

#13

10-0-1229

State include...
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NO. 10-0
AN ORDINANCE BY COUNCILMEMBERS
MICHAEL BOND AND AARON WATSON

AN ORDINANCE TO REQUEST THE
ISSUANCE BY THE ATLANTA URBAN
REDEVELOPMENT AGENCY (THE
"ISSUER") OF ITS TAXABLE RECOVERY
ZONE ECONOMIC DEVELOPMENT
REVENUE BONDS, SERIES 2010 IN THE
AGGREGATE PRINCIPAL AMOUNT OF
NOT TO EXCEED \$ (THE
"SERIES 2010 BONDS") TO FINANCE THE
COST OF CERTAIN URBAN
REDEVELOPMENT PROJECTS (THE
"SERIES 2010 PROJECT") TO BE
ACQUIRED, CONSTRUCTED AND
INSTALLED BY THE ISSUER WITHIN THE
CITY OF ATLANTA (THE "CITY"); TO
AUTHORIZE THE MAYOR TO EXECUTE,
DELIVER AND PERFORM AN
INTERGOVERNMENTAL AGREEMENT BY
AND BETWEEN THE ISSUER AND THE
CITY; TO AUTHORIZE

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

Date Referred: 6/21/10
 Referred To: Finance/Exec
 Date Referred: **ADOPTED BY**
 Referred To: AUG 16 2010
 Date Referred: **COUNCIL**
 Referred To:

First Reading
 Committee _____
 Date _____
 Chair _____
 Referred To _____

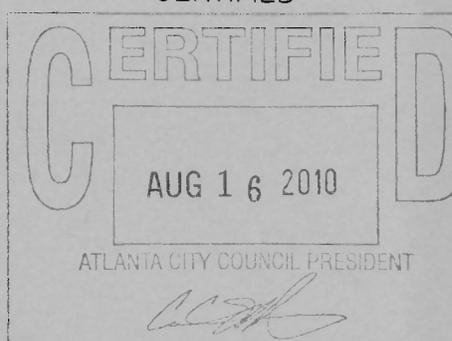
Committee: *Finance/Exec*
 Date: *6/30/10*
 Chair: _____
 Action: _____
 Fav. Adv, Hold (see rev. side) _____
 Other: _____
 Members: _____
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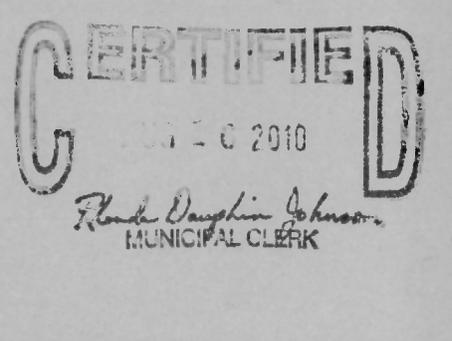
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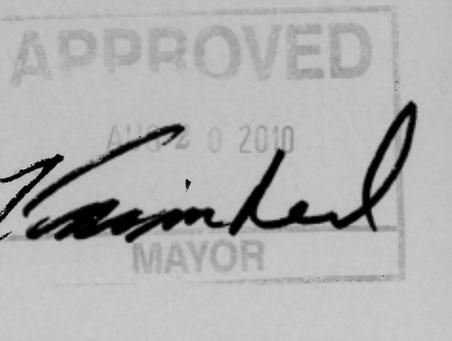
Committee: *Finance/Exec*
 Date: *7/28/2010*
 Chair: *Aaron Watson*
 Action: _____
 Fav. Adv, Hold (see rev. side) _____
 Other: _____
 Members: _____
 Refer To: _____

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

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

CERTIFIED

 ATLANTA CITY COUNCIL PRESIDENT

CERTIFIED

 FLORIDA DAUGHIN JOHNSON
 MUNICIPAL CLERK

MAYOR'S ACTION

 MAYOR

SUBSTITUTE



AN ORDINANCE

**BY COUNCILMEMBERS MICHAEL JULIAN BOND, AARON WATSON,
CLETA WINSLOW, H. LAMAR WILLIS, NATALYN ARCHIBONG,
IVORY LEE YOUNG JR. AND KEISHA LANCE BOTTOMS**

**AS SUBSTITUTED BY FINANCE/EXECUTIVE COMMITTEE
AS SUBSTITUTED BY FULL COUNCIL**

AN ORDINANCE TO REQUEST THE ISSUANCE BY THE ATLANTA URBAN REDEVELOPMENT AGENCY (THE "ISSUER") OF ITS TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS, SERIES 2010 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$22,775,000 (THE "SERIES 2010 BONDS") TO FINANCE THE COST OF CERTAIN URBAN REDEVELOPMENT PROJECTS (THE "SERIES 2010 PROJECT") TO BE ACQUIRED, CONSTRUCTED AND INSTALLED BY THE ISSUER WITHIN THE CITY OF ATLANTA (THE "CITY"); TO AUTHORIZE THE MAYOR TO EXECUTE, DELIVER AND PERFORM AN INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN THE ISSUER AND THE CITY; TO AUTHORIZE ACKNOWLEDGMENT OF SERVICE AND THE FILING OF AN ANSWER ON BEHALF OF THE CITY IN VALIDATION PROCEEDINGS TO BE BROUGHT IN VALIDATING THE SERIES 2010 BONDS; TO AUTHORIZE THE MAYOR TO ENTER INTO A BOND PURCHASE AGREEMENT AND CONTINUING DISCLOSURE UNDERTAKING IN CONNECTION WITH THE SALE OF THE SERIES 2010 BONDS; TO APPROVE THE OFFICIAL STATEMENT; TO AUTHORIZE CERTAIN RELATED ACTIONS ALL IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2010 BONDS; AND FOR OTHER PURPOSES

WHEREAS, the Constitution of the State of Georgia of 1983, Article IX, Section III, Paragraph I(a), provides that "... any county, municipality, school district, or other political subdivision of the state may contract for any period not exceeding 50 years with each other or with any other public agency, public corporation, or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment; but such contracts must deal with activities, services, or facilities which the contracting parties are authorized by law to undertake or provide"; and

WHEREAS, the Constitution of the State of Georgia, Article IX, Section II, Paragraph III provides that in addition to, and supplementary of all powers possessed by a municipality, any municipality may provide for, among other services, (i) public transportation, (ii) street maintenance, including installation of street lights and devices to control the flow of traffic on roads, and (iii) codes, including building, housing plumbing and electrical codes; and

WHEREAS, the Atlanta Urban Redevelopment Agency, a body corporate and politic and a public corporation of the State of Georgia (the "**Issuer**"), was duly created pursuant to an act of the General Assembly of the State of Georgia, particularly the Urban Redevelopment Law (O.C.G.A. § 36-61-1, *et seq.*), as amended (the "**Act**") and a resolution of the City Council of the



City of Atlanta (the “**City Council**”) duly adopted on July 6, 2010 (the “**Activating Resolution**”); and

WHEREAS, by resolution adopted by the City Council on July 6, 2010, it was determined that one or more slum areas exist in the City in which there is inadequate transportation, connectivity and infrastructure, unoccupied and deteriorated buildings, tax delinquency and other adverse economic and social conditions and that the rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary to the interest of the public health, safety, morals, or welfare of its residents (the “**Prerequisite Resolution**”); and

WHEREAS, through the Prerequisite Resolution, the City designated the “Atlanta Urban Redevelopment Area, No. 1” (the “**Urban Redevelopment Area**”) and designated the Issuer as the entity to exercise the City’s “urban redevelopment project powers”, as authorized by O.C.G.A. § 36-61-17; and

WHEREAS, O.C.G.A. § 36-61-8(2) provides that “urban redevelopment project powers”, include the power to provide or arrange for the furnishing or repair of services, privileges, works, public utilities or other facilities all in connection with an “urban redevelopment project”; and

WHEREAS, pursuant to the Act and the Prerequisite Resolution, the Urban Redevelopment Agency has the power to exercise the City’s urban redevelopment project powers” and to issue bonds to finance the undertaking of any “urban redevelopment project”; and

WHEREAS, O.C.G.A. § 36-61-2(22) defines “urban redevelopment project” to include “undertakings or activities” of a municipality or county in an urban redevelopment area for the elimination and for the prevention of the development or spread of slums and may involve slum clearance, redevelopment, rehabilitation or conservation in an urban redevelopment area, including, among other things, (i) acquisition of real property and rehabilitation or demolition and removal of buildings and improvements thereon to eliminate unhealthful, unsanitary or unsafe conditions, to lessen density, to reduce traffic hazard or to eliminate obsolete or other uses detrimental to the public and (ii) installation, construction or reconstruction of utilities and other improvements necessary for carrying out the purposes of the Act; and

WHEREAS, through a resolution adopted by the City Council on July 19, 2010, the City approved an Urban Redevelopment Plan (the “**Urban Redevelopment Plan**”) for the urban redevelopment projects described in the Urban Redevelopment Plan as authorized under O.C.G.A. § 36-61-7; and

WHEREAS, the Urban Redevelopment Plan outlines certain “Phase I Projects” which are expected to be funded with the proceeds of the hereinafter defined Series 2010 Bonds including, among other things, funding for the local match associated with the City’s application for a Tiger II Discretionary Grant to implement a “rail-based electric street car project” and certain “Phase II Projects,” which include, among other things, intersection improvements, construction of American Disabilities Act (ADA) ramps and a streetcar maintenance facility



which are to be funded, following the adoption of a resolution by the City Council reallocating project proceeds, in the event that the Tiger II Discretionary Grant is not awarded to the City for the streetcar project; and

WHEREAS, pursuant to the Urban Redevelopment Plan, the City and the Issuer desire to finance all, or a portion of the costs of implementing the plan including certain costs in connection with (i) the acquisition, rehabilitation and improvement of real property and buildings to eliminate vacant and distressed areas within the Urban Redevelopment Area, (ii) certain public transportation projects in the Urban Redevelopment Area, including the construction of a bridge replacement, the acquisition, construction and installation of street lights intersection, cross-walk and traffic signalization upgrades throughout the Urban Redevelopment Area, the construction and installation of a streetcar system in downtown Atlanta and the acquisition and construction and installation and construction of other related improvements as described in the Urban Redevelopment Plan (the “**Project**”); and

WHEREAS, the City has requested that the Issuer authorize the issuance of revenue bonds to be designated “Atlanta Urban Redevelopment Agency Taxable Recovery Zone Economic Development Bonds, Series 2010” in the aggregate principal amount of not to exceed \$22,775,000 (the “**Series 2010 Bonds**”) for the purpose of financing the Project, which shall be issued pursuant to a bond resolution to be adopted by the Issuer (the “**Bond Resolution**”); and

WHEREAS, “**Recovery Zone Economic Development Bonds**” are authorized pursuant to the Federal American Recovery and Reinvestment Act of 2009 (the “**Recovery Act**”) which will result in the Issuer’s ability to issue the Series 2010 Bonds as taxable “**Build America Bonds**” for which the Issuer is eligible to receive a cash subsidy equal to 45% of the interest payable on such bonds on or about each interest payment date; and

WHEREAS, in order to facilitate the financing of the Project, the City desires to enter into an Intergovernmental Agreement, dated as of September 1, 2010 (the “**Intergovernmental Agreement**”) with the Issuer under the terms of which the Issuer will acquire, construct and install the Project and the City will agree to make payments for such services in amounts sufficient to pay the principal of, redemption premium (if any) and interest on the Series 2010 Bonds as the same become due; and

WHEREAS, pursuant to the Act, the Issuer will sell the Series 2010 Bonds at a public sale after notice of such sale is published in the *Atlanta Journal Constitution*; and

WHEREAS, in order to accomplish the sale of the Series 2010 Bonds, the City proposes to enter into an agreement among the City, the Issuer and the purchaser(s) of the Series 2010 Bonds selected at the public sale (collectively or singularly, the “**Purchaser**”), in connection with the sale of the Series 2010 Bonds; and

WHEREAS, to ensure compliance with Securities and Exchange Commission Rule 15c2-12, it is necessary and desirable to authorize the execution and delivery by the City of a continuing disclosure undertaking (“**Continuing Disclosure Undertaking**”) with respect to the Series 2010 Bonds, pursuant to which the City will agree to provide notices of certain events and



to submit annually certain financial information and operating data to specified information repositories; and

WHEREAS, the Issuer is expected to authorize the preparation of an Official Statement setting forth the terms of the Series 2010 Bonds and the security therefor, including financial and other information about the City and for an appropriate official of the City to certify as to the accuracy of certain information contained in the Preliminary Official Statement and the Final Official Statement;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA as follows:

Section 1. Authority for Ordinance. This Ordinance is adopted pursuant to the provisions of the Constitution and the laws of the State of Georgia, including the Act.

Section 2. Execution of Intergovernmental Agreement. The Mayor is hereby authorized to execute, deliver and cause the City to perform the obligations on its part contained in the Intergovernmental Agreement by and between the Issuer and the City. The Intergovernmental Agreement shall be in substantially the form attached hereto as Exhibit "A", subject to such changes, insertions or omissions to the Intergovernmental Agreement as may be approved by the Mayor and Chief Financial Officer, and the execution of the Agreement by the Mayor as hereby authorized shall constitute conclusive evidence of any such approval.

