

A RESOLUTION
BY COUNCILMEMBER H. LAMAR WILLIS

02-R-1633

A RESOLUTION GRANTING APPROVAL TO THE METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY TO ENTER INTO A LEASE FINANCING FOR THE "SOUTH LINE" FROM THE AIRPORT TO FIVE POINTS STATION, INCLUDING TRACK LEADING TO THE SOUTH YARD; AND FOR OTHER PURPOSES.

WHEREAS, the Metropolitan Atlanta Rapid Transit Authority (the "Authority") desires to enter into a "lease-to-service contract" pursuant to which it would lease its "South Line" consisting of approximately nine miles of the heavy rail line extending from Hartsfield International Airport to Five Points Station, including track leading to the South Yard, seven full stations (Airport, College Park, East Point, Lakewood, Oakland City, West End and Garnett) and a portion of the Five Points station dedicated to the "South Line", the South Yard Maintenance Facility, five station parking lots, together with all tracks, bridges, power substations, structures, aerial construction, tunnels, electrification, signaling and communication equipment and buildings associated with the above-listed assets (collectively, the "Leased Rail Line Assets"); and

WHEREAS, pursuant to the transaction, the Authority would lease the Leased Rail Line Assets to one or more trusts established by one or more equity investors selected by the Authority for a term not in excess of 85 years pursuant to one or more Head Leases (collectively, the "Head Leases"); and

WHEREAS, simultaneously with the execution of the Head Leases, the Authority would enter into one or more sublease agreements with the equity investors' trusts for an initial term not in excess of 32 years (collectively, the "Subleases") pursuant to which the Authority would (i) sublease back the Leased Rail Line Assets with an option to purchase the Leased Rail Line Assets at the end to the initial term of the Subleases and (ii) continue to own, operate and maintain the Leased Rail Line Assets; and

WHEREAS, at the closing of the transaction, the Authority would receive a lump sum prepayment from each trust equal to such trust's rental obligations under the Head Leases; and

WHEREAS, the Authority would use these lump sum prepayments to (1) economically defease its rental obligations under the Subleases, (2) economically defease the cost of exercising its purchase option under the Subleases and (3) pay the transaction costs; and

WHEREAS, after using the lump sum prepayments as described above, the Authority would retain a substantial net cash benefit as a result of entering into the Head Leases and the Subleases; and



WHEREAS, pursuant to Paragraph 4(a) of the Rapid Transit Contract and Assistance Agreement dated as of September 1, 1971, as amended and supplemented (the "Contract") among the Authority, the City of Atlanta, DeKalb County, Fulton County, Clayton County and Gwinnett County, the Authority is required to obtain the approval of a majority of DeKalb County, Fulton County and the City of Atlanta if the Authority proposes to enter into a lease involving a "substantial portion" of the System (as defined in the Contract).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the terms and conditions of the proposed transaction as described in the foregoing recitals is hereby approved in accordance with Paragraph 4(a) of the Contract.

ADOPTED AND APPROVED on _____, 2002.

APPROVED:

CITY OF ATLANTA, GEORGIA

[SEAL]

Mayor

ATTEST:

Municipal Clerk

APPROVED AS TO FORM:

Linda K. DiSantis
City Attorney

A true copy,

Rhonda Daughin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

OCT 07, 2002
OCT 15, 2002

RCS# 4099
10/07/02
5:15 PM

Atlanta City Council

Regular Session

CONSENT I 0613;1695;1544;1562;1581;1666;1551
 1668; Except CDHR #6-#10
 RECON/READOPT

YEAS: 10
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 5
EXCUSED: 0
ABSENT 1

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Starnes	Y Fauver	B Martin	Y Norwood
NV Young	Y Shook	NV Maddox	NV Willis
Y Winslow	NV Muller	Y Boazman	NV Woolard

CONSENT I

10/07/02 Council Meeting

**ITEMS ADOPTED ON CONSENT
AGENDA**

1. 02-O-1538
2. 02-O-1549
3. 02-O-1554
4. 02-O-1466
5. 02-O-1253
6. 02-O-1575
7. 02-O-1576
8. 02-O-1582
9. 02-O-1447
10. 02-O-1545
11. 02-O-1261
12. 02-O-1534
13. 02-R-1662
14. 02-R-1669
15. 02-R-1709
16. 02-R-1711
17. 02-R-1712
18. 02-R-1713
19. 02-R-1633
20. 02-R-1664
21. 02-R-1667
22. 02-R-1673
23. 02-R-1469
24. 02-R-1642
25. 02-R-1644
26. 02-R-1649
27. 02-R-1714
28. 02-R-1727
29. 02-R-1650
30. 02-R-1651
31. 02-R-1652
32. 02-R-1653
33. 02-R-1654
34. 02-R-1655
35. 02-R-1656
36. 02-R-1657
37. 02-R-1658
38. 02-R-1659
39. 02-R-1660
40. 02-R-1718
41. 02-R-1719
42. 02-R-1698
43. 02-R-1699
44. 02-R-1700
45. 02-R-1701

**ITEMS ADVERSED
ON CONSENT AGENDA**

46. 02-R-1702
47. 02-R-1703
48. 02-R-1704
49. 02-R-1705
50. 02-R-1706
51. 02-R-1707
52. 02-R-1708
53. 02-R-1675
54. 02-R-1676
55. 02-R-1677
56. 02-R-1678
57. 02-R-1679
58. 02-R-1680
59. 02-R-1681
60. 02-R-1682
61. 02-R-1683
62. 02-R-1684
63. 02-R-1685
64. 02-R-1686
65. 02-R-1687
66. 02-R-1688
67. 02-R-1689
68. 02-R-1690
69. 02-R-1691
70. 02-R-1692
71. 02-R-1693
72. 02-R-1694
73. 02-R-1696
74. 02-R-1697

Consent I Vote: 10Yeas; 0 Nays (See RCS #4099; Reconsidered See RCS #4043)

Items Removed from Consent: 02-R-1613; 02-R-1695; 02-O-1544; 02-O-1562; 02-O-1581; 02-R-1666;
02-O-1551; 02-R-1668; 02-O-1598; 02-O-1599; 02-O-1600; 02-O-1601; 02-O-1602

02-R-1633

(Do Not Write Above This Line)

A RESOLUTION *Wm. S. ...*
 BY COUNCILMEMBER H. LAMAR WILLIS

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ADOPTED BY

OCT 07 2002

COUNCIL

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1st ADOPT 2nd READ & REFER
- PERSONAL PAPER REFER

Date Referred 9/16/02
 Referred To: Transportation
 Date Referred _____
 Referred To: _____
 Date Referred _____
 Referred To: _____

First Reading
 Committee _____
 Date _____
 Chair _____
 Referred To _____

TRANSITATION
 Date 10/21/02
 Chair H. S. ...
 Action Fav, Adv, Hold (see rev. side) Other _____
 Members ...
 Refer To _____

Committee _____
 Date _____
 Chair _____
 Action Fav, Adv, Hold (see rev. side) Other _____
 Members _____
 Refer To _____

Committee _____
 Date _____
 Chair _____
 Action Fav, Adv, Hold (see rev. side) Other _____
 Members _____
 Refer To _____

Committee _____
 Date _____
 Chair _____
 Action Fav, Adv, Hold (see rev. side) Other _____
 Members _____
 Refer To _____

FINAL COUNCIL ACTION
 2nd 1st & 2nd 3rd
 Consent V Vote FC Vote

CERTIFIED

CERTIFIED
 OCT 07 2002
...

CERTIFIED
 OCT 07 2002
...

MAYOR'S ACTION
...
 OCT 15 2002
 MAYOR