

Resolution #25-0229
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**RESOLUTION OF THE CITY OF WINSTON-SALEM, NORTH CAROLINA,
APPROVING AN AMENDMENT TO AN INSTALLMENT PURCHASE
CONTRACT WITH THE NORTH CAROLINA MUNICIPAL LEASING
CORPORATION AND DELIVERY THEREOF AND
PROVIDING FOR CERTAIN OTHER RELATED MATTERS**

WHEREAS, the City of Winston-Salem, North Carolina (the “City”) is a validly existing municipal corporation, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “State”); and

WHEREAS, the City has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price; and

WHEREAS, the City has previously executed and delivered:

(1) an Installment Purchase Contract dated as of August 15, 2001 (the “*2001 Contract*”) with the North Carolina Municipal Leasing Corporation (the “*Corporation*”), the proceeds of which were used to finance the Projects (as defined in the 2001 Contract), including, among other things, renovating, improving, and equipping City Hall, which was subsequently amended by Amendment Number One to the 2001 Contract dated as of April 15, 2006 (the “*First Amendment*”); Amendment Number Two to the 2001 Contract dated as of August 15, 2006 (the “*Second Amendment*”); Amendment Number Three to the 2001 Contract dated as of February 1, 2010 (the “*Third Amendment*,”); Amendment Number Four to the 2001 Contract dated as of July 1, 2013 (the “*Fourth Amendment*”); Amendment Number Five to the 2001 Contract dated as of September 15, 2014 (the “*Fifth Amendment*”); Amendment Number Six to the 2001 Contract dated as of June 28, 2018 (the “*Sixth Amendment*”), and Amendment Number Seven to the 2001 Contract dated as of January 21, 2020 (the “*Seventh Amendment*” and together with the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment, the “*Prior Amendments*”), each between the City and the Corporation, the proceeds of which financed and refinanced the projects specified therein; and

(2) a Deed of Trust, Security Agreement and Fixture Filing dated as of August 15, 2001 (the “*2001 Deed of Trust*”) granting a lien on the site of City Hall, as modified and extended by (a) a Notice of Extension of Deed of Trust to Additional Property dated as of April 15, 2006 (the “*First Extension*”), extending the lien of the 2001 Deed of Trust to the site of the City’s public safety center, (b) a Notice of Extension of Deed of Trust to Additional Property dated as of July 1, 2013 (the “*Second Extension*”), further extending the lien of the 2001 Deed of Trust to the site of the City’s Joycelyn V. Johnson Municipal Services Center (formerly known as the Lowery Street facility) (the “*Johnson Center*”), and (c) a Notice of Extension of Deed of Trust to Additional Property dated as of September 15, 2014 (the “*Third Extension*” and together with the 2001 Deed of Trust, the First Extension, and the Second Extension, the “*Deed of Trust*”), further extending the lien of the 2010 Deed of Trust to the City-owned portion of the site of Truist Stadium (formerly known as the BB&T Ballpark); and

WHEREAS, the City Council of the City (the “*City Council*”) has previously determined that it is in the best interest of the City to enter into Amendment Number Eight to the 2001 Contract (the “*Eighth Amendment*” and together with the 2001 Contract and the Prior Amendments, the “*Contract*”) with the Corporation to finance (a) the construction of and improvements to various parks and recreation facilities, including, but not limited to, improvements to Helen Nichols Park, Miller Park, Long Creek Park, Runnymede Park, and Sprague Street Community Center, and repairs to Muddy Creek Greenway, (b) the construction of and improvements to various streets, sidewalks, and transportation infrastructure, including, but not limited to, replacement of the First Street Bridge, conversion of Liberty Street and Main Street into two-way streets, and improvements to Northwest Boulevard, (c) improvements to Winston Lake Golf Course, (d) improvements to the Winston-Salem Fairgrounds, including, but not limited to, renovations to the ice skating rink, (e) the replacement of the roof at the Johnson Center, (f) improvements to Truist Stadium, (g) renovations and improvements to the City’s 911 communications center, including the acquisition of land or rights-of-way in land required therefor, and (h) other miscellaneous capital outlay (collectively, the “*2025 Projects*”); and

WHEREAS, in connection with the execution and delivery of the Eighth Amendment, the City Council further determines that it is in the City’s best interest to execute and deliver a First Modification of Deed of Trust (the “*First Modification*”) to make certain changes to the Deed of Trust; and

WHEREAS, the Corporation will execute and deliver its Limited Obligation Bonds, Series 2025A (the “*2025A Bonds*”) and Taxable Limited Obligation Bonds, Series 2025B (the “*2025B Bonds*” and collectively with the 2025A Bonds, the “*Bonds*”) in an aggregate principal amount not to exceed \$44,000,000, each evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the Contract) pursuant to the Contract, under the terms of an Indenture of Trust dated as of August 15, 2001 (the “*2001 Indenture*”), as previously supplemented by Supplemental Indenture, Number 1 dated as of April 15, 2006 (the “*First Supplement*”), Supplemental Indenture, Number 2 dated as of August 15, 2006 (the “*Second Supplement*”), Supplemental Indenture, Number 3 dated as of February 1, 2010 (the “*Third Supplement*”), Supplemental Indenture, Number 4 dated as of July 1, 2013 (the “*Fourth Supplement*”), Supplemental Indenture, Number 5 dated as of September 15, 2014 (the “*Fifth Supplement*”), Supplemental Indenture, Number 6 dated as of June 28, 2018 (the “*Sixth Supplement*”), and Supplemental Indenture, Number 7 dated as of January 1, 2020 (the “*Seventh Supplement*”), and as further supplemented by Supplemental Indenture, Number 8 dated as of August 1, 2025 (the “*Eighth Supplement*” and together with the 2001 Indenture, the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, and the Seventh Supplement, the “*Indenture*”), each between the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the “*Trustee*”), as successor to The Bank of New York; and

