

1. Agenda

Documents:

[URA-10-26-22-AGENDA-FINAL.PDF](#)

2. Meeting Called To Order/Adoption Of Agenda

3. Approval Of Minutes

4. First Amendment To Bond Resolution

Documents:

[FIRST AMENDMENT TO BOND RESOLUTION AVONDALE ESTATES URA 2022
\(00138953-3XA91E4\).PDF](#)

5. Adjournment



**URBAN REDEVELOPMENT AGENCY (URA)
MEETING
OCTOBER 26TH, 2022
5:30 p.m.**

AGENDA

- Item No. 1 Meeting Called to Order
- Item No. 2 Adoption of Agenda
- Item No. 3 **Approval of Minutes**
September 28th, 2022
- Item No. 4 **First Amendment to Bond Resolution**
After approving the Bond Anticipation Note (BAN) extension term sheet, the city's bond counsel, Terri Finnister has prepared legal documents required to extend the maturity date of the URA BAN per those terms.
- Item No. 5 Adjournment

FIRST AMENDMENT TO BOND RESOLUTION

WHEREAS, the Urban Redevelopment Agency of the City of Avondale Estates (the “Agency”) adopted a bond resolution on August 12, 2019 (the “Resolution”) authorizing the issuance of its Drawdown Bond Anticipation Note, Series 2019 (the “Original Note”) in the principal face amount of \$8,400,000 and its Revenue Bonds in a total principal amount not to exceed \$8,900,000 (the “Bonds”); and

WHEREAS, the Original Note, and the Bonds when issued, are secured by an Intergovernmental Contract, dated as of September 1, 2019, between the Agency and the City of Avondale Estates, Georgia (the “City”), under which the City agrees to pay to the Agency amounts sufficient to pay debt service on the Original Note and the Bonds; and

WHEREAS, the Original Note was acquired by PNC Bank, National Association (the “Note Purchaser”), and the Note Purchaser is the current holder of the Note; and

WHEREAS, the Agency and the City desire to extend the maturity date of the Original Note from December 31, 2022 to December 31, 2023; and

WHEREAS, the Note Purchaser has agreed pursuant to a term sheet dated September 26, 2022 (the “Term Sheet”), to extend the term of the Original Note, and due to the cessation of the LIBOR Index, requires that the interest rate on the Original Note be calculated using the Secured Overnight Financing Index (“SOFR”); and

WHEREAS, the Agency approved the Term Sheet at its meeting held on September 28, 2022; and

WHEREAS, the Agency desires to amend the Resolution to provide for the extension of the maturity date of the Original Note and the revised interest rate provisions in accordance with the Term Sheet.

NOW, THEREFORE, BE IT RESOLVED by the URBAN REDEVELOPMENT AGENCY OF THE CITY OF AVONDALE ESTATES, and it is hereby resolved by authority of same, as follows:

Section 1. Amendments to Section 101 of the Resolution.

- (a) Section 101 of the Resolution is hereby amended by deleting the defined terms “Base Rate,” “Daily LIBOR Rate,” “LIBOR Reserve Percentage” and “Published Rate” and associated definitions.
- (b) Definitions of the terms “Business Day,” “Default Rate,” “Maturity Date,” “Note Rate” and “Payment Date” contained in Section 101 of the Resolution and the following are substituted in lieu thereof:

