December 2, 2013

The Mayor and Council of the City of Calera met on December 2, 2013 at 6:30 p.m. at Calera City Hall with the following present:

Mayor:	Jon G. Graham
Council Members:	Ernest Montgomery, Alan Watts, David Bradshaw, Chris Bunn, Philip Busby, Bobby Joe Phillips
Department Heads:	Roy Hadaway, Finance Director Sean Kendrick, Fire Chief Sean Lemley, Police Chief Reggie Darden, Building Official David Jones, Public Works Director Doug Smedley, Sewer Operations Seth Gandy, Park and Recreation Director
Guests:	Harold Cole, Sondra Coley and Butch Ellis

Keith Jones called the meeting to order and opened with a Word of Prayer and the Pledge of Allegiance.

Council Member Phillips made a motion to approve and dispense with the reading of the following minutes:

Regular Meeting – November 18, 2013
Work Session – November 18, 2013

Council Member Bradshaw seconded said motion which was carried unanimously.

REPORTS OF DEPARTMENT HEADS:

Roy Hadaway, Finance Director presented the attached budget adjustment for approval. (See Attached)

Council Member Phillips made a motion to approve the budget adjustment. Council Member Bunn seconded said motion which was carried unanimously.

David Jones, Public Works Director reported the new garbage truck will be delivered the end of month.

Sean Lemley, Police Chief reported CSX will make the needed repairs to the Highway 22 Railroad Crossings next week.

COUNCIL MEMBER REPORTS:

No reports given

MAYOR REPORT:

No report given

OLD BUSINESS:

No Old Business

NEW BUSINESS:

Butch Ellis, City Attorney reviewed the Calera Crossings Shopping Center Phase II documents with the Mayor and Council. Mr. Ellis requested the Council give Mayor Graham the authority to negotiate the final details, terms and conditions and thereafter to sign on behalf of the City any documents deemed necessary and advisable to carry out the Proposed Refinancing, including but not limited to the First Amendment to Ground Lease, the Outparcel Ground Lease and the Subordination Agreement referenced in the following Ordinance:

Mayor Graham introduced the following Ordinance:

ORDINANCE NO. 2013-19

BE IT ORDAINED by the Mayor and the City Council (the "Council") of the City of Calera, Alabama (the "City") as follows:

WHEREAS, the Council did heretofore on, to-wit, December 22, 2008, adopt Ordinance No. 2008-29 (capitalized terms used herein without being defined shall have the meanings given them in Ordinance 2008-29), and

WHEREAS, pursuant to Ordinance 2008-29, the City, as ground lease landlord, and Calera Crossings, LLC (the "Company"), as ground lease tenant, entered into a Ground Lease, dated March 3, 2009 (the "Ground Lease"), with respect to the Economic Development Land (described in Ordinance 2008-29), part of which was sub-leased by Publix Alabama, LLC, and

WHEREAS, pursuant to Ordinance 2008-29, the City also entered into a Subordination Agreement, on or about March 3, 2009 (the "Compass Subordination Agreement"), with Compass Bank ("Compass") pursuant to which the City subordinated its fee interest in the Economic Development Land to a construction mortgage loan from Compass to the Company (the "Compass Loan"), and

WHEREAS, the Company proposes to refinance (the "Proposed Refinancing") the Compass Loan with a mortgage loan from a new lender (the "New Lender"), and

WHEREAS, the Proposed Refinancing will benefit the City by (1) reducing total debt on the Economic Development Land by approximately $2,000,000, (2) removing the Outparcels (as defined in the Ground Lease) from the lien of the loan (the New Lender will not encumber the Outparcels), and (3) generating more activity on the Economic Development Land through additional space (approximately 5,600 square feet) that the Company will develop and pay for in cash (without a mortgage loan), and which, in turn, should increase sales tax revenue, and

WHEREAS, in order for the Proposed Refinancing to be accomplished, it is necessary and desirable, and in the best interests of the City, for the City to (a) amend the description of the property in the Ground Lease to exclude the Outparcels, (b) enter into an "Outparcel Ground Lease" with respect to the Outparcels, and (c) enter into a subordination agreement with the New Lender to replace the Compass Subordination Agreement, and

