

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, MAY 22, 2018 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. Steve Broadbent – Vice Chairman
Dr. Samuel D. Jolley, Jr. – Secretary
Mr. Walter Metze – Treasurer
Mr. Sam Bacote – Board Member
Sen. Brandon Beach – Board Member
Mr. Michel Turpeau – 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, 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 Mr. Edward Leidelmejer of Commissioner Hausmann’s office, Mr. Daniel White of Commissioner Morris’ office, Mr. Doug Sams of the Atlanta Business Chronicle, Mr. Anthony Grant of the City of Atlanta Office of Housing and Community Development, and Ms. Ana Moises and Ms. Terrika Crutchfield of Arnall Golden Gregory LLP.

OLD BUSINESS:

Final Bond Resolution for Parkway West CC, Inc. (“Parkway West”) (Induced as US Industrial Club IV Enterprises, LLC): Mr. Ben Brooks of Smith, Gambrell & Russell, LLP appeared in connection with the request for a final bond resolution for the issuance of \$32,000,000 in revenue bonds to finance the development of a Class “A” industrial distribution facility to be located at the intersection of Highway 92 and South Fulton Parkway in the City of Union City. Mr. Brooks explained that upon completion of the project, Parkway West would donate an area of parkland to Union City. Upon questions from the Authority, Mr. Brooks confirmed that title to the land of the parkland would be transferred to Union City instead of just a right of use. Mr. Nash explained that Mayor Vince Williams has expressed his support for the project and that the parkland being donated to Union City is approximately 13 acres and is in a prominent location. Mr. Nash added that the property is currently generating approximately \$4,000 in property taxes each year, which would significantly increase with this investment. Mr. Nash further added that the development would help attract jobs to the area and recommended approval. Upon further questions from the Authority, Mr. Brooks confirmed that the facility is being developed on a speculative basis. Upon a motion made by Mr. Broadbent, which was seconded by Sen. Beach, the Authority unanimously approved the final bond resolution for Parkway West.

Amendment to Metropolitan Atlanta YMCA Series 2004 Bonds (“Metropolitan Atlanta YMCA”): Mr. Ryan Pratt of King & Spalding LLP appeared in connection with the request for an amendment to the Metropolitan Atlanta YMCA Trust Indenture. Mr. Pratt reminded the Authority that Metropolitan Atlanta YMCA previously renovated and expanded a YMCA facility in the City of Alpharetta and that the bonds from that project are currently held by SunTrust Bank. Mr. Pratt informed the Authority that a change in recent tax law resulted in an automatic increase in the interest rate on those bonds and that SunTrust Bank and Metropolitan Atlanta YMCA have agreed to an adjustment in the interest rate on such bonds. Mr. Pratt added that since this is an amendment to the Trust Indenture, such an amendment requires approval from the Authority. Ms. Zayac further added that the amendment documents are in good order. Upon a motion made by Dr. Jolley, which was seconded by Mr. Broadbent, the Authority unanimously approved the amendment for Metropolitan Atlanta YMCA.

Amendment to Trinity School, Inc. Series 2000A and Series 2000B Bonds (“Trinity School 2000”): Chairman Shaw recused himself from discussion due to a potential conflict. Mr. Ryan Pratt of King & Spalding LLP appeared in connection with the request for an amendment to the Trinity 2000 Trust Indentures. Mr. Pratt informed the Authority that four series of bonds were previously issued and that those bonds have been purchased and are currently held by SunTrust Bank. Mr. Pratt added that a change in recent tax law resulted in an automatic increase in the interest rate on those bonds and that SunTrust Bank and Trinity School 2000 had agreed to an adjustment in the interest rate on such bonds. Upon a motion made by Mr. Turpeau, which was seconded by Mr. Metze, the Authority approved, with the exception of Chairman Shaw abstaining, the amendment for Trinity School 2000.

Amendment to Trinity School, Inc. Series 2001A and Series 2001B Bonds (“Trinity School 2001”): Chairman Shaw recused himself from discussion due to a potential conflict. Mr. Ryan Pratt of King & Spalding LLP appeared in connection with the request for an amendment to the Trinity 2001 Trust Indentures. As with Trinity School 2000, Mr. Pratt informed the Authority that four series of bonds were previously issued and that those bonds have been purchased and are currently held by SunTrust Bank. Mr. Pratt added that a change in recent tax law resulted in an automatic increase in the interest rate on those bonds and that SunTrust Bank and Trinity School 2001 had agreed to an adjustment in the interest rate on such bonds. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Turpeau, the Authority approved, with the exception of Chairman Shaw abstaining, the amendment for Trinity School 2001.

