



ELECTION NOTICE CITY OF CRANSTON

LOCAL REFERENDA QUESTIONS: There is one statewide question, and ten local Cranston questions, that will appear on the Cranston ballot for the Nov. 3, 2020 General Election. The questions will begin with the one state question, followed by the 10 local questions, on the backside of Page 1 of the ballot, and will continue onto a separate page (Page 2) of the ballot.

QUESTIONS 2-7 LOCAL BOND QUESTIONS

Local Question 2

2. SCHOOLS AND SCHOOL FACILITIES \$147,000,000 BONDS AND NOTES

(Local Acts 57 and 90 - Acts and Resolves of 2020)

Shall an act, passed at the 2020 session of the General Assembly, entitled "An Act Authorizing the City of Cranston to Issue Not to Exceed \$147,000,000 General Obligation Bonds, Notes and Other Evidences of Indebtedness to Finance the Construction, Renovation, Improvement, Alteration, Repair, Landscaping, Furnishing and Equipping of Schools and School Facilities Throughout the City, Subject to Approval of State Housing Aid at a Reimbursement Rate or State Share Ratio of Not Less Than 50% at the Time of Issuance and Provided That the Authorization Shall Be Reduced by the Amount of Certain Grants Received From State Bond Proceeds, From the Rhode Island Department of Education or From the Rhode Island School Building Authority" be approved?

- Approve
- Reject

Explanation and purpose of Question 2: These bonds will be used to finance the construction, renovation, improvement, alteration, repair, landscaping, furnishing, and equipping of schools and school facilities throughout the city. These bonds will not be issued unless the city is awarded State Housing Aid at a Reimbursement Rate or State Share Ratio of at least 50% for those expenditures that are eligible for reimbursement. That Reimbursement Rate or State Aid Ratio must be in effect when the bonds are issued. The amount of bonds that may be issued is reduced by the amount of certain grants received from state bond proceeds, from the Rhode Island Department of Education or from the Rhode Island School Building Authority. These projects may include, but are not limited to, Garden City Elementary School, Eden Park Elementary School, Gladstone Elementary School, Park View Middle School, and Cranston High School West, among other schools and school facilities.

\$147,000,000 will be borrowed, subject to approval of a State Aid Reimbursement Rate or State Aid Ratio of at least 50%. The amount authorized may be reduced by the amount of certain, but not all grants the city receives for school projects. For example, State Housing Aid received to reimburse the city for school project costs paid from local Capital Reserve Funds will not reduce the principal amount of bonds that can be issued. Construction and renovations of the schools and school facilities are expected to begin in 2021 and may be completed in approximately five years. Although each asset has a different useful life, the average useful life of the schools and school facilities to be financed will be approximately 50 years. The useful life of information systems is approximately six years. The useful life of land improvements is approximately 20 years. The useful life of building improvements is approximately 20 years.

Project Costs		Cost of Issuance**		Total Project and Issuance Costs		
Principal*	Interest**	Principal	Interest***	Principal*	Interest***	Total Costs
\$146,775,000	\$88,105,000	\$225,000	\$139,000	\$147,000,000	\$88,244,000	\$235,244,000

* Assuming the city receives State Housing Aid at a Reimbursement Rate or State Aid Ratio of at least 50%, the principal amount of the bonds that may be issued may be reduced by \$73,500,000 or more.
 ** Cost of issuance estimated at 0.153% of principal issued.
 *** Assumes an interest rate of 4.00%, with Bonds amortized with level payments over 25 years.

Local Question 3

3. FIRE AND PUBLIC SAFETY EQUIPMENT \$2,000,000 BONDS AND NOTES

(Local Acts 68 and 88 - Acts and Resolves of 2020)

Shall an act, passed at the 2020 session of the General Assembly, entitled "An Act Authorizing the City of Cranston to Finance the Acquisition, Improvement, Renovation and Repair of Fire and Public Safety Equipment by the Issuance of Not More Than \$2,000,000 General Obligation Bonds and Notes Therefor" be approved?

