

The City Council of the City of High Point, North Carolina met in a regular meeting in the High Point Parks & Recreation Administrative Office Building located at 136 Northpoint Avenue in High Point, North Carolina at 5:30 p.m. on September 18, 2017.

Present: William "Bill" Bencini, presiding, and Council Members Latimer Alexander, Cynthia Davis, Jason Ewing, Jeffrey Golden, Alyce Hill, Christopher Williams and Jay Wagner

Absent: Council Member James Davis

Also Present: Greg Demko, City Manager, JoAnne Carlyle, City Attorney, Lisa Vierling, City Clerk

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The Mayor announced that this was the hour and day of the public hearing on a trust agreement or similar financing agreement (the "Agreement") to be entered into by the City of High Point, North Carolina (the "City") pursuant to Section 160A-20 of the General Statutes of North Carolina providing for the issuance of limited obligation bonds in an aggregate principal amount not to exceed \$35,000,000 for the purpose of providing funds, together with any other available funds, to pay or reimburse the cost of the acquisition, construction and equipping of a downtown multi-use sports and entertainment facility and related appurtenances (the "Project"). If the City enters into the proposed Agreement, it will secure its obligations thereunder by executing and delivering a deed of trust granting a lien on all or a portion of the site of the Project, together with all improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

Section 160A-20(g) of the General Statutes of North Carolina requires that the City hold a public hearing prior to entering into the Agreement.

The Mayor acknowledged due publication of the notice of public hearing in a newspaper with a general circulation in said City and directed the City Clerk to attach the affidavit showing publication in said newspaper on a date at least ten (10) days prior to the date hereof as Exhibit A.

The Mayor then announced that the City Council would immediately hear anyone who might wish to be heard on the proposed Agreement as described above.

A list of all persons making comments and a summary of such comments are attached as Exhibit B.

The public hearing was closed.

All statements and comments by participants of the public hearing were duly considered by the City Council.

Thereupon, Mayor William S. Bencini introduced the following resolution the title of which was read and a copy of which had been previously distributed to each Council Member:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE PROPOSED FINANCING OF A DOWNTOWN MULTI-USE SPORTS AND ENTERTAINMENT FACILITY AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT

BE IT RESOLVED by the City Council (the "City Council") of the City of High Point, North Carolina (the "City") as follows:

Section 1. The City Council does hereby find and determine as follows:

(a) The City has determined to pay or reimburse the cost of the acquisition, construction and equipping of a downtown multi-use sports and entertainment facility and related appurtenances (the "Project").

(b) After a public hearing and due consideration, the City has determined to enter into a Master Trust Agreement and a First Supplemental Trust Agreement (collectively, the "Trust Agreement") between the City and U.S. Bank National Association, as trustee (the "Trustee"), pursuant to which the City will issue taxable limited obligation bonds thereunder in an aggregate principal amount not to exceed \$35,000,000 (the "Bonds") to provide funds, together with any other available funds, to (i) pay or reimburse the cost of the Project and (ii) pay the fees and expenses incurred in connection with the sale and issuance of the Bonds.

(c) In order to secure its obligations under the Trust Agreement, the City will execute and deliver a Deed of Trust (the "Deed of Trust") for the benefit of the Trustee granting a lien on all or a portion of the site of the Project, together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

(d) It is in the best interest of the City to enter into the Trust Agreement and to issue the Bonds pursuant thereto in that such plan of finance will result in the financing of the Project in an efficient and cost effective manner and achieve debt service savings for the City.

(e) Entering into the Trust Agreement and issuing the Bonds pursuant thereto is preferable to a general obligation bond and revenue bond issue in that (i) the City does not have sufficient constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the City has not retired a sufficient amount of general obligation debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the financing of the Project; (ii) the nature of the financing does not

allow for the issuance of revenue bonds to finance the Project; (iii) the cost of financing the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to finance the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of the Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance the Project would be approved by the voters and the current interest rate environment dictates the financing of the Project be accomplished in a timely and expedient manner.

(f) Based upon information provided to the City Council, the costs of the financing described above is reasonably comparable to the costs associated with other alternative means of financing and is acceptable to the City Council.

