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INTERLOCAL AGREEMENT
BETWEEN
WAKE COUNTY AND THE CITY OF RALEIGH
REGARDING
IMPLEMENTATION OF COUNTYWIDE ROOM OCCUPANCY AND PREPARED FOOD AND
BEVERAGE TAX

This Agreement entered into this 19th day of November 1991, by and between the County of Wake, North Carolina, hereinafter referred to as the County, and the City of Raleigh, North Carolina, hereinafter referred to as the 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 1991 Session Laws of North Carolina, hereinafter referred to as the Enabling Act.

W I T N E S S E T H

Whereas, the County and City desire to provide for the levy of a one percent (1%) prepared food and beverage tax in the County, and

Whereas, the County and City desire to provide for the levy of a six percent (6%) room occupancy tax in the County, and

Whereas, Sections 4 and 5 of the Enabling Act provide that the County and City shall enter into an interlocal agreement outlining 1) the type and general location of all capital projects to be funded in any way by the proceeds of said taxes and 2) a preliminary schedule for the completion of said projects, and

Whereas, the County and City have agreed upon the capital projects to be so funded and certain other administrative matters relating to the levy and collection of said taxes,

Now therefore in consideration of the mutual covenants and promises contained herein, the County and City agree as follows:

1. The County, on or before December 2, 1991, shall initiate the process to consider the levy of a Countywide six percent (6%) room occupancy tax and one percent (1%) prepared food and beverage tax in accordance with the provisions of the Enabling Act.

2. The City shall, upon the enactment of a Countywide room occupancy tax, administer and collect said tax on behalf of the County. The City shall design, print, and furnish on request to

all taxable establishments the necessary forms for filing returns and instructions to ensure the full collection of the tax. The City shall be reimbursed for the actual direct costs incurred in performing this service, said reimbursement not to exceed three percent (3%) of the gross proceeds of the tax collected. The City shall, on or before the eighteenth day of each month, remit to the County the taxes collected for distribution in accordance with the provisions of the Enabling Act and this Agreement.

3. Upon the enactment of a one (1%) prepared food and beverage tax the County shall, in accordance with the provisions of the Enabling Act, administer and collect said tax and shall, distribute the proceeds thereof in accordance with the provisions of the Enabling Act and this Agreement.

4. Except as designated by the Enabling Act all proceeds (hereinafter referred to as undesignated proceeds) generated from said taxes shall be expended only for the projects approved by this Agreement and only in accord with the provisions contained herein. The projects to be funded are as follows:

- A. Purchase of land for and construction of a Children's Museum to be located in the city of Raleigh;
- B. Renovations to the existing Raleigh Civic Center;
- C. Purchase of land in the city of Raleigh upon which a new Convention Center may be built;
- D. Establishment of a Reserve Fund for construction of a new Convention Center in the city of Raleigh;
- E. Purchase of land in the city of Raleigh upon which a Performing Arts Center may be located;
- F. Construction of a sports facility, known as Triangle Central Park, near the Raleigh-Durham International Airport;
- G. Additions to a sports facility, known as Five County Stadium, located near the town of Zebulon;
- H. Construction of a multi-purpose building, known as the Centennial Center, in conjunction with North Carolina State University; and
- I. Creation of a Future Projects Reserve Fund.

5. The amount of the undesignated proceeds estimated to be generated by said taxes from year of enactment until Fiscal Year 2019-20 is contained in Attachment "A" hereto, the contents of which are incorporated herein by reference. From said

anticipated undesignated proceeds, the County and City agree to distribute the amounts shown on Attachment "A" to a reserve fund for the projects listed on said attachment. In the event the actual proceeds collected in any year are less than the estimated proceeds, then the amount distributed shall be such that each project fund shall receive a percentage of the actual collections equal to the percentage of the estimated collections allocated to the project fund. In the event the actual undesignated proceeds are greater than estimated, the excess shall be retained in the Future Projects Reserve Fund.

6. It is anticipated that the Children's Museum will be completed in 1996. Disbursement of funds accumulated in the Children's Museum Reserve Fund is contingent upon the following:

- A. The facility shall be jointly owned by the County and the City; it shall be operated by a non-profit corporation under contract with the owners of the facility; the articles of incorporation of said corporation shall be subject to the approval of the County and City and the Board of Directors of the corporation shall be appointed by the County and City;
- B. Supporters of the facility shall have raised or have obtained commitments satisfactory to the County and City for the sum of seven million five hundred thousand dollars (\$7,500,000) by July 1, 1994;
- C. The owner or supporters of the facility shall have obtained by July 1, 1994, financing in the amount of twelve million dollars (\$12,000,000) for construction costs;
- D. The site for location of the facility shall be determined jointly by the County and City; and
- E. The County and City agree that the City shall not be required to, but may, at its election, participate in the operating costs of the facility.

7. Funds accumulated in the Renovations of Existing Civic Center Reserve Fund shall be distributed to the City after the City has executed a contract or contracts for said renovations and as necessary to pay for progress payments required by said contract or contracts.

