

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, FEBRUARY 26, 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
Mr. Walter Metze – Treasurer
Mr. Sam Bacote – Board Member
Mr. Brandon Beach – Board Member
Mr. Michel Turpeau – Board Member
Ms. Sarah Cash – 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 gave the invocation.

RECOGNITION OF VISITORS: Also present were Commissioner Hausmann, Mr. Edward Leidelmejer of Commissioner Hausmann's office, Commissioner Morris, Ms. Jenn Thomas of Commissioner Morris' office, Commissioner Pitts, Ms. Harriett Thomas of Commissioner Pitts' office, Fulton County Manager Mr. Dick Anderson, Mr. Anthony Grant of the City of Atlanta Office of Housing and Community Development, Mr. Dwayne Vaughn of the Atlanta BeltLine, Chief Financial Officer of Fulton County Ms. Sharon Whitmore, Ms. Lisa Aman of the Fulton County Board of Assessors, Mr. Fred Hoffman of Commissioner Ellis' office, Ms. Maggie Lee of Saporta Report, Ms. Erica Long and Ms. Aeriell Carr of Atlanta Public Schools, Mr. Courtney English, formerly of Atlanta Public Schools, and Ms. Hamita Umbru, a citizen of Fulton County.

DISCUSSION: Commissioner Hausmann and Mr. Anderson provided updates to the Authority on Fulton County matters.

PUBLIC COMMENT: Chairman Shaw announced that the Board would hear public comment. Mr. English, Ms. Umbru, and Mr. Metze appeared for public comment.

OLD BUSINESS:

Final Bond Resolution for CRP/LPC Aspire Owner, L.L.C. ("Aspire"): Mr. Dan McRae and Mr. Harrison Sullivan of Seyfarth Shaw LLP and Mr. Brook Barefoot of Lincoln Property Company appeared in connection with the request for a final bond resolution for the issuance of \$33,000,000 in revenue bonds to finance the development of a multifamily housing project, including affordable residential units, to be located at 900 Joseph E. Lowery Boulevard NW in the City of Atlanta. 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 Mr. Broadbent, the Authority unanimously approved, with the exception of Dr. Carstarphen, the final bond resolution for Aspire.

Final Bond Resolution for FF Realty IV LLC ("Fairfield Southside Trail"): Mr. Dan McRae and Mr. Harrison Sullivan of Seyfarth Shaw LLP and Mr. Marc Brambrut of Fairfield Residential appeared in connection with the request for a final bond resolution for the issuance of \$58,000,000 in revenue bonds to finance the development of a multifamily housing project, including affordable residential units, to be located at 125 Milton Avenue SE in the City of Atlanta. 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. Bacote, which was seconded by Mr. Broadbent, the Authority unanimously approved the final bond resolution for Fairfield Southside Trail.

Final Bond Resolution for SEI 1105 West Peachtree, LLC ("Selig"): Mr. Glenn Thomson and Ms. Amber Pelot of Alston & Bird LLP and Mr. Chris Ahrenkiel of Selig Enterprises appeared in connection with the request for a final bond resolution for the issuance of \$303,000,000 in revenue bonds to finance the development of a mixed-use project to include an office tower, 178-key hotel, and retail space to be located at 1105 West Peachtree Street in the City of Atlanta. More specific details are described on 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. Metzger, the Authority unanimously approved, with the exception of Dr. Carstarphen, the final bond resolution for Selig.

Final Bond Resolution for Georgia Tech Facilities, Inc. ("GTFI"): Ms. Caryl Smith of Hunton Andrews Kurth LLP appeared in connection with the request for a final bond resolution for the issuance of \$115,000,000 in revenue bonds for a federally tax-exempt transaction to finance the construction and renovation of a new campus center, including the student center and related exhibition hall, dining facilities, and café, to be located on the Georgia Institute of Technology campus. More specific details are described on the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Dr. Carstarphen, which was seconded by Mr. Bacote, the Authority unanimously approved the final bond resolution for GTFI.

