



FINANCE DEPARTMENT
INTEGRITY FIRST

August 14, 2018

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
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925

Re: Financing of 2018 Recreation Improvements Project by the City of Lexington, 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 Lexington, North Carolina (the "City") hereby notifies you of its intent to enter into an installment financing agreement (the "Agreement") pursuant to Section 160A-20 of the General Statutes of North Carolina in the principal amount not to exceed \$1,140,000 to finance the 2018 Recreation Improvements Project, primarily consisting of a Skate/BMX Park (the "Project"). The cost of the Project totals approximately \$1,140,000. The obligations of the City under the Agreement will be secured by a deed of trust on all or a portion of the site of the Project, together with any improvements or fixtures located or to be located thereon.

It is expected that the Agreement will have a term of approximately 15 years. The financial institution to provide the financing pursuant to the Agreement will be selected pursuant to a request for proposals, at which time the interest rate(s) shall be determined for the Agreement. The City expects to accept the proposal of the winning bidder on September 10, 2018, obtain the approval of the North Carolina Local Government Commission on October 2, 2018 and close the financing by October 18, 2018.

If you have any questions or require any further information, please do not hesitate to contact me.

CITY OF LEXINGTON, NORTH CAROLINA

By: _____
Finance Director

cc: Local Government Commission