

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, MARCH 22, 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
Dr. John E. Maupin, Jr. – Vice Chairman
Mr. Walter Metze – Treasurer
Dr. Samuel D. Jolley, Jr. – Secretary
Dr. Michael Bell – Board Member
Mr. Sam Bacote – 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 and Ms. Sabrina Kirkland, staff of the Authority were also present.

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

RECOGNITION OF VISITORS: Also present were County Manager Dick Anderson, Chief Strategy Officer of Fulton County Ms. Anna Roach, Commissioner Liz Hausmann, Mr. Edward Leidelmeijer of Commissioner Hausmann’s office, and Ms. Shelby Uribe of Arnall Golden Gregory LLP.

OLD BUSINESS:

Final Bond Resolution for GS Midtown Hotel Owner LLC And GUGV Midtown Atlanta Property Owning LLC (“Greystar”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$158,000,000 (\$43,000,000 residential and \$115,000,000 hotel) in taxable revenue bonds for the development of a mixed-use project consisting of two high rise towers encompassing 350 residential rental units, 200 hotel rooms to be operated by Hilton Hotel’s Canopy boutique brand, 5,000 square feet of ground floor retail and a parking deck. The project will be located at 1400 West Peachtree Street, between 17th and 18th Streets in Midtown. The project was induced in May 2015. The project will redevelop an underutilized 1.5 acre site that currently is comprised of a vacant parking lot and a Class B, 1970’s vintage office building that is only 15% occupied. Mr. Holby indicated that the project is located on a challenging site because of an existing MARTA easement on the property, which contains a ventilation shaft and fan built in the 1970’s to support the underground MARTA rail system. Mr. Nash recommended approval of the bond resolution. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Maupin, the Authority unanimously approved the final bond resolution for GS Midtown Hotel Owner LLC. Upon a motion made by Dr. Maupin, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for GUGV Midtown Atlanta Property Owning

LLC.

Final Bond Resolution for Avalon Hotel Associates, LLC (“Avalon”): Ms. Sharon Gay of Dentons US LLP and Mr. Jim Stormont of Avalon appeared in connection with the request for a final bond resolution for the issuance of \$70,000,000 in taxable revenue bonds for the development of The Hotel at Avalon, a 330 key Autograph Collection hotel with a franchise agreement with Marriott International, and also the City of Alpharetta Conference Center to be located at 9000 Avalon Boulevard in Alpharetta. Mr. Stormont gave a brief summary of the Avalon project approved in 2013 and that this project involves the hotel phase originally approved in 2013. Mr. Nash stated that The Hotel at Avalon and the City of Alpharetta Conference Center will attract significant activity and generate an increase in property tax revenue. Upon questions from the Authority regarding the legal structure, Mr. Stormont explained that all of the real property on which The Hotel at Avalon is to be constructed is currently owned by the Authority and leased to Avalon North, LLC. The plan is to have the Authority transfer the real property to Avalon Hotel Associates, LLC, which will impose a declaration of condominium separating the real property into two units, and then deed the condominium unit upon which the conference center will be built to the City of Alpharetta. The conference center will be owned by the City of Alpharetta and leased to Avalon Hotel Associates, LLC, which will then sublease it to the DAFC for further lease to Avalon Hotel. DAFC will hold title to the fee interest of the hotel and a leasehold interest of the conference center. Upon questions from the Authority, Mr. Stormont confirmed that Stormont will develop the property and AGI Hotels will operate the hotel. Upon a motion made by Dr. Maupin, which was seconded by Mr. Broadbent, the Authority unanimously approved the final bond resolution for Avalon.

Final Bond Resolution for 6100 Fulton Industrial Partners, LLC (“Miller Zell”): Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP appeared in connection with the request for a final bond resolution for the issuance of \$16,000,000 in taxable revenue bonds for the acquisition, development and equipping of a 311,000 square foot building to serve as the Miller Zell’s world headquarters to be located at 6100 Fulton Industrial Boulevard in Fulton County, Georgia. Mr. McRae explained that Miller Zell wants to retain its existing business presence in South Fulton, but there are significant costs associated with the relocation of many employees and consolidation of office locations into the Miller Zell world headquarters, and thus the incentives are imperative to the development of the project. Mr. McRae explained to the Authority that Miller Zell has had an office location in South Fulton for the past 20 years, and because the company has seen vast improvements in safety and growth in the area due to economic development, the company has decided to make an investment at 6100 Fulton Industrial Boulevard. Mr. McRae informed the Authority that Miller Zell is a printing company that prints store signage for several large companies including Wall-Mart, Walgreens, Weight Watchers, and Metro PCS. Mr. Nash recommended approval of the bond resolution. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Metze, the Authority unanimously approved the final bond resolution for Miller Zell.

NEW BUSINESS:

Letter of Inducement for Grant Park Venture Partners, LLC (“Grant Park Venture”): Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP and Mr. Richard Aronson of Atlantic Realty Partners, Inc. appeared in connection with the request for a letter of inducement for the issuance of \$50,000,000 in taxable revenue bonds for the development of a midrise multi-family

project to be located at 465 Memorial Drive in the Grant Park Neighborhood of Fulton County. Mr. McRae stated that the developer and builder of the project is Atlantic Realty Partners, Inc. and that the project will consist of 238 residential units and a parking deck with approximately 328 spaces. The site is presently an assemblage of industrial buildings used to sell auto parts and is environmentally contaminated. Mr. McRae informed the Authority that meeting the neighborhood's needs involves Grant Park Venture incurring additional costs estimated at close to \$1.8 million. These extra costs include, (a) the addition, at the request of the Grant Park Neighborhood Association, of traditional Grant Park herringbone pavers throughout the Project, (b) the conversion of Loomis Street from a one-way to a two-way street, and (c) the inclusion of 50 spaces in the parking deck available to the public, and (d) the creation of on-street parking on three of the four sides of the project to alleviate the "parking crisis" in Grant Park. Mr. Aronson informed the Authority that community input has been a major factor in the configuration and design of this project so that it will not "overshadow" the adjacent historic single-family neighborhood. Mr. Nash recommended approval of the project. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent and Dr. Maupin, the Authority unanimously approved the letter of inducement for Grant Park Venture.

