

STATE OF GEORGIA
COUNTY OF HENRY
CITY OF STOCKBRIDGE

RESOLUTION NO. B13-569

A RESOLUTION APPROVING AND AUTHORIZING THE CITY OF STOCKBRIDGE TO LOAN \$5 MILLION DOLLARS TO THE STOCKBRIDGE DOWNTOWN DEVELOPMENT AUTHORITY FOR THIRTY YEARS; APPROVING THE LOAN CONTRACT WITH THE DOWNTOWN DEVELOPMENT AUTHORITY; AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION; AUTHORIZING THE CITY CLERK TO ATTEST SIGNATURES AND AFFIX THE OFFICIAL SEAL OF THE CITY, AS NECESSARY; PROVIDING FOR SEVERABILITY; REPEALING INCONSISTENT RESOLUTIONS; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the City of Stockbridge (“City”) is a municipal corporation located within Henry County, Georgia duly organized and existing under the laws of the State of Georgia and is charged with providing public services to residents located within the corporate limits of the City; and

WHEREAS, the City of Stockbridge activated the Stockbridge Downtown Development Authority (DDA) pursuant to O.C.G.A. § 36-42-1 et seq. by proper action of the City’s governing authority; and

WHEREAS, the objectives of the Stockbridge DDA are to revitalize and redevelop the central business district of the City of Stockbridge, to develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities within the City’s central business district, and to promote the general welfare of the State of Georgia by creating a climate favorable to the location of new industry, trade, and

commerce, and the development of existing industry, trade, and commerce within the City limits; and

WHEREAS, the Stockbridge DDA currently is without sufficient funding to accomplish its objectives, given the opportunities for development that exist; and

WHEREAS, the objectives of the City and its DDA cannot be fully accomplished without sufficient funding of the DDA to pursue its objectives; and

WHEREAS, upon sufficient and due consideration, the Mayor and City Council believe that a thirty (30) year loan to the DDA will support the DDA's mission to revitalize and redevelop the central business district of the City, and will promote the general welfare of the City, its citizens, and its businesses; and

WHEREAS, upon sufficient and due consideration, the Mayor and City Council believe that the DDA will act as a proper steward of all funds loaned to it by the City, and will use all such money for the revitalization and redevelopment of the central business district of the City; and

WHEREAS, upon sufficient and due reflection, the Mayor and City Council believe that the amount of the loan should be five million dollars, in order to allow the DDA to accomplish its immediate objectives on behalf of the City and its residents and businesses, and deem said loan to be in the best interests of the City, its residents, and its businesses.

NOW THEREFORE, THE COUNCIL OF THE CITY OF STOCKBRIDGE
HEREBY RESOLVES AS FOLLOWS;

Section 1. **Approval** - The Mayor and City Council of the City of Stockbridge hereby authorize and approve a thirty (30) year loan in the amount of \$5 million to the Stockbridge Downtown Development Authority under the terms of the loan document attached hereto as Exhibit "A", approve the terms and conditions in the attached loan contract document with the DDA, and authorize the Mayor to execute the loan contract document on behalf of the City in order to effectuate the loan to the DDA.

Section 2. **Approval of Execution** - The Mayor is hereby authorized to sign all documents necessary to effectuate this Resolution.

Section 3. **Documents** - The City Clerk is authorized to execute, attest to, and seal any documents which may be necessary to effectuate this Resolution, subject to approval as to form by the City Attorney.

Section 4. **Severability** - To the extent any portion of this Resolution is declared to be invalid, unenforceable, or non-binding, that shall not affect the remaining portions of this Resolution.

Section 5. **Repeal of Conflicting Provisions** - All City resolutions inconsistent with this Resolution are hereby repealed.

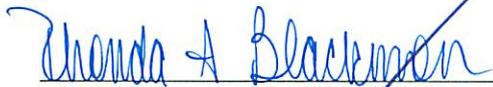
Section 6. **Effective Date** - This Resolution shall be effective on the date of its approval by the City Council and Mayor as provided in the City Charter.

SO RESOLVED, this the 9th day of December, 2013.

