



## City of Holly Springs

Date: Monday, April 17, 2023

Location: 3235 Holly Springs Pkwy

### **Parks & Recreation Authority Special Called Meeting Agenda**

*Immediately Following the City Council Business Meeting, Council Chambers*

I. CALL TO ORDER

II. NEW BUSINESS

1. Consider the adoption of a resolution authorizing the issuance of the Holly Springs Parks and Recreation Authority Revenue Bond, Series 2023, and authorizing the Chairman to execute any other documents related thereto, including an installment sale agreement with the City of Holly Springs, Georgia

*Presented By: Robert H. Logan, City Manager*

III. ADJOURNMENT

## **BOND RESOLUTION**

A RESOLUTION OF THE HOLLY SPRINGS PARKS AND RECREATION AUTHORITY PROVIDING FOR THE ISSUANCE OF A HOLLY SPRINGS PARKS AND RECREATION AUTHORITY REVENUE BOND, SERIES 2023, IN THE PRINCIPAL AMOUNT OF \$[Principal Amount]; PROVIDING FOR THE CREATION OF CERTAIN FUNDS; PROVIDING FOR THE CREATION OF REMEDIES FOR THE OWNER OF THE BOND ISSUED HEREUNDER; AUTHORIZING THE EXECUTION OF AN INSTALLMENT SALE AGREEMENT WITH THE CITY OF HOLLY SPRINGS, GEORGIA; AND FOR OTHER RELATED PURPOSES

Adopted on

April 17, 2023

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RESOLUTION

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## **BOND RESOLUTION**

A RESOLUTION OF THE HOLLY SPRINGS PARKS AND RECREATION AUTHORITY PROVIDING FOR THE ISSUANCE OF A HOLLY SPRINGS PARKS AND RECREATION AUTHORITY REVENUE BOND, SERIES 2023, IN THE PRINCIPAL AMOUNT OF \$[Principal Amount]; PROVIDING FOR THE CREATION OF CERTAIN FUNDS; PROVIDING FOR THE CREATION OF REMEDIES OF THE OWNER OF THE BOND ISSUED HEREUNDER; AUTHORIZING THE EXECUTION OF AN INSTALLMENT SALE AGREEMENT WITH THE CITY OF HOLLY SPRINGS, GEORGIA; AND FOR OTHER RELATED PURPOSES

WHEREAS, the Holly Springs Parks and Recreation Authority (the “Issuer”) was duly created pursuant to an Act of the General Assembly of the State of Georgia entitled the “Holly Springs Parks and Recreation Authority Act” (Ga. Laws 2004 p. 3700 *et seq.*) (the “Act”); and

WHEREAS, pursuant to the Act, the Issuer has the power to (a) acquire by purchase ... and to hold, lease and dispose of real and personal property..., (b) make contracts ..., including contracts for the acquisition ... of “projects” (as defined in the Act) ... or contracts with respect to the use of projects... and (c) borrow money for any of its corporate purposes, ... to issue revenue negotiable revenue bonds payable solely from the funds pledged for that purpose, and to provide for the payment of the same and the rights of the holders thereof; and

WHEREAS, pursuant to Article IX, Section II, Paragraph III(a)(5) of the Constitution of the State of Georgia (the “Constitution”), the City of Holly Springs, Georgia (the “City”) has the power to provide parks, recreational areas, programs, and facilities; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution authorizes, among other things, any county, municipality or other political subdivision of the State of Georgia 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 Issuer desires to acquire real property that will be used by the City for a park (the “Project”); and

WHEREAS, the Issuer proposes to issue its revenue bond to be known as the “Holly Springs Parks and Recreation Authority Revenue Bond, Series 2023” in the principal amount of \$[Principal Amount] (the “Bond”) for the purpose of (a) financing the acquisition of the Project and (b) paying the costs of issuing the Bond; and

WHEREAS, the Issuer and the City propose entering into an Installment Sale Agreement, dated as of May 1, 2023 (the “Contract”), pursuant to which the Issuer will agree to

issue the Bond and sell the Project to the City, and the City will agree to operate the Project, pay to the Issuer amounts sufficient to pay the debt service on the Bond (the “Contract Payments”) and levy an ad valorem property tax, unlimited as to rate or amount, on all property in the City subject to such tax in order to make the Contract Payments.

NOW, THEREFORE, BE IT RESOLVED by the HOLLY SPRINGS PARKS AND RECREATION AUTHORITY, and it is hereby resolved by authority of the same, as follows:

## ARTICLE I.

### DEFINITIONS AND FINDINGS

#### Section 101. Definitions of Certain Terms.

All capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Contract. The following words and phrases shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

“Act” means an Act of the General Assembly of the State of Georgia entitled the “Holly Springs Parks and Recreation Authority Act” (Ga. Laws 2004 p. 3700 et seq.).

