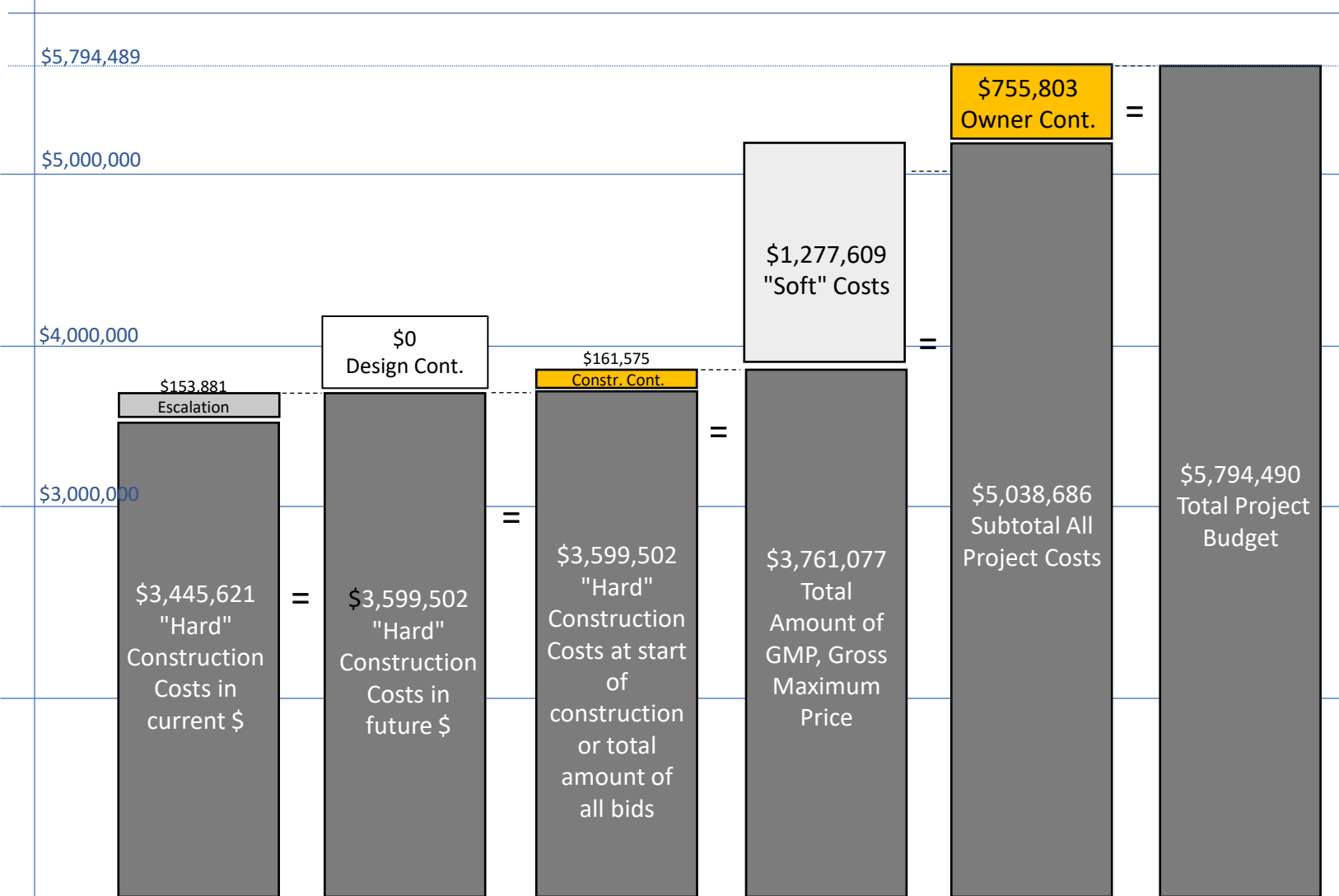
- *Saving Q-Hut preserves 3,200 sf of storage (not risk category IV so cannot use for emergency vehicles or emergency response).*
- *Likely cheaper than building similar sized/quality new storage.*
- *Performing basic updates to keep as a storage facility is \$500-\$600k total project cost, based on detailed estimate by Cove Built.*
- *Change of use (community center or other) would trigger significant added costs.*
- *If we save Q-Hut, abatement and roof replacement need to happen ASAP. It will be most cost effective to do both projects at same time, but requires more budget up front.*
- *If we remove the Q-Hut, the abatement cost will be included within the City Hall budget.*