Section 3. Official Statement. The Mayor, Chief Financial Officer and other staff of the City are hereby authorized and directed to assist the Purchaser(s) and the Issuer in the preparation of a Preliminary Official Statement and Final Official Statement (collectively, the "**Official Statement**") and does hereby approve the use and distribution of the same. The Mayor or Chief Financial Officer are authorized to execute the Official Statement on behalf of the City and to certify as to information about the City contained in the Official Statement, and as to whether such information contains any untrue statement of a material act or omits to state any material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading.

Section 4. Bond Purchase Agreement. The Mayor is hereby authorized to execute, deliver and cause the City to perform the obligations on its part contained in the Bond Purchase Agreement by and among the Issuer, the Purchaser(s) and the City (the "**Bond Purchase Agreement**"). The provisions of the executed version of the Bond Purchase Agreement shall provide for a sale of Series 2010 Bonds within the maximum not to exceed principal amount referenced within the recitals and at interest rates not exceed 7.50% per annum. The Bond Purchase Agreement shall be in substantially the form attached hereto as Exhibit "B", subject to such changes, insertions or omissions to the Bond Purchase Agreement as may be approved by the Mayor and Chief Financial Officer and the execution of the Bond Purchase Agreement by the Mayor as hereby authorized shall constitute conclusive evidence of such approval.

Section 5. Continuing Disclosure Undertaking. The Mayor is hereby authorized to execute, delivery and cause the City to perform the obligations on its part contained in the disclosure undertaking pursuant to which the City will agree to provide notices of certain events



and to submit annually certain financial information and operating data to specified information repositories with are hereby authorized. The Continuing Disclosure Undertaking shall be in substantially the form attached hereto as Exhibit "C", subject to such changes, insertions or omissions to the Continuing Disclosure Undertaking as may be approved by the Mayor and the execution of the Continuing Disclosure Undertaking by the Mayor as hereby authorized shall constitute conclusive evidence of such approval.

Section 6. Actions of the Mayor and Chief Financial Officer. The Mayor, Chief Financial Officer and other appropriate officials of the City are authorized to certify any documents and execute any receipts or other closing papers necessary to effect the purposes of the Agreement, the Bond Purchase Agreement, the Continuing Disclosure Undertaking and the Bond Resolution. All acts and doing of such officers of the City which are in conformity with the purposes and intents of this Ordinance and in furtherance of the execution, delivery and performance of the Intergovernmental Agreement, the Bond Purchase Agreement and the Continuing Disclosure Undertaking, shall be, and the same hereby are, in all respects approved and confirmed.

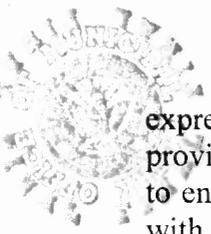
Section 7. Validation. The Mayor is hereby authorized to acknowledge service on behalf of the City of the validation petition to be filed by the District Attorney for the Atlanta Judicial Circuit seeking the validation of the Series 2010 Bonds and to verify the allegations contained in an answer to be prepared by the City Attorney seeking the validation of the Series 2010 Bonds and the security to be provided therefor.

Section 8. Obligations Absolute and Unconditional. The obligation of the City to make payments under the Intergovernmental Agreement and to perform its other obligations under the Intergovernmental Agreement are absolute and unconditional and shall constitute a general obligation of the City and a pledge of the full faith and credit and taxing power of the City to provide the funds required to fulfill such obligations. The City is hereby authorized to exercise its power of taxation to the extent necessary to fulfill its payment obligations under the Intergovernmental Agreement and to make available and use for the payment of such obligations, all such taxes levied and collected for that purpose together with funds received from any sources.

Section 9. Reporting. The Issuer shall provide, or cause the City to provide, a quarterly report to the City Council's Community Development & Human Resources Committee and the Finance/Executive Committee describing the allocation and the use of all Project proceeds until the Project has been completed.

Section 10. Reallocation of Phase I Projects. A supplemental resolution adopted by the City Council shall be required to approve the reallocation or substitution of Phase I projects for Phase II Projects in the event that the Tiger II Discretionary Grant is not awarded. The City shall seek the advice of the Issuer and bond counsel in the event of any reallocation and substitution of Phase I Projects.

Section 11. Partial Invalidity. In case any one or more of the provisions of this ordinance shall for any reason be held to be illegal or invalid by a court of competent jurisdiction, such illegality or invalidity shall not affect any other provisions hereof unless

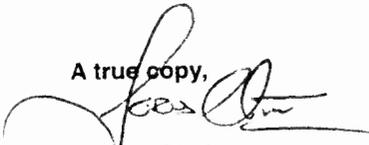


expressly so held, but this ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein, and this ordinance shall be construed to adopt, but not to enlarge upon, all applicable provisions of Georgia law, and, if any provisions hereof conflict with any applicable provision of such law, the latter as adopted by the legislature and as interpreted by the courts of this state shall prevail and shall be substituted for any provision hereof in conflict or not in harmony therewith.

Section 12. Repealer. Any and all ordinances or resolutions or parts of ordinances or resolutions in conflict with this ordinance shall be and the same hereby are repealed, and this ordinance shall be in full force and effect from and after its adoption and approval.

Section 13. Effective Date. This ordinance shall be in full force and effect immediately upon its adoption and approval.

A true copy,



Deputy Clerk

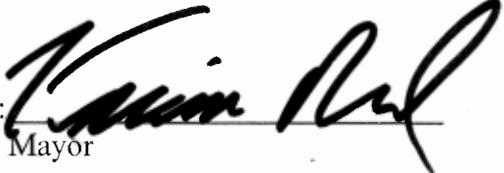
ADOPTED by the Atlanta City Council
APPROVED by Mayor Kasim Reed

AUG 16, 2010
AUG 20, 2010



Adopted this ____ day of August, 2010.

CITY OF ATLANTA

By: 
Mayor

ATTEST:

Municipal Clerk

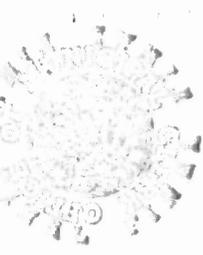
Approved as to Form:


Acting City Attorney

(SEAL)

EXHIBIT "A"

FORM OF INTERGOVERNMENTAL AGREEMENT



INTERGOVERNMENTAL CONTRACT

between

ATLANTA URBAN REDEVELOPMENT AGENCY

and

CITY OF ATLANTA

Dated as of _____ 1, 2010

The rights and interest of Atlanta Urban Redevelopment Agency in this Intergovernmental Contract and the revenues and receipts derived therefrom, including Contract Payments (as defined herein) have been assigned and pledged under a Bond Resolution of the Agency, adopted _____, 2010.

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INTERGOVERNMENTAL CONTRACT

THIS INTERGOVERNMENTAL CONTRACT is entered into as of _____ 1, 2010, by and between **ATLANTA URBAN REDEVELOPMENT AGENCY** (the “Agency”), a public body corporate and politic, and **CITY OF ATLANTA** (the “City”), a municipal corporation and a political subdivision of the State of Georgia.

WITNESSETH:

WHEREAS, the Agency has been created pursuant to the Urban Redevelopment Law (Official Code of Georgia Annotated (O.C.G.A.) § 36-61-1 *et seq.*), as amended (the “Act”) and an activating resolution (Resolution No. 10-R-1230) of the Atlanta City Council (the “City Council”), duly adopted July 6, 2010 (the “Activating Resolution”) and is now existing and operating as a public body corporate and politic; and

WHEREAS, in accordance with § 36-61-5 of the Act, and a resolution of the City duly adopted on July 6, 2010 (Resolution No. 10-R-1228) (the “Prerequisite Resolution”) the City found that that one or more slum areas exist within the City and that the rehabilitation, conservation, or redevelopment, or combination thereof, of such area or areas is necessary in the interest of public health, safety, morals or welfare of the residents of the City; and

WHEREAS, upon the adoption of the Prerequisite Resolution, the Act provides that the City may exercise “urban redevelopment project powers” or may delegate such powers, except as limited by § 36-61-17(b) of the Act, to the Agency; and

WHEREAS, pursuant to the Activating Resolution the City elected to have the Agency exercise all of its delegable “urban redevelopment project powers”; and

WHEREAS, § 36-61-8(2) of the Act provides that “urban redevelopment project powers”, include the power to provide or arrange for the furnishing or repair of services, privileges, works, public utilities, or other facilities all in connection with an “urban redevelopment project”; and

WHEREAS, § 36-61-2(22) of the Act defines “urban redevelopment project” to include “undertakings or activities” of a municipality in an urban redevelopment area for the elimination and for the prevention of the development or spread of slums and may involve slum clearance, redevelopment, rehabilitation or conservation in an urban redevelopment area, including, among other things, (i) acquisition of real property and rehabilitation or demolition and removal of buildings and improvements thereon to eliminate unhealthful, unsanitary or unsafe conditions, to lessen density, to reduce traffic hazard or to eliminate obsolete or other uses detrimental to the public and (ii) installation, construction or reconstruction of utilities and other improvements necessary for carrying out the purposes of the Act; and

WHEREAS, pursuant to the Act both the City and the Agency each have the power to provide for an “urban redevelopment project” including the power to issue bonds to finance such undertaking; and

WHEREAS, pursuant to Article IX, Section II, Paragraph III of the Constitution of the State of Georgia of 1983 (the “**State Constitution**”) in addition to, and supplementary of all other powers possessed by the City, any municipality may provide for, among other services, (i) public transportation, (ii) construction of curb, sidewalk, street lights and devices to control the flow of traffic on roads, and (iii) codes, including building, housing plumbing and electrical codes; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the State Constitution authorizes, among other things, any county, municipality or other political subdivision of the State to contract, for a period not exceeding fifty years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint service for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; and

WHEREAS, by resolution (Resolution No. 10-R-1333) duly adopted by the City Council on July 19, 2010, the City adopted its “City of Atlanta Urban Redevelopment Plan” (the “**Urban Redevelopment Plan**”) for Atlanta Urban Redevelopment Area No. 1 (the “**Urban Redevelopment Area**”) (as further described therein); and

WHEREAS, pursuant to the Urban Redevelopment Plan, the City and the Agency desire to finance all or a portion of the costs of implementing the Urban Redevelopment Plan including certain costs in connection with (i) the acquisition, rehabilitation and improvement of real property and buildings to eliminate vacant and distressed areas within the Urban Redevelopment Area, (ii) certain public transportation projects in the Urban Redevelopment Area, including the construction of a bridge replacement, the acquisition, construction and installation of street lights intersection, cross-walk and traffic signalization upgrades throughout the Urban Redevelopment Area, the construction and installation of an electric rail-based streetcar system in downtown Atlanta and the acquisition and construction and installation of other related improvements as described in the Urban Redevelopment Plan (the “**Project**”); and

WHEREAS, the Agency and the City have determined that it is in the best interest of the City and the Agency for the Agency to issue its \$ _____ in original aggregate principal amount of “Atlanta Urban Redevelopment Agency’s Taxable Recovery Zone Economic Development Bonds, Series 2010” (the “**Series 2010 Bonds**”) for the purpose of financing the Project and for paying certain costs of issuance associated therewith; and

WHEREAS, the Series 2010 Bonds will be issued pursuant to the Act and a resolution of the Agency adopted on August 19, 2010 as supplemented by a pricing resolution adopted on _____, 2010 providing the particular terms, interest rates and other provisions for the Series 2010 Bonds (collectively, the “**Bond Resolution**”); and

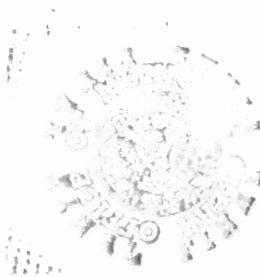
WHEREAS, the Agency and the City propose to enter into this Intergovernmental Contract, pursuant to which the Agency will agree to (i) exercise certain of the City’s “urban redevelopment project powers” including providing or causing others to provide for the implementation of the Urban Redevelopment Plan and including the acquisition, construction and installation of the Project and (ii) to issue the Series 2010 Bonds to finance costs of the

Project; and in consideration therefor the City will agree to (A) make payments to the Agency for such services in amounts sufficient to enable the Agency to pay, when due, the principal of, redemption premium (if any) and interest on the Series 2010 Bonds and other amounts due under the Bond Resolution and (B) pledge its full faith and credit and taxing power to the extent necessary to make the payment required by this Intergovernmental Contract; and

WHEREAS, the Series 2010 Bonds are “Build America Bonds” issued under the authority of the American Recovery and Reinvestment Act of 2009 (the “**Recovery Act**”); and

WHEREAS, pursuant to the Recovery Act, certain contracts for construction of public buildings or public works financed with “Build America Bonds,” including the Series 2010 Bonds, are required to comply with certain Federal labor standards and prevailing wage rates; and

NOW, THEREFORE, in consideration of the premises and undertakings as hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:



ARTICLE 1

DEFINITIONS

In addition to the words and terms elsewhere defined in this Intergovernmental Contract and the Bond Resolution, the following words and terms as used in this Intergovernmental Contract shall have the following meanings unless the context or use indicates another or different meaning or intent and such definitions shall be equally applicable to both the singular and plural forms of the words and terms herein defined:

“Bond Resolution” means the Resolution adopted by the Agency on August 19, 2010, as supplemented by the pricing resolution adopted on _____, 2010 providing for the issuance of the Series 2010 Bonds and providing the applicable principal amount, interest rates and other details therefor.

“Completion Date” shall mean the date the Project is complete as evidenced by the certificate required by Section 3.3 hereof.