- a. “Business Day” means any day other than a Saturday, Sunday or a day when commercial banks in Atlanta, Georgia, or New York City, or with respect to the determination of the Term SOFR Rate, Pittsburgh, Pennsylvania, are authorized or required to be closed; provided, that when used in connection with an amount that bears interest at a rate based on SOFR or any direct or indirect calculation or determination involving SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.
 - b. “Default Rate” with respect to the Note shall mean the greatest of (i) the Prime Rate plus 3.00%, (ii) the Overnight Bank Funding Rate plus 3.50% and (iii) 7.00%.
 - c. “Maturity Date” with respect to the Note means December 31, 2023.
 - d. “Note” means the Agency’s Drawdown Bond Anticipation Note, Series 2019, in the principal face amount of \$8,400,000, authorized to be issued pursuant to the Resolution and as amended and restated pursuant to the First Amendment.
 - e. “Note Rate” means 79% of the Term SOFR Rate, plus 0.55%. The rate of interest will be adjusted automatically on the first day of each month. If the method for determining the Term SOFR Rate is no longer available, the Note Rate shall be determined as set forth in Section 212.
 - f. “Payment Date” means, with respect to the Note, (a) with respect to interest, the first day of each calendar month, commencing December 1, 2022 and on the Maturity Date and (b) with respect to principal, the Maturity Date.
- (c) Section 101 of the Resolution is hereby amended by adding the following definitions:
- a. “First Amendment” means this First Amendment to Bond Resolution.
 - b. “SOFR” means a per annum rate equal to the secured overnight financing rate as administered by the NYFRB (or a successor administrator of the secured overnight financing rate).
 - c. “SOFR Reserve Percentage” means, for any day, the maximum effective percentage in effect on such day, if any, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to SOFR funding.
 - d. “Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Note Purchaser in its reasonable discretion).

- e. “Term SOFR Interest Period” with respect to the Note, means the one-month period which commences on the date of reissuance of the Note pursuant to this First Amendment, and each successive one-month period; provided that:
 - A. If the Term SOFR Interest Period would end on a day that is not a Business Day, it shall end on the next succeeding Business Day unless such day falls in the next succeeding calendar month, in which case the Term SOFR Interest Period would end on the next preceding Business Day.
 - B. The Term SOFR Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such TERM SOFR Interest Period) and shall end on the last Business Day of the last calendar month of such Term SOFR Interest Period.
- f. “Term SOFR Rate” means the interest rate determined by the Note Purchaser by dividing the resulting quotient rounding upwards, at the Note Purchaser’s discretion, to the nearest 1/100th of 1%) (A) the Term SOFR Reference Rate for a tenor comparable to such Term SOFR Interest Period, as published by the Term SOFR Administrator on the day (the “Term SOFR Determination Date”) that is 2 Business Days prior to the first day of such Term SOFR Interest Period, by (B) a number equal to 1.00 minus the SOFR Reserve Percentage. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced by a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate, for purposes of clause (A) in the preceding sentence, shall be the Term SOFR Reference Rate for the such tenor on the first Business Day preceding such Term SOFR Determination Date for which such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than 3 Business Days prior to such Term SOFR Determination Date,. If the Term SOFR Rate, determined as provided above, would be less than 0.00%, then the Term SOFR Rate shall be determined to be 0.00%. The Term SOFR Rate shall be adjusted automatically, without notice to the Agency on and as of (i) the first day of each Term SOFR Interest Period and (ii) the effective date of any change in the SOFR Reserve Percentage.
- g. “Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.
- h. “U.S. Government Securities Business Day” means any day except for a (a) Saturday or Sunday or (B) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading United States government securities.

Section 2. Amendments to Section 212 of the Resolution. Section 212 of the Resolution is hereby deleted in its entirety and the following is substituted in lieu thereof:

Section 212. Conforming Changes; Alternative Means of Determining the Note Rate. The Note Purchaser shall have the right to make any technical, administrative or operational changes from time to time that the Note Purchaser decides may be appropriate to reflect the adoption and implementation of SOFR or any other Benchmark (as defined below) or to permit the use and administration thereof by the Note Purchaser in a manner substantially consistent with market practice or in such other manner as the Note Purchaser decides is reasonably necessary. Notwithstanding anything to the contrary in the Resolution, any amendments implementing such technical, administrative or operational changes will become effective without any further action or consent of the Agency. The Note Purchaser shall provide notice to the Agency of any such amendment reasonably promptly after such amendment becomes effective.

