



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Legislation Text

File #: [23-0236], Version: 1

Approve Project Ordinance Amendments to Recognize Capital Financing Proceeds for FY 2022-23.

Staff:

Amy Oland, Director

Department:

Business Management

Overview: The Town recently issued \$1,980,000 of general obligation two-thirds bonds and \$12,945,000 of general obligation referendum bonds. 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:

- Enact the attached project ordinance amendment to establish a budget for the 2023 Public Safety Two-Thirds Bonds Fund;
- Enact the attached project ordinance amendment to amend the budget for the 2015 Streets and Sidewalks Bond Fund;
- Enact the attached project ordinance amendment to amend the budget for the 2018 Affordable Housing Bond Fund; and
- Enact the attached budget ordinance amendment to amend the Public Housing Fund budget.

Key Issues:

Two-Thirds Bonds - On March 7, 2023, the Town closed on \$1,980,000 of general obligation two-thirds bonds. The total amount of the proceeds, including a bond premium, is \$2,256,505; \$2,222,918 of that amount is available for project use and \$33,587 is to pay costs associated with the financing.

The proceeds will be used for the following project:

- Public Safety Radio Equipment (\$2,256,505) - Replacement radios for the Town's police and fire departments that will be P25 Phase 2 ready to meet the new requirements set forth by the NC Department of Public Safety's Voice Interoperability Plan for Emergency Responders (VIPER) system.

Enactment of the attached project ordinance amendment will establish the 2023 Two-Thirds Bonds Fund project budget in the amount of \$2,256,505 from the proceeds of the issuance of general obligation two-thirds bonds.

Referendum Bonds - On March 8, 2023, the Town closed on \$12,945,000 of general obligation streets & sidewalks (\$7,700,000) and affordable housing (\$5,245,000) referendum bonds. The total amount of the proceeds, including a bond premium, is \$14,384,697; \$14,178,173 is available for project use and \$206,524 is to pay costs associated with the financing.

The proceeds will be used for the following Streets & Sidewalks projects:

- Bolinwood Drive Bridge (\$1,183,598) - The existing bridge is over 50 years old and has been classified as functionally obsolete. It exists as a 30 linear foot concrete span structure with no

sidewalks (sidewalks stop next to the bridge on either side). The new bridge replacement will have a 40 linear foot concrete span and will have dedicated sections for pedestrian crossing by incorporating sidewalks on both edges.

