

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
WEDNESDAY, OCTOBER 21, 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. Marva Bryan and Ms. Doris Coleman, 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 and Mr. Daniel White of Commissioner Hausmann’s office, Ms. Meredith Hobbs of The Daily Report, Ms. Paula Simms of the Lovejoy Development Authority, Ms. Bethany Usry of Progress Partners, and Ms. Shelby Gutierrez of Arnall Golden Gregory LLP.

OLD BUSINESS:

Final Bond Resolution for Maple Multifamily Land SE, LP (“Trammell Crow”): 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 \$111,000,000 in taxable revenue bonds. Mr. McRae explained that the bonds will be used to demolish an existing asbestos contaminated building and construct a mixed use building containing retail and structured parking. Mr. McRae informed the Authority that the mixed use development will consist of 356 rental units and over 11,000 square feet of retail space. Upon questions from the Authority, Mr. McRae confirmed that the project is located at 880 W. Peachtree Street in Midtown Atlanta. Mr. Nash recommended approval of the project. Upon a motion by Mr. Hodge, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for Trammel Crow.

Final Bond Resolution for Alta on the Park Owner, LLC (induced as WP South Acquisitions, LLC) (“Wood Partners”): 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 \$96,000,000 in taxable revenue bonds to finance the development of a mixed-use project, combining a 198-unit residential complex with approximately 2,500 square feet of street level retail along Dickson Place in Midtown Atlanta. Upon questions from the Authority, Mr. McRae confirmed that the project is located between 11th and 12th Streets in Midtown Atlanta. Mr. Nash

recommended approval of the final bond resolution. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Hodge, the Authority unanimously approved the final bond resolution for Wood Partners.

Final Bond Resolution for 1270 Spring Street Development, LLC (induced as Pollack Shores Development LLC) (“Pollack Shores”): 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 \$58,500,000 in taxable revenue bonds to finance the development of a mixed use building. Mr. McRae explained that the site has been vacant for over 10 years and was previously used as a detention center and storage unit for the State of Georgia. Mr. McRae stated that the project is located at 1270 Spring Street in Midtown Atlanta. Mr. Nash recommended approval of the final bond resolution. Upon a motion made by Dr. Jolley, which was seconded by Mr. Hodge, the Authority unanimously approved the final bond resolution for Pollack Shores.

Final Bond Resolution for QAE Acquisition Company LLC (“QAE”): 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 \$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. Mr. McRae explained that the project is being developed by QTS Realty Trust, Inc.’s, a national leader in data center development. Mr. Nash discussed the importance of the project and the investment it would bring to an economically depressed area and recommended approval of the final bond resolution. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page, the Authority unanimously approved the final bond resolution for QAE.

Resolution Approving LCDP Condo Holdings I, LP Project Assignment to BMIRF Eon, LLC: Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP appeared with Mr. Ward McCarthy of Berkshire in connection with the request for a resolution approving the assignment of the LCDP Condo Holdings I, LP Project to BMIRF Eon, LLC. Mr. McRae explained that the assignment is an intracompany change in ownership. Essentially, the transfer of ownership is from one Berkshire entity to another. Berkshire communities will continue to manage the asset. Mr. McCarthy provided the Authority with a brief background of Berkshire and explained that the company invests in multi-family real estate. Mr. McCarthy informed the Authority that the project is located at the intersection of Piedmont and Lindbergh Drive in Atlanta, Georgia. Ms. Zayac confirmed that this project was part of the Lane/Dawson project completed in 2009. Upon a motion made by Mr. Hodge, which was seconded by Dr. Jolley, the Authority unanimously approved the resolution approving project assignment to BMIRF Eon, LLC.

