

**RESOLUTION REGARDING THE ISSUANCE BY THE PUBLIC FINANCE
AUTHORITY OF ITS REVENUE BONDS, IN ONE OR MORE SERIES, IN
THE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000, FOR THE
PURPOSE OF FINANCING AND REFINANCING CERTAIN PROJECTS
FOR THE BENEFIT OF THE SALEM ACADEMY AND COLLEGE.**

WHEREAS, the City Council (the "Council") is advised that the Public Finance Authority (the "Authority"), a State of Wisconsin commission, acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Sections 66.0301, 66.0303, and 66.0304 of the Wisconsin Statutes, as amended (the "Act"), to issue bonds and enter into agreements with public or private entities for the purpose of financing capital improvements located within or without the State of Wisconsin and owned, sponsored, or controlled by a participant, as defined in the Act;

WHEREAS, the Council is advised that The Salem Academy and College, a North Carolina nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), (the "Borrower"), applied to the Authority to issue its Revenue Bonds (the "Bonds") in one or more series in an aggregate principal amount of \$20,000,000, which will be loaned to the Borrower to (1) finance and refinance, in part, certain capital improvements, consisting primarily of (i) upgrades to the Borrower's campus network, including single mode fiber optics, switches, and other core network replacements, (ii) building renovations for athletic team locker rooms, athletic training and other athletic facilities, (iii) renovations and upgrades to residence halls, and (iv) upgrades and improvements to classrooms (collectively, the "New Money Project"), (2) refinance an interim loan (the "Interim Loan") used to refund the North Carolina Capital Facilities Finance Agency's Educational Facilities Revenue Bonds (Salem Academy and College Project) Series 2005 and Educational Facilities Revenue Bond (The Salem Academy and College Project) Series 2013 and (3) pay certain costs incurred in connection with the issuance of the Bonds;

WHEREAS, the New Money Project and the projects refinanced with the Interim Loan (the "Projects") are or will be located at 601 S. Church Street, Winston-Salem, North Carolina 27101;

WHEREAS, the Council is advised that the Projects will be owned and operated by the Borrower;

WHEREAS, the Borrower believes that the Projects will benefit the City of Winston-Salem, North Carolina (the "City"), generally and, in particular, by providing educational facilities and employment opportunities for people from the City and surrounding areas;

WHEREAS, the Council is advised that pursuant to Section 66.0304(11)(a) of the Wisconsin Statutes and Section 4 of the Amended and Restated Joint Exercise Power Agreement Relating to the Public Finance Authority dated as of September 28, 2010 (collectively, the "Authority Requirements") and Section 147(f) of the Code and Treasury Regulations Section 5f.103-2(f), as amended (collectively, "Federal Tax Requirements"), prior to the issuance of the Bonds by the Authority, and after a public hearing held following reasonable public notice, the Borrower is requesting the Council as the highest elected representatives of the City and the governmental unit having jurisdiction over the area in which the Projects are located, to approve the Authority's issuance of the Bonds and the financing and refinancing of the Projects in the City;

WHEREAS, on this date, prior to any deliberations regarding this Resolution, the City held a public hearing at which all interested persons had a reasonable opportunity to express their views on the location of the Projects, the issuance of the Bonds, and other related matters. The public hearing was duly noticed by publication, attached as Exhibit A, in a newspaper having general circulation in the City, not less than 7 days prior to the date thereof;

WHEREAS, neither the Council nor the staff of the City (i) independently confirmed or verified the information provided to the Council by the Borrower or its representatives recited above or (ii) did any research regarding the financial feasibility of the Projects or the Bonds; and

WHEREAS, at the Borrower's request, the City now desires to approve the Authority's issuance of the Bonds and the financing and refinancing of the Projects in order to satisfy the Authority Requirements and the Federal Tax Requirements.

NOW, THEREFORE, BE IT RESOLVED by the Council as follows:

Section 1. It is hereby found, determined, and declared that the Projects and the Bonds will give rise to no pecuniary liability of the City, or a charge against its general credit or taxing power.

Section 2. The City shall have no responsibility for the payment of the principal of or interest on the Bonds or for any costs incurred by the Borrower with respect to the Bonds or the Projects. The City pledges neither its taxing power nor revenues for the Bonds. The City has no responsibility for the Borrower, the Projects or for the success of the Projects.

Section 3. As required by and in accordance with the Authority Requirements and the Federal Tax Requirements, the Council, as the applicable elected representatives of the governmental unit having jurisdiction over the area in which the Projects are located, approves the Authority's issuance of the Bonds and the financing and refinancing of the costs of the Projects in the City solely for the purpose of satisfying the Authority Requirements and the Federal Tax Requirements.

Section 4. This Resolution in no way implies that any zoning or permitting approvals will be granted by the City or the Council. Such approvals are outside the scope of this Resolution.

Section 5. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Resolution shall take effect and be in full force and effect from and after its adoption.

Adopted this 20th day of June 2023.

CITY OF WINSTON-SALEM, NORTH CAROLINA

By: _____
Allen Joines,
Mayor

[SEAL]

Attest:

Jayme Waldeck,
City Clerk
City of Winston-Salem, North Carolina