(g) Counsel to the City will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(h) The debt management policies of the City have been carried out in strict compliance with law, and the City is not in default under any obligation for repayment of borrowed money.

(i) No valorem tax rate increase is currently expected to be necessary to pay principal of and interest on the Bonds.

Section 2. The City Council hereby authorizes and approves the filing of an application with the Local Government Commission for approval of the Bonds and the Trust Agreement and

requests the Local Government Commission to approve the Bonds and the Trust Agreement and the proposed financing in connection therewith.

Section 3. This resolution shall take effect immediately upon its adoption.

Upon motion of Council Member Latimer Alexander, seconded by Council Member Jay Wagner, the foregoing resolution was adopted by the following vote:

Ayes: Mayor William Bencini, Council Members Latimer Alexander, Jason Ewing, Jeffrey Golden, Alyce Hill, Christopher Williams and Jay Wagner

Noes: Council Member Cynthia Davis

* * * * *

I, Lisa B. Vierling, MMC, City Clerk of the City of High Point, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City at a regular meeting held on September 18, 2017, as it relates in any way to the holding of a public hearing and the adoption of the foregoing resolution relating to a proposed financing of a downtown multi-use sports and entertainment facility and that said proceedings are recorded in the minutes of said City.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said City this 18th day of September, 2017.



Lisa B. Vierling
City Clerk

NOTICE OF
PUBLIC HEARING

AFFP

NOTICE OF PUBLIC HEARING

Affidavit of PublicationSTATE OF NORTH SS
CAROLINA }
COUNTY OF GUILFORD }

Joann Deaton, being duly sworn, says:

That she is the billing clerk of the The High Point Enterprise, a daily newspaper of general circulation, printed and published in High Point, Guilford County, North Carolina; that the publication, a copy of which is attached hereto, was published in the said newspaper on

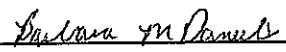
September 05, 2017, September 06, 2017, September 07, 2017, September 08, 2017, September 09, 2017, September 10, 2017, September 11, 2017, September 12, 2017, September 13, 2017, September 14, 2017, September 15, 2017

That said newspaper was regularly issued and circulated on those dates.

SIGNED:


the billing clerk

Subscribed to and sworn to me this 15th day of September 2017.


Barbara Daniels, Notary, Guilford County, North Carolina

My commission expires: February 01, 2022

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HPE LEGAL ACCT
CITY OF HIGH POINT
PO BOX 230
HIGH POINT, NC 27261



The City Council of the City of High Point, North Carolina (the "City") has determined to consider whether to enter into a trust agreement or similar financing agreement (the "Agreement") pursuant to Section 160A-20 of the General Statutes of North Carolina for the purpose of financing the cost of the acquisition, construction and equipping of a downtown multi-use sports and entertainment facility and related appurtenances (the "Project"). The City would be obligated to pay debt service relating to limited obligation bonds to be issued under the proposed Agreement in an aggregate principal amount not to exceed \$35,000,000, together with interest thereon. If the City enters into the proposed Agreement, it will secure its obligations thereunder by executing and delivering a deed of trust granting a lien on all or a portion of the site of the Project, together with all improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

Section 160A-20 of the General Statutes of North Carolina requires that the City hold a public hearing prior to entering into the proposed Agreement.

Please take notice that the City Council of the City will conduct a public hearing at the High Point Parks & Recreation Administrative Office Building located at 136 Northpoint Avenue in High Point, North Carolina, at 5:30 p.m. on September 18, 2017, at which time any person may be heard regarding the proposed Agreement.

Any person wishing to comment in writing on the proposed Agreement should do so prior to September 18, 2017 to the City of High Point, North Carolina, 211 South Hamilton Street, Post Office Box 230, High Point, North Carolina, 27261 Attention: Lisa B. Vierling, MMC, City Clerk.

