

Mayor Nancy B. Vaughan 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 OF FIREFIGHTING FACILITIES 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) At a meeting of the City Council held on August 20, 2019, the City determined to finance the costs of acquiring, constructing and equipping (i) two downtown parking decks and appurtenant facilities to be owned and operated by the City for public parking and (ii) two fire stations, fire training facilities and emergency alerting systems for the City (collectively, the “Project”).

(b) After a public hearing and due consideration at such meeting, the City determined to enter into a Master Trust Agreement, dated as of October 1, 2019 (the “Master Trust Agreement”), between the City and U.S. Bank National Association, as trustee (the “Trustee”), pursuant to which the City is authorized issue one or more series of limited obligation bonds thereunder (the “Bonds”) in an aggregate principal amount not to exceed \$82,000,000 to provide funds, together with any other available funds, to pay (i) the costs of the Project, (ii) all or a portion of the interest on the Bonds during construction of the Project and (iii) the fees and expenses incurred in connection with the sale and issuance of the Bonds.

(c) The City further determined to initially finance the costs of acquiring, constructing and equipping one of the two downtown parking decks known as the Eugene Street Parking Deck (the “2019 Project”), which 2019 Project constitutes a portion of the Project.

(d) In furtherance thereof, the City issued a first series of the Bonds pursuant to the Master Trust Agreement and a First Supplemental Trust Agreement, dated as of October 1, 2019, between the City and the Trustee in the aggregate principal amount of \$29,685,000 (the “2019 Bonds”) to provide funds, together with any other available funds, to pay (i) the costs of the 2019 Project, (ii) interest on the 2019 Bonds during construction of the 2019 Project and (iii) the fees and expenses incurred in connection with the sale and issuance of the 2019 Bonds.

(e) In order to secure its obligations under the Master Trust Agreement, the City executed and delivered a Deed of Trust, dated as of October 1, 2019 (the “Deed of Trust”), for the benefit of the Trustee granting a lien on the site of the 2019 Project, together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

(f) The City has now determined to finance the two fire stations, fire training facilities and emergency alerting systems for the City (the “2020A Project”), which 2020A Project constitutes a portion of the Project.

(g) In furtherance thereof, the City has determined to issue a second series of the Bonds pursuant to the Master Trust Agreement and a Second Supplemental Trust Agreement, to be dated as of February 1, 2020 or other mutually agreeable date (the “Second Supplemental Trust Agreement” and, together with the Master Trust Agreement, the “Trust Agreement”), between the City and the Trustee in an aggregate principal amount not to exceed \$15,250,000 (the “2020A Bonds”) to provide funds, together with any other available funds, to pay (i) the costs of the 2020A Project and (ii) the fees and expenses incurred in connection with the sale and issuance of the 2020A Bonds.

(h) In connection with the issuance of the 2020A Bonds, the City intends to execute and deliver a First Supplement and Amendment to Deed of Trust, to be dated as of February 1, 2020 or other mutually agreeable date (the “First Supplement to Deed of Trust”), for the benefit of the Trustee granting a lien on the sites of the 2020A Project (in addition to the lien on the site of the 2019 Project), together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances. The Deed of Trust, as supplemented and amended by the First Supplement to Deed of Trust, will secure all of the obligations of the City under the Master Trust Agreement, including the 2019 Bonds, the 2020A Bonds and any other bonds issued thereunder.

(i) It is in the best interest of the City to enter into the Second Supplemental Trust Agreement and to issue the 2020A Bonds pursuant thereto and the Master Trust Agreement in that such plan of finance will result in the financing of the 2020A Project in an efficient and cost effective manner.

(j) Entering into the Trust Agreement and issuing the 2020A Bonds pursuant thereto is preferable to a general obligation bond issue or 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 of the 2020A Project; (ii) there are no revenues to be generated by the 2020A Project that allow for the issuance of revenue bonds to finance the costs of the 2020A Project; (iii) the costs of the 2020A Project exceed the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to commence the 2020A 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 would delay the 2020A Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance the 2020A Project would be approved by the voters and the current interest rate environment dictates the financing of the 2020A Project be accomplished in a timely and expedient manner.

(k) Based upon information provided to the City Council, the costs of the financing the 2020A Project as described above is reasonably comparable to the costs associated with other alternative means of financing and is acceptable to the City Council.

(l) 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.

(m) 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.

(n) No valorem tax rate increase is currently expected to be necessary to pay principal of and interest on the 2020A Bonds.

Section 2. The City Council hereby authorizes and approves the filing of an application with the Local Government Commission for approval of the 2020A Bonds and the Trust Agreement and requests the Local Government Commission to approve the 2020A 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:	Wells Fargo Bank, National Association Loop Capital Markets LLC
Underwriters' Counsel:	Robinson, Bradshaw & Hinson, P.A.
Trustee:	U.S. Bank National Association
Financial Advisor:	First Tryon Advisors

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: _____