

STATE OF GEORGIA

COUNTY OF CLAYTON

RESOLUTION NO. 2010- 126

RESOLUTION OF THE BOARD OF COMMISSIONERS OF CLAYTON COUNTY APPROVING AND AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED INTERGOVERNMENTAL CONTRACT FOR THE DESIGNATION OF A RECOVERY ZONE AND ALLOCATION OF VOLUME CAP BETWEEN CLAYTON COUNTY AND THE DEVELOPMENT AUTHORITY OF CLAYTON COUNTY.

WHEREAS, the Development Authority of Clayton County (the “**Development Authority**”) is a development authority and public body corporate and politic duly created by the Development Authorities Law of the State of Georgia, O.C.G.A. § 36-62-1, *et seq.* (the “**Act**”); the Act provides that the Development Authority is created to develop and promote trade, commerce, industry and employment opportunities for the public good and the general welfare within Clayton County (the “**County**”), and is authorized by the Act to issue its revenue bonds to finance land, buildings and related personal property, which revenue bonds are required to be validated pursuant to the provisions of the Revenue Bond Law (O.C.G.A. § 36-82-61, *et seq.*); and

WHEREAS, the American Recovery and Reinvestment Act (the “**Recovery Act**”) authorizes (i) a new category of tax-exempt private activity bonds, called Recovery Zone Facility Bonds (“**Facility Bonds**”) and (ii) a new category of taxable governmental purpose bonds, called Recovery Zone Economic Development Bonds (“**ED Bonds**”); and

WHEREAS, Facility Bonds are not subject to the volume cap under Section 146 of the Internal Revenue Code of 1986, as amended (the “**Code**”). There is a special volume cap under which up to \$15 billion of Facility Bonds may be issued by local governments prior to January 1, 2011. The Secretary of the Treasury has allocated the national Facility Bond limitation among the states. Georgia’s allocation is \$533,677,000, and \$19,617,000 has been allocated to the County (“**the County’s Recovery Zone Facility Bonds Volume Cap**”). The County may use such volume cap itself, or it may allocate portions of such volume cap to other eligible issuers, including the Development Authority, in any reasonable manner as the County shall determine in good faith in its discretion for use for financing eligible costs of recovery zone property. The aggregate face amount of bonds which may be designated by any issuer as Facility Bonds cannot exceed the amount of the Facility Bond limitation allocated to such issuer; and

WHEREAS, ED Bonds are not subject to the volume cap under Section 146 of the Code. There is a special volume cap under which up to \$10 billion of ED Bonds may be issued by local governments prior to January 1, 2011. The Secretary of the Treasury has allocated the national ED Bond limitation among the states. Georgia’s allocation is \$355,785,000, and \$13,078,000 has been reallocated to the County (“**the County’s Recovery Zone ED Bonds Volume Cap**”). The County may use such volume cap itself, or it may reallocate portions of such volume cap to other eligible issuers, including the

Development Authority, in any reasonable manner as the County shall determine in good faith in its discretion for use for eligible costs of recovery zone property. The aggregate face amount of bonds which may be designated by any issuer as ED Bonds cannot exceed the amount of the ED Bond limitation allocated to such issuer; and

WHEREAS, the Recovery Act provides that the term “**recovery zone**” means: (i) any area designated by the issuer, in any reasonable manner and acting in good faith, as (a) having significant poverty, unemployment, rate of home foreclosures, or general distress, or (b) being economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990, or (ii) any area for which federal designation as an empowerment zone or renewal community was in effect as of the effective date of the Recovery Act; and

WHEREAS, the Board of Commissioners of Clayton County, after study and investigation and acting in good faith has determined that:

- (i) the entire territorial boundaries of the County is experiencing high unemployment rates and high foreclosures per capita, and
- (ii) the County as a whole has experienced a large reduction in the number of building permits, and
- (iii) the designation of the entire territorial boundaries of the County as a recovery zone is a reasonable determination by the Board; and

