



CITY OF FORT WORTH: 2014 BOND PROGRAM

Frequently Asked Questions (FAQ)

Frequently Asked Questions (FAQ) document is intended to provide general information about the proposed 2014 Bond Program, which will be presented for voter consideration at the May 10, 2014 election.

What is a bond program?

A bond is a form of a public security. When issued, bonds provide local governments with funds to finance large capital improvements. A bond program includes both the authority to issue bonds and a listing of the purposes for which the funds may be used. General Obligation bond programs, such as the City of Fort Worth's 2014 Bond Program, require voter approval.

What is a capital improvement project?

A capital improvement project is any major improvement to City facilities and/or infrastructure. Capital improvement projects typically include projects such as street construction, reconstruction, or rehabilitation; the construction or renovation of City facilities, such as fire stations and libraries; and park improvements. All of the proposed projects are referred to collectively as a Capital Improvement Program. Although capital improvement projects can be very different, most require multiple years to complete, are financed over a long period of time (typically 20 years), and require a series of work phases to complete, such as planning, design and construction.

How and why does the City use General Obligation Bonds to fund some capital improvement projects?

Voter-approved General Obligation (GO) Bonds are one funding mechanism available to finance capital improvement projects. GO Bonds provide the City with a way to fund capital projects that benefit the entire community, and that are appropriate for long-term financing because of their scale or duration. Common examples of capital projects are roads, bridges, park and community center improvements, and library, fire station and other facility construction projects.

GO Bonds are backed by the full faith and credit of the City of Fort Worth, which means that the City is obligated to pay back the bonds by pledging its ad valorem taxing power, or ability to collect property taxes, to repay the debt. The City's property tax rate is composed of two parts: the operations and maintenance (O&M) portion and the debt service portion. As their names imply, the O&M tax income is used to pay the City's operating and maintenance expenses while the debt service portion of the rate generates the money necessary for the City to make payments on its property tax-supported debt.

The City's operating and maintenance expenditures are similar in concept to daily household expenses, such as utility bills or groceries. These expenditures generally involve goods or services that are consumed or used up in a relatively short time frame and are paid immediately with available funds.

By comparison, property tax-supported debt such as GO bonds can be thought of along the same lines as a home mortgage – both involve financing a relatively large amount of money that will be repaid over a longer period of time for the purchase or construction of a major asset. Like a house, major capital improvement projects have a long useful life; therefore, the useful life of the assets is longer than the schedule of debt service payments to be made, their cost is spread out over many years and paid by both current and future citizens who will use and benefit from the projects financed.

FOR MORE INFORMATION ABOUT THE 2014 BOND PROGRAM

PLEASE VISIT: www.fortworthtexas.gov/2014bonds or CALL the Bond Program Hotline at 817-392-7621

If part of the property tax that I pay goes to fund the debt on capital improvement projects, will the additional projects proposed in the 2014 Bond Program result in an increase to my property tax rate?

There is no anticipated property tax rate increase associated with passage of the proposed 2014 Bond Program. The program has been structured in a way that takes into account current financial conditions, trends and forecasts and that is intended to allow the debt to be issued without requiring a tax rate increase. [Since the issuance of GO Bonds is subject to economic conditions at the time of issuance within the City, such as possible decreases in property values, reduction of tax rates, and other factors, no assurance can be given that the projected impact on property taxes can be achieved.]

How much is the 2014 Bond Program?

Total funding in the proposed 2014 Bond Program is \$292,075,000.

What is a “Proposition,” and how does it relate to the proposed 2014 Bond Program?

Under state law, the City is required to divide the Bond Program projects so that voters can consider one type of purpose or project at the time of casting their votes. The propositions are what appear on the voters’ ballots, and each proposition involves all the projects that serve the same common, overarching single purpose such as fire safety or streets and transportation. If a proposition passes, the City must use the proceeds from the sale of the bonds for the purposes stated in that approved proposition. For the 2014 Bond Program, propositions consist of the following:

- Proposition 1: *Street and Transportation Improvements*
- Proposition 2: *Parks, Recreation, and Community Center Improvements*
- Proposition 3: *Library System Improvements*
- Proposition 4: *Fire Safety Improvements*
- Proposition 5: *Municipal Court Improvements*
- Proposition 6: *Municipal Service Facility Improvements*
- Proposition 7: *Animal Care and Control Facility Improvements*

What is included in each bond program proposition?

