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**CITY COUNCIL AGENDA ITEM**

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**TO:** Mayor & City Council

**DATE:** October 1, 2014

**FROM:** John McDonough, City Manager

**AGENDA ITEM:** Acceptance of Terms for the Georgia Transportation Infrastructure Bank (GTIB) Loan/Grant Program for the Windsor Parkway Realignment at SR 9/Roswell Road

**MEETING DATE:** For Submission onto the October 7, 2014, City Council Regular Meeting Agenda

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*BACKGROUND INFORMATION: (Attach additional pages if necessary)*

See attached:

Memorandum  
Resolution  
Resolution

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CITY MANAGER APPROVAL: 

PLACED ON AGENDA FOR: **10/7/2014**

CITY ATTORNEY APPROVAL REQUIRED: (  ) YES (  ) NO

CITY ATTORNEY APPROVAL: \_\_\_\_\_



TO: John McDonough, City Manager

FROM: Karen Ellis, Finance Director

DATE: October 3, 2014 for Submission onto the Regular Agenda of the October 7, 2014 City Council Meeting

ITEM: Acceptance of Terms for the Georgia Transportation Infrastructure Bank (GTIB) Loan/Grant Program for the Windsor Parkway Realignment at SR 9/Roswell Road

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**Background:**

At the October 15, 2013 City Council Meeting, Council approved the application for the Georgia Transportation Infrastructure Bank (GTIB) grant and loan application in conjunction with the approved Windsor Parkway Realignment at SR 9/Roswell Road project Concept 1B July 16, 2013 (CIP T-0045). The estimated total project cost is \$4,900,000. Funding options include Impact Fees (CIE) (\$1,424,028), Development Authority Bond Financing (\$2,000,000), and possible reallocation of CIP funds. The City was approved by the State Road and Tollway Authority (SRTA) for a \$2,750,000 loan and a \$750,000 grant on May 28, 2014.

**Financial Impact:**

If the terms of the loan and grant are accepted, it would reduce the amount of funds needed from the Impact Fee fund to finance the project and the overall financial impact to the City. The \$2,750,000 GTIB loan will represent approximately 56 percent of the total project cost. The loan rate is set at the state borrowing rate of 1.66 percent. The loan term is ten years with the option, after a three year Spend Down period, to prepay with no penalty. A one percent fee will be required at closing contingent on SRTA approval. The \$750,000 GTIB grant represents approximately 15 percent of the total project cost.

The City plans to service the debt of the GTIB loan through a payment in lieu of taxes program with the Developer of the retail and residential project.

**Recommendation:**

Staff recommends that the Council accept the loan terms as stated, subject to final vote after review of final loan documents and approve a resolution to authorize the City Manager to sign the loan documents on behalf of the City. Staff also recommends that the Council accept the grant terms as stated and approve a resolution to authorize the City Manager to sign the grant acceptance documents on behalf of the City.

**Attachments**

Resolutions

**FINANCE**



# STATE ROAD & TOLLWAY AUTHORITY

STATE OF GEORGIA

Nathan Deal, Governor  
Chairman

Christopher Tomlinson  
Executive Director

July 24, 2014

Karen Ellis, Finance Director  
City of Sandy Springs  
7840 Roswell Road, Building 500  
Sandy Springs, GA 30350

RE: GTIB Loan Terms for the City of Sandy Springs

Dear Ms. Ellis,

The below are the proposed terms for the GTIB loan award that the City of Sandy Springs received in May for the Windsor Pkwy Realignment at SR9/Roswell Road project. SRTA will need a copy of a City Council resolution accepting them. Please send me a copy of the resolution whenever approved.

| Award           | Loan Closing Terms |                  |              |   |
|-----------------|--------------------|------------------|--------------|---|
| Loan Award      | Interest Rate      | Draw-down Period | Payback Term | Closing Fee                             |
| \$ 2,750,000.00 | 1.66%              | 3 Years          | 10 Years     | 1.00% of loan face value (award amount) |

I look forward to continuing to work with you. Please feel free to contact me if you have any questions at [bzgonena@georgiatolls.com](mailto:bzgonena@georgiatolls.com) or call me at 404-893-6131.

Sincerely,

Barry Zgonena  
Director of Finance and Accounting

STATE OF GEORGIA  
COUNTY OF FULTON

**RESOLUTION OF THE CITY OF SANDY SPRINGS GEORGIA IN SUPPORT OF THE  
STATE ROAD AND TOLLWAY AUTHORITY LOAN OFFER**

**WHEREAS**, the State Road and Tollway Authority (SRTA) is offering the City of Sandy Springs a loan through the Georgia Transportation Infrastructure Bank program for the Windsor Parkway Realignment Project; and

**WHEREAS**, the loan offered is for Two Million Seven Hundred Fifty Thousand dollars (\$2,750,000) with a repayment term of ten (10) years at one point six six (1.66) percent interest with no prepayment penalty, contingent upon final SRTA approval. Interest will accrue on any draws and compound annually. At the end of the three (3) year Spend Down period, any accrued interest will either be paid in full or amortized over the term of the loan. A one (1) percent fee will be required at the closing of the loan, contingent upon final SRTA approval; and

**WHEREAS**, the City of Sandy Springs acknowledges that the repayment period will begin upon one of the following conditions:

- Depletion of funds,
- End of Spend Down period, or
- The Windsor Parkway Realignment Project is completed; and

**NOW, THEREFORE, BE IT RESOLVED** that it is the intention of the City of Sandy Springs Council to accept the GTIB loan with the conditions stated in this resolution, subject to final vote of this City of Sandy Springs Council after review of final Loan documents.

