



## City of Smithville, Missouri

Board of Aldermen - Work Session Agenda – **Revised November 20, 2023**

Tuesday, November 21, 2023

6:00 p.m. – City Hall Council Chambers and Via Videoconference

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Anyone who wishes to view the meeting may do so in real time as it will be streamed live on the City's FaceBook page.

For Public Comment via Zoom, please email your request to the City Clerk at [ldrummond@smithvillemo.org](mailto:ldrummond@smithvillemo.org) prior to the meeting to be sent the meeting Zoom link.

1. Call to Order
2. Assessed Valuation and Bond Considerations
3. Discussion of Potential Ballot Issues
4. **Discussion of Nuisance Abatement**
5. Adjourn

Join Zoom Meeting  
<https://us02web.zoom.us/j/85975496365>

Meeting ID: 859 7549 6365  
Passcode: 174203

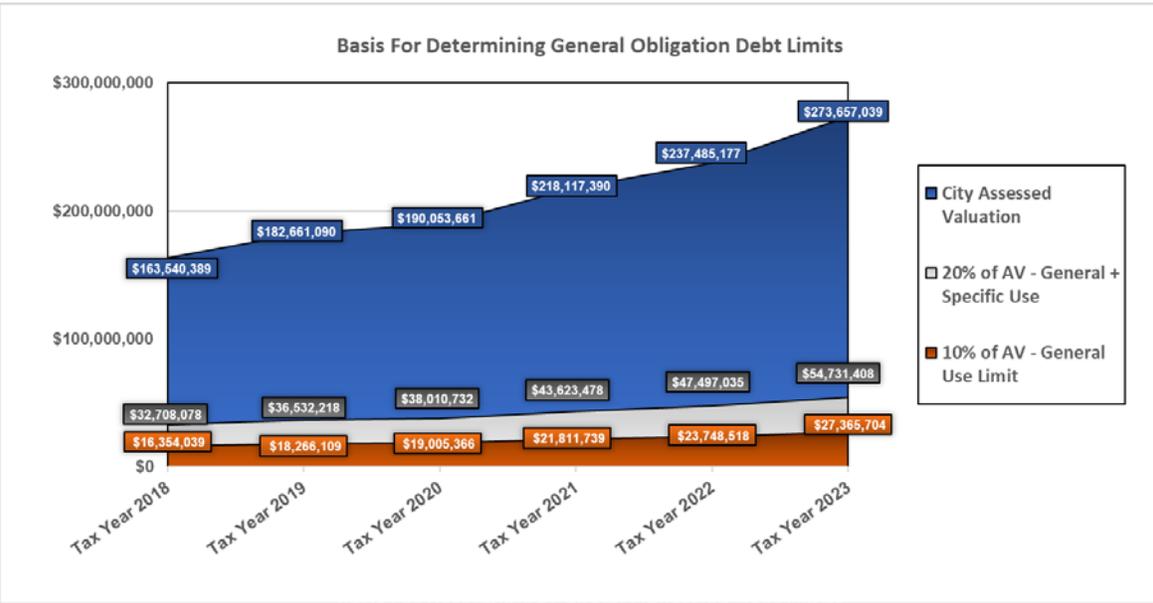


	<div style="background-color: #4F81BD; color: white; padding: 5px; display: inline-block; font-weight: bold; font-size: 1.2em;">STAFF REPORT</div>
<b>Date:</b>	November 21, 2023
<b>Prepared By:</b>	Stephen Larson, Finance Director
<b>Subject:</b>	City General Obligation Bond Debt Capacity

Separate from the levy for general municipal purposes, Cities in Missouri are allowed a debt levy to fund costs associated with repayment of bonds issued for public purpose projects. While a debt levy does not have a specified ceiling, the debt limit determines the amount a City may borrow.

