

**RESOLUTION NO. 2022-289-R**

**A RESOLUTION PURSUANT TO SECTION 94.01 MAKING CERTAIN REQUIRED FINDINGS OF FACT REGARDING ECONOMIC DEVELOPMENT AND THE AUTHORIZATION OF A FUNDING AGREEMENT BETWEEN THE CITY OF MADISON, ALABAMA AND TOWN MADISON COOPERATIVE DISTRICT, AND APPROVING FORMS OF RELATED DOCUMENTS**

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**WHEREAS**, the City authorized the incorporation of the Town Madison Cooperative District, an Alabama public corporation (the “District”), in cooperation with Madison County, Alabama (the “County”), in 2014, to provide for the acquisition, construction, and installation of capital improvements for public infrastructure within the jurisdiction of the District, which encompasses approximately 671 acres adjacent to Interstate 565 and is commonly known as “Town Madison,” a mixed-use entertainment, destination, lodging, residential, commercial, and retail area that has been developed by Town Madison, LLC; and

**WHEREAS**, the District issued its Special Project Revenue Bond (Federally Taxable – Town Madison Project), Series 2014-B, dated August 15, 2014 (the “Series 2014-B Bond”), in the principal amount of \$22,000,000, secured in part by payments to be made by the City pursuant to a Funding Agreement (the “2014 City Funding Agreement”) among the City, the District, Town Madison, LLC and Regions Bank, as paying agent; and

**WHEREAS**, the Series 2014-B Bond is currently owned by Town Madison Bondholder, LLC, an affiliate of Town Madison, LLC and, Louis W. Breland; and

**WHEREAS**, on August 15, 2018, the parties to the 2014 City Funding Agreement entered into an Amended and Restated Funding Agreement (the “2018 City Funding Agreement”) pursuant to which certain terms of the Series 2014-B Bond were amended and various provisions of the 2014 City Funding Agreement were supplemented and amended; and

**WHEREAS**, the City of Madison (the “City”) and the District propose to restructure the obligations of the City, the District and Breland, including a new Funding Agreement (the “2022 Funding Agreement”) between the City and the District to support the payment of principal and interest on revenue bonds to be issued by the District, initially to restructure the obligations under the Series 2014-A Bond and eventually to refund and redeem such Series 2014-A Bond; and

**WHEREAS**, this same 2022 Funding Agreement will permit the City, at its option, to prepay and redeem the Series 2014-A Bond and will also provide for the City to undertake directly the construction and installation of the flyover access ramps previously undertaken by Town Madison, LLC; and

**WHEREAS**, as evidence of its obligations under the 2022 Funding Agreement the City will deliver its Limited Obligation Revenue Warrant, Series 2022 (the “Series 2022 Warrant”) to the District;

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MADISON,  
ALABAMA, as follows:**

**Section 1. Finding that this Resolution satisfies the requirements of Alabama  
Constitutional Amendment Number 772**

- (a) This Council has determined that the proposed Funding Agreement providing for expenditure of public funds and the lending of the City's credit for the referenced bonds serve a valid and sufficient public purpose, to wit: the expansion of the tax base of the City; increased employment opportunities; increased tax revenues, including from sales and use, ad valorem, lodging and other excise and license taxes imposed by the City; and improved public infrastructure; and
- (b) Although the improvements financed or refinanced with proceeds of the bonds issued by the District will constitute publicly owned infrastructure, the economic benefit of such improvements will inure to Town Madison, LLC, Town Madison Bondholder, LLC and other affiliates of Louis W. Breland; and
- (c) At least seven (7) days prior to the passing of this Resolution, a notice was published in the *Huntsville Times* describing in reasonable detail the action proposed to be taken, a description of the public benefits sought to be achieved by the action and identifying each individual, firm corporation or other business entity to whom or for whose benefit the City proposes to lend its credit or grant public funds or things of value.

**Section 2. Authorization of City Funding Agreement Amendment and Related Documents**

- (a) The City does hereby authorize and direct the execution of the Funding Agreement. The Funding Agreement shall be in substantially the form and of substantially the content as presented to and considered by the City Council, with such changes or additions thereto or deletions therefrom as shall not amend or increase the obligations of the City thereunder and as shall be approved by the Mayor of the City, which approval shall be conclusively evidenced by the execution of the Funding Agreement by the Mayor as hereinafter authorized. The Mayor of the City is hereby authorized and directed to execute, acknowledge, and deliver the Funding Agreement for and on behalf of and in the name of the City. The City Clerk is hereby authorized and directed to attest the same; and
- (b) The Funding Agreement presented, considered, and adopted by the City Council shall be filed in the permanent records of the City; and
- (c) The City does hereby authorize and direct the execution of the Series 2022 Warrant and the delivery thereof to the District in accordance with the terms of the Funding Agreement. The Series 2022 Warrant shall be in substantially the

form and of substantially the content as is attached to the Funding Agreement as Exhibit 2.7(a), with such changes or additions thereto or deletions therefrom as shall not amend or increase the obligations of the City thereunder and as shall be approved by the Mayor of the City, which approval shall be conclusively evidenced by the execution of the Series 2022 Warrant by the Mayor as herein authorized. The Mayor of the City is hereby authorized and directed to execute, acknowledge, and deliver the Series 2022 Warrant for and on behalf of and in the name of the City. The City Clerk is hereby authorized and directed to attest the same.

### **Section 3.      General Authorization; Ratification of Actions**

- (a)      The officers of the City, or any one or more of them, are hereby authorized and directed to do and perform or cause to be done or performed in the name and on behalf of the City such other acts, and execute, deliver, file, and record such other instruments, documents, certificates, notifications, and related documents, all as shall be required by law or necessary or desirable to carry out the provisions and purposes of this Resolution ratifying the Funding Agreement; and
- (b)      Any prior actions taken, or agreements made, or documents executed, by any officers of the City in connection with the Funding Agreement and the transactions therein authorized and approved are hereby ratified and confirmed; and
- (c)      The City's obligations under the City Funding Agreement shall constitute a limited obligation, payable solely from City Net Project Tax Proceeds (as defined in the Funding Agreement), and shall only be chargeable against the City's special debt limit provided under Amendment 772 to the Constitution of Alabama, codified as Section 94.01 to the Recompiled Constitution of Alabama, as amended by amendment proposed by Act No. 2022-286 of the Legislature of Alabama and ratified on November 8, 2022, under which the City has sufficient capacity

### **Section 4.      General**

- (a)      All ordinances, resolutions, orders, or parts thereof in conflict or inconsistent with any provision herein hereby are, to the extent of such conflict or inconsistency, repealed; and
- (b)      This Resolution shall take effect immediately.

**READ, PASSED, AND ADOPTED** at a regularly scheduled meeting of the City Council of the City of Madison, Alabama, on this 14th day of November 2022.

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*Council President*  
City of Madison, Alabama

**ATTEST:**

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*Lisa D. Thomas, City Clerk-Treasurer*  
City of Madison, Alabama

**APPROVED** this 14<sup>th</sup> day of November 2022.

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*Paul Finley, Mayor*  
City of Madison, Alabama