

**A RESOLUTION REIMBURSING THE TOWN FOR EAST ROSEMARY DECK  
EXPENDITURES (2024-03-06/R-5)**

WHEREAS, the Town of Chapel Hill intends to undertake the Project (as described below), use its own funds to pay initial Project costs, and then reimburse itself from bond financing proceeds for these early expenditures; and

WHEREAS, the Business Management Director has advised Council that it should adopt this resolution to document the Town's plans for reimbursement, to comply with certain federal tax rules relating to reimbursement from financing proceeds.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Chapel Hill, North Carolina, as follows:

1. The Project is the East Rosemary Deck.
2. The Town intends to advance funds for initial Project costs, including land acquisition, and then reimburse itself from bond financing proceeds. The financing will take the form of limited obligation bonds.
3. The Town currently expects to borrow up to \$51,000,000 for the East Rosemary Deck project. \$39,000,000 was issued in August 2021 and the remaining \$12,000,000 is projected to be issued in June 2024. The amount of bonds that will be issued is subject to further Council approval.
4. Funds for the early Project expenditures may come from the Town's Parking Fund or General Fund.
5. The Town intends for the adoption of this resolution to be a declaration of its official intent to reimburse itself from bond financing proceeds for Project cost expenditures.

This the 6<sup>th</sup> day of March, 2024.