Assignment of Lindbergh Multifamily Development Partners LLC/Uptown Square Project (“Uptown Square”) to Radius Lindbergh Center, LLC/RADCO Investments, LLC (“RADCO”): Mr. Sherman Golden of Seyfarth Shaw LLP appeared in connection with the request for an assignment of Uptown Square to RADCO. Mr. Golden explained that there would be an acquisition of an existing multifamily property, modest improvements to the units and amenities, and upgrades to some of the retail tenants. Ms. Zayac reminded the Authority that this project was one of five series of bond projects approved by the Authority several years ago. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Turpeau, the Authority unanimously approved the assignment to RADCO.

Supplemental Final Bond Resolution for Advance Education, Inc. (“Advance Education”): Mr. Glenn Thomson of Alston & Bird LLP appeared in connection with the request for a supplemental final bond resolution for the issuance of \$8,000,000 in revenue bonds. Mr.

Thomson reminded the Authority that in 2010 the Authority issued tax-exempt bonds to facilitate the relocation of Advance Education's headquarters to Alpharetta. Mr. Thomson further reminded the Authority that in November 2017 the Authority authorized the issuance of \$12,000,000 in revenue bonds to finance additional construction. Mr. Thomson informed the Authority that the estimated costs of construction have decreased. Upon questions from the Authority, Mr. Nash explained that Advance Education's headquarters was previously in DeKalb County and that its global headquarters is now in Alpharetta. Upon a motion made by Sen Beach, which was seconded by Mr. Broadbent, the Authority unanimously approved the supplemental final bond resolution for Advance Education.

NEW BUSINESS:

Letter of Inducement for Pandora Media, Inc. REBA Grant ("Pandora"): Mr. Seth Martindale of CBRE Consulting appeared in connection with the request for a letter of inducement for a Regional Economic Business Assistance (REBA) Grant in the amount of \$500,000. Mr. Martindale informed the Authority that after a multi-state search to bifurcate its corporate headquarters, Pandora has decided to expand operations in Atlanta. Mr. Martindale explained that Pandora is searching for approximately 50,000 to 100,000 square feet of office space and a diverse workforce. Mr. Nash recommended approval. Upon questions from the Authority, Mr. Martindale explained that Pandora would be bringing approximately 250 jobs to Atlanta. Upon further questions from the Authority, Mr. Martindale confirmed that Pandora is still finalizing its office lease. Upon a motion made by Mr. Turpeau, which was seconded by Sen. Beach, the Authority unanimously approved the inducement resolution for Pandora.

Letter of Inducement for BigMet Project Owner, LLC ("Metropolitan"): Mr. Harrison Sullivan of Seyfarth Shaw LLP and Mr. David Nelson, Mr. Scott Taylor, and other representatives of Carter Developments, appeared in connection with the request for a letter of inducement for the issuance of \$90,000,000 in taxable revenue bonds for the redevelopment of an approximately 1.1 million square foot facility located on an approximately 40 acre site in Southwest Atlanta near the West End MARTA Station. Mr. Nelson explained that the space currently has approximately 175 unique spaces and approximately 508 tenants. Mr. Nelson further explained the history of the property, including that the property was built in 1914 by Asa Candler and used for cotton, the property became an emissions factory during World War II, and that for the last 20 to 30 years the property has been used as a business and arts district. Mr. Nelson clarified that the property currently has a mix of artists, craftsmen, makers, and over 200,000 square feet of storage. Mr. Nelson informed the Authority that the Metropolitan redevelopment would open the property up to become a cultural engine of Atlanta, repurpose storage space, create a sculpture garden, make the property more porous by creating alleys throughout the property, relocate the entrance of the property to be next to the West End MARTA Station and to connect to the beltline, and create approximately two acres of park space. Ms. Bryan explained that the property is currently generating approximately \$167,000 in property taxes each year, which would significantly increase with this investment. Mr. Taylor informed the Authority that the project would have a residential component, that approximately 30 residents currently live on the property, and that the project would comply with the City of Atlanta Affordable Housing Ordinance. Upon questions from the Authority, Mr. Taylor explained that the existing property does not have significant retail, the amount of industrial and warehouse space would decrease, and there are no historic sites on the property. Upon a motion made by Sen. Beach, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for Metropolitan.

