

**DEVELOPMENT AUTHORITY OF FULTON COUNTY
REGULAR MEETING HELD ON
TUESDAY, JUNE 22, 2021 AT 2:00 P.M.
HELD VIA VIDEOCONFERENCE**

MINUTES

Present were the following Members of the Authority:

Mr. Michel M. Turpeau – Chairman
Mr. Brandon Beach – Vice Chairman
Mr. Kyle Lamont – Secretary
Mr. Steve Broadbent – Board Member
Mr. Tom Tidwell – Board Member
Ms. Jo Anna Potts – Board Member
Dr. Mike Looney – Board Member
Ms. Erica Long – Board Member

Also present were Ms. Sandra Z. Zayac, Ms. Lauren W. Daniels, and Ms. Margaret Scharle, attorneys for the Authority, and Ms. Marva Bryan, Ms. Doris Coleman, and Ms. Sabrina Kirkland, staff of the Authority.

Chairman Turpeau called the meeting to order and Mr. Lamont gave the invocation.

RECOGNITION OF VISITORS: Also present were Mr. Samir Abdullahi of Select Fulton, Mr. Edward Leidelmeijer of Commissioner Hausmann’s office, Mr. Fred Hoffman of Commissioner Ellis’ office, Ms. Jenn Thomas of Commissioner Morris’ office, Mr. Jim Stevens of On-Call Accounting, Mr. John Ruch of Saporta Report, and Mr. Scott Trubey of The Atlanta Journal-Constitution.

SWEARING IN OF BOARD MEMBERS: Ms. Tonya Grier, Clerk to the Commission, swore in Dr. Looney and Ms. Long as Members of the Authority. Chairman Turpeau explained that he is looking forward to the addition of representation from Fulton County Schools and Atlanta Public Schools and acknowledged the positive impact school board participation would have for the community. Chairman Turpeau welcomed the new Members, including Ms. Potts who had been sworn in previously.

COVID-19 UPDATE, GROUND RULES AND PUBLIC COMMENT: Chairman Turpeau explained the Authority would continue to temporarily hold its monthly Board meetings via Zoom videoconference and teleconference in accordance with the Open Meetings Act (O.C.G.A. Section 50-14-1 (g)) in light of the COVID-19 pandemic and the emergency declaration by Governor Brian Kemp.

Chairman Turpeau explained the ground rules for participating in the Zoom videoconference and teleconference meeting and announced that the Board would accept public comments in advance of Authority meetings via email. Chairman Turpeau announced that all such comments should be sent to Doris.Coleman@fultoncountyga.gov before 10:00 a.m. on the date of the applicable meeting in order for the comments to be included in the official minutes of the Authority. Chairman Turpeau informed the Authority that the Authority’s staff had received one public comment in advance of this Regular Meeting and Ms. Coleman read the public comment (attached hereto as “Exhibit A”) into the record.

Chairman Turpeau further announced that any guests that would like to be recognized as being present for the Regular Meeting should also send an email to Doris.Coleman@fultoncountyga.gov so that their attendance may be formally documented in the minutes. Chairman Turpeau invited the public to visit the

homepage of the DAFC website at www.developfultoncounty.com for the most up-to-date information regarding DAFC meetings.

BOARD UPDATES: Chairman Turpeau acknowledged the news coverage and stories circulating over the last few weeks related to the past actions of the Authority's former leadership. Chairman Turpeau emphasized that when new leadership was made aware of these actions, the Authority immediately worked together to ensure the Authority had the policies and procedures in place to prevent such actions from occurring now and in the future. Chairman Turpeau explained that in an effort to move forward and to demonstrate the Authority's commitment towards transparency, the Authority would (i) request all Members to complete the Fulton County Income and Financial Disclosure Report on an annual basis and file it with the Clerk to the Commission; (ii) further refine the per diem policy that had already been adopted in November 2020 by the new Authority leadership, including (a) posting on the Authority website the amounts of per diems received by each Member on a quarterly basis, (b) clarifying the events that qualify for per diem compensation with even more specificity, (c) creating standardized per diem description language for reporting events, and (d) prohibiting any Member receiving a salary from the Authority for employment with the Authority unrelated to Board service from being eligible to collect per diems; (iii) temporarily suspend payment of per diems pending further instruction from the Board of Commissioners; and (iv) continue the process of searching for the next executive director of the Authority. Chairman Turpeau explained that the refinements to the per diem policy would be considered later in this Regular Meeting.

