

NOTICE OF PUBLIC HEARING

At its April 1, 2021 meeting, the Board of Commissioners (the “*Board of Commissioners*”) of the County of Forsyth, North Carolina (the “*County*”) adopted a resolution which:

1. Authorized the County to proceed to (a) finance (i) the acquisition, construction, and equipping of a new children’s museum in the County, (ii) the renovation and expansion of airport facilities at Smith Reynolds Airport in the County, and (iii) a portion of the acquisition, construction, and equipping of a 250,000 square foot courthouse facility (the “*Courthouse*”) located in the County (collectively, the “*Projects*”), (b) refinance an Installment Financing Agreement dated as of October 16, 2019 between the County and PNC Bank, National Association (the “*2019 Contract*”), the proceeds of which were used to finance a portion of the acquisition, construction, and equipping of the Courthouse, and (c) refinance all or a portion of the County’s limited obligation bonds issued in 2009 and 2012 (collectively, and together with the 2019 Contract, the “*Prior Indebtedness*”), pursuant to an installment financing contract (the “*Contract*”), in a principal amount not to exceed \$160,000,000 under which the County will make certain installment payments in order to make the Projects and the projects originally financed with the Prior Indebtedness available to the County;

2. Authorized the County to proceed to provide, in connection with the Contract, as grantor, a deed of trust, security agreement and fixture filing (the “*Deed of Trust*”) granting a lien on the real property on which the Courthouse is located (the “*Mortgaged Property*”) for the benefit of the entity, or its assigns, providing the funds to the County under the Contract.

The Courthouse is located at 175 N. Chestnut St., Winston Salem, North Carolina 27101. The Contract and the Deed of Trust permit the County to enter into amendments to finance additional projects and refinance projects using the Mortgaged Property as collateral and the County may or may not grant additional collateral in connection with such amendments.

NOTICE IS HEREBY GIVEN, pursuant to Sections 160A-20 of the General Statutes of North Carolina, that on May 6, 2021 at 2:00 p.m. in the Commissioners’ Meeting Room on the Fifth Floor of the Forsyth County Government Center, 201 N. Chestnut Street, Winston-Salem North Carolina 27101, a public hearing will be conducted concerning the approval of the execution and delivery of the Contract and the County’s financing of the Projects and refinancing of the Prior Indebtedness.

There will be no meeting place where members of the public can be physically present. The Meeting will be broadcast live at 2:00 p.m. on local cable channel WSTV 13-The Government Channel, http://winston-salem.granicus.com/MediaPlayer.php?publish_id=29, and <https://vimeo.com/forsythcountync>.

All persons interested in the execution and delivery of the Contract and the County’s financing of the Projects and refinancing of the Prior Indebtedness are invited by the Board of Commissioners to present their views. If you wish to submit a written comment, please email to sloopam@forsyth.cc by 4:00pm, Friday, May 7, 2021.

FORSYTH COUNTY BOARD OF COMMISSIONERS
Ashleigh M. Sloop, Clerk to the Board

Date: April __, 2021

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF
FORSYTH, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN
INSTALLMENT FINANCING CONTRACT, DIRECTING THE PUBLICATION OF
NOTICE WITH RESPECT THERETO AND PROVIDING FOR CERTAIN OTHER
RELATED MATTERS THERETO**

WHEREAS, the County of Forsyth, North Carolina (the "*County*") is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State*");

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

WHEREAS, the Board hereby determines that it is in the best interest of the County to (1) enter into an Installment Financing Contract (the "*Contract*") with the Forsyth County Financing Corporation (the "*Corporation*") in order to (a) finance (i) the acquisition, construction, and equipping of a new children's museum in the County, (ii) the renovation and expansion of airport facilities at Smith Reynolds Airport in the County, and (iii) a portion of the acquisition, construction, and equipping of 250,000 square foot courthouse facility (the "*Courthouse*") located in the County (collectively, the "*Projects*"), (b) refinance an Installment Financing Agreement dated as of October 16, 2019 between the County and PNC Bank, National Association (the "*2019 Contract*"), the proceeds of which were used to finance a portion of the acquisition, construction, and equipping of the Courthouse, and (c) refinance all or a portion of the County's limited obligation bonds issued in 2009 and 2012 (collectively, and together with the 2019 Contract, the "*Prior Indebtedness*"), and (2) enter into a deed of trust, security agreement and fixture filing (the "*Deed of Trust*") related to the County's fee simple interest in certain real property on which the Courthouse is located (the "*Site*"), that will provide security for the County's obligations under the Contract;

