

RESOLUTION

Sponsor: Mayor David
From: Finance Committee

WHEREAS, for ~~twelve several~~ years the Watertown Library Board of Trustees (Library Board) and the Watertown City Council have ~~has~~ been promoting an expansion and renovation of the current library; and

WHEREAS, during this period of time a number of studies, design proposals and estimated project costs have been advanced; and

WHEREAS, an Advisory Referendum was held on November 8, 2016 to determine the level of community support for an expansion/renovation project, the cost of which would not exceed \$7,300,000 with the City of Watertown (City) providing up to 60% (\$4,380,000) of that cost; and

WHEREAS, that Advisory Referendum was approved by a vote of 6,608 for and 3,990 against ~~these voting~~ in that election; and

WHEREAS, throughout this extended period of time, the City has appropriated substantial sums of money for development of a comprehensive downtown redevelopment plan that advocated a major library expansion, property acquisition/demolition, and capital repairs at the library in an effort to further the prospect of a successful project; and

WHEREAS, it is important that the scope of future city support for this project be clearly stated and that the prerequisites for the city moving forward with its participation be clearly understood; and

WHEREAS, the City has approximately \$20,000,000 of requests for capital projects over the next three budget years (2019-2021) while the funding for any approved capital projects will, in virtually every instance, require borrowing by the City; and

WHEREAS, ~~the City has a legal debt capacity of \$65.9 million (as of December 31, 2016 as per Baker Tilly, the City's Independent Auditor) and is at 63.0% of that capacity with an additional borrowing capacity of \$24.3 million is severely limited in its borrowing capacity and envisions borrowing only between \$2,500,000 and \$3,000,000 per year over that period; and~~

Stricken by Maron/McFarland motion, passed: Yes-6, No-2 (Tortomasi & Larsen)

WHEREAS, the City envisions borrowing about \$3,000,000 per year over that period to maintain its Moody's Aa3 "High Grade" bond rating; and

WHEREAS, the Library Board will benefit from the sure knowledge of what amount of funding the city is able to commit and, at the same time, will be able to adjust the scope and cost of its recommended project to the parameters of those limitations.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Watertown, that the degree limits of the City's intended participation in the library's expansion/renovation project and the prerequisites for that participation, are as follows:

- The City's ~~maximum~~ contribution toward the library expansion/renovation shall ~~not exceed~~ be \$4,380,000, appropriated no sooner than 2020; and
- This contribution shall be based on a ratio of 60% city funds and 40% private funds. Should the amount of private funding available for the project be less than \$2,920,000, the city's contribution shall be reduced on a pro-rata basis to a minimum of \$3,000,000; and
- The City's ~~total~~ contribution will not be made until half (50%) the private funding is collected available. ~~Multi-year pledges shall not be counted until the donation has been made; and~~
- All City contributions in 2018 2019 or future years from the date of the passage of this Resolution, including money appropriated in the 2018 Capital Budget for purchasing Main Street properties and demolishing them, shall be accounted for as part of the City's total contribution.

This is to certify that I have compared the attached copy with the original record now on file in my office and that the same is a correct transcript thereof and of the whole thereof. In Testimony Whereof, I have hereunto subscribed my name and affixed the seal of the City of Watertown this June 16th day of June, 2018.

[Signature]
City Clerk/Treasurer

ADOPTED June 5 2018

[Signature]
CITY CLERK/TREASURER

APPROVED June 5, 2018

[Signature]
MAYOR