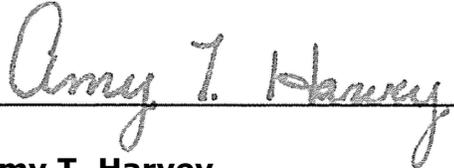


I, Amy T. Harvey, Deputy Town Clerk of the Town of Chapel Hill, North Carolina, hereby certify that the attached is a true and correct copy of (2024-06-05/R-2) adopted by the Chapel Hill Town Council on June 05, 2024.



This the 6th day of June, 2024.


A handwritten signature in cursive script, reading "Amy T. Harvey", is written over a horizontal line.

**Amy T. Harvey
Deputy Town Clerk**

A RESOLUTION PROVIDING FINAL APPROVAL OF TERMS AND DOCUMENTS FOR SPRING 2024 INSTALLMENT FINANCING - ROSEMARY STREET PARKING DECK AND OTHER PROJECTS (2024-06-05/R-2)

Introduction --

The Town Council has previously determined to carry out a project to finance additional construction costs for the Rosemary Street Parking Deck, to pay for the acquisition of a ladder truck, and to pay for furnishings and equipment for the new police headquarters and emergency operations center, along with funds as necessary to pay associated financing costs.

The Council has determined to finance these undertakings by using an installment financing, as authorized under Section 160A-20 of the North Carolina General Statutes, that includes the use of "limited obligation bonds" to represent the interests of investors in the Town's repayment obligations. In an installment financing, the Town secures the financing by its promise to pay and a mortgage-like interest in some or all of the property to be acquired or improved, but not by a pledge of specific revenues or the Town's taxing power. In this case, the Town expects that the Parking Deck and Milhouse Road Operations Center will serve as the collateral.

Town staff recommends that the Town accept a joint proposal to provide the financing from Truist Bank and Truist Commercial Equity, Inc. ("TRUCE" and together with Truist Bank, called the "Lenders" in this resolution). Town staff has made available to the Council the draft documents listed on Exhibit A (the "Documents"), which relate to the Town's carrying out the financing plan.

This resolution provides the Town Council's final approval of the financing terms and the substantially final financing documents and authorizes staff to complete the closing on the financing.

The Town Council of the Town of Chapel Hill, North Carolina, RESOLVES, as follows:

1. *Determination To Proceed with Financing --* The Council confirms its decision to carry out the proposed installment financing as described above. The Town will carry out the projects with financing from the Lenders substantially in accordance with a financing proposal from the Lenders dated April 11, 2024.

Under the financing plan, the Town will receive funds from the Lenders to carry out the projects. The Town will repay the funds over time, with interest. The Town will secure its repayment obligation by granting a mortgage-like interest in the Rosemary Street Parking Deck and Millhouse Road Operations Center.

2. *Approval of Documents; Direction To Execute Documents --* The Council approves the forms of the Documents submitted to this meeting. The Council authorizes the Mayor and the Town Manager, or either of them, to execute and deliver the Documents when in final form. The Documents in their respective final forms must be in substantially the forms presented, with changes as the Mayor or the Town Manager may approve. The execution and delivery of any Document by an authorized Town officer will be conclusive evidence of that officer's approval of any changes.

The Documents in final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the total amount financed by the Town not to exceed \$16,500,000, and (b) for a financing term not to extend beyond December 31, 2044. The amount financed under the Documents may include amounts to pay financing expenses and other necessary and incidental costs.

As indicated in the draft Documents, some of the limited obligation bonds will be issued on a taxable basis, and some on a tax-exempt basis. The annual interest rate on the tax-exempt bonds must not exceed 4.44%, and the annual interest rate on the taxable bonds must not exceed 4.98% (in each case, in the absence of default, or a change in tax status as may be described in the final Documents).

3. Officers To Complete Closing – The Council authorizes the Town Manager, the Finance Officer and all other Town officers and employees to take all proper steps to complete the financing in accordance with this resolution.

The Council authorizes the Town Manager to hold executed copies of all financing documents authorized by this resolution in escrow on the Town's behalf until the conditions for their delivery have been completed to his satisfaction, and then to release the executed documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the previous paragraphs, the Council specifically authorizes the Town Manager (a) to approve and enter into, on behalf of the Town, any additional agreements appropriate to carry out the financing plan contemplated by this resolution, and (b) to approve changes to any documents previously signed by Town officers or employees, provided that the changes do not substantially alter the intent from that expressed in the form originally signed. The Town Manager's authorization of the release of any document for delivery will constitute conclusive evidence of his approval of any changes.

In addition, the Town Manager and the Finance Officer are authorized to take all appropriate steps for the efficient and convenient carrying out of the Town's on-going responsibilities with respect to the financing. This authorization includes, without limitation, contracting with third parties for reports and calculations that may be required under the Documents, this resolution or otherwise with respect to the financing.

4. Additional Provisions – The Council authorizes all Town officers and employees to take all further action as they may consider desirable to carry out the purposes of this resolution. The Council ratifies all prior actions of Town officers and employees to this end. In particular, the Council directs the Town Clerk to apply the Town's seal to the final form Documents, and to attest to the application of the seal. Upon the unavailability or refusal to act of the Town Manager, the Mayor or the Finance Officer, any other of those officers may assume any responsibility or carry out any function assigned in this resolution. In addition, the Mayor Pro Tem or any Deputy or Assistant Clerk may carry out or exercise any rights or responsibilities assigned in this resolution to the Mayor or the Clerk. The Council repeals all other Council proceedings, or parts of proceedings, in conflict with this resolution, to the extent of the conflict. This resolution takes effect immediately.

Exhibit A -- Draft Documents

(a) A draft dated May 23, 2024, of a First Supplemental Trust Agreement to be dated on or about June 18, 2024, between the Town and U.S. Bank Trust Company, National Association (the "Trustee"). This instrument provides for the advance of funds to the Town, for the issuance of the limited obligation bonds to the Lenders, for the Town's obligation to repay the amounts advanced, and for the Town's responsibilities for the use and care of the collateral. The Trustee keeps certain official records for the bonds, processes bond payments and other payments, and acts as a representative of the bondholders.

(b) A draft dated May 23, 2024, of a Deed of Trust Supplement #1 to be dated on or about June 18, 2024, from the Town to a deed of trust trustee for the Trustee's benefit. This instrument provides for a security interest in property to secure the Town's repayment obligations and its other obligations under the financing documents.

(c) A draft dated May 23, 2024, of a Disbursement Agent Agreement to be dated on or about June 18, 2024, between the Town and a disbursement agent. This agreement provides for the custody and investment of loan proceeds pending their use on project costs.

This the 5th day of June, 2024.