



# Town of Chapel Hill Capital Program

March 10, 2021

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# Agenda



**Two-Thirds Bonds**



**Funding Plan**



**Next Steps**

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# Two-Thirds Bonds

- **Two-Thirds Bonds are General Obligation (GO) Bonds that can be issued under the following circumstances:**
  - If no new GO Bonds were issued during the year, Two-Thirds bonds can be issued in the subsequent year in an amount up to two-thirds of the reduction in principal for the base year

**2/3**

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# Two-Thirds Bonds



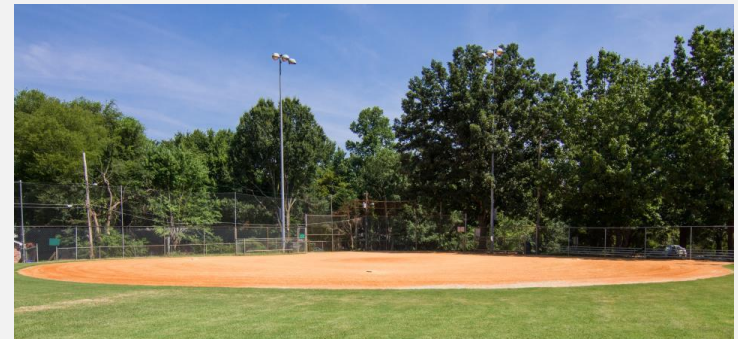
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\* Actual debt service amounts depend on the rates at the time of the sale.

# Two-Thirds Bonds Uses

## Parks and Recreation Facilities:

- Cedar Falls Park Tennis Complex
- Hargraves Park Tennis Court
- Ephesus Park Technical Assessment & Tennis Court Repairs
- Hargraves Park Playground
- AD Clark Pool
- Hargraves Center Ballfield
- Umstead Park Basketball Court
- Homestead Aquatic Center Pool



# Two-Thirds Bonds Uses

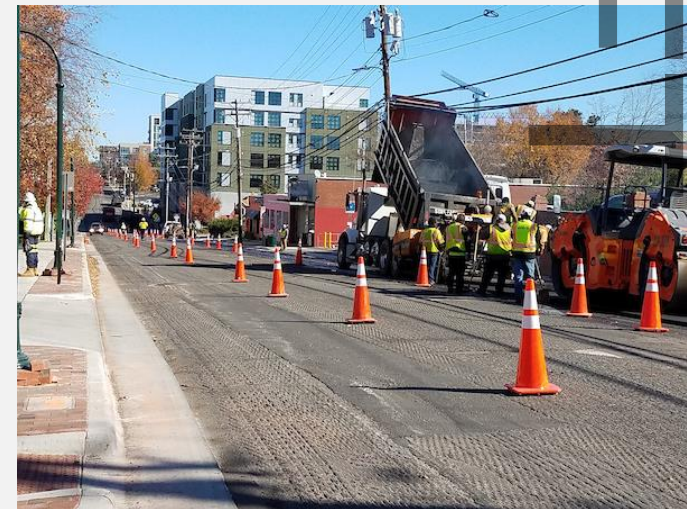
## Fire Truck:

- Replacement of Engine 33 (2002 HME) as frontline vehicle.



## Streets and Sidewalks Projects:

- Prioritized list of shovel-ready street maintenance needs
- Prioritized list of sidewalk repairs throughout Town



# GO Bonds Issuance Schedule

- **Preliminary Resolution (2/3)** Feb 24
- **Introduce Bond Order (2/3)** Mar 10
- **Public Hearing/Adopt Bond Order (2/3)** Mar 24
- **Issuance Resolution (2/3 & Referendum)** Apr 7
- **LGC Approval** Apr 13
- **LGC Bond Sale** Apr 27
- **Bond Closing** May 13



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# Planned April Issuance

Bond Order	Authority*	April Issue
<b>Referendum:</b>		
Affordable Housing	\$ 10,000,000	\$ 4,755,000
<b>Two-Thirds Bonds:</b>		
Parks & Recreation		\$ 1,155,000
Fire Truck		550,000
Streets & Sidewalks		1,500,000
<b>Total Two-Thirds</b>	<b>\$ 3,205,000</b>	<b>\$ 3,205,000</b>

