

CITY OF DAPHNE
1705 MAIN STREET, DAPHNE, AL
SPECIAL CALLED CITY COUNCIL BUSINESS MEETING AGENDA
May 23, 2018

1. CALL TO ORDER

2. ROLL CALL

3. RESOLUTIONS & ORDINANCES

A. RESOLUTIONS:

(Second Read) 2018-24 - Loan to the Industrial Development Board of the City of Daphne, Alabama for the Daphne Innovation and Science Complex (DISC) Project

4. ANYTHING ELSE DEEMED NECESSARY

5. ADJOURN

**CITY OF DAPHNE, ALABAMA
RESOLUTION 2018-24**

**LOAN TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE,
ALABAMA FOR THE DAPHNE INNOVATION AND SCIENCE COMPLEX (DISC)
PROJECT**

WHEREAS, the Industrial Development Board of the City of Daphne, Alabama (“Daphne IDB”) was established to promote industry and develop trade by inducing manufacturing, industrial, and commercial entities to locate in the State of Alabama; and

WHEREAS, the Daphne IDB is in the process of developing the Daphne Innovation and Science Complex (DISC), which will enhance the region’s economic competitiveness and promote and facilitate job growth by laying the foundation for the creation of a 30-acre technology park with up to six (6) office buildings and over 460,000 square feet of Class-A office space; and

WHEREAS, the City Council has determined that the DISC Project will create high-salary, professional and technical jobs, spur investment, and improve the overall quality of life for those living in the City of Daphne and the greater Baldwin County region.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that:

1. The City shall loan to the Daphne IDB One Million Dollars and no/100 cents (\$1,000,000.00), with an initial disbursement no later than June 30, 2018, in an amount to be requested by the IDB, and with disbursement(s) of the remaining amount, if any, on such date(s) and amount(s) as requested by the IDB; and
2. Such loan shall be interest-free, and the Daphne IDB shall not be obligated to make any repayments to the City for a period of three (3) years forbearance from the date of the initial disbursement by the City to the Daphne IDB; and
3. Upon the expiration of the three-year forbearance period, the Daphne IDB shall make monthly payments to the City equaling fifty percent (50%) of all revenue received during the previous month by the Daphne IDB from the DISC properties; and
4. Following the three-year forbearance period, fifty percent (50%) of all increased ad valorem revenues generated by the DISC properties and received by the City shall be credited against the loan balance, with such amounts to be calculated by the City Finance Director; and
5. Upon adoption of this Resolution by the City Council of the City of Daphne, this Resolution shall be a bona fide contractual agreement between the City and the Daphne

IDB, and the Daphne IDB shall be bound by the terms of this Resolution upon the execution thereof by its Chairman.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA this __ day of _____, 2018.

ATTEST:

Dane Haygood, Mayor

Candace G. Antinarella, City Clerk

ACKNOWLEDGED AND AGREED on this _____ day of _____, 2018.

**INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF DAPHNE, ALABAMA**

**By: Steven Carey
Its: Chairman**

**STATE OF ALABAMA)
COUNTY OF BALDWIN)**

I HEREBY CERTIFY that on this _____ day of _____, 2018, before me, the subscriber, a Notary Public in and for said County and said State, personally appeared **Steven Carey**, the Chairman of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document, he, with full authority, executed the same voluntarily on the day the same bears date for and as the act of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Public

My Commission Expires: _____

(SEAL)

**CITY OF DAPHNE, ALABAMA
RESOLUTION 2018-___**

**LOAN TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE,
ALABAMA FOR THE DAPHNE INNOVATION AND SCIENCE COMPLEX (DISC)
PROJECT**

WHEREAS, the Industrial Development Board of the City of Daphne, Alabama (“Daphne IDB”) was established to promote industry and develop trade by inducing manufacturing, industrial, and commercial entities to locate in the State of Alabama; and

WHEREAS, the Daphne IDB is in the process of developing the Daphne Innovation and Science Complex (DISC), which will enhance the region’s economic competitiveness and promote and facilitate job growth by laying the foundation for the creation of a 30-acre technology park with up to six (6) office buildings and over 460,000 square feet of Class-A office space; and

WHEREAS, the City Council has determined that the DISC Project will create high-salary, professional and technical jobs, spur investment, and improve the overall quality of life for those living in the City of Daphne and the greater Baldwin County region.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that:

