



LAWRENCEVILLE

GEORGIA

CITY COUNCIL SPECIAL CALL AGENDA

Wednesday, August 12, 2020
4:45 PM

Council Assembly Room
70 S. Clayton St, GA 30046

Call to Order

Approve Agenda as Presented

Council Business

1. Intergovernmental Agreement with the Downtown Development Authority (DDA) for a Hotel Loan

Final Adjournment



LAWRENCEVILLE

GEORGIA

AGENDA REPORT

MEETING: SPECIAL CALL, AUGUST 12, 2020

AGENDA CATEGORY: COUNCIL BUSINESS

Item:	Intergovernmental Agreement with the Downtown Development Authority (DDA) for a Hotel Loan
Department:	City Manager
Date of Meeting:	Wednesday, August 12, 2020
Fiscal Impact:	\$2,400,000.00
Presented By:	Chuck Warbington, City Manager
Action Requested:	Approve the Intergovernmental Agreement with the Downtown Development Authority (DDA) for a Hotel Loan

Summary: The City proposes to enter into an Intergovernmental Agreement with the Downtown Development Authority to provide a loan of \$2,400,000.00 to bridge a gap between the completion of the parking deck under construction within the City and the start of hotel construction by RIO Lawrenceville, LLC. This loan will facilitate completion of the parking deck prior to the original completion date for use by the City.

Fiscal Impact: Loan of \$2,400,000.00 with an interest rate of no less than 3% to be paid in full on or before June 30, 2021.

Attachments/Exhibits:

IGA – DDA Hotel Loan

INTERGOVERNMENTAL AGREEMENT

Hotel Loan

This INTERGOVERNMENTAL AGREEMENT (“IGA”) is made and entered into as of the ____ day of _____, 2020, by and between the CITY OF LAWRENCEVILLE, GEORGIA, a Georgia municipal corporation in the State of Georgia (the “City”), and the DOWNTOWN DEVELOPMENT AUTHORITY OF LAWRENCEVILLE, GEORGIA, a public corporation created and existing under the laws of the State of Georgia (the “DDA”).

W I T N E S S E T H:

WHEREAS, the DDA was created pursuant to the provisions of Article IX, Section VI, Paragraph III of the Constitution of the State of Georgia, the Downtown Development Authorities Law of the State of Georgia, O.C.G.A. § 36-42-1, *et seq.*, as amended, and an activating resolution of the Council of the City of Lawrenceville, duly adopted on November 7, 1983, as amended, and is now existing and operating as a public body corporate and politic, and

WHEREAS, in order to encourage the development and revitalization of its downtown business district, the Mayor and Council of the City of Lawrenceville duly adopted the Resolution on November 7, 1983, creating the DDA and designating a geographic area to be known as the Downtown Development Area, which area has since been altered from time to time; and

WHEREAS, the City now desires to transfer certain funds to the DDA subject to certain terms and conditions, which funds will be used by the DDA for a loan to finance a redevelopment project; and

WHEREAS, said redevelopment project is located within the geographic boundaries of the Downtown Development Area, and the DDA is willing to accept the funds from the City subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of \$10.00 (Ten Dollars) in hand paid and for the mutual promises and covenants set forth herein, the amounts set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the DDA do hereby agree as follows:

1. The City will transfer to the DDA the amount of Two Million Four Hundred Thousand Dollars (\$2,400,000.00) to be used to finance a loan from the DDA to RIO Lawrenceville, LLC to assist in the construction of a parking deck and infrastructure for a hotel to be developed in the City of Lawrenceville. The loan must earn interest at a rate of no less than three per cent (3%) per annum, and must be due and payable in full on or before June 30, 2021. The DDA shall require such security, guaranties, or collateral as it deems appropriate to secure repayment of the loan.
2. In consideration of the transfer of the funds, the DDA agrees to pay to the City all proceeds received by the DDA in repayment of the loan including, but not limited

to all interest payments The DDA shall be entitled to reimburse itself for any legal fees incurred in the transfer of the loan transaction which are not paid by the Borrower.

- 3. The Mayor, Mayor Pro Tem, City Manager, City Clerk, and City Attorney, and/or their appropriate designees are hereby authorized to complete the transfer of the funds and to take any and all action necessary and appropriate to carry out the intent of this Intergovernmental Agreement between the parties.
- 4. This IGA and the rights and obligations of the parties hereto shall be governed, construed and interpreted according to the laws of the State of Georgia.
- 5. This IGA expresses the entire understanding and agreement between the parties hereto.
- 6. The invalidity of any one or more phrases, sentences, clauses or sections contained in this IGA shall not affect the remaining portions of this IGA or any part thereof.
- 7. This IGA may be executed in several counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument.
- 8. No waiver, amendment, release, modification of this IGA shall be effective unless made in writing and executed by both parties hereto, and properly approved in accordance with the provisions of Georgia law.

CITY OF LAWRENCEVILLE, GEORGIA

Date Signed: _____

By: _____
David R. Still, Mayor

Attest _____
Karen Pierce, City Clerk

(City Seal)

**DOWNTOWN DEVELOPMENT AUTHORITY
OF LAWRENCEVILLE, GEORGIA**

Date Signed:_____

By_____

Chairman

Attest_____

Secretary

(Authority Seal)