“Contract Payments” shall mean those payments payable pursuant to Section 4.2 of this Intergovernmental Contract in an amount equal to the principal of, premium if any, and interest on the Series 2010 Bonds [and such other charges as billed and specified in Section ___ of the Bond Resolution].

“Davis-Bacon Labor Standards” means the labor standards and prevailing wage rates as applicable to certain contracts for laborer and mechanics utilized in the construction, installation and equipping of the Project as described in subchapter IV of chapter 31 of title 40 of the United States Code and in the Recovery Act.

“Project” shall have the meaning assigned to it in the recitals.

“Recovery Act” means the American Recovery and Reinvestment Act of 2009, Pub.L.No. 111-5, 123 Stat. 115(2009).

“Series 2010 Bonds” means the “Atlanta Urban Redevelopment Agency Taxable Recovery Zone Economic Development Bonds, Series 2010.”

“State” shall mean the State of Georgia.

“Term” shall have the meaning specified in Section 4.1 hereof.

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ARTICLE 2

REPRESENTATIONS

Section 2.1. Representations by the Agency.

The Agency makes the following representations as the basis for the undertakings on its part herein contained:

(a) The Agency is a public corporation duly created and validly existing under the laws of the State, including the provisions of the Act. The Agency has all requisite power and authority under the Act and the laws of the State to (1) adopt the Bond Resolution, (2) issue the Series 2010 Bonds to finance the costs of acquiring, constructing, and installing the Project, (3) exercise the City's "urban redevelopment project powers" including providing or causing others to provide for the implementation of the Urban Redevelopment Plan and including the acquisition, construction and installation of the Project, and (4) enter into, perform its obligations under, and exercise its rights under this Intergovernmental Contract and the Bond Resolution. The Bond Resolution has been duly adopted and has not been modified or repealed. The Agency has accepted certain "urban redevelopment project powers" delegated to it by the City pursuant to the Act. The Act authorizes the Agency to issue bonds to finance the undertaking of any "urban redevelopment project" under the Act, which bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the Agency derived from or held in connection with its undertaking and carrying out of urban redevelopment projects under the Act. The Act authorizes the Agency to undertake and carry out within the territorial limits of the City "urban redevelopment projects," which are defined to include undertakings or activities of the Agency in an "urban redevelopment area" under the Act for the elimination and for the prevention of the development or spread of slums and may involve slum clearance and redevelopment in an "urban redevelopment area," rehabilitation or conservation in an "urban redevelopment area," or any combination or part thereof, in accordance with an "urban redevelopment plan" adopted pursuant to the Act. The Act authorizes the Agency to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under the Act, to acquire, by purchase, grant, or otherwise, any real property (defined to include all lands, including improvements and fixtures thereon and property of any nature appurtenant thereto or used in connection therewith), to hold, improve, clear, or prepare for redevelopment any such property, to dispose of any real property, and to borrow money for the purposes of the Act and to give such security as may be required and to enter into and carry out contracts in connection therewith. No commissioner of the Agency has a direct or indirect interest in the Project or in any property included in or to be included in the Project or in any contract or proposed contract in connection therewith.

(b) No approval or other action by any governmental authority or agency or other person is required in connection with the (i) acquisition, construction, installation and equipping of the Project, (ii) issuance of the Series 2010 Bonds (other than the judgment of validation in the Superior Court of Fulton County), or (iii) execution,



delivery and performance of this Intergovernmental Contract by the Agency, except as shall have been obtained as of the date hereof.

(c) The adoption of the Bond Resolution, the issuance of the Series 2010 Bonds and the authorization, execution, delivery and performance by the Agency of this Intergovernmental Contract do not violate the Act, the Agency's bylaws, any resolutions of the City or the laws or Constitution of the State and do not constitute a breach of or a default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Agency, threatened against or affecting the Agency (or, to the knowledge of the Agency, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the Agency from issuing the Series 2010 Bonds or constructing, acquiring and equipping the Project, (ii) contesting or questioning the existence of the Agency or the titles of the present officers of the Agency to their offices or (iii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the enforceability of the Series 2010 Bonds, the Bond Resolution, or this Intergovernmental Contract, or (B) materially adversely affect (1) the financial condition or results of operations of the Agency, or (2) the transactions contemplated by this Intergovernmental Contract.

(e) The Agency is not in violation of the Act, its bylaws, any resolutions of the City or the laws or Constitution of the State and is not in default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(f) The Project is located within territorial boundaries of the City of Atlanta and is authorized by the Act. The Agency, in assisting with the financing of the costs of the acquisition, construction, installation and equipping of the Project, will be acting in accordance with the public purposes expressed in the Act.

(g) Neither this Intergovernmental Contract nor any of the payments or amounts to be received by the Agency hereunder have been or will be assigned, pledged, or hypothecated in any manner for any purpose or have or will be the subject of a grant of a security interest by the Agency other than as provided in the Bond Resolution.

THE AGENCY MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROJECT, EXCEPT AS SET FORTH ABOVE. THE AGENCY MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE CONDITION OR WORKMANSHIP OF ANY PART OF THE PROJECT OR ITS SUITABILITY FOR THE CITY'S PURPOSES OR THE EXTENT TO WHICH PROCEEDS OF THE SERIES 2010 BONDS WILL PAY THE COSTS INCURRED IN CONNECTION THEREWITH.

Section 2.2. Representations by the City.

The City makes the following representations:

(a) The City is a municipal corporation duly created and organized under the Constitution and laws of the State including the charter of the City (Ga. Laws 1996, p. 4469), as amended (the “**Charter**”). Under the Charter, the State Constitution, and other laws of the State, the City is authorized to execute, deliver and perform its obligations under this Intergovernmental Contract. The City has duly authorized the execution, delivery and performance of this Intergovernmental Contract and the construction, installation and equipping of the Project, on behalf of the Agency as authorized by the adoption of its Bond Resolution. This Intergovernmental Contract is a valid, binding and enforceable obligation of the City. The City has taken all actions required by the Act to qualify the Project as “urban redevelopment projects” thereunder, including, without limitation, designating the area in which the Project is situated as an “urban redevelopment area” and approving an “urban redevelopment plan” for the Project following the conduct of a duly noticed public hearing required by the Act. The Act authorizes the City to appropriate such funds and make such expenditures as may be necessary to carry out the purposes of the Act and to levy taxes and assessments for such purposes. Article IX, Section III, Paragraph I of the State Constitution authorizes the City to contract for any period not exceeding fifty years with any public corporation or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment, if such contract deals with activities, services, or facilities that the contracting parties are authorized by law to undertake or provide. The City’s Charter authorizes the City to provide for the acquisition, construction, building, operation and maintenance of public ways, public buildings, and other public improvements. To the best knowledge of the City, and without any investigation thereof, as of the date of execution of this Intergovernmental Contract, no public official or employee of the City has a direct or indirect interest in the Project or in any property included in or to be included in the Project or in any contract or proposed contract in connection therewith.

(b) No approval or other action by any governmental authority or agency or other person is required in connection with the (i) construction, installing and equipping of the Project on behalf of the Agency, or (ii) execution, delivery and performance of this Intergovernmental Contract by the City, except as shall have been obtained as of the date hereof.

(c) The authorization, execution, delivery and performance by the City of this Intergovernmental Contract do not violate the Charter, State Constitution or laws of the State and do not constitute a breach of or a default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the City, threatened against or affecting the City (or, to the knowledge of the City, any



meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the City from constructing, acquiring and equipping the Project, (ii) contesting or questioning the existence of the City or the titles of the present officers of the City to their offices or (iii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the enforceability of this Intergovernmental Contract, or (B) materially adversely affect (1) the financial condition or results of operations of the City, or (2) the transactions contemplated by this Intergovernmental Contract.

(e) The execution of the Intergovernmental Agreement and the performance thereunder by the City does not violate the Charter, the State Constitution or the laws of the State and will not constitute a default under any existing court order, administrative regulation, or other legal decree, or any agreement, indenture, mortgage, lease, note or other instrument to which it is a party or by which it is bound.

(f) The representations and warranties of the City set forth in the Non-Arbitrage Tax Certificate, dated the date of issuance and delivery of the Series 2010 Bonds, are hereby incorporated herein and made a part hereof by this reference thereto, as if fully set forth herein, and are true and correct as of the date hereof.

ARTICLE 3

ISSUANCE OF SERIES 2010 BONDS; PROCEEDS; COMMENCEMENT AND COMPLETION OF THE PROJECT

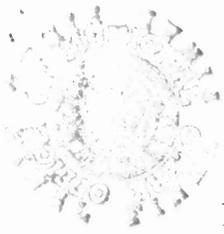
Section 3.1. Agreement to Issue the Series 2010 Bonds; Application of Proceeds.

The Agency has adopted the Bond Resolution authorizing the issuance of the Series 2010 Bonds and agrees that it will proceed with the issuance thereof. The proceeds from the sale of the Series 2010 Bonds shall be applied as provided in the Bond Resolution, and the City, through its execution of this Intergovernmental Contract, hereby approves the issuance of the Series 2010 Bonds and the terms thereof as contained in the Series 2010 Bonds and the Bond Resolution. The City acknowledges that it has received a certified copy of the Bond Resolution from the Agency, which resolution is hereby approved and incorporated by reference.

Section 3.2. Agreement to Acquire, Construct and Install the Project.

(a) The Agency, in the exercise of “urban redevelopment project powers,” will implement the Urban Redevelopment Plan and cause the Project to be acquired, constructed and installed. The Agency hereby appoints the City as its sole and exclusive agent to proceed forthwith with acquiring, constructing and installing of the Project. The City shall obtain or cause to be obtained all necessary approvals from any and all governmental agencies requisite to undertaking the acquisition, construction, installation and equipping of the Project. The Project shall be acquired, constructed, installed and equipped in compliance with Davis-Bacon Labor Standards and all federal, state and local laws, ordinances and regulations applicable thereto. The City will take or cause to be taken such action and institute or cause to be instituted such proceedings as it shall deem appropriate to cause and require all contractors and suppliers of materials to complete their contracts, including the correcting of any defective work, and the Agency agrees that the City may, from time to time, in its own name, or in the name of the Agency, take or cause to be taken such action as may be necessary or advisable, as determined by the City, to assure that the construction and the installation of the Project will proceed in an efficient and workmanlike manner. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing shall (i) if Agency has corrected at its own expense the matter which gave rise to such default or breach, be paid to the City or (ii) if Agency has not corrected at its own expense the matter which gave rise to such default or breach, be paid into the Project Fund created under the Bond Resolution.

(b) The City, as agent for the Agency, shall acquire, construct, install and equip, or cause to be acquired, constructed, installed and equipped, the Project substantially as described in the Project Report. The City shall use its best efforts to cause the acquisition, construction, installation and equipping to be completed as soon as may be practical, delays incident to strikes, riots, acts of God or the public enemy beyond the reasonable control of the City excepted; but if for any reason such acquisition, construction, installation and equipping is not completed by any specified date there shall be no resulting liability on the part of the Agency.



(c) The moneys credited to the Project Fund from the sale of the Series 2010 Bonds shall be used and applied for the purpose of paying the cost of the Project described in the Project Report and otherwise disbursed as provided in the Bond Resolution.

Section 3.3. Establishment of Completion Date.

The Completion Date shall be evidenced to the Project Fund Custodian and the Agency by a certificate signed by a duly authorized representative of the City stating that, except for amounts retained by the Project Fund Custodian at the City's direction to pay any cost of the Project not then due and payable, (i) the Project has been completed and all costs of labor, services, materials and supplies have been paid, and (ii) all other facilities necessary in connection with the Project have been acquired, constructed, improved, and equipped and all costs and expenses incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Project Fund Custodian shall retain in the Project Fund a sum equal to the amounts necessary for payment of the costs of the Project not then due and payable according to such certificate. If any such amounts so retained are not subsequently used, prior to any transfer of such amounts to the Sinking Fund, the Project Fund Custodian shall give notice to the Agency and the City of the failure to apply such funds for payment of the costs of the Project. Any amount not to be retained in the Project Fund for payment of the costs of the Project, and all amounts so retained but not subsequently used, shall be transferred by the Project Fund Custodian into the Sinking Fund and applied in accordance with the provisions of the Bond Resolution.

Section 3.4. In Event Project Fund Insufficient.

The Agency does not make any warranty, either express or implied, that the moneys which will be paid into the Project Fund will be sufficient to pay all the costs of the Project. The City and the Agency agree that, if after exhaustion of the moneys in the Project Fund the Agency should pay any additional costs of the Project, neither the City nor the Agency shall be entitled to any diminution in or postponement or abatement of the amount of the Contract Payments and other amounts payable under Article IV hereof.

Section 3.5. Title to the Project.

The Project, except for certain portions _____, shall be constructed on land owned by the City and title to the Project shall be in the City.

Section 3.6. Application of Moneys in the Project Fund.

