Article 20.
Interlocal Cooperation.


The words defined in this section shall have the meanings indicated when used in this Part:

(1) "Undertaking" means the joint exercise by two or more units of local government, or the contractual exercise by one unit for one or more other units, of any power, function, public enterprise, right, privilege, or immunity of local government.

(2) "Unit," or "unit of local government" means a county, city, consolidated city-county, local board of education, sanitary district, facility authority created under Part 4 of this Article, special district created under Article 43 of Chapter 105 of the General Statutes, or other local political subdivision, authority, or agency of local government. (1971, c. 698, s. 1; 1975, c. 821, s. 4; 1979, c. 774, s. 1; 1981, c. 641; 1995, c. 458, s. 3; 2009-527, s. 2(f).)

§ 160A-461. Interlocal cooperation authorized.
Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes. (1971, c. 698, s. 1.)

(a) Units agreeing to an undertaking may establish a joint agency charged with any or all of the responsibility for the undertaking. The units may confer on the joint agency any power, duty, right, or function needed for the execution of the undertaking, except that legal title to all real property necessary to the undertaking shall be held by the participating units individually, or jointly as tenants in common, in such manner and proportion as they may determine.

(b) The participating units may appropriate funds to the joint agency on the basis of an annual budget recommended by the agency and submitted to the governing board of each unit for approval. (1971, c. 698, s. 1.)

(a) The units may agree that any joint agency established under G.S. 160A-462 shall appoint the officers, agents, and employees necessary to execute the undertaking, or that the units jointly shall appoint these personnel, or that one of the units shall appoint the personnel with their services contracted for by the other units or by the joint agency. If the units determine that one unit shall appoint the personnel, the agreement shall provide that the jurisdiction, authority, rights, privileges, and immunities (including coverage under the workers' compensation laws) which the officers, agents, and employees of the appointing unit enjoy within the territory of that unit shall also be enjoyed by them outside its territory when they are acting pursuant to the agreement and within the scope of their authority or the course of their employment.
(b) When the subject of an undertaking is a sovereign function of government, the exercise of which has been delegated to an officer of each participating unit, the agreement may provide that one officer shall exercise the function for all the participating units, with all of the powers, duties, and obligations that an officer exercising the function in a single unit would have. (1971, c. 698, s. 1; 1991, c. 636, s. 3.)

Any contract or agreement establishing an undertaking shall specify:
1. The purpose or purposes of the contract or agreement;
2. The duration of the agreement;
3. If a joint agency is established, its composition, organization, and nature, together with the powers conferred on it;
4. The manner of appointing the personnel necessary to the execution of the undertaking;
5. The method of financing the undertaking, including the apportionment of costs and revenues;
6. The formula for ownership of real property involved in the undertaking, and procedures for the disposition of such property when the contract or agreement expires or is terminated;
7. Methods for amending the contract or agreement;
8. Methods for terminating the contract or agreement;
9. Any other necessary or proper matter. (1971, c. 698, s. 1.)

§ 160A-465. Repealed by Session Laws 1979, c. 774, s. 2.

§ 160A-466. Revenue and expenditures for joint undertakings.
When two or more units of local government are engaged in a joint undertaking, they may enter into agreements regarding financing, expenditures, and revenues related to the joint undertaking. Funds collected by any participating unit of government may be transferred to and expended by any other unit of government in a manner consistent with the agreement. An agreement regarding expenses and revenues may be of reasonable duration not to exceed 99 years. (2003-417, s. 1.)


Part 2. Regional Councils of Governments.

§ 160A-470. Creation of regional councils; definition of "unit of local government".
(a) Any two or more units of local government may create a regional council of governments by adopting identical concurrent resolutions to that effect in accordance with the provisions and procedures of this Part. To the extent permitted by the laws of its state, a local government in a state adjoining North Carolina may participate in regional councils of governments organized under this Part to the same extent as if it were located in this State. The concurrent resolutions creating a regional council of governments, and any amendments thereto, will be referred to in this Part as the "charter" of the regional council.

(b) For the purposes of this Part, "unit of local government" means a county, city, or consolidated city-county. (1971, c. 698, s. 1; 1973, c. 426, s. 71.)
Each unit of local government initially adopting a concurrent resolution under G.S. 160A-470 shall become a member of the regional council. Thereafter, any local government may join the regional council by ratifying its charter and by being admitted by a majority vote of the existing members. All of the rights and privileges of membership in a regional council of governments shall be exercised on behalf of its member governments by their delegates to the council. (1971, c. 698, s. 1; 1973, c. 426, s. 72.)

The charter of a regional council of governments shall:
   (1) Specify the name of the council;
   (2) Establish the powers, duties, and functions that it may exercise and perform;
   (3) Establish the number of delegates to represent the member governments, fix their terms of office, provide methods for filling vacancies, and prescribe the compensation and allowances, if any, to be paid to delegates;
   (4) Set out the method of determining the financial support that will be given to the council by each member government;
   (5) Establish a method for amending the charter, and for dissolving the council and liquidating its assets and liabilities.
In addition, the charter may, but need not, contain rules and regulations for the conduct of council business and any other matter pertaining to the organization, powers, and functioning of the council that the member governments deem appropriate. (1971, c. 698, s. 1.)

§ 160A-473. Organization of council.
Upon its creation, a regional council shall meet at a time and place agreed upon by its member governments and shall organize by electing a chairman and any other officers that the charter may specify or the delegates may deem advisable. The council shall then adopt bylaws for the conduct of its business. All meetings of the council shall be open to the public. (1971, c. 698, s. 1.)

Any member government may withdraw from a regional council at the end of any fiscal year by giving at least 60 days' written notice to each of the other members. Withdrawal of a member government shall not dissolve the council if at least two members remain. (1971, c. 698, s. 1.)

§ 160A-475. Specific powers of council.
The charter may confer on the regional council any of the following powers:
   (1) To apply for, accept, receive, and dispense funds and grants made available to it by the State of North Carolina or any agency thereof, the United States of America or any agency thereof, any unit of local government (whether or not a member of the council), and any private or civic agency.
   (2) To employ personnel.
   (3) To contract with consultants.
(4) To contract with the State of North Carolina, any other state, the United States of America, or any agency thereof, for services.

