

LOCAL GOVERNMENT COMMISSION AGENDA  
AUGUST 2, 2022

1. PLEDGE OF ALLEGIANCE

2. CONFLICT OF INTEREST STATEMENT

3. MINUTES FOR APPROVAL

July 12 2022 LGC Meeting

**(FINAL)**

RELATED INFORMATION

Approximate Per Capita Debt:

State: \$544

Federal: \$ 91,702

Unit	Type	Purpose	Amount	Comments	Page	Last request to Borrow
<b>EPIC UNITS</b>						
<b>ATTACHMENT A</b>						
Bladen County	Financing Agreement	School	\$ 4,453,610	FPIC	2	FA 3-2021 \$20M
Waxhaw	Financing Agreement	Municipal Campus	\$ 21,000,000	FPIC	2	FA 05-2021 \$3.6M
<b>BEGIN CONSENT AGENDA</b>						
Cedar Point	Financing Agreement	Building Acquisition	\$ 735,000		3	GO 4-2019 \$2.3M
Duplin County	Financing Agreement	Construction of Animal Shelter	\$ 1,300,000		3	FA 2-2022 \$9.3M
Fuquay-Varina	Financing Agreement	Fire/EMS Facility	\$ 9,050,000		4	RB 07-2021 \$17.3M
Mount Pleasant	Financing Agreement	Municipal Complex - Park Improvements	\$ 1,200,000		4	RL 03-2017 \$471K
Mount Pleasant	Financing Agreement	Fire Department	\$ 2,500,000		5	RL 03-2017 \$471K
Wayne County	Financing Agreement	School	\$ 8,100,000		5	FA 08-2020 \$10M
Buncombe County	G.O. Bonds	Open Space and Housing - Voter Referenda	\$ 70,000,000		6	LOB 6-2022 \$145M
Concord	G.O. Bonds	Parks and Recreation - Voter Referendum	\$ 60,000,000		6	FA 3-2021 \$6.2M
Charlotte	Revenue Bond	Water and Sewer; Refunding	\$ 534,476,144		7	RB 5-2022 \$425M and \$300M
Charlotte	Revenue Bond	Water & Sewer System Rev. BAN, Series 2022	\$ 500,000,000		8	RB 5-2022 \$425M and \$300M
Dunn	USDA Revenue Bond	Water & Sewer System Rev. BAN, Series 2022	\$ 1,436,000		8	RL 11-2020 \$2.8M
North Carolina Housing Finance Agency	Revenue Bond	Multi-Family Housing	\$ 3,000,000		9	RB 6-2022 \$37.5M
Graham	Revolving Loan	Sewer	\$ 51,445,000		10	RL 5-2021 \$2.6M
Kinston	Revolving Loan	Sewer	\$ 2,405,630		10	RL 11-2021 \$650K
Washington	Revolving Loan	Sewer	\$ 2,500,000		10	FA 5-2022 \$7.3M
Cumberland Co. Industrial Facilities & Pollution Control Financing Authority/Cargill, Inc.	Industrial Revenue Bond	Soy Waste Processing	\$ 27,000,000		11	FA 2-2021 \$21M
<b>MISCELLANEOUS ITEMS</b>						
Goodwill Industries of Eastern NC	N.C. Capital Facilities Finance	Miscellaneous Action - Bank term & structure	\$ 60,000,000		12	RB 12-2004 \$7.5M
Holden Beach	Special Obligations Bonds	Beach Renourishment, Series 2021	\$ 4,280,489		12	FA 10-2021 \$1.8M
North Carolina Housing Finance Agency	Revenue Bond	Multi-family Housing		Rate Revision	12	RB 6-2022 \$37.5M
<b>END CONSENT AGENDA</b>						
NOTE: LGC Staff recommends approval of all financing request on the August 2022 Agenda						
<b>DISCUSSION ITEMS</b>						
New Hanover County	Lease-Purchase	Library & Museum				
<b>UNIT UPDATES</b>						
<b>ATTACHMENT B</b>						
Eureka	Update/Action items (2)	Rate increase/2023 Budget Ordinance		Vote Needed		
Cliffside Sanitary District	Update only					
Robersonville	Update/Action Items (5)	Budget Amendment		Vote Needed		
		Project Ordinances (3)		Vote Needed		
		VUR Grant Resolution		Vote Needed		
Pikeville	Update only					
Kingstown	Update only					
Spring Lake	Update only					
Units Engaged in Fiscal Accountability Agreements						
<b>OTHER ACTION ITEMS</b>						
<b>Resolutions:</b>						
Modifying VUR Distressed Designations		<b>ATTACHMENT C</b>		Vote Needed		
Approving Loans to VUR Grants		<b>ATTACHMENT D</b>		Vote Needed		
Approving VUR Grants		<b>ATTACHMENT E</b>		Vote Needed		

