

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
MONDAY, SEPTEMBER 19, 2016 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. Sam Bacote – 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.

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

RECOGNITION OF VISITORS: Also present were Mr. Edward Leidelmeijer of Commissioner Hausmann’s office, Commissioner Liz Hausmann, Economic Development Research/Liaison Specialist for Fulton County Ms. Erika Smith, Mr. Jim Stevens of On-Call Accounting, and Ms. Shelby Uribe of Arnall Golden Gregory LLP.

OLD BUSINESS:

Amendment to St. Regis Hotel Lease Agreement (“St. Regis Hotel”): Mr. Glenn Thomson of Alston & Bird LLP appeared in connection with the request for an amendment to the St. Regis Hotel Lease Agreement. Ms. Zayac and Mr. Thomson provided the Authority with a brief background regarding the 2006 transaction. In 2006, St. Regis Hotel issued the bonds, but construction was delayed and the project was not completed until 2010. As a result, the expiration of the lease will occur before St. Regis Hotel has had the benefit to the full ten year incentive period. Mr. Thomson explained that the amendment to the Lease Agreement would provide for a two year extension. Mr. Horne confirmed that the extension of the lease does not provide for additional incentives, but instead allows St. Regis Hotel to enjoy the full ten year incentive period that was initially agreed upon and approved. Mr. Nash recommended approval of the amendment. Upon questions from the Authority, Mr. Thomson confirmed that SR Atlanta LLC currently owns the St. Regis Hotel. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent and Mr. Hodge, the Authority unanimously approved the amendment for the St. Regis Hotel.

Final Bond Resolution for Highwoods Properties Limited Partnership (“Highwoods”): Mr. Glenn Thomson of Alston & Bird LLP appeared in connection with the request for a final bond resolution for the issuance of \$63,000,000 in taxable revenue bonds for the renovation of an office building located at 10 Glenlake Parkway (North Tower) in Sandy Springs. The project will

be subleased to Global Payments Inc., which recently acquired Heartland Payment Systems, Inc. and increased its workforce to over 8,500 employees. Global Payments Inc. will also relocate its corporate headquarters to the Three Alliance Building in Buckhead. Mr. Thomson confirmed that the project will create approximately 350 new jobs in Fulton County. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Hodge, the Authority unanimously approved the final bond resolution for Highwoods.

Final Bond Resolution for Warehouse Properties, L.P. (Tie-Down Engineering) (“Warehouse Properties”): Mr. Chris Compton of Seyfarth Shaw LLP appeared in connection with the request for a final bond resolution for the issuance of \$17,500,000 in taxable revenue bonds for the expansion of Tie Down Engineering’s manufacturing operations located at 605 Stonehill Drive, SW in South Fulton County. Mr. Compton explained that the issuance amount has increased by \$2,000,000 due to additional equipment that will be acquired. Mr. Compton explained that the project involves the acquisition of land, an approximately 150,000 square foot building and manufacturing machinery and equipment including an expansion of the company’s product line into a form of renewable energy known as “wave technology”. Mr. Compton confirmed that the company currently has 400 employees and expects to create an additional 100 new manufacturing jobs. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for Warehouse Properties.

Final Bond Resolution for 1130 WP, LLC (Brand Properties, LLC/Northside Hospital Project) (“1130 WP”): Mr. Tom Harrold of Miller & Martin PLLC appeared in connection with the request for a final bond resolution for the issuance of \$50,000,000 in taxable revenue bonds for the development of a medical facility to be located between Spring and West Peachtree Streets at 13th and 12th Streets in Midtown Atlanta. The new facility will be developed by Northside Hospital, Inc. in partnership with Brand Properties, LLC. The facility will contain approximately 169,000 square feet and a parking deck with approximately 858 spaces. Mr. Harrold confirmed that the new medical center will provide an estimated 420 new job opportunities which will include physicians, nurses, lab technicians, administrative staff, maintenance and security. Ms. Zayac noted that the Northside Hospital representative may return to the Authority for financing of the parking deck after they determine the proper structure for that portion of the project. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Hodge, which was seconded by Mr. Metzger, the Authority unanimously approved the final bond resolution for 1130 WP.

