

City of Hudson

Connectivity Plan – Funding Scenarios

Summary:

To start the funding of the Connectivity Plan, the City budgeted \$120,000 for design in 2014 and put a \$235,000 per year (2015-2018) placeholder for construction in the Five Year Plan. The idea was raised about accelerating the program by issuing bonds and using the \$235,000 placeholder to repay the debt rather than paying for the projects as we go.

Based on current 10 year rate of 3.25%, we could issue \$2,000,000 in bonds for an annual payment of \$237,000.

In addition, the Parks Fund includes a total \$2,205,000 in the Five Year Plan for various trails. The current plan is to pay for these trails as we go. We should consider issuing bonds to pay for these trails as well and combining resources with the General Fund to repay the debt.

If we were to issue \$2,000,000 in bonds, we could fund the top 11 projects; if we were to issue \$4,000,000 in bonds, we could fund the top 26 projects. This assumes we would receive funding from other sources (ie. AMATS, ODNR).

We would need an appropriate allocation of debt payment between the General Fund and Parks Fund based on the purpose and type of trail.