

NINTH AMENDMENT  
TO THE REVISED INTERLOCAL AGREEMENT  
BETWEEN  
WAKE COUNTY AND THE CITY OF RALEIGH  
RELATING TO ROOM OCCUPANCY AND PREPARED FOOD  
AND BEVERAGE TAX REVENUES

• Check with  
Mike Ferrell —

Do we need  
to amend  
or simply  
write  
letter in  
accordance  
with  
2iii(b)?

This Amendment entered into this as of the 22<sup>nd</sup> day of November, 2004, by and between the County of Wake, North Carolina, hereinafter referred to as County, and the City of Raleigh, North Carolina, hereinafter referred to as City, pursuant to the provisions of Article 20 of Chapter 160A of the North Carolina General Statutes, and in accordance with the requirements of Chapter 594 of the Session Laws of North Carolina and Chapter 458 of the 1995 Session Laws of North Carolina (the Enabling Acts).

WITNESSETH:

WHEREAS, the County has levied room occupancy and prepared food and beverage taxes as allowed by law, and

WHEREAS, the County and the City entered into an agreement entitled "Revised Interlocal Agreement Between Wake County and the City of Raleigh Regarding use of Countywide Room Occupancy and Prepared Food and Beverage Taxes" dated September 5, 1995, ("Revised Agreement") setting out the projects to receive funding from these taxes; and,

WHEREAS, the County and the City have amended the Revised Interlocal Agreement from time to time the Eighth Amendment thereof being executed for the purpose of authorizing the design and construction of a new Convention Center; and,

WHEREAS, the County and City desire to amend certain provisions of said Eighth Amendment;

NOW THEREFORE in consideration of the mutual covenants and promises contained herein, the County and the City agree to this Ninth Amendment to the Revised Interlocal Agreement Between Wake County and the City of Raleigh Regarding use of Countywide Room Occupancy and Prepared Food and Beverage Taxes as follows:

1. The last sentence of Paragraph 11.6.B. is amended to read as follows:

"The RCC Project cost shall not exceed two hundred twelve million dollars (\$212,000,000.00) including a payment of up to twenty million dollars (\$20,000,000.00) for construction of public use spaces in such a hotel, unless the City and County agree otherwise by amending this Agreement. The project scope and budget may be expanded by the City with private funding sources for amenities such as water features, public art, or other facility enhancements upon the prior written approval of the County."

2. Paragraph 11.6 E.(iii) shall be amended to read as follows:

(iii) After approval of the schematic design and execution by the City of a contract or contracts for construction of the RCC Project, the City may use the funds paid hereunder for all expenses reasonably required for the RCC Project as provided by Amendment Eight with the following restrictions:

(a) There shall be created a Restricted Reserve Account (RRA) consisting of the following funds as shown on Attachment A:

(1) Owners Project Reserve as identified in line 9 of Attachment A;

(2) Any project savings realized from any other itemized line of Attachment A as determined after final completion of construction of the RCC Project. By way of example but not limitation any savings realized if actual construction bids are below budgeted amount as a result of utilizing construction manager at risk type of construction contract.

(b) No funds in the categories allocated to the RRA may be spent by the City without the prior written approval of the County.

3. A new paragraph, Paragraph 11.6.K. shall be added to read as follows:

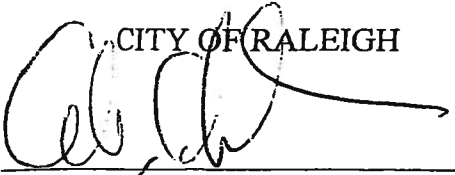
K. After approval of the schematic design of the Project by the County the City shall provide the County with all drawings and specifications for the Project. The City covenants that the Project shall be constructed in substantial conformity with the approved schematic design and that any substantial modifications of the design shall not be authorized without the prior written approval of the County. The City shall permit County representatives to participate in progress meetings regarding the project to monitor whether the Project is being constructed in accordance with the approved schematic design and shall provide briefings regarding the progress of the Project to the County upon the request of the County.

4. Attached hereto as Attachment B is a document entitled "City of Raleigh, North Carolina Convention Center Project Recommended Financing Plan" revised and dated November 2004. Said document shall supercede and replace Attachment A attached to the Eighth Amendment of this Agreement.

5. All other terms of the September 5, 1995, Revised Interlocal Agreement, as amended from time to time, shall remain in the same force and effect.

IN WITNESS WHEREOF, this Amendment is executed the day and year first above written pursuant to resolutions adopted by the governing boards of the County and the City.

