



CITY OF ELGIN 2021A CERTIFICATES OF OBLIGATION

A Capital Improvements Program to address public safety, transportation, pedestrian safety, parks & recreation, and downtown redevelopment needs

Certificates of Obligation (COs)

or incurring debt in general are a necessary component to funding major capital improvement projects for cities throughout Texas. The City Council voted on September 21 to proceed with issuing **\$12.5 M** in COs to fund capital improvements projects essential to our growing community

2021A COs Projects:

- ◆ County Line Rd - Phase 1
- ◆ Renovated/expanded Elgin Police Station
- ◆ Thomas Park Improvements
- ◆ Memorial Park Restrooms
- ◆ Veteran's Park- Phase 1
- ◆ Downtown Sidewalks
- ◆ Economic Development Infrastructure

Are there any legal issues related to utilizing COs for the 2021A program?

No. The program is in strict conformity with HB1869; recently enacted by the legislature to regulate the issuance of COs by Texas cities.

Are COs the appropriate financing tool to fund the 2021A program?

Yes. Even though the state legislature was focused on limiting cities ability to issue COs through HB1869, they specifically recognized that Texas City Councils must have the authority to issue debt for "*designated infrastructure...Streets, roads, sidewalks, parks*", "*Renovation of existing facilities*", & "*Economic Development*" without voter approval

State law specifically authorizes the 2021A program as an appropriate use of non voter-approved Certificates of Obligation to meet basic service obligations

Detailed information on the proposed Certificates of Obligation and the 2021 Five-Year Capital Plan, including all presentations and project details is available on-line at [City Manager | Elgin, TX \(elgintx.com\)](http://City Manager | Elgin, TX (elgintx.com))

County Line Road Phase 1 Project

The complete reconstruction, realignment, and upgrade of County Line Road, (CLRd) from FM110 north to Carlson Lane; conversion of entire roadway from its original rural design to harmonize with its current use as an urban arterial thoroughfare. In addition to existing traffic, road provides the main access to two EISD campuses, ACC-Elgin, & major residential development planned for the future. Project includes four (4) traffic lane pavement, continuous middle turning lane, curb/gutter, sidewalks, and storm drainage with curb inlets; will upgrade the level of service, improve safety, and provide a modern corridor for a rapidly expanding section of the City. Construction cost for the Phase 1 Project is conservatively estimated at **\$5.7M** at the present time.

<i>Currently Projected Growth</i>	
	AUTHORIZED
Peppergrass	280
Harvest Ridge	1,158
Homestead	464
Eagles Landing	493
Rolling Meadows	21
Total Projected New Single-Family Homes - CLRd Phase 1 Area	2,416

County Line Rd Widening – Phase 1 Private Development Cost Sharing

- Harvest Ridge - \$1,588,500
 - Homestead - \$1,209,357
 - Peppergrass - \$754,479
 - Eagles Landing - \$826,416
 - Stone Creek Ranch - \$488,000
- Total Committed Private Funding*
\$4,866,752

Unique to this project is that the City has secured partnerships with all residential developments currently under construction in the CLRd Phase 1 Area to share in project costs. The benefitting developments will be making payments to the City in phases as lots are approved for construction. Over a period of years, the City will be reimbursed **\$4.9M** from those developments (most, if not all, final construction costs).

By "pre-funding" this project now, the new road can be constructed in 16 months. Waiting for all private developer contributions before starting construction would delay the project at least 5 years.

The proposed 2021A COs-Capital Investment Program is an affordable & timely response to current issues that addresses community-wide needs.

Any further delays with these upgrades will only serve to increase the challenges faced by the City in providing improved public services during this historic time of Elgin's growth