

Attachment 7

INTERGOVERNMENTAL CONTRACT

THIS INTERGOVERNMENTAL CONTRACT (this “Contract”), made and entered into as of the ____ day of _____, 20 __, by and between the **CITY OF MADISON, GEORGIA**, a municipal corporation of the State of Georgia (the “City”), and the **DOWNTOWN DEVELOPMENT AUTHORITY OF MADISON**, a body corporate and politic and political subdivision of the State of Georgia (the “DDA or Authority”).

WITNESSETH:

WHEREAS, the 1983 Constitution of the State of Georgia, Article IX, Section III, Paragraph 1 (a) provides that: ...any county, municipality, school district, or other political subdivision of the state may contract for any period not exceeding 50 years with each other or with any other public agency, public corporation, or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment; but such contracts must deal with activities, services, or facilities which the contracting parties are authorized by law to undertake or provide; and

WHEREAS, the DDA was created pursuant to the provisions of Article IX, Section VI, Paragraph III of the 1983 Constitution of the State of Georgia, the Downtown Development Authorities Law of the State of Georgia, O.C.G.A. § 36-42-1, et seq., as amended (“DDA Law”), and an activating resolution of the Council of the City of Madison, duly adopted on March 12, 1984, as amended, and is now existing and operating as a public body corporate and politic; and

WHEREAS, the DDA was also designated the redevelopment agency and delegated Urban Redevelopment Project Powers of the City of Madison pursuant to the provisions of the Urban Redevelopment Law of the State of Georgia, O.C.G.A. § 36-61-1, et seq., as amended (“UR Law”), and an activating resolutions of the Council of the City of Madison, duly adopted on April 25, 2011, and May 9, 2011, and is now existing and operating as a public body corporate and politic; and

WHEREAS, the DDA finds as its purpose in the DDA Law (O.C.G.A. § 36-42-2)

The revitalization and redevelopment of the central business district of the municipal corporation (Madison, Georgia) and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of this state by creating a climate favorable to the location of new industry, trade, and commerce and the development of existing industry, trade, and commerce within the municipal corporation of this state. Revitalization and redevelopment of the central business districts by financing projects under this chapter will develop and promote for the public good and general welfare trade, commerce, and industry and employment opportunities and will promote the general welfare of this state. It is, therefore, in the public interest and is vital to the public welfare of the people of this state, and is declared to be the public purpose of this chapter, so to revitalize and redevelop the central business districts of the municipal corporations of this state. No bonds, notes, or other obligations, except refunding bonds, shall be issued by an authority under this chapter unless its board of directors adopts a resolution finding that the project for which such bonds, notes, or other obligations to be issued promote the foregoing objectives: and

WHEREAS, the DDA finds as its purpose in the UR Law (O.C.G.A. § 36-61-1)

It is found and declared that there exist in municipalities and counties of this state slum areas, as defined in paragraph (18) of Code Section 36-61-2, which constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of this state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability, substantially impairs or arrests the sound growth of municipalities and counties, retards the provision of housing accommodations, aggravates traffic problems, and substantially impairs or arrests the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums is a matter of state policy and state concern, in order that the state and its municipalities and counties shall not continue to be endangered by areas which are local centers of disease, promote juvenile delinquency, and, while contributing little to the tax income of the state and its municipalities and counties, consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities.

It is further found and declared that certain slum areas or portions thereof may require acquisition, clearance, and disposition, subject to use restrictions, as provided in this chapter, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation; that the other areas or portions thereof, through the means provided in this chapter, may be susceptible of conservation or rehabilitation in such a manner that the conditions and evils enumerated in subsection (a) of this Code section may be eliminated, remedied, or prevented and that, to the extent that is feasible, salvable slum areas should be conserved and rehabilitated through voluntary action and the regulatory process.

It is further found and declared that the powers conferred by this chapter are for public uses and purposes for which public money may be expended and the power of eminent domain may be exercised. The necessity, in the public interest, for the provisions enacted in this chapter is declared as a matter of legislative determination.

WHEREAS, the City and the DDA wish to enter into this agreement to better set out the parties' responsibilities and to better define the relationship of staff, management of programming, and financial obligations with respect to the City and DDA;

NOW, THEREFORE, for and in consideration of the premises and undertakings as hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the DDA do hereby agree, as follows:

1.

