

Closson Farm Preservation Project

Major Takeaways

- This is an opportunity to preserve a historically and culturally relevant piece of property in our community.
- The City will be working with the CAT to discuss the acquisition and use of the property with the community.
- We are committed to keeping the property largely the same – preserving the historic viewshed in perpetuity and opening up preserved land and a historic building for public use.



Potential Easement Exception Area(s)



****Subject to Negotiation****

Date: October 28, 2020

Clarke Caton Hintz ● ● ●

Total Lot = 8.48 acres (GIS acres)

Potential Exception Area options:

Yellow Boundary = 1.98 acres (1 exception area)

Purple Hatch = 0.52 acres (Washington HQ exception area)

Blue Hatch = 0.70 acres (Police Headquarters exception area)

Pink Hatch = 0.50 acres (Nonprofit Market exception)

*Note all acres are based on GIS acreage and not survey which is 8.85 acres

Overall project costs

Total Combined Project Costs	
Total Estimated Bond	\$3,725,000.00
Annual Estimated Debt Payments from City (2026-2051)	\$260,750.00
Estimated Tax Impact Per Average Household over 25 years*	\$15.65
Estimated Annual Tax Impact Per Average Household**	\$0.63

**No new taxes will be levied for this project based on City's debt payment schedule*

***Tax impact calculated using average of \$0.42 per \$100,000 of borrowing with a 4% interest rate*

****Open space tax used for down payment*

Breakdown of Closson property acquisition costs, including studies

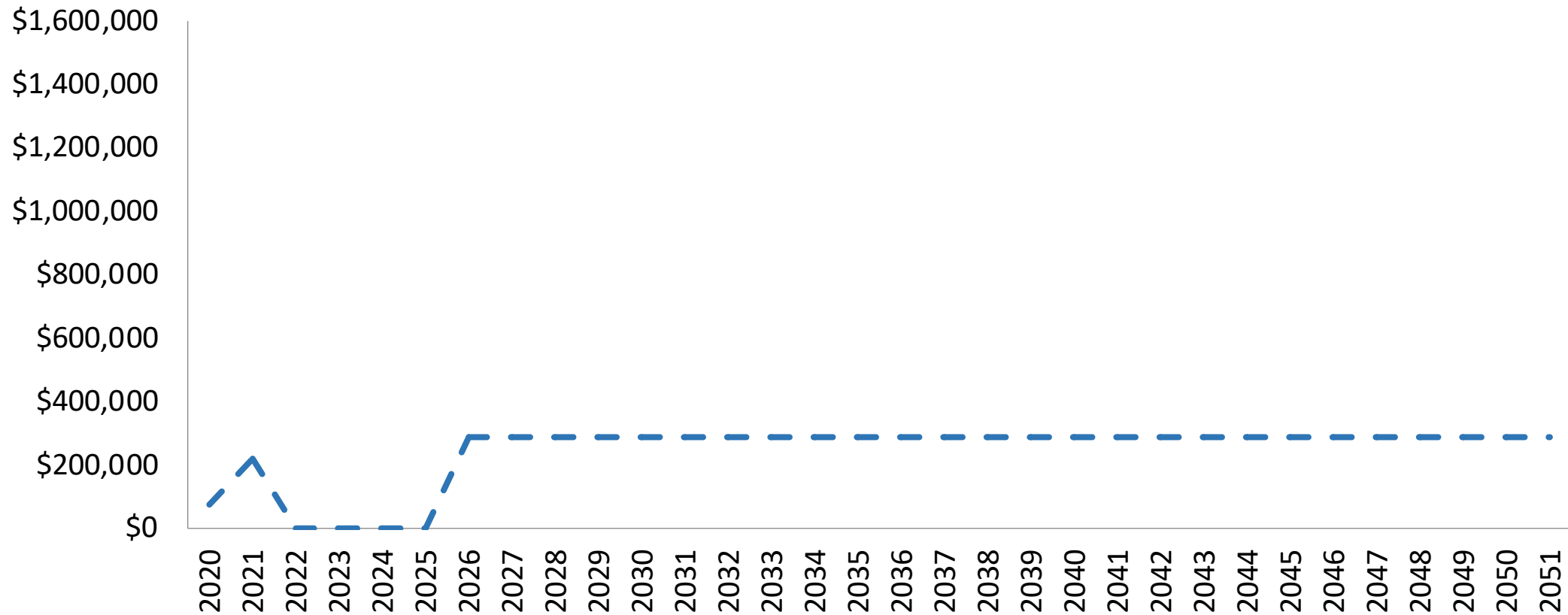
Work to be Done	Estimated Cost	Required
Closson Down Payment on Contract to Purchase (using open space tax)	\$75,000.00	YES
Purchase of Property	\$2,735,000.00	YES
Survey	\$25,000.00	YES
Title Search	\$5,000.00	YES
Environmental Study for Closson Property	\$30,000.00	NO
Historic Assesment of Washington's HQ	\$10,000.00	NO
Appraisal	\$20,000.00	NO
Assement of Other Building/Property on Closson Site	\$5,000.00	NO
Total of Required Costs	\$2,840,000.00	
Total of All Costs (Required and Not Required)	\$2,905,000.00	