WHEREAS, the Corporation will assist the County by the issuance of Limited Obligation Bonds (the "*Bonds*") to finance the Projects and refinance the Prior Indebtedness;

WHEREAS, the County hereby determines that financing the Projects and refinancing the Prior Indebtedness are essential to the County's proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Projects and the projects originally financed with the proceeds of the Prior Indebtedness provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust is necessary and expedient for the County by virtue of the findings presented herein;

WHEREAS, the County hereby determines that the Contract allows the County to finance the Projects and refinance the projects originally financed with the Prior Indebtedness and take title thereto at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the County;

WHEREAS, the County hereby determines that the estimated cost of financing the Projects and refinancing the Prior Indebtedness is an amount not to exceed \$160,000,000, and that such cost of financing the Projects and refinancing the Prior Indebtedness exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of financing the Projects and refinancing the Prior Indebtedness pursuant to the Contract is expected to exceed the cost of financing the Projects and refinancing the Prior Indebtedness pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of financing the Projects and refinancing the Prior Indebtedness pursuant to the Contract and the Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds;

(2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of financing the Projects and refinancing the Prior Indebtedness; and (3) insufficient revenues are produced by the Projects so as to permit a revenue bond financing;

WHEREAS, the County has determined and hereby determines that the estimated cost of financing the Projects and refinancing the Prior Indebtedness pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the County anticipates that any property tax increase, if necessary, to pay installment payments falling due under the Contract will not be excessive;

WHEREAS, Parker Poe Adams & Bernstein LLP, as special counsel ("*Bond Counsel*"), will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law;

WHEREAS, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any money due under the Contract;

WHEREAS, the County is not in default under any of its debt service obligations;

WHEREAS, the County's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget ordinance;

WHEREAS, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the North Carolina Local Government Commission (the "*LGC*"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

WHEREAS, a public hearing on the Contract after publication of a notice with respect to such public hearing must be held and approval of the LGC with respect to entering the Contract must be received;

WHEREAS, in connection with the issuance of securities in public markets, the County has entered into agreements obligating the County to provide continuing disclosure on certain information related to the County pursuant to Rule 15c2-12 (the "*Rule*") promulgated by the Securities and Exchange Commission;

WHEREAS, to ensure the County's compliance with its continuing disclosure obligations under the Rule, the Board hereby determines that it is in the best interest of the County to adopt continuing disclosure policies and procedures (the "*Continuing Disclosure Policy*"), a copy of which has been made available to the Board; and

WHEREAS, the County hereby determines that all findings, conclusions and determinations of the County in this Resolution are subject to modification or affirmation after all interested parties have been afforded the opportunity to present their comments at a public hearing regarding the execution and delivery of the Contract and the Deed of Trust and the Projects to be financed and refinanced.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Forsyth, North Carolina, as follows:

Section 1. *Authorization to Negotiate the Contract.* That the County Manager, the Chief Financial Officer, and the Assistant Chief Financial Officer, individually and collectively, with advice from Bond Counsel, are hereby authorized and directed to proceed and negotiate on behalf of the County to finance the Projects and refinance the Prior Indebtedness for a principal amount not to exceed \$160,000,000 under the Contract to be entered into in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina and to provide

in connection with the Contract, as security for the County's obligations thereunder, the Deed of Trust conveying a lien and interest in the Site, including the improvements thereon, as may be required by the entity, or its assigns, providing the funds to the County under the Contract.

Section 2. *Application to LGC.* That the Chief Financial Officer and the Assistant Chief Financial Officer, and their respective designees, are hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

Section 3. *Approval of the Continuing Disclosure Policy.* That the Board approves the form and content of the Continuing Disclosure Policy and the Continuing Disclosure Policy is in all respects authorized, approved and confirmed. The Chief Financial Officer and the Assistant Chief Financial Officer, and their respective designees, are hereby authorized, empowered and directed, individually and collectively, to adopt and implement the Continuing Disclosure Policy in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they deem necessary, desirable or appropriate. From and after the implementation of the Continuing Disclosure Policy, the Chief Financial Officer and the Assistant Chief Financial Officer, and their respective designees, are hereby authorized, empowered and directed, individually and collectively, to do all such acts and things as may be necessary to carry out and comply with the policies and procedures of the Continuing Disclosure Policy and comply with the County's continuing disclosure obligations under the Rule.

