

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, DECEMBER 5, 2017 AT 2:00 P.M.
IN THE SUITE 2052 (PEACHTREE LEVEL) CONFERENCE ROOM
FULTON COUNTY GOVERNMENT CENTER BUILDING**

MINUTES

Present were the following Members of the Authority:

Mr. Robert J. Shaw – Chairman
Mr. Penn Hodge – Vice Chairman
Dr. Samuel D. Jolley, Jr. – Secretary
Mr. Walter Metze – Treasurer
Mr. Steve Broadbent– Board Member
Mr. Sam Bacote – Board Member
Mr. Michel Turpeau – Board Member
Ms. Sarah Cash – Board Member
Dr. Michael Bell – Board Member

Also present were Mr. Al Nash, CEO/Executive Director, Ms. Sandra Z. Zayac, Ms. Shelby Uribe, and Ms. Lauren Woodyard, attorneys for the Authority, Mr. Samir Abdullahi and Ms. Doris Coleman, staff of the Authority were also present.

Chairman Shaw called the meeting to order and Dr. Jolley gave the invocation.

RECOGNITION OF VISITORS: Also present was Mr. Edward Leidelmejer of Commissioner Hausmann’s office.

OLD BUSINESS:

Final Bond Resolution for Piedmont Hotel Owner (“Piedmont Hotel Owner”): Mr. Dan McRae of Seyfarth Shaw LLP appeared in connection with the request for a final bond resolution for the issuance of \$43,000,000 in revenue bonds for the redevelopment of a 1960’s era motor lodge to a boutique hotel. Mr. McRae explained that this boutique hotel is expected to be a prototype of similar concepts across the Southeast. Mr. Nash reminded the Authority that the existing property is an abandoned extended stay hotel on Piedmont Circle near Interstate 85 and is considered an eyesore in the area. Mr. Nash added that since the existing property is a highly visible site, millions of people drive by the site weekly, and Fulton County is not generating much income on the property. Fulton County would greatly benefit from this redevelopment. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Turpeau and Dr. Bell, the Authority unanimously approved the final bond resolution for Piedmont Hotel Owner.

Final Bond Resolution for IPT Southmeadow DC, LLC (“IPT Southmeadow”): Mr. Joe Krolkowski of Dentons US LLP and Ms. Katie Kilgore of Industrial Property Trust appeared in connection with the request for a final bond resolution for the issuance of \$23,200,000 in revenue bonds to finance the development of a warehouse facility in the City of East Point. Mr. Nash explained that the City of East Point is very interested in seeing this area grow and create additional jobs in the community. Mr. Nash added that the project is estimated to generate an

increase of approximately 3.5 times in ad valorem tax revenue. Upon a motion by Dr. Bell, which was seconded by Mr. Broadbent and Ms. Cash, the Authority unanimously approved the final bond resolution for IPT Southmeadow.

Final Bond Resolution for Oakmont Industrial Group (“Oakmont Industrial Group”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$8,890,000 in revenue bonds to finance the development of an approximately 140,000 square foot airport logistic center facility. Mr. Holby explained that Oakmont Industrial Group is developing the facility on a speculative basis and is preparing to find industrial tenants. Mr. Holby added that the project will be a huge success for College Park. Mr. Nash explained that one of the challenges that developers face is low rental rates when they have a vacant piece of land in an industrial area surrounded by older properties. Mr. Nash further explained that providing incentives will help facilitate finding tenants by offering them a more attractive rental rate, which will ultimately create jobs and stabilize the area. Upon a motion by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for Oakmont Industrial Group.

Assignment of CPT Morningside Heights, LLC (“CPT”) (Phase I Residential, Phase I Retail, Phase II Residential, and Phase II Retail) to Columbia Morningside LLC (“Columbia Morningside”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for an assignment of CPT’s interest in Phase I Residential, Phase I Retail, Phase II Residential, and Phase II Retail to Columbia Morningside. Upon a motion by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the assignment to Columbia Morningside.

Assignment of Collier Ridge Project (“Bent Creek”) to Blueros Bent Creek Property Holdings, LP and Blueros Epic Brookside Property Holdings, LP (“Blueros”): Ms. Caryl Smith of Hunton & Williams LLP appeared in connection with the request for an assignment of Bent Creek to Blueros. Ms. Smith explained that this is an old housing project and the bonds were paid off last year. Since the Land Use Restrictive Agreement continues to run with the land, the Authority must approve of the assignment in order for the Land Use Restrictive Agreement to be assumed. Upon a motion by Mr. Turpeau, which was seconded by Dr. Bell, the Authority unanimously approved the assignment to Blueros.

