INFORMAL STAFF REPORT
TO MAYOR AND CITY COUNCIL

SUBJECT:
2014 Bond Program Information

BACKGROUND:
On June 3, 2014, the City Council received a briefing from the Citizens Bond Advisory Committee regarding their recommendations for a November 4, 2014 bond election. As a follow up to this discussion, staff would like to provide additional information regarding the ballot language that has been proposed by the Committee. A summary of the proposed bond proposition and ballot language is attached as Exhibit 1.

As discussed on June 3rd, the Committee is recommending that the bond program be presented to the voters in four distinct propositions. Specifically, the voters would be asked to consider:

- The issuance of $61,710,000 of public securities for Street Improvements.
- The issuance of $16,565,000 of public securities for Public Safety Facilities for Police and Fire Departments.
- The issuance of $8,545,000 of public securities for Stormwater Drainage and Flood Control Improvements.
- The issuance of $11,355,000 of public securities for Park System Improvements.

If approved by the voters, the four bond propositions collectively would provide $98,175,000 in financing for capital improvements. This amount includes $535,000 which would be dedicated to public art initiatives. In particular, the Committee has recommended that public art funding be dedicated in the following manner:

- $30,000 would be reserved for public art related to Street Improvements.
- $325,000 would be reserved for public art related to Public Safety Facilities.
- $180,000 would be reserved for public art related to Park System Improvements.

Funding for specific art projects, to be identified later, would be thus restricted to these types of uses, but not to specific project locations.
The City Council approved a Public Art Policy in August 2013 (see Exhibit 2). The policy states in part that:

"The City Council will consider placing a standalone bond proposition on future general purpose capital improvement bond authorization elections that, if approved by the voters, will fund public art projects. The amount of each public art bond proposition will be determined by the City Council within a range, if existing priorities so permit, of between 2% and 4% of those portions of the capital improvement bond program authorization election that do not apply to streets, drainage, traffic control, and other related infrastructure."

After discussing this issue extensively, the Committee elected to not recommend a standalone proposition for public art. While the Committee was provided a copy of the Public Art Policy, and they did discuss the applicability of the policy to the proposed bond program, the Committee concluded that the size of the public art program did not warrant a standalone proposition to be considered by the voters. As such, their recommendation represents a different approach than that as specifically stated in the Public Art Policy.

The purpose of this informal staff report is to advise the City Council of the Public Art Policy and the recommendation that has been provided by the Citizens Bond Advisory Committee. On July 15th, staff will schedule a work session with the City Council to discuss the project and ballot recommendations in more detail.

If you have any questions, or need additional information prior to that time, please let me know.

EXHIBITS:

Exhibit 1 – Proposed Bond Proposition and Ballot Language
Exhibit 2 – Public Art Policy

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CITY OF DENTON

NOVEMBER 2014 BOND ELECTION

STREETS

Streets Bond Proposition

Shall the City Council of the City of Denton be authorized to issue public securities of said City, in one or more series or issues, in the aggregate principal amount of $61,710,000, with the public securities of each such series or issue, respectively, to mature serially within not to exceed thirty years from their date, and to be sold at such prices and bear interest at such rates, not to exceed the maximum rates permitted by law at the respective times of issuance, as shall be determined within the discretion of the City Council, for the purpose of the acquisition of property and making improvements for public purposes in said City, to wit: constructing, reconstructing, restructuring and extending streets, roadways, bridges, overpasses, pedestrianways, sidewalks, landscaping, streetscapes, collectors, storm drains, signalization, signage, other traffic and signal controls, traffic control and transportation facilities, street lighting and median improvements; up to $30,000 of such principal amount for acquiring, constructing and installing public art related to and being part of some or all of the foregoing; the acquisition of land and interests in land for the foregoing; and improvements related to the foregoing; and shall said City Council be authorized to levy and cause to be assessed and collected annual ad valorem taxes in an amount sufficient to pay the annual interest on said public securities and provide a sinking fund to pay said public securities at maturity?