8. Funds accumulated in the Convention Center Construction Reserve Fund shall not be disbursed, except for preliminary design and engineering work, until the City has obtained a commitment from a developer to construct a major new hotel (approximately 700 rooms) near the site of the proposed new Convention Center. The City shall obtain, by a method of its

choice, the financing necessary to construct the facility and the proceeds of the Convention Center Construction Reserve Fund may be used to assist in the debt service. It is anticipated that the new Convention Center will be completed within three years after a commitment for a new hotel is secured. It is anticipated that the land upon which the new Convention Center will be located will be purchased by July of 1997. Land purchased for said project shall be owned by the City; however, any proceeds realized from the use of the land prior to commencement of construction for the Convention Center shall be retained in the Convention Center Construction Fund.

9. Funds accumulated in the Performing Arts Center Land Acquisition Reserve Fund shall be held and distributed as the necessary parcels of land are acquired. Selection of the site shall be subject to the approval of the County and City. Land purchased for said project shall be owned by the City; however, any proceeds realized from the use of the land prior to commencement of construction for the Performing Arts Center shall be retained in the Performing Arts Center Construction Fund. It is anticipated that the land will be acquired by July of 1995.

10. It is anticipated that the Triangle Central Park facility will be completed by 1993. By execution of this Agreement the City commits the use of three million dollars (\$3,000,000) in general obligation bond funds, previously authorized for the construction of a baseball stadium, to this facility on the condition that the following contingencies are met. Additionally, disbursement of funds accumulated in the Triangle Central Park Reserve Fund is contingent upon the following:

- A. Supporters of the facility shall have secured the land for the facility and shall have raised or have obtained commitments from private sources satisfactory to the County and City for two million dollars (\$2,000,000) for the facility; the facility shall be constructed on a site located within one mile of Page Road and within a one mile area west of the Raleigh-Durham International Airport and east of the Research Triangle Park;
- B. The facility shall be owned by a non-profit corporation; the articles of incorporation of said corporation shall be subject to the approval of the County and City and the Board of Directors of the corporation shall be appointed by the County and City; the facility shall be operated by a Regional Sports Authority created by or in which the the County and City participate pursuant to the provisions of North Carolina General Statutes §§160A-479 et. seq;

- C. The owner of the facility shall have obtained financing for construction of the facility by either the issuance of revenue bonds or certificates of participation;
- D. The owner of the Durham Bulls baseball team shall have executed with the owner and/or operator of the facility a lease for use of the facility by the baseball team for a term extending at least as long as the debt service on any financing obtained for the project;
- E. Commitments, satisfactory to the County and City, shall have been obtained from the North Carolina Department of Transportation to construct roadway improvements or additions necessary to serve the facility; and
- F. Design and construction of the facility shall be subject to the approval and oversight of the County and City managers.

11. It is anticipated that improvements to Five County Stadium will be completed by 1997. Disbursement of funds accumulated in the Five County Stadium Reserve Fund is contingent upon the following:

- A. The facility shall be owned and operated by a Regional Sports Authority created by or in which the County and City participate pursuant to the provisions of North Carolina General Statutes §§160A-479 et. seq;
- B. The owner of the Carolina Mudcats baseball team shall have executed with the owner of the facility a lease for use of the facility by the baseball team for a term extending at least as long as the debt service on any financing obtained for the project;
- C. Supporters of the facility shall have obtained private donations or commitments for the project satisfactory to the County and City in the amount of three hundred thousand dollars (\$300,000) no later than December of 1994; and
- D. The owner or supporters of the facility shall, to the satisfaction of the County and City, have obtained sufficient funding or shall have made sufficient financing arrangements to pay for the proposed improvements; said arrangements shall include participation from governmental units other than the County and City.

12. It is anticipated that the Centennial Center facility will be completed by 1999. Disbursement of funds accumulated in

the Centennial Center Reserve Fund is contingent upon the following:

- A. No later than July of 1995 the General Assembly of North Carolina shall have appropriated or approved financing of twenty two million dollars (\$22,000,000) for the facility;
- B. No later than July of 1995 supporters of the facility shall have, from private sources, raised or have obtained commitments satisfactory to the County and City for twenty two million dollars (\$22,000,000) for the facility; and
- C. The facility shall be owned and operated by a public authority created as approved by the County and City; however, neither the County nor City shall be obligated to pay for any operating deficit of the facility.

13. The County and City shall agree on the disbursement of any monies from the Future Projects Reserve Fund by amendment to this agreement as provided herein. And funds not expended for a project approved by this agreement for failure of any contingency or any other reason shall be deposited into the Future Projects Reserve Fund.

14. Any contingency established for the distribution of proceeds in any Fund may be waived or altered by amendment to this Agreement as provided herein.

15. All Funds created hereby shall be held and invested by the County until disbursement according to the terms of this Agreement. Interest earned on each Fund shall be credited to that fund.