1. The City shall loan to the Daphne IDB One Million Dollars and no/100 cents (\$1,000,000.00), with an initial disbursement no later than June 30, 2018, in an amount to be requested by the IDB, and with disbursement(s) of the remaining amount, if any, on such date(s) and amount(s) as requested by the IDB; and
2. Such loan shall be interest-free, and the Daphne IDB shall not be obligated to make any repayments to the City for a period of three (3) years forbearance from the date of the initial disbursement by the City to the Daphne IDB; and
3. Upon the expiration of the three-year forbearance period, the Daphne IDB shall make monthly payments to the City equaling fifty percent (50%) of the net revenue received during the previous month by the Daphne IDB from the sale of any DISC properties; and
4. Following the three-year forbearance period, fifty percent (50%) of all increased ad valorem revenues generated by the DISC properties and received by the City shall be credited against the loan balance, with such amounts to be calculated by the City Finance Director; and

5. Upon adoption of this Resolution by the City Council of the City of Daphne, this Resolution shall be a bona fide contractual agreement between the City and the Daphne IDB, and the Daphne IDB shall be bound by the terms of this Resolution upon the execution thereof by its Chairman.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA this ____ day of May, 2018.

ATTEST:

Dane Haygood, Mayor

Candace G. Antinarella, City Clerk

ACKNOWLEDGED AND AGREED on this ____ day of _____, 2018.

**INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF DAPHNE, ALABAMA**

**By: Steven Carey
Its: Chairman**

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I HEREBY CERTIFY that on this ____ day of _____, 2018, before me, the subscriber, a Notary Public in and for said County and said State, personally appeared **Steven Carey**, the Chairman of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document, he, with full authority, executed the same voluntarily on the day the same bears date for and as the act of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**.

Given under my hand and official seal this ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

(SEAL)

**CITY OF DAPHNE, ALABAMA
RESOLUTION 2018-___**

**LOAN TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE,
ALABAMA FOR THE DAPHNE INNOVATION AND SCIENCE COMPLEX (DISC)
PROJECT**

WHEREAS, the Industrial Development Board of the City of Daphne, Alabama (“Daphne IDB”) was established to promote industry and develop trade by inducing manufacturing, industrial, and commercial entities to locate in the State of Alabama; and

WHEREAS, the Daphne IDB is in the process of developing the Daphne Innovation and Science Complex (DISC), which will enhance the region’s economic competitiveness and promote and facilitate job growth by laying the foundation for the creation of a 30-acre technology park with up to six (6) office buildings and over 460,000 square feet of Class-A office space; and

WHEREAS, the City Council has determined that the DISC Project will create high-salary, professional and technical jobs, spur investment, and improve the overall quality of life for those living in the City of Daphne and the greater Baldwin County region.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that:

1. The City shall loan to the Daphne IDB One Million, Two Hundred Thousand Dollars and no/100 cents (\$1,200,000.00), with an initial disbursement no later than June 30, 2018, in an amount to be requested by the IDB, and with disbursement(s) of the remaining amount, if any, on such date(s) and amount(s) as requested by the IDB; and
2. Such loan shall be interest-free, and the Daphne IDB shall not be obligated to make any repayments to the City for a period of three (3) years forbearance from the date of the initial disbursement by the City to the Daphne IDB; and
3. Upon the expiration of the three-year forbearance period, the Daphne IDB shall make monthly payments to the City equaling fifty percent (50%) of the net revenue received during the previous month by the Daphne IDB from the sale of any DISC properties; and
4. Following the three-year forbearance period, fifty percent (50%) of all increased ad valorem revenues generated by the DISC properties and received by the City shall be credited against the loan balance, with such amounts to be calculated by the City Finance Director; and

5. Upon adoption of this Resolution by the City Council of the City of Daphne, this Resolution shall be a bona fide contractual agreement between the City and the Daphne IDB, and the Daphne IDB shall be bound by the terms of this Resolution upon the execution thereof by its Chairman.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA this ____ day of May, 2018.

ATTEST:

Dane Haygood, Mayor

Candace G. Antinarella, City Clerk

ACKNOWLEDGED AND AGREED on this ____ day of _____, 2018.

**INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF DAPHNE, ALABAMA**

**By: Steven Carey
Its: Chairman**

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I HEREBY CERTIFY that on this ____ day of _____, 2018, before me, the subscriber, a Notary Public in and for said County and said State, personally appeared **Steven Carey**, the Chairman of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document, he, with full authority, executed the same voluntarily on the day the same bears date for and as the act of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**.