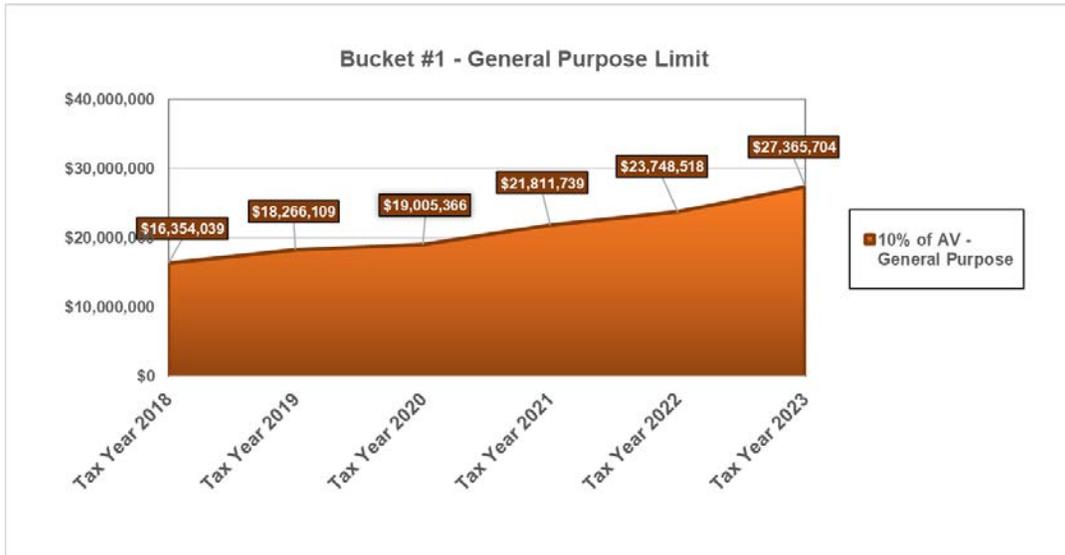
**Debt Limitations and Capacity**

The City’s debt limitation and capacity is a primary factor in determining how much debt may be issued for large scale capital improvement projects and the City of Smithville is limited in the amount of general obligation debt that may be issued. Missouri cities have debt issuance limits for general obligation debt, which are set by the Missouri State Constitution. In thinking about these debt limits, it is helpful to think through this issue in terms of “two buckets”, which are shown in the graph below and are covered below in greater detail.



- **First Bucket:** In thinking about debt limits, consider a first bucket which is established for “general purpose” debt. This debt can be used for any general

municipal purpose. The City debt limit established for general purposes is limited to 10% of the City's assessed valuation. For Tax Year 2023, this limit is set at \$27,365,704. Proceeds issued for this debt can be used for any municipal purpose. The chart below indicates how the limit has changed for general purpose use as assessed valuation has increased over time.



