

EXTRACTS FROM MINUTES OF CITY COUNCIL

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A Regular Meeting of the City Council of the City of Charlotte, North Carolina was duly held at the Charlotte-Mecklenburg Government Center in Charlotte, North Carolina, the regular place of meeting, at 5:00 p.m. on September 27, 2021:

Members Present: Eiselt, Ajmera, Winston, Phipps, Egleston, Graham, Watlington, Johnson, Newton Bokhari, Driggs

Members Absent: None

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The bond order titled, **“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$150,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA”** was introduced at the regular meeting of the City Council on September 13, 2021, and was published on September 14, 2021, with notice that the City Council would hold a public hearing thereon on September 27, 2021 at 5:00 p.m. or as soon thereafter as practicable.

At 7:47 p.m., the Mayor announced that the City Council would hear anyone who wished to be heard on the questions of validity of the bond order and the advisability of issuing the General Obligation Refunding Bonds.

Nobody wished to be heard at the public hearing. [or anyone speaks, insert public comment]

After the City Council had heard all persons who requested to be heard in connection with the foregoing questions, Councilmember Egleston moved that the public hearing be closed. The motion was seconded by Councilmember Newton and was unanimously adopted.

Councilmember Egleston/Newton moved that the following bond order be adopted without change or amendment as previously introduced at the meeting of the City Council held on September 13, 2021, and for City Council to direct the City Clerk to publish a notice of adoption of the bond order as prescribed by The Local Government Bond Act:

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$150,000,000  
GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA**

*WHEREAS*, the City of Charlotte, North Carolina (the “City”) has previously issued its General Obligation Bond, Series 2019C (the “2019C Bond”);

*WHEREAS*, the City Council of the City (the “City Council”) deems it advisable to refund all of the outstanding principal amount of the 2019C Bond;

*WHEREAS*, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the bonds hereinafter described as required by the Local Government Bond Act, and the Secretary of the Local Government Commission has notified the City Council that the application has been accepted for submission to the Local Government Commission.

*NOW, THEREFORE, BE IT ORDERED* by the City Council of the City of Charlotte, North Carolina, as follows:

Section 1. The City Council deems it advisable to refund the 2019C Bond.

Section 2. To raise the money required to pay the costs of refunding the 2019C Bond as set forth above, General Obligation Refunding Bonds of the City (the "*Refunding Bonds*") are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such Refunding Bonds authorized by this bond order shall be and not exceed \$150,000,000.

Section 3. Taxes will be levied in an amount sufficient to pay the principal and interest of the Refunding Bonds.

Section 4. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 5. This bond order shall take effect on its adoption.

*PASSED, ADOPTED AND APPROVED* this 27th day of September, 2021.

STATE OF NORTH CAROLINA                     )  
                                                                   )       SS:  
CITY OF CHARLOTTE                                 )

I, Stephanie C. Kelly, the City Clerk of the City of Charlotte, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of extract of minutes regarding the holding of a public hearing and the adoption of the bond order entitled “**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$150,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA**” by the City Council of the City of Charlotte, North Carolina, at a meeting held on the 27<sup>th</sup> day of September, 2021, the reference having been made in Minute Book 154, and recorded in full in Resolution Book 52, Page(s) 107-109.

**WITNESS** my hand and the corporate seal of the City of Charlotte, North Carolina, this the 27th day of September, 2021.



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Stephanie C. Kelly  
City Clerk  
City of Charlotte, North Carolina

EXTRACTS FROM MINUTES OF CITY COUNCIL

\* \* \*

A Regular Meeting of the City Council of the City of Charlotte, North Carolina was duly held at the Charlotte-Mecklenburg Government Center in Charlotte, North Carolina, the regular place of meeting, at 5:00 p.m. on September 27, 2021:

Members Present: Eiselt, Ajmera, Winston, Phipps, Egleston, Graham, Watlington Johnson, Newton, Bokhari, Driggs

Members Absent: None

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\* \* \*

Councilmember Egleston/Newton moved that the following resolution be adopted, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk and which was read by title:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION REFUNDING BONDS**

*WHEREAS*, the Bond Order (as defined below) has been adopted, and it is desirable to make provision for the issuance of the Bonds (as defined below) authorized by the Bond Order;

*WHEREAS*, the City of Charlotte, North Carolina (the "*City*") desires to issue its General Obligation Refunding Bonds, Series 2021A (the "*Bonds*") in an aggregate principal amount not to exceed \$150,000,000;

*WHEREAS*, the City requests that the Local Government Commission (the "*Local Government Commission*") sell the Bonds through a negotiated sale to PNC Capital Markets LLC, as managing underwriter, and such co-managing underwriters as the City may select (collectively, the "*Underwriters*"), in accordance with the terms and conditions set forth in a Bond Purchase Agreement (the "*Bond Purchase Agreement*") among the City, the Local Government Commission and the Underwriters relating to the Bonds;

*WHEREAS*, copies of the forms of the following documents relating to the transactions described above have been filed with the City and have been made available to the City Council of the City (the "*City Council*"):

1. the Bond Purchase Agreement; and
2. a Preliminary Official Statement with respect to the Bonds (the "*Preliminary Official Statement*");

*NOW, THEREFORE, BE IT RESOLVED* by the City Council as follows:

**Section 1.** For purposes of this Resolution, in addition to the terms defined above, the following words have the meanings ascribed to them below:

*“Bond Order”* means the Bond Order authorizing \$150,000,000 General Obligation Refunding Bonds, adopted by the City Council on September 27, 2021 and effective on its adoption.

*“Bonds”* means the City’s General Obligation Refunding Bonds, Series 2021A authorized under the Bond Order.

*“Code”* means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein will be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto.

*“Federal Securities”* means, to the extent permitted by laws of the State for the defeasance of local government bonds, (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody’s, if the Bonds are rated by Moody’s, S&P, if the Bonds are rated by S&P and Fitch Ratings, if the Bonds are rated by Fitch Ratings, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated; or (e) any other obligations permitted under State law for the defeasance of local government bonds.

*“Finance Officer”* means the Chief Financial Officer of the City or such other person servicing as the City’s Finance Officer, as defined in Section 159-24 of the General Statutes of North Carolina, as amended, or his or her designee.

*“Fitch Ratings”* means Fitch Ratings, Inc., its successors and their assigns, and, if such corporation for any reason no longer performs the functions of a securities rating agency, *“Fitch”* will be deemed to refer to any other nationally recognized securities rating agency other than Moody’s and S&P designated by the City.

*“Moody’s”* means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no

longer performs the functions of a securities rating agency, “*Moody’s*” will be deemed to refer to any other nationally recognized rating agency other than S&P and Fitch Ratings designated by the City.

“*Pricing Certificate*” means the certificate of the City’s Finance Officer delivered in connection with the issuance of the Bonds which establishes the final principal amount, the final maturity amounts, the interest payment dates, the provisions for redemption for the Bonds and other terms of the Bonds consistent with this Resolution.

“*S&P*” means S&P Global Ratings, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, “*S&P*” will be deemed to refer to any other nationally recognized rating agency other than Moody’s and Fitch Ratings designated by the City.

“*2019C Bond*” means the City’s General Obligation Bond, Series 2019C.

**Section 2.** The City shall issue its Bonds in an aggregate principal amount not to exceed \$150,000,000. The final principal amount will be set forth in the Pricing Certificate.

**Section 3.** The Bonds shall be dated as of their date of issuance. The Bonds shall pay interest semiannually on June 1 and December 1, beginning June 1, 2022, unless the Finance Officer establishes different dates in his Pricing Certificate. The Bonds are being issued to refund the 2019C Bond and to pay the costs of issuing the Bonds.

**Section 4.** The Bonds are payable in installments on June 1 of each year beginning June 1, 2022 and ending on June 1, 2041, unless the Finance Officer establishes different dates in her Pricing Certificate. The maturities of the Bonds will be as set forth in the Pricing Certificate. The Bonds may be sold as term bonds and, if so, will be subject to mandatory sinking fund redemption as set forth in the Pricing Certificate.

**Section 5.** The Bonds are to be numbered from “RA-1” consecutively and upward. All Bonds shall bear interest from their date at a rate or rates which will be hereafter determined on the sale thereof computed on the basis of a 360-day year of twelve 30-day months.

**Section 6.** The Bonds are to be registered as to principal and interest, and the Finance Officer is directed to maintain the registration records with respect thereto. The Bonds shall bear the original or facsimile signatures of the Mayor, the Mayor Pro Tem or City Manager and the City Clerk or the Deputy City Clerk.

**Section 7.** The Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York (“*DTC*”), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds in immediately available funds. The principal of and interest on the Bonds will be payable to owners of Bonds shown on the records of DTC at the close of business on the 15<sup>th</sup> day of the month preceding an interest payment date or a bond payment date. The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the Finance Officer determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City will discontinue the book-entry system with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City will authenticate and deliver replacement Bonds in accordance with DTC's rules and procedures.

**Section 8.** Unless changed by the Finance Officer in the Pricing Certificate, the Bonds maturing on or before June 1, 2031 will not be subject to redemption prior to maturity. The Bonds maturing on and after June 1, 2032 will be subject to redemption prior to maturity, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after June 1, 2031, at the redemption price of the principal amount of Bonds to be so redeemed, plus accrued interest to the redemption date.

If less than all of the Bonds are called for redemption, the City shall select the maturity or maturities of the Bonds to be redeemed in such manner as the City in its discretion may determine and DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed in accordance with its rules and procedures; provided, however, that the portion of any Bond to be redeemed shall be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. Whenever the City elects to redeem Bonds, notice of such redemption of Bonds, stating the redemption date, redemption price and any conditions to the redemption and identifying the Bonds or portions thereof to be redeemed and further stating that on such redemption date there shall become due and payable on each Bond or portion thereof so to be redeemed, the principal thereof, and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, shall be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the Bonds, by prepaid certified or registered United States mail (or by such other means as permitted by DTC's rules and procedures), at the address provided to the City by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the Bonds, the City will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of the Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the City. The City will also mail or transmit by facsimile or in electronic format a copy of the notice of redemption within the time set forth above (1) to the Commission and (2) to the Municipal Securities Rulemaking Board through the EMMA system, but any failure or defect in respect thereto will not affect the validity of the redemption.

If at the time of mailing of the notice of redemption there is not on deposit money sufficient to redeem the Bonds called for redemption, such notice may state that it is conditional on the deposit of money for the redemption on the date of redemption as set forth in the notice. Any notice, once given, may be withdrawn by notice delivered in the same manner as the notice of redemption was given.

**Section 9.** The Bonds and the provisions for the registration of the Bonds and for the approval of the Bonds by the Secretary of the Local Government Commission are to be in substantially the form set forth in the Appendix A hereto.

**Section 10.** The City covenants that it will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income of the recipient thereof for federal income tax purposes of the interest on the Bonds, and, if it should take or permit, or omit to take or cause to be taken, any such action, the City will take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly upon having knowledge

thereof. The City acknowledges that the continued exclusion of interest on the Bonds from the owner's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. The City covenants that it will comply with all the requirements of Section 148 of the Code, including the rebate requirements, and that it will not permit at any time any of the proceeds of the Bonds or other funds under its control be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bonds to be "arbitrage bonds" for purposes of Section 148 of the Code. The Finance Officer is hereby authorized to execute a non-arbitrage certificate with respect to the Bonds in order to comply with Section 148 of the Code and the applicable Income Tax Regulations thereunder.

**Section 11.** The Finance Officer is hereby directed to create and establish a special fund on the City's books and records to be designated "*City of Charlotte, North Carolina General Obligation Bonds, Series 2021A Cost of Issuance Fund*" or such other name as the Finance Officer may determine (the "*Costs of Issuance Fund*"). From the proceeds of the Bonds, the State Treasurer will (1) cause the amount set forth in the Pricing Certificate needed to redeem the outstanding 2019C Bond to be transferred to PNC Bank, National Association, as registered owner of the 2019C Bond, on the date the Bonds are issued, or such other date as the Finance Officer may determine, and (2) transfer the balance of the proceeds from the sale of the Bonds to the Costs of Issuance Fund.

Proceeds on deposit in the Costs of Issuance Fund shall be used to pay the costs of issuance of the Bonds. Funds on deposit in the Costs of Issuance Fund shall be invested and reinvested by the Finance Officer as permitted by the laws of the State of North Carolina. The Finance Officer shall keep and maintain adequate records pertaining to each account and all disbursements from each account so as to satisfy the requirements of the laws of the State of North Carolina and assure that the City maintains its covenants with respect to the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation. To the extent any funds remain in the Costs of Issuance Fund, the Finance Officer shall apply the remaining proceeds of the Bonds to pay interest on the Bonds on June 1, 2022.

**Section 12.** Actions taken by officials of the City to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

**Section 13.** The Local Government Commission is hereby requested to sell the Bonds through a private sale without advertisement to the Underwriters pursuant to the terms of the Bond Purchase Agreement at such prices as the Local Government Commission determines to be in the best interest of the City, subject to the approval of the Authorized Officers, as defined below, each such approval to be evidenced by the execution and delivery of the Bond Purchase Agreement. The Bonds will be sold at interest rates that result in a true interest cost not to exceed 4.50% and at a minimum purchase price of ninety-eight percent (98%) of the face value of the Bonds. The form and content of the Bond Purchase Agreement are in all respects approved and confirmed, and the Mayor, the Mayor Pro Tem, the City Manager or the Finance Officer of the City (the "*Authorized Officers*") are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Bond Purchase Agreement for and on behalf of the City, including necessary counterparts, in substantially the form and content presented to the City Council, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of the City Council's approval of any and all such changes, modifications, additions or deletions therein. From and after the execution and delivery of the Bond Purchase Agreement, the Authorized Officers are hereby authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

**Section 14.** The Authorized Officers and the City Clerk or Deputy City Clerk are hereby authorized and directed, individually and collectively, (1) to cause the Bonds to be prepared and (2) when they have been duly sold by the Local Government Commission, (a) to execute the Bonds and (b) to turn the Bonds over to the registrar and transfer agent of the City for delivery through the facilities of DTC to the Underwriters.

**Section 15.** The form and content of the Preliminary Official Statement, and the final Official Statement related to the Bonds which will be substantially in the form of the Preliminary Official Statement (the "*Final Official Statement*"), are in all respects authorized, approved and confirmed, and the Finance Officer is authorized, empowered and directed to deliver the Preliminary Official Statement and the Final Official Statement in substantially the form and content of the Preliminary Official Statement made available to the City Council, but with such changes, modifications, additions or deletions therein as he may deem necessary, desirable or appropriate.

**Section 16.** The Authorized Officers, the City Clerk and the Deputy City Clerk, and their respective designees, are authorized and directed, individually and collectively, to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated in this Resolution or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution, including the on-going administration of the Bonds. Any provision in this Resolution that authorizes more than one officer of the City to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively.

**Section 17.** The City agrees, in accordance with Rule 15c2-12 (the "*Rule*") promulgated by the Securities and Exchange Commission (the "*SEC*") and for the benefit of the Registered Owners and beneficial owners of the Bonds, to provide to the MSRB:

(1) by not later than seven months after the end of each Fiscal Year, the audited financial statements of the City for the preceding Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the City for such Fiscal Year to be replaced subsequently by audited financial statements of the City to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each Fiscal Year, the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions "**THE CITY--DEBT INFORMATION**" and "**--TAX INFORMATION**" (excluding information on overlapping units) in the Final Official Statement referred to in Section 15;

(3) in a timely manner not in excess of 10 business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on the debt service reserves reflecting financial difficulties;

(d) unscheduled draws on any credit enhancements reflecting financial difficulties;

(e) substitution of any credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) modification of the rights of the beneficial owners of the Bonds, if material;

(h) call of any of the Bonds, if material, and tender offers;

(i) defeasance of any of the Bonds;

(j) release, substitution or sale of any property securing repayment of the Bonds, if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the City;

(m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect the beneficial owners of the Bonds, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

(4) in a timely manner, notice of the failure by the City to provide the required annual financial information described in (1) and (2) above on or before the date specified.

For purposes of this Section, “*financial obligation*” means (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either clause (a) or (b) above. The term “*financial*

*obligation*” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The City agrees that its undertaking under this Section is intended to be for the benefit of the registered owners and the beneficial owners of the Bonds and is enforceable by any of the registered owners and the beneficial owners of the Bonds, including an action for specific performance of the City’s obligations under this Section, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the Bonds. An action must be instituted, had and maintained in the manner provided in this Section for the benefit of all of the registered owners and beneficial owners of the Bonds.

All documents provided to the MSRB as described in this Section shall be provided in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB. The City may discharge its undertaking described above by providing such information in a manner the SEC subsequently authorizes in lieu of the manner described above.

The City may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City, but:

- (1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the City;
- (2) the information to be provided, as modified, would have complied with the requirements of the Rule as of the date of each Official Statement, after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances;
- (3) with respect to the Bonds, any such modification does not materially impair the interest of the registered owners or the beneficial owners of the Bonds, as determined by nationally recognized bond counsel or by the approving vote of the registered owners of a majority in principal amount of the Bonds.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the Bonds.

**Section 18.** Those portions of this Resolution other than Section 17 may be amended or supplemented, from time to time, without the consent of the owners of the Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owners of such Bonds and would not cause the interest on the Bonds to be included in the gross income of a recipient thereof for federal income tax purposes. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the Bonds then outstanding, exclusive of such Bonds, if any, owned by the City, but a modification or amendment (1) may not, without the express consent of any owner of affected Bonds, reduce the principal amount of any such Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of

consent required for amendment or modification and (2) as to an amendment to Section 17, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the Bonds is binding on all owners of such Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of such Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the City from taking any action pursuant to a modification or amendment.

If the City proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the Bonds, the Registrar shall, on being satisfactorily indemnified with respect to expenses, cause notice of the proposed amendment to be sent to each owner of such Bonds then outstanding by first-class mail, postage prepaid, to the address of such owner as it appears on the registration books; but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the Registrar for inspection by all owners of such Bonds. If, within 60 days or such longer period as shall be prescribed by the City following the giving of such notice, the owners of a majority in aggregate principal amount of such Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

**Section 19.** Nothing in this Resolution precludes (a) the payment of the Bonds from the proceeds of refunding bonds or (b) the payment of the Bonds from any legally available funds.

If the City causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owners of any of the Bonds the principal of such Bonds (including interest to become due thereon) and, premium, if any, on such Bonds, through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, and then, to the extent permitted by law, such Bonds shall be considered to have been discharged and satisfied and the principal of such Bonds (including premium, if any, and interest thereon) shall no longer be deemed to be outstanding and unpaid; *provided, however*, that nothing in this Resolution requires the deposit of more than such Federal Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the City receives an opinion of a nationally recognized verification agent that the segregated moneys or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance with respect to such Bonds, the City shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. Provisions shall be made by the City, for the mailing of a notice to the owners of such Bonds that such moneys are so available for such payment.

**Section 20.** Any portion of the Bond Order remaining after the issuance of the Bonds will be deemed to be repealed and will no longer be considered authorized but unissued under the Bond Order.

**Section 21.** All acts and doings of any officer of the City that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Bonds and the

execution, delivery and performance of the Bond Purchase Agreement are in all respects approved and confirmed.

**Section 22.** If any one or more of the agreements or provisions herein contained is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

**Section 23.** All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 24.** This Bond Resolution is effective on its adoption.

*PASSED, ADOPTED AND APPROVED* this 27th day of September, 2021.



APPENDIX A

No. RA-

\$

UNITED STATES OF AMERICA  
STATE OF NORTH CAROLINA  
CITY OF CHARLOTTE

INTEREST  
RATE

MATURITY DATE

DATED DATE

CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

GENERAL OBLIGATION REFUNDING BOND, SERIES 2021A

*THE CITY OF CHARLOTTE, NORTH CAROLINA* (the “City”) acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, upon surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this Bond until it shall mature at the Interest Rate per annum specified above, computed on the basis of a 360-day year of twelve 30-day months, payable on June 1, 2022 and semiannually thereafter on June 1 and December 1 of each year. Principal of and interest on this Bond are payable in immediately available funds to The Depository Trust Company (“DTC”) or its nominee as registered owner of the Bonds and is payable to the owner of the Bonds shown on the records of DTC at the close of business on the 15<sup>th</sup> day of the month preceding an interest payment date or a bond payment date. The City is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Bond Act, a bond resolution adopted by the City Council of the City on September 27, 2021 and a bond order adopted by the City Council of the City on September 27, 2021 and effective on the date of its adoption. The Bonds are issued to provide funds (1) to refund the City’s General Obligation Bond, Series 2019C and (2) to pay the costs of issuing the Bonds.

The Bonds maturing on or before June 1, 2031 will not be subject to redemption prior to maturity. The Bonds maturing on and after June 1, 2032 will be subject to redemption prior to maturity, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after June 1, 2031, at the redemption price of the principal amount of Bonds to be so redeemed, plus accrued interest to the redemption date.