How is it possible that a multimillion-dollar project won't affect my taxes?

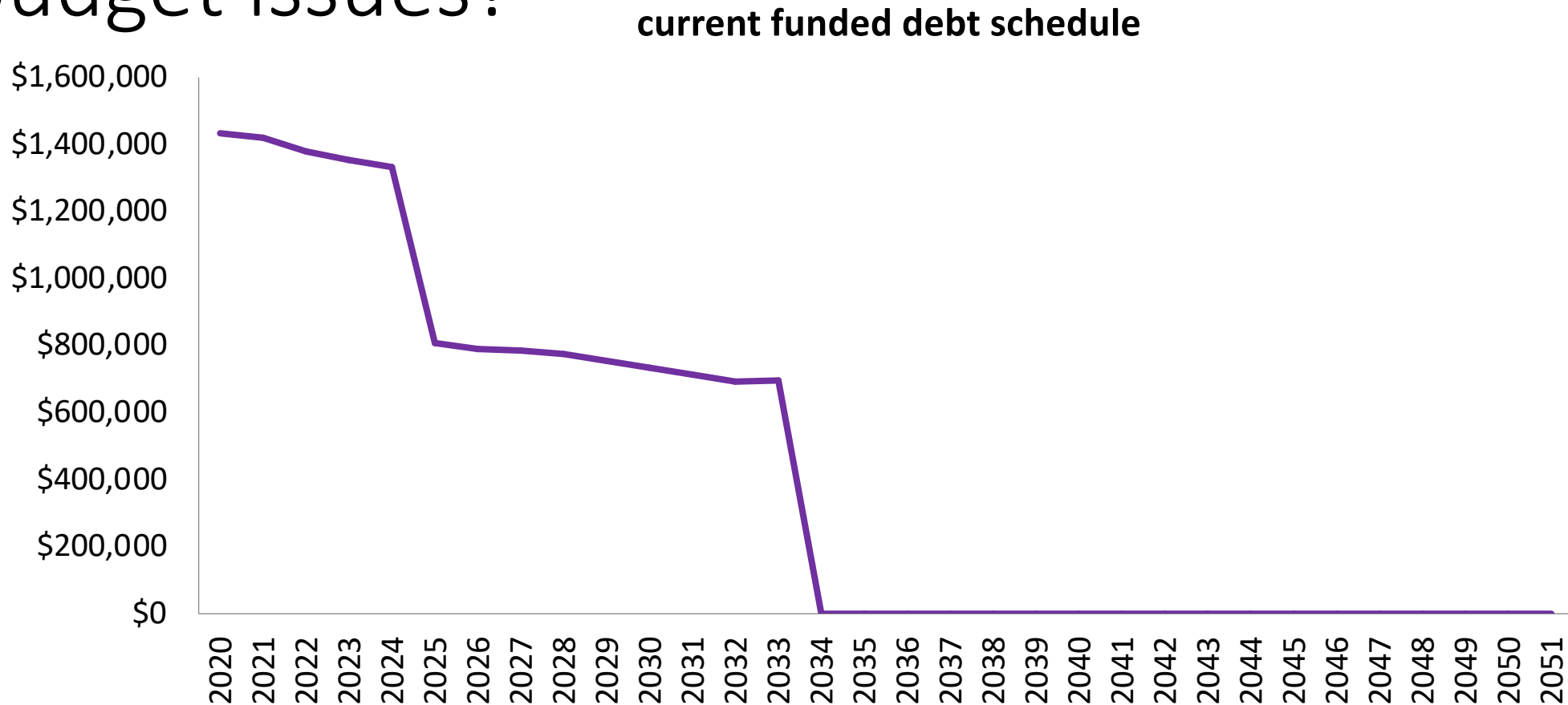
- The City will use money already collected through the open space tax to pay for the down payment
 - Money collected through the open space tax can only be used for acquisition and maintenance of open space
- Because of the way municipal bonds are structured and the timing of our other debt, money already budgeted for debt service will be used to pay for the Closson property
- **In sum: by using our existing resources and budget structure, this project will have no new tax impact**

