

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, APRIL 23, 2019 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. Steve Broadbent – Vice Chairman
Dr. Samuel D. Jolley, Jr. – Secretary
Mr. Walter Metze – Treasurer
Mr. Sam Bacote – Board Member
Mr. Michel Turpeau – Board Member
Ms. Sarah Cash – Board Member
Mr. Brandon Beach – Board Member
Dr. Meria J. Carstarphen – 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, Ms. Doris Coleman, Ms. Sabrina Kirkland, and Ms. Marva Bryan, 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 were Commissioner Morris, Ms. Jenn Thomas of Commissioner Morris' office, Mr. Michael O'Connor of Commissioner Hausmann's office, Ms. Harriett Thomas of Commissioner Pitts' office, Janay Wilborn of Commissioner Pitts' office, Mr. Anthony Grant and Ms. Ruth Johnson of the City of Atlanta Office of Housing and Community Development, Mr. Dwayne Vaughn of the Atlanta BeltLine, Ms. Arielle Kass of the Atlanta Journal-Constitution, Ms. Maggie Lee of Saporta Report, and Ms. Lisa Bracken and Ms. Erica Long of Atlanta Public Schools.

PUBLIC COMMENT: Mr. Broadbent announced that the Board would hear public comment. No one appeared for public comment.

OLD BUSINESS:

Final Bond Resolution for Chattahoochee Logistics Center, LLC ("Chattahoochee Logistics") (Induced as FILC, LLC): Mr. Jim Woodward of Gray Pannell & Woodward LLP and Mr. Hamilton Reynolds of Taylor & Mathis appeared in connection with the request for a final bond resolution for the issuance of \$62,500,000 in revenue bonds to finance the development of an approximately 1,128,000 square foot Class "A" logistics facility to be located at 7055 Campbellton Road in unincorporated Fulton County. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Metze, the Authority unanimously approved the final bond resolution for Chattahoochee Logistics.

Final Bond Resolution for PVH Corp. (“Project Wide Open”): Mr. Jim Monacell of Smith Gambrell & Russell, LLP appeared in connection with the request for a final bond resolution for the issuance of \$75,700,000 in revenue bonds to finance the development of tenant improvements and new equipment in a new, highly automated, state-of-the-art distribution center located at 8500 Tatum Road in the City of Palmetto. More specific details are described in the Fact Sheet included as part of this item posted on the Authority’s website. Upon a motion made by Mr. Turpeau, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for Project Wide Open.

Final Bond Resolution for Exel Inc. d/b/a DHL Supply Chain (USA) (“DHL”): Ms. Maureen Callahan of Troutman Sanders LLP and Ms. Kelli Saunders of DHL appeared in connection with the request for a final bond resolution for the issuance of \$12,900,000 in revenue bonds to finance the development of a warehouse and distribution center to be located on Bohannon Road in the City of Fairburn. More specific details are described in the Fact Sheet included as part of this item posted on the Authority’s website. Upon a motion made by Mr. Beach, which was seconded by Mr. Broadbent, the Authority unanimously approved the final bond resolution for DHL.

NEW BUSINESS:

Letter of Inducement for CHI/Acquisitions, L.P. (“CHI”): Mr. Will Pickens of Eversheds Sutherland (US) LLP and Mr. John Bateman of Crow Holdings Industrial appeared in connection with the request for a letter of inducement for the issuance of \$51,000,000 in taxable revenue bonds for the development of a state-of-the-art industrial park consisting of three buildings to be located on Fulton Industrial Boulevard across from Westgate Parkway in unincorporated Fulton County. More specific details are described in the Fact Sheet included as part of this item posted on the Authority’s website. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for CHI.

ITEMS FOR APPROVAL:

Resolution of the Authority’s Intention to Enhance Its Guidelines and Recommendations for Minority Business Enterprise and Female Business Enterprise Project Participation (the “MFBE Resolution”). Mr. Turpeau led discussion and provided an update to the Authority on the MFBE Review Committee’s progress towards enhancing the Authority’s MFBE Policy. As part of this initiative, Mr. Turpeau announced that based on the City of Atlanta 2015 Disparity Study, the MFBE Review Committee recommended that all applicants seeking a Letter of Inducement from the Authority on or after July 1, 2019 should make a good faith effort to achieve the recommended level of minority business enterprise participation of 26.7% and female business enterprise participation of 11.1%. Upon a motion made by Mr. Turpeau, which was seconded by Dr. Carstarphen, the Authority unanimously approved the MFBE Resolution, and such executed version is attached hereto as Exhibit A.

