City of Holly Springs

Date: Wednesday, May 15, 2019
Location: 3235 Holly Springs Parkway

Downtown Development Authority
Meeting Agenda
6:30 p.m.

I. CALL TO ORDER

II. ROLL CALL – Sonia Carruthers, Christopher DeLuca, Tim Downing, Jimmy Long, Phyllis Long, Kevin Moore, Kyle Whitaker

III. TREASURER'S REPORT

IV. UNFINISHED BUSINESS

V. NEW BUSINESS

1. Discuss Commitment Letter from South State Bank
   Presented By: Robert H. Logan

2. Approve/deny the April 17, 2019 meeting minutes

VI. EXECUTIVE SESSION

- Real Estate

VII. ADJOURNMENT

Holly Springs Downtown Development Authority

Treasurer's Report

April 2019

Opening Balance:			$ 88,098.32	
			.	
Less: Cash Disbursements				
DATE	CHECK #	VENDOR	AMOUNT	DESCRIPTION
4/17/2019	1404	Cherokee County Chamber	$ (290.00)	Annual membership
Total			$ (290.00)	
Add: Deposits & Other Credits				
Total			$ -	
Ending Bank Balance			$ 87,808.32	
Plus Certificate of Deposit			$ 35,864.00	
Total Funds			$ 123,672.32	

SOUTH STATE BANK

1925 Marietta Hwy
Canton, GA 30114

April 4, 2019

Rob Logan
City of Holly Springs
Holly Springs Downtown Development Authority
3237 Holly Springs Parkway
Holly Springs, GA 30115

Dear Rob,

South State Bank (hereinafter, the "Bank") is pleased to commit to you the following credit facility (hereinafter the "Loan"), subject to the following terms and conditions.

Borrower: Holly Springs Downtown Development Authority ("Borrower")

Type: A Bank Qualified, Tax Exempt, Term Loan

Purpose: Proceeds will be used for the financing of infrastructure needs.

Loan Amount: The principal amount of the loan will not exceed five million & no/100 dollars ($5,000,000)

Interest Rate, Fee, and Repayment Terms

- A fixed rate of 3.10% based on a bank qualified tax exempt rate subject to the opinion of the bank's attorney.

Interest calculations will be based on the actual number of days outstanding and a 360-day year. The loan will be payable in semi-annual payments of principal and interest on January 1 and July 1 of each year. The loan will mature in January 2029, at which time all unpaid interest, principal, and fees will be due and payable. See amortization schedule below.

	Date	Days In Period	Interest Due	Principal Due	Ending Principal Balance	Payment Amount	Balloon
	July 1, 2019				$ 5,000,000.00		
1	January 1, 2020	184.00	$ 79,222.22		$ 5,000,000.00	$ 79,222.22	$ 5,079,222.22
2	July 1, 2020	182.00	$ 78,361.11	$ 277,778.00	$ 4,722,222.00	$ 356,139.11	$ 5,078,361.11
3	January 1, 2021	184.00	$ 74,820.98	$ 277,778.00	$ 4,444,444.00	$ 352,598.98	$ 4,797,042.98
4	July 1, 2021	181.00	$ 69,271.60	$ 277,778.00	$ 4,166,666.00	$ 347,049.60	$ 4,513,715.60
5	January 1, 2022	184.00	$ 66,018.51	$ 277,778.00	$ 3,888,888.00	$ 343,796.51	$ 4,232,684.51
6	July 1, 2022	181.00	$ 60,612.64	$ 277,778.00	$ 3,611,110.00	$ 338,390.64	$ 3,949,500.64
7	January 1, 2023	184.00	$ 57,216.03	$ 277,778.00	$ 3,333,332.00	$ 334,994.03	$ 3,668,326.03
8	July 1, 2023	181.00	$ 51,953.68	$ 277,778.00	$ 3,055,554.00	$ 329,731.68	$ 3,385,285.68
9	January 1, 2024	184.00	$ 48,413.56	$ 277,778.00	$ 2,777,776.00	$ 326,191.56	$ 3,103,967.56
10	July 1, 2024	182.00	$ 43,533.92	$ 277,778.00	$ 2,499,998.00	$ 321,311.92	$ 2,821,309.92
11	January 1, 2025	184.00	$ 39,611.08	$ 277,778.00	$ 2,222,220.00	$ 317,389.08	$ 2,539,609.08
12	July 1, 2025	181.00	$ 34,635.77	$ 277,778.00	$ 1,944,442.00	$ 312,413.77	$ 2,256,855.77
13	January 1, 2026	184.00	$ 30,808.60	$ 277,778.00	$ 1,666,664.00	$ 308,586.60	$ 1,975,250.60
14	July 1, 2026	181.00	$ 25,976.81	$ 277,778.00	$ 1,388,886.00	$ 303,754.81	$ 1,692,640.81
15	January 1, 2027	184.00	$ 22,006.13	$ 277,778.00	$ 1,111,108.00	$ 299,784.13	$ 1,410,892.13
16	July 1, 2027	181.00	$ 17,317.85	$ 277,778.00	$ 833,330.00	$ 295,095.85	$ 1,128,425.85
17	January 1, 2028	184.00	$ 13,203.65	$ 277,778.00	$ 555,552.00	$ 290,981.65	$ 846,533.65
18	July 1, 2028	182.00	$ 8,706.73	$ 277,778.00	$ 277,774.00	$ 286,484.73	$ 564,258.73
19	January 1, 2029	184.00	$ 4,401.17				$ 282,175.17

A commitment fee of $0 will be earned by Bank upon your acceptance of this commitment and payable at closing or upon expiration of any accepted commitment.