“Authenticating Agent” means the Secretary of the Issuer or the financial institution at the time serving as authenticating agent pursuant to Section 603 of this Resolution.

“Bond” means the Issuer’s Revenue Bond, Series 2023, in the principal amount of \$[Principal Amount], authorized to be issued pursuant to the terms of this Resolution.

“Bond Registrar” means the Secretary of the Issuer or the financial institution at the time serving as bond registrar pursuant to Section 603 of this Resolution.

“Business Day” means any day other than a Saturday, a Sunday or any other day on which state banks or national banking associations are not open for business.

“City” means the City of Holly Springs, Georgia, a municipal corporation of the State of Georgia, and its successors and assigns.

“Collateral” means the Contract, the Contract Payments and the moneys held in the Sinking Fund.

“Contract” means the Installment Sale Agreement, dated as of May 1, 2023, between the Issuer and the City, and any amendments thereto.

“Event of Default” shall mean the occurrence of an event of default as described in Article IX.

“Government Obligations” means direct general obligations of the United States of America or obligations which are unconditionally guaranteed by the United States of America, in either case which are not callable except at the option of the holder thereof.

“Issuer” means the Holly Springs Parks and Recreation Authority, a public body corporate and politic and a public corporation of the State of Georgia, and its successors and assigns.

“Maturity Date” means May 24, 2038.

“Outstanding” means, with reference to the Bond, the Bond which has been executed and delivered pursuant to this Resolution except:

(a) If the Bond has been cancelled because of payment or prepayment; and

(b) If funds or securities have been irrevocably deposited with a financial institution serving as the Paying Agent or as the Escrow Agent in accordance with Article IX of this Resolution (whether upon or prior to the maturity or prepayment date of the Bond), provided that if the Bond is to be prepaid prior to the maturity thereof notice of such prepayment shall have been given or provision satisfactory to such Paying Agent shall have been made therefor, or a waiver of such notice, satisfactory in form to such Paying Agent shall have been filed with such Paying Agent.

“Paying Agent” means the Secretary of the Issuer or the financial institution at the time serving as paying agent for the Bond pursuant to Section 603 of this Resolution.

“Payment Date” means each May 24 and November 24, commencing November 24, 2023.

“Record Date” means with respect to any Payment Date, the fifteenth (15th) day of the calendar month next preceding such Payment Date.

“Resolution” means this Resolution, including any amendments or supplements hereto.

“Revenue Bond Law” means the Revenue Bond Law of the State of Georgia (O.C.G.A. Section 36-82-60, *et seq.*, as amended).

“Sinking Fund” means the fund created in Section 501 of this Resolution.

“Sinking Fund Custodian” means the financial institution at the time serving as custodian of the Sinking Fund pursuant to Sections 501 and 601 of this Resolution.

### **Section 102. Rules of Construction.**

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words “certificate,” “owner,” and “person” shall include the plural, as well as the singular, number. The terms “herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Resolution and not solely to the particular portion hereof in which any such term is used.

The titles preceding each Section hereof are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provisions of this Resolution. Reference herein to an Article number or to a Section number should be construed to be in reference to the designated Article number or Section number hereof unless the context or use clearly indicates another or different meaning or intent.

**Section 103. Findings.**

The issuance of the Bond is hereby found and declared to be within the public purposes intended to be served by the Issuer. The Project is hereby found and declared to be a “project” within the meaning of the Act. The Project is “self-liquidating” within the meaning of the Act. The City will cause to be prepared the feasibility study required by the Act.

## ARTICLE II.

### AUTHORIZATION, FORM AND REGISTRATION OF THE BOND

#### **Section 201. Payment of Principal and Interest; Certificate of Validation and Authentication; Execution of the Bond.**

(a) Subject to Section 208, the final payment of the Bond is payable by the Paying Agent upon presentation and surrender thereof at the principal corporate trust office (if any) of the Paying Agent. Subject to Section 208, the payment of principal of and interest and premium (if any) on the Bond shall be payable by the Paying Agent, by first class mail mailed on the Payment Date to the person in whose name the Bond is registered on the books of the Bond Registrar at the close of business on any Record Date notwithstanding any registration of transfer subsequent to such Record Date and prior to the Payment Date or the prepayment date. The principal of and the interest on the Bond shall be payable in lawful money of the United States of America.

(b) The Bond shall not be valid unless and until a certificate of validation printed on or attached to the Bond shall have been executed by the manual or facsimile signature of the Clerk of the Superior Court of Cherokee County. The Bond shall not be valid unless a certificate of authentication printed on or attached to the Bond shall have been executed by the manual or facsimile signature of the Authenticating Agent.

