



# 2026 Bond Program Update

January 27, 2026

# Agenda

- **Bond Capacity**
- **Affordable Housing**
  - Eligibility
  - Broadened Use of Funding
- **Public Art Ordinance Update**
  - Bond Program Assumptions
  - Optional Changes
- **Council Feedback**

# Bond Capacity

# Update on 2026 Bond Program Capacity

In December, the City closed on a refunding of approximately \$65 million in general purpose bonds, generating **average annual debt service savings of \$460,000** through fiscal year 2035.

Result: Debt capacity improved, enabling **increase to bond program** from \$840M to **\$845M** without impacting tax rate

Recommend: Allocation of **\$5M** to Affordable Housing Proposition

# 2026 Bond Program Previous

Reference

Proposition	Name	2026 Proposed Funding	2026 Proposed Ratios	2018 & 2022 Bond Average Funding Ratios
A	Streets & Mobility Infrastructure Improvements	\$511.5 M	60.9%	65.7%
B	Parks & Open Space Improvements	\$185.1 M	22.0%	22.9%
C	Public Library Improvements	\$14.6 M	1.7%	2.4%
D	Affordable Housing	\$5.0 M	0.6%	-
E	Public Safety Improvements	\$63.9 M	7.6%	7.3%
F	Animal Care & Shelter Facility Improvements	\$59.9 M	7.1%	1.7%
<b>TOTAL</b>		<b>\$840 M</b>	<b>100%</b>	

# 2026 Bond Program with New Capacity

Reference

Proposition	Name	2026 Proposed Funding	2026 Proposed Ratios	2018 & 2022 Bond Average Funding Ratios
A	Streets & Mobility Infrastructure Improvements	\$511.5 M	60.5%	65.7%
B	Parks & Open Space Improvements	\$185.1 M	21.9%	22.9%
C	Public Library Improvements	\$14.6 M	1.7%	2.4%
D	Affordable Housing	\$10.0 M	1.2%	-
E	Public Safety Improvements	\$63.9 M	7.6%	7.3%
F	Animal Care & Shelter Facility Improvements	\$59.9 M	7.1%	1.7%
<b>TOTAL</b>		<b>\$845 M</b>	<b>100%</b>	

# Affordable Housing

# Affordable Housing Bond Proposition

## Eligibility

Household Size	60% of HUD Area Median Income	80% of HUD Area Median Income	TARGET 120% of HUD Area Median Income
1	\$44,820	\$59,750	\$ 89,640.00
2	\$51,240	\$68,300	\$ 102,480.00
3	\$57,660	\$76,850	\$ 115,320.00
4	\$64,020	\$85,350	\$ 128,040.00
5	\$69,180	\$92,200	\$ 138,360.00
6	\$74,280	\$99,050	\$ 148,560.00
7	\$79,440	\$105,850	\$ 158,880.00
8	\$84,540	\$112,700	\$ 169,080.00

Target housing opportunities for residents/households making up to **120% of the Area Median Income**

# Affordable Housing Bond Proposition

## Previous \$5M Proposed Use of Funds:

### ➤ Focus on Developing **Single Family Home Ownership** Opportunities

- **Land Acquisition and Demolition (\$1,000,000)**

Use funds to acquire vacant or blighted properties for the purpose of lowering the costs to develop affordable **single family** housing. Target properties in the Neighborhood Improvement Program in effect for the duration of the bond program and other distressed neighborhoods.

- **Capital and Infrastructure (\$4,000,000)**

Use bond proceeds to provide gap funding to cover construction and infrastructure costs (e.g. water and sewer impact fees) to help buy down cost of affordable for-sale housing developments.

# Affordable Housing Bond Proposition

## Broadened Uses of \$10M Total Funding:

- More funds to build new **Home Ownership Opportunities**
- **Rental Housing Development** to help funding gaps to build new affordable multifamily rental housing units
- **Rental Housing Repair & Rehab** to improve *existing* affordable multifamily rental housing units
- **Permanent Supportive Housing & Short-Term Housing** to develop new PSH and short-term housing units
- **Affordable Housing Fund** leveraging public and private resources

# Public Art Ordinance Update

# Public Art Ordinance Update: Recommended Council Action

- **Open Space Proposition:** Update to 'Category'
- **Affordable Housing Proposition:** Update to No Funding Set Aside
- **Design Only Projects:** Update to No Funding Set Aside

# Public Art Funding Optional Changes

## 1. Place a 1% Funding Cap on All Bond Propositions

- Potential reallocation of \$2.9M towards additional capital improvements

## 2. Create a new Public Art Improvement Proposition

- Let voters decide if the City should pay for Public Art with Bond funds
- Dollar amount to be set by City Council
- If proposition fails, then this may increase the City's debt capacity to later fund other capital projects (ex: Streets & Mobility) with tax notes

# Public Art Ordinance Update

Date	Item
<b>Tuesday, January 27, 2026</b>	City Council Work Session
<b>Tuesday, February 10, 2026</b>	Council Meeting to Order Bond Election
<b>Friday, February 13, 2026</b>	Last Day to Order General Election or Special Election on a Measure
<b>Tuesday, April 7, 2026</b>	Council Work Session <b>Informal Report</b> on Public Art Ordinance Update
<b>Tuesday, April 14, 2026</b>	City Council Meeting <b>Council Action:</b> Public Art Ordinance Update
<b>Saturday, May 2, 2026</b>	Bond Election

# Council Feedback

# 2026 Bond Program with New Capacity

Reference

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A	Streets & Mobility Infrastructure Improvements	\$511.5 M	60.5%	65.7%
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<b>TOTAL</b>		<b>\$845 M</b>	<b>100%</b>	

# 2026 Bond Election Schedule

Date	Item
<b>Tuesday, January 27, 2026</b>	Follow-up: City Council Work Session
<b>Tuesday, February 10, 2026</b>	Council Meeting to Order Bond Election
<b>Friday, February 13, 2026</b>	Last Day to Order General Election or Special Election on a Measure
<b>End of March–Mid April 2026</b>	Community Engagement Events: ~4 weeks <ul style="list-style-type: none"><li><i>Monday, March 23, 2026 to Friday, April 17, 2026</i></li></ul>
<b>April 2026</b>	Public Art Funding Ordinance Update
<b>April 2, 2026</b>	Last Day to Register to Vote
<b>April 20 – April 28, 2026</b>	Early Voting
<b>Saturday, May 2, 2026</b>	Bond Election

# Thank you!