Minutes. The minutes from the Regularly Monthly Meeting held on March 26, 2019 and the Special Call Meeting held on March 28, 2019 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Mr. Metzger, the Authority unanimously approved the minutes as presented.

DISCUSSION:

Chattahoochee Nature Center. Mr. Chris Nelson, Ms. DeAnn Fordham, and Mr. Bob Hagan of the Chattahoochee Nature Center appeared in connection with providing information on the Chattahoochee Nature Center, including past and current efforts. Upon discussions among the Authority, Mr. Beach suggested that the Authority reopen discussions at the Regular Monthly Meeting on Monday, May 20, 2019 to recommend an investment in the Chattahoochee Nature Center.

The Wall That Heals at Veterans Memorial Walk. Mr. Broadbent informed the Authority about the Veterans Memorial Walk in Johns Creek and commended its efforts in bringing The Wall That Heals to Fulton County. Upon discussions among the Authority, Mr. Broadbent suggested that the Authority reopen discussions at the Regular Monthly Meeting on Monday, May 20, 2019 to recommend an investment in the Veterans Memorial Walk for The Wall That Heals.

Fulton County Public Schools. Dr. Carstarphen shared communications between herself and Dr. Cindy Loe of Fulton County Schools, attached hereto as Exhibit B. Mr. Nash followed up with communications between himself and Fulton County Public Schools, attached hereto as Exhibit C.

NEXT MEETING:

Chairman Shaw announced that the Authority's Regular Monthly Meeting will be held on Monday, May 20, 2019 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

Exhibit A

See attached.

**RESOLUTION OF THE DEVELOPMENT AUTHORITY OF FULTON COUNTY'S
INTENTION TO ENHANCE ITS GUIDELINES AND RECOMMENDATIONS FOR
MINORITY BUSINESS ENTERPRISE AND FEMALE BUSINESS ENTERPRISE PROJECT
PARTICIPATION**

WHEREAS, the Development Authority of Fulton County, a public body corporate and politic created and existing under the laws of the State of Georgia (O.C.G.A § 36-62-1 et. seq.) ("DAFC"), has operated within Fulton County since May 16, 1973; and

WHEREAS, the Authority has been created to develop and promote for the public good and general welfare, trade, commerce, industry and employment opportunities within Fulton County (the "County") and the Act provides for the Authority to develop and promote trade, commerce, industry and employment opportunities for the public good and general welfare within the County and to further the economic well-being of the County and its residents; and

WHEREAS, it is the current policy of DAFC that discrimination against businesses by reason of the race, color, gender or national origin of the ownership of any such business is prohibited; and

WHEREAS, DAFC currently encourages companies to make a good faith effort to utilize to the extent feasible and reasonable under the circumstances, minority and/or female owned enterprises in connection with the development of projects facilitated by the DAFC ("DAFC Projects") and submit quarterly reports containing information regarding minority and female owned business enterprise utilization for those projects; and

WHEREAS, DAFC has decided to enhance its current minority and female business enterprise policy by recommending new guidelines (the "Guidelines") that developers make a good faith effort to achieve the recommended level of minority business enterprise ("MBE") participation of 26.7% and female business enterprise ("FBE") participation of 11.1% (the "Recommended Percentages"), which Guidelines are more fully set forth in "Exhibit A" attached hereto; and

WHEREAS, any aspect of the DAFC Project from design to completion and operation including but not limited to consulting, architecture, engineering, accounting, legal, construction, landscaping, marketing, interior design, janitorial services, and security can count toward MBE and FBE participation for the DAFC Projects; and

WHEREAS, the Recommended Percentage should only be applied to the total value of the new or rehabilitated development, acquisition and construction cost of the portion of the project that is being performed or supplied by subcontractors; and

NOW, THEREFORE, BE IT RESOLVED BY THE DAFC, that the current minority and female business enterprise policy will be enhanced to recommend that developers and companies make a good faith effort to achieve the Recommended Percentages for the subcontracted portion of their DAFC Projects, that any aspect of development from design to completion and operation can count toward MBE and FBE participation for the DAFC Project, and that developers and companies working on DAFC Projects make a good faith effort to comply with the Guidelines set forth on Exhibit "A" hereto; and

BE IT FURTHER RESOLVED, that all actions heretofore taken by the Board of the Authority in connection with this Resolution, are hereby authorized, ratified and approved and that this Resolution shall be effective for projects induced after July 1, 2019.