OLD BUSINESS:

Assignment of Westside Village Atlanta, LLC (Parcel C) Project (the "Westside Village Parcel C Project") to Formanco Alpha LLC ("Formanco") and ACK Alpha LLC ("ACK"). Ms. Amber Pelot of Alston & Bird LLP, Mr. Brandon Ashkouti of Eden Rock Real Estate Partners, Mr. Adam Zuckerman of Stein Investment Group, Mr. Peter Forman of Formanco and Mr. Andy Ackerman of ACK appeared in connection with the request to approve an assignment of the Westside Village Parcel C Project to Formanco and ACK. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Beach, which was seconded by Mr. Broadbent, the Authority approved, with the exception of Mr. Lamont and Ms. Potts who abstained, the assignment to Formanco and ACK.

Assignment (Second) of Kaplan Residential, LLC Project (the "Square One Project") from Roswell Hammond Acquisition, LLC to AG-ACV Square One Owner, L.L.C. ("AG-ACV"). Mr. Kevin Brown of Seyfarth Shaw LLP, Mr. Robert Rearden of Morris, Manning & Martin, LLP and Mr. Myles Cunningham of Audubon appeared in connection with the request to approve an assignment of the Square One Project to AG-ACV. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Lamont, the Authority approved, with the exception of Ms. Potts who abstained, the assignment to AG-ACV.

Assignment of NF III Atlanta Midtown, LLC Project (the "Noble AC/Moxy Project") to Odyssey PropCo IX, LLC ("Odyssey"). Ms. Jenna Lee and Mr. Gary Knopf of Troutman Pepper Hamilton Sanders LLP and Mr. Charles Lee and Mr. Bharat Nagaswami of TPG Global, LLC appeared in connection with the request to approve an assignment of the Noble AC/Moxy Project to Odyssey. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Beach, the Authority approved, with the exception of Mr. Lamont, Ms. Potts, and Ms. Long who abstained, the assignment to Odyssey.

Assignment (Second) of Palmetto Logistics Phase II Owner, LLC Project (the "Palmetto Logistics Phase II Project") from Exel Inc. d/b/a DHL Supply Chain (USA) ("DHL") to USLP Palmetto, LP ("USLP"). Mr.

Michael Petrov of Eversheds Sutherland (US) LLP, Mr. Mike Tomlinson of Troutman Pepper Hamilton Sanders LLP and Mr. Jason Kirkham of DHL appeared in connection with the request to approve an assignment of the Palmetto Logistics Phase II Project to USLP. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Lamont, which was seconded by Mr. Broadbent, the Authority approved, with the exception of Ms. Potts who abstained, the assignment to USLP.

Assignment of NP 15th Street, LLC Project (the "NP 15th Project") to RLJ Lodging Acquisitions, LLC ("RLJ"). Mr. Jim Woodward of Gray Pannell & Woodward LLP, Mr. Ed Stelling of Northpoint Hospitality Group and Ms. C. Jones of RLJ appeared in connection with the request to approve an assignment of the NP 15th Project to RLJ. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Beach, the Authority approved, with the exception of Mr. Lamont and Ms. Potts who abstained, the assignment to RLJ.

Assignment of 8 West Apartments, L.L.C. Project (the "8 West Project") to Eight Residences, LP ("Eight Residences"). Mr. Jim Woodward of Gray Pannell & Woodward LLP and Ms. Jennifer Gillaspay of Invesco Ltd. appeared in connection with the request to approve an assignment of the 8 West Project to Eight Residences. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Lamont, which was seconded by Mr. Broadbent, the Authority approved, with the exception of Ms. Potts who abstained, the assignment to Eight Residences.

Amended and Restated Letter of Inducement and Final Bond Resolution for Phoenix Ridge GA TC, LP and Phoenix Ridge South, LLC (collectively, "Phoenix Ridge South") and Amended and Restated Letter of Inducement and Final Bond Resolution for Phoenix Ridge GA TC, LP and Phoenix Ridge North, LLC (collectively, "Phoenix Ridge North"). Ms. Laurie Schwartz and Mr. David Williams of Butler Snow LLP and Mr. Seth Laubacher of Millennia Housing Development, Ltd. appeared in connection with the request to approve (i) an amended and restated letter of inducement and final bond resolution for the issuance of \$37,500,000 in federally tax-exempt bonds for Phoenix Ridge South and (ii) an amended and restated letter of inducement and final bond resolution for the issuance of \$39,000,000 in federally tax-exempt bonds for Phoenix Ridge North. Mr. Williams explained that the development would include the rehabilitation and preservation of an approximately 202-unit affordable housing facility for Phoenix Ridge North and an approximately 194-unit affordable housing facility for Phoenix Ridge South to be located at 900 New Town Circle SE in the City of Atlanta. More specific details are described in the Fact Sheet included as part of this item posted on the Authority's website. Upon a motion made by Mr. Lamont, which was seconded by Ms. Potts, the Authority unanimously agreed that the amended and restated letter of inducement and final bond resolution for both Phoenix Ridge South and Phoenix Ridge North could be considered by the Authority in one vote. Upon a motion made by Mr. Lamont, which was seconded by Ms. Long and Ms. Potts, the Authority unanimously approved the amended and restated letter of inducement and final bond resolution for both Phoenix Ridge South and Phoenix Ridge North.

