



GENERAL OBLIGATION BOND ELECTION 09



Important dates

October 1

Ballots are mailed to all registered voters living in Surprise

October 5

Last day to register to vote

November 3

Deadline to return ballots/Election Day

Informational brochure

The Surprise City Council approved a Citizen's Bond committee recommendation that Surprise voters decide whether the city should issue \$184,900,000 in General Obligation Bonds. The council called for a November 3, 2009 election.

All registered voters living in Surprise will receive a ballot by mail and may return it by mail. Voters may also drop off the ballot at the Surprise City Clerk's Office, 16000 N. Civic Center Plaza, Surprise AZ, not later than 7:00 p.m. on Tuesday, November 3, 2009.

What are General Obligation Bonds?

General Obligation Bonds are a way cities finance civic improvements. General Obligation Bonds are sold to investors, who are repaid with interest. The repayment comes from a portion of the secondary property tax. This is why voter approval is necessary.

What is on the ballot?

You will be asked whether the city shall be allowed to incur indebtedness in the total principal not to exceed \$184,900,000 to fund projects in the following categories:

Transportation	\$156,630,000
Economic Development	11,000,000
Public Safety	10,610,000
Parks and Recreation	6,660,000



If the bond passes, does the city enter into a debt of \$184,900,000 right away?

No. If the bond passes the city will have the capacity to borrow up to \$184,900,000 for community improvement projects in the amount and categories designated above. Only by specific action of the City Council can bonds be issued. It is not possible that all the projects envisioned in the bond program would happen immediately or at the same time.

Why is the bond proposal coming forward at this time?

Rapid growth in the last several years meant the city paid cash for many projects other cities often finance with bonds, such as fire stations, the Public Safety Building (which houses the Police Department, Fire Department and the city court system) and City Hall.

The city forecasts slower economic growth which means there will be fewer dollars available to pay cash for community improvements, as this table shows.

	FISCAL YEARS	REVENUES FOR CAPITAL PROJECTS
Past:	FY 2004 – 2008	\$322 million
Future:	FY 2010 – 2014	\$ 70 million

When will the bonds be issued?

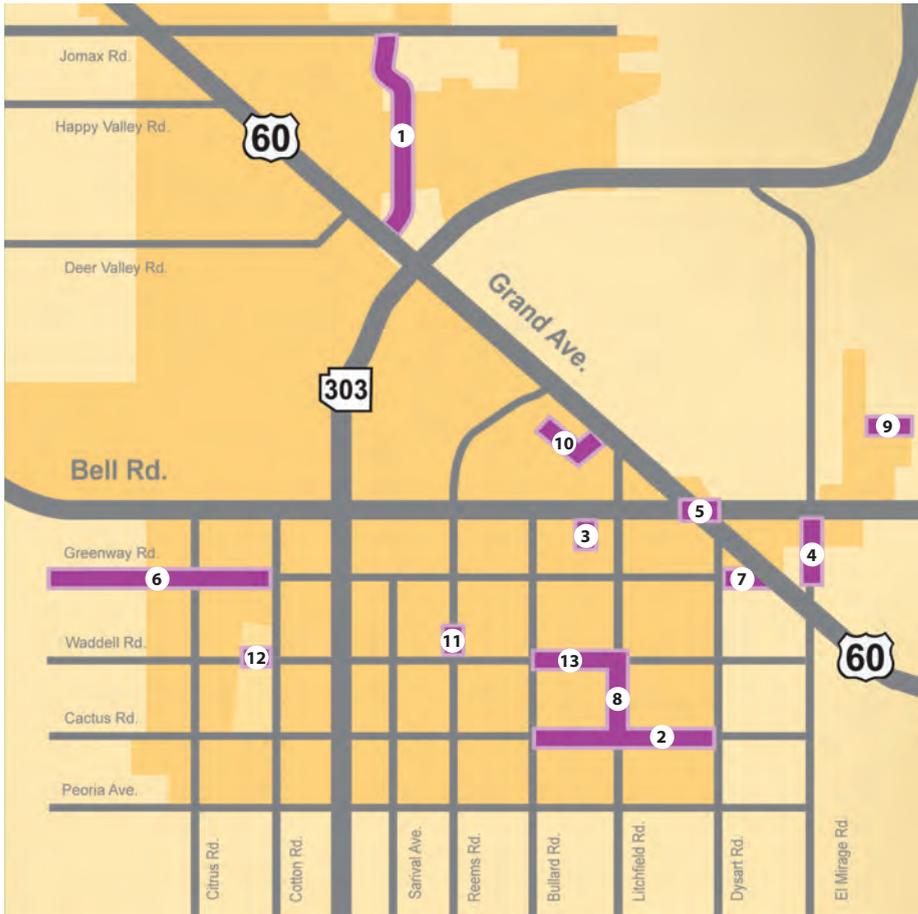
The city will only issue bonds with City Council approval. It is anticipated bonds would be issued in three phases over a ten year period, as follows:

