

# INTERGOVERNMENTAL AGREEMENT

## HOTEL SITE

This INTERGOVERNMENTAL AGREEMENT (“IGA”) is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2024, by and between the CITY OF LAWRENCEVILLE, GEORGIA, a Georgia municipal corporation in the State of Georgia (the “City”), and the DOWNTOWN DEVELOPMENT AUTHORITY OF LAWRENCEVILLE, GEORGIA, a public corporation created and existing under the laws of the State of Georgia (the “DDA”).

### WITNESSETH:

**WHEREAS**, the DDA was created pursuant to the provisions of Article IX, Section VI, Paragraph III of the Constitution of the State of Georgia, the Downtown Development Authorities Law of the State of Georgia, O.C.G.A. § 36-42-1, *et seq.*, as amended, and an activating resolution of the Council of the City of Lawrenceville, duly adopted on November 7, 1983, as amended, and is now existing and operating as a public body corporate and politic, and

**WHEREAS**, in order to encourage the development and revitalization of its downtown business district, the Mayor and Council of the City of Lawrenceville duly adopted the Resolution on November 7, 1983, creating the DDA and designating a geographic area to be known as the Downtown Development Area, which area has since been altered from time to time; and

**WHEREAS**, the City entered into an Intergovernmental Agreement with the DDA on April 15, 2019 (2019 IGA) which transferred certain property to the DDA to be used for redevelopment purposes subject to certain terms and conditions, and

**WHEREAS**, the 2019 IGA required that the redevelopment of the property transferred to the DDA include the construction of a parking garage that included at least two hundred eighty (280) public parking spaces, and

**WHEREAS**, the DDA entered into agreements with RIO Lawrenceville, LLC (RIO) for the construction of the parking deck and for the construction of a hotel and retail space. The agreements included a Development Agreement, a Ground Lease and Easement Agreements (hereinafter referred to collectively as the RIO Development Agreements), and

**WHEREAS**, the City and the DDA entered into another Intergovernmental Agreement dated August 17, 2020, in which the City agreed to advance Two Million Four Hundred Thousand Dollars (\$2,400,000.00) to the DDA to be loaned to RIO to allow for the construction of certain infrastructure for the hotel project in connection with the construction of the parking deck, which Intergovernmental Agreement has been amended seven (7) times to extend the due date of the loan made to RIO (the original Intergovernmental Agreement and all amendments shall hereinafter be referred to as the 2020 IGA), and

**WHEREAS**, RIO constructed the parking deck and ownership of that parking deck has been paid for and the DDA is now the owner of the parking deck, and

**WHEREAS**, RIO was not able to move forward with construction of the hotel and retail space, and the City, the DDA and RIO now desire to terminate the RIO Development Agreements including the loan provided under the 2020 IGA and return all ownership interest in the property that was the subject of those agreements to the DDA and allow the DDA to move forward with the hotel project and to finance the project with tax exempt revenue bonds.

**NOW, THEREFORE**, for and in consideration of \$10.00 (Ten Dollars) in hand paid and for the mutual promises and covenants set forth herein, the amounts set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the DDA do hereby agree as follows:

1. The DDA will absolutely and completely terminate the RIO Development Agreements so that RIO or any third party shall have no rights or interest in the property transferred to the DDA under the 2019 IGA, which property is more particularly described on Exhibit A (Subject Property) which is incorporated herein by reference. The DDA shall be allowed to retain fee simple ownership of the Subject Property subject to the terms and conditions of this Agreement.
2. The City will transfer to the DDA a maximum of Eight Hundred Thousand Dollars (\$800,000.00) which may be used by the DDA as payment to RIO as consideration for the termination of the RIO Development Agreements, reimbursement of expenses incurred by RIO for civil engineering fees, architect fees, construction management services, interior design fees, fence lease and fence repair, and hotel accounting software on the hotel project, and in consideration for the transfer from RIO to the DDA all rights under any existing contracts related to the hotel project including but not limited to all architectural plans, all construction drawings, and contracts with all other vendors providing services related to the hotel project. Since the funds transferred to the DDA under the 2020 IGA were loaned to RIO and used to construct infrastructure on the hotel site and since the DDA will obtain ownership of the site including the infrastructure, the City will not require repayment of the Two Million Four Hundred Thousand Dollars (\$2,400,000.00) provided under the 2020 IGA, and the DDA is authorized to cancel the note from RIO as part of the agreement to terminate the RIO Development Agreements. The DDA shall enter into a written contract with RIO related to all these items and the contract shall be approved by the City Manager, the City CFO and the City Attorney before any funds are transferred. To the extent allowed by law, all monies transferred to the DDA under this paragraph shall be reimbursed to the City from bond proceeds following the closing of the tax exempt revenue bond transaction.
3. The parties anticipate that the DDA will incur certain costs each month to keep the project active while the DDA and the City move forward with tax exempt revenue bond financing of the hotel. The City will transfer to the DDA a maximum of Three Hundred Thousand Dollars (\$300,000.00) to be used to pay ongoing expenses related to the hotel project. To the extent allowed by law, all monies transferred to the DDA under this paragraph shall be reimbursed to the City from bond proceeds following the closing of the tax exempt revenue bond transaction.

4. As part of the hotel development, the DDA shall maintain exclusive control of a minimum of two hundred eighty (280) parking spaces in the parking deck which shall be available for public use at all times, other than temporary closures for construction activities.
5. Should the DDA not proceed forward with the redevelopment of the Subject Property as a hotel financed by tax exempt revenue bonds by November 30, 2024, any future redevelopment of the Subject Property shall be subject to specific approval of the new proposed development by the Lawrenceville City Council, and the City shall maintain the right to require transfer of all or a portion of the Subject Property to the City.
6. The Mayor, Mayor Pro Tem, City Manager, City Clerk, and City Attorney, and/or their appropriate designees are hereby authorized to take any and all action necessary and appropriate to carry out the intent of this Intergovernmental Agreement between the parties.
7. This IGA and the rights and obligations of the parties hereto shall be governed, construed and interpreted according to the laws of the State of Georgia.
8. This IGA expresses the entire understanding and agreement between the parties hereto.
9. The invalidity of any one or more phrases, sentences, clauses or sections contained in this IGA shall not affect the remaining portions of this IGA or any part thereof.
10. This IGA may be executed in several counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument.
11. No waiver, amendment, release, modification of this IGA shall be effective unless made in writing and executed by both parties hereto, and properly approved in accordance with the provisions of Georgia law.
12. This IGA is intended to replace and supersede the 2019 IGA and the 2020 IGA. Should the DDA fail to reach a written agreement with RIO terminating the RIO Development Agreements as required in paragraph 2, the City and the DDA shall retain the right to collect any amounts due under the 2019 IGA and the 2020 IGA including but not limited to the monies loaned to RIO.

[Signatures on Following Page]

**CITY OF LAWRENCEVILLE, GEORGIA**

Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
David R. Still, Mayor

Attest \_\_\_\_\_  
Karen Pierce, City Clerk

(City Seal)

**CITY OF LAWRENCEVILLE DOWNTOWN  
DEVELOPMENT AUTHORITY**

Date Signed: \_\_\_\_\_

By \_\_\_\_\_  
Lee Merritt, Chairman

Attest \_\_\_\_\_  
Secretary

(Authority Seal)