

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, JULY 24, 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
Ms. Sarah Cash – Board Member
Dr. Michael Bell – 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 Mr. Samir Abdullahi, staff of the Authority were also present.

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

RECOGNITION OF VISITORS: Also present were Commissioner Hausmann, Mr. Edward Leidelmejer of Commissioner Hausmann’s office, Ms. Harriet Thomas of Commissioner Pitts’ office, Ms. Jenn Thomas of Commissioner Morris’ office, Mr. Jordan Williams of the City of Atlanta Office of Housing and Community Development, Ms. Erica Long of Atlanta Public Schools, Chief Financial Officer of Fulton County Ms. Sharon Whitmore, Mr. Jay Harrison of Select Fulton, and Mr. Bob Story of Piedmont Geotechnical Consultants.

OLD BUSINESS:

Final Bond Resolution for SCP Harris Road Owner, LLC (“SCP Harris”): Ms. Allison Dyer of Holland & Knight LLP and Mr. Will Casaday of South City Partners appeared in connection with the request for a final bond resolution for the issuance of \$38,650,000 in revenue bonds to finance the development of a multifamily apartment community to be located off of Harris Road in the City of Fairburn. Mr. Nash explained that the project is the second multifamily development to be built south of I-285 in almost 15 years. Ms. Dyer informed the Authority that since last month when the project was induced, the bond amount has increased approximately \$400,000 due to higher construction costs. Ms. Dyer also informed the Authority that the closing is scheduled for late August and projected that construction would be completed in the fourth quarter of 2020. Mr. Nash added that the City of Fairburn has expressed support for the project and recommended approval. Upon a motion made by Mr. Broadbent, which was seconded by Ms. Cash, the Authority unanimously approved the final bond resolution for SCP Harris.

Final Bond Resolution for Legacy PDP, LLC (“Legacy”): Mr. Bruce McCall of Miller & Martin

PLLC appeared in connection with the request for a final bond resolution for the issuance of \$35,000,000 in revenue bonds to finance the development of an approximately 180-key hotel to be located in the vicinity of Northside Hospital, Emory/St. Joseph's Hospital and Children's Healthcare of Atlanta at the intersection of Lake Hearn Drive and Peachtree-Dunwoody Road in the City of Sandy Springs. Mr. McCall explained that the project would create approximately 50 permanent jobs and 500 construction jobs and would serve families that have family members in the nearby hospitals and medical centers. Mr. Nash added that the project is tailored toward a specific customer by having larger units to accommodate families and lower rates. Mr. McCall informed the Authority that construction of the project is anticipated to begin in late 2018. Upon questions from the Authority, Mr. McCall explained that the project is being branded as a Hyatt House, but is still subject to final change. Upon a motion made by Mr. Turpeau, which was seconded by Mr. Broadbent, the Authority unanimously approved the final bond resolution for Legacy.

Final Bond Resolution for PSREG Fountains at North Point Owner, LLC ("PSREG") (Induced as Fuqua Development, LP): Mr. Bill Holby of King & Spalding LLP appeared in connection with the request for a final bond resolution for the issuance of \$65,000,000 in revenue bonds to finance the development of a mixed-use facility to be located in the City of Roswell. Mr. Holby explained that the project would transform an approximately 150,000 square foot shopping center that is largely vacant into approximately 300 multifamily units and 70,000 square feet of commercial space, including retail, restaurant, and entertainment components. Mr. Holby further explained that once the remaining residual leases end, the entire project site will be demolished and they will begin constructing the multifamily portion. Mr. Nash added that the project includes the reorientation of Sun Valley Road to create a Main Street effect in the center and redirect traffic by connecting Houze Road and Highway 9, which will significantly help with traffic congestion in the area. Upon a motion made by Sen. Beach, which was seconded by Dr. Jolley, the Authority unanimously approved the final bond resolution for PSREG.

Assignment of Elan Lindbergh Property Owner LLC Project ("Elan") to Spyglass-GPG Lindbergh, LLC and Spyglass – Lindbergh LLC (the "Spyglass Entities"): Ms. Mica Germain of Bryan Cave Leighton Paisner LLP appeared in connection with the request for an assignment of Elan to the Spyglass Entities. Ms. Zayac explained that the assignment was a standard assignment transaction in which Elan would assign its leasehold interest to the Spyglass Entities as tenants in common. Upon questions from the Authority, Ms. Zayac discussed that the purpose of the assignment is for the Spyglass Entities to take over the transaction and that the Fulton County Board of Assessors would have the opportunity to reassess the property based on that assignment. Upon a motion made by Mr. Broadbent, which was seconded by Dr. Jolley, the Authority unanimously approved the assignment to the Spyglass Entities.

Assignment of 1110 Midtown, LLC Project ("1110 Midtown") to DOC-1110 West Peachtree Street NW MOB, LLC ("DOC-1110"): Mr. Ken Pollock of Butler Snow LLP appeared in connection with the request for an assignment of 1110 Midtown to DOC-1110. Mr. Pollock reminded the Authority that this project was one of two series of bond projects approved by the Authority in November 2017. Mr. Pollock explained that Northside Hospital, Inc. ("Northside") owned the land and 1110 Midtown, an affiliate of Northside, owned and constructed the office building. Mr. Pollock further explained that 1110 Midtown would assign its leasehold interest in the office building to DOC-1110, a Real Estate Investment Trust. Mr. Nash recommended approval of the assignment. Ms. Zayac added that this assignment was contemplated at the time

the original transaction closed. Upon a motion made by Mr. Broadbent, which was seconded by Sen. Beach, the Authority unanimously approved the assignment to DOC-1110.

