

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
SPECIAL CALL MEETING HELD ON
MONDAY, DECEMBER 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
Dr. Samuel D. Jolley, Jr. – Secretary
Mr. Walter Metze – Treasurer
Mr. Sam Bacote – Board Member
Mr. Michel Turpeau – Board Member
Ms. Sarah Cash – Board Member

Also present were Mr. Al Nash, CEO/Executive Director, Ms. Sandra Z. Zayac and Ms. Lauren Woodyard, attorneys for the Authority, Ms. Doris Coleman, Ms. Sabrina Kirkland, Ms. Marva Bryan, and Mr. Samir Abdullahi, staff of the Authority were also present.

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

RECOGNITION OF VISITORS: None.

OLD BUSINESS:

Assignment of Three Alliance Buckhead, LP (“Three Alliance”) Project to Alliance Buckhead, LLC (“Alliance Buckhead”): Mr. Will Pickens of Eversheds Sutherland (US) LLP appeared in connection with the request for an assignment of the Three Alliance Project to Alliance Buckhead. Mr. Pickens explained that Three Alliance is the current lessee and that Tishman Speyer has developed and constructed the project. Mr. Pickens further explained that Alliance Buckhead is an entity wholly-owned by Florida Pension Funds, which is a large investor with many real estate holdings. Therefore, Alliance Buckhead would qualify as an exempt assignee under the bond lease. Ms. Zayac informed the Authority that after reviewing the documents, the only change to the existing deal would be substituting a new borrower. Upon questions from the Authority, Mr. Pickens confirmed that the project has existing tenants. Upon a motion made by Mr. Turpeau, which was seconded by Ms. Cash, the Authority unanimously approved the assignment to Alliance Buckhead.

NEW BUSINESS:

Letter of Inducement for HP Atlanta Centennial Park JV LLC (Luckie Street Project) (“HP Atlanta”): Mr. Will Pickens of Eversheds Sutherland (US) LLP and Mr. Todd Nocerini of Songy Highroads LLC appeared in connection with the request for a letter of inducement for the issuance of \$48,000,000 in revenue bonds to finance the development of a Hyatt Place Hotel on Luckie Street near Centennial Park. Mr. Nocerini discussed that the location of the project has created a high demand for the development of a hotel and that the project is targeting families and other tourists in the area visiting places like the World Congress Center, the Georgia Aquarium, and the College Football Hall of Fame. Mr. Nocerini further discussed that the project

will have 174 keys, a meeting space, a swimming pool, and retail space. More specifically, Mr. Nocerini explained that the City of Atlanta is requiring the project to have retail space on the front and back of the hotel and to have thirty-five feet of active use. As a result, the first floor of the hotel will have a thirty-five foot ceiling instead of a parking deck. Mr. Nocerini explained that the Hyatt is an equity partner on the deal and that the project is expected to break ground at the end of April 2018. Mr. Nash acknowledged that the requirements being implemented by the City of Atlanta are increasing the cost of the project and that incentives would help facilitate this deal. Mr. Nash further explained that this project would help support other facilities in the area. Upon questions from the Authority, Mr. Nocerini confirmed that the Hyatt has a Minority and Female Business Enterprise policy and is aware of the Authority's policy and will adhere to both. Upon further questions from the Authority, Mr. Nocerini informed the Authority that the hotel rate will be approximately \$180 per night, including free breakfast, and that the retail space will be approximately 2,500 square feet. Upon a motion made by Dr. Jolley, which was seconded by Mr. Turpeau, the Authority unanimously approved the letter of inducement for HP Atlanta.

Letter of Inducement for T3 AS Investors, LLC ("T3"): Mr. Will Pickens of Eversheds Sutherland (US) LLP, Ms. Tori Kerr and Mr. John Heagy of Hines appeared in connection with the request for a letter of inducement for the issuance of \$84,000,000 in revenue bonds to finance the development of T3 West Midtown, an approximately 230,000 square foot Class A heavy timber creative office in Atlantic Station. Ms. Kerr provided background on the location as once being the home of the Atlantic Steel Mill and now being a multi-use property. Ms. Kerr explained that the project will be built on a one acre site that is currently a parking lot, will have seven stories of mass timber, and will include one level of parking. Ms. Kerr further explained that while the project would proceed in early 2018 on a purely speculative basis, the project intends to attract and retain highly sought after tenants, particularly technology companies and innovation centers for major corporate giants. Ms. Kerr added that the project would bring approximately 1,200 to 1,500 permanent employees to the area. Ms. Kerr emphasized the need for incentives as the construction costs will be larger than normal due to complying with easements in Atlantic Station, dealing with contaminated soils and hazardous landfills, and having the developer bear the risks for subsurface conditions. Ms. Kerr also stated that Hines is aware of the Authority's Minority and Female Business Enterprise policy. Mr. Nash informed the Authority that the existing property is currently generating approximately \$45,000 annually in property taxes and that the completed project will generate approximately \$725,000 annually in property taxes. Upon questions from the Authority, Ms. Kerr stated that the location of the project is between 17th Street and 18th Street in Atlantic Station. Upon further questions from the Authority, Mr. Heagy informed the Authority that the occupancy of the surrounding area in Atlantic Station is approximately 90%. Upon further questions from the Authority, Ms. Kerr explained the concept of using heavy timber. More specifically, Ms. Kerr explained that the use of heavy timber is a prototype that was recently done in Minneapolis, is the most sustainable form of development, is a unique concept that Atlanta does not currently have, and is intended to be part of the tenant experience by attracting high-tech tenants. Upon further questions from the Authority, Ms. Kerr revealed that while the project will include one level of parking, the bulk of the parking for the project will come from an existing, underused parking deck. Upon a motion made by Mr. Turpeau, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for T3.

DISCUSSION:

Chairman Shaw announced the possibility of a Special Call Meeting being held on either

Wednesday, December 20, 2017 or Thursday, December 21, 2017.

NEXT MEETING:

Chairman Shaw announced that the Authority's Regular Meeting will be held on Tuesday, January 23, 2018 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