How can we afford to bond right now?

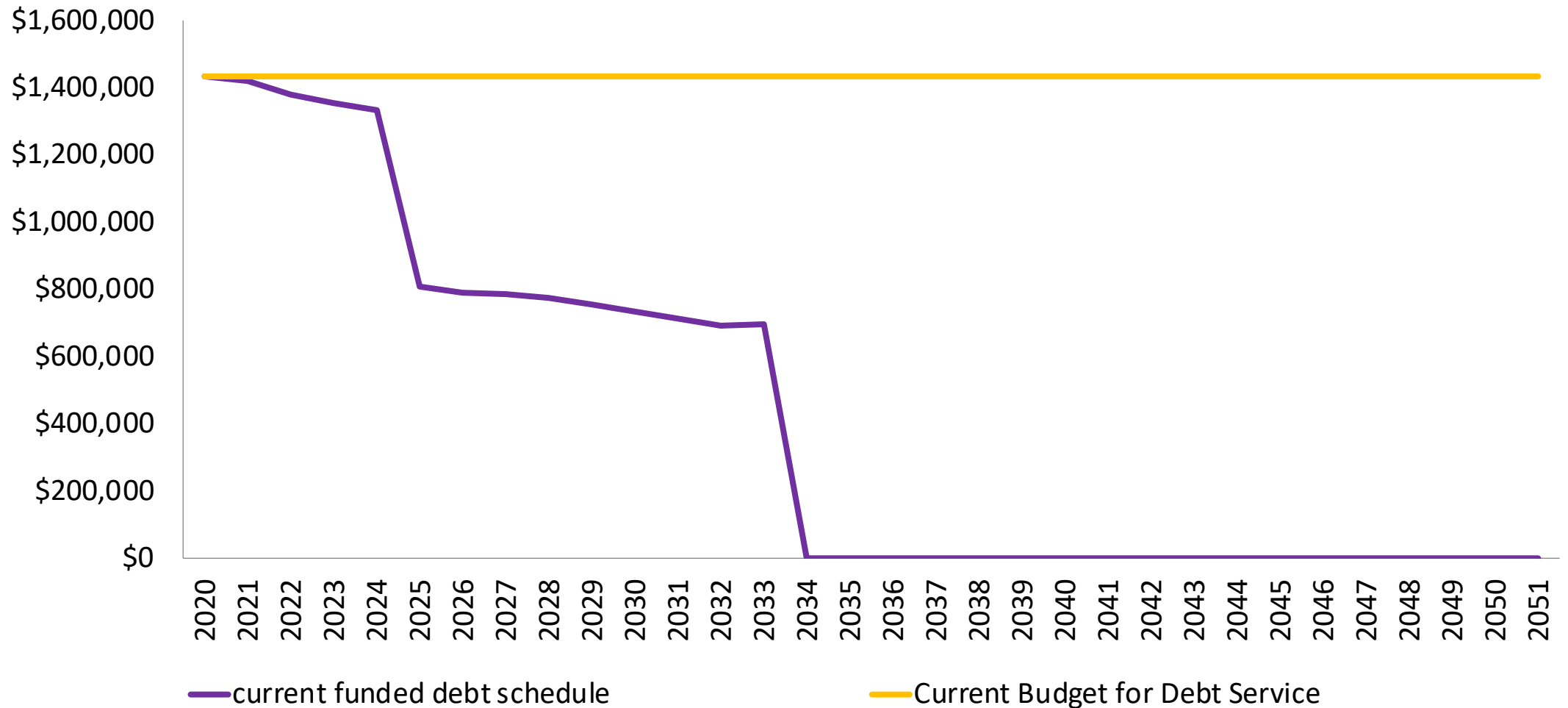
The potential Closson bond as an example