SO PASSED AND ADOPTED this 23rd day of April, 2019.

**DEVELOPMENT AUTHORITY
OF FULTON COUNTY**

By: _____

Robert J. Shaw, Chairman

ATTEST:

Samuel D. Jolley, Jr.
Dr. Samuel D. Jolley, Jr. Secretary

Exhibit A

Development Authority of Fulton County MBE/FBE Recommended Guidelines

- The DAFC is requesting that developers and companies make a good faith effort to achieve a recommended level of MBE participation of 26.7% and FBE participation of 11.1% (the “Recommended Percentages”).
- Any aspect of the DAFC Project from design to completion and operation including but not limited to consulting, architecture, engineering, accounting, legal, construction, landscaping, marketing, interior design, janitorial services, and security can count toward MBE and FBE participation for the DAFC Project.
- The Recommended Percentage should only be applied to the total value of the new or rehabilitated development, acquisition and construction cost of the portion of the project that is being performed or supplied by subcontractors. Any work that is being performed directly by the general contractor is excluded from the recommendation, unless the general contractor is an MBE or FBE, which participation can be included in the Recommended Percentage. Please refer to the below project example for further information.
- The definition of subcontractor can include, but is not limited to, work provided by consulting firms, architecture, engineering, accounting, legal, construction, landscaping, marketing, interior design, janitorial services, and security service providers.
- The DAFC will accept MBE and FBE enterprises certified by Fulton County and the City of Atlanta and other entities that will be further reviewed.
- Joint venture enterprises that provide equity to a DAFC Project will also count toward the Recommended Percentage.
- Prior to closing a DAFC Project bond transaction, the company or developer will provide to the DAFC a written plan of how it will make a good faith effort to achieve the Recommended Percentages.
- Developers and companies are required to submit ongoing reports to the DAFC regarding usage of MBE and FBEs for their DAFC Projects.

PROJECT EXAMPLE: A company is considering developing a \$100 million hotel project and is seeking incentives from the DAFC. If approved, this project would qualify as a DAFC Project. In this example, the general contractor hired by the hotel developer will be performing \$55 million of the work in-house. In this scenario, the DAFC will encourage the Recommended Percentage of 26.7% MBE participation and 11.1% FBE participation for the \$45 million of work to be completed by subcontractors, which can include work such as consulting services, architecture, engineering, accounting, legal, construction, landscaping, marketing, interior design, janitorial services, and security service providers. If the general contractor is an MBE or FBE then that participation can be included in the Recommended Percentage.

Exhibit B

See attached.

Atlanta Superintendent's Office

Subject: FW: April 23rd meeting of the Development Authority of Fulton County

From: Loe, Cindy <LoeC@fultonschools.org>
Sent: Monday, April 22, 2019 4:18 PM
To: Atlanta Superintendent's Office <suptoffice@atlanta.k12.ga.us>
Cc: Morales, Robert <moralesr@fultonschools.org>; Baldwin, Julie T <Baldwin@fultonschools.org>
Subject: Re: April 23rd meeting of the Development Authority of Fulton County

Dear Dr. Carstarphen,

Thank you again for forwarding information regarding these pending developments and tax abatements, and for the opportunity to comment. As you know, unlike cities and counties, there are only two sources of revenue (local property taxes and state revenue) that fund the general operations of a school district. In our case, for instance, in FY 2020 we expect property taxes to equal 62% of our revenue and state revenue to equal 38% of our budget. As such, the Fulton County School District is heavily reliant on local property taxes required to operate our 106 schools and serve the needs of our 94,000 plus students.

We appreciate your sharing of economic development information prior to a vote. In fact, this month Mr. Nash, CEO of the Development Authority of Fulton County, even sent information to a member of my Chief Financial Officer's staff. We are certain that the Fulton County Development Authority does not take these matters lightly and we would encourage further transparency regarding the proposed abatements and more importantly the process used to determine the need for such abatements. Mr. Nash was clear that, "None of these projects will increase the school population." We are, however, mindful that every dollar abated to development incentives represents an immediate dollar taken from our schools and students. We want to avoid a recommendation of a millage increase to our School Board to make up for lost revenue because of economic development.

As such, and since you are in a position where more information is available to you, we trust that you will be able to make the appropriate vote in each proposal.

