

INTERGOVERNMENTAL PROJECT AND DEFERRED REIMBURSEMENT AGREEMENT

Shiloh Church Replacement Facility / Sewer and Utility Work

This Agreement is made as of _____, 2026, by and between the City of Dallas, Georgia, a municipal corporation (the “City”), and the Downtown Development Authority of the City of Dallas, Georgia, a public body corporate and politic (the “DDA”).

RECITALS AND FINDINGS

- A. The City and the DDA are undertaking a downtown redevelopment effort that includes the DDA’s acquisition of the existing Shiloh Church property located within or affecting the City’s downtown redevelopment area (the “Old Church Property”).
- B. As negotiated consideration for the conveyance of the Old Church Property, a replacement church facility is to be constructed on other property identified in Exhibit A (the “Replacement Church Property”). Certain sewer and related utility work is required for or in connection with that replacement facility (the “City Work”).
- C. The parties intend that the City Work be treated as an acquisition-related and project-related cost of the DDA’s downtown redevelopment transaction, and not as the DDA paying for a City capital project, not as a City public works project funded by the DDA, and not as a donation or gratuity to any private person or religious organization.
- D. The DDA has authority under O.C.G.A. § 36-42-3 and O.C.G.A. § 36-42-8 to acquire, contract, finance, construct, improve, install, and pay the costs of projects and project-related facilities, services, utility connections, easements, permits, approvals, and other expenses necessary or incidental to a project and to accept and use loans or other financial assistance in furtherance of its public purpose.
- E. The City has authority under O.C.G.A. § 36-34-5 to construct, improve, extend, operate, and maintain sewage systems and related easements and facilities, and the City and DDA may contract with one another under Article IX, Section III, Paragraph I of the Georgia Constitution and O.C.G.A. § 36-42-8(a)(10).
- F. The City and DDA find that this Agreement serves a substantial public purpose by facilitating the DDA’s acquisition of the Old Church Property, advancing downtown redevelopment, avoiding unnecessary project delay, and providing full reimbursement to the City for the City Work. No deposit is required because deferred reimbursement is part of the negotiated public-purpose structure of this transaction.

For good and valuable consideration, the parties agree as follows:

1. Project Purpose and Characterization

1.1 DDA Project. The DDA project is the acquisition of the Old Church Property for downtown redevelopment, together with the negotiated consideration and related costs necessary to complete that acquisition (the “Acquisition Project”). The City Work is an incidental and necessary component of the Acquisition Project.

1.2 Not a City Capital Project. This Agreement does not convert the City Work into a separate City capital project and does not require the DDA to fund a City public works project. Any sewer facility accepted by the City after completion shall be accepted only as part of the City’s ordinary utility ownership, operation, and maintenance authority.

1.3 No Private Developer Precedent. This Agreement is based on the DDA’s statutory public-purpose role and the downtown redevelopment transaction described herein. It does not require or authorize the City to perform construction work for private developers outside a separately approved lawful agreement.

2. City Work

2.1 Scope. The City shall perform, cause to be performed, or procure the City Work generally described in Exhibit A, including sewer line construction, service connection work, related utility appurtenances, restoration, engineering, inspection, permitting, and other work reasonably necessary to make the sewer facilities available to the Replacement Church Property.

2.2 Conditions to Work. The City is not required to begin construction until: (a) Exhibit A is approved by the City Manager and DDA Chair; (b) all necessary permanent utility easements, temporary construction easements, and access rights have been provided to the City in recordable form; (c) required plans, permits, and approvals are obtained; and (d) the City Manager determines that the work may proceed without materially impairing City utility operations.

2.3 Procurement / Self-Performance. The City may self-perform the City Work using City labor, equipment, and materials, or may procure contractors, materials, equipment, or professional services. If any portion of the City Work is subject to O.C.G.A. Title 36, Chapter 91 or other procurement law, the City shall comply with applicable law. Compliance with procurement law shall not alter the project characterization in Section 1.

