

RESOLUTION 2023-12

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF DALLAS AUTHORIZING, AMONG OTHER THINGS, THE EXECUTION OF DOCUMENTS RELATING TO THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN RENOVATIONS TO THE EXISTING CITY HALL OF THE CITY.

WHEREAS, the City of Dallas, Georgia (the “City”) has solicited bids for the sale of certain property owned by the City (the “Property”) on the condition that the buyer of the Property acquire, construct and install certain renovations to the existing city hall of the City (the “Facilities” and, together with the Property, the “Project”) located on the Property in accordance with plans and specifications selected by the Mayor and City Council and to lease or sell the Project back to the City on terms and conditions acceptable to the Mayor and City Council, and the City desires to approve the Project and the financing thereof; and

WHEREAS, the Mayor and City Council of the City have heretofore determined that it is in the best interest of the City to sell the Property to the winning bidder for the sale of the Property (the “Seller”), pursuant to a Limited Warranty Deed, dated as of the date of its delivery (the “Limited Warranty Deed”); and

WHEREAS, a notice of public sale of the Property required by O.C.G.A. Section 36-37-6, as amended, was published on June 29, 2023, and seal bids are due on July 14, 2023; and

WHEREAS, the City has heretofore determined that it is in the best interest of the City to purchase the Project from the Seller in accordance with an Installment Sale Agreement, dated as of the date thereof (the “Installment Sale Agreement”); and

WHEREAS, the Seller’s interest in the Installment Sale Agreement will be assigned to Westside Bank, a division of The Piedmont Bank (the “Bank”) pursuant to an Assignment and Transfer Agreement, dated as of the date thereof, (the “Transfer Agreement”), between the Seller, as assignor, and the Bank, as assignee; and

WHEREAS, the Seller will execute a Deed to Secure Debt and Security Agreement, dated as of the date thereof (the “Security Deed”) in favor of the Bank; and

WHEREAS, the Seller and the Bank have requested that the City execute and deliver an Agreement Regarding Environmental Activity, dated as of the date thereof (the “Environmental Agreement”), among the City, the Seller and the Bank; and

WHEREAS, attached hereto are forms of the following documents:

<u>Exhibit A</u>	Installment Sale Agreement,
<u>Exhibit B</u>	Transfer Agreement,
<u>Exhibit C</u>	Security Deed,
<u>Exhibit D</u>	Environmental Agreement,
<u>Exhibit E</u>	Limited Warranty Deed, and
<u>Exhibit F</u>	The financial terms of the Installment Sale Agreement.

NOW, THEREFORE, BE IT ORDAINED, AND IT IS HEREBY RESOLVED by the Mayor and Council of the City of Dallas as follows:

Section 1. Findings. The obligation of the City to make the payments under the Installment Sale Agreement is annually renewable as provided therein. The obligation of the City to make such payments will not constitute a debt of the State of Georgia or any political subdivision of the State of Georgia, including the City, within the meaning of any constitutional or statutory limitation on indebtedness. The Installment Sale Agreement does not directly or contingently obligate the City to make any payments beyond those appropriated for in the City's then current fiscal year.

The City will hold a public hearing as required by O.C.G.A. Section 36-60-13, as amended (the "Act") on July 14, 2023, which will be prior to the date of closing, and will satisfy all the other requirements contained in the Act.

Section 2. Approval of Winning Bid. The City Manager of the City is hereby authorized to approve the winning bidder for the sale of the Property. The City approves the agreements and sale of the Property to the Seller.

Section 3. Authorization of Installment Sale Agreement. The form, terms and provisions of the Installment Sale Agreement presented at this meeting are hereby approved, and all of the terms and provisions thereof are hereby incorporated herein by this reference as if the Installment Sale Agreement was set out in this Resolution in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Installment Sale Agreement. The Installment Sale Agreement shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Resolution. The execution of the Installment Sale Agreement shall constitute conclusive evidence that the Installment Sale Agreement and any and all changes thereto have been approved by the persons executing the same.

Section 4. Consent to Transfer Agreement. The Mayor and Council hereby consent to the form of the Transfer Agreement presented at this meeting, or with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Resolution and as shall not be inconsistent with or contrary to the matters contemplated therein and in this Resolution. The Mayor and Council hereby further consent to the execution and delivery of the Transfer Agreement by the parties thereto.

Section 5. Consent to Security Deed. The Mayor and Council hereby consent to the form of the Security Deed presented at this meeting, or with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Resolution and as shall not be inconsistent with or contrary to the matters contemplated therein and in this Resolution. The Mayor and Council hereby further consent to the execution and delivery of the Security Deed by the parties thereto.

Section 6. Authorization of Environmental Agreement. The form, terms and provisions of the Environmental Agreement presented at this meeting are hereby approved, and all of the terms and provisions thereof are hereby incorporated herein by this reference as if the Environmental Agreement was set out in this Resolution in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Environmental Agreement. The Environmental Agreement shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Resolution. The execution of the Environmental Agreement shall constitute conclusive evidence that the Environmental Agreement and any and all changes thereto have been approved by the persons executing the same.

Section 7. General Authority. The Mayor, City Manager and the Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the documents herein authorized and as may be necessary to carry out the purposes and intents of this Resolution.

If the Mayor shall not be able to execute the documents herein authorized, the Mayor Pro Tem is hereby authorized to execute the documents on behalf of the City. If the Clerk shall not be able to execute the documents herein authorized, the Assistant Clerk is hereby authorized to execute the documents on behalf of the City.

Section 8. Appropriation of Minimum Annual Appropriated Amount. The City hereby appropriates available and uncommitted funds in its budget for the current fiscal year in the amount of the Minimum Annual Appropriated Amount (as defined in the Installment Sale Agreement).

Section 9. Bank Qualification Designation. The Installment Sale Agreement is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986 (the “Code”). The aggregate face amount of all tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) issued by the City and the entities with whom aggregation is required pursuant to Section 265(b)(3)(E) of the Code is not reasonably expected to exceed \$10,000,000 during the year 2023.

Section 10. Authorization of IRS Form 8038-G. Any officer of the City is hereby authorized to sign and file or cause to be filed a completed Internal Revenue Service Form 8038-G as required by Section 149(e) of the Code.

Section 11. Authorization of Federal Tax Certificate. Any officer of the City is hereby authorized to execute a federal tax certification in order to comply with Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder.

Section 12. Actions Ratified, Approved and Confirmed. All acts and doings of the officers, employees or agents of the City which are in conformity with the purposes and intents of this Resolution are hereby ratified, approved and confirmed.

Section 13. No Personal Liability. No stipulation, obligation or agreement contained in this Resolution or in the documents authorized hereby shall be deemed to be a stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity, and no such officer, agent or employee shall be personally liable or be subject to personal liability or accountability.

Section 14. Severability of Invalid Provisions. If any one or more of the agreements or provisions contained in this Resolution or the documents authorized hereby shall be held contrary to an express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other valid agreements and provisions.

Section 15. Terms of Loan. The financial terms of the Installment Sale Agreement (the “Commitment Letter”) are set forth in the attached Exhibit E prepared by the Bank. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Commitment Letter.

Section 16. Repealing Clause. All resolutions and Resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 17. Effective Date. This Resolution shall take effect immediately upon its adoption.

Resolved this 10th day of July, 2023

L. James Kelly, Mayor

James R. Henson, Councilmember

Michael G. Cason, Councilmember

Christopher B. Carter, Councilmember

Nancy R. Arnold, Councilmember

Leah Alls, Councilmember

Cooper Cochran, Councilmember

Attest: _____
Tina Clark, City Clerk