

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 (2018-03-21/R-4) adopted by the Chapel Hill Town Council on March 21, 2018.

This the 22nd day of March, 2018.

Amy T. Harvey

**Amy T. Harvey
Deputy Town Clerk**



A RESOLUTION STATING THE INTENT TO PROCEED WITH A REFERENDUM ON GENERAL OBLIGATION AFFORDABLE HOUSING BONDS (2018-03-21/R-4)

WHEREAS --

The Town Council has determined that issuing general obligation bonds would be a desirable part of the Town's affordable housing strategy.

The issuance of these bonds is subject to the approval of the Town's voters at a bond referendum. This resolution is the Council's first formal step toward placing these bonds before the voters.

BE IT THEREFORE RESOLVED by the Town Council of the Town of Chapel Hill, North Carolina, that the Council makes an initial determination to proceed with a referendum on November 6, 2018, for Town general obligation affordable housing bonds in the maximum amount of \$10,000,000. The Town will use bond proceeds to pay capital costs of providing housing for persons of low and moderate income, together with related financing and other necessary or incidental costs.

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

(1) The proposed capital expenditures are necessary and expedient for the Town.

(2) The amount of bonds proposed is adequate and not excessive for the proposed purpose. Although affordable housing needs in the community exceed the \$10,000,000 in proposed bonds, this is an appropriate amount of bonds given the other aspects of the Town's affordable housing strategy, the Town's other budget and capital needs, and the Town's financial resources.

(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 estimates a maximum potential tax rate impact to the Town for repaying the bonds of approximately 1.0 cents per \$100 of assessed valuation. The actual tax effect will depend on the final amount borrowed, the financing term, and the interest rates on the bonds when sold. The Town will work to minimize the tax rate impact, in a manner consistent with moving ahead with the purposes and addressing other Town needs.

BE IT FURTHER RESOLVED, as follows:

(a) The Council directs the Finance Officer to proceed with the authorization of the referendum, including proceeding with an application to the North Carolina Local Government Commission (the "LGC") for its approval of the proposed bonds. The Council appoints the Finance Officer as the Town's authorized representative with respect to the LGC application process.

(b) The Council directs the Town Manager, in collaboration with the Clerk, to publish a notice of the Council's intent to apply to the LGC for approval of the bonds. This notice must be in the form prescribed by statute and consistent with this resolution.

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

This the 21st day of March, 2018.