

The City Council of the City of Fayetteville, North Carolina met in a regular meeting in the FAST Conference Room of the FAST Transit Center located at 505 Franklin Street in Fayetteville, North Carolina, at 7:00 p.m. on March 28, 2022.

Present: Mayor Mitch Colvin, presiding, and Council Members

Absent: Council Members

Also Present: _____

* * * * *

The Mayor announced that this was the hour and day of the public hearing on a proposed installment financing agreement (the “Agreement”) to be entered into by the City of Fayetteville, North Carolina (the “City”) pursuant to Section 160A-20 of the General Statutes of North, as amended (the “Act”), in an aggregate principal amount not to exceed \$9,000,000 for the purpose of providing funds, together with any other available funds, to pay the costs relating to the constructing and equipping of a new fire station for the City (the “Project”). If the City enters into the proposed Agreement, it will secure its obligations thereunder by a deed of trust granting a lien on 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 Act 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 person 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, Mayor Colvin 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 BY THE CITY OF FAYETTEVILLE, NORTH CAROLINA OF THE CONSTRUCTING AND EQUIPPING OF A NEW FIRE STATION FOR THE CITY OF FAYETTEVILLE, NORTH CAROLINA, AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT

BE IT RESOLVED by the City Council (the “City Council”) for the City of Fayetteville, North Carolina (the “City”):

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

(a) The City has determined to finance the costs relating to the constructing and equipping of a new fire station for the City (the “Project”).

(b) After a public hearing and due consideration, the City has determined to enter into an installment financing agreement (the “Agreement”) in an aggregate principal amount not to exceed \$9,000,000 to provide funds, together with any other available funds, to (i) pay the costs of the Project and (ii) pay certain financing costs in connection therewith.

(c) The City intends to select a lender on or after May 2, 2022, from the pool of proposals received in response to the request for proposals published by the City on March 14, 2022 (the “Lender”).

(d) The City intends to enter into an Agreement with the Lender, pursuant to which the Lender will advance to the City amounts sufficient, together with any other available funds, to pay the costs of the Project and associated financing costs, and the City will repay the advancement in installments with interest.

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

(f) It is in the best interests of the City to enter into the Agreement and the Deed of Trust in that such transaction will result in providing financing for the Project in an efficient and cost effective manner.

(g) Entering into the Agreement 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 of the Project; (ii) the nature of the financing does not allow for the issuance of revenue bonds to finance the Project; (iii) the cost of financing 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 commence the construction of 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 commencement of the Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance the Project would be approved by the voters and the current interest rate environment dictates the financing of the Project to be accomplished in a timely and expedient manner.

(h) 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.

(i) Bond counsel to the City will render opinions 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.

(j) 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.

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

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

Section 3. This resolution shall take effect immediately upon its adoption.

Upon motion of Council Member _____, seconded by Council Member _____, the foregoing resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE PROPOSED FINANCING BY THE CITY OF FAYETTEVILLE, NORTH CAROLINA OF THE CONSTRUCTING AND EQUIPPING OF A NEW FIRE STATION FOR THE CITY OF FAYETTEVILLE, NORTH CAROLINA, AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT" was adopted by the following vote:

Ayes: _____

Noes: _____

* * * * *

I, Pamela Megill, City Clerk of the City of Fayetteville, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City at a regular meeting held on March 28, 2022, as it relates in any way to the holding of a public hearing and adoption of the foregoing resolution relating to a proposed financing of a new fire station for the City and that said proceedings are to be recorded in the minutes of said City.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said City this 28th day of March, 2022.

City Clerk

[SEAL]

EXHIBIT A

[Attach publisher's affidavit evidencing publication of the Notice of Public Hearing]

EXHIBIT B

[A list of any persons making comments and a summary of such comments to be attached. If no comments are made, please insert “None”.]