

AUTHORIZING RESOLUTION

WHEREAS, in furtherance of the purposes for which it was created, The City of Sugar Hill Downtown Development Authority (the “Issuer”) proposes to issue not to exceed \$15,000,000 in original aggregate principal amount of its Revenue Bonds (EpiCenter Project), Series 2018A and its Revenue Bonds (EpiCenter Project), Federally Taxable Series 2018B (collectively the “Series 2018 Bonds”), in order to finance the costs of completing the acquisition, construction, and installation of mixed use facilities (the “Facilities”) consisting of (1) a performing arts center, a gymnasium, a walking track, and classrooms and community rooms (the “Public Component”); (2) restaurant, retail, and office space (the “Commercial Component”); and (3) a parking garage (the “Parking Component”), and to finance related costs; and

WHEREAS, the Issuer will rent the Commercial Component and a portion of the Parking Component to commercial tenants; and

WHEREAS, Section 36-34-3 of the Official Code of Georgia Annotated authorizes the City of Sugar Hill, Georgia (the “Lessee”) to acquire, construct, lease, own, operate, and improve parking areas, parking buildings, buildings for educational purposes, and buildings used or useful for public amusement purposes, together with facilities or buildings used for any combination of the above; and

WHEREAS, Article IX, Section III, Paragraph I of the Constitution of the State of Georgia of 1983 authorizes the Lessee (1) to contract for any period not exceeding fifty years with any public corporation or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment, if such contract deals with activities, services, or facilities that the contracting parties are authorized by law to undertake or provide, and (2) in connection with any such contract to convey any existing facilities or equipment to any public corporation or public authority; and

WHEREAS, the Issuer, by a Master Bond Resolution duly and validly adopted on November 17, 2015 (the “Master Resolution”), as supplemented and amended by a Supplemental Series 2016 Bond Resolution duly and validly adopted on February 11, 2016, authorized, issued, and delivered \$28,230,000 in original aggregate principal amount of (1) its Revenue Bonds (EpiCenter Project), Series 2016A and (2) its Revenue Bonds (EpiCenter Project), Federally Taxable Series 2016B (collectively the “Series 2016 Bonds”), now outstanding in the aggregate principal amount of \$28,230,000; and

WHEREAS, the Lessee agreed to rent the Public Component and a portion of the Parking Component from the Issuer pursuant to a Lease Agreement, dated as of February 1, 2016 (the “Original Lease”), under the terms of which the Lessee (1) agreed to make rent payments to the Issuer in amounts sufficient, after taking into account rent payments received by the Issuer from commercial tenants of the Facilities, to enable the Issuer to pay the principal of, premium, if any, and interest on the Series 2016 Bonds when due and (2) agreed to levy an annual ad valorem tax on all taxable property located within the corporate limits of the Lessee, at such

rates, without limitation as to rate or amount, as may be necessary to produce in each year revenues that are sufficient to fulfill the Lessee's obligations under the Original Lease; and

WHEREAS, pursuant to the Master Resolution, the rent payments to be received by the Issuer from the commercial tenants of the Facilities and the rent payments to be received by the Issuer from the Lessee pursuant to the Original Lease, as it may be amended, are pledged to, and a first priority lien is created thereon as security for, the payment of principal of, premium, if any, and interest on the Series 2016 Bonds and any Additional Bonds (as defined in the Master Resolution) that may be issued; and

WHEREAS, the Master Resolution provides for the issuance under certain conditions of Additional Bonds (as defined in the Master Resolution) payable from and secured by Pledged Revenues (as defined in the Master Resolution) and ranking on a parity as to the pledge of and lien on the Pledged Revenues with the Series 2016 Bonds; and

WHEREAS, the Issuer proposes to adopt a Series 2018 Bond Resolution (the "Series 2018 Resolution") authorizing the issuance of the Series 2018 Bonds as Additional Bonds; and

WHEREAS, in consideration of the issuance of the Series 2018 Bonds by the Issuer, the Lessee proposes to enter into a First Amendment to Lease Agreement, to be dated as of the first day of the month of its execution and delivery (the "First Amendment"), with the Issuer, supplementing and amending the Original Lease, the form of which has been filed with the Lessee and submitted to the City Council of the Lessee, under the terms of which the Lessee (1) will agree to make rent payments to the Issuer in amounts sufficient, after taking into account rent payments received by the Issuer from commercial tenants of the Facilities, to enable the Issuer to pay the principal of, premium, if any, and interest on the Series 2016 Bonds and the Series 2018 Bonds when due and (2) will agree to levy an annual ad valorem tax on all taxable property located within the corporate limits of the Lessee, at such rates, without limitation as to rate or amount, as may be necessary to produce in each year revenues that are sufficient to fulfill the Lessee's obligations under the Original Lease, as supplemented and amended by the First Amendment (collectively the "Lease"); and