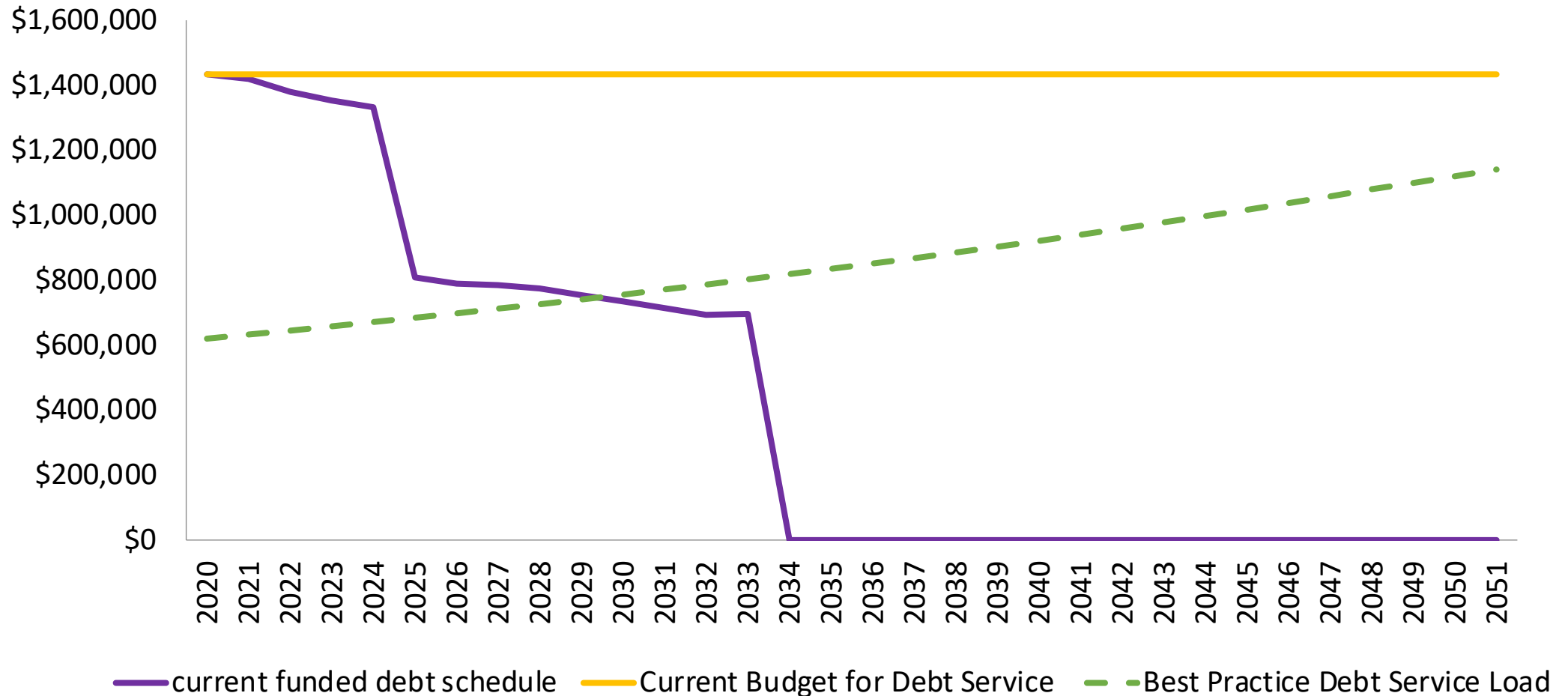
How does this borrowing relate to our current budget issues?



