

Brian P. Kemp  
Governor



Christopher Nunn  
Commissioner

November 10, 2022

Ms. Cindy Brooks, Chair  
Downtown Development Authority  
of the City of Canton, Georgia  
110 Academy Street  
Canton, Georgia 30114

Re: Downtown Development Revolving Loan Fund Award #23dd-nr-028-10604

Dear Ms. Brooks:

I am pleased to announce the Department's approval of the Downtown Development Authority of the City of Canton, Georgia's request for a Downtown Development Revolving Loan Fund (DD RLF) loan in the amount of \$60,532 to assist Canton Cigar Company, LLC with the leasehold improvements to 225 Reformation Parkway, Suite 124, in downtown Canton. We are confident this financing tool will assist the Authority in developing a public-private partnership which will aid in accomplishing your redevelopment goals for downtown Canton.

Enclosed you will find an original and two copies of a Statement of Contract Award and a Statement of General and Special Conditions placed on the award. Please note your acceptance of these contract documents makes the Authority responsible for all requirements contained in the Statement of General and Special Conditions and the Statement of Contract Award.

After careful study of the General and Special Conditions, please acknowledge your acceptance by signing all copies of the Statement of Contract Award and the Statement of General and Special Conditions. Once executed, the original and one copy of both the Statement of Contract Award and the Statement of General and Special Conditions must be returned to the Department of Community Affairs (DCA) within thirty (30) days of the award. The award does not become effective until we receive the executed original of the Statement of Contract Award. The third copy should be retained for your files. Please note from a financial, accounting, and record keeping standpoint, this award should be treated entirely separate from your other accounts.

Because DCA's commitment of DD RLF funds is for permanent financing, intended to take out a portion of the construction loan financing the project, we do not close a DD RLF loan and release funds until the project is complete. Therefore, we will begin the closing process when we are contacted and asked to do so by either the Borrower or an authorized representative of the Authority. At that time, DCA's attorney will prepare the loan documents for the DD RLF loan and will administer the loan closing. The loan must be closed by November 9, 2023.

60 Executive Park South, NE | Atlanta, GA 30329-2231 | 404-679-4940  
[www.dca.ga.gov](http://www.dca.ga.gov) | An Equal Opportunity Employer



Ms. Cindy Brooks  
November 10, 2022  
Page 2 of 2

Also, prior to the loan closing, the Authority and the City will need to pass resolutions in support of the project and the DD RLF loan. Enclosed for your review is a sample resolution for both entities to consider. Please make sure the Authority follows applicable laws and regulations regarding conflicts of interest and that those efforts are reflected in the Authority's resolution.

If you have any questions regarding this award or the loan closing, please contact DD RLF Program Manager Cherie Bennett at (404) 831-2058. Ms. Bennett will be the contact person for the loan closing as well.

Sincerely,

  
G. Christopher Nunn (Nov 12, 2022 11:33 EST)

G. Christopher Nunn  
Commissioner

CN/cb

Enclosures: Statement of Contract Award  
Statement of General and Special Conditions  
Sample resolutions

cc: Eric Bennett, Canton Cigar Company, LLC  
Angie Busby and Velinda Hardy, City of Canton  
Corinne Thornton, Tracie Sanchez, Elizabeth Elliott, DCA



**Georgia Department of  
COMMUNITY AFFAIRS**  
60 Executive Park South, N.E.  
Atlanta, Georgia 30329

**STATEMENT OF CONTRACT AWARD  
DOWNTOWN DEVELOPMENT  
REVOLVING LOAN FUND PROGRAM (DD RLF)**

**Recipient:** Downtown Development Authority of the City of Canton, Georgia

**DD RLF Funds:** \$60,532

**Date of Award:** 11/10/2022

**Award Period:** from 11/10/2022 to 11/09/2037

**Project Name:** 225 Reformation Parkway, Suite 124, Canton

**Final Sub-Recipient:** Canton Cigar Company, LLC

**Project Number:** #23dd-nr-028-10604

Award of assistance is hereby made in the amount and for the period shown above under the Downtown Development Revolving Loan Fund (DD RLF) Program as authorized under O.C.G.A. Sec. 50-8 to the above-mentioned recipient, in accordance with the plan set forth in the application of the above-mentioned recipient as amended and approved by the Department, subject to any attached revisions and Statement of General and Special Conditions as well as any additional terms and conditions of any subsequent documents required by the Department of Community Affairs for implementation of this contract, including but not limited to various subsidiary intergovernmental contracts and agreements.

