



PERSON COUNTY

FINANCE OFFICE

Person County Office Building
304 South Morgan Street, Room 219
Roxboro, North Carolina 27573-5245
(336) 597-1726 FAX (336) 599-1609

November 18, 2015

Director, Fiscal Research Division
North Carolina General Assembly
Suite 169
Legislative Office Building
300 N. Salisbury Street
Raleigh, North Carolina 27603-5925

To Whom it May Concern:

Re: Proposed Installment Financing Agreement for the acquisition and improvements of the Roxplex Property and building and equipment improvements for School and County facilities in the amount of \$2,164,000.

The County of Person has scheduled to file an application with the Local Government Commission on January 5, 2016 for approval of an installment financing agreement as authorized by to G.S. §160A-20. The Preliminary Resolution passed by the Board of Commissioners on October 19, 2015 included the provision that the installment financing agreement will not exceed \$2,300,000 to finance the acquisition and improvements of the Roxplex Property (facility and field improvements to provide recreational events), re-roofing construction to a County building (Huck Sansbury Complex) and three School buildings (South Elementary, Woodland Elementary, and Oak Lane Elementary), window replacements at North End Elementary, and equipment replacement of a chiller unit at Southern Middle School. It is being proposed that North End Elementary be held as security collateral since its value is expected to be more than sufficient for the financings.

The acquisition cost of the Roxplex Property was approximately \$321,743. The approximate cost of the facility renovation and field construction for this complex is \$238,489. The re-roofing engineering and construction cost is estimated to be as follows: Huck Sansbury \$285,189; South Elementary \$268,991; Woodland Elementary \$149,156; and Oak Lane Elementary \$207,532. It is anticipated that the window replacements at North End Elementary will cost \$329,643, and the chiller replacement at Southern Middle School will cost \$300,000. Issuance costs are estimated to be around \$63,257. The County has set aside contingency funds

for \$30,000 that will be available for possible project bid overages and any other unforeseen costs. Person County is expecting all engineering and construction bids to be in by December 2nd, and the responses to the RFP for soliciting financing services to be received by December 15th. The County will repay this debt from monies in its General Fund. An increase in taxes to fund the repayment of this debt is not anticipated, and the County's current debt structure has been determined to be sound and sufficient to support this additional debt. Person County has recently experienced a large reduction in debt with the last payment of \$2.286M occurring in fiscal year 2015 on the 2008 Refinancing debt for schools built in 1999 and 2000. This large reduction in debt and the availability of low interest rates provides a suitable environment for taking on additional debt as is being proposed. The current property tax rate is \$0.70 per \$100 of assessed value and has been so since 2008. Person County maintains an A1 bond rating from Moody's and an AA- from Standard and Poor's. The County's good credit ratings, along with favorable interest rate conditions have provided the ability to keep interest costs low when the County issues debt.

A public hearing is scheduled for January 4, 2016 to receive citizens' input on whether the Board of Commissioners for the County should approve a proposed installment financing agreement on the project that is subject of this letter. If you need any additional information, please contact me at (336) 330-2210 or by email at amyw@personcounty.net.

Sincerely,



Amy Wehrenberg
Finance Director



HUNTON & WILLIAMS LLP
POST OFFICE BOX 109
RALEIGH, NORTH CAROLINA 27602

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November 9, 2015

MARY NASH RUSHER
DIRECT DIAL: 919 • 899 • 3066
EMAIL: mnrusher@hunton.com
FILE NO: 63410.3

**NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT OF
PROPOSED LOCAL GOVERNMENT FINANCING**

Joint Legislative Committee on Local Government
North Carolina General Assembly
16 West Jones Street
Raleigh, North Carolina 27601
Attention Committee Chairs; Committee Assistant

Fiscal Research Division
North Carolina General Assembly
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925
Attention: Interim Director

**\$5,000,000
Housing Authority of the City of High Point
Multifamily Housing Revenue Bonds, Series 2015
(Park Terrace Phase III)**

Ladies and Gentlemen:

We are bond counsel for the Housing Authority of the City of High Point (the "Authority") in connection with the proposed issuance of its Multifamily Housing Revenue Bonds (Park Terrace Phase III), Series 2015 (the "Bonds") in an aggregate principal amount not to exceed \$5,000,000. The proceeds of the Bonds will be loaned to Clara Cox III, LLC, a North Carolina limited liability company (the "Borrower"), or an affiliate or subsidiary thereof, for the purpose of providing all or part of the funds with which to pay the cost of the acquisition, construction and equipping of Phase III of a multifamily residential rental facility to be known as Park Terrace Apartments, consisting of approximately 78 units, and located in High Point, Guilford County, North Carolina (the "Project").