(c) The Bond shall be signed by the manual or facsimile signature of the Chairperson or Vice Chairperson of the Issuer, and the corporate seal of the Issuer shall be affixed to or printed on the Bond and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Issuer. In case any officer whose signature shall appear on the Bond shall cease to be such officer before delivery of the Bond, such signatures shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

#### **Section 202. Registration of Bond; Persons Treated As Owners.**

The Bond Registrar shall keep the bond registration book of the Issuer for the registration of the Bond and for the registration of transfers of the Bond as herein provided. The transfer of the Bond shall be registered upon the bond registration book upon the surrender and presentation of the Bond to the Bond Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or attorney duly authorized in writing in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond so surrendered, a new Bond registered in the name of the transferee. The Bond Registrar may make a charge for every registration of transfer of the Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such registration of transfer, but no other charge shall be made to the owner for the privilege of registering the transfer of Bond under this Resolution. The registered owner of the Bond shall be treated as the owner of the Bond for all purposes regardless of any actual knowledge to the contrary.

### **Section 203. Mutilated, Lost, Stolen or Destroyed Bond.**

In case the Bond shall become mutilated or be destroyed, lost or stolen, the Issuer may cause to be executed and delivered a new bond in exchange and substitution for and upon cancellation of such mutilated bond, or in lieu of and in substitution for the Bond destroyed, lost or stolen, upon the owner paying the reasonable expenses and charges of the Issuer in connection therewith and, in the case the Bond is destroyed, lost or stolen, such owner's filing with the Issuer evidence satisfactory to the Issuer that the Bond was destroyed, lost or stolen, and of such owner's ownership thereof, and furnishing the Issuer with indemnity satisfactory to the Issuer; provided, however, if the owner of such destroyed or lost Bond has a minimum net worth of at least \$25,000,000, such owner's own unsecured agreement of indemnity shall be deemed to be satisfactory, and no further indemnity need be given.

### **Section 204. Limited Obligation.**

The principal of and interest on the Bond shall be payable solely from the Collateral. The Bond shall not be deemed to constitute a debt or obligation of the State of Georgia or the City. The Bond does not and shall not directly, indirectly or contingently obligate the State of Georgia or the City to levy or to pledge any form of taxation whatever therefor or to make any appropriation for its payment. Notwithstanding the foregoing, the City's full faith, credit and taxing powers have been pledged to the payment of the City's obligations under the Contract.

### **Section 205. Creation of Lien.**

The Issuer hereby pledges and creates a first priority lien on the Collateral in favor of the owner of the Bond. The Issuer shall not create any other liens on the Collateral.

### **Section 206. Authorization of the Bond.**

The Bond is hereby authorized to be issued. The Bond shall be designated the "HOLLY SPRINGS PARKS AND RECREATION AUTHORITY REVENUE BOND, SERIES 2023," shall be issued as a single fully registered bond, shall be numbered R-1 and shall be dated the date of issuance and delivery thereof. The Bond shall be issued in the principal amount of \$[Principal Amount] for the purpose of (a) financing the acquisition of the Project and (b) paying the costs of issuing the Bond. The Bond shall bear interest at a fixed rate of [4.40]% per annum (calculated on the basis of the actual numbers of days elapsed in a 360-day year). Interest on the Bond shall be paid on each Payment Date. Commencing November 24, 2023, the principal of the Bond shall be paid on each Payment Date in an amount needed to repay the principal of the Bond in thirty (30) approximately equal semi-annual installments of principal. Notwithstanding the foregoing, all remaining indebtedness under the Bond, including principal of and interest on the Bond shall be due and payable on the Maturity Date. In any case where the date of payment of the principal of or interest on the Bond or the date fixed for prepayment of the Bond shall not be a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of stated payment date; provided, however, interest shall accrue until the moneys are received by the owner of the Bond.

**Section 207. Form of the Bond.**

The Bond, the form of assignment, the form of authentication certificate and the certificate of validation shall be in substantially in the form set forth in Exhibit A hereto, with such variations, omissions and insertions as are required or permitted by this Resolution.

**Section 208. Home Office Payment Agreement.**

Notwithstanding any provision of this Resolution or of the Bond to the contrary, the Issuer and the City may enter into a home office payment agreement with the owner of the Bond providing for the making to the owner of all payments of principal of and interest on the Bond at a place and in a manner other than as provided in this Resolution and in the Bond without presentation or surrender of the Bond upon such conditions as shall be satisfactory to the Paying Agent. The Issuer will furnish to the Paying Agent a copy of each such agreement and upon receipt of a copy of such agreement, the Paying Agent agrees that payments of principal of and interest on the Bond shall be made in accordance with the provision thereof. The Paying Agent shall not be liable to the owner of the Bond or to the Issuer for any act or omission to act on the part of the Issuer, or any agent of the Issuer, in connection with any such agreement. If a home office payment agreement is in effect, the Issuer shall not be required to maintain the Sinking Fund.

## **ARTICLE III.**

### **PREPAYMENT OF THE BOND; CANCELLATION**

#### **Section 301. Prepayment of Bond.**

The Bond may be prepaid as more fully set forth in the form of the Bond.

