

CITY OF HIGH POINT

AGENDA ITEM



Title: Introducing Bond Orders Authorizing Street and Sidewalk Bonds, Parks and Recreation Bonds, and Housing Bonds, and Calling a Public Hearing on the Bond Orders

From: Bobby D. Fitzjohn,
Financial Services Director

Meeting Date: July 15, 2019

Public Hearing: No

Advertising Date / N/A
Advertised By: -

Attachments: Introduction of Bond Orders
Resolution Setting Public Hearing

PURPOSE:

The City Council is required by the NC Local Government Commission to initiate certain actions in order to authorize the issuance of General Obligation Bonds pursuant to a voter referendum to be held on November 5, 2019, as follows:

June 17, 2019

The first step in the authorization process involves the adoption of a resolution by the City Council finding that 1) the bonds are necessary for the City, 2) the proposed principal amount of the bonds is adequate and not excessive, 3) the City's debt management procedures and fiscal policies are carried out in compliance with applicable law and 4) any increase in taxes to service the bonds will not be excessive. The resolution will also authorize the Finance Director to file an application for approval of the bonds with the Local Government Commission.

July 15, 2019

The second step will involve actions to be taken by City Council to introduce individual bond orders, by purpose (first reading), for the issuance of General Obligation Bonds and to call for a public hearing on the bond orders.

August 19, 2019

The third and final step 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.

BACKGROUND:

This referendum will fund various projects within the adopted FY 2020-2024 Capital Improvement Plan. The proposed bond orders are summarized by purpose in the attached resolution.

BUDGET IMPACT:

The proposed referendum will authorize up to \$50 million in bonds. No increase in property taxes are anticipated to pay the debt service for the bonds authorized in this referendum.

RECOMMENDATION / ACTIONS REQUESTED:

It is recommended that the City Council approve the attached resolutions making certain findings related to the authorization and issuance of bonds of the City and filing of an application for said bonds with the Local Government Commission.

EXTRACTS FROM MINUTES OF CITY COUNCIL

* * *

A regular meeting of the City Council of the City of High Point, North Carolina (the “*City Council*”) was duly held in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on July 15, 2019:

Members Present:

Members Absent:

* * * * *
* * *

Councilmember _____ introduced the following bond orders, summaries of which had been provided to each Councilmember, copies of which were available with the City Clerk and which were read by title:

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$22,000,000 GENERAL OBLIGATION
STREETS AND SIDEWALK BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA**

WHEREAS, the City Council of the City of High Point, North Carolina has ascertained and hereby determines that it is necessary to pay capital costs of providing streets and sidewalks, including without limitation bridges, viaducts, causeways, overpasses, underpasses, alleys and bicycle lanes; paving, grading, resurfacing, and widening streets; sidewalks, curbs and gutters, culverts, and drains; traffic controls, signals, and markers; lighting; and grade crossings and the elimination thereof and grade separations; streetscaping, landscaping and pedestrian improvements; transit stop improvements; and the acquisition of land therefor; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Streets and Sidewalk Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of High Point, North Carolina, as follows:

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Streets and Sidewalk Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Streets and Sidewalk Bonds authorized by this order shall be \$22,000,000.

Section 2. Taxes will be levied in an amount sufficient to pay the principal and interest on the General Obligation Streets and Sidewalk Bonds.

Section 3. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 4. This bond order will take effect when approved by the voters of the City at a referendum scheduled for November 5, 2019.

BOND ORDER AUTHORIZING THE ISSUANCE OF \$21,500,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA

WHEREAS, the City Council of the City of High Point, North Carolina has ascertained and hereby determines that it is necessary to pay capital costs of providing for the acquisition, construction, renovation, improvement, expansion, furnishing and equipping of parks and recreation facilities, including without limitation senior centers, athletic fields, parks, playgrounds, recreation centers, shelters and pool facilities and the acquisition of land therefor; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Parks and Recreation Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of High Point, North Carolina, as follows:

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Parks and Recreation Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Parks and Recreation Bonds authorized by this order shall be \$21,500,000.

Section 2. Taxes will be levied in an amount sufficient to pay the principal and interest on the General Obligation Parks and Recreation Bonds.

Section 3. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 4. This bond order will take effect when approved by the voters of the City at a referendum scheduled for November 5, 2019.