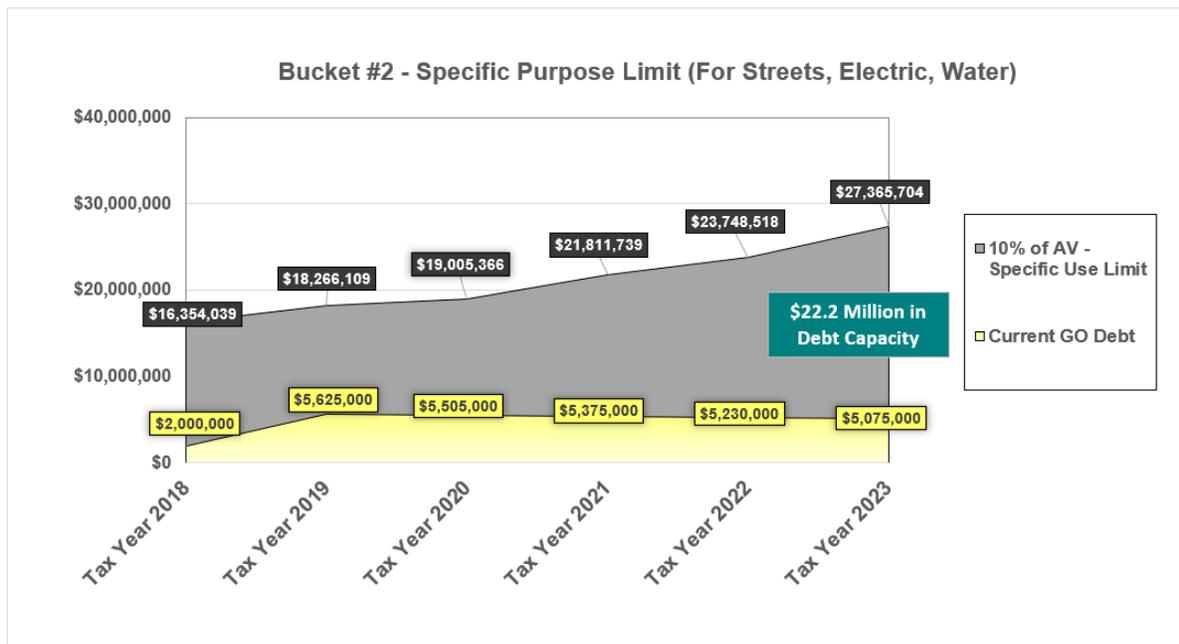
- Second Bucket:** In thinking about debt limits, consider a second bucket which is established for “specific municipal uses”. Under Article VI, section 26(a), Missouri cities are allowed to increase their debt limit an additional 10% of assessed valuation for the purposes of “acquiring rights-of-way, construction, extending, and improving streets and or sanitary/stormwater sewer systems” and for “purchasing or constructing waterworks, electric, or other light plants” to be owned exclusively by the City”. Given the assessed valuation of \$273,657,039 for Tax Year 2023, the total “specific municipal use” limit is equal to another 10% of the City's assessed valuation, which would be equal to \$27,365,704.

While this may initially appear to provide the City with another “bucket”, or capacity of \$27.3 million in debt limit, the actual capacity of the City must include an analysis of current outstanding General Obligation debt. Currently, the City has outstanding General Obligation debt in the amount of \$5,075,000. This reflects the balance of debt related to the 2018 voter approved issuance which provided funding for the following projects:

- Amory Road Improvements
- Second Creek Road Bridge Improvements
- 180<sup>th</sup> Street Trail

- Commercial Street Sidewalks
- Main Street Walking Trail
- Downtown Streetscape Phase I and II

In this chart shown below, the City's current outstanding General Obligation debt is shown in yellow. This debt was issued in 2018 and 2019 and has been decreasing as the City has completed principal and interest payments. With the conclusion of Tax Year 2023, \$5,075,000 in outstanding bonds will remain. This affects the total capacity of the City's bonding authority in this bucket, as this portion takes up part of the \$27,365,704. Therefore, the total capacity in Bucket #2 is \$22.2 million as outlined below.



	<b>STAFF REPORT</b>
<b>Date:</b>	November 16, 2023
<b>Prepared By:</b>	Cynthia Wagner, City Administrator
<b>Subject:</b>	Ballot Initiative Efforts

At the budget planning retreat held in May, the Board identified three ballot initiatives they wish to pursue: a half-cent public safety sales tax; GO bond issuance for public safety and operations facilities; and a quarter-cent street and sidewalk sales tax. In June, the Board reiterated these priorities and in August approved language for a Public Safety Sales Tax question for the November 7 Election. The initiative failed on the November 7 ballot.

Staff is again seeking direction from the Board regarding ballot initiatives.

This memo also includes revised information relating to GO Bond Issuance and current debt capacity as well as discussion of revised cost estimates and scope for facility needs.

If the Board desires to place a question on the April ballot, the filing deadline for the April 2, 2024 election is January 23, 2024.

***Public Safety Sales Tax***

As outlined in previous discussions, a half-cent sales tax is projected to generate approximately \$700,000 in revenues annually.

It is recommended that, the tax proceeds, be used to fund:

- Addition of two police officers
- Implementation of an animal control program
- Vehicle leasing costs associated with police department fleet
- Equipment upgrades and replacement

State statute outlines ballot language for this tax, and that language was certified for the November 7, 2023 election. As noted earlier, this ballot measure failed.