If less than all of the Bonds are called for redemption, the City shall select the maturity or maturities of the Bonds to be redeemed in such manner as the City in its discretion may determine and DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed in accordance with its rules and procedures; provided, however, that the portion of any Bond to be redeemed shall be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. Whenever the City elects to redeem Bonds, notice of such redemption of Bonds, stating the redemption date, redemption price and any conditions to the

redemption and identifying the Bonds or portions thereof to be redeemed and further stating that on such redemption date there shall become due and payable on each Bond or portion thereof so to be redeemed, the principal thereof, and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, shall be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the Bonds, by prepaid certified or registered United States mail (or by such other means as permitted by DTC's rules and procedures), at the address provided to the City by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the Bonds, the City will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of the Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the City. The City will also mail or transmit by facsimile or in electronic format a copy of the notice of redemption within the time set forth above (1) to the Local Government Commission of North Carolina (the "*Local Government Commission*") and (2) to the Municipal Securities Rulemaking Board through the EMMA system.

If at the time of mailing of the notice of redemption there is not on deposit money sufficient to redeem the Bonds called for redemption, such notice may state that it is conditional on the deposit of money for the redemption on the date of redemption as set forth in the notice. Any notice, once given, may be withdrawn by notice delivered in the same manner as the notice of redemption was given.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

*IN WITNESS WHEREOF*, the City has caused this Bond to bear the original or facsimile of the signatures of the Mayor and the City Clerk and an original or facsimile of the seal of the City to be imprinted hereon and this Bond to be dated as of the Dated Date above.

(SEAL)

---

City Clerk

---

Mayor

Date of Execution: October \_\_, 2021

The issue hereof has been approved under the  
provisions of The Local Government Bond Act.

---

SHARON EDMUNDSON  
Secretary of the Local Government Commission

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

*FOR VALUE RECEIVED* the undersigned hereby sells, assigns and transfers unto

---

(Please print or typewrite Name and Address,  
including Zip Code, and Federal Taxpayer Identification or  
Social Security Number of Assignee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney to register the transfer of the within Bond on the books kept for registration thereof,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed by:

---

*NOTICE:* Signature must be guaranteed by  
a Participant in the Securities Transfer  
Agent Medallion Program ("*Stamp*") or  
similar program.

---

*NOTICE:* The signature to this assignment must  
correspond with the name as it appears on the  
face of the within Bond in every particular,  
without alteration, enlargement or any change  
whatever.

**TRANSFER FEE MAY BE REQUIRED**

RESOLUTION TO CLOSE THE ALLEYWAY BETWEEN 1825 AND 1831 ROZZELLES FERRY ROAD IN THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA

---

WHEREAS, pursuant to the provisions of Chapter 160A-299 of the General Statutes of North Carolina, the City Council has caused to be published a Resolution of Intent to close the Alleyway between 1825 and 1831 Rozzelles Ferry Road which calls for a public hearing on the question; and

WHEREAS, the petitioner has caused a copy of the Resolution of Intent to close the Alleyway between 1825 and 1831 Rozzelles Ferry Road to be sent by registered or certified mail to all owners of property adjoining said right-of-way and prominently posted a notice of the closing and public hearing in at least two places along said street or alleys, all as required by G.S.160A-299; and

WHEREAS, the city may reserve its right, title, and interest in any utility improvement or easement within a street closed pursuant to G.S.160A-299; and

WHEREAS, the public hearing was held on the 27<sup>th</sup> day of September 2021, and City Council determined that closing the Alleyway between 1825 and 1831 Rozzelles Ferry Road is not contrary to the public interest, and that no individual, firm or corporation owning property in the vicinity thereof will be deprived of reasonable means of ingress and egress to their or its property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Charlotte, North Carolina at its regularly assembled meeting of September 27, 2021, that the Council hereby orders the closing of the Alleyway between 1825 and 1831 Rozzelles Ferry Road in the City of Charlotte, Mecklenburg County, North Carolina as shown in the map marked "Exhibit A," and is more particularly described by metes and bounds in the document marked "Exhibit B," all of which are attached hereto and made a part hereof.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed in the Office of the Register of Deeds for Mecklenburg County, North Carolina.

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 124-126.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



---

Stephanie C. Kelly, City Clerk, MMC, NCCMC

POINT OF COMMENCEMENT  
N:548,364.52' (NC GRID)  
E:1,444,594.16' (NC GRID)  
EXISTING 2" IRON PIPE

#### LINE LEGEND

- PROPERTY BOUNDARY
- ADJACENT BOUNDARY (NOT SURVEYED)
- PROPERTY BOUNDARY TIE LINE ONLY

#### NOTES:

1. THE PURPOSE OF THIS PLAT IS TO ILLUSTRATE THE ALLEY TO BE ABANDONED.
2. THE STATE PLAN COORDINATES (SPC) FOR THIS PROJECT WERE PRODUCED WITH RTK-VRS GPS OBSERVATIONS PROCESSED USING CONTINUOUSLY OPERATING REFERENCE STATIONS. DATE OF OBSERVATIONS WAS SEPTEMBER 9, 2016. COMBINED GRID FACTOR: 0.99984186.
3. ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES.
4. AREA COMPUTED BY THE COORDINATE METHOD.
5. PROPERTY SUBJECT TO ALL EASEMENTS & RESTRICTIONS OF RECORD.
6. THIS ABANDONMENT OF RIGHT OF WAY DOES NOT AFFECT ANY CURRENT AND VALID EASEMENT FOR UTILITY FACILITIES, UPON, UNDER AND ACROSS THE ENTIRE PROPERTY DESCRIBED AND SHOWN HEREON.
7. EASEMENT IN FAVOR OF DUKE ENERGY, PIEDMONT NATURAL GAS, CHARLOTTE WATER, & ALL OTHER OWNERS OF EXISTING UNDERGROUND UTILITIES AND TELECOMMUNICATIONS FACILITIES, UPON, UNDER, AND ACROSS THE ENTIRE PROPERTY DESCRIBED ABOVE FOR ACCESS TO AND FOR THE INSTALLATION, MAINTENANCE, REPLACEMENT, AND REPAIR OF GAS MAINS, GAS LINES, CONDUIT, CABLE, WIRES, AND/OR RELATED EQUIPMENT.
8. PROPERTY DOES NOT LIE IN A SPECIAL FLOOD HAZARD AREA. (FIRM MAP NO. 3710454400K, EFFECTIVE ON 09/02/2015).

#### SYMBOL LEGEND

- REBAR FOUND (RBF)
- IRON PIPE FOUND (IPF)
- NAIL SET (NLS)
- #4 REBAR SET
- CALCULATED POINT

\*STREET R/W & BOUNDARY INFORMATION BASED ON A SURVEY BY EYOTT SURVEYING, DATED 9/27/2016.

THAT THIS EXHIBIT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION; THAT MAP WAS PREPARED FOR THE PURPOSE OF ILLUSTRATING THE ALLEY TO BE ABANDONED ONLY, AND IS NOT INTENDED TO BE A COMPLETE BOUNDARY SURVEY OF THE PROPERTY(S) SHOWN.

WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER & SEAL THIS 23rd DAY OF MARCH, 2021.

DocuSigned by:

*Zachery R. Rogers*

ZACHERY R. ROGERS, PLS

NORTH CAROLINA PROFESSIONAL LAND SURVEYOR REGISTRATION NUMBER C-5194



Resolution Book 52, Page 125

I, \_\_\_\_\_, REVIEW OFFICER OF MECKLENBURG COUNTY, CERTIFY THAT THE MAP OR PLAT TO WHICH THIS CERTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING.

REVIEW OFFICER

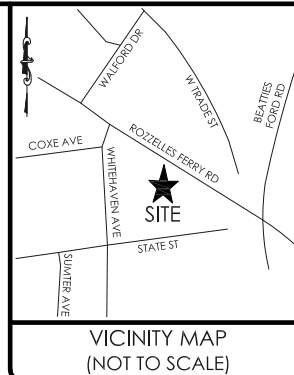
DATE

TRACT ONE  
(LOT 1 - MB 3, PG 15)  
DB 31298, PG 487  
PID # 07110606

TRACT TWO  
(LOT 2, MB 3, PG 15)  
DB 31298, PG 487  
PID # 07110605

LOT 9, MB 3, PG 15  
DB 31229, PG 442  
PID # 07110601

ROZZELLES FERRY ROAD  
60' R/W (DB 7925, PG 803)

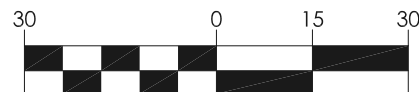


VICINITY MAP  
(NOT TO SCALE)

#### ABBREVIATIONS

DB	DEED BOOK
MB	MAP BOOK
N/F	NOW OR FORMERLY
PG	PAGE
POB	POINT OF BEGINNING
R/W	RIGHT-OF-WAY
SF	SQUARE FEET

#### GRAPHIC SCALE



( IN FEET )  
1 inch = 30 ft.

#### EXHIBIT A - ALLEYWAY ABANDONMENT

ROZZELLES FERRY ROAD  
CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA  
DEED REFERENCE: DB 31298, PG 489 & DB 31229, PG 442  
LOTS 1, 2, & 9 AS SHOWN ON MAP BOOK 3, PAGE 15  
PARCEL ID # 07110601, 07110605, & 07110606

**Rogers**  
LAND SURVEYING

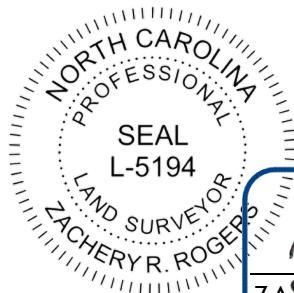
1421 Cyrus Drive Charlotte, NC 28205  
p: 704.450.4779 | www.RogersLandSurveying.com  
NC FIRM LICENSE #: C-4342

## LEGAL DESCRIPTION

### EXHIBIT B - [ALLEY TO BE ABANDONED]

THAT CERTAIN PARCEL OR TRACT OF LAND, SITUATED, LYING & BEING IN THE CITY OF CHARLOTTE, MECKLENBURG COUNTY, NORTH CAROLINA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN EXISTING 2" IRON PIPE LOCATED ON THE SOUTHERLY RIGHT OF WAY LINE OF ROZZELLES FERRY ROAD, ALSO BEING THE NORTHERLY CORNER OF TRACT ONE OF THE PERIOD DESIGN CONCEPTS LLC PROPERTY AS DESCRIBED IN DEED BOOK 31298, PAGE 487, AS SHOWN AS LOT 1, MAP BOOK 3, PAGE 15 IN SAID REGISTRY, HAVING NC GRID NAD83 COORDINATES OF N:548,364.52 FEET, E:1,444,594.16 FEET; THENCE WITH THE SOUTHERLY RIGHT OF WAY OF SAID ROZZELLES FERRY ROAD THE S57°05'24"E 131.00 FEET TO A NAIL SET AT THE INTERSECTION WITH THE WESTERLY LINE OF A 10' ALLEY, ALSO BEING THE EASTERLY CORNER OF SAID LOT 1, MAP BOOK 3, PAGE 15 IN SAID REGISTRY, **BEING THE TRUE POINT & PLACE OF BEGINNING**; THENCE WITH THE 10' ALLEY THE FOLLOWING FOUR (4) CALLS: 1) WITH SAID SOUTHERLY RIGHT OF WAY OF SAID ROZZELLES FERRY ROAD S57°05'24"E 10.00 FEET TO A NAIL SET, BEING THE WESTERLY CORNER OF TRACT TWO OF THE PERIOD DESIGN CONCEPTS LLC PROPERTY AS DESCRIBED IN DEED BOOK 31298, PAGE 487, AS SHOWN AS LOT 2, MAP BOOK 3, PAGE 15 IN SAID REGISTRY; 2) WITH SAID LOT 2 LINE S32°51'35"W 139.58 FEET TO A POINT IN THE NORTHEASTERLY LINE OF THE PERIOD DESIGN CONCEPTS LLC PROPERTY AS DESCRIBED IN DEED BOOK 31229, PAGE 442, AS SHOWN AS LOT 9, MAP BOOK 3, PAGE 15 IN SAID REGISTRY; 3) WITH SAID LOT 9 LINE N57°53'14"W 10.00 FEET TO A POINT, BEING THE SOUTHEASTERLY CORNER OF SAID LOT 1, MAP BOOK 3, PAGE 15 IN SAID REGISTRY; 4) WITH SAID LOT 1 LINE N32°51'34"E 139.72 FEET TO THE POINT & PLACE OF BEGINNING, HAVING AN AREA OF 0.032 ACRE (1,396 SQUARE FEET) MORE OR LESS, AS SHOWN ON A SURVEY PREPARED BY ROGERS LAND SURVEYING, P.C. AND SIGNED BY ZACHERY R. ROGERS, NCPLS NO. L-5194 DATED MARCH 23rd, 2021.



DocuSigned by:

A handwritten signature in black ink that reads "Zachery R. Rogers".

ZACHERY R. ROGERS, NC PLS # L-5194  
5F96BF54963B4E1...

**A RESOLUTION BY THE CITY OF CHARLOTTE  
APPROVING THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE STATE OF  
NORTH CAROLINA AND LOCAL GOVERNMENTS ON PROCEEDS RELATING TO THE  
SETTLEMENT OF OPIOID LITIGATION**

**WHEREAS**, as of 2019, the opioid epidemic had taken the lives of more than 16,500 North Carolinians, torn families apart, and ravaged communities from the mountains to the coast; and

**WHEREAS**, the COVID-19 pandemic has compounded the opioid crisis, increasing levels of drug misuse, addiction, and overdose death; and

**WHEREAS**, the Centers for Disease Control and Prevention estimates the total "economic burden" of prescription opioid misuse alone in the United States is \$78.5 billion a year, including the costs of healthcare, lost productivity, addiction treatment, and criminal justice involvement; and

**WHEREAS**, certain counties and municipalities in North Carolina joined with thousands of local governments across the country to file lawsuit against opioid manufacturers and pharmaceutical distribution companies and hold those companies accountable for their misconduct; and

**WHEREAS**, representatives of local North Carolina governments, the North Carolina Association of County Commissioners, and the North Carolina Department of Justice have negotiated and prepared a Memorandum of Agreement (MOA) to provide for the equitable distribution of any proceeds from a settlement of national opioid litigation to the State of North Carolina and to individual local governments; and

**WHEREAS**, local governments and the State of North Carolina anticipate a settlement in the national opioid litigation to be forthcoming; and

**WHEREAS**, by signing onto the MOA, the state and local governments maximize North Carolina's share of opioid settlement funds to ensure the needed resources reach communities, once a negotiation is finalized, as quickly, effectively, and directly as possible; and

**WHEREAS**, it is advantageous to all North Carolinians for local governments, including the City of Charlotte and its citizens, to sign onto the MOA and demonstrate solidarity in response to the opioid epidemic, and to maximize the share of opioid settlement funds received both in the state and local governments to help abate the harm; and

**WHEREAS**, the MOA directs substantial resources over multiple years to local governments on the front lines of the opioid epidemic while ensuring that these resources are used in an effective way to address the crisis.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Charlotte hereby approves the Memorandum of Agreement Between the State of North Carolina and Local

Governments on Proceeds Relating to the Settlement of Opioid Litigation (MOA), and any subsequent settlement funds that may come into North Carolina as a result of the opioid crisis. Furthermore, the City Council of the City of Charlotte authorizes the City Manager to take such measures as necessary to comply with the terms of the MOA and receive any settlement funds, including executing any documents related to the allocation of opioid settlement funds and settlement of lawsuits related to this matter. Be it further resolved copies of this resolution and the signed MOA be sent to [opioiddocs@ncdoj.gov](mailto:opioiddocs@ncdoj.gov).

Adopted this the 27th day of September, 2021.

### **CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 127-176.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



---

Stephanie C. Kelly, City Clerk, MMC, NCCMC

**MEMORANDUM OF AGREEMENT  
BETWEEN THE STATE OF NORTH CAROLINA AND LOCAL GOVERNMENTS  
ON PROCEEDS RELATING TO THE SETTLEMENT OF OPIOID LITIGATION**

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### **Background Statement**

Capitalized terms not defined below have the meanings set forth in the Definitions section of the Statement of Agreement.

**WHEREAS**, the State of North Carolina (the “State”), North Carolina counties and municipalities, and their people have been harmed by misconduct committed by certain entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic (“Pharmaceutical Supply Chain Participants”); and

**WHEREAS**, certain North Carolina counties and municipalities, through their counsel, and the State, through its Attorney General, are separately engaged in ongoing investigations, litigation and settlement discussions seeking to hold Pharmaceutical Supply Chain Participants accountable for the damage caused by their misconduct; and

**WHEREAS**, the State and the Local Governments share a common desire to abate and alleviate the impacts of the misconduct described above throughout North Carolina and in its local communities; and

**WHEREAS**, while the Local Governments and the State recognize the sums which may be available from the aforementioned litigation will likely be insufficient to fully abate the public health crisis caused by the opioid epidemic, they share a common interest in dedicating the most resources possible to the abatement effort; and

**WHEREAS**, settlements resulting from the investigations and litigation with Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson are anticipated to take the form of a National Settlement Agreement; and

**WHEREAS**, this Memorandum of Agreement (“MOA”) is intended to facilitate compliance by the State and by the Local Governments with the terms of the National Settlement Agreement and, to the extent appropriate, in other settlements related to the opioid epidemic reached by the state of North Carolina; and

**WHEREAS**, North Carolina’s share of settlement funds from the National Settlement Agreement will be maximized only if all North Carolina counties, and municipalities of a certain size, participate in the settlement; and

**WHEREAS**, the National Settlement Agreement will set a default allocation between each state and its political subdivisions unless they enter into a state-specific agreement regarding the distribution and use of settlement amounts (a “State-Subdivision Agreement”); and

**WHEREAS**, this MOA is intended to serve as such a State-Subdivision Agreement under the National Settlement Agreement; and

**WHEREAS**, the aforementioned investigations and litigation have caused some Pharmaceutical Supply Chain Participants to declare bankruptcy, and it may cause additional entities to declare bankruptcy in the future; and

**WHEREAS**, this MOA is also intended to serve as a State-Subdivision Agreement under resolutions of claims concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and North Carolina counties and municipalities and allow for the allocation between a state and its political subdivisions to be set through a state-specific agreement (“Bankruptcy Resolutions”); and

**WHEREAS**, specifically, this MOA is intended to serve under the Bankruptcy Resolution concerning Purdue Pharma L.P. as a statewide abatement agreement, and under this MOA, a statewide abatement agreement is a type of State-Subdivision Agreement.

### **Statement of Agreement**

The parties hereto agree as follows:

#### **A. Definitions**

As used in this MOA:

The terms “Bankruptcy Resolution,” “MOA,” “Pharmaceutical Supply Chain Participant,” “State,” and “State-Subdivision Agreement” are defined in the recitals to this MOA.

“Coordination group” refers to the group described in **Section E.7** below.

“County Incentive Fund” is defined in **Section G** below.

“Governing Body” means (1) for a county, the county commissioners of the county, and (2) for a municipality, the elected city council, town council, board of commissioners, or board of aldermen for the municipality.

“Incentive Eligible Local Government” is defined in **Section G** below.

“Local Abatement Funds” are defined in **Section B.2** below.

“Local Government” means all counties and municipalities located within the geographic boundaries of the State of North Carolina that have chosen to sign on to this MOA.

“MDL Matter” means the matter captioned *In re: National Prescription Opiate Litigation*, MDL 2804 pending in the United States District Court for the Northern District of Ohio.

“MDL Parties” means all parties who participated in the matter captioned *In re: National Prescription Opiate Litigation*, MDL 2804 pending in the United States District Court for the Northern District of Ohio as Plaintiffs.

“National Settlement Agreement” means a national opioid settlement agreement with the Parties and one or all of the Settling Defendants concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic.

“Opioid Settlement Funds” shall mean all funds allocated by the National Settlement Agreement and any Bankruptcy Resolutions to the State or Local Governments for purposes of opioid remediation activities or restitution, as well as any repayment of those funds and any interest or investment earnings that may accrue as those funds are temporarily held before being expended on opioid remediation strategies. Not included are funds made available in the National Settlement Agreement or any Bankruptcy Resolutions for the payment of the Parties’ litigation expenses or the reimbursement of the United States Government.

“Parties” means the State of North Carolina and the Local Governments.

“Settling Defendants” means Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson, as well as their subsidiaries, affiliates, officers, and directors named in a National Settlement Agreement.

“State Abatement Fund” is defined in **Section B.2** below.

