Wayzata City Council Workshop Meeting Agenda
Wayzata City Hall Community Room, 600 Rice Street
TUESDAY, FEBRUARY 18, 2020

WORKSHOP TOPICS FOR DISCUSSION:

1. Update of City Funding Plan for Construction of Lake Street, Lake Street Plaza, and the Dakota Rail Regional Trail Extension (6:00 pm)

City Council Workshop
City Council Agenda Report

MEETING DATE: February 18, 2020	**WORKSHOP AGENDA ITEM:** 1
TITLE: Update of City Funding Plan for Construction of Lake Street, Lake Street Plaza, and the Dakota Rail Regional Trail Extension (6:00 pm)	
PREPARED BY: Aurora Yager, Administrative Services Director	
REVIEWED BY: Jeff Dahl, City Manager	

DISCUSSION OBJECTIVE:
To receive an update of the latest funding plan for the first phase of the Panoway Project (Lake Street, Lake Street Plaza, and the Dakota Rail Regional Trail) prior to consideration of bids.

BACKGROUND:
At the December Work Shop, the City Council received an update from staff and consultants regarding both the projected cost as well as funding mechanisms to pay for the project. Generally speaking, staff proposed to the projected increase in City-responsible project costs of $3.66 mil through the use of TIF District #6 Funds.

Since that meeting, staff has been working on a more refined financing plan which is attached to this report. Like all capital projects, the Panoway Project is a part of the Capital Improvement Plan (CIP) as its own fund (officially named the Lakefront Improvement Fund many years ago).

<u>A few updates</u>:

- Overall construction cost is projected at $9,049,790.

- There are less funds coming from TIF District #6 but we've added funds from TIF District #5. Based on current estimates, TIF #6 and TIF #5 will be able to contribute $4,456,366. These contributions are based on specific qualified reimbursable expenses. A portion of the TIF contributions are cash on hand and a portion of them will be paid over time, thus the City will likely have to bond for those amounts.

- Three Rivers has committed to providing $500,000 for the restrooms and the design and construction of the Dakota Rail Trail Regional Extension from Barry Avenue and Ferndale Avenue. In sum, they previously agreed to reimburse the City $1,410,000 over a period of three years but also have verbally agreed to cover any reasonable cost increases for the trail. Because these costs are estimated to be $1,843,446, Three Rivers Contribution will likely increase over $400,000 assuming the estimates are on.

- The updated CIP includes $200,000 for business mitigation tactics which could cover public valet, increased signage/communication, and reduction, delay, or waiving of fees. Staff is still researching options and the financial impacts of those tools.

- Staff will go over the updated CIP in more detail at the meeting.

<u>Next Steps</u>

- Award Bid on February 27.
- Approve Reimbursement Resolutions in March.
- Go out for TIF Bonds in Spring.

ATTACHMENTS:

1. Updated CIP for Panoway 2.13.20

City of Wayzata
CAPITAL PROJECT SUMMARY
Lakefront Improvement Fund
Fund #233

Project Year	Project	Current Cost	2019	2020	2021	2022	2023	2024	2025
2019	Design fees	424,400	412,000	-	-	-	-	-	-
2019	Section Foreman's House Study	37,100	36,000	-	-	-	-	-	-
2019	Section Foreman's House Project costs	26,500	25,700	-	-	-	-	-	-
2019	Lobbying for bonding support	26,500	25,700	-	-	-	-	-	-
2020	Lake Street and Lake Street Plaza (Civitas 2/13/2019)	$ 9,049,790	$ -	$ 9,049,790	$ -	$ -	$ -	$ -	$ -
2020	Railroad crossing	600,000	-	600,000	-	-	-	-	-
2020	Conservancy Administrative support	53,000	-	53,000	-	-	-	-	-
2020	Design and construction phase services for railroad crossings	53,000	-	53,000	-	-	-	-	-
2020	Lobbying for bonding support	26,500	-	26,500	-	-	-	-	-
2020	Construction engagement and mitigation	200,000	-	200,000	-	-	-	-	-
2021	Conservancy Administrative support	53,000	-	-	54,600	-	-	-	-
		$ 10,549,790	**$ 499,400**	**$ 9,982,290**	**$ 54,600**	**$ -**	**$ -**	**$ -**	**$ -**

City of Wayzata
PROJECTED CASH FLOWS
Lakefront Improvement Fund
Fund #233

Capital Project Fund Projected Activity

	2019	2020	2021	2022	2023	2024	2025
REVENUES							
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-	-	-	-
TIF	-	-	-	-	-	-	-
Intergovernmental		-	-	-	-	-	-
Three Rivers	-	-	-	-	-	-	-
State Aid - RR Crossing	-	400,000	-	-	-	-	-
Investment earnings	109,624	31,805	-	3,770	6,325	5,827	4,793
Charges for Services	-	-	-	-	-	-	-
Beach Stand Earnings	-	-	-	-	-	-	-
Boat Slip Rentals	-	-	-	-	-	-	-
Park Dedication	54,450	50,000	50,000	50,000	50,000	-	-
Developer Improvement Contribution		-	-	-	-	-	-
TOTAL REVENUES	**164,074**	**481,805**	**50,000**	**53,770**	**56,325**	**5,827**	**4,793**
EXPENDITURES							
Current Expenditures							
Maintenance Fund Projects	-	-	100,000	103,000	106,090	109,273	112,551
Capital Outlay	534,867	9,982,290	54,600	-	-	-	-
TOTAL EXPENDITURES	**534,867**	**9,982,290**	**154,600**	**103,000**	**106,090**	**109,273**	**112,551**
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(370,793)	(9,500,485)	(104,600)	(49,230)	(49,765)	(103,446)	(107,758)
OTHER FINANCING (USES) AND SOURCES							
Proceeds from bonds issued	-	-	-	-	-	-	-
Developer funding revenue	-	-	-	-	-	-	-
Other project funding revenue	-	-	-	-	-	-	-
Excess funds transfer	339,184	250,000**	-	-	-	-	-
Three Rivers Park District		*1,410,000**					
TIF #2, #5, and #6	50,000	4,456,365	-				
Transfer from GF due to Interfund Loan Repayment for Parking Ramp	245,306	200,000	200,000	154,694	-	-	-
Transfer from Stormwater	-	309,320	-	-	-	-	-
Transfer from Library fund	30,000	-	-	-	-	-	-
Transfer from Water	-	25,000	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	664,490	6,650,685	200,000	154,694	-	-	-
NET CHANGE IN FUND BALANCES	**293,697**	**(2,849,799)**	**95,400**	**105,464**	**(49,765)**	**(103,446)**	**(107,758)**
FUND BALANCES, JANUARY 1	2,886,818	3,180,515	330,716	426,116	531,580	481,815	378,370
FUND BALANCES, DECEMBER 31	**3,180,515**	**330,716**	**426,116**	**531,580**	**481,815**	**378,370**	**270,611**

** Three Rivers has already committed $1,410,000 which will be paid out over a three year period. They have verbally committed to cover their portions of the project which are estimated at $1,843,446, so the City has the potential for an additional $433,446 from Three Rivers.*

**The $250,000 is based on projections of excess funds from 2019. The transfer would have to be approved by the Council in the Spring.