



March 19, 2024

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 Various Capital Improvements for the City of Raleigh, 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 Raleigh, 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, as amended, to finance the costs of acquiring, constructing and equipping a new East Civic Tower and various fire, public safety and other administrative building improvements for the City (collectively, the "Project") and certain other costs associated with such financing. The City anticipates that the cost of the financing will not exceed \$100,000,000. The obligations of the City under the Agreement will be secured by a deed of trust on all or a portion 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 36 months and bear interest at a variable rate based on a percentage of SOFR plus a credit spread. PNC Bank, National Association was selected to provide the financing pursuant to the Agreement pursuant to a request for proposals. The City expects to obtain the approval of the North Carolina Local Government Commission on May 7, 2024, and close the financing in May 2024.

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

CITY OF RALEIGH, NORTH CAROLINA

By: _____

Allison E. Bradsher
Chief Financial Officer

cc: Local Government Commission