

TOWN OF KILLINGTON

RESOLUTION OF THE SELECTBOARD OF THE TOWN OF KILLINGTON DECLARING ITS INTENTION TO REIMBURSE ITSELF FROM THE PROCEEDS OF ONE OR MORE TAX-EXEMPT FINANCINGS FOR CAPITAL EXPENDITURES MADE AND/OR TO BE MADE IN CONNECTION WITH THE CAPITAL IMPROVEMENTS IN SUPPORT OF THE KILLINGTON TAX INCREMENT FINANCING DISTRICT

WHEREAS, the Town of Killington (the “Town”) is taking action to create a Tax Increment Financing (“TIF”) District to provide revenues for water and transportation infrastructure improvements designed to stimulate commercial and residential development, create new affordable housing, and create economic prosperity in the Town;

WHEREAS, the Town has developed its proposed TIF District and Financing Plan that identifies various capital projects consisting of new construction and reconstruction of infrastructure to serve a public purpose and fulfill the purpose of the TIF District as set forth under applicable Vermont law;

WHEREAS, the Town’s TIF District Plan and Financing Plan will be subject to approval by the Vermont Economic Progress Council, which the Town intends to actively pursue;

WHEREAS, the Town expects to issue tax-exempt bonds or other debt to pay the costs of such capital improvement projects for TIF District purposes, including the first phase of water improvements and road improvements as part of the implementation of the TIF District Plan’

WHEREAS, the Town may incur some capital costs prior to the issuance of such tax-exempt bonds or other debt to finance the capital improvements;

NOW THEREFORE, BE IT RESOLVED that it is the official intent of the Town and its Selectboard to reimburse some capital expenditures made for capital improvements in furtherance of the Town’s TIF District Financing Plan in an amount not to exceed \$3,000,000 in the aggregate, with the proceeds of tax exempt bonds or other debt, in accordance with the requirements of Section 1.150-2 of the Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended. The Selectboard reasonably expects on the date hereof that such expenditures will be reimbursed with the proceeds of tax exempt bonds. The initial principal amount of tax exempt bonds or similar tax exempt obligations expected to be issued for the first phase of the TIF District Financing Plan is currently estimated to be \$53,000,000, which estimated amount may be subject to certain grants and forgivable loans.

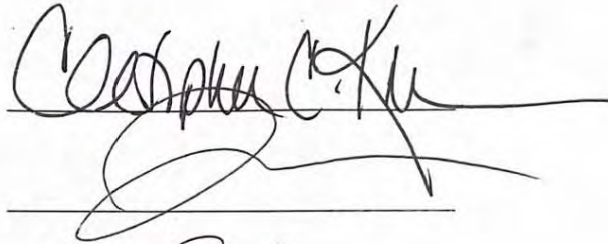
BE IT FURTHER RESOLVED that it is expected that the Town will make a reimbursement allocation to evidence the use of proceeds of tax exempt bonds or other debt to reimburse a capital expenditure no later than 18 months after the later of the date on which the expenditure is paid or the capital infrastructure improvement project is placed in service or abandoned, but in no event more than three years after the date on which the

Page 2

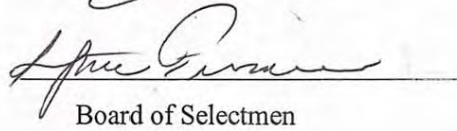
expenditure is paid, recognizing that exceptions are available for certain "preliminary expenditures," costs of issuance, certain *de minimis* amounts and expenditures for construction projects of at least 5 years.

BET IT FURTHER RESOLVED that the Town Manager is authorized to issue additional Notices of Official Intent under Section 1.150-2 of the Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended, to update the expected amount of tax exempt bonds to be issued or the expected amount to be reimbursed to the Town from tax exempt bonds or similar obligations.

BET IT FURTHER RESOLVED that this resolution shall take effect immediately upon its passage by the Selectboard.



A handwritten signature in black ink, appearing to read "Christopher C. Ke", written over a horizontal line.



A handwritten signature in black ink, written over a horizontal line. Below the signature, the text "Board of Selectmen" is printed.

Board of Selectmen

November 3, 2022