

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, APRIL 28, 2015 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. Samuel D. Jolley, Jr. – Secretary
Mr. Sam Bacote – Board Member
Mr. Penn Hodge – 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, Ms. Marva Bryan, and Ms. Sabrina Kirkland, staff of the Authority, were also present. Mr. Metze listened to the meeting via teleconference.

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

RECOGNITION OF VISITORS: Also present were Mr. Edward Leidelmeijer of Commissioner Hausmann’s office, Ms. Terry Allen of Commissioner Garner’s office, Mr. Michael Hightower, Ms. Lauren Blasyzyk, and Ms. Carmelitha Gums of The Collaborative Firm, Ms. Dorsha Dawkins of Commissioner Arrington’s office, and Ms. Jennifer Bassett of Arnall Golden Gregory LLP.

OLD BUSINESS

Final Bond Resolution for CRP Oakmont Goodson Road, LLC (“CRP Oakmont”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$16,400,000 in taxable bonds for the construction and development of a warehouse/distribution facility project. Mr. Holby reminded the Authority that the project was induced on March 24, 2015. Mr. Holby explained that the project would be a 370,000 square foot warehouse facility to be located just outside of Union City. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved the final bond resolution for CRP Oakmont.

Final Bond Resolution for CPT Midtown Atlanta Development, LLC (MCRT Investments LLC) (“MCRT”): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$125,000,000 in taxable bonds for a mixed-use project. Mr. Holby reminded the Authority that the project was induced on March 24, 2015. He explained

that the project is a joint venture between MCRT Mill Creek Residential Trust and the Carlyle Group. He also explained that the documents related to the project had been reviewed by the Authority's counsel and that the documents were in substantially final form. Mr. Holby explained that the project would include 435 apartment units, a parking deck, and 12,300 square feet of retail. He also explained that the project would be located at 90 Peachtree Place, on 8th Street and Williams Street. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for MCRT.

Modification of Piedmont Healthcare, Inc. ("Piedmont"): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request to modify the 2009C Bonds issued to benefit Piedmont Healthcare, Inc., in the original principal amount of \$62,000,000. Mr. Holby explained that the bonds were originally issued in 2009 and were purchased by Bank of America (the "Bank"). He explained that the Bank wanted to retain the bonds through their maturity in June 2019. He also explained that the modification would permit the Bank to waive the put requirements under the bond documents and would modify the interest rate for the bonds. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved the modifications between Piedmont and Bank of America.

NEW BUSINESS:

Letter of Inducement for the Kroger Co. ("Kroger"): Mr. Bill Holby of King & Spalding LLP appeared with Mr. Paul Xhajanka of The Kroger Company in connection with the request for a letter of inducement for the issuance of \$33,851,000 in taxable bonds for the construction and development of a 114,000 square foot Kroger grocery store, called Marketplace. Mr. Xhajanka explained that the project's site would be located in the Glenwood area and was the former Lafarge concrete plant, which posed significant environmental issues. Mr. Xhajanka explained that the estimated cost to construct the store would be \$33,851,000 and that a large portion of the construction costs would go to site work because of the remediation needs. He also explained that the project would not be visible from Glenwood Road. Mr. Xhajanka indicated that Walmart initially intended to build on the site but backed out of the project. Mr. Xhajanka explained that the project would not be profitable immediately but that it would benefit the community. He indicated that Kroger will build a portion of the Beltline that will run through the project area. Mr. Nash recommended the Authority's approval of the project. He explained that the property currently generates \$1,800 in property tax revenue, and that with Kroger's investment over a ten year period, the project could generate up to \$4,500,000 in tax revenue. Upon a motion made by Mr. Hodge, which was seconded by Mr. Broadbent, the Authority unanimously approved the letter of inducement for Kroger.

Letter of Inducement for FF Realty II, LLC (Westside Project) ("FF Realty – West"): Mr. Bill Holby of King & Spalding LLP appeared with Mr. Tommy Brunson, Mr. Kip Barmeyer, and Mr. Brian Condie of Fairfield Residential in connection with the request for a letter of inducement for the issuance of \$68,000,000 in taxable bonds for the development of a 300-unit mixed-use development with 12,000 square feet of retail. Mr. Brunson explained that the project would be located on Northside Drive and 17th Street behind the Ikea store. He explained that the property does not generate tax revenue as the property is currently owned by the State of Georgia. Mr.