Thank you,

Cindy Loe, Ph.D.
Interim Superintendent
Fulton County Schools

From: Atlanta Superintendent's Office <suptoffice@atlanta.k12.ga.us>
Sent: Monday, April 22, 2019 8:54 AM
To: Loe, Cindy
Cc: Carstarphen, Meria
Subject: April 23rd meeting of the Development Authority of Fulton County

Dr. Loe,

As a board member for the Development Authority of Fulton County I will be taking action on the developments below that impact your district's tax dollars. Our next meeting is scheduled for Tuesday, April 23, 2019.

The two projects below were approved at the March 26, 2019 meeting and are back on this month's agenda for final approval.

Development	TAD? "But For Test"? Public Good?	Notes
<p>PVH Corp. (Project Wide Open) (\$75.7 million) 8500 Tatum Road Building</p> <p>Estimated taxes over 10 years - \$6.8 million Estimated incentive - \$2.1 million</p>	<p>This development is not located inside of a TAD. This development does not seem to pass the "But For Test". There will be 575 new jobs created.</p>	<p>PVH Corp. seeks to take advantage of the incentive program currently in place on the Tatum Road building and plans to add tenant improvements and new equipment as they open a new, highly automated, state-of-the-art distribution center.</p> <p>Negotiations to win Project Wide Open to Georgia was a multi-year site selection process. The Applicant stated that "the economic development support offered by the State of Georgia and Fulton County, along with the availability of an already completed building were significant factors in their location decision." Incentive on the building was put in place to be passed along to future tenants through lower rents, and was used as a recruitment tool to incentivize the Applicant to locate in South Fulton rather than another part of the United States.</p> <p>Jurisdiction: Fulton County, City of Fairburn, Fulton County Public Schools</p> <p>This project will create 575 new jobs and developer currently working to win a tenant to occupy the development.</p>
<p>Excel Inc. d/b/a DHL Supply Chain (USA) (Fairburn/Bohannon Road Project) 0 Bohannon Road, Fairburn Ga (\$12.9 million)</p> <p>Estimated taxes over 10 years - \$2.1 million</p>	<p>This development is not located inside of a TAD. The project may pass the but for test due to the infrastructure improvements.</p>	<p>The Project will consist of the acquisition, construction, installation, development and equipping of a 239,000 warehouse and distribution center. The proposed site is located behind an existing distribution center and is concealed from street view, causing the land to remain undeveloped and lacking certain infrastructure.</p> <p>This project requires \$1.4 million in infrastructure improvements</p>

<p>Estimated incentive - \$578K</p>		<p>Jurisdiction: Fulton County, City of Fairburn, Fulton County Public Schools</p> <p>This project will create 75 jobs and an actual tenant has been identified.</p>
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In addition, there will be two new projects I will be taking action on and I am including the summaries for those projects below.

<p>Development</p>	<p>TAD? "But For Test"? Public Good?</p>	<p>Notes</p>
<p>Chattahoochee Logistics Center, (formerly FILC, LLC) (\$62.5 million)</p> <p>100 acres of total 240 acres on Campbellton Road in the Fulton Industrial Special Service District</p> <p>Estimated Taxes generated over 10 years - \$10.1 million Estimated incentive - \$2.8 million</p>	<p>This development is not located inside of a TAD. The project may pass the but for test due to the infrastructure improvements.</p>	<p>This proposal is for a project that will replace an abandoned clay mine, transforming the site into an attractive work place for distribution-oriented tenants and employees, and will place the site back into productive economic use</p> <p>This project requires an estimated \$4.1 million dollars in infrastructure improvements.</p> <p>Jurisdiction: Fulton County, City of Fairburn, Fulton County Public Schools</p> <p>This project will create 250 permanent jobs.</p>
<p>Fulton Industrial Park/CHI/Acquisitions, L.P. (\$51 million)</p> <p>92-acre parcel on the south side of Fulton Industrial Boulevard</p> <p>Estimated taxes generated over 10 years - \$8.2 million Estimated incentive - \$2.2 million</p>	<p>This development is not located inside of a TAD. The project may pass the but for test due to the infrastructure improvements.</p>	<p>Located on a 92-acre parcel on the south side of Fulton Industrial Boulevard, the development would transform a currently unused site that is burdened with significant development challenges into a first class business park providing new jobs and renewed energy to the area. This style of development will significantly upgrade the image of the Fulton Industrial Business District ("FIBD"), where there is a dire shortage of modern industrial buildings, and will help attract national corporate users to FIBD and south Fulton County.</p> <p>The site has been continually passed over for development due to significant development challenges, including severe topography (approximately 50' elevation change), wetlands, creeks and</p>

floodplains, a 50 foot gas pipeline easement bisecting the site, and a large number of specimen trees that require expensive mitigation. Due to these development challenges and corresponding costs, the Project will only be able to develop approximately 60 of the 92 acres, resulting in a much lower coverage ratio than typical for similar developments. As a result, developing the site at a market competitive rate seems impossible.

