

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1997

SESSION LAW 1998-173
SENATE BILL 672

AN ACT TO ALLOW THE CITY OF CHARLOTTE TO CONTRACT WITH PRIVATE PARTIES FOR THE DEVELOPMENT, CONSTRUCTION, AND OCCUPANCY OF CHARLOTTE-DOUGLAS INTERNATIONAL AIRPORT SPECIAL USER PROJECTS WITHOUT COMPLYING WITH ARTICLE 8 OF CHAPTER 143 OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

Section 1. For purposes of this act, "special user projects" are Charlotte-Douglas International Airport projects that are undertaken for the use and benefit of one or more private entities who will lease the facilities from the City of Charlotte upon terms and conditions that will make the private entities solely responsible for the repayment of all notes, bonds, debts, or other costs incurred in the financing, acquisition, development, or construction of the project.

A special user project shall include all of the following:

- a. The acquisition of equipment, the development of land belonging to the City of Charlotte, and the construction of buildings or other structures belonging to the City of Charlotte on land belonging to the City of Charlotte.
- b. The issuance of the City of Charlotte's special facility revenue bonds or other debt instruments, as authorized in Article 5 of Chapter 159 of the General Statutes, in an amount not less than four million dollars (\$4,000,000) by the Local Government Commission, the proceeds of which shall be used to pay the costs of the special user project and which bonds or other debt instruments shall be repayable solely from the rents, fees, charges, payments, or other revenues payable to the City of Charlotte by the special user or from the funds, collateral, and undertakings of private parties that are either assigned or pledged by those parties.
- c. The use of the property acquired, developed, or constructed shall be limited to airline, aircraft, aviation support, air passenger, aircraft maintenance and repair, and other airport related purposes, but may include appurtenances and incidental facilities such as driveways, sidewalks, parking facilities, utilities, warehouses, loading facilities, administrative and other office facilities, and other improvements necessary or convenient for the operation of these facilities.

Notwithstanding any other provision of law, the City of Charlotte may agree that all contracts relating to the acquisition, design, construction, installation, or equipping of the special user project shall be solicited, negotiated, awarded, and executed by the private parties for which the City of Charlotte is financing the special user project or any agents of the private parties subject only to approval by the City of Charlotte as the City of Charlotte may require. The City of Charlotte may, out of the proceeds of bonds or other debt instruments, make advances to or reimburse the private parties or their agents for all or a portion of the costs incurred in connection with the contracts. For all contracts related to special user projects, the City of Charlotte shall be exempt from the requirements of Article 8 of Chapter 143 of the General Statutes.

Section 2. This act is effective when it becomes law and expires on January 1, 2003. All contracts executed under the authority of this act and any bonds or other debt instruments issued pursuant to this act prior to the expiration date of this act shall remain effective until the contracts are completed or the bonds or other debt instruments are retired.

In the General Assembly read three times and ratified this the 5th day of October, 1998.