

NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT

August 1, 2018

Joint Legislative Committee on Local Government
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Assistant

✓ Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603
Attention: Director

North Carolina Local Government Commission
3200 Atlantic Avenue
Longleaf Building
Raleigh, North Carolina 27604
Attention: Secretary

*City of Charlotte, North Carolina
Facilities and Equipment Installment Financing*

In accordance with N.C. Gen. Stat. §120-157.2(a) (the "*Statute*"), the City of Charlotte, North Carolina (the "*City*") hereby notifies you of its intent to enter into an installment financing contract (the "*Contract*") with New Charlotte Corporation (the "*Corporation*") pursuant to N.C. Gen. Stat. §160A-20, as amended, in an amount not to exceed \$95,000,000, the proceeds of which will be used to (1) finance equipment for and improvements to the Spectrum Center Arena and the acquisition, construction, furnishing, equipping and/or improvement of various governmental and public facilities including the Bojangles' Coliseum/Ovens Auditorium Complex, police stations, fire stations, and the acquisition and installation of general governmental equipment, in accordance with the City's Capital Improvement Plan (collectively, the "*Projects*") and (2) to pay certain costs incurred in connection with the execution and delivery of the Contract.

The amount advanced under the Contract, which the City expects to be approximately \$95,000,000, will amortize over a term of approximately 20 years. The City may pay its obligations under the Contract from any source of funds available to it in each year and appropriated for such purpose. The City's obligation to make payments under the Contract is a limited obligation of the City, subject to annual appropriation, and does not constitute a direct or indirect pledge of the faith and credit or the taxing power of the City.

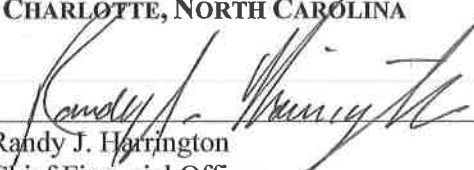
To facilitate the financing, the Corporation will execute and deliver under a trust agreement certificates of participation evidencing proportionate undivided rights to receive certain payments under the Contract. To secure its obligations under the Contract, the City will execute and deliver a deed of trust granting a lien on all or a portion of the City's fee simple interest in certain of the real property on which the Projects are or will be located and all improvements thereon.

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The City expects that the Local Government Commission of North Carolina (the "*Commission*") will consider for approval the City's proposal to execute and deliver the Contract at the Commission's October meeting or at such other meeting as the City and the Commission may determine.

CITY OF CHARLOTTE, NORTH CAROLINA

By:


Randy J. Harrington
Chief Financial Officer