

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, JULY 25, 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
Ms. Sarah Cash – Board Member
Dr. Michael Bell – Board Member

Also present were Mr. Al Nash, CEO/Executive Director, Ms. Sandra Z. Zayac and Ms. Shelby Uribe, attorneys for the Authority, Mr. Samir Abdullahi, Ms. Doris Coleman, Ms. Marva Bryan and Ms. Sabrina Kirkland, 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 Hausmann, Mr. Edward Leidelmejer of Commissioner Hausmann’s office, and Ms. Harriett Thomas of Commissioner Morris’ office.

SWEARING IN OF BOARD MEMBERS:

Ms. Tonya Grier, Interim Clerk to the Commission, swore in Mr. Shaw, Mr. Hodge, Mr. Turpeau, Mr. Broadbent, Mr. Bacote, Mr. Metze, and Dr. Jolley as Authority board members.

OLD BUSINESS:

Final Bond Resolution for Fuqua Acquisitions II, LLC (“Fuqua”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$96,500,000 in revenue bonds for the development of a mixed-use project to be located at 905 Memorial Drive in the Reynoldstown neighborhood. Mr. Holby informed the Authority that the proposed redevelopment will replace a vacant, aging, obsolete metal structure with attractively designed buildings including businesses, restaurants, and shops. The development will be composed of approximately 160,000 square feet of retail and 60,000 square feet of office space. Mr. Holby also reminded the Authority that Fuqua worked diligently with neighborhood representatives and the City of Atlanta during the planning process and have committed to perform substantial investments including the reservation of land and construction of the Beltline path, reservation of a portion of the property for future right-of way for the Beltline path and proposed trolley transit line, construction of a plaza adjacent to the Beltline that will benefit the patrons of the development and the general public, construction of internal streets and internal and perimeter streetscapes, and substantially hidden parking underground. Mr. Holby confirmed that the system improvements total approximately \$11 million. Mr. Holby stated that the project

site is currently generating approximately \$150,000 per year in ad valorem taxes. After the improvements are made, the project site is expected to generate approximately \$828,000 per year in ad valorem taxes—a significant increase. Mr. Nash recommended approval of the project and commended Fuqua for contributing to the revitalization of Memorial Drive. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Hodge, the Authority unanimously approved the final bond resolution for Fuqua.

Final Bond Resolution for NP 15th Street LLC (“NP 15th Street”): Mr. Jim Woodward of Gray Pannell & Woodward LLP appeared in connection with the request for a final bond resolution for the issuance of \$51,500,000 in revenue bonds for the development of an upscale 20-story urban high-rise Hampton Inn & Suites Hotel by Hilton to be located in Midtown Atlanta at the corner of West Peachtree and 15th Streets. Mr. Nash reminded the Authority that the project is being developed on a very small 0.35 acre site. Mr. Woodward informed the Authority that the hotel will consist of a lobby at grade level, 95 valet parking spaces on levels 2 to 7, 188 guest rooms on levels 8 to 19, and a 57-seat breakfast area, bar/lounge, terrace, meeting space, and fitness facility on the 20th floor. Mr. Woodward confirmed that the hotel would only have 95 parking spaces in order to encourage guests to use MARTA and other means of transportation. Mr. Woodward explained that the goal of this project is to bring one of the world’s best known hotel brands to the dynamic Midtown Atlanta market while offering the amenities and service demanded by business and leisure travelers to the area at a price point that makes Midtown Atlanta accessible to a wide variety of visitors. Mr. Nash recommended approval of the project and commended the significant investment to be made on a very small 0.35 acre site. Mr. Nash reminded the Authority that NP 15th Street worked closely with Midtown Alliance to satisfy their requirements and they have expressed support of the project. Upon a motion by Mr. Hodge, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for NP 15th Street.

Final Bond Resolution for Grow America Now, LLC (Induced as “Small Business Credit Cooperative, Inc.”) (“Grow America Now”): Mr. Ken Neighbors of Greenberg Traurig LLP, Mr. John Hayes and Mr. Archie Jones of NOWAccount Corporation and Ms. Angela Avery of IFS Securities appeared in connection with the request for a final bond resolution for the issuance of \$100,000,000 in revenue bonds for the expansion of NOWAccount, the first payment solution that works for business-to-business. NOWAccount enables businesses that sell to other commercial and government customers to be paid now, while not disrupting the free and flexible accounts payable required by businesses and governments. NOWAccount allows a business to stop lending to its customers in order to make sales, but permits the customer to continue to enjoy the free capital they receive from accounts payable. Mr. Neighbors informed the Authority that NOWAccount has been operating for approximately five years. Mr. Neighbors confirmed that NOWAccount has created a structure that is mimicking payment space of credit cards so that NOWAccount customers get paid the same day. With NOWAccount, Mr. Neighbors explained that the seller of the services, the NOWAccount customer, gets paid immediately 97 cents on the dollar and incurs no debt or liability on its balance sheet, which enables the company to hire more employees, buy more inventories, or get a bank loan because the company balance sheet is strong. Upon questions from the Authority, Mr. Neighbors and Ms. Avery confirmed that the bonds would be non-rated and privately placed with small banks and credit unions, which are currently lending funds to NOWAccount. Ms. Zayac also confirmed that the bonds will be sold in \$100,000 denominations to qualified institutional buyers. Mr. Hayes explained that NOWAccount has partnered with many chambers of commerce, credit unions, and government

agencies. For example, Mr. Hayes informed the Authority that NOWAccount has partnered with the Atlanta Chamber of Commerce and Georgia Chamber of Commerce and MARTA. The Coca-Cola Company, and Hartsfield Jackson International Airport are NOWAccount clients that provide this method of payment to all of the small and disadvantaged service providers. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Hodge, which was seconded by Mr. Broadbent, the Authority unanimously approved the final bond resolution for Grow America Now.