#### **Section 302. Cancellation of Bond.**

If the Bond is paid or prepaid in full, either at or before maturity, it shall be delivered to the Secretary of the Issuer when such payment or prepayment is made, and the Bond shall thereupon be cancelled and shall not be reissued. If the Bond is so cancelled, it shall be destroyed in accordance with the prevailing practice of the Issuer and a permanent record of such destruction shall be kept by the Secretary of the Issuer.

## **ARTICLE IV.**

### **APPLICATION OF BOND PROCEEDS**

#### **Section 401. Application of Bond Proceeds.**

The purchaser of the Bond shall wire \$[Principal Amount] to the City to (a) pay the cost of acquiring the Project and (b) pay the costs of issuing the Bond. Notwithstanding the foregoing, if the Chairperson of the Issuer shall determine that a different application of funds is required to carry out the intent of this Resolution, the different application of funds may be provided for in the authentication order to be delivered at the time of issuance of the Bond.

## ARTICLE V.

### CREATION OF SINKING FUND AND DISBURSEMENTS THEREFROM

#### **Section 501. Creation of Sinking Fund; Payments Therefrom.**

There is hereby created a special trust fund to be designated as the “Holly Springs Parks and Recreation Authority Sinking Fund” (the “Sinking Fund”) to be maintained by a Sinking Fund Custodian. Subject to Section 208 of this Resolution, the Issuer shall continue to maintain or cause to be maintained the Sinking Fund separate and apart from its other funds so long as the Bond remains Outstanding under this Resolution.

Subject to Section 208 of this Resolution, moneys payable from the City pursuant to the Contract relating to debt service on the Bond shall be paid directly to the Sinking Fund Custodian and deposited into the Sinking Fund for the account of the Issuer in accordance with the terms of the Contract and this Resolution.

Subject to the terms and conditions set forth in this Resolution, moneys in the Sinking Fund shall be used for (a) the payment of the principal of and interest on the Bond as the same falls due, (b) the prepayment of the Bond prior to maturity at the price and under the conditions provided therefor in this Resolution and (c) the payment of the necessary charges of the Paying Agent, the Authenticating Agent, the Bond Registrar and the custodians and depositories for the funds and accounts established hereunder.

#### **Section 502. Transfers from the Sinking Fund.**

All payments from the Sinking Fund shall be made by wire transfer or checks signed by the Sinking Fund Custodian.

#### **Section 503. Investments of Sinking Fund Moneys.**

Moneys in the Sinking Fund not immediately required to be paid out in accordance with Section 501 hereof shall be invested by the Sinking Fund Custodian in such Government Obligations as directed by the City in writing. Any such securities so purchased shall be held by the Sinking Fund Custodian in trust until paid at maturity or sold, and all income therefrom shall be immediately deposited to the credit of the Sinking Fund.

## ARTICLE VI.

### **DEPOSITORIES OF MONEYS AND SECURITIES FOR DEPOSIT; DESIGNATION OF AUTHENTICATING AGENT, PAYING AGENT AND BOND REGISTRAR**

#### **Section 601. Custodians.**

All moneys on deposit in the Sinking Fund shall constitute trust funds to be applied in accordance with the terms and for the purposes as set forth in this Resolution and shall not be subject to lien or attachment by any creditor of the Issuer or the City.

No moneys belonging to the Sinking Fund shall be deposited or remain on deposit with the Sinking Fund Custodian in an amount in excess of the amount guaranteed or insured by the Federal Deposit Insurance Corporation or other federal agency, unless such institution shall have pledged for the benefit of the Issuer and the owner of the Bond as collateral security for the moneys deposited, obligations of the type or types in which the Sinking Fund Custodian is permitted to directly invest the moneys of the Sinking Fund, and having a market value (exclusive of accrued interest) at least equal to the amount of such deposits.

The Issuer may, from time to time, designate a successor custodian of the Sinking Fund; provided such custodian complies with all of the provisions of this Article. In the event the Sinking Fund Custodian shall resign or fail to perform its duties hereunder, the Issuer shall appoint a new custodian for such fund.

In the event the Sinking Fund Custodian and the Paying Agent is the same bank or person acting in both capacities, then the Sinking Fund Custodian shall, without any further direction on the part of or any further authorization from the Issuer, use, invest and disburse the moneys in the Sinking Fund as required by this Resolution. If the Sinking Fund Custodian and the Paying Agent are not the same bank or person, the Sinking Fund Custodian shall transfer to the Paying Agent from moneys held in the Sinking Fund, in immediately available funds, moneys in amounts and at or before such times as shall be required to pay the principal of, prepayment premium (if any) and interest on the Bond as and when the same are payable.

#### **Section 602. Administrative Fees and Expenses.**

The City shall pay to the Sinking Fund Custodian appointed in accordance with the terms of this Resolution, and to its successors and assigns, and to the Paying Agent, Bond Registrar and Authenticating Agent and to their respective successors and assigns from time to time, as the same are due and payable their reasonable fees and reasonable expenses for serving under this Resolution.