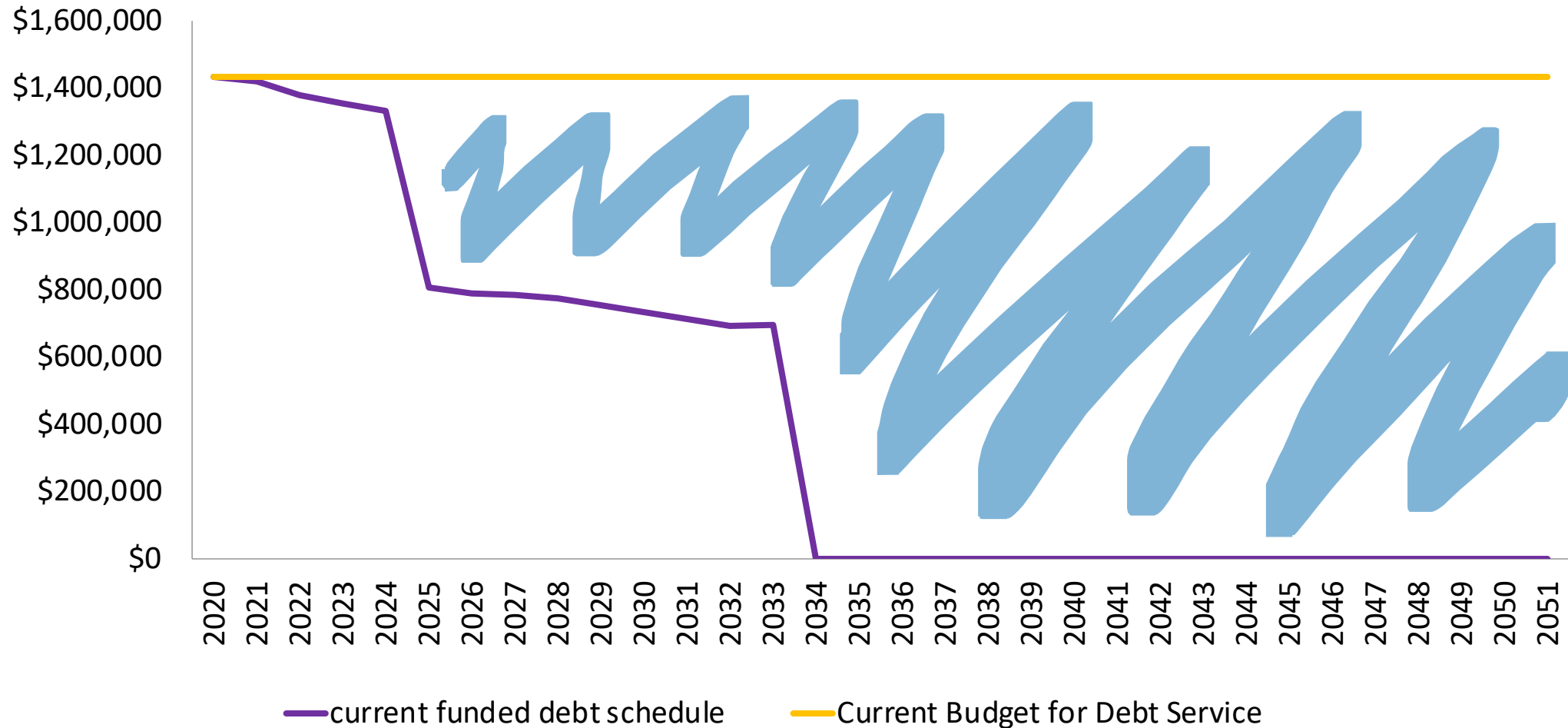
How does this borrowing relate to our current budget issues?



