



City of Holly Springs

Date: Wednesday, April 15, 2020

Location: Teleconferencing via Zoom

Urban Redevelopment Agency Meeting Agenda

Immediately following the Downtown Development Authority meeting

Please note that due to ongoing efforts to encourage social distancing in response to the COVID-19 pandemic, this meeting will be conducted virtually using Zoom. This platform will allow for the public and media to attend the meeting from the safety of their homes.

Zoom does not allow for public discussion. However, at his discretion, Chairman Kevin Moore may read comments from the public aloud during the meeting. If you would like to submit a comment to Chairman Moore, please do so no later than Wednesday, April 15, 2020 at 12:00 p.m. to admin@hollyspringsga.us.

Ways to Attend

- **TO JOIN VIA COMPUTER, TABLET, OR SMARTPHONE:**

<https://zoom.us/j/580822738>

- **TO JOIN VIA TELEPHONE:**

Dial US: +1 312 626 6799 OR +1 646 558 8656 OR +1 346 248 7799 OR +1 669 900 9128 or +1 253 215 8782 or +1 301 715 8592
(for higher quality, dial a number based on your current location)

Webinar ID: 580 822 738

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENT

IV. NEW BUSINESS

1. Approve/deny the December 18, 2019 Meeting Minutes

2. Approve/deny a Commitment Letter among South State Bank, the Urban Redevelopment Agency of the City of Holly Springs, and the City of Holly Springs, Georgia for financing of the Town Center Project infrastructure needs, and to authorize the Chairman to execute the document

Presented By: Robert H. Logan, City Manager

V. ADJOURNMENT

City of Holly Springs
Urban Redevelopment Agency
Meeting Minutes
December 18, 2019

Agency Members Present: Sonia Carruthers, Christopher DeLuca, Jimmy Long, Phyllis Long, Kevin Moore and Councilman Kyle Whitaker

Staff Present: City Manager Robert H. Logan, Alicia Argo from the City Attorney's Office, Assistant City Clerk Erin Honea, and Deputy Chief Tommy Keheley.

Kevin Moore called the meeting to order.

Chris DeLuca made a motion to approve the 2020 Urban Redevelopment Agency budget. Councilman Whitaker seconded the motion. Motion carried 6-0.

Chris DeLuca made a motion to approve the July 17, 2019 Meeting Minutes. Phyllis Long seconded the motion. Motion carried 6-0.

Sonia Carruthers made a motion to adjourn. Phyllis Long seconded the motion. Motion carried 6-0.

Meeting adjourned.

Respectfully Submitted.

Kevin Moore, Chairman

Attest:

Erin Honea, Assistant City Clerk



COUNCIL AGENDA REPORT

FROM: Robert H. Logan

TO: Mayor and City Council

CC: City Clerk
Public Information

SUBJECT: Urban Redevelopment Agency of the City of Holly Springs, Georgia Revenue Bond, Series 2020

DATE: March 31, 2020

RECOMMENDATION: To authorize the Mayor to execute the commitment letter issued by South State Bank dated March 31, 2020.

REPORT-IN-BRIEF: The City of Holly Springs Town Center Project site development, parking deck design, stormwater infrastructure and related construction are currently underway. The estimated total budget for this work is approximately \$3,000,000. South State Bank has issued a commitment letter to finance this phase of the Town Center Project for a term of fifteen (15) years at a fixed rate of 2.35% with semi-annual payments of principal and interest starting on December 1, 2022.

CONCURRENCES: Staff concurs with this recommendation.

FISCAL IMPACT: During the construction period of the bond, interest accruals are due semi-annually. Principal and interest retirement will begin on December 1, 2022 and extend through June 1, 2035. The City of Holly Springs may prepay the bonds from proceeds of sales within the Town Center Project during the first seven years without penalty. There is no prepayment penalty after year seven (7).



March 31, 2020

Rob Logan
City of Holly Springs
Urban Redevelopment Agency of the City of Holly Springs
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: Urban Redevelopment Agency of the City of Holly Springs (“Borrower”)

Type: 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 three million & no/100 dollars (\$3,000,000)

Interest Rate, Fee, and Repayment Terms: A tax-exempt, fixed rate of 2.35%, subject to confirmation from bond counsel of tax exemption and bank qualified.