The Bonds will be issued under Chapter 157 of the North Carolina General Statutes (the "Act"). The proceeds of the Bonds will be loaned to the Borrower under a loan agreement with the Authority, pursuant to which the Borrower will promise to pay amounts sufficient to pay principal, premium, if any, and interest on the Bonds when due. The Borrower's obligation will be secured by a leasehold deed of trust on the Project. The Borrower and the Authority will file restrictive covenants requiring that the Project be operated as a "qualified residential rental facility," under the Internal Revenue Code of 1986, as amended, and as a facility that provides housing for persons of low or moderate income under the Act for the



Joint Legislative Committee on Local Government
Fiscal Research Division
November 9, 2015
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longer of the term of the Bonds or 15 years. The Borrower will be solely responsible for repaying the Bonds, and the Authority will have no financial liability whatsoever for their repayment. The Bonds do not represent or constitute a debt or pledge of the faith and credit of the Authority, the City of High Point, the State of North Carolina, or any political subdivision thereof. Principal of and premium (if any) and interest on the Bonds are payable solely from the revenues received from the Borrower.

This notice is provided pursuant to N.C. Gen. Stat. §120-157.2(a). The Authority expects that the North Carolina Local Government Commission (the "Commission") will consider the Authority's proposal to issue the Bonds for approval at the Commission's meeting scheduled for December 1, 2015. We are delivering this notice on behalf of the Authority and the Borrower in accordance with directions provided by the Commission in Memorandum No. 2012-02 dated July 25, 2011.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Mary Nash K. Rusher".

Mary Nash K. Rusher, Esq.
Bond Counsel

cc: Greg C. Gaskins, Secretary
Local Government Commission
NC Department of State Treasurer
3200 Atlantic Avenue
Raleigh, NC 27604



November 19, 2015

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

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building – Suite 619
200 North Salisbury Street
Raleigh, NC 27603-5925


RE: Financing of Water Line Extensions and Pump Station Abandonments
by the Town of Harrisburg, North Carolina

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Town of Harrisburg, North Carolina (the "Town") hereby notifies you of its intent to utilize an installment purchase contract under North Carolina General Statute 160A, Article 3, Section 20. The principal amount is not to exceed \$1,300,000 to finance the extension of water lines on Rocky River Road and Pharr Mill Road as well as the abandonment of pump stations in the Quay Farm/Highland Ridge subdivisions. These projects have been included in the Town's annual Capital Improvements Plan update and respective estimated debt service requirements have been included in the fiscal year 2015-2016 Annual Operating Budget. Furthermore, as required by the Local Government Commission, bids have been received for the project.

The Town anticipates that the North Carolina Local Government Commission will consider approval of the issuance of this proposed debt at its meeting scheduled for January 5, 2016.

TOWN OF HARRISBURG, NORTH CAROLINA

By: 
J. Lee Connor, Jr., CPA, CGMA, MBA
Finance Director

Cc: Local Government Commission



November 16, 2015

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

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
Suite 619
300 North Salisbury Street
Raleigh, North Carolina 27603-5925

Re: Financing of Parks and Recreational Facilities by the City of Fayetteville, North Carolina

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Fayetteville, North Carolina (the "City") hereby notifies you of its intent to issue general obligation bonds pursuant to The Local Government Bond Act, Article 4 of Chapter 159 of the General Statute of North Carolina, as amended, in an aggregate principal amount not to exceed of \$35,000,000 to finance the cost of acquiring, constructing and improving parks and recreational facilities inside and outside the corporate limits of the City, including, without limitation, the acquisition of any related land, rights of way and equipment. The issuance of bonds would be subject to voter approval at a bond referendum anticipated to be held on March 15, 2016. Subject to voter approval, the bonds would be secured by the full faith and credit and taxing power of the City, without limitation as to rate or amount, and the City would expect to pay the debt service on the bonds from general fund revenues of the City.

It is expected that the bonds will have a term of approximately 20 to 25 years and will be amortized on a level principal basis. Subject to voter approval at the March 15, 2016 referendum, the bonds are expected to be sold by the North Carolina Local Government Commission by competitive sale pursuant to a public offering of the bonds. It is not certain at this time when the bonds will be sold or if they will all be sold at one time. Pursuant to state

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statute, the City will have up to seven (7) years to issue all of the bonds. If the bonds are competitively sold, the interest rate on the bonds will be the lowest true interest rate bid for the bonds at the time the bonds are sold.

Please let me know if you have any questions or require any further information.

CITY OF FAYETTEVILLE, NORTH CAROLINA

By: 
Chief Financial Officer

cc: Local Government Commission



The Village of Bald Head Island

November 16, 2015

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

Fiscal Research Division
North Carolina General Assembly
Legislative Building – Suite 619
300 N. Salisbury Street
Raleigh, North Carolina 27603-5925

Re: Financing of Waste Water Treatment Plant and Wells Upgrade by the Village of
Bald Head Island, North Carolina


Dear Sir or Madam:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Village of Bald Head Island, North Carolina (the "Village") hereby notifies you of its intent to utilize not more than \$4,000,000 in Installment Debt Financing to finance a Plant upgrade for the Waste Water Treatment Facility and Wells.

The Village anticipates that the North Carolina Local Government Commission will consider approval of the issuance of this proposed debt in early 2016.

Best Regards,

By:


Virginia Cummings, Finance Director
Village of Bald Head Island

cc: Greg Gaskins, Secretary
Local Government Commission