- Approve
- Reject

Explanation and purpose of Question 3: These bonds will be used to finance the acquisition, improvement, renovation and repair of fire and public safety equipment. This may include, but is not limited to, the repair and/or replacement of fire apparatus, technology, public safety equipment, training, and storage facilities.

\$2,000,000 will be borrowed. Acquisition and renovation of fire and public safety equipment may begin in 2021 and may be completed in approximately three years. Although each asset has a different useful life, the average useful life of the fire and public safety equipment financed, including equipment, vehicles, upgrades, and training or storage facilities, is approximately 20 years.

Project Costs		Cost of Issuance*		Total Project and Issuance Costs		
Principal	Interest**	Principal	Interest**	Principal	Interest**	Total Costs
\$1,960,000	\$799,575	\$40,000	\$14,175	\$2,000,000	\$813,750	\$2,813,750

* Cost of issuance estimated at 2.00% of principal issued.
 ** Assumes an interest rate of 3.50%, with bonds amortized with level payments over 20 years.

Local Question 4

4. PUBLIC BUILDINGS \$1,000,000 BONDS AND NOTES

(Local Acts 69 and 87 - Acts and Resolves of 2020)

Shall an act, passed at the 2020 session of the General Assembly, entitled "An Act Authorizing the City of Cranston to Finance the Construction, Improvement, Renovation, Repair, Alteration, Furnishing and Equipping of Public Buildings in the City by the Issuance of Not More Than \$1,000,000 General Obligation Bonds and Notes Therefor" be approved?

- Approve
- Reject

Explanation and purpose of Question 4: These bonds will be used to finance the construction, improvement, renovation, repair, alteration, furnishing, and equipping of public buildings in the city, including, but not limited to, needed upgrades and repairs, heating, ventilation, and air conditioning and boiler repairs and replacements, and roof repairs and replacements.

\$1,000,000 will be borrowed. Construction and renovations on public buildings may begin in 2021 and may be completed in approximately four years. Although each asset has a different useful life, the average useful life of the public building improvements financed will be approximately 20 years. The useful life of the public buildings is at least 50 years. The useful life of furnishings and equipment is approximately 20 years.

Project Costs		Cost of Issuance*		Total Project and Issuance Costs		
Principal	Interest**	Principal	Interest**	Principal	Interest**	Total Costs
\$960,000	\$391,825	\$40,000	\$15,925	\$1,000,000	\$407,750	\$1,407,750

* Cost of issuance estimated at 4.00% of principal issued.
 ** Assumes an interest rate of 3.50%, with bonds amortized with level payments over 20 years.

5. PLAYGROUNDS AND ATHLETIC FIELDS \$2,000,000 BONDS AND NOTES

(Local Acts 70 and 89 - Acts and Resolves of 2020)

Shall an act, passed at the 2020 session of the General Assembly, entitled "An Act Authorizing the City of Cranston to Finance the Acquisition, Construction, Improvement, Renovation, Repair and Alteration of Playgrounds, Athletic Fields and Related Equipment in the City by the Issuance of Not More Than \$2,000,000 General Obligation Bonds and Notes Therefor" be approved?

- Approve
- Reject

Explanation and purpose of Question 5: These bonds will be used to finance the acquisition, construction, improvement, renovation, repair and alteration of playgrounds, athletic fields and related equipment in the city. These projects may include, but are not limited to, synthetic turf at Cranston Stadium, Pastore Youth Center building upgrades, and upgrades and repairs to various playgrounds, tennis courts, and athletic fields in the city.

\$2,000,000 will be borrowed. Construction, renovation, and equipping of playgrounds, athletic fields, and recreation facilities may begin in 2021 and will be completed in approximately three years. The average useful life of playgrounds and athletic fields is approximately 20 years. The average useful life of recreation projects is approximately 10 years.

