

**EXCERPTS OF THE MINUTES OF A MEETING  
OF THE CITY COUNCIL OF  
THE CITY OF BAY MINETTE, ALABAMA,  
HELD ON DECEMBER 16, 2024**

The City Council of the City of Bay Minette, Alabama met in regular public session at the City Hall in the Bay Minette, Alabama, at 6:00 o'clock, p.m., on the 16<sup>th</sup> day December, 2024.

Upon roll call, the following were found to be present:

	<b>PRESENT</b>	<b>ABSENT</b>
Robert A. Wills, Mayor	x	
Pete Sellers, Councilmember	x	
Mike Phillips, Councilmember	x	
Matt Franklin, Councilmember	x	
William Taylor, Councilmember		x
Shannon Clemmons, Councilmember	x	

Mayor Robert A. Wills acted as Chairman of the meeting and Rita Diedtrich, City Clerk, acted as Clerk of the meeting. The Chairman declared that a quorum was present and that the meeting was open for the transaction of business.

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The Chairman stated that a request had been made that the Council re-adopt Ordinance No. 1053, which was initially adopted at the Council's regular meeting on December 2, 2024. Thereupon, the following ordinance, in the same form as initially adopted on December 2, 2024, was introduced in writing:

**ORDINANCE NO. 1053**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF  
A \$2,500,000 CITY OF BAY MINETTE, ALABAMA  
TAXABLE GENERAL OBLIGATION  
ECONOMIC DEVELOPMENT WARRANT, 2024-B  
AND THE LENDING OF THE PROCEEDS THEREOF TO  
THE COOPERATIVE DISTRICT OF  
BAY MINETTE – NORTH HOYLE PROJECT**

BE IT ORDAINED by the City Council (the “Council”) of the City of Bay Minette, Alabama (the “City”), as follows:

**Section 1. Findings.** Having made due and proper investigation of the matters hereinafter referred to, the Council has ascertained and does hereby find and declare follows:

- (a) The Council has heretofore authorized the incorporation of The Cooperative District of Bay Minette – North Hoyle Project (the “District”), a capital improvement cooperative district the members of which are the City, The City of Bay Minette Redevelopment Authority, and North Baldwin Utilities;
- (b) The District intends to acquire, renovate, improve, and equip certain real property including a building located in the downtown area of the City on North Hoyle Avenue (the “Project”), and to lease the Project or a portion thereof to one or more tenants including Sucarnoochee Investments LLC (the “Tenant”) for the operation of a “Big Mike’s Steakhouse” restaurant;
- (c) In order to induce the District to undertake the Project, and accordingly to induce the Tenant to locate its restaurant in the City, the District has requested that the City make a loan to the District for the purpose of providing the funds necessary to complete the Project (the “District Loan”);
- (d) Pursuant to Section 11-99B-12 of the Code of Alabama 1975, the City is authorized to, among other things, lend or donate money to, guarantee all or any part of the indebtedness or operating expense of, or perform services for the benefit of the District;
- (e) Pursuant to Section 94.01 of the Constitution of Alabama of 2022, as amended (the “Economic Development Amendment”), the City is authorized to grant public funds and things of value in aid of or to any individual, firm, corporation or business entity, public or private, for the purpose of promoting the economic and industrial development of the City and to become indebted and issue bonds, warrants, notes or other obligations to a principal amount not exceeding 50% of the assessed value of taxable property in the City;
- (f) The public benefits to be realized through the development of the Project are expected to include (i) increased tax revenues to the City, (ii) increased economic, business and employment opportunities for City residents, and (iii) increased overall quality of life for City residents;



- (g) In consideration of the above-described benefits, it is hereby determined and resolved by the Council that the expenditure of public funds and the lending of the City's credit in aid of the Project will serve a valid and sufficient public purpose notwithstanding any incidental benefit accruing to the Tenant or any other private entity or entities;
- (h) Pursuant to the Economic Development Amendment and Section 11-47-2 of the Code of Alabama 1975, as amended (the "Warrant Authorizing Law"), the City is authorized to issue its warrants, in order to provide funds necessary to make the District Loan;
- (i) In order to provide the funds necessary for the City to make the District Loan, it is necessary that the City borrow up to \$2,500,000;
- (j) Based upon the proposals received by the City in response to a Request for Proposals, the proposal from The First Bank (the "Lender") is hereby ascertained to be the most beneficial proposal to the City, and it is necessary, advisable and in the interest of the public that the City borrow the necessary funds from the Lender and to issue the Warrant hereinafter authorized as evidence of its obligation to the Lender;
- (k) In order to provide for certain terms and conditions with respect to the loan evidenced by the Warrant, it is necessary, advisable and in the interest of the public that the City enter into a Financing Agreement with the Lender (the "Financing Agreement"); and
- (l) Immediately after the issuance of the Warrant, the total indebtedness of the City issued under authority of the Economic Development Amendment will not be more than 50% of the assessed valuation of taxable property within the boundaries of the City for the last fiscal year (ended September 30, 2024).

**Section 2. Authorization of Warrant.** Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly the Economic Development Amendment and the Warrant Authorizing Law, and for the purpose of providing the funds necessary to make the District Loan, to pay the costs of issuance of the Warrant, and for no other purpose, there is hereby authorized to be issued by the City its \$2,500,000 Taxable General Obligation Economic Development Warrant, 2024-B (the "Warrant"). The Warrant shall be dated the date of its delivery and shall contain and be subject to the terms and conditions set forth in the form of Warrant attached hereto as Exhibit A and made a part hereof.

