



Legislation Text

File #: [18-0354], Version: 1

Introduction of Bond Order, Setting a Public Hearing and Authorizing the Filing of a Debt Statement for the November 2018 Affordable Housing Bond Referendum.

Staff:

Kenneth C. Pennoyer, Director
Amy Oland, Assistant Director
Loryn Clark, Executive Director

Department:

Business Management

Housing and Community

Overview: On March 21, 2018 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3380249&GUID=A0E0EC6B-CF1D-462C-8A7F-9CDE0AA445BC&Options=&Search=>> the Council adopted the Preliminary Findings Resolution, which established the Council's intent to proceed with a referendum in November 2018 to authorize the issuance of general obligation bonds for affordable housing in an amount not to exceed \$10,000,000. The next steps in the referendum process are to introduce the bond order, set the public hearing and authorize the filing of a debt statement.

☆ **Recommendation(s):**

- That the Mayor or a member of the Council introduce the Bond Order for the November 2018 General Obligation (G.O.) Bond Referendum; and
 - That the Council adopt the resolution setting a public hearing on the bond order for May 9, 2018 and authorize the filing of a sworn statement of debt by the Town's Finance Officer.

Decision Points:

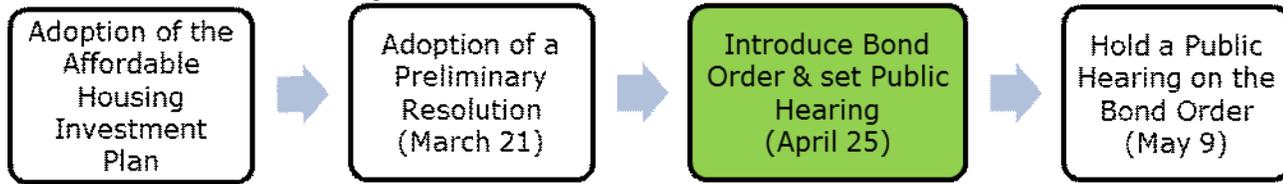
- Council introduction of the Bond Order and adoption of the resolution setting a public hearing and authorizing the filing of a debt statement are statutory requirements for conducting a G.O. Bond Referendum.
- On May 9th Council will hold a public hearing on the referendum authorizing the issuance of Affordable Housing bonds in an amount not to exceed \$10,000,000.
- On May 23rd Council will take final action on the referendum by adopting the bond order and setting the ballot question and referendum date.

Key Issues:

- A successful referendum will result in the authority to issue up to \$10,000,000 of affordable housing bonds for a period of seven years. Council will approve the timing and amount of bonds issued under this authority.
- Actual issuance of the bonds will require separate Council action.

Fiscal Impact/Resources: The affordable housing bonds will be repaid from the Debt Fund; however, there is insufficient capacity in the fund to support the existing capital program and the proposed affordable housing bond without an increase in the dedicated tax. Based on our assumptions concerning timing of issuance and interest rates, an increase in the Debt Fund tax of 1 penny will be sufficient to cover repayment of the bonds.

Where is this item in its process?



Council Goals:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input checked="" type="checkbox"/>		Develop Good Places, New Spaces
<input checked="" type="checkbox"/>		Support Community Prosperity	<input checked="" type="checkbox"/>		Nurture Our Community
<input type="checkbox"/>		Facilitate Getting Around	<input type="checkbox"/>		Grow Town and Gown Collaboration



Attachments:

- Resolution Setting a Public Hearing and Authorizing the Filing of a Debt Statement
- Draft Staff Presentation
- Staff Memorandum
- Proposed Bond Order for Introduction
- Sample Ballot Question
- Description of Referendum Projects

**A RESOLUTION SETTING PUBLIC HEARING AND AUTHORIZING FILING OF DEBT STATEMENT
(2018-04-25/R-5)**

WHEREAS, there has been introduced at this meeting a Bond Order entitled as follows:

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR HOUSING
FOR PERSONS OF LOW AND MODERATE INCOME IN THE MAXIMUM AMOUNT OF \$10,000,000,
SUBJECT TO VOTER APPROVAL**

AND WHEREAS, Section 159-57 of the General Statutes requires that a public hearing be held on the bond order prior to its adoption, Section 159-56 of the General Statutes requires publication of a notice of the hearing, and Section 159-55 of the General Statutes requires the filing of a statement of the Town's debt with the Clerk to the Council prior to the public hearing;

BE IT THEREFORE RESOLVED by the Town Council of the Town of Chapel Hill, North Carolina, (1) that a public hearing on the bond order will be held at 7:00 p.m. (or as soon thereafter as the matter may be heard) on May 9, 2018, in the Council's regular meeting room in Town Hall, 405 Martin Luther King, Jr., Boulevard, Chapel Hill, North Carolina, and (2) that the Town Clerk is directed to publish a notice of the public hearing, in the form provided for in Section 159-56 of the General Statutes, one time, not less than six days prior to the hearing date, in a newspaper having general circulation in the Town;

AND BE IT FURTHER RESOLVED that the Town's Finance Officer is directed to prepare and file, prior to the publication of the notice of public hearing, a sworn statement of the Town's net debt in the form prescribed by statute.

This the 25th day of April, 2018.

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

PRESENTER: Amy Oland, Assistant Business Management Director

RECOMMENDATION: That the Mayor or a member of the Council introduce the Bond Order for the November 2018 General Obligation (G.O.) Bond Referendum; and that the Council adopt the resolution setting a public hearing on the bond order for May 9, 2018 and authorize the filing of a sworn statement of debt by the Town's Finance Officer.