Jurisdiction: Fulton County, Fulton Industrial Special Services District (“SSD”)/Fulton County Public Schools

This development is speculative and has not yet secured tenants.

During the March meeting I read your response into record and will plan to do the same for this meeting. I am happy to talk if you have any questions.

Regards,

Meria

Dr. Meria Joel Carstarphen, Superintendent
Atlanta Public Schools
130 Trinity Ave SW, Atlanta, GA 30303
404-802-2820
Follow me on Twitter [@CarstarphenMJ](https://twitter.com/CarstarphenMJ)
Check out my blog at atlsuper.com

Exhibit C

See attached.

Woodyard, Lauren E.

From: Woodyard, Lauren E.
Sent: Friday, May 03, 2019 3:26 PM
To: Woodyard, Lauren E.
Subject: FW: THE APRIL 23, 2019 MEETING OF THE DAFC
Attachments: DAFC-APRIL 2019 PROJECTS IMPACTING FULTON COUNTY SCHOOLS.pdf

From: Al Nash <anash@dafc.us>
Sent: Friday, April 12, 2019 2:32 PM
To: 'Tinaglia, Greta' <Tinaglia@fultonschools.org>
Cc: 'Cindy Loe' <superintendent@fultonfultonschools.org>
Subject: FW: THE APRIL 23, 2019 MEETING OF THE DAFC

Greta,

There are three new development projects which are scheduled to be on the DAFC agenda for April which are located on property which the Fulton School District is currently receiving tax revenue. Based on the DAFC's financial modeling and evaluation for the projects, the Fulton County School District will see a significant increase in the tax revenue with the development of these three new projects. Attached is a schedule which summarizes each of the projects and shows what the school system currently receives in tax revenue, and shows the projection on what the system will receive from these new projects. None of these projects will increase the school population. If you have any other further questions, please free to let me know.

ALVIN "AL" P. NASH
CEO

Development Authority of Fulton County
141 Pryor Street, Suite 2052, Atlanta, GA 30303
(O) 404.612.8078 (F) 404.224.0477 (C) 404.867.8287
anash@dafc.us
www.developfultoncounty.com



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From: Tinaglia, Greta <Tinaglia@fultonschools.org>

Sent: Friday, February 22, 2019 3:50 PM

To: anash@dafc.us

Subject: February 26 Meeting

Good Afternoon

I see that the development authority is having a meeting on February 26. Are there any projects on the agenda which could impact tax revenue for the Fulton County School District? If so when will the information be available to us so that we may stay abreast of proposed projects impacting our District?

Thanks for your assistance.!

Greta

Greta P. Tinaglia, CPA

ASK ME ABOUT ATLAS

Accounting and Retirement Services Executive Director | Fulton County School System

6201 Powers Ferry Road NW Atlanta, GA 30339 470-254-0112 ph

tinaglia@fultonschools.org www.fultonschools.org

www.fultonschools.org/retirementservices

April Projects Impacting Fulton County Schools (FCS)

Final Bond Resolutions (FBRs)

	Current FMV of Parcels	Most Current Year Tax Collection	Ten Year Tax if Project Does Not Occur	Proposed Investment	Anticipated Year 1 Tax to FCS with Incentive	Anticipated Ten Year Tax to FCS with Incentive
1 PVH Corp (Project Wide Open) <i>Palmetto</i>	*	*	*	75,700,000	244,967	2,268,251
2 Exel Inc. d/b/a DHL Supply Chain (USA) <i>Fairburn</i>	606,400	4,316	43,160	10,661,000	37,945	550,197
3 Chattahoochee Logistic Center, LLC <i>Unincorporated Fulton County</i>	1,944,600	35,599	355,990	62,500,000	509,438	7,386,844

Anticipated Impact	2,551,000	39,915	399,150	148,861,000	792,350	10,205,292
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Times Increase

20

26

* N/A because new equipment to the Fulton County Tax rolls.