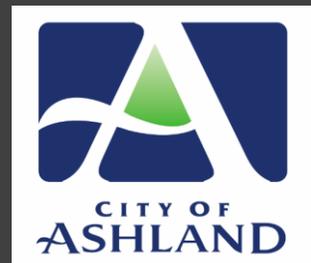




# Capital Facilities Projects and Financing

Kelly A. Madding  
City Administrator  
January 22, 2020



# Mayor Stromberg's Working Group

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# Mayor's Working Group

- June 4, 2020: the Mayor proposed a working group to the City Council to analyze a variety of revenue options for City capital and operational needs.
- The group met 10 times and various community members and staff participated in brainstorming and discussing ideas.

# City Council Decisions 2016 - Present

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# Council Decision Milestones

## Feasibility Phase

**2016:** Council reviewed findings of City Hall Seismic Evaluation, and directed staff to seek competitive proposals to study the options for replacing City Hall:

- Rebuilding new at the current City Hall location
- Building new at Pioneer St. Parking Lot
- Expanding Community Development Building

Staff received 4 competitive proposals from local architects. ORW Architecture selected based on their high qualifications and low proposed cost

**2017:** ORW's findings are presented to Council. Council directs staff to establish an advisory committee to recommend the best seismic alternative

Committee reports findings to Council. Most members favor rebuilding a new City Hall at the current site

# Council Decision Milestones

## Concept Design Phase

**2017:** Conceptual designs and costs of 3 revised options for replacing City Hall:

- Rebuild a new 4-story structure at the current City Hall location
- Building a new structure at the current location of Courts/Council Chambers
- Retrofit and remodel Briscoe School

**2018:** ORW Architecture awarded contract (2 bidders)

**2019:** Council asked staff to return with a concept and design for a seismic retrofit (aka renovation) that would guarantee a “100+ year building” ORW’s conceptual designs and findings

Based on the retrofit/renovation concept and cost Council supported keeping City Hall at its current site. Directed staff to return with a comparison the retrofit/renovation vs. rebuilding a new, 2-story City Hall at the current site.

Council approved the rebuild of a 2-story structure as the lowest cost alternative.

# Rebuild Vs. Seismic Retrofit and Renovation

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A Summary of ORW's Recommendation for  
Rebuilding a New 2-Story Building

# Rebuild vs. Retrofit & Renovate

## **Both options:**

- Provide a safe accessible, durable building for ~100 years
- Update the building systems
- Comply with current structural codes
- Present opportunities for environmental sustainability
- Occupy a similar footprint
- Have similar costs
- Will be disruptive during construction to Plaza uses and businesses

# Where Retrofit/Renovate Falls Short

## **A retrofit:**

- Results in at least 600 square feet less than rebuilding City Hall
- Many unknowns and very high risk, which could be costly
- Has a longer construction schedule – more disruption
- Risk of exterior wall decomposition
- Added costs for materials testing and shoring of existing walls
- Has higher costs for demolition, sitework and foundation prep, design fees, and contractor's contingency

# Why Building New is Recommended

“ORW Architecture recommends pursuing new construction for Ashland City Hall to provide a building that is safer and more durable, has a larger floor area, and is constructed faster with less risk and less expense.”

*-Memo from ORW Architecture titled “Ashland City Hall – New or Renovation Considerations” 10/31/19*

# City Hall A Historical Perspective

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# Photo History of City Hall