2.4 Standards and Acceptance. All work shall comply with City utility standards. Public sewer facilities shall become part of the City sewer system only upon written acceptance by the City. Tap, connection, capacity, inspection, permit, or other utility fees are not waived unless separately approved by the City Council.

3. Deferred Reimbursement

3.1 No Deposit. No deposit or advance payment is required from the DDA. The City acknowledges that requiring advance payment could impair the timing and flexibility of the Acquisition Project and agrees to allow reimbursement over time as set forth herein.

3.2 Reimbursable Costs. The DDA shall reimburse the City for all actual, direct, and allocable costs incurred by the City for the City Work, including labor, equipment, materials, contractor costs, engineering, surveying, design, legal descriptions, easement preparation, permitting, inspection, restoration, administrative/procurement expenses, and other costs reasonably related to the City Work (“Reimbursable Costs”).

3.3 Final Invoice. Within thirty (30) days after substantial completion, or at reasonable intervals during the work if the City elects, the City shall invoice the DDA for Reimbursable Costs with reasonable supporting detail. The City Manager’s determination of Reimbursable Costs shall control absent manifest error.

3.4 Deferred Reimbursement Obligation. The DDA’s obligation to pay Reimbursable Costs is a valid contractual obligation of the DDA (the “Deferred Reimbursement Obligation”). Unless Exhibit B provides otherwise, the DDA shall pay the final invoice in equal quarterly installments over thirty-six (36) months, with the first installment due thirty (30) days after the final invoice.

3.5 No Interest Unless Stated. No interest shall accrue on the Deferred Reimbursement Obligation unless Exhibit B states otherwise. The parties find that any no-interest repayment structure is supported by the public benefits described in this Agreement and is not a waiver, forgiveness, donation, or gratuity.

3.6 Administrative Flexibility. The City Manager and DDA Chair may approve written adjustments to installment dates or amounts if: (a) the total principal owed is not reduced; (b) the outside maturity is not extended beyond sixty (60) months after the final invoice; (c) the adjustment is reported to the City Council and DDA at their next regular meetings; and (d) the adjustment does not waive any City fee or forgive any DDA obligation. Any reduction, forgiveness, or compromise of the Deferred Reimbursement Obligation requires approval by both governing bodies and separate lawful consideration.

3.7 Payment Source. The Deferred Reimbursement Obligation is payable from funds legally available to the DDA. Nothing herein pledges the City’s full faith and credit, creates City debt for the DDA’s obligation, or waives any constitutional, statutory, or charter limitation.

4. Easements, Access, and Site Coordination

4.1 Easements. The DDA shall obtain or cause the owner of the Replacement Church Property to grant, at no cost to the City, all permanent utility easements and temporary construction easements necessary for the City Work, in forms acceptable to the City Attorney and recordable in Paulding County.

4.2 Coordination. The DDA shall coordinate the City Work with the replacement church construction schedule and shall cause the property owner, church, developer, contractor, and design professionals to cooperate with City personnel and contractors.

4.3 Changed Conditions. If field conditions, permitting requirements, design changes, or third-party delays materially affect cost or schedule, the City Manager may modify the City Work as reasonably necessary, provided the DDA remains responsible for Reimbursable Costs.

5. Risk Allocation

5.1 No Warranty of Project Completion. The City is responsible only for the City Work accepted under this Agreement. The City does not warrant completion of the replacement church facility or the broader Acquisition Project.

5.2 Contractors. If the City contracts for any portion of the City Work, the City shall require commercially reasonable insurance, indemnity, and performance obligations from the contractor consistent with City practice and applicable law.

5.3 Governmental Immunity. Nothing in this Agreement waives sovereign immunity, governmental immunity, official immunity, or any other defense available to either party or their officers, officials, employees, agents, or insurers.

5.4 No Religious Subsidy. The parties acknowledge that the public purpose of this Agreement is downtown redevelopment and acquisition of the Old Church Property. The City Work is exchange consideration and project-related infrastructure necessary to complete that transaction and is not intended as religious support, sponsorship, or subsidy.