Brunson also explained that environmental issues associated with the property's soft soil made the project cost prohibitive. He indicated that deep foundations would be needed and that the incentives make the project feasible. Mr. Nash also explained that the property would be a difficult site to develop, but that housing is needed to support Worldpay and other industries relocating to Midtown. He also explained that FF Realty's investment over a ten year period would add in excess of \$6.6 million to Fulton County's tax roll. Mr. Nash indicated that the project would be located in a tax allocation district but that the project would not take tax allocation funding. Upon questions from the Authority, Mr. Brunson explained that the project has committed to including 5% of the project as workforce housing and that it is actively working with the neighborhood regarding zoning. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page, the Authority unanimously approved the letter of inducement for FF Realty – Westside subject to such reasonable workforce housing and other conditions as the Authority may deem appropriate for such project and other similarly situated projects within the City of Atlanta.

Letter of Inducement for FF Realty II, LLC (Grant Park Project) ("FF Realty – Grant Park"): Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP appeared with Mr. Tommy Brunson, Mr. Kip Barmeyer, and Mr. Brian Condie of Fairfield Residential in connection with the request for a letter of inducement for the issuance of \$55,000,000 in taxable bonds for the construction and development of a 321-unit residential project to be located at M.L.K. Jr. Drive and Hill Street. Mr. McRae explained that the project will provide public improvements and infrastructure such as sidewalks and water management systems. He explained that the project will provide needed housing and revitalization to the area. Mr. Brunson also explained that the project would be a 4-story development with a parking deck on the interior of the project. He indicated that the property is currently an industrial facility in disrepair. He explained that his vision is to redevelop the Memorial Drive corridor. Mr. Nash explained that the project has committed to providing workforce housing and housing for the growing downtown area and university. He also explained that with FF Realty's investment, the current taxes will increase by a factor of 39 once the project has been developed. Mr. Nash recommended approval of the inducement with the incorporation of the workforce housing units in the project. Upon questions from the Authority, Mr. Brunson explained that the future public improvements would include the widening of sidewalks and addition of bike lanes to Hill Street and M.L.K. Jr. Drive. He also explained that the project would not include street retail because the project would not be located in a primary retail corridor. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page, the Authority unanimously approved the letter of inducement for FF Realty – Grant Park subject to such reasonable workforce housing and other conditions as the Authority may deem appropriate for such project and other similarly situated projects within the City of Atlanta.

DISCUSSION:

Cascade Business and Merchants Association ("The Association"). Mr. Ralph Vaughan, Executive Director of the Cascade Business and Merchants Association, provided an update regarding the Authority's loan in anticipation of the Association's receipt of the Gateway Grant. Mr. Vaughan explained that GDOT's funding was delayed as a result of erosion concerns and the need to create a new landscaping plan. Mr. Vaughan also explained that grant requests would be

resubmitted to complete the landscaping. He indicated that Home Depot will donate sod and plants to replace the landscaping that did not survive due to the erosion. He also indicated that the Authority's loan would be fully repaid.

South Fulton Economic Development Initiative Update. Mr. Michael Hightower, Ms. Lauren Blasyzyk, and Ms. Carmelitha Gums of The Collaborative Firm provided an update on the South Fulton Economic Development Initiative. They presented materials to the Authority regarding marketing opportunities for each of the seven cities in South Fulton and a Strengths, Weaknesses, Opportunities, and Threats ("SWOT") Analysis regarding the seven cities.

Development Authority of Fulton County Honor. The Authority was honored by the Greater North Fulton Chamber of Commerce at the Chamber's annual gala. The Chamber recognized Chairman Shaw's valuable service to the community. The Authority approved the preparation of a resolution to thank the Chamber for its appreciation.

ITEMS FOR APPROVAL:

Approval of Comcast of Georgia/Virginia, Inc. REBA Grant. Mr. Andy Macke of Comcast appeared in connection with the request for a REBA Grant for the purchase of equipment for Comcast's new data center. Mr. Macke explained that the data center is currently under construction but that it should be complete within 90 days. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved that the Authority would apply to the State of Georgia for the REBA grant.

Minutes. The minutes from the Regular Monthly Meeting held on March 24, 2015, and the minutes from the Special Call Meeting held on April 1, 2015, were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Ms. Page, the Authority unanimously approved the minutes of March 24, 2015, and the minutes of April 1, 2015, as presented.

NEXT MEETING:

Chairman Shaw announced that the next Regular Meeting will be held on May 26, 2015, 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