Amendment to Wellstar Health System, Inc. Series 2017(b), 2017(c), and 2017(d) Bonds (“Wellstar”): Mr. Matt Nichols of Parker Poe Adams & Bernstein LLP appeared in connection with the request for an amendment to the Wellstar Trust Indentures. Mr. Nichols reminded the Authority that four separate bonds were previously issued for Wellstar to acquire tenant hospitals and turn them into non-profits. Three of the four series were purchased directly by Wells Fargo, SunTrust Bank, and Bank of America. Mr. Nichols informed the Authority that a change in recent tax law resulted in an automatic increase in the interest rate on those bonds and that Wellstar, Wells Fargo, SunTrust Bank, and Bank of America have agreed to an adjustment in the interest rate on such bonds. Upon a motion made by Mr. Turpeau, which was seconded by Dr. Jolley, the Authority unanimously approved the amendment for Wellstar.

Assignment of T5@Atlanta, LLC Project (“T5@Atlanta”) to IPI Management, LLC, or an affiliate (“IPI”): Mr. Will Pickens of Eversheds Sutherland (US) LLP appeared in connection with the request for an assignment of T5@Atlanta to IPI. Mr. Pickens explained that T5 Data Centers currently owns this project off of Webb Bridge Road in the City of Alpharetta and T5@Atlanta is selling the project to IPI. Mr. Pickens further explained that T5@Atlanta has a portfolio of assets and that approval of this assignment will allow IPI to acquire one of the assets in the portfolio. Mr. Pickens reminded the Authority that the original transaction had two leases, one lease for real property and the other lease for personal property, and that the assignment included both of those leases and corresponding bonds. Upon questions from the Authority, Mr. Nash confirmed the original transaction was an abatement. Upon further questions from the Authority, Mr. Nash explained that the ten-year abatement schedule is past the midpoint, the abatement period would not restart due to the assignment, and IPI would simply step into the shoes of T5@Atlanta. Ms. Zayac added that the attorneys for the Authority present these assignments to the Fulton County Board of Assessors, who will then have the opportunity to reassess the property. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Metze, the Authority approved, with the exception of Dr. Bell abstaining, the assignment to IPI.

NEW BUSINESS:

Letter of Inducement for Majestic Airport Center V, LLC (“Majestic V”): Ms. Caryl Smith of Hunton Andrews Kurth LLP and Mr. Scott Brown of Majestic Realty appeared in connection with the request for a letter of inducement for the issuance of \$275,000,000 in taxable revenue bonds for the development of the fifth phase of Majestic Airport Center. Ms. Smith provided background on the project and explained that since 2004, Majestic Realty has been working in South Fulton developing various phases to the Majestic Airport Center and that these projects have helped attract jobs and big companies to the area. Ms. Smith explained that this fifth phase would consist of the development of two logistic and e-commerce distribution buildings, the project is currently at the grading phase, and the project will create approximately 600 to 2,000 full-time jobs. Mr. Brown discussed some of the challenges to developing the project, including topography challenges and not having utilities on the site. Mr. Brown specified that the project would require transporting the sewer system approximately 4,000 feet, which would help surrounding neighborhoods. Upon questions from the Authority, Mr. Brown explained that they will be able to spread the costs of the challenges across the two buildings. Upon further questions from the Authority, Mr. Brown explained that the location of the project does not impact surrounding neighborhoods, but that the project will also consist of infrastructure improvements.

Upon further questions from the Authority, Mr. Brown clarified that Majestic Realty does not sell assets and holds all of its buildings. Upon further questions from the Authority, Mr. Brown emphasized that receiving an incentive is a critical part to completing the project. Upon a motion made by Dr. Bell, which was seconded by Mr. Broadbent, the Authority unanimously approved the letter of inducement for Majestic V.

DISCUSSION:

Greater North Fulton Chamber of Commerce (“North Fulton Chamber”). Chairman Shaw reminded the Authority that on an annual basis the Authority has traditionally made an investment in the North Fulton Chamber to promote economic development initiatives. Ms. Bethany Usury, Ms. Kali Boatright, and Mr. Jeff Petrea of the North Fulton Chamber appeared for the annual presentation to the Authority and to request the investment for the following year. Ms. Usury led the discussion and acknowledged that they were aware that the Authority will not make any commitments until the fourth quarter, but decided to present on the matter today. Ms. Usury provided an overall update on behalf of the North Fulton Chamber, including workforce development, the talent coalition, and continued focus on healthcare and technology industries. In addition, Ms. Usury explained that the North Fulton Chamber has facilitated several successful events including the first annual Healthcare Summit, the first annual Technology Summit, and panels with Bisnow. Chairman Shaw commended the North Fulton Chamber for its efforts in promoting economic development.

Audit 2017. Mr. Nash informed the Authority that the 2017 audit was clean. Mr. Nash added that since Lee Tabb of Tabb & Tabb, LLC was unable to attend today’s meeting due to a conflict, this matter would be discussed at the next Regular Monthly Meeting.

ITEMS FOR APPROVAL:

Minutes. The minutes from the Regular Monthly Meeting held on June 26, 2018 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 Regular Monthly Meeting will be held on Tuesday, August 28, 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