Final Bond Resolution for Majestic Derrick Partners, LLC ("Majestic IV") (Induced as Majestic Realty Co.): Ms. Caryl Smith of Hunton Andrews Kurth LLP and Mr. Scott Brown of Majestic Realty Co. appeared in connection with the request for a final bond resolution for the issuance of \$60,000,000 in revenue bonds to finance the development of an approximately 500,000 square foot e-commerce distribution facility to be located at the intersection of Derrick Road and South Fulton Parkway in the City of Union City. More specific details are described on the Fact Sheet included as part of this item posted on the Authority's website. Upon discussions among the Authority, Dr. Carstarphen shared communications between herself and Dr. Cindy Lou of Fulton County Schools, attached hereto as Exhibit A. Upon further discussions among the Authority, Mr. Nash shared communications between himself and Ms. Greta P. Tinaglia of Fulton County Schools, attached hereto as Exhibit B. Upon a motion made by Dr. Carstarphen, which was seconded by Mr. Turpeau, the Authority unanimously approved the final bond resolution for Majestic IV.

Final Bond Resolution for Majestic Airport Center V Building 1, LLC (“Majestic Building 1”) and Majestic Airport Center V Building 2, LLC (“Majestic Building 2,” and together with Majestic Building 1, “Majestic V”) (Induced as Majestic Airport Center V, LLC): Ms. Caryl Smith of Hunton Andrews Kurth LLP and Mr. Scott Brown of Majestic Realty Co. appeared in connection with the request for (i) a final bond resolution for the issuance of \$150,000,000 in revenue bonds for Majestic Building 1; and (ii) a final bond resolution for the issuance of \$125,000,000 in revenue bonds for Majestic Building 2 to finance the development of approximately two logistics/distribution buildings to be located at the intersection of Stonewall Tell Road and South Fulton Parkway in the City of Union City. More specific details are described on 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. Bacote, the Authority unanimously approved the final bond resolutions for Majestic V.

Assignment of Westside Village Atlanta, LLC Parcel D (“Westside Village Parcel D”) to FC Enterprises, Inc. (“FC Enterprises”): Mr. Glenn Thomson and Ms. Amber Pelot of Alston & Bird LLP and Mr. Brandon Ashkouti of Eden Rock appeared in connection with the request for an assignment of Westside Village Parcel D to FC Enterprises. More specific details are described on the Fact Sheet included as part of this item posted on the Authority’s website. Upon a motion made by Dr. Carstarphen, which was seconded by Mr. Turpeau, the Authority unanimously approved the assignment to FC Enterprises.

NEW BUSINESS:

Letter of Inducement for Fairfield Residential Company LLC (“Fair Drive”): Mr. Dan McRae and Mr. Harrison Sullivan of Seyfarth Shaw LLP and Mr. Marc Brambrut of Fairfield Residential appeared in connection with the request for a letter of inducement for the issuance of \$47,000,000 in taxable revenue bonds for the development of a 100% affordable multifamily housing project to be located at 1944 St. Johns Avenue in the City of Atlanta. 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 Dr. Carstarphen, which was seconded by Mr. Bacote, the Authority unanimously approved the letter of inducement for Fair Drive.

Letter of Inducement for US Industrial Club IV Enterprises, LLC (“US Industrial”): Mr. Ben Brooks of Smith, Gambrell & Russell, LLP and Mr. Todd Parker and Ms. Amy Curry of Hillwood appeared in connection with the request for a letter of inducement for the issuance of \$30,000,000 in taxable revenue bonds for the development of a logistics facility to be located at 6900 Goodson Road in the City of Union City. 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 Ms. Cash, the Authority unanimously approved the letter of inducement for US Industrial.

Letter of Inducement for WP South Acquisitions, L.L.C. (“Alta Dairies II”): Mr. Glenn Thomson and Ms. Amber Pelot of Alston & Bird LLP and Mr. Bennett Sands and Mr. Tyler Hurd of Wood Partners appeared in connection with the request for a letter of inducement for the issuance of \$57,500,000 in taxable revenue bonds for the development of a multifamily housing project, including affordable residential units, to be located at 777 Memorial Drive SE in the City of Atlanta. 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 Ms. Cash, which was seconded by Mr. Bacote, the Authority unanimously approved, with the exception of Dr. Carstarphen, the letter of

inducement for Alta Dairies II.

Letter of Inducement for WLKR Ponce Owner LLC (“WLKR Ponce Owner”): Mr. Woody Vaughan and Ms. Allison Dyer of Holland & Knight LLP and Mr. Butch Ross of Ross Hotel Partners LLC appeared in connection with the request for a letter of inducement for the issuance of \$20,000,000 in taxable revenue bonds for the development of a boutique hotel to be located at 551 Ponce de Leon Avenue in the City of Atlanta. 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, with the exception of Dr. Carstarphen, the letter of inducement for WLKR Ponce Owner.