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE					
<b>BLADEN COUNTY</b> \$4,453,610 Tar Heel School 160A-20 Installment Contract Private Placement	Construction of the approximately 83,348 square foot, 800 student K-8 Tar Heel School to replace an existing middle school on an existing school site.  <u>Expected Sources and Uses of Funds:</u>  Uses: Loan Proceeds \$ 4,453,610 Needs Based School Grant \$ 15,000,000 Needs Based School Grant \$ 17,000,000 Available Cash \$ 2,546,390 Total Sources \$ 39,000,000  Uses: Project Cost \$ 38,828,000 Cost of Issuance \$ 172,000 Total Uses \$ 39,000,000	Necessary and expedient to replace a 1909-1940 era school and combine the student population of Tar Heel Middle and Plain View Primary.	Guaranteed Maximum Price (GMP) is in hand.	The Town received an FPIC letter due to: (1) their a late submittal of their audit, (2) a finding related to the Medical Assistance Program and (3) the County Schools approved applications for a Needs Based Grant with out prior discussion with the County. The County responded that they have discussed with their audit firm the necessity of completing the audit process in a more timely manner. (2) The Bladen County Department of Social Services has developed a corrective action plan and committed to 2nd party reviews, County finance staff are conducting random audits and will monitor this matter on an ongoing basis, DSS staff will provide updates to the County HHS Advisory board and the Board of County Commissioners. (3) The County and the schools have agreed to have better communication and the schools will agree to share contracts and budget related items with the County in a timely fashion. The County's response was considered satisfactory.	No tax increase is anticipated. The debt service will be paid from Article 40 & 42 Sales Tax revenues.	Bank: First Bank Amount \$ 4,453,610 Approval Rate: 3.250% Term (years): 10 Structure: Annual principal and semi-annual interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: N/A  Installment purchase structure is more timely and feasible than G.O.					
<b>WAXHAW</b> \$21,000,000 160A-20 Installment Contract Private Placement	Construction of the new Town Campus project, including a new Town Hall that will serve as the Town Administration and Council Chambers / Public Services Administration, storage and work bays and a site pad for a future Town facility.  <u>Expected Sources and Uses of Funds:</u>  Uses: Loan Proceeds \$ 21,000,000 Available Cash \$ 1,025,850 Total Sources \$ 22,025,850  Uses: Project Cost \$ 21,887,450 Cost of Issuance \$ 138,400 Total Uses \$ 22,025,850	Necessary and expedient to replace outdated Town buildings and provide additional needed space.	Bid is in hand.	The Town received an FPIC letter due to their (1) audit not being submitted on time and a (2) statutory violation of expenditures over appropriations. The Town responded that (1) they had entered into a new capital leasing program and the lessor did not provide correct cost information and the entry was booked incorrectly. The lessor took a considerable amount of time to provide the correct information and it resulted in a delay in providing the auditor the financial statements. To prevent reoccurrence the Town will monitor capital leases and recording capital assets on a monthly basis. (2) the over-expenditure occurred due to a lease agreement involving capitalized vehicles and the Town was unaware of the correct procedure for recording it. To prevent reoccurrence the Town will seek training on through the UNC SOG or an audit firm. The Town's response was considered satisfactory.	No tax increase is anticipated. The debt service will be paid from the General Fund.	Bank: Truist Commercial Equity NTE Amount \$ 21,000,000 Approval Rate: 3.500% Term (years): 20 Structure: Annual principal and interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P Moody's:  FINANCING TEAM Bond Counsel : Parker Poe Adams and Bernstein LLP Financial Advisor: Davenport & Company LLC Bank Counsel: Pope Flynn, LLC  Installment purchase structure is more timely and feasible than G.O.					
<b>Schools</b>	Purpose Estimated Census Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds				
	29,525 \$ 4,453,610	7/5/2022	\$ - \$	3,293,543,990	\$ 19,394,739	\$0.785	To Property Values Before	Per Capita After	Before	After	657 \$ 808
<b>Municipal Building</b>	Purpose Estimated Census Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds				
	20,534 \$ 21,000,000	6/28/2022	\$ - \$	2,777,341,865	\$ 3,174,000	\$0.385	To Property Values Before	Per Capita After	Before	After	155 \$ 1,177 Union Co. \$ 1,912

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>CEDAR POINT</b> \$735,000 Building Acquisition G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the purchase of an existing building and 1.7 acres of land at 135 Sherwood Avenue in Cedar Point, North Carolina.	Necessary and expedient because the property will be used for office space, recreation, storage, and community events.	The cost of the building has been substantiated through an appraisal provided by the County.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: First Bank Approval Rate: 3.60% Term: 15 Years Payment: Quarterly S&P: N/A Moody's: N/A

Installment purchase contract is more timely than issue of G.O. Bonds

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds		Per Capita	
								To Property Values Before	After	Before	After
Municipal Building	1,764	\$ 735,000	7/11/2022	\$ -	428,175,324	\$ 1,147,500	\$0.1475	0.27%	0.44%	\$ 651	\$ 1,067
										Carteret Co.	\$ 900

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>DUPLIN COUNTY</b> \$1,300,000 Animal Shelter Construction G.S. 160A-20 Installment Purchase Contract Private Placement	The project consists of the construction of an Animal Services Building.  This project is part of a Rural Economic Development Loan and Grant program (REDLG), which provides funding for rural projects through local utility organizations. Under this program USDA provides zero-interest loans to local utilities.	Necessary and expedient because the current facility is outdated and is over capacity to meet the needs of the County Animal Services Department.	Bids in hand.	Any FPIC reported by this unit in the most recent audit were immaterial.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Tri-County Electric Approval Rate: 0.00% Term: 10 Years Payment: Annually S&P: AA- Moody's: A1

Installment purchase contract is more timely than issue of G.O. Bonds

Sources:

Loan:	\$	1,300,000
Cash:	\$	2,592,603
Donations:		48,534
<b>Total Sources:</b>	<b>\$</b>	<b>3,941,137</b>

Uses:

Construction Cost:	\$	3,623,282
Engineer or Arch. Fees:	\$	315,579
Other Legal/Fiscal Cost:	\$	2,276
<b>Total Uses:</b>	<b>\$</b>	<b>3,941,137</b>

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds		Per Capita	
								To Property Values Before	After	Before	After
County Building	58,965	\$ 1,300,000	7/6/2021	\$ -	3,987,214,678	\$ 55,485,659	\$0.735	1.39%	1.42%	\$ 941	\$ 963