**RESOLVED** this the \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Approved:

\_\_\_\_\_  
Russell K. Paul, Mayor

Attest:

\_\_\_\_\_  
Michael D. Casey, City Clerk

(Seal)



# STATE ROAD & TOLLWAY AUTHORITY

STATE OF GEORGIA

Nathan Deal, Governor  
Chairman

Christopher Tomlinson  
Executive Director

July 14, 2014



Mr. Marty Martin, CIP Unit Manager  
City of Sandy Springs  
7840 Roswell Road, Building 500  
Sandy Springs, GA 30350

Re: Georgia Transportation Infrastructure Bank Grant

Dear Mr. Martin:

Enclosed are the grant documents for the Georgia Transportation Infrastructure Bank (GTIB) grant previously committed to your community ("Recipient"). We look forward to working with you on your project. In this package you will find:

1. Two copies of the Grant Agreement, including Exhibits A – I;
2. A Signature Card;
3. The Recipient Authorization Agreement for ACH Credit; and
4. The Opinion of Recipient's Counsel.

## GRANT AGREEMENT

Two copies of the Grant Agreement are enclosed. Each copy is an original. Have the appropriate official sign each Grant Agreement and the appropriate person attest the signature. *Do not complete the date* on the first page of the Grant Agreement. Once signed, return **both** Grant Agreements with the other documents to GTIB so that we may properly execute them. At that time, we will date the Grant Agreement and return one complete original to you for your files.

## SIGNATURE CARD

All draw requests must be signed by a designated official(s) of the Recipient. It is the Recipient's option to decide who signs and how many signatures are required. On the signature card you may (1) designate up to four individuals who will be authorized to sign a draw request and (2) indicate whether one or two signatures are required. Draw requests will not be accepted for processing without the appropriate signature(s); therefore we suggest that more than one person be authorized to sign the draw request. The signature at the bottom of the signature card, indicating that the listed signatories have the authority to sign the Draw Request, may not be from an individual who is being given authorization to sign a Draw Request.

Mr. Marty Martin  
July 14, 2014  
Page 2

RECIPIENT AUTHORIZATION AGREEMENT FOR ACH CREDITS

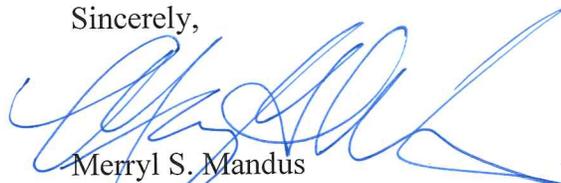
GTIB will be making disbursements utilizing the Automated Clearing House method to a financial institution. This form is used to designate the financial institution, the routing number, and account number to which the GTIB will transfer funds. Please complete the form and include a voided check or deposit slip for account number verification.

OPINION OF BORROWER'S COUNSEL

Attached is a sample letter that must be executed by the Recipient's attorney on the attorney's letterhead. Your attorney will prepare the letter *after* I notify him of the date of the Grant Agreement. However, on the signature page of the Grant Agreement, the Recipient's attorney must sign where indicated before the attorney opinion is produced.

All of these documents must be returned to the GTIB with original signatures and not copies. *A completed W-9 form must also be returned to us with the package.* Please keep in mind that setting up the wire transfer account can take up to 10 business days from the date GTIB receives the entire grant documents properly executed. If you have any questions, please do not hesitate to contact me at (404) 893-6138. Thank you for the opportunity to allow the GTIB to assist you with financing this project.

Sincerely,



Meryll S. Mandus  
General Counsel

MM:kj

Enclosures

C: Wendell K. Willard, Esq. (via email/enclosures)

RESOLUTION NO. 2014-10-

STATE OF GEORGIA  
COUNTY OF FULTON

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF SANDY SPRINGS, GEORGIA, TO ACCEPT FUNDS UNDER THE GEORGIA TRANSPORTATION INFRASTRUCTURE BANK GRANT PROGRAM FOR THE WINDSOR PARKWAY REALIGNMENT AT SR 9/ROSWELL ROAD PROJECT**

**WHEREAS**, the Windsor Parkway/Roswell Road Intersection Improvement Project ("Project") has been identified in the Roswell Corridor LCI (2008), the City of Sandy Springs ("City") Transportation Master Plan (2008), and the City's 2027 Comprehensive Plan (2007); and

**WHEREAS**, at its July 16, 2013 meeting, City Council approved the Windsor Parkway Realignment at SR 9/Roswell Road with an estimated total cost of \$4,900,000; and

**WHEREAS**, subsequent to July 16, 2013, staff identified a potential grant opportunity through Georgia Transportation Infrastructure Bank ("GTIB"), overseen by the State Road and Tollway Authority ("SRTA"), to assist in financing the Project; and

**WHEREAS**, at its October 15, 2013 meeting, City Council authorized staff to prepare an application to SRTA for up to \$750,000 in grant funding ("Grant") to support the Project; and

**WHEREAS**, the City has been notified that \$750,000 in grant funding has been approved for the Project;

**WHEREAS**, in order to receive the funding, the City must accept the terms and conditions of the Grant; and

**WHEREAS**, the City desires to accept the grant funding and agree to the terms and conditions of the Grant;

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Sandy Springs while in regular session on October 7, 2014 at 6:00 p.m. as follows:

1. City Council hereby accepts the Grant in the amount of \$750,000, along with any terms and conditions, and authorizes the City Manager and appropriate City officials to execute any and all documents to effectuate the same on behalf of the City; and
2. The City Manager and appropriate City officials are hereby authorized to take any and all actions necessary to effectuate the purpose and intent of this resolution.

**APPROVED AND ADOPTED** this \_\_\_\_\_ day of October, 2014.

Approved:

\_\_\_\_\_  
Russell K. Paul, Mayor

Attest:

\_\_\_\_\_  
Michael Casey, City Clerk

(Seal)