If the Note Purchaser determines (which determination shall be final and conclusive) that (A) the Benchmark applicable to the Note cannot be determined pursuant to its definition other than as a result of a Benchmark Transition Event (as defined below), or (B) any enactment, promulgation or adoption of or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by a governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Note Purchaser with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impracticable for the Note Purchaser to make or maintain or fund loans based on that Benchmark, then the Note Purchaser shall give notice thereof to the Agency Thereafter, until the Note Purchaser notifies the Agency that the circumstances giving rise to such determination no longer exist, (a) the interest rate for all amounts then bearing interest on the Note shall be converted to the Overnight Bank Funding Rate plus 40 basis points (0.40%) either (i) on the last day of the then current applicable interest period(s) if the Note Purchaser may lawfully continue to maintain or fund loans based on that Benchmark to such day, or (ii) immediately if the Note Purchaser may not lawfully continue to maintain or fund loans based on that Benchmark.

Notwithstanding anything to the contrary in this Resolution, if the Note Purchaser determines (which determination shall be final and conclusive) that a Benchmark Transition Event has occurred with respect to a Benchmark, the Note Purchaser may amend the Note to replace such Benchmark with a Benchmark Replacement; and any such amendment shall be in writing, shall specify the date that the Benchmark Replacement is effective and will not require any further action or consent of the Agency or the City. Until the Benchmark Replacement is effective, amounts bearing interest with reference to a Benchmark will continue to bear interest with reference to such Benchmark as long as such Benchmark is available, and otherwise such amounts automatically will bear interest at the Overnight Bank Funding Rate plus 40 basis points (0.40%).

For purposes of this Section, the following terms have the meanings set forth below:

“Benchmark” means, at any time, any interest rate index (or tenor of an interest rate index) then used in the determination of an interest rate under the terms of the Note. The initial Benchmark for the Note is SOFR. Once a Benchmark Replacement becomes effective under the Note, it is a Benchmark.

“Benchmark Replacement” means, for any Benchmark, the sum of (a) an alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case that has been selected by the Note Purchaser as the replacement for such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the official sector or any official sector-sponsored committee or working group, for U.S. dollar-denominated credit facilities at such time; provided that, if the Benchmark Replacement as determined pursuant to the foregoing would be less than the 0.00%, the Benchmark Replacement will be deemed to be 0.00% for the purposes of the Note.

“Benchmark Transition Event” means a public statement or publication by or on behalf of the administrator of a Benchmark, the regulatory supervisor of such administrator, the Board of Governors of the Federal Reserve System, NYFRB, an insolvency official or resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease to provide such Benchmark permanently or indefinitely, provided that at the time of such statement or publication there is no successor administrator that will continue to provide such Benchmark or (b) such Benchmark is or will no longer be representative..

Section 3. Engagement of Professionals. Costs of Issuance of the Note. The costs of issuance related to the amendment and restatement of the Note shall be paid from the proceeds of the Note. The City Manager is authorized to engage and contract with Davenport & Company, LLC, as financial advisor, and Murray Barnes Finister, LLP, as Bond Counsel, in connection with the amendment and restatement of the Original Note.

Section 4. Amended Form of Note. The Note is hereby authorized to be amended and restated to reflect the terms of this First Amendment. The form of the amended and restated Note is attached hereto as Exhibit A and hereby replaces the form of Note attached as Exhibit A to the Resolution.

Section 5. Ratification of Term Sheet. The execution and delivery of the Term Sheet by the Chairman of the Agency is hereby ratified and approved.

Section 6. Bank Qualified. The Note is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code.

Section 7. Ratification of Resolution. All of the terms and provisions of the Resolution, as amended by this First Amendment, are hereby ratified and reaffirmed.

Section 8. General Authority. The officers, employees and agents of the Agency are hereby authorized, empowered and directed to do all such acts and things, including, but not limited to making covenants on behalf of the Agency and to execute all such documents and certificates as may be necessary to carry out the transactions contemplated by this resolution.

