

**RESOLUTION NO. 20-0218-02**

**RESOLUTION OF THE TOWN COUNCIL OF APEX, NORTH CAROLINA, APPROVING IN PRINCIPLE THE ISSUANCE OF NOT TO EXCEED \$40,000,000 OF THE PUBLIC FINANCE AUTHORITY EDUCATIONAL FACILITIES REVENUE BONDS (THALES ACADEMY PROJECT), SERIES 2020**

**WHEREAS**, the Town Council (the "Town Council") of Apex, North Carolina (the "Town") met in Apex, North Carolina, at 6:00 p.m. on the 18<sup>th</sup> day of February, 2020; and

**WHEREAS**, Thales Academy, a North Carolina nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower"), has requested that the Public Finance Authority, a public authority existing Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, as amended (the "Authority"), issue its Educational Facilities Revenue Bonds (Thales Academy) Series 2020, in one or more series (the "2020 Bonds"), in an aggregate principal amount not to exceed \$40,000,000, and loan the proceeds thereof to the Borrower to be used to finance or refinanced various educational facilities owned and operated by the Borrower; and

**WHEREAS**, a portion of the proceeds of the 2020 Bonds will be loaned to the Borrower and used as follows: (a) to refinance the outstanding amount of the \$10,500,000 North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Bond (Thales Academy Project) Series 2010 (the "2010 Bond"), the proceeds of which were used to finance or refinance (i) the acquisition, construction and equipping of a K-8 campus located at 177 Ambergate Station, Apex, North Carolina (the "Apex Elementary Campus"), (ii) the acquisition, construction and equipping of a K-8 campus located at 3106 Heritage Trade Drive in Wake Forest, North Carolina; and (iii) the acquisition, construction and equipping of an elementary school campus located at 8151 Town Drive, Raleigh, North Carolina; and (b) to refinance the outstanding amount of the \$19,000,000 North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Bonds ("Thales Academy Project") Series 2014 (the "2014 Bonds"), the proceeds of which were used to finance or refinance (i) the acquisition, construction and equipping of a middle and high school located at 1201 Granite Falls Boulevard, Rolesville, North Carolina, (ii) the acquisition, construction and equipping of a high school located at 1300 N. Salem Street, Apex, North Carolina (the "Apex High School Campus," and collectively with the Elementary School Campus, the "Apex Projects"), and (iii) the acquisition, construction and equipping of an elementary school located at 525 Carolinian Avenue, Knightdale, North Carolina, all of which are owned and operated by the Borrower; and

**WHEREAS**, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and the statute under which the Authority is created (the "Act") require that any bonds issued by the Authority for projects located in the Town may only be issued after approval of the plan of financing of the project by the Town Council of the Town following a public hearing with respect to such plan; and

**WHEREAS**, the Town Council has today held a public hearing with respect to the issuance of the 2020 Bonds, a portion of which will be used to refinance the Apex Projects, as evidenced by the Certificate and Summary of Public Hearing attached hereto as Exhibit A; and

**WHEREAS**, the Borrower will agree to repay the principal, premium, if any, and interest on the 2020 Bonds and the Town will have no liability whatsoever for the payment of principal of, premium, if any, or interest on the 2020 Bonds, and the 2020 Bonds will not affect the Town's debt ratios or legal debt limit and the Town will not incur any liability for repayment of the 2020 Bonds by approving the 2020 Bonds for purposes of Section 147(f) of the Code and the Act; and

**WHEREAS**, the 2020 Bonds shall not be deemed to constitute a debt of the Town or a pledge of the faith and credit of the Town, but shall be limited obligations of the Authority payable solely from the loan repayments to be made by the Borrower to the Authority, and shall contain on the face thereof a statement to the effect that neither the faith and credit nor the taxing power of the Town is pledged to the payment of the principal of or interest on the 2020 Bonds; and

**WHEREAS**, the Town Council has determined that approval of the issuance of the 2020 Bonds is solely to satisfy the requirements of Section 147(f) of the Code and the Act and shall in no event constitute an endorsement of the 2020 Bonds or the Apex Projects or the creditworthiness of the Borrower, nor shall such approval in any event be construed to obligate the Town for the payment of the principal of or premium or interest on the 2020 Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Authority, or to constitute the 2020 Bonds or any of the agreements or obligations of the Authority an indebtedness of the Town, within the meaning of any constitutional or statutory provision whatsoever;

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL FOR APEX, NORTH CAROLINA:**

1. The proposed issuance of the Authority's Educational Facilities Revenue Bonds (Thales Academy Project), Series 2020 in one or more series, in an amount not to exceed \$40,000,000, a portion of which will be loaned to Thales Academy and used to refinance the Apex Projects, is hereby approved for purposes of Section 147(f) of the Code and the Act.
2. The Town has no responsibility for the payment of the principal of or interest on the 2020 Bonds or for any costs incurred by the Borrower with respect to the 2020 Bonds or the Apex Projects.
3. This resolution shall take effect immediately.

\* \* \* \* \*

I, Donna Hosch, Clerk to the Town Council for Apex, North Carolina DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Town Council for the Town at a regular meeting duly called and held February 18, 2020, as it relates in any way to the resolution hereinabove set forth. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Town Council is on file in my office.

WITNESS my hand and the common seal of said Town, this 18<sup>th</sup> day of February, 2020.

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Donna Hosch, Clerk to the Town Council  
Apex, North Carolina, Town Council

(SEAL)

Certificate and Summary

The undersigned Clerk of the Town Council of Apex, North Carolina, hereby certifies:

1. Notice of a public hearing (the "Hearing") to be held on [February 18, 2020], with respect to the issuance of bonds by the Public Finance Authority (the "Authority") for the benefit of Thales Academy, or an affiliate thereof (the "Borrower") was published on [February \_\_, 2020], in the *News & Observer*.

2. The presiding officer of the Hearing was \_\_\_\_\_.

3. The following is a list of the names and addresses of all persons who spoke at the Hearing:

4. The following is a summary of the oral comments made at the Hearing:

IN WITNESS WHEREOF, my hand and the seal of Apex, North Carolina, this \_\_\_\_, day of February, 2020.

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Clerk, Town Council of  
Apex, North Carolina

(SEAL)