CITY OF RALEIGH



Charles C. Meeker  
Mayor

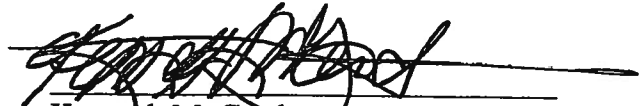
Attest:

  
Clerk

Approved as to Form:

  
City Attorney

COUNTY OF WAKE



Kenneth M. Gardner  
Chairman

Attest:

  
Clerk

Approved as to Form:

  
County Attorney

**ATTACHMENT A**

<b>Total Budgeted Project Costs</b>		<b>Schematic Design</b>
<b>Item #</b>	<b>Description (Original Source: DLA-HVS Reports)</b>	<b>Reconciled Estimate</b>
1	Direct Building Construction Costs	111,713,969
2	Site Work	3,007,101
3	Demolition of On-Site Structures	1,265,474
4	Demolition of RCC with Temporary Façade	1,054,959
5	LEED Certification	Included in Item #1
6	CM's General Conditions, Fees and Contingencies	21,673,098
7	<b>Total Direct Construction Cost</b>	<b>138,714,601</b>
8	Owner's Contingency (3% at Schematic Design)	4,171,938
9	Owner's Project Reserve	3,429,174
10	Furniture, Fixtures & Equipment Allowance	4,320,000
11	Signage	540,000
12	Telecommunications, Security, Computer Systems	2,250,000
13	A/E Fees & Reimbursable Expenses	15,491,043
14	CM's Pre-Construction Fee	870,400
15	Not Used	-
16	Testing	1,295,632
17	Permits	517,212
18	Reproductions	500,000
19	Utility Consumption	400,000
20	Owner's Project Administrative Expenses Allowance	4,500,000
21	Land Acquisition & Non-MGP Site Remediation	15,000,000
22	<b>Total Soft Costs</b>	<b>53,285,399</b>
23	<b>Total Costs</b>	<b>192,000,000</b>

- Notes:
1. Direct Construction Cost Assumes Progress Energy's Payment for the Remediation of the MGP Site.
  2. Direct Construction Cost includes \$250,000 for water features.
  3. Total Direct Construction Cost (Line 7) includes \$3,827,730 for Design Development Contingency