WHEREAS, on January 12, 2010, the Board of Commissioners of Clayton County adopted a resolution (“**Resolution No. 2010-15**”) in which the County, in good faith and based on the criteria provided in the Recovery Act for establishing recovery zones, designated the entire territorial boundaries of the County as a “recovery zone” for purposes of the Recovery Act (the “**Recovery Zone**”) and authorized the execution of an intergovernmental contract in the form attached to such resolution (the “**Original Contract**”), pursuant to which the County allocated all of the County’s Recovery Zone Facility Bonds Volume Cap to the Development Authority of Clayton County (the “**Development Authority**”); and

WHEREAS, the County desires to allocate all of the County’s Recovery Zone ED Bonds Column Cap to the Development Authority, and to amend and restate the Original Contract in its entirety to reflect such allocation.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Clayton County as follows:

1. Authorization of the Intergovernmental Contract. The Amended and Restated Intergovernmental Contract for the Designation of a Recovery Zone and Allocation of Volume Cap between the County and the Development Authority (the “**Intergovernmental Contract**”) is hereby approved. The Intergovernmental Contract shall be executed in substantially the form attached hereto as Exhibit A, with such changes, corrections, completions, deletions, insertions, variations, additions, or omissions as may be approved by the Chairman of the Board of Commissioners of Clayton County, whose approval thereof shall be conclusively evidenced by his execution of the Intergovernmental Contract. The Intergovernmental Contract shall be executed in the name of the County and

shall bear the manual signature of the Chairman of the Board of Commissioners of Clayton County, and the seal of the County may be impressed thereon and attested by the manual signature of the Clerk of the Board of Commissioners of Clayton County.

2. General Authorization. From and after the date of adoption of this Resolution, the officials, employees and agents of the County are hereby authorized to do all such acts and things and to execute and deliver any and all other documents, certificates and other instruments as may be necessary and desirable in connection with the implementation of the transactions contemplated hereby.

3. Governing Law. This Resolution shall be governed by and shall be construed under and enforced in accordance with the laws of the State of Georgia, without regard to the provisions of Georgia law relating to conflict of laws.

4. Conflicts. Except for Resolution 2010-15, pursuant to which the Board of Commissioners of Clayton County designated the entire territorial boundaries of the County as a "recovery zone" for purposes of the Recovery Act, any and all resolutions or parts of resolutions heretofore adopted which are in conflict with this Resolution shall be and the same are hereby repealed, and this Resolution shall be in full force and effect from and after its adoption.

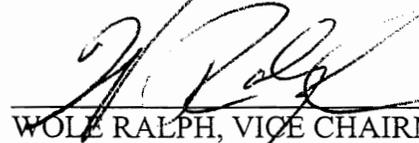
5. Effective Date. This Resolution (including the recitals first above written, which are hereby incorporated into this Resolution) shall take effect immediately upon its adoption; a copy of this Resolution may be filed in the official records of the Board of Commissioners.

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SO RESOLVED this 8th day of June, 2010.

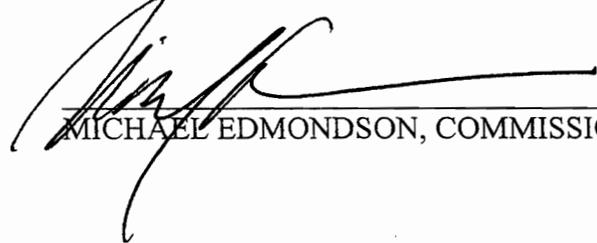
CLAYTON COUNTY BOARD OF COMMISSIONERS


ELDRIN BELL, CHAIRMAN

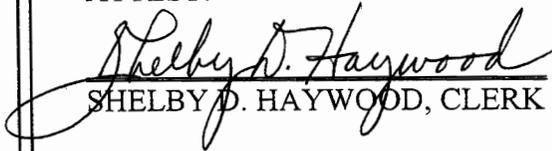

WOLE RALPH, VICE CHAIRMAN


GAIL B. HAMBRICK, COMMISSIONER


SONNA SINGLETON, COMMISSIONER


MICHAEL EDMONDSON, COMMISSIONER

ATTEST:


SHELBY D. HAYWOOD, CLERK