## **B. Allocation of Settlement Proceeds**

1. Method of distribution. Pursuant to the National Settlement Agreement and any Bankruptcy Resolutions, Opioid Settlement Funds shall be distributed directly to the State and to Local Governments in such proportions and for such uses as set forth in this MOA, provided Opioid Settlement Funds shall not be considered funds of the State or any Local Government unless and until such time as each annual distribution is made.
2. Overall allocation of funds. Opioid Settlement Funds shall be allocated as follows: (i) 15% directly to the State (“State Abatement Fund”), (ii) 80% to abatement funds established by Local Governments (“Local Abatement Funds”), and (iii) 5% to a County Incentive Fund described in **Section G** below.
3. Allocation of funds between Local Governments. The Local Abatement Funds shall be allocated to counties and municipalities in such proportions as set forth in **Exhibit G**, attached hereto and incorporated herein by reference, which is based upon the MDL Matter’s Opioid Negotiation Class Model. The proportions shall not change based on population changes during the term of the MOA. However, to the extent required by the terms of the National Settlement Agreement, the proportions set forth in **Exhibit G** shall be adjusted: (i) to provide no payment from the National Settlement Agreement to any listed county or municipality that does not participate in the National Settlement Agreement; and (ii) to provide a reduced payment from the National Settlement Agreement to any listed county or municipality that signs onto the National Settlement Agreement after the initial participation deadline.
4. Municipal allocations. Within counties and municipalities:

- a. Local Governments receiving payments. The proportions set forth in **Exhibit G** provide for payments directly to (i) all North Carolina counties, (ii) North Carolina municipalities with populations over 75,000 based on the United States Census Bureau's Vintage 2019 population totals, and (iii) North Carolina municipalities who are also MDL Parties as of January 1, 2021.
  - b. Municipality may direct payments to county. Any municipality allocated a share in **Exhibit G** may elect to have its share of current or future annual distributions of Local Abatement Funds instead directed to the county or counties in which it is located. Such an election may be made by January 1 each year to apply to the following fiscal year. If a municipality is located in more than one county, the municipality's funds will be directed based on the MDL Matter's Opioid Negotiation Class Model.
5. Use of funds for opioid remediation activities. This MOA requires that except as related to the payment of the Parties' litigation expenses and the reimbursement of the United States Government, all Opioid Settlement Funds, regardless of allocation, shall be utilized only for opioid remediation activities.
  6. Relationship of this MOA to other agreements and resolutions. All Parties acknowledge and agree the National Settlement Agreement will require a Local Government to release all its claims against the Settling Defendants to receive Opioid Settlement Funds. All Parties further acknowledge and agree based on the terms of the National Settlement Agreement, a Local Government may receive funds through this MOA only after complying with all requirements set forth in the National Settlement Agreement to release its claims. This MOA is not a promise from any Party that any National Settlement Agreement or Bankruptcy Resolution will be finalized or executed.

### C. **Payment of Litigating and Non-Litigating Parties**

No Party engaged in litigating the MDL Matter shall receive a smaller payment than a similarly situated non-litigating Party, other than as based on the Allocation Proportions in **Exhibit G** or based on the eligibility criteria for payments from the County Incentive Fund as provided by **Section G** below.

### D. **Special Revenue Fund**

1. Creation of special revenue fund. Every Local Government receiving Opioid Settlement Funds shall create a separate special revenue fund, as described below, that is designated for the receipt and expenditure of the Opioid Settlement Funds.
2. Procedures for special revenue fund. Funds in this special revenue fund shall not be commingled with any other money or funds of the Local Government. The funds in the

special revenue fund shall not be used for any loans or pledge of assets, unless the loan or pledge is for an opioid remediation purpose consistent with the terms of this MOA and adopted under the process described in **Section E.6** below. Although counties or municipalities may make contracts with or grants to a nonprofit, charity, or other entity, counties or municipalities may not assign to another entity their rights to receive payments from the national settlement or their responsibilities for funding decisions.

3. Interest earned on special revenue fund. The funds in the special revenue fund may be invested, consistent with the investment limitations for local governments, and may be placed in an interest-bearing bank account. Any interest earned on the special revenue fund must be used in a way that is consistent with this MOA.

#### **E. Opioid Remediation Activities.**

1. Limitation on use of funds. Local Governments shall expend Opioid Settlement Funds only for opioid-related expenditures consistent with the terms of this MOA and incurred after the date of the Local Government's execution of this MOA, unless execution of the National Settlement Agreement requires a later date.
2. Opportunity to cure inconsistent expenditures. If a Local Government spends any Opioid Settlement Funds on an expenditure inconsistent with the terms of this MOA, the Local Government shall have 60 days after discovery of the expenditure to cure the inconsistent expenditure through payment of such amount for opioid remediation activities through budget amendment or repayment.
3. Consequences of failure to cure inconsistent expenditures. If a Local Government does not make the cure required by **Section E.2** above within 60 days, (i) future Opioid Fund payments to that Local Government shall be reduced by an amount equal to the inconsistent expenditure, and (ii) to the extent the inconsistent expenditure is greater than the expected future stream of payments to the Local Government, the Attorney General may initiate a process up to and including litigation to recover and redistribute the overage among all eligible Local Governments. The Attorney General may recover any litigation expenses incurred to recover the funds. Any recovery or redistribution shall be distributed consistent with **Sections B.3 and B.4** above.
4. Annual meeting of counties and municipalities within each county. Each county receiving Opioid Settlement Funds shall hold at least one annual meeting with all municipalities in the Local Government's county invited in order to receive input as to proposed uses of the Opioid Settlement Funds and to encourage collaboration between local governments both within and beyond the county. These meetings shall be open to the public.
5. Use of settlement funds under Option A and Option B. Local Governments shall spend Opioid Settlement Funds from the Local Abatement Funds on opioid remediation activities using either or both of the processes described as Option A and Option B below, unless the relevant National Settlement Agreement or Bankruptcy Resolution further limit the spending.

- a. Option A.
  - i. Without any additional strategic planning beyond the meeting described in **Section E.4** above, Local Governments may spend Opioid Settlement Funds from the list of High-Impact Opioid Abatement Strategies attached as **Exhibit A**. This list is a subset of the initial opioid remediation strategies listed in the National Settlement Agreement.
  - ii. **Exhibit A** may be modified as set forth in Exhibit D below; provided, however, that any strategy listed on **Exhibit A** must be within the list of opioid remediation activities for the then-current National Settlement Agreement. Opioid remediation activities undertaken under a previously authorized strategy list may continue if they were authorized at the time of the Local Government's commitment to spend funds on that activity.
- b. Option B.
  - i. A Local Government that chooses to participate in additional voluntary, collaborative, strategic planning may spend Opioid Settlement Funds from the broader list of categories found in **Exhibit B**. This list contains all the initial opioid remediation strategies listed in the National Settlement Agreement.
  - ii. Before spending any funds on any activity listed in **Exhibit B**, but not listed on **Exhibit A**, a Local Government must first engage in the collaborative strategic planning process described in **Exhibit C**. This process shall result in a report and non-binding recommendations to the Local Government's Governing Body described in **Exhibit C** (right-hand column).
  - iii. A Local Government that has previously undertaken the collaborative strategic planning process described in **Exhibit C** and wishes to continue implementing a strategy listed in **Exhibit B**, but not listed in **Exhibit A**, shall undertake a new collaborative strategic planning process every four years (or more often if desired).
  - iv. A Local Government that has previously undertaken the collaborative strategic planning process described in **Exhibit C** that wishes to implement a new strategy listed in **Exhibit B** but not listed in **Exhibit A**, shall undertake a new collaborative strategic planning process.
  - v. Two or more Local Governments may undertake a single collaborative strategic planning process resulting in a report and recommendations to all of the Local Governments involved.

6. Process for drawing from special revenue funds.

- a. Budget item or resolution required. Opioid Settlement Funds can be used for a purpose when the Governing Body includes in its budget or passes a separate resolution authorizing the expenditure of a stated amount of Opioid Settlement Funds for that purpose or those purposes during a specified period of time.
  - b. Budget item or resolution details. The budget or resolution should (i) indicate that it is an authorization for expenditure of opioid settlement funds; (ii) state the specific strategy or strategies the county or municipality intends to fund pursuant to Option A or Option B, using the item letter and/or number in **Exhibit A** or **Exhibit B** to identify each funded strategy, and (iii) state the amount dedicated to each strategy for a stated period of time.
7. Coordination group. A coordination group with the composition and responsibilities described in **Exhibit D** shall meet at least once a year during the first three years that this MOA is in effect. Thereafter, the coordination group shall meet at least once every three years until such time as Opioid Settlement Funds are no longer being spent by Local Governments.

**F. Auditing, Compliance, Reporting, and Accountability**

1. Audits under Local Government Budget and Fiscal Control Act. Local Governments' Opioid Settlement Funds are subject to financial audit by an independent certified public accountant in a manner no less than what is required under G.S. 159-34. Each Local Government must file an annual financial audit of the Opioid Settlement Funds with the Local Government Commission. If any such audit reveals an expenditure inconsistent with the terms of this MOA, the Local Government shall immediately report the finding to the Attorney General.
2. Audits under other acts and requirements. The expenditure of Opioid Settlement Funds is subject to the requirements of the Local Government Budget and Fiscal Control Act, Chapter 159 of the North Carolina General Statutes; Local Government Commission rules; the Federal Single Audit Act of 1984 (as if the Opioid Settlement Funds were federal funds); the State Single Audit Implementation Act; Generally Accepted Government Auditing Standards; and all other applicable laws, rules, and accounting standards. For expenditures for which no compliance audit is required under the Federal Single Audit Act of 1984, a compliance audit shall be required under a compliance supplement approved by the coordination group.
3. Audit costs. Reasonable audit costs that would not be required except for this Section F may be paid by the Local Government from Opioid Settlement Funds..
4. Access to persons and records. During and after the term of this MOA, the State Auditor and Department of Justice shall have access to persons and records related to this MOA and expenditures of Opioid Settlement Funds to verify accounts and data affecting fees or

performance. The Local Government manager/administrator is the point of contact for questions that arise under this MOA.

5. Preservation of records. The Local Government must maintain, for a period of at least five years, records of Opioid Settlement Fund expenditures and documents underlying those expenditures, so that it can be verified that funds are being or have been utilized in a manner consistent with the National Settlement Agreement, any Bankruptcy Resolutions, and this MOA.
6. Reporting.
  - a. Annual financial report required. In order to ensure compliance with the opioid remediation provisions of the National Settlement Agreement, any Bankruptcy Resolutions, and this MOA, for every fiscal year in which a Local Government receives, holds, or spends Opioid Settlement Funds, the county or municipality must submit an annual financial report specifying the activities and amounts it has funded.
  - b. Annual financial report timing and contents. The annual financial report shall be provided to the North Carolina Attorney General by emailing the report to [opioiddocs@ncdoj.gov](mailto:opioiddocs@ncdoj.gov), within 90 days of the last day of the state fiscal year covered by the report. Each annual financial report must include the information described on **Exhibit E**.
  - c. Reporting to statewide opioid settlement dashboard. Each Local Government must provide the following information to the statewide opioid settlement dashboard within the stated timeframes:
    - i. The budget or resolution authorizing the expenditure of a stated amount of Opioid Settlement Funds for a specific purpose or purposes during a specified period of time as described in **Section E.6.b** above (within 90 days of the passage of any such budget or resolution);
    - ii. If the Local Government is using Option B, the report(s) and non-binding recommendations from collaborative strategic planning described in **Section E.5.b.ii** above and **Exhibit C** (right hand column) (within 90 days of the date the report and recommendations are submitted to the local governing body for consideration);
    - iii. The annual financial reports described in Section F.6.a and **Exhibit E** (within 90 days of the end of the fiscal year covered by the report); and
    - iv. The impact information described in **Exhibit F** (within 90 days of the end of the fiscal year covered by the report).

The State will create an online portal with instructions for Local Governments to report or upload each of these four items by electronic means.

- d. Copy to NCDOJ of any additional reporting. If the National Settlement Agreement or any Bankruptcy Resolutions require that a Local Government file, post, or provide a report or other document beyond those described in this MOA, or if any Local Government communicates in writing with any national administrator or other entity created or authorized by the National Settlement Agreement or any Bankruptcy Resolutions regarding the Local Government's compliance with the National Settlement Agreement or Bankruptcy Resolutions, the Local Government shall email a copy of any such report, document, or communication to the North Carolina Department of Justice at [opioiddocs@ncdoj.gov](mailto:opioiddocs@ncdoj.gov).
  - e. Compliance and non-compliance.
    - i. Every Local Government shall make a good faith effort to comply with all of its reporting obligations under this MOA, including the obligations described in **Section F.6.c** above.
    - ii. A Local Government that engages in a good faith effort to comply with its reporting obligations under **Section F.6.c** but fails in some way to report information in an accurate, timely, or complete manner shall be given an opportunity to remedy this failure within a reasonable time.
    - iii. A Local Government that does not engage in a good faith effort to comply with its reporting obligations under this MOA, or that fails to remedy reporting issues within a reasonable time, may be subject to action for breach of contract.
    - iv. Notwithstanding anything to the contrary herein, a Local Government that is in substantial compliance with the reporting obligations in this MOA shall not be considered in breach of this MOA or in breach of contract.
7. Collaboration. The State and Local Governments must collaborate to promote effective use of Opioid Settlement Funds, including through the sharing of expertise, training, technical assistance. They will also coordinate with trusted partners to collect and share information about successful regional and other high-impact strategies and opioid treatment programs.

#### **G. County Incentive Fund**

A Local Government receiving Settlement Proceeds pursuant to **Section B.4.a** shall be an Incentive Eligible Local Government if every municipality in the Local Government's county with population of at least 30,000 has executed this MOA by October 1, 2021, but no later than any such deadline set in the National Settlement Agreement for the highest possible participation in incentive structures for North Carolina. Each Incentive Eligible Local Government shall receive a share of the 5% County Incentive Fund set forth in **Section B.2.iii**, distributed pro rata among only Incentive Eligible Local Governments as set forth in **Exhibit G**. For purposes of the calculations required by this Section, populations will be based on United States Census Bureau's Vintage 2019 population totals, and a municipality with populations in multiple counties will be counted only toward the county which has the largest share of that municipality's population.

## H. Effectiveness

1. When MOA takes effect. This MOA shall become effective at the time a sufficient number of Local Governments have joined the MOA to qualify this MOA as a State-Subdivision Agreement under the National Settlement Agreement or any Bankruptcy Resolution. If this MOA does not thereby qualify as a State-Subdivision Agreement, this MOA will have no effect.
2. Amendments to MOA.
  - a. Amendments to conform to final national documents. The Attorney General, with the consent of a majority vote from a group of Local Government attorneys appointed by the Association of County Commissioners, may initiate a process to amend this MOA to make any changes required by the final provisions of the National Settlement Agreement or any Bankruptcy Resolution. The Attorney General's Office will provide written notice of the necessary amendments to all the previously joining parties. Any previously joining party will have a two-week opportunity to withdraw from the MOA. The amendments will be effective to any party that does not withdraw.
  - b. Coordination group. The coordination group may make the changes authorized in **Exhibit D**.
  - c. No amendments to allocation between Local Governments. Notwithstanding any other provision of this MOA, the allocation proportions set forth in **Exhibit G** may not be amended.
  - d. General amendment power. After execution, the coordination group may propose other amendments to the MOA, subject to the limitation in **Section H.2.c** above. Such amendments will take effect only if approved in writing by the Attorney General and at least two-thirds of the Local Governments who are Parties to this MOA. In the vote, each Local Government Party will have a number of votes measured by the allocation proportions set forth in **Exhibit G**.
3. Acknowledgement. The Parties acknowledge that this MOA is an effective and fair way to address the needs arising from the public health crisis due to the misconduct committed by the Pharmaceutical Supply Chain Participants.
4. When MOA is no longer in effect. This MOA is effective until one year after the last date on which any Opioid Settlement Funds are being spent by Local Governments pursuant to the National Settlement Agreement and any Bankruptcy Resolution.
5. Application of MOA to settlements and bankruptcy resolutions. This MOA applies to all settlements under the National Settlement Agreement with the Settling Defendants and any Bankruptcy Resolutions. The Parties agree to discuss the use, as the Parties may deem appropriate in the future, of the settlement terms set out herein (after any necessary

amendments) for resolutions with Pharmaceutical Supply Chain Participants not covered by the National Settlement Agreement or a Bankruptcy Resolution.

6. Applicable law and venue. Unless required otherwise by the National Settlement Agreement or a Bankruptcy Resolution, this MOA shall be interpreted using North Carolina law and any action related to the provisions of this MOA must be adjudicated by the Superior Court of Wake County. If any provision of this MOA is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision which can be given effect without the invalid provision.
7. Scope of MOA. The Parties acknowledge that this MOA does not excuse any requirements placed upon them by the terms of the National Settlement Agreement or any Bankruptcy Resolution, except to the extent those terms allow for a State-Subdivision Agreement to do so.
8. No third party beneficiaries. No person or entity is intended to be a third party beneficiary of this MOA.
9. No effect on authority of parties. Nothing in this MOA shall be construed to affect or constrain the authority of the Parties under law.
10. Signing and execution of MOA. This MOA may be signed and executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. A signature transmitted by facsimile or electronic image shall be deemed an original signature for purposes of executing this MOA. Each person signing this MOA represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this MOA, and that all necessary approvals and conditions precedent to his or her execution have been satisfied.

*(Signature pages follow.)*

Signature pages will be structured as one page for the State of North Carolina,  
followed by separate signature pages for each county.

These signature pages will also include blanks for the county's municipalities.

To avoid having 101 signature pages in the middle of this file,  
the signature pages are in a separate document.

**EXHIBIT A TO NC MOA:  
HIGH-IMPACT OPIOID ABATEMENT STRATEGIES (“OPTION A” List)**

*In keeping with the National Settlement Agreement, opioid settlement funds may support programs or services listed below that serve persons with Opioid Use Disorder (OUD) or any co-occurring Substance Use Disorder (SUD) or mental health condition.*

*As used in this list, the words “fund” and “support” are used interchangeably and mean to create, expand, or sustain a program, service, or activity.*

1. **Collaborative strategic planning.** Support collaborative strategic planning to address opioid misuse, addiction, overdose, or related issues, including staff support, facilitation services, or any activity or combination of activities listed in Exhibit C to the MOA (collaborative strategic planning).
2. **Evidence-based addiction treatment.** Support evidence-based addiction treatment consistent with the American Society of Addiction Medicine’s national practice guidelines for the treatment of opioid use disorder – including Medication-Assisted Treatment (MAT) with any medication approved for this purpose by the U.S. Food and Drug Administration – through Opioid Treatment Programs, qualified providers of Office-Based Opioid Treatment, Federally Qualified Health Centers, treatment offered in conjunction with justice system programs, or other community-based programs offering evidence-based addiction treatment. This may include capital expenditures for facilities that offer evidence-based treatment for OUD. (If only a portion of a facility offers such treatment, then only that portion qualifies for funding, on a pro rata basis.)
3. **Recovery support services.** Fund evidence-based recovery support services, including peer support specialists or care navigators based in local health departments, social service offices, detention facilities, community-based organizations, or other settings that support people in treatment or recovery, or people who use drugs, in accessing addiction treatment, recovery support, harm reduction services, primary healthcare, or other services or supports they need to improve their health or well-being.
4. **Recovery housing support.** Fund programs offering recovery housing support to people in treatment or recovery, or people who use drugs, such as assistance with rent, move-in deposits, or utilities; or fund recovery housing programs that provide housing to individuals receiving Medication-Assisted Treatment for opioid use disorder.
5. **Employment-related services.** Fund programs offering employment support services to people in treatment or recovery, or people who use drugs, such as job training, job skills, job placement, interview coaching, resume review, professional attire, relevant courses at community colleges or vocational schools, transportation services or transportation vouchers to facilitate any of these activities, or similar services or supports.
6. **Early intervention.** Fund programs, services, or training to encourage early identification and intervention for children or adolescents who may be struggling with problematic use of drugs or mental health conditions, including Youth Mental Health

First Aid, peer-based programs, or similar approaches. Training programs may target parents, family members, caregivers, teachers, school staff, peers, neighbors, health or human services professionals, or others in contact with children or adolescents.

7. **Naloxone distribution.** Support programs or organizations that distribute naloxone to persons at risk of overdose or their social networks, such as Syringe Service Programs, post-overdose response teams, programs that provide naloxone to persons upon release from jail or prison, emergency medical service providers or hospital emergency departments that provide naloxone to persons at risk of overdose, or community-based organizations that provide services to people who use drugs. Programs or organizations involved in community distribution of naloxone may, in addition, provide naloxone to first responders.
8. **Post-overdose response team.** Support post-overdose response teams that connect persons who have experienced non-fatal drug overdoses to addiction treatment, recovery support, harm reduction services, primary healthcare, or other services or supports they need to improve their health or well-being.
9. **Syringe Service Program.** Support Syringe Service Programs operated by any governmental or nongovernmental organization authorized by section 90-113.27 of the North Carolina General Statutes that provide syringes, naloxone, or other harm reduction supplies; that dispose of used syringes; that connect clients to prevention, treatment, recovery support, behavioral healthcare, primary healthcare, or other services or supports they need; or that provide any of these services or supports.
10. **Criminal justice diversion programs.** Support pre-arrest or post-arrest diversion programs, or pre-trial service programs, that connect individuals involved or at risk of becoming involved in the criminal justice system to addiction treatment, recovery support, harm reduction services, primary healthcare, prevention, or other services or supports they need, or that provide any of these services or supports.
11. **Addiction treatment for incarcerated persons.** Support evidence-based addiction treatment, including Medication-Assisted Treatment with at least one FDA-approved opioid agonist, to persons who are incarcerated in jail or prison.
12. **Reentry Programs.** Support programs that connect incarcerated persons to addiction treatment, recovery support, harm reduction services, primary healthcare, or other services or supports they need upon release from jail or prison, or that provide any of these services or supports.