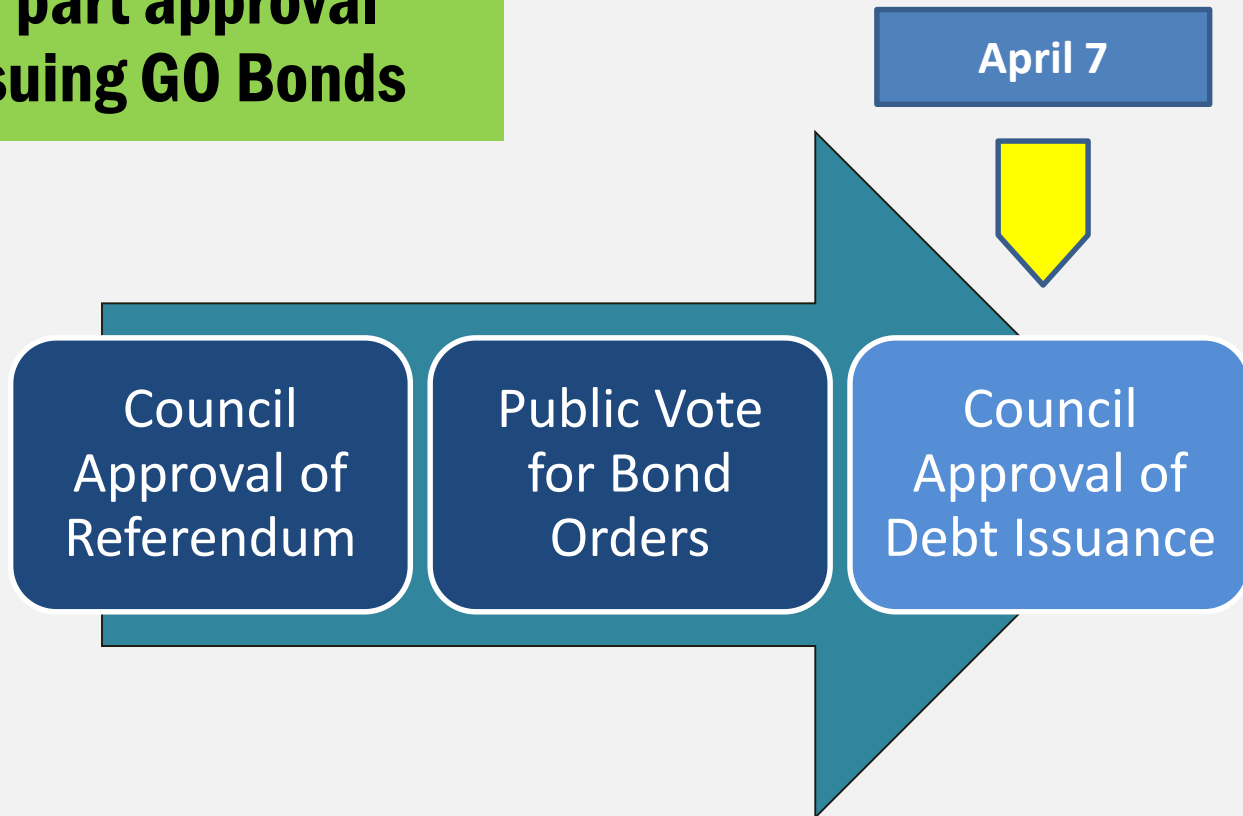
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\* Authority for two-thirds bonds contingent on Council approval



# Capital Funding (Referendum Bonds)

The referendum is the second part of a three part approval process for issuing GO Bonds



