

1. Agenda

Documents:

[BOMC-9-9-19-SCM-AGENDA.PDF](#)

2. Meeting Called To Order/Adoption Of Agenda

3. Resolution To Adopt Tax-Exempt Debt Policy

Documents:

[TAX POLICY RES BOMC.PDF](#)

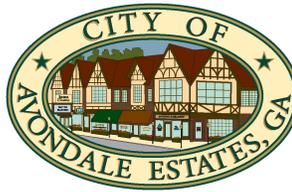
4. Resolution In Support Of Downtown Development Authority (DDA) Expenditures

Documents:

[DDA SPENDING RES SEPT.PDF](#)

5. Public Comment

6. Adjournment



**BOARD OF MAYOR AND COMMISSIONERS  
SPECIAL CALLED MEETING  
September 9, 2019  
6:30 p.m.**

**AGENDA**

- Item No. 1            Meeting Called to Order
- Item No. 2            Adoption of Agenda
- Item No. 3            **Resolution to Adopt Tax-Exempt Debt Policy**  
To ensure that any debt issued by the City is legally validated, the City is required to have a formalized policy specifying procedures for record keeping, disbursement of proceeds, and other measures to comply with applicable laws and tax regulations.
- Item No. 4            **Resolution in Support of Downtown Development Authority (DDA) Expenditures**  
The DDA wants to invest in stormwater engineering studies – in an amount not to exceed \$15,000 -- for the five-acre development project in downtown. They propose using a portion of fees being paid by Trammell Crow Residential.
- Item No. 5            Public Comment
- Item No. 6            Adjournment

A RESOLUTION AUTHORIZING A TAX-EXEMPT DEBT POLICY RELATING TO  
POST-ISSUANCE COMPLIANCE MATTERS FOR TAX-EXEMPT DEBT

WHEREAS, pursuant to a resolution adopted on August 12, 2019 (the “URA Resolution”), the Urban Redevelopment Agency of the City of Avondale Estates (the “Agency”) authorized the issuance of its (a) drawdown bond anticipation note to be known as the “Urban Redevelopment Agency of the City of Avondale Estates Drawdown Bond Anticipation Note, Series 2019” in the principal face amount of \$8,400,000 (the “Note”) for the purpose of financing on an interim basis a portion of the costs of the 2019 Urban Redevelopment Projects (as defined in the URA Resolution) and the costs of issuing the Note and (b) a revenue bond or revenue bonds to be known as the “Urban Redevelopment Agency of the City of Avondale Estates Revenue Bonds, Series \_\_\_\_\_” in the total principal amount not to exceed \$8,900,000 (the “Bonds”) for the purpose of providing permanent financing for the costs of the 2019 Urban Redevelopment Projects through repayment of the Note and the costs of issuing the Bonds; and

WHEREAS, pursuant to a resolution adopted on August 12, 2019 (the “City Resolution”) by the Board of Mayor and Commissioners of the City of Avondale Estates, Georgia (the “Governing Body”), the body charged with managing the affairs of the City of Avondale Estates, Georgia (the “City”), the Governing Body approved the execution and delivery of an Intergovernmental Contract, dated as of September 1, 2019, pursuant to which the Agency will agree to issue the Note and the Bonds, and the City will agree to pay to the Agency amounts sufficient to pay the debt service on the Note and the Bonds; and

WHEREAS, the Note and the Bonds will be issued as obligations the interest on which is exempt from taxation for federal income tax purposes (the “tax-exempt debt”); and

WHEREAS, the City proposes to adopt policies and procedures relating to the tax-exempt debt for which it is obligated (the “Tax-Exempt Debt Policy”) in the form attached hereto as Exhibit “A”; and

NOW, THEREFORE, BE IT RESOLVED by the BOARD OF MAYOR AND COMMISSIONERS OF THE CITY OF AVONDALE ESTATES, GEORGIA, as follows:

Section 1. Tax-Exempt Debt Policy. The tax-exempt debt policy attached hereto as Exhibit “A” is hereby approved.

Section 2. General Authority. The proper officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things, including, but not limited to making covenants on behalf of the City and to execute all such documents and certificates as may be necessary to carry out the transactions contemplated by this resolution.

Section 3. Actions Approved and Confirmed. All acts and doings of the officers, employees and agents of the City which are in conformity with the purposes and intent of this resolution are hereby authorized and approved.

Section 4. Repealing Clause. Any and all resolutions or parts of resolutions in conflict with this resolution are hereby repealed.

Section 5. Effective Date. This resolution shall take effect immediately upon its adoption.

ADOPTED this \_\_\_\_\_ day of September, 2019.

CITY OF AVONDALE ESTATES, GEORGIA

(SEAL)

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

EXHIBIT "A"

TAX-EXEMPT DEBT POLICY

## **POLICY WITH RESPECT TO TAX-EXEMPT DEBT**

### **OBJECTIVE**

To comply with all applicable federal and state laws, rules and regulations related to the issuance of tax-exempt debt (the “Debt”).

### **SCOPE**

This policy (the “Policy”) applies to all Debt issued by or for the benefit of the City of Avondale Estates, Georgia (the “City”) and its related entities.

### **POLICY**

The City shall comply with all federal and state laws, rules and regulations related to the issuance of Debt.

### **RESPONSIBILITY**

The Deputy City Manager shall be administratively responsible for the Policy. The Deputy City Manager shall be responsible for reviewing the requirements and responsibilities of the City under the Policy with bond counsel on or before the closing date of any Debt issued by the City.

