

**DEVELOPMENT AUTHORITY OF FULTON COUNTY  
REGULAR MEETING HELD ON  
TUESDAY, DECEMBER 6, 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  
Ms. Regina Page – Board Member

Also present were Mr. Al Nash, Executive Director, Mr. Lewis C. Horne, Jr., Ms. Sandra Z. Zayac, and Ms. Shelby Uribe attorneys for the Authority. Mr. Samir Abdullahi, Ms. Doris Coleman, and Ms. Marva Bryan, 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 Commissioner Liz Hausmann, Mr. Edward Leidelmeijer of Commissioner Hausmann’s office, Ms. Harriett Thomas of Commissioner Morris’ office, Ms. Emily Giordano of the City of Atlanta Office of Housing, and Fulton County Manager Dick Anderson,.

Chairman Shaw introduced Fulton County Manager Dick Anderson to the Authority. Mr. Anderson commended the Authority for its hard work and progress, including its partnership with the new Select Fulton initiative. Mr. Anderson informed the Authority that he is focused on economic development and hopes to continue to work hard to improve Fulton County.

**OLD BUSINESS:**

**Final Bond Resolution for Children’s Healthcare of Atlanta, Inc. (“CHOA”):** Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$112,000,000 in revenue bonds for the refinancing of bonds issued by the Authority in 2009, the reimbursement of capital assets acquired within the last eighteen months, and financing the cost of the acquisition, construction, improvement, installation, and equipping of approximately 30,000 square feet of space to accommodate an additional 46 inpatient and 14 observation beds, located at or adjacent to the Scottish Rite Children’s Medical Center located at 1001 Johnson’s Ferry Road NE in Fulton County, Georgia. Mr. Holby informed the Authority that CHOA appeared before the Authority for a final bond resolution this past October for the same transaction. Since then, several events have impacted fixed interest rates. Mr. Holby stated that the purpose of this second final bond resolution is to approve a transaction that would involve variable rate bonds. Mr. Holby confirmed that it is the same transaction, but allows for a variety of different interest rates to be given to CHOA giving them more flexibility. Upon a

motion made by Mr. Hodge, which was seconded by Dr. Jolley, the Authority, with the exception of Mr. Bacote who recused himself, unanimously approved the final bond resolution for CHOA.

Final Bond Resolution for Auburn Avenue Village LLC (The Integral Group LLC) (“Auburn Avenue”): Mr. Will Pickens of Sutherland Asbill & Brennan LLP appeared in connection with the request for a final bond resolution for the issuance of \$11,000,000 in taxable revenue bonds for the development of a mixed-use project to be located at 159 Auburn Avenue NE. Mr. Nash explained that the mixed-use development will consist of 95 competitively priced units containing 125 student housing beds and 3,000 square feet of ground floor retail. Mr. Nash informed the Authority that the project is targeted to attract Georgia State University students and provide more students housing in Downtown Atlanta. Mr. Nash recommended approval of the project subject to Auburn Avenue’s commitment that the project will satisfy the requirements of the City of Atlanta with regard to set asides for workforce housing and the requirement of a land use restriction agreement with the City of Atlanta as set forth in the City of Atlanta’s multifamily housing ordinance 16-00-1163 approved this past summer. Ms. Zayac confirmed that the workforce housing language has been included in both the lease agreement and in the bond resolution. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Metze, the Authority unanimously approved the final bond resolution for Auburn Avenue.

#### NEW BUSINESS:

Letter of Inducement for The Kroger Co. (“Kroger”): Mr. Bill Holby of King & Spalding LLP and Ms. Yvonne Johnson of Kroger appeared in connection with the request for \$34,000,000 in taxable revenue bonds for the development of an approximately 82,000 square foot Kroger grocery store, fuel center, and parking lot to be located at the Northside Drive and 17<sup>th</sup> Street intersection in Atlanta’s Westside neighborhood. Ms. Johnson stated that the Kroger grocery store will also feature a Starbucks, extended nutrition department, meals to go department, and household goods department. Ms. Yvonne stated that this proposed Kroger will be similar to the recently opened Kroger Glenwood and Kroger Lindbergh. Mr. Nash informed the Authority that this project site is a brownfield and was formerly owned by the Georgia Toll Road Authority. Mr. Nash stated that the property is currently generating \$69,000 annually in property taxes. After the project is completed, the property is expected to generate approximately \$250,000 annually in property taxes. Ms. Johnson informed the Authority that the Project will create approximately 150 permanent jobs. Upon questions from the Authority, Ms. Johnson confirmed that Kroger will be paying for the brownfield contamination cleanup and that the cleanup costs are included in the development budget. Ms. Johnson also confirmed that the opening of this new Kroger will have an impact on the Kroger Howell Mill store, which is approximately a mile away. However, Ms. Johnson stated that because of the significant growth in the area, Kroger has no intention of closing the Howell Mill store. Mr. Nash recommended approval of the project. 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 PPF Industrial Buffington Road Development LLC (Airport West Distribution Center) (“PPF Industrial Buffington Road”): Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP and Mr. Shane Moncrief of Ryan LLC appeared in connection with the request for \$7,865,000 in revenue bonds for the development of an approximately 111,000 square foot warehouse distribution center to be located at 5295 Buffington Road near the intersection of Buffington Road and South Fulton Parkway. Mr. Moncrief informed the

Authority that the project is being developed by the Atlanta office of Lincoln Property Company and Morgan Stanley's Prime Property Fund. Mr. Moncrief explained that the project will help retain approximately 125 jobs in Fulton County. Mr. Moncrief stated that Chik-fil-A currently has an option to purchase a building currently occupied by Pitney Bowes. In an effort to retain these tenants and associated jobs, Morgan Stanley has proposed this new additional warehouse distribution center. The plan is for the Pitney Bowes employees to be relocated to this new Airport West Distribution Center site. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley and Ms. Page, the Authority unanimously approved the letter of inducement for PPF Industrial Buffington Road.