Resolution Approving Modification for Avalon North, LLC (“Avalon”): Mr. Joe Krolikowski of Dentons US LLP appeared in connection with the request for a resolution approving a modification to Avalon North, LLC Project completed by the Authority in 2013. Mr. Krolikowski explained that the proposed new lender, Bank of America, has requested that the original transaction be separated into two phases. Phase II of the project will consist of medical office buildings and possibly a hotel conference center. Mr. Krolikowski further explained that the bond documents will be virtually identical, but contain different legal descriptions for each phase. Mr. Krolikowski clarified that the modification is being requested so that Bank of America can refinance a portion of Phase I and finance a portion of Phase II, with each phase having separate collateral. Upon questions from the Authority, Mr. Krolikowski and

Ms. Zayac confirmed that the modification will not increase the original bond amount. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page, the Authority unanimously approved the resolution approving modification to Avalon.

Resolution Approving Modification for MAS ASB Cogen, LLC (“MAS ASB”): Mr. Woody Vaughan of Holland & Knight LLP appeared in connection with the request for a resolution approving a modification of the MAS ASB Cogen, LLC Project bond documents. Mr. Vaughan explained that the modification requested is a technical amendment that will allow cash reserves to be replaced with a letter of credit. Upon questions from the Authority, Mr. Vaughan clarified that the use of the cash will be at the owner’s discretion. Upon a motion made by Mr. Hodge, which was seconded by Mr. Broadbent, the Authority unanimously approved the resolution approving modification to MAS ASB.

NEW BUSINESS:

Letter of Inducement and Final Bond Resolution for TPL Property Owner, LP (“TPL”): Mr. Jim Woodward of Gray Pannell & Woodward LLP appeared in connection with the request for a letter of inducement and final bond resolution for the issuance of \$235,000,000 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. Horne provided a brief background on the project. TPL purchased the project with the intent to renovate the building in order to retain current tenants and attract new tenants. Mr. Woodward informed the Authority that TPL had just recently acquired Tower Place for a purchase price of \$191,000,000 and that the investment to renovate all portions of the office space and retail will be approximately \$43,000,000. Mr. Woodward explained that the tax incentive structure will be the typical tax incentive structure used by the Authority, except that TPL will at a minimum pay the amount of taxes that are currently on the tax digest—approximately \$3,400,000 annually. Mr. Horne clarified that the \$3,400,000 will be a tax “floor”. Mr. Woodward mentioned that 700 jobs will be created. Upon questions from the Authority on whether the additional \$10,000,000 investment will be used to pay taxes, Mr. Woodward clarified that the additional investment will be spent on additional renovations to the building. Upon a motion made by Dr. Jolley, which was seconded by Ms. Page, the Authority unanimously approved the letter of inducement for TPL. Upon a motion made by Ms. Page, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for TPL.

Letter of Inducement for AMS Holdings, LLC (“Rooker”): Mr. Jim Monacell of Smith, Gambrell & Russell, LLP appeared with Mr. Brian Cardoza of Rooker in connection with the request for a letter of inducement for the issuance of \$32,000,000 in taxable revenue bonds to finance Phase II of the redevelopment of the former Shannon Mall site in Union City, Georgia. The project will involve the construction of a 240,000 square foot state of the art movie production studio complex. Mr. Cardoza explained that the project will include 130,000 square feet of sound stages, 60,000 square feet of office space, and 50,000 square feet of millwork space. Mr. Cardoza further explained that the project is being built on a speculative basis with hopes that a company will choose this studio complex to film their productions. Mr. Nash informed the Authority that Union City has expressed excitement for the project because of the future business the studio complex could generate to surrounding hotels and restaurants. Additionally, Mr. Cardoza informed the Authority that Atlanta Metro Studios, the company which will operate the Project, Fulton County Schools, the City of Union City and Clayton State

University have partnered to create a new, innovative film industry specific scholarship program. The program will send Fulton County High School graduates (from each of the six Fulton County schools surrounding studio facility) to Clayton State University's two-semester Digital Film Certificate Program. The tuition scholarships will be funded by Atlanta Metro Studios and 404 Studio Partners. Mr. Cardoza expressed that the scholarship program is a great tool to encourage young men and women to consider movie production related careers. Mr. Nash recommended approval of the letter of inducement. Upon a motion made by Mr. Hodge, which was seconded by Mr. Broadbent, the Authority unanimously approved the letter of inducement for Rooker.