#### **Section 603. Appointment of Authenticating Agent, Paying Agent and Bond Registrar.**

The Secretary of the Issuer is hereby designated as the Authenticating Agent, Paying Agent and Bond Registrar. The Issuer may, from time to time, designate a successor

Authenticating Agent, Paying Agent or Bond Registrar. In the event the Authenticating Agent, the Paying Agent or the Bond Registrar shall resign or fail to perform its duties hereunder, the Issuer shall appoint a new Authenticating Agent, Paying Agent or Bond Registrar, as appropriate.

**Section 604. Employment of Attorneys, Agents, Etc.**

The Sinking Fund Custodian, Authentication Agent, Paying Agent and Bond Registrar may execute any of the powers hereof and perform any of their duties by or through attorneys, agents, receivers or employees, but shall not be answerable for the conduct of the same if appointed with due care, and shall be entitled to advice of counsel concerning their duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the exercise of powers hereunder. The Sinking Fund Custodian, Authentication Agent, Paying Agent and Bond Registrar may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer) selected by the Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar in the exercise of reasonable care. The Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar shall not be responsible for any loss or damage resulting from any action or inaction taken or not taken, as the case may be, in good faith in reliance upon such opinion or advice.

**Section 605. Reliance on Documents.**

The Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed in good faith to be genuine and correct and to have been signed or sent by the proper person or persons.

**Section 606. Evidence of Facts.**

As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar shall be entitled to rely upon a certificate signed by a representative of the Issuer or the City as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar may accept a certificate of such officials of the Issuer who executed the Bond (or their successors in office) to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

**Section 607. Release of Liability.**

The Issuer hereby releases the Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar and covenants not sue any of them for any loss or damage

suffered or caused directly or indirectly by the Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar or their agents or employees and arising out of or related to the performance of the duties of the Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar under this Resolution even if it is alleged that the Sinking Fund Custodian, Authentication Agent, Paying Agent, and Bond Registrar was negligent; provided, however, that this release and covenant not to sue shall not cover acts of gross negligence or willful misconduct.

## **ARTICLE VII.**

### **PARTICULAR COVENANTS**

#### **Section 701. Payment of Bond.**

The Issuer covenants that it will promptly pay the principal of and interest on the Bond at the place, on the dates and in the manner herein, and in the Bond specified, according to the true intent and meaning thereof. The principal of and interest on the Bond are payable solely from the Collateral.

#### **Section 702. Books and Records.**

The Issuer agrees that it will keep the funds and accounts created hereunder separate from all other funds and accounts of the Issuer. Such records and accounts shall be open to the inspection by the City and the owner of the Bond at reasonable times and upon reasonable request.

## **ARTICLE VIII.**

### **DEFAULTS AND REMEDIES**

#### **Section 801. Events of Default.**

An "Event of Default" shall mean the occurrence of any one or more of the following events:

(a) payment of any installment of principal on the Bond shall not be made when the same shall become due and payable;

(b) payment of any installment of interest on the Bond shall not be made when the same become due and payable;

(c) an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver, or receivers, of the Issuer, or any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors, pursuant to any federal or state statute now or hereafter enacted, or if such order or decree, having been entered without the consent and acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within 60 days after entry thereof, or if such proceeding, having been instituted with the consent or acquiescence of the Issuer, shall not be withdrawn, or any orders entered shall not be vacated, discharged or stayed on appeal within 60 days after the institution of such proceedings, or the entry of such orders;

(d) the Issuer shall fail to duly and punctually perform any other of the covenants, conditions, agreements or provisions contained in the Bond or in this Resolution, on the part of the Issuer to be performed, and such failure shall continue for a period of 60 days after written notice, specifying such failure and requiring the same to be remedied, shall have been given to the Issuer and the City by the owner of the Bond; or

(e) an Event of Default shall occur under the Contract.

#### **Section 802. Remedies.**

Upon the happening and continuance of any Event of Default, then and in every such case the owner of the Bond may proceed to protect and enforce its rights hereunder by a suit, action or special proceeding in equity or at law for the specific performance of any covenant or agreement contained herein or in the Contract or in aid or execution of any power herein granted, or for the enforcement of any proper legal or equitable remedy as the owner of the Bond shall deem most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

**Section 803. Abandonment of Proceedings.**

In case any proceeding taken by the owner of the Bond on account of any Event of Default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the owner of the Bond, then and in every such case the Issuer and the owner of the Bond shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, power and duties of the owner of the Bond shall continue as though no such proceedings had been taken.

**Section 804. Non-Exclusivity of Remedies.**

No remedy herein conferred upon the owner of the Bond is intended to be exclusive of any other remedy, or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, or by statute.

