

RESOLUTION OF THE CHARLOTTE CITY COUNCIL  
REQUESTING STATE FINANCIAL ASSISTANCE  
FOR A NEW UPTOWN ARENA

WHEREAS, the City of Charlotte, the Auditorium-Coliseum-Convention Center Authority, and individuals and entities collectively referred to as the "Hornets" are parties to a 1998 "Amending Agreement" which supplements and amends a 1995 agreement that together establish the business terms that currently govern the play of the Charlotte Hornets National Basketball Association franchise at the Charlotte Coliseum; and

WHEREAS, Section 7.1 of the Amending Agreement provides that:

All of the parties desire that the Hornets remain in Charlotte and recognize that the current trend with respect to NBA franchises is that a state-of-the-art basketball arena is needed to sustain a profitable, competitive NBA team. Accordingly, the major objectives of the parties are to realize their common goal of locating, designing, and agreeing upon a suitable model for the funding, financing, and ownership of a new state-of-the-art basketball/sports/entertainment facility in cooperation with other governments, the community, and the private sector, to enhance the Charlotte community and uptown by constructing the new arena, and to negotiate mutually satisfactory terms of an agreement which will result in the Hornets making a twenty-five year commitment to this new facility;

and

WHEREAS, the aforementioned agreements establish a December 31, 2001 deadline for the execution of a construction contract and the execution of an agreement for the long-term use of the new arena by the Hornets; and

WHEREAS, if the December 31, 2001 deadline is not met, or if the Hornets exercise other rights under the agreements, the Hornets may, upon approval of the National Basketball Association, move the NBA franchise out of Charlotte and out of the State of North Carolina; and

WHEREAS, the City of Charlotte, the Auditorium-Coliseum-Convention Center Authority, and the Hornets have been negotiating agreements for the construction of an uptown arena that would, among other things, secure the play of the Charlotte Hornets in Charlotte, North Carolina for a term of twenty-five years; and

WHEREAS, in the year 2000 the State of North Carolina received income taxes from the play and operation of the Charlotte Hornets of approximately \$2 million, entertainment taxes of approximately \$669,000, and sales taxes of approximately \$338,000, which tax receipts would be lost in future years should the Charlotte Hornets move to another state; and

WHEREAS, the construction of a new Charlotte uptown arena that would cause the Hornets to relocate its practice facilities from South Carolina to North Carolina and the associated relocation of the Charlotte Knights AAA Baseball franchise from South Carolina to North Carolina would generate an additional estimated \$3.2 million annually for the State in income, entertainment, and sales taxes.

NOW, THEREFORE, be it resolved that:

Section 1. The Charlotte City Council respectfully requests the North Carolina General Assembly and the Honorable Michael F. Easley to acknowledge that the loss of the Charlotte Hornets NBA franchise would cost the State significant future tax revenues.

Section 2. The Charlotte City Council respectfully requests that the General Assembly enact and the Governor sign a continuing appropriation of a \$3.2 million annual revenue stream, including five percent annual growth, for thirty years.

Adopted this 5th day of March, 2001.

**CERTIFICATION**

I, Brenda R. Freeze, City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 5th day of March, 2001 the reference having been made in Minute Book 115, and recorded in full in Resolution Book 36, Page(s) 810-811.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 6th day of March, 2001.

Brenda R. Freeze, CMC  
Brenda R. Freeze, CMC, City Clerk



RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE  
CONCERNING PROCUREMENT OF ARCHITECTURAL AND/OR ENGINEERING SERVICES  
FOR THE UPTOWN ARENA

WHEREAS, the 1987 General Assembly enacted House Bill 277 (Ch. 102) which establishes a general public policy that procurement of engineering and architectural services for state and local construction projects should normally be based upon a merit selection process with later negotiation on the fee, rather than through a competitive bidding process based primarily on the fee; and

WHEREAS, the act allows a governing body to deviate from the general public policy and use estimated costs as a factor in the selection process, if the particular project is exempted in the sole discretion of the local governing body; and

WHEREAS, the City Council of the City of Charlotte has determined that it is desirable and in the best interests of the City of Charlotte to exempt the Uptown Arena project from the requirements of the act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte that:

(1) For the following reasons, the City Council of the City of Charlotte hereby finds that the Uptown Arena project shall be exempt from the general public policy requirements concerning the selection of architectural and engineering services:

The Uptown Arena project is a high priority project with very tight schedule constraints. These tight time constraints requires the hiring of firms already familiar with the project in order to get the work done on schedule.

(2) The City Council hereby authorizes the City Manager to use whatever method or procedure is most manageable and likely to result in the acquisition of competent, professional architectural or engineering services at a reasonable cost for said project.

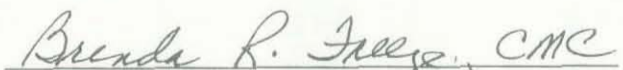
Adopted this 5th day of March, 2001.

\* The decision to exempt a particular project is "in the sole discretion" of the governing body, but the act does require that the governing body state the reasons and the circumstances for the exemption.

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WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 6th day of March, 2001.

  
Brenda R. Freeze, CMC, City Clerk