(5) To study regional governmental problems, including matters affecting health, safety, welfare, education, recreation, economic conditions, regional planning, and regional development.

(6) To promote cooperative arrangements and coordinated action among its member governments.

(7) To make recommendations for review and action to its member governments and other public agencies which perform functions within the region in which its member governments are located.

(7a) For the purpose of meeting the regional council's office space and program needs, to acquire real property by purchase, gift, or otherwise, and to improve that property. The regional council may pledge real property as security for indebtedness used to finance acquisition of that property or for improvements to that real property, subject to approval by the Local Government Commission as required under G.S. 159-153. A regional council may not exercise the power of eminent domain.

(7b) To carry out the powers, duties, and responsibilities granted pursuant to Chapter 157 of the General Statutes except the power of eminent domain. This subdivision does not apply to cities with a population of greater than 250,000 according to the latest federal decennial census.

(8) (See Editor's Note) Any other powers that are exercised or capable of exercise by its member governments and desirable for dealing with problems of mutual concern to the extent such powers are specifically delegated to it from time to time by resolution of the governing board of each of its member governments which are affected thereby, provided, that no regional council of governments shall have the authority to construct or purchase buildings, or acquire title to real property, except for the purposes permitted under subdivision (7a) of this section or in order to exercise the authority granted by Chapter 260 of the Session Laws of 1979.

(9) (See Editor's Note) Any other powers that are exercised or capable of exercise by its member governments and desirable for dealing with problems of mutual concern to the extent such powers are specifically delegated to it from time to time by resolution of the governing board of each of its member governments which are affected thereby, provided, that no regional council of governments shall have the authority to construct or purchase buildings, or acquire title to real property, except for the purposes permitted under subdivision (7a) of this section or in order to exercise the authority granted by Chapter 260 of the Session Laws of 1979, or the powers, duties, and responsibilities granted to the regional council pursuant to Chapter 157 of the General Statutes. Nothing in this subdivision permits a regional council to exercise the power of
eminent domain. This subdivision does not apply to cities with a population of greater than 250,000 according to the latest federal decennial census. (1971, c. 698, s. 1; 1975, c. 517, ss. 1, 2; 1979, c. 902; 2005-290, s. 1; 2006-211, s. 1; 2017-178, ss. 2, 3.)

Each unit of local government having membership in a regional council may appropriate funds to the council from any legally available revenues. Services of personnel, use of equipment and office space, and other services may be made available to the council by its member governments as a part of their financial support. (1971, c. 698, s. 1; 1973, c. 426, s. 73.)

§ 160A-477. Reports.
Each regional council shall prepare and distribute to its member governments and to the public an annual report of its activities including a financial statement. (1971, c. 698, s. 1.)

§ 160A-478. Powers granted are supplementary.
The powers granted to cities and counties by this Article are supplementary to any powers heretofore or hereafter granted by any other general law, local act, or city charter for the same or similar purposes. (1971, c. 698, s. 1.)


§ 160A-479. Creation of authority; definition.
(a) Any two or more units of local government may create a regional sports authority by adopting identical concurrent resolutions to that effect in accordance with the provisions of this Part. The concurrent resolutions creating a regional sports authority, and any amendments thereto will be referred to in this Part as the "charter" of the regional sports authority. For the purposes of this Part, "unit of local government" means a county, city or consolidated city-county.

(b) Any regional sports authority created pursuant to this Part shall be a body corporate and politic. (1989, c. 780, s. 1.)

§ 160A-479.1. Purpose of the authority.
The purpose of a regional sports authority shall be to research, design, construct, provide, finance, operate, improve, and maintain facilities for public participation and enjoyment of sports, fitness, health and recreational activities of as many different types and kinds as possible. The primary purpose of any and all such facilities shall be the conduct of sports events but use of these facilities need not be limited to such. (1989, c. 780, s. 1.)

§ 160A-479.2. Jurisdiction of the authority.
(a) The territorial jurisdiction of any authority created pursuant to this Part shall be coterminous with the boundaries of the respective units of local government creating and participating in the authority.

(b) The jurisdiction of any authority created pursuant to this Part shall include any and all currently existing public sports facilities operating within its territorial jurisdiction to the extent that any person or governmental entity owning or controlling such facilities has reached mutual
and written agreement with an authority for the operation and maintenance of such facilities by the authority.

(c) The jurisdiction of an authority shall also include any and all new public sports facilities within the regional authority's territorial jurisdiction developed specifically for operation and maintenance by an authority with the agreement of an authority. (1989, c. 780, s. 1.)

§ 160A-479.3. Membership.
Each unit of local government initially adopting a concurrent resolution under G.S. 160A-479 shall become a member of the regional authority. Thereafter, any local government may join the regional authority by ratifying its charter and by being admitted by a majority vote of the existing members. All of the rights and privileges of membership in a regional sports authority shall be exercised on behalf of its member governments by their delegates to the authority. (1989, c. 780, s. 1.)

The charter of a regional sports authority shall:

(1) Specify the name of the authority;
(2) Establish the powers, duties, and functions that it may exercise and perform;
(3) Establish the number of delegates to represent the member governments, fix their terms of office, provide methods for filling vacancies, and prescribe the compensation and allowances, if any, to be paid to delegates;
(4) Set out the method of determining the financial support that will be given to the authority by each member government;
(5) Establish a method for amending the charter, and for dissolving the authority and liquidating its assets and liabilities.

In addition, the charter may, but need not, contain rules and regulations for the conduct of authority business and any other matter pertaining to the organization, powers, and functioning of the authority that the member governments deem appropriate. (1989, c. 780, s. 1.)

§ 160A-479.5. Organization of authority.
Upon its creation, a regional sports authority shall meet at a time and place agreed upon by its member governments and shall organize by electing a chairman and any other officers that the charter may specify or the delegates may deem advisable. The authority shall then adopt bylaws for the conduct of its business. All meetings of the authority shall be open to the public. (1989, c. 780, s. 1.)

