

## Legislation Text

---

File #: 15-15630, Version: 1

---

### 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