Phase 1	2010	\$62,000,000
Phase 2	2015	\$61,450,000
Phase 3	2020	\$61,450,000

What projects would be funded in Phase 1, beginning in 2010?

Phase 1 projects in 2010 would be in these amounts and categories:

Transportation	\$43.7 Million
Public Safety	\$9.1 Million
Recreation	\$6.7 Million
Economic Development	\$2.5 Million
Total	\$ 62.0 Million



Phase 1 2010 Transportation Projects

- | | |
|--|---|
| <ul style="list-style-type: none"> 1. 163rd Avenue (Grand Avenue to Jomax Road) 2. Cactus Road (Dysart Road to Bullard Avenue) 3. Civic Center Parkway (Bell Road to Paradise Lane) 4. El Mirage Road (Northern Avenue to Bell Road) 5. Grand Avenue @ Bell Road Interchange 6. Greenway Road (Cotton Lane to Perryville Road) 7. Greenway Road (Grand Avenue to Dysart Road) 8. Litchfield Road (Desert Cove Road to Waddell Road) 9. Low Water Crossing of Agua Fria River 10. Mountain View Boulevard (West of Grand Avenue) 11. Reems Rd. (New Lane North of Hearn Rd., Channel, Median, and Sidewalks) | <ul style="list-style-type: none"> 12. Waddell Road (Cotton Lane to 174th Drive) 13. Waddell Road (Litchfield Road to Bullard Avenue) |
|--|---|

Additional Transportation Projects

- Bell Road Sidewalks (East and West of Grand Avenue)
- DART Parking Facility
- Paving Settlement West of 219th Avenue
- Right Turn Lanes
- Saguaro View Rehabilitation Project
- Street Preservation and Maintenance Program
- Sun Valley Parkway DCR (187th Ave. to 259th Ave.)

Typical street improvements

“Scalloped” street



“Scalloped” street: At Litchfield Rd. and Waddell Rd., four lanes merge into two lanes.



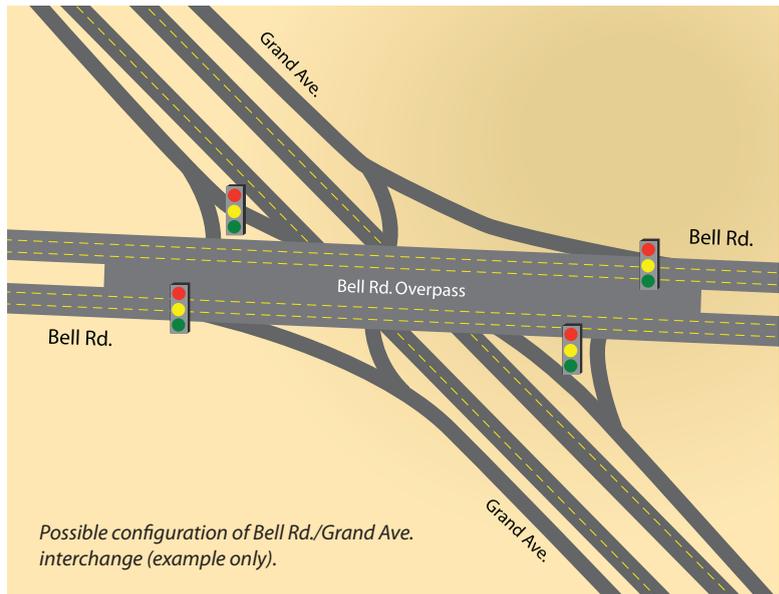
Driver's view of the merge to two lanes, no separation from oncoming traffic.