Interest calculations will be based on the actual number of days outstanding and a 360-day year. The loan will have a 24 month draw period. The loan will be payable in semi-annual payments of principal and interest on June 1st and December 1st of each year. The loan will mature in June 2035, 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 |
|------------------|----------------|--------------|---------------|--------------------------|----------------|-----------------|
| June 1, 2020 | | | | \$ 3,000,000.00 | | |
| December 1, 2020 | 183.00 | \$ 35,837.50 | | \$ 3,000,000.00 | \$ 35,837.50 | \$ 3,035,837.50 |
| June 1, 2021 | 182.00 | \$ 35,641.67 | | \$ 3,000,000.00 | \$ 35,641.67 | \$ 3,035,641.67 |
| December 1, 2021 | 183.00 | \$ 35,837.50 | \$ - | \$ 3,000,000.00 | \$ 35,837.50 | \$ 3,035,837.50 |
| June 1, 2022 | 182.00 | \$ 35,641.67 | | \$ 3,000,000.00 | \$ 35,641.67 | \$ 3,035,641.67 |
| December 1, 2022 | 183.00 | \$ 35,837.50 | \$ 115,384.62 | \$ 2,884,615.39 | \$ 151,222.12 | \$ 3,035,837.50 |
| June 1, 2023 | 182.00 | \$ 34,270.83 | \$ 115,384.62 | \$ 2,769,230.77 | \$ 149,655.45 | \$ 2,918,886.22 |
| December 1, 2023 | 183.00 | \$ 33,080.77 | \$ 115,384.62 | \$ 2,653,846.16 | \$ 148,465.38 | \$ 2,802,311.54 |
| June 1, 2024 | 183.00 | \$ 31,702.40 | \$ 115,384.62 | \$ 2,538,461.54 | \$ 147,087.02 | \$ 2,685,548.56 |
| December 1, 2024 | 183.00 | \$ 30,324.04 | \$ 115,384.62 | \$ 2,423,076.93 | \$ 145,708.65 | \$ 2,568,785.58 |
| June 1, 2025 | 182.00 | \$ 28,787.50 | \$ 115,384.62 | \$ 2,307,692.31 | \$ 144,172.12 | \$ 2,451,864.43 |
| December 1, 2025 | 183.00 | \$ 27,567.31 | \$ 115,384.62 | \$ 2,192,307.70 | \$ 142,951.92 | \$ 2,335,259.62 |
| June 1, 2026 | 182.00 | \$ 26,045.83 | \$ 115,384.62 | \$ 2,076,923.08 | \$ 141,430.45 | \$ 2,218,353.53 |
| December 1, 2026 | 183.00 | \$ 24,810.58 | \$ 115,384.62 | \$ 1,961,538.47 | \$ 140,195.19 | \$ 2,101,733.66 |
| June 1, 2027 | 182.00 | \$ 23,304.17 | \$ 115,384.62 | \$ 1,846,153.85 | \$ 138,688.78 | \$ 1,984,842.63 |
| December 1, 2027 | 183.00 | \$ 22,053.85 | \$ 115,384.62 | \$ 1,730,769.24 | \$ 137,438.46 | \$ 1,868,207.70 |
| June 1, 2028 | 183.00 | \$ 20,675.48 | \$ 115,384.62 | \$ 1,615,384.62 | \$ 136,060.10 | \$ 1,751,444.72 |
| December 1, 2028 | 183.00 | \$ 19,297.12 | \$ 115,384.62 | \$ 1,500,000.01 | \$ 134,681.73 | \$ 1,634,681.74 |
| June 1, 2029 | 182.00 | \$ 17,820.83 | \$ 115,384.62 | \$ 1,384,615.39 | \$ 133,205.45 | \$ 1,517,820.84 |
| December 1, 2029 | 183.00 | \$ 16,540.38 | \$ 115,384.62 | \$ 1,269,230.78 | \$ 131,925.00 | \$ 1,401,155.77 |
| June 1, 2030 | 182.00 | \$ 15,079.17 | \$ 115,384.62 | \$ 1,153,846.16 | \$ 130,463.78 | \$ 1,284,309.94 |
| December 1, 2030 | 183.00 | \$ 13,783.65 | \$ 115,384.62 | \$ 1,038,461.55 | \$ 129,168.27 | \$ 1,167,629.81 |
| June 1, 2031 | 182.00 | \$ 12,337.50 | \$ 115,384.62 | \$ 923,076.93 | \$ 127,722.12 | \$ 1,050,799.05 |
| December 1, 2031 | 183.00 | \$ 11,026.92 | \$ 115,384.62 | \$ 807,692.31 | \$ 126,411.54 | \$ 934,103.85 |
| June 1, 2032 | 183.00 | \$ 9,648.56 | \$ 115,384.62 | \$ 692,307.70 | \$ 125,033.17 | \$ 817,340.87 |
| December 1, 2032 | 183.00 | \$ 8,270.19 | \$ 115,384.62 | \$ 576,923.08 | \$ 123,654.81 | \$ 700,577.89 |
| June 1, 2033 | 182.00 | \$ 6,854.17 | \$ 115,384.62 | \$ 461,538.47 | \$ 122,238.78 | \$ 583,777.25 |
| December 1, 2033 | 183.00 | \$ 5,513.46 | \$ 115,384.62 | \$ 346,153.85 | \$ 120,898.08 | \$ 467,051.93 |
| June 1, 2034 | 182.00 | \$ 4,112.50 | \$ 115,384.62 | \$ 230,769.24 | \$ 119,497.12 | \$ 350,266.36 |
| December 1, 2034 | 183.00 | \$ 2,756.73 | \$ 115,384.62 | \$ 115,384.62 | \$ 118,141.35 | \$ 233,525.97 |
| June 1, 2035 | 182.00 | \$ 1,370.83 | | | | \$ 116,755.46 |

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.

Security: The full faith, credit and taxing authority of the City of Holly Springs, Georgia, will be irrevocably pledged.

The legal opinion of bond counsel satisfactory to Bank that the Note: constitutes a valid and binding obligation of Borrower: will be “Qualified Tax Exempt Obligation” within the meaning of Section 265 (b) (3) (B) of Internal Revenue Code of 1986, as amended: and will be exempt from all Federal, State, County, and Municipal taxes.

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 the 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: The bond may be prepaid in part without penalty from amounts received from the sale of properties financed with Bond proceeds. The Loan will be subject to prepayment from the proceeds of another institution at a price of 101% of the par value for year's one through seven.

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 "tax exempt and 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 April 15, 2020, and if a resulting loan is not closed by June 1, 2020, 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 April 2020.

Urban Redevelopment Agency of the City of Holly Springs

By _____

Its _____

City of Holly Springs

By _____

Its _____