Letter of Inducement for The Coca-Cola Company (“Coca-Cola”): Mr. Bruce McCall of Miller & Martin, PLLC appeared in connection with the request for a letter of inducement for the issuance of \$25,000,000 in taxable revenue bonds to finance the enhancement of equipment at Coca-Cola’s South Fulton facility which produces the freestyle machine. Mr. McCall explained that the project will involve the purchase of new equipment in order to improve waste treatment capabilities and syrup dispensing methods as requested by retailers. Mr. Nash recommended approval of the letter of inducement. Upon questions from the Authority, Mr. McCall confirmed that the facility currently employs 157 people. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Page, the Authority unanimously approved the letter of inducement for Coca-Cola.

ITEMS FOR DISCUSSION:

South Fulton Chamber of Commerce: Chairman Shaw reminded the Authority of the investment request made at the September 22, 2015 DAFC meeting by the South Fulton Chamber of Commerce for the South Fulton marketing guide. Chairman Shaw informed the Authority that the Executive Committee discussed the request and recommended that the Authority make the same \$50,000 investment that was made in 2012 subject to three conditions. Dr. Jolley made a motion on behalf of the Executive Committee to offer the South Fulton Chamber of Commerce an investment of \$50,000 to support the South Fulton County marketing guide benefiting Fulton County, with the following three conditions: (1) the investment is not to be used for general overhead expenses, outstanding obligations or salary related expenses of the Chamber; (2) in order to disburse the investment, the South Fulton Chamber of Commerce must provide the DAFC with invoices from its vendors so that the DAFC can make payment directly to the vendors; and (3) the investment is contingent upon the Chamber adding two board membership positions to be held by DAFC board members, which shall be designated by the Chairman of the DAFC. The Authority unanimously approved the Executive Committee motion.

Progress Partners of North Fulton Atlanta: Ms. Bethany Usry appeared in connection with the request for a \$50,000 investment to support the economic development work of Progress Partners for the 2016 fiscal year. Ms. Usry provided the Authority with an informative handout that highlighted the number of jobs created, capital investment made, and bonds issued as a result of Progress Partners’ efforts. Ms. Usry explained that in addition to the projects listed on the handout, Progress Partners has been engaged in several initiatives including the Workforce Development Coalition, showcasing the North Fulton region in the Atlanta Business Chronicle and Georgia Trend Magazine, and organizing the first annual North Fulton Opportunity Outlook of which the DAFC of Fulton County was the presenting sponsor. Mr. Hodge commended Progress Partners for their success and for understanding the Authority’s mission. Mr. Hodge

challenged Progress Partners to form true partnerships with the cities of Fulton County, as opposed to competition with the individual economic development departments. Dr. Jolley made a motion on behalf of the Executive Committee to offer Progress Partners an investment of \$50,000, which was unanimously approved by the Authority.

The Collaborative Group: Mr. Nash provided a brief background regarding the Authority's contract with The Collaborative Group. Mr. Nash informed the Authority that Phase 1, the requirement that all cities in South Fulton County agree to create an umbrella organization, was achieved in late March 2015. Mr. Nash presented the Authority with The Collaborative Group's timeline for the next six months, which illustrated that the umbrella organization will be formed and operational by late spring of 2016. The Collaborative Group requested an additional investment of \$34,500 from the Authority to continue this work. Dr. Jolley made a motion on behalf of the Executive Committee to offer The Collaborative Group an investment not to exceed \$35,000 for the remaining contract term, which was unanimously approved by the Authority.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on September 22, 2015 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which the Authority unanimously approved, the minutes of September 22, 2015 were approved, as presented.

NEXT MEETING:

Chairman Shaw announced that the next Regular Meeting will be held on Tuesday, November 17, 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