City hall was constructed  
in 1889 as a fire station

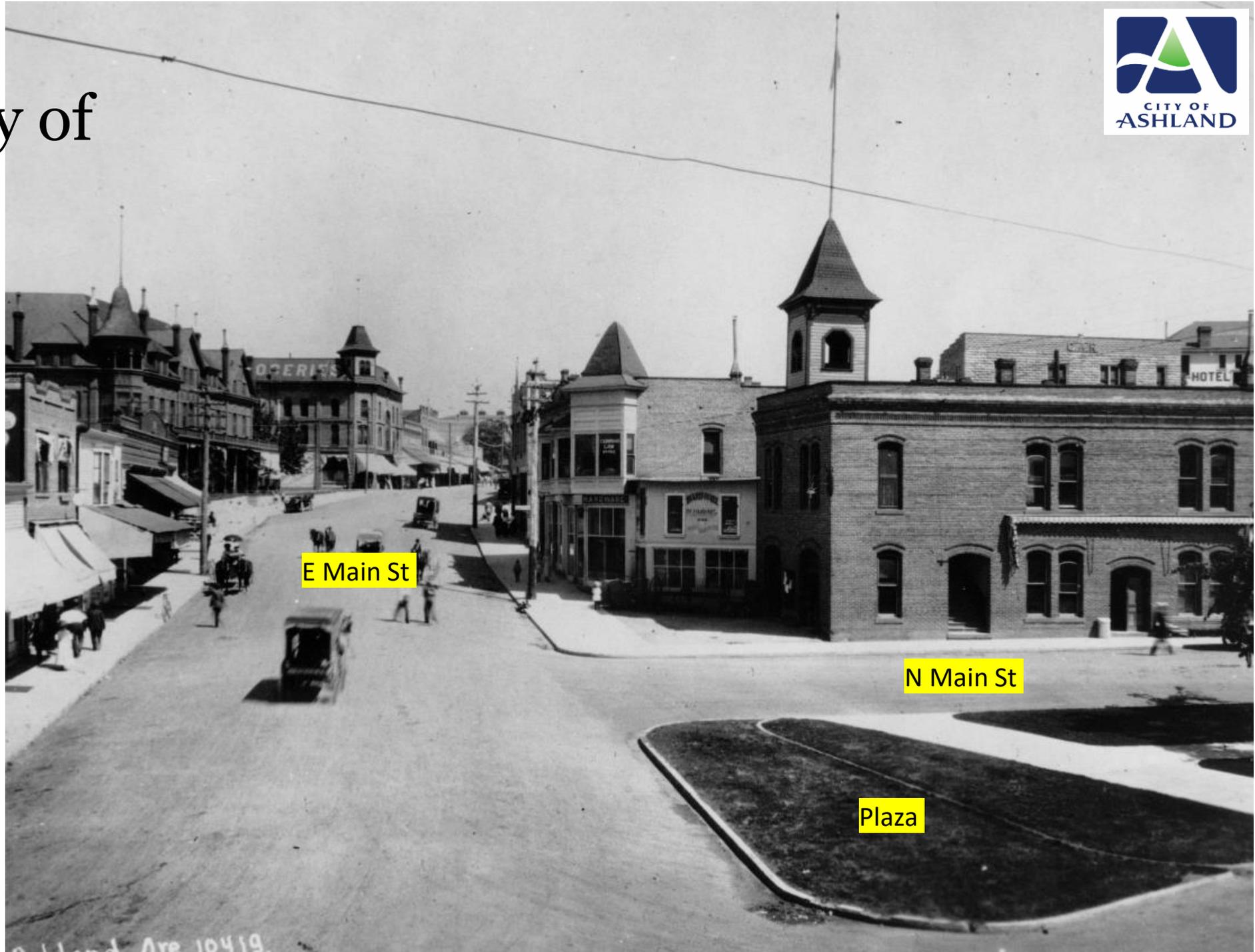
Undated photo of original  
construction, viewed from  
East Main Street