Any member government may withdraw from a regional sports authority at the end of any fiscal year by giving at least 60 days' written notice to each of the other members. A withdrawal does not affect the validity of any revenue bonds or notes, and any revenue from sports facilities in the area of the member government that was pledged in payment of bonds or notes issued before the date of notice of withdrawal remains pledged for that purpose until the bonds and notes and interest on the bonds and notes have been paid. Withdrawal of a member government shall not dissolve the authority if at least two members remain. (1989, c. 780, s. 1.)

(a) The charter may confer on the regional sports authority any or all of the following powers:

1. To apply for, accept, receive, and dispense funds and grants made available to it by the State of North Carolina or any agency thereof, the United States of America or any agency thereof, any unit of local government (whether or not a member of the authority), and any private or civic agency;
2. To employ personnel;
3. To contract with consultants;
4. To contract with the State of North Carolina, any other state, the United States of America, or any agency thereof, for services;
5. To adopt bylaws for the regulation of the affairs and the conduct of its business, and to prescribe rules, regulations and policies in connection with the performance of its functions and duties, not inconsistent with this Part;
6. To adopt an official seal and alter the same at pleasure;
7. To acquire and maintain an administrative building or office at such place or places as it may determine, which building or office may be used or owned alone or together with any municipalities, corporations, associations or persons under such terms and provisions for sharing costs and otherwise as may be determined;
8. To sue and be sued in its own name, and to plead and be impleaded;
9. To receive, administer, and comply with the conditions and requirements respecting any gift, grant, or donation of any property or money;
10. To acquire by purchase, lease, gift, or otherwise, or to obtain options for the acquisition of, any property, real or personal, improved or unimproved, including an interest in land less than the fee thereof;
11. To sell, lease, exchange, transfer, or otherwise dispose of, or to grant options for any such purposes with respect to, any real or personal property or interest therein;
12. To pledge, assign, mortgage, or otherwise grant a security interest in any real or personal property or interest therein, including the right and power to pledge, assign, or otherwise grant a security interest in any money, rents, charges, or other revenues and any proceeds derived by an authority from any and all sources;
13. To issue revenue bonds of the authority to finance regional sports and recreational facilities, including support facilities, to refund any revenue bonds or notes issued by the authority, whether or not in advance of their maturity or earliest redemption date, or to provide funds for other corporate purposes of the authority;
14. With the approval of the unit of local government's chief administrative official, to use officers, employees, agents, and facilities of the unit of local government for such purposes and upon such terms as may be mutually agreeable;
15. To develop and make data, plans, information, surveys, and studies of public sports and recreation facilities within the territorial jurisdiction of an authority, to prepare and make recommendations in regard thereto;
16. To study and plan for new and improved major regional sports and recreational facilities including but not limited to arenas, stadia, gymnasium, natatoria,
pitches, fields, watercourses, and other areas for the conduct of sports and recreational activities. These facilities should be of such sizes and in such locations that they will be adequate to serve the population of the entire jurisdiction of the authority (and beyond) to the extent possible;

(17) To design any such facilities so they include such equipment and design that efficiency, cost, accessibility, utility, and usability of such facilities will be maximized;

(18) To have sports facilities grouped into complexes or separated as an authority may see fit, and such facilities may include ancillary support facilities including but not limited to those for administration, sports science, sports medicine, training, museums, meeting rooms and conference centers, accommodations, food services, retail shops, theatres, video services, schools, and educational services.

(19) To operate the facilities in such a way as to make them as accessible as possible for rental and use by the public while balancing the need for as many of the facilities as possible (particularly any arenas and stadia) to operate annually without a deficit (exclusive of any debt service);

(20) To operate such facilities together with the State, any entity of the State, or local government as appropriate to maintain a high profile and promotional value for North Carolina and the region encompassed by an authority and to attract as many major regional, national, and international tournaments, events, championships training centers, training camps, and headquarters for the governance of various sports, associations, and events as reasonable and possible;

(21) To generate a significant and continuing positive economic impact on the region and State through the construction and operation of facilities and conduct of events and activities within the facilities;

(22) To set and collect such fees and charges for use of such facilities as is reasonable to offset operating costs of said facilities and yet enable said facilities to be affordable to and used by as much of the regional and State population as possible;

(23) To apply to the appropriate agencies of the State, the United States or any state thereof, and to any other proper agency for such permits, licenses, certificates or approvals as may be necessary, and to construct, maintain and operate projects in accordance with such licenses, permits, certificates or approvals in the same manner as any other person or operating unit of any other person;

(24) To employ engineers, architects, attorneys, real estate counselors, appraisers, financial advisors and such other consultants and employees as may be required in the judgment of an authority and to fix and pay their compensation from funds available to an authority therefor and to select and retain subject to approval of the Local Government Commission, the financial consultants, underwriters and bond attorneys to be associated with the issuance of any revenue bonds and to pay for services rendered by underwriters, financial consultants, or bond attorneys out of the proceeds of any such issue with regard to which the services were performed; and
(25) To do all acts and things necessary, convenient, or desirable to carry out the purposes, and to exercise the powers granted to an authority herein.

(b) The charter may not confer the following powers on the regional sports authority:

1. To issue general obligation bonds or otherwise incur a debt that is secured by the full faith and/or credit of the authority, a member government of the authority, or the State.
2. To levy a property tax or other tax.
3. To acquire property by eminent domain. (1989, c. 780, s. 1; 2007-495, s. 19.)

A Regional Sports Authority is a public authority subject to the provisions of Chapter 159 of the General Statutes of North Carolina. (1989, c. 780, s. 1.)

§ 160A-479.9. Funds.
(a) The establishment and operation of an authority as herein authorized are governmental functions and constitute a public purpose, and the State of North Carolina and any unit of local government may appropriate funds to support the establishment and operation of an authority.

(b) The State of North Carolina and any unit of local government may also dedicate, sell, convey, donate or lease any of their interests in any property to an authority. (1989, c. 780, s. 1.)

Insofar as the provisions of this Part are not consistent with the provisions of any other law, public or private, the provisions of this Part shall be controlling. (1989, c. 780, s. 1.)

§ 160A-479.11. Conflicts of interest of public officials.
Members, officers, and employees of any authority created under this Part shall be subject to the provisions of G.S. 14-234. (1989, c. 780, s. 1.)