NEW BUSINESS:

Letter of Inducement for Red Rock Developments (“Red Rock”): Mr. Jim Woodward of Gray Pannell & Woodward LLP, Mr. John Barker of Red Rock Developments, Mr. William Hare, Jr. of Burke Holding Real Estate, Mr. Bobby Fountain and Mr. Mark Shugart of Saben LLC appeared in connection with the request for a letter of inducement for the issuance of \$126,500,000 in revenue bonds for the development of two warehouse distribution facilities to be located at 8500 Tatum Road in the City of Palmetto. The two warehouse distribution facilities will be part of the Shugart Farms industrial development. Mr. Woodward informed the Authority that the project will be developed in two phases. The first phase will begin construction in 2017 and will consist of an approximately 1,000,000 square foot warehouse distribution facility and 10,000 square foot office space. It is estimated that Phase I will cost approximately \$50,000,000. The second phase is estimated to begin construction before 2019 and will consist of an approximately 1,500,000 square foot facility and 15,000 square foot office space. It is estimated that Phase II will cost of approximately \$76,500,000. The Projects will be developed on a speculative basis and will be marketed and leased to bulk distribution companies looking to locate in Fulton County. Mr. Woodward informed the Authority that the Mayor of the City of Palmetto has expressed support for the project. Also, based on job numbers for similarly sized warehouse distribution facilities in the area, it is estimated that each phase will create approximately 400 permanent jobs (800 total for both phases) with salaries ranging from \$30,000 to \$125,000 and 500 temporary construction jobs (1,000 total for both phases). Mr. Barker and Mr. Shugart also informed the Authority that Red Rock will also perform significant system improvements such as paving Tatum Road and installing sewer improvements for the City of Palmetto including a water extension line. The system improvements are projected to cost approximately \$3.7 million. Upon questions from the Authority, Mr. Shugart and Mr. Barker confirmed that they have not secured a tenant at this time, but have a short list of tenants they are courting. Mr. Barker also confirmed that Red Rock would not develop this project without this incentive. Mr. Nash recommended approval of the project and stated that this is a win for the City of Palmetto because the project will bring over \$126,500,000 in new capital investment on parcels of land that have a 2017 assessed value of \$644,960 (for both phases)—a significant increase. Upon a motion made by Mr. Hodge, which was seconded by Mr. Broadbent, the Authority unanimously approved the letter of inducement for Red Rock.

Letter of Inducement for Parkside Partners and Greenstone Properties (“Parkside and Greenstone”): Mr. Jim Woodward of Gray Pannell & Woodward LLP and Mr. Chris Scott of Greenstone Properties appeared in connection with the request for a letter of inducement for the issuance of \$32,500,000 in revenue bonds for the development of an approximately 90,000 to 117,000 square foot office building to be located at 6919 Peachtree Dunwoody Road in the City of Sandy Springs. The site, which is part of a larger tract currently owned by Trammel Crow Residential, is approximately 1.6 acres of raw land located at the corner of Peachtree Dunwoody Road and Roberts Court. Mr. Scott informed the Authority that the proposed office building

would have a single tenant that is a Fortune 100 company looking to consolidate and relocate two of its office, in the metro Atlanta area in order to create a regional headquarters. Currently, the proposed tenant has approximately 600 permanent jobs in Fulton County and may potentially create approximately 100 new permanent jobs and 200 construction jobs in connection with this consolidation and relocation. Mr. Scott informed the Authority that the project site is walking distance to the North Springs MARTA station and MARTA has expressed its interest in making improvements to enhance the pedestrian access to this station. Chairman Shaw confirmed that the Mayor of the City of Sandy Springs has expressed his support for the project. Upon questions from the Authority, Mr. Scott confirmed that DPR Construction would be the general contractor for the project. Mr. Scott also confirmed that the possible Fortune 100 company tenant is looking at sites in neighboring counties as well. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously, with the exception of Dr. Bell, approved the letter of inducement for Parkside and Greenstone.

ITEMS FOR APPROVAL:

Election of DAFC Officers: Chairman Shaw asked Ms. Cash, Chairman of the Nominating Committee to provide a report from the Nominating Committee regarding the election of the Authority officers. Ms. Cash stated that the Nominating Committee nominated all of the current officers to retain their current positions including Dr. Jolley to serve as Secretary of the Board, Mr. Shaw as Chairman of the Board, Mr. Hodge as Vice Chairman, and Mr. Metze as Treasurer. Additionally, Ms. Cash nominated Dr. Jolley to also serve as Assistant Treasurer. Upon a motion made by the Nominating Committee, which was seconded by Mr. Hodge, the Authority unanimously approved the retention of all officers in their current positions and that Dr. Jolley also serve as Assistant Treasurer.

Minutes. The minutes from the Regular Monthly Meeting held on July 25, 2017 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Ms. Cash, the Authority unanimously approved, the minutes as presented.

DISCUSSION:

Commissioner Hausmann informed the Authority that the revised 2017 residential property tax bills would be mailed to Fulton County residents on August 4, 2017.

NEXT MEETING:

Chairman Shaw announced that the Authority's Regular Meeting will be held on Tuesday, August 22, 2017, at 2:00 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