Section 9. Actions Approved and Confirmed. All acts and doings of the officers, employees and agents of the Agency which are in conformity with the purposes and intent of this resolution are hereby authorized and approved

Section 10. Repealing Clause. All resolutions or parts thereof of the Agency in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 11. Effective Date. This resolution shall be effective immediately upon its adoption.

Adopted and approved on October __, 2022.

URBAN REDEVELOPMENT AGENCY OF THE
CITY OF AVONDALE ESTATES

(SEAL)

By: _____
Chairperson

Attest:

By: _____
Secretary

EXHIBIT A

FORM OF AMENDED AND RESTATED NOTE

THIS NOTE AND THE INSTRUMENTS HEREINAFTER DESCRIBED ARE SUBJECT TO AN INVESTMENT LETTER AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SUCH INVESTMENT LETTER

THIS NOTE HAS BEEN ISSUED IN CONNECTION WITH AN URBAN REDEVELOPMENT PROJECT, AS DEFINED IN PARAGRAPH (25) OF O.C.G.A. SECTION 36-61-2.

No.: R-2

\$8,400,000

STATE OF GEORGIA

URBAN REDEVELOPMENT AGENCY OF THE CITY OF AVONDALE ESTATES
DRAWDOWN BOND ANTICIPATION NOTE, SERIES 2019

MATURITY DATE:	ORIGINAL NOTE DATE:	INTEREST RATE:
December 31, 2023	September 17, 2019	Note Rate (as defined herein)

FOR VALUE RECEIVED, the Urban Redevelopment Agency of the City of Avondale Estates, a public body corporate and politic duly created and validly existing under the Constitution and the laws of the State of Georgia (the "Agency"), hereby promises to pay, in lawful money of the United States of America, solely from the special funds provided therefor, as hereinafter set forth, to the registered owner hereof, (a) the sum of the amounts advanced under this note in accordance with the provisions of the Resolution (hereinafter defined) as shown on the Schedule of Advances attached hereto, which amount advanced shall not exceed the principal amount sum set forth above and (b) interest on each advance at the interest rate set forth herein (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on this note shall be paid on the first day of each calendar month, commencing December 1, 2022 (a "Payment Date"), and on the Maturity Date. The principal of this note shall be paid on the Maturity Date. Notwithstanding the foregoing, all remaining indebtedness under this note, including principal of and interest on the Note shall be due and payable on the Maturity Date set forth above. Payments of principal of and interest on this note shall be made to the person in whose name this note is registered at the close of business on the 15th day of the calendar month next preceding each Payment Date (a "Record Date"), notwithstanding any registration of transfers subsequent to such Record Date and prior to the Payment Date. Payments made under this note shall be applied first to interest which has accrued hereunder at the applicable interest rate, and second toward the reduction of the principal sum evidenced hereby.

Prior to a Determination of Taxability or an Event of Default, each advance under the Note shall bear interest at the Note Rate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Upon the occurrence of a Determination of Taxability, the Note Rate shall be increased to the Taxable Rate (calculated on the basis of a 360-day year comprised of twelve 30-day months) as of, from, and after the Date of Taxability. An amount equal to the difference between the interest paid on the Note at the original Note Rate(s) or Default Rate and the interest that would have accrued on the Note during the Inclusion Period had the interest rate on the Note during the Inclusion Period been equal to the Taxable Rate, which amount shall be owed retroactively on the Note as a result of the occurrence of a Determination of Taxability, shall be payable thirty (30) days after the date of the Determination of Taxability, and shall be apportioned among the owners of the Note during the Inclusion Period according to the ratio of the number of days it was a registered owner of the Note during the Inclusion Period to the total number of days within the Inclusion Period. Retroactive interest payable on the Note as a result of the occurrence of a Determination of Taxability shall be paid by check or draft mailed to each registered owner of the Note during the Inclusion Period at its address as it appears on the registration books of the Agency. Upon an increase in the interest rate on the Note caused by the occurrence of a Determination of Taxability, such fact shall be clearly marked on the face of the Note, together with the fact that a Determination of Taxability has occurred. Upon demand from the registered owner of the Note or any former registered owner of the Note, the Agency shall promptly reimburse such owner or former owner for any payments, including any taxes, interest, penalties, or other charges, such owner or former owner shall be obligated to make as a result of the occurrence of a Determination of Taxability.

