



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%
TOTAL		\$840 M	100%	

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%
TOTAL		\$845 M	100%	

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

Council Feedback

2026 Bond Program with New Capacity

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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%
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TOTAL		\$845 M	100%	

2026 Bond Election Schedule

Date	Item
Tuesday, January 27, 2026	Follow-up: City Council Work Session
Tuesday, February 10, 2026	Council Meeting to Order Bond Election
Friday, February 13, 2026	Last Day to Order General Election or Special Election on a Measure
End of March–Mid April 2026	Community Engagement Events: ~4 weeks • <i>Monday, March 23, 2026 to Friday, April 17, 2026</i>
April 2026	Public Art Funding Ordinance Update
April 2, 2026	Last Day to Register to Vote
April 20 – April 28, 2026	Early Voting
Saturday, May 2, 2026	Bond Election

Thank you!