

**DUBLIN CITY COUNCIL
FINANCE COMMITTEE
Monday, June 7, 2021 – 4:00 p.m.
Virtual**

Meeting Minutes

Ms. Alutto called the Finance Committee meeting of June 7, 2021 to order at 4:00 p.m.

Committee members present: Ms. Alutto and Mr. Peterson. Mr. Keeler arrived at 4:26 p.m.

Staff members present: Mr. Stiffler, Ms. Ocheltree, Mr. Robison, Ms. Murray, Ms. Noble, Mr. Rogers, Ms. O'Callaghan, Mr. Farrar

Also present: Jamie Greene and Logan Stang, Planning NEXT, Tom Ricchiuto and Brian Cooper, Baker Tilly Municipal Advisors

DISCUSSION ITEMS

Mr. Stiffler gave a brief introduction of the items before the Committee.

Bond Refunding

Mr. Stiffler introduced the representatives from Baker Tilly Municipal Advisors that were present at the meeting.

Mr. Cooper, Baker Tilly Municipal Advisors, provided a brief debt portfolio summary.

- The City has a total of \$177 million outstanding bonded debt. He detailed the bonds that will be callable in December of 2021 and explained that the City has the option to redeem the bonds and take advantage of interest rate savings. Interest rates have hit all-time lows though they are predicted to go up. Overall, the newly issued bonds can create about just under \$2 million in savings per year in net savings for the life of the bonds. This is a 9.61% savings.
- He stated that they have sized a \$1 million issuance for sanitary sewer over 20 years as well as a \$5.7 million bond for park improvements.
- The recommendation is to move forward with the \$1 million this year while they are still evaluating whether or not to move forward with the \$5.7 this year or next. The biggest risk on delaying is an increase in interest rates and he feels that risk is nominal.
- They want to time the issuance to close in early September. Bond ordinances will be coming to City Council soon and they will work on getting the bonds to market. They will work with ratings agencies and feel good about where the City stands with those agencies.

Mr. Peterson asked if this re-financing adjusts the maturity date of the bonds. Mr. Cooper explained that this does not extend or shorten the current maturities of the bonds because the useful life and maximum maturities were certified when they were initially issued.

Ms. Alutto asked when this was anticipated to come before Council. Mr. Stiffler stated that the Riverside Drive financing will be discussed at the June 14 meeting and it is his recommendation that the financing continue to be deferred. These ordinances will all be brought forward at the June 28 Council meeting and voted on at the July 26 Council meeting so that they are effective by the end of August. The rating and financing process can then begin and the money can be obtained by early September. Mr. Stiffler added that almost all debt issued is a 20-year debt with a 10-year call. The calls have become important because early re-funding has been eliminated in recent laws.

Tax Increment Financing (TIF)

Mr. Stiffler introduced new Financial Analyst Meghan Murray.

Ms. Murray stated that the City held its annual Tax Increment Review Council (TIRC) meeting May 14 where the City gave its Tax Increment Financing report. It was accepted and found to be in compliance. She shared a report on the different TIFs within the City.

- There are 42 different parcels in TIFs throughout the City of Dublin. She reviewed the items covered by TIFs.
- \$224.3 million public improvements have been made benefitting the TIF areas with revenues that have already been received or with the City advancing funds. These improvements have leveraged \$843.6 in private improvements. Ms. Murray shared the TIF fund balances and use within the City.
- TIF revenues make up about 25% of total resources which adds diversity and stability into a Capital Improvement Program. Ms. Murray shared lists of projects that are being supported through TIF revenue and how the revenue is contributing annually to the City's debt service. She noted that this would have otherwise been paid by income tax.

Mr. Stiffler noted actions that Staff will continue to take regarding TIFs.

- Staff will continue to bring forward TIFs with development agreements as appropriate.
- Staff will continue to modify TIFs to allow for new public capital infrastructure projects. He stated that Council may see a modification to the Thomas Kohler TIF to allow for the Rings/Carrow Road intersection improvement. He explained that often a modification is necessary to broaden the scope of the TIF as they can be very specific.
- Staff will continue to search for new TIFs whenever public infrastructure improvements have been made.