*The enabling legislation for this ballot question also outlines that “in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.”* The 2023 election was held November 7. Election Day 2024 is November 5, just shy of twelve months. The earliest date another election could be held is April 2025.

Staff is looking for direction from the Board regarding this funding source:

- Does the Board wish to take a ballot question to the voters again?
- If so, when? (As noted, April 2025 would be the earliest available date given state statute.)

### ***GO Bond Issuance for Public Safety and Operations Facilities***

The Board has expressed interest in taking a GO Bond Issue to the ballot to fund facility needs. Facility needs in police and maintenance operations were reviewed with recommendations presented in 2022. Cost estimates exceeded bonding capacity at that time. Staff have reviewed project scope and needs and have also worked with design teams on revised estimates based on the scope changes as well as projecting increased costs based on construction inflation estimates.

Current cost estimates for facility needs total \$25,250,000 million:

Police Facility	\$18,800,000
Animal Control Facility (as part of Police Facility)	700,000
Public Works/Parks Maintenance Facility	5,000,000
City Hall Renovation (space vacated by Police Department)	<u>750,000</u>
	\$25,250,000

### ***Police and Animal Control Facility***

As a reminder, the Police Department is currently operating out of half of the City Hall Building, approximately 2,700 square feet. Currently, the rear storage area of the Senior Center, approximately 1,000 square feet is also used primarily for police storage. The department also rents a 120 square foot storage pod for records storage.

Cost estimates to design, construct and furnish a new facility were just under \$16 million in [2022](#). The current estimate is \$18,800,000. This estimate was calculated working with Treanor Architects and projecting cost increases based on current construction trend analysis. This estimate is through the fourth quarter of 2025 and does not anticipate any changes in scope to the building as presented in 2022.

The existing pound will need to be moved with expansion of the water treatment facility (construction on this project is currently anticipated to begin in 2028). The estimated cost to build a stand-alone facility on a police facility site is \$700,000.

Changes to the scope of this project could include: eliminating or scaling back the size and construction of the community room (which is also proposed as a community storm shelter and emergency operations center and would be built to FEMA specifications); elimination or scaling back the size of fitness facilities; and changes to building finishes to reduce costs (materials proposed have been designed taking into consideration the needs of a facility operational 24/7/365).

Original work with Treanor focused on providing a facility which could address the needs of the department for the next 20 to 30 years. An alternative approach could be to establish a budget and have Treanor revise the design to meet that budget.

#### Public Works/Parks Maintenance Facility

As expansion of the water treatment plant is envisioned, location of the streets division on the water treatment plant site becomes more difficult. The Parks and Recreation Master Plan outlines significant development of Smith's Fork Park and current facilities lack space to support those expansions. Covered space for equipment is also lacking in both departments. Bartlett and West and WSK conducted engineering design work for a combined Parks and Recreation and Public Works operations facility on the site of the existing Parks and Recreation space at Smith's Fork Park. The [estimated cost](#) was approximately \$10 million total, with a first phase cost of \$7.5 million.

Because the cost estimates for a facility of this scope are prohibitive, staff have evaluated alternatives to provide for space for utility expansion and a joint maintenance facility. The City's MS4 Stormwater Permit will require an enclosed salt storage facility and, in addition to the water treatment plant expansion, drives this need.

Initially, discussions with the Corps of Engineers resulted in work to examine the possibility of use of the Litton Center for administrative space for the two departments. As discussions have progressed, it has become apparent that this may not be a viable solution.

Staff has continued to review options and have determined a scaled back maintenance facility could be constructed for \$5 million, including engineering costs. This reduced scope project would still include utility and site work, salt storage, vehicle and equipment storage, maintenance staff restrooms/locker room and minimal renovation to the existing parks and recreation administrative space for an administrative assistant and maintenance supervisors in both parks and public works. This is a staff estimate only, no work by any design team has been conducted.