WHEREAS, the Series 2018 Resolution (as it will be supplemented by a Supplemental Series 2018 Bond Resolution) will set forth, among other things, the interest rates that the Series 2018 Bonds will bear and the principal amount of the Series 2018 Bonds that will mature, either at maturity or by proceedings for mandatory redemption, in each year, and the Issuer will furnish the Lessee with a certified copy of the Series 2018 Resolution in order that any payments required to be made by the Lessee under the Lease may be accurately computed and conclusively established; and

WHEREAS, the Issuer will authorize the marketing of the Series 2018 Bonds by means of a Preliminary Official Statement, to be dated the date of its printing (the "Preliminary Official Statement"), and an Official Statement, to be dated the date of its printing (the "Official Statement"), both of which shall contain information about the Issuer, the Lessee, and the Facilities; and

WHEREAS, the Issuer will agree to sell the Series 2018 Bonds to an underwriter (the “Underwriter”), to be selected by the Issuer through a competitive process to be conducted by the Issuer’s and the Lessee’s Financial Advisor, Kidwell & Company, Inc., pursuant to a Bond Purchase Agreement, to be dated the date of its execution and delivery (the “Bond Purchase Agreement”), among the Issuer, the Lessee, and the Underwriter; and

WHEREAS, after careful study and investigation, the Lessee desires to enter into the First Amendment and the Bond Purchase Agreement (collectively the “Contracts”);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sugar Hill, Georgia as follows:

1. The forms, terms, and conditions and the execution, delivery, and performance of the Contracts, which have been filed with the Lessee, are hereby approved and authorized. The Contracts shall be in substantially the forms submitted to the City Council of the Lessee with such changes, corrections, deletions, insertions, variations, additions, or omissions as may be approved by the Mayor or Mayor Pro Tempore of the Lessee, whose approval thereof shall be conclusively evidenced by the execution of the Contracts.

2. The Mayor or Mayor Pro Tempore of the Lessee is hereby authorized and directed to execute on behalf of the Lessee the Contracts, and the City Clerk of the Lessee is hereby authorized and directed to affix thereto and attest the seal of the Lessee, upon proper execution and delivery by the other parties thereto, provided, that in no event shall any such attestation or affixation of the seal of the Lessee be required as a prerequisite to the effectiveness thereof, and the Mayor or Mayor Pro Tempore and City Clerk or Deputy City Clerk of the Lessee are authorized and directed to deliver the Contracts on behalf of the Lessee to the other parties thereto, and to execute and deliver all such other contracts, instruments, documents, affidavits, or certificates (including, without limitation, a Rule 15c2-12 Certificate and a Continuing Disclosure Certificate) and to do and perform all such things and acts as each shall deem necessary or appropriate in furtherance of the issuance of the Series 2018 Bonds and the carrying out of the transactions authorized by this Resolution or contemplated by the instruments and documents referred to in this Resolution.

3. The use and distribution of the Preliminary Official Statement and the Official Statement with respect to the Series 2018 Bonds shall be and is hereby authorized, ratified, confirmed, and approved, and execution and delivery of the Official Statement in final form shall be and is hereby authorized, ratified, confirmed, and approved. The Mayor or Mayor Pro Tempore is hereby authorized and directed to ratify, confirm, approve, execute, and deliver the Official Statement on behalf of the Lessee, and the execution of an Official Statement by the Mayor or Mayor Pro Tempore shall constitute conclusive evidence of the Mayor or Mayor Pro Tempore’s ratification, confirmation, approval, and delivery thereof on behalf of the Lessee.

4. This Resolution and the Contracts, as approved by this Resolution, which are hereby incorporated in this Resolution by this reference thereto, shall be placed on file at the office of the Lessee and made available for public inspection by any interested party immediately following the passage and approval of this Resolution.

PASSED, ADOPTED, SIGNED, APPROVED, and EFFECTIVE this 8th day of January 2018.

CITY OF SUGAR HILL, GEORGIA

(SEAL)

By: _____
Mayor

Attest:

City Clerk

CITY CLERK'S CERTIFICATE

I, **JANE WHITTINGTON**, the duly appointed, qualified, and acting City Clerk of the City of Sugar Hill, Georgia (the "Lessee"), **DO HEREBY CERTIFY** that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted on January 8, 2018 by the City Council of the Lessee in a meeting duly called and assembled in accordance with applicable laws and with the procedures of the Lessee, by a vote of _____ Yea and _____ Nay, which meeting was open to the public and at which a quorum was present and acting throughout, and that the original of the foregoing resolution appears of public record in the Minute Book of the Lessee, which is in my custody and control.

GIVEN under my hand and the seal of the Lessee, this _____ day of January 2018.

(SEAL)

City Clerk, City of Sugar Hill, Georgia