- *Cameron Protected Bike Lane (\$180,000)* - Upgrade the existing bike lanes on Cameron Ave. between Merritt Mill Rd. and Pittsboro St., as well as improve the intersection of Merritt Mill and Cameron where the Libba Cotten Bikeway ends. The project was a priority in the 2014 Bike Plan, is a top 20 priority in the 2017 Mobility and Connectivity Plan and can piggy-back on the resurfacing of Cameron Avenue in FY24 to minimize restriping costs.
- *Estes Drive - Carrboro to MLK (\$901,000)* - Project provides an important link in the growing network of bike-ped facilities throughout Town by continuing the bike-ped improvements that are underway on Estes Drive from MLK to Caswell to the west, from MLK to the Carrboro border. The intent is to match the cross-section of the current Estes bike-ped improvements, to provide a continuous and predictable route for alternative modes of transportation.
- *Estes Drive Connectivity (\$300,000)* - Bicycle and pedestrian improvements on Estes Drive between MLK and Caswell Rd., including raised bike lanes on both sides, a multiuse path on the north side, and sidewalk on the south side. Project also includes intersection improvements at MLK/Estes and RRFB crosswalks at Somerset and Caswell.
- *Fordham - Willow to Old Durham (\$496,100)* - Being one of the top 20 projects in the Mobility and Connectivity Plan, this project will fill in the gaps and extend the multiuse paths on both sides of Fordham Blvd. between Willow Dr. and Old Durham Road. There are bike lanes and sidewalks on Old Durham Road, which extend all the way to Durham. Completing the multiuse paths along Fordham Blvd. is an integral step in creating a continuous network of bike-ped facilities in this vehicle-oriented part of Town and will ultimately connect much of Town to the Blue Hill district and Durham, via the Bolin and Booker Creek Greenways.
- *Elliott Road Extension (\$1,265,000)* - Installation of the extension of Elliott Road roadway and amenities from Fordham Blvd. to Ephesus Church Rd. The road will have raised, separated bike lanes, sidewalks and a mid-block crosswalk. The new roadway alignment design, with the roundabout at Ephesus Church Rd. and the T-intersection at Fordham Rd., was developed during Phase II of the Ephesus-Fordham Small Area Plan.
- *Fordham Sidepath Project (\$550,000)* - The Project would construct a pedestrian and bicycle sidepath along Fordham Boulevard that would meet NC Bicycle Program and AASHTO design standards. Approximately half of the project involves demolition and reconstruction of an existing sidepath from Cleland Drive to Ridgefield Road. The other element is construction of a new multimodal side-path from Ridgefield Road to Willow Drive.
- *Sidewalks - Homestead & Seawell School Road (\$1,164,302)* - Construction consisting of roadway widening along Homestead Road and Seawell School Road which will include bike lanes, a multi-use path and sidewalks. This project also includes new curb and gutter, pavement markings, traffic control, erosion control, signal modification, and storm drainage upgrades.
- *Street Resurfacing (\$910,000)* - Resident satisfaction with street maintenance has decreased by 17 percent since 2009 and 21.7% of paved town-maintained streets are in poor to very poor condition based on the 2018 Pavement Condition Survey. Funding to help supplement a multitude of locations throughout the Town within the annual street resurfacing and reconstruction budget to reverse the decline in our pavement condition town wide.
- *North Street Construction (\$750,000)* - Proposed roadway traffic improvements that will improve the public safety at this gateway to downtown Chapel Hill. Traffic signals will be added, and the improved intersection will be an important congestion reliever since it is close to the second entrance/exit for the new Town parking deck on East Rosemary Street.

The Town fared very well in the market during the sale of bonds yielding a sizeable premium. Staff recommends putting the available premium (\$1,233,173) in a reserve until projects are bid out to help provide funding that will most likely be needed to help manage the high cost of construction and inflation.

The proceeds will be used for the following Affordable Housing projects:

- Weavers Grove Affordable Housing Development (\$1,850,000) - Habitat for Humanity will build 101 affordable, green-certified homes as part of a larger, mixed-income community that will include 237 for sale units of varying types, a community center, playground, and community green spaces. Vertical construction will begin in spring 2023.
- Homestead Gardens (2,920,204) - In a partnership between four local affordable housing partners, the Homestead Housing Collaborative will develop 87 mixed-income, mixed-type affordable housing on Town-owned property. The community will include 54 rental apartments, 21 for sale townhomes, 12 for sale duplexes, and a variety of community amenities.
- Trinity Court Redevelopment (\$474,796) - Trinity Court will redevelop 40 existing, vacant public housing units and add 14 additional affordable housing units to the Town's affordable housing inventory. Trinity Court will utilize the U.S. Department of Housing and Urban Development (HUD) Rental Assistance Demonstration Program (RAD) as well as Low Income Housing Tax Credits to finance the development. Construction is scheduled to begin in summer 2023. The Town's Public Housing Fund will also contribute \$1.5 million in fund balance to the project.

Enactment of the attached project ordinance amendment will amend the 2015 Streets & Sidewalks Bonds Fund project budget in the amount of \$9,057,087 from the proceeds of the issuance of general obligation referendum bonds.

Enactment of the attached project ordinance amendment will amend the 2018 Affordable Housing Bonds Fund project budget in the amount of \$5,327,610 from the proceeds of the issuance of general obligation referendum bonds.

Enactment of the attached budget ordinance amendment will appropriate \$1.5 million in Public Housing Fund fund balance for the Trinity Court Redevelopment project.

Where is this item in its process?



Attachments:

- Project Ordinance - 2023 Two-Thirds Bonds Fund
- Project Ordinance - 2015 Streets & Sidewalks Bonds Fund
- Project Ordinance - 2018 Affordable Housing Bonds Fund
- Budget Ordinance - Public Housing Fund

AN ORDINANCE TO ESTABLISH A CAPITAL PROJECTS ORDINANCE FOR PUBLIC SAFETY EQUIPMENT PROJECTS FUNDED FROM 2023 TWO-THIRDS BONDS (2023-03-22/O-2)

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 49 of Chapter 159 of the General Statutes of North Carolina, the following capital project hereby established for public safety equipment projects funded from the 2023 Two-Thirds General Obligation Bonds.

