



2022 Proposed General Obligation Bond Program Information Guide





2022 General Obligation Bond Proposal Information Guide

What Is A Bond Program?

A bond is a form of debt obligation that, when issued, provides local government 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 Mesa's 2022 Bond Program, require voter approval.

What Can General Obligation Bonds Be Used For?

General Obligation Bonds allow the City to pay for major capital investments having a public purpose, such as public safety facilities, as well as quality of life enhancements related to libraries, parks and recreation, and cultural facilities. Bonds are sold to investors and the proceeds from the sale of these bonds are used to pay for capital projects. Bond funds cannot be used for everyday operating costs for programs such as softball leagues, classes at senior centers, police officers or fire fighters. Such operating expenses are paid for by annual revenue that support the City's General Fund such as sales tax revenue and fees for service.

How Are General Obligation Bonds Repaid?

General Obligation Bonds are backed by the full faith and credit of the City of Mesa, which means that the City is obligated to pay back the bonds plus interest by pledging its ad valorem taxing power. As such, the City uses secondary property tax revenues to repay the General Obligation Bonds in the form of annual principal and interest payments. If the 2022 Bond Program is approved by voters, the estimated average tax rate for the proposed bond authorization is \$0.1889 per \$100 of assessed limited property valuation used for secondary property tax purposes.

Who Determined The Projects Included In The Bond Program?

The City Council ultimately approves the projects that are proposed in the Bond Program. Projects are identified through several means including citizen and City Council input and staff recommendations. The projects included in the 2022 proposal were identified during the City's Capital Improvement Program budget process. The projects were then vetted through a public process with City Council. On June 6, 2022, the Mesa City Council approved a resolution to include the 2022 General Obligation Bond proposal on the November 2022 ballot.



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Will The Projects Included In The Bond Program Be Modified?

The projects included in the Bond Program represent the priorities of the City Council. The goal of the Bond Program is to complete the projects in a timely manner and within approved budgets. There are several factors that can influence a project being completed, including land acquisition cost, construction cost, and operating cost. These factors can result in a project being delayed or re-prioritized. Conversely, if costs are low, resulting in budget savings, additional projects/improvements may be possible. All projects are considered individually by City Council and must be approved prior to construction.

How Large Is The General Obligation Bond For 2022?

The City is proposing a 2022 Bond Program not to exceed \$157 million. The Bond Program is made up of projects in three main areas:

- Fire and Medical Services: \$60.4 Million
- Police Services: \$54.7 Million
- Public Safety Services: \$41.9 Million

A summary of potential project information, conceptual drawings, and maps is included in this information guide.

When Is Election Day?

The election will be held on Tuesday, November 8, 2022.

How Can Residents Learn More About The City's Proposed Bond Program?

Residents can view all 2022 Bond Program-related information and material on the City's website. [Click here](https://www.mesaaz.gov/government/bonds/2022-bond-election-projects) or go to <https://www.mesaaz.gov/government/bonds/2022-bond-election-projects> to learn more.

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Ballot Question #2—Public Safety

Approval of Question 2 authorizes the City to issue and sell general obligation bonds in the principal amount not exceeding \$157,000,000 to provide funds to design, acquire, construct, reconstruct, improve, furnish, equip and install: improvements and facilities for public safety, law enforcement, fire and medical emergency services, and related communication systems and facilities, support equipment and vehicles, including acquisition of land.

Potential projects could include the following:

Fire Station 223 & Fire Station 224

Construct new Northeast Fire Station 223 and Southeast Fire Station 224 on existing City owned land. With population growth there is a need for more fire stations to respond to increased call volumes and mitigate delayed response times in the City.

Fire Station 205 Demolition & Remodel

Demolition of the existing Fire Station 205 and rebuild a new station in its current location that better suits the needs of the citizens as well as the fire department.

Fire Apparatus Replacement

Mesa Fire & Medical Department has various types of large, specialized vehicles or apparatus to support fire personnel and meet operational needs. This project provides for the replacement of fire apparatus that have or will have exceeded their useful life based on the Fire & Medical Department's replacement plan.

Police Evidence Facility

Complete construction of the Police evidence facility that was partially funded by the 2018 Bond Program. This facility, capable of housing the longer term and general evidence storage needs of the Police Department, would be equipped with secure climate controlled and cooler storage.

Police Headquarters

Remodel the entire building, as well as provide landscape, hardscape, and utility improvements to adjacent areas. The department's primary goal for the project is to make the building, and by extension, the officers, feel more community friendly. The project will also result in constructing a community space in an environment that highlights collaboration.

Public Safety Training Facility

New building expansion for the public safety training campus including new office space and training classrooms for City of Mesa Police, Fire and Medical training academies.

