

STATE OF GEORGIA

COUNTY OF CLAYTON

RESOLUTION NO. 2008 - 139

A RESOLUTION AUTHORIZING CLAYTON COUNTY TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CLAYTON COUNTY TOURISM AUTHORITY FOR THE PROVISION OF BUILDINGS AND FACILITIES FOR AMUSEMENT OR EDUCATIONAL PURPOSES, INCLUDING ARTS FACILITIES ALL IN FURTHERANCE OF TOURISM IN CLAYTON COUNTY; TO AUTHORIZE THE CHAIRMAN TO EXECUTE AND DELIVER AN INTERGOVERNMENTAL AGREEMENT WITH THE CLAYTON COUNTY TOURISM AUTHORITY AND OTHERWISE TO PERFORM ALL OTHER ACTS NECESSARY TO ACCOMPLISH THE INTENT OF THIS RESOLUTION; TO PROVIDE AN EFFECTIVE DATE OF THIS RESOLUTION; AND FOR OTHER PURPOSES.

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State to contract, for a period not exceeding fifty years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, the Clayton County Tourism Authority (the "Authority"), on behalf of the Clayton County, Georgia (the "County") and Arts Clayton, Inc., a Georgia non-profit corporation ("Arts Clayton"), proposes to acquire, construct and equip one or more public buildings located within the corporate boundaries of the County to be owned by or leased to the County or Arts Clayton for the purpose of promoting tourism in Clayton

County through the provision of buildings and facilities for amusement or educational purposes, including arts facilities (the "Project"); and

WHEREAS, Article IX, Section VI, Paragraph 1 of the Constitution of the State of Georgia provides that "[a]ny county, municipality, or other political subdivision of this State may issue revenue bonds as provided by general law;" and

WHEREAS, Article IX, Section II, Paragraph II of the Constitution of the State of Georgia grants counties the power to provide "arts and science programs and facilities;" and

WHEREAS, Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated (the "Revenue Bond Law") is the general law pursuant to which the Authority issues its bonds; and

WHEREAS, pursuant to the Revenue Bond Law, the Authority and the County are each authorized to "issue revenue bonds to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of any undertaking," including "buildings to be used for amusement purposes or educational purposes;" and

WHEREAS, the Authority proposes to finance the Project through the issuance of revenue bonds (the "Bonds") in the total aggregate amount not to exceed \$600,000.00, pursuant to the terms of a bond resolution (the "Bond Resolution"); and

WHEREAS, it has been proposed that the Authority enter into a Lease Agreement with Arts Clayton pursuant to which the Project will be leased to Arts Clayton in consideration of its agreement to pay the Authority "Base Rent" and certain other amounts on such dates sufficient to permit the Authority to pay the principal of and interest on the Bonds when and as they become due; and

WHEREAS, the Board of Commissioners of the County have been informed that Arts Clayton reasonably expects to have funds available in its annual budget to pay Base Rent in full; and

WHEREAS, the Authority and the County propose to enter into an Intergovernmental Agreement (the "Agreement"), pursuant to which the Authority will agree to issue the Bonds to finance the Project and to provide tourism promotion services including the operation and maintenance of buildings and facilities for amusement or educational purposes, including arts facilities for the County, and the County, in consideration of such services provided by the Authority, will agree to pay to the Authority, "Contract Payments" (as defined in the Agreement) in amounts sufficient to pay the debt service on the Bonds, provided that the Bonds shall mature not more than 20 years from their date of initial issuance and delivery, shall be issued in a principal amount not to exceed \$600,000.00, shall bear interest at a rate not to exceed 5% per annum and the maximum principal and interest due in any year on such Bonds shall not exceed \$50,000.00 (the "Parameters"), provided, however, that the County's obligations to make Contract Payments shall abate to the extent that the Base Rent and other payments paid by Arts Clayton are in an amount sufficient to permit the Authority to pay the principal of and interest on the Bonds, as and when due; and

WHEREAS, the Board of Commissioners deems it in the best interests of Clayton County, Georgia and that Clayton County, Georgia will best be served by the development of the Project by the Authority and Arts Clayton.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CLAYTON COUNTY, GEORGIA AND IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The execution, delivery and performance of the Agreement, are hereby authorized. The Chairman of the Board of Commissioners of Clayton County is hereby authorized to execute and deliver the Agreement on behalf of the County, which Agreement shall be in substantially the form attached hereto as Exhibit "A" providing for Contract Payments, within the Parameters specified in the recitals hereto, and the

execution of the Agreement by the Chairman of the Board of Commissioners of the County as hereby authorized shall be conclusive evidence of any such approval.

