

Legislation Details (With Text)

File #:	15-15630	Version:	1	Name:	
Type:	Public Hearing Item	Status:		Agenda Ready	
File created:	4/16/2021	In control:		City Council Business Meeting	
On agenda:	5/10/2021	Final action:			
Title:	Public Hearing on an Installment Financing Contract for Hospitality and Convention Facility Projects				
Attachments:	1. Public Hearing Minutes - 2021 installment financing for MLS_Convention Center				

Date	Ver.	Action By	Action	Result
5/10/2021	1	City Council Business Meeting	Close the Public Hearing	Pass

Public Hearing on an Installment Financing Contract for Hospitality and Convention Facility Projects

Action:

Conduct a public hearing regarding an installment financing contract not to exceed \$50,000,000 for hospitality and convention facility projects.

Staff Resource(s):

Kelly Flannery, Finance
Tracy Dodson, Economic Development

Explanation

- The city will enter into a construction period financing in the form of a \$50,000,000 privately placed drawdown program, allowing the city to reimburse expenses on a monthly basis during construction and eliminating interest expense on funds not yet expended on the projects.
- This financing approach reduces interest cost and provides flexibility in the timing of the spending.
- The projects being funded are concentrated in two different areas:
 - Bank of America Stadium improvements related to Major League Soccer and improvements to the former Eastland Mall site not to exceed \$35,000,000 which was approved by City Council on November 9, 2020.
 - Convention Center improvements not to exceed \$11,900,000 which includes additional funding for Convention Center Phase I that was approved by City Council on September 23, 2019.
- The debt issuance is planned in two steps; a short-term construction period draw program lasting up to 36 months which will then be converted into permanent fixed-rate financing and/or available fund balance from the Convention Center Tax Fund once construction nears completion.
- City Council will be asked at a later time to provide final approval for this financing; after which, the North Carolina Local Government Commission is expected to review this financing and provide approval, as well.
- In compliance with North Carolina General Statute 166A-19.24. *Remote meetings during certain declarations of emergency*, written comments on the public hearing topic will be accepted by the Clerk's Office through May 11, 2021, at 11:59 p.m. Any additional comments received will be provided to Council.

Fiscal Note

Funding: Convention Center Tax Fund

Attachment(s)

Extracts from Minutes of City Council