# Photo History of City Hall

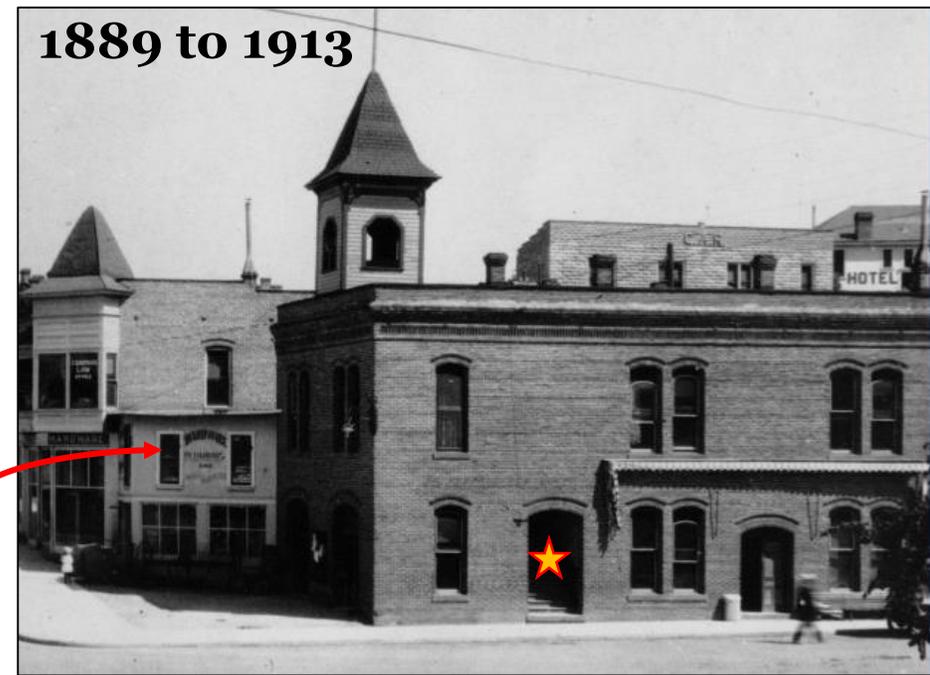
Original  
construction, pre-  
1913

Undated photo,  
viewed from  
North Main  
Street



# Photo History of City Hall – 1913 Remodel

Removed adjoining building  
on E Main to expand south  
and east.



Large addition on plaza-facing  
side to expand north. Exterior  
staircase remains



1913 remodel



# Photo History of City Hall – 1913 Remodel

Second floor addition on south end (1997)

Minor addition on south end (date unknown)

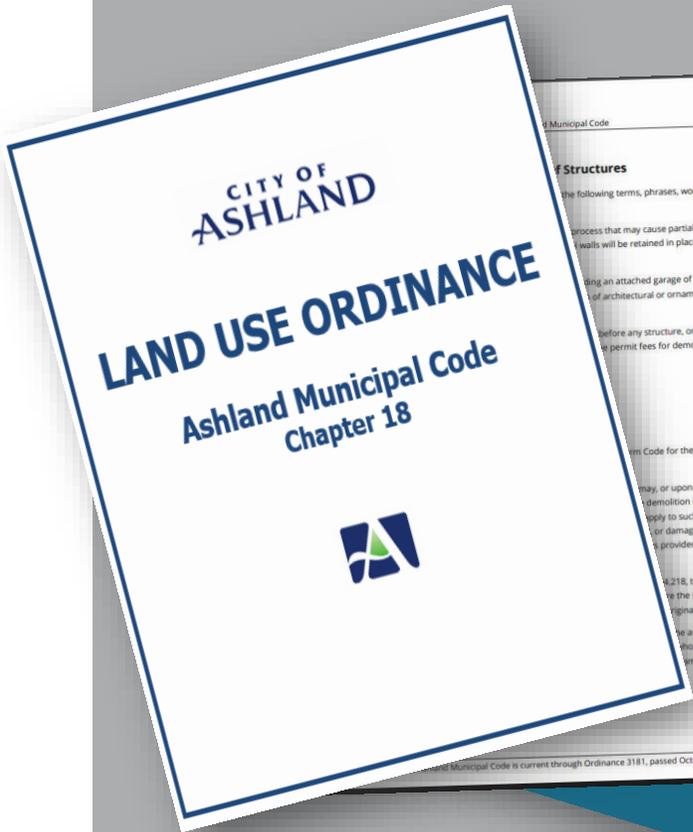


# Historic Significance

- City Hall is listed as a “Primary Contributing Resource” in the Ashland Downtown Historic District
- The Ashland Downtown Historic District is listed on the National Register of Historic Places
- Impacts to City Hall are evaluated through the City’s Demolition Permit Review and Site Design and Review process and the State Historic Preservation Office (SHPO)

## **What does this mean for the proposed demolition?**

- City will need to consult with the Historic Commission and SHPO early in the design process
- These parties will develop a plan for mitigating the removal of this historic resource. **MITIGATION** may include:
  - Documentation
  - Protective covenants
  - Public education
  - Other historic preservation work to benefit the community



Municipal Code Page 1 of 2

**of Structures**

the following terms, phrases, words and their

process that may cause partial or total destruction of  
walls will be retained in place; or where less than a

ing an attached garage of a residential structure,  
of architectural or ornamental details and often

before any structure, or part of a structure as  
e permit fees for demolition or relocation of a

Code for the Abatement of

ay, or upon order of the City Council  
demolition or relocation of a  
apply to such courts as may have  
or damage to a building or  
provided for in this section shall

4.218, the court shall also have  
the structure to its  
iginal site.

be assessed market value of  
his, after being notified of a  
emended, 06/20/2000)

Ashland Municipal Code is current through Ordinance 318 L, passed October 1, 2019.