The Local Government Revenue Bond Act, G.S. Chapter 159, Article 5, governs the issuance of revenue bonds by an authority. G.S. Chapter 159, Article 9, governs the issuance of notes in anticipation of the sale of revenue bonds. (1989, c. 780, s. 1.)

§ 160A-479.13. Acquisition of property.
In addition to the powers hereinbefore granted, an authority may, in its charter, be granted continuing power to acquire, by gift, grant, devise, exchange, purchase, lease with or without option to purchase, or any other lawful method, the fee or any lesser interest in real or personal property for use by an authority. (1989, c. 780, s. 1; 2011-284, s. 119.)

(a) The property of an authority, both real and personal, its acts, activities and income shall be exempt from any tax or tax obligation; in the event of any lease of authority property, or other arrangement which amounts to a leasehold interest, to a private party, this exemption shall not apply to the value of such leasehold interest nor shall it apply to the income of the lessee.
(b) Otherwise, however, for the purpose of taxation, when property of an authority is leased to private parties solely for the purpose of an authority, the acts and activities of an authority for the purpose of exemption of the lessee shall be considered as the acts and activities of the private parties.

(c) The interest on revenue bonds or notes issued by an authority shall be exempt from State taxes. (1989, c. 780, s. 1.)

§ 160A-479.15. Removal and relocation of utility structures.
(a) An authority may require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances or facilities in, upon, under, over, across or along any land or facility where an authority has the right to own, construct, operate or maintain its facilities to remove or relocate such installation, structures, equipment, apparatus, appliances or facilities from their location.

(b) If the owner or operator thereof fails or refuses to remove or relocate them, an authority may proceed to do so.

(c) An authority may provide the necessary new locations or an authority may also acquire the necessary new locations by purchase or otherwise, but not by eminent domain.

(d) An authority shall reimburse the public utility, railroad or other public service corporation, for the cost of relocations which shall be the entire amount paid or incurred by the utility properly attributable thereto after deducting the cost of any increase in the service capacity of the new installations, structures, equipment, apparatus, appliances or facilities and any salvage value derived from the old installations, structures, equipment, apparatus or appliances. (1989, c. 780, s. 1.)

Any member government unit may make advances, from any moneys that may be available for such purpose, in connection with the creation of the authority and to provide for the preliminary expenses of such authority. Any such advances may be repaid to such participating units of local government from the proceeds of the revenue bonds issued by such authority, if capital in nature, or from other available funds of the authority. (1989, c. 780, s. 1.)

The annexation by a member government which is a city of areas lying outside of the territorial jurisdiction of the authority shall make such annexed area a part of the territorial jurisdiction of the authority, and such area shall be subject to all debts and all obligations thereof. (1989, c. 780, s. 1.)

§ 160A-480. Reserved for future codification purposes.


This Part is the "Facility Authority Act" and may be cited by that name. (1995, c. 458, s. 1.)

§ 160A-480.2. Definitions.
The following definitions apply in this Part:

(1) Authority. – A Facility Authority.
(2) Credit facility. – An agreement with a banking institution, an insurance institution, an investment institution, or other financial institution located inside or outside the United States of America that provides for prompt payment, whether at maturity, presentment, or tender for purchase, redemption, or acceleration, of part or all of the principal or purchase price, redemption premium, if any, and interest on a bond or note issued by the Authority and for repayment of the institution.

(3) Member. – A person appointed to a facility authority.

(4) Par formula. – A provision or formula to make periodic adjustments in the interest rate of a bond or note, including:
   a. A provision for an adjustment to keep the purchase price of the bond or note in the open market as close to par as possible.
   b. A provision for an adjustment based on one or more percentages of a prime rate or base rate that may vary or apply for specified periods of time.
   c. Any other provision that does not materially and adversely affect the financial position of the Authority and the marketing of the bonds or notes at a reasonable interest cost to the Authority.

(5) Regional facility. – A facility consisting of an arena, coliseum, or other buildings or both, or areas where sports, fitness, health, recreational, entertainment, or cultural activities can be conducted. The facility may be composed of buildings grouped into complexes or separated from each other and may include ancillary support facilities, such as those for administration, sports science, sports medicine, training, museums, meeting rooms and conference centers, accommodations, parking, and food services. The facility should be designed to attract to the State as many major regional, national, and international tournaments, events, championships, training centers, training camps, and headquarters for the governance of various sports, associations, and events as possible. The regional facility shall be constructed on land owned by the State. (1995, c. 458, s. 1.)

§ 160A-480.3. Creation of Authority; additional membership.
   (a) Creation. – An authority may be created only by act of the General Assembly. An authority so created shall be a political subdivision of the State. The territorial jurisdiction of the authority shall be a county authorized by the General Assembly to levy a room occupancy tax and a prepared food and beverage tax, and where both those taxes have been levied.
   (b) Membership. – An authority shall have 10 or 21 members. Members shall be chosen for terms as follows:
      (1) Five shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, at least one of whom shall be a resident of the territorial jurisdiction of the authority, and at least one other of whom shall have been recommended by the board of trustees of the
(2) Five shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, at least one of whom shall be a resident of the territorial jurisdiction of the authority, and at least one other of whom shall have been recommended by the Board of Trustees of the constituent institution of The University of North Carolina whose main campus is located within the county; and

(3) If the territorial jurisdiction of the authority is a county where the main campus of a constituent institution of The University of North Carolina is located, then:
   a. Four members shall be appointed by the board of commissioners of that county, one of whom at the time of appointment is a resident of the municipality with the second largest population in the county, according to the most recent decennial federal census;
   b. Four members shall be appointed by the city council of the city with the largest population in the county, according to the most recent decennial federal census;
   c. Two members shall be appointed jointly by the mayors of all the cities in that county.
   d. The Chancellor of the main campus of a constituent institution of The University of North Carolina within the county, or the Chancellor's designee.

Beginning January 1, 1999, a majority of any executive committee, or other committee however termed having supervisory or management authority over the facility to be constructed by the authority, shall consist of authority members appointed under this subsection.

