

The City Council of the City of Greensboro, North Carolina met in a regular meeting in the Council Chambers of the Melvin Municipal Office Building located at 300 W. Washington Street in Greensboro, North Carolina, the regular place of meeting, at 5:30 p.m. on December 19, 2017.

Present: Mayor Nancy B. Vaughan, presiding, and Council Members

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Absent: Council Members

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Also Present: \_\_\_\_\_

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The Mayor announced that this was the hour and day of the public hearing on a trust agreement or similar installment financing agreement (the “Agreement”) to be entered into by the City of Greensboro, North Carolina (the “City”) pursuant to Section 160A-20 of the General Statutes of North Carolina providing for the issuance of limited obligation bonds in an aggregate principal amount not to exceed \$48,000,000 for the purpose of providing funds, together with any other available funds, to (a) refinance an existing Installment Financing Agreement, dated as of December 18, 2014 (as supplemented and amended, the “Prior Agreement”), between the City and PNC Bank, National Association, entered into by the City for the purpose of providing funds to refinance and finance certain initial costs of acquiring, constructing and equipping a new performing arts center and related facilities for the City (collectively, the “Project”), (b) pay the remaining costs of the Project and (c) pay certain financing costs relating thereto. If the City enters into the proposed Agreement, it will secure its obligations thereunder by executing and delivering

a deed of trust granting a lien on all or a portion of the site of the Project, together with all improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

Section 160A-20(g) of the General Statutes of North Carolina requires that the City hold a public hearing prior to entering into the Agreement.

The Mayor acknowledged due publication of the notice of public hearing in a newspaper with a general circulation in said City and directed the City Clerk to attach the affidavit showing publication in said newspaper on a date at least ten (10) days prior to the date hereof as Exhibit A.

The Mayor then announced that the City Council would immediately hear anyone who might wish to be heard on the proposed Agreement as described above.

A list of all persons making comments and a summary of such comments are attached as Exhibit B.

The public hearing was closed.

All statements and comments by participants of the public hearing were duly considered by the City Council.

Thereupon, Council Member \_\_\_\_\_ introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Council Member:

**RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS  
REGARDING THE PROPOSED FINANCING AND REFINANCING OF A  
NEW PERFORMING ARTS CENTER AND RELATED FACILITIES FOR  
THE CITY AND REQUESTING THE LOCAL GOVERNMENT  
COMMISSION TO APPROVE THE FINANCING ARRANGEMENT**

BE IT RESOLVED by the City Council (the “City Council”) of the City of Greensboro, North Carolina (the “City”) as follows:

Section 1. The City Council does hereby find and determine as follows:

(a) The City has determined to (i) refinance an existing Installment Financing Agreement, dated as of December 18, 2014 (as supplemented and amended, the “Prior Agreement”), between the City and PNC Bank, National Association, entered into by the City for the purpose of providing funds to refinance and finance certain initial costs of acquiring, constructing and equipping a new performing arts center and related facilities for the City (collectively, the “Project”) and (ii) pay the remaining costs of the Project.

(b) After a public hearing and due consideration, the City has determined to enter into a Master Trust Agreement and a First Supplemental Trust Agreement (collectively, the “Trust Agreement”) between the City and U.S. Bank National Association, as trustee (the “Trustee”), pursuant to which the City will issue taxable limited obligation bonds thereunder in an aggregate principal amount not to exceed \$48,000,000 (the “Bonds”) to provide funds, together with any other available funds, to (i) refinance the Prior Agreement, (ii) pay the remaining costs of the Project and (iii) pay the fees and expenses incurred in connection with the sale and issuance of the Bonds.

(c) In order to secure its obligations under the Trust Agreement, the City will execute and deliver a Deed of Trust (the “Deed of Trust”) for the benefit of the Trustee granting a lien on all or a portion of the site of the Project, together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

(d) It is in the best interest of the City to enter into the Trust Agreement and to issue the Bonds pursuant thereto in that such plan of finance will result in the refinancing of the Prior Agreement and the financing of the Project in an efficient and cost effective manner.

(e) Entering into the Trust Agreement and issuing the Bonds pursuant thereto is preferable to a general obligation bond and revenue bond issue in that (i) the City does not have sufficient

constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the City has not retired a sufficient amount of general obligation debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the financing and refinancing of the Project; (ii) the nature of the financing does not allow for the issuance of revenue bonds to finance and refinance the Project; (iii) the cost of financing and refinancing the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to finance and refinance the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance and refinance the Project would be approved by the voters and the current interest rate environment dictates the financing and refinancing of the Project be accomplished in a timely and expedient manner.

(f) Based upon information provided to the City Council, the costs of the financing described above is reasonably comparable to the costs associated with other alternative means of financing and is acceptable to the City Council.

(g) Counsel to the City will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(h) The debt management policies of the City have been carried out in strict compliance with law, and the City is not in default under any obligation for repayment of borrowed money.

(i) No valorem tax rate increase is currently expected to be necessary to pay principal of and interest on the Bonds.

Section 2. The City Council hereby authorizes, approves and ratifies the filing of an application with the Local Government Commission for approval of the Bonds and the Trust Agreement and requests the Local Government Commission to approve the Bonds and the Trust Agreement and the proposed financing in connection therewith.

Section 3. The following financing team members are hereby approved by the City in connection with the proposed financing:

Co-Bond Counsel:	Womble Bond Dickinson (US) LLP McKenzie & Associates
Underwriters:	PNC Capital Markets LLC Loop Capital Markets LLC
Underwriters' Counsel:	Robinson, Bradshaw & Hinson, P.A.
Trustee:	U.S. Bank National Association
Financial Advisor:	DEC Associates, Inc.

Section 4. This resolution shall take effect immediately upon its adoption.

The City Attorney then announced that he had approved the foregoing resolution as to form.

Upon motion of Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, the foregoing resolution was adopted by the following vote:

Ayes: \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

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