Streets Ballot Language

FOR )

THE ISSUANCE OF $61,710,000 OF PUBLIC SECURITIES FOR STREET IMPROVEMENTS

AGAINST )

PUBLIC SAFETY

Public Safety Bond Proposition

Shall the City Council of the City of Denton be authorized to issue public securities of said City, in one or more series or issues, in the aggregate principal amount of $16,565,000, with the public securities of each such series or issue, respectively, to mature serially within not to exceed thirty years from their date, and to be sold at such prices and bear interest at such rates, not to exceed the maximum rates permitted by law at the respective times of issuance, as shall be determined within the discretion of the City Council, for the purpose of the acquisition of property and making improvements for public purposes in said City, to wit: constructing, reconstructing, renovating, improving, expanding, equipping and furnishing public safety facilities for the police department and the fire department including related utility infrastructure, drainage, landscaping, and site and access improvements; up to $325,000 of such principal amount for
acquiring, constructing and installing public art related to and being part of some or all of the foregoing; the acquisition of land and interests in land for the foregoing; and improvements related to the foregoing; and shall said City Council be authorized to levy and cause to be assessed and collected annual ad valorem taxes in an amount sufficient to pay the annual interest on said public securities and provide a sinking fund to pay said public securities at maturity?

Public Safety Ballot Language

FOR

THE ISSUANCE OF $16,565,000 OF PUBLIC SECURITIES FOR PUBLIC SAFETY FACILITIES FOR POLICE AND FIRE DEPARTMENTS

AGAINST

DRAINAGE

Drainage Bond Proposition

Shall the City Council of the City of Denton be authorized to issue public securities of said City, in one or more series or issues, in the aggregate principal amount of $8,545,000, with the public securities of each such series or issue, respectively, to mature serially within not to exceed thirty years from their date, and to be sold at such prices and bear interest at such rates, not to exceed the maximum rates permitted by law at the respective times of issuance, as shall be determined within the discretion of the City Council, for the purpose of the acquisition of property and making improvements for public purposes in said City, to-wit: constructing, reconstructing, restructuring and installing stormwater drainage and flood control improvements; related utility relocation and bridge and street modifications or removal; the acquisition of land, structures and interests in land for the foregoing; and improvements related to the foregoing; and shall said City Council be authorized to levy and cause to be assessed and collected annual ad valorem taxes in an amount sufficient to pay the annual interest on said public securities and provide a sinking fund to pay said public securities at maturity?

Drainage Ballot Language

FOR

THE ISSUANCE OF $8,545,000 OF PUBLIC SECURITIES FOR STORMWATER DRAINAGE AND FLOOD CONTROL IMPROVEMENTS

AGAINST
PARKS

Parks Bond Proposition

Shall the City Council of the City of Denton be authorized to issue public securities of said City, in one or more series or issues, in the aggregate principal amount of $11,355,000, with the public securities of each such series or issue, respectively, to mature serially within not to exceed thirty years from their date, and to be sold at such prices and bear interest at such rates, not to exceed the maximum rates permitted by law at the respective times of issuance, as shall be determined within the discretion of the City Council, for the purpose of the acquisition of property and making improvements for public purposes in said City, to-wit: constructing, reconstructing, renovating, improving, expanding and equipping park improvements, including beautification, trails, athletic fields, water parks, swimming pools, park buildings and recreation facilities; up to $180,000 of such principal amount for acquiring, constructing and installing public art related to and being part of some or all of the foregoing; the acquisition of land and interests in land for the foregoing; and improvements related to the foregoing; and shall said City Council be authorized to levy and cause to be assessed and collected annual ad valorem taxes in an amount sufficient to pay the annual interest on said public securities and provide a sinking fund to pay said public securities at maturity?

Parks Ballot Language

FOR )

THE ISSUANCE OF $11,355,000 OF PUBLIC SECURITIES
FOR PARK SYSTEM IMPROVEMENTS

AGAINST )
RESOLUTION NO. R2013-021

A RESOLUTION REPEALING RESOLUTION NO. R2006-014 WHICH ESTABLISHED A PUBLIC ART POLICY FOR THE CITY OF DENTON; ESTABLISHING A REVISED PUBLIC ART POLICY FOR THE CITY OF DENTON, TEXAS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Denton established a Public Art Policy in April of 2006; and

WHEREAS, the City Council wishes to enhance the role of art in the community; and

WHEREAS, the City Council wants to revise the Public Art Policy to provide a more predictable, reliable, and flexible funding plan for public art projects; and

WHEREAS, the revised policy establishes the Public Art Committee to serve as an advisory board to the City Council; and

WHEREAS, the City Council finds it is in the public interest to repeal Resolution No. R2006-014 which approved the original Public Art Policy; NOW, THEREFORE;

THE CITY COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

SECTION 1. Resolution No. R2006-014 is hereby repealed.

