



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2024-550

Agenda Item# I.2

Agenda Date: 8/5/2024. **Department:** Police

Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2024 – 550 Approval of Settlement Documents for Kroger Opioid Litigation

Council Priority: Place an ‘x’ in the box.

- | | |
|--|--|
| <input checked="" type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input type="checkbox"/> Other/Admin <u>Briefly Explain 3 word maximum</u> |

Council District: All

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: John Thompson, Ext. 7543

Contact 2 and Phone: Chuck Watts, Ext. 2320

PURPOSE:

To authorize participation in the settlement process with Kroger Co. in opioid litigation and to execute the Second Supplemental Agreement for Additional Funds (SAAF-2) which governs the allocation, use and reporting of funds from the Kroger settlement.

BACKGROUND:

Lawsuits aimed at several companies involved in manufacture and distribution of prescription opioid drugs have been settled in federal court. North Carolina’s state and local governments could receive more than \$1.3 billion from previous settlement actions. The City of Greensboro is anticipated to receive \$3.4 million over 18 years to address the opioid epidemic with potentially \$2.7 million more from additional settlements, known as “Wave Two Settlements”.

North Carolina and other states approved another settlement with Kroger Co. in spring 2024 and local governments are now invited to join the Kroger settlement. A maximum of approximately \$40 million may be available to split between the State of North Carolina and the jurisdictions within from 2024 and 2034 to continue to address the opioid issue.

Greensboro may be able to receive an additional \$179,955 as well as Guilford County an additional \$1,151,611 during this period.

Vision Statement: “A Community with Endless Economic Opportunities and Exceptional Quality of Life.”

The City has developed an Opioid Settlement Funding Plan outlining the priority setting process and intended use of funds, which can be updated with the proposed additional settlement amounts.

In addition to joining the settlement, Greensboro is asked to execute a supplemental funding agreement which governs the allocation, use and reporting of funds from the Kroger settlement.

BUDGET IMPACT:

Settlement amounts will fund additional opioid program components.

ACCOUNT NUMBER:

N/A

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council authorize Greensboro to join the settlement with Kroger Co. related to opioid litigation matters and to allow execution of the Second Supplemental Agreement for Additional Funds.