NEW BUSINESS: None.

ITEMS FOR APPROVAL:

PAC Worldwide Corporation ("PAC Worldwide") REBA Grant. Mr. Samir Abdullahi of Select Fulton and Ms. Annie Baxter of CBRE Group, Inc. appeared in connection with the request for a Regional Economic Business Assistance ("REBA") Grant award in the amount of \$1,250,000 to finance the acquisition and installation of manufacturing machinery and equipment in connection with establishing an approximately 499,500 square foot packaging manufacturing facility to be located at 4900 Stonewall Tell Road in the City of Union City. More specific details are described in the Fact Sheet included as part of this item posted on

the Authority's website. Upon a motion made by Mr. Beach, which was seconded by Mr. Lamont, the Authority unanimously approved the REBA Grant for PAC Worldwide.

Updates to Per Diem Policy. Chairman Turpeau explained that the proposed updates to the per diem policy (attached hereto as "Exhibit B") had been circulated to the Members of the Authority for review and consideration. Upon a motion made by Mr. Broadbent, which was seconded by Mr. Lamont, the Authority accepted, with the exception of Dr. Looney and Ms. Long who abstained, the updates to the per diem policy.

Minutes. The minutes from the Regular Meeting on May 18, 2021, the Special Call Meeting on May 25, 2021 and the Special Call Meeting on June 14, 2021 were presented to the Authority for approval. The Authority accepted, with the exception of Dr. Looney and Ms. Long who abstained, the minutes as presented.

NEXT MEETING:

Chairman Turpeau announced that the Authority's next Regular Meeting is scheduled for Tuesday, July 27, 2021 and may be held in person or via Zoom videoconference and teleconference. Chairman Turpeau reminded the public to visit the Authority's website at <http://www.developfultoncounty.com> for updates on upcoming meetings.

A motion to adjourn the meeting was made by Mr. Lamont, seconded by Dr. Looney, and approved by all Members present.

There being no further business to discuss, the meeting was adjourned at approximately 4:01 p.m.

Kyle Lamont
Mr. Kyle Lamont, Board Member

Exhibit A

[Attached.]

My name is Jim Martin. I live in Northwest Atlanta, where I have served as the chairman of neighborhood planning unit D (NPU-D) for the past 15 years. I would like to address the board with regard to the consequences of its past approvals of bond for title deals. These are invariably deemed by DAFC to be the consequences that were described when deals were sold to the board rather than the facts on the ground, which are easily knowable in hindsight. Although this may seem handy in that it avoids effort and reinforces the notion that DAFC never makes mistakes, it also prevents the board from learning from its past mistakes (there are plenty of them) and thereby virtually guarantees their repetition. What is needed are audits of past decisions so that faulty reasoning will be revealed and future errors can be avoided.

