

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE ATLANTA DEVELOPMENT AUTHORITY D/B/A "INVEST ATLANTA" AUTHORIZING THE (I) APPROVAL OF A CERTAIN WESTSIDE TAD FUNDING APPLICATION OF CLARK ATLANTA UNIVERSITY (CAU) AND (II) PAYMENT OF CERTAIN INSURANCE FUNDS, WITH BOTH BEING FOR THE SETTLEMENT OF ANY AND ALL CLAIMS BY CAU ASSOCIATED WITH GAINES HALL, INVEST ATLANTA'S PURCHASE OF CERTAIN PARCELS OF LAND, AND ANY OTHER CLAIMS BY CAU RELATED THERETO.**

**WHEREAS**, The Atlanta Development Authority ("Invest Atlanta") has been duly created and is existing under and by virtue of the Constitution and laws of the State of Georgia, in particular the Development Authorities Law of Georgia (O. C. G. A. §36-62-1 *et seq.*, as amended) and is now existing and operating as a public body corporate and politic and instrumentality of the City of Atlanta; and

**WHEREAS**, to encourage the redevelopment of the western downtown area of the City, the City Council, by City Resolution 98-R-0777 (amending Resolution 92-R-1575), adopted on July 6, 1998 and approved by the Mayor on July 15, 1998, as amended (the "Westside TAD Resolution"), among other things, (i) created "The Westside Redevelopment Area and Tax Allocation Bond District (Tax Allocation District Number 1, As Amended —Atlanta/Westside)" (the "Westside TAD"), (ii) adopted "The Westside Redevelopment Plan and Tax Allocation Bond District (Tax Allocation District Number 1, As Amended —Atlanta/Westside)" (the "Westside TAD Redevelopment Plan") and (iii) designated Invest Atlanta as the City's Redevelopment Agency, all as provided for under Redevelopment Powers Law, O. C. G.A. § 36-44-1, *et seq.* (the "Act"); and

**WHEREAS**, Invest Atlanta acquired 18 parcels (±25 acres) on the north side of Martin Luther King, Jr. Drive from the Morris Brown College Bankruptcy estate in August 2014, for approximately \$11 MM in Westside TAD Funds redevelopment purposes; and

**WHEREAS**, the parcels acquired by Invest Atlanta are all located within the boundaries of the City of Atlanta's Westside Tax Allocation District and Redevelopment Area and the expenditures were made in accordance with the Redevelopment Powers Law, O.C. G.A. §36-44-1, *et seq.*; and

**WHEREAS**, the redevelopment purposes of the acquisition included: to preserve the important MLK gateway; to catalyze economic development in the previously-vibrant and historic MLK corridor; to create an environment for redevelopment of commercial and

residential uses; and to empower the historically African American institution Morris Brown College (MBC) to exist on a smaller footprint; and

**WHEREAS**, of the properties acquired, 3 parcels (±12 acres) were alleged to be encumbered by certain reversionary rights held by Clark Atlanta University (CAU). After attempts to negotiate with CAU for the reversionary rights were unsuccessful, CAU filed an action in Fulton County Superior Court against Invest Atlanta seeking a declaration that the parcels had reverted to CAU upon MBC's Bankruptcy sale; and

**WHEREAS**, the Supreme Court of Georgia issued an Opinion on March 7, 2016, affirming the trial court's ruling and establishing that CAU's the 1940 Deed had a valid reversionary clause that entitled CAU to recover the property upon the MBC Bankruptcy Sale to Invest Atlanta; and

**WHEREAS**, in June, 2018, based upon the legal determination of the Courts, Invest Atlanta tendered the reversionary properties to CAU. The remaining issue on remand back to the Superior Court was the amount of attorneys' fees to be awarded to CAU; and

**WHEREAS**, the parties entered into mediation on November 30, 2018, and mutually agreed to a payment of \$725,000 by Invest Atlanta for legal fees incurred by CAU, which was paid and evidenced by that certain Settlement Agreement between the parties dated on or about May, 2019; and

**WHEREAS**, whereas Gaines Hall was severely damaged by a fire June, 2015, which was determined by the Atlanta Fire Department to be caused by an act of God; and

**WHEREAS**, Invest Atlanta took steps to stabilize and secure Gaines after the fire; and

**WHEREAS**, CAU desires to further stabilize Gaines Hall and has applied for a Westside TAD grant on or about February 5, 2020 in the amount of \$3,000,000.00 for such additional stabilization; and

**WHEREAS**, in consideration of the approval of such grant funding application and in consideration of the payment of the remaining funds from an insurance policy received by Invest Atlanta for the stabilization of Gaines Hall, with such remaining insurance proceeds being in the amount of approximately \$1,139,298.84, CAU will agree to settle any and all remaining claims related to Gaines Hall, the alleged reversionary rights, the subject properties, and anything further related to the foregoing in any manner; and

**WHEREAS**, the General Counsel for Invest Atlanta recommends to the Board of Directors that it would be in the best interest of Invest Atlanta to (i) approve the aforementioned Westside TAD historic renovation grant to CAU and (ii) pay CAU the remaining sums from the

aforementioned insurance proceeds (\$1,139,298.84), to settle all remaining claims of CAU related to foregoing described dispute and execute a settlement agreement with regards thereto resolve such remaining claims of CAU.