Collateral: The collateral for the Loan will consist of an assignment of the Borrower's interest in the intergovernmental contract (hereinafter, the "Contract") between the Borrower and the City of Holly Springs, GA.

Opinions: This commitment is contingent on a satisfactory review by the Bank's attorney of the opinion letters issued by the bond counsel and counsel for the Borrower. If the opinion letters provided by counsel are deemed unacceptable in the Bank's sole discretion, this commitment will be void.

Financial Information and Requirements: Borrower and any Guarantors agree, as a condition of the Loan and until the Loan has been fully repaid, to the following:

As affirmative covenants, Borrower and the City of Holly Springs, GA agree to:

1. Furnish to Bank by the first day of the seventh month following each fiscal year-end audited financial statements of the City of Holly Springs issued by satisfactory accountants in a format satisfactory to Bank.
2. Inform Bank immediately of any material adverse change in financial condition of the City of Holly Springs, and furnish to Bank whatever information on the City of Holly Springs' financial condition that Bank may reasonably require.

Prepayment: No pre-payment penalty.

Assignability: Borrower cannot assign this commitment without Bank's prior written approval, nor shall any third party rely hereon or be deemed a party beneficial hereby.

Material Adverse Change: This commitment is conditioned upon there having occurred no material adverse change in the business, assets, liabilities, financial condition, results of operations, or business prospects of the Borrower, guarantor, collateral, or upon the ability of the Borrower to perform its material obligations arising under the Loan and any loan documents.

Closing Requirements: Closing requirements for a loan of this nature will apply, to be determined by Bank and its counsel, and can be furnished to you or your attorney upon acceptance of this commitment. Borrower will pay all fees and expenses of Bank in connection with the Loan. In connection with the closing, Borrower's counsel may be asked to provide an opinion letter to Bank as to the validity and enforceability of the Loan documents and such other matters as Bank may reasonably require. **Bank will require appropriate bond validation and opinion letter confirming this debt as "Bank Qualified" to be eligible for the rate quoted above.**

You may indicate your acceptance of the terms and conditions offered by signing below and returning the original copy of this letter to Bank. If not accepted by May 30, 2019, and if a resulting loan is not closed by July 1, 2019, then this commitment will expire and neither Bank nor Borrower will be obligated hereunder.

It is a pleasure to extend this financing offer. We look forward to hearing from you and having the opportunity to provide the City of Holly Springs financial services.

Sincerely,

Jeffery R. Mitchell
Senior Vice President

This commitment is agreed to and accepted this _____ day of May 2019.

Holly Springs Downtown Development Authority

By________________________________

Its________________________________

City of Holly Springs

By________________________________

Its________________________________

Holly Springs Downtown Development Authority
Meeting Minutes
April 17, 2019

Members Present: Vice Chairman Kevin Moore, Secretary Christopher DeLuca, Phyllis Long, Councilmember Kyle Whitaker.

Staff Present: City Manager Robert H. Logan, Deputy Chief Tommy Keheley, and Assistant City Clerk Donna Sanders.

Roll Call – Treasurer Sonia Carruthers, Tim Downing and Jimmy Long were absent.

Vice Chairman Moore called the meeting to order at approximately 6:40 p.m.

Treasurer's Report

Vice Chairman Moore presented the Treasurer's Report for March 2019.

Secretary DeLuca made a motion to approve the February financial report. Phyllis Long seconded the motion. Motion carried 4-0.

Councilmember Whitaker made a motion to appoint Kevin Moore as Chairman, Christopher DeLuca as Vice Chairman, Jimmy Long as Secretary, and Sonia Carruthers as Treasurer. Phyllis Long seconded the motion. Motion carried 4-0.

Unfinished Business

None to discuss.

New Business

Phyllis Long made a motion to approve the 2019 annual membership investment for the Cherokee County Chamber of Commerce, in an amount not to exceed $290, and to designate Kevin Moore as the Downtown Development Authority representative to attend the Chamber of Commerce monthly meetings. Vice Chairman DeLuca seconded the motion. Motion carried 4-0

City Manager Robert H. Logan discussed the Town Center Road Network Project. Mr. Logan said the City received six bids on Friday, April 12 and the recommendation will be presented to City Council at the May meeting. Mr. Logan said a $5 million bond will be issued to fund the construction of the Town Center Road Network Project. Mr. Logan said the agreement will be between the City of Holly Springs, Downtown Development Authority, and the bank issuing the bond. Mr. Logan said this will be a private placement debt. Mr. Logan said the Downtown Development Authority will sell some of the parcels in the Town Center area and use the proceeds to offset the financing.

City Manager Robert H. Logan also gave a brief overview of the draft renderings received from the developers and architects for the proposed parking deck for the Town Center, the amphitheater site, and the parking area at the Train Depot and access to Palm Street.

Phyllis Long made a motion to approve the March 20, 2019 meeting minutes. Vice Chairman DeLuca seconded the motion. Motion carried 4-0.

Phyllis Long made a motion to adjourn. Councilmember Whitaker seconded the motion. Motion carried 4-0.

Meeting adjourned.

Respectfully Submitted,

______________________________ __________________________
Kevin Moore, Chairman Date

Attest:

____
Donna Sanders, Assistant City Clerk