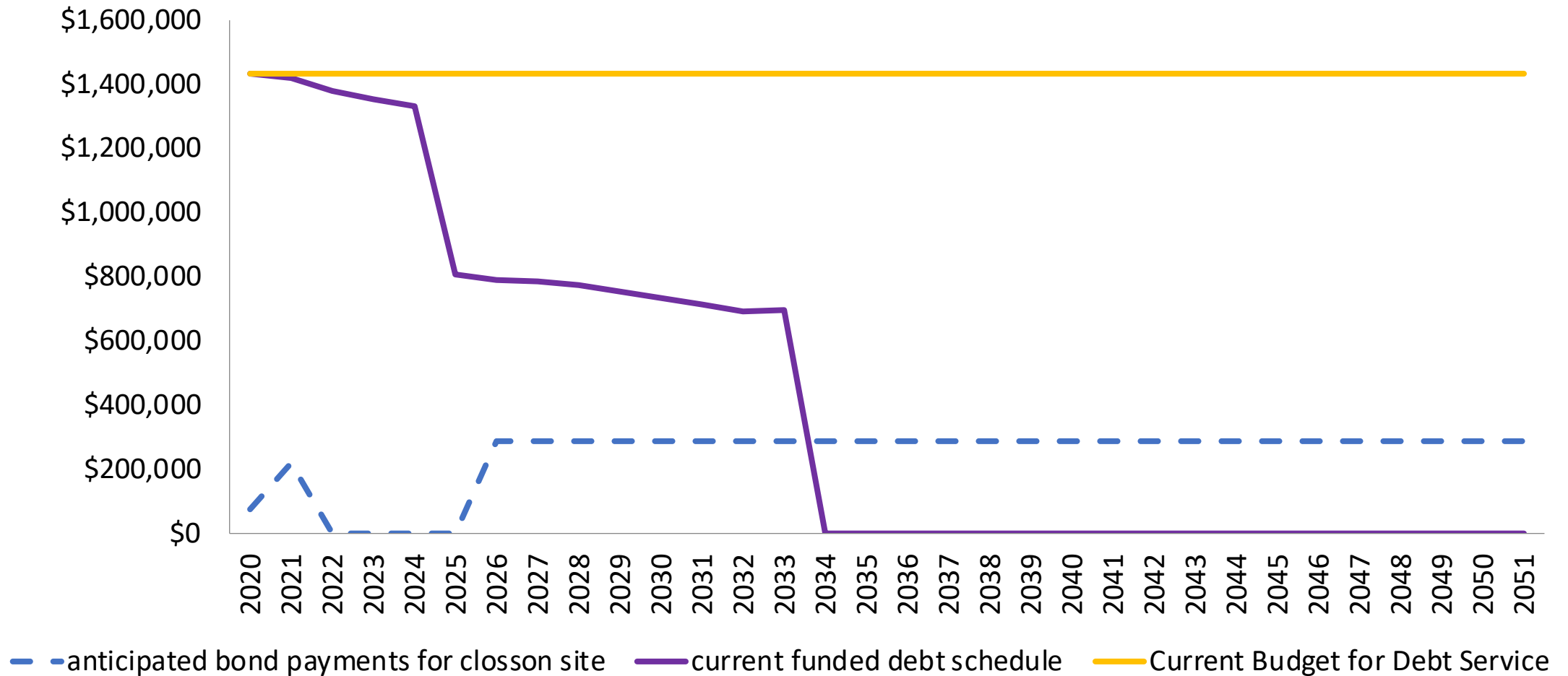
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