**Section 805. No Waiver.**

No delay or omission by the owner of the Bond to exercise any right or power accruing upon any Event of Default occurring and continuing, as aforesaid, shall impair any Event of Default or be construed as an acquiescence therein; and every power and remedy given by this Article to the owner of the Bond may be exercised from time to time and as often as may be deemed expedient.

**Section 806. Delays.**

No delay or omission of any owner of the Bond to exercise any right or power accruing upon any Event of Default occurring and continuing, as aforesaid, shall impair any Event of Default or be construed as an acquiescence therein; and every power and remedy given by this Article to the owner of the Bond may be exercised from time to time and as often as may be deemed expedient.

## ARTICLE IX.

### DEFEASANCE; TERMINATION OF LIABILITY

#### **Section 901. Payment and Defeasance.**

If (a) the Issuer shall pay or cause to be paid to the owner of the Bond the principal of and the interest to become due on the Bond at the times and in the manner stipulated therein and herein, (b) all fees, charges and expenses of the Paying Agent, Authenticating Agent, Bond Registrar and Sinking Fund Custodian shall have been paid or provision for such payment has been made, and (c) the Issuer shall keep, perform and observe all of its agreements in the Bond and herein expressed as to be kept, performed and observed by it or on its part, then these presents and the rights hereby granted shall cease, determine and be discharged.

The Bond shall be deemed to be paid within the meaning of this Resolution if there shall have been irrevocably deposited with a financial institution serving as the Paying Agent or as the Escrow Agent in a special escrow account moneys or Government Obligations having such maturities and interest payment dates and bearing such interest, which, in the opinion of an independent certified public accounting firm of national reputation (the "CPA Opinion"), without any reinvestment thereof or of the interest thereon, will produce moneys sufficient (as evidenced by an opinion or report of an independent certified public accountant or firm thereof) to pay the same when they become due (whether upon or prior to the stated maturity or the prepayment date of the Bond); provided, however, that if the Bond is to be prepaid prior to its stated maturity, notice of such prepayment shall have been duly given as provided herein or irrevocable arrangements satisfactory to the Paying Agent shall have been made for the giving thereof. In the event the Issuer shall have made a deposit of moneys or Government Obligations, the Issuer shall retain the right to substitute Government Obligations for those previously pledged provided that such Government Obligations will provide sufficient moneys in a timely fashion (without any reinvestment as described above) to make the required payments of principal of and interest on the Bond.

#### **Section 902. Termination of Liability.**

If the Issuer shall determine that it is desirable to terminate the rights and liens hereunder (pursuant to a refunding or otherwise) and shall cause the Bond to be deemed to be paid as provided in Section 901 above, then the Bond shall thereafter have no right or lien under this Resolution other than the right to receive payment from said special fund and the same shall not be considered to be Outstanding hereunder for any purpose.

## ARTICLE X.

### MISCELLANEOUS PROVISIONS

#### **Section 1001. Validation.**

The Bond shall be validated in the manner provided in the Revenue Bond Law, and to that end notice of the adoption of this Resolution and a certified copy thereof shall be immediately served on the District Attorney in order that proceedings for the confirmation and validation of the Bond by the Superior Court of Cherokee County may be instituted by said District Attorney.

#### **Section 1002. Severability.**

In case any one or more of the provisions of this Resolution, or the Bond, shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, or the Bond, but this Resolution and the Bond shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

#### **Section 1003. Resolution as a Contract.**

The provisions of this Resolution shall constitute a contract by and between the Issuer and the owner of the Bond.

#### **Section 1004. Modification, Alteration, Supplementation or Amendment of Resolution.**

The Issuer may not modify, amend, supplement or alter this Resolution without the prior written consent of the owner of the Bond and the City.

#### **Section 1005. Applicable Provisions of Law.**

This Resolution shall be governed by and construed and enforced in accordance with the laws of the State of Georgia.

#### **Section 1006. Repeal of Conflicting Resolutions.**

Any and all resolutions, or parts of resolutions, if any, in conflict with this Resolution are hereby repealed, and this Resolution shall be in full force and effect from and after its adoption.

#### **Section 1007. Authorization of Contract.**

The execution, delivery and performance of the Contract are hereby authorized. The Contract shall be in substantially the form attached hereto as Exhibit B, with such changes, insertions or omissions as may be approved by the Chairperson or Vice Chairperson of the Issuer, and the execution and delivery by the Issuer of the Contract as hereby authorized shall be conclusive evidence of the approval of any such changes, omissions or insertions.

**Section 1008. No Individual Responsibility of Members and Officers of Issuer.**

No stipulations, obligations or agreements of any member or of any officer of the Issuer shall be deemed to be stipulations, obligations or agreements of any such member or officer in his or her individual capacity.

**Section 1009. General Authority.**

The officers of the Issuer are hereby authorized to execute and deliver all documents and certificates and to take all actions necessary to effectuate the transactions contemplated by this Resolution. All documents heretofore executed and all actions heretofore taken in connection with the transactions contemplated by this Resolution are hereby ratified and approved.