6. Default and Remedies

6.1 Default. A party is in default if it fails to perform a material obligation and does not cure the failure within thirty (30) days after written notice, or within such longer period as is reasonably necessary if cure is commenced within thirty (30) days and diligently pursued.

6.2 Remedies. Upon DDA default in payment, the City may suspend discretionary performance, set off amounts lawfully payable by the City to the DDA, pursue collection, or seek any other remedy available at law or equity. Remedies are cumulative.

7. Term; Miscellaneous

7.1 Term. This Agreement begins on the effective date and continues until completion of the City Work and full payment of the Deferred Reimbursement Obligation, not to exceed fifty (50) years.

7.2 Approval. This Agreement is effective only after approval by the City Council and the DDA and execution by authorized officers of both parties.

7.3 Amendment. Except for administrative adjustments expressly allowed herein, this Agreement may be amended only by written instrument approved by both parties.

7.4 Records. This Agreement and records relating to it may be subject to disclosure under the Georgia Open Records Act.

7.5 Entire Agreement. This Agreement, including Exhibits A and B, is the complete agreement of the parties regarding the City Work and Deferred Reimbursement Obligation.

SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized officers.

CITY OF DALLAS, GEORGIA

**DALLAS DOWNTOWN DEVELOPMENT
AUTHORITY**

By: _____

By: _____

Name: _____

Name: _____

Title: Mayor

Title: Chair

Date: _____

Date: _____

Attest:

Attest:

City Clerk

Secretary

Approved as to form:

City Attorney

EXHIBIT A

PROJECT DESCRIPTION / CITY WORK

- 1. Acquisition Project.** The DDA's acquisition of the existing Shiloh Church property for downtown redevelopment, including negotiated obligations necessary to provide a replacement church facility and related site/utility improvements as consideration for the conveyance of the Old Church Property.
- 2. Old Church Property.** 209 W. Cooper Avenue, Dallas Georgia
- 3. Replacement Church Property.** 121 Academy Drive, Dallas, Georgia
- 4. City Work.** The City Work may include, without limitation, planning, engineering coordination, construction, installation, extension, relocation, adjustment, inspection, testing, and restoration of sewer facilities and related appurtenances necessary or convenient to provide sewer service to the Replacement Church Property, including mains, laterals, manholes, cleanouts, taps, trenching, backfill, pavement/ground restoration, erosion control, traffic control, permitting, and related utility work shown on plans approved by the City.
- 5. Plans.** The City Work shall be more particularly shown on plans, sketches, engineer's estimates, field directives, easement plats, or work orders approved by the City Manager and DDA Chair. Those documents may be attached to this Exhibit A when available and are incorporated by reference.
- 6. Exclusions.** Unless expressly added by written amendment or approved work order, the City Work does not include construction of the church building, private plumbing beyond the City-approved point of connection, private building permits, vertical construction, architectural work, or non-utility site improvements.

EXHIBIT B

DEFERRED REIMBURSEMENT SCHEDULE

1. Estimated Reimbursable Costs. \$ _____ estimated. This estimate is for budgeting only and does not cap the DDA’s obligation to pay actual Reimbursable Costs unless the parties expressly agree in writing to a not-to-exceed amount.

2. Deposit. No deposit or advance payment is required.

3. Payment Schedule. Unless otherwise inserted below, the DDA shall pay the final invoice in equal quarterly installments over thirty-six (36) months, beginning thirty (30) days after the City issues the final invoice.

Alternative approved schedule, if any:

4. Interest. No interest shall accrue unless a different rate is inserted here: _____% per annum.

5. Outside Maturity. All Reimbursable Costs shall be paid in full no later than sixty (60) months after the final invoice unless a later date is approved by both governing bodies and is lawful under applicable law.

6. Prepayment. The DDA may prepay all or any portion of the Deferred Reimbursement Obligation at any time without penalty.