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>FUQUAY-VARINA</b> \$9,050,000 Fire/EMS 160A-20 Installment Contract Private Placement	Construction of a shared 15,898 square foot Fire/EMS facility with 2 full length apparatus bays for Town apparatus and 1 full length apparatus bay for Wake EMS and sitework on property currently owned by the Town. The facility will also include dormitory areas, day rooms, training, dedicated spaces for fire service and EMS staff operations and certain shared spaces.	Necessary and expedient to increase fire and EMS coverage based on population and vulnerability data.	Guaranteed Maximum Price (GMP) is in hand.	No major deficiencies or defaults noted.	No tax increase is anticipated. The debt service will be paid from the General Fund and Wake County EMS and Fire for their portions respectively.	Bank: Truist Bank Amount: \$ 9,050,000 Approval Rate: 3.410% Term (years): 20 Structure: Annual principal and semi-annual interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P: AAA Moody's: Aa1
<u>Expected Sources and Uses of Funds:</u>						
Uses:						
Loan Proceeds \$ 9,050,000						
Total Sources \$ 9,050,000						
Uses:						
Project Cost \$ 8,963,174						
Cost of Issuance \$ 86,826						
Total Uses \$ 9,050,000						

FINANCING TEAM  
Bond Counsel : Sanford Holshouser LLP  
Financial Advisor: Davenport and Company LLC  
Bank Counsel: Pope Flynn, LLP  
  
Installment purchase structure is more timely and feasible than G.O.

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Municipal Buildings	34,604	\$ 9,040,000	7/11/2022	\$ 47,150,000	\$ 5,116,395,309	\$ 33,709,000	\$0.395	1.58%	1.76%	\$ 2,337	\$ 2,598	Wake Co.	\$ 2,743

<b>MOUNT PLEASANT</b> Municipal Complex & Park Improvements \$1,200,000 160A-20 Installment Contract Private Placement	Construction of storage building and upgrading of electrical equipment, demolition and subsequent construction of concession stand/restroom building, and addition of sidewalks and parking.	Necessary and expedient to replace outdated facility, add sidewalk and parking to meet ADA requirements and storage for youth ball team equipment.	Bid is in hand.	No major defaults or deficiencies noted.	No tax increase is anticipated. The debt service will be paid from the General Fund.	Bank: First Bank Amount: \$ 1,200,000 Approval Rate: 3.080% Term (years): 20 Structure: Annual principal and semi-annual interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P: N/A Moody's: N/A
<u>Expected Sources and Uses of Funds:</u>						
Sources:						
Loan Proceeds \$ 1,200,000						
Total Sources \$ 1,200,000						
Uses:						
Project Cost \$ 1,195,000						
Cost of Issuance \$ 5,000						
Total Uses \$ 1,200,000						

Installment purchase structure is more timely and feasible than G.O.

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Municipal Buildings	1,653	\$ 1,200,000	6/30/2022	\$ -	\$ 181,696,684	\$ 3,103,971	\$0.505	1.71%	2.37%	\$ 1,878	\$ 2,604	Cabarrus Co.	\$ 1,520

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>MOUNT PLEASANT</b> Fire Department \$2,500,000 160A-20 Installment Contract Private Placement	Renovation and addition to current fire department. The project will renovate the interior of the living quarters and truck bay. An addition added to the front and back of the current building to add more room to the sleeping area, another bathroom, more office space and display ythe antique fire truck.  Sources: Loan Proceeds \$ 2,500,000 Total Sources \$ 2,500,000  Uses: Project Cost \$ 2,495,000 Cost of Issuance \$ 5,000 Total Uses \$ 2,500,000	Necessary and expedient to increase	Bid is in hand.	No major defaults or deficiencies noted	No tax increase is anticipated. The debt service will be paid from the General Fund.	Bank: First Bank Amount \$ 2,500,000 Approval Rate: Term (years): 20 Structure: Annual principal and semi-annual interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: N/A  Installment purchase structure is more timely and feasible than G.O.

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values	Per Capita	Before	After		
Municipal Buildings	1,653	\$ 2,500,000	6/30/2022	\$ -	181,696,684	\$ 1,803,971	\$0.505	1.71%	2.37%	\$ 1,878	\$ 2,604	Cabarrus Co.	\$ 1,520

<b>WAYNE COUNTY</b> \$8,100,000 160A-20 Installment Contract Private Placement	Construction of a new 118,000 square foot Fremont Elementary School with initial capacity of 750 students and core spaces up to 900.  <u>Expected Sources and Uses of Funds:</u>  Uses: Loan Proceeds \$ 8,100,000 NBPSCF Lottery Grant \$ 30,000,000 School Sales Tax \$ 175,251 Board of Education \$ 65,000 Total Sources \$ 38,340,251  Uses: Project Cost \$ 38,190,251 Cost of Issuance \$ 150,000 Total Uses \$ 38,340,251	Necessary and expedient to increase capacity for schools in the County.	Guaranteed Maximum Price (GMP) is in hand.	Any FPIC reported by this unit in the most recent audit were immaterial.	No tax increase is anticipated. The debt service will be paid from sales tax and lottery funds dedicated to school capital projects.	Bank: Trust Amount \$ 8,100,000 Approval Rate: 2.990% Term (years): 15 Market Rate: Structure: Annual principal and interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P AA Moody's: Aa2  FINANCING TEAM Bond Counsel : Womble Bond Dickinson (US) LLP Financial Advisor: Davenport & Company LLC Bank Counsel: Pope Flynn, LLC  Installment purchase structure is more timely and feasible than G.O.
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Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values	Per Capita	Before	After		
School	116,835	\$ 17,100,000	7/12/2022	\$ -	8,219,118,480	\$ 66,664,068	\$0.743	0.81%	1.02%	\$ 571	\$ 717		