This contract is subject to all applicable rules, regulations, and conditions as prescribed by the Department of Community Affairs' DD RLF Program Regulations and Program Guidelines. It is also subject to such further rules, regulations and policies as may be reasonably prescribed by the Department consistent with the purposes and authorization of the Downtown Development Revolving Loan Fund Program.

This contract shall become effective on the beginning date of the award period (above), provided that within thirty (30) days of the award date any attached properly executed agreements, revisions and special condition statements are returned to the Georgia Department of Community Affairs.

- ☒ This award is subject to the DD RLF Regulations.
- ☒ This award is subject to a Statement of General and Special Conditions.
- ☒ This award is subject to an Intergovernmental Services Contract and other documents.

**DEPARTMENT OF COMMUNITY AFFAIRS**

  
G. Christopher Nann (Nov 12, 2022 11:33 EST)

**COMMISSIONER**

11/12/2022

**DATE EXECUTED**

I, \_\_\_\_\_, acting under my authority to contract on behalf of the recipient, hereby signify acceptance for the recipient of the above-described assistance on the terms and conditions stated above, incorporated by reference therein, or contained in a Statement of General and Special Conditions.

**Date of Acceptance:** \_\_\_\_\_

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Name (printed)**

\_\_\_\_\_  
**Title (typed)**



**Georgia Department of  
COMMUNITY AFFAIRS**  
60 Executive Park South, N.E.  
Atlanta, Georgia 30329

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REVOLVING LOAN FUND PROGRAM (DD RLF)**

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**Title (typed)**

**Georgia Department of  
COMMUNITY AFFAIRS**  
60 Executive Park South, N.E.  
Atlanta, Georgia 30329

**STATEMENT OF CONTRACT AWARD  
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REVOLVING LOAN FUND PROGRAM (DD RLF)**

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**Date of Acceptance:** \_\_\_\_\_

\_\_\_\_\_  
**Authorized Signature**

\_\_\_\_\_  
**Name (printed)**

\_\_\_\_\_  
**Title (typed)**

**GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS  
DOWNTOWN DEVELOPMENT REVOLVING LOAN FUND PROGRAM  
STATEMENT of GENERAL and SPECIAL CONDITIONS**

**Local Government: Downtown Development Authority of the  
City of Canton, Georgia  
Contract No: 23dd-nr-028-10604**

This STATEMENT of GENERAL and SPECIAL CONDITIONS (hereinafter "Statement") is an attachment to the STATEMENT OF CONTRACT AWARD (hereinafter "Contract Award") and includes limiting conditions, implementing procedures and documentation requirements for **Contract Number 23dd-nr-028-10604**. Upon the **Downtown Development Authority of the City of Canton, Georgia** (hereinafter "Authority") properly accepting the Contract Award, the Georgia Department of Community Affairs (hereinafter "Department") will obligate funds for this project (hereinafter "Project"). Funds, however, will not be released and available for disbursement until the General and Special Conditions outlined herein are cleared.

The Project will be funded through an intergovernmental contract and associated note between the Department and the Authority who will undertake the Project, "re-loaning" the funds to **Canton Cigar Company, LLC** (hereinafter "Borrower"). (Throughout this document, the loans initiated by the Department and referred to herein will be referred to collectively as "Loans" and individually as "Loan". In the case of reference to an individual loan, the context will determine whether the loan referred to references the loan from the Department to the Authority, or the Authority to the Borrower, unless otherwise specifically stated.)

**Project Description**

The Downtown Development Authority of the City of Canton, Georgia (DDDA) (Authority) and Canton Cigar Company, LLC (Borrowers) are requesting a loan award of \$60,532 from the Downtown Development Revolving Loan Fund (DD RLF) program to facilitate the buildout of a cigar bar at the historic Etowah Mill complex located at 225 Reformation Parkway, Suite 124, in downtown Canton.