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# Local Review Process

1. Planning Application
  2. Demolition Permit
  3. Building Permit
-

# Local Review Process

## 1. Planning Application

- Requires approval of Site Design Review for new building in the downtown
- Building over 2,500 square feet in size requires a public hearing at the Planning Commission
- Includes review of conformance with Historic District Design Standards

# Local Review Process

## 2. Demolition Permit

- For structure 45 years or older, demonstrate cannot rehabilitate or reuse building or it is structurally unsound
- Development plan (Site Design Review) must be approved prior to demolition

# Local Review Process

## 3. Building Permit

- Building construction drawings submitted
- Reviewed for consistency with State Building Code and approved planning application
- Once permit is issued, project is inspected by City staff

# Pioneer Hall & Community Center

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# Pioneer Hall

Repair costs: \$403k -  
\$500k (2022 dollars)

Overloaded roof under snow  
(and possibly wind) loads

Overloaded floor joists and  
beams under a live load

Seismic deficiencies

Architectural code deficiencies

Other “inhabitability”  
deficiencies (e.g. insufficient  
ventilation and lighting)

No fire protection system

# Community Center

Repair costs: \$469k -  
\$481k (2022 dollars)

Excessive and consistent roof  
deflection causing

Outward deflection of exterior  
wall

Downward deflection of ceiling  
in main hall

Over spanned, sagging rafters

Floor deformation caused by  
settling in the crawl space and  
over-spanned floor joists

# Why Do Public Buildings Cost More Than Residential Construction?

- Public facilities are required to pay “prevailing wage.” Prevailing wage adds to the cost of the job and may reduce those interested in bidding.
- The building code requirements create additional costs for commercial buildings such additional fire protection, accessibility requirements
- There are fewer commercial contractors

# Butler-Perozzi Fountain

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# Butler-Perozzi Fountain

## **Historical Significance:**

- Butler-Perozzi Fountain was sculpted by Antonio Frilli in Florence, Italy
- Showcased at a world art expo in San Francisco in 1915
- 1916: fountain gifted to Ashlanders by Gwin S. Butler and Domingo Perozzi
- Listed in the Ashland Cultural Resource Inventory Survey
- Lithia Park and the Butler-Perozzi Fountain are listed in the National Register of Historic Places

# Butler-Perozzi Fountain



# Butler-Perozzi Fountain

## **1980's Resoration:**

- By the 1980s, all that remained of the fountain was the base
- John Fregonese found a sculptor trained in Italy money was raised for a complete restoration
- The sculptor restored and recreated the fountain bowls and Cupid statue, even sourcing the marble from the same Italian quarry as the original in Carrara Italy
- The project was completed in 1987

# Solar/Micro Grid

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# Solar/Micro Grid Project

- Expansion of existing resiliency infrastructure at City Service Center/Emergency Operations Center
- Phase one of multi-phased, multi-year solar energy and battery storage system build out
- Expandable design as additional funding and operational opportunities arise
- Ongoing power generation for general City operations when not needed in emergency situations



# Funding

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# Funding: Capital Bond

## **20- Year General Obligation Bond**

- General Obligation Funding: For public projects that serve the public good. It is not associated with a fund (e.g. water, sewer) where rates are charged for use. A general obligation bond is backed by the full faith and credit of the City.
- A General Obligation (GO) Bond is commonly 20 years.

# Funding via 20-Year Capital Bond

## Projects:

• City Hall	\$7,200,000
• Pioneer Hall	\$ 500,000
• Community Center	\$ 500,000
• Solar	\$2,100,000
• Butler-Perozzi Fountain	\$ 350,000
<b><i>TOTAL</i></b>	<b><i>\$10,650,000</i></b>

# Funding via 20-Year Capital Bond

## Property Tax Implications:

Project	Estimated Cost	20-Year Bond Per \$1,000 of Assessed Value – Tax Rate
Capital Projects	\$10,650,000	\$0.2625

For a house assessed at \$400,000 the total annual taxes would be \$105.00

# Funding via 20-Year Capital Bond

What if the project costs less than the amount bonded for?

The difference would have to be put back into the bond payments. The money could be spent on nothing else.

Why are multiple capital items bundled into one bond?

The cost of a bond are high. Bond Counsel recommends not bonding for <\$5,000,000

# QUESTIONS?