This facility would not include administrative space for the Parks and Public Works Departments. These functions could be accommodated in the current Police Department space at City Hall, if a new Police Facility were constructed.

As work begins on planned upgrades to Smith's Fork Park, some funding for utility and site work could potentially be leveraged through the Parks and Recreation and Stormwater Sales Tax. Construction is currently scheduled for 2027-2028.

#### City Hall Renovation

Should a new police facility be constructed, renovation of the space vacated by that department in City Hall could be anticipated. Design and renovation costs are estimated at \$750,000 to provide space for public works and parks administration,

move the Development Department to allow for front window access in the current police space, and would include work to address ongoing issues with men's restroom.

### Debt Capacity

The City's current unrestricted general obligation debt capacity is based on the assessed valuation of property within the City and changes annually in accordance with updates to the City's assessed valuation and outstanding general obligation indebtedness. Based on Tax Year 2023 assessed valuation, current unrestricted debt capacity is \$27,364,000. The City also has additional debt capacity which is restricted to street, storm sewer, and sanitary sewer improvements.

Depending upon the size of the issuance, a mill levy to support a general-purpose debt issuance is currently estimated to be between \$0.55 to \$0.60.

GO Bond Issuance requires a 4/7<sup>th</sup> approval for elections in 2024 and April 2025. A 2/3<sup>rd</sup> approval is required for all other elections in 2025.

April and August elections (regardless of year) would allow the City to impose a debt levy for the following year by October 1. A November election would result in imposition of a levy a year later (because the October 1 deadline to establish the levy would be missed.)

*Staff is seeking direction from the Board:*

- Does the Board desire to take a GO issuance question to the voters?
- If so, are there changes to the scope the Board would like to see to any or all of these projects, if so what?
- When would the Board want to plan for a potential election?

### ***Quarter-cent Sales Tax for Streets and Sidewalks***

When reviewing ongoing infrastructure concerns, the Board has identified an ongoing need for additional funds for street maintenance and funding for a sidewalk gap and replacement program. Additional authority for general purpose sales tax exists and the Board has previously indicated a desire to place a quarter-cent sales tax on the April 2024 ballot for these purposes. A quarter-cent sales tax is estimated to generate approximately \$350,000 in revenues annually.

A sales tax initiative requires a simple majority.

*Staff is seeking direction from the Board:*

- Does the Board desire to take a sales tax for streets and sidewalks to the voters?
- If so, when?



<b>Date:</b>	November 20, 2023
<b>Prepared By:</b>	Jack Hendrix, Development Director
<b>Subject:</b>	Abatement of Nuisance - Proposed Ordinance

As everyone is likely aware, there are ongoing nuisance issues at a property located on South Commercial just north of Smithville High School.

For several months, the Code Enforcement Officer has been issuing daily violations tickets on this property. Recently, additional tickets have been issued to the secondary resident of the home.

On November 27, there are 59 cases on the court docket related to this one house resulting from the violations noted above. A trial is set for that date. In preparation for that trial a meeting was scheduled to allow City Prosecutor Angela Ravkin, City Attorneys John Reddoch and Scott Sullivan, Chief Lockridge, Police/Prosecutor's Assistant Jeanette Chastain, Development Director Jack Hendrix, and Code Enforcement Officer Keowa Norton to obtain general agreement on how to move forward legally on all aspects of this situation.

The process for obtaining a warrant to enter the property was discussed in detail, as well as the likely results of that process. After much discussion, the city prosecutor and city's attorneys have agreed upon a process that they believe will allow us to resolve many of the nuisance matters without the need for testing the validity of or even getting a warrant from a judge.

Legislation affecting the ability of the City to address nuisances in some fashion has been approved at the state level. At this time, staff would like to review potential amendments to the code which would provide an effective amendment procedure.

