

STATE OF GEORGIA

CITY OF SAVANNAH

COOPERATION AGREEMENT

THIS AGREEMENT is made and effective as of February ____, 2024, by and between the MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH, a municipal corporation created by the Georgia Legislature (hereinafter called the "City"), and the governing board (hereinafter called the "CID Board") of the SAVANNAH'S WATERFRONT COMMUNITY IMPROVEMENT DISTRICT (the "SWCID" or the "District").

WHEREAS, on June 22, 2023, the SWCID, which lies wholly within the City of Savannah, was activated by the adoption of that certain Resolution of the Mayor and Aldermen of the City of Savannah, Georgia, dated June 22, 2023, as amended and restated by that certain Amended and Restated Resolution of the Mayor and Aldermen of the City of Savannah, Georgia, dated August 24, 2023, as further amended and restated by that certain Second Amended and Restated Resolution of the Mayor and Aldermen of the City of Savannah, Georgia, dated February ____, 2024 (collectively, the "City Resolution"), pursuant to and in accordance with Article IX, Section VII of the Georgia Constitution, and Ga. L. 1994, p. 4931, as amended; and

WHEREAS, State law requires that the services and facilities pertaining to any new Community Improvement District shall be provided for in a Cooperation Agreement executed jointly by the CID Board, the county and/or municipality within which that Community Improvement District is located.

NOW, THEREFORE, in consideration of the mutual covenants and benefits flowing to the respective parties, the City, and the CID Board do agree as follows:

1. The provisions of (i) Article IX, Section VII of the Georgia Constitution, (ii) Ga. Laws 2001, p. 3709, as amended, and (iii) that certain Resolution of the Mayor and Aldermen of the City of Savannah, Georgia, dated June 22, 2023, as amended and restated by that certain Amended and Restated Resolution of the Mayor and Aldermen of the City of Savannah, Georgia, dated August 24, 2023, are collectively incorporated herein by this reference and made a part hereof.

2. It is the understanding and expectation of the parties to this Agreement that the relationship between the SWCID and the City is and be one of cooperative partnership, with both parties working together with the common goal of improving and benefitting the District, although nothing herein shall limit the authority of the City to provide services or facilities within the District, and the City shall retain authority and control over any City-owned facilities located within the District, including but not limited to the modification of, access to, and degree and type of services provided through or by facilities of the City, and over the regulation of zoning, land use and development within the District.

3. Each party to this Cooperation Agreement hereby acknowledges that by and through the creation of the SWCID pursuant to applicable State law and the City Resolution, the SWCID, by and through the CID Board, is authorized to exercise its powers for the provision within the District of any one or more of those services and facilities enumerated in Article IX, Section VII, Paragraph 2 of the Georgia Constitution.

It is the understanding between the City and the SWCID that the SWCID's provision of some or all of the services and facilities above is meant to be in addition to and supplemental of a baseline of these services and facilities currently provided by the City within the District, the need for which results from the density of development within the District and the increased demand for the aforementioned services and facilities.

The parties to this Cooperation Agreement hereby acknowledge and agree that the SWCID's exercise of its powers to provide some or all of the foregoing services and facilities, and to utilize SWCID funds (whether obtained through taxes, fees and assessments levied within the District on non-exempt real property or otherwise) therefor, shall neither impose any obligation on the SWCID to provide baseline City services and facilities funded through regular (i.e., non-SWCID) tax collection and/or hotel-motel tax revenues attributable and/or applicable to real properties located within the District, nor operate to shift any obligations or responsibilities of the City as to governmental functions related to the District and/or the delivery and furnishing of governmental services and facilities within the District, onto the SWCID. The City shall remain responsible for the provision of municipal services and facilities within the District, with the SWCID, by and through the CID Board, working in cooperation with the City to provide additional or supplemental services for the benefit of the District. To the extent of any overlap between

the parties with respect to the provision of some or all of the services and facilities set forth in this Section 3, the parties shall cooperatively coordinate with one another and work in good faith to share information about their respective actions for the maximum benefit and improvement of the District, and each shall endeavor to maximize efficiency.

