

STATE OF GEORGIA

COUNTY OF CLAYTON

RESOLUTION NO. 2020-183

A RESOLUTION AUTHORIZING CLAYTON COUNTY TO APPROVE AND EXECUTE A PILOT AGREEMENT WITH HACC AH NPI INC. AND CLAYTON COUNTY PUBLIC SCHOOLS RELATING TO THE DEVELOPMENT OF FLATS AT MT. ZION AND VILLAS AT MT. ZION; TO AUTHORIZE THE CHAIRMAN OR HIS DESIGNEE TO EXECUTE THE AGREEMENT AS REQUIRED UNDER THE TERMS OF THE AGREEMENT; TO AUTHORIZE THE CHIEF FINANCIAL OFFICER TO AMEND THE BUDGET WHERE NECESSARY TO REFLECT AN APPROPRIATE REVENUE SOURCE AND EXPENSE ALL AS MAY BE REQUIRED BY THE TERMS OF THE AGREEMENT; TO PROVIDE AN EFFECTIVE DATE OF THIS RESOLUTION; AND FOR OTHER PURPOSES.

WHEREAS, the Housing Authority of Clayton County (“the Issuer”) has approved the issuance of tax-exempt bonds for a 216-unit family oriented apartment community to be known as Flats at Mt. Zion and a 96-unit senior oriented apartment community to be known as Villas at Mt. Zion (combined, hereinafter, referred to as “the Development”); and

WHEREAS, the Issuer has created a subsidiary known as “HACC AH NPI, INC” (“Issuer Subsidiary”) and the Issuer Subsidiary has entered into an Operating Agreement of Mt. Zion Family Housing, LLC, dated as of October 1, 2020 (the “Operating Agreement”) by and among Zimmerman Properties SE, LLC (“Zimmerman”), a North Carolina limited liability company, and Tristar Realty Investments, whose purpose is for Mt. Zion Family Housing, LLC (the “General Partner”) to serve as the general partner of the Flats at Mt. Zion, LP (the “Borrower”), a Georgia limited liability company that holds a leasehold interest in land and shall own, construct and operate a 210-unit affordable housing development in Clayton County, Georgia known as the Flats at Mt. Zion (the

“Development”) that is entirely reserved for occupancy by low income family households;
and

WHEREAS, the Issuer is, among other things, the owner of the real property upon which the Development is constructed and will enter into a Ground Lease (Flats at Mt. Zion) (the “Flats Ground Lease”) by and between the Issuer and Flats at Mt. Zion, LP (the “Flats Lessee”), dated as of October 1, 2020 and will enter into a Ground Lease (Villas at Mt. Zion) (the “Villas Ground Lease” and together with the Flats Ground Lease, the “Ground Leases”) by and between the Issuer and Villas at Mt. Zion, LP (the “Villas Lessee” and together with the Flats Lessee, the “Ground Lessees”), dated as of October 1, 2020; and

WHEREAS, the limited partnership in which the Issuer Subsidiary will participate as a member of the general partner will construct, own and operate the Development and will be a co-developer of the Development; and

WHEREAS, the Issuer has entered into a Private Enterprise Agreement by and between the Issuer, Zimmerman, Tristar, the General Partner, the Villas Lessee, the Flats Lessee and ZCT Mt. Zion Development, LLC, dated as of October 1, 2020 (the “Private Enterprise Agreement”) and other agreements for the financing and operation of the Development, the participation of the Issuer Subsidiary through ownership of an interest in the Development and the participation of the Issuer through ownership of the land on which the Development is located constitute a “private enterprise agreement” as per O.C.G.A. § 8-3-3 (13.1); and

WHEREAS, the Ground Leases and the Private Enterprise Agreement qualify as a “private enterprise agreement” for purposes of O.C.G.A. § 8-3-3(13.1) in that they provide for the ownership or operation of a housing project by the Borrower, a for profit entity in which the Issuer Subsidiary participates for purposes of facilitating the development, provision of credit enhancement, operation or management of such housing project; and

WHEREAS, pursuant to O.C.G.A. § 8-3-8, any housing project subject to a "private enterprise agreement" is exempt from all taxes and special assessments of Clayton County, Georgia (the "County") and the State of Georgia and, therefore, upon the execution and delivery of the Ground Lease Agreement and Private Enterprise Agreement, the Development will be exempt from such taxes and special assessments; and

WHEREAS Clayton County, Georgia desires to enter into an agreement providing for the payment in lieu of taxes ("Pilot Agreement") by and between the Issuer Subsidiary, and Clayton County Public Schools (the "School System"), a political subdivision of the State of Georgia, organized and existing under the laws of the State of Georgia and acting through the Clayton County Board of Education; and

WHEREAS, the Board of Commissioners believes that it is in the best interest of Clayton County and the County will be best served by approving the Pilot Agreement to set forth the parameters of the distribution of funds generated by the Development.

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

Section 1. The Board of Commissioners hereby authorizes the Chairman of the Board of Commissioners or his designee to execute a pilot agreement with HACC AH NPI INC., a public body corporate and politic, and CLAYTON COUNTY PUBLIC SCHOOLS (the "School System"), a political subdivision of the State of Georgia, organized and existing under the laws of the State of Georgia and acting through the Clayton County Board of Education setting forth the parameters of an agreement concerning payments in lieu of taxes relating to developer fees, incentive management fees and cash flow and residual proceeds generated by the issuance of tax-exempt bonds for a 216-unit family oriented apartment community to be known as Flats at Mt. Zion and a 96-unit senior oriented apartment community to be known as Villas at Mt. Zion. The Board of Commissioners also authorizes the Chairman to otherwise perform all acts necessary to

accomplish the intent of this Resolution. Further, the Board of Commissioners authorizes the Chief Financial Officer to amend the budget where necessary to reflect an appropriate revenue source and expense, all as may be required under the terms of the agreement.

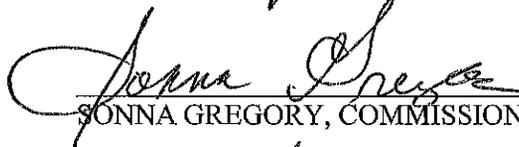
Section 2. This Resolution shall be effective on the date of its approval by the Board of Commissioners.

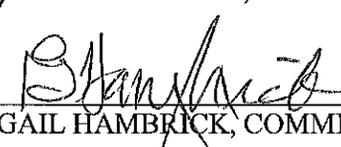
SO RESOLVED, this the 4 day of October, 2020.

CLAYTON COUNTY BOARD OF COMMISSIONERS


JEFFREY E. TURNER, CHAIRMAN


DEMONT DAVIS, VICE CHAIRMAN


SONNA GREGORY, COMMISSIONER


GAIL HAMBRICK, COMMISSIONER


FELICIA FRANKLIN WARNER, COMMISSIONER

ATTEST:


BRENDA B. JAMES, CLERK