Neither the board of commissioners nor the city council may appoint a member of its board to serve on the authority.

Two of the initial appointments under subdivision (1) of this subsection, two of the initial appointments under subdivision (2) of this subsection, one of the initial appointments under subdivision (3)a. of this subsection, and one of the initial appointments under subdivision (3)b. of this section shall be for terms expiring July 1 of the second year after the year in which the authority is created. The remaining initial appointments shall be for terms expiring July 1 of the fourth year after the year in which the authority is created. The third member appointed by the board of commissioners shall serve a term beginning January 1, 1999, and expiring July 1, 2001, and the fourth member appointed by the board of commissioners shall serve a term beginning January 1, 1999, and expiring July 1, 2003. The third member appointed by the city council shall serve a term beginning January 1, 1999, and expiring July 1, 2001, and the fourth member appointed by the city council shall serve a term beginning January 1, 1999, and expiring July 1, 2003. Of the two appointments made by the General Assembly in 1999 and quadrennially thereafter upon the
recommendation of the Speaker of the House of Representatives, one shall be the person recommended by the board of trustees of the constituent institution of The University of North Carolina whose main campus is located within the county. Of the two appointments made by the General Assembly in 1999 and quadrennially thereafter upon the recommendation of the President Pro Tempore of the Senate, one shall be the person recommended by the board of trustees of the constituent institution of The University of North Carolina whose main campus is located within the county. The second member appointed under sub-subdivision (3)c. of this section shall serve an initial term expiring July 1, 2003. Successors shall be appointed in the same manner for four-year terms. A member may be removed by the appointing authority for cause. Vacancies occurring in the membership of the authority shall be filled by the remaining members.

(c) Purpose. – The purpose of an authority is to study, design, plan, construct, own, promote, finance, and operate a regional facility.

(d) Charter and Bylaws. – The act creating an authority and any amendments to it is the Authority's charter. The charter of an authority shall include the name of the Authority. An authority may adopt bylaws. Any bylaw that conflicts with the declared public policy of the State as expressed by law is void and unenforceable. The bylaws may do any one or more of the following:

(1) Limit the powers, duties, and functions that the Authority may exercise and perform.
(2) Prescribe the compensation and allowances not to exceed those provided by G.S. 93B-5, if any, to be paid to the members of the Authority.
(3) Contain rules for the conduct of Authority business and any other matter pertaining to the organization, powers, and functioning of the Authority that the members consider appropriate.

(e) Meetings. – An authority shall meet at a time and place agreed upon by its members. The initial meeting may be called by any four members. At its first meeting, the members shall elect a chairperson and any other officers that the charter may specify or the members may consider advisable. The Authority shall then adopt bylaws for the conduct of its business.

(f) Fiscal Accountability. – An authority is a public authority subject to the provisions of Article 3 of Chapter 159 of the General Statutes.

(g) Conflicts. – If any member, officer, or employee of an Authority shall be:

(1) Interested either directly or indirectly; or
(2) An officer or employee of or have an ownership interest in any firm or corporation, not including units of local government or the Chancellor of the main campus of a constituent institution of The University of North Carolina within the county, or the Chancellor's designee, interested directly or indirectly,

in any contract with that Authority, the interest shall be disclosed to the Authority and shall be set forth in the minutes of the Authority. The member, officer, or employee having an interest shall not participate on behalf of the Authority in the authorization of such contract. Other provisions of law notwithstanding, failure to take any or all actions necessary to carry
out the purposes of this subsection do not affect the validity of any bonds or notes issued under this Chapter.

It is not a violation of this subsection for the Chancellor of the main campus of a constituent institution of The University of North Carolina within the county, or the Chancellor's designee, to participate in discussion of or to vote on any matter, including but not limited to the execution of any contract by the Authority, where the matter relates to the interest of a constituent institution of The University of North Carolina within the county.

(h) Any authority created under this Part shall be treated as a board for purposes of Chapter 138A of the General Statutes. (1995, c. 458, s. 1; 1997-68, s. 1; 2000-181, s. 2.5; 2001-311, ss. 1, 2; 2004-158, ss. 3.1, 3.2, 3.3; 2007-348, s. 43; 2017-6, s. 3; 2018-146, ss. 3.1(a), (b), 6.1.)

§ 160A-480.4. Powers of an Authority.

An Authority shall have all of the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Part. These powers may include any one or more of the following:

1. To apply for, accept, receive, and dispense funds and grants made available to it by the State or any of its agencies or political subdivisions, the United States, any member unit, or any private entity.

2. To study, design, plan, construct, own, and operate a regional facility.

3. To employ consultants and employees as may be required in the judgment of the Authority, to fix and pay their compensation from funds available to the Authority. In employing consultants, the Authority shall promote participation by minority businesses.

4. To contract with any public or private entity, and The University of North Carolina or any constituent institution of The University of North Carolina may enter into any such contract if the function is one The University of North Carolina or any constituent institution of The University of North Carolina could undertake separately.

5. To adopt bylaws for the regulation of its affairs and the conduct of its business, and to adopt rules in connection with the performance of its functions and duties.

6. To adopt an official seal.

7. To acquire and maintain administrative offices.

8. To sue and be sued in its own name, and to plead and be impleaded.

9. To receive, administer, and comply with the conditions and requirements respecting any gift, grant, or donation of any property or money.

10. To acquire by purchase, lease, gift, or otherwise, or to obtain options for the acquisition of, any real or personal property or interest therein.

11. To sell, lease, exchange, transfer, or otherwise dispose of, or to grant options for any of these purposes with respect to, any real or personal property or interest therein.

12. Subject to the provisions of this Part, to pledge, assign, mortgage, or otherwise grant a security interest in any real or personal property or interest therein,
including a leasehold interest, including the right and power to pledge, assign, or otherwise grant a security interest in any money, rents, charges, or other revenues and any proceeds derived by the Authority from any and all sources.

13 Subject to the provisions of this Part, to borrow money to finance part or all of a regional facility, to issue revenue bonds or notes, to refund any revenue bonds or notes issued by the Authority, or to provide funds for other corporate purposes of the Authority.

