



Town of Holly Springs

Town Council Meeting Agenda Form

Town Clerk's Office Use:

Agenda Item #: 11b

Attachment #: 9

Meeting Date: 05/15/2018

Agenda Placement:

(Special Recognitions (awards, proclamations), Requests & Communications (reports, information presentations), Public Hearings, Consent Agenda, Unfinished Business, New Business, Closed Session)

Subject Title: Extension of Unissued 2011 Parks and Rec Bonds

Presenter Name(s): Tina Stroupe

SUBJECT HIGHLIGHTS:

In 2011 the citizens of Holly Springs voted to issue \$20M in General Obligation Bonds for Parks and Recreation projects. To date we have issued \$12.5M of those bonds. Unissued bonds to be outstanding for a maximum of 7 years. The remaining \$7.5M of these bonds are set to expire in November 2018.

We have the option to extend the bonds for an additional 3-year period. We are preparing for the extension in the event it is determined in the future to issue these bonds for their original intended purpose. This extension does not "issue" these bonds or create a debt of the Town- it merely preserves the option for the Town to do so at some point within the next three years.

Number of Motions with this Item: 1

Suggested motion(s):

Motion to adopt Resolution

Funds, if applicable, are to be appropriated from account(s) / line item(s):

N/A

Staff Review Record

Are there exhibits for this agenda item? Yes

List them in order they should appear in packet: resolution

Department head initials and comments, if applicable: mmh

Finance director initials and comments, if applicable: mmh

Town attorney initials and comments, if applicable:

Town manager initials and / or comments:

Town clerk initials jp

Resolution Requesting that the Local Government Commission Extend the Time for the Town of Holly Springs, North Carolina, To Issue General Obligation Parks and Recreation Facilities Bonds

WHEREAS --

At a referendum held on November 8, 2011, the voters of the Town of Holly Springs, North Carolina, authorized the issuance of Town general obligation parks and recreation facilities bonds in the maximum amount of \$20,000,000.

The Town has not yet issued \$7,500,000 of these bonds. The Town's authorization to issue these bonds will expire in November 2018, unless the time is extended as provided by law. The Town has determined to ask the North Carolina Local Government Commission (the "LGC") to approve an extension.

The law requires that the Town conduct a public hearing on the question of extending the time to issue the bonds.

BE IT THEREFORE RESOLVED by the Town Council of the Town of Holly Springs, North Carolina, as follows:

1. The Town requests that the LGC approve an extension of the time to issue the parks and recreation facilities bonds approved at the 2011 bond referendum to a total of ten years from the referendum date. The Town has determined that the purpose for which the bonds were approved cannot be completed within the original seven-year period from the referendum date.

2. The Town will hold a public hearing on the question of whether the time to issue the parks and recreation facilities bonds, as approved at the 2011 bond election referendum, should be extended by three years. The Council directs the Town Manager to schedule the public hearing and to provide for notice of the public hearing in the manner provided by law.

3. The Council authorizes the Town Finance Officer and all other Town officers and representatives to take all appropriate action toward carrying out the

purposes of this resolution, including communicating the Town's request to the LGC and taking any steps in support of the request as they may deem appropriate. The Town Council ratifies all prior actions of the Town officers and representatives related to the transactions contemplated by this resolution.

* * * * *

I certify that the foregoing resolution was duly adopted at a meeting of the Town Council of the Town of Holly Springs, North Carolina, duly called and held on May 15, 2018, and that a quorum was present and acting throughout such meeting. Such resolution remains in full effect as of today.

Dated this ___ day of May, 2018.

[SEAL]

Joni Powell
Town Clerk
Town of Holly Springs, North Carolina

[Proposed form of application letter to LGC]

Tim Romocki
Director, Debt Management
Local Government Commission, Department of State Treasurer

Re: Request by the Town of Holly Springs for Extension of Time To Issue General
Obligation Parks and Recreation Bonds

Dear Mr. Romocki:

The Town of Holly Springs, North Carolina, requests that the Local Government Commission extend the time for the Town to issue the general obligation parks and recreation bonds approved at a referendum on November 8, 2011, from seven to 10 years.

The Town has determined that the intended projects cannot be completed within the time allocated. The additional time provided by an extension will be adequate for the Town to complete the projects. I have attached a resolution adopted by Holly Springs Town Council formally requesting the extension.

We would appreciate the Commission's taking up our request at its July or August meetings.

Thank you for your consideration of the request. Please let me know if you need or want any additional information from us at this time.

Very truly yours,

[Town signature block]

cc: John Schifano, Town Attorney
Robert M. Jessup Jr.