Upon the occurrence of and during the continuation of an Event of Default, the Bond shall bear interest at the Default Rate. In no event shall the Note Rate, the Taxable Rate or the Default Rate exceed the Maximum Rate.

The following terms have the following meanings:

“Business Day” means any day other than a Saturday, Sunday or a day when commercial banks in Atlanta, Georgia, or New York City, or with respect to the determination of the Term SOFR Rate, Pittsburgh, Pennsylvania, are authorized or required to be closed; provided, that when used in connection with an amount that bears interest at a rate based on SOFR or any direct or indirect calculation or determination involving SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“Date of Taxability” shall mean the earliest date as of which interest on the Note shall have been determined to be includable in the gross income of any owner or prior owner of the Note as a result of the occurrence of a Determination of Taxability.

“Default Rate” with respect to the Note shall mean the greatest of (i) the Prime Rate plus 3.00%, (ii) the Overnight Bank Funding Rate plus 3.50% and (iii) 7.00%.

“Determination of Taxability” shall mean and shall be deemed to have occurred on the first to occur of the following:

(i) on that date when the Agency or the City of Avondale Estates, Georgia (the “City”) files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Agency or the City shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Agency or the City, or upon any review or audit of the Agency or the City or upon any other ground whatsoever, an Event of Taxability shall have occurred; and

(iii) on that date when the Agency or the City shall receive notice from any owner or prior owner of the Note that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such owner or any prior owner the interest on the Note paid to such owner or prior owner due to the occurrence of an Event of Taxability;

provided, however, that no Determination of Taxability shall occur under clauses (ii) or (iii) above in the definition of Determination of Taxability unless the Agency and the City have been afforded the opportunity, at their expense, to contest any such assessment; and provided further that no Determination of Taxability shall occur until such contest, if made, has been finally determined; and provided further that upon demand from the owner or any prior owner of the Note, the City shall immediately reimburse such owner or prior owner for any payments such owner or any prior owner shall be obligated to make as a result of the Determination of Taxability during any such contest, provided any such payments may not cause the per annum interest rate on the Note to exceed the Maximum Rate.

“Event of Taxability” shall mean the taking of any action by the Agency or the City, or the failure to take any action by the Agency or the City, or the making by the Agency or the City of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Note which has the effect of causing interest paid or payable on the Note to become includable, in whole or in part, in the gross income of the owner or any prior owner for federal income tax purposes.

“Inclusion Period” means the period that commences on the Date of Taxability and ends on the date of the Determination of Taxability.

“Maturity Date” with respect to the Note means December 31, 2023.

“Maximum Rate” means the lesser of (a) 10% and (b) the maximum rate of interest permitted under the laws of the State of Georgia.

“Note” means the Agency’s Drawdown Bond Anticipation Note, Series 2019, in the principal face amount of \$8,400,000, originally issued on September 17, 2019 and authorized to be issued pursuant to the Original Resolution, as amended and restated pursuant to the First Amendment.