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>BUNCOMBE COUNTY</b> \$70,000,000 General Obligation Bonds	<b>\$30,000,000 Open Space:</b> To pay the capital costs of acquisition and improvement of land or interests therein for conservation and protection of natural resources and preservation of farmland, including but not limited to development of greenways and trails for recreation purposes.  <b>\$40,000,000 Housing:</b> To pay the capital costs of housing for the benefit of persons of low or moderate income, including construction of related infrastructure improvements, acquisition of land and rights-of-way therefor.	Buncombe County has experienced steady growth and the trend is projected to continue into the foreseeable future, making preservation of open space and farmland desirable for the character of the County. Affordable housing is desirable as land and building costs now exclude many people from being able to acquire or construct housing within Buncombe County. The proposal would support both rental housing and home ownership programs.	Cost estimates are provide by County staff. The County has an extensive greenway and trails program and the County is working with land conservancy groups to preserve active farmland for open space and to connect the trails and greenway systems.	No major deficiencies. No defaults noted.	No tax rate increase is projected for these projects.	<u>Bond Counsel:</u> Parker Poe Adams & Bernstein LLP  <u>Financial Advisor:</u> Davenport & Company LLC	Moody's: Aaa S&P: AAA  (Expected Ratings)

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
\$30,000,000 Open Space	270,224	\$ 70,000,000	11/8/2022	\$ -	\$ 47,455,289,903	\$ 339,194,000	\$ 0.4880	0.71%	0.86%	\$ 1,255	\$ 1,514
\$40,000,000 Housing											
\$70,000,000											

<b>CONCORD</b> \$60,000,000 General Obligation Bonds	<u>Parks and Recreation</u> To pay the capital costs of providing parks and recreational facilities including land, athletic fields, parks, shelters, parking, lighting, trails and greenways, and the renovation of and improvements to existing facilities. Construction of 3 new parks, expansion of services and updates and improvements to existing parks.	Relatively rapid growth along the periphery of the City leaves certain areas without nearby parks and recreation facilities, and several older City parks need updates and improvements.	Cost estimates provided by consulting engineers: (for various projects) WithersRavenel, Woolpert, McAdams, Dodd Studios, ColeJenest & Stone, Benesch.	No major deficiencies. No defaults noted.	A tax increase of approximately 3.0¢ is expected for these projects.	<u>Bond Counsel:</u> Parker Poe Adams & Bernstein LLP  <u>Financial Advisor:</u> First Tryon Advisors	Moody's: Aa1 S&P: AA+ Fitch: AAA  (Expected Ratings)
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Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
\$60,000,000 Parks & Recreation	105,936	\$ 60,000,000	11/8/2022	\$ -	\$ 14,370,762,948	\$ 32,219,962	\$ 0.4800	0.22%	0.64%	\$ 304	\$ 871

Cabarrus Co. \$ 1,311

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<b>CITY OF CHARLOTTE</b> Water and Sewer System Revenue Bonds Series 2022A (tax-exempt) and Water and Sewer System Revenue Bonds, Series 2022B (taxable) G.S. 159; Article 5 Amount not to exceed \$ 535,000,000 Public Offering	Necessary and expedient to improve the service and operations of the City's water and sewer systems by performing necessary periodic capital improvements that, individually, do not make financing cost effective but that collectively over time, as the projects are to be executed, represent a significant requirement of financing resources to lower financing cost by refunding the 2011 Bonds: to finance long-term draw note program utilized for system improvements: to reduce risk by refunding the variable rate 2006 Bonds and terminate the associated swap.	The City has an extensive and formalized Capital Improvement Program ("CIP") that is funded partially by internal cash generation ("PAYGO") and partially by debt financing. It is the practice of the City to execute financings periodically as considered advantageous and adequate and, until a financing is in place, to fund the cash requirements with the intent to reimburse itself.	The City has provided internal projections for the period 2022-2027 and the projections have been reviewed by First Tryon Advisors. Current projections demonstrate required coverages of debt service by net revenues as defined in the Bond Covenants of 1.75X in FY 2022 and of at least 1.95X thru 2027 on total system debt. The City expects annual increases of 3.84% of water/sewer rates in FY 2023 through 2027.	No major deficiencies. No defaults noted.	Public sale scheduled on August 24 so as not to conflict with any other debt transaction.  Expected ratings: S&P: AAA Moody's: Aaa Fitch: AAA	Series 2022A Bonds will be issued tax-exempt; and Series 2022B Bonds will be issued taxable  <b>LOC Refinancing &amp; New Money</b> Expected Rate: All in TIC 3.88% Expected underwriter fees - \$3.50/\$1,000  <b>Series 2011 Refinancing</b> Expected Rate: All in TIC 2.25% Expected underwriter fees - \$3.50/\$1,000  <b>2006B Swap Termination</b> Expected Rate: All in TIC 4.43% Expected underwriter fees - \$3.50/\$1,000
Project: The Proceeds of the 2022 bonds will be used to finance the costs to improve the Water and Sewer System, including but not limited to, the extension of existing water and sewer lines and the rehabilitation or replacement of others, the construction of new water and sewer mains and outfalls, the rehabilitation and upgrade of water and wastewater treatment plants, and finance costs of improvements to the Water and Sewer System, including, among other things, extensions, additions, and capital improvements to, or the acquisition, renewal or replacement of capital assets, or purchasing and installing new equipment for the City's water and sewer system and refund the 2006 Water and Sewer Revenue Bonds, the 2011 Water and Sewer Revenue Bond.						

