

**RESOLUTION \_\_\_\_\_**

**A RESOLUTION BY THE CITY OF CLARKSTON TO CONCUR IN THE CALL OF A REFERENDUM ELECTION IN DEKALB COUNTY FOR VOTERS TO CONSIDER APPROVING IMPLEMENTATION OF AN EQUALIZED HOMESTEAD OPTION SALES AND USE TAX AND A ONE PERCENT SPECIAL PURPOSE LOCAL OPTION SALES AND USE TAX IMPOSED IN THE SPECIAL DISTRICT COTERMINOUS WITH THE BOUNDARIES OF DEKALB COUNTY; TO APPROVE AN INTERGOVERNMENTAL AGREEMENT WITH DEKALB COUNTY FOR THE USE AND DISTRIBUTION OF PROCEEDS FROM THE ONE PERCENT SPECIAL PURPOSE LOCAL OPTION SALES AND USE TAX, IF SUCH IS APPROVED; TO SPECIFY THE PURPOSES FOR WHICH THE CITY'S PROCEEDS FROM SUCH TAX ARE TO BE USED; TO CALL FOR A REFERENDUM ELECTION WITHIN THE CITY OF CLARKSTON FOR THE VOTERS TO DETERMINE WHETHER TO AUTHORIZE THE ISSUANCE OF CERTAIN GENERAL OBLIGATION DEBT OF THE CITY OF CLARKSTON SECURED BY THE CITY OF CLARKSTON'S PORTION OF THE PROCEEDS OF SUCH TAX ; AND FOR OTHER PURPOSES.**

**WHEREAS**, Part 2 of Article 2A of Chapter 8 of Title 48 of the Official Code of Georgia Annotated allows suspension of the homestead option sales and use tax authorized by O.C.G.A. § 48-8-102 (the "HOST") and replacement of such tax with the imposition of an equalized homestead option sales and use tax (the "EHOST") for the purpose of reducing the ad valorem property tax millage rates levied by the county and municipalities on homestead properties; and

**WHEREAS**, Part 1 of Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated authorizes the imposition of a county one percent sales and use tax (the "SPLOST") for the purpose, inter alia, of financing certain capital outlay projects which include transportation, public safety and other projects listed in Exhibit "B" hereto; and

**WHEREAS**, pursuant to O.C.G.A. § 48-8-109.2 the referendum election to determine whether to impose an EHOST must be held in conjunction with the referendum election to approve a SPLOST and unless both sales and use taxes are approved, neither shall become effective and HOST will continue without interruption; and

**WHEREAS**, the City Council of the City of Clarkston (the "Governing Authority") has determined that it is in the best interest of the citizens of the City of Clarkston (the "City") to suspend HOST and impose an EHOST to apply 100% of the proceeds collected from the tax to reduce ad valorem property tax millage rates and that it is further in the best interest of the City to impose a one percent SPLOST in a special district coterminous with the boundaries of DeKalb County for the purpose of funding certain capital outlay projects; and

**WHEREAS**, the City of Clarkston intends to finance a portion of the cost of the City of Clarkston Projects (hereinafter defined) through the issuance of not to exceed \$8,735,000 in general obligation debt of the City and the City of Clarkston intends to pay the principal of and interest on such bonds with its portion of the proceeds of the SPLOST.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Authority of the City of Clarkston, as follows:

1. Intergovernmental Agreement. The Intergovernmental Agreement between DeKalb County, and the DeKalb municipalities, excluding City of Atlanta (the “Qualified Municipalities”), attached hereto as Exhibit “A” is hereby approved. The Mayor is authorized to execute such Agreement on behalf of the City. Furthermore, the City Manager and the City Attorney are authorized to make changes to the form of the Agreement as may be necessary to achieve consensus between DeKalb County and the Qualified Municipalities so long as such changes are consistent with the purposes of this Resolution and the Mayor is authorized to execute such Agreement as so modified by the City Manager and the City Attorney without further action by the Governing Authority.
2. Project List. The SPLOST Project List attached hereto as Exhibit “B” is hereby approved. The City’s portion of funds received from the SPLOST, if approved by voters, shall be dedicated to the projects as set forth on the attached Project List.
3. Call for Referendum Election. The DeKalb County Board of Commissioners is respectfully requested to approve the attached Intergovernmental Agreement and to call a referendum to allow the citizens of DeKalb County to decide whether to impose a six (6) year EHOST/SPLOST.
4. Clarkston Projects Ballot Language. The Governing Authority and Board of Elections of DeKalb County are requested to place the following language on the referendum ballot for the consideration by voters:

(xx) City of Clarkston, capital outlay projects to be funded from its share of the proceeds related to (1) transportation, including the planning, acquisition, construction or repair of roads, streets, bridges, bicycle paths, and sidewalks, (2) public safety facilities and related capital equipment used in the operation thereof, and (3) paying expenses incident to accomplishing the foregoing.

5. General Obligation Debt. The Governing Authority and Board of Elections of DeKalb County are requested to place the following language on the ballot within the City of Clarkston for voters to consider authorizing the City of Clarkston to issue General Obligation Debt to be funded by anticipated proceeds from the SPLOST, with such language to read as follows:

Assuming that the imposition of such Sales and Use Tax is approved by the voters of the County in the election herein referred to, the City of Clarkston is hereby authorized to issue general obligation debt (the “Debt”) (in whole or in part and in one or more series), secured by the proceeds of such Sales and Use Tax, in a maximum aggregate principal amount of up to \$8,735,000. The proceeds of the Debt, if issued, shall be used to pay a portion of the City of Clarkston Projects, the costs of issuing the Debt, and capitalized interest. The Debt shall bear interest from the first day of the month during which the Debt is to be issued or from such other date as may

be designated by the City prior to the issuance of the Debt, which rates shall not exceed 5% per annum. The maximum amount of principal to be paid in each year during the life of such Debt shall be as follows:

<u>Year</u>	<u>Amount</u>
2019	\$730,000
2020	\$750,000
2021	\$780,000
2022	\$2,070,000
2023	\$2,155,000
2024	\$2,250,000

The proceeds of the Debt shall be deposited in a separate account or accounts for the purposes set forth above, and any interest earnings on such proceeds shall be similarly applied.

6. Certificate of Distribution. The Mayor is expressly authorized to execute on behalf of the City of Clarkston the Special Purpose Local Option Sales and Use Tax Certificate of Distribution under Equalized Homestead Option Sales Tax at such rate as provided in the final intergovernmental agreement governing such proceeds.

**SO RESOLVED**, this \_\_\_\_\_ day of September, 2017.

**CITY COUNCIL  
CITY OF CLARKSTON, GEORGIA**

\_\_\_\_\_  
TED TERRY, Mayor

**ATTEST:**

\_\_\_\_\_  
Tracy Ashby, City Clerk

Approved as to Form:

\_\_\_\_\_  
Stephen G. Quinn, City Attorney