WHEREAS, the Council approves the Proposed Refinancing and the following actions which the City proposes to take: (i) the amendment of the description of the property in the Ground Lease to exclude the Outparcels pursuant to a First Amendment to Ground Lease (the "First Amendment to Ground Lease") by and between the City and the Company; (ii) the lease of the Outparcels to the Company pursuant to an Outparcel Ground Lease (the "Outparcel Ground Lease") by and between the City and the Company; (iii) the execution and delivery by the City of a Subordination Agreement (the "Subordination Agreement") by and between the City and the New Lender which provides that the City will subordinate its fee interest in the Economic Development Land, excluding the Outparcels, to a mortgage loan from the New Lender to the Company:

NOW, THEREFORE, BE IT FURTHER ORDAINED BY THE MAYOR AND THE CITY COUNCIL (THE "COUNCIL") OF THE CITY OF CALERA, ALABAMA (THE "CITY"), as follows:

1. **Authorization of First Amendment to Ground Lease, Outparcel Ground Lease, and Subordination Agreement**. The Mayor of the City is hereby authorized to execute and deliver, for and in the name and behalf of the City, the First Amendment to Ground Lease, the Outparcel Ground Lease, and the Subordination Agreement in such forms as the Mayor of the City acting with the advice of counsel to the City, shall determine to be necessary or desirable to carry out fully the transactions contemplated by this ordinance. The First Amendment to Ground Lease, the Outparcel Ground Lease, and the Subordination Agreement shall be in substantially the forms presented to the meeting of the Council at which this ordinance is adopted (which forms shall be preserved in the permanent records of the City pertaining to the said meeting and which forms are hereby adopted in all respects as if the same were set out in full herein), with such changes, not inconsistent with the provisions hereof, as the Mayor of the City acting with the advice of counsel to the City, shall determine to be necessary or desirable in order to consummate the transactions authorized by this ordinance, the determination of the definitive forms of the First Amendment to Ground Lease, the Outparcel Ground Lease, and the Subordination Agreement by such officer to be conclusively established by his execution of the same, and the First Amendment to Ground Lease, the Outparcel Ground Lease, and the Subordination Agreement, as executed by the said Mayor, are hereby approved, and the use thereof is hereby authorized. The City Clerk is hereby authorized and directed to affix the official seal of the City to the First Amendment to Ground Lease, the Outparcel Ground Lease, and the Subordination Agreement, and to attest the same.

2. **General Authorization**. The Mayor of the City, the City Clerk, the City Treasurer, and all other officers of the City and of the Council are hereby authorized and directed to execute, deliver, seal, and attest such instruments, agreements, undertakings, documents, and certificates and to take such other actions on behalf of the City as may be necessary to consummate the Proposed Refinancing, the amendment of the description of the property in the Ground Lease to exclude the Outparcels, the lease of the Outparcels pursuant to an "Outparcel Ground Lease," the subordination of the City’s fee interest in

the Economic Development Land, excluding the Outparcels, to the lien of the loan with the New Lender, and the execution and delivery of the First Amendment to Ground Lease, the Outparcel Ground Lease, and the Subordination Agreement and to carry out fully the transactions contemplated by this ordinance.

Council Member Montgomery moved that unanimous consent of the Council be given for the immediate action upon said Ordinance. Council Member Bradshaw seconded said motion and upon vote the results were:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Phillips

NAYS: None

The Mayor declared said motion carried and unanimous consent given.

Council Member Phillips moved that Ordinance No. 2013-19 be adopted, which motion was seconded by Council Member Montgomery and upon vote the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Phillips

NAYS: None

Adopted this 2nd day of December, 2013.

Mayor declared Ordinance No. 2013-19 adopted.

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Connie B. Payton, City Clerk Jon G. Graham, Mayor

Council Member Phillips made a motion to adjourn the meeting at 6:36 p.m.

Approved this 16th day of December, 2013.

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Jon G. Graham, Mayor

ATTEST:

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Connie B. Payton, City Clerk