NEW BUSINESS:

Letter of Inducement for Atlanta International School, Inc. (“Atlanta International School”): Mr. Ben Brooks of Smith Gambrell & Russell LLP and Mr. Paul Saeger, Head of Operations and Finance at Atlanta International School, appeared in connection with the request for \$12,600,000 in revenue bonds for the refunding of the Series 2012 bonds issued by the Authority and to finance costs associated with the acquisition, construction, improvement and installation of educational and athletic facilities, including an athletic track, sports fields, parking facilities and related property, located at or adjacent to the campus of Atlanta International School at 2890 North Fulton Drive, N.E. in Atlanta. In order to accommodate the new educational and athletic facilities and reduce traffic and congestion on the surface streets, Mr. Saeger explained that the school’s carpool will have to be rerouted and the parking lot relocated. Upon questions from the Authority, Mr. Saeger confirmed that the Atlanta International School has a very diverse

population with over eighty different nationalities represented by students and staff. Mr. Saeger stated that diversity, including economic diversity, is one of the many factors that are considered in the student admission process. Mr. Saeger also stated that the Atlanta International School is in high demand. The Atlanta International School currently has 1,350 students enrolled and a waitlist of children hoping to be admitted. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for Atlanta International School.

ITEMS FOR APPROVAL:

Presentation of the DAFC 2015 Audit: Mr. Lee Tabb and Ms. Elizabeth Wells of Tabb & Tabb, LLC appeared to review the 2015 financial audit of the Authority. Mr. Tabb informed the Authority that his accounting firm has issued an unmodified opinion. Mr. Tabb explained that an unmodified opinion is a clean opinion. Mr. Tabb stated that the Authority had a very successful year and that the financial statement illustrates it. Mr. Tabb asked whether there were any questions or comments on the draft 2015 financial audit reports he distributed to the Board. Mr. Tabb stated that he notified the Executive Committee of a few recommendations of changes that could be made. Upon questions from the Authority, Mr. Tabb confirmed that the Executive Committee agreed to all of his recommendations.

Chairman Shaw discussed the Authority's designated reserve funds. Chairman Shaw informed the Authority that the Executive Committee discussed and approved designation of an Operating Reserve Fund and a Legal Contingency Reserve Fund. Mr. Tabb confirmed that the designated reserve funds that were created based upon the Authority's history.

Upon a motion by Dr. Jolley, which was seconded by Mr. Metze, the Authority unanimously approved the 2015 financial audit as presented.

Mr. Tabb commended the Authority for the staff and the executives' cooperation.

Presentation of the DAFC 2016 Budget: Mr. Jim Stevens provided the Board with the draft 2016 Authority budget. Mr. Stevens explained some of the changes made to the 2016 budget. Upon questions from the Authority, Mr. Nash stated that he projects the 2017 market will see a decrease in multi-family projects and an increase in corporate projects for equipment and expansions. Upon a motion from the Executive Committee to ratify the 2016 Authority budget, the Authority unanimously approved the 2016 budget as presented.

Mr. Nash confirmed that the 2017 Authority budget will be presented to the Board in December for approval.

Executive Director Title Change: Chairman Shaw requested the Authority to add the title of CEO to Mr. Nash's current title of Executive Director. Upon a motion by the Executive Committee, the Authority unanimously approved the title change for Mr. Nash to Executive Director and CEO of the Authority.

Minutes. The minutes from the Regular Monthly Meeting held on August 23, 2016 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Mr. Metze, the Authority unanimously approved, the minutes as presented.

NEXT MEETING:

Chairman Shaw announced that the Authority's next Regular Meeting will be held on Thursday, October 27, 2016, 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