

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, MAY 18, 2017 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
Mr. Sam Bacote – Board Member
Ms. Sarah Cash – Board Member
Ms. Regina Page – Board Member

Also present were Mr. Al Nash, CEO/Executive Director, Ms. Sandra Z. Zayac and Ms. Shelby Uribe, attorneys for the Authority, Mr. Samir Abdullahi, 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 Leidelmejer of Commissioner Hausmann’s office and Ms. Harriett Thomas of Commissioner Morris’ office.

OLD BUSINESS:

Final Bond Resolution for Glencastle Atlanta Apartments, LLC (Induced as Urban Realty Partners, LLC) (“Glencastle”): Mr. Ryan Pratt of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$45,000,000 in revenue bonds for the development of a multifamily residential project to be located at 750 Kalb Street, SE in Grant Park. The residential development will consist of 236 residential units. This project was induced by the Authority as part of a larger project on June 28, 2016. Mr. Pratt explained that the office and retail components of the project will not likely move forward with the Authority because they have decided to utilize historic tax credits instead. Mr. Pratt stated that Glencastle plans to close the transaction in late June or early July of this year. The development is expected to be completed and placed in service by December 2020. Upon questions from the Authority, Mr. Pratt confirmed that because the Glencastle project is located in the Beltline TAD, Glencastle has committed to reserve 10% of the units within the residential development for individuals and families earning at or below 80% of the area median income, with rentals that will not exceed 30% of total wages of those individuals and families. Mr. Pratt also confirmed that the project will contain a large green space between the existing blacksmith shop and stables building that will have a stage and seating with programming for restaurant events, family events and general public use. Mr. Nash recommended approval of the final bond resolution and stated that the development is providing significant community benefits and helping revitalize the neighborhood. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the

Authority unanimously approved the final bond resolution for Glencastle.

Assignment of Avalon North, LLC Stage II Project to HICO Avalon II, LLC: Mr. Will Pickens of Eversheds Sutherland LLP and Mr. Allen Kennedy of HICO Avalon, LLC appeared in connection with the request for an assignment of Avalon North, LLC Stage II Project to HICO Avalon II, LLC. Ms. Zayac reminded the Authority that the original Avalon North transaction was separated into three stages and stages I and II were assigned to Prudential affiliates. Ms. Zayac informed the Authority that Prudential is now assigning its interest in stage II to HICO Avalon II LLC, so that the office building site can be developed. Ms. Zayac confirmed that this is part of the original Avalon North project and master plan that the Authority approved in 2013. Mr. Kennedy stated that the office building will be composed of approximately 10 stories and 250,000 square feet of office space. Mr. Kennedy confirmed that this new office building will be similar to the recently developed 8000 Avalon office building which is 100% leased. Mr. Nash recommended approval of the assignment. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent and Mr. Metze, the Authority unanimously approved the assignment to HICO Avalon II, LLC.

Assignment of Fairburn Building B, LLC Project to FHF I Shugart Farms, LLC: Ms. Michelle Barnett of Seyfarth Shaw LLP and Mr. Jacob Maliel of TA Realty appeared in connection with the request for an assignment of the Fairburn Building B, LLC Project to FHF I Shugart Farms, LLC. Ms. Zayac informed the Authority that this is a standard assignment as Fairburn Building B, LLC is selling its interest to FHF I Shugart Farms, LLC. Ms. Zayac informed the Authority that the Fairburn Building B, LLC Project was originally constructed as a spec building. The spec building was successfully leased to Sonoco Products Company, which uses the facility to package Duracell batteries. Mr. Nash recommended approval of the assignment. Upon a motion made by Ms. Cash, which was seconded by Mr. Broadbent, the Authority unanimously approved the assignment to FHF I Shugart Farms, LLC.

NEW BUSINESS:

Letter of Inducement for Toll Brothers, Inc. (“Toll Brothers”): Mr. Ryan Pratt of King & Spalding LLP and Mr. Steven Bates and Mr. Nicholas Immerman of Toll Brothers appeared in connection with the request for a letter of inducement for the issuance of \$80,000,000 in revenue bonds for the development of a mixed-use project to be located at 980 Howell Mill Road in West Midtown. Mr. Bates stated that the project will be comprised of approximately 318 apartments units with 16,000 square feet of street front retail space. Mr. Bates informed the Authority that the land is currently vacant, underutilized and mostly unimproved. Currently, the vacant site makes for an unsightly block in the middle of a developing neighborhood. There are no sidewalks or sufficient street lighting currently on the site, which makes it a non-walkable and non-pedestrian friendly area. Mr. Bates explained that the project plans provide public improvements such as a new vibrant streetscape, thorough street lighting, sidewalks and extensive landscaping, bicycle parking racks, and additional street facing retail that will help further the urbanism of the Westside Corridor. Mr. Bates also informed the Authority that currently there is no storm water structure on site for drainage purposes. Mr. Bates explained that Toll Brothers, at its own cost, will install new infrastructure on the site in order to address drainage and flooding issues on the city streets. Overall, approximately 400 to 500 construction jobs, 8 permanent property management jobs, and 50 jobs retail jobs will be created as a result of the project. Mr. Bates confirmed that Toll Brothers has carefully evaluated Atlanta City Code Section 54-1(c) and will agree to reserve 10% of the total units available for rent to households

having an income that does not exceed 60% of the area median income. Upon questions from the Authority, Mr. Bates confirmed that approximately \$3,000,000 in system and public improvements will be made. Mr. Bates also confirmed that Toll Brothers has reviewed the Authority's MFBE policy and will work with their general contractor to make sure the participation requirements are satisfied. Mr. Nash recommended approval of the project subject to Toll Brothers' 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 Atlanta City Code Section 54-1(c). Upon a motion made by Mr. Hodge, which was seconded by Ms. Page, the Authority unanimously approved the letter of inducement for Toll Brothers.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on April 25, 2017 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, which was seconded by Ms. Cash, the Authority unanimously approved, the minutes as presented.

DISCUSSION:

Chairman Shaw announced that Authority board member training will take place on June 14, 2017 at the Cobb County Chamber of Commerce. Ms. Coleman asked the Authority members to confirm their attendance.

Chairman Shaw announced that this was Ms. Page's last meeting. Chairman Shaw and the Authority commended and thanked Ms. Page for her service.

NEXT MEETING:

Chairman Shaw announced that the Authority's next Regular Meeting will be held on Thursday, June 22, 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