As provided in Section 407 of the Bond Resolution and hereinbelow, the City covenants to submit requisitions to the Project Fund Custodian for the use of the moneys in the Project Fund for the following purposes (but for no other purposes):

(a) payment of (i) the cost of the preparation of plans and specifications (including any preliminary study or planning of the Project or any aspect thereof), (ii) the

cost of acquisition and construction of the Project and all construction, acquisition, and installation expenses required to provide utility services or other facilities and all real or personal properties deemed necessary in connection with the Project (including development, architectural, engineering, and supervisory services with respect to any of the foregoing), and (iii) any other costs and expenses relating to the Project;

(b) payment of the purchase price of any component of the Project, including all costs incident thereto, payment for labor, services, materials, and supplies used or furnished in site improvement and in the construction of the Project, including all costs incident thereto, payment for the cost of the construction, acquisition, and installation of utility services or other facilities, payment for all real and personal property deemed necessary in connection with the Project, payment of consulting and development fees, and payment for the miscellaneous expenses incidental to any of the foregoing items including the premium on any surety bond;

(c) payment of the costs of issuing the Series 2010 Bonds;

(d) payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor or their surety in respect of any default under a contract relating to the Project;

(e) payment of the fees or out-of-pocket expenses of the City, if any, relating to the Project, including, but not limited to, architectural, engineering, and supervisory services with respect to the Project;

(f) payment of the fees, or out-of-pocket expenses, if any, of those providing services with respect to the Project, including, but not limited to, architectural, engineering, legal, accounting, and supervisory services;

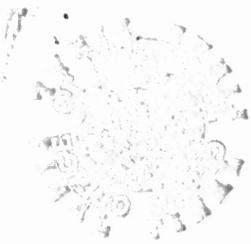
(g) payment to the City or the Agency of such amounts, if any, as shall be necessary to reimburse the City or the Agency in full for all advances and payments made by either of them for any of the items set forth in clauses (a) through (e) above;

(h) payment of any other costs and expenses relating to the Project permitted to be paid by the Agency under the Act; and

(i) all proceeds of Bonds remaining in the Project Fund after the Completion Date, less amounts retained or set aside to meet costs not then due and payable or which are being contested, shall be deposited in the Sinking Fund.

Section 3.7. Disbursements from the Project Fund.

All disbursements from the Project Fund shall be made upon draft, signed by the Authorized City Representative and Authorized Agency Representative following the submission of a requisition in substantially the form of Exhibit "C" attached to the Bond Resolution.



ARTICLE 4

EFFECTIVE DATE OF THIS INTERGOVERNMENTAL CONTRACT; DURATION OF TERM; CONTRACT PAYMENT PROVISIONS

Section 4.1. Effective Date of this Intergovernmental Contract; Duration of Term.

This Intergovernmental Contract shall become effective upon its execution and delivery and, subject to the other provisions of this Intergovernmental Contract (including particularly Article 7 hereof) and shall continue in effect until the services to be provided herein are completed, provided that this Intergovernmental Contract shall not expire before the principal of, premium (if any) and the interest on the Series 2010 Bonds shall have been fully paid or shall be deemed to have been fully paid pursuant to the provisions of the Bond Resolution. In no event, shall the term of this Intergovernmental Contract extend for more than fifty (50) years.

Section 4.2. Contract Payments.

(a) The City shall make the Contract Payments to the Agency in an amount sufficient to enable the Agency to pay in full the principal of, premium [(if any) including the Extraordinary Optional Redemption Price and the Make Whole Redemption Price] and interest on the Series 2010 Bonds on each _____ and _____ commencing _____, 2010, and such Contract Payments shall continue and recontinue until provision has been made for the payment in full of the Series 2010 Bonds as to principal, interest and premium, if any[; provided, however, that the City's payment obligation under this Section 4.2(a) shall be abated to the extent, and in the amount of any funds then on deposit with the Sinking Fund Custodian, including amounts received as "subsidy payments" under the Recovery Act].

(b) [In addition to the foregoing, each Contract Payment shall include the charges as billed specified in Section ____ of the Bond Resolution.] The Contract Payments provided for herein shall be made by payment directly to the Sinking Fund Custodian for deposit into the Sinking Fund (except the amounts billed which are specified in Section ____ of the Bond Resolution).

Section 4.3. Budget and Tax Levy to Pay Contract Payments.

(a) The obligations of the City to make the Contract Payments when due under Section 4.2 hereof, and to perform its other obligations hereunder, are absolute and unconditional general obligations of the City as herein provided, and the City hereby pledges its full faith and credit and taxing power to such payment and performance. The Contract Payments required hereunder shall be made from any lawfully available funds, including, but not limited to, moneys derived pursuant to the levy of an ad valorem tax as hereinafter provided. In the event the amount of funds lawfully available is not sufficient to pay the Contract Payments when due in any year, the City shall levy an ad valorem tax on all taxable property located within the corporate limits of the City subject to taxation

for such purposes, as now existent and as same may hereafter be extended, at such rate or rates as may be necessary to produce in each calendar year revenues which shall be sufficient to fulfill the City's obligations hereunder, from which revenues there shall be appropriated sums sufficient to pay in full when due the obligations herein contracted to be paid by the City including specifically the obligation to make the Contract Payments as provided herein.

(b) The City further covenants and agrees that in order to make funds available for such purpose, it will, in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such Contract Payments that may be required to be made, whether or not any other sums are included in such measure, until all payments so required to be made shall have been made in full. The obligation of the City to make the Contract Payments shall constitute a general obligation of the City and a pledge of the full faith and credit of the City to provide the funds required to fulfill such obligation; provided, however, nothing herein contained shall be construed as limiting the right of the City to pay the obligations hereunder assumed out of its general funds or from other sources lawfully available to it for such purpose.

(c) In the event for any reason any such provision or appropriation is not made as provided in the preceding subsection (b), then the fiscal officers of the City are hereby authorized and directed to set up as an appropriation on their accounts in the appropriate fiscal year the amounts required to pay the obligations which may be due from the general funds of the City. The amount of such appropriation shall be due and payable and shall be expended for the purpose of paying any such obligations, and such appropriation shall have the same legal status as if the City had included the amount of the appropriation in its general revenue, appropriation and budgetary measures, and the fiscal officers of the City shall make such Contract Payments to the Sinking Fund Custodian for deposit to the Sinking Fund if for any reason the payment of such obligations shall not otherwise have been made.

(d) The obligation of the City to make Contract Payments, to levy an ad valorem property tax and to provide for such payments through its appropriation and budgetary measures as provided in this Section 4.3 shall be for the full amount of such Contract Payments without taking into account any subsidy or the expected receipt of any refundable credit which may be paid to the Agency, the City or the Paying Agent pursuant to the Recovery Act; provided, however, that the City's payment obligation under Section 4.2(a) shall be abated to the extent and in the amount of any funds then on deposit with the Sinking Fund Custodian, including amounts received as a "subsidy payment" pursuant to the Recovery Act.

Section 4.4. Obligations of City Hereunder Absolute and Unconditional.

The obligations of the City to make the payments required in Section 4.2 hereof and to perform and observe any and all of the other covenants and agreements on its part contained herein shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment, or counterclaim it may otherwise have against the Agency. Until such time as all

amounts owing hereunder have been paid or provision for the payment thereof shall have been made in accordance with the Bond Resolution and hereof, the City (i) will not suspend, abate, reduce, abrogate, diminish, postpone, modify or discontinue the Contract Payments provided for herein, (ii) will perform and observe all of its other agreements contained in this Contract, and (iii) will not terminate the Term of this Intergovernmental Contract or its obligations hereunder for any contingency, act of God, event, or cause whatsoever, including, without limiting the generality of the foregoing, failure of the Agency's title in and to the Project or any part thereof, failure to complete the Project, any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Project, the taking by eminent domain of title to or the use of all or any part of the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either, any declaration or finding that any of the Series 2010 Bonds are unenforceable or invalid, the invalidity of any provision of this Intergovernmental Contract or any failure of the Agency to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Intergovernmental Contract or the Bond Resolution. Nothing contained in this Section shall be construed to release the Agency from the performance of any of the agreements on its part contained herein or in the Bond Resolution; and if the Agency should fail to perform any such agreement, the City may institute such action against the Agency as the City may deem necessary to compel performance or recover its damages for nonperformance as long as such action shall not do violence to or adversely affect the agreements on the part of the City contained in this Intergovernmental Contract and to make the Contract Payments specified herein. The City may, however, at its own cost and expense and in its own name, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to insure the acquisition, construction, development and equipping of the Project or to secure or protect its rights hereunder, and in such event the Agency hereby agrees to cooperate to the extent required.

Section 4.5. Pledge and Assignment.

The parties acknowledge that so long as the Series 2010 Bonds remain outstanding, this Intergovernmental Contract and the Contract Payments hereunder have been pledged and assigned to the holder of the Series 2010 Bonds as security for the payment thereof. The City consents to such pledge and assignment.

ARTICLE 5

SPECIAL COVENANTS OF CITY

Section 5.1. Investment of Funds and Accounts.

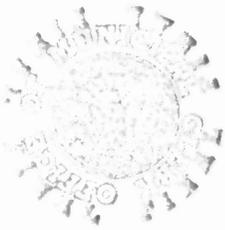
Subject to Section 410 of the Bond Resolution and this Section 5.1 hereof, any moneys held as a part of the Sinking Fund, the Project Fund, or any other special trust account shall be invested or reinvested by the Sinking Fund Custodian or the Project Fund Custodian, as the case may be, at the written direction of the Authorized City Representative in such Permitted Investments as may be designated by the City. The Sinking Fund Custodian or the Project Fund Custodian, as the case may be, may make any and all such investments through its own bond or investment department or through its broker-dealer affiliate.

The investments so purchased shall be held by the Sinking Fund Custodian or the Project Fund Custodian, as the case may be, and shall be deemed at all times a part of the Sinking Fund, the Project Fund, or the trust account described in the preceding paragraph, as the case may be, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account, and any losses resulting from such investments shall be charged to such fund or account therein and paid by the City.

Section 5.2. Special Investment Covenants.

(a) Neither the Agency nor the City shall use or knowingly permit the use of any proceeds of the Series 2010 Bonds or any other funds of the Agency, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the Agency or the Project Fund Custodian in any manner, and shall not take or permit to be taken any other action or actions, that would cause any Series 2010 Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code or which would otherwise cause "subsidy payments" paid to the Agency from the United States Treasury pursuant to Section 54AA of the Code to be reduced or eliminated. The Agency and the City shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that the Agency will be entitled to receive "subsidy payments" from the United States Treasury under Section 54AA of the Code and that interest paid by the Agency shall, for the purposes of State income tax, be exempt from all State income taxation.

(b) The Agency and the City covenant to either take actions to prevent its receipt of private payments which would cause the Series 2010 Bonds to be "private activity bonds," redeem the Series 2010 Bonds prior to receipt of such excess private payments or take remedial actions under the Code which would allow such payments to be received without adverse effect on the tax status of interest on the Series 2010 Bonds. Other than as provided in the preceding sentence, the Agency and the City may only make contractual arrangements with respect to the use and payment therefor of the Project such that the Series 2010 Bonds will not become "private activity bonds" under Section 141 of the Code provided such restrictions shall not apply if an Opinion of Bond



Counsel is delivered to the effect that interest on the Series 2010 Bonds will continue to be exempt from gross income for federal income tax purposes.

(c) Reference is made to the non-arbitrage certificate by the Agency delivered concurrently with the issuance of the Series 2010 Bonds; the representations and covenants made therein are hereby incorporated by reference as if contained herein and shall constitute part of this Agreement.

(d) In the event that at any time the Agency or the City is of the opinion that for purposes of this Section 5.2 it is necessary to dispose of any investment or to restrict or limit the yield on any investment held under the Bond Resolution or otherwise, the Agency or the City, as the case may be, shall so instruct the Project Fund Custodian or the Sinking Fund Custodian in writing.

Section 5.3. Calculation and Payment of Rebate Amount.

An Authorized City Representative, is hereby authorized (a) to retain a certified public accountant or financial analyst, or any firm thereof or any financial institution experienced in making the arbitrage rebate calculations required pursuant to Section 148 of the Code, to make such calculations, (b) to establish such funds or accounts, and (c) to make or direct such investment as may be desired to assist in or facilitate compliance with Section 148 of the Code. The moneys and securities held in any rebate fund or account do not, and shall not, constitute security for the payment of the Series 2010 Bonds.

The City, on behalf of the Agency, shall cause the Rebate Amount, hereinafter defined, to be determined and pay such Rebate Amount, if any, from any legally available source. Such amount shall be deposited in a rebate fund or account established hereunder for subsequent payment to the United States Treasury, as and when due, in accordance with the "rebate requirement" described in Section 148(f) of the Code and in this Section and retain records of all such determinations until six (6) years after the payment of the Series 2010 Bonds.

Within 30 days after the last day of the fifth Bond Year (_____, _____) (the "**Initial Installment Computation Date**"), and at least once every five years thereafter until final payment of the Series 2010 Bonds, the City, on behalf of the Agency, shall cause the preparation of a certificate (a "**Rebate Amount Certificate**") setting forth the amount due the United States Treasury pursuant to Section 148(f) of the Code and regulations thereunder (the "**Rebate Amount**"). Such Rebate Amount Certificate shall be prepared or approved by (1) a person with experience in matters of governmental accounting for Federal income tax purposes, (2) a bona fide arbitrage rebate calculation reporting service, or (3) nationally recognized bond counsel. The City shall pay all costs associated with the preparation of the Rebate Amount Certificate.

