



## Legislation Text

File #: [21-0479], Version: 1

### Approve Project Ordinance Amendments to Recognize Capital Financing Proceeds for FY 2020-21.

**Staff:**

Amy Oland, Director

**Department:**

Business Management Department

**Overview:** The Town recently completed the issuance of \$3.205 million of general obligation two-thirds bonds and \$4.755 million of general obligation referendum bonds. In order for these funds to be available to spend on the identified list of capital projects, Council must enact project ordinance amendments recognizing receipt of these funds.



**Recommendation(s):**

That the Council:

1. Enact the attached project ordinance amendment to establish a budget for the 2021 Parks and Recreation, Public Safety and Streets and Sidewalks Two-Thirds Bonds Fund;
2. Enact the attached project ordinance amendment to establish a budget for the 2018 Affordable Housing Bond Fund.

**Key Issues:**

**Two-Thirds Bonds** - On May 12, 2021, the Town closed on \$3,205,000 of General Obligation Two-Thirds Bonds. The total amount of the proceeds, including a bond premium, is \$3,511,731; \$3,441,972 of that amount is available for project use and \$69,759 is to pay costs associated with the financing.

The proceeds will be used for the following projects:

- Cedar Falls Park Tennis Complex Reconstruction - Remove the current tennis courts and reconstruct the complex to improve drainage. Project would include five tennis courts, four junior courts, new LED lighting, fencing, walkways and amenities.
- Hargraves Park Tennis Court Improvements - Resurface existing tennis courts, replace fencing, and install LED lights.
- Ephesus Park Technical Assessment and Tennis & Pickleball Courts - Conduct engineering assessment of current complex conditions and subsurface conditions to produce recommendations and cost estimates on options for how to effectively address existing issues and a short-term repair option of the noted issues.
- Hargraves Park Playground Surface Replacement - Repair the poured-in-place surfacing that is cracked and install curbing for playground user safety.
- AD Clark Pool Improvements - Replaster pool shell to allow the pool to remain open.
- Hargraves Center Ballfield Renovation - Regrade to improve drainage, including the addition of drain lines and irrigation, replace bleachers and fencing; improve and install ADA accessible paths or sidewalk to ballfields.
- Umstead Park Basketball Court - Resurface and restripe basketball court surface, replace goals, and add retaining walls to minimize erosion.
- Homestead Aquatic Center Pool Improvements - Replaster pool shell at the two Homestead

Aquatic Center pools and conduct related improvements.

- Replacement Fire Truck - The Fire Department would use the bond funds to replace Engine 33 (2002 Hendrickson Mobile Equipment (HME)) as a frontline vehicle. The current Engine 33 would then be moved to reserve status. In FY 2020, Engine 33 spent 96 days out of service and the Town spent \$88,640 on repairs to maintain the apparatus.
- Street Resurfacing - There is a significant backlog of needed maintenance on about two-thirds of the Town's streets. Public Works staff have prioritized about 32 shovel-ready street maintenance needs throughout the Town totaling \$2.7 million. The Chapel Hill community has identified street maintenance as a top priority.
- Sidewalk Projects - From the backlog of maintenance needs, Public Works staff identified high priority sidewalk repairs throughout the Town. Addressing sidewalk repair needs also addresses ADA requirements.

Enactment of the attached project ordinance amendment will establish the 2021 Two-Thirds Bonds Fund project budget in the amount of \$3,511,731 from the proceeds of the issuance of General Obligation Two-Thirds bonds.

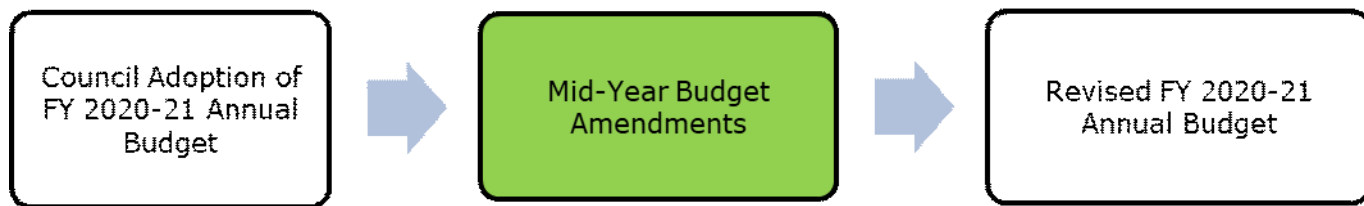
**Affordable Housing Referendum Bonds** - On May 13, 2021, the Town closed on \$4,755,000 of General Obligation referendum bonds. The total amount of the proceeds, including a bond premium, is \$5,213,966; \$5,110,549 of that amount is available for project use and \$103,417 is to pay costs associated with the financing.

The proceeds will be used for the following projects:

- Weavers Grove Affordable Housing Development - The Town will provide \$1,255,692 in bond proceeds to Habitat for Humanity to assist with infrastructure, site improvement, and construction costs for Weavers Grove, Habitat's future development of 100 affordable homes off Sunrise Road.
- Johnson Street Apartments - The Town will provide \$200,000 in bond proceeds to EmPOWERment to construct ten ADA-compliant rental units in a highly energy efficient building shell. The project will address a specific rental gap that continues to go unmet: families earning less than 60% AMI.
- 2200 Homestead Road Mixed-Income Community - The Town plans to use \$3,300,000 in bond funding to partner with a selected affordable housing development team to develop a mixed-income affordable housing community on Town-owned land. The bond funds will be used for pre-development activities, site work, and construction. This community will increase the availability of homeownership and rental housing for households with a range of incomes up to middle income.
- Project Reserve - The Town will set aside the remaining \$354,857 in reserve and will include these funds in the next affordable housing project RFP process scheduled for 2022.

Enactment of the attached project ordinance amendment will establish the 2018 Affordable Housing Bond Fund in the amount of \$5,213,966 from the proceeds of the issuance of General Obligation Referendum bonds.

## Where is this item in its process?



**Attachments:**

- Project Ordinance - 2021 Two-Thirds Bonds Fund
- Project Ordinance - 2018 Affordable Housing Bonds Fund

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**The Agenda will reflect the text below and/or the motion text will be used during the meeting.**

By enacting the project ordinances, the Council establishes a budget for the 2021 Parks and Recreation, Public Safety and Streets and Sidewalks Two-Thirds Bonds Fund and establishes a budget for the 2018 Affordable Housing Bonds Fund.