This contract shall become effective upon the date of execution and shall continue in effect until ~~January 1, 2018~~ June 30, 2030. Notwithstanding the foregoing, in no event shall the term of this Contract extend more than fifty (50) years.

2.

Service Area. In accordance with the procedures defined by state law, the City has designated two areas in which DDA may provide services: preservation and revitalization services in accordance with the DDA Law in the Downtown Development Area (“DDArea,” *Attachment I*), and stabilization and redevelopment services in accordance with the UR Law in the Downtown Urban Redevelopment Area (“DURArea,” *Attachment II*).

3.

Staff Support. The City currently provides as available the following staff support to the DDA – City ~~Planner~~ Planning & Development Director (primary, administrative and executive support); City Manager (project management, as requested and available); ~~City Clerk~~ Finance Officer (account management, financial reports, and audits); and Main Street Manager (downtown business development, tourism/marketing, and public relations).

The City shall provide at a minimum: 1) Annual Registration, and all reporting required by the Department of Community Affairs ~~by the City Planner~~, and 2) Financial Reports and Annual Audits, required by the Department of Community Affairs, the IRS, and lending institutions ~~by the City Clerk~~.

4.

Payment for Services. For the previous ~~three~~ seven (7) years, the City has provided \$125,000 per annum to the DDA for provision of services within the service areas, leveraging private, state, and federal resources to the betterment of said areas while responsibly managing their annual budget and debt service. The City agrees continue funding of \$125,000 per annum for the contract period, distributed to the DDA on a quarterly basis, for this service contract. The DDA agrees to continue to utilize funds within the service area, engaging in economic development to create a climate of investment as well as sponsoring community development to address blighted conditions.

5.

General Obligation & Tax Treatment of Note Payments. As per state law, the City shall not be responsible for any general obligations incurred by the DDA. All funds procured by the DDA shall be in accordance with the DDA Law and UR Law. (Deletion of the duplicative, less detailed, and conflicting information).

6.

Amendments. It is contemplated by the City and the DDA that this agreement may be amended to address other projects which may be desired by the City and the DDA. If DDA selects a Urban Redevelopment Project or a Downtown Development Project requiring in-kind or financial support from the City of Madison beyond the scope of this general service agreement, it shall prepare a project-based Intergovernmental Agreement for the City of Madison’s consideration. The City of Madison hereby makes no assurances that such Intergovernmental Agreement shall be approved.

7.

Annual Report & Plan. The DDA agrees to provide to the City ~~in the second quarter of each year by March 31 of each year~~, an annual report specifying programs and projects and achievements of the Authority during the immediately preceding ~~fiscal calendar~~ year. This report shall include in general financial commitments, the impact of the programs and projects on the Downtown Development Area and the Urban Redevelopment Area, and whether or not the program or project has been completed, is ongoing, or has been discontinued. The Financial Officer shall supply the financial statements setting forth DDA's assets, liabilities, income, and operating expenses as the of the end of such calendar year.

At the same time, the DDA agrees to provide to the City the annual implementation schedule ~~a copy of the annual plan of action executing the workable program~~ for the coming fiscal year, including estimated costs, anticipated outcomes, and the necessary steps for achievement. The implementation scheduled shall be

8.

Joint Meeting. If desired by the Mayor and Council, ~~T~~the City and the DDA agree to hold a joint meeting of the City Council and the DDA on an annual basis at a time and place agreed upon between themselves.

9.

Should any phrase, clause, sentence or paragraph herein contained be held invalid or unconstitutional, it shall in no way affect the remaining provisions of this Contract, which provisions shall remain in full force and effect.

10.

This Contract may be executed in several counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

11.

This Contract shall be construed and enforced in accordance with the laws of the State of Georgia.

12.

Failure to insist upon strict compliance with any of the terms herein (by way of waiver or breach) by either party hereto will not be deemed to be a continuous waiver in the event of any future breach of any condition hereunder.

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized officers, have caused this Contract to be executed in multiple counterparts, under seals, as of the day and year first above written.

CITY OF MADISON, GEORGIA

By: _____
Mayor

(SEAL)

Attest:

By: _____
City Clerk

**DOWNTOWN DEVELOPMENT AUTHORITY
OF MADISON**

By: _____
Chair

(SEAL)

Attest:

By: _____
Secretary