**Section 1010. Waiver of Bond Audit.**

The Issuer hereby waives the performance audit or performance review requirement referred to in O.C.G.A. Section 36-82-100.

**Section 1011. Sale to Purchaser.**

The sale of the Bond to South State Bank at a price of 100% of par is hereby authorized and approved.

**Section 1012. Bank Qualification.**

The Bond is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

ADOPTED AND APPROVED this 17<sup>th</sup> day of April, 2023.

HOLLY SPRINGS PARKS AND RECREATION  
AUTHORITY

(SEAL)

By: \_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
Secretary

EXHIBIT A  
(FORM OF THE BOND)

No.: R-1

\$[Principal Amount]

STATE OF GEORGIA  
HOLLY SPRINGS PARKS AND RECREATION AUTHORITY  
REVENUE BOND  
SERIES 2023

MATURITY DATE:

BOND DATE:

INTEREST RATE:

May 24, 2038

May 24, 2023

[4.40]%

**FOR VALUE RECEIVED**, the Holly Springs Parks and Recreation Authority, a public body corporate and politic duly created and validly existing under the Constitution and the laws of the State of Georgia (the “Issuer”), hereby promises to pay, in lawful money of the United States of America, solely from the special funds provided therefor, as hereinafter set forth, to the registered owner hereof, the principal sum set forth above, and to pay to the registered owner hereof interest on such principal amount at the interest rate set forth above (calculated on the basis of the actual number of days elapsed in a 360-day year). Interest on this bond shall be paid on each May 24 and November 24, commencing November 24, 2023 (each such date a “Payment Date”) to the person in whose name this bond is registered at the close of business on the 15<sup>th</sup> day of the calendar month next preceding each Payment Date (a “Record Date”), notwithstanding any registration of transfers subsequent to such Record Date and prior to the Payment Date. The principal of this bond shall be paid on each Payment Date in an amount needed to repay the principal this bond in thirty (30) approximately equal semi-annual payments or principal. Notwithstanding the foregoing, all remaining indebtedness under this bond, including principal of and interest on this bond shall be due and payable on the Maturity Date set forth above. Payments made under this bond shall be applied first to interest which has accrued hereunder at the applicable interest rate, and second toward the reduction of the principal sum evidenced hereby.

The final payment of principal of this bond is payable by the Paying Agent upon presentation and surrender thereof at the principal corporate trust office (if any) of the Paying Agent. Subject to the provisions of a home office payment agreement, payments of interest on this bond shall be payable by the Paying Agent, by first class mail, mailed on the Interest Payment Date.

The principal of this bond may be prepaid in whole or in part on any Business Day to the registered owner of this bond at a prepayment price equal to the principal amount of this bond to be prepaid plus accrued interest to the prepayment date plus a prepayment premium, if any, as set forth below. The prepayment premium shall equal (a) for a prepayment occurring from the date of issuance of this bond until May 24, 2024, 105% of par, (b) for a prepayment



occurring from May 25, 2024 until May 24, 2025, 104% of par, (c) for a prepayment occurring from May 25, 2025 until May 24, 2026, 103% of par, (d) for a prepayment occurring from May 25, 2026 until May 24, 2027, 102% of par, (e) for a prepayment occurring from May 25, 2026 until May 24, 2027, 101% of par, (f) for a prepayment occurring from May 25, 2027 and thereafter, at 100% of par. As a condition precedent to each optional prepayment of this bond, the registered owner of this bond shall receive written notice, unless waived, of such optional prepayment not less than five (5) Business Days prior to the date fixed for such prepayment. Each such notice shall specify the date of prepayment and the principal amount of this bond to be prepaid on such date.

This bond is issued for the purpose of (a) financing the acquisition of real property that will be used by the City for a park (the “Project”) and (b) paying the costs of issuing this bond. This bond is issued under the authority of the Constitution and laws of the State of Georgia and pursuant to a resolution of the Issuer adopted on April 17, 2023 (the “Resolution”). Capitalized terms used, but not defined herein, shall have the meanings assigned to them in the Resolution. Reference to the Resolution is hereby made for a complete description of the funds charged with, and pledged to, the payment of the principal of and the interest on this bond, the nature and extent of the security therefor, a statement of rights, duties and obligations of the Issuer, and the rights of the owners of this bond, to all the provisions of which the owner hereof, by the acceptance of this bond, assents.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until this bond shall have been authenticated and registered upon the bond registration book of the Issuer kept for that purpose by the Bond Registrar, which authentication and registration shall be evidenced by the execution by the manual signature of a duly authorized signatory of the Authenticating Agent of the certificate hereon.

This bond may be registered as transferred only upon the registration books kept for that purpose at the principal office of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered bond shall be issued to the transferee in exchange therefor, subject to the conditions and upon payment of charges, if any, provided in the Resolution.