"SECTION I

The capital projects as authorized by General Statute, and as determined by the Town Council, includes the capital costs of public safety.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the implementation of these projects within terms of funds appropriated here.

SECTION III

Revenues anticipated to be available to the Town to complete the project are hereby established as follows:

	Current Budget
Bond Proceeds	\$ 1,980,000
Premium on Bonds	276,505
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	\$ 2,256,505

SECTION IV

Amounts appropriated for capital projects are hereby established as follows:

	Current Budget
Public Safety Radios	2,222,918
Bond Issuance Expenses	33,587
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	\$ 2,256,505

SECTION V

The Town Manager is directed to report annually on the financial status of the projects in an informational section to be included in the Annual Budget, and shall keep the Council informed of any unusual occurrences.

SECTION VI

Copies of this projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk."

This the 22nd day of March, 2023.

AN ORDINANCE TO AMEND THE 2015 STREETS AND SIDEWALKS BOND FUND FOR CAPITAL IMPROVEMENT PROJECTS (2023-03-22/O-3)

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following capital project is hereby amended for Streets and Sidewalk Improvements funded from 2015 General Obligation bonds approved by the voters in November 2015:

"SECTION I

The capital projects as authorized by bond referenda approved in November 2015, and as determined by the Town Council, includes streets and sidewalks capital improvements extending beyond one year.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the implementation of these projects within terms of funds appropriated here.

SECTION III

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds - Series 2017	\$ 3,000,000	\$ 3,000,000
Bond Proceeds - Series 2018	5,500,000	5,500,000
Bond Proceeds - Series 2023	-	7,700,000
Premium on Bonds	878,998	2,236,085
NCDOT Grant - Sidepath Along Fordham	846,400	846,400
STBGDA Grant - Homestead Road	1,040,000	1,040,000
Community Waste Recycling Grant	14,768	14,768
Transfer from General Fund	1,025	1,025
OWASA Contribution	306,750	306,750
Payment in Lieu - Estes Drive	107,237	107,237
Interest on Bonds - Estes Drive	43,018	43,018
COVID Relief - Estes Drive	429,455	429,455
CMAQ Grant - Estes Drive	3,686,618	3,686,618
STPGDA Grant - Estes Drive	737,284	737,284
Total Revenues	\$ 16,591,553	\$ 25,648,640

SECTION IV

Amounts appropriated for capital projects are hereby amended as follows:

	Current Budget	Revised Budget
Bond Issuance Costs	\$ 237,146	\$ 361,060
Capital Project Management & Faciliation	451,852	451,852
Martin Luther King Jr Blvd Crosswalks	193,581	193,581
S Columbia St Pavement Marking Plan	11,400	11,400
Market St Crosswalks	47,120	47,120
Longview Drive Traffic Signal	156,933	156,933
Street Resurfacing - 2017	404,424	404,424
Rosemary Street Lighting	336,030	336,030
Rosemary Street Resurfacing	395,576	395,576
Rosemary Street Pavement Markings	54,100	54,100
Amber Alley Lighting	13,970	13,970
Downtown Streetscape - 2017	61,599	61,599
Friday Center Drive Reconstruction	200,000	200,000
Ephesus Fordham Traffic Impact Analysis	190,000	190,000
Traffic Calming	113,000	113,000
Pavement Markings	74,000	74,000
Audible Pedestrian Signals	20,000	20,000
Sidewalks	774,000	774,000
Sidepath Along Fordham	1,058,000	1,608,000
Recycling Receptacles	18,460	18,460
1% for Art - 2017	30,000	30,000
Estes Drive Bike/Ped MLK to Caswell	5,883,362	5,883,362
Homestead & Seawell School Sidewalks	2,326,700	3,491,002
Ephesus Church Road Sidewalk	17,796	17,796
Street Resurfacing - 2018	775,000	775,000
Varsity&Post Office Alley Improvements	300,000	300,000
Downtown Streetscape - 2018	500,000	500,000
Estes Drive Bike/Ped MLK to Carrboro	70,000	70,000
Old Durham Chapel Hill Road Bike/Ped	1,822,504	1,822,504
1% for Art - 2018	55,000	55,000
Bolinwood Drive Bridge	-	1,183,598
Cameron Protected Bike Lane	-	180,000
Estes Drive Bike/Ped Carrboro to MLK	-	901,000
Fordham Willow to Old Durham	-	496,100
Elliott Road Extension	-	1,265,000
Estes Drive Connectivity	-	300,000
Street Resurfacing - 2023	-	910,000
North Street Construction	-	750,000
Streets & Sidewalks Project Reserve	-	1,233,173
Total Expenditures	\$ 16,591,553	\$ 25,648,640