The total project cost for the 225 Reformation Parkway, Suite 124 project is \$389,482. The DD RLF funds are part of a financing proposal structured as follows:

## Source and Use of Funds

| <u>Source</u> | <u>Amount</u>    |                | <u>Use</u>                      | <u>Amount</u>    |
|---------------|------------------|----------------|---------------------------------|------------------|
| DD RLF        | \$60,532         | 15.54%         | Furniture, Fixtures & Equipment | \$52,000         |
|               |                  |                | Leasehold improvements          | \$8,532          |
| Synovus Bank  | \$90,000         | 23.11%         | Leasehold improvements          | \$90,000         |
| The Mill TIs  | \$200,002        | 51.35%         | Leasehold improvements          | \$200,002        |
| Equity        | \$38,948         | 10.00%         | Leasehold improvements          | \$38,948         |
| <b>Total</b>  | <b>\$389,482</b> | <b>100.00%</b> |                                 | <b>\$389,482</b> |

### General Conditions

The Department makes available to the Authority a loan to fund **Contract Number 23dd-nr-028-10604** subject to the terms and conditions of this Statement. The following General Conditions apply to this contract:

1. No applicable state laws, rules, regulations, or applicable local ordinances shall be violated in carrying out the Project and expending DD RLF loan proceeds.
2. The Authority is authorized under the laws of the state to carry out the Project and activities that are the subject of this financing and the proposed expenditure of funds is in accordance with all applicable legal requirements.
3. No real or apparent conflict of interest shall be engaged in by any official, employee or agent of the Authority and Borrower and any member of their immediate family, their partners and any organization which employs, or is about to employ any of the above. This prohibition prohibits both the solicitation and acceptance of gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

In addition, none of the persons listed above who exercise or have exercised any functions or responsibilities with respect to the activities supported by the DD RLF or are in a position to participate in a decision-making process or gain inside information may have a financial interest or benefit from the DD RLF supported activities, either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter.

It is the responsibility of the recipients to disclose to the Department any relationship that might create a real or apparent conflict of interest as soon as the recipient becomes aware of it and to request guidance and mitigation procedures from the Department.

4. The Authority's accounting records of the DD RLF loan funds shall be maintained in a manner consistent with generally accepted government accounting standards.

5. Because the State of Georgia's Environmental Policy Act (O.C.G.A 12-16) is not generally applicable to land disturbing or to land acquisition activities if government assistance totals less than fifty (50%) percent of the total project cost and amounts to less than \$250,000, it will not apply to many DD RLF projects. However, it is the recipient's responsibility to determine the law's applicability to the specific project and to meet all of its requirements.

6. Loan funds shall be disbursed by the Department in accordance with the provisions of the loan agreement and/or intergovernmental contract. Those provisions may vary depending on each project's particular circumstances. In general, the Department will seek to match disbursements with actual need for funds and to minimize the existence of idle DD RLF funds at the local level.

7. The Department may make reviews and audits of the Project including on-site reviews as may be necessary or appropriate to implement the program and insure the requirements contained in regulation, loan agreement and/or intergovernmental contract are met. In the case of noncompliance and at its sole discretion, the Department shall take such actions as it deems appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or consequences and prevent a recurrence. The Department shall establish specific sanctions and remedies for borrower's and/or contractor's noncompliance on a case-by-case basis.

8. The recipient may be required to submit quarterly progress reports to the Department in a format prescribed by the Department. Failure to submit timely and acceptable reports may result in a request for immediate repayment of all DD RLF funds from the recipient by the Department.

9. Loan payments shall be due to the Department in accordance with the terms and provisions of the loan agreement and/or intergovernmental contract and must be sent to:

DD RLF Loan Servicing  
Georgia Department of Community Affairs  
Post Office Box 15481  
Atlanta, Georgia 30333

### **Special Conditions**

- 1. The City must submit a resolution indicating that it supports the Project, and the Authority must submit a resolution that indicates that it has the legal authority to undertake this transaction and that it supports the Project.**
- 2. The Authority and the Borrower must obtain the Department's approval of the final construction plans and specifications, budget, cost estimates, and construction contractors.**



3. **The Authority and the Borrower must obtain the Department's approval of the proposed intergovernmental contracts, loan documents, and agreements that will be utilized to carry out the Project.**
4. **The Authority and the Borrower must submit a written certification, jointly executed, accepting this Statement in its entirety and the following terms and conditions on the DD RLF loan:**

4.01 BORROWERS: The Authority and the Borrower.

4.02 GUARANTORS: Personal guarantee from Eric Bennett.

4.03 LOAN PURPOSE: Canton Cigar Company, LLC through the Authority will use \$60,532 in DD RLF funding to assist with the buildout of a cigar bar (leasehold improvements) at 225 Reformation Parkway, Suite 124 in downtown Canton. The Project is anticipated to help create up to 5 FTE jobs. The Project will enhance the downtown area and is consistent with the City's downtown revitalization plans.

