

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
WINSTON-SALEM, NORTH CAROLINA MAKING  
CERTAIN STATEMENTS OF FACT CONCERNING  
PROPOSED BOND ISSUE**

**WHEREAS**, the City Council (the “*City Council*”) of the City of Winston-Salem, North Carolina (the “*City*”) is considering the issuance of bonds of the City which shall be for the following purposes and in the following maximum amounts:

\$43,700,000 of bonds to provide funds to pay the capital costs of acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading and improving streets, roads and intersections; acquiring, constructing, reconstructing and improving sidewalks or walkways, curbs, gutters, drains, overpasses, underpasses and grade crossings; constructing and improving walking and bicycle trails and greenways; and providing related landscaping, lighting and traffic controls, signals and markers; and the acquisition of land, rights-of-way and easements in land required therefor; and

\$21,100,000 of bonds to provide funds to pay the capital costs of acquiring, constructing and improving certain public safety facilities and equipment, including a public safety radio communication system, a public safety training complex, fire station facilities and renovations and including the acquisition of equipment therefor and the acquisition of land or rights-of-way in land required therefor; and

\$31,000,000 of bonds to provide funds to pay the costs of acquiring, constructing, renovating and improving parks and recreation facilities and the acquisition of any necessary furnishing and equipment, land, rights-of-way and easements in land required therefor; and

\$11,700,000 of bonds to provide funds to pay the capital costs of acquiring, constructing and rehabilitating multifamily housing for persons of low and moderate income and accomplishing the revitalization of urban residential neighborhoods, including the acquisition of land or rights-of-way in land required therefor; and

\$14,500,000 of bonds to provide funds to pay the capital costs of acquiring land or rights-of-way in land for economic development projects in the City, including blight reduction along the Liberty Street Corridor, constructing improvements on such land to facilitate its use for economic development purposes or making grants or loans to small business owners in targeted commercial areas.

**WHEREAS**, certain findings of fact by the City Council must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Section 159-52 the North Carolina General Statutes, as amended.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council, meeting in open session on the 21st day of May, 2018, has made the following factual findings in regard to this matter:

**Section 1.** ***Facts Regarding Necessity of Proposed Financing.*** The proposed bonds are necessary and expedient to pay (1) the capital costs of acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading and improving streets, roads and intersections; acquiring, constructing, reconstructing and improving sidewalks or walkways, curbs, gutters, drains, overpasses, underpasses and grade crossings; constructing and improving walking and bicycle trails and greenways; and providing related landscaping, lighting and traffic controls, signals and markers; and the acquisition of land, rights-of-way and easements in land required therefor; (2) the capital costs of acquiring, constructing and improving certain public safety facilities and equipment, including a public safety radio communication system, a public safety training complex, fire station facilities and renovations and including the acquisition of equipment therefor and the acquisition of land or rights-of-way in land required therefor; (3) the capital costs of acquiring, constructing and rehabilitating multifamily housing for persons of low and moderate income and accomplishing the revitalization of urban residential neighborhoods, including the acquisition of land or rights-of-way in land required therefor; (4) the capital costs of acquiring, constructing, renovating and improving parks and recreation facilities and the acquisition of any necessary furnishing and equipment, land, rights-of-way and easements in land required therefor; and (5) the capital costs of acquiring land or rights-of-way in land for economic development projects in the City, including blight reduction along the Liberty Street Corridor, constructing improvements on such land to facilitate its use for economic development or making grants or loans to small business owners in targeted commercial areas.

**Section 2.** ***Facts Supporting the Amount of Bonds Proposed.*** The sums estimated for these bonds are adequate and not excessive for the proposed purposes. Estimates for the proposed construction and renovation have been carefully analyzed and determined by persons knowledgeable about the construction and renovation.

**Section 3.** ***Past Debt Management Procedures and Policies.*** The City's debt management procedures and policies are excellent and have been carried out in compliance with law. The City employs a Chief Financial Officer to oversee compliance with applicable laws relating to debt management. The City Council requires annual audits of City finances. In connection with these audits, compliance with laws is reviewed. The City is not in default in any of its debt service obligations. The City Attorney reviews all debt-related documents for compliance with laws.

**Section 4.** ***Past Budgetary and Fiscal Management Policies.*** The City's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the City Council before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the City Council at regular City Council meetings. The Chief Financial Officer presents financial information to the City Council which shows

budget to actual comparisons annually and otherwise as the City Manager deems necessary or as a member of the City Council may request.

**Section 5.** *Increase in Taxes; Retirement of Debt.* The schedule for issuing the bonds will require a property tax increase to pay principal and interest on the bonds, but the increase in taxes necessary to service the proposed debt will not be excessive. The schedule for issuance currently anticipates issuing all of the bonds between fiscal years 2020 and 2022.

**READ, APPROVED AND ADOPTED** this 21st day of May, 2018.