SECTION 2. The revised City of Denton, Public Art Policy, attached hereto, is hereby adopted and approved.

SECTION 3. This resolution shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this 20th day of August, 2013.

MARK A. BURROUGHS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY:
APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY: [Signature]
City of Denton
Public Art Policy

I. **Intent and Purpose**

The City of Denton’s Public Art Policy confirms the commitment that the Denton community has for sustaining and promoting its unique, creative identity. Art enhances the cultural, physical, and psychological environment by enlivening and humanizing public spaces. As stated in The Denton Plan:1 “Public art provides a number of benefits to the city. It can create interest, create local distinctiveness, provide a memorable image associated with the city or certain districts within the city, lend character to urban spaces, and make the urban environment more attractive.”

Denton has experienced a rich tradition of promoting the arts for over a century. The first art course was taught at the University of North Texas (Texas Normal College and Teacher Training Institute) in 1894 and at Texas Woman’s University (Girls Industrial College) in 1901. Both art programs have had a significant impact on Denton, which continues today, making it a home for hundreds of professional artists and influencing Denton’s visual heritage.

In recognition of the role that public art already plays in Denton, by interpreting its history, character, and aspirations, and of the importance of integrating public art into the daily lives of its citizens, the City of Denton’s Public Art Policy is established to achieve the following goals:

- Create distinct, attractive, and inviting public space by including public art as an integral part of the design of spaces and around development.
- Celebrate Denton’s cultural heritage and diversity by encouraging collaboration between artists and the community.
- Distinguish Denton’s image in the metroplex by providing for the creation of quality public art in locations of prominent stature.
- Foster community education and enjoyment of public art.
- Promote a community environment that attracts artists to live and work, businesses to invest and locate, and residents to thrive.
- Encourage participation in the provision of public art through public and private investment.
- Advance collaboration between the City of Denton and the Greater Denton Arts Council (GDAC) in achieving the goals of this policy.

II. **Definition of Public Art**

Public art, as defined by this policy, encompasses the broadest definition of visual art including all artistic disciplines. Public art governed by this policy shall be art that is visually or physically accessible to the public and that is acquired by, donated to, and approved by the City of Denton. Public art that is neither paid for with public funds, nor

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created through special conditions by approval of the City of Denton, is not governed by this policy.

III. **Policy Administration**
The City Council shall establish and appoint a Public Art Committee that will serve in an advisory capacity to the City Council. This Public Art Committee, established by separate ordinance, will make recommendations on the:

- Commissioning, placing, and installing of public art
- Implementation of funding mechanism(s) for public art
- Effective and efficient management of public art
- Ongoing maintenance of public art
- Accessioning, deaccessioning and resiting of public art

The Public Art Committee will provide as appropriate an annual report detailing its goals and accomplishments related to the implementation of this policy.

The Director of Parks and Recreation will serve as the staff liaison to the Public Art Committee for the City of Denton. The Denton City Council will appoint two members representing the GDAC to the Public Arts Committee. The GDAC Board of Directors will nominate these members. The GDAC Executive Director and the Parks and Recreation Director will serve as ex-officio members on the Public Art Committee. The Public Art Committee will develop detailed guidelines outlining all aspects involved with the implementation of this policy.

IV. **Community Involvement**
The City Council seeks to ensure citizen involvement through the establishment of the Public Art Committee and the review and approval of each public art project. In addition, the Public Art Committee will work with the GDAC and local educational institutions to educate and inform citizens about projects and the process for involvement.

V. **Funding**
Funding for public art should be realized from both public and private sources to insure a broad and balanced program.

**Public Funding**

- The City Council will consider placing a standalone bond proposition on future general purpose capital improvement bond authorization elections that, if approved by the voters, will fund public art projects. The amount of each public art bond proposition will be determined by the City Council within a range, if existing priorities so permit, of between 2% and 4% of those portions of the capital improvement bond program authorization election that do not apply to streets, drainage, traffic control, and other related infrastructure. The bond funding to be dedicated to public art is solely contingent upon voter approval of the public art proposition submitted to the voters. This provision only applies to voter approved General Obligation bond issuances.
• The City will establish a separate fund for public art projects. The City will strive to develop resources, and/or contribute funding, for public art projects, approved annually by the City Council, including, but not limited to, projects identified in the public art master plan as amended from time to time. The source of these funds may include proceeds from any funding source deemed appropriate by the City Council including, but not limited to, voter approved Capital Improvement Bond Program Authorization Elections, Certificates of Obligation, or allocations from the City of Denton’s operating budget.