**EXHIBIT B TO NC MOA:**

**Additional Opioid Remediation Activities (“OPTION B” List)**

*This list shall be automatically updated to match the list of approved strategies in the most recent National Settlement Agreement.*

**PART ONE: TREATMENT**

**A. TREAT OPIOID USE DISORDER (OUD)**

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:<sup>1</sup>

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication-Assisted Treatment (MAT) approved by the U.S. Food and Drug Administration.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (ASAM) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MAT, as well as counseling, psychiatric support, and other treatment and recovery support services.
4. Improve oversight of Opioid Treatment Programs (OTPs) to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.
5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Treatment of trauma for individuals with OUD (e.g., violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (e.g., surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.
7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.

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<sup>1</sup> As used in this Exhibit B, words like “expand,” “fund,” “provide” or the like shall not indicate a preference for new or existing programs.

8. Training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.
10. Fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD or mental health conditions, including but not limited to training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (DATA 2000) to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Dissemination of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service-Opioids web-based training curriculum and motivational interviewing.
14. Development and dissemination of new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication-Assisted Treatment.

## **B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY**

Support people in treatment for or recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.
3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.
4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.

5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.
10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.
11. Training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

### **C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)**

Provide connections to care for people who have – or at risk of developing – OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund Screening, Brief Intervention and Referral to Treatment (SBIRT) programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.

3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.
6. Training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.
7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically-appropriate follow-up care through a bridge clinic or similar approach.
8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.
10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace.
14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

#### **D. ADDRESS THE NEEDS OF CRIMINAL-JUSTICE-INVOLVED PERSONS**

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice

system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
  - a. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative (PAARI);
  - b. Active outreach strategies such as the Drug Abuse Response Team (DART) model;
  - c. “Naloxone Plus” strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
  - d. Officer prevention strategies, such as the Law Enforcement Assisted Diversion (LEAD) model;
  - e. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
  - f. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.
2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.
3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.
4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.
5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison, have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
6. Support critical time interventions (CTI), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
7. Provide training on best practices for addressing the needs of criminal-justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

**E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME**

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal abstinence syndrome (NAS), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women – or women who could become pregnant – who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Training for obstetricians or other healthcare personnel that work with pregnant women and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; expand long-term treatment and services for medical monitoring of NAS babies and their families.
5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with Neonatal Abstinence Syndrome get referred to appropriate services and receive a plan of safe care.
6. Child and family supports for parenting women with OUD and any co-occurring SUD/MH conditions.
7. Enhanced family supports and child care services for parents with OUD and any co-occurring SUD/MH conditions.
8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
9. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including but not limited to parent skills training.
10. Support for Children's Services – Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

## **PART TWO: PREVENTION**

### **F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS**

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Fund medical provider education and outreach regarding best prescribing practices for opioids consistent with Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Support enhancements or improvements to Prescription Drug Monitoring Programs (PDMPs), including but not limited to improvements that:
  - a. Increase the number of prescribers using PDMPs;
  - b. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
  - c. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increase electronic prescribing to prevent diversion or forgery.
8. Educate Dispensers on appropriate opioid dispensing.

### **G. PREVENT MISUSE OF OPIOIDS**

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Fund media campaigns to prevent opioid misuse.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Fund community anti-drug coalitions that engage in drug prevention efforts.
6. Support community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction – including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration (SAMHSA).
7. Engage non-profits and faith-based communities as systems to support prevention.
8. Fund evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or other drug misuse.

## **H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)**

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increase availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, individuals at high risk of overdose, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities that provide free naloxone to anyone in the community.

3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enable school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expand, improve, or develop data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.
7. Public education relating to immunity and Good Samaritan laws.
8. Educate first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expand access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Support mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.
12. Provide training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.
13. Support screening for fentanyl in routine clinical toxicology testing.

### **PART THREE: OTHER STRATEGIES**

#### **I. FIRST RESPONDERS**

In addition to items in sections C, D, and H of this Exhibit relating to first responders, support the following:

1. Educate law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

## **J. LEADERSHIP, PLANNING AND COORDINATION**

Support efforts to provide leadership, planning, coordination, facilitation, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local, or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services; to support training and technical assistance; or to support other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
2. A dashboard to share reports, recommendations, or plans to spend Opioid Settlement Funds; to show how Opioid Settlement Funds have been spent; to report program or strategy outcomes; or to track, share, or visualize key opioid-related or health-related indicators and supports as identified through collaborative statewide, regional, local, or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
4. Provide resources to staff government oversight and management of opioid abatement programs.

## **K. TRAINING**

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (e.g., health care, primary care, pharmacies, PDMPs, etc.).

## **L. RESEARCH**

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection, and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.

3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.
4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (e.g. Hawaii HOPE and Dakota 24/7).
7. Epidemiological surveillance of OUD-related behaviors in critical populations including individuals entering the criminal justice system, including but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring (ADAM) system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.

**EXHIBIT C to NC MOA:  
COLLABORATIVE STRATEGIC PLANNING PROCESS UNDER OPTION B**

	<b>ACTIVITY NAME</b>	<b>ACTIVITY DETAIL</b>	<b>CONTENT OF REPORT &amp; RECOMMENDATIONS</b>
A	Engage diverse stakeholders	Engage diverse stakeholders, per "ITEM A DETAIL" below, throughout the collaborative strategic planning process	Report on stakeholder engagement per "ITEM A DETAIL" below
B	Designate facilitator	Designate a person or entity to facilitate the strategic collaborative planning process. Consider a trained, neutral facilitator.	Identify the facilitator
C	Build upon any related planning	Build upon or coordinate with prior or concurrent planning efforts that address addiction, drug misuse, overdose, or related issues, including but not limited to community health assessments.	Report any related planning efforts you will build upon or coordinate with
D	Agree on shared vision	Agree on a shared vision for positive community change, considering how strategic investments of Opioid Settlement Funds have the potential to improve community health and well-being and address root causes of addiction, drug misuse, overdose, and related issues	Report on shared vision for positive community change
E	Identify key indicator(s)	Identify one or more population-level measures to monitor in order to gauge progress towards the shared vision. (The NC Opioid Action Plan Data Dashboard contains several such measures.)	Report on the key indicators selected
F	Identify and explore root causes	Explore root causes of addiction, drug misuse, overdose, and related issues in the community, using quantitative data as well as stakeholder narratives, community voices, the stories of those with lived experience, or similar qualitative information	Report on root causes as described
G	Identify and evaluate potential strategies	Identify potential strategies to address root causes or other aspects of the opioid epidemic; identify these strategies (by letter or number) on EXHIBIT A or EXHIBIT B, and consider the effectiveness of each strategy based on available evidence	Identify and evaluate potential strategies
H	Identify gaps in existing efforts	For each potential strategy identified (or for favored strategies), survey existing programs, services, or supports that address the same or similar issues; and identify gaps or shortcomings	Report on survey of and gaps in existing efforts
I	Prioritize strategies	Prioritize strategies, taking into account your shared vision, analysis of root causes, evaluation of each strategy, and analysis of gaps in existing efforts	Report on prioritization of strategies
J	Identify goals, measures, and evaluation plan	For each strategy (or favored strategy), develop goals and an evaluation plan that includes at least one process measure (How much did you do?), at least one quality measure (How well did you do it?), and at least one outcome measure (Is anyone better off?)	Report on goals, measures, and evaluation plan for each chosen strategy
K	Consider ways to align strategies	For each potential strategy identified (or for favored strategies), consider opportunities to braid Opioid Settlement Funds with other funding streams; develop regional solutions; form strategic partnerships; or to pursue other creative solutions	Report on opportunities to align strategies as described
L	Identify organizations	Identify organizations and agencies with responsibility to implement each strategy; and identify the human, material, and capital resources to implement each strategy	Identify organizations and needs to implement each strategy

M	Develop budgets and timelines	Develop a detailed global budget for each strategy with anticipated expenditures, along with timelines for completing components of each strategy	Report budgets and timelines for each strategy
N	Offer recommendations	Offer recommendations to local governing body (e.g., the county board, city council, or other local governing body)	Report recommendations to governing body

### ITEM A DETAIL: STAKEHOLDER INVOLVEMENT

	STAKEHOLDERS	DESCRIPTION	CONTENT OF REPORT & RECOMMENDATIONS
A-1	Local officials	County and municipal officials, such as those with responsibility over public health, social services, and emergency services	Report stakeholder involvement (who and how involved in process)
A-2	Healthcare providers	Hospitals and health systems, addiction professionals and other providers of behavioral health services, medical professionals, pharmacists, community health centers, medical safety net providers, and other healthcare providers	same as above
A-3	Social service providers	Providers of human services, social services, housing services, and community health services such as harm reduction, peer support, and recovery support services	same
A-4	Education and employment service providers	Educators, such as representatives of K-12 schools, community colleges, and universities; and those providing vocational education, job skills training, or related employment services	same
A-5	Payers and funders	Health care payers and funders, such as managed care organizations, prepaid health plans, LME-MCOs, private insurers, and foundations	same
A-6	Law enforcement	Law enforcement and corrections officials	same
A-7	Employers	Employers and business leaders	same
A-8	Community groups	Community groups, such as faith communities, community coalitions that address drug misuse, groups supporting people in recovery, youth leadership organizations, and grassroots community organizations	same
A-9	Stakeholders with "lived experience"	Stakeholders with "lived experience," such as people with addiction, people who use drugs, people in medication-assisted or other treatment, people in recovery, people with criminal justice involvement, and family members or loved ones of the individuals just listed	same
A-10	Stakeholders reflecting diversity of community	Stakeholders who represent the racial, ethnic, economic, and cultural diversity of the community, such as people of color, Native Americans, members of the LGBTQ community, and members of traditionally unrepresented or underrepresented groups	same

**EXHIBIT D TO NC MOA:  
COORDINATION GROUP**

**COMPOSITION**

The Coordination Group shall consist of the following twelve members:

Five Local Government Representatives

- Four appointed by the North Carolina Association of County Commissioners including:
  - One county commissioner
  - One county manager
  - One county attorney
  - One county local health director or consolidated human services director
- One municipal manager appointed by the North Carolina League of Municipalities

Four Experts Appointed by the Department of Health and Human Services

- Four appointed by the Secretary of the Department of Health and Human Services, having relevant experience or expertise with programs or policies to address the opioid epidemic, or with behavioral health, public health, health care, harm reduction, social services, or emergency services.

One Expert Appointed by the Attorney General

- One appointed by the Attorney General of North Carolina from the North Carolina Department of Justice or another state agency, having drug policy or behavioral health experience or expertise.

Two Experts Appointed by Legislative Leaders

- One representative from the University of North Carolina School of Government with relevant expertise appointed by the Speaker of the North Carolina House of Representatives.
- One representative from the board or staff of the North Carolina Institute of Medicine with relevant expertise appointed by the President Pro Tem of the North Carolina Senate.

The coordination group may appoint a non-voting administrator to convene meetings and facilitate the work of the coordination group. The administrator will not be paid from the Opioid Settlement Funds distributed under this MOA.

Appointees shall have relevant experience or expertise with programs or policies to address the opioid epidemic, behavioral health, public health, health care, social services, emergency services, harm reduction, management of local government, or other relevant areas.

Those responsible for making appointments to the coordination group are encouraged to appoint individuals who reflect the diversity of North Carolina, taking into consideration the need for geographic diversity; urban and rural perspectives; representation of people of color and

traditionally underrepresented groups; and the experience and perspective of persons with “lived experience.” Those responsible for making appointments may appoint a successor or replace a member at any time. Members of the coordination group serve until they resign or are replaced by the appointer. Eight members of the coordination group constitutes a quorum.

## RESPONSIBILITIES

- a. As provided in **Section F.2** of the MOA, where no compliance audit would be required under the Federal Single Audit Act of 1984 for expenditures of Opioid Settlement Funds, a compliance audit shall be required under a compliance supplement established by a vote of at least 8 members of the coordination group. The compliance supplement shall address, at least, procedures for determining:
  - i. Whether the Local Government followed the procedural requirements of the MOA in ordering the expenditures.
  - ii. Whether the Local Government’s expenditures matched one of the types of opioid-related expenditures listed in **Exhibit A** of the MOA (if the Local Government selected Option A) or **Exhibit B** of the MOA (if the Local Government selected Option B).
  - iii. Whether the Local Government followed the reporting requirements in the MOA.
  - iv. Whether the Local Government (or sub-recipient of any grant or loan, if applicable) utilized the awarded funds for their stated purpose, consistent with this MOA and other relevant standards.
  - v. Which processes (such as sampling) shall be used:
    - i. To keep the costs of the audit at reasonable levels; and
    - ii. Tailor audit requirements for differing levels of expenditures among different counties.
- b. The coordination group may, by a vote of at least 8 members, propose amendments to the MOA as discussed in **Section H** of the MOA or modify any of the following:
  - i. The high-impact strategies discussed in **Section E.5** of the MOA and described in **Exhibit A** to the MOA;
  - ii. The collaborative strategic planning process discussed in **Section E.5** of the MOA and described in **Exhibit C** to the MOA;
  - iii. The annual financial report discussed in **Section F.4** of the MOA and described in **Exhibit E** to the MOA;
  - iv. The impact information discussed in **Section F.4** of the MOA and described in **Exhibit F** to the MOA; or
  - v. Other information reported to the statewide opioid dashboard.

- c. The coordination group may, by consensus or by vote of a majority of members present and voting, work with the parties to this MOA, the North Carolina Association of County Commissioners, the North Carolina League of Municipalities, other associations, foundations, non-profits, and other government or nongovernment entities to provide support to Local Governments in their efforts to effectuate the goals and implement the terms of this MOA. Among other activities, the coordination group may coordinate, facilitate, support, or participate in any of the following activities:
- i. Providing assistance to Local Governments in identifying, locating, collecting, analyzing, or reporting data used to help address the opioid epidemic or related challenges, including data referred to in **Exhibit F**;
  - ii. Developing resources or providing training or technical assistance to support Local Governments in addressing the opioid epidemic and carrying out the terms of this MOA;
  - iii. Developing pilot programs, trained facilitators, or other resources to support the collaborative strategic planning process described in this MOA;
  - iv. Developing and implementing a voluntary learning collaborative among Local Governments and others to share best practices in carrying out the terms of this MOA and addressing the opioid epidemic, including in-person or virtual convenings or connections;
  - v. Developing voluntary leadership training programs for local officials on strategies to address the opioid epidemic, opportunities for Local Governments to harness the ongoing transition to value-based healthcare, and other relevant topics;
  - vi. Taking other actions that support Local Governments in their efforts to effectuate the goals and implement the terms of this MOA but do not in any way change the terms of this MOA or the rights or obligations of parties to this MOA.

**EXHIBIT E TO NC MOA:  
ANNUAL FINANCIAL REPORT**

Each annual financial report must include the following financial information:

1. The amount of Opioid Settlement Funds in the special revenue fund at the beginning of the fiscal year (July 1).
2. The amount of Opioid Settlement Funds received during the fiscal year.
3. The amount of Opioid Settlement Funds disbursed or applied during the fiscal year, broken down by funded strategy (with any permissible common costs prorated among strategies).
4. The amount of Opioid Settlement Funds used to cover audit costs as provided in Section F.3 of this MOA.
5. The amount of Opioid Settlement Funds in the special revenue fund at the end of the fiscal year (June 30).

All Local Governments that receive two-tenths of one percent (0.2 percent) or more of the total Local Government Allocation as listed in **Exhibit G** shall provide the following additional information:

6. For all Opioid Settlement Funds disbursed or applied during the fiscal year as reported in item 3 above, a single breakdown of the total amount disbursed or applied for all funded strategies during the fiscal year into the following categories:
  - a. Human resource expenditures.
  - b. Subcontracts, grants, or other payments to sub-recipients involved in implementing of the funded strategies listed item 4 above.
  - c. Operational expenditures.
  - d. Capital expenditures.
  - e. Other expenditures.
7. With respect to item 6.b above, the Local Government shall provide the following information for any sub-recipient that receives ten percent or more of the total amount that the Local Government disbursed or applied during the fiscal year:
  - a. The name of the sub-recipient.
  - b. The amount received by the sub-recipient during the fiscal year.
  - c. A very brief description of the goods, services, or other value provided by the sub-recipient (for example, “addiction treatment services” or “peer-support services” or “syringe service program” or “naloxone purchase”).

The coordination group may clarify or modify specifications for this annual financial report as provided in Exhibit D.

## **EXHIBIT F TO NC MOA: IMPACT INFORMATION**

Within 90 days of the end of any fiscal year in which a Local Government expends Opioid Settlement Funds, the Local Government shall report impact information for each strategy that it funded with Opioid Settlement Funds during that fiscal year (“funded strategy”), using the STANDARD FORM or the SHORT FORM for each funded strategy.

The STANDARD FORM is recommended to all Local Governments for all funded strategies. However, Local Governments may use the SHORT FORM as follows:

- All Local Governments that receive less than 0.2 percent (two-tenths of one percent) of the total Local Government Allocation as shown on **Exhibit G** may use the SHORT FORM for all funded strategies.
- All Local Governments that receive 0.2 percent (two-tenths of one percent) or more but less than 0.3 percent (three-tenths of one percent) of the total Local Government Allocation as shown on **Exhibit G** must use the STANDARD FORM for the funded strategy that received the largest amount of settlement funds during the fiscal year and may use the SHORT FORM for all other funded strategies.
- All Local Governments that receive 0.3 percent (three-tenths of one percent) or more but less than 0.4 percent (four-tenths of one percent) of the total Local Government Allocation as shown on **Exhibit G** must use the STANDARD FORM for the two funded strategies that received the largest amount of settlement funds during the fiscal year and may use the SHORT FORM for all other funded strategies.

### **STANDARD FORM**

1. County or municipality and fiscal year covered by this report.
2. Name, title, and organization of person completing this report.
3. Name of funded strategy, letter and/or number of funded strategy on **Exhibit A** or **Exhibit B** to the MOA, and number and date of resolution(s) authorizing expenditure of settlement funds on funded strategy.
4. **Brief progress report** describing the funded strategy and progress made during the fiscal year. Recommended length: approximately one page (250 words).
5. **Brief success story** from a person who has benefitted from the strategy (de-identified unless the person has agreed in writing to be identified). Recommended length: approximately one page (250 words).
6. **One or more process measures**, addressing the question, “How much did you do?”  
Examples: number of persons enrolled, treated, or served; number of participants trained; units of naloxone or number of syringes distributed.
7. **One or more quality measures**, addressing the question, “How well did you do it?”  
Examples: percentage of clients referred to care or engaged in care; percentage of staff with

certification, qualification, or lived experience; level of client or participant satisfaction shown in survey data.

8. **One or more outcome measures**, addressing the question, “Is anyone better off?”  
Examples: number or percentage of clients with stable housing or employment; self-reported measures of client recovery capital, such as overall well-being, healthy relationships, or ability to manage affairs; number or percentage of formerly incarcerated clients receiving community services or supports within X days of leaving jail or prison.
9. In connection with items 6, 7, and 8 above, **demographic information** on the participation or performance of people of color and other historically marginalized groups.

The State will provide counties and municipalities with recommended measures and sources of data for common opioid remediation strategies such as those listed in **Exhibit A**.

Counties or municipalities that have engaged in collaborative strategic planning are encouraged to use the measures for items 6 through 8 above identified through that process.

### **SHORT FORM**

1. County or municipality and fiscal year covered by this report.
2. Name, title, and organization of person completing this report.
3. Name of funded strategy, letter and/or number of funded strategy on **Exhibit A** or **Exhibit B** to the MOA, and number and date of resolution(s) authorizing expenditure of settlement funds on strategy.
4. **Brief progress report** describing the funded strategy and progress made on the funded strategy during the fiscal year. Recommended length: approximately one-half to one page (125-250 words).