“Note Rate” means 79% of the Term SOFR Rate, plus 0.55%. The rate of interest will be adjusted automatically on the first day of each month. If the method for determining the Term SOFR Rate is no longer available, the Note Rate shall be determined as set forth below:

- (a) If the Note Purchaser determines (which determination shall be final and conclusive) that (A) the Benchmark applicable to this Note cannot be determined pursuant to its definition other than as a result of a Benchmark Transition Event (as defined below), or (B) any enactment, promulgation or adoption of or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by a governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Note Purchaser with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impracticable for the Note Purchaser to make or maintain or fund loans based on that Benchmark, then the Note Purchaser shall give notice thereof to the Agency. Thereafter, until the Note Purchaser notifies the Agency that the circumstances giving rise to such determination no longer exist, (a) the interest rate for all amounts then bearing interest on the Note shall be converted to the Overnight Bank Funding Rate plus 40 basis points (0.40%) either (i) on the last day of the then current applicable interest period(s) if the Note Purchaser may lawfully continue to maintain or fund loans based on that Benchmark to such day, or (ii) immediately if the Note Purchaser may not lawfully continue to maintain or fund loans based on that Benchmark.
- (b) Notwithstanding anything to the contrary in the Resolution, if the Note Purchaser determines (which determination shall be final and conclusive) that a Benchmark Transition Event has occurred with respect to a Benchmark, the Note Purchaser may amend this Note to replace such Benchmark with a Benchmark Replacement; and any such amendment shall be in writing, shall specify the date that the Benchmark Replacement is effective and will not require any further action or consent of the Agency or the City. Until the Benchmark Replacement is effective, amounts bearing interest with reference to a Benchmark will continue to bear interest with reference to such Benchmark as long as such Benchmark is available, and otherwise such amounts automatically will bear interest at the Overnight Bank Funding Rate plus 40 basis points (0.40%).
- (c) For purposes of the preceding two paragraphs, the following terms have the meanings set forth below:

“Benchmark” means, at any time, any interest rate index (or tenor of an interest rate index) then used in the determination of an interest rate under the terms of the Note. The initial Benchmark for the Note is SOFR. Once a Benchmark Replacement becomes effective under the Note, it is a Benchmark.

“Benchmark Replacement” means, for any Benchmark, the sum of (a) an alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case that has been selected by the Note Purchaser as the replacement for such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the official sector or any official sector-sponsored committee or working group, for U.S. dollar-denominated credit facilities at such time; provided that, if the Benchmark Replacement as determined pursuant to the foregoing would be less than the 0.00%, the Benchmark Replacement will be deemed to be 0.00% for the purposes of the Note.

“Benchmark Transition Event” means a public statement or publication by or on behalf of the administrator of a Benchmark, the regulatory supervisor of such administrator, the Board of Governors of the Federal Reserve System, NYFRB, an insolvency official or resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease to provide such Benchmark permanently or indefinitely, provided that at the time of such statement or publication there is no successor administrator that will continue to provide such Benchmark or (b) such Benchmark is or will no longer be representative.

“Overnight Bank Funding Rate” means for any day, the rate comprised of both overnight federal funds and overnight Eurocurrency borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York (“NYFRB”), as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by such other recognized electronic source (such as Bloomberg) selected by the Note Purchaser for the purpose of displaying such rate); provided, that if such day is not a Business Day, the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate may be determined by the Note Purchaser at such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero, then such rate shall be deemed to be zero. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the Agency.

“Prime Rate” means the rate publicly announced by the Note Purchaser from time to time as its prime rate. The Prime Rate is determined from time to time by the Note Purchaser as a means of pricing some loans to its borrowers. The Prime Rate is not tied to any external rate of interest or index and does not necessarily reflect the lowest rate of interest actually charged by the Note Purchaser to any particular class or category of customers.

“SOFR” means a per annum rate equal to the secured overnight financing rate as administered by the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Reserve Percentage” means, for any day, the maximum effective percentage in effect on such day, if any, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to SOFR funding.

“Taxable Rate” means, with respect to the Note, an interest rate equal to the sum of the Note Rate or Default Rate, as applicable, plus a rate sufficient such that the total interest to be paid on any Payment Date would, after such interest was reduced by the amount of any federal, state or local income tax (including any interest or penalties) actually payable thereon by reason of a Determination of Taxability, equal the amount of interest due with respect to the Note, calculated at the Note Rate or Default Rate, as applicable.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Note Purchaser in its reasonable discretion.