• Annually, commencing with program year 2007, at least 2.4% of the total Hotel Occupancy Tax (HOT) revenues will be allocated for public arts projects as allowed under Texas Tax Code 351.103 (e). This represents 16.01% of the 15% maximum that is allowed for the arts category, and allows for sustained funding of existing agencies in the arts category and provides a balance for potentially new agencies. Funding eligibility will be contingent on fulfillment of financial, reporting, and use requirements as outlined by the Hotel Occupancy Tax Program Guidelines.

• Tax abatements to developers that include publicly accessible art as a significant component of the development are outlined in the Denton Policy for Tax Abatement. Under this policy, the City may consider granting an additional 5% tax abatement for projects provided that at least 50% of the additional tax abatement is committed to public art by the applicant.

**Private Funding**
The City Council, Public Art Committee, and GDAC will actively pursue public and private sources to fund public art initiatives.

• Individuals, businesses and organizations will also be encouraged to make contributions.

With the exception of HOT funds, all other public art funding will be deposited into a separate Public Art Fund established by the City of Denton. These funds will be used to support public art projects as approved by the City Council.

The Public Art Committee will have responsibility for making recommendations for allowable uses of these funds with final approval by the City Council.

**VI. Site Selection**
As established in The Denton Plan:
• The provision of public art will normally be expected as part of any large development scheme.
• Public art should be considered as an integral part of the design of space in and around development.
VII. **Eligible Projects**

The Public Art Committee will be responsible for the development of specific guidelines in making recommendations for eligible projects. In general, eligible projects will include:

- The commissioning of permanent works designed for specific public sites in Denton
- The loan, purchase, or donation of art works
- The installation of short-term projects that result in the creation of temporary or permanent public art

VIII. **Art and Artist Selection**

The Public Art Committee will develop and adopt specific criteria for the selection of artists and artwork with final approval from the City Council. Methods used for artist selection may include open competition, invitational competition, or direct selection and must comply with all laws, regulations, and city policies governing purchasing.

IX. **Ownership and Copyright**

Permanent pieces of public art shall be the property of the City of Denton. The City shall own the physical work, with unlimited reproduction rights allowed the City for appropriate promotional and educational purposes. Legal title and copyrights in any work of public art will be spelled out contractually between the City and the artist/owner.

X. **Maintenance**

Prior to acceptance of any piece of artwork by the Public Art Committee, a recommendation should be developed for its short and long-term maintenance, including a budget for each project. All permanent public art projects must have a maintenance plan that projects both staff time and funding required to properly maintain the work. The City of Denton shall be responsible for the maintenance and management of public art projects approved by the City Council.

XI. **Accessioning, Deaccessioning, and Resiting of Public Art**

Gift acceptance and placement of public art should be in accordance with historic use and in keeping with the City of Denton general public art goals. The quality, scale, and
character of the gift should be appropriate to the particular setting. Donations of works that require the City of Denton to pay installation, framing, restoration, or repair are not encouraged. The City of Denton will evaluate such expenditures at the time the gift is considered. Works of art requiring high or excessive maintenance may be declined. All donations of art must be approved by the City Council with due consideration given to any Public Art Committee recommendations.

In accordance with the guidelines established by Public Art Committee, the City of Denton shall deaccession and dispose of works of art in its collection only when it finds such action to be in the public interest or as a means of improving the quality of the collection or public safety. Works of public art may be relocated or removed if a gift or commissioned piece becomes a hazard or liability or if the approved terms of acceptance are not fulfilled. Works of art that meet the definition for public art covered by this policy but which came into existence prior to the adoption of the policy will be subject to this same deaccessioning procedure.

XII. **Temporary Exhibits**
Public art projects may include installations, artist-in-residence programs, and other short-term projects that result in the creation of temporary public art.

XIII. **Lending Policy**
Artwork may be loaned to other agencies or entities if deemed appropriate by the City Council with due consideration given to any Public Art Committee recommendations. The Public Art Committee will be responsible for recommending criteria for establishing a lending policy.