Letter of Inducement for PVH Corp. (“Project Wide Open”): Mr. Jim Monacell of Smith, Gambrell & Russell, LLP, Ms. Anna Conley and Mr. Mark Couch of PVH Corp., and Ms. Rose Davidson of JLL appeared in connection with the request for a letter of inducement for the issuance of \$75,700,000 in taxable revenue bonds to provide tenant improvements and new equipment in a new state-of-the-art distribution center to be 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. Broadbent, which was seconded by Dr. Carstarphen, the Authority unanimously approved the letter of inducement for Project Wide Open.

ITEMS FOR DISCUSSION:

Update on the Authority’s MFBE Review Committee. The MFBE Review Committee was approved and activated at the Regular Monthly Meeting held on January 22, 2019, but was inadvertently left out of the minutes. Upon discussion among the Authority, it was determined that Mr. Turpeau would serve as chair and Mr. Bacote and Mr. Beach would serve as members of the MFBE Review Committee.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on January 22, 2019 were presented to the Authority for approval. Upon a motion made by Chairman Shaw, the Authority unanimously approved the minutes as presented.

NEXT MEETING:

Chairman Shaw announced that the Authority’s Regular Monthly Meeting will be held on Tuesday, March 26, 2019 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

Exhibit A

See attached.

Hall, Pamela

From: Loe, Cindy <LoeC@fultonschools.org>
Sent: Monday, February 25, 2019 2:25 PM
To: Atlanta Superintendent's Office
Cc: Board; Burke, Patrick
Subject: Development Authority of Fulton County Abatements

Dr. Carstarphen,

Thank you for forwarding information regarding these pending developments and tax abatements; and for the opportunity to comment.

The District is mindful of our role as financial stewards of public funds and as such we carefully weigh our support of any potential incentive granted. Fulton County Schools is not opposed to abatements and in fact has participated in the past in Tax Allocation Districts (TADs). At the same time, we want to ensure these are wise investments of future tax dollars given all Fulton County tax payers may be impacted.

At this time, we do not have enough information to assess the potential impact of the proposed tax abatements on Fulton County Schools. When considering the concept of an abatement or any type of tax incentive we evaluate several very important aspects of the development including a full and complete financial impact analysis to the School District, the number and type of jobs created in our community and the necessity of public incentive for development (the but for test).

We would welcome additional data from the Fulton County Development Authority including the current taxes generated by the properties/businesses in question and the amount and length of the proposed abatement (s) including property tax, freeport tax, and/or other tax incentives. We would also need a full multiyear cash flow on the proposed abatement. The cash flow would span the construction period to the year the development comes back on to the Fulton County Schools tax digest and would list payments by year and payee.

We appreciate your sharing of economic development information prior to a vote. As you are aware school districts traditionally have been left out of the loop

until the vote has been cast months earlier. We believe that you have formulated your upcoming votes based upon the best information available. In the future, we would welcome the opportunity to work with your finance/operations team on upcoming abatements, so we may evaluate and provide additional input.

Thank you,

Cindy Loe, PhD
Interim Superintendent
Fulton County Schools

Exhibit B

See attached.

From: Al Nash <anash@dafc.us>
Sent: Saturday, February 23, 2019 1:40 PM
To: 'Tinaglia, Greta' <Tinaglia@fultonschools.org>
Subject: RE: February 26 Meeting

Greta,

Thank you for your inquiry. There are four projects which are on DAFC agenda for February 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 significant increase in the tax revenue with the development of these four 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

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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

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www.fultonschools.org/retirementservices

February Projects Impacting Fulton County Schools

	Investment	Most Current Year Tax Collection	Year 1 Tax Anticipated with Incentive	Ten Year Tax if Project Does Not Occur	Ten Year Tax Anticipated with Incentive
1 Majestic Derrick Partners, LLC (Majestic IV) <i>Union City</i>	\$60,000,000	\$2,579	\$205,010	\$25,790	\$2,365,516
2 Majestic Airport Center V Building 1 and 2 <i>Union City</i>	\$275,000,000	\$7,582	\$931,229	\$75,820	\$10,123,141
3 US Industrial Club IV Enterprises, LLC (Hillwood) <i>Union City</i>	\$30,000,000	\$2,870	\$106,776	\$28,700	\$1,548,252
4 PVH Corp (Project Wide Open) <i>Palmetto</i>	\$75,700,000	\$0	\$244,567	\$0	\$2,268,251
Totals	\$440,700,000	\$13,031	\$1,487,582	\$130,310	\$16,305,160