4.04 PROPERTY: The property (hereinafter "Property") is defined as 225 Reformation Parkway, Suite 124, Canton Georgia as described in the DD RLF application.

4.05 LOAN SECURITY: The Authority shall obtain from the Borrower the following: 1) a promissory note, loan agreement, other documents required by the Department, and a second lien position on the Deed to Secure Debt encumbering the Property, and 2) a blanket assignment of all leases and rents on the subject property. The Department must approve in writing all arrangements for loan security, including any estoppel agreements with existing creditors, all collateral values, all evidence of collateral values, all security documents, and the arising, if any, of any prior liens on any of the loan security. The Authority shall assign to the Department all proceeds from the loan security, the promissory note, any subordination agreements, the loan agreement, and any and all other loan documents used to secure the Loan from the Authority to the Borrower.

4.06 REPAYMENT: The Borrower's repayment of the Loan from the Authority shall commence on the first day of the first month following closing with a payment of interest only. Principal and interest payments sufficient to amortize the Loan in 15 years will be due on the first day of the second month in equal monthly installments. The repayment terms of the Loan from the Department to the Authority will be identical to the repayment terms of the Loan from the Authority to the Borrower.

4.07 INTEREST RATE: Interest on the Loans shall be payable at a fixed rate of 2.0%. Simple interest shall be calculated on the daily outstanding principal balance of the Loans based on 360 days and paid for the actual number of days elapsed.

4.08 PREPAYMENT: The Authority or the Borrower may prepay, without penalty, any or all of the Loans at any time.

4.09 LOAN FEE: No loan fees will be charged for any of the Loans.

4.10 COSTS AND EXPENSES: The Borrower shall pay all costs and expenses in connection with the preparation for and closing of the Loans, including but not limited to appraisal fees, legal fees, fees for lien and litigation searches, all premiums, intangible taxes, and all other costs and expenses, whether the Loans close or not.

4.11 PROJECT COST OVERRUNS: The Borrower shall be responsible for paying all cost overruns.

4.12 COMPLIANCE WITH GOVERNMENTAL REGULATIONS: The Borrower and the Authority will comply with all applicable federal, state, and local laws and comply with all DD RLF program regulations. If the Borrower or the Authority does not comply with applicable laws and regulations, the Department may call the Loans or restructure the Loans in accord with customary private financing arrangements.

4.13 NO ADDITIONAL DEBT: The Borrower shall not borrow additional funds or receive additional advances on existing loans that are secured by any of the collateral referred to in the paragraph entitled "Loan Security". This restriction shall not apply to existing liens or other exceptions of which the Department is aware and for which it has given prior written approval.

4.14 FINANCIAL REPORTS: If requested by the Department, the Borrower will provide the Department annual financial statements on the operations of the Borrower, guarantors or related companies in a form specified by the Department throughout the term of the Loan within 90 days of the calendar year-end. If requested by the Department, the Borrower will provide the Department copies of current or previous federal tax returns on the Borrower, guarantors or related companies within 30 days of any such requests.

4.15 OTHER CONDITIONS: The project building including all building restorations and improvements must be complete and a Certificate of Occupancy issued.

4.16 EXPIRATION OF COMMITMENT: Unless extended in writing by the Department, the Loans contemplated herein must close by November 1, 2023. If not closed by said date, any commitment to fund the Loans shall terminate.

4.17 TERMINATION OF COMMITMENT: Prior to closing of the Loans, the Authority and the Borrower shall, in good faith, fully comply with all terms, provisions and conditions herein; failure to comply with each and every term, condition, covenant and requirement shall relieve and release the Department from any and all obligations to the Authority and the Borrower under this Statement.

**5. CONDITIONS PRECEDENT TO CLOSING: Prior to the closing of the Loans and the disbursement of the loan proceeds, the City, the Authority and the**

**Borrower shall have satisfied and complied with the following requirements and conditions:**

5.01 LOAN DOCUMENTATION: The Borrower and the Authority shall sign all necessary documents in a form specified by the Department to evidence, secure, and perfect interest in the Loans including, but not limited to, the following: loan agreements, notes, security agreements, guarantees and assignments.