Section 2. From and after the execution and delivery of the Agreement, the Chairman of the Board of Commissioners of the County is hereby authorized, empowered and directed to do all such acts and things, and to execute all such documents, including any lease between the Authority and the County and an assignment of said lease to Arts Clayton and any certificates as may be necessary to carry out and comply with the provisions of the Agreement and are further authorized to take any and all further actions, and to execute and deliver any and all further documents and certificates as may be necessary or desirable in connection with the issuance of the Bond and the execution, delivery and performance of the Agreement.

Section 3. The form of the Bonds shall contain the statement that the Bonds shall not be deemed to constitute a debt of the County or a pledge of the full faith and credit of the County. However, the Bonds shall be special limited obligations of the Authority limited to payments paid by the County under the Agreement.

Section 4. All acts and doings of the County which are in conformity with the purposes and intents of this resolution and in furtherance of the issuance of the Agreement shall be, and the same hereby are, in all respects, approved and confirmed.

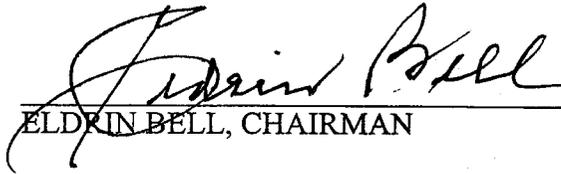
Section 5. The Chairman is hereby authorized to acknowledge service on behalf of the County of the validation petition to be filed by the District Attorney for the Clayton Judicial Circuit seeking the validation of the Bonds and to verify the allegations contained in an answer to be prepared by the County Attorney seeking the validation of the Authority's Bonds and the security to be provided therefor.

Section 6. This resolution shall take effect immediately upon its adoption.

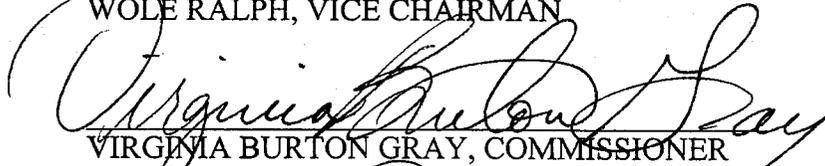
Section 7. All resolutions in conflict with this resolution are hereby repealed.

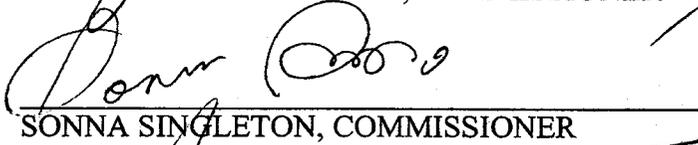
SO RESOLVED, this the 12th day of August, 2008.

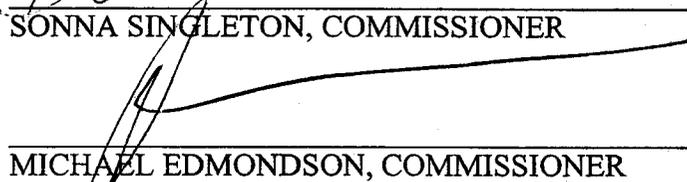
CLAYTON COUNTY BOARD OF COMMISSIONERS


ELDRIN BELL, CHAIRMAN

(Absent)
WOLE RALPH, VICE CHAIRMAN


VIRGINIA BURTON GRAY, COMMISSIONER


SONNA SINGLETON, COMMISSIONER


MICHAEL EDMONDSON, COMMISSIONER

ATTEST:


SHELBY D. HAYWOOD, CLERK