

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, JANUARY 26, 2016 AT 2:00 P.M.
IN THE 4th FLOOR CONFERENCE ROOM
FULTON COUNTY GOVERNMENT CENTER BUILDING**

MINUTES

Present were the following Members of the Authority:

Mr. Robert J. Shaw – Chairman
Mr. Walter Metze – Treasurer
Dr. Samuel D. Jolley, Jr. – Secretary
Mr. Sam Bacote – Board Member
Dr. Michael Bell – Board Member
Mr. Steve Broadbent – Board Member
Ms. Regina Page – Board Member

Also present were Mr. Al Nash, Executive Director, Mr. Lewis C. Horne, Jr. and Ms. Sandra Z. Zayac, attorneys for the Authority. Ms. Doris Coleman, staff of the Authority was also present.

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

RECOGNITION OF VISITORS: Also present were Commissioner Liz Hausmann and Mr. Edward Leidelmeijer of Commissioner Hausmann’s office, Ms. Harriet Thomas of Commissioner Morris’ office, and Ms. Shelby Gutierrez of Arnall Golden Gregory LLP.

OLD BUSINESS:

Final Bond Resolution for CPT Morningside Heights, LLC (“CPT”) Phase II: Mr. Bill Holby of King & Spalding LLP and Mr. Oz Freeman of Mill Creek Residential/CPT appeared in connection with the request for a final bond resolution for the issuance of \$12,000,000 in taxable revenue bonds for the development of Phase II of a mixed-use project. Phase I of the CPT project closed in April of 2014 in the amount of \$80,000,000. Phase II will involve the acquisition and development of a vacant tract of land next to Phase I that could not be secured in time for the first transaction. Mr. Oz reported that the vacant tract of land for the Phase II project site has been secured. Mr. Oz explained that Phase II of the project will be a natural extension of Phase I. Upon questions from the Authority, Mr. Oz confirmed that the completed project will include 321 multi-family units and 40,000 square feet of retail including a Sprouts grocery store. Mr. Nash recommended approval stating that Phase II of this project was contemplated in the original transaction. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page and Dr. Jolley, the Authority unanimously approved the final bond resolution for CPT.

Assignment Resolution for CRP Oakmont Goodson Road, LP (“CRP”) to CAVA Union City Industrial, LLC (“CAVA”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a resolution regarding CRP’s assignment to CAVA. The CRP transaction closed in May of 2015 and is a great success story in South Fulton. The project consisted of a 370,000 square foot speculative distribution/manufacturing building that was developed to be

leased or sold. Mr. Holby reported that CRP has decided to sell the building to an investor, CAVA—a retirement fund looking for an investment. Also, CRP has secured a single tenant, Interface Flooring based out of La Grange, to lease and occupy the building. Thus, CAVA will purchase the building and Interface Flooring will be the lease tenant and occupy the building. Mr. Holby asked the Authority to approve the assignment from CRP to CAVA. Upon questions from the Authority, Ms. Zayac confirmed that all terms will remain the same including insurance and indemnification provisions. Mr. Nash recommended approval. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Bell and Dr. Jolley, the Authority unanimously approved the assignment resolution.

NEW BUSINESS:

Letter of Inducement for Memorial-Hill, LLC (“Memorial-Hill”): Mr. Bill Holby of King & Spalding LLP and Mr. Mark Riley of Urban Realty Partners, LLC appeared in connection with the request for a letter of inducement for the issuance of \$22,700,000 in taxable revenue bonds for the development of a mixed-use project to be called The George. The project will be located at 275 Memorial Drive in north Grant Park. Mr. Riley stated that the project will total 110,000 square feet, consisting of 130 apartment units and approximately 11,500 square feet of retail. In order to make room for the development of this project, Mr. Riley explained that the well-known Azar’s liquor store will be demolished. Mr. Riley discussed that he has been very active in the development of the Memorial Drive neighborhood for over fifteen years and that Urban Realty Partners, LLC prides itself in working in concert with the community. Mr. Riley explained that this project is part of a larger plan including the development of a linear park that will run from Oakland Cemetery to the state capitol building. Mr. Nash informed the Authority that the project site currently has a \$25,000 per year real estate tax bill that will significantly increase to approximately \$300,000 per year after this \$22,700,000 investment. Upon questions from the Authority, Mr. Riley stated that the building will be five stories tall and include one floor of retail. Mr. Nash recommended approval of the letter of inducement. Upon a motion made by Mr. Bacote, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for Memorial-Hill.

Letter of Inducement and Final Bond Resolution for HICO Avalon, LLC (“HICO”): Mr. Matt Nichols of Sutherland Asbill & Brennan LLP and Mr. Mark Farris and Mr. Kurt Hartman of HICO appeared in connection with the request for a letter of inducement and final bond resolution for the issuance of \$65,000,000 in taxable revenue bonds for the development of a mixed-use project consisting of 224,00 square feet of office and over 35,000 square feet of retail in a nine story Class AA building located at 8000 Avalon First Street in Alpharetta. Mr. Nichols explained that this project was contemplated as part of the original Avalon North, LLC financing transaction. HICO will acquire the office and retail interest from North American Properties and then sell the retail component back to North American Properties following the construction period. The Authority currently holds title to this property subject to the lease with Avalon North. Mr. Nichols explained that essentially, the property subject to the lease with Avalon North is being carved out of the current lease, and will be subject to a separate lease with HICO. Upon questions from the Authority, Mr. Hartman confirmed that the building will be the first high rise office building in North Fulton at nine stories high. Also, Commissioner Hausmann confirmed that the City of Alpharetta is aware of this project and aware that it is part of the original Avalon transaction. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved the letter of inducement for HICO. Upon a

motion made by Dr. Jolley, which was seconded by Ms. Page, the Authority unanimously approved the final bond resolution for HICO.

ITEMS FOR DISCUSSION:

Georgia Trend Magazine: Commissioner Hausmann announced that Senator Brandon Beach was named one of the 100 most influential Georgians by Georgia Trend magazine. Chairman Shaw stated that he would draft and send a congratulatory letter to Senator Beach on behalf of the Authority.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on December 8, 2015 and the Special Call Meeting held on January 5, 2016 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 next Regular Meeting will be held on Tuesday, February 23, 2016, at 2:00 p.m. in the 4th floor conference room, room 4056.

There being no further business, the meeting was adjourned.

Samuel D. Jolley, Jr.

Dr. Samuel D. Jolley, Jr., Secretary