Under the terms of an Installment Sale Agreement, dated as of May 1, 2023 (the “Contract”), the Issuer has agreed to issue this bond to acquire the Project and to sell the Project to the City, and the City has agreed to operate the Project, pay to the Issuer amounts sufficient to pay the debt service on the Bond and levy an ad valorem property tax, unlimited as to rate or amount, on all property in the City subject to such tax in order to make such payments. The Issuer has directed the City to make such payments directly to the owner hereof. The Collateral, including all payments under the Contract, has been assigned and pledged to the owner hereof as security for this bond.

This bond shall not be payable from, or constitute a charge upon, any funds other than the moneys pledged to the payment thereof, and is payable solely from the Collateral. This bond shall not constitute a debt of the State of Georgia or the City within the meaning of any Constitutional or statutory provision. No owner of this bond shall ever have the right to compel the exercise of the taxing power of the State of Georgia or the City to pay the same, or the interest thereon, or to enforce payment thereof against any property of the State of Georgia or the City. Notwithstanding the foregoing, the City's full faith, credit and taxing powers have been pledged to the payment of the City's obligations under the Contract.

It is hereby recited and certified that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been done, have happened and have been performed in due and legal form as required by law and that the Collateral has been irrevocably pledged for the payment of this bond and the interest thereon.

IN WITNESS WHEREOF, the Issuer has caused this bond to be signed by its Chairperson and its corporate seal to be hereunto affixed and attested by its Secretary as of the 24<sup>th</sup> day of May, 2023.

HOLLY SPRINGS PARKS AND RECREATION  
AUTHORITY

(SEAL)

By: \_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
Secretary

\* \* \* \*

CERTIFICATE OF VALIDATION

STATE OF GEORGIA

COUNTY OF CHEROKEE

The undersigned Clerk of the Superior Court of Cherokee County, keeper of the records and seal thereof, DOES HEREBY CERTIFY that this bond was confirmed and validated by judgment of the Superior Court of Cherokee County, on the \_\_\_\_ day of May, 2023, that no intervention or objection was filed opposing the validation of said bond and that no appeal of said judgment of validation has been taken.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Superior Court of Cherokee County.

\_\_\_\_\_  
Clerk, Superior Court of Cherokee County

(SEAL)

\* \* \* \*

CERTIFICATE OF REGISTRATION

The principal of and interest on this bond are payable to the registered owner by mail at the address shown below, or, as otherwise directed in writing by the registered owner. No transfer hereof shall be effectual unless made on the books of the Bond Registrar by the registered owner, or his attorney, and noted hereon.

DATE OF  
REGISTRATION

May 24, 2023

NAME AND ADDRESS  
OF REGISTERED OWNER

South State Bank  
1925 Marietta Highway  
Canton, GA 30114

BOND REGISTRAR

Secretary, Holly Springs Parks  
and Recreation Authority

AUTHENTICATION CERTIFICATE

The above bond is the Revenue Bond described in the within-mentioned Resolution, and is hereby authenticated as of the date shown below.

AUTHENTICATING AGENT

By: \_\_\_\_\_  
Secretary, Holly Springs Parks  
And Recreation Authority

Date of Authentication: May 24, 2023

(END OF BOND FORM)

EXHIBIT B

FORM OF INSTALLMENT SALE AGREEMENT

SECRETARY'S CERTIFICATE

STATE OF GEORGIA

COUNTY OF CHEROKEE

I, the undersigned Secretary of the Holly Springs Parks and Recreation Authority (the "Issuer") and keeper of the records and seal thereof, DO HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of the Resolution adopted by the Issuer in a meeting duly called and assembled on the 17<sup>th</sup> day of April, 2023, which meeting was open to the public and at which a quorum was presenting and acting throughout, the original of which Resolution has been duly recorded in the Minute Book of the Issuer which is in my custody and control.

WITNESS my official hand and seal of the Issuer, this 17<sup>th</sup> day of April, 2023.

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Secretary

(SEAL)

**CITY OF HOLLY SPRINGS  
PUBLIC NOTICE**

The City of Holly Springs will hold a Public Hearing on April 17, 2023 at 6:30 p.m. Immediately following the Public Hearing, during a regular scheduled meeting; the City Council will consider entering into an intergovernmental agreement with the Holly Springs Parks and Recreation Authority. The purpose of the intergovernmental agreement is to issue a bond to acquire property for a park. The hearing and meeting will be held at the City of Holly Springs Municipal Building located at 3235 Holly Springs Pkwy. The purpose of this hearing is for the public to review and comment on the intergovernmental agreement.

**PROOF O.K. BY:** Karen Norred  **O.K. WITH CORRECTIONS BY:** \_\_\_\_\_

PLEASE READ CAREFULLY • SUBMIT CORRECTIONS ONLINE

**MA-337375 (100%)**

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