Project Costs		Cost of Issuance*		Total Project and Issuance Costs		
Principal	Interest**	Principal	Interest**	Principal	Interest**	Total Costs
\$1,960,000	\$799,575	\$40,000	\$14,175	\$2,000,000	\$813,750	\$2,813,750

* Cost of issuance estimated at 2.00% of principal issued.
 ** Assumes an interest rate of 3.50%, with bonds amortized with level payments over 20 years.

Local Question 6

6. STREETS, SIDEWALKS, AND BRIDGES \$10,000,000 BONDS AND NOTES

(Local Acts 71 and 86 - Acts and Resolves of 2020)

Shall an act, passed at the 2020 session of the General Assembly, entitled "An Act Authorizing the City of Cranston to Finance the Design, Construction, Repair, Rehabilitation and Improvement of Streets, Sidewalks and Bridges in the City, Including but Not Limited to, Paving, Drainage, Traffic Control Devices, Road Maintenance Equipment, Safety Improvements and Landscaping and All Costs Incidental or Related Thereto by the Issuance of Not More Than \$10,000,000 General Obligation Bonds and Notes Therefor" be approved?

- Approve
- Reject

Explanation and purpose of Question 6: These bonds will be used to finance the design, construction, repair, rehabilitation and improvement of streets, sidewalks and bridges in the city. In addition, the bonds will be used for paving, drainage, traffic control devices, road maintenance equipment, safety improvements and landscaping of the streets, sidewalks, and bridges in the city. This may include, but is not limited to, city-wide infrastructure improvements and associated equipment necessary to construct and maintain said improvements, to include maintenance trucks, dump trucks, street sweepers, and other related equipment.

\$10,000,000 will be borrowed. Construction and renovations of streets, sidewalks, and bridges, and purchase of related maintenance equipment, may begin in 2021 and may be completed in approximately five years. Although each asset has a different useful life, the average useful life of streets, sidewalks, and bridges is approximately 50 years. The average life of public works equipment is approximately 15 years.

Project Costs		Cost of Issuance*		Total Project and Issuance Costs		
Principal	Interest**	Principal	Interest**	Principal	Interest**	Total Costs
\$9,900,000	\$4,031,300	\$100,000	\$41,300	\$10,000,000	\$4,072,600	\$14,072,600

* Cost of issuance estimated at 1.00% of principal issued.
 ** Assumes an interest rate of 3.50%, with bonds amortized with level payments over 20 years.

Local Question 7

7. RENEWABLE ENERGY IMPROVEMENTS \$5,000,000 BONDS AND NOTES

(Local Acts 72 and 91 - Acts and Resolves of 2020)

Shall an act, passed at the 2020 session of the General Assembly, entitled "An Act Authorizing the City of Cranston to Finance the Acquisition, Equipping and Installation of Renewable Energy and Energy Conservation Improvements That Reduce Energy Costs and/or Use of Fossil Fuels in Public Buildings and Facilities in the City and All Attendant Expenses, Including but Not Limited to, Engineering Costs by the Issuance of Not More Than \$5,000,000 General Obligation Bonds and Notes Therefor" be approved?

- Approve
- Reject

Explanation and purpose of Question 7: These bonds will be used to finance the acquisition, equipping and installation of renewable energy and energy conservation improvements in public buildings and facilities in the city. These renewable energy and energy conservation improvements will reduce energy costs and/or use of fossil fuels in public buildings and facilities in the city and it is expected that the energy savings will offset the costs of the energy improvements and/or reduce the city's carbon emissions. The amount of the bonds issued will include all expenses related to purchasing and installing the renewable energy and energy conservation improvements, including but not limited to, engineering costs. These bonds may be used for renewable energy improvements to buildings and city infrastructure.

\$5,000,000 will be borrowed. The installation of renewable energy and energy conservation improvements may begin in 2021 and may be completed in approximately five years. Although each asset has a different useful life, associated projects and equipment have an average useful life of approximately 20 years. The average useful life of energy conservation equipment is approximately 15 years.