**Section 3. Source of Payment; Security.** The indebtedness evidenced and ordered paid by the Warrant is and shall be a general obligation of the City for payment of the principal of and the interest on which the full faith and credit of the City are hereby irrevocably pledged. The City further agrees that, so long as the Warrant remains outstanding and any portion thereof remains unpaid, and to the full extent of the City's power to do so under the constitution and laws of the State of Alabama, the City will continue to collect and enforce taxes to the extent necessary to pay the principal of and interest on the Warrant.

**Section 4. Creation of Warrant Fund.** There is hereby created a special trust fund of the City, the full name of which shall be "City of Bay Minette, Alabama Warrant Fund, 2024-B." The



Lender shall be and remain the Depository for the Warrant Fund. The monies in the Warrant Fund shall be used to pay the principal of and interest on the Warrant as the same shall become due and payable. There shall be paid into the Warrant Fund, on or before the last business day preceding any date on which a payment of principal of or interest on the Warrant is due, an amount which, when added to the amount then on deposit therein, will equal the principal of (if any) and interest on the Warrant coming due on such payment date.

All monies on deposit in the Warrant Fund shall be used for payment of the principal of and interest coming due on the Warrant.

The Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Warrant Fund is herein created. The Depository for the Warrant Fund shall at all times keep the monies on deposit with it in the Warrant Fund continuously secured for the benefit of the City and the Holder of the Warrant.

**Section 5. Sale, Execution and Delivery of the Warrant.** The Warrant is hereby sold and awarded to the Lender at and for a purchase price equal to \$2,500,000, the par amount of the Warrant, or such lesser amount as shall be advanced pursuant to the Warrant and the hereinafter-referenced Financing Agreement. The Warrant shall be executed in the name of the City by the manual signature of the Mayor inscribed thereon and shall have impressed thereon the seal of the City, attested by the City Clerk. The said officers are hereby authorized and directed to cause the Warrant to be executed and delivered to the Lender, as purchaser thereof, upon payment of the purchase price therefor.

**Section 6. Authorization of Financing Agreement.** The execution and delivery by the City of the Financing Agreement is hereby authorized. The Financing Agreement shall be in substantially the form presented at the meeting at which this Ordinance is adopted, a copy of which is attached hereto as Exhibit B.

**Section 7. Authorization of District Loan.** The City shall loan the proceeds of the Warrant to the District, and the District Loan shall be evidenced by a limited obligation revenue bond of the District payable solely out of and secured by a pledge of all revenues derived from the operation or leasing of the Project, including the proceeds of all fees or charges imposed by the District with respect to the Project (the "District Bond"). The District Bond shall be dated the date of the Warrant and shall contain and be subject to the terms and conditions set forth in the form of District Bond attached hereto as Exhibit C and made a part hereof. The Mayor, City Administrator/Finance Director, and Clerk of the City are hereby authorized and directed to execute and deliver such documents and to take such actions as shall be necessary and appropriate in connection with the City's purchase and receipt of the District Bond.

**Section 8. Further Authorization.** The Mayor, City Administrator/Finance Director, and Clerk of the City are hereby authorized and directed to execute and deliver such additional documents and closing certificates as shall be necessary and appropriate in connection with the issuance and delivery of the Warrant.

**Section 9. Advance of Proceeds.** The Mayor is hereby authorized to sign such requisition or other document as shall be necessary in order to obtain advances of proceeds of the Warrant as provided in the Financing Agreement, in such amounts as shall be necessary to (a) pay costs of the Improvements, (b) reimburse the City for funds drawn from its general funds after the date hereof to pay costs of the Improvements and (c) pay costs of issuance of the Warrant.

**Section 10. Financial Information.** So long as the Warrant remains outstanding the City shall provide to the registered holder thereof (a) promptly after approval thereof by the City Council, a copy of the audited annual financial statements of the City, and (b) upon request of the registered holder of the Warrant, such additional financial and operating data as shall reasonably be requested.

**Section 11. Contractual Provisions.** The provisions of this Ordinance shall constitute a contract between the City and the Holder of the Warrant. Upon payment in full of the principal of and interest on the Warrant, the obligations of the City hereunder shall cease.

**Section 12. Severability.** The various provisions of this Ordinance are hereby declared to be severable. In the event any provisions hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

**Section 13. Effective Date.** This Ordinance shall become effective immediately upon its adoption or otherwise as shall be required by State law.

Councilmember Franklin moved that unanimous consent be given for immediate consideration of and action on the ordinance, which motion was seconded by Councilmember Clemmons and upon the motion being put to vote, the following vote was recorded:

	AYES	NAYS	ABSTAIN
Robert A. Wills, Mayor	x		
Pete Sellers, Councilmember	x		
Mike Phillips, Councilmember			x
Matt Franklin, Councilmember	x		
Shannon Clemmons, Councilmember	x		

The Chairman thereupon declared that the motion for unanimous consent for immediate consideration of and action on the ordinance had been unanimously carried. Councilmember Sellers thereupon moved that the ordinance be finally adopted, which motion was seconded by Councilmember Franklin and, upon the motion being put to vote, the following vote was recorded:



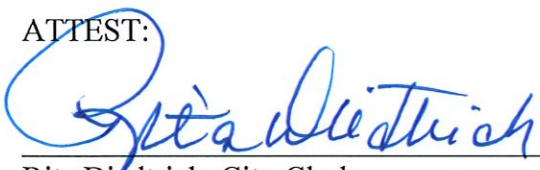
	AYES	NAYS	ABSTAIN
Robert A. Wills, Mayor	x		
Pete Sellers, Councilmember	x		
Mike Phillips, Councilmember			x
Matt Franklin, Councilmember	x		
Shannon Clemmons, Councilmember	x		

The Chairman then announced that the motion for adoption of the ordinance had been carried.

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There being no further business to come before the meeting the same was, on motion duly made and adopted, adjourned.

  
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 Robert A. Wills, Mayor

ATTEST:  
  
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 Rita Diedtrich, City Clerk