14 To use officers, employees, agents, and facilities of units of local government or constituent institutions of The University of North Carolina for purposes and upon the terms that are mutually agreeable between the Authority and the unit or institution.

15 To develop and make data, plans, information, surveys, and studies of public facilities within the area where constituent institutions of The University of North Carolina are located, and to prepare and make recommendations in regard thereto.

16 To set and collect fees and charges for the use of the regional facility.

17 To pay for services rendered by underwriters, financial consultants, or bond attorneys in connection with the issuance of revenue bonds or notes of the Authority out of the proceeds of the bonds or notes. In employing consultants, underwriters, attorneys, and others, the Authority shall promote participation by minority businesses.

18 To purchase or finance real or personal property in the manner provided for cities and counties under G.S. 160A-20. (1995, c. 458, s. 1.)

§ 160A-480.5. Dissolution of Authority.

The General Assembly may dissolve an authority if all bonds or notes issued by the Authority and all other obligations incurred by the Authority have been fully paid or satisfied. In such event any assets of the Authority shall become the property of the county authorized to levy a room occupancy and prepared food and beverage tax to be distributed to the Authority. (1995, c. 458, s. 1.)

§ 160A-480.6. Construction contracts.

Article 8 of Chapter 143 of the General Statutes applies to a construction contract of an Authority. An Authority may solicit bids on the basis of separate specifications for the branches or work described in G.S. 143-128(a) and on a single-prime contract basis and accept the lowest bid. (1995, c. 458, s. 1.)

§ 160A-480.7. Seating at regional facility arena.

The Authority shall ensure that at least fifty percent (50%) of the seats for an athletic event that is sponsored by a constituent institution of The University of North Carolina whose principal campus is in the territorial jurisdiction of the authority and is held at the arena of the regional facility are made available to students at that constituent institution and members of the general public. (1995, c. 458, s. 1.)

(a) Terms. – An Authority may provide for the issuance, at one time or from time to time, of bonds or notes to carry out its corporate purposes. The principal of, the interest on, and any premium payable upon the redemption of the bonds or notes shall be payable from the proceeds of bonds or renewal notes, or, in the event bond or renewal note proceeds are not available, from any available revenues or other funds provided for this purpose. The bonds or notes of each issue shall be dated and may be made redeemable prior to maturity at the option of the Authority or otherwise, at one or more prices, on one or more dates, and upon the terms and conditions set by the Authority. The bonds or notes may also be made payable from time to time on demand or tender for purchase by the owner upon terms and conditions set by the Authority. Notes and bonds shall mature at times determined by the Authority, not exceeding 40 years from the date of issue. The Authority shall determine the form and the manner of execution of the bonds or notes, and shall fix the denomination of the bonds or notes and the place of payment of principal and interest. In case an officer whose signature or a facsimile of whose signature appears on any bonds or notes ceases to be an officer before the delivery of the bond or note, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until delivery. The Authority may also provide for the authentication of the bonds or notes by a trustee or fiscal agent.

Bonds or notes may be issued under this Part without obtaining, except as otherwise expressly provided in this Part, the consent of any department, division, commission, board, body, bureau, or other agency of the State or of a political subdivision of the State, and without any other proceedings or conditions except as specifically required by this Part or the provisions of the resolution authorizing the issuance of, or any trust agreement securing, the bonds or notes. Prior to the preparation of definitive bonds, the Authority may issue interim receipts or temporary bonds exchangeable for definitive bonds when the bonds have been executed and are available for delivery. The Authority may also provide for the replacement of any bonds or notes which have been mutilated, destroyed, or lost.

(b) Use of Proceeds. – The proceeds of a bond or note shall be used solely for the purposes for which the bond or note was issued and shall be disbursed in accordance with the resolution authorizing the issuance of a bond or note and with any trust agreement securing the bond or note. If the proceeds of a bond or note of any issue, by reason of increased construction costs or error in estimates or otherwise, is less than the cost, additional bonds or notes may in like manner be issued to provide the amount of the deficiency.

(c) Security. – Bonds or notes issued by an Authority may be secured in one or more of the following ways:

1. By the revenues of the regional facility.
2. By security interests in real or personal property or interest therein, including a leasehold interest, acquired with the proceeds of the bonds or notes or improved with the proceeds of the bonds or notes as described in subsection (e) of this section.
3. With the approval of the county levying the tax, by receipts, if any, from a room occupancy and prepared food and beverage tax levied by a county and distributed to the Authority; provided, however, that any agreement or undertaking by a county to distribute receipts, if any, from the tax to the Authority may not obligate the county to exercise any power of taxation, or restrict the ability of the county to repeal the tax. However, no action by a county to discontinue, decrease, or repeal a room occupancy tax shall become
effective while previously issued bonds or notes secured by receipts from such a tax allocated to an authority by the county remain outstanding. The security for the bonds or notes shall be specified in the resolution or trust instrument authorizing the bonds or notes.

(d) Revenues. – The Authority may pledge to the payment of its revenue bonds or notes the revenues from the regional facility, including revenues from improvements, betterments, or extensions to the facility. The Authority may establish, maintain, revise, charge, and collect such rates, fees, rentals, or other charges for the use, services, and facilities of or furnished by a regional facility and provide methods of collection of and penalties for nonpayment of these rates, fees, rentals, or other charges. Except as otherwise permitted, the rates, fees, rentals, and charges fixed and charged shall be in an amount that will produce sufficient revenues, with any other available funds, to meet the maintenance and operation expenses of the regional facility as well as any improvements and renewals and replacements to the facility, including reserves to pay the principal, interest, and redemption premium due, if any, on any bonds or notes secured by the facility, and to fulfill the terms of any agreements made by the Authority with the holders of bonds or notes secured by revenues of the facility.

(e) Security Interests. – Bonds or notes may be secured by security interests in any real or personal property or interest therein, including a leasehold interest, either acquired with the proceeds of bonds or notes, or upon which improvements are provided from the proceeds of bonds or notes. The security interest may cover all real and personal property acquired or improved or any portion of the property, except that if the property subject to the security interest is a leasehold interest, the security interest is not to the fee simple title. The Authority is authorized to enter into deeds of trust, mortgages, security agreements, and similar instruments as shall be necessary to carry out the powers in this subsection. Bonds or notes may also be secured by security interests in any real or personal property conveyed to the Authority.