Ms. Alutto asked for the full TIRC report. Mr. Stiffler stated that the full TIRC report will be a voting item at the June 14 Council meeting and will be in Council's packet for that meeting.

Ms. Alutto shared that as a member of the TIRC, they reviewed each TIF in detail and found no concerns.

Dublin 2035

Mr. Greene shared a summary of the big ideas that were provided by all four committees. He provided direction to the Committee asking them to discuss which of these ideas should be elevated to a priority level and why. The list of ideas has been

narrowed to 39 and some of them overlap categories. Mr. Greene noted that there will be a process for the public to be involved at the June 21 meeting.

Mr. Keeler provided his input prior to this meeting as he is part of another committee.

Mr. Peterson stated that he thinks the most important could be "An evolved economic model for the City's future." Everything flows from the tax base. If this City is not AAA rated by every agency, most of the other goals are at risk.

Ms. Alutto stated that a diverse industry and employment portfolio is part of that evolved economic strategy, as is having an economic toolkit supporting investment and revitalization. Thinking out of the box with economic development tools is key. Workforce development and housing also goes with this.

Mr. Keeler and Mr. Peterson stated that we should not be focusing on things that the City is already doing.

Mr. Farrar stated that an element of Dublin's success is early adoption of technology. He stated that technology, infrastructure, and power sources are things to consider and can be bundled into economic items.

Mr. Stiffler stated that money is not a given and this group needs to keep in mind is that residents and Councils get to determine what their community looks like but the market determines what it rewards economically. Dublin has always mirrored what the market wants and what the community is going to look like. This is a very transitional time in workplace history. Mr. Stiffler stated that the differences in visions and marketplace needs to be considered.

Mr. Peterson stated that centralized collection and redistribution ideas as well as the trend toward working from home and where a person is taxed has put the City in a challenging position. Mr. Greene asked if this is being actively considered currently. Ms. Alutto stated that there are aspects being addressed but not in the concept of an overall large strategy.

Mr. Greene stated that some other companies he is working with are benefitting from being able to hire employees from anywhere in the world which shows that this is being dealt with on both sides.

Mr. Robison stated that the concern is that the majority of the City's revenue comes from employer withholding and about 85% of that comes from non-residents. Based on the current model with people working from home, that would drastically reduce tax revenue.

Mr. Stiffler stated that an important component is increasing the percentage of individuals that live and work in Dublin which goes to housing strategy. Housing strategy may need to go from regional to local. Another component of that is diversification of industry. Mr. Stiffler stated that the future may no longer be seeking headquarters of businesses. Locations of amenities may change based on the fact that where people are working is changing.

Ms. Alutto stated that the changing office space component also becomes important.

Mr. Rogers stated that they City will have to pay attention to infrastructure considering changing transportation.

Ms. Noble stated that land use will be a big consideration.

Ms. O'Callaghan stated that she was in a meeting with the Chamber of Commerce where she heard that most businesses have had their workforce either return to work or plan on returning to work. The conversation then shifted to workforce development,

transportation, and housing. She noted that Ms. Noble is working on a Dublin housing study.

Ms. Alutto stated that creating a resident ID card is a tactic, not a big idea and makes her uncomfortable. She stated that this is already being done through the DublinGo app. The big idea is to connect residents to services and there are other tactics.

Mr. Greene suggested that any additional comments be provided to Ms. Noble by June 21. He closed by asking what type of city Dublin would be in 2035 if they addressed these ideas.

Mr. Rogers answered that it would be fiscally stable. Mr. Peterson stated that it would remain cutting edge. Ms. Alutto stated that it would be diverse and thriving in many different ways. Mr. Keeler added "fiscally robust." Other adjectives added were "desirable," "enjoyable," and "a community of choice."

There being no further business to come before the Committee, the meeting adjourned at 5:29 p.m.

Clerk of Council