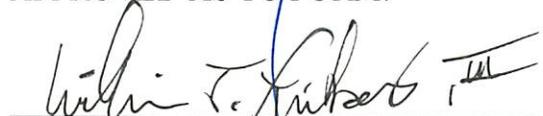
CITY OF STOCKBRIDGE, GEORGIA


MARK A. ALARCON, MAYOR

ATTEST:


RHONDA A. BLACKMON, CITY CLERK

APPROVED AS TO FORM:


WILLIAM J. LINKOUS, III, CITY ATTORNEY
6898.00001/893014v1

STATE OF GEORGIA
COUNTY OF HENRY



LOAN AGREEMENT AND PROMISSORY NOTE

THIS LOAN AGREEMENT AND PROMISSORY NOTE, dated as of December 9, 2013, is by and between the STOCKBRIDGE DOWNTOWN DEVELOPMENT AUTHORITY, a public body corporate and politic created and existing under the Constitution and laws of the State of Georgia and O.C.G.A. § 36-42-1 et seq. ("Borrower") and the CITY OF STOCKBRIDGE, GEORGIA, a municipal corporation located within Henry County, Georgia, duly organized and existing under the laws of the State of Georgia ("Lender").

WITNESSETH:

That the parties hereto, intending to be legally bound hereby, and for and in consideration of the premises and mutual covenants hereinafter contained, do hereby covenant, agree, and bind themselves as follows:

1. Loan

For value received, the Lender promises to pay to Borrower the sum of \$5,000,000.00 (five million dollars) to be used and repaid as hereinafter described for the term of thirty (30) years. For value received, the Borrower does hereby promise to pay to Lender the principal sum of \$5,000,000.00 (five million dollars) in legal tender of the United States, with simple interest thereon in the amount of 0.5% on the principal sum if paid following the expiration of the term described in paragraph 3 herein.

2. Use of Funds

For value received, Borrower promises and covenants to make use of the aforementioned loan proceeds solely for the purposes and by the methods described in O.C.G.A. § 36-42-1 et seq., as amended, during the term of the loan. Should Borrower make use of the loan proceeds for any purposes or by any methods other than those described in O.C.G.A. § 36-42-1 et seq., the Lender is entitled at its option to accelerate the payment of this loan by giving written notice to Borrower, such that the entire unpaid principal amount due hereunder, with all accrued interest if any, shall become due and payable, and may be collected forthwith, time being of the essence of this note. The failure of the Lender to exercise this right of accelerating the maturity date hereof, or any indulgence granted from time to time, shall in no event be considered as a waiver of any such right of acceleration.

3. Term and Payment

Upon the expiration of thirty years from the date of this agreement and note, Borrower promises and covenants to repay the entire principal of this agreement and note, in the amount of \$5,000,000.00 (five million dollars), plus 0.5% interest on the principal sum. The entire principal shall be due and payable not later than thirty years from the date of this agreement and note. In the event that the entire principal is paid in full before the expiration of thirty years from the date of this agreement and note, no interest shall accrue.

4. Approval

The parties agree that each will approve this agreement and note by a vote of its governing authority at a properly noticed meeting of its governing authority according to the requirements of Georgia law. Borrower shall so approve this document prior to accepting the funds referenced in paragraph 1.

5. Payment

All principal and interest are to be paid directly to the City of Stockbridge, Georgia at Stockbridge City Hall, in care of the Mayor or City Manager.

6. Waiver

The Borrower does hereby waive demand, protest, and notice of demand, protest, and non-payment.

7. Construction

This agreement and note is to be construed in all respects, and enforced, according to the laws of the State of Georgia.

8. Severability

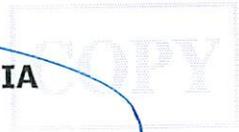
In the event any term or provision of this agreement and note shall be held to be invalid or unenforceable, the same shall not affect the validity or enforceability of the remainder of the agreement and note.

This agreement and note may be prepaid in whole or in part at any time, without penalty or unearned interest.

[Signatures on following page.]

This 9th day of December, 2013.

CITY OF STOCKBRIDGE, GEORGIA



Mark A. Alarcon
MARK A. ALARCON, MAYOR

ATTEST:

Rhonda A. Blackmon
RHONDA A. BLACKMON, CITY CLERK

APPROVED AS TO FORM:

William J. Linkous, III
WILLIAM J. LINKOUS, III, CITY ATTORNEY

**STOCKBRIDGE DOWNTOWN DEVELOPMENT
AUTHORITY**

J.T. Williams
J.T. WILLIAMS, CHAIRMAN

ATTEST:

Robin L. Buschman
ROBIN L. BUSCHMAN, SECRETARY/TREASURER
6898.00001/893340v1