Lisa B. Vierling, MMC
City Clerk of the
City of High Point,
North Carolina
Sept. 5, 2017

**HIGH POINT CITY COUNCIL
SEPTEMBER 18, 2017 – 5:30 P.M.
PARKS & RECREATION ADMINISTRATION OFFICE**

Summary of Comments

170301 Public Hearing – Proposed Financing of Downtown Multi-Use Sports and Entertainment Facility

Monday, September 18, 2017 at 5:30 p.m. is the date and time established, pursuant to NC General Statute 160A-20, and the adopting of the Resolution Making Certain Findings and Determinations Regarding the Proposed Financing of a Downtown Multi-Use Sports and Entertainment Facility and Requesting the Local Government Commission to Approve the Financing Agreement.

Rev. Frank Thomas, resident at 693 Mallard Landing Boulevard in Clemmons and Pastor of Mt. Zion Baptist Church, 753 Washington Street, High Point, spoke in support. He addressed Council regarding leadership and stated “good leaders are those that will go along with the majority, even when they disagree.” He expressed bewilderment as to why any member of a City Council would go to a county meeting and try to derail a project that would help the citizens of High Point.

Andy Turner, a resident at 3408 Corvair Drive in High Point, expressed his support for the project. He noted the property values have drastically declined in this area over the years and felt the development planned for this area would increase the property values significantly.

Darlene Schadt, a resident at 3000 Covewood Street in High Point, also expressed support. She stated she is a life-long citizen of High Point and expressed excitement about the project. She shared that she was amazed at how much work has been accomplished already and expressed appreciation for all the homework that has been done on the project.

Ron Barker, a resident at 833 Old Mill Road and a life-long resident of High Point, expressed support for the project and felt it was a project that would support every small businessman and every person in the city. He shared that High Point is the Heart of the Triad and felt this project would tie together Winston Salem, Greensboro and High Point and would make it the finest place for people to be excited about moving to North Carolina and proud to be a part of our community.

Jordan Lessard, a resident at 413 Otteray Avenue in High Point, NC, also spoke in favor of the project. Born and raised in High Point, he went away to school in Chicago and against all of his friends’ judgement, he made the choice to move back to High Point. Due to the massive decline in property values, he pledged to do anything in his power to assist Forward High Point and the

next generation coming up to bring vibrancy into the city. He pledged his full support and offered to help out in any way possible.

Melody Burnette, a resident at 204 Nahala Court, 27263, and President-Elect for the High Point YWCA, also spoke in support of the project. She proceeded to read a statement prepared by Heidi Majors, YWCA Executive Director, expressing support from the YWCA. The YWCA Board of Directors unanimously passed a Resolution of Support for the High Point stadium project citing all the fun and memories that it would create. They have witnessed urban blight that has crept into downtown and felt this project would forever change the community and the lives of countless women, children and families.

Jenny Barker, a resident at 833 Old Mill Road in High Point, spoke in support of the project. She noted that change is difficult and hard to accept for many people, but she believed if something does not change, High Point would continue to deteriorate. She cited the issues with crime, drugs and abandoned houses in High Point and pointed out that police officers have to deal with crime and drugs because when people live in a city where they lose hope and they have no jobs, they divert to crime and drugs.

David Willett, a resident on Delk Drive in High Point, spoke in support of the stadium, but expressed concerns about the way it would be financed. He also questioned the city taking money from fund balances, including the Electric Fund to buy the land.

Lawrence Cormier, a resident at 3007 Scout Trail, High Point, NC, stated he was not actually opposed to the project, but wanted assurances that the interest from the bond was included in the pie chart that was shared on the funding.

Note: Assistant City Manager Randy Hemann stated that estimated interest on the bonds was included.

Beverly Bard, a resident at 2205 Delaine Point in High Point, stated she was not in opposition of redevelopment at all, but she did hear that the property proposed for development is in a flood zone and felt if that is the case, then special care should be given for the sewage and run-off. She also stated that she does not agree with the expansion of the Furniture Market into this area because it would be a continuation of what is already there.

Note: In response to Ms. Bard's comment about the flood zone, Assistant City Manager Randy Hemann explained that it is not in a flood zone, but acknowledged there are a lot of stormwater issues in this area. He stated they are looking at the stormwater and felt the acquisition of this property would help solve those issues.

