

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1997

SESSION LAW 1998-141
SENATE BILL 1398

AN ACT TO AMEND CHAPTER 168 OF THE 1939 PUBLIC-LOCAL LAWS, AS PREVIOUSLY AMENDED, WHICH ENABLED THE ESTABLISHMENT OF THE RALEIGH-DURHAM AIRPORT AUTHORITY, TO ALLOW THE AUTHORITY TO CONTRACT WITH PRIVATE PARTIES FOR THE DEVELOPMENT, CONSTRUCTION, AND OCCUPANCY OF SPECIAL USER PROJECTS WITHOUT COMPLYING WITH ARTICLE 8 OF CHAPTER 143 OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

Section 1. Subsection (f) of Section 7 of Chapter 168 of the Public-Local Laws of 1939, as amended by Chapter 1096 of the 1955 Session Laws, and Chapter 755 of the Session Laws of 1959, is further amended by adding a new subdivision to read:

"(1) Special User Projects. To contract with persons, firms, or corporations for special user projects as defined and described in this subdivision.

Special user projects are projects that are undertaken for the use and benefit of one or more private entities who will lease the facilities from the Authority 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 Authority, the construction of buildings or other structures belonging to the Authority on land belonging to the Authority.
- b. The issuance of the Authority'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 Authority 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, 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 Authority 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 Authority is financing the special user project or any agents of the private parties subject only to approval by the Authority, as the Authority may require. The Authority 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 Authority 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 14th day of September, 1998.

s/ Dennis A. Wicker
President of the Senate

s/ Harold J. Brubaker
Speaker of the House of Representatives