Not later than 60 days after the Initial Installment Computation Date, the City, on behalf of the Agency, shall deposit into the rebate fund or account established hereunder, for subsequent payment to the United States Treasury, at least 90% of the Rebate Amount as set forth in the Rebate Amount Certificate prepared with respect to the Initial Installment Computation Date. At least once on or before 60 days after the date that is the fifth anniversary of the Initial Installment Computation Date and on or before 60 days after every fifth anniversary date thereafter (until

final payment of the Series 2010 Bonds), the City shall deposit into the rebate fund or account established under the Bond Resolution, for subsequent payment to the United States Treasury, not less than the amount, if any, by which 90% of the Rebate Amount set forth in the most recent Rebate Amount Certificate exceeds the aggregate of all such payments theretofore made to the United States Treasury pursuant to this Section. On or before 60 days after final payment of the Series 2010 Bonds, the City, on behalf of the Agency, shall deposit into the rebate fund or account established under the Bond Resolution, for subsequent payment to the United States Treasury, the amount, if any, by which 100% of the Rebate Amount set forth in the Rebate Amount Certificate with respect to the date of final payment of the Series 2010 Bonds exceed the aggregate of all payments theretofore made pursuant to this Section.

The Agency and the City may, without the consent of the owners of the Series 2010 Bonds, make such additions, deletions or modifications to this Intergovernmental Contract as may be required or permitted so as to ensure compliance with Section 148 of the Code or otherwise as may be required to ensure that interest on the Series 2010 Bonds is not includable within the gross income of the holders thereof for federal income tax purposes.

Section 5.4. Obligations Under Bond Resolution.

The Agency shall perform all of its obligations (and those applicable to it as the City's agent) under the Bond Resolution.

Section 5.5. Records and Accounts.

The Agency shall keep the funds and accounts of the Project separate from all other funds and accounts of the Agency. The Agency shall keep accurate records and accounts of all items of cost and all expenditures relating to the Project, and of the revenues collected and the application thereof. Such records and accounts shall be open to the inspection of the City and the Bondholders.

ARTICLE 6

SPECIAL COVENANTS AND AGREEMENTS OF THE AGENCY

Section 6.1. No Warranty of Condition or Suitability by the Agency.

The Agency makes no warranty, either express or implied, as to the condition of the Project or that it will be suitable for the City's purposes or needs.

Section 6.2. Inspection of the Project.

The Agency agrees that the City, the Bondholders and their duly authorized agents shall have the right at reasonable times during business hours, subject to the Agency's usual safety and security requirements, to examine and inspect the Project without interference or prejudice to the Agency's operations.

Section 6.3. Further Assurances and Corrective Instruments, Recordings and Filings.

The Agency and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to perfect title in and to the Project for carrying out the intention of or facilitating the performance of this Intergovernmental Contract.

ARTICLE 7

EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default Defined.

The following shall be “events of default” under this Intergovernmental Contract and the terms “event of default” or “default” shall mean, whenever they are used in this Intergovernmental Contract, any one or more of the following events:

(a) Failure by the City to make any Contract Payment required to be paid under Section 4.2 hereof at the time or times specified therein;

(b) Failure by the City to observe and perform any covenant, condition or agreement of this Intergovernmental Contract on its part to be observed or performed, other than as referred to in subsection (a) of this Section, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the City by the Agency or a Bondholder; provided, however, if the failure stated in the notice cannot be corrected within the period specified herein, the Agency will not unreasonably withhold its consent to an extension of such time if it is possible to correct such failure and corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected; and

(c) An “event of default” shall have occurred under the Bond Resolution.

Section 7.2. Remedies on Default.

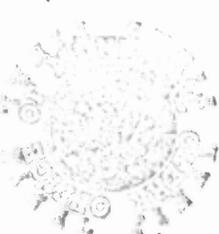
Whenever any event of default referred to in Section 7.1 hereof shall have happened and be subsisting, the Agency, or the Bondholders as provided in the Bond Resolution, may take any one or more of the following remedial steps:

(a) The Agency or the Bondholders may require the City to furnish copies of all books and records of the City pertaining to the Project;

(b) The Agency or the Bondholders may take whatever action at law or in equity may appear necessary or desirable to collect the Contract Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under this Intergovernmental Contract; and

(c) The Agency or the Bondholders may exercise any remedies provided for in the Bond Resolution.

Any amounts collected pursuant to action taken under this Section shall be paid into the Sinking Fund and applied in accordance with the provisions of the Bond Resolution or, if payment in full of the outstanding Series 2010 Bonds has been made (or provision for payment thereof has been made in accordance with the provisions of the Bond Resolution), to the City.



Section 7.3. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Agency or the Bondholders is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Intergovernmental Contract or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency or the Bondholders to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice or notices as may be herein expressly required. Such rights and remedies as are given to the Agency hereunder shall also extend to the Bondholders, and the holders of the Series 2010 Bonds shall be deemed third party beneficiaries of all covenants and agreements herein contained.

Section 7.4. No Additional Waiver Implied by one Waiver.

If any agreement contained in this Intergovernmental Contract should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE 8

MISCELLANEOUS

Section 8.1. Agreement to Pay Attorneys' Fees and Expenses.

If the City should default under any of the provisions of this Intergovernmental Contract and either or both the Agency or the Bondholders should employ attorneys or incur other expenses for the collection of Contract Payments or the enforcement of performance or observance of any obligation or agreement on the part of the City herein contained, the City agrees that it shall on demand therefor pay to the Agency and the Bondholders the reasonable fee of such attorneys and such other reasonable expenses so incurred by the Agency and the Bondholders.

Section 8.2. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid.

Section 8.3. Binding Effect.

This Intergovernmental Contract shall inure to the benefit of and shall be binding upon the Agency, the City and their respective successors and assigns, subject, however, to the limitations contained in this Intergovernmental Contract.

Section 8.4. Severability.

In case any one or more of the provisions of this Intergovernmental Contract shall for any reason be held to be illegal or invalid by a court of competent jurisdiction, it is the intention of each of the parties hereto that such illegality or invalidity shall not affect any other provision hereof, but this Intergovernmental Contract shall be construed and enforced as if such illegal or invalid provision had not been contained herein, and this Intergovernmental Contract be construed to adopt, but not to enlarge upon, all the applicable provisions of the Constitution and general laws of Georgia, and, if any provisions hereof conflict with any applicable provision of said Constitution or laws, the latter as adopted by the General Assembly and as interpreted by the courts of this State shall prevail in lieu of any provision hereof in conflict or not in harmony therewith.

Section 8.5. Amounts Remaining in Sinking Fund.

It is agreed by the parties hereto that, subject to and in accordance with the terms and conditions of the Bond Resolution, certain surplus moneys remaining in the Sinking Fund after payment of all outstanding Series 2010 Bonds shall belong to and be paid to the City by the Agency as an overpayment of Contract Payments.

Section 8.6. Amendments, Changes and Modifications.

This Intergovernmental Contract may be amended without the consent of the Bondholders in order to grant any additional rights, remedies, powers, authority or security that may be lawfully granted to or conferred upon the Bondholders or to make any other change that does not materially adversely affect the Bondholders. All other amendments shall require the consent of the Bondholders in accordance with Section 9.1 of the Bond Resolution. Notwithstanding the foregoing, this Intergovernmental Contract shall not be amended if such amendment reduces the Contract Payments.

Section 8.7. Execution Counterparts.

This Intergovernmental Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 8.8. Captions.

The captions and headings in this Intergovernmental Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Intergovernmental Contract.

Section 8.9. Law Governing Intergovernmental Contract.

This Intergovernmental Contract shall be governed by, and construed in accordance with, the laws of the State of Georgia.

Section 8.10. City a Party to Legal Proceedings as to Validity.

The City hereby consents to be a party defendant in the legal proceedings as to the validity of the Series 2010 Bonds and covenants and agrees that it shall cooperate with the Agency in validating the Series 2010 Bonds and in connection therewith, shall execute such certificates, consent to service of process and make sworn answers as may be necessary for the validation proceedings.

IN WITNESS WHEREOF, the Agency and the City have caused this Intergovernmental Contract to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written. *

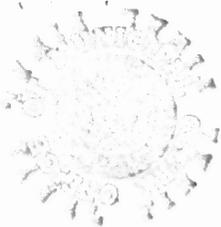
**ATLANTA URBAN REDEVELOPMENT
AGENCY**

(S E A L)

By: _____
Vice-Chairman

Attest:

Secretary



(S E A L)

CITY OF ATLANTA

By: _____
Mayor

Approved as to Form

City Attorney

Attest:

Municipal Clerk

[Signature Page to Intergovernmental Contract]

PROJECT REPORT

The Project shall consist of (i) the acquisition, rehabilitation and improvement of real property and buildings to eliminate vacant and distressed areas within the Urban Redevelopment Area, (ii) certain public transportation projects in the Urban Redevelopment Area, including the construction of a bridge replacement, the acquisition, construction and installation of street lights intersection, cross-walk and traffic signalization upgrades throughout the Urban Redevelopment Area, the construction and installation of an electric rail-based streetcar system in downtown Atlanta and the acquisition and construction and installation of other related improvements as described in the Urban Redevelopment Plan.



EXHIBIT "B"

FORM OF BOND PURCHASE AGREEMENT



[\$ _____]
**ATLANTA URBAN REDEVELOPMENT AGENCY
TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT REVENUE BONDS,
SERIES 2010**

BOND PURCHASE AGREEMENT

[_____, 2010]

Atlanta Urban Redevelopment Agency
Atlanta, Georgia

City of Atlanta
Atlanta, Georgia

Ladies and Gentlemen:

Citigroup Global Markets Inc. (the "Representative"), on behalf of itself and Terminus Securities, LLC (collectively, the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the Atlanta Urban Redevelopment Agency (the "Issuer") and the City of Atlanta (the "City") for the purchase by the Underwriter and the sale by the Issuer of the Series 2010 Bonds referred to in Section 1 hereof. This offer is made subject to acceptance by the Issuer and the City of this Purchase Agreement, which acceptance shall be evidenced by the execution of this Purchase Agreement by a duly authorized officer of the Issuer and the City prior to 8:00 p.m., Eastern Time on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Issuer and the City, at any time prior to the acceptance hereof by the Issuer and the City. Upon such acceptance, execution and delivery, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer, the City and the Underwriter.

Section 1. Purchase and Sale of Series 2010 Bonds.

(a) Upon the terms and conditions and in reliance on the representations, warranties, and covenants contained in this Purchase Agreement, the Underwriter hereby agrees to purchase from the Issuer and the Issuer hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the [\$ _____] Atlanta Urban Redevelopment Agency Taxable Recovery Zone Economic Development Bonds, Series 2010 (the "Series 2010 Bonds"). The purchase price for the Series 2010 Bonds shall be [\$ _____] (which price represents the par amount of [\$ _____], plus original issue premium of [\$ _____], less underwriter's discount of [\$ _____] and an insurance premium to be paid by the Underwriter on behalf of the City in the amount of [\$ _____] (the "Purchase Price"). The Purchase Price shall be payable to the Issuer on the Closing Date, by wire transfer of Federal Funds as provided in Section 8 below. Capitalized but undefined terms used herein shall have the meanings assigned thereto in the hereinafter described Official Statement and the hereinafter described Bond Resolution, as applicable.

(b) The Series 2010 Bonds shall be dated their date of delivery and shall mature at the times and in the amounts, bear interest at the rates and shall not be subject to optional redemption prior to maturity but shall be subject to extraordinary optional redemption and mandatory sinking fund redemption prior to maturity at the option of the Issuer at the direction of the City, in whole or in part, at the times and at the prices, all as set forth in Schedule I attached hereto.

(c) The Underwriter acknowledges that (i) the Series 2010 Bonds, together with interest thereon and any redemption premium, shall be limited and not general obligations of the Issuer and shall be payable solely from moneys payable to the Issuer under that certain Intergovernmental Contract between the Issuer and the City dated as of [_____, 2010] (the "Intergovernmental Contract") under the terms of which the Issuer will acquire, construct and install the Project and the City will agree to make Contract Payments to the Issuer in an amount sufficient to enable the Issuer to pay, when due, the principal of, premium [(if any) including the Extraordinary Optional Redemption Price and the Make Whole Redemption Price] and interest on the Series 2010 Bonds, [including the charges as billed specified in Section ____ of the Bond Resolution] and (B) provides for the pledge of the City's full faith and credit and taxing power to the extent necessary to make such Contract Payments, (ii) the Series 2010 Bonds shall not be deemed to constitute a debt or obligation of the State of Georgia (the "State"), the City, or any other political subdivision of the State within the meaning of any constitutional or statutory limitation upon indebtedness nor a pledge of the faith and credit or taxing power of any of the foregoing, nor shall any of the foregoing be subject to any pecuniary liability thereon, (iii) the Issuer has no taxing power and no holder of the Series 2010 Bonds shall, by virtue of being such a holder and without regard to any rights such holder may have under any other instruments or agreements, including the Intergovernmental Contract, ever have the right to compel the exercise of the taxing power of the State, the City (except as provided in the Intergovernmental Contract), or any other political subdivision of the State to pay the principal of the Series 2010 Bonds or the interest or any premium thereon, or to enforce payment thereof against any property of the foregoing, and (iv) the Series 2010 Bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the foregoing other than the revenues pledged under the Bond Resolution to the payment thereof.

Section 2. Description of Financing. The following is provided for informational purposes only and shall not affect or control the actual terms and conditions of the Series 2010 Bonds.

(a) The Series 2010 Bonds are authorized to be issued pursuant to the Act, the laws of the State and the Constitution of the State and a Bond Resolution adopted by the Issuer on [August 19, 2010], as supplemented by a pricing resolution of the Issuer adopted on [_____, 2010] providing the particular terms, interest rates and other provisions for the Series 2010 Bonds (collectively, the "Bond Resolution").