**EXHIBIT G TO NC MOA:  
LOCAL GOVERNMENT ALLOCATION PROPORTIONS**

## Counties:

Alamance	1.378028967612490%
Alexander	0.510007879580514%
Alleghany	0.149090598929352%
Anson	0.182192960366522%
Ashe	0.338639188321974%
Avery	0.265996766935006%
Beaufort	0.477888434887858%
Bertie	0.139468575095652%
Bladen	0.429217809476617%
Brunswick	2.113238507591200%
Buncombe	2.511587857322730%
Burke	2.090196827047270%
Cabarrus	1.669573446626000%
Caldwell	1.276301146194650%
Camden	0.073036400412663%
Carteret	1.128465593852300%
Caswell	0.172920237524674%
Catawba	2.072695222699690%
Chatham	0.449814383077585%
Cherokee	0.782759152904478%
Chowan	0.113705596126821%
Clay	0.224429948904576%
Cleveland	1.119928027749120%
Columbus	1.220936938986050%
Craven	1.336860190247190%
Cumberland	2.637299659634610%
Currituck	0.186778551294444%
Dare	0.533126731273811%
Davidson	1.940269530393250%
Davie	0.513147526867745%
Duplin	0.382785147396895%
Durham	1.797994362444460%
Edgecombe	0.417101939026669%
Forsyth	3.068450809484740%
Franklin	0.500503643290578%
Gaston	3.098173886907710%
Gates	0.079567516632414%
Graham	0.183484561708488%
Granville	0.590103409340146%

Greene	0.123274818647799%
Guilford	3.375015231147900%
Halifax	0.453161173976264%
Harnett	0.988980772198890%
Haywood	0.803315110111045%
Henderson	1.381595087040930%
Hertford	0.206843050128754%
Hoke	0.332485804570157%
Hyde	0.027237354085603%
Iredell	2.115931374540020%
Jackson	0.507757731330674%
Johnston	1.250887468217670%
Jones	0.087966986994631%
Lee	0.653115683614534%
Lenoir	0.604282592625687%
Lincoln	0.926833627125253%
Macon	0.466767666100745%
Madison	0.237776496104888%
Martin	0.232882220579515%
McDowell	0.587544576492856%
Mecklenburg	5.038301259920550%
Mitchell	0.309314151564137%
Montgomery	0.226050543041193%
Moore	0.971739112775481%
Nash	0.845653639635102%
New Hanover	2.897264892001010%
Northampton	0.120996238921878%
Onslow	1.644001364710850%
Orange	1.055839419023090%
Pamlico	0.119936151028001%
Pasquotank	0.374816210815334%
Pender	0.585749331860312%
Perquimans	0.111833180344914%
Person	0.403024296727131%
Pitt	1.369008066415930%
Polk	0.266142985954851%
Randolph	1.525433986174180%
Richmond	0.749132839979529%
Robeson	1.359735343574080%
Rockingham	1.365368837477560%
Rowan	2.335219287913370%
Rutherford	0.928941617994687%
Sampson	0.619513740526226%
Scotland	0.449148274209402%

Stanly	0.724974208589555%
Stokes	0.623953112434303%
Surry	1.410826706091650%
Swain	0.281162928604502%
Transylvania	0.497595509451435%
Tyrrell	0.041440907207785%
Union	1.466702679869700%
Vance	0.536258255282162%
Wake	4.902455667205510%
Warren	0.106390583495122%
Washington	0.074770720453604%
Watauga	0.469675799939888%
Wayne	0.970699333078804%
Wilkes	1.997177160589100%
Wilson	0.646470841490459%
Yadkin	0.562147145073638%
Yancey	0.382114976889272%

## Municipalities:

Asheville	0.235814724255298%
Canton	0.011453823221205%
Cary	0.144151645370137%
Charlotte	1.247483814366830%
Concord	0.227455870287483%
Durham	0.380405026684971%
Fayetteville	0.309769055181433%
Gastonia	0.257763823789835%
Greensboro	0.527391696384329%
Greenville	0.162656474659432%
Henderson	0.032253478794181%
Hickory	0.094875835682315%
High Point	0.206428762905859%
Jacksonville	0.095009869783840%
Raleigh	0.566724612722679%
Wilmington	0.119497493968465%
Winston-Salem	0.494459923803644%

**MEMORANDUM OF AGREEMENT  
BETWEEN THE STATE OF NORTH CAROLINA AND LOCAL GOVERNMENTS  
ON PROCEEDS RELATING TO THE SETTLEMENT OF OPIOID LITIGATION**

IN WITNESS WHEREOF, the parties, through their duly authorized officers, have executed this Memorandum of Agreement under seal as of the date hereof.

**SIGNATURE PAGE FOR MECKLENBURG COUNTY AND ITS MUNICIPALITIES**

County Government

**MECKLENBURG COUNTY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Municipal Governments with Populations Over 30,000

**CITY OF CHARLOTTE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TOWN OF CORNELIUS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TOWN OF HUNTERSVILLE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TOWN OF MATTHEWS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Other Municipal Governments

**TOWN OF DAVIDSON**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TOWN OF MINT HILL**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



## HOW NORTH CAROLINA WOULD USE OPIOID SETTLEMENT FUNDS: FREQUENTLY ASKED QUESTIONS ON THE MEMORANDUM OF AGREEMENT BETWEEN STATE AND LOCAL GOVERNMENTS IN NORTH CAROLINA

### **GENERAL QUESTIONS**

#### 1. What is the North Carolina Memorandum of Agreement (NC MOA)?

The NC MOA governs how North Carolina would use the proceeds of any future national settlement or bankruptcy resolution with five companies over their role in fueling the opioid epidemic. The five companies are the “big three” drug distributors (Cardinal, McKesson, and AmerisourceBergen), the opioid manufacturer Johnson & Johnson, and the opioid manufacturer Purdue Pharma (now in bankruptcy proceedings). Throughout this FAQ, the term “opioid settlement funds” refers to the proceeds of any future national settlement or bankruptcy resolution with any of these five companies.

#### 2. Why is the NC MOA important?

The opioid epidemic has taken the lives of more than 16,000 North Carolinians, torn families apart, and ravaged communities from the mountains to the coast. Just as we began to make progress in combatting the epidemic, the COVID-19 pandemic caused a new wave of isolation, despair, drug misuse and overdose death. Individuals, families, and entire communities continue to suffer and struggle.

The opioid epidemic was fueled by irresponsible marketing and inadequate monitoring on the part of opioid makers and distributors. Settlements with the big three drug distributors and Johnson & Johnson, and a resolution of the Purdue Pharma bankruptcy proceedings, have the potential to bring as much as \$850 million to North Carolina over an 18-year period to support state and local efforts to address the epidemic.

The NC MOA is an important step forward in our collective effort to hold these companies accountable for their behavior and to direct much-needed resources to communities across the state as they work to address the epidemic and its aftermath.

3. What are the most important features of the NC MOA?

**All funds to address the opioid epidemic.** The NC MOA provides that all opioid settlement funds will be used to address the opioid epidemic, with an emphasis on high-impact strategies and collaborative strategic planning.

**Maximum resources to North Carolina communities.** For our state to receive the maximum payout under any national settlements with the big three drug distributors or Johnson & Johnson, all relevant parties – including the state itself, all 100 counties, and all large and medium-sized municipalities – would have to sign onto the NC MOA and those national settlement agreements.

To achieve that goal, and to maximize resources flowing to communities on the front lines of the epidemic, the NC MOA would direct settlement funds as follows:

- 15% to the state (which the General Assembly would have authority to appropriate on a wide range of strategies to address the epidemic)
- 80% to local governments, including all 100 counties plus 17 municipalities, allocated among those counties and municipalities through a formula developed by attorneys representing local governments in national litigation
- An additional 5% percent into an incentive fund for any county (and any municipality in that county already receiving settlement funds under the NC MOA) in which the county itself and every municipality with at least 30,000 residents (based on 2019 population totals) in the county signs the NC MOA

**High level of transparency and accountability.** The NC MOA offers a high level of transparency and accountability for the use of opioid settlement funds by local governments, including special revenue funds subject to audit, annual financial and impact reports, and a public dashboard showing how they are using settlement funds to address the epidemic.

4. How does the NC MOA ensure that opioid settlement funds would be spent on strategies to address the epidemic?

Any national settlement with the big three drug distributors or Johnson & Johnson, and any resolution of the Purdue Pharmacy bankruptcy matter, will direct state and local governments to use most opioid settlement funds to address the epidemic.

Consistent with this principle, the NC MOA offers local governments two options:

- Under Option A, a local government may fund one or more strategies from a shorter list of evidence-based, high-impact strategies to address the epidemic.
- Under Option B, a local government may fund one or more strategies from a longer list of strategies after engaging in a collaborative strategic planning process involving a diverse array of stakeholders at the local level.

5. What are the Option A strategies?

Under Option A, local governments may use opioid settlement funds to support programs or services listed below that serve persons with Opioid Use Disorder (OUD) or any co-occurring Substance Use Disorder (SUD) or mental health conditions. Specifically, under Option A, local governments may use opioid settlement proceeds to fund:

1. Collaborative strategic planning
2. Evidence-based addiction treatment
3. Recovery support services
4. Recovery housing support
5. Employment-related services
6. Early intervention programs
7. Naloxone distribution
8. Post-overdose response teams
9. Syringe service programs
10. Criminal justice diversion programs
11. Addiction treatment for incarcerated persons
12. Reentry programs for recently incarcerated persons

(See NC MOA Exhibit A for additional detail.)

6. What are the Option B strategies?

Option B includes a wider array of strategies that would be allowed under any national settlement with the big three drug distributors or Johnson & Johnson, or under a resolution of the Purdue Pharma bankruptcy proceedings. This includes an array of strategies that:

- A. Treat Opioid Use Disorder (OUD)
- B. Support people in treatment and recovery
- C. Provide connections to care
- D. Address the needs of criminal-justice-involved persons with OUD
- E. Address the needs of pregnant or parenting women and their families
- F. Prevent over-prescribing of opioids
- G. Prevent misuse of opioids
- H. Prevent overdose deaths and other harms (harm reduction)
- I. Support first responders
- J. Promote leadership, planning, and coordination
- K. Fund relevant training and research

(See NC MOA Exhibit B for a current version of the Option B national strategy list.)

7. What is the Option B collaborative strategic planning process?

Under Option B, a local government may fund one or more strategies from the longer list of national strategies after engaging in collaborative strategic planning at the local level. This involves:

- Engaging a wide array of local stakeholders
- Exploring the root causes of drug misuse, addiction, and overdose death in the area
- Identifying and evaluating potential strategies to address the epidemic
- Looking for opportunities to fill gaps in existing programs, align strategies, and combine opioid settlement funds with other sources of funding
- Offering comprehensive recommendations to the county board, city council, or other governing body

(See NC MOA Exhibit C for additional detail.)

8. Are regional solutions allowed?

Yes. Multiple counties and municipalities are allowed and encouraged to work together to address regional challenges and pursue regional solutions. Among other provisions, the NC MOA allows several local governments to engage in a single collaborative strategic planning process if they believe it will be efficient and advantageous for them to do so.

9. How does the NC MOA ensure transparency and accountability by local governments receiving opioid settlement funds?

The NC MOA provides a high level of transparency and accountability, including the following measures:

**Special Revenue Fund.** In order to receive any funds under any opioid settlement or bankruptcy resolution, a local government must first establish a separate special revenue fund for the receipt and expenditure of opioid settlement funds. (See NC MOA sections D & E.6.)

**Financial and compliance audits.** The use of special revenue funds is subject to a range of financial and compliance audits. The State Auditor and Department of Justice have access to persons and records concerning the expenditure of opioid settlement funds. (See NC MOA section F.)

**Special budget item or resolution.** In order to spend opioid settlement funds from the special revenue funds, a local government must pass a budget or separate resolution specifically authorizing the expenditure of the funds, including the amount to be spent, the strategy or strategies to be funded, and the relevant period of time. (See NC MOA section E.6.)

**Option B report and recommendations.** For local governments that elect Option B, the collaborative strategic planning process will result in a public report and recommendations. (See NC MOA section E.5 and Exhibit C, right-hand column.)

**Annual financial reports.** Any local government that spends opioid settlement funds will be required to file annual financial reports. (See NC MOA section F.6 and Exhibit E.)

**Annual impact information.** Any local government that spends opioid settlement funds will be required to file impact information on an annual basis. (See NC MOA section F.6 and Exhibit F.)

**Statewide public dashboard.** A statewide dashboard will enable members of the public to view the special budget items or resolutions, reports and recommendations, annual financial reports, and annual impact information described above for each local government receiving or spending opioid settlement funds. (See NC MOA section F.6.)

#### **NATIONAL OPIOID LITIGATION, SETTLEMENT TALKS, AND BANKRUPTCY PROCEEDINGS**

10. How many North Carolina local governments are engaged in national litigation against opioid manufacturers or distributors?

Seventy-six counties and eight municipalities have filed lawsuits in federal court to hold opioid manufacturers or distributors accountable for their role in fueling the opioid epidemic.

11. What is the status of these cases?

The federal cases have been consolidated for pretrial proceedings into so-called Multi-District Litigation (MDL) in Cleveland, Ohio. The opioid MDL has consolidated roughly 3,000 lawsuits from nearly every state. The lawsuits allege that opioid manufacturers misrepresented the risks associated with prescription opioids; that opioid distributors did not properly monitor shipments of prescription opioids to pharmacies across the country; and that these actions contributed to the opioid epidemic that continues to ravage North Carolina and the nation.

12. How large is the potential settlement with the big three drug distributors plus the drug maker Johnson & Johnson?

The big three drug distributors and the drug maker Johnson & Johnson have announced their willingness to consider a global settlement of all the cases that have been or could be filed against them by state and local governments for a total of \$26 billion, with details of such a settlement still under discussion.

13. Will the Purdue Pharma bankruptcy proceedings result in additional funds to address the opioid epidemic?

We anticipate that the Purdue Pharma bankruptcy proceedings may provide an additional \$4-5 billion to support state and local efforts to address the opioid epidemic across the country.

14. How does all this relate to the McKinsey settlement that was announced in February 2021?

The McKinsey settlement is separate and apart from the potential settlements with the big three drug distributors and Johnson & Johnson, and from the Purdue Pharma bankruptcy proceedings.

In February 2021, Attorney General Josh Stein and other attorneys general from across the nation reached a \$573 million settlement with one of the world's largest consulting firms, McKinsey & Company, over the company's role in advising opioid companies how to promote their drugs and profit from the opioid epidemic.

As part of the settlement with McKinsey, the state of North Carolina will receive nearly \$19 million over five years, with the vast majority coming this year. The McKinsey settlement requires that the state use these settlement proceeds to fund strategies to address the opioid epidemic. Within these parameters, it will be up to the North Carolina General Assembly to decide how to spend the McKinsey settlement proceeds.

15. Apart from the settlement talks with the big three drug distributors and Johnson & Johnson, the Purdue Pharma bankruptcy proceedings, and the recent McKinsey settlement, is there other opioid-related litigation brought by state and local governments?

Yes. There is litigation in federal and state courts against other opioid manufacturers, including Allergan, Endo, and Teva, and bankruptcy proceedings involving the opioid maker Mallinckrodt. And there is litigation in federal and state courts against CVS, Rite Aid, Walgreens, Walmart, and other pharmacy chains over their role in the opioid epidemic.

Even in the event of settlements with the big three drug distributors and Johnson & Johnson and a resolution of the Purdue Pharma bankruptcy proceedings, this other litigation will continue and may (or may not) result in additional settlements or resolutions to support state and local efforts to address the opioid epidemic.

### **ALLOCATION OF OPIOID SETTLEMENT PROCEEDS**

16. How would funds be divided among the states in the event of settlements with the big three drugs distributors and Johnson & Johnson or a resolution of bankruptcy proceedings involving Purdue Pharma?

If there are settlements with the big three drug distributors or Johnson & Johnson, or a resolution of bankruptcy proceedings involving Purdue Pharma, or a combination of these, settlement funds would be allocated among states based on population and the impact of the opioid crisis on each state, taking into account several public health measures.

17. What is the maximum amount North Carolina could receive If there are settlements with the big three drugs distributors and Johnson & Johnson, and a resolution of bankruptcy proceedings involving Purdue Pharma?

North Carolina could receive up to \$850 million over a period of 18 years to support state and local efforts to address the opioid epidemic, in the event of national settlements with the big three drug distributors and Johnson & Johnson, as well as a resolution in the Purdue Pharma bankruptcy proceedings. The settlement payments to North Carolina (and other states) would be front-loaded, with payments in the first three years higher than payments in the remaining 15 years of the settlement.

18. How many local governments in North Carolina are expected to receive payments as part of any settlement with the big three drug distributors or Johnson & Johnson or bankruptcy resolution involving Purdue Pharma?

Under the NC MOA, all 100 counties – including those that have engaged in litigation against the opioid defendants and those that have not engaged in such litigation – would receive settlement payments.

In addition, 17 municipalities would receive settlement payments – including the eight municipalities involved in the national litigation and nine other municipalities with a population of 75,000 or greater (based on 2019 population totals). Like the 100 counties, all municipalities receiving settlement funds are subject to the terms and requirements of the NC MOA (including the establishment special revenue funds subject to financial and compliance audits, filing of annual financial and impact reports, and all of the other procedural and reporting requirements described in the NC MOA).

Residents of all municipalities in North Carolina – including those that receive settlement funds and those that do not – stand to benefit from county and state programs and services supported with opioid settlement funds.

19. How are settlement or bankruptcy funds allocated among the North Carolina counties and municipalities receiving such funds?

Under the NC MOA, settlement funds are allocated among the 100 counties and 17 municipalities through a formula developed by attorneys representing local governments in national litigation. The resulting percentage allocations are shown in NC MOA Exhibit G.

20. What is the maximum amount a particular county or municipality could receive under the terms of the MOA, and how would that be calculated?

We anticipate that North Carolina could receive up to \$850 million over a period of 18 years in the event of national settlements with the big three drug distributors and Johnson & Johnson as well as a resolution in the Purdue Pharma bankruptcy proceedings, as noted above.

To determine the maximum total amount that could go to any individual county or municipality (under the best-case scenario), the \$850 million total should be multiplied by 80%, to reflect the portion that will be directed to local governments for opioid remediation efforts, and then be multiplied by the percentage allocation for that county or municipality shown in NC MOA Exhibit G. For example, for a local government with a one percent allocation in NC MOA Exhibit G, the expected maximum would be \$850 million multiplied by .80 (eighty percent) times .01 (one percent) for a maximum of \$6.8 million.

In addition to that amount, a county or municipality may receive an additional (smaller) amount in connection with the incentive fund described in Section G to the MOA. The NC MOA directs five percent of all settlement funds flowing to the state into an incentive fund that would be divided among those counties (and any municipalities in those counties that stand to receive settlement funds under NC MOA Exhibit G) in which the county itself and every municipality in the county with at least 30,000 residents (based on 2019 population totals) signs the MOA.

21. Would opioid settlement payments to a county or municipality be spread out equally over 18 years?

No. Settlement payments to local governments are expected to be front-loaded, with payments in the first three years higher than payments in the remaining 15 years of the settlement.

22. What has to happen for North Carolina counties and municipalities to receive the maximum possible amount under the terms of the MOA and any national settlement agreements?

The precise amount that that our state as a whole would receive depends not only on the final terms of the settlement agreements and bankruptcy resolutions but also on whether North Carolina qualifies for incentive structures that would increase the payment amounts as more North Carolina counties and municipalities join the settlement.

For our state to receive the maximum payout under any national settlements with the drug distributors or Johnson & Johnson, all relevant parties – including the state itself, all 100 counties, and all large and medium-sized municipalities – would have to sign onto the NC MOA and those national settlement agreements. Conversely, North Carolina stands to lose hundreds of millions of dollars under the national settlement agreements if a significant number of counties or large- to medium-sized municipalities do not sign onto those agreements.

It should be noted that any national settlements with the big three drug distributors or Johnson & Johnson will prohibit ANY payment to ANY county or municipality that does not sign onto the national settlement agreements – and there will be reduced payments to any county or municipality that signs on late (after a yet-to-be-determined deadline).

23. How many local governments need to sign the NC MOA for the MOA to take effect?

The NC MOA will become effective when enough local governments have joined it to meet the support level required by one of the national settlement agreements or bankruptcy resolutions. This level of support has not been definitively established. However, we anticipate a requirement that counties and large- and medium-sized cities representing at least half of the state's population will have to sign onto the NC MOU in order for it to take effect.

24. What happens if not enough local governments sign the MOA?

If the NC MOA does not become effective, North Carolina's allocation will be governed by the default allocations that we anticipate will be included in the national settlement agreements with the distributors and Johnson & Johnson, and the resolution of the Purdue bankruptcy. We expect the default in the Purdue bankruptcy will directly provide funds to counties with a population above 400,000 (and NOT directly to counties with smaller populations). We anticipate that the default arrangement in the national settlement agreements would provide as little as 15% of state settlement funds in direct payments to local government and a substantially worse arrangement for local governments than the NC MOA provides.

**THE NC MOA COORDINATION GROUP**

25. What is the NC MOA coordination group?

The NC MOA creates a coordination group to help implement the NC MOA and address certain issues that may arise over the course of the 18-year settlements. (See NC MOA section E.7 and Exhibit D for details.)

26. What is the composition of the coordination group?

The coordination group will have twelve members, including:

- Five local government representatives (a county commissioner, county manager, county attorney, county local health director or consolidated human services director, and municipal manager);
- Four experts appointed by the North Carolina Department of Health and Human Services;
- One expert appointed by the North Carolina Attorney General; and
- Two experts appointed by legislative leaders, including
  - One representative from the University of North Carolina School of Government with relevant expertise appointed by the Speaker of the North Carolina House of Representatives; and
  - One representative from the board or staff of the North Carolina Institute of Medicine with relevant expertise appointed by the President Pro Tempore of the North Carolina Senate.

(See NC MOA Exhibit D for additional details.)