- Feb 15, 2023 – Review and Discuss Findings on Q Hut – Council voted unanimously to demo the Quonset Hut and the Schoolhouse and proceed with Option 1.
- March 27 – 1<sup>st</sup> Financial Strategy Discussion – proposed estimates provided to City Council
- April 8– 30% Design and Cost Estimate Presentation
- April 12th – 2<sup>nd</sup> Financial Strategy Discussion
- April 19 – Final Community Meeting
- May 8<sup>th</sup> – City Budget including financial projections provided to the budget committee
- May 10<sup>th</sup> – Work Session Discussion with City's Financial Advisor and Special Public Works Fund

City Hall related items have been on the agenda no less than 18 times not including informal updates during the City Manager updates.



# Manzanita City Hall | Police Station/EOC Project Budget 3/27/2023



## Description of Terms

- "Hard Costs" include the labor, materials, and overhead to construct the project. Estimated at current market rates.
- Escalation is calculated as a % of hard costs to adjust the estimate to the future when the work will occur.
- Design contingency allows the project to adjust to unknowns or overcome assumptions and is absorbed into hard costs over time
- Construction contingency is calculated as a % of hard costs and allows the contractor to cover scope gaps or pay for overtime when needed
- GMP is the Gross Maximum Price and is the total value of the construction contract.
- Soft Costs include all other project work outside of the GMP – design & consulting fees, permit fees, utility connection fees, furniture, special inspections testing, etc.
- Owner Contingency is a % of all direct project costs and allows the City to adjust to unknown site or building conditions, scope changes, or any other unknown issues during the course of the project
- All Contingencies (orange) decrease over time and any unused amount is returned to the City

# Resources Required for Phase 2 and Abatement and Demolition

Required Resources for Abatement and Demolition	\$251,000
Phase 2 Costs for Design and Project Management	\$424,484
Total Required Resources	\$675,484

# Funding Approach

Total Requirements	\$5,793,340
Total Paid	\$283,283
Remaining Requirements	\$5,513,920
Debt/Bond Financing	\$3,500,000
Property Sales	\$600,000
Grants/Bake Sale	\$450,000
Remaining Fund Balance City Hall Fund	\$220,000
General Fund FY 24	\$460,000
Building Fund	\$200,000
TLT	\$100,000
Donations	\$0
Total Estimated Resources	\$5,530,000



# Funding Approach

Total Requirements	\$5,794,490
Total Paid	\$283,283
Remaining Requirements	\$5,513,920
Debt/Bond Financing	\$4,000,000
Property Sales	\$634,000
Grants	\$60,000
Remaining Fund Balance City Hall Fund	\$220,000
General Fund FY 24	\$544,000
Other	\$55,920
Total Estimated Resources	\$5,513,920

# General Obligation Bond

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\$3.5M-\$4M

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\$0.47-0.54/\$1000

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Term - 15 years

# Full Faith and Credit or Special Public Works Fund - \$4Million

- Rates would be about the same for FFC or SPWF
- Assuming 3.96% for a 30 year note
- Annual Debt Service Payment \$228,000
- Assuming 3.56% for a 20 year note
- Annual Debt Service Payment \$281,000
- About half the interest of a 30 year but higher annual payment

# Comparing Loan Options

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- Full Faith and Credit
- Locked in for 10 years
- Take out full loan amount
- Special Public Works Fund
- Refinance at any time
- Reimbursement – we only borrow what we need

# 5-year forecast

- Assumes only 6% increase in TLT for FY 25 onward
- Includes new revenue of \$150,000/year for STR Renewal Fees
- Does not include any new potential funding sources
- Underhill debt retired mid way through FY 28

	+1 FY24	+2 FY25	+3 FY26	+4 FY27	+5 FY28
Contingency/Policy Reserve	\$ 536,000	\$ 381,000	\$ 446,000	\$ 515,000	\$ 536,000
Undesignated	\$ 1,494,783	\$ 1,795,568	\$ 1,898,633	\$ 2,023,102	\$ 2,300,124

