

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 in the Meeting Chamber at the Charlotte-Mecklenburg Government Center in Charlotte, North Carolina, the regular place of meeting, at 5:00 p.m. on May 24, 2021:

Members Present:

Members Absent:

* * * * *
* * *

Councilmember _____ introduced the following resolution, a summary of which had been provided to each Councilmember, copy of which was available with the City Clerk and which was read by title:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA APPROVING AN AMENDMENT TO AN INSTALLMENT PURCHASE CONTRACT WITH NEW CHARLOTTE CORPORATION AND RELATED MATTERS

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 previously executed and delivered an Installment Purchase Contract dated as of December 1, 2003 and amendments thereto (as previously amended, the “*2003 Contract*”) between the City and New Charlotte Corporation (the “*Corporation*”) in order to finance and refinance mass transit facilities and equipment;

WHEREAS, to secure its obligations under the 2003 Contract, the City (1) executed and delivered a Deed of Trust and Security Agreement dated as of December 1, 2003 from the City to the deed of trust trustee named therein for the benefit of the Corporation, as modified by (a) a Notice of Extension of Deed of Trust dated as of August 15, 2005, (b) a Notice of Extension and Amendment to Deed of Trust dated as of May 1, 2013 and (c) a Notice of Extension of Deed of Trust dated as of May 1, 2015, each among the City, the Trustee and the deed of trust trustee named therein (collectively, the “*Deed of Trust*”), granting the Corporation and its assigns a security interest in certain transit facilities acquired with the proceeds of the 2003 Contract, and (2) granted the Corporation under the 2003 Contract a security interest in certain personal property acquired with the proceeds of the 2003 Contract;

WHEREAS, to assist the City in the financings and refinancings of the mass transit facilities and equipment in connection with the 2003 Contract, the Corporation previously executed and delivered under an Indenture of Trust dated as of December 1, 2003 (as previously amended and supplemented, the “2003 Indenture”) between the Corporation and Wachovia Bank, National Association, the successor to which is U.S. Bank National Association, as trustee (the “Trustee”), several series of certificates of participation, each evidencing proportionate undivided interests in rights to receive certain revenues pursuant to the 2003 Contract;

WHEREAS, the City has been advised that it can achieve debt service savings by refinancing the principal component of its installment payment obligations under the 2003 Contract corresponding to certain of the certificates of participation outstanding under the 2003 Indenture, including the Refunding Certificates of Participation (Transit Projects/Phase II), Series 2008A (the “2008A Certificates”) and Certificate of Participation (Transit Projects/Phase III), Series 2015D (the “2015D Certificate”);

WHEREAS, consistent with the City’s financial policies for the Charlotte Area Transit System, the City Council of the City of Charlotte, North Carolina (the “City Council”) has determined that it is in the best interests of the City to enter into Amendment Number Six to the Installment Purchase Contract (the “Sixth Amendment,” and together with the 2003 Contract, the “Contract”) to accomplish the refinancing of the 2008A Certificates and the 2015D Certificate and to pay the costs of executing and delivering the Sixth Amendment;

WHEREAS, to assist the City in the refinancing of the City’s obligations, the Corporation will execute and deliver Refunding Certificates of Participation (Transit Projects), Series 2021A (the “2021A Certificates”), evidencing proportionate undivided interests in rights to receive certain Revenues pursuant to the Contract under the 2003 Indenture and Supplemental Indenture, Number 9 (the “Ninth Supplement”) between the Corporation and the Trustee, in an aggregate principal amount not to exceed \$200,000,000;

WHEREAS, in connection with the sale of the 2021A Certificates by the Corporation to Goldman Sachs & Co. LLC, as managing underwriter (the “Underwriter”), the City desires to make certain representations and warranties to the Underwriter in the form of the City’s Letter of Representations to the Underwriter (the “Letter of Representations”);