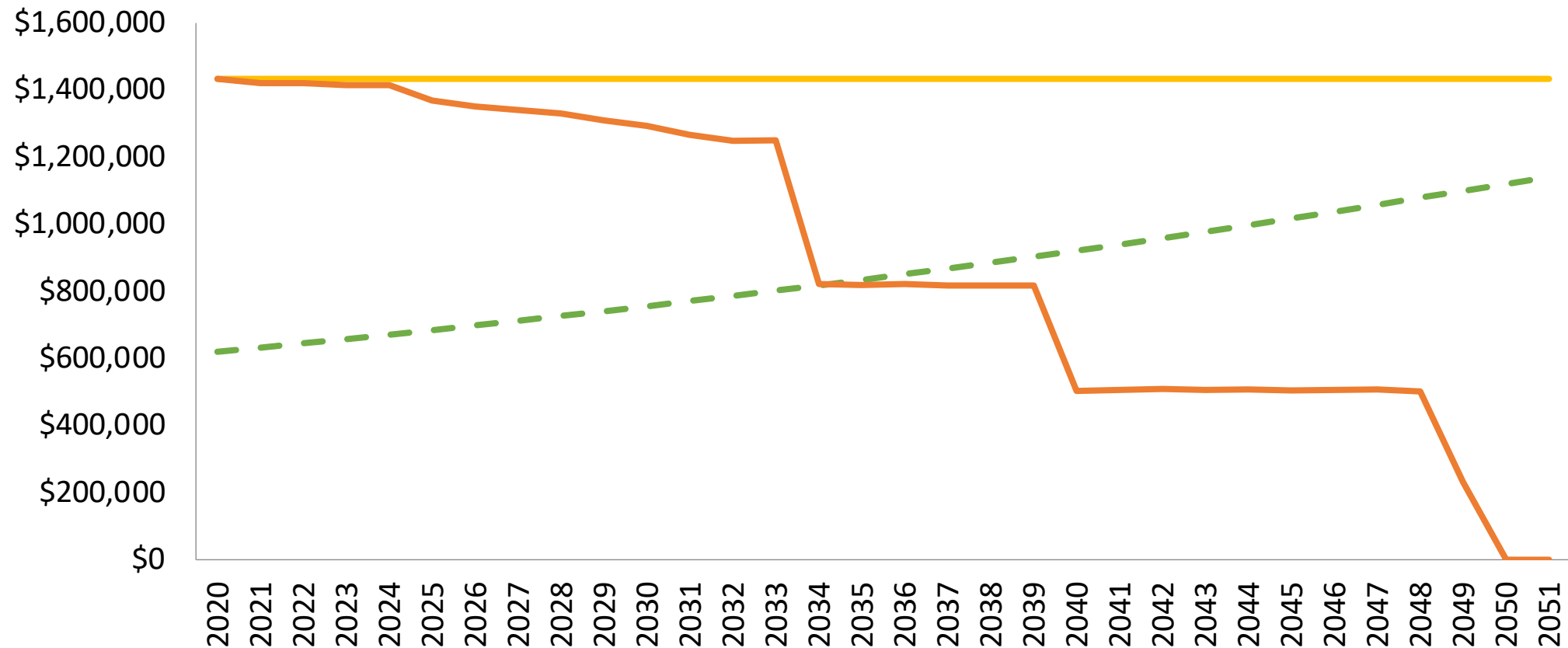
Given that picture, we can anticipate wiggle room in our budget come 2026