# 5-year forecast

- \$281K Annual Debt Service
- 20 year term

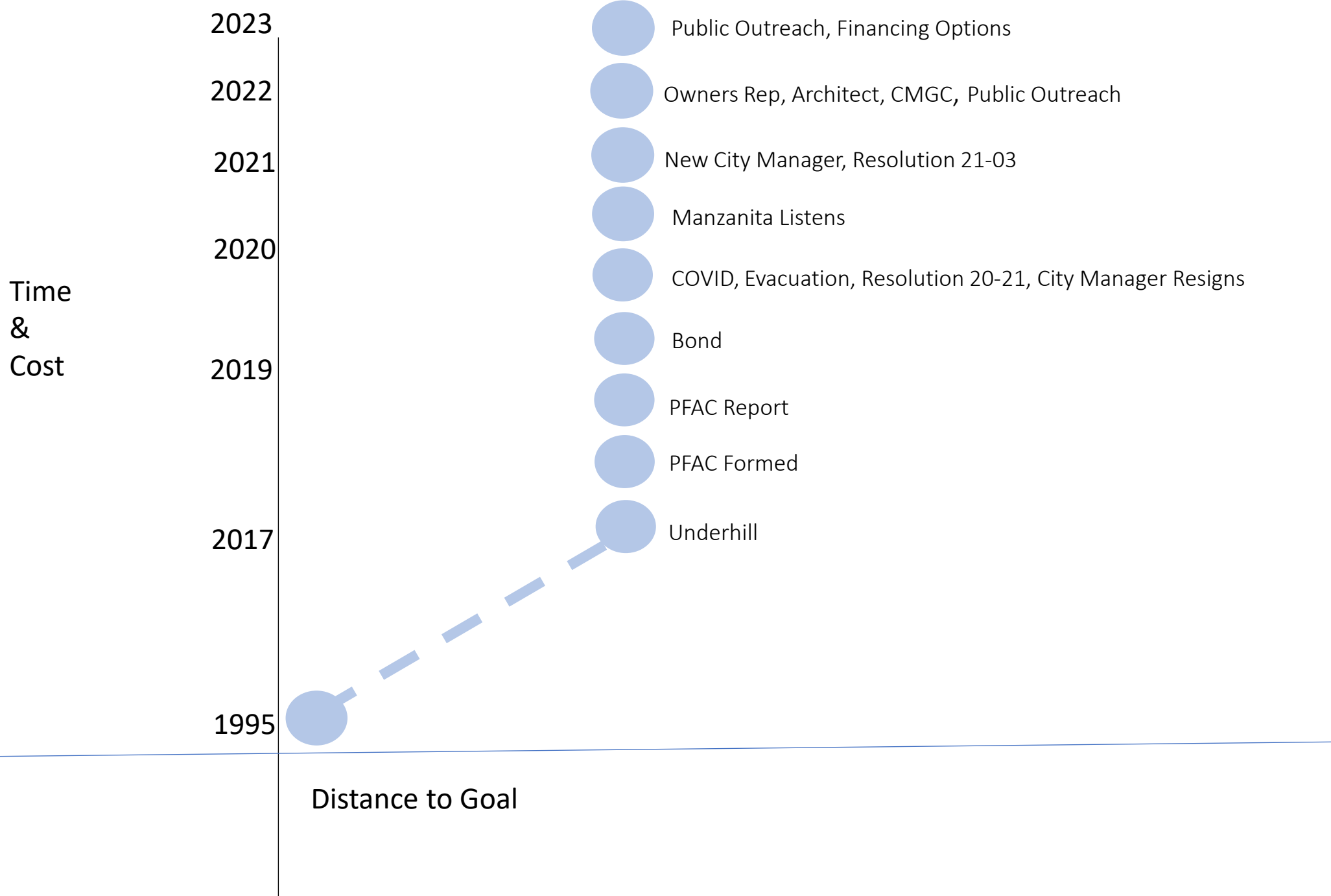
	+1 FY24	+2 FY25	+3 FY26	+4 FY27	+5 FY28
Contingency/Policy Reserve	\$ 536,000	\$ 381,000	\$ 446,000	\$ 515,000	\$ 536,000
Undesignated	\$ 1,494,783	\$ 1,233,842	\$ 1,056,044	\$ 899,650	\$ 895,899

