

SanfordHolshouser

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March 26, 2018

Joint Legislative Committee on Local Government
Attention: Committee Chairs, Committee Ass't
North Carolina General Assembly
16 West Jones St.
Raleigh, NC 27601

Fiscal Research Division
Attention: Director
North Carolina General Assembly
300 North Salisbury St., Suite 610
Raleigh, NC 27603

Notice to the Joint Legislative Committee on Local Government Concerning Proposed Financing by the Town of Chapel Hill

To the Committee:

As counsel to the Town of Chapel Hill, North Carolina, and as required under N.C. Gen. Stat. Section 120-157.2, I am providing this notice of a proposed local government capital project that requires approval of the North Carolina Local Government Commission and requires debt to be issued in an amount exceeding \$1,000,000. Here is information about the proposed financing –

Project description – Bond referendum, for bonds to pay capital costs of housing for persons of low and moderate income. Referendum in November 2018.

LGC meeting for consideration – June 2018, or thereafter

Amount to be financed – up to \$10,000,000

Type of financing – voter-approved general obligation bonds

Description of other sources of financing – The Town expects to use bond funds together with other available public and private funds.

Expected source of repayment – general fund revenues

Estimated financing term and interest rates – The Town expects to issue the bonds over the course of the seven-year authorized period if the bonds are approved.



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page 2

The Town expects that interest rates will vary widely over that time. The Town expects that all bonds will be amortized over approximately 20-year terms with substantially level-principal amortization. In all cases, the Town plans to be flexible in setting the amortization schedules within legal constraints and with LGC approval.

Please let me know if you have additional questions or comments for me about this proposed financing.

Very truly yours,

A handwritten signature in dark ink, reading "Bob Jessup". The signature is written in a cursive, flowing style.

Robert M. Jessup Jr.

cc: Greg C. Gaskins, Secretary of the Local Government Commission
c/o Tony Blalock
Kenneth C. Pennoyer, Town of Chapel Hill finance officer, and other
Chapel Hill representatives
Daniel Sater, legislative staff [Daniel.sater@ncleg.net]
(each by electronic mail)