

**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 (2021-02-24/R-4) adopted by the Chapel Hill Town Council on February 24, 2021.**

**This the 24<sup>th</sup> day of February, 2021.**

*Amy T. Harvey*

**Amy T. Harvey  
Deputy Town Clerk**



**A RESOLUTION STATING THE INTENT TO PROCEED WITH A GENERAL OBLIGATION BOND ISSUE FOR VARIOUS TOWN PROJECTS (2021-02-24/R-4)**

**WHEREAS --**

The Town's long-range capital improvement plan contemplates funding for a wide variety of projects and calls for funding those projects using the multiple tools available to the Town.

State law allows the Town to issue new general obligation bonds for up to two-thirds of the amount the Town paid down its general obligation debt in the prior fiscal year. The Town is able to issue approximately \$3,205,000 of general obligation bonds under this authority in the fiscal year beginning July 1, 2020. Town staff has suggested that the Town use this authority to provide funding for some of the planned projects, and the Council will proceed to consider such a bond issue.

Under the guidelines of the North Carolina Local Government Commission, this governing body must make certain findings of fact to support the Town's application for the LGC's required approval of the proposed bonds. In this resolution, the Town Council makes the appropriate findings, and takes other appropriate action.

**NOW, THEREFORE BE IT RESOLVED** by the Town Council of the Town of Chapel Hill, North Carolina, that the Council makes an initial determination to issue two-thirds bonds in an amount up to \$3,205,000, or such greater or lesser amount as may be allowed by law. The Council makes a preliminary determination to issue the bonds in the following amounts and for the following purposes:

\$ 1,155,000	for parks and recreation purposes
\$ 550,000	for public safety purposes
\$ 1,500,000	for streets and sidewalks

The Council will determine the final amount of bonds to be issued for each purpose by later action and after a public hearing. The total amount financed may reflect adjustment to the expected project costs and may include amounts for financing costs.

**BE IT FURTHER RESOLVED** that the Council makes the following findings of fact in support of its determination:

- (1) The proposed capital projects are necessary and expedient for the Town.
- (2) The amount of bonds proposed is adequate and not excessive for the proposed purpose.
- (3) The Town's debt management and budgetary and fiscal management policies have been carried out consistently in accordance with the law.
- (4) The Council believes that no actual increase in the Town's property tax rate will be necessary to provide for principal and interest payments on the bonds. The Council expects that existing

revenue sources allocated for debt service payments will be sufficient to generate funds for debt payments

***BE IT FURTHER RESOLVED***, as follows:

(a) The Council directs the Finance Officer to proceed with the steps for the bond issue, including proceeding with an application to the LGC for its approval of the proposed bonds and providing for the publication of notice and scheduling a public hearing as appropriate for the process (currently contemplated for March 24). The Council appoints the Finance Officer as the Town's authorized representative with respect to the LGC application process.

(b) The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse project expenditures from financing proceeds. The Town intends that funds that have been advanced for project costs, or which may be so advanced, from the Town's general fund or any other Town fund, may be reimbursed from the financing proceeds.

(c) The Council authorizes all Town representatives to take all further action as they may consider desirable for accomplishing the purposes and intentions of this resolution. The Council ratifies all prior actions of Town representatives in this regard. This resolution takes effect immediately.

This the 24<sup>th</sup> day of February, 2021.