4. The CID Board shall vote on the tax millage rate as provided by law and shall thereafter deliver written notice to the City of Savannah Department of Revenue ("DOR") and the Chatham County Tax Assessor ("Tax Assessor"), respectively, of the amount of the millage rate to be levied so that the levy may be included on the next regular City ad valorem tax bills issued by the DOR and on the next annual notice of assessment issued by the Tax Assessor. The City shall cause DOR to collect the SWCID taxes levied by the CID Board in the same manner as DOR collects other taxes levied by the City. The proceeds collected by the City, less a fee to cover the costs of collection of 1% thereof, but not more than \$25,000.00 in any one calendar year, shall be transmitted by the City to the CID Board within thirty (30) days after collection so as to be expended by the CID Board for the purposes set forth in Section 3 above.
5. Neither the SWCID nor the CID Board shall have any power or authority to contract in the name of, encumber, or create debt for or on behalf of the City; provided, however, the SWCID, by and through the CID Board, may do such acts for and in the name and on behalf of the SWCID, as provided by law.
6. To facilitate smooth implementation and joint coordination of City and SWCID activities within the District, the City shall designate a staff liaison (the "Liaison") to serve as the CID Board's authorized point of contact for the City. All notice or other communication required or desired under this Cooperation Agreement (or any subsequent or supplemental agreement(s) between the parties hereto, including, but not limited to memorandums of understanding), and notice of all caucuses of electors and regular CID Board meetings and minutes thereof shall be given to the Liaison. Notwithstanding the foregoing, the Liaison shall not have any authority to bind, or act on behalf of, the City with regard to any decisions or actions which by law require the approval of City Council.
7. Within the first thirty (30) days of each City fiscal year, the City shall advise the CID Board of the City's Capital Budgets and Capital Improvement Programs (CIP) affecting the District; provided, however, the City reserves the right to revise its Capital Budget or CIP

affecting the District, from time to time, as may be necessary to meet the overall needs of the citizens of the City of Savannah. The City shall promptly provide the CID with notice of any revisions to the Capital Budget or CIP affecting the District. For any SWCID projects proposed or advanced by the CID Board to be funded in whole or in part with City funds (for purposes of clarity City funds do not include SWCID taxes) or for which the SWCID shall be reimbursed in whole or in part with City funds, the CID Board hereby covenants to follow generally accepted accounting principles with respect to same and, upon reasonable request, to provide the Liaison with such information and documentation as the City shall reasonably require to review and/or account for the use and expenditure of City funds as may be required by law. For each project to be funded with a combination of City and SWCID funds or to be jointly executed by the City and the SWCID, both parties hereby agree to enter into a memorandum of agreement wherein the respective roles and responsibilities (financial and otherwise) of each party as pertains to such project shall be set forth in greater detail.

8. On no less than an annual basis, the CID Board shall advise the City of its desired and/or contemplated action items with respect to the study, design and/or redevelopment, financing, and improvement of the District; provided, however, that simply advising the City of these desired and/or contemplated action items, without more, shall not obligate the SWCID and/or the CID Board to actually undertake, implement or fund such items. The CID Board may update the contemplated action items throughout the year by notice to the City Liaison.
9. The CID Board agrees to provide a minimum of thirty (30) days' advance written notice to the City (delivered to the Liaison via e-mail or United States mail or overnight courier with delivery confirmation), of its intent to initiate any action item within the District in excess of \$100,000. Any or all other action items at or below such monetary threshold (and for which no City funding is involved) may be initiated without notice to the City.
10. In addition to the Liaison, the City may, at its option, furnish City staff support for the benefit of the District upon request therefor by the CID Board. Any such requests shall be coordinated through the Liaison. If the City determines that the requested staff support shall constitute an unreasonable financial or administrative burden upon the City, the City shall so inform the CID Board and specify a reimbursement fee to be paid to the City for the furnishing of the requested staff support to the CID Board, at which time the CID

Board may elect to contract for such services with the City (for the specified reimbursement fee) or obtain such services elsewhere. In no event shall the furnishing of City staff support to or for the benefit of the District (with or without the payment of any reimbursement fee(s) to the City as provided for herein) create any employment relationship by and between such staff support and the SWCID.

11. Each party hereto disclaims any liability for any errors and omissions of the other party resulting in any loss or damage claimed by any third party arising from or in reliance on any express or implied connection between the City and the SWCID.

12. Subject to modification or amendment by formal written action of all parties hereto, this Agreement shall automatically continue in full force and effect until the dissolution of the SWCID pursuant to the sunset provisions set forth hereinbelow, or as otherwise provided under applicable State law effective at the time of such dissolution.