In the event the Authority fails to perform its obligations with respect to the bonds or notes and foreclosure or similar sale of property subject to a security interest occurs, a deficiency judgment may not be rendered against the Authority except to the extent that the deficiency is payable from either revenues from the regional facility or from any revenues dedicated by act of the General Assembly to the Authority.

(f) Issuance. – The issuance of bonds or notes of the Authority is subject to the approval of the Local Government Commission. Upon the filing with the Local Government Commission of a resolution of the Authority requesting that its bonds or notes be sold, the Commission shall determine the manner in which the bonds or notes will be sold and the price or prices at which the bonds or notes will be sold. In determining whether to approve a proposed bond or note issue of the Authority, the Local Government Commission shall consider the criteria for approval of revenue bonds under G.S. 159-86. The Local Government Commission shall approve the proposed issue if it determines the bond or note issue will meet such criteria and will effect the purposes of this Part. With the approval of the Authority, the Local Government Commission shall sell the bonds or notes either at public or private sale in the manner and at the prices determined to be in the best interests of the Authority and to effect the purposes of this Part.

(g) Certification of Approval. – Each bond or note that is represented by an instrument shall contain a statement signed by the Secretary of the Local Government Commission, or an assistant designated by the Secretary, certifying that the issuance of the bond or note has been approved under this Part. The signature may be a manual signature or a facsimile signature, as determined by the Local Government Commission. Each bond or note that is not represented by
an instrument shall be evidenced by a writing relating to the obligation that identifies the obligation or the issue of which it is a part, contains the signed statement certifying approval of the Local Government Commission that is required on an instrument, and is filed with the Local Government Commission. A certification of approval by the Local Government Commission is conclusive evidence that a bond or note complies with this Part.

(h) State Pledge. – The State pledges to the holder of a bond or note issued under this Part that, as long as the bond or note is outstanding and unpaid, the State will not limit or alter the power the Authority had when the bond or note was issued in a way that impairs the ability of the Authority to produce revenues sufficient with other available funds to do all of the following:

1. Maintain and operate the facility for which the bond or note was issued.
2. Pay the principal of, interest on, and redemption premium, if any, of the bond or note.
3. Fulfill the terms of an agreement with the holder.

The State further pledges to the holder of a bond or note issued under this Part that the State will not impair the rights and remedies of the holder concerning the bond or note.

(i) Investment Securities. – All bonds and notes and interest coupons, if any, issued under this Part are made investment securities within the meaning of and for all the purposes of Article 8 of the Uniform Commercial Code, as enacted in Chapter 25 of the General Statutes.

(j) Details of Bonds or Notes. – In fixing the details of bonds or notes, the Authority may provide that the bonds or notes may:

1. Be payable from time to time on demand or tender for purchase by the owner of the bond or note if a credit facility supports the bond or note, unless the Local Government Commission specifically determines that a credit facility is not required because the absence of a credit facility will not materially and adversely affect the financial position of the Authority and the marketing of the bonds or notes at a reasonable interest cost to the Authority.
2. Be additionally supported by a credit facility.
3. Be made subject to redemption or a mandatory tender for purchase prior to maturity.
4. Be capital appreciation bonds.
5. Bear interest at a rate or rates that may vary, including variations permitted pursuant to a par formula.
6. Be made the subject of a remarketing agreement whereby an attempt is made to remarket the bonds or notes to new purchasers prior to their presentment for payment to the provider of the credit facility or to the Authority.

(k) Basis of Investment. – In connection with or incidental to the acquisition or carrying of any investment relating to bonds, program of investment relating to bonds, or carrying of bonds, the Authority may, with the approval of the Local Government Commission, enter into a contract to place the investment or obligation of the Authority, as represented by the bonds, investment, or program of investment and the contract or contracts, in whole or in part, on an interest rate, currency, cash flow, or other basis, including the following:

1. Interest rate swap agreements, currency swap agreements, insurance agreements, forward payment conversion agreements, and futures.
2. Contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, or stock or other indices.
3. Contracts to exchange cash flows or a series of payments.
(4) Contracts to hedge payment, currency, rate, spread, or similar exposure, including interest rate floors or caps, options, puts, and calls.

The Authority may enter a contract of this type in connection with, or incidental to, entering into or maintaining any agreement that secures bonds. A contract shall contain the payment, security, term, default, remedy, and other terms and conditions the Board considers appropriate. The Authority may enter a contract of this type with any person after giving due consideration, where applicable, of the person's creditworthiness as determined by a rating by a nationally recognized rating agency or any other criteria the Board considers appropriate. In connection with, or incidental to, the issuance or carrying of bonds, or the entering of any contract described in this subsection, the Authority may enter into credit enhancement or liquidity agreements, with payment, interest rate, termination date, currency, security, default, remedy, and other terms and conditions as the Authority determines. Proceeds of bonds and any moneys set aside and pledged to secure payment of bonds or any of the contracts entered into under this subsection may be pledged to and used to service any of the contracts entered into under this section. (1995, c. 458, s. 1; 1997-68, s. 2.)

§ 160A-480.9. Trust agreement or resolution.

In the discretion of the Authority, any bonds or notes issued under this Part may be secured by a trust instrument between the Authority and a bank or trust company or individual within the State, or a bank or a trust company outside the State, as trustee. The trust instrument or the resolution of the Authority authorizing the issuance of bonds or notes may pledge and assign all or any part of the revenues, funds, and other property provided for the security of the bonds, including proceeds from the sale of any project, or part thereof, insurance proceeds, and condemnation awards, and may convey or mortgage property to secure a bond issue as provided in this Part.