BOND ORDER AUTHORIZING THE ISSUANCE OF \$6,500,000 GENERAL OBLIGATION HOUSING BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA

WHEREAS, the City Council of the City of High Point, North Carolina (the "*City Council*") has ascertained and hereby determines that it is necessary to pay capital costs of providing housing projects

for the benefit of persons of low income, or moderate income, or low and moderate income, including without limitation construction or acquisition of projects to be owned by the City or a housing authority, and loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income, and the acquisition of land therefor; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the General Obligation Housing Bonds hereinafter described as required by the Local Government Bond Act, and the City Clerk has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of High Point, North Carolina, as follows:

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Housing Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Housing Bonds authorized by this order shall be \$6,500,000.

Section 2. Taxes will be levied in an amount sufficient to pay the principal and interest on the General Obligation Housing Bonds.

Section 3. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 4. This bond order will take effect when approved by the voters of the City at a referendum scheduled for November 5, 2019.

STATE OF NORTH CAROLINA)
) SS:
CITY OF HIGH POINT)

I, Lisa B. Vierling, City Clerk of the City of High Point, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of so much of the proceedings of the City Council as it relates to the introduction of the bond orders entitled “**BOND ORDER AUTHORIZING THE ISSUANCE OF \$22,000,000 GENERAL OBLIGATION STREETS AND SIDEWALK BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA,**” “**BOND ORDER AUTHORIZING THE ISSUANCE OF \$21,500,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA**” and “**BOND ORDER AUTHORIZING THE ISSUANCE OF \$6,500,000 GENERAL OBLIGATION HOUSING BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA**” by the City Council of the City of High Point, North Carolina, at a meeting held on the 15th day of July, 2019 and that such proceedings are to be recorded in the minute books of said City Council.

WITNESS my hand and the seal of the City of High Point, North Carolina, this the ____ day of _____, 2019.

City Clerk
City of High Point, North Carolina

(SEAL)

EXTRACTS FROM MINUTES OF CITY COUNCIL

* * *

A regular meeting of the City Council of the City of High Point, North Carolina (the “*City Council*”) was duly held in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on July 15, 2019:

Members Present:

Members Absent:

* * * * *
* * *

Councilmember _____introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

RESOLUTION OF THE CITY OF HIGH POINT, NORTH CAROLINA SETTING PUBLIC HEARINGS ON GENERAL OBLIGATION BOND ORDERS AND RELATED MATTERS

WHEREAS, bond orders entitled:

“BOND ORDER AUTHORIZING THE ISSUANCE OF \$22,000,000 GENERAL OBLIGATION STREETS AND SIDEWALK BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA;”

BOND ORDER AUTHORIZING THE ISSUANCE OF \$21,500,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA;” AND

“BOND ORDER AUTHORIZING THE ISSUANCE OF \$6,500,000 GENERAL OBLIGATION HOUSING BONDS OF THE CITY OF HIGH POINT, NORTH CAROLINA;”

have been introduced at a meeting of the City Council (the “*City Council*”) of the City of High Point, North Carolina this 15th day of July, 2019; and

WHEREAS, the City Council desires to provide for the holding of a public hearing thereon on August 19, 2019 and the submission of a statement of debt in connection therewith as required by The Local Government Bond Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGH POINT, NORTH CAROLINA that the public hearing on said bond orders shall be held on the 19th day of August, 2019 at or about 5:30 p.m. in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to cause a copy of said bond orders to be published with a notice of such hearing in the form prescribed by law in a newspaper of general circulation in the City on or before the 13th day of August, 2019.

BE IT FURTHER RESOLVED that the City's finance officer is hereby directed to file with the City Clerk, prior to publication of the bond orders, along with the notice of such public hearing, a statement setting forth the debt incurred or to be incurred, the net debt of the City, the assessed value of property subject to taxation by the City and the percentage that net debt of the City bears to the assessed value of property subject to taxation.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

PASSED, ADOPTED AND APPROVED this 15th day of July, 2019.

STATE OF NORTH CAROLINA)
) ss:
CITY OF HIGH POINT)

I, Lisa B. Vierling, City Clerk of the City of High Point, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of so much of the proceedings of the City Council as it relates to a resolution entitled “**RESOLUTION OF THE CITY OF HIGH POINT, NORTH CAROLINA SETTING PUBLIC HEARINGS ON GENERAL OBLIGATION BOND ORDERS AND RELATED MATTERS**” duly adopted by the City Council of the City of High Point, North Carolina, at a meeting held on the 15th day of July, 2019 and that such proceedings are to be recorded in the minute books of said City Council.

WITNESS my hand and the seal of the City of High Point, North Carolina, this the ____ day of _____, 2019.

City Clerk
City of High Point, North Carolina

(SEAL)