**NOW, THEREFORE BE IT RESOLVED**, by the Board of Directors of Invest Atlanta, and it is hereby resolved by the authority of the same as follows:

1. That (i) the Westside TAD Grant Funding Application by CAU in the amount of \$ 3,000,000.00 is hereby approved, subject to the rules, requirements and regulations of the Westside TAD Grant Program and (ii) the payment of the remaining insurance proceeds in the amount of \$1,139,298.84 be paid to CAU to be used for the stabilization of Gaines Hall, with both (i) and (ii) above being subject to CAU agreeing to settle any all remaining claims that are or may be related to Gaines Hall, the reversionary properties, and any other matters, claims or issues related thereto.

2. That That the Chair, Vice Chair, President/CEO, Executive Vice President/ COO, or General Counsel of Invest Atlanta may and are hereby authorized to settle, compromise and conclude all claims and execute and deliver all necessary settlement and closing documents related to Gaines Hall, the reversionary properties, and any other matters, claims or issues related thereto.

3. To the extent required, the Chair, Vice Chair, President/CEO, Executive Vice President/COO or General Counsel of the Invest Atlanta are authorized to execute all settlement documents, approvals, releases, dismissals, or other instruments as necessary to conclude related to the aforementioned claims and matters.

4. It is hereby ratified and approved that the President/CEO, the Executive Vice President/ COO , the General Counsel and any other proper officers, members, agents and employees of Invest Atlanta hereby are authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of this Resolution and further are authorized to take any and all further actions and execute and deliver any and all other certificates, papers and documents as may be necessary or desirable to effect the actions contemplated by this Resolution. Such other certificates, papers and documents shall be in such form and contain such terms and conditions as may be approved by the President/CEO, the Executive Vice President/ COO or General Counsel of Invest Atlanta and the execution of such other certificates, papers and documents by the President/CEO, the Executive Vice President/COO or General Counsel of Invest Atlanta as herein authorized shall be conclusive evidence of any such approval. The Secretary or any Assistant Secretary of the Authority is hereby authorized to attest the signature of the President/CEO, the Executive Vice President/COO and General Counsel of the Authority and impress, imprint or otherwise affix the seal of the Authority on any of the certificates, papers and documents executed in connection

with this Resolution, but shall not be obligated to do so, and the absence of the signature of the Secretary or Assistant Secretary or the Authority's seal on any such other certificates, papers and documents shall not affect the validity or enforceability of the Authority's obligations thereunder.

5. It is hereby ratified and approved that all acts and doings of the officers, employees or agents of the Authority whether done before, on or after the date of adoption of this Resolution which are in conformity with the purposes and intents of this Resolution shall be, and the same hereby are, in all respects approved, ratified and confirmed.

6. If any one or more of the provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then, such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining agreements and provisions and shall in no way effect the validity of any of the other agreements and provisions hereof.

7. All resolutions or parts thereof of the Authority in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

[SIGNATURES CONTINUED ON NEXT PAGE]

Adopted and approved this 18th day of June, 2020.

ATLANTA DEVELOPMENT AUTHORITY  
d/b/a INVEST ATLANTA

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

Chair \_\_\_\_\_

Attest:

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

Title: Assistant Secretary

[SEAL]

SECRETARY'S CERTIFICATE

I, Rosalind Rubens Newell, the duly appointed, qualified and acting Assistant Secretary of the Atlanta Development Authority d/b/a Invest Atlanta, do hereby certify that the foregoing pages of typewritten matter constitute a true and correct copy of a Resolution adopted on April 18, 2019, by the members of the Board of Directors of the Authority in a meeting duly called and assembled, after due and reasonable notice was given in accordance with applicable laws and with the procedures of the Authority, by a vote of a majority of the directors present and voting, which meeting was open to the public and at which a quorum was present and acting throughout and that the original of the foregoing Resolution appears of public record in the Minute Book of the Authority, which is in my custody and control.

I further certify that such Resolution has not been rescinded, repealed or modified.

Given under my signature and seal of the Authority, this 18th day of June, 2020.

---

Assistant Secretary