

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, JULY 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. John E. Maupin, Jr. – Vice Chairman
Dr. Samuel D. Jolley, Jr. – Secretary
Mr. Walter Metze – Treasurer
Mr. Sam Bacote – Board Member
Ms. Regina Page – Board Member
Mr. Penn Hodge – Board Member
Mr. Steve Broadbent – 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.

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

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

OLD BUSINESS

Fulton-Allen Road Associates, LLC (“Fulton-Allen”): Mr. Chris Compton of Seyfarth Shaw LLP appeared in connection with the request for a final bond resolution for the issuance of \$43,000,000 in taxable bonds for the construction and development of a mixed use project including a 248-unit multifamily complex with retail and restaurant components and/or hotel to be located on Roswell Road, Allen Road, and Cliftwood Drive in Sandy Springs, Fulton County, Georgia. Mr. Compton explained that the project will integrate seven disjointed parcels that are currently dilapidated and underutilized. Mr. Compton also explained that the project would restructure the storm water management system which would benefit the surrounding properties, and the project would also include brownfield remediation. Additionally, Mr. Compton indicated that the project would stream line traffic with seven curb-cuts and revitalize the area. Mr. Nash recommended approval of the final bond resolution explaining that the project would significantly increase property tax revenue for the County. Upon questions from the Authority on whether the City of Sandy Springs was on board with the project, Mr. Nash explained that he had spoken with the City of Sandy Springs Mayor who indicated support for the project and

encouraged the Authority to look at the project favorably. Upon a motion made by Dr. Maupin, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for Fulton-Allen.

NEW BUSINESS:

Letter of Inducement for The Galloway Schools, Inc. (the “Galloway Schools”): Mr. Bill Holby of King & Spalding LLP appeared with Ms. Veronique Kessler of The Galloway Schools, Inc. and Ms. Lynn Gavin of The Gavin Law Firm in connection with the request for a letter of inducement for the issuance of \$4,500,000 in tax-exempt bonds to refund the outstanding principal amount of the Development Authority of Fulton County Adjustable Rate Revenue Bonds (The Galloway School, Inc. Project), Series 2002, originally issued in the amount of \$7,500,000 and which had been restructured in 2009 as a bank placement with SunTrust Bank. The Series 2002 Bonds were issued to finance the costs of the renovation, construction and equipping of various projects at the Galloway School’s campus and to refinance existing debt. The Galloway School’s campus is located at 215 West Wieuca Road in Atlanta. Ms. Kessler generally discussed the school’s student body and curriculum. Ms. Kessler also discussed the projects that have been completed with the issuance of the Series 2002 Bonds, including a 47,000 square foot facility which serves as a technology center, student union, and performing arts center for the campus. Ms. Kessler indicated that refinancing would save Galloway Schools about \$414,000 per year. Mr. Nash recommended approval of the letter of inducement. Upon questions from the Authority, Ms. Kessler explained that student enrollment has been stable and continues to grow. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page, the Authority unanimously approved the letter of inducement for the Galloway Schools.

Letter of Inducement for QAE Acquisition Company, LLC (“QAE”): Mr. Chris Compton of Seyfarth Shaw LLP appeared with Ms. Allea Newbold of Ryan, LLC and Ms. Lanney Mannich of QTS Realty Trust, Inc. (“QTS”) in connection with the request for a letter of inducement for the issuance of \$214,000,000 in taxable revenue bonds to finance the construction and equipping of a 370,000 square foot facility to be used as a data center and for other high technology related uses located at 1025 Jefferson Street Northwest, Fulton County, Georgia. Ms. Newbold gave an informative presentation about QTS and their data centers. Mr. Compton discussed the importance of the project and the investment it would bring to an economically depressed area. Once completed the project could generate approximately 100 employment opportunities for the data center. Mr. Nash recommended approval of the letter of inducement explaining that the data center will generate up to \$20,000,000 in property taxes for Fulton County over the next 10 years and potentially allow for an additional \$1,000,000,000 in personal property to be acquired for the site. The site currently generates only \$24,000 in property taxes each year. Upon a motion made by Dr. Maupin, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for QAE.