WHEREAS, there has been described to the City Council the following documents (collectively, the “Instruments”), copies of are available to the City Council, which the City Council proposes to approve, enter into and deliver, as applicable to effectuate the proposed installment purchase financing:

- (1) the Sixth Amendment;
- (2) the Letter of Representations;
- (3) the Contract of Purchase between the Corporation and the Underwriter (the “Purchase Contract”); and
- (4) the Preliminary Official Statement related to the 2021A Certificates (the “Preliminary Official Statement”) containing certain information regarding the City;

WHEREAS, it appears that each of the Instruments is in an appropriate form and is an appropriate instrument for the purposes intended;

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

Section 1. *Ratification of Instruments.* All actions of the City officials, whether previously or hereinafter taken, in effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2. *Authorization of the Official Statement.* The form, terms and content of the Preliminary Official Statement are in all respects authorized, approved and confirmed, and the use of the Preliminary Official Statement and the final Official Statement related to the 2021A Certificates substantially in the form of the Preliminary Official Statement (the “*Official Statement*”) by the Underwriter and any co-managing underwriters in connection with the sale of the 2021A Certificates is hereby in all respects authorized, approved and confirmed.

Section 3. *Authorization of Sixth Amendment.* The City approves the transactions contemplated by the Instruments in accordance with the terms of the Sixth Amendment, which will be a valid, legal and binding obligation of the City in accordance with its terms. The form and content of the Sixth Amendment are hereby in all respects authorized, approved and confirmed, and the Mayor, the City Manager, the Chief Financial Officer and the City Clerk, including anyone serving as such in an interim capacity, and their respective designees (the “*Authorized Officers*”), are hereby authorized, empowered and directed, individually and collectively, to execute and deliver the Sixth Amendment, 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, their execution thereof to constitute conclusive evidence of the City’s approval of any and all changes, modifications, additions or deletions therein from the form and content of the Sixth Amendment presented to the City Council. From and after the execution and delivery of the Sixth Amendment, 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 Sixth Amendment as executed.

Section 4. *Letter of Representation.* The form and content of the Contract of Purchase are hereby in all respects approved, and the City Manager and the Chief Financial Officer, including anyone serving as such in an interim capacity, and their respective designees, individually and collectively, are authorized to execute the Letter of Representation for the purposes stated therein.

Section 5. *City Representative.* The Authorized Officers are hereby designated as the City’s representatives to act on behalf of the City in connection with the transaction contemplated by the Instruments and the Official Statement, and each is authorized to proceed with the refinancing of the 2008A Certificates and the 2015D Certificate in accordance with the Instruments in an aggregate principal amount not to exceed \$200,000,000 and to seek opinions as a matter of law from the City Attorney, which City Attorney is authorized to furnish on behalf of the City, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The City’s representative and their designees are in all respects authorized, individually and collectively, to supply on behalf of the City all information pertaining to the City for use in the Official Statement and the transactions contemplated by the Instruments or the Official Statement. The Authorized Officers are hereby authorized, empowered and directed, individually and collectively, to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by the Instruments or the Official Statement or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution, including the on-going administration of the Instruments and related documents.

Section 6. *Ratification of Prior Actions.* The resolutions and bond order adopted by City Council on April 26, 2021 with respect to the proposed refinancing described herein and the proposed issuance by the City of its water and sewer system revenue bond anticipation note are hereby ratified and approved.

Section 7. *Severability.* If any section, phrase or provision of this Resolution is declared invalid for any reason, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 8. *Repealer.* All motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 9. *Effective Date.* This Resolution will take effect immediately on its adoption.

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 a resolution entitled “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA APPROVING AN AMENDMENT TO AN INSTALLMENT PURCHASE CONTRACT WITH NEW CHARLOTTE CORPORATION AND RELATED MATTERS**” adopted by the City Council of the City of Charlotte, North Carolina, at a meeting held on the 24th day of May, 2021, the reference having been made in Minute Book _____, and recorded in full in Resolution Book _____, Page(s) _____.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the ____ day of _____, 2021.

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