



COMMUNITY
SCHOOL OF
DAVIDSON

June 19, 2018

Board of Commissioners
County of Mecklenburg, North Carolina
600 East Fourth Street
Charlotte, North Carolina 28202

Re: Request for public hearing at the Board of Commissioners' meeting on
July 10, 2018 to approve the issuance of tax-exempt bonds on behalf of
CSD Property, LLC

Ladies and Gentlemen:

On behalf of Community School of Davidson, Inc., a North Carolina nonprofit corporation (the "*School*") and CSD Property, LLC, a North Carolina limited liability company (the "*Borrower*"), I am writing to request that the Board of Commissioners (the "*Board*") of Mecklenburg County (the "*County*") host a public hearing at the Board's meeting on July 10, 2018 and approve, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "*Code*"), on the proposed issuance of tax-exempt bonds (the "*Bonds*") used to (a) finance or reimburse the Borrower for all or a portion of the costs of (i) acquiring an approximately 39-acre tract of land located at 13828 Beatties Ford Road in Huntersville, North Carolina, and the constructing and equipping thereon of a turf field for track, soccer, lacrosse and football, tennis courts, baseball field and related improvements (the "*Athletic Facility Project*"), (ii) acquiring a fee simple interest in an existing elementary and middle school campus consisting of an approximately 66,400 square foot building located on approximately 3.96 acres at 565 Griffith Street, Davidson, North Carolina, (the "*Elementary and Middle School Project*"), and (iii) making certain furniture, fixtures and other tenant improvements to an existing high school campus located at 404 Armour Street, Davidson, North Carolina (the "*High School Project*" and, together with the Elementary and Middle School Project and the Athletic Facility Project, the "*Project*").

The Athletic Facility Project, the Elementary and Middle School Project and the High School Project are each located within the County. The Project will be initially owned by the Borrower or an affiliated or related entity and leased to the School to operate a charter school. The School is currently operating its elementary and middle school at the Elementary and Middle School Project and its high school at the High School Project.

As you know, Section 147(f) of the Code requires all private activity bonds, such as the Bonds, to be approved by (1) the governmental unit issuing the bonds and (2) each governmental unit having jurisdiction over the area in which the bond-financed facilities are located. In this case, Section 147(f) of the Code requires the Borrower to obtain the approval of the Public Finance Authority, a Wisconsin authority, as the issuer of the Bonds, and the County, as the governmental unit having jurisdiction over the area in which Project is located.

Accordingly, the Borrower is requesting that the Board hold a public hearing and approve the issuance of the Bonds in order to comply with the hearing and approval requirements of Section 147(f) of the Code. As the Board's approving resolution will expressly state, the Board's approval will in no way cause the County to become responsible for or liable with respect to the Bonds. Hosting the public hearing and approving the issuance of the Bonds are merely ministerial acts that will enable the Borrower to comply with the provisions of the Code. A preliminary draft of the Board's approval resolution is attached to this letter.

Parker Poe Adams & Bernstein LLP, as our counsel, will cause the required notice of public hearing to be published in the *Charlotte Observer* at least 14 days before the public hearing in accordance with the Code. A draft of the notice of public hearing is also attached to this letter.

The principal amount of the Bonds will not exceed \$15,250,000, and proceeds from the Bonds will be loaned to the Borrower to finance and refinance the Project, as more particularly described in the attached notice.

I hope this letter provides you the information you need in order to hold the public hearing at the Board's July 10, 2018 meeting, but please call me if you need any additional information from the Borrower. I am happy to answer any questions you might have regarding the Borrower or the Bonds. A representative from the Borrower and from Parker Poe will be present at your July 10, 2018 meeting should you have any questions at that time.

Thank you for your consideration of this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "K. Wan", is written over the closing "Very truly yours,".

Enclosures