Letter of Inducement for PPF Industrial Flat Shoals LLC (Flat Shoals Distribution Center) ("PPF Industrial Flat Shoals"): Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP and Mr. Shane Moncrief of Ryan LLC appeared in connection with the request for \$19,250,000 in revenue bonds for the development of an approximately 367,000 square foot state-of-the-art distribution facility to be located near the intersection of Buffington Road and Flat Shoals Road at the Interstate 85 interchange. Mr. Moncrief informed the Authority that the project is being developed by the Atlanta office of Lincoln Property Company and Morgan Stanley's Prime Property Fund. Mr. Moncrief explained that this development is an in-fill project. The project site is not part of an existing industrial park, and thus is lacking certain infrastructure. The project site was formerly planned as a residential subdivision, but was unsuccessful due to its proximity to the interstate. Mr. Moncrief confirmed that the project has recently been rezoned for industrial use and that the project went unopposed through the rezoning process. The project currently generates \$38,000 a year in property taxes. After the project is completed, it is estimated that the property will generate approximately \$100,000 a year in property taxes. Mr. Moncrief confirmed that the project will create approximately 125 new jobs in Fulton County. Upon questions from the Authority, Mr. Moncrief stated that Commissioner Darnell and the residents in the area are supportive of the project. Mr. Moncrief confirmed that planning meetings were held with the residents in the area, and that buffers will be put in place surrounding the project. Mr. Nash recommended approval of the project. Upon a motion made by Dr. Jolley, which was seconded by Mr. Hodge, the Authority unanimously approved the letter of inducement for PPF Industrial Flat Shoals.

Letter of Inducement for First Industrial Realty Trust (First Park Fairburn) ("First Industrial"): Mr. Shane Moncrief of Ryan LLC appeared in connection with the request for \$45,000,000 in revenue bonds for the development of an approximately 840,000 to 960,000 square foot state-of-the-art warehouse distribution center to be located at 4955 Oakley Industrial Boulevard. Mr. Moncrief informed the Authority that the project is being developed as a spec building and designed specifically to capture the next big e-commerce tenant. Mr. Moncrief explained that the project could create as many as 800 new permanent jobs in Fulton County. Mr. Nash stated that the property is currently generating \$10,000 a year in property taxes. After completion, the project is estimated to generate approximately \$350,000 a year in property taxes. Upon questions from the Authority, Mr. Moncrief explained that the project site is located near the airport, has access to rail lines, and access to two interstates nearby. Mr. Moncrief also confirmed that BNSF Railway and CSX have merged and that BNSF Railway is now leasing the railroad tracks from CSX to expand its service from Birmingham to Atlanta. Mr. Nash recommended approval of the project and stated that this project is great for South Fulton County's future. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Hodge, the Authority unanimously approved the letter of inducement for First Industrial.

Letter of Inducement for 371 East Paces, LLC (The Loudermilk Companies) (“371 East Paces”): Mr. Dan McRae and Mr. Chris Compton of Seyfarth Shaw LLP and Mr. Brian Lu of The Loudermilk Companies appeared in connection with the request for \$56,000,000 in revenue bonds for the development of a Class A medical office building to be located at 371 East Paces Ferry Road in the Buckhead Village. Mr. Lu explained that the project will consist of an 8-story building featuring approximately 107,239 square feet of medical office space and 486 parking spaces. Complementing the medical office space will be 12,808 square feet of ground floor retail facing East Paces Ferry Road. Mr. Lu stated that the project will cater to both small and large medical providers. Mr. Lu explained that access to healthcare services and medical facilities such as Piedmont Hospital and “Pill Hill” (the cluster of hospitals and doctors’ offices in Sandy Springs) is currently an issue for the residents of Buckhead as facilities are not located in proximity and routes to these locations can be difficult to navigate due to heavy traffic. In addition to the project providing medical office space for healthcare providers in an underserved area, Mr. Lu informed the Authority that the growing population of Buckhead is comprised of 19.9% who are over the age of 55. With the current over 55 generation needing additional healthcare services and a large segment moving towards the 60+ demographic, the project will provide relief for those seeking medical services in the community. Upon questions from the Authority, Mr. Lu confirmed that the project is estimated to create approximately 400 new medical service jobs in Fulton County. Mr. Nash recommended approval of the project. Upon a motion made by Mr. Hodge, which was seconded by Dr. Jolley and Mr. Broadbent, the Authority unanimously approved the letter of inducement for 371 East Paces.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on November 15, 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 Tuesday January 24, 2017, 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