



The **Town** *of*
Davidson

College Town. Lake Town. *Your Town.*

Project Overview

- Town community center at 251 South Street
 - Half community space/half town administrative offices
 - Preserves historic structure for the community to use
- Public safety renovation of current town hall
 - Provides adequate space for current and future police operations
 - Adds forensic evidence storage and secure exterior space
 - Adds living quarters and improves the restrooms and kitchen in Fire Station 1





Funding the Project

- The tax rate equivalent for the \$14.0 million is 3.5 pennies
- Combination of funds the Board has set aside for debt service and timing of the debt results in a projected 2 penny increase to the projected ad valorem tax rate
- If the Continuum sale proceeds as planned, staff recommends:
 - Dedicating the current \$1.0 million annual contribution for Continuum to public facilities debt service
 - Leaving the tax rate flat



Scenarios

Scenario	2017 GO Bonds	Public Facilities GO Bonds	Continuum \$1 million used for debt service	Estimated Tax Rate Increase (Pennies)	Tax Rate Increase Required Start
1	\$ -	\$ 14,000,000	No	2	2023
2	\$ -	\$ 14,000,000	Yes	0	
3	\$ 6,000,000	\$ 14,000,000	No	3.25	2022
4	\$ 6,000,000	\$ 14,000,000	Yes	0	
5	\$ 15,000,000	\$ 14,000,000	No	5	2022(2) / 2023(3)
6	\$ 15,000,000	\$ 14,000,000	Yes	1	2025

Assumptions

Scenario 3&4 \$6 million of 2017 GO Bonds issued in 2021

Scenario 5&6 \$5 million of 2017 GO Bonds issued in 2021/2023/2025

Public Facilities GO bonds issued \$10 Million in 2021/\$4 million in 2023





Options for Information Sharing

- A. Inform the community that, through a combination of funds set aside along with the timing of the debt issuance, that the projected property tax equivalent is 2 pennies, or

- B. If the Continuum sale proceeds as planned, the town would dedicate the \$1.0 million annual contribution for Continuum to public facilities debt service and leave the tax rate flat