Given under my hand and official seal this ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

(SEAL)

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2018-__**

**AN ORDINANCE AMENDING ORDINANCES 2016-52 AND 2014-06 REGARDING
THE ALLOCATION OF LODGING TAX PROCEEDS TO THE INDUSTRIAL
DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA (DAPHNE IDB)
AND PROVIDING A LOAN TO THE DAPHNE IDB FOR THE DAPHNE INNOVATION
AND SCIENCE COMPLEX (DISC) PROJECT**

WHEREAS, the Industrial Development Board of the City of Daphne, Alabama (“Daphne IDB”) was established to promote industry and develop trade by inducing manufacturing, industrial, and commercial entities to locate in the State of Alabama; and

WHEREAS, the Daphne IDB is in the process of developing the Daphne Innovation and Science Complex (DISC), which will enhance the region’s economic competitiveness and promote and facilitate job growth by laying the foundation for the creation of a 30-acre technology park with up to six (6) office buildings and over 460,000 square feet of Class-A office space; and

WHEREAS, Ordinance 2016-52 was adopted on September 26, 2016, reducing the allocation of lodging tax proceeds to the Daphne Industrial Development Board from thirteen percent (13%) to ten percent (10%) and the funds from the three percent reduction were reallocated for use in recreation acquisitions, development, and maintenance; and

WHEREAS, Ordinance 2014-06, Section 9(a) was repealed and replaced to adjust lodging tax allocation in accordance with Ordinance 2016-52; and

WHEREAS, the City Council has determined that the DISC Project will create high-salary, professional and technical jobs, spur investment, and improve the overall quality of life for those living in the City of Daphne and the greater Baldwin County region, and the Council desires to assist the IDB with the DISC Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that:

SECTION 1. REALLOCATION

Section 9(a) of Ordinance 2014-06, as amended, is hereby repealed and replaced with the following:

“The lodging taxes which are collected are hereby divided as follows:

- (a) Thirteen (13) percent shall be paid at least quarterly and used for the purpose of providing funding to the Industrial Development Board for the action items, implementation of strategies, and

tactics included in the then current Strategic Economic Development Plan as approved and adopted by the City Council.”

SECTION 2. LOAN TO THE IDB

- 2.1. The City shall loan to the Daphne IDB One Million Dollars and no/100 cents (\$1,000,000.00), with an initial disbursement no later than June 30, 2018, in an amount to be requested by the IDB, and with disbursement(s) of the remaining amount, if any, on such date(s) and amount(s) as requested by the IDB; and
- 2.2. Such loan shall be interest-free, and the Daphne IDB shall not be obligated to make any repayments to the City for a period of three (3) years forbearance from the date of the initial disbursement by the City to the Daphne IDB; and
- 2.3. Upon the expiration of the three-year forbearance period, the Daphne IDB shall make monthly payments to the City equaling fifty percent (50%) of the net revenue received during the previous month by the Daphne IDB from the sale of any DISC properties; and
- 2.4. Following the three-year forbearance period, fifty percent (50%) of all increased ad valorem revenues generated by the DISC properties and received by the City shall be credited against the loan balance, with such amounts to be calculated by the City Finance Director; and
- 2.5. Upon adoption of this Ordinance by the City Council of the City of Daphne, this Ordinance shall be a bona fide contractual agreement between the City and the Daphne IDB, and the Daphne IDB shall be bound by the terms of this instrument upon the execution thereof by its Chairman.

SECTION 3. SEVERABILITY

If any section, subsection, clause, provision, or part of this Ordinance shall be held invalid or unconstitutional in a court of competent jurisdiction, such holding shall not affect any other section, subsection, clause, provision, or part of this Ordinance which is itself valid and constitutional.

SECTION 4. EFFECTIVE DATE

This Ordinance shall take effect and be in force upon full execution as provided by law.

SECTION 5. REPEALER

Sections 1(c) and 1(d) of Ordinance 2016-52 are hereby repealed. All other City Ordinances or parts thereof in conflict with the provisions of this Ordinance, insofar as they conflict, are hereby repealed.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA this ____ day of May, 2018.

ATTEST:

Dane Haygood, Mayor

Candace G. Antinarella, City Clerk

ACKNOWLEDGED AND AGREED on this ____ day of _____, 2018.

INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF DAPHNE, ALABAMA

By: Steven Carey
Its: Chairman

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I HEREBY CERTIFY that on this ____ day of _____, 2018, before me, the subscriber, a Notary Public in and for said County and said State, personally appeared Steven Carey, the Chairman of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of the document, he, with full authority, executed the same voluntarily on the day the same bears date for and as the act of the **INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF DAPHNE, ALABAMA**.

Given under my hand and official seal this ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

(SEAL)