Letter of Inducement for Selig Enterprises, Inc. ("Selig"): Mr. Earle Taylor of Dentons US LLP, Mr. Scott Selig and Ms. Joann Chitty of Selig, and Mr. Andrew Young of Landmark Properties, Inc. appeared in connection with the request for a letter of inducement for the issuance of \$110,000,000 in taxable revenue bonds for the development a mixed use project to be called The Standard at Atlanta. The Standard at Atlanta will be a retail and multi-family residential development composed of 9,600 square feet of retail and 169 units which make up 759 student housing beds to be located at 734 Spring Street. The Standard at Atlanta will have a significant impact as it extends to the southern end of Tech Square. Ms. Chitty explained that currently, the Spring Street blocks south of 4th Street are currently occupied primarily by nightclubs which have made the area unsafe for students. Ms. Chitty explained that Georgia Institute of Technology ("Georgia Tech") will not open the tunnel that exists under the downtown connector that connects the west side of campus to 3rd Street. The redevelopment of this portion of Spring Street will start ridding the area of the blighting and unsafe influences. Upon questions from the Authority, Mr. Young explained that they would offer various layouts of the units which could be as large as 5 bedrooms with a shared common living room. Mr. Young stated that the concept is a hybrid of traditional multi-family housing and true dormitories. Upon questions from the Authority, Mr. Young confirmed that the pricing of the units will be on par with on-campus housing and that the project is not in competition with Georgia Tech on-campus housing. Mr. Young explained that Georgia Tech would rather focus their spending on educational programs as opposed to student housing. Ms. Chitty informed the Authority that Selig has had several conversations with Georgia Tech regarding the project. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Maupin and Mr. Bacote, the Authority unanimously approved, with the exception of Dr. Bell, the letter of inducement for Selig.

Letter of Inducement for 811 Peachtree LLC ("811 Peachtree"): Mr. Matthew Nichols of Sutherland Asbill & Brennan and Ms. Rian Smith of The Integral Group appeared in connection with the request for a letter of inducement for the issuance of \$116,000,000 in taxable revenue bonds for the development of a mixed use project to be called EVIVA Peachtree. 811 Peachtree intends to develop and transform an underutilized surface parking lot into a mixed use development composed of 383 competitively priced rental units, a wrapped parking structure in a

32-story high rise building, and 22,000 square feet of ground floor retail to be located at 811 Peachtree Street NE, at the intersection of 6th Street NE and Peachtree Street NE along the Midtown Mile. Mr. Nichols informed the Authority that the average residential unit size will be approximately 789 square feet. Ms. Smith explained that EVIVA represents one of Integral's first market-rate projects in Atlanta, but maintains affordability for residents by featuring smaller, efficiently designed floor plans creating "affordability by design," such that monthly rents will start at \$1,500.00, an amount far lower than comparably appointed buildings on the Midtown Mile, which start at \$1,717.00. Ms. Smith stated that this lower price point essentially offers an approximately \$200 per month discount off the average unit prices in the area, which will allow for a more diverse group of residents to live in the area. The housing units will provide a lower cost housing option for new employees that are being relocated and/or recruited to Midtown and will satisfy a growing need for this modern workforce. Upon questions from the Authority, Ms. Smith confirmed that parking spaces are allocated to each unit and that the traffic analysis has been completed by the City of Atlanta. Upon a motion made by Dr. Maupin, which was seconded by Ms. Page, the Authority unanimously approved, with the exception of Dr. Bell, the letter of inducement for 811 Peachtree.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on February 23, 2016 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Dr. Maupin, the Authority unanimously approved, the minutes as presented.

ITEMS FOR DISCUSSION:

Georgia "Religious Freedom" Bill: Chairman Shaw discussed the Georgia "religious freedom" bill, House Bill 757. Chairman Shaw presented the Authority with a draft letter to Governor Deal addressing concerns related to House Bill 757 and its impact on economic development, in his capacity as Chairman of the DAFC. The Committee reviewed the proposed letter to be sent from Chairman Shaw on behalf of the DAFC. Upon questions and comments from the Authority, Chairman Shaw confirmed that changes to the letter would be made to discuss the impact of the bill to economic development specifically. Upon a motion made by Dr. Maupin, which was seconded by Dr. Jolley, the Authority approved that the proposed letter, as revised, be sent to Governor Deal on behalf of the DAFC regarding House Bill 757.

JDAMA Meeting. The April 19, 2016 JDAMA meeting has to be rescheduled. Ms. Coleman will communicate the new proposed meeting date, time, and location.

EXECUTIVE SESSION

At approximately 3:05 p.m. a motion to enter into Executive Session for personnel discussion was made by Dr. Jolley, which was seconded by Mr. Broadbent, and approved by all members present at the meeting. An opening meetings affidavit is attached hereto as Exhibit "A".

At approximately 3:25 p.m. a motion to exit Executive Session was made by Mr. Broadbent, which seconded by Dr. Maupin, and approved by all members present at the meeting.

NEXT MEETING:

Chairman Shaw announced that the Authority's next Regular Meeting will be held on Tuesday, April 26, 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

EXHIBIT "A"
Open Meetings Affidavit