

## **Advisory Finance Opinion**

**This advisory finance opinion is rendered pursuant to Section 9.2 (b) (2) of the Home Rule Charter of the City of West Plains, Missouri regarding the financial analysis of the subject matter and wording of the Initiative Petition that proposes an ordinance adopting provisions for the enhanced utilization of the property in the center of Butler’s Children Park commonly known as the Parkside House.**

**The ordinance specifies the rehabilitation of the Parkside House plus providing an all-inclusive playground for children with special needs.**

The following is the financial impact with the proposed ordinance:

- 1) The estimate of the cost to renovate the Parkside House is approximately \$1,000,000. In June 2015, GHN Architects and Engineers did a feasibility study for renovating the Parkside House. At that time, they determined that the cost to renovate the house was \$792,378. Considering inflation and current tariffs, we estimate that the cost to renovate the house today would be approximately \$1,000,000. The ordinance proposes the use of \$200,000 in pledges received by Friends of Parkside. From our understanding, there is very limited cash and collectability of a large amount of these pledges cannot be guaranteed. Whatever pledges are not collectable will be rehabilitation costs borne by the City of West Plains. Due to the uncertainty and to be conservative, we estimate that the cost to the City to rehabilitate the house is approximately \$1,000,000.

The City does not have the funds to complete this project proposed by the ordinance. To date, the City has approximately \$138,766 in capital improvements funding committed to this project. \$77,000 was pledged to update the park (see below). This leaves approximately \$61,766 available for the renovation of the Parkside House.

2) The cost to update the park with fence repair, the addition of new walking trails, resurface fall protection, and an all-inclusive playground is estimated at \$686,000.

In the City's proposal that was approved by City Council, \$77,000 in capital improvement funds, approximately \$37,000 in transportation funds, and \$279,500 provided in labor was pledged toward the project. The remaining necessary funds would be provided from applying for a LWCF grant in the amount of \$292,500.