“Term SOFR Interest Period” with respect to the Note, means the one-month period which commences on the date of reissuance of the Note pursuant to this First Amendment, and each successive one-month period; provided that:

- (a) If the Term SOFR Interest Period would end on a day that is not a Business Day, it shall end on the next succeeding Business Day unless such day falls in the next succeeding calendar month, in which case the Term SOFR Interest Period would end on the next preceding Business Day.
- (b) The Term SOFR Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such TERM SOFR Interest Period) and shall end on the last Business Day of the last calendar month of such Term SOFR Interest Period.

“Term SOFR Rate” means the interest rate determined by the Note Purchaser by dividing the resulting quotient rounding upwards, at the Note Purchaser’s discretion, to the nearest 1/100th of 1%) (A) the Term SOFR Reference Rate for a tenor comparable to such Term SOFR Interest Period, as published by the Term SOFR Administrator on the day (the “Term SOFR Determination Date”) that is 2 Business Days prior to the first day of such Term SOFR Interest Period, by (B) a number equal to 1.00 minus the SOFR Reserve Percentage. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced by a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate, for purposes of clause (A) in the preceding sentence, shall be the Term SOFR Reference Rate for the such tenor on the first

Business Day preceding such Term SOFR Determination Date for which such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than 3 Business Days prior to such Term SOFR Determination Date. If the Term SOFR Rate, determined as provided above, would be less than 0.00%, then the Term SOFR Rate shall be determined to be 0.00%. The Term SOFR Rate shall be adjusted automatically, without notice to the Agency on and as of (i) the first day of each Term SOFR Interest Period and (ii) the effective date of any change in the SOFR Reserve Percentage.

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“U.S. Government Securities Business Day” means any day except for a (a) Saturday or Sunday or (B) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading United States government securities.

The payment of principal of this note is payable by the Paying Agent upon presentation and surrender thereof at the designated corporate trust office (if any) of the Paying Agent. Subject to the provisions of a home office payment agreement, payments of interest on this note shall be payable by the Paying Agent, by first class mail, mailed on the Payment Date to the person in whose name this note is registered on the books of the Bond Registrar on the Record Date notwithstanding any registration of transfer subsequent to such Record Date and prior to the Payment Date.

The principal of this note may be prepaid in whole or in part on any Payment Date at a prepayment price of 100% of par plus accrued interest from any moneys which may be made available for such purpose. As a condition precedent to each optional prepayment of this note, the registered owner of this note shall receive written notice, unless waived, of such optional prepayment not less than ten (10) days prior to the date fixed for such prepayment. Each such notice shall specify the date of prepayment and the principal amount of this note to be prepaid on such date.

This note is issued for the purpose of paying all or a portion of the costs of certain urban redevelopment projects and paying the costs of issuing this note. This note is issued under the authority of the Constitution and laws of the State of Georgia and pursuant to a resolution of the Agency adopted on August 12, 2019 (the “Original Resolution”), as amended by the First Amendment to Bond Resolution adopted on October __, 2022 (the “First Amendment” and collectively, the “Resolution”). Capitalized terms used, but not defined herein, shall have the meanings assigned to them in the Resolution. Reference to the Resolution is hereby made for a complete description of the funds charged with, and pledged to, the payment of the principal of and the interest on this note, the nature and extent of the security therefor, a statement of rights, duties and obligations of the Agency, and the rights of the owners of this note, to all the provisions of which the owner hereof, by the acceptance of this note, assents.

This note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until this note shall have been authenticated and

registered upon the note registration book of the Agency kept for that purpose by the Authenticating Agent, which authentication and registration shall be evidenced by the execution by the manual signature of a duly authorized signatory of the Authenticating Agent of the certificate hereon.