Each project in the proposed 2014 Bond Program has been placed in one of the seven (7) propositions shown above. Project details for each proposition can be found in the *2014 Bond Program Booklet*.

Can funds approved in one proposition be used to fund projects in another proposition?

Amounts approved for one proposition cannot be assigned to another proposition, even if there are excess funds available. Expenditures must strictly conform to what was approved by voters in the election. If voters approve a bond proposition on an election ballot, the City is authorized to sell bonds up to the amount indicated in the proposition language to fund capital improvement projects that meet the public purpose of that bond proposition.

How were the projects in the proposed 2014 Bond Program selected?

Initially, City staff evaluated potential capital improvement project needs over the next five (5) years, using technical assessments of infrastructure condition and need, public input received through individual departments and master planning efforts, and citizen and Council member input. At the same time, available funding was calculated. Staff took the preliminary project list developed through the above efforts to the public for further input and revision. Over the course of four (4) months, staff received significant input from citizens, as well as follow up feedback from Council members based upon their own discussions with residents. The result of that feedback was a refined final proposed project list.

FOR MORE INFORMATION ABOUT THE 2014 BOND PROGRAM

PLEASE VISIT: www.fortworthtexas.gov/2014bonds or CALL the Bond Program Hotline at 817-392-7621

Where are we in the bond program development process, and how did we get here?

We are currently in the “Public Awareness” phase, in which the project list for the proposed 2014 Bond Program has been finalized and citizens are provided information on what they will be voting on in the May 10, 2014 election. Prior phases included:

- *August – November, 2012:* Citizen feedback on project needs was obtained through the annual Comprehensive Plan development process and the corresponding public meetings. Staff used the feedback in drafting the initial bond projects proposal.
- *January 9, 2013:* City Council workshop was held to create a preliminary list of projects proposed for funding for use during the “Public Input” phase.
- *July – November 2013:* “Public Input” phase – Citizen input regarding the proposed bond program projects list was collected via numerous public meetings and other feedback alternatives, such as YourFortWorth.com public engagement site, a 2014 Bond Program web page, and Hotline.
- *December 2013 & January 2014:* Presentations were given to the City Council regarding citizen input received and proposed bond program project list adjustments resulting from that input.
- *February 11, 2014:* The City Council adopted an ordinance calling for the May 10, 2014 bond election.

For projects in approved propositions, when will I start seeing project construction begin?

Immediately following bond program passage, City staff will develop a five-year implementation schedule for projects in voter-approved propositions. Staff will submit the project implementation schedule to the City Council for review and approval in June 2014. Projects will then be delivered in accordance with the approved schedule.

Staff anticipates starting the first set of projects in approved propositions in late summer 2014. Some projects will be ready for construction to begin quickly, while others will need to go through additional planning, design, preliminary engineering, land acquisition, community input, and/or other phases before construction can begin. While construction will not begin immediately on all projects in approved propositions, it is estimated that the 2014 Bond Program should be substantially complete within five years.

When is the bond election and how do I find out where to vote?

The election date for the 2014 Bond Program is Saturday, May 10, 2014. (The election about whether to renew the Crime Control and Prevention District (CCPD) will be held on the same day along with the District 9 special election for City Council.) The early in-person voting period for the May 10 election is from April 28 – May 6, 2014. More information on May 10 voting locations, early voting options (including mail-in and in-person voting), and general voter requirements is available from the elections administrator in your county of residence (see contact information below).

For Tarrant County Voters: *Tarrant County Elections*
Visit: www.tarrantcounty.com/evote; OR
Call: 817 / 831 - VOTE (8683)

For Denton County Voters: *Denton County Elections*
Visit: www.votedenton.com; OR
Call: 940 / 349 - 3200

Will I vote on the entire bond program?

Residents will vote for or against each proposition individually.

FOR MORE INFORMATION ABOUT THE 2014 BOND PROGRAM

PLEASE VISIT: www.fortworthtexas.gov/2014bonds **or CALL the Bond Program Hotline at 817-392-7621**

What will I see on the election ballot for the 2014 Bond Program?