Section 215.010 **Nuisances Declared.**

All matters defined by the common and statutory law of the State of Missouri to be nuisances, as well as all matters affecting health delineated in the Property Maintenance Code contained in Section **500.090** et seq., are hereby declared to be public nuisances affecting the health of the citizens of Smithville and may be abated by the City pursuant to the terms of the Property Maintenance Code and/or as otherwise set forth in this Chapter. In the event of any conflict between the provisions of the Property Maintenance Code and the provisions of Section 215.015, the provisions of 215.015 shall control.

Section 215.015 Abatement Procedure. Any abatement procedures mentioned anywhere in this code may be utilized by the City in addition to any ordinance violations matters.

1. Whenever weeds or trash, in violation of an ordinance, are allowed to grow or accumulate, as the case may be, on any part of any lot or ground within any city, *the person creating or maintaining the nuisance*, and the owner of the ground, or in case of joint tenancy, tenancy by entireties or tenancy in common, each owner thereof, shall be liable.

2. Whenever the \_\_\_\_\_ (Codes Officer or Chief of Police or whoever the city chooses) \_\_\_\_\_, receives notification that a nuisance may exist, the \_\_\_\_\_ shall proceed as follows, except as may be otherwise provided herein:

A. The \_\_\_\_\_ shall investigate the same. The \_\_\_\_\_ may order any person who has caused or is maintaining the nuisance and the property owner to appear before the \_\_\_\_\_ at such time and place as the \_\_\_\_\_ may direct to show cause, if any, why that person should not abate the nuisance. Every person required to appear for a hearing before the \_\_\_\_\_ shall have at least ten (10) days' notice thereof.

B. \_

Such notice shall be signed by the \_\_\_\_\_ and shall be served upon that person by either personally or by first class United States mail to the person causing or maintaining the nuisance and the owner or owners, or the owner's agents, or by posting such notice on the premises, or upon any corporation, limited liability company or other similar entity by delivering the copy thereof to the President, registered agent, or to any other officer at any business office of the corporation within or without the City.

**C.** If after hearing all the evidence the \_\_\_\_\_ may determine that a nuisance exists, the \_\_\_\_\_ may order the person to abate the nuisance within five (5) days or within such other time as the \_\_\_\_\_ may deem reasonable. Such order shall be served in the manner provided in this Section for service of the order to show

cause. The order may further provide that the appropriate City Official be directed to abate the nuisance if the order is not obeyed within the time period set by the \_\_\_\_\_, and that a special tax bill be issued for the costs of abating the nuisance.

**D.**

If the order has not been obeyed within the time period set by the \_\_\_\_\_, the appropriate City Official may proceed to abate the nuisance in the manner provided by the order of the \_\_\_\_\_, and the cost of same, if ordered by the \_\_\_\_\_, may be assessed as a special tax against the property so improved or upon which such work was done; and, if so ordered, the City Clerk shall cause a special tax bill therefor against the owner thereof when known, and if not known then against the unknown persons, and the certified bills of such assessment shall describe (by address or by legal description) therein the property upon which the work was done. The City Clerk shall cause a special tax bill therefor against the property to be prepared and to be collected by the Collector with other taxes assessed against the property; and the tax bill from the date of its issuance shall be a first (1st) lien on the property until paid and shall be prima facie evidence of the recitals therein and of its validity, and no mere clerical error or informality in the same, or in the proceedings leading up to the issuance, shall be a defense thereto. Each special tax bill shall be issued by the City Clerk and delivered to the Collector on or before the first (1st) day of June of each year. Such tax bills if not paid when due shall bear interest at the rate of eight percent (8%) per annum.

**E.**

The cost of abating nuisances on private property shall be levied and assessed on each lot in proportion to the amount of work done and material used in abating the nuisance located on each such lot.

F. If weeds are allowed to grow, or if trash is allowed to accumulate, on the same property in violation of an ordinance more than once during the same growing season in the case of weeds, or more than once during a calendar year in the case of trash, the \_\_\_\_\_ may, **without further notification**, have the weeds or trash removed and the cost of the same shall be billed and taxed in the manner described in this section.

G. As used herein the term \_\_\_\_\_ (Codes Officer or Chief of Police or whoever the city chooses), shall include such persons designee.