

STATE OF GEORGIA

COUNTY OF COBB

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT made and entered into as of the ____ of _____, 2020, by and between the **City of Powder Springs, Georgia**, a municipal corporation of the State of Georgia, hereinafter referred to as “City” and the **Powder Springs Downtown Development Authority**, a public authority created by local constitutional amendment of the Georgia General Assembly (Ga. L. 1980, p. 2035 as subsequently amended), hereinafter referred to as “DDA.”

WITNESSETH

WHEREAS, on October 19, 2020, City through an affirmative vote of its City Council pursuant to Chapter 61 of Title 36 of the Official Code of Georgia Annotated, entitled the “Urban Redevelopment Law,” as amended (the “Urban Redevelopment Law”), as a prerequisite to its exercise of powers under the Urban Redevelopment Law, adopted a resolution finding that one or more “pockets of blight” (as defined in the Urban Redevelopment Law) exist in the City and that the rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of the City; and

WHEREAS, also on October 19, 2020, City through an affirmative vote of its City Council designated an area of the City to be known as the Urban Redevelopment Area; and

WHEREAS, on November 2, 2020, City did adopt an Urban Redevelopment Plan; and

WHEREAS, DDA is a public authority authorized to finance (by loan, grant, or lease), construct, erect, purchase, acquire, own, repair, remodel, renovate, rehabilitate, maintain, extend, improve, sell, equip, expand, add to, operate, or manage any project consisting of any building,

structure, facility, or other improvement located or to be located within the downtown development district, and such project may be for any industrial, commercial, business, office, public, or other use; and

WHEREAS, DDA has undertaken steps to implement the redevelopment of downtown Powder Springs by identifying, purchasing, and assembling properties for redevelopment consistent with its public mandate to promote redevelopment, commerce and industry within the City of Powder Springs and specifically within the Urban Redevelopment Area; and

WHEREAS, pursuant to the Urban Redevelopment Law, O.C.G.A. § 36-61-16, City is authorized to enter into agreements with other public bodies to furnish funds or other assistance in connection with an urban redevelopment project; and

WHEREAS, DDA has entered into certain contracts to purchase certain real properties within the Urban Redevelopment Area and is in the process of entering into additional contracts to purchase real properties within the Urban Redevelopment Area (hereinafter collectively, “Urban Redevelopment Properties,”) contingent upon the obtaining of financing through the issuance of a taxable revenue bond or, alternatively, based upon its ability to assign such contracts to third parties, copies of said current contracts being annexed hereto and incorporated herein by express reference as Exhibit “A;” and

WHEREAS, because of pending contract deadlines as well as the revenue bond validation process, DDA may need to close on the purchase of Urban Redevelopment Properties prior to the availability of funding from the sale of the taxable revenue bonds and is requesting that City provide funding when and where necessary to close on the purchase of such Urban Redevelopment Properties, such funding to include the purchase price and associated inspection, surveying, closing and other costs necessary to effectuate the purchases; and

WHEREAS, DDA and City believe and agree that the Urban Redevelopment Properties proposed to be purchased are integral to the redevelopment of the downtown area and that their acquisition is in the best interest of the citizenry and preservation of and increasing the tax base; and

WHEREAS, City wishes to provide funding for DDA to acquire the Urban Redevelopment Properties when and where necessary pending the availability of funding for the DDA's purchases from the sale of taxable revenue bonds.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

SECTION I

Should DDA need funding to close on the purchase of any or all of the Urban Redevelopment Properties including those which are currently under contract and identified in Exhibit "A," City shall provide same as a reimbursable grant in order to pay the purchase price and associated inspection, surveying, closing and other costs necessary to effectuate the purchases. DDA agrees to reimburse City for any and all funding provided under this Agreement upon the earlier to occur of the DDA issuing bonds or the selling of the property. Alternatively, should the City so choose, DDA will assign the purchase agreements to the City for purchase, and the City will sell the properties back to DDA when it has funding for the same consideration paid by City for such properties and associated expenses.

SECTION II

Upon receipt of funding to reimburse the City for any grant monies paid by City hereunder, DDA will promptly provide such reimbursement to City. Should the bond validation not succeed or be delayed, upon the request of City, DDA will convey any and all properties

acquired with City funding to the City at no cost to City, free and clear of any liens or encumbrances.

SECTION III

DDA shall own the Urban Redevelopment Properties free and clear of any indebtedness or encumbrances whatsoever throughout the duration of this Agreement. DDA shall not assign its responsibilities under this Agreement without the consent of City.

SECTION IV

Should City find DDA at any time to be in default of its obligations under this Agreement, it may notify DDA of such default and provide DDA with instructions to cure said default within a time certain, such time to be no more than thirty (30) days. Should DDA fail or refuse to cure such default to the reasonable satisfaction of City. Upon City's declaration that this Agreement is terminated, DDA will convey the Property back to City by warranty deed, free and clear of any liens and encumbrances.

SECTION V

This Agreement shall have a term of ONE (1) year unless sooner terminated pursuant the provisions hereof.

SECTION VI

All notices shall be in writing and shall be deemed to have been properly given when delivered in person or when deposited in the United States Mail, with adequate postage, and sent by registered or certified mail with return requested, to the addresses set out below:

CITY:
City of Powder Springs
c/o Pam Conner, City Manager
4484 Marietta St.
Powder Springs, GA 30127
pconner@CityOfPowderSprings.org

With a copy to: Richard W. Calhoun, Esq.
Gregory, Doyle, Calhoun & Rogers, LLC
49 Atlanta Street
Marietta, GA 300600
rcalhoun@gregorydoylefirm.com

DDA:

Chairman, DDA
City of Powder Springs
4484 Marietta Street
Powder Springs, GA 30127

With a copy to: Fred Bentley, Jr., Esq.
Bentley, Bentley & Bentley
241 Washington Ave
Marietta, GA 30008
fred@thebentleyfirm.com

SECTION VII

This agreement constitutes the entire agreement of the parties relating to the subject matter. All prior discussions, negotiations and understanding are merged in this agreement. Modification or amendment of this agreement shall be made only in writing and subscribed to by the parties. No modifications or alterations of this agreement shall be valid until executed in writing by all parties hereto.

SECTION VIII

If any provision of this Agreement, or the application thereof, is determined to be invalid or unenforceable for any reason, the remainder of that provision and all other provisions of this Agreement shall remain valid and enforceable.

SECTION IX

This Agreement is made and entered into in Cobb County, Georgia, and shall be governed and construed under the laws of the State of Georgia. Exclusive venue for any actions brought in relation to this Agreement shall be brought in a court of competent jurisdiction located in Cobb County, Georgia.

SECTION X

Each party executing this Agreement represents to the other party that such individual is authorized to do so.

CITY OF POWDER SPRINGS, GEORGIA

By: _____
Al Thurman, Mayor

ATTEST:

APPROVED AS TO FORM:

Kelly Axt, City Clerk

Richard Calhoun, City Attorney

**POWDER SPRINGS DOWNTOWN
DEVELOPMENT AUTHORITY**

By: _____
Al Thurman, Chairman

ATTEST:

APPROVED AS TO FORM:

By: _____

Fred Bentley, Jr., DDA Attorney

Its: _____

EXHIBIT A