



FINANCE DEPARTMENT  
INTEGRITY FIRST

March 16, 2022

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: Installment Financing by the City of Lexington, North Carolina for City Centre Project

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 of approximately \$14,000,000 to finance to the development and construction of a new city administrative building to be located in the former Windstream building at 200 North State Street in the City to be utilized as a one-stop smart service center for City residents and utility customers (the "Project"). The obligations of the City under the Agreement are expected to be secured by a deed of trust on the site of the Project, together with any improvements or fixtures located or to be located thereon. The payment of the installment payments under the Agreement will be subject to annual appropriation, and the City's obligations under the Agreement will not be secured by the faith and credit or taxing power of the City.

It is expected that the Agreement will have a term of approximately twenty (20) 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 March 28, 2022, obtain the approval of the North Carolina Local Government Commission on May 3, 2022 and close the financing by May 12, 2022.

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

CITY OF LEXINGTON, NORTH CAROLINA

By:  Digitally signed by John M Overton  
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Lexington, ou,  
email=jmoverton@lexingtonnc.gov,  
c=US  
Date: 2022.03.16 07:39:29 -04'00'

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Finance Director

cc: Local Government Commission