City of Raleigh, North Carolina  
Convention Center Project  
November 2004

Attachment B

Fiscal Year	100% of Uncommitted Funds		85% of Uncommitted Funds		Into the Convention Center	Rate Variable Net Debt Service	Stipium Fixed Rate Forward Swap Transaction Net Debt Service		Annual Revenues	Annual Surplus/Deficit	Other Expenses to be Paid	Fund Balance Withdrawal	Debt Service from 2017	Interest Income @ 3%	Cumulative Fund Balance	Fiscal Year
	Column A	Column B	Column C	Column D			Column E	Column F								
6/30/2003	\$4,847,100	\$4,120,035	\$817,671	\$1,231,970	\$19,621.00	\$42,489.40	\$19,621.00	\$6,793,030.13	\$6,773,409.13	\$267,000	\$107,906.25	\$4,120,035.00		\$11,001,350.38	6/30/2003	
6/30/2004	\$8,025,000	\$7,439,410	\$1,312,837	\$1,426,873	\$16,165.00	\$156,318.75	\$98,654.40	\$7,439,410.02	\$7,340,755.62	\$267,000	\$330,040.51	\$11,001,350.38		\$18,405,146.51	6/30/2004	
6/30/2005	\$9,512,484	\$8,085,612	\$1,426,873	\$1,546,236	\$170,580.75	\$156,318.75	\$170,580.75	\$8,085,611.55	\$7,915,030.80	\$2,180,724	\$352,134.40	\$11,001,350.38		\$24,691,607.22	6/30/2005	
6/30/2006	\$10,308,240	\$8,762,004	\$1,546,236	\$1,670,591	\$660,341.00	\$156,609.66	\$816,659.75	\$8,762,004.38	\$7,945,344.63	\$2,313,531	\$740,748.22	\$11,001,350.38		\$31,131,553.84	6/30/2006	
6/30/2007	\$11,137,276	\$9,466,685	\$1,670,591	\$1,800,145	\$1,882,502.00	\$2,039,111.66	\$2,039,111.66	\$9,466,684.75	\$7,427,573.09	\$2,382,937	\$933,946.62	\$11,001,350.38		\$37,179,542.94	6/30/2007	
6/30/2008	\$12,000,966	\$10,200,821	\$1,800,145	\$1,936,061	\$5,416,703.11	\$2,039,111.66	\$7,283,212.11	\$10,200,820.86	\$2,917,608.75	\$2,382,937	\$1,115,386.29	\$11,001,350.38		\$38,829,601.45	6/30/2008	
6/30/2009	\$12,907,076	\$10,971,015	\$1,936,061	\$2,077,806	\$8,794,407.46	\$2,039,111.66	\$10,668,749.46	\$10,971,014.70	\$3,022,652.24	\$2,382,937	\$1,164,888.04	\$11,001,350.38		\$37,842,330.10	6/30/2009	
6/30/2010	\$13,852,037	\$11,774,231	\$2,077,806	\$2,226,242	\$8,817,227.82	\$2,039,111.66	\$10,691,569.82	\$11,774,231.29	\$1,082,661.47	\$2,382,937	\$1,135,269.90	\$11,001,350.38		\$37,532,204.12	6/30/2010	
6/30/2011	\$14,841,612	\$13,493,642	\$2,226,242	\$2,381,231	\$8,817,227.82	\$2,039,111.66	\$10,691,569.82	\$13,493,642.14	\$1,918,757.04	\$2,382,937	\$1,139,190.85	\$11,001,350.38		\$37,973,028.20	6/30/2011	
6/30/2012	\$15,874,873	\$15,371,482	\$2,381,231	\$2,542,978	\$10,691,569.82	\$2,039,111.66	\$10,691,569.82	\$15,371,482.00	\$2,796,272.22	\$2,382,937	\$1,125,966.12	\$11,001,350.38		\$39,226,475.21	6/30/2012	
6/30/2013	\$16,953,189	\$16,410,210	\$2,542,978	\$2,712,614	\$8,862,868.54	\$2,039,111.66	\$10,732,669.54	\$16,410,210.46	\$3,677,640.92	\$2,382,937	\$1,139,190.85	\$11,001,350.38		\$41,318,433.85	6/30/2013	
6/30/2014	\$18,084,096	\$17,215,760	\$3,038,075	\$2,898,075	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$17,215,760.27	\$5,248,037.56	\$2,382,937	\$1,176,794.26	\$11,001,350.38		\$34,440,623.42	6/30/2014	
6/30/2015	\$20,253,836	\$18,263,095	\$3,038,075	\$3,109,192	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$18,263,095.38	\$2,488,037.56	\$2,382,937	\$1,239,533.02	\$11,001,350.38		\$37,064,558.04	6/30/2015	
6/30/2016	\$21,485,995	\$19,359,159	\$3,109,192	\$3,397,498	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$19,359,159.71	\$2,488,037.56	\$2,382,937	\$1,311,936.74	\$11,001,350.38		\$34,440,623.42	6/30/2016	
6/30/2017	\$22,775,481	\$20,506,630	\$3,222,899	\$3,712,537	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$20,506,630.26	\$2,488,037.56	\$2,382,937	\$1,411,936.74	\$11,001,350.38		\$32,698,521.99	6/30/2017	
6/30/2018	\$24,125,447	\$22,395,173	\$4,481,501	\$4,064,232	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$22,395,173.04	\$2,488,037.56	\$2,382,937	\$1,511,936.74	\$11,001,350.38		\$31,912,021.68	6/30/2018	
6/30/2019	\$25,876,674	\$24,832,917	\$4,832,917	\$5,064,232	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$24,832,917.00	\$2,488,037.56	\$2,382,937	\$1,611,936.74	\$11,001,350.38		\$32,778,243.32	6/30/2019	
6/30/2020	\$27,194,444	\$27,386,528	\$4,832,917	\$5,306,148	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$27,386,527.60	\$2,488,037.56	\$2,382,937	\$1,711,936.74	\$11,001,350.38		\$33,927,144.83	6/30/2020	