The ballot you receive will include only the bond proposition names and total dollar (\$) amounts. For more detailed information on what is included in the 2014 Bond Program, please see the *2014 Bond Program Booklet*, which is available at Fort Worth public libraries and community centers, online at www.fortworthtexas.gov/2014bonds, or upon request made via the Bond Program Hotline (817/392-7621). The following is the specific bond program-related language that will be on the May 10 ballot:

PROPOSITION NO. 1

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR STREET AND TRANSPORTATION IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$219,740,000.00

PROPOSITION NO. 2

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR PARKS, RECREATION AND COMMUNITY CENTER IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$31,440,000.00

PROPOSITION NO. 3

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR LIBRARY SYSTEM IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$12,650,000.00

PROPOSITION NO. 4

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR FIRE SAFETY IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$9,285,000.00

PROPOSITION NO. 5

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR MUNICIPAL COURT IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,530,000.00

PROPOSITION NO. 6

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR MUNICIPAL SERVICE FACILITY IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$15,080,000.00

PROPOSITION NO. 7

- FOR
 - AGAINST
- THE ISSUANCE OF PUBLIC SECURITIES FOR ANIMAL CARE AND CONTROL FACILITY IMPROVEMENTS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,350,000.00

FOR MORE INFORMATION ABOUT THE 2014 BOND PROGRAM

PLEASE VISIT: www.fortworthtexas.gov/2014bonds or CALL the Bond Program Hotline at 817-392-7621

Where can I find more information on the 2014 Bond Program/projects and May 10 election?

- **“Meeting in a Box” Bond Program Presentation and Other Informational Videos:** The “Meeting in a Box” is for groups and/or individuals who want to learn more about the Bond election and can’t attend one of the public meetings. Each box contains handouts and short videos about the election. The box also provides information about the CCPD renewal election. To order, visit www.fortworthtexas.gov/2014bonds or www.fortworthpd.com/ccpd, or call the Bond Hotline at 817/392-7621, or the CCPD Hotline at 817/392-4040.
- **2014 Bond Program Booklet:** The bond booklet provides more detailed information about the projects that make up the 2014 Bond Program, including project descriptions and proposed funding. The booklet is available electronically at www.fortworthtexas.gov/2014bonds, in hard copy form at Fort Worth public libraries and community centers, and in paper form upon request made via the Bond Program Hotline at 817 / 392-7621.
- **Bond Program Web Page:** Visit www.fortworthtexas.gov/2014bonds to obtain the latest bond program information.
- **District and Citywide Public Meetings:** You are invited to attend any of the following district and citywide meetings which have been scheduled to educate residents about the proposed 2014 Bond Program and projects as well as the CCPD renewal election:

District(s)	Date*	Location*	Time*
8 & 9	3/13/14	Hazel Harvey Peace Center 818 Missouri Avenue, Fort Worth, TX 76104	6:30 - 8:30 p.m.
5	3/15/14	Temple Baptist Church 6824 Randol Mill Road, Fort Worth, TX 76120	1:30 - 3:30 p.m.
4 & 5	3/27/14	UTARI 7300 Jack Newell Blvd., Fort Worth, TX 76118	6:30 - 8:30 p.m.
2 & 7	4/5/14	Boswell High School Main Lecture Hall 5805 W Bailey Boswell Road, Fort Worth, TX 76179	9 - 11 a.m.
4 & 7	4/12/14	Heritage Church of Christ 4201 Heritage Trace Pkwy, Fort Worth, TX 76244	9 - 11 a.m.
3 & 9	4/14/14	TCU - Alumni Center Cox Banquet Hall A 2820 Stadium Drive, Fort Worth, TX 76109	6:30 - 8:30 p.m.
6	4/17/14	Chisholm Trail Community Center 4680 McPherson Blvd., Fort Worth, TX 76123	7 - 9 p.m.
2	4/26/14	Northside Community Center 1100 Northwest 18th Street, Fort Worth, TX 76164	9 - 11 a.m.
Citywide	5/3/14	Botanic Gardens 3220 Botanic Garden Blvd., Fort Worth, Texas 76107	9 a.m. - noon

**Meeting information (dates, times, and/or locations) subject to change. For most current meeting information, please go to: www.fortworthtexas.gov/2014bonds*

- **City News:** Fort Worth’s electronic newsletter, which is published every Monday morning, provides the latest bond program and election information. To subscribe to *City News*, go to: www.FortWorthTexas.gov/subscribe

FOR MORE INFORMATION ABOUT THE 2014 BOND PROGRAM

PLEASE VISIT: www.fortworthtexas.gov/2014bonds or CALL the Bond Program Hotline at 817-392-7621