



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2025-162

Agenda Item# I.4.

Agenda Date: 3/4/2025. **Department:** Financial & Administrative Services

Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2025 – 162 Resolution Approving Sale and Issuance of 2025 Limited Obligation Bonds and Related Documents

Council Priority: Place an ‘x’ in the box.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Funding of Infrastructure</u> |

Council District: All

Public Hearing: Yes

Advertising Date/By: 1/22/2025

Contact 1 and Phone: Marlene Druga, Ext. 2094

Contact 2 and Phone: Sam Johnson, Ext.2893

PURPOSE:

Full Title: Resolution Approving and Authorizing the Sale and Issuance of Limited Obligation Bonds and the Execution and Delivery of a Master Trust Agreement, a First Supplemental Trust Agreement, a Deed of Trust, a Security Agreement and Related Documents in Connection with the Financing of Various Capital Projects for the City of Greensboro, North Carolina

Council is requested to approve the sale and issuance of up to \$26 million in limited obligation bonds to finance 1) constructing and equipping of a new fire station at Short Farm Road due to significant growth in the eastern region, 2) demolishing the Bellemeade parking deck, 3) purchasing Motorola radios for public safety operations and 4) acquiring property on Cude Road and Glass Road for future fire station purposes and to pay related bond issue costs.

City Council previously approved related contract awards at the following Council meetings:

Cude Road Property Acquisition	9/24/24
Motorola Radios Ordinance	12/17/24
Glass Road Property Acquisition	2/18/25
Parking Deck Demolition	2/18/25

Vision Statement: “A Community with Endless Economic Opportunities and Exceptional Quality of Life.”

BACKGROUND:

Summary of Requested Sale and Issuance is for the following projects:

2025A Limited Obligation Bonds (Taxable)

Parking Deck Demolition \$2,500,000

2025B Limited Obligation Bonds (Tax Exempt)

Public Safety Radios \$12,742,986

Fire Station \$6,500,000

Property Acquisitions \$910,000

Bond Issue Costs \$364,302

Total Series A & B \$23,017,288

Funding for the parking deck demolition is proposed to be issued with “taxable” bonds, since following demolition, the property will likely include use by private development and may not qualify to be issued on a “tax-exempt” basis. Estimated increased interest cost is approximately + 0.96% or about \$325,000 more in interest payments over the life of the bonds.

City Council and the Local Government Commission have taken all necessary actions to prepare for the sale and issuance of these bonds, including actions scheduled by both bodies at the 3/4/2025 meetings. The sale of bonds is scheduled for March 12, 2025 with closing and settlement of the transaction expected on March 27, 2025.

For additional reference, please see the following links of draft documents associated with this financing:

Master Trust Agreement <https://www.greensboro-nc.gov/home/showdocument?id=61920>

First Supplemental Trust Agreement, together with the form of the Bonds attached as Exhibit B
<https://www.greensboro-nc.gov/home/showdocument?id=61918>

Deed of Trust <https://www.greensboro-nc.gov/home/showdocument?id=61916>

Security Agreement <https://www.greensboro-nc.gov/home/showdocument?id=61922>

Bond Purchase Agreement <https://www.greensboro-nc.gov/home/showdocument?id=61926>

Preliminary Official Statement <https://www.greensboro-nc.gov/home/showdocument?id=61928>

Appendix A <https://www.greensboro-nc.gov/home/showdocument?id=61924>

BUDGET IMPACT:

No property tax increase is expected to be needed to fund these improvements. Annual debt service will be included as annual appropriations in the Debt Service Fund. Estimated interest for the combined Series is 3.63%. Total principal and interest is approximately \$3 million until the portion of the financing for radios matures in 7.5 years. Debt service thereafter is approximately \$650,000 until final maturity in 2045. An ordinance is also necessary in the

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amount of \$10,083,942 to provide appropriations for the project expenditures. Appropriations for the public safety radios were already established in the bond fund at time of purchase contract award.

ACCOUNT NUMBER:

Bond Fund 421 – various accounts

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council approve the attached resolution to authorize the sale and issuance of Series 2025A and 2025B Limited Obligation Bonds to fund various City capital projects and for execution of documents related to the financing.