5.02 TITLE INSURANCE: A title insurance policy naming the Authority, its successors and assigns as their interest may appear, must be issued by a title insurer acceptable to the Department in an amount not less than the Loan amount, on an American Land Title Association (ALTA) loan policy form (latest revision) insuring that title to the properties serving as collateral hereunder are clear except for such prior liens or other exceptions as the Department is aware of and has approved.

5.03 INSURANCE: The Borrower shall furnish insurance policies to the Authority, issued by companies acceptable to the Department, and providing the following coverage: a) Hazard Insurance—"All Risk" property insurance for the Property in an amount not less than 100% of the full replacement cost of the Property, and containing a standard mortgagee clause in favor of the Authority and the Department; b) General Liability Insurance—a general liability insurance policy with limits of not less than \$1,000,000 per accident or occurrence for personal injury and \$1,000,000 per accident or occurrence for injury to property. The general liability insurance policy shall name the Borrower as the named insured and Authority and the Department as additional insureds and certificate holders.

5.04 HAZARDOUS MATERIALS: The Borrower shall deliver an indemnity agreement which shall hold the Authority and the Department and any future assignees of the Loans harmless in the event of the presence or future existence of hazardous substances on or beneath the Property or within the groundwater below. If requested by the Department, an environmental inspection report must be submitted to the Department, prepared by an environmental specialist approved by the Department, stating that no adverse environmental conditions exist on or in the real estate that is the subject of this Project or any other loan security. In the event that there is a suggestion of any environmental problem on, at or adjacent to the Project or any other loan security, either prior to or after the loan closing, the Department may, at its option, require evidence of the nature of the problem and may, at its option, require remediation, all at the Borrower's expense. Should the Project or any other loan security contain toxic or hazardous material of any quantity unacceptable to the Department, the Department reserves the right, at its sole discretion, to void this Statement and the Contract Award.

5.05 CURRENT SURVEY: If requested by the Department, the Borrower agrees to obtain a survey of the Property by a certified surveyor acceptable to the Department. The survey should delineate all easements and right of ways affecting the ingress and egress to the Property.

5.06 APPRAISAL: N/A

5.07 COMMITMENT OF OTHER FUNDING: The Department must approve in writing any changes to the total project costs. All interim financing must be arranged by the Borrower.

5.08 LIFE INSURANCE: N/A

5.09 FLOOD INSURANCE: This Statement and the Contract Award are subject to full compliance with the Flood Disaster Protection Act at the expense of the Borrower.

5.10 OTHER CONDITIONS: The DD RLF loan is contingent upon satisfactory environmental walk-through of the subject property by DCA or its representative. Prior to closing, the Authority and/or Borrower must provide: 1) a Certificate of Appropriateness for the Project.

**6. MISCELLANEOUS TERMS AND CONDITIONS:**

6.01 DOCUMENTATION OF PROJECT COSTS AND EVIDENCE OF BORROWER CONTRIBUTION: A final Source and Use statement for the Project, a copy of the executed closing statement for the project building, and evidence of total project costs shall be provided by the Borrower and shall be in a form satisfactory to the Department.

6.02 DISBURSEMENT OF LOAN PROCEEDS: The loan funds are for permanent financing for a portion of the renovation costs of the Property. Funds shall be disbursed at closing upon completion of the Project. DD RLF loan funds will pay off a portion of any interim financing that the Borrower obtained to undertake the Project.

6.03 CHANGE IN OWNERSHIP: There shall be no change in current ownership of the Borrower without prior written approval of the Department.

6.04 DUE-ON-SALE CLAUSE: The documents evidencing the Loans will provide that, in the event the Borrower transfers any of its ownership in the Property, or if the Property becomes subject to any voluntary or involuntary lien or encumbrance other than those permitted by the Department, the Department shall, at its sole discretion, have the right to declare a default on the Loans.