Section 4. *Direction to Retain Professionals.* That the County Manager, in consultation with the Chief Financial Officer or Assistant Chief Financial Officer, is hereby authorized and directed to retain the assistance of Parker Poe Adams & Bernstein LLP, as bond counsel; and Hilltop Securities Inc., as financial advisor. The County Manager, in consultation with the Chief Financial Officer or Assistant Chief Financial Officer, is hereby authorized to retain such other professionals (including but not limited to underwriters, trustee, rating agencies, and title attorney) as they deem necessary in their judgment to carry out the transaction contemplated in this Resolution.

Section 5. *Public Hearing.* That a public hearing (the "Public Hearing") shall be conducted at the Board of Commissioners' meeting scheduled for May 6, 2021 at 2:00 p.m. concerning the Contract, the Deed of Trust, the proposed financing of the Projects and refinancing of the Prior Indebtedness, and any other transactions contemplated therein and associated therewith.

Section 6. *Notice of Public Hearing.* That the Clerk to the Board is hereby directed to cause a notice of the Public Hearing, in the form attached hereto as Exhibit A, to be published once in a qualified newspaper of general circulation within the County no fewer than 10 days prior to the Public Hearing.

Section 7. *Repealer.* That all motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 8. *Effective Date.* That this Resolution is effective on the date of its adoption.

Adopted this the 1st day of April, 2021.

ADOPTED

APR 01, 2021

Forsyth County Board
of Commissioners

STATE OF NORTH CAROLINA

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COUNTY OF FORSYTH

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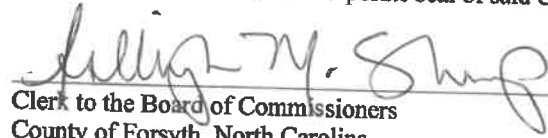
SS:

I, Ashleigh M. Sloop, Clerk to the Forsyth County Board of Commissioners, **DO HEREBY CERTIFY** that the attached **"RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF FORSYTH, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT, DIRECTING THE PUBLICATION OF NOTICE WITH RESPECT THERETO AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO"** was duly adopted by the Forsyth County Board of Commissioners at a regular meeting of the Forsyth County Board of Commissioners held on April 1, 2021, and that said Resolution is duly recorded in the Official Minutes of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said County, this the 1 day of April, 2021.

(SEAL)




Clerk to the Board of Commissioners
County of Forsyth, North Carolina

Forsyth County Limited Obligation Bonds Project List

As of March 12, 2021

Project	Project Budget	Financing Needed	Construction Start Date	Timeline
Courthouse	\$115,915,200	\$102,150,000	January 25, 2021	27 months
Kaleideum	\$32,500,000	\$23,850,000	<i>July/Aug 2021</i>	24 months
Airport: Terminal Renovation	\$7,124,741	\$7,124,741	March 2022	30 months
Airport: Corporate Hangar Development	\$7,791,967	\$7,791,967	December 2021	18 months
Airport: Quonset Hangar Renovation	\$2,083,292	\$2,083,292	December 2021	18 months
	Total	\$143,000,000		

Courthouse: The courthouse project is approximately 250,000 square feet and 6 floors. The facility is being built on the vacant site adjacent to the Government Center. Notable features of the project are 18 courtrooms, dedicated in-custody corridors and elevators, dedicated judicial elevators and corridors, bridge connection to the Government Center, and a tunnel connection to the Law Enforcement Detention Center.

Kaleideum: The Kaleideum project is the construction of an approximately 75,000 square foot, 5 story facility to serve as a Children's Museum. Notable features of the project are an approximately 1 acre municipal park, multiple exhibit galleries featuring animals, STEM elements for varying ages, climbers, water play, and a STEM Theater (Planetarium).

Airport [Terminal Renovation]: The existing airport terminal is 75,000 square feet, was built in the 1940's, and has sat relatively untouched since the 1980's. The project will remove the dilapidated departure lounge, add an elevator to improve accessibility, renovate the building entrance to restore the original architectural aesthetic, repair the exterior envelope to mitigate issues with moisture intrusion, update MEP (Mechanical, Electrical, & Plumbing) systems, and renovate the first and 2nd Floors of the terminal.

Airport [Corporate Hangars]: The corporate hangar project includes the construction of two 20,000 square foot hangars. The Fixed Based Operator at the airport has identified a need for corporate hangar space to serve the airport's needs.

Airport [Quonset Hangar Renovations]: The 22,000 square foot Quonset Hangar is a World War II era installation that needs refurbishment. The scope of the project includes new energy efficient lighting, new roofing, and new hangar doors.