

CENTENNIAL AUTHORITY



NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT

December 5, 2019

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

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

North Carolina Local Government Commission
3200 Atlantic Avenue
Longleaf Building
Raleigh, North Carolina 27604
Attention: Secretary

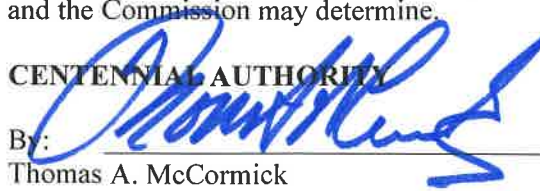
Centennial Authority –Initial Financing for Additions and Improvements to PNC Arena

In accordance with N.C. Gen. Stat. §120-157.2(a) (the "*Statute*"), the Centennial Authority, an authority created under Article 20, Part 3 of Chapter 160A of the North Carolina General Statutes (the "*Authority*"), hereby notifies you of its intent to finance the purchase and installation of additions and improvements to the Authority's PNC Arena in Raleigh (the "*2020 Project*"). The 2020 Project is intended as part of an overall renovation program for the Arena, the financing for which will be retired from annual allocations from future Wake County/City of Raleigh hotel/motel room occupancy and prepared food and beverage tax proceeds.

To finance the 2020 Project in its initial stages, the Authority expects to enter into a loan agreement with a bank (selected in an RFP process) for a term of not more than 5 years. Permanent refinancing of the bank loan is anticipated to come from a subsequent up to 25 year bond the total of both obligations not exceeding One Hundred Sixty Million (\$160,000,000) Dollars. The agreements will contain call provisions allowing prepayment and both will be revenue obligations of the Authority not constituting a direct or indirect pledge of the faith and credit or taxing power of the Authority, Wake County or the City of Raleigh.

The Authority expects that the Local Government Commission of North Carolina (the "*Commission*") will consider for approval the Authority's proposals at such meeting as the Authority and the Commission may determine.

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By: 
Thomas A. McCormick
Chairman