

**RESOLUTION OF THE BOARD OF COMMISSIONERS
OF NEWTON COUNTY, GEORGIA**

WHEREAS, Newton County is a member of the Joint Development Authority of Jasper County, Morgan County, Newton County, and Walton County (the "Authority"); and

WHEREAS, the Authority was duly created and is validly existing pursuant to the provisions of the Development Authorities Law, codified in the Official Code of Georgia Annotated Title 36, Chapter 62, as the same exists and as it may be hereafter amended (the "Act"); and

WHEREAS, under the Act, the Authority has, among other powers, the power to acquire and develop land as a site for a research park (a "Research Park Project") which is to be a mixed-use project including commercial, light industrial, and residential uses; and

WHEREAS, on October 18, 2000, the Authority acquired an approximately 1528-acre site which has been expanded to now total approximately 1,635 acres (the "Property"), which site is located in Morgan, Newton, and Walton Counties, in order to proceed with the development of the Research Park Project; and

WHEREAS, in December 2004, Jasper County, Morgan County, Newton County, Walton County, and the Authority entered into an Intergovernmental Contract (the "Contract") specifying the specific percentage of revenues to be paid to each of the member counties and the procedure for such payments; and

WHEREAS, pursuant to the Contract, the Authority agreed, among other things, to provide services on behalf of the member counties to develop the Research Park Project, collect revenues and fees, account for the revenues, and remit to the member counties all revenues beyond the lawful operational costs and expenses of the Authority, and the member counties agree to continue their cooperation in the development of the Research Park Project and to distribute among the counties any and all ad valorem tax revenues (and tax payments in lieu of ad valorem taxes) levied upon and collected from real property and personal property lying on or held upon parcels and subparcels of the Property to be sold or otherwise conveyed by the Authority or its assigns commensurate with specified revenue-sharing percentages; and

WHEREAS, pursuant to the Contract, the Authority and the member counties agreed to distribute said revenues in accordance with the following formula:

Jasper County	10.0%
Morgan County	15.0%
Newton County	37.5%
Walton County	37.5%; and

WHEREAS, in June 2007, the Authority borrowed Two Million Six Hundred Thousand Dollars (\$2.6 million) from the Bank of Madison to finance the parkway for the Research Park Project (the “Bank of Madison Loan”); and

WHEREAS, the repayment plan to retire the Bank of Madison Loan was to use the proceeds from the sale of land to Technology Park Atlanta pursuant to the December 12, 2000 Purchase and Option Agreement whereby Technology Park Atlanta secured an option to acquire additional land from the Authority based on a 20-year takedown schedule; and

WHEREAS, Technology Park Atlanta informed the Authority it will not be exercising its option to acquire any additional property from the Authority; therefore, an alternative repayment plan is needed to retire the Bank of Madison Loan; and

WHEREAS, the unpaid principal balance on the Bank of Madison Loan is \$1,344,441.93;

WHEREAS, the Bank of Madison has agreed to revise the debt service payment schedule to require annual payments of \$136,000 commencing in 2016 with a balloon payment of \$698,595 in 2025;

WHEREAS, the Bank of Madison has also agreed to renew the Authority’s Line of Credit in the amount of \$600,000 for 2016 through 2019 to cover the Authority’s annual operating costs, a portion of the debt service on the Loan and the interest payments on the Line of Credit; and

WHEREAS, on April 19, 2012, the Authority entered into an Inducement Agreement with Baxter Healthcare Corporation (now Baxalta); and

WHEREAS, said Inducement Agreement sets forth leasehold valuation formulas for the ad valorem taxation of equipment, machinery, other personal property, buildings, and real property leased by Baxalta; and

WHEREAS, the member counties desire to dedicate a portion of the annual payments in lieu of ad valorem tax revenues generated from Baxalta to the Authority for the repayment of the Bank of Madison Loan and Line of Credit in accordance with the revised loan terms;

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

1. In accordance with the debt service payment schedule shown on Exhibit “A” attached hereto and incorporated herein by reference, Newton County agrees to dedicate funds from the total annual payments in lieu of ad valorem taxes generated from Baxalta in an amount to meet the annual debt service requirements

for the Bank of Madison Loan and Line of Credit until such time as they are fully retired; and

2. The collecting agent(s) for the payments in lieu of ad valorem taxes is hereby authorized to remit said revenues in the amounts shown on the attached directly to the Authority on or before December 1st annually from the date such revenues are collected until the debts are retired. The balance of the payments in lieu of ad valorem taxes shall be distributed in accordance with the above-referenced Contract and any other such agreements between the Authority and the four counties.

SO RESOLVED, this 21st day of January, 2016.