Letter of Inducement for TPL Property Owner, LP (“TPL”): Mr. Jim Woodward of Gray Pannell

& Woodward LLP appeared with Mr. John Graham of Core Property Capital, LLC in connection with the request for a letter of inducement for the issuance of \$225,000,000 in taxable revenue bonds to redevelop Tower Place, an office building and retail complex located near the intersection of Piedmont Road and Peachtree Road in Buckhead, Atlanta, Georgia. Mr. Graham explained that the renovation of Tower Place is necessary in order to retain current tenants and attract new tenants. TPL had just recently acquired Tower Place. According to Mr. Graham, Tower Place's occupancy will drop to 70% in the upcoming months. Mr. Graham explained that the \$33,000,000 renovation of the 775,000 square foot building will consist of converting obsolete retail spaces to office lofts as well as additional structural modifications to the entire building. Mr. Graham indicated that this project will be a catalyst for job growth and an opportunity to revamp space that has been vacant for the past seven years. Mr. Nash recommended approval of the letter of inducement explaining that the property currently generates about \$225,000 per year in tax revenue, and that the project could generate over \$30 million in tax revenue over a ten year period post renovation. Upon several questions from the Authority, Mr. Graham, Mr. Woodward, and Mr. Horne clarified the possible tax assessment of the renovated Tower Place. The Authority requested that more clarification be provided on the facilities to be renovated and believed it would be best to table the request and have TPL return when additional information could be provided. Upon a motion made by Dr. Maupin, which was seconded by Mr. Broadbent, the Authority unanimously tabled the letter of inducement for TPL.

DISCUSSION:

South Fulton Economic Development Partnership Update. Mr. Michael Hightower and Ms. Lauren Blasyzyk of the Collaborative Firm provided an update on South Fulton County's activities and meetings with each of the cities. Their update included a presentation given by Ms. Lauren Blasyzyk on the task phases of their strategic effort.

ITEMS FOR APPROVAL:

Resolution for Public Finance Authority (GDOT/Georgia 400 Project). Mr. Sherman Golden of Seyfarth Shaw LLP appeared with Mr. Mike Kazamias and Ms. Sisera Daniel of Kutak Rock LLP in order to present the resolution. The Georgia Department of Transportation ("GDOT") issued a request for proposals to build, design, and finance the Georgia 285/400 reconstruction project. The Public Finance Authority ("PFA") has been included in a response as a potential issuer of the tax exempt bonds for whatever team is awarded the GDOT contract for the project. Since the project is not within the parameters of the Authority's permitted projects, Mr. Horne explained that PFA is a political subdivision of the State of Wisconsin created for the purpose of issuing tax-exempt and taxable conduit bonds for public and private entities nationwide, with the requisite approval of appropriate local governmental units. Mr. Horne clarified that in order for PFA to conduct financings in other jurisdictions, it must have the approval of a local authority authorized to conduct financings in a jurisdiction—in this case, the Authority. Mr. Horne stressed that PFA, and not the Authority, would be the issuer of the bonds. The Authority's resolution permits PFA to issue bonds within Fulton County for the Georgia 400 project. Mr. Horne noted that this conditional resolution contains the requirement for acceptable indemnification protection to be provided to the Authority prior to the closing of the transaction.

Mr. Nash recommended the approval of the resolution. He explained that the State of Georgia has indicated that it would like to have the Georgia 285/400 Project completed without a substantial GDOT or State of Georgia bond issue. He also explained that the Authority would receive compensation for its involvement in the transaction. Upon a motion made by Mr. Hodge, which was seconded by Dr. Jolley, the Authority unanimously approved on a conditional basis subject to the indemnification requirement the resolution for the Public Finance Authority.

Minutes. The minutes from the Regular Monthly Meeting held on June 23, 2015 and the Special Call Meeting held on July 2, 2015, were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved the minutes of June 23, 2015 and July 2, 2015, as presented.

NEXT MEETING:

Chairman Shaw announced that the next Regular Meeting will be held on August 25, 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