This note may be registered as transferred only upon the registration books kept for that purpose at the designated corporate trust office (if any) of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this note duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered note shall be issued to the transferee in exchange therefor, subject to the conditions and upon payment of charges, if any, provided in the Resolution.

Under the terms of an Intergovernmental Contract, dated as of September 1, 2019 (the "Contract"), the City has agreed to pay to the Agency moneys sufficient to provide for the payment of the principal of and interest on this note as the same shall become due and payable and to levy an ad valorem property tax, unlimited as to rate or amount, on all property in the City subject to such tax in order to make such payments (the "Contract Payments"). The Contract (except for the Unassigned Rights as defined in the Resolution), the Contract Payments and the moneys and securities on deposit in the Sinking Fund and the Note Retirement Account (the "Pledged Security") have been assigned and pledged to the owner hereof as security for this note. The Agency has directed the City to make the Contract Payments directly to the owner hereof.

The principal of and interest on this note shall be payable solely from the Pledged Security and may also be paid from proceeds of the Bonds (as defined below). This note shall not be deemed to constitute a debt or obligation of the State of Georgia, the City or any other municipal corporation or political subdivision of the State of Georgia. This note does not and shall not directly, indirectly or contingently obligate the State of Georgia, the City or any other municipal corporation or political subdivision of the State of Georgia to levy or to pledge any form of taxation whatever therefor or to make any appropriation for its payment. Notwithstanding the foregoing, the City's full faith, credit and taxing powers have been pledged to the payment of the City's obligations under the Contract.

This note has been designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code.

It is hereby recited and certified that all acts, conditions and things required to be done precedent to and in the issuance of this note have been done, have happened and have been performed in due and legal form as required by law, and that provision has been made for the issuance of the Agency's Revenue Bonds in a principal amount not to exceed \$8,900,000 (the "Bonds"), the net proceeds of which shall be sufficient to pay the principal of and interest on the Note at maturity, and provision has been made for the allocation from the Contract Payments of amounts necessary and sufficient to pay the principal and interest on this note as the same become due and payable and that the Pledged Security is irrevocably allocated and pledged for the payment of this note and the interest thereon.

IN WITNESS WHEREOF, the Agency has caused this note to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary on October __, 2022.

URBAN REDEVELOPMENT AGENCY OF THE
CITY OF AVONDALE ESTATES

By: _____
Chairman

(SEAL)

Attest:

Secretary

* * * *

CERTIFICATE OF REGISTRATION

The ownership of this note has been registered by the Secretary of the Agency as Bond Registrar in the name set forth below. No transfer hereof shall be effectual unless made on the books of Registrar by the registered owner, or his attorney, and noted hereon.

DATE OF
REGISTRATION

NAME AND ADDRESS
OF REGISTERED OWNER

BOND REGISTRAR

October __, 2022

PNC Bank, National Association
1075 Peachtree St., N.E.
Suite 1800
Atlanta, GA 30309

Secretary

AUTHENTICATION CERTIFICATE

This note is hereby authenticated as of the date shown below.

AUTHENTICATING AGENT

By: _____
Secretary

Date of Authentication: October __, 2022

SCHEDULE OF ADVANCES

<u>Requisition No.</u>	<u>Advance Date</u>	<u>Amount of Advance</u>	<u>Signature</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
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_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

STATE OF GEORGIA

DEKALB COUNTY

The undersigned Secretary of the Urban Redevelopment Agency of the City of Avondale Estates (the "Agency") DOES HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of the resolution adopted by the Agency at a meeting duly called and assembled on October __, 2022, which meeting was open to the public and at which a quorum was present and acting throughout, and that the original of said resolution has been duly recorded in the Minute Book of the Agency, which Minute Book is in my custody and control.

WITNESS my hand and the official seal of the Agency, on October __, 2022.

Secretary

(SEAL)