WHEREAS, in connection with the Corporation’s sale of the Bonds to Robert W. Baird & Co. Inc. (the “*Underwriter*”), the Corporation will enter into a Bond Purchase Agreement (the “*Purchase Agreement*”) between the Corporation and the Underwriter, and the City will execute a Letter of Representation to the Underwriter with respect to the Bonds (the “*Letter of Representation*”); and

WHEREAS, there have been described to City Council the forms of the following documents (collectively, the “*Instruments*”), copies of which have been made available to City Council, which City Council proposes to approve, enter into, and deliver, as applicable, to effectuate the proposed installment financing; and

- (1) the Eighth Amendment;
- (2) the First Modification;

- (3) the Eighth Supplement;
- (4) the Purchase Agreement; and
- (5) the Letter of Representation;

WHEREAS, to make an offering and sale of the Bonds, there will be prepared a Preliminary Official Statement with respect to the Bonds (the “*Preliminary Official Statement*”), a draft thereof having been presented to City Council, and a final Official Statement relating to the Preliminary Official Statement (together with the Preliminary Official Statement, the “*Official Statement*”), which Official Statement will contain certain information regarding the City; and

WHEREAS, it appears that each of the Instruments and the Preliminary Official Statement is in an appropriate form and is an appropriate instrument for the purposes intended; and

WHEREAS, a public hearing on the Eighth Amendment and the 2025 Projects to be financed thereby after publication of a notice with respect to such public hearing must be held and City Council conducted such public hearing at this meeting; and

WHEREAS, the City has filed an application to the LGC for approval of the Eighth Amendment; and

WHEREAS, Parker Poe Adams & Bernstein LLP, as bond counsel, will render an opinion to the effect that entering into the Eighth Amendment and the transactions contemplated thereby are authorized by law; and

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

Section 1. ***Ratification of Instruments.*** All actions of the City, the City Manager, the Chief Financial Officer, and the City Clerk (individually and collectively, the “*Authorized Officers*”), with advice from the City Attorney and Bond Counsel, whether previously or hereinafter taken, in effectuating the proposed financing, are approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2. ***Authorization of the Official Statement.*** The form, terms and content of the Preliminary Official Statement are in all respects authorized, approved and confirmed, and the Underwriters’ use of the Preliminary Official Statement and the final Official Statement in connection with the sale of the Bonds is authorized, approved and confirmed. The Authorized Officers are authorized and directed, individually and collectively, to deliver, on behalf of the City, the Official Statement in substantially such form, with such changes, insertions and omissions as he or she may approve.

Section 3. ***Authorization to Execute the Eighth Amendment.*** The City Council approves the financing of the 2025 Projects in accordance with the terms of the Eighth Amendment, which will be a valid, legal and binding obligation of the City in accordance with its terms. The form and content of the Eighth Amendment are authorized, approved and confirmed, and the Authorized Officers are authorized, empowered and directed, individually and collectively, to execute and deliver the Eighth Amendment, including necessary counterparts, in substantially the form

and content presented to City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the City's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Eighth Amendment presented to City Council. From and after the execution and delivery of the Eighth Amendment, the Mayor, the Authorized Officers are authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Eighth Amendment as executed.

Section 4.

Authorization to Execute the First Modification. The form and content of the First Modification are authorized, approved and confirmed, and the Authorized Officers are authorized, empowered and directed, individually and collectively, to execute and deliver the First Modification, including necessary counterparts, in substantially the form and content presented to City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the City's approval of any and all changes, modifications, additions or deletions therein from the form and content of the First Modification presented to City Council. From and after the execution and delivery of the First Modification, the Mayor, the Authorized Officers are authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the First Modification as executed.

Section 5.

Letter of Representation. The form and content of the Letter of Representation are approved, and the Authorized Officers are authorized to execute the Letter of Representation for the purposes stated therein.

Section 6.

City Representative. The Authorized Officers are designated as the City's representatives to act on behalf of the City in connection with the transactions contemplated by the Instruments and the Preliminary Official Statement, and the Authorized Officers are authorized to proceed with financing the 2025 Projects in accordance with the Instruments and the Preliminary Official Statement and to seek opinions as a matter of law from the City Attorney, which the City Attorney is authorized to furnish on behalf of the City, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The City Manager and the Chief Financial Officer are authorized, individually and collectively, to select a co-managing underwriter for the Bonds if they determine such selection to be in the best interests of the City. The City's representatives or their respective designees are authorized, empowered and directed, individually and collectively, to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by the Instruments and the Preliminary Official Statement or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution and to administer the transactions contemplated by this Resolution after the execution and delivery of the Bonds.

Section 7. ***Severability.*** If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 8. ***Repealer.*** All motions, orders, resolutions and parts thereof, in conflict herewith are repealed.

Section 9. ***Effective Date.*** This Resolution is effective on the date of its adoption.