
SPECIAL ATTACHMENT FOR AGENDA OF: March 27, 2018

RECOMMENDED BY: The Mayor

SUBMITTED BY: The City Attorney

A brief synopsis and explanation of the following:

A Resolution authorizing the Mayor to execute a Funding Agreement and a Project Cooperation Agreement with the **Birmingham-Jefferson Civic Center Authority (“BJCC”)**, under which the BJCC will undertake a major expansion of its facilities through (i) the renovation of Legacy Arena and existing convention and meeting space, and (ii) construction of an open-air stadium and the City will financially support these efforts by paying the amount of \$3,000,000 a year for a period of 30 years from occupational taxes or another funding source for this purpose.

Resolution X Ordinance Other

PUBLICATION REQUIRED: YES _____ NO ____ X _____

IF YES, NOTE ALL PUBLICATION INSTRUCTIONS/REQUIREMENTS:

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RECOMMENDED BY: THE MAYOR

SUBMITTED BY: THE CITY ATTORNEY

RESOLUTION NO. 583-18

WHEREAS, the Birmingham-Jefferson Civic Center Authority (the “Authority”) operates and manages a civic center convention complex located in and for the benefit of the City of Birmingham, Alabama (the “City”) and Jefferson County, Alabama. The Authority is planning a major expansion of its facilities through (i) renovation of Legacy Arena and the Authority’s existing convention and meeting space, and (ii) construction of an open-air stadium (the “Stadium”), to include approximately 45,000 permanent seats and 40,000 square feet of meeting space, that will provide an additional venue for convention, sports and entertainment events, including UAB football games (collectively, the “Projects”). Completion of the Projects will enable the Authority to compete more successfully with similar facilities in other cities as the site for trade shows, conventions, entertainment and sporting events; and

WHEREAS, the City believes the Projects will encourage and promote tourism and convention business and will generate substantial economic benefit for the City through the creation of jobs and the expansion of the City’s tax base. The City has agreed to support the Projects and to provide a share of the funding for the financing of the Projects, subject to the terms of the Funding Agreements; and

WHEREAS, the Projects have a total estimated cost of approximately \$300 million. The Authority will finance the Projects through the issuance of its revenue bonds or notes in one or more series, (collectively, the “Bonds”). The City desires to financially support the Authority by

providing funds in the amount of \$3,000,000 per year for 30 years (“City Contributions”) for the payment of a series of bonds (the “City-Supported Bonds”). The City-Supported Bonds will provide a portion of the funding for the Projects. The City’s obligation under the Funding Agreement to make the City Contributions will be a general obligation of the City; and

WHEREAS, the Authority and the City have the power to undertake certain obligations under the provisions of Amendment 280 to the Constitution of the State of Alabama and Act No. 547 of the 1965 Regular Session of the Alabama Legislature, as amended, and in accordance with Section 94.01 of the Official Recompilation of the Constitution of Alabama (1901) (also known as “Amendment 772”); and

WHEREAS, the Authority and the City will also enter into a project cooperation agreement (the “Project Cooperation Agreement”), to be executed and delivered at the same time the Funding Agreement is executed and delivered. The Project Cooperation Agreement will set forth the agreements of the parties with respect to progress reporting on the Projects and related matters.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Birmingham that the Mayor be and hereby is authorized to execute, for and as the act of said City, a Funding Agreement and a Project Cooperation Agreement with the Birmingham-Jefferson Civic Center Authority (“BJCC”), in substantially the same form as on file in the Office of the City Clerk, under which the BJCC will undertake a major expansion of its facilities through (i) the renovation of Legacy Arena and existing convention and meeting space, and (ii) construction of an open-air Stadium and the City will financially support these efforts by paying the amount of \$3,000,000 a year for a period of 30 years from occupational taxes or another funding source for this purpose.