NEWTON COUNTY, GEORGIA



By: William K. Ellis
William K. Ellis, Chairman

Attest:

Jackie B. Smith
Jackie B Smith, County Clerk

JDA of Jasper, Morgan, Newton &
Walton Counties

WITHOUT LAND SALES

Tax Projections
2015

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Beginning Cash	\$ 20,424	\$ 120,424	\$ 120,424	\$ 118,878	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 1,300,775
Cash Inflows													
Land Sale-net	\$ -												\$ -
Timber Sale	\$ 100,000												\$ 100,000
Line of Credit Borrowing	\$ 189,450	\$ 199,469	\$ 103,671	\$ 77,362									\$ 569,952
Baxalta Tax Payments 1)	\$ 189,450	\$ 199,469	\$ 198,344	\$ 410,325	\$ 1,691,179	\$ 2,751,379	\$ 3,632,296	\$ 4,209,813	\$ 4,470,140	\$ 4,454,648	\$ 4,549,483	\$ 4,809,809	\$ 31,177,416
Total Cash Inflows	\$ 289,450	\$ 199,469	\$ 302,015	\$ 487,687	\$ 1,691,179	\$ 2,751,379	\$ 3,632,296	\$ 4,209,813	\$ 4,470,140	\$ 4,454,648	\$ 4,549,483	\$ 4,809,809	\$ 31,847,368
Cash Outflows													
Operations	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 600,000
State Taxes			\$ 1,546	\$ 3,800	\$ 13,179	\$ 21,440	\$ 28,305	\$ 32,805	\$ 34,834	\$ 34,713	\$ 35,452	\$ 37,481	\$ 243,554
Debt Payments:													
GEFA 2)			\$ 91,326	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 2,557,137
Bank of Madison 3)													
Land Note	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 136,000	\$ 698,595			\$ 1,922,595
Line of Credit	\$ 3,450	\$ 13,469	\$ 24,689	\$ 27,708	\$ 132,060	\$ 226,435	\$ 285,438						\$ 713,249
Tax payments to Counties					\$ 1,085,961	\$ 2,043,525	\$ 2,858,574	\$ 3,717,029	\$ 3,975,327	\$ 3,397,361	\$ 4,190,052	\$ 4,448,349	\$ 25,716,179
Total Cash Outflows	\$ 189,450	\$ 199,469	\$ 303,561	\$ 491,487	\$ 1,691,179	\$ 2,751,379	\$ 3,632,296	\$ 4,209,813	\$ 4,470,140	\$ 4,454,648	\$ 4,549,483	\$ 4,809,809	\$ 31,752,714
Net Cash Flow	\$ 100,000	\$ -	\$ (1,546)	\$ (3,800)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,654
Ending cash	\$ 120,424	\$ 120,424	\$ 118,878	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078	\$ 115,078
Jasper-10%					\$ 108,596	\$ 204,352	\$ 285,857	\$ 371,703	\$ 397,533	\$ 339,736	\$ 419,005	\$ 444,835	\$ 2,571,618
Morgan-15 %					\$ 162,894	\$ 306,529	\$ 428,786	\$ 557,554	\$ 596,299	\$ 509,604	\$ 628,508	\$ 667,252	\$ 3,857,427
Newton-37.5%					\$ 407,236	\$ 766,322	\$ 1,071,965	\$ 1,393,886	\$ 1,490,748	\$ 1,274,010	\$ 1,571,270	\$ 1,668,131	\$ 9,643,567
Walton-37.5%					\$ 407,236	\$ 766,322	\$ 1,071,965	\$ 1,393,886	\$ 1,490,748	\$ 1,274,010	\$ 1,571,270	\$ 1,668,131	\$ 9,643,567
					\$ 1,085,961	\$ 2,043,525	\$ 2,858,574	\$ 3,717,029	\$ 3,975,327	\$ 3,397,361	\$ 4,190,052	\$ 4,448,349	\$ 25,716,179

The above amounts are the total by county which includes both the County and School taxes for each county.

1) Tax Projections

The projection amounts are taken from the tax abatement agreements produced in February 2012. The actual costs should be available soon. It is not known at present how much the actual amounts may vary from the estimates used above but it is not believed to be significant. The projections were based on Walton Co Millage rate of 32.082 mills at that time as follows

State	0.25
Local	11.032
School	18.6000
School Bd	2.2000
32.082	

Millage by Percentage

State	0.01
County	0.34
School	0.58
School Bond	0.07
	1

EFA NOTE-Sewer Treatment

\$5.9 million with \$430,086 in Construction Capitalize Interest totaling \$6,330,086. Repayable over 30 years @ \$22,832 / month

) Bank of Madison NOTES

Bank of Madison debt is comprised of 2 notes. The first note is the note used to construct the Parkway. The second note is the Line of Credit note used for operating expenses.