

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN AMENDMENT TO AN INSTALLMENT FINANCINGS AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

WHEREAS, the City of Charlotte, North Carolina (the “*City*”) is a municipal corporation duly created and validly existing under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

WHEREAS, the City has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

WHEREAS, the City has previously executed and delivered an Installment Financing Contract dated as of September 1, 2023 (the “*2023 Contract*”), between the New Charlotte Corporation (the “*Corporation*”) and the City;

WHEREAS, the proceeds related to the 2023 Contract were used by the City to finance the costs of (1) improvements and renovations to the City’s Spectrum Center arena (the “*Arena*”) and (2) improvements and renovations of the City’s Fire Station, Number 32 (the “*Fire Station*” and together with the Arena, the “*2023 Projects*”);

WHEREAS, in order to secure its obligations under the 2023 Contract, the City executed and delivered a Deed of Trust, Security Agreement and Fixture Filing dated as of September 1, 2023 (the “*2023 Deed of Trust*”) granting a security interest in the site on which the Fire Station is located;

WHEREAS, the City Council of the City (the “*City Council*”) hereby determines that it is in the best interest of the City to enter into (1) an amendment to the 2023 Contract (“*First Amendment*” and together with the 2023 Contract, the “*Contract*”) with the Corporation in order to (a) refinance the 2023 Projects and have the Corporation refund the outstanding Certificate of Participation (Governmental Facilities), Series 2023A, (b) finance the costs of improvements and renovations of other governmental facilities (collectively, the “*2025 Projects*”) and (c) pay the costs related to entering into the First Amendment and (2) a notice of extension to additional property to the existing 2023 Deed of Trust (the “*First Extension*”) granting a security interest in all or a portion of the sites on which the Arena and the 2025 Projects are located and together with the improvements thereon, to further secure the City’s obligations under the Contract;

WHEREAS, to facilitate the above-described plan of finance on the terms most desirable to the City, the Corporation will execute and deliver Taxable Certificates of Participation (the “*2025 Certificates*”);

WHEREAS, the City Council hereby determines to (1) retain Parker Poe Adams & Bernstein LLP, as special counsel (“*Special Counsel*”), (2) retain DEC Associates,

Inc., as financial advisor, (3) retain PNC Bank Capital Markets LLC, as managing underwriter (the “*Underwriter*”), (4) approve the Underwriter’s selection of McGuireWoods LLP, as underwriter’s counsel, and (5) retain U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”), in connection with the execution of the First Amendment and the related 2025 Certificates (collectively, the “*Financing Team*”);

WHEREAS, the City Council has previously determined and hereby determines that the 2023 Projects and the 2025 Projects are essential to the City’s proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the 2023 Projects and the 2025 Projects provide and will provide an essential use and will permit the City to carry out public functions that it is authorized by law to perform; and that entering into the First Amendment is necessary and expedient for the City by virtue of the findings presented herein;

WHEREAS, the City Council hereby determines that the Contract, including the First Amendment, allows the City to refinance the 2023 Projects and finance the 2025 Projects and take title thereto at favorable interest rates currently available in the financial marketplace and on terms advantageous to the City;

WHEREAS, the City Council hereby determines that the estimated cost of refinancing the 2023 Projects and financing the 2025 Projects is an amount not to exceed \$130,000,000 and that such cost of refinancing the 2023 Projects and financing the 2025 Projects exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the City in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of refinancing the 2023 Projects and financing the 2025 Projects pursuant to the Contract, including the First Amendment, is expected to exceed the cost of refinancing the 2023 Projects and financing the 2025 Projects pursuant to a bond financing for the same undertaking, the City Council hereby determines that the cost of refinancing the 2023 Projects and financing the 2025 Projects pursuant to the Contract, including the First Amendment, and the obligations of the City thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of refinancing the 2023 Projects and financing the 2025 Projects; and (3) insufficient revenues are produced by the 2025 Projects so as to permit a revenue bond financing;

WHEREAS, the City Council hereby determines that the estimated cost of refinancing the 2023 Projects and financing the 2025 Projects pursuant to the Contract, including the First Amendment, reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the City does not anticipate a future property tax increase to pay installment payments falling due under the Contract as a result of entering into the First Amendment, but any property tax increase, if necessary, will not be excessive;

WHEREAS, no deficiency judgment may be rendered against the City in any action for its breach of the Contract and the taxing power of the City is not and may not be pledged in any way directly or indirectly or contingently to secure any moneys due under the Contract;

WHEREAS, the City is not in default under any of its debt service obligations;

WHEREAS, the City's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act;

WHEREAS, past audit reports of the City indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the City has not been censured by the Local Government Commission of North Carolina (the "LGC"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies; and

WHEREAS, a public hearing on the First Amendment, the proposed 2025 Projects and the First Extension, after publication of a notice with respect to such public hearing, was held at this meeting by the City Council and approval of the LGC with respect to entering into the First Amendment must be received;

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

Section 1. ***Authorization to Negotiate First Amendment and First Extension.*** The Mayor, the City Manager, the Chief Financial Officer, the Treasurer, the City Clerk and the City Attorney, and their respective designees (individually and collectively, the "*Authorized Officers*"), are hereby authorized and directed to proceed and negotiate on behalf of the City for the refinancing of the 2023 Projects and the financing of the 2025 Projects for a principal amount not to exceed \$130,000,000 in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended, and to provide in connection with the Contract, as security for the City's obligations thereunder, the First Extension extending the lien from the 2023 Deed of Trust to all or a portion of the sites of the Arena and the 2025 Projects and any improvements thereon as the Authorized Officers may determine.

Section 2. ***Application to LGC.*** The City Manager and the Chief Financial Officer, individually or collectively, or their designees, are hereby directed to file with the LGC an application or applications for its approval of the First Amendment and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the City and its financial condition as may be required by the LGC.

Section 3. ***Financing Team.*** The use of the Financing Team in connection with the City's execution and delivery of the First Amendment, the First Extension and the issuance of the related 2025 Certificates is hereby approved and ratified. The Authorized Officers are hereby authorized to retain any other professionals they deem necessary to complete the transaction contemplated by this Resolution.

Section 4. ***Repealer.*** All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 5. ***Effective Date.*** This Resolution is effective on the date of its adoption.

Adopted June 9, 2025