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# Debt Issuance Authority

**Voters**

2018 Referendum  
\$10 Million  
GO Bonds

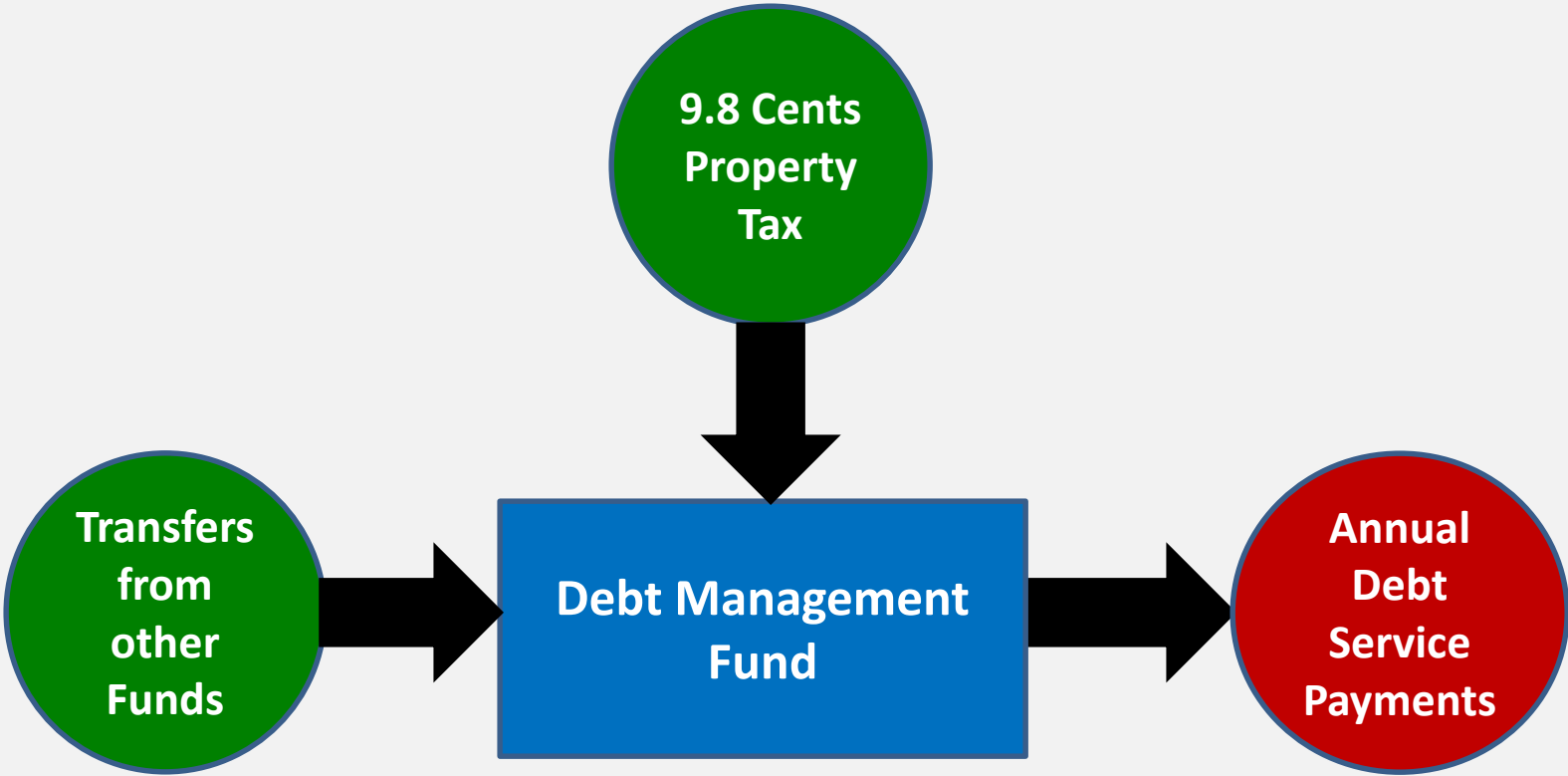
**Council**

Two-Thirds Bonds

Installment Financing

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# Debt Fund Capacity



**Parking Fund  
Ephesus Fordham TIF**

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# New Projects & Priorities

- **Capital plans change over time as new opportunities arise, costs increase, and project scopes are adjusted to meet changing needs and requirements**
- **Flexibility is achieved by adjusting the sequence and timing of projects**

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# Recommendation

- **Staff reading of “Introduction of the Two-Thirds Bond Orders”**
- **Council adopt resolution (R-) setting a public hearing for March 24, 2021 and authorizing the filing of a sworn statement of debt**

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