SECTION V

The Town Manager is hereby directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget, and shall keep the Council informed of any unusual occurrences.

SECTION VI

Copies of this projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk."

This the 22nd day of March, 2023.

AN ORDINANCE TO AMEND THE 2018 AFFORDABLE HOUSING BOND FUND FOR CAPITAL IMPROVEMENT PROJECTS (2023-03-22/O-4)

BE IT ORDAINED by the Council of the Town of Chapel Hill that, pursuant to Section 49 of Chapter 159 of the General Statutes of North Carolina, the following capital project is hereby established for affordable housing projects funded from the 2018 General Obligation Bonds approved by the voters in November 2018.

"SECTION I

The capital projects as authorized by bond referenda approved in November 2018, and as determined by the Town Council, includes affordable housing projects.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the implementation of these projects within terms of funds appropriated here.

SECTION III

Revenues anticipated to be available to the Town to complete the project are hereby amended as follows:

	Current Budget	Revised Budget
Bond Proceeds - Series 2021	\$ 4,755,000	\$ 4,755,000
Bond Proceeds - Series 2023	-	5,245,000
Premium on Bonds	458,966	541,576
	<u>\$ 5,213,966</u>	<u>\$ 10,541,576</u>

SECTION IV

Amounts appropriated for capital projects are amended as follows:

	Current Budget	Revised Budget
Weavers Grove Development	\$ 1,255,692	\$ 3,105,692
Johnson Street Apartments	200,000	200,000
Perry Place	246,913	246,913
2200 Homestead Road	3,300,000	6,220,204
Trinity Court	-	474,796
Affordable Housing Project Reserve	107,944	107,944
Financing Costs	103,417	186,027
	<u>\$ 5,213,966</u>	<u>\$ 10,541,576</u>

SECTION V

The Town Manager is directed to report annually on the financial status of the projects in an informational section to be included in the Annual Budget, and shall keep the Council informed of any unusual occurrences.

SECTION VI

Copies of this projects ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk.”

This the 22nd day of March, 2023.

AN ORDINANCE TO AMEND "THE ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2022" (2023-03-22/O-5)

BE IT ORDAINED by the Council of the Town of Chapel Hill that the Budget Ordinance entitled "An Ordinance Concerning Appropriations and the Raising of Revenue for the Fiscal Year Beginning July 1, 2022" as duly adopted on June 8, 2022, be and the same is hereby amended as follows:

ARTICLE I

	Current Budget	Increase	Decrease	Revised Budget
HOUSING FUND				
Other Expenses	\$ 2,417,939	\$ -	\$ -	\$ 2,417,939
Trinity Court	-	1,500,000	-	1,500,000
	<u>\$ 2,417,939</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>	<u>\$ 3,917,939</u>

ARTICLE II

	Current Budget	Increase	Decrease	Revised Budget
HOUSING FUND				
Other Revenues	\$ 2,338,601	\$ -	\$ -	\$ 2,338,601
Appropriated Fund Balance	79,338	1,500,000	-	1,579,338
	<u>\$ 2,417,939</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>	<u>\$ 3,917,939</u>

This the 22nd day of March, 2023.

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 2023 Public Safety Two-Thirds Bonds Fund and amends the budgets for the 2015 Streets & Sidewalks Bonds Fund and 2018 Affordable Housing Bonds Fund. By enacting the budget ordinance, the Council amends the Public Housing Fund.