Expected Sources and Uses of Funds:

Sources:	LOC Refinancing	New Money	Current Refunding of Series 2011	Current Refunding of 2006B (Swap Termination)	Total
Par Amount	\$ 218,930,000.00	\$ 105,085,000.00	\$ 25,530,000.00	\$ 116,470,000.00	\$ 466,015,000.00
Premium	\$ 32,192,211.30	\$ 15,451,811.60	\$ 803,886.90	\$ 18,657,796.45	\$ 67,105,706.25
Other Sources - Accrued Interest			\$ 354,334.31	\$ 1,001,103.70	\$ 1,355,438.01
Total Sources	\$ 251,122,211.30	\$ 120,536,811.60	\$ 26,688,221.21	\$ 136,128,900.15	\$ 534,476,144.26
Uses:					
Project Fund	\$ 250,000,000.00	\$ 120,000,000.00			\$ 370,000,000.00
Cash Deposit			\$ 26,559,334.31	\$ 121,596,103.70	\$ 148,155,438.01
Cost of Issuance	\$ 352,343.81	\$ 169,122.78	\$ 41,087.73	\$ 187,445.68	\$ 750,000.00
Underwriter's Discount	\$ 766,255.00	\$ 367,797.50	\$ 89,355.00	\$ 407,645.00	\$ 1,631,052.50
Termination Payment				\$ 13,936,900.00	\$ 13,936,900.00
Additional Proceeds	\$ 3,612.49	\$ (108.68)	\$ (1,555.83)	\$ 805.77	\$ 2,753.75
Total Uses	\$ 251,122,211.30	\$ 120,536,811.60	\$ 26,688,221.21	\$ 136,128,900.15	\$ 534,476,144.26

**APPROVALS**

Series 2022 A and B - Final Maturity Not Beyond 07/01/2052  
Amount not to exceed \$535,000,000

**FINANCING TEAM**

Underwriters: Wells Fargo Bank, National Association  
BofA Securities, PNC Capital Markets LLC,  
Truist, Loop Capital Markets (Co)  
Bond Counsel: Parker, Poe, Adams & Bernstein LLP  
Financial Consultant: First Tryon Advisors  
Financial Advisor: DEC Associates, Inc.  
Trustee: U.S. Bank Trust Company, National Association  
Underwriters Counsel: McGuire Woods LLP  
Trustee's Counsel: Moore and Van Allen

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<p><b>CITY OF CHARLOTTE</b> Water and Sewer System BAN Revenue Bonds G.S. 159; Article 5 Amount not to exceed \$ 500,000,000 Direct Bank Placement</p> <p>Project: The Proceeds of the 2022 note will be used to finance the costs to improve the Water and Sewer System, including but not limited to, the extension of existing water and sewer lines and the rehabilitation or replacement of others, the construction of new water and sewer mains and outfalls, the rehabilitation and upgrade of water and wastewater treatment plants, and finance costs of improvements to the Water and Sewer System, including, among other things, extensions, additions, and capital improvements to, or the acquisition, renewal or replacement of capital assets, or purchasing and installing new equipment for the City's water.</p>	<p>Necessary and expedient to improve the service and operations of the City's water and sewer systems by performing necessary periodic capital improvements that, individually, do not make financing cost effective but that collectively over time, as the projects are to be executed.</p>	<p>The City has an extensive and formalized Capital Improvement Program ("CIP") that is funded partially by internal cash generation ("PAYGO") and partially by debt financing. It is the practice of the City to execute financings periodically as considered advantageous and adequate and, until a financing is in place, to fund the cash requirements with the intent to reimburse itself. The construction period draw structure using BANs together with fixed rate bonds provides the cash resources and timing coordination to implement the multiple projects.</p>	<p>The City has provided internal projections for the period 2022-2027 and the projections have been reviewed by First Tryon Advisors. Current projections demonstrate required coverages of debt service by net revenues as defined in the Bond Covenants of 1.75X in FY 2022 and of at least 1.95X thru 2027 on total system debt. The City expects annual increases of 3.84% of water/sewer rates in FY 2023 through 2027.</p>	<p>No major deficiencies. No defaults noted.</p>	<p>The BANS will be a direct bank placement with periodic draw closing with PNC Bank. The BANs will be unrated.</p>	<p>Term: 3 years in initial draw mode; 5 year term-out Interest rate: variable</p> <p>Structure: monthly payments of interest accruing on draws. Drawn principal is payable in full at the end of a three year term or earlier. It is the expectation of the City to terminate the BAN Draw Facility in approximately two years and replace it with publicly offered and conventionally termed Revenue Bonds.</p> <p style="text-align: center;"><b>APPROVALS</b></p> <p>Final Maturity: Not beyond 2025 in initial draw mode; take the final maturity to not beyond 2030 Initial interest Rate: variable rate applied to drawn amounts calculated at SIFMA +0.16%. Undrawn amounts calculated at \$0 Issue Amount not to exceed \$500,000,000</p> <p style="text-align: center;"><b>FINANCING TEAM</b></p> <p>Bond Counsel: Parker, Poe, Adams &amp; Bernstein LLP Financial Consultant: First Tryon Advisors Financial Advisor: DEC Associates, Inc. Bank Counsel: McGuire Woods LLP BANS Note Purchaser: PNC Bank</p>
<p><b>DUNN</b> Sewer Line and Manhole Rehab. \$1,436,000 G.S. 159; Article 5 Private Placement</p> <p>This project includes the rehabilitation of 7 sewer line segments, including nearly 10,000 linear feet of pipe, manhole rehabilitation, service connection renewals, pavement patch and repair and erosion control to reduce Stormwater infiltration in the City's wastewater treatment facility.</p> <p>USDA Loan: \$ 1,436,000 USDA Grant: \$ 1,200,000 Cash: \$ 1,014,701 <u>\$ 3,650,701</u></p>	<p>Necessary and expedient to provide adequate and reliable sanitary sewer service and to provide the present and future welfare of the residents of the City and its environs.</p>	<p>Bids in hand.</p>	<p>The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$33.67 Sewer: \$63.49</p>	<p>Any FPIC reported by this unit in the most recent audit were immaterial. N/A</p>	<p>Term: RBAN: RB: 40 years Interest Rate: Fixed Structure: RBAN: Interest due at maturity. RB: Approximately level debt service</p> <p style="text-align: center;"><b>APPROVALS</b></p> <p>Issue Amount Revenue Bond: \$1,436,000 Issue Amount Revenue BAN: \$1,436,000 Final Maturity: RBAN: No later than 4/1/2024 RB: 2060 or 40 years after the maturity of the RBAN</p> <p>Interest Rate: RBAN: \$1,436,000, 3.22% RB: \$1,436,000 1.25 %</p> <p style="text-align: center;"><b>FINANCING TEAM</b></p> <p>Bond Counsel: Womble Bond Dickinson (US) LLP Revenue BAN: First -Citizens Bank &amp; Trust Company Revenue Bond: USDA Rural Development Registrar: Finance Director Purchaser's Counsel: Pope Flynn, LLC Financial Advisor: Davenport &amp; Company LLC</p>	



PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<p><b>NORTH CAROLINA HOUSING FINANCE AGENCY (NCHFA)</b> <b>\$3,000,000</b> <b>Multi-family Housing Revenue Bonds,</b> <b>(Wind Crest Senior Living, LP), Series 2022</b> <b>G.S. 122A-8</b></p> <p>The proceeds of the bonds will be used to provide additional funds to finance the construction and equipping of a 66-unit apartment complex located in Lumberton, NC. Wind Crest Senior Living, LP, (the "Borrower") is a limited partnership of FWP Wind Crest, LLC, who will own 0.01% of the borrower, and CAHEC, a non-profit, ( the "Investor Limited Partner") who will own 99.99% of the borrower.</p> <p>The original project amount of \$6,000,000 was approved by the LGC April 13, 2021. The NCHFA participated in the financing of Wind Crest Senior Living, LP new construction in July 2021. As a result of changes in the global capital markets and increases in materials cost that were unforeseeable at the time of issuance of the 2021 Bonds the Borrower has requested that the NCHFA provide additional financing for the construction of the Wind Crest Senior Living Development.</p> <p>The aggregate principal amount of the bonds is expected not to exceed \$3,000,000 and will mature no later than June 1, 2024. The bonds are expected to be sold to Stifel, Nicolaus &amp; Company, Inc. for public offering to investors at an interest rate to be determined at the time of sale based on market conditions.</p> <p>The ownership entity has also received loan commitments from USDA-Rural Development and the NCHFA (sourced from Community Development Block Grant Disaster Recovery funds via the NC Office of Recovery and Resiliency) for new loans to be made upon completion of the construction of the project and its having been placed in service in connection with the 2021 Bonds. The ownership entity will receive an increase in its CDBG/DR loan in connection with the issuance of the Series 2022 Bonds. The project will be eligible for low income housing tax credits under Section 42 of the code. A total of 66 senior housing units in 6 buildings will be constructed.</p>	<p>The NCHFA has found that the project is necessary to provide safe, sanitary, affordable senior housing opportunities for low- to moderate-income residents.</p> <p>The project is subject to tax requirements restricting 40% of the rental units to residents with incomes restricted to 60% of the area median income.</p>	<p>The developer has provided appraisals, construction cost estimates, Phase I environmental studies, and market studies which support the valuations thereof.</p> <p>The NCHFA Rental Investment Section has reviewed the above and the adequacy and cost of the proposed project and found it to be reasonable.</p>	<p>After the projects are placed in service and construction is complete, the bonds will be redeemed with the proceeds of loans provided by the USDA RD Section and NCHFA.</p> <p>The developer has provided 15 year cashflow pro forma projections that show debt service coverage to begin at 1.47X and end at 1.26X.</p>	<p>No deficiencies. No defaults noted.</p>	<p>The 2022 Bonds will be issued pursuant to a Trust Indenture, to be dated as of August 2022. The Trust Indenture is between the NCHFA and the Bank of New York Mellon Trust Company, N.A..</p> <p>The bonds will be secured by eligible investments to pay interest and principal of the bonds at all times.</p>	<p>Term and Structure: Bonds Final maturity not to exceed June 1, 2024 Bonds may be redeemed as the project is completed. Long term financing provided by NCHFA and USDA-RD.</p> <p style="text-align: center;">APPROVALS</p> <p>Amount: Not to exceed \$3,000,000 Final Maturity: Not to Exceed June 1, 2024 Maximum Fixed Rate: Not to Exceed 12.00%</p> <p style="text-align: center;">FINANCING TEAM</p> <p>Bond Counsel: Womble Bond Dickinson (US) LLP</p> <p>Tax Credit Investor: Community Affordable Housing Equity Corp. (CAHEC) - Community Equity Fund XXVI LP Tax Credit Investor Counsel: Kutac Rock, LLP</p> <p>Developer: Pendergraph Development, LLC Developer Counsel: The Brockmann Law Firm, PC</p> <p>Financial Advisor: Caine Mitter &amp; Associates Inc.</p> <p>Underwriter/Remarketing Agent: Stifel, Nicolaus &amp; Company, Inc. Underwriter Counsel: Tiber Hudson LLC</p> <p>Borrower: Wind Crest Senior Living LP Borrower's Counsel: The Brockmann Law Firm, PC</p> <p>Trustee: The Bank of New York Mellon Trust Company, N.A. Trustee Counsel: Moore &amp; Van Allen PLLC</p>