Improved street, Litchfield south of Bell: two lanes in each direction, landscaped median.

Grand/Bell Interchange

Provides a local match to state/federal funds to begin to design and build a freeway-style interchange at Grand Ave. and Bell Rd.



Phase 1 2010 Public Safety

- Replace the current, temporary fire station at 163rd Avenue and Grand with a permanent structure
- Heart Monitors
- SCBA (air tanks) for firefighters
- Radios for firefighters
- Fleet expansion for Police and Fire
- Police parking area at Public Safety Building
- Improvements to police training range



Current temporary structure for Station 304



Typical Surprise Fire Station



SCBA (air tanks)

Heart Monitor



Police training range



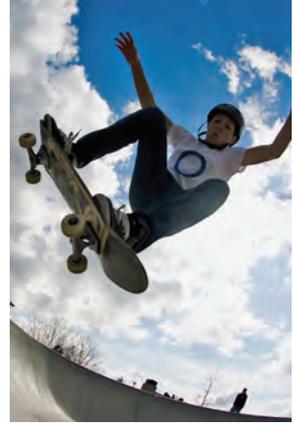
Phase 1 2010 Parks and Recreation



*Recreation Campus
Improvements*



Tennis/Multi-Use Complex



Skate/Bike Park

Phase 1 2010 Economic Development

AZ Techcelerator (Former City Hall) 12425 W. Bell Road

- 58,800 s.f., four-building complex, city-owned.
- Business development center for tech companies
 - Sustainable
 - Biomedical
 - Information Technology
 - Product Innovations
- Bond \$\$ would create lab space/renovations.



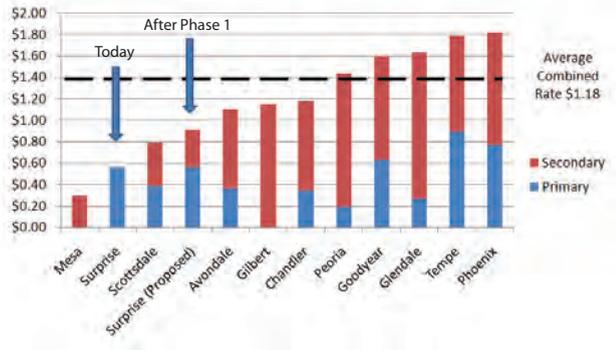
What is the cost?

Phase 1 2010 impact on \$180,000 home

- G.O. Bond property tax rate of \$0.35 per \$1,000 cash value
- \$62 Million in civic improvements
- G.O. Bond property tax payment of **\$63 per year**

This is an estimate only. Impact could generally go up or down depending on the value of all residential and commercial property in the city as determined every two years by the Maricopa County Assessor.

Combined Property Tax Rate Comparison Before/ After Phase One



What does it cost? Valuation stays constant at \$180,000



What about Phases 2 and 3?

Phase 2 is anticipated in 2015 and Phase 3 in 2020 for projects that are expected to be needed at those times. City Council approval in 2015 and 2020 would be necessary before any bonds could be issued.

All three bond phases would overlap, which would have a cumulative effect on the property tax rate. The Committee recommended and the council approved attempting to limit the tax rate to a maximum of \$0.99 per \$1,000 of cash value. That would create a \$178 per year impact a \$180,000 home in Phase 3.