6.05 CHANGE IN MANAGEMENT: There shall be no change in management of the Borrower without prior written approval of the Department

6.06 WARRANTIES AND REPRESENTATIONS: The Borrower reaffirms that representations made and information submitted by the Borrower to the Authority and the Department were true, accurate and complete as of the date made. At the time of the closing hereunder, there shall have been no adverse change in the financial condition of the Borrower or guarantors, personal assets or status of employment of the principals of



the Borrower, since representations relating thereto were given by the Borrower to the Authority and the Department. Except as may have been disclosed to the Authority and the Department in writing prior to the date hereof, there are no actions, suits or proceedings (whether or not purportedly on behalf of the Borrower) pending or threatened against the Borrower, principals of the Borrower or guarantors or threatened against or affecting any of the properties or assets of the Borrower, at law or in equity, before or by any court or any federal, state, municipal or other government department, commission, board, bureau, agency or other instrumentality, domestic or foreign. The Borrower is not in default with respect to any final judgment, writ, injunction, decree, rule or regulation of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

**6.07 NON-ASSIGNABILITY:** The Contract Award, the Loans or the collateral securing same are not assumable or assignable to any other party without the prior written consent of the Department.

**6.08 SURVIVAL:** The terms and conditions set out in this Statement shall be construed where possible to apply to the continuing relationship of the Borrower, the Authority, and the Department and to supplement the various documents to be executed at closing, and to that extent terms and conditions herein shall survive closing.

**7. MODIFICATIONS:** No terms of this Statement may be modified except in writing. The Department must approve any such modifications in writing.

**8. APPLICABLE LAW:** The loan agreements, notes, and security documents used to carry out this Project shall be interpreted, construed, enforced and governed by the laws of the State of Georgia.

#### **CERTIFICATION**

I certify that I am authorized by the Downtown Development Authority of the City of Canton, Georgia to accept these conditions:

Officer:

Type Name: \_\_\_\_\_

Type Title: \_\_\_\_\_

Attest:

Type Name: \_\_\_\_\_

Type Title: \_\_\_\_\_

\_\_\_\_\_  
**Signature / Date**

\_\_\_\_\_  
**Signature / Date (Authority seal)**

**DEVELOPMENT AUTHORITY OF**

**RESOLUTION**

AUTHORIZING THE RECEIPT OF A LOAN FROM THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS (DEPARTMENT) UNDER THE DOWNTOWN DEVELOPMENT REVOLVING LOAN FUND PROGRAM; AUTHORIZING THE LENDING OF SUCH FUNDS TO \_\_\_\_\_ FOR THE PURCHASE AND RENOVATION OF \_\_\_\_\_, IN THE CITY OF \_\_\_\_\_, IN \_\_\_\_\_ COUNTY, GEORGIA, FOR USE AS A \_\_\_\_\_ FACILITY; AUTHORIZING THE EXECUTION OF A PROMISSORY NOTE IN FAVOR OF THE DEPARTMENT, TO DOCUMENT THE AUTHORITY'S RECEIPT OF FUNDS FROM THE DEPARTMENT IN ORDER TO FUND THE LOAN TO THE \_\_\_\_\_; AUTHORIZING THE SECRETARY TO EXECUTE AND DELIVER ANY AND ALL DOCUMENTS NECESSARY TO CLOSE THE TRANSACTION; AUTHORIZING THE OFFICERS AND AGENTS OF THE AUTHORITY TO TAKE ANY AND ALL ACTION CONSISTENT WITH THESE RESOLUTIONS; REPEALING CONFLICTING RESOLUTIONS; AND FOR OTHER PURPOSES.

WHEREAS, the Development Authority of \_\_\_\_\_ (the "Authority") is a development authority formed pursuant to the Georgia \_\_\_\_\_ Law, O.C.G.A. §§ \_\_\_\_\_ to \_\_\_\_\_, and a Resolution of the \_\_\_\_\_, dated \_\_\_\_\_.

WHEREAS, pursuant to Code Section \_\_\_\_\_, the Authority has all of the powers necessary or convenient to carry out and effectuate the purposes of the Georgia \_\_\_\_\_ Law;

WHEREAS, pursuant to Code Section \_\_\_\_\_, the purpose of the Georgia \_\_\_\_\_ Law is to develop and promote trade, commerce, industry and employment opportunities for the public good and the general welfare of the State;

WHEREAS, \_\_\_\_\_ own and operate \_\_\_\_\_, a Georgia Business Corporation ("the Borrower"), which conducts a \_\_\_\_\_ business in the City of \_\_\_\_\_, which is located in \_\_\_\_\_ County, Georgia;

WHEREAS, the Borrower desires to *start-up/expand* this operation by purchasing and renovating certain real property and improvements located at \_\_\_\_\_, in the City of \_\_\_\_\_ (the "Property");

WHEREAS, in order to finance the acquisition and renovation of the Property, the Borrower has obtained approval for a Downtown Development Revolving Loan Fund Loan from the Department;