Louis Thibodeaux, a resident on Kensington Drive in High Point, wanted to make it clear that he was not for or against the proposed multi-purpose stadium, but was glad that the city would be considering the aged infrastructure in the development area. He asked when staff would be able to provide a total cost for the whole project with the inclusion of the infrastructure costs. Knowing the estimated total cost and the true values of the properties would help him decide.

Donna Lewis, a resident at 1308 Kentucky Street in High Point, stated she was not actually opposed to the stadium, but did have some questions regarding the financing. She asked if a contingency plan was in place or a way that the debt would be repaid if the attendance and ticket sale projections are not met.

Patrick Chapin, a resident at 3209 Peninsula Drive in High Point, President and CEO of Business High Point and the Chamber of Commerce, spoke in favor of the project. He shared that they had started circulating a petition in support of the project earlier today and had already obtained several hundred signatures in support of the stadium project. He pledged that the small businesses would support the city and the project just like they worked together with the city on the road closure for the N. Main Street project.

Ray Gibbs, a resident at 805 Kinston Drive in High Point, and Executive Director of Forward High Point, spoke in support of the project. He shared that he has been involved with many downtown revitalization projects. He noted that High Point has been blessed with the Furniture Market, but although it has helped to stabilize the tax base, the city has started seeing a crisis and a reduction in the value it places on the loss of jobs, the loss of businesses, the overall loss of tax value and the loss of sense of place and pride that High Point really needs today. He advised that High Point appears to be way behind other cities such as Charlotte, Winston Salem, Raleigh, Burlington, Greensboro in recruiting companies and businesses to our downtown. He mentioned that he started as President of Downtown Greensboro back in 1999 and their game plan was to take one baby step at a time and they added one building, then that one building/business became two, then three, etc.... and as they started to succeed, it led to bigger projects such as the baseball stadium, Center City Park, Triad Stage, etc.... With this project, Mr. Gibbs felt it would give High Point the opportunity to catch up and he thought High Point could accomplish in two years what other cities have taken decades to do.

David Covington, a life-long resident of High Point, who now resides at 905 Forest Hill Drive, spoke in support of the revitalization project. He shared that he has been involved in revitalizing downtown High Point for the better part of ten years through the City Project and also served on the Task Force and most recently on the Forward High Point Board. He cited four drivers that are going to effectuate what is being done relative to the future of High Point: The Furniture Market, High Point University, High Point Regional Hospital, and the Philanthropic Endeavors. He noted that all of these institutions support the stadium or catalyst project and for various reasons they all think the project is very important for the city. He stated it really is about money management and pointed out all of these institutions have been stellar in the management of their money and all continue to grow while taking risks. He questioned what the risk would be and things such as the BB&T naming rights, rent/lease payments, the \$5 million commitment from the CVB, and all the philanthropic endeavors actually drastically reduce the debt and mitigate risks.

Doyle Early, a life-long resident at 405 Hillcrest Drive in High Point, North Carolina, and chairman of Forward High Point, spoke in favor of the project. In his opinion, this is the most phenomenal economic development project ever for downtown High Point. He stated he has seen what has happened to the downtown due to the Furniture Market being both a curse and a blessing. He also mentioned the blight, empty buildings and the grass growing up through the

pavement. He thanked Council for their courage to step out and support this project and to support the financing of this project. Looking at the numbers for the project, he pointed out this would be a phenomenal return on the investment. With the goal of \$99,000,000 in ten years, considering the \$50 million, plus the hotel, plus the 200 apartments, he pointed out he pointed out High Point would be three-quarters of the way there in the first four years and this was about 20-30% of the time that other cities spent. He noted these other cities have shown that economic development around stadiums in North Carolina is phenomenal. He shared there are eleven stadiums in North Carolina with three being voted on to build within the last six months: Kannapolis, Gastonia and Fayetteville, which would put High Point 15th in line, although it is the 9th largest city. He expressed high hopes and prayers that Guilford County would find a way to come together with High Point to support this project because High Point is an integral part of Guilford County.

David Marshall, a resident at 702 Gatewood Avenue in High Point, also expressed support for the project. He stated he was not in favor of the project at first, but now supports it. He explained he would be about three blocks from the stadium and his only ask was if it might be possible to break off the celebrations by midnight. [*general laughter*]

[end of comments]