**Initial Sources of Funds**

Housing Revenue Bonds Series 2021	\$	6,000,000
Housing Revenue Bonds Series 2022	\$	3,000,000
USDA-RD Section 538 Loan	\$	590,000
Federal LIHTC Equity	\$	4,994,552
CDBG/DR Loan	\$	9,582,000
General Partner Contribution	\$	590
Deferred Developer Fees	\$	159,186
<b>Total Sources</b>	<b>\$</b>	<b>24,326,328</b>

**Uses of Funds:**

Construction Costs	\$	12,606,820
Architect/Engineer/Third Party	\$	454,098
Costs of Issuance/Interest	\$	1,111,479
Developer Fee	\$	858,000
Reserves	\$	295,931
Payment of Series 2021 Bond Principal	\$	6,000,000
Payment of Series 2022 Bond Principal	\$	3,000,000
<b>Total Uses</b>	<b>\$</b>	<b>24,326,328</b>

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<p><b>GRAHAM</b> Sewer \$51,445,000 G.S. 159G-22 Revolving Loan (CS370563-04)</p>	<p>This project includes upgrading existing annexation aeration basins to a 5-stage process, adding additional aeration basins, a new blower facility, a new chemical facility, a new mixed liquor suspended solids distribution box, updated return activated sludge pump stations, a new secondary effluent junction box, new tertiary filter facility, new chlorine contact tank, new aerobic digester and sludge holding tank, a new maintenance building, and site electrical upgrades.</p>	<p>Necessary and expedient because the treatment infrastructure has exceeded its useful life, as well as increase the treatment and hydraulic capacity of the plant to meet the anticipated demands in the Graham service area over the next 20- year planning period.</p>	<p>Cost estimated provided by Hazen and Sawyer.</p>	<p>No major deficiencies No defaults noted.</p>	<p>The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$26.46 Sewer: \$55.58</p>	<p>Loan from State of North Carolina Term: 30 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.</p>
<p><b>KINSTON</b> Sewer \$2,405,630 G.S. 159G-22 Revolving Loan (CS370527-14)</p>	<p>This project will raise/rehabilitate, 11 manholes, replace/ raise 5 manholes, and rehabilitate 3,100 feet of 30-inch reinforced concrete pipe (RCP) between Wallace Family Road and HWY 11.</p>	<p>Necessary and expedient to fortify/elevate or assure continuous operation of infrastructure without relocating it out of the floodplain.</p>	<p>Cost estimated provided by Kinston Public Services.</p>	<p>No major deficiencies No defaults noted.</p>	<p>The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$41.86 Sewer: \$46.35</p>	<p>Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.</p>
<p><b>WASHINGTON</b> Sewer \$2,500,000 G.S. 159G-22 Revolving Loan Project No. SRP-W-0199</p>	<p>This project will include rehabilitation of approximately 830 LF of 10-inch, 680 LF of 12-inch, and 3,495 LF of 24-inch gravity sewer pipe, and 110 VF of manhole lining; replacement of 19 sewer services; 200 LF of point repairs; and 5,783 LF of CCTV of the collection system. It also includes flood protection rehabilitation by elevating electronic controls a minimum of 2 feet above the 100-year flood elevation, and floodproofing the wet well at the Short Drive Pump Station.</p>	<p>The project is necessary and expedient in that the collection system in its current condition experiences significant Inflow and Infiltration (I/I) and the Short Drive Pump Station experienced flooding during Hurricane Florence.</p>	<p>A certified cost estimate has been provided by Rivers and Associates, Inc, engineering firm.</p>	<p>No major deficiencies No defaults noted.</p>	<p>The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. The Authority's average monthly water and sewer bill is \$30.00 and there are no plans for an immediate rate increase.</p>	<p>Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.</p>

PROJECT	FINANCIAL CAPABILITY AND SECURITY	PROVISION OF PUBLIC FACILITIES / COPE WITH PROJECT	MANNER OF SALE: ADVERSE EFFECTS	TERMS/ OTHER INFORMATION						
<p><b>CUMBERLAND CO. INDUSTRIAL FACILITIES &amp; POLLUTION CONTROL FINANCING AUTHORITY / CARGILL, INC</b></p>	<p>Three year review of parent corporation financial statements demonstrates financial strength. Company currently rated A/A2/A. An investment grade rating will be required at all times.</p>	<p>Approval of the Tax Reform Allocation Committee has been obtained. The City of Fayetteville has adequate water &amp; sewer infrastructure at the existing site.</p>	<p>Public Offering Denominations of \$100,000 and \$5,000 in excess thereof during variable rate modes. Sale will not interfere with others in the marketplace.</p>	<p>Rate: Variable interest will initially be set at the Weekly Rate by the Underwriter, and thereafter will be reset each week by the Remarketing Agent as the minimum rate of interest which, in the judgment of the Remarketing Agent, taking into account prevailing market conditions, would cause the Bonds to have a market value as of the date of determination equal to the principal amount thereof, plus accrued interest. Current Indicative Rate: 0.76% (Based off SIFMA Weekly Index)</p>						
<p>Amount: \$27,000,000 Location: City of Fayetteville (Cumberland County) Acquisition, construction, and equipping of a special purpose project consisting of equipment and facilities for the recycling of solid agricultural waste (residual by-product of soybean processing), which would otherwise go to the landfill, will now be further processed and used as feed products.</p>	<p>Sources: Bond Proceeds Total Sources</p>	<table border="1"> <tr> <td>\$</td> <td>27,000,000</td> </tr> <tr> <td><b>\$</b></td> <td><b>27,000,000</b></td> </tr> </table>	\$	27,000,000	<b>\$</b>	<b>27,000,000</b>	<p>Amount: \$27,000,000 Rate: Variable Max Rate: 12% Maturity: Not Later Than 2052</p>	<p>APPROVALS</p>		
\$	27,000,000									
<b>\$</b>	<b>27,000,000</b>									
<p>Approximately 70 jobs are expected to be created and maintained through 2028.</p>	<p>Uses: Project Cost Cost of Issuance Total Uses</p>	<table border="1"> <tr> <td>\$</td> <td>26,655,443</td> </tr> <tr> <td>\$</td> <td>344,557</td> </tr> <tr> <td><b>\$</b></td> <td><b>27,000,000</b></td> </tr> </table>	\$	26,655,443	\$	344,557	<b>\$</b>	<b>27,000,000</b>	<p>Expected Ratings: S&amp;P: A/A-1</p>	<p>FINANCING TEAM</p>
\$	26,655,443									
\$	344,557									
<b>\$</b>	<b>27,000,000</b>									
				<p>Bond Counsel: McGuireWoods LLP Underwriter/ Remarketing Agent: Thorton Farish Inc. Underwriter's Counsel: Kutack Rock, LLP Trustee/Registrar: Bank of New York Mellon Trust Company</p>						