Project Costs		Cost of Issuance*		Total Project and Issuance Costs		
Principal	Interest**	Principal	Interest**	Principal	Interest**	Total Costs
\$4,950,000	\$2,017,400	\$50,000	\$16,800	\$5,000,000	\$2,034,200	\$7,034,200

* Cost of issuance estimated at 1.00% of principal issued.
 ** Assumes an interest rate of 3.50%, with Bonds amortized with level payments over 20 years.

QUESTIONS 8-11 AMENDMENTS TO CRANSTON HOME RULE CHARTER

Local Question 8

8. WARD REDISTRICTING

(Resolution of the City Council No. 2020-25 adopted June 25, 2020)

Shall an amendment to Section 2.03 of the Home Rule Charter of the City of Cranston, to prohibit gerrymandering and protect the geographic integrity of local neighborhoods in the redistricting process, be approved?

Sec. 2.03 – Elective officers—Mayor and council.

By ordinance, the city shall be divided into six wards in such a manner that each ward shall: (1) consist of a compact and contiguous portion of the city; (2) respect the geographic integrity of local neighborhoods or local communities of interest in a manner which minimizes their division to the extent possible.

(3) be bounded by major roads or natural features to the extent possible; and (4) All wards shall contain as nearly as possible an equal number of inhabitants as determined by the most recent federal decennial census, and shall request that such plan be enacted into law. The place of residence of any incumbent or political candidate shall not be considered in the creation of wards. Wards shall not be drawn for the purpose of favoring or discriminating against an incumbent, political candidate, or political party.

- Approve
- Reject

Explanation: This charter amendment, subject to approval by the city's voters, prohibits gerrymandering in redistricting. Most city council and school committee members are elected by ward. After the decennial federal census, the city establishes new ward boundaries. This amendment prohibits the city's ward boundary lines from being designed for the purpose of favoring or discriminating against an incumbent, political candidate, or political party in the redistricting process. The amendment also includes language related to respecting local neighborhoods, and having wards divided by major roads and natural features to the extent possible.

Local Question 9

9. MAYOR'S LINE ITEM VETO

(Resolution of the City Council No. 2020-28 adopted June 25, 2020)

Shall an amendment to Section 6.10 of the Home Rule Charter of the City of Cranston, to allow the mayor to veto a change in a line item in the annual budget, be approved?

Sec. 6.10 – Mayor's item veto.

The signature of the mayor shall not be required on the operating budget and appropriation ordinance. Following their adoption, if the council has ~~changed~~ increased the amount of any item or items of appropriation or added an item or items of appropriation not included in the operating budget and appropriation ordinance as submitted by the mayor the city clerk shall forthwith deliver to the mayor a copy of the portion of the journal recording such changes. If the mayor disapproves of any such change, the mayor shall within forty-eight hours of his receipt of the record of changes file with the city clerk a message of disapproval. The council may by a vote of two-thirds of all its members override the mayor's disapproval. If the mayor's disapproval is not overridden the change disapproved shall be eliminated.

- Approve
- Reject

Explanation: This charter amendment, subject to approval by the city's voters, grants the mayor the authority to exercise a line-item veto over any change in a budget line-item approved by the city council. Presently, the mayor is permitted to use a line-item veto to prevent an increase in a line item in the budget, but cannot veto decreases in a line-item in the budget. Reductions in some budget line items, for example reducing contributions to the city's pension fund, can create a structural budget deficit.

Local Question 10

10. RAINY DAY FUND (UNDESIGNATED FUND BALANCE)

(Resolution of the City Council No. 2020-29 adopted June 25, 2020)

Shall an amendment to Chapter 6 of the Home Rule Charter of the City of Cranston, requiring the city to maintain a Rainy Day Fund equal to at least five percent of the city's annual operating budget that could be used only for an emergency, be approved?