Letter of Inducement for Atlantic Yards Investors, LLC (“Atlantic Yards”): Mr. Will Pickens of Eversheds Sutherland (US) LLP and Mr. John Heagy, Ms. Tori Kerr, and Ms. Darcy Simasek of Hines appeared in connection with the request for a letter of inducement for the issuance of \$205,000,000 in revenue bonds to finance the development of two office buildings composed of approximately 515,000 square feet of Class “A” office space on an approximately 2.7 acre site in Atlantic Station. Ms. Kerr explained that the existing property is a surface parking lot and that the project would consist of an approximately five story North building and ten story South building above approximately 900 parking spaces. Ms. Kerr further explained that the office buildings would be joined by a plaza area designed for collaboration and interaction and that the office buildings would be constructed through adaptive reuse, masonry, concrete, and steel. Ms. Kerr added that bond financing is a critical component to bridge the gap of economic challenges of the project, including the fact that the project site is a brownfield area with higher construction costs and contaminated soils. Mr. Nash discussed the environmental challenges in Atlantic Station and that the property is currently generating approximately \$248,000 in property taxes each year, which would significantly increase with this investment to approximately \$26,000,000 over a ten-year period. Mr. Nash further discussed the demand for office space and recommended approval. Upon questions from the Authority, Ms. Kerr explained that while the site was previously remediated to meet the requirements of the Environmental Protection Agency, the project would require drilling deep into the foundation and they are unsure of what additional remediation will be required. Upon a motion made by Sen. Beach, which was seconded by Mr. Turpeau, the Authority unanimously approved the letter of inducement for Atlantic Yards.

Letter of Inducement for Hunter Road Investors LLC (“Hunter Road Investors”): Mr. Will Pickens of Eversheds Sutherland (US) LLP and Mr. John Bateman of Crow Holdings Industrial appeared in connection with the request for a letter of inducement for the issuance of \$14,000,000 in revenue bonds to finance the development of an approximately 234,000 square foot, state-of-the-art industrial facility on an approximately 17 acre site to be located in the City of Union City. Mr. Bateman explained that the existing site is unimproved and zoned for industrial uses. Mr. Bateman further explained that the project would be developed on a speculative basis for use by e-commerce, light industrial, or a logistics company. Mr. Bateman added that since the project site is located near Hartsfield-Jackson Atlanta International Airport, the project would be well-suited for a corporate headquarters facility. Mr. Bateman discussed some of the challenges to developing the project, including topography challenges and not having a sanitary sewer on the site. Mr. Bateman further discussed additional costs of making improvements along Hunter Road, including streetscape improvements, landscaping, and adding a sidewalk. Mr. Nash recommended approval and added that Mayor Vince Williams has expressed his support for the project. Upon questions from the Authority, Mr. Bateman described existing warehouses nearby and that the occupancy of such warehouses is at 100%. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the letter of inducement for Hunter Road.

Letter of Inducement for Noble Hospitality Fund IV-VA Acquisitions, LLC and UGP Peachtree LLC (“Noble”): Mr. Isaac Yilma of Hunton & Williams LLP and Mr. Ben Brunt of Noble Investment Group appeared in connection with the request for a letter of inducement for the issuance of \$77,000,000 in revenue bonds to finance the development of a dual-brand Marriott hotel composed of an Element Hotel and a Courtyard by Marriott Hotel. Mr. Brunt explained

that the property is the only undeveloped corner of Peachtree Street and Ponce de Leon Avenue and it is currently a surface level parking lot with approximately 135 parking spaces. Mr. Brunt further explained some of the additional requirements that would be imposed by Midtown Alliance, including a ground floor hotel lobby, four levels of parking, rebuilding sidewalks, and a continuous façade on the building and parking deck that would require heavy detail with the historic context. Mr. Brunt added that hotels in this area in Midtown are largely nonexistent, the location of the project is approximately 150 feet from a MARTA Station, and the location of the project would help accommodate families of long-term patients at Emory. Mr. Nash added that the property is currently generating approximately \$70,000 in property taxes each year, which would significantly increase with this investment with a tax of approximately \$800,000 the first year after completion. Upon a motion made by Dr. Jolley, which was seconded by Mr. Metze, the Authority unanimously approved the letter of inducement for Noble.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on April 24, 2018 were presented to the Authority for approval. Upon a motion made by Dr. Jolley, the Authority unanimously approved the minutes as presented.

NEXT MEETING:

Chairman Shaw announced that the Authority's Regular Monthly Meeting will be held on Tuesday, June 26, 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