27. What are the responsibilities of the coordination group?

The coordination group will have a variety of responsibilities, including the following:

- To develop certain guidelines for audits required under the NC MOA;
- To make adjustments as needed to certain aspects of the NC MOA, including:
  - The high-impact strategies listed in NC MOA Exhibit A;
  - The collaborative strategic planning process described in NC MOA Exhibit C;
  - The annual financial report described in NC MOA Exhibit E; and
  - The impact information described in NC MOA Exhibit F.
- To work with counties, municipalities, the North Carolina Association of County Commissioners, the North Carolina League of Municipalities, other associations, foundations, non-profits, and other government or nongovernment entities to provide support to Local Governments in their efforts to effectuate the goals and implement the terms of the NC MOA.

(See NC MOA Exhibit D for additional details.)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE  
ADOPTING AND APPROVING AN AGREEMENT WITH INVESTICORE PROP  
CO 4, LLC FOR PARKING LOT REDEVELOPMENT AND SHARED USE AND  
ALSO ADOPTING AND APPROVING AN EXCHANGE OF LAND RIGHTS IN  
THE LYNX RAIL CORRIDOR WITH INVESTICORE PROP CO 4, LLC**

WHEREAS, the City of Charlotte (the “City”) owns an approximately 24.9-acre parcel with an address of 3200 South Boulevard and with a Mecklenburg County Tax Identification Numbers 147-021-13 and 147-021-28 (the “City Parcel”); and

WHEREAS, the City Parcel is currently developed as a parking lot used by the adjacent Vehicle Maintenance Facility of the Charlotte Area Transit System; and

WHEREAS, Investicore Prop Co 4, LLC (the “Developer”) has purchased the adjacent 1.8-acre parcel (the “Developer Parcel”) that has an address of 3216 South Boulevard and that has Mecklenburg County Tax Identification number 147-021-11; and

WHEREAS, to provide more parking for its development, the Developer has proposed to redevelop the City Parcel at its own expense to provide significantly more parking spaces and then to maintain and repair the redeveloped lot. In exchange, the Developer proposes that it license spaces in the redeveloped lot for a period of years; and

WHEREAS, the Developer’s proposal would benefit the City by expanding and maintaining the City Parcel’s parking lot without City funds being incurred and by generating income through the Developer’s licensing of parking spaces; and

WHEREAS, additionally, the City purchased the 130-foot-wide Right-of-Way formerly owned by the Norfolk Southern Railroad; and

WHEREAS, in 2005, the City, through the action of its Council, adopted the South End Transit Station Area Plan to guide the development along the buffer area of the Right-of-Way; and

WHEREAS, the Developer Parcel is adjacent to the Right-of-Way; and

WHEREAS, the buffer area in the Right-of-Way in which the Developer is interested lies outside of that portion of the Right-of-Way used for public transit; and

WHEREAS, in order to facilitate the Developer’s development of its property, the City agrees to exchange property rights for full and fair compensation, as provided by the North Carolina General Statutes.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Charlotte, in its regular session duly assembled, as follows:

- A. The City shall receive from the Developer (or its successors and assigns) the following, which is full and fair compensation for the exchange of property rights:
1. Fee title and rights to approximately 18,941 square feet of underlying fee simple interest that will remain in use as part of the rail corridor.
  2. Reconstruction of the Rail Trail across the Developer's Parcel to enhance rail corridor.
  3. Maintenance of certain improvements outlined in a license agreement.
- B. The City shall release its charter rights to approximately 15,489 square feet for use by the Developer and shall execute a license agreement and other documents as needed to the Developer in order to construct and maintain future improvements.
- C. The City shall execute an agreement providing for the Developer to redevelop the parking lot on the City Parcel and license spaces in the redeveloped lot, as described above.

FURTHER RESOLVED, that the City Council for the City of Charlotte authorizes the City Manager (or his designee) to execute the necessary agreements and other legal documents to implement and complete these transactions.

ADOPTED this 27<sup>th</sup> day of September, 2021.

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 177-178.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



Stephanie C. Kelly, City Clerk, MMC, NCCMC

EXTRACTS FROM MINUTES OF CITY COUNCIL

\* \* \*

A Regular Meeting of the City Council of the City of Charlotte, North Carolina was duly held at the Charlotte-Mecklenburg Government Center in Charlotte, North Carolina, the regular place of meeting, at 5:00 p.m. on September 27, 2021:

Members Present: Eiselt, Ajmera, Winston, Phipps, Egleston, Graham, Watlington, Johnson, Newton, Bokhari, Driggs

Members Absent: None

\* \* \* \* \*

\* \* \*

Councilmember Egleston/Newton moved that the following resolution be adopted, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk:

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF \$200,000,000 GENERAL OBLIGATION BOND OF THE CITY OF CHARLOTTE, NORTH CAROLINA**

*WHEREAS*, the Bond Orders (as defined in Appendix A) have been adopted, and it is desirable to make provision for the issuance of the Bond authorized by the Bond Orders;

*WHEREAS*, the City of Charlotte, North Carolina (the “*City*”) desires to issue its General Obligation Bond, Series 2021B in an aggregate principal amount of \$200,000,000 (the “*Bond*”) and to request that the Local Government Commission (the “*Commission*”) sell the Bond to PNC Bank, National Association (the “*Bank*”), in accordance with the terms provided herein and in a Bond Purchase and Advance Agreement to be dated on or about December 2, 2021 (the “*Purchase Agreement*”) between the City and the Bank;

*WHEREAS*, the City Council has determined that it is in the best interest of the City to continue to have a short-term borrowing program to finance the capital costs of projects authorized by the Bond Orders;

*WHEREAS*, the City Council has determined to authorize the Bond to evidence its short-term borrowing program to finance capital costs of projects authorized by the Bond Orders;

*WHEREAS*, the City Council has considered and recognizes that variable interest rate debt instruments may subject the City to the risk of higher interest rates but believes that utilizing the short-term financing as an interim source of funding for paying costs of the projects authorized by the Bond Orders lowers the City’s overall cost of capital and therefore is superior to issuing fixed rate bonds for such purpose at this time;

*NOW, THEREFORE, BE IT RESOLVED* by the City Council of the City of Charlotte, North Carolina, as follows:

**Section 1.** For purposes of this Bond Resolution, all capitalized, undefined words have the meanings ascribed to them in Appendix A hereto

**Section 2.** The City is hereby authorized to issue not to exceed \$200,000,000 in total aggregate principal amount of its Bond. The City Manager and the Chief Financial Officer of the City, and their designees, with advice from the City Attorney and bond counsel, are hereby authorized, directed and designated to provide such information as the North Carolina Local Government Commission requests related to the issuance of the Bond.

Although the Bond will be issued in a nominal principal amount of \$200,000,000, because proceeds of the Bond are being drawn down over time and the total principal amount may not be used, it will be the amount of each Advance that will be used for purposes of determining the amount of bonds issued under and against the Bond Orders. An Advance may be made against a Bond Order only within the time that bonds may be issued under such Bond Order in accordance with Section 159-64 of the North Carolina General Statutes. The Chief Financial Officer, or her designee, will indicate as part of each Advance the amount to be applied against each Bond Order.

**Section 3.** The Bond shall be issued on the terms set forth in Appendix A. The Bond is being issued to provide funds to pay the capital costs of the Projects authorized by the Bond Orders.

**Section 4.** Each of the Mayor, the City Manager, the Chief Financial Officer and the Debt Manager, or their respective designees (the "*Authorized Officers*"), are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by this Bond Resolution and the Purchase Agreement except that none of the above is authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Bond Resolution, (b) any agreement to which the City is bound, (c) any rule or regulation of the City or (d) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of North Carolina.

From the adoption of this Bond Resolution until the date of the first issuance of the Bond hereunder, the City Manager and the Chief Financial Officer are each hereby authorized, empowered and directed to make any changes, modifications, additions or deletions to Appendix A hereto as shall to them seem necessary, desirable or appropriate and that in their opinion may be necessary to implement the intent of this Bond Resolution. Such changes, modifications, additions or deletions to Appendix A shall be set forth in a certificate executed by the City Manager or the Chief Financial Officer on the date of issuance of the Bond hereunder.

**Section 5.** The form and content of the Purchase Agreement are and the same hereby is in all respects approved and confirmed, and each of the Authorized Officers be and they hereby are authorized, empowered, and directed to execute and deliver the Purchase Agreement for and on behalf of the City, including necessary counterparts, in substantially the form and content presented to the City, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of his or her approval of any and all such changes, modifications, additions or deletions therein.

**Section 6.** From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers and the City Clerk and Deputy City Clerk, and their respective designees, are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and are further authorized to take any and all further actions to execute and deliver any and all

other documents as may be necessary in the issuance of the Bond and administering the Purchase Agreement such that they continue to serve the purpose for which they were executed and delivered.

The Authorized Officers and the City Clerk and the Deputy City Clerk are each hereby authorized and directed to prepare and furnish, when the Bond is issued, certified copies of all the proceedings and records of the City Council relating to the Bond, and such other affidavits, certificates and documents as may be required to show the facts relating to the legality and marketability of the Bond as such facts appear on the books and records in such party's custody and control or as otherwise known to them; and all such certified copies, certificates, affidavits and documents, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein.

All acts and doings of the Authorized Officers and the City Clerk and the Deputy City Clerk that are in conformity with the purposes and intents of this Bond Resolution and in the furtherance of the issuance of the Bond are in all respects approved and confirmed. Any provision in this Resolution that authorizes more than one officer of the City to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively.

**Section 7.** The Commission is hereby requested to sell the Bond by private sale without advertisement to the Bank at such prices as the Commission determines to be in the best interest of the City and in accordance with the provisions of the Purchase Agreement. The Bond will be sold at 100% of the principal amount thereof in accordance with the provisions hereof and will bear interest at the variable interest rates set forth in the Purchase Agreement. The Authorized Officers and the City Clerk and the Deputy City Clerk are hereby authorized and directed to cause the Bond to be prepared and, when they shall have been duly sold by the Commission, to execute the Bond for delivery to the Bank.

**Section 8.** If any one or more of the agreements or provisions herein contained is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bond authorized hereunder.

**Section 9.** All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 10.** That this Bond Resolution is effective on the date of its adoption.



**APPENDIX A**

to

**CITY OF CHARLOTTE, NORTH CAROLINA**

**BOND RESOLUTION ADOPTED SEPTEMBER 27, 2021**

*Relating to the Issuance of*

*\$200,000,000*

*General Obligation Bond, Series 2021B  
(Draw Program)*

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## ARTICLE I

### DEFINITIONS

Section 1.01 ***Meaning of Words and Terms.*** The following terms, except where the context indicates otherwise, have the respective meanings set forth below:

“*Advance*” means all advances of the purchase price of the Bond made by the Purchaser under the Purchase Agreement on or before the Advance Termination Date.

“*Advance Termination Date*” has the meaning assigned to such term in Section 4.01.

“*Amortization Period*” has the meaning assigned in the Purchase Agreement.

“*Appendix A*” means this Appendix A which is attached to, and incorporated in, the Bond Resolution.

“*Applicable Spread*” has the meaning set forth in the Purchase Agreement.

“*Authorized Officers*” has the meaning set forth in the Bond Resolution.

“*Bond*” means the up to \$200,000,000 City of Charlotte, North Carolina General Obligation Bond, Series 2021B issued pursuant to the Bond Resolution and this Appendix A.

“*Bond Orders*” means, collectively, (1) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 25, 2016 and approved by a majority of voters at a referendum held on November 8, 2016, (2) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 23, 2018 and approved by a majority of voters at a referendum held on November 6, 2018, and (3) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 27, 2020 and approved by a majority of voters at a referendum held on November 3, 2020.

“*Bond Resolution*” means the Bond Resolution adopted by the City Council of the City on September 27, 2021 with respect to the Bond, which includes this Appendix A, and any amendments or supplements thereto.

“*Business Day*” means, with respect to the Bond, any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Charlotte, North Carolina.

“*Chief Financial Officer*” means the Chief Financial Officer of the City, the person performing the duties of the Chief Financial Officer or the official succeeding to the Chief Financial Officer’s principal functions, including any person serving as such in an interim capacity.

“*Code*” means the Internal Revenue Code of 1986, as from time to time amended.

“*Commission*” means the Local Government Commission of North Carolina.

*“Default Event”* has the meaning set forth in the Purchase Agreement.

*“Default Rate”* has the meaning set forth in the Purchase Agreement.

*“Determination of Taxability”* has the meaning set forth in the Purchase Agreement.

*“Full Funding Date”* means December 2, 2024.

*“Initial Interest Rate”* means, for any date of determination, a per annum rate of interest equal to the sum of (1) the SIFMA Rate plus (2) the Applicable Spread (which is initially 0.18% per annum (18 bpps), as may be adjusted in accordance with the Purchase Agreement).

*“Initial Interest Rate Period”* means the period commencing on the date the Bond is issued and ending on, but not including, the Full Funding Date.

*“Interest Payment Date”* means the first Business Day of each month and any other date that interest is required to be paid on the Bond under the Purchase Agreement.

*“Interest Rate”* means, with respect to the Bond, (a) during the Initial Interest Rate Period, a per annum rate of interest equal to the Initial Interest Rate, and (b) during the Amortization Period, the Term Loan Rate; provided, however, that (1) upon a Determination of Taxability, the Bond will bear interest during the Taxable Period at a rate equal to the Taxable Rate, (2) upon the occurrence and during the continuation of a Default Event, the Interest Rate shall be a per annum rate of interest equal to the Default Rate and (3) in no event shall the Interest Rate exceed the Maximum Interest Rate.

*“Mail”* means first-class United States mail, postage prepaid.

*“Maximum Interest Rate”* has the meaning set forth in the Purchase Agreement.

*“Owner”* means the registered owner of the Bond.

*“Prepayment Date”* means the date on which the Bond or any portion thereof has been called for prepayment or is to be prepaid pursuant to this Appendix A.

*“Principal Amount”* means the sum of all Advances less any prepayment of Bond. Advances and prepayments shall be recorded (which records may be electronic) on the Table of Advances and Table of Partial Prepayments attached to the Bond, however failure to record an Advance or prepayment shall not affect the Principal Amount outstanding under the Bond.

*“Projects”* means the projects financed with the proceeds of the Bond in accordance with the authority under the respective Bond Orders.

*“Purchase Agreement”* means the Bond Purchase and Advance Agreement to be dated on or about December 2, 2021 among the City, the Purchaser and the Commission related to the Purchaser’s purchase of the Bond.

*“Purchaser”* means PNC Bank, National Association, as the initial Owner of the Bond, and its successors and assigns.

*“SIFMA Rate”* has the meaning set forth in the Purchase Agreement.

*“Stated Principal Amount”* means \$200,000,000.

“*Taxable Period*” has the meaning set forth in the Purchase Agreement.

“*Taxable Rate*” has the meaning set forth in the Purchase Agreement.

## ARTICLE II

### AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF BOND

Section 2.01 ***Authorization of Financing and Authorization of the Bond.*** There is hereby authorized the issuance of a general obligation bond, designated “*City of Charlotte, North Carolina General Obligation Bond, Series 2021B.*” The Bond is being issued to provide funds to pay the costs of the Projects and costs of issuing the Bond, under and in accordance with the Bond Orders. No Bond may be issued under the provisions of the Bond Resolution, including this Appendix A, except in accordance with this Article. The total principal amount of the Bond that may be issued and Outstanding is hereby expressly limited to the Stated Principal Amount.

Section 2.02 ***Issuance of the Bond.*** The Bond will be issuable as a fully registered bond in the Stated Principal Amount. The Bond will be numbered R-1 and will be substantially in the form set forth in Exhibit A with such appropriate variations, omissions and insertions as are permitted or required by this Appendix A. The execution and delivery of the Bond by the City under the Bond Resolution is conclusive evidence of the approval of the form of the Bond by the City Council, including any insertions, omissions, variations, notations, legends or endorsements authorized by the Bond Resolution.

#### Section 2.03 ***Details of the Bond; Payment.***

(a) The Bond will mature, subject to prepayment as set forth herein, on December 2, 2029 and will bear interest at the Interest Rate. Interest payable on the Bond shall be determined based on the Principal Amount of the Bond. Interest payable on the Bond shall be calculated on the basis of the actual number of days in the year and the actual number of days elapsed. Interest shall accrue during each period for which interest is computed from and including the first day thereof to but excluding the last day thereof. The amount of interest payable on each Interest Payment Date shall be calculated by the Purchaser in accordance with the Purchase Agreement and confirmed by the City. Interest on the Bond will be payable in arrears.

(b) The Bond is a general obligation of the City for the payment of the principal of and interest on which it has pledged its faith and credit.

The Bond shall be registered as to principal and interest, and the Chief Financial Officer, or her designee, is directed to maintain the registration records with respect thereto. Principal of and interest on the Bond shall be payable to the registered owner appearing on the registration records by wire transfer or by check, mailed to such registered owner at its address or in accordance with the wire instructions, as applicable, as it appears on such registration books and shall be received by the registered owner on the date such payment is due.

Actions taken by officials of the City to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

(c) Both the principal of and the interest on the Bond are payable in any lawful coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The Bond shall bear interest from its date until the Principal Amount has been paid, but if such Bond has matured or has been called for prepayment and the Prepayment Date has occurred and funds are available for the payment thereof in full in accordance with the terms of the Bond Resolution, such Bond shall then cease to bear interest as of the maturity date or Prepayment Date, as applicable. The Bond will be dated as of its date of issuance, except that a Bond issued in exchange for or on the registration of transfer of the Bond will be dated as of the Interest Payment Date next preceding the date of authentication thereof, unless (1) the date of such authentication precedes the first Interest Payment Date, in which case it will be dated as of the date of the initial issuance of the Bond or (2) the date of such authentication is an Interest Payment Date to which interest on the Bond has been paid in full or duly provided for in accordance with the terms of this Appendix A, in which case it will be dated as of such Interest Payment Date; except that if interest on the Bond is in default, the Bond executed and delivered in exchange for or on registration of transfer of the Bond will be dated as of the date to which interest on the Bond has been paid in full. If no interest has been paid on the Bond, the Bond executed and delivered in exchange for or on the registration of transfer of the Bond will be dated as of the initial issuance of the Bond.

Section 2.04 ***Restriction on Transfer of the Bond.*** This Bond may not be transferred other than to (a) an affiliate of the Owner who is a “*qualified institutional buyer*” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, (b) a trust or custodial arrangement established by the Owner or one of its affiliates, the owners of the beneficial interests in which are limited to qualified institutional buyers, or (c) to a person that is a qualified institutional buyer that is a commercial bank having a combined capital and surplus, determined as of the date of any transfer pursuant to this Section, of \$5,000,000,000 or more that has executed and delivered to the City an investor letter in the form satisfactory to the City. In no event shall the Bond be transferred to any person or entity who holds the Bond for the benefit of a person or entity that is not a qualified institutional buyer or as part of a pool of assets in which persons that are not qualified institutional buyers may invest, such as a mutual fund or retirement plan.

The City will have no obligation to pay any amounts due on the Bond to anyone other than the Owner of the Bond as shown on the registration books kept by the City.

### ARTICLE III

#### PREPAYMENT OF THE BOND

Section 3.01 ***Optional Prepayment of the Bond.*** The City may prepay the Bond, either in whole or in part, on any date at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date.

Section 3.02 ***Mandatory Prepayment of the Bond.*** The City shall prepay the Bond in whole on the Full Funding Date at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date. If the Bond is eligible for the Amortization Period under the Purchase Agreement, the City will not be required to prepay the Bond on the Full Funding Date and the Bond will continue to be Outstanding and will be prepaid during the Amortization Period as set forth in the Purchase Agreement. If the City provides to the Purchaser written notice by noon on the Full Funding Date of its intent to not repay the Bond pursuant to the terms of the Purchase Agreement, accompanied by a certificate signed by the Chief Financial Officer to the effect that the City is, as of the Full Funding Date, in compliance with all conditions set forth in the Purchase

Agreement, then the Bond shall be deemed eligible for the Amortization Period under the Purchase Agreement.

Section 3.03 ***Notice of Prepayment.*** The City will provide written notice of the optional prepayment of the Bond not less than 30 days (or such lesser number of days as the Owner may accept), (1) to the Commission by Mail or electronic transmission, and (2) by Mail or electronic transmission (or by such other means as may be permitted by the Owner) to the then-registered Owner of the Bond at the last address shown on the registration books kept by the City.

Failure to provide such notice to the Commission will not affect the validity of any proceedings for such prepayment.

Section 3.04 ***Record of Prepayment.*** The Owner will record any prepayments of the Bond on the Table of Partial Prepayments attached to the Bond (or otherwise kept on the Owner's official books and records, which may be electronic records).