WHEREAS, pursuant to the Downtown Development Revolving Loan Fund ("DD RLF") program, the Department makes a loan to an authority, which in turn utilizes these funds to make a loan to an industry or business;

WHEREAS, the Department has approved a DD RLF loan to the Borrower for the acquisition and renovation of the Property, which loan has been given a project number of \_\_\_\_\_;

WHEREAS, the Department has requested that the Authority act as a recipient of the DD RLF loan funds, and in turn lend such funds to the Borrower;

WHEREAS, the Authority has determined that the Borrower's acquisition and renovation of the Property will promote trade, commerce, industry and employment opportunities for the public good in the City of \_\_\_\_\_.

WHEREAS, because the \_\_\_\_\_ are purchasing the Property from \_\_\_\_\_, N.A., the \_\_\_\_\_ excused himself from discussion of this matter, and did not vote on these resolutions;

NOW, THEREFORE, IT IS HERBY RESOLVED BY THE DOWNTOWN DEVELOPMENT AUTHORITY OF \_\_\_\_\_ as follows:

1. **Authorization to Obtain Loan from Department.** The Authority is hereby authorized to obtain from the Department a loan in the original principal amount of \$\_\_\_\_\_.00, pursuant to that certain Statement of Contract Award from the Department to the Development Authority of \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_, issued in connection with Project No. \_\_\_\_\_ (the "Statement").

2. **Authorization to Make Loan to the Borrower.** Pursuant to the Statement, the Authority is hereby authorized to loan to \_\_\_\_\_, on such terms and conditions as the Authority may be advised by the Department, the principal sum of \$\_\_\_\_\_.00, to be utilized for the acquisition and renovation of the Property. The Authority is also authorized, with the approval of the Department, to make any subsequent amendments to the loan or loan documents that may be needed to maintain or modify the terms of the loan as needed.

3. **Execution of Documents.** \_\_\_\_\_, *Chair/Secretary/Board Member* of the Authority, or any member of the Authority, is hereby authorized to execute any and all promissory notes, instruments, closing statements and documents necessary or appropriate to close any and all transactions authorized by this Resolution, including any subsequent amendments that may be necessary to effectuate the transaction as approved by the Department.

4. **Ratification.** Any and all actions previously or subsequently taken by the officers or agents of the Authority consistent with the foregoing Resolutions are hereby approved, ratified and confirmed in all respects.

5. **Repeal of Conflicting Resolutions.** Any and all resolutions or parts thereof which conflict with or are inconsistent with this Resolution are hereby repealed.

SO RESOLVED, this \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 20\_\_\_\_.

DEVELOPMENT AUTHORITY OF \_\_\_\_\_

By: \_\_\_\_\_,  
\_\_\_\_\_, Secretary  
(SEAL)

## Sample Resolution

**WHEREAS**, the Georgia Department of Community Affairs' Downtown Development Revolving Loan Fund (DDRLF) Program is designed to assist cities, counties and development authorities in their efforts to revitalize and enhance downtown areas by providing below-market rate financing to fund capital projects in core historic downtown areas;

**WHEREAS**, [Borrowers] plan to [acquire/renovate/construct, etc.] certain real property and improvements located [address of project] in downtown \_\_\_\_\_.

**WHEREAS**, upon completion of the project the renovated property will serve as [purpose of project: e.g., restaurant, book store, mixed-use project with retail and residential units, etc.]

**WHEREAS**, the City has determined that the project will promote downtown development for the public good in the City; and

**WHEREAS**, in order to help [Borrowers] finance the project, the Downtown Development Authority of \_\_\_\_\_ will apply for a Downtown Development Revolving Loan Fund Loan from the Department of Community Affairs ("DCA"); and

**WHEREAS**, DCA requires evidence of municipal support for all projects that are the subject of a DD RLF application submitted by a downtown development authority.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY OF \_\_\_\_\_, GEORGIA as follows:

That the City of \_\_\_\_\_ endorses the submission of the DD RLF application by the Downtown Development Authority of \_\_\_\_\_ for the downtown project at [address] on behalf of [Borrowers] and agrees to support the development of the project.

SO RESOLVED, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

THE CITY OF \_\_\_\_\_

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

Printed Name:

Title: Mayor

Attest: \_\_\_\_\_

Printed Name:

Title: City Clerk

[Affix Seal Here]