16. Any project funded in part or in whole with monies distributed from any of the Funds created by this Agreement shall be constructed in a manner not inconsistent with the requirements of the County's Minority Business Enterprise Policy for Construction Projects and the City's Business Assistance Program as the same are in effect on the day of execution of this Agreement.

17. This Agreement may, consistent with the provisions of the Enabling Act, be terminated or amended at any time by execution of an amendment to this Agreement adopted by resolution of the governing boards of both the County and City.

18. This Agreement shall remain in effect for a period of twenty-five (25) years.

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

COUNTY OF WAKE

By Vernon Malone
Vernon Malone
Chairman

Attest

Richard J. Stevens
Clerk and County Manager

CITY OF RALEIGH

By Avery Spychalski
Avery Spychalski
Mayor
H. B. Benth
City Manager

Attest

Dail Smith
Clerk

WAKE COUNTY COMMISSIONERS

J. Stewart Adcock
J. Stewart Adcock
Vice-Chairman

Merrie R. Hedrick
Merrie R. Hedrick

Abraham Penn Jones
Abraham Penn Jones

M. Jackson Nichols
M. Jackson Nichols

Herb Stout
Herb Stout

Betty Lou Ward
Betty Lou Ward

RALEIGH CITY COUNCIL

Ralph Campbell
Ralph Campbell
Mayor Pro-Tempore

Mary C. Cates
Mary C. Cates

Julian Ford
Julian Ford

Anne S. Franklin
Anne S. Franklin

Barlow Herget
Barlow Herget

Mary Watson Noe
Mary Watson Noe

Frank L. Turner
Frank L. Turner

APPROVED AS TO FORM

Michael R. Ferrell
County Attorney

APPROVED AS TO FORM

Thomas W. Brown
City Attorney

ATTACHMENT "A"

WAKE COUNTY AND CITY OF RALEIGH
 OCCUPANCY AND PREPARED FOOD TAXES
 FINANCIAL ANALYSIS OF CAPITAL PROJECTS PROPOSAL

PROJECT	91/92	92/93	93/94	94/95	95/96	96/97	97/98	98/99	99/00
Triangle Central Park	\$0	\$0	\$0	\$500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Five County Stadium	\$0	\$0	\$0	\$100,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Children's Museum	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Centennial Center	\$0	\$0	\$0	\$0	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000
Performing Arts Land	\$0	\$700,000	\$700,000	\$700,000	\$0	\$0	\$0	\$0	\$0
Existing Civic Center	\$687,349	\$3,214,096	\$2,598,555	\$500,000	\$0	\$0	\$0	\$0	\$0
New Convention Center Land	\$0	\$0	\$1,784,957	\$3,448,856	\$2,333,997	\$1,532,190	\$0	\$0	\$0
Reserve New Convention Center	\$0	\$0	\$0	\$0	\$0	\$1,044,976	\$2,866,908	\$3,166,440	\$3,479,408
Future Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ESTIMATED REVENUE	\$687,349	\$3,914,096	\$6,083,512	\$6,248,856	\$6,483,997	\$6,727,166	\$7,016,908	\$7,316,440	\$7,629,408

WAKE COUNTY AND CITY OF RALEIGH
 OCCUPANCY AND PREPARED FOOD TAXES
 FINANCIAL ANALYSIS OF CAPITAL PROJECTS PROPOSAL

PROJECT	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10
Anglo Central Park	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Wake County Stadium	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Children's Museum	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Centennial Center	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000
Performing Arts Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Historic Civic Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Convention Ctr Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve New Convention Ctr	\$3,806,462	\$4,148,281	\$4,505,581	\$4,879,112	\$5,269,659	\$5,678,051	\$5,605,152	\$6,051,873	\$6,519,170	\$7,008,044
Future Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$500,000	\$500,000
ESTIMATED REVENUE	\$7,956,462	\$8,298,281	\$8,655,581	\$9,029,112	\$9,419,659	\$9,828,051	\$10,255,152	\$10,701,873	\$11,169,170	\$11,658,044

WAKE COUNTY AND CITY OF RALEIGH
 OCCUPANCY AND PREPARED FOOD TAXES
 FINANCIAL ANALYSIS OF CAPITAL PROJECTS PROPOSAL

PROJECT	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
Anglo Central Park	\$1,000,000	\$1,000,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wake County Stadium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Children's Museum	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Centennial Center	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000	\$1,950,000
Performing Arts Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Isling Civic Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Convention Ctr Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve New Convention Ctr	\$7,519,548	\$8,054,785	\$8,952,552	\$9,952,552	\$9,952,552	\$9,952,552	\$9,952,552	\$9,952,552	\$9,952,552	\$9,952,552
Future Projects	\$700,000	\$700,000	\$862,363	\$1,948,602	\$2,562,228	\$3,204,581	\$3,877,068	\$4,581,166	\$5,318,425	\$6,090,473
ESTIMATED REVENUE	\$12,169,548	\$12,704,785	\$13,264,915	\$13,851,154	\$14,464,780	\$15,107,133	\$15,779,620	\$16,483,718	\$17,220,977	\$17,993,025