



Legislation Details (With Text)

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**File created:** 7/22/2016    **In control:** City Council

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**Title:** Order Authorizing \$38,500,000 Community and Economic Development Bonds

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 16-0660 COMM & ECON DEV BONDS.pdf

Date	Ver.	Action By	Action	Result
8/1/2016	1	City Council	adopt	Pass

Proceedings Of The Public Hearing On Bond Orders Authorizing Housing Bonds, Community And Economic Development Bonds, Parks And Recreation Bonds And Transportation Bonds And Calling A Referendum on Adopted Bond Orders

Department: Finance and Legal  
Council District: All

Public Hearing:  
Advertising Date/By:

Contact 1 and Phone: Richard Lusk, Finance Director, 373-2077  
Contact 2 and Phone: Tom Carruthers, City Attorney, 373-2320

**PURPOSE:** The City Council is required by the NC Local Government Commission to make certain findings and initiate certain actions in order to authorize the issuance of up to \$126 million General Obligation Bonds pursuant to a voter referendum to be held on November 8, 2016, including the holding of a public hearing on proposed bond orders.

The third and final step, to be taken on August 1, 2016, requires the City Council to hold a public hearing on the bond orders, approve the bond orders (second reading) and to vote on the calling of a voter referendum on the bonds. *City Council may adopt, reduce the amounts or not adopt any of the proposed bond orders considered at this meeting.*

**BACKGROUND:** The FY 2017-2026 Capital Improvement Program includes information on various capital project needs of the City totaling \$1.7 billion, from which a prospective list of items to be included in a November 2016 bond referendum, in the amount of \$126 million, are summarized by purpose in the attached resolution.

**BUDGET IMPACT:** Any increase in property taxes necessary to service debt on the bonds is not expected to

exceed 3.35 cents per \$100 assessed valuation, based on a one-time tax rate increase, or 3.90 cents, based on tax rate increases spread over 3 years, and issuing the bonds in several series over the seven (7) year authorization period. Under current economic conditions the bonds can be marketed at reasonable rates of interest.

**RECOMMENDATION / ACTION REQUESTED:** It is recommended by the Legal and Finance Departments that the City Council (1) consider for adoption bond orders for Housing, Community Development, Parks and Recreation, and Transportation, and (2) adopt a resolution calling a bond referendum on adopted bond orders for Housing, Community Development, Parks and Recreation, or Transportation.