We are proposing using some of that wiggle room to preserve the Closson site

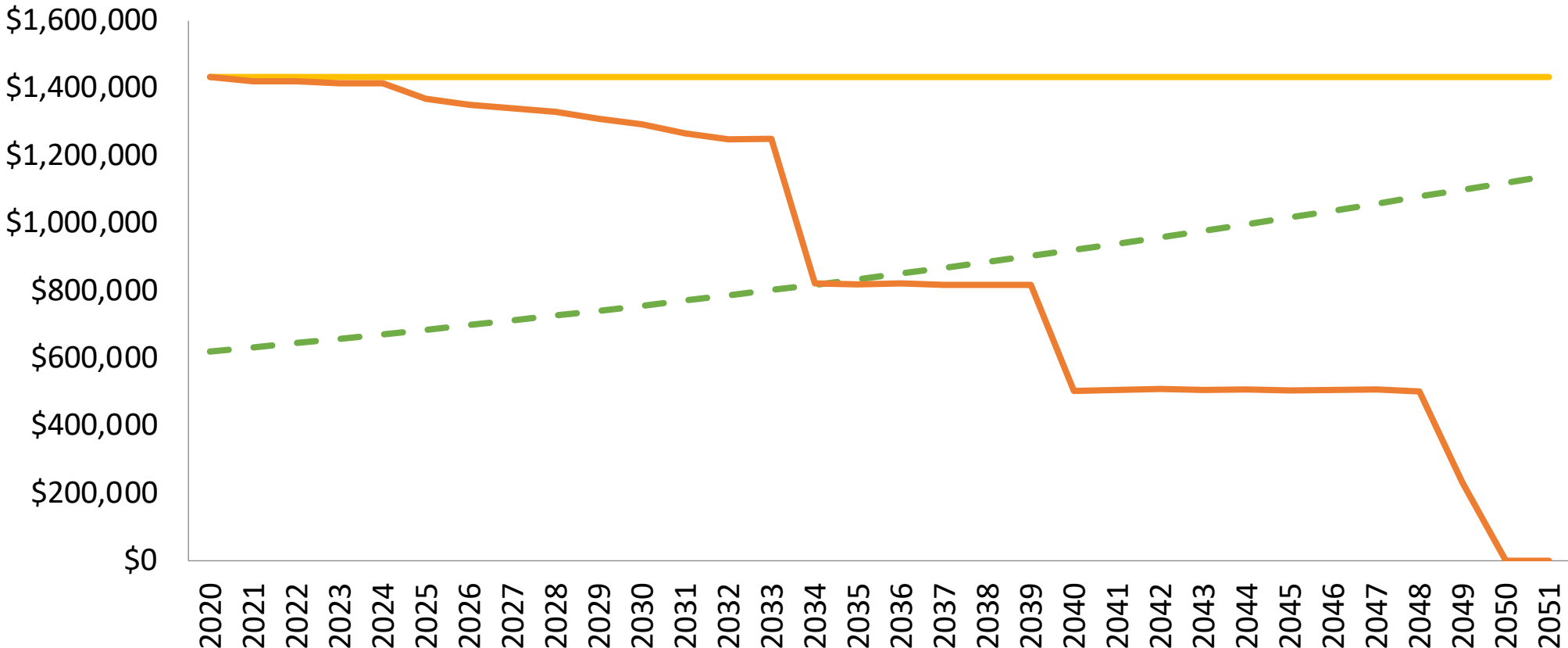


This also leaves room for annual borrowing to invest in our city



- Current Budget for Debt Service
- - Best Practice Debt Service Load
- Current Debt + Responsible Annual Borrowing + Closson Acquisition

In sum...



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- - Best Practice Debt Service Load
- Current Debt + Responsible Annual Borrowing + Closson Acquisition