Ballot Question #2—Public Safety

2022 General Obligation Bond Proposal Public Safety Summary

2022 General Obligation Bond—Public Safety

\$157M

Fire & Medical

- Fire Station 223
- Fire Station 224
- Fire Station 205 Demolition & Rebuild
- Fire Apparatus Replacement

\$60.4M

Police

- Evidence Facility
- Police Headquarters

\$54.7M

Public Safety

- Public Safety Training Facility

\$41.9M

Ballot Question #2—Public Safety

Fire & Medical

\$60.4M

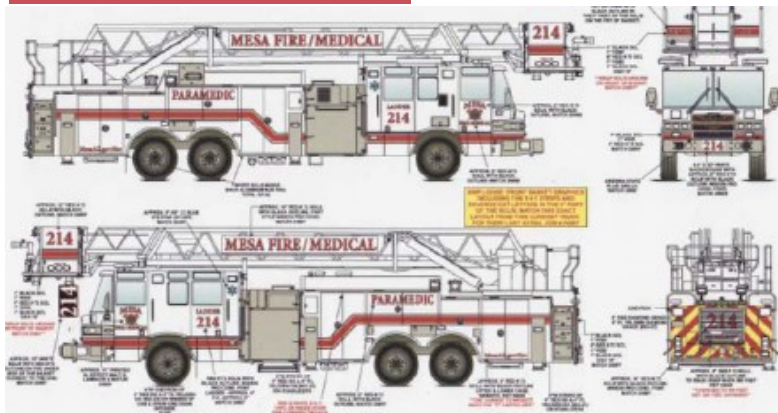
Fire Station 223



Fire Station 224



Fire Apparatus



Fire Station 205



Ballot Question #2—Public Safety

Police

\$54.7M

Police Headquarters & Police Evidence Facility



Ballot Question #2—Public Safety

Public Safety

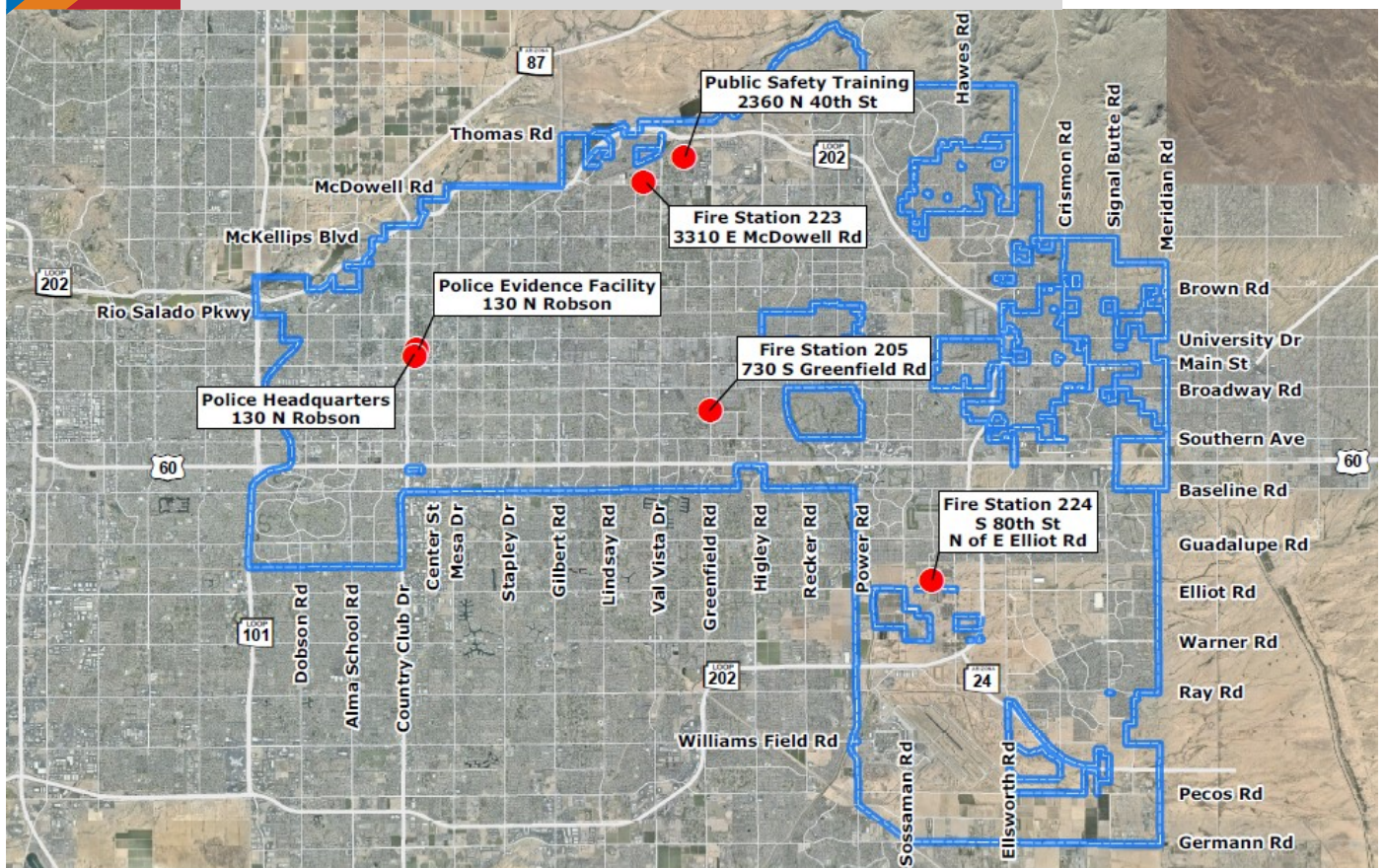
\$41.9

Public Safety Training Facility



Ballot Question #2—Public Safety

Map of Public Safety Projects





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