(b) The proceeds from the sale of the Series 2010 Bonds will be used for the purpose of financing the Project and paying certain costs of issuance associated therewith.

(c) On [August __, 2010], the City adopted an ordinance signed by the Mayor of the City on [August __, 2010] (the "City Ordinance") which, among other things, (i) approves the form of and authorizes the execution, delivery and performance of the Intergovernmental Contract pursuant to which the City will make the Contract Payments to the Issuer and (ii) authorizes the execution,

delivery and performance of this Purchase Agreement and the Continuing Disclosure Agreement and approves the Official Statement.

Section 3. Delivery of Preliminary Official Statement and Official Statement; Offering of Series 2010 Bonds.

(a) The Issuer and the City each hereby authorize the distribution by the Underwriter of the hereinafter described Official Statement in connection with the public offering and sale of the Series 2010 Bonds. The Issuer and the City each consent to and ratify the use by the Underwriter of the Preliminary Official Statement dated [August __, 2010] (such Preliminary Official Statement, including the cover page and all appendices, exhibits, reports and statements included therein or attached thereto and any amendments and supplements thereto that may be authorized by the Issuer and the City for use with respect to the Series 2010 Bonds, being herein called the "Preliminary Official Statement") relating to the Series 2010 Bonds for the purposes of marketing the Series 2010 Bonds in connection with the original public offer, sale and distribution of the Series 2010 Bonds by the Underwriter. As of its date, the Preliminary Official Statement was "deemed final" by the Issuer and the City for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC") promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), except for the permitted omissions described in paragraph (b) (1) of the Rule. Prior to the execution of this Purchase Agreement, the Underwriter has reviewed the information in the Preliminary Official Statement and will review the information in the Official Statement in accordance with and as part of its responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

(b) The Issuer and the City agree to furnish the Underwriter with a final Official Statement relating to the Series 2010 Bonds dated [August __, 2010], including the cover page and the appendices attached thereto (the "Official Statement") and shall cause copies of the Official Statement, in sufficient quantity for the Underwriter to comply with applicable rules of the SEC (including the Rule) and the Municipal Securities Rulemaking Board (the "MSRB"), to be available to the Underwriter within seven (7) business days of the execution of this Purchase Agreement (but in no event later than the Closing Date) and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter. The Issuer agrees to deliver to the Underwriter such reasonable quantities of the Preliminary Official Statement and Official Statement to permit the Underwriter to comply with paragraph (b)(4) of the Rule. To the extent required by rules of the SEC or MSRB, the Issuer hereby authorizes the Representative to file not later than two (2) business days after the Closing, and the Representative hereby agrees to file, the Official Statement with (i) the MSRB or its designee (including the MSRB's Electronic Municipal Market Access System), or (ii) other nationally recognized municipal securities information repositories approved by the SEC from time to time (each a "NRMSIR"), (either in addition to or in lieu of the filings referred to above) within the timeframe required by Rule G-36 of the MSRB. Failure of the printer to provide copies of the Official Statement within seven (7) business days after the execution of this Purchase Agreement by the Issuer and the City will not constitute a breach of this Purchase Agreement by the Issuer and the City if such failure is proximately caused by the Underwriter or the agent or representative of any Underwriter.

(c) From the date hereof until the earlier of: (i) ninety (90) days after the "End of the Underwriting Period," or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than twenty-five (25) days following the end of the underwriting period, if any event occurs as a result of which the Issuer, the City or the Underwriter believes it may be necessary to amend or supplement the Official Statement in order to correct any untrue statement of a material fact contained in the Official Statement or to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer, the City and the Underwriter will notify each other thereof and, if in the reasonable opinion of Co-Disclosure Counsel (as defined herein) such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will prepare and furnish to the Underwriter an amendment or supplement to the Official Statement, in form and substance jointly approved by the Issuer and the City, which approval shall not be unreasonably withheld, so the Official Statement, as so amended or supplemented, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading. The cost of any such amendment or supplement shall be borne by the Issuer or the City.

(d) For purposes of this Purchase Agreement the "End of the Underwriting Period" is used as defined in the Rule and shall occur on the later of (i) the Closing Date, or (ii) when the Underwriter no longer retains an unsold balance of the Series 2010 Bonds; unless otherwise advised in writing by the Representative on or prior to the Closing Date, or otherwise agreed to by the Issuer and the Representative, the Issuer may assume that the End of the Underwriting Period is the Closing Date.

(e) The Preliminary Official Statement and/or the Official Statement may be delivered in printed and/or electronic form to the extent permitted by applicable rules of the MSRB and as may be agreed by the Issuer and the Representative. If the Official Statement is prepared for distribution in electronic form, the Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic form.

(f) The Issuer agrees that it will cooperate with the Underwriter in the qualification of the Series 2010 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter shall designate; provided, however, neither the Issuer nor the City shall be required to register as a dealer or broker in any such jurisdiction, execute a general or special consent to service of process or qualify to do business in connection with any such qualification of the Series 2010 Bonds in any such jurisdiction, nor incur any costs or fees in connection with such qualification of the Series 2010 Bonds.

Section 4. Public Offering. The Underwriter agrees to make a bona fide initial public offering of all the Series 2010 Bonds in conformance with all applicable MSRB rules, at prices not in excess of the initial public offering prices or yields not lower than the yields set forth on the Schedule I attached hereto and otherwise shown in the Official Statement. The Underwriter may offer and sell the Series 2010 Bonds to certain dealers (including dealers depositing the Series 2010 Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth in the Official Statement. The Underwriter also reserves the right to: (a) over-allot or effect transactions which stabilize or maintain the market price of the Series 2010 Bonds at levels above

those that might otherwise prevail in the open market and (b) discontinue such stabilizing, if commenced, at any time without prior notice. The Underwriter reserves the right to make certain concessions to dealers and to charge such initial public offering prices as the Underwriter reasonably deems necessary in connection with the marketing of the Series 2010 Bonds. The Underwriter shall, at or before delivery of the Series 2010 Bonds, furnish the Issuer and the City with such information concerning the initial prices at which Series 2010 Bonds of each maturity were sold to the public and the amount of Series 2010 Bonds of each maturity sold at such prices as the City shall reasonably request.

Section 5. Good Faith Check. The Representative has delivered a corporate check to the Issuer payable to the order of the Issuer in the amount of [_____ Dollars (\$_____)] (the "Good Faith Check") as security for the performance by the Underwriter of its obligation to accept and pay for the Series 2010 Bonds at the Closing subject to the terms of this Purchase Agreement. The Good Faith Check shall be retained uncashed by the Issuer unless the Issuer is entitled to retain the same in accordance with the terms hereof.

(a) If the Issuer and the City do not accept this offer, then the Good Faith Check shall be immediately returned by the Issuer to the Representative and this Purchase Agreement shall become null and void, and of no force or effect without any other action by the parties hereto.

(b) If the Issuer and the City accept this offer, then the Good Faith Check shall be held uncashed by the Issuer, and, subject, however, to the terms set forth below, shall be returned by the Issuer to the Representative at Closing.

(c) If the Issuer fails for any reason (other than the Underwriter's non-compliance with its obligations under this Purchase Agreement) to deliver the Series 2010 Bonds at the Closing, or if the Issuer shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement (unless waived by the Representative), or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, the Good Faith Check shall be returned by the Issuer to the Representative (without interest) and such return shall constitute a full release and discharge of all claims by the Underwriter and the Issuer arising out of the transactions contemplated hereby, except that the Issuer's obligations to pay those costs set forth in Section 11(a) hereof shall remain in full force and effect.

(d) If the Underwriter fails (other than for a reason permitted by this Purchase Agreement) to accept and pay for the Series 2010 Bonds at the Closing, the Good Faith Check shall be retained and cashed by the Issuer (for the mutual benefit of the Issuer and the City as determined by such parties) as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriter and such retention shall constitute a full release and discharge of all claims by the Issuer, the City and the Underwriter arising out of the transactions contemplated hereby, except that the Underwriter's obligation to pay those costs set forth in Section 11(b) hereof shall remain in full force and effect. The Underwriter recognizes that in such event the actual damages of the Issuer may be greater or may be less than such sum. Accordingly, the Underwriter and the City hereby waive any right to claim that the actual damages of the Issuer are less than such

sum and the acceptance of this offer by the Issuer and the City shall constitute a waiver of any right the Issuer or the City might otherwise have to additional damages from the Underwriter.

Section 6. Representations, Warranties and Covenants of the City. By the City's acceptance hereof, it hereby represents, warrants and covenants to the Underwriter, as of the date of this Purchase Agreement (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the Series 2010 Bonds at the Closing that the City shall so represent and warrant as of the Closing Date), that:

(a) The City is a municipal corporation of the State duly created and validly existing under the laws of the State, including the Charter of the City of Atlanta, 1996 Ga. Laws p.4469, *et seq.*, as amended (the "City Charter").

(b) The City has complied with all applicable provisions of the State Constitution and laws of the State, including the City Charter, with respect to the consummation of, and has full power and authority to consummate, all transactions contemplated by this Purchase Agreement, the City Ordinance, the Intergovernmental Contract, the Continuing Disclosure Agreement dated as of [_____] 1, 2010] by and between the City and Digital Assurance Certification, L.L.C.(the "Disclosure Agreement") and any other agreements relating thereto (collectively, the "City Documents");

(c) The City Ordinance has been duly enacted by the City at a meeting duly called and held and duly and validly authorizes the execution and delivery of the City Documents, and has not been amended, modified or repealed;

(d) The City has duly and validly authorized all necessary action to be taken by it for: (i) the qualifying of the Project as "urban redevelopment projects" under the Act, including, without limitation, designating the area in which the Project is situated as an "urban redevelopment area" and approving an "urban redevelopment plan" for the Project following the conduct of a duly noticed public hearing required by the Act, (ii) the execution, delivery, and performance of the City Documents, including the Intergovernmental Contract, (iii) the carrying out, giving effect to, and consummation of the transactions contemplated hereby, including the construction, installation and equipping of the Project, on behalf of the Issuer as authorized by the Bond Resolution and (iv) the consent to the distribution by the Underwriter of the Preliminary Official Statement and Official Statement;

(e) The City Documents, when executed by the other parties thereto, if any, will have been duly and validly executed and delivered by the City and will be in full force and effect as to the City;

(f) Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, governmental agency or public board or body, pending or, to the best knowledge of the City, threatened: (i) which may affect the existence of the City or the titles or rights of its officers to their respective offices, (ii) which may affect or which seeks to prohibit, restrain or enjoin (A) the sale, issuance or delivery of the Series 2010 Bonds and (B) the collection or payment of the revenues paid to the Issuer by the City



pursuant to the Intergovernmental Contract or the pledge and assignment thereof by the Issuer to make payments on the Series 2010 Bonds, (iii) which in any way contests or affects the validity or enforceability of the City Documents, or (iv) which contests in any way the completeness or accuracy of the Official Statement or which contests the powers of the City or, to the best knowledge of the City, any authority or proceedings for the issuance, sale or delivery of the Series 2010 Bonds by the Issuer or the transactions contemplated thereby, nor, to the best knowledge of the City, is there any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2010 Bonds or the City Documents;

(g) The execution and delivery of this Purchase Agreement and the other City Documents, and the compliance with the provisions thereof, will not conflict with or constitute on the part of the City a violation of, breach of, or default under: (i) the City Charter, (ii) any indenture, mortgage, lease, note agreement or other agreement or instrument to which the City is a party or by which the City is bound, or (iii) any constitutional provision or statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the City or any of its activities or properties;

(h) All consents, approvals, authorizations and orders of governmental or regulatory authorities that are required to be obtained by the City in connection with the execution and delivery of this Purchase Agreement and the other City Documents and the consummation of the transactions contemplated thereby, including the construction, installing and equipping of the Project on behalf of the Issuer, have been or will be, at Closing, duly obtained and in full force and effect;

(i) The City has agreed to execute and deliver the Disclosure Agreement, at or prior to the Closing, in substantially the form attached to the Official Statement as "APPENDIX [] — FORM OF CONTINUING DISCLOSURE AGREEMENT;"

(j) Except as otherwise disclosed in the Official Statement, the City has complied with all of its existing continuing disclosure obligations under the Rule in accordance with the terms of such obligations;

(k) (i) Other than the hereinafter defined City Excluded Sections, the information contained in the Official Statement as of the Closing Date will be (and as the same may be supplemented or amended, consistent with Section 3(c) hereof) true and correct in all material respects and does not and will not, as applicable, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, and (ii) notwithstanding the foregoing, the City has not provided the information in and does not provide any assurance that the information contained in the sections or appendices, as the case may be, captioned ["**THE ISSUER,**" "**BOOK-ENTRY ONLY SYSTEM,**" "**LITIGATION — The Issuer,**" "**TAX EXEMPTION**" and "**UNDERWRITING**" (the "**City Excluded Sections**"), and "APPENDIX [] - FORM OF OPINION OF CO-BOND COUNSEL"] in the Official Statement is true and correct in all material respects; provided, however, that nothing has come to the attention of the City which would cause it to reasonably believe that anything contained in the City Excluded Sections contains any untrue statement of a material fact or omits to state a material fact which is

necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(l) To the best of the City's knowledge, neither the SEC nor any state securities commission has issued or threatened to issue any order preventing or suspending the use of the Official Statement; and

(m) Any certificate signed by any of the City's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by it to the Underwriter as to the statements made therein.

