

## **Resolution 2014-12**

### **AUTHORIZING RESOLUTION**

**WHEREAS**, in furtherance of the purposes for which it was created, the Downtown Smyrna Development Authority (the “Authority”) proposes to issue (1) \$2,320,000 in original principal amount of its Taxable Economic Development Revenue Bond, Series 2014A” (the “Series 2014A Bond”), for the purpose of obtaining funds to finance the costs of improvements necessary for future real estate development for private use, including grading and the construction and installation of a stormwater retention facility, and any and all other facilities, buildings, improvements, fixtures, equipment, and personal property used or usable in connection therewith, located or to be located on the real estate more particularly described in the hereinafter defined Contract (the “2014A Project”) and (2) \$3,855,000 in original principal amount of its Economic Development Revenue Bond, Series 2014B” (the “Series 2014B Bond”), for the purpose of obtaining funds to finance the costs of improvements necessary for public infrastructure development, including the construction and paving of roads and sidewalks and the construction and installation of water and sewer infrastructure, and any and all other facilities, buildings, improvements, fixtures, equipment, and personal property used or usable in connection therewith, located or to be located on the real estate more particularly described in the Contract (the “2014B Project”); and

**WHEREAS**, the City of Smyrna (the “City”) is authorized by Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia of 1983, to contract for any period not exceeding fifty years with the Authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment but such contracts must deal with activities, services, or facilities that the contracting parties are authorized by law to undertake or provide; and

**WHEREAS**, the City is authorized by Section 48-5-350 of the Official Code of Georgia Annotated to levy and collect municipal taxes upon all taxable property within the limits of the City to provide for financial assistance to the Authority for the purpose of developing trade, commerce, industry, and employment opportunities; provided the tax levied for the purposes provided in that code section shall not exceed three (3) mills per dollar upon the assessed value of the property; and

**WHEREAS**, Article IX, Section II, Paragraph III(a)(4) of the Constitution of the State of Georgia of 1983 authorizes the City to provide street and road construction and maintenance, including sidewalks; Section 47 of the City's Charter authorizes the City to lay out and open streets and sidewalks within its corporate limits; Article IX, Section II, Paragraphs III(a)(6) and (7) of the Constitution of the State of Georgia of 1983 authorizes the City to provide storm water and sewage collection and disposal systems and distribution of water; and Section 36-34-5 of the Official Code of Georgia Annotated authorizes the City to acquire, construct, improve, extend, and operate any water system or sewage system, or both, within the municipal corporation; and

**WHEREAS**, in consideration of the issuance of the Series 2014A Bond and the Series 2014B Bond (collectively the “Series 2014 Bonds”) by the Authority to finance the costs of

acquiring, constructing, and redeveloping the 2014A Project and the 2014B Project (collectively the “Projects”), the City proposes to enter into an Intergovernmental Economic Development Contract (the “Contract”), to be dated as of the first day of the month of its execution and delivery, with the Authority, under the terms of which the City will agree to (1) make payments to the Authority in amounts sufficient to enable the Authority to pay the principal of, premium, if any, and interest on the Series 2014 Bonds when due; (2) levy an annual ad valorem tax on all taxable property located within the corporate limits of the City, at such rates within the three (3) mill limit authorized pursuant to Section 48-5-350 of the Official Code of Georgia Annotated and within the fifteen (15) mill limit prescribed by Section 50 of the City’s Charter, or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the City’s obligations under the Contract to make payments relating to the Series 2014A Bond; and (3) levy an annual ad valorem tax on all taxable property located within the corporate limits of the City, at such rates within the fifteen (15) mill limit prescribed by Section 50 of the City’s Charter, or such greater millage limit hereafter authorized under applicable law, as may be necessary to produce in each year revenues that are sufficient to fulfill the City’s obligations under the Contract to make payments relating to the Series 2014B Bond; and

**WHEREAS**, the Authority adopted a Bond Resolution on July 15, 2014 (the “Bond Resolution”), authorizing the issuance of the Series 2014 Bonds, and the Authority proposes to adopt an amended and restated Bond Resolution on August \_\_, 2014 to clarify certain provisions of the Series 2014 Bonds for the Bond Buyer (as defined below); and

**WHEREAS**, the Authority will sell the Series 2014 Bonds to Community Bank of the South (the “Bond Buyer”) pursuant to a Bond Purchase Agreement to be dated the date of its execution and delivery, between the Issuer and the Bond Buyer; and

**WHEREAS**, pursuant to the terms of an Assignment and Security Agreement, to be dated as of August 1, 2014, between the Issuer and the Bond Buyer, the Issuer will pledge the amounts received from the City under the Contract as security for payment of the Bond; and

**WHEREAS**, the Issuer and the City will retain Raymond James & Associates, Inc. (the “Placement Agent”) to act as their exclusive placement agent to arrange a private placement of the Series 2014 Bonds with the Bond Buyer, pursuant to a Bond Placement Agreement, to be dated the date of its execution and delivery (the “Placement Agreement”), among the Issuer, the City, and the Placement Agent; and

**WHEREAS**, after careful study and investigation, the Purchaser desires to enter into the Contract and the Placement Agreement (collectively the “Contracts”);

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the City of Smyrna as follows:

1. The form, terms, and conditions and the execution, delivery, and performance of the Contracts, which has been filed with the City, are hereby approved and authorized. The Contracts shall be in substantially the forms submitted to the Mayor and Council of the City with such changes, corrections, deletions, insertions, variations, additions, or omissions as may be

approved by the Mayor or Mayor Pro Tem. of the City, whose approval thereof shall be conclusively evidenced by the execution of each Contract.

2. The Mayor or Mayor Pro Tem. of the City is hereby authorized and directed to execute on behalf of the City the Contracts, and the City Clerk of the City is hereby authorized and directed to affix thereto and attest the seal of the City, upon proper execution and delivery of the Authority, provided, that in no event shall any such attestation or affixation of the seal of the City be required as a prerequisite to the effectiveness thereof, and the Mayor or Mayor Pro Tem. and City Clerk of the City are authorized and directed to deliver the Contracts on behalf of the City to the Authority, and to execute and deliver all such other instruments, contracts, documents, affidavits, or certificates and to do and perform all such things and acts as each shall deem necessary or appropriate in furtherance of the issuance of the Series 2014 Bonds and the carrying out of the transactions authorized by this Resolution or contemplated by the instruments and documents referred to in this Resolution.

4. This Resolution and the Contracts, as approved by this Resolution, which is hereby incorporated in this Resolution by this reference thereto, shall be placed on file at the office of the City and made available for public inspection by any interested party immediately following the passage and approval of this Resolution.

**PASSED, ADOPTED, SIGNED, APPROVED, and EFFECTIVE** this 21st day of July 2014.

**CITY OF SMYRNA**

(SEAL)

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

**CITY CLERK'S CERTIFICATE**

I, **TERRI GRAHAM**, the duly appointed, qualified, and acting City Clerk of the City of Smyrna (the "City"), **DO HEREBY CERTIFY** that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted on July 21, 2014, by the Mayor and Council of the City in a meeting duly called and assembled in accordance with applicable laws and with the procedures of the City, by a vote of \_\_\_\_ Yea and \_\_\_\_ Nay, which meeting was open to the public and at which a quorum was present and acting throughout, and that the original of the foregoing resolution appears of public record in the Minute Book of the City, which is in my custody and control.

**GIVEN** under my hand and the seal of the City, this 21st day of July 2014.

(SEAL)

\_\_\_\_\_  
City Clerk, City of Smyrna