## ARTICLE IV

### ADVANCES

Section 4.01 ***Advance of Bond Proceeds.*** The City acknowledges and agrees that prior to the earliest to occur of (a) the date when the sum of the aggregate Advances made under the Purchase Agreement equals the Stated Principal Amount, (b) the date on which the Purchaser's obligation to make Advances under the Purchase Agreement terminates (as reflected in a written notice delivered by the Purchaser to the City) or (c) the Full Funding Date (the "*Advance Termination Date*"), the proceeds of the Bond will be disbursed in installments through the making of Advances by the Purchaser in accordance with the Purchase Agreement. The Chief Financial Officer or another Authorized Officer will indicate as part of each Advance the amount to be applied against each Bond Order. The date and amount of each Advance shall be noted on the Table of Advances attached to the Bond (or otherwise kept on the Purchaser's official books and records, which may be electronic records); *provided* that the failure to record any such Advance on the Table of Advances shall not affect the Principal Amount due. In no event may the total amount of all Advances exceed the Stated Principal Amount. Following the Advance Termination Date, no additional Advances may be made. On the Advance Termination Date, the positive difference, if any, between the Stated Principal Amount and the aggregate principal amount of all Advances made under the Purchase Agreement shall be deemed to have been prepaid automatically and without any further notice or act by the City or any other Person. Any such automatic prepayment of principal shall not be taken into consideration in determining the Principal Amount of the Bond and shall not be recorded on the Table of Partial Prepayments attached to the Bond.

Section 4.02 ***Application of Bond Proceeds.*** The Chief Financial Officer, or her designee, is hereby directed to create and establish a fund into which the proceeds from the sale of the Bond will be deposited (the "*Project Fund*"). The proceeds from each Advance will be deposited by the Purchaser with the City, and the City shall deposit such amounts in the Project Fund. The Chief Financial Officer, or her designee, shall invest and reinvest any moneys held in the Project Fund as permitted by the laws of the State of North Carolina and the income, to the extent permitted by the Code, is to be retained in the Project Fund and applied with the proceeds of the Bond to pay the costs of the Projects. The Chief Financial Officer, or her designee, shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom so as to satisfy the requirements of the laws of the State of North Carolina and to assure that the City maintains its covenants with respect to the exclusion of the interest on the Bond from gross income for purposes of federal income taxation. The proceeds of the Bond in the

Project Fund, including the investment earnings thereon, if any, will be applied to the payment of costs of the Projects.

## ARTICLE V AMENDMENTS

Section 5.01 ***Amendments to Bond Resolution.*** Portions of the Bond Resolution, including this Appendix A, may be amended or supplemented, from time to time, without the consent of the Owner of the Bond if, in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the Owner of the Bond and would not cause the interest on the Bond to be included in the gross income of a recipient thereof for federal income tax purposes. All other amendments or supplements to this Resolution require the consent of the Owner of the Bond, including any amendment or supplement that would reduce the principal amount of the Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest or change the monetary medium in which principal and interest is payable.

Any act done pursuant to a modification or amendment consented to by the Owner of the Bond is binding on all Owners of the Bond and will not be deemed an infringement of any of the provisions of the Bond Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of the Bond Resolution, and after consent has been given, no Owner of the Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the City from taking any action pursuant to a modification or amendment.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

Section 6.01 ***Headings.*** Any heading preceding the text of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, are solely for convenience of reference and do not constitute a part of this Appendix A or affect its meaning, construction or effect.

Section 6.02 ***Holidays.*** Except as otherwise provided herein, whenever any payment or action to be made or taken hereunder is stated to be due on a day which is not a Business Day, such payment or action will be made or taken on the next following Business Day, and such extension of time will be included in computing interest, if any, in connection with such payment or action.

Section 6.03 ***Report to the Commission.*** As of June 30 of each year the City will provide to the Commission a report showing the outstanding Principal Amount of the Bond. On request, the City will send a report to the Commission demonstrating anticipated cash flow requirements for the Projects that the City anticipates financing with proceeds of the Bond during the next fiscal year.

Section 6.04 ***No Recourse Against Members, Officers or Employees of the City or the Commission.*** No recourse under, or on, any statement, obligation, covenant, or agreement contained in the Bond Resolution, in any Bond, or in any document or certification relating to the Bond, or under any judgment obtained against the City or the Commission or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, is to be had against any member, officer or employee, as such, of the City or the Commission, either directly or through the City, the Commission, or otherwise, for the payment for or to the City or the Commission or any receiver of the City or the Commission, or for, or to, any Owner or otherwise, of any sum that may be due and unpaid on any such Bond. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any

such member, officer or employee, as such, to respond by reason of any act or omission on his or her part or otherwise, for the payment for, or to, the City or the Commission or any receiver of the City or the Commission, or for, any Owner or otherwise, of any sum that may remain due and unpaid on the Bond hereby secured or any of them, is hereby expressly waived and released as an express condition of, and in consideration for, the adoption of the Bond Resolution and the issuance of the Bond.

Section 6.05 ***Governing Law.*** The Bond Resolution, including this Appendix A, is governed by and to be construed in accordance with the laws of the State of North Carolina.

[End of Appendix A]

**EXHIBIT A**

**FORM OF BOND**

NO OFFERING CIRCULAR OR MEMORANDUM, OFFICIAL STATEMENT OR OTHER DISCLOSURE DOCUMENT HAS BEEN PREPARED OR PROVIDED BY THE CITY IN CONNECTION WITH THE OFFERING AND SALE OF THIS BOND. THIS BOND MAY NOT BE TRANSFERRED OTHER THAN TO (A) AN AFFILIATE OF THE OWNER WHO IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, (B) A TRUST OR CUSTODIAL ARRANGEMENT ESTABLISHED BY THE OWNER OR ONE OF ITS AFFILIATES, THE OWNERS OF THE BENEFICIAL INTERESTS IN WHICH ARE LIMITED TO QUALIFIED INSTITUTIONAL BUYERS, OR (C) TO A PERSON THAT IS A QUALIFIED INSTITUTIONAL BUYER THAT IS A COMMERCIAL BANK HAVING A COMBINED CAPITAL AND SURPLUS, DETERMINED AS OF THE DATE OF ANY TRANSFER, OF \$5,000,000,000 OR MORE THAT HAS EXECUTED AND DELIVERED TO THE CITY AN INVESTOR LETTER IN A FORM ACCEPTABLE TO THE CITY. IN NO EVENT SHALL THIS BOND BE TRANSFERRED TO ANY PERSON OR ENTITY WHO HOLDS THIS BOND FOR THE BENEFIT OF A PERSON OR ENTITY THAT IS NOT A QUALIFIED INSTITUTIONAL BUYER OR AS PART OF A POOL OF ASSETS IN WHICH PERSONS THAT ARE NOT QUALIFIED INSTITUTIONAL BUYERS MAY INVEST, SUCH AS A MUTUAL FUND OR RETIREMENT PLAN.

**CITY OF CHARLOTTE, NORTH CAROLINA  
GENERAL OBLIGATION BOND, SERIES 2021B**

**No. R-1**

**\$200,000,000**

**INTEREST RATE**  
**Variable**

**DATED DATE**  
**[December 2], 2021**

**MATURITY DATE**  
**[December 2], 2029**

**REGISTERED OWNER: PNC BANK, NATIONAL ASSOCIATION**

**STATED PRINCIPAL AMOUNT: TWO HUNDRED MILLION DOLLARS**

The City of Charlotte, North Carolina (the “City”), a municipal corporation of the State of North Carolina (the “State”), for value received, promises to pay, but solely from the sources and in the manner hereinafter provided, to the Owner named above the Stated Principal Amount set forth above or the Principal Amount (as hereinafter defined), whichever is less, on the Maturity Date set forth above (or earlier as hereinafter described). This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and under The Local Government Finance Act (the “Act”), and the following bond orders: (1) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 25, 2016 and approved by a majority of voters at a referendum held on November 8, 2016, (2) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 23, 2018 and approved by a majority of voters at a referendum held on November 6, 2018, and (3) the Bond Order authorizing the City to issue general obligation bonds to finance certain transportation improvements and the Bond Order authorizing the City to issue general obligation bonds to finance certain neighborhood improvements, each adopted on July 27, 2020 and approved by a majority of voters at a referendum held on November 3, 2020. This Bond is being issued to provide funds to pay the capital costs of the projects authorized under the above-described Bond Orders. The Bond is issued under a Bond Resolution, including Appendix A thereto (as amended or supplemented from time to time, the “Bond Resolution”), adopted on September 27, 2021, by the City Council of the City. Reference is hereby made to the Bond Resolution for the rights, duties and

obligations of the City and the rights of the Owner of the Bond, and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Bond Resolution. Capitalized terms used herein and not defined have the meaning ascribed to them in the Bond Resolution.

The City further promises to pay such Owner, at the address as it appears on the registration books kept by the City, interest at the Interest Rate described in the Bond Resolution and the Purchase Agreement on the lesser of (1) the Stated Principal Amount or (2) the sum of the Advances made by the Purchaser pursuant to the Bond Resolution and the Purchase Agreement (less any amount of the Bond prepaid) and as reflected in the "Table of Advances" attached hereto or kept in the Owner's records (which may be electronic records) (the "*Principal Amount*"). Interest on this Bond will be payable on the first Business Day of each month (each an "*Interest Payment Date*") from the Interest Payment Date next preceding the date of authentication (unless (1) the date of such authentication precedes the first Interest Payment Date, in which case interest with respect thereto shall be payable from the date of issuance of this Bond or (2) the date of such authentication is an Interest Payment Date to which interest on this Bond has been paid in full or duly provided for in accordance with the terms of the Bond Resolution, in which case interest with respect thereto shall be payable from such Interest Payment Date) until the Principal Amount shall have been paid or provided for in accordance with the Bond Resolution. Interest payable on this Bond shall be calculated on the basis of the actual number of days in the year and the actual number of days elapsed.

The City may prepay this Bond, either in whole or in part, on any date at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date.

The City shall prepay this Bond in whole on the Full Funding Date at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date. If this Bond is eligible for the Amortization Period under the Purchase Agreement, the City will not be required to prepay this Bond on the Full Funding Date and this Bond will continue to be Outstanding and will be prepaid during the Amortization Period as set forth in the Purchase Agreement. If the City provides to the Purchaser written notice by noon on the Full Funding Date of its intent to not repay the Bond pursuant to the terms of, accompanied by a certificate signed by the Chief Financial Officer to the effect that the City is, as of the Full Funding Date, in compliance with all conditions set forth in the Purchase Agreement, then this Bond shall be deemed eligible for the Amortization Period under the Purchase Agreement.

The City will provide written notice of the optional prepayment of this Bond not less than 30 days (or such lesser number of days as the Owner may accept), (1) to the Commission by Mail or electronic transmission, and (2) by Mail (or by such other means as may be permitted by the Owner) to the then-registered Owner of this Bond at the last address shown on the registration books kept by the City. Failure to provide such notice to the Commission will not affect the validity of any proceedings for such prepayment.

The Owner will record any prepayments of this Bond on the Table of Partial Prepayments attached to this Bond (or otherwise kept on the Owner's official books and records, which may be electronic).

This Bond will be non-transferable, except as set forth on the face of this Bond. The City will have no obligation to pay any amounts due on this Bond to anyone other than the Owner of this Bond as shown on the registration books kept by the City.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or

statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

*IN WITNESS WHEREOF*, the City of Charlotte, North Carolina has caused this Bond to be executed with the manual or facsimile signatures of the Mayor and the City Clerk, and has caused the City's official seal or a facsimile thereof to be impressed or imprinted hereon.

**CITY OF CHARLOTTE, NORTH CAROLINA**

By: \_\_\_\_\_  
Mayor

[SEAL]

By: \_\_\_\_\_  
City Clerk

The issue hereof has been approved under the provisions of The Local Government Bond Act.

\_\_\_\_\_  
SHARON EDMUNDSON  
Secretary of the Local Government Commission

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

*FOR VALUE RECEIVED* the undersigned hereby sells, assigns and transfers unto

---

(Please print or typewrite Name and Address,  
including Zip Code, and Federal Taxpayer Identification or  
Social Security Number of Assignee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney to register the transfer of the within Bond on the books kept for registration thereof,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed by:

---

**NOTICE:** Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

---

**NOTICE:** The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

**TRANSFER FEE MAY BE REQUIRED**

TABLE OF ADVANCES

Upon receipt of any Advance described in Section 4.01 of the Bond Resolution, the Owner shall make the appropriate notation on the table below (or otherwise keep on the Owner's official books and records, which may be electronic):

<u>Date</u>	<u>Amount Paid</u>	<u>Total Principal Payments</u>	<u>Signature of Representative of Owner</u>

TABLE OF PARTIAL PREPAYMENTS

<u>Date</u>	<u>Amount Prepaid</u>	<u>Remaining Unpaid Principal Amount</u>	<u>Signature of Representative of Owner</u>

RESOLUTION PROVIDING APPROVAL OF A MULTIFAMILY HOUSING FACILITY TO BE KNOWN AS EASTWAY CROSSINGS IN THE CITY OF CHARLOTTE, NORTH CAROLINA AND THE FINANCING THEREOF WITH MULTIFAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$14,000,000

WHEREAS, the City Council (the “City Council”) of the City of Charlotte (the “City”) met in Charlotte, North Carolina at 5:00 p.m. on the 27th day of September, 2021; and

WHEREAS, INLIVIAN (the “Issuer”) has tentatively agreed to issue its multifamily housing revenue bonds in an amount not to exceed \$14,000,000 (the “Bonds”), for the purpose of financing the acquisition, construction and equipping by Eastway Harmony Housing LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Borrower”), of a multifamily residential rental facility to be known as Eastway Crossings (the “Development”); and

WHEREAS, the Development will consist of approximately 132 units and related facilities, located on an approximately 4.6-acre site at 301 Eastway Drive in the City of Charlotte, Mecklenburg County, North Carolina; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that any bonds issued by the Issuer for the Development may only be issued after approval of the plan of financing by the City Council of the City following a public hearing with respect to such plan; and

WHEREAS, on August 30, 2021, the Issuer held a public hearing with respect to the issuance of the Bonds to finance, in part, the Development (as evidenced by the Certificate and Summary of Public Hearing attached hereto) and has requested the City Council to approve the issuance of the Bonds as required by the Code; and

WHEREAS, the City has determined that approval of the issuance of the Bonds is solely to satisfy the requirement of Section 147(f) of the Code and shall in no event constitute an endorsement of the Bonds or the Development or the creditworthiness of the Borrower, nor shall such approval in any event be construed to obligate the City of Charlotte, North Carolina for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Issuer, or to constitute the Bonds or any of the agreements or obligations of the Issuer an indebtedness of the City of Charlotte, North Carolina, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE:

1. The proposed housing development consisting of the acquisition, construction and equipping of the Development described above in the City of Charlotte, Mecklenburg County, North Carolina by the Borrower and the issuance of the Authority’s multifamily housing revenue

bonds therefor in an amount not to exceed \$14,000,000 are hereby approved for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately upon its passage.

Council member Egleston moved the passage of the foregoing resolution and Council member Newton seconded the motion, and the resolution was passed by the following vote:

Ayes: Council members Eiselt, Ajmera, Winston, Phipps, Egleston, Graham,  
Watlington, Johnson, Newton, Bokhari, Driggs

Nays: None

Not voting: N/A

\* \* \* \* \*

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 198-204.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



*Stephanie C. Kelly*

Stephanie C. Kelly, City Clerk, MMC, NCCMC

**Exhibit A**

**Certificate and Summary of Public Hearing**

(Attached)

### CERTIFICATE AND SUMMARY

The undersigned Executive Vice President of Development and the designated hearing officer of INLIVIAN hereby certifies as follows:

1. Notice of a public hearing (the "Hearing") to be held on August 30, 2021, with respect to the issuance of bonds by INLIVIAN for the benefit of JOS Apartments, LLC, a North Carolina limited liability company, or an affiliate or subsidiary thereof (the "Borrower") was published on August 20, 2021, in *The Charlotte Observer*.
2. I was the hearing officer for the Hearing.
3. The following is a list of names and addresses of all persons who spoke at the Hearing:  
  
None
4. The following is a summary of the oral comments made at the Hearing:  
  
None

IN WITNESS WHEREOF, my hand this 30<sup>th</sup> day of August, 2021.



---

Connie Staudinger, Hearing Officer

## **RESOLUTION**

### **PROVIDE PRELIMINARY APPROVAL TO ISSUE REVENUE BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A NEW AFFORDABLE HOUSING DEVELOPMENT TO BE KNOWN AS EASTWAY PARK APARTMENTS**

**WHEREAS**, Eastway Harmony Housing LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Borrower”), has requested that INLIVIAN (the “Authority”) assist in financing the acquisition, construction and equipping of a 132-unit multifamily housing development for seniors to be known as Eastway Park Apartments and located at 301 Eastway Drive in Charlotte, North Carolina (the “Development”); and

**WHEREAS**, the Borrower has described to the Authority the benefits of the Development to the City of Charlotte and the State of North Carolina and has requested the Authority agree to issue its revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

**WHEREAS**, the Authority is of the opinion that the Development is a facility which can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

#### **NOW, THEREFORE, BE IT RESOLVED BY INLIVIAN:**

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a housing facility to serve persons of low and moderate income, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to assist the Borrower in every reasonable way to issue bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority’s revenue bonds (the “Bonds”) in one or more series in an aggregate amount now estimated not to exceed Fourteen Million Dollars (\$14,000,000) to provide all or part of the cost of the Development.

2. The Authority intends that the adoption of this resolution be considered as “official action” toward the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2 promulgated by the Internal Revenue Service pursuant to the Internal Revenue Code of 1986, as amended (the “Code”).

3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Borrower. The Authority and the Borrower shall enter into a “financing agreement” pursuant to the Act for a term and upon payments sufficient to pay the principal of, premium, if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or other agreement between the Authority and a trustee (the “Trustee”) or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority’s rights to payments under the financing agreement. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency

thereof, including the Authority and the City of Charlotte, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Borrower.

4. The Authority will proceed, upon the prior advice, consent and approval of the Borrower, bond counsel and the Authority's counsel, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City of Charlotte and, if applicable, the North Carolina Local Government Commission.

5. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Borrower may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Borrower may be reimbursed from the proceeds of the Bonds for all qualifying costs so incurred by it as permitted by Internal Revenue Service Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Borrower, to satisfactory review by the Authority of the financial capability of the Borrower and satisfactory underwriting of the Development, and mutual agreement to the terms for the Bonds, including the execution of a financing agreement, indenture, or security agreement and other documents and agreements necessary or desirable for the issuance, sale and delivery of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the issuance of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development and the issuance of the Bonds, including the reasonable fees and expenses of the Authority, the Authority's counsel, bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Borrower and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Borrower that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the issuance of the Bonds, including calling for a public hearing with respect to the financing of the Development through the issuance of the Bonds.


8. McGuireWoods LLP, Raleigh, North Carolina, shall act as bond counsel for the Bonds.

9. This resolution shall take effect immediately upon its passage.

**RECORDING OFFICER'S CERTIFICATION**

I, A. Fulton Meachem, Jr., the duly appointed Secretary of INLIVIAN, do hereby certify that this Resolution was properly adopted at a regular meeting held January 19, 2021.

(SEAL)

By:   
A. Fulton Meachem, Jr., Secretary

RESOLUTION PROVIDING APPROVAL OF A MULTIFAMILY HOUSING FACILITY TO BE KNOWN AS FLATS AT WEST BOULEVARD IN THE CITY OF CHARLOTTE, NORTH CAROLINA AND THE FINANCING THEREOF WITH MULTIFAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$28,500,000

WHEREAS, the City Council (the “City Council”) of the City of Charlotte (the “City”) met in Charlotte, North Carolina at 5:00 p.m. on the 27th day of September, 2021; and

WHEREAS, INLIVIAN (the “Issuer”) has tentatively agreed to issue its multifamily housing revenue bonds in an amount not to exceed \$28,500,000 (the “Bonds”), for the purpose of financing the acquisition, construction and equipping by WCO West Blvd, LP, a North Carolina limited partnership, or an affiliated or related entity (the “Borrower”), of a multifamily residential rental facility to be known as Flats at West Boulevard (the “Development”); and

WHEREAS, the Development will consist of approximately 200 units and related facilities, located on an approximately 8.86-acre site at 1901 West Boulevard in the City of Charlotte, Mecklenburg County, North Carolina; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that any bonds issued by the Issuer for the Development may only be issued after approval of the plan of financing by the City Council of the City following a public hearing with respect to such plan; and

WHEREAS, on August 30, 2021, the Issuer held a public hearing with respect to the issuance of the Bonds to finance, in part, the Development (as evidenced by the Certificate and Summary of Public Hearing attached hereto) and has requested the City Council to approve the issuance of the Bonds as required by the Code; and

WHEREAS, the City has determined that approval of the issuance of the Bonds is solely to satisfy the requirement of Section 147(f) of the Code and shall in no event constitute an endorsement of the Bonds or the Development or the creditworthiness of the Borrower, nor shall such approval in any event be construed to obligate the City of Charlotte, North Carolina for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Issuer, or to constitute the Bonds or any of the agreements or obligations of the Issuer an indebtedness of the City of Charlotte, North Carolina, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE:

1. The proposed housing development consisting of the acquisition, construction and equipping of the Development described above in the City of Charlotte, Mecklenburg County, North Carolina by the Borrower and the issuance of the Authority’s multifamily housing revenue bonds therefor in an amount not to exceed \$28,500,000 are hereby approved for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately upon its passage.

