

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 (2020-07-29/R-4) adopted by the Chapel Hill Town Council on July 29, 2020.

This the 30th day of July, 2020.

Amy T. Harvey

**Amy T. Harvey
Deputy Town Clerk**



A RESOLUTION DECLARING THE TOWN'S INTENT TO REIMBURSE THE TOWN FOR ELLIOTT ROAD EXTENSION PROJECT EXPENDITURES (2020-07-29/R-4)

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 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, in order to comply with certain federal tax rules relating to reimbursement from financing proceeds.

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

1. The project is the Elliott Road Extension Project.
2. The Town intends to advance funds for initial Project costs and then reimburse itself from financing proceeds. The Town expects that the financing will take the form of an installment financing under Section 160A-20 of the General Statutes, including the possible use of certificates of participation or limited obligation bonds.
3. The Town currently expects to borrow up to \$7,000,000 for the Elliott Road Extension Project which includes the \$2.6 million originally borrowing amount, the \$3.88 million funding gap, \$150K for financing costs, and other unanticipated project costs. The amount of financing that will actually be issued is subject to further Council approval.
4. Funds for the early Project expenditures may come from the Town's General Fund, or any Town enterprise fund.
5. The Town intends for the adoption of this resolution to be declaration of its official intent to reimburse itself from financing proceeds for Project cost expenditures.

This the 29th day of July, 2020.