**MISCELLANEOUS:  
GOODWILL INDUSTRIES of  
EASTERN NC**

**(ACTION ITEMS):**

The Local Government Commission and the North Carolina Capital Facilities Finance Agency at the May 3, 2022 meetings approved the issuance of up to \$60 million of revenue bonds, Series 2022. The structure approved on May 3rd was a variable rate swapped to fixed financing based on 10 year amortization with an balloon redemption option at year 7.

Goodwill Industries of Eastern NC has not yet issued the Series 2022 direct placement revenue bonds.

Goodwill Industries of Eastern NC is now requesting to change the financing structure to a traditional 10 year fixed rate structure. The projected interest rate is 3.547% (rate locked through 8/12) with a total projected debt service of \$6.6 million per year. Expected actual par amount = \$55.8 million. There are no other changes requested from the original approval on May 3, 2022. Expected closing date is on or before August 12, 2022.

Resolution received from the GWI of Eastern NC and covenant in the bond documents confirm that the facilities are being operated for the public good and will benefit the community, without regard to race, creed, color or national origin.

**HOLDEN BEACH**  
Special Obligation Bonds, Series  
2021  
Amount NTE:\$4,280,488.76  
G.S. 159-30  
Private Placement

This is an extension of Holden Beach's FEMA Special Obligation Bond project, which consists of the coastal storm damage repair project that begins at 240 Ocean Boulevard East and ends at 781 Ocean Boulevard West. It will replace approximately 1.5 million cubic yards of sand lost during four storm events along 4.1 miles of shoreline in the central part of the island.

Expected Sources and Uses of Funds:

<u>Sources:</u>	
Original par:	\$ 27,628,909
Sinking Fund:	\$ 19,348,420.24
Construction funds released:	<u>\$ 4,000,000</u>
Renewed Par:	<u>\$ 4,280,488.76</u>
Construction Fund:	\$ 4,613,635.03
Construction funds released:	<u>\$ 4,000,000</u>
Remaining Construction Fund:	<u>\$ 613,635.03</u>

Necessary and expedient to renourish and maintain the Town's beachline. Holden Beach has had four major storms, Florence, Michael, Dorian and Isaias damaging the beaches. FEMA is funding a substantial amount of the restoration of the beach with the Town funding the remaining costs. FEMA advances 75% of its grant funding during renourishment and to fund the 25% retainage, approx. \$7 million, until reimbursed by FEMA. The Final reimbursement process can take well over 12 months to complete.

Bids in hand. Any FPICs reported by this unit in the most recent audit were immaterial

The Special Obligation and the payment obligations owed to the bank are secured by a pledge of all Project related reimbursement receipts from FEMA via the North Carolina Emergency Management Fund and from the State of North Carolina, as well as the right to set off on balances in the FEMA Beach Nourishment Loan Fund and Sinking Fund.

Structure and Term:

12 month credit facility with fixed interest rate and principal due upon maturity. The borrower has 2 options to renew for 1 year respectively. The borrower has notified PNC that it will extend the 2021 Bond to the Second Term period based on original agreement. The Commission approved the credit facility in 2021, containing the initial one year facility and ability to add two additional annual terms subject to not exceeding the maximum rate.

APPROVALS:

Issue Amount Not to Exceed: \$4,280,488.76  
Term: 12 months  
Effective Initial Interest Cost Not to Exceed: 3.84%  
Maximum Interest Rate: 12%

FINANCING TEAM:

Bond Purchaser: PNC Bank, National Association  
Bond Counsel: Parker Poe Adams & Bernstein LLP  
Legal Counsel: McGuire Woods

**NORTH CAROLINA HOUSING  
FINANCE AGENCY (NCHFA)**

On June 7, 2022 the LGC approved the issuance by the North Carolina Housing Finance Agency of its Multifamily Housing Revenue Bonds, (South Emerson Hills Apartment Homes Project), Series 2022 in an amount not to exceed \$37,515,000. The agenda provided that the Bonds would bear interest at a variable rate based on 1-Month LIBOR + 0.75%, or a SOFR-based equivalent, with a floor of 3% and a cap of 6.69%. The Borrower and the Bond Purchaser have negotiated an interest rate floor of 2.76% and a cap of 6.83%. The North Carolina Housing Finance Agency is requesting LGC approval of a revised rate floor and cap.