Council member Egleston moved the passage of the foregoing resolution and Council member Newton seconded the motion, and the resolution was passed by the following vote:

Ayes: Council members Eiselt, Ajmera, Winston, Phipps, Egleston, Graham, Watlington  
Johnson, Newton, Bokhari, Driggs

Nays: None

Not voting: N/A

\* \* \* \* \*

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 205-211.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



*Stephanie C. Kelly*

Stephanie C. Kelly, City Clerk, MMC, NCCMC

**Exhibit A**

**Certificate and Summary of Public Hearing**

(Attached)

### CERTIFICATE AND SUMMARY

The undersigned Executive Vice President of Development and the designated hearing officer of INLIVIAN hereby certifies as follows:

1. Notice of a public hearing (the "Hearing") to be held on August 30, 2021, with respect to the issuance of bonds by INLIVIAN for the benefit of WCO West Blvd, LP, a North Carolina limited partnership, or an affiliate or subsidiary thereof (the "Borrower") was published on August 20, 2021, in *The Charlotte Observer*.
2. I was the hearing officer for the Hearing.
3. The following is a list of names and addresses of all persons who spoke at the Hearing:

None

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

None

IN WITNESS WHEREOF, my hand this 30<sup>th</sup> day of August, 2021.



---

Connie Staudinger, Hearing Officer

## **RESOLUTION**

### **PROVIDE PRELIMINARY APPROVAL TO ISSUE REVENUE BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN AFFORDABLE HOUSING DEVELOPMENT TO BE KNOWN AS FLATS AT WEST BOULEVARD**

**WHEREAS**, WCO West Blvd, LP, a North Carolina limited partnership, or another affiliated or related entity of Woodbine Community Organization, Inc. (the "Borrower"), has requested that INLIVIAN (the "Authority") assist it in financing the acquisition, construction and equipping of a 200-unit multifamily housing development to be known as Flats at West Boulevard and located at 1901 West Boulevard in Charlotte, North Carolina (the "Development"); and

**WHEREAS**, the Borrower has described to the Authority the benefits of the Development to the City of Charlotte and the State of North Carolina and has requested the Authority to agree to issue its revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

**WHEREAS**, the Authority is of the opinion that the Development is a facility which can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

#### **NOW, THEREFORE, BE IT RESOLVED BY INLIVIAN:**

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a housing facility to serve persons of low and moderate income, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to assist the Borrower in every reasonable way to issue bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority's revenue bonds (the "Bonds") in one or more series in an aggregate amount now estimated not to exceed Twenty-Eight Million Five Hundred Thousand Dollars (\$28,500,000) to provide all or part of the cost of the Development.
2. The Authority intends that the adoption of this resolution be considered as "official action" toward the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2 promulgated by the Internal Revenue Service pursuant to the Internal Revenue Code of 1986, as amended (the "Code").
3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Borrower. The Authority and the Borrower shall enter into a "financing agreement" pursuant to the Act for a term and upon payments sufficient to pay the principal of, premium, if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or other agreement between the Authority and a trustee (the "Trustee") or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority's rights to payments under the financing agreement. The Bonds shall not be deemed to constitute a debt or a pledge of

the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City of Charlotte, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Borrower.

4. The Authority will proceed, upon the prior advice, consent and approval of the Borrower, bond counsel and the Authority's counsel, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City of Charlotte and, if applicable, the North Carolina Local Government Commission.
5. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Borrower may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Borrower may be reimbursed from the proceeds of the Bonds for all qualifying costs so incurred by it as permitted by Internal Revenue Service Regulations Section 1.150-2.
6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Borrower, to satisfactory review by the Authority of the financial capability of the Borrower and satisfactory underwriting of the Development, and mutual agreement to the terms for the Bonds, including the execution of a financing agreement, indenture, or security agreement and other documents and agreements necessary or desirable for the issuance, sale and delivery of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the issuance of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development and the issuance of the Bonds, including the reasonable fees and expenses of the Authority, the Authority's counsel, bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Borrower and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Borrower that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.
7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the issuance of the Bonds, including calling for a public hearing with respect to the financing of the Development through the issuance of the Bonds.
8. McGuireWoods LLP, Raleigh, North Carolina, shall act as bond counsel for the Bonds.
9. This resolution shall take effect immediately upon its passage.

\* \* \* \* \*

**RECORDING OFFICER'S CERTIFICATION**

I, A. Fulton Meachem, Jr., the duly appointed Secretary of INLIVIAN, do hereby certify that the foregoing Resolution was properly adopted at a regular meeting held April 20, 2021.

By:   
A. Fulton Meachem, Jr., Secretary

RESOLUTION PROVIDING APPROVAL OF A MULTIFAMILY HOUSING FACILITY TO BE KNOWN AS JOHNSTON OEHLER SENIORS IN THE CITY OF CHARLOTTE, NORTH CAROLINA AND THE FINANCING THEREOF WITH MULTIFAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$16,000,000

WHEREAS, the City Council (the “City Council”) of the City of Charlotte (the “City”) met in Charlotte, North Carolina at 5:00 p.m. on the 27th day of September 2021; and

WHEREAS, INLIVIAN (the “Issuer”) has tentatively agreed to issue its multifamily housing revenue bonds in an amount not to exceed \$16,000,000 (the “Bonds”), for the purpose of financing the acquisition, construction and equipping by JOS Apartments, LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Borrower”), of a multifamily residential rental facility to be known as Johnston Oehler Seniors (the “Development”); and

WHEREAS, the Development will consist of approximately 140 units and related facilities, located on an approximately 6.3-acre site at 4212 Johnston Oehler Road in the City of Charlotte, Mecklenburg County, North Carolina; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that any bonds issued by the Issuer for the Development may only be issued after approval of the plan of financing by the City Council of the City following a public hearing with respect to such plan; and

WHEREAS, on August 30, 2021, the Issuer held a public hearing with respect to the issuance of the Bonds to finance, in part, the Development (as evidenced by the Certificate and Summary of Public Hearing attached hereto) and has requested the City Council to approve the issuance of the Bonds as required by the Code; and

WHEREAS, the City has determined that approval of the issuance of the Bonds is solely to satisfy the requirement of Section 147(f) of the Code and shall in no event constitute an endorsement of the Bonds or the Development or the creditworthiness of the Borrower, nor shall such approval in any event be construed to obligate the City of Charlotte, North Carolina for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Issuer, or to constitute the Bonds or any of the agreements or obligations of the Issuer an indebtedness of the City of Charlotte, North Carolina, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE:

1. The proposed housing development consisting of the acquisition, construction and equipping of the Development described above in the City of Charlotte, Mecklenburg County, North Carolina by the Borrower and the issuance of the Authority’s multifamily housing revenue bonds therefor in an amount not to exceed \$16,000,000 are hereby approved for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately upon its passage.

Council member Egleston moved the passage of the foregoing resolution and Council member Newton seconded the motion, and the resolution was passed by the following vote:

Ayes: Council members Eiselt, Ajmera, Winston, Phipps, Egleston, Graham  
Watlington, Johnson, Newton, Bokhari, Driggs

Nays: None

Not voting: N/A

\* \* \* \* \*

### **CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 212-218.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



Stephanie C. Kelly, City Clerk, MMC, NCCMC

**Exhibit A**

**Certificate and Summary of Public Hearing**

(Attached)

### CERTIFICATE AND SUMMARY

The undersigned Executive Vice President of Development and the designated hearing officer of INLIVIAN hereby certifies as follows:

1. Notice of a public hearing (the "Hearing") to be held on August 30, 2021, with respect to the issuance of bonds by INLIVIAN for the benefit of JOS Apartments, LLC, a North Carolina limited liability company, or an affiliate or subsidiary thereof (the "Borrower") was published on August 20, 2021, in *The Charlotte Observer*.
2. I was the hearing officer for the Hearing.
3. The following is a list of names and addresses of all persons who spoke at the Hearing:  
  
None
4. The following is a summary of the oral comments made at the Hearing:  
  
None

IN WITNESS WHEREOF, my hand this 30<sup>th</sup> day of August, 2021.



---

Connie Staudinger, Hearing Officer

## RESOLUTION

### **AUTHORIZE THE CEO TO PROVIDE PRELIMINARY APPROVAL TO ISSUE REVENUE BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN AFFORDABLE HOUSING DEVELOPMENT TO BE KNOWN AS JOHNSTON OEHLER SENIORS**

**WHEREAS**, Charlotte-Mecklenburg Housing Partnership, Inc., a North Carolina nonprofit corporation, or an affiliated or related entity (the “**Borrower**”), has requested that INLIVIAN (the “**Authority**”) assist it in financing the acquisition, construction and equipping of a 140-unit multifamily housing development for seniors to be known as Johnston Oehler Seniors and located near the intersection of Johnston Oehler Road and Prosperity Church Road in the City of Charlotte, North Carolina (the “**Development**”); and

**WHEREAS**, the Borrower has described to the Authority the benefits of the Development to the City of Charlotte and the State of North Carolina and has requested the Authority to agree to issue its revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

**WHEREAS**, the Authority is of the opinion that the Development is a facility which can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

### **NOW, THEREFORE, BE IT RESOLVED BY INLIVIAN:**

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a housing facility to serve persons of low and moderate income, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to assist the Borrower in every reasonable way to issue bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority’s revenue bonds (the “**Bonds**”) in one or more series in an aggregate amount now estimated not to exceed Sixteen Million Dollars (\$16,000,000) to provide all or part of the cost of the Development.

2. The Authority intends that the adoption of this resolution be considered as “official action” toward the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2 promulgated by the Internal Revenue Service pursuant to the Internal Revenue Code of 1986, as amended (the “**Code**”).

3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Borrower. The Authority and the Borrower shall enter into a “financing agreement” pursuant to the Act for a term and upon payments sufficient to pay the principal of, premium, if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or other agreement between the Authority and a trustee (the “**Trustee**”) or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority’s rights to payments under the financing agreement. The Bonds shall not be deemed

to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City of Charlotte, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Borrower.

4. The Authority will proceed, upon the prior advice, consent and approval of the Borrower, bond counsel and the Authority's counsel, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City of Charlotte and, if applicable, the North Carolina Local Government Commission.

5. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Borrower may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Borrower may be reimbursed from the proceeds of the Bonds for all qualifying costs so incurred by it as permitted by Internal Revenue Service Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Borrower, to satisfactory review by the Authority of the financial capability of the Borrower and satisfactory underwriting of the Development, and mutual agreement to the terms for the Bonds, including the execution of a financing agreement, indenture, or security agreement and other documents and agreements necessary or desirable for the issuance, sale and delivery of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the issuance of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development and the issuance of the Bonds, including the reasonable fees and expenses of the Authority, the Authority's counsel, bond counsel, and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Borrower, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Borrower and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Borrower that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the issuance of the Bonds, including calling for a public hearing with respect to the financing of the Development through the issuance of the Bonds.

8. McGuireWoods LLP, Raleigh, North Carolina, shall act as bond counsel for the Bonds.

9. This resolution shall take effect immediately upon its passage.

**RECORDING OFFICER'S CERTIFICATION**

I, A. Fulton Meachem, Jr., the duly appointed Secretary of INLIVIAN, do hereby certify that this Resolution was properly adopted at a regular meeting held January 19, 2021.

By: \_\_\_\_\_

A handwritten signature in blue ink, appearing to read 'A. Fulton Meachem, Jr.', written over a horizontal line.

A. Fulton Meachem, Jr., Secretary

(SEAL)

RESOLUTION CONFIRMING APPROVAL OF A  
MULTIFAMILY HOUSING FACILITY TO BE KNOWN AS  
SOUTH VILLAGE APARTMENTS IN THE CITY OF  
CHARLOTTE, NORTH CAROLINA AND THE FINANCING  
THEREOF WITH MULTIFAMILY HOUSING REVENUE  
BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED  
\$12,000,000

WHEREAS, the City Council (the “City Council”) of the City of Charlotte (the “City”) met in Charlotte, North Carolina at 5:00 p.m. on the 27th day of September, 2021; and

WHEREAS, INLIVIAN (formerly known as the Housing Authority of the City of Charlotte, N.C.) (the “Issuer”) has agreed to issue its multifamily housing revenue bonds in an amount not to exceed \$12,000,000 (the “Bonds”), for the purpose of financing the acquisition, construction and equipping by Scaleybark Apartments, LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Borrower”), of a multifamily residential rental facility to be known as South Village Apartments; and

WHEREAS, the Development will consist of approximately 82 units, located on an approximately 2.4-acre site at the intersection of Whitton Street and Dewitt Lane in the City of Charlotte, Mecklenburg County, North Carolina; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that any bonds issued by the Issuer for the Development may only be issued after approval of the plan of financing by the City Council of the City following a public hearing with respect to such plan; and

WHEREAS, on July 9, 2020, the Issuer held a public hearing with respect to the issuance of the Bonds to finance, in part, the Development, and on July 27, 2020, the City Council adopted a resolution approving the issuance of the Bonds solely to satisfy the requirements of Section 147(f) of the Code; and

WHEREAS, under the Code, bonds approved by an elected body for purposes of Section 147(f) of the Code must be issued within one year of the date of such approval; and

WHEREAS, due to an unexpected delay in completing the financing for the Development, the closing of the Bonds has been delayed such that the Bonds were not issued by July 27, 2021; and

WHEREAS, the Issuer and the Borrower have requested the City Council confirm its approval of the issuance of the Bonds solely to satisfy the requirements of Section 147(f) of the Code; and

WHEREAS, the Bonds shall not be deemed to constitute a debt of the City or a pledge of the faith and credit of the City, but shall be limited obligations of the Issuer payable solely from the loan repayments to be made by the Borrower to the Issuer; and

WHEREAS, the City Council has determined that its approval of the issuance of the Bonds is solely to satisfy the requirements of Section 147(f) of the Code and does not constitute an endorsement of the Bonds or the Development or the creditworthiness of the Borrower, nor shall such approval in any event be construed to obligate the City for the payment of the principal or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Issuer, or to constitute the Bonds or any of the agreements or obligations of the Issuer an indebtedness of the City, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA:

1. The proposed financing of the acquisition, construction and equipping of the Development described above in the City of Charlotte, North Carolina, by the Borrower and the issuance of the Issuer's multifamily housing revenue bonds therefor in an amount not to exceed \$14,000,000 for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately.

Council member Egleston moved the passage of the foregoing resolution and Council member Newton seconded the motion, and the resolution was passed by the following vote:

Ayes: Council members Eiselt, Ajmera, Winston, Phipps, Egleston, Graham, Watlington, Johnson, Newton, Bokhari, Driggs

Nays: None

Not voting: N/A

\* \* \* \* \*

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 219-222.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



Stephanie C. Kelly, City Clerk, MMC, NCCMC



(SEAL)

**Exhibit A**

**Certificate and Summary of Public Hearing**

(Attached)

### CERTIFICATE AND SUMMARY

The undersigned Executive Vice President of Development and the designated hearing officer of INLIVIAN hereby certifies as follows:

1. Notice of a public hearing (the "Hearing") to be held on July 9, 2020, with respect to the issuance of bonds by INLIVIAN for the benefit of Scaleybark Apartments, LLC, a North Carolina limited liability company, or an affiliate or subsidiary thereof (the "Borrower") was published on July 2, 2020, in *The Charlotte Observer*.
2. I was the hearing officer for the Hearing.
3. The following is a list of names and addresses of all persons who spoke at the Hearing:  
  
None
4. The following is a summary of the oral comments made at the Hearing:  
  
None

IN WITNESS WHEREOF, my hand this 9<sup>th</sup> day of July, 2020.

  
\_\_\_\_\_  
Connie Staudinger, Hearing Officer

**RESOLUTION DECLARING INTENT TO ABANDON AND CLOSE GRIER AVENUE  
UNOPENED RIGHT-OF-WAY in the City of Charlotte, Mecklenburg County, North Carolina.**

Whereas, Lakeview Land Company has filed a petition to close Grier Avenue Unopened Right-of-Way in the City of Charlotte; and

Whereas, Grier Avenue Unopened Right-of-Way containing 7,144 square feet or 0.164 acres as shown in the map marked "Exhibit A" and are more particularly described by metes and bounds in the document marked "Exhibit B" all of which are available for inspection in the office of the City Clerk, CMGC, Charlotte, North Carolina; and

Whereas, the procedure for closing streets and alleys as outlined in North Carolina General Statutes, Section 160A-299, requires that City Council first adopt a resolution declaring its intent to close the street and calling a public hearing on the question; said statute further requires that the resolution shall be published once a week for two successive weeks prior to the hearing, and a copy thereof be sent by registered or certified mail to all owners of property adjoining the street as shown on the county tax records, and a notice of the closing and public hearing shall be prominently posted in at least two places along said street or alley.

Now, therefore, be it resolved, by the City Council of the City of Charlotte, at its regularly scheduled session of September 27, 2021, that it intends to close Grier Avenue Unopened Right-of-Way and that said right-of-way (or portion thereof) is more particularly described on a map. The public will take notice that, pursuant 160A-299 of the General Statutes of North Carolina, the City Council of the City of Charlotte has called a public hearing on Monday, the 8<sup>th</sup> day of November 2021, to be conducted at 5:00 p.m., or as soon thereafter as practicable, on the closure of Grier Avenue Unopened Right-of-Way at the Charlotte-Mecklenburg Government Center, 600 East Fourth Street; Charlotte, North Carolina 28202, by such method, including in a virtual manner, necessary in response to the COVID-19 pandemic. The meeting will be accessible via the Government Channel, the City's Facebook page, or the City's YouTube page. All interested parties are invited to present comments at the public hearing regarding the closure of Grier Avenue Unopened Right-of-Way. To speak at the public hearing, please all the City Clerk's office (at 704-336-2248) or sign up online at <https://charlottenc.gov/CityClerk/Pages/Speak.aspx>. Alternatively, comments of 350 words or less on the subject of the public hearing may be submitted to the City Clerk's Office at [cityclerk@charlottenc.gov](mailto:cityclerk@charlottenc.gov), between publication of this notice and 24 hours prior to the scheduled time for the beginning of the public hearing.

The City Clerk is hereby directed to publish a copy of this resolution in the Mecklenburg Times once a week for two successive weeks preceding the date fixed here for such hearing as required by N.C.G.S. 160A-299.

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 223.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



Stephanie C. Kelly, City Clerk, MMC, NCCMC

**A RESOLUTION AUTHORIZING THE REFUND OF PROPERTY TAXES**

Reference is made to the schedule of "Taxpayers and Refunds Requested" attached to the Docket for consideration of the City Council. On the basis of that schedule, which is incorporated herein, the following facts are found:

1. The City-County Tax Collector has collected property taxes from the taxpayers set out on the list attached to the Docket.
2. The City-County Tax Collector has certified that those taxpayers have made proper demand in writing for refund of the amounts set out on the schedule within the required time limits.
3. The amounts listed on the schedule were collected through either a clerical or assessment error.

NOW, THEREFORE, BE RESOLVED by the City Council of the City of Charlotte, North Carolina, in regular session assembled this 27<sup>th</sup> day of September 2021 that those taxpayers listed on the schedule of "Taxpayers and Refunds Requested" be refunded in the amounts therein set up and that the schedule and this resolution be spread upon the minutes of this meeting.

**CERTIFICATION**

I, Stephanie C. Kelly, 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 27<sup>th</sup> day of September 2021, the reference having been made in Minute Book 154 and recorded in full in Resolution Book 52, Page(s) 224-225.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 27<sup>th</sup> day of September 2021.



Stephanie C. Kelly, City Clerk, MMC, NCCMC

**Taxpayers and Refunds Requested**

ARC WILORA ASSISTED LIVING LLC	11,919.29
ARC WILORA ASSISTED LIVING LLC	11,919.29
ASBURY, ANN	174.90
ASBURY, ANN	49.72
ASBURY, ANN	125.18
AWTBORDER LLC	37.51
AWTBORDER LLC	38.19
AWTBORDER LLC	26.62
AWTBORDER LLC	681.16
BANK OF AMERICA TAX DEPARTMENT	123.27
BANK OF AMERICA TAX DEPARTMENT	124.46
BLUE MAX TRUCKING INC	346.56
BLUE MAX TRUCKING INC	115.27
BLUE MAX TRUCKING INC	28.98
BLUE MAX TRUCKING INC	20,383.52
BROWN, KENNETH WAYNE	106.08
BUDGET INN - DADA PTY LLC	165.04
CAMACHO, JUANA	89.31
DYKEMA GOSSETT PLLC	724.14
DYKEMA GOSSETT PLLC	604.62
FELDER, MABLE W	439.83
FLORES, NELIS REYNALDA	51.59
GEODE SALON	19.62
HORNE-CALLAWAY, BARBARA JEAN	4.18
MARKHAM, JAMES WINFIELD	7.20
NEWESKI, BRIAN ANTHONY	13.77
PICARSKI, PAUL MICHAEL	84.74
ROGERS, JAMES WILLIAM	128.28
WORCASTER PROPERTIES LLC	369.68

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48,902.00