Notwithstanding any provision to the contrary in this Purchase Agreement, the City makes no representation or warranty with respect to compliance with applicable federal or state securities laws or Blue Sky laws of any jurisdiction in connection with the issuance and sale of the Series 2010 Bonds.

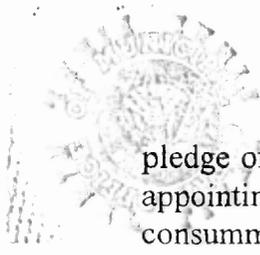
Section 7. Representations, Warranties and Covenants of the Issuer. By the Issuer's acceptance hereof, it hereby represents, warrants and covenants to the Underwriter and the City, as of the date of this Purchase Agreement (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the Series 2010 Bonds at the Closing that the Issuer shall so represent and warrant as of the Closing Date), that:

(a) The Issuer is a public corporation and a "redevelopment agency" created pursuant to the Act and is authorized under the provisions of the State Constitution, the Act and the Revenue Bond Law to issue the Series 2010 Bonds for the purposes described in the Bond Resolution and the Intergovernmental Contract and accept certain "urban redevelopment project powers" delegated to it by the City pursuant to the Act;

(b) The Issuer has complied with all the provisions of the State Constitution and laws of the State, including the Act, with respect to the consummation of, and has all requisite power and authority to consummate, all transactions contemplated by this Purchase Agreement, the Series 2010 Bonds, the Bond Resolution, the Intergovernmental Contract and any other agreements relating thereto (collectively, the "Issuer Documents"), including (i) the adoption of the Bond Resolution, (ii) the issuance of the Series 2010 Bonds to finance the costs of acquiring, constructing, and installing the Project, (iii) the exercise of the City's "urban redevelopment project powers" including the acquisition, construction and installation of the Project, and (iv) entering into, perform its obligations under, and exercise its rights under the Intergovernmental Contract and the Bond Resolution;

(c) The Bond Resolution has been duly adopted by the Issuer at meeting duly called and held and duly and validly authorizes the issuance, sale and delivery of the Series 2010 Bonds and the execution and delivery of the Issuer Documents, and has not been modified, amended or repealed;

(d) The Issuer has duly and validly authorized all necessary action to be taken by it for: (i) the issuance, sale, and delivery of the Series 2010 Bonds upon the terms set forth herein, (ii) the execution, delivery, and performance of the Issuer Documents, including the Bond Resolution which provides for the issuance and delivery of and security for the Series 2010 Bonds (including the



pledge of the payments to be received pursuant to the Intergovernmental Contract (if any)) and appointing a paying agent and bond registrar, (iii) the carrying out, giving effect to, and consummation of the transactions contemplated hereby, and (iv) the consent to the distribution by the Underwriter of the Preliminary Official Statement and Official Statement;

(e) The Issuer Documents, when executed by the other parties thereto, if any, will have been duly and validly executed and delivered by the Issuer and will be in full force and effect as to the Issuer;

(f) Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, governmental agency or public board or body, pending or, to the best knowledge of the Issuer, threatened: (i) which may affect the existence of the Issuer or the titles or rights of its officers to their respective offices, (ii) which may affect or which seeks to prohibit, restrain or enjoin (A) the sale, issuance or delivery of the Series 2010 Bonds and (B) the collection or payment of the revenues paid to the Issuer by the City pursuant to the Intergovernmental Contract or the pledge and assignment thereof by the Issuer to make payments on the Series 2010 Bonds, (iii) which in any way contests or affects the validity or enforceability of the Issuer Documents, or (iv) which contests in any way the completeness or accuracy of the Official Statement or which contests the powers of the Issuer or any authority or proceedings for the issuance, sale or delivery of the Series 2010 Bonds, execution and delivery of the Issuer Documents or any of them or the transactions contemplated thereby, nor, to the best knowledge of the Issuer, is there any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2010 Bonds or the Issuer Documents;

(g) The execution and delivery of this Purchase Agreement and the other Issuer Documents, and the compliance with the provisions thereof, will not conflict with or constitute on the part of the Issuer a violation of, breach of, or default under: (i) the Act, (ii) any indenture, mortgage, lease, note agreement or other agreement or instrument to which the Issuer is a party or by which the Issuer is bound, or (iii) any constitutional provision or statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties;

(h) All consents, approvals, authorizations and orders of governmental or regulatory authorities that are required to be obtained by the Issuer in connection with the execution and delivery of this Purchase Agreement and the other Issuer Documents and the consummation of the transactions contemplated thereby have been or will be, at Closing, duly obtained and in full force and effect;

(i) (i) Other than the hereinafter defined Issuer Excluded Sections, the information concerning the Issuer contained in the Preliminary Official Statement is, and such information in the Official Statement as of the Closing Date will be (and as the same may be supplemented or amended, consistent with Section 3(c) hereof) true and correct in all material respects and does not and will not, as applicable, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (ii) notwithstanding the foregoing, the Issuer has not

provided the information in and does not provide any assurance that the information contained in the sections or appendices, as the case may be, captioned ["**THE CITY,**" "**BOOK-ENTRY ONLY SYSTEM,**" "**LITIGATION — The City,**" "**FINANCIAL STATEMENTS,**" "**FINANCIAL ADVISORS,**" "**TAX EXEMPTION,**" "**UNDERWRITING,**" "**APPENDIX A - STATISTICAL AND FINANCIAL INFORMATION REGARDING THE CITY,**" "**APPENDIX B - AUDITED FINANCIAL STATEMENTS OF THE CITY OF ATLANTA FOR THE FISCAL YEAR ENDED JUNE 30, 2009**" and "**APPENDIX [] - FORM OF OPINION OF CO-BOND COUNSEL**] (the "Issuer Excluded Sections") in the Preliminary Official Statement and the Official Statement is true and correct in all material respects;

(j) The Issuer will cause the [**Registrar**] to authenticate and deliver the Series 2010 Bonds when ready for delivery;

(k) To the best of the Issuer's knowledge, neither the SEC nor any state securities commission has issued or threatened to issue any order preventing or suspending the use of the Preliminary Official Statement or the Official Statement; and

(l) Any certificate signed by any of the Issuer's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by it to the Underwriter as to the statements made therein.

Notwithstanding any provision to the contrary in this Purchase Agreement, the Issuer makes no representation or warranty with respect to compliance with applicable federal or state securities laws or Blue Sky laws of any jurisdiction in connection with the issuance and sale of the Series 2010 Bonds.

Section 8. Closing. At or before 1:00 p.m., prevailing time, on [_____, 2010], or at such other time or at such other date as shall have been mutually agreed upon by the Issuer, the City and the Representative (the "Closing Date"), (a) the Issuer will deliver the Series 2010 Bonds to the Underwriter, in definitive form and duly executed and authenticated, in such authorized denominations and registered in such names as the Underwriter may request through the FAST system of registration with The Depository Trust Company ("DTC"), New York, New York, at a place to be agreed upon by the City and the Representative, (b) the Issuer will deliver to the Representative the closing documents hereinafter mentioned, and (c) the Underwriter will accept such delivery and pay the Purchase Price of the Series 2010 Bonds as set forth in Section 1 hereof by wire transfer of Federal Funds to the order of the "Atlanta Urban Redevelopment Agency" or as directed by the Issuer for deposit in the various funds established under the Bond Resolution. Such delivery and such acceptance and payment are herein sometimes called the "Closing." Delivery of the other documents as aforesaid shall be made at the offices of Hunton & Williams, LLP, Bank of America Plaza, Suite 4100, 600 Peachtree Street N.E., in Atlanta, Georgia, or at such other location as shall have been mutually agreed upon by the Issuer, the City and the Underwriter. The Series 2010 Bonds shall bear proper CUSIP numbers and shall be in typewritten form, with a single bond for each maturity of the Series 2010 Bonds, each such bond to be in a principal amount equal to the principal amount thereof maturing on each such date. The Series 2010 Bonds shall be registered in the name of Cede & Co., as nominee of DTC and will be made available for inspection and

checking by the Underwriter in Atlanta, Georgia, not later than the business day prior to the Closing Date.

Section 9. Conditions to Closing. The Underwriter's obligation to purchase and pay for the Series 2010 Bonds shall be subject: (a) to the performance by the Issuer and the City of their respective obligations to be performed hereunder at and prior to the Closing or such earlier time as may be specified herein, and (b) to the following conditions, including the delivery by the Issuer and the City of their respective documents as are contemplated hereby in form and substance satisfactory to, and the taking of all such action as shall be necessary and appropriate in connection with the transactions contemplated hereby in the opinion of Co-Bond Counsel, Greenberg Traurig, LLP and Riddle and Schwartz, LLC (collectively, "Co-Disclosure Counsel"):

(a) At the time of the Closing, the Issuer Documents and the City Documents shall be in full force and effect and shall not have been repealed or amended in any material way since the date of this Purchase Agreement unless agreed to by the Underwriter;

(b) At or prior to the Closing, the Underwriter shall have received each of the following documents:

(i) The final approving opinion of Co-Bond Counsel, in substantially the form attached to the Official Statement as "APPENDIX [] — FORM OF OPINION OF CO-BOND COUNSEL;"

(ii) A supplemental opinion of Hunton & Williams, LLP and The Law Offices of Greg Evans (collectively, "Co-Bond Counsel") in substantially the form attached hereto as EXHIBIT A;

(iii) The opinion of Co-Disclosure Counsel, in substantially the form attached hereto as EXHIBIT B;

(iv) An opinion of Veronica C. Jones, Esq., in her capacity as general counsel to the Issuer ("Issuer's Counsel"), in substantially the form attached hereto as EXHIBIT C;

(v) An opinion of the City Attorney of the City in substantially the form attached hereto as EXHIBIT D;

(vi) A certificate of the Issuer dated the Closing Date signed by its Chair or Vice Chair, attested to by the Secretary, Assistant Secretary or other duly authorized officer of the Issuer, to the effect that:

(A) the representations and warranties of the Issuer contained herein, and the Bond Resolution are true and correct in all material respects as of the Closing Date, as if made on the Closing Date,

(B) except as otherwise disclosed in the Official Statement, no litigation or proceeding is pending with respect to which service or notice on the Issuer has been perfected or given or, to his/her knowledge, threatened (x) to restrain or enjoin

the issuance or delivery of the Series 2010 Bonds and the other Issuer Documents or the collection of the revenues and receipts from the Intergovernmental Contract which have been pledged to the Series 2010 Bonds, (y) in any way contesting or affecting any authority for the issuance or the validity of the Series 2010 Bonds, the validity, due authorization and execution of the other Issuer Documents, the Issuer's right to use the proceeds of the Series 2010 Bonds for the purposes described in the Bond Resolution, or (z) in any way contesting the corporate existence or powers of the Issuer with respect to the transactions contemplated hereby,

(C) none of the proceedings or authority for the issuance and delivery of the Series 2010 Bonds and for the execution and delivery of this Purchase Agreement, the Bond Resolution and the other Issuer Documents have been modified, amended or repealed;

(D) since the date hereof no material and adverse change has occurred in the financial condition of the Issuer or results of operations of the Issuer; and

(E) other than the hereinafter defined Issuer Excluded Sections, the information concerning the Issuer contained in the Preliminary Official Statement is, and such information in the Official Statement as of the Closing Date will be (and as the same may be supplemented or amended, consistent with Section 3(c) hereof) true and correct in all material respects and does not and will not, as applicable, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and notwithstanding the foregoing, the Issuer has not provided the information in and does not provide any assurance that the information contained in the sections or appendices, as the case may be, captioned [**"THE CITY," "BOOK-ENTRY ONLY SYSTEM," "BOND INSURANCE," "LITIGATION — The City," "FINANCIAL STATEMENTS," "FINANCIAL ADVISORS," "TAX EXEMPTION," "UNDERWRITING," "APPENDIX A - STATISTICAL AND FINANCIAL INFORMATION REGARDING THE CITY," "APPENDIX B - AUDITED FINANCIAL STATEMENTS OF THE CITY OF ATLANTA FOR THE FISCAL YEAR ENDED JUNE 30, 2009," and "APPENDIX [] - FORM OF OPINION OF CO-BOND COUNSEL**] (the "Issuer Excluded Sections") in the Preliminary Official Statement and the Official Statement is true and correct in all material respects; provided, however, that nothing has come to the attention of the Issuer which would cause it to reasonably believe that anything contained in the Issuer Excluded Sections contains any untrue statement of a material fact or omits to state a material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(vii) A certificate of the City dated the Closing Date signed by its Mayor (and/or such proper officer of the City), attested to by its Municipal Clerk or other duly authorized officer of the City, to the effect that:



(A) the representations and warranties of the City contained herein, and the City Ordinance and the Intergovernmental Contract are true and correct in all material respects as of the Closing Date, as if made on the Closing Date,

(B) except as otherwise disclosed in the Official Statement, no litigation or proceeding is pending with respect to which service or notice on the City has been perfected or given or, to his/her knowledge, threatened (x) to restrain or enjoin the issuance or delivery of the Series 2010 Bonds or the other City Documents or the collection and payment of the revenues and receipts pursuant to the Intergovernmental Contract which have been pledged to the Series 2010 Bonds, (y) in any way contesting or affecting any authority for the issuance or the validity of the Series 2010 Bonds, the validity, due authorization and execution of the other City Documents or the right to use the proceeds of the Series 2010 Bonds for the purposes described in the Bond Resolution and the City Ordinance, or (z) in any way contesting the corporate existence or powers of the City with respect to the transactions contemplated hereby,

