



Nice Matters!

Town of Emerald Isle
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Mayor
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Floyd Messer, Jr.

Board of Commissioners
Candace Dooley
Steve Finch
Jim Normile
Mark Taylor

Town Manager
Matt Zapp
mzapp@emeraldisle-nc.org



RESOLUTION APPROVING FINANCING TERMS – RATE MODIFICATION TO 2018 FINANCING AGREEMENT

Whereas, the TOWN OF EMERALD ISLE, NC (“Borrower”) previously financed the purchase of land (the “Project”) through a Financing Agreement and Deed of Trust dated as of May 11, 2018 with Branch Banking and Trust Company (now Truist Bank), and the Finance Director has now presented a proposal for the refinancing of such Project.

Now, therefore, be it resolved by the Board of Commissioners that:

1. The Borrower hereby determines to refinance the Project by entering into a Modification Agreement (the "Modification Agreement") with Truist Bank ("Lender") in accordance with the proposal dated January 3, 2020, or as such proposal may be supplemented or amended by Lender and the Borrower verbally or in writing. The amount refinanced shall not exceed \$540,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.59%, and the term of the Modification Agreement shall not exceed 9 years from the date of closing.
2. The Modification Agreement and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the refinancing of the Project as contemplated by the proposal and this resolution.
3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to the Finance Director's satisfaction. The Finance Director is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of such document's final form.
4. The Borrower shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
5. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or

parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Adopted this the ____ day of _____, 2020.

ATTEST:

Eddie Barber, Mayor

Rhonda Ferebee, Town Clerk. CMC