Sec. 6.20 – Rainy Day Fund (Undesignated Fund Balance)

The city shall maintain an undesignated fund balance (Rainy Day Fund), which shall, at a minimum, be equal to five percent of the city's annual operating budget. No appropriation, allotment or expenditure shall be made which would cause the year end undesignated fund balance (Rainy Day Fund) to go below five percent of the city's annual operating budget except for an unanticipated non-recurring expenditure or revenue loss arising from an emergency involving the health, safety or property of the residents of the City of Cranston. Such an appropriation that would cause the amount in the year end undesignated fund balance (Rainy Day Fund) to go below five percent of the city's annual operating budget shall be made upon the written recommendation of the mayor and approved by the affirmative votes of at least two-thirds of the entire city council.

- Approve
- Reject

Explanation: This new charter amendment, subject to approval by the city's voters, requires the city to maintain an undesignated fund balance, or Rainy Day Fund, which could not go below five percent of the city's annual budget, except for an emergency. The amendment also requires appropriations that would cause the year-end undesignated fund balance, or Rainy Day Fund, to go below five percent to be recommended by the mayor, and approved by at least two-thirds of the entire city council. Cranston's bond advisor, PFM, indicated in a June 2020 letter that "the establishment of a fund balance policy is both prudent and positively viewed by the rating agencies."

Local Question 11

11. PROPERTY TAX LEVY CAP

(Resolution of the City Council No. 2020-36 adopted July 16, 2020)

Shall an amendment to Chapter 6 of the Home Rule Charter of the City of Cranston, to cap annual increases in the property tax levy to no more than three percent subject to certain limited exceptions, be approved?

Sec. 6.21 – Property Tax Levy Cap

The city may not increase the property tax levy by more than three percent but no higher than four percent above the amount levied for the previous fiscal year unless approved by the affirmative vote of at least a majority of the entire city council and at least one of the conditions set forth in R.I.G.L. Section 44-5-2 is met. Furthermore, the city may not increase the property tax levy by more than four percent above the amount levied for the previous fiscal year unless approved by the affirmative vote of at least four-fifths of the entire city council and at least one of the conditions set forth in R.I.G.L. Section 44-5-2 is met.

R.I.G.L. Section 44-5-2 provides for the following conditions for a tax increase: (1) the city forecasts or experiences a loss in total non-property tax revenues; (2) the city experiences or anticipates an emergency; (3) the city forecasts or experiences debt services expenditures that exceed the prior year's debt service expenditures by an amount greater than a four percent increase; or (4) the city experiences substantial growth in its tax base as the result of major new construction that necessitates either significant infrastructure or school housing expenditures by the city or a significant increase in the need for essential municipal services.

- Approve
- Reject

Explanation: This new charter amendment, subject to approval by the city's voters, is intended to prevent annual increases in the property tax levy of greater than three percent, except under limited circumstances. Under the amendment, the city cannot annually increase its property tax levy by more than three percent unless at least one of four conditions are met. In addition, a property tax increase that is more than three percent but does not exceed four percent would need the approval of at least a majority of the city council. A property tax increase of more than four percent would need the approval of four-fifths of the city council.

You must be registered to vote from your actual place of residence. Voter fraud is a felony and the penalty for voter fraud is imprisonment for a term of not more than ten (10) years, or a fine of not less than one thousand dollars (\$1,000) nor more than five thousand dollars (\$5,000), or both, for each offense. (R.I.G.L. §17-26-1)

This official election notice is published in accordance with R.I.G.L. § 17-8-10. Cranston Board of Canvassers office hours are Monday through Friday, 8:30 a.m. to 4:30 p.m. in Room 100, Cranston City Hall, 869 Park Ave., Cranston, RI 02910-2786 – Phone: 401-780-3121 – Email: canvassing@cranstonri.org – Website: www.cranstonri.gov – Check your voter registration and election information online at vote.ri.gov – Cranston Board of Canvassers, Randall A. Jackvony, Chairman; Gary J. Vierra and Fred E. Joslyn Jr., Members.