(C) none of the proceedings or authority for the issuance and delivery of the Series 2010 Bonds and for the execution and delivery of this Purchase Agreement, the City Ordinance and the other City Documents have been modified, amended or repealed; and

(D) since the date hereof no material and adverse change has occurred in the financial condition of the City or results of operations of the City;

(E) the City has not, since June 30, 2009, incurred any material liabilities other than in the ordinary course of business or as set forth in the Official Statement; and

(F) other than the hereinafter defined City Excluded Sections, the information contained in the Preliminary Official Statement is, and such information in the Official Statement as of the Closing Date will be (and as the same may be supplemented or amended, consistent with Section 3(c) hereof) true and correct in all material respects and does not and will not, as applicable, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and (ii) notwithstanding the foregoing, the City has not provided the information in and does not provide any assurance that the information contained in the sections or appendices, as the case may be, captioned ["**THE ISSUER**," "**BOOK-ENTRY ONLY SYSTEM**," "**LITIGATION - The Issuer**," "**TAX EXEMPTION**" and "**UNDERWRITING**" (the "**City Excluded Sections**"), "**APPENDIX [] - FORM OF OPINION OF CO-BOND COUNSEL**] in the Preliminary Official Statement and the Official Statement is true and correct in all material respects; provided, however, that nothing has come to the attention of the City which would cause it to reasonably believe that anything contained in the City Excluded Sections contains any untrue statement of a material fact or omits to state a

material fact which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(viii) Certified copies of the executed Bond Resolution and executed copies of the Disclosure Agreement and the Intergovernmental Contract;

(ix) Certified copies of the City Ordinance authorizing the execution and delivery of this Purchase Agreement and the other City Documents;

(x) A certified transcript of all proceedings relating to the validation of the Series 2010 Bonds;

(xi) A request and authorization of the Issuer signed by its Chair (or such proper officer of the Issuer) to the Registrar to authenticate and deliver the Series 2010 Bonds to such person or persons named therein upon payment to or for the account of the Issuer of a specified sum;

(xii) Written evidence that **[Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. have assigned underlying ratings of "__" and "__" respectively, to the Series 2010 Bonds];**

(xiii) A photocopy of the auditor's consent letter to the inclusion and publication of the City's financial statements in the Preliminary Official Statement and Official Statement in connection with the Series 2010 Bonds; and

(xiv) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably require to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by the Issuer and the City; and

Section 10. Termination of Purchase Agreement. The Underwriter shall have the right to cancel its obligation to purchase and accept delivery of the Series 2010 Bonds hereunder by written notification to the Issuer and the City of its election to cancel if at any time subsequent to the date of this Purchase Agreement and prior to the Closing Date:

(a) trading in securities generally on the New York Stock Exchange shall have been suspended or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(b) a general banking moratorium shall have been declared by federal, New York or Georgia banking authorities and be in force which in the reasonable opinion of the Underwriter



materially adversely affects the market for the Series 2010 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2010 Bonds; or

(c) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis (including terrorism) the effect of which on financial markets is such as to make it, in the reasonable opinion of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2010 Bonds as contemplated by the Official Statement; or

(d) legislation shall have been enacted by the Congress of the United States of America or the legislature of the State of Georgia or shall have been reported out of committee of either body or be pending in a committee of either body, or shall have been recommended to the Congress of the United States of America or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character which, in the reasonable opinion of the Representative, materially and adversely affects the market price of the Series 2010 Bonds; or

(e) a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation, release or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction over the subject matter shall be issued or made to the effect that the issuance, offering or sale of the Series 2010 Bonds, or of obligations of the general character of the Series 2010 Bonds as contemplated hereby, or any document relating to the issuance, offering or sale of the Series 2010 Bonds is subject to registration or qualification under the Securities Act of 1933, as amended, or the Trust Indenture Act of 1939, as amended, or is in violation of any provision of either of such acts or the Securities Exchange Act of 1934, as amended; or

(f) legislation shall have been enacted, or actively considered for enactment with an effective date prior to Closing Date or legislation shall be favorably reported out of committee to either house of the Congress of the United States or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter herein shall be made, to the effect that securities of the Issuer or of any similar public body are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended, or the Trust Indenture Act of 1939, as amended; or

(g) an event or circumstance shall exist which in the reasonable judgment of the Underwriter (i) makes untrue or incorrect in any material respect, as of the time of such event, any statement of information contained in the Official Statement or (ii) would cause a material omission from the information contained in the Official Statement and which information should be reflected

therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading in any material respect; or

(h) the purchase of and payment for the Series 2010 Bonds by the Underwriter, or their resale or reoffering by the Underwriter, on the terms and conditions contemplated by this Purchase Agreement and the Official Statement, is prohibited by any applicable law or governmental regulation or by order of any court, governmental body, board, agency, or commission; or

(i) the ratings on the Series 2010 Bonds, if any, shall have been withdrawn, downgraded, placed on credit watch with negative outlook, or suspended; or

(j) additional material restrictions not in force on the date of this Purchase Agreement have been imposed on trading in securities generally by a governmental authority or national association of securities dealers;

(k) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Series 2010 Bonds or in any way protesting or affecting any authority for or the validity of the Series 2010 Bonds, the Bond Resolution, the City Ordinance, the Intergovernmental Contract or the Disclosure Agreement or the existence or powers of the Issuer or the City; or

(l) any material amendment is made to the Official Statement which, in the reasonable judgment of the Representative, will materially adversely affect the market price of the Series 2010 Bonds or the ability of the Underwriter to enforce confirmation for the purchase of the Series 2010 Bonds.

Section 11. Expenses; Indemnification. (a) Except as provided in paragraph (b) below, the Issuer and/or the City shall pay any expenses incident to the performance of their obligations hereunder, including but not limited to: (i) the cost of the preparation, reproduction, printing, distribution, mailing, execution, delivery, filing and recording, as the case may be, of this Purchase Agreement, the Intergovernmental Contract, the Preliminary Official Statement, the Official Statement, the Bond Resolution, the City Ordinance, the Disclosure Agreement and all other agreements and documents required in connection with the consummation of the transactions contemplated hereby, (ii) the cost of the preparation, engraving, printing, execution and delivery of the definitive Series 2010 Bonds, (iii) the fees and disbursements of Co-Bond Counsel, Co-Disclosure Counsel, Issuer's Counsel (if applicable) and any other experts retained by the City, (iv) the initial or acceptance fee of the Registrar, if any, (v) any fees charged by investment rating agencies for the rating of the Series 2010 Bonds, and (vi) any and all fees of the Superior Court of Fulton County in connection with the validation of the Series 2010 Bonds. Notwithstanding anything herein to the contrary, the Issuer's obligation to pay expenses shall be limited to amounts available to it from the proceeds of the sale of the Series 2010 Bonds.

(b) The Underwriter shall pay: (i) the cost of qualifying the Series 2010 Bonds under state blue-sky laws and determining their eligibility for investment under the laws of such jurisdictions as the Underwriter may designate, including filing fees and fees and disbursements of counsel to the Underwriter in connection with such qualification and determination and the review of such laws,

(ii) the cost of preparing and publishing all advertisements relating to the Series 2010 Bonds upon commencement of the offering of the Series 2010 Bonds, (iii) the cost of the transportation and lodging for officials and representatives of the Underwriter to attend meetings and the Closing, (iv) all other expenses incurred by the Underwriter in connection with its public offering and the distribution of the Series 2010 Bonds, (v) any fees of the MSRB in connection with the issuance, offering or sale of the Series 2010 Bonds, and (vi) the cost of obtaining a CUSIP number assignment for the Series 2010 Bonds.

(c) The Underwriter indemnifies and holds harmless the Issuer and the City, including the members, directors, officers and employees of the Issuer and the City, and each person who controls the Issuer or the City, within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, for any statement contained in the Preliminary Official Statement or the Official Statement under the caption "UNDERWRITING" that is or alleged to be untrue or incorrect in any material respect, or any omission or alleged omission of any statement contained in such section which is necessary in order to make the statements therein not misleading.

(d) Within a reasonable time after an indemnified party under paragraph (c) of this Section 11 shall have been served with the summons or other first legal process or shall have received written notice of the threat of a claim in respect of which an indemnity may be claimed, such indemnified party shall, if a claim for indemnity in respect thereof is to be made against the Underwriter under this Section 11, notify the Representative in writing of the commencement thereof; but the omission to so notify the Representative shall not relieve it from any liability that it may otherwise have to any indemnified party under applicable law other than pursuant to this Section 11. The Underwriter shall be entitled to participate at their own expense in the defense.

(e) No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to indemnification from any person who was not guilty of such fraudulent misrepresentation. This indemnity agreement will be in addition to any liability which the Underwriter may otherwise have.

Section 12. Successors and Assigns. This Purchase Agreement shall inure to the benefit of and be binding upon the Issuer, the City and the Underwriter and their respective successors and assigns. Nothing in this Purchase Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and assigns, any legal or equitable right, remedy or claim under or in respect of this Purchase Agreement or any provision herein contained. This Purchase Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and assigns, and not for the benefit of any other person, firm or corporation. No purchaser of the Series 2010 Bonds from the Underwriter or any other persons or entity shall be deemed to be a successor merely by reason of such purchase.

Section 13. Notices. All notices, demands and formal actions shall be in writing and mailed, faxed, sent by electronic communication (provided that facsimile and electronic communications must be confirmed by the sender) or hand delivered to: (a) the Issuer at [86 Pryor Street SW, Suite 300, Atlanta, Georgia 30303, Attention: General Counsel, Fax: (404) 589-8630], (b) the City at 68 Mitchell Street, Suite 11100, Atlanta, Georgia, 30335, Attention: Chief Financial Officer, Fax:

(404) 658-6667 and with a copy to the Law Department at 68 Mitchell Street, Suite 4100, Atlanta, Georgia, 30335, Attention: Law Department, Fax: (404) 658-6894, and (c) to the Underwriter, in care of the Representative, at Citigroup Global Markets Inc., 3280 Peachtree Road, N.W., 17th Floor, Atlanta, Georgia 30305, Attention: Bryce W. Holcomb, Jr., Fax: (404) 842-2263.

Section 14. Representations and Warranties of the Underwriter. The Representative, on behalf of each Underwriter, represents and warrants to the Issuer and the City that:

(a) The Representative is a [] duly organized and validly existing under the laws of the State of [] and is duly authorized to transact business in the State;

(b) The Representative has been duly authorized to execute this Purchase Agreement on behalf of itself and the other Underwriter and that it has been authorized to act hereunder on behalf of the Underwriter.

(c) The Representative has the full power and authority to take all actions required or permitted to be taken by the Representative by or under, and to perform and observe the covenants and agreements on its part contained in, this Purchase Agreement;

(d) This Purchase Agreement has been duly executed and delivered by the Representative, on behalf of the Underwriter;

(e) The Representative and the other Underwriter, on its own behalf, represents that it is either registered with the Financial Industry Regulatory Authority, Inc. ("FINRA") as a broker-dealer and the MSRB as a municipal securities dealer, or is otherwise registered with the necessary regulatory authorities required for it to serve as an Underwriter for the Series 2010 Bonds under this Purchase Agreement;

(f) Neither individuals of the Representative nor the other Underwriter directly involved in the sale or marketing of the Series 2010 Bonds has knowledge of any material information with respect to the Issuer, the City, the Series 2010 Bonds or the sufficiency of any security therefor, except for any such information which is included within the representations and warranties of the Issuer in this Purchase Agreement, the Official Statement, the Intergovernmental Contract, the Disclosure Agreement (to the extent such information is necessary to make the statements therein contained not misleading in light of the circumstances under which they were made), the Bond Resolution or in any other instrument delivered or to be delivered on the Closing Date in connection with the transactions contemplated hereby or thereby; and

(g) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Representative, threatened against or affecting the Representative, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity and legality of this Purchase Agreement or the Official Statement. To the best of the knowledge of the undersigned, after due inquiry, the Representative is in compliance with the rules

and regulations of FINRA (to the extent it is regulated by the FINRA) and any other body which regulates it.

The foregoing representations and warranties of the Representative and the obligations set forth under Section 11(c) hereof shall survive the execution and delivery of this Purchase Agreement, the execution and delivery of the Series 2010 Bonds and the instruments and documents contemplated thereby.

Simultaneously with the delivery of this Purchase Agreement, the Representative shall cause to be delivered to the Issuer and the City a certificate executed by the properly authorized representative(s) of Terminus Securities, LLC certifying the matters set forth in this Section 14 with respect to such firm.

Section 15. Miscellaneous. This Purchase Agreement may not be amended without the written consent of the City, the Issuer and the Representative. None of the officers, directors, employees or agents of the Issuer or City shall be charged personally by the Underwriter with any liability, or held liable to the Underwriter under any term or provision of this Purchase Agreement because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof. The validity, interpretation and performance of this Purchase Agreement shall be governed by the internal laws of the State, without regard to conflict of law principles.

Section 16. Effective Date. This Purchase Agreement shall become effective upon acceptance hereof by the Issuer and the City.

[SIGNATURE PAGES TO FOLLOW]