



Stephen L. Cordell
Shareholder

June 21, 2024

VIA U.S. FIRST CLASS MAIL

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N.C. General Assembly
16 W. Jones Street
Raleigh, North Carolina 27601

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

Re: County of Cabarrus, North Carolina (the "County") - Installment
Contract Financing Pursuant to NCGS §160A-20;
Cabarrus County Development Corporation (the "Corporation") - Limited
Obligation Bonds, Series 2024B

Ladies and Gentlemen:

As Bond Counsel to the above-referenced County, and pursuant to NCGS Section 120-157.2, you are hereby given notice that the County proposes to execute and deliver an installment financing contract pursuant to NCGS §160A-20 (the "Contract") and use the proceeds thereof to finance all or a portion of the cost of various capital projects. The maximum principal amount of the County's Contract will not exceed \$270,000,000. The interest component of the County's Contract will be tax-exempt for both federal and State of North Carolina income tax purposes.

The projects consist of capital expenditures to pay all or a portion of the costs of (i) the acquisition, construction, installation and equipping of one or more new buildings to be used as new public safety training facilities for the County, (ii) various site improvements related thereto, (iii) the acquisition, construction, installation and

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equipping of a new public elementary school, (iv) the acquisition, construction, installation and equipping of a new replacement public elementary school, (v) the acquisition, construction, installation and equipping of a new behavioral health facility and related facilities, (vi) the acquisition, construction, renovation, installation and equipping of the human services facility and related facilities, (vii) the acquisition, construction, installation and equipping of a new public library and senior center, (viii) the acquisition, construction, installation and equipping of a new addition at Fred L. Wilson Elementary School, (ix) the acquisition, construction, relocation, installation and equipping of the Mary Frances Wall Public School, (x) the acquisition, construction, relocation, installation and equipping of the Opportunity Public School, (xi) the acquisition, construction, installation and equipping of HVAC replacements at Rowan-Cabarrus Community College South Campus, (xii) the acquisition, construction, installation and equipping of roof replacements at various public school sites, (xiii) the acquisition, construction, installation and equipping of HVAC replacements at various public school sites, (xiv) the acquisition of any necessary rights-of-way and easements related to each of the foregoing (i) through (xiii) and (xv) various real and personal property improvements related to each of the foregoing (i) through (xiv).

The projects and the real property will all be owned by either the County, Rowan-Cabarrus Community College, Cabarrus County School District or Kannapolis City School District.

The County will enter into the Contract with the Corporation to obtain funds to finance the projects. The Corporation will then execute and deliver its Limited Obligation Bonds, Series 2024B (the "2024B LOBS"), using either a draw-down structure or a fixed rate structure, in an aggregate principal amount not exceeding \$270,000,000 to fund the advancement of money by the Corporation to the County under the Contract. The 2024B LOBS represent undivided interests in the Contract. The 2024B LOBS will be sold through either a public offering and sale or through a private placement to a bank or other financial institution.

The source of repayment for the County's installment financing contract will be the general fund of the County. The County's plan is that only the County's fee simple interest in the site of the new human services facility and any and all improvements thereon, including, without limitation, the new human services facility, will be pledged as collateral to secure the County's obligations under the Contract. However, it is possible that all of the proposed sites and any and all improvements thereon ultimately will need to be pledged as collateral to secure the County's obligations under the Contract.

No deficiency judgment may be rendered against the County in any action for breach of a contractual obligation under the Contract; and the taxing power of the County will not and may not be pledged directly or indirectly or contingently to secure any amounts due under the Contract.

The financing will be presented to the Local Government Commission for approval at the LGC's meeting on August 6, 2024 or thereafter, a date more than 45 days after the date of this notice.

Very truly yours,



Stephen L. Cordell

SLC/gd

cc: Debbie Tomasko, Acting Secretary
Local Government Commission
N.C. Department of State Treasurer
3200 Atlantic Avenue
Raleigh, North Carolina 27604