# 5-year forecast

- \$228K Annual Debt Service
- 30 year term

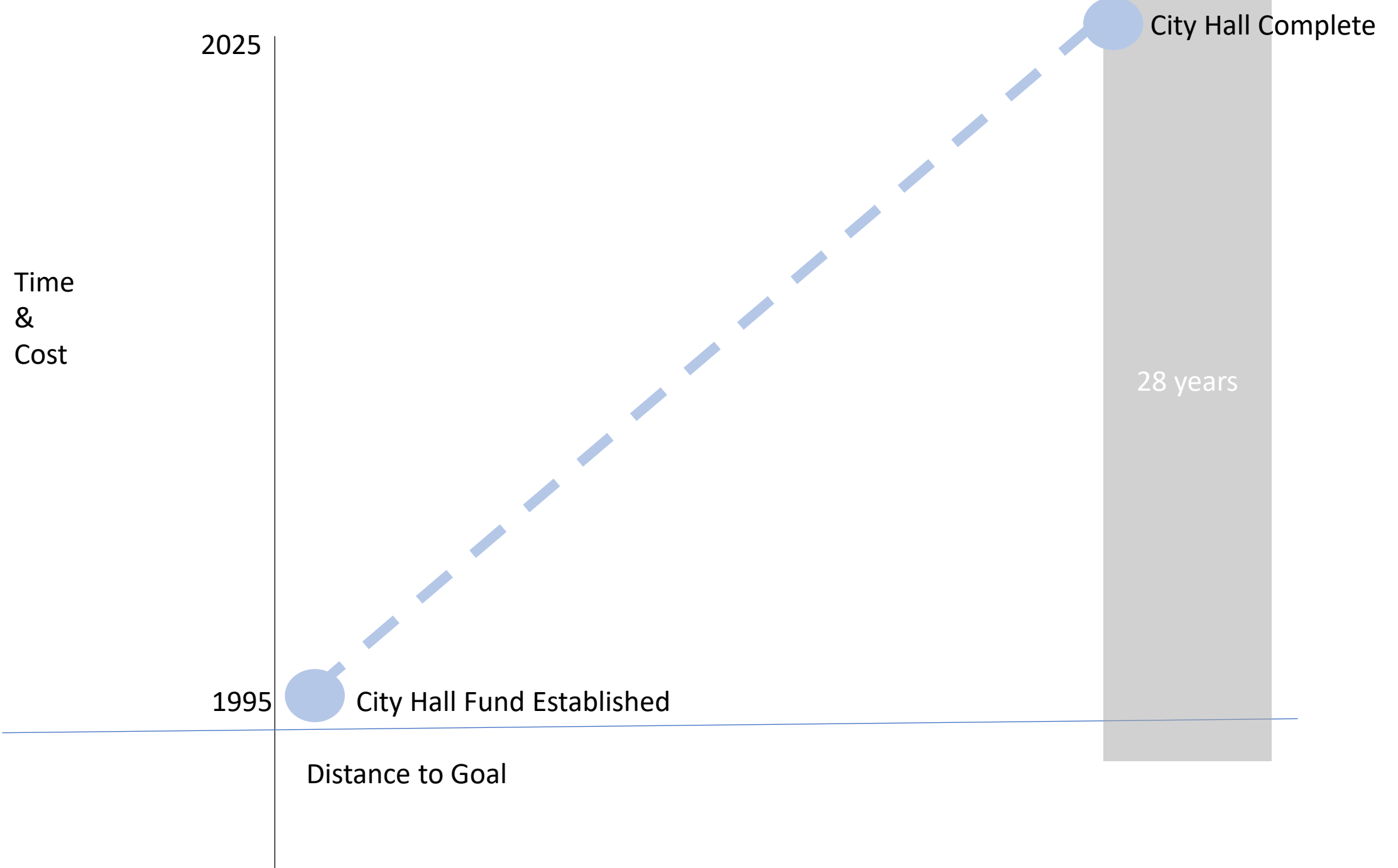
	+1	+2	+3	+4	+5
	FY24	FY25	FY26	FY27	FY28
Contingency/Policy Reserve	\$ 536,000	\$ 381,000	\$ 446,000	\$ 515,000	\$ 536,000
Undesignated	\$ 1,494,783	\$ 1,339,460	\$ 1,214,471	\$ 1,110,886	\$ 1,159,944





June 7<sup>th</sup>  
Decision on  
Phase 2  
Decision on  
Funding  
Approach





# Manzanita City Hall Funding Decision Tree

