

BOARD OF ALDERMEN

ITEM NO. D(1)

AGENDA ITEM ABSTRACT MEETING DATE: September 21, 2010

TITLE: Public Hearing on Extension of Time to Issue Bonds for Sidewalks and Greenway Trails, and Consideration of an Order Approving the Extension of Time

DEPARTMENT: Management Services	PUBLIC HEARING: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
ATTACHMENTS: A: Order Extending Time to Issue Bonds Approved by Voters in 2003 Referendum for Sidewalks and Greenways	FOR INFORMATION CONTACT: Arche L. McAdoo, 918-7439 George Seiz, 918-7427

PURPOSE

The purpose of this item is to hold a public hearing on whether the maximum time period for issuing bonds for the construction of sidewalks and greenways should be extended from seven to ten years, and then to consider the adoption of an appropriate Order to approve the extension. The town staff will also present a brief status report on the sidewalk and greenway projects.

INFORMATION

On November 4, 2003, Carrboro voters authorized the issuance of up to \$4,600,000 of General Obligation Bonds for capital costs to design and construct sidewalks and greenways. The Town has not yet issued such bonds and the authority to issue these bonds expires on November 4, 2010. Additional time is needed to complete the projects to be financed from the bonds approved in 2003 and to carry out the bond financing. Without an extension of the current expiration date for these bonds, the Town will either have to sell the bonds in the very near future, which is not consistent with the Town's financial and other plans for these projects, or allow some or all of the bond authority to expire.

At the request of the Town, the Local Government Commission on September 7, 2010 approved an extension of this bond authority from November 4, 2010 to November 4, 2013, the maximum time permitted. Before the Board can approve extending the time to issue bonds, the Board is required to hold a public hearing. Accordingly, the Board is holding this public hearing to allow the public an opportunity to comment on extending the expiration date of this bond authority from seven to ten years. After considering the comment received at the hearing, the Board is then asked to consider the attached Order approving the extension. The form of the Order has been provided by bond counsel.

If the Board approves the Order extending the time to issue the bonds, Town staff will provide for the publication of an appropriate notice of the adoption of the Order, as required by statute.

To provide funding for sidewalks and greenway trails, the Town has issued a number of bond anticipation notes with the anticipation of the later issuing General Obligation Bonds. The Town currently has bond anticipation notes totaling \$2,590,000 that will mature on October 27, 2010. Staff anticipates bringing an

agenda item to the Board on October 5, 2010 requesting approval to sell additional bond anticipation notes.

STAFF RECOMMENDATION

Following the public hearing the Board of Aldermen is requested to approve the attached order extending the time to issue bonds approved by voters in the 2003 referendum from seven to ten years.