6/30/2021	\$32,219,444	\$30,068,170	\$5,064,232	\$5,559,166	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$30,068,169.79	\$2,488,037.56	\$2,382,937	\$1,811,936.74	\$11,001,350.38		\$35,289,772.15	6/30/2021	
6/30/2022	\$33,761,544	\$31,501,940	\$5,559,166	\$5,823,812	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$31,501,939.74	\$2,488,037.56	\$2,382,937	\$1,911,936.74	\$11,001,350.38		\$37,956,036.19	6/30/2022	
6/30/2023	\$37,061,106	\$33,001,599	\$5,823,812	\$6,100,635	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$33,001,598.86	\$2,488,037.56	\$2,382,937	\$2,011,936.74	\$11,001,350.38		\$42,028,432.01	6/30/2023	
6/30/2024	\$38,825,410	\$34,570,268	\$6,100,635	\$6,390,215	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$34,570,267.62	\$2,488,037.56	\$2,382,937	\$2,111,936.74	\$11,001,350.38		\$47,615,528.69	6/30/2024	
6/30/2025	\$40,670,903	\$36,211,217	\$6,390,215	\$6,693,155	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$36,211,217.31	\$2,488,037.56	\$2,382,937	\$2,211,936.74	\$11,001,350.38		\$54,820,364.91	6/30/2025	
6/30/2026	\$42,601,432	\$37,927,877	\$6,693,155	\$7,010,090	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$37,927,877.40	\$2,488,037.56	\$2,382,937	\$2,311,936.74	\$11,001,350.38		\$60,255,364.33	6/30/2026	
6/30/2027	\$44,621,032	\$39,723,843	\$7,010,090	\$7,341,685	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$39,723,843.28	\$2,488,037.56	\$2,382,937	\$2,411,936.74	\$11,001,350.38		\$67,449,641.47	6/30/2027	
6/30/2028	\$46,733,933	\$41,602,884	\$7,341,685	\$7,688,639	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$41,602,884.45	\$2,488,037.56	\$2,382,937	\$2,511,936.74	\$11,001,350.38		\$76,527,010.85	6/30/2028	
6/30/2029	\$48,944,570	\$43,568,953	\$7,688,639	\$8,051,681	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$43,568,952.97	\$2,488,037.56	\$2,382,937	\$2,611,936.74	\$11,001,350.38		\$87,624,887.81	6/30/2029	
6/30/2030	\$51,257,592	\$45,626,192	\$8,051,681	\$8,431,579	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$45,626,192.33	\$2,488,037.56	\$2,382,937	\$2,711,936.74	\$11,001,350.38		\$98,489,927.87	6/30/2030	
6/30/2031	\$53,677,873	\$47,778,948	\$8,431,579	\$8,829,137	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$47,778,947.52	\$2,488,037.56	\$2,382,937	\$2,811,936.74	\$11,001,350.38		\$111,617,181.26	6/30/2031	
6/30/2032	\$56,210,526	\$50,031,774	\$8,829,137	\$9,234,950	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$50,031,773.50	\$2,488,037.56	\$2,382,937	\$2,911,936.74	\$11,001,350.38		\$127,165,158.91	6/30/2032	
6/30/2033	\$58,860,910	\$52,492,808	\$9,234,950	\$9,653,959	\$16,149,858.66	\$2,039,111.66	\$16,149,858.66	\$52,492,807.08	\$2,488,037.56	\$2,382,937	\$3,011,936.74	\$11,001,350.38		\$145,308,455.00	6/30/2033	
6/30/2034	\$896,434,223	\$761,940,870	\$134,583,959	\$103,652,195.00	\$330,139,687.08	\$433,791,882.08	\$761,940,869.94	\$98,876,853.84	\$127,209,984.65	\$43,246,305.63					6/30/2034	

Bold figures above denote actual figures

November 2004: Revised projections of tax proceeds based on actual results in Fiscal year 2004. Growth assumptions in tax proceeds: Occupancy 3% per year, Prepared Food 5% per year.  
Interest Capitalized on outstanding Series 2004A Amount through 2/1/2007  
Interest Capitalized on Forward Transaction through 7/1/2008  
Update 10/1/2004: \$245m issue net \$210m, Forward Swap with January 2005 Start Date

MIN Fund Balance: \$31,912,021.68  
MAX Debt Service: \$20,419,317.04  
(after initial fund build-up)

Assumptions:  
85% of Uncommitted Funds  
20% of Transaction as Variable Rate Bullet  
30 - Year Amortization  
(1) Total Principal & Interest includes Liquidity Fees, Remarketing Fees & Ongoing Rating Agency Fees  
(2) "Other Expenses to be Paid" is amount to cover Operating Expenses, Marketing Expenses and capital reserve costs beginning in Fiscal 2004-05

Expansion Assumptions  
Par Amount: \$121,000,000  
Assumed Rate: 6.0% on Fixed / 3.08% on Variable  
Structure: 30-year maturity (same as above)  
Note: if issued in 2017, debt would extend through 2047 (above table ends 2034)