13. The City and the CID Board hereby agree that the City, through the City Manager's office, may from time to time make available certain City funds to the SWCID, as may be authorized from time to time in the City's fiscal year budget. The CID Board hereby agrees to expend such funds solely for the purposes enumerated in Section 3 herein or otherwise authorized by law; provided, however, the City hereby acknowledges and agrees that funding redevelopment studies (including, without limitation, market analyses, needs assessments, feasibility studies, marketing plans, inventories of existing facilities and services, redevelopment plans, site plans, landscaping plans, transportation studies, preliminary engineering and design documents, environmental studies, and other planning studies, assessments or analyses to be used to encourage redevelopment and/or revitalization in the District) is one such purpose. Any such funds made available pursuant to this Section shall be considered a one-time allocation within the City's budget and requests should be used to match and/or leverage other grants and funding sources, as applicable; upon the City's request, the CID Board shall enter into a memorandum of understanding regarding the expenditure of such funds.

14. SWCID Dissolution

a. The conditions for dissolution of the SWCID shall be as follows:

- I. The adoption of a resolution approving of the dissolution of the SWCID by the governing authority of the City of Savannah; and

- II. The written consent to the dissolution of the SWCID by:
 - A. Two-thirds (67 percent) of the owners of real property within the District which are subject to taxes, fees, and assessments levied by the CID Board; and
 - B. The owners of real property constituting at least 75 percent by value of all real property within the District which are subject to taxes, fees, and assessments levied by the CID Board. For this purpose, value shall be determined by the most recent approved ad valorem tax digest.

The written consent provided for in this paragraph shall be submitted to the Chatham County Tax Commissioner, who shall certify whether subparagraphs (A) and (B) of this paragraph have been satisfied with respect to the proposed dissolution.

- b. At the official caucus of electors at which CID Board members are to be elected in the sixth year following the creation of the SWCID, and every sixth year thereafter or upon such other frequency as may be reasonably necessary to marry the term of the SWCID with the term of any financial or contractual obligation, the question shall be put to the electors present to dissolve the SWCID. Upon an affirmative vote to dissolve the SWCID of at least two-thirds (67 percent) of the electors present and voting, who must also represent at least 75 percent of the votes cast on the basis of value, the CID Board shall send a ballot to each owner of property subject to taxes, fees and assessments levied by the CID Board for a vote on the dissolution. Upon receipt of ballots consenting to the dissolution from a majority of said property owners, who must also represent at least 75 percent of the assessed value of the properties within the District subject to taxes, fees and assessments levied by the CID Board, the CID Board shall request dissolution by the governing authority of the City of Savannah and shall forward such ballots to the Chatham County Tax Commissioner for certification.
- c. In the event that successful action is taken pursuant to this Section 14 to dissolve the SWCID, the dissolution shall become effective at such time as all debt obligations of the SWCID have been satisfied. Following a successful vote of dissolution as set forth above and until the dissolution becomes effective, no new projects may be undertaken, obligations or debts incurred, or property acquired.
- d. Upon a successful vote of dissolution as set forth above, all noncash assets of the SWCID other than public facilities or land or easements to be used for such

public facilities shall be reduced to cash and, along with all other cash on hand, shall be applied to the repayment of any debt obligation(s) of the SWCID. Any cash remaining after all outstanding obligations are satisfied shall be refunded to each property owner previously subject to taxation under the SWCID in direct proportion to the total amount in taxes, fees, or assessments paid by said property owner relative to the total revenues paid by all properties in the District.

- e. When a dissolution hereunder becomes effective, the governing authority of the City of Savannah shall take title to all property previously in the ownership of the SWCID and all taxes, fees, and assessments of the SWCID shall cease to be levied and collected. As the final act of the SWCID, the CID Board shall notify the Georgia Secretary of State and the Georgia Department of Community Affairs as to the dissolution of the SWCID.
- f. The SWCID may be reactivated only in the same manner as an original activation pursuant to applicable law.
- g. No obligation of debt may be entered into beyond the term or life of the SWCID.

REMAINDER OF PAGE INTENTIONALLY BLANK;
SIGNATURE PAGE(S) TO FOLLOW

WHEREFORE, the parties hereto have caused this Cooperation Agreement to be executed under seal by the undersigned authorized representatives of each respective entity, effective as of the day and year above set forth.

For the City:

Joseph A. Melder, City Manager

For the CID Board:

Charles Ansley Williams, Vice Chairman

Todd Costin, Secretary