

NORTH CAROLINA
GUILFORD COUNTY

INTERLOCAL COOPERATION
AGREEMENT FOR THE
UNION SQUARE PROJECT

THIS CONTRACT is made and effective as of the date set forth below, by and between the **COUNTY OF GUILFORD**, a political subdivision of the State of North Carolina (the “County”) the **CITY OF GREENSBORO**, a North Carolina municipality (the “City”), and the **REDEVELOPMENT COMMISSION OF GREENSBORO**, a North Carolina municipal corporation and a redevelopment commission (the “Commission”) created under The Urban Redevelopment Law, Article 22 of Chapter 160A of the North Carolina General Statutes (the “Act”). This Agreement is made as an interlocal Agreement pursuant to Part I, Article 20 of Chapter 160A of the General Statutes of North Carolina.

WHEREAS, the Commission has previously declared an area of the City of Greensboro as a “redevelopment area” under the Act, which redevelopment area includes an approximately 1.036 acre tract located at the corner of Arlington Street and Lee Street (the “Site”); and

WHEREAS, Union Square Campus, Inc. (the “Borrower”), a North Carolina nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) proposes to develop a three-story, approximately 83,000 square foot facility on the Site to be known as Union Square Campus and used to provide health care training facilities (hereinafter the “Project”); and

WHEREAS, the Borrower is a “redeveloper” and the Project is a “redevelopment project” within the meaning and intent of the Act; and

WHEREAS, the Project will be leased to North Carolina A&T State University, The University of North Carolina at Greensboro, The Trustees of Guilford Technical Community College and Moses H. Cone Memorial Hospital Operating Corporation, to be used to provide nursing education; and

WHEREAS, in order to provide funding for the Project, the Borrower has requested the County to issue its nonrecourse revenue bonds, on a conduit basis, in an amount not to exceed \$17,000,000 (the “Bonds”) and to lend the proceeds thereof to the Borrower, and the Borrower has agreed to be solely liable for the repayment of such bonds; and

WHEREAS, the County is authorized under Section 153A-376 of the North Carolina General Statutes, as amended, to exercise directly those powers granted to county redevelopment commissions under the Act, including the ability to issue bonds to make loans to any entity for the cost of financing or refinancing a “redevelopment project” (as defined in the Act); and

WHEREAS, in order for the County to issue the Bonds under the Act to finance a redevelopment project in a redevelopment area so designated by the City, the City and the Commission have agreed that the County may undertake the community development activity of issuing bonds and loaning the proceeds thereof to the Borrower in order to provide financing for the development of the Site;

NOW, THEREFORE, for and in consideration of their mutual promises, the City, the County and the Commission agree as follows:

1. Specified Community Development. The City and the Commission hereby agree that the County will undertake a “redevelopment project” on the Site by financing the construction of the Project on the Site, which is in a redevelopment area designated by the City and the Commission. The financing will consist of the issuance, on a conduit basis, of the Bonds in an amount not to exceed \$17,000,000, and the lending of the proceeds thereof to the Borrower to finance the construction and equipping of the Project and costs of issuance.
2. No Liability of County, City or Commission for Bonds. The Bonds will not constitute an indebtedness, liability or general obligation of the County or the State of North Carolina or of any political subdivision thereof, including the City and the Commission, will not constitute or give rise to any pecuniary liability of the County, the City or the Commission or a charge against any of their general credit, and will not be a pledge of the faith and credit of the County, the State of North Carolina or of any political subdivision thereof, including the City or the Commission, but are payable solely from the revenues provided by the Borrower.
3. Governing Law. This Agreement shall be governed by and in accordance with the laws of the State of North Carolina.
4. Effective Date; Term. This Agreement shall become effective on the date on which it is fully executed by all parties hereto. The term of this agreement shall begin on the date on which it is fully executed and terminate upon payment in full of the Bonds (or payment in full of any bonds issued to refinance or refund the Bonds, whichever is later).
5. Amendment. This Agreement may be amended at any time by execution of a written amendment by all parties hereto.
6. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which, taken together, shall be an original and all of which shall constitute but one and the same instrument.
7. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the County, the City and the Commission have each caused this Interlocal Cooperation Agreement for the Union Square Project to be executed in their respective names by their authorized representatives, effective as of last date on which executed.

COUNTY OF GUILFORD

Date: _____

By: _____
Chairman

CITY OF GREENSBORO

Date: _____

By: _____
Mayor

**REDEVELOPMENT COMMISSION OF
GREENSBORO**

Date: _____

By: _____
Chairman