



*The* **Town** *of*  
**Davidson**

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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