### **DISSEMINATION AND TRAINING**

The Policy shall be disseminated to all relevant personnel in the City and to the auditor.

The Deputy City Manager shall provide appropriate training to all personnel directly involved in the administration of tax-exempt debt to ensure they comply with the provisions of the Policy. The Deputy City Manager shall consult as appropriate with qualified attorneys with respect to the content of such training.

### **REVIEW**

The Policy shall be reviewed and revised annually by the Deputy City Manager and redistributed to all relevant personnel in the City and to the auditor.

The Deputy City Manager shall annually conduct a due diligence review of all Debt currently outstanding to ensure proper compliance with each of the provisions of the Policy. If Deputy City Manager discovers non-compliance with any provisions of the Policy, steps necessary to correct the noncompliance will be taken within ten (10) business days of the conclusion of the annual due diligence review. Records of all corrective action taken shall be retained in accordance with the Policy.

### **PROVISIONS**

#### ***Record Keeping***

All records relating to the Debt needed to comply with Section 6001 of the Internal Revenue Code of 1986, as amended (the “Code”) shall be maintained. These records shall be kept in paper or electronic form and shall include, among other things, (i) basic records relating to the transaction (including the bond documents, the opinion of bond counsel, etc.), (ii) documents

evidencing the expenditure of the proceeds of the Debt, (iii) documentation evidencing the use of Debt-financed property by public and private entities (*e.g.*, copies of management contracts, leases and research agreements) and (iv) documentation pertaining to any investment of Debt proceeds (including the purchase and sale of securities, SLG subscriptions, yield calculations for each class of investments, actual investment income received from the investment of the proceeds of the Debt, guaranteed investment contracts and rebate calculations. Such records must be maintained as long as the Debt is outstanding, plus three years after the final payment or redemption date of the respective Debt.

### ***Use of Proceeds***

A list of all property financed with the proceeds of the Debt shall be created and maintained. The use of such property shall be monitored to ensure that such use does not constitute “private business use” within the meaning of the Code. Without limiting the foregoing, each contract, including but not limited to management contracts and leases, relating to such property shall be reviewed by legal counsel prior to the execution of such contract. The list of property shall be reviewed at least annually to ensure that none of the property has been sold.

### ***Remedial Action***

In the event that property financed with the proceeds of the Debt is used in a manner that constitutes “private business use” or the property is sold, the remediation provisions of Treasury Regulation § 1.141-12 shall be carried out in consultation with bond counsel.

### ***Yield Restriction***

If bond counsel advises that a fund or account needs to be yield restricted (*i.e.*, not invested at a yield in excess of the Debt), the moneys on deposit in such fund or account shall be invested in United States Treasury Obligations – State and Local Government Series, appropriate “yield reduction payments” shall be made if permitted by the Code or the Deputy City Manager shall establish other procedures to ensure that such fund or account is yield restricted.

### ***Rebate***

At the time the Debt is issued, the Deputy City Manager shall determine if he or she reasonably expects that one of the arbitrage rebate exceptions will be satisfied. If the arbitrage rebate exception relates to the time period over which the proceeds of the Debt are spent, the Deputy City Manager shall verify that the appropriate expenditures have been made at each milestone. If one of the milestones is not satisfied or the Deputy City Manager does not reasonably expect that one of the arbitrage rebate exceptions will be satisfied, an outside arbitrage rebate consultant shall be retained unless the Deputy City Manager has determined that positive arbitrage will not be earned.

### ***Continuing Disclosure***

The City shall record and comply with any continuing disclosure undertaking entered into with respect to Debt. The Deputy City Manager shall catalogue and determine any continuing disclosure undertaking entered into by the City prior to the imposition of the Policy to ensure that its continuing disclosure obligations will be updated and satisfied going forward.

The Deputy City Manager will implement appropriate procedures to ensure that annually

recurring disclosure obligations are timely fulfilled. Upon the occurrence of an event requiring the filing of an events notice under any continuing disclosure obligation, the Deputy City Manager will ensure such event notice is filed within ten (10) business days of the occurrence of such event.

CITY CLERK'S CERTIFICATE

The undersigned City Clerk to the Board of Mayor and Commissioners of the City of Avondale Estates, Georgia (the "Governing Body") DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted on September , 2019 by the Governing Body in a meeting duly called and assembled 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 Governing Body, which is in my custody and control.

GIVEN under my hand and the seal of the City, this \_\_\_\_\_ day of September, 2019.

(SEAL)

\_\_\_\_\_  
City Clerk

**A RESOLUTION IN SUPPORT OF DOWNTOWN DEVELOPMENT AUTHORITY  
INVESTMENTS**

**WHEREAS**, the Downtown Development Authority promotes the revitalization of the Central Business District; and

**WHEREAS**, the Downtown Development Authority has planned a project in the Central Business District; and

**WHEREAS**, that project consists of a stormwater engineering study for five acres in downtown earmarked for a town green and other development in an amount not to exceed \$15,000; and

**WHEREAS**, the Downtown Development Authority wishes to finance these improvements with excess administrative fees negotiated with Trammell Crow Residential; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Avondale Estates Board of Mayor and Commissioners supports the Downtown Development Authority's use of these funds for this purpose.

**SO RESOLVED**, this 9<sup>th</sup> day of September 2019

\_\_\_\_\_  
Jonathan Elmore, Mayor

ATTEST:

\_\_\_\_\_  
Gina Hill, City Clerk