The revenues and other funds derived from the project, except any part thereof that may be necessary to provide reserves therefor, if any, shall be set aside at regular intervals as may be provided in the resolution or trust instrument in a sinking fund which may be thereby pledged to, and charged with, the payment of the principal of and the interest on the bonds or notes as they become due and of the redemption price or the purchase price of bonds retired by call or purchase as therein provided. This pledge shall be valid and binding from the time the pledge is made. The revenues so pledged and thereafter received by the Authority shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Authority, irrespective of whether the parties have notice of the pledge. The use and disposition of money to the credit of such sinking fund shall be subject to the provisions of the resolution or trust instrument. The resolution or trust instrument may contain provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including, without limitation, any one or more of the following:

1. Acceleration of all amounts payable under the resolution or trust instrument.
2. Appointment of a receiver to manage the project and any other property mortgaged or assigned as security for the bonds.
3. Foreclosure and sale of the project and any other property mortgaged or assigned as security for the bonds.
(4) Rights to bring and maintain other actions at law or in equity as may appear necessary or desirable to collect the amounts payable under, or to enforce the covenants made in, the security document.

It shall be lawful for any bank or trust company incorporated under the laws of this State which may act as depository of the proceeds of bonds, revenues, or other funds provided under this Part to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. All expenses incurred in carrying out the provisions of the resolution or trust instrument may be treated as a part of the cost of the project in connection with which bonds or notes are issued or as an expense of administration of the project.

The Authority may subordinate bonds or notes to any prior, contemporaneous, or future securities or obligations or lien, mortgage, or other security interest securing bonds or notes.

Any owner of bonds or notes issued under the provisions of this Part or any coupons appertaining thereto, and the trustee under any trust agreement securing or resolution authorizing the issuance of such bonds or notes, except to the extent the rights given may be restricted by the trust agreement or resolution, may either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of the State or granted hereunder or under the trust agreement or resolution, or under any other contract executed by the Authority pursuant to this Chapter; and may enforce and compel the performance of all duties required by this Part or by the trust agreement or resolution by the Authority or by any officer of the Authority. (1995, c. 458, s. 1.)

§ 160A-480.10. Trust funds.

Notwithstanding any other provision of law to the contrary, all money received pursuant to the authority of this Part, whether as proceeds from the sale of bonds or notes or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this Part. The resolution authorizing the issuance of, or the trust agreement securing, any bonds or notes may provide that any of these moneys may be temporarily invested and reinvested pending their disbursement and shall provide that any officer with whom, or any bank or trust company with which, the moneys shall be deposited shall act as trustee of the moneys and shall hold and apply the moneys for the purpose hereof, subject to any regulations this Part and the resolution or trust agreement may provide. Any of these moneys may be invested as provided in G.S. 159-30, as it may be amended from time to time. (1995, c. 458, s. 1.)

§ 160A-480.11. Faith and credit of State and units of local government not pledged.

Bonds or notes issued under this Part shall not constitute a debt secured by a pledge of the faith and credit of the State or a political subdivision of the State and shall be payable solely from the revenues, property, and other funds pledged for their payment. The bonds or notes issued by an Authority shall contain a statement that the Authority is obligated to pay the bond or note or the interest on the bond or note only from the revenues, property, or other funds pledged for their payment and that neither the faith and credit nor the taxing power of the State or any political subdivision of the State is pledged as security for the payment of the principal of or the interest or premium on the bonds or notes. (1995, c. 458, s. 1.)


The Authority may issue refunding bonds or notes for one or more of the following purposes:
Refunding any outstanding bonds or notes issued under this Part, including any redemption premium on the bonds or notes and any interest accrued or to accrue to the date of redemption.

(2) Constructing improvements, additions, extensions or enlargements of the project, or projects in connection with which the bonds or notes to be refunded have been issued.

(3) Paying all or any part of the cost of any additional project or projects.

Refunding bonds or notes shall be issued in accordance with the same procedures and requirements as bonds or notes. Refunding bonds issued under this section may be sold or exchanged for outstanding bonds or notes issued under this Part and, if sold, the proceeds of the refunding bonds may be applied, in addition to any authorized purposes, to the purchase, redemption, or payment of outstanding bonds or notes.

Pending the application of the proceeds of refunding bonds, with any other available funds, to the payment of the principal of and accrued interest and any redemption premium on the bonds or notes being refunded, and, if so provided or permitted in securing the same, to the payment of any interest on such refunding bonds and any expenses in connection with such refunding, such proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America which shall mature or which shall be subject to redemption by the holder thereof, at the option of such holder, not later than the respective dates when the proceeds, together with the interest accruing thereon, will be required for the purposes intended. (1995, c. 458, s. 1.)


Bonds and notes issued under this Part are hereby made securities in which all public officers, agencies, and public bodies of the State and its political subdivisions, all insurance companies, trust companies, investment companies, banks, savings banks, building and loan associations, credit unions, pension or retirement funds, other financial institutions engaged in business in the State, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. These bonds or notes are hereby made securities that may properly and legally be deposited with and received by any officer or agency of the State or political subdivision of the State for any purpose for which the deposit of bonds, notes, or obligations of the State or any political subdivision of the State is authorized by law. This section does not apply to any State pension or retirement fund or a pension or retirement fund of a political subdivision of the State. (1995, c. 458, s. 1.)


Any bonds and notes issued by the Authority under the provisions of this Part shall be exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding income taxes on the gain from the transfer of bonds and notes, and franchise taxes. The interest on bonds and notes issued by an Authority under the provisions of this Part shall not be subject to taxation as to income. (1995, c. 458, s. 1; 2015-264, s. 16(k).)

§ 160A-480.15. Members and officers not liable.
No member or officer of an Authority shall be subject to any personal liability or accountability by reason of the execution of any bonds or notes or the issuance of any bonds or notes. (1995, c. 458, s. 1.)

§ 160A-481: Reserved for future codification purposes.

Part 5. Water and Wastewater Systems.

The words defined in this section shall have the meanings indicated when used in this Part:

(2) Undertaking. – Defined in G.S. 160A-460. (2020-79, s. 3.)

§ 160A-481.2. Interlocal cooperation authorized.
Interlocal cooperation, as provided in Part 1 of this Article, is authorized between any local government units in this State for any purpose. When two or more local government units agree to contract for one or more undertakings under this Part, the provisions of Part I of this Article apply. (2020-79, s. 3.)

§ 160A-482: Reserved for future codification purposes.

§ 160A-483: Reserved for future codification purposes.

§ 160A-484: Reserved for future codification purposes.