

NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT

January 17, 2014

Joint Legislative Committee on Local Government
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Assistant

North Carolina Local Government Commission
325 North Salisbury Street
Raleigh, North Carolina 27603-1388
Attention: Secretary

Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925
Attention: Acting Director

City of Charlotte, North Carolina Public Facilities and General Governmental Equipment Financing

In accordance with N.C. Gen. Stat. §120-157.2(a) (the "*Statute*"), the City of Charlotte, North Carolina (the "*City*") hereby notifies you of its intent to enter into an installment financing contract (the "*Contract*") with New Charlotte Corporation (the "*Corporation*") pursuant to N.C. Gen. Stat. §160A-20 in an amount not to exceed \$45,000,000, the proceeds of which will be used (1) to finance (a) the purchase of certain personal property (the "*Equipment*") for use by various City departments for the City's general governmental purposes, (b) the acquisition, construction, equipping and furnishing of various public safety and general governmental facilities, including the Westover Police Station and a joint communications center (collectively, the "*Facilities*"), and (c) certain real estate for the future redevelopment of the Bojangles' Coliseum/Ovens Auditorium Complex, and (2) to pay certain costs incurred in connection with the execution and delivery of the Contract. The Equipment, Facilities and Land to be financed with proceeds of the Contract (collectively, the "*Projects*") are described in more detail in Exhibit A to this letter.

The portion of the amount advanced under the Contract to be used to finance the Equipment, which the City expects to be approximately \$25,000,000, will amortize over a term of approximately five years. The portion of the amount advanced under the Contract to be used to finance the Facilities and the Land, which the City expects to be approximately \$17,000,000, will amortize over a term of approximately 20 years. The City may pay its obligations under the Contract from any source of funds available to it in each year and appropriated for such purpose. The City's obligation to make payments under the Contract is a limited obligation of the City, subject to annual appropriation, and does not constitute a direct or indirect pledge of the faith and credit or the taxing power of the City.

To facilitate the financing, the Corporation will execute and deliver under a trust agreement certificates of participation evidencing proportionate undivided rights to receive certain revenues under the Contract. To secure its obligations under the Contract, the City will (1) grant a security interest in the Equipment pursuant to the Contract and (2) execute and deliver a deed of trust granting a lien on all or a portion of the sites on which one or more of the Facilities are or will be located and all improvements thereon.

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The City expects that the North Carolina Local Government Commission (the "*Commission*") will consider for approval the City's proposal to execute and deliver the Contract at the Commission's meeting scheduled for March 4, 2014.

CITY OF CHARLOTTE, NORTH CAROLINA

By:



Greg C. Gaskins
Chief Financial Officer

Exhibit A 2014 Certificates of Participation

Equipment - 5 Year

<u>Fund</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>
2211	General Equipment General Equipment (Remaining Half of 10,622,600 CIP for 2013)	CIP for 2014 CIP for 2013	11,684,860 5,311,300
2212	Water & Sewer Equipment	CIP for 2014	4,305,000
2217	General Equipment - Tech Refresh	CIP for 2014	2,200,000
0120	Powell Bill Fund	CIP for 2014	1,471,000
Total - Equipment			24,972,160

Facilities - 20 Year

<u>Expense Center</u>	<u>Facilities Description</u>	<u>Source</u>	<u>Amount</u>
Center# 47793 Bruce Miller, Engineer	911 Communications Center 1315 N Graham St or 1419 N Graham St (2 parcels being combined, unsure of final address) Charlotte, NC *New Construction *Phase Status: Completed Demo, Programming and Land Purchase. Next phase is to start Schematics Design (Feb 2014), start Design Development (Aug 2014), start Const Docs (Feb 2015), start Bidding (Aug 2015) and then start construction (Apr 2016) with projected completion date of Jun 2018 *Construction Status: Projected to begin 2Q 2016 *Building Description: Brick, appx 73,400 sq ft, tract size: 4.79 acres (1315 N Graham) and 2.59 acres (1419 N Graham) *Environmental Studies Completed: 1315 N Graham St - Phase 1 (Nov 2010), Phase 2 (Mar 2011) 1419 N Graham St - Phase 1 (May 2011), Phase 2 (Jun 2011) No change in above Environmental Studies completion 2013A COPS financing *Total Projected CIP Budget: 74M Prior Funding by COPS: 6M (2013A COPS)	CIP for 2014	6,000,000
Center# 47951 Monifa Hendrickson Woodside, Engineer	Westover Police Station 2600 West Blvd (projected to be final address, but not finalized as 6 parcels are being combined) Charlotte, NC *New Construction *Phase Status: Negotiating Land Purchase and Schematic Design *Construction Status: Projected to begin 2Q 2015 (estimated 1 year construction) *Building Description: Brick, 50,000 sq ft, tract size 5.323 (final size of 6 combined parcels) *Environmental Studies Completed: All encompassing Phase 1 and Phase 2 completed on all parcels 2600 West Blvd (117-076-06) 2530 West Blvd (117-076-07) 2647 Elmin St (117-076-12) 2655 Elmin St (117-076-13) 2665 Elmin St (117-076-14) Small portion of NW corner of 2500 West Blvd on Elmin St side (117-076-11) - No Street Address *Total Projected CIP Budget: 10.5M	CIP for 2014	4,000,000
Center# 49650	Bojangles/Ovens Area Redevelopment 3014 E Independence Blvd Charlotte, NC *Phase Status: Purchase complete on first parcel. Negotiating land purchase on second *Construction Status: Not begun. Land purchase and demo to be completed first. *Building Description: Unavailable *Environmental Studies Completed: 3014 E Independence Blvd - Phase 1 Completed *Total Projected CIP Budget: 25M	CIP for 2014	7,000,000
Total - Facilities			17,000,000
Total - Equipment & Facilities			41,972,160