NEW BUSINESS:

Letter of Inducement for CPI-Phipps Limited Company (“CPI-Phipps”): Mr. Jim Woodward of Gray Pannell & Woodward LLP, Mr. Patrick Peterman and Ms. Brittany Kime of Simon Property Group appeared in connection with the request for a letter of inducement for the issuance of \$200,000,000 in revenue bonds. Mr. Woodward explained that the project would involve the demolishing of the Belk Department Store and parking deck at Phipps Plaza to build an approximately 550,000 square feet mixed-use center, including a Nobu Hotel, Lifetime Fitness Center, office space, food hall, outdoor event space, and parking deck. Mr. Woodward revealed that the project is expected to result in approximately 500 construction jobs and 1,650 permanent jobs. Mr. Woodward added that since the Belk Department Store site is currently valued at approximately \$8,500,000, a \$200,000,000 capital investment will generate a significant increase in property taxes. Upon questions from the Authority, Mr. Peterman told the Authority that the neighboring community surrounding Phipps Plaza has been supportive of the project. Upon further questions from the Authority, Mr. Peterman discussed details of the Nobu

Hotel and Restaurant. More specifically, Mr. Peterman explained that the Nobu Restaurant has forty locations and the Nobu Hotel has only two open locations in the United States. The proposed Nobu Hotel and Restaurant will have a Japanese theme and would consist of a hotel with approximately 150 keys and approximately 10,000 square feet of restaurant space. Upon further questions from the Authority, Mr. Peterman explained that the outdoor event space can be rented in the evening for private events for a fee, but that the outdoor event space is free and open to the public during the day. Upon further questions from the Authority, Mr. Woodward confirmed that Simon Property Group has a Minority and Female Business Enterprise policy and is aware of the Authority's policy and will adhere to both. Upon further questions from the Authority, Mr. Woodward anticipated that many of the jobs associated with the project will seek out local employees. Upon further questions from the Authority, Mr. Peterman explained that the project is adding mixed use components to the assets surrounding Phipps Plaza, instead of simply adding more retail, and the hope is to increase traffic and help all the surrounding businesses thrive. While the project is not adding any additional parking and will not charge for parking for retail and restaurant customers, the project expects to create more foot traffic. Upon a motion made by Mr. Hodge, which was seconded by Mr. Metze, the Authority approved, with the exception of Mr. Bacote and Dr. Bell, the letter of inducement for CPI-Phipps.

Letter of Inducement for Fuqua Development, LP (Sun Valley Roswell Project) ("Fuqua"): Mr. Bill Holby of King & Spalding LLP, Mr. Kevin Floyd and Mr. Greer Scoggins of Fuqua appeared in connection with the request for a letter of inducement for the issuance of \$87,000,000 in revenue bonds to finance the development of a mixed-use facility with approximately 300 multifamily units and approximately 70,000 square feet of retail. Mr. Holby further explained that the project will replace an underutilized, blighted area in Roswell, Georgia and will create approximately 400 construction jobs and approximately 200 permanent jobs. The project will take advantage of the reorientation of Sun Valley Road and create a Main Street effect in the center. Mr. Floyd discussed that the existing property is an approximately 140,000 square feet vacant shopping center that is approximately thirty years old. Mr. Floyd explained that the plans for the new development include a major retailer, several small retailers, and a multifamily complex with approximately 300 units. Mr. Nash revealed that the city leadership in Roswell wants this project to be completed. Mr. Nash added that the project will generate many new jobs. Upon questions from the Authority, Mr. Floyd explained that the property is already zoned and that they filed for conditional use, which has been approved. Upon further questions from the Authority, Mr. Scoggins revealed that the anchor tenant is unknown at this time. Upon a motion made by Mr. Hodge, which was seconded by Mr. Metze, the Authority unanimously approved the letter of inducement for Fuqua.

Letter of Inducement for Legacy Ventures (Peachtree Dunwoody Pavilion Hotel Project) ("Legacy Ventures"): Mr. Bruce McCall of Miller & Martin PLLC and Mr. Peter O'Hanlon of Legacy Ventures appeared in connection with the request for a letter of inducement for the issuance of \$35,000,000 in revenue bonds to finance the development of a Hyatt House near St. Joseph's Hospital, Children's Healthcare of Atlanta at Scottish Rite, and Northside Medical Centers. Mr. McCall discussed that the project is located conveniently next to MARTA and is targeting families with children staying at Children's Healthcare of Atlanta at Scottish Rite Hospital and other nearby medical centers as the customer base. Mr. McCall explained that the existing property is a parking lot and that the Hyatt House will have approximately 180 rooms, employ approximately 50 fulltime employees, and generate approximately \$6,000,000 in hotel/motel tax over a 10 year period. Mr. Nash added that other hotels surrounding Children's

Healthcare of Atlanta at Scottish Rite Hospital are significantly more expensive and that Sandy Springs has expressed their encouragement to complete the project. Upon questions from the Authority, Mr. O'Hanlon discussed that brand standards apply to the Hyatt House to maintain quality. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved the letter of inducement for Legacy Ventures.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on November 14, 2017 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, the Authority unanimously approved the minutes as presented.

NEXT MEETING:

Chairman Shaw announced that the Authority's Special Call Meeting will be held on Wednesday, December 13, 2017 at 12:00 p.m. in the Suite 2052 (Peachtree Level) conference room.

There being no further business, the meeting was adjourned.

Samuel D. Jolley, Jr.

Dr. Samuel D. Jolley, Jr., Secretary