

# Public Hearing Installment Financing Agreement(IFA)

August 24, 2021

## Public Safety Station 36 Estimate of Cost: \$6,500,000

- Public Safety Station 36 (PSS36) involves the relocation of Public Safety Station 3 and will provide fire and emergency services to the White Oak Basin and Green Level areas of Apex. It is forecasted that this area will see upwards of 2,100 new homes, along with related services, within the next few years. This rapid development, coupled with the existing I-540 corridor, will continue to generate pressure on existing fire services and require an additional station in order to provide adequate service.
- Response from the existing Station 3 will result in long response times due to the distance that would need to be covered. This station will feature a new design to more effectively meet the needs of both fire and police departments. Station 6 will house a new engine and 12 personnel.

## Mason Street Renovations

- In addition to PSS 36, the IFA will provide partial funding for the construction of an office building on Mason Street to be used by the Inspections Department.
- The Town has transferred \$1.5 million of local funds to the General Capital Project Fund for this project.
- It is anticipated \$2 to 2.5 million will be borrowed for this project.

## Resolutions

- Following public hearing the Town determines there is a need to enter into the financing for an amount up to \$8.7 million
- Based upon the recommendation of the Town's financial advisors, Davenport Public Finance, the Town selects the financing proposal submitted by Pinnacle Bank.
  - 1.50% interest rate, 15 year term, no prepayment penalty
- The IFA will be secured by a deed of trust upon PSS 36
- Staff is authorized to file an application with the LGC to approve the IFA

## Important Dates

- August 24<sup>th</sup>-Public hearing, approval of resolutions
- September 9<sup>th</sup>-Receipt of construction bids for PSS 36
- September 24<sup>th</sup>-Adoption of Final Resolution
- October 5<sup>th</sup>- LGC meeting
- October 14<sup>th</sup>-Closing of IFA