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## Kannapolis bond issue lags

**The delay is a result of having to wait for financial data from the developer of the N.C. Research Campus.**

By Adam Bell

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Kannapolis is several months behind in issuing \$95million in self-financing bonds connected to the North Carolina Research Campus.

And it will take another two months or so before the city can issue the bonds, which will help pay for infrastructure improvements around the \$1.5 billion campus. City Manager Mike Legg updated City Council about the bonds and other campus issues at a meeting last week.

The total bond package is \$168.4million. Kannapolis plans to issue the rest of the bonds about 18 months after the first set, Legg said.

He said the delay was caused by the need to wait on financial data from campus developer Castle and Cooke, the private company owned by billionaire David Murdock. Those figures should arrive shortly, and will be used to complete the bond offering.

The delay has not hurt the city, he said, as the bond market is less volatile than it was a few months ago. Castle and Cooke also is fronting the money for infrastructure projects until the bond proceeds start to come in.

State law allows governments to issue bonds without voter approval to pay for projects within a specified district. New tax revenue generated from that district goes toward paying the bond debt.

Legg said Murdock already has spent \$293million on campus construction, including \$170million for the Core Lab and equipment, \$45.6million for the UNCC Chapel Hill building and \$40.9million for N.C. State University's building. Other universities and groups also will occupy those structures.

"This project is not just a pipe dream," Legg said. "The delay may have made it easier to sell to investors because (campus construction) is really happening."

Legg also told the council:

Campus projects on tap for the rest of the year and 2009 include a \$23million medical office building, \$22million for the Rowan-Cabarrus Community College training center and \$22million

for a greenhouse complex.

Bond-related projects that were completed this year included adding a 12-inch water line on Main Street and adding the first phase of a storm water line in Village Park.

Bond projects under design include Cannon Village sewer and storm water infrastructure, intersection improvements for Ridge Avenue, First Street and Main Street, and a Village Park storm water line and pedestrian tunnel.

Thirty-nine private companies are being actively recruited to join the campus. The latest was announced last week: Lovelace Respiratory Research Institute, a New Mexico nonprofit that plans to bring seven jobs to Kannapolis.

Davidson College and Elon University may ultimately join the campus.

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