A handy time for such an audit may be when deals are reassigned as six of them are proposed to be on today's agenda. One of these involves the Westside Village development, which was the first DAFC abatement in NPU-D that I am aware of. It is a strip comprised of renovated structures along with new construction. Its approval in October 2018 points to a host of problems with DAFC's review of these applications. At the time that this was approved, the project was financed and construction was well under way. Thus, the alternative to abatement could not reasonably be considered "no build", but that was used as a baseline anyway. DAFC was told that NPU-D approved the development, but that was an approval of the zoning for the project. We were not told about the abatement nor asked for our opinion of it, although I found out about it incidentally. When I asked the developer what this was supposed to incentivize, he didn't even understand the question at first. Then, he answered (with some prompting) "a nicer development". A similar assertion along with some added word-soup about needing to reassess the viability of the project was made to DAFC. Thus, the alternative to tax abatement was, at worst, something less nice than what was built rather than no-build. This project cost \$30 million. DAFC's CEO, Al Nash, told the board that it would raise annual property taxes from \$470,000 to \$3.8 million according to the minutes from the board meeting. This is absurd on its face, although it was apparently accepted by the board. The annual property taxes for a project appraised at \$30 million should be about \$500,000 (1.7%) without an abatement. Although it is unlikely to be appraised at its cost once it is fully leased (commercial properties are usually appraised well below cost), it would not meet the 5X tax revenue threshold unless its unabated taxes were less than \$75,000 annually, which seems unlikely for a 9-acre assemblage on a major corridor in a less-nice state or even an undeveloped state as this implies an appraised value of only \$4.5 million or \$500,000 per acre, which is well below recent sale prices for land in the area. Another part of the rationale offered to DAFC was that the project would contribute public amenities, however these were in fact either shared private amenities as are normal features in any mall development or were paid for with public rather than private dollars. The intersection improvements at the main driveway to this development were paid for with \$1.6 million in transportation impact fee credits authorized by 17-O-1129. The newly created right of way through this development was part of a land-swap deal with the city that added value to the developer's assemblage authorized by 18-O-1316. The sidewalk along Marietta Blvd in front of the project site was installed by the city several years earlier.

Westside Village is a good example of the sort of faulty reasoning that the developer of the West Paper site at the corner of West Marietta St and Joseph E. Lowery, Third and Urban, would like DAFC's board to repeat. There too the development is financed and construction is well under way. The alternative to granting a tax abatement there is clearly not a no-build scenario. The only effect of such a deal would be to waste public money.

Exhibit B

[Attached.]

Development Authority of Fulton County

Director ~~Compensation~~Per Diem Policy

Preface: The Official Code of Georgia Annotated § 36-62-5(c) (the “Act”) provides for limited compensation to Development Authority of Fulton County (the “Development Authority”) directors for reimbursement of actual expenses and for payment of a per diem in counties with a population of 550,000 or more. Specifically, the per diem allowance in counties with a population of 550,000 or more shall be determined by the governing authority (in this case, the Fulton County Board of Commissioners) and shall be paid for each day, or part thereof, spent in performance of the director’s duties.

A per diem is defined as “for each day” and therefore the Act can be interpreted as specifically authorizing the payment of a single per diem for each day in which services to the Development Authority are provided.

Purpose: The Development Authority does not currently have a policy to determine how and when a per diem should be paid. The purpose of the Policy (as defined herein) is to provide more specific guidance to Development Authority directors and staff.

Policy: Per diems are authorized to be paid for the following (collectively, the “Policy”):

- Attendance at regular or special-called meetings of the Development Authority.
- Officer attendance at Executive Committee meetings.
- Participation in a committee meeting for committees specifically designated and authorized by the Development Authority.
- Participation in an external event when the director is attending the event solely as a representative of the Development Authority and the event has significant and substantive economic development issues that relate directly to current Development Authority issues or priorities.
- Other work and telephone calls from a director’s home or office which directly relate to current Development Authority matters and issues in which the total time devoted to such matters exceeds more than two hours per day, ~~such~~, Such total time ~~including~~could include travel time to meetings, ~~time waiting for courier delivery of documents, and~~ and other time spent in furtherance of DAFC work so long as it is well documented in the Per Diem Approval Form described herein.
- Travel to attend an out of town meeting directly related to the work and mission of the Development Authority. The Development Authority will reimburse direct travel and lodging expenses. All other expenses, including meals, associated with out of town travel are expected to be covered by the per diem.

Requirements: Each director seeking reimbursement for a per diem shall complete the “Per Diem Approval Form” attached hereto as Exhibit A. The Accounting Liaison will review all Per Diem Approval Forms for compliance with the Policy. Prior to disbursement of any per diem payments, the Treasurer will also review the Per Diem Approval Forms for confirmation that they are in compliance with this Policy. A sample of acceptable service descriptions is attached hereto as Exhibit B.

No director who is receiving a salary or other compensation from the Development Authority for serving in an employment capacity with the Development Authority will be

Development Authority of Fulton County

Director ~~Compensation~~Per Diem Policy

eligible for any per diems during their term of employment with the Development Authority.

Limitation: When multiple meetings or events occur on the same day, only one per diem shall be paid on any given day. The Policy cannot identify every possibility for when a per diem should be paid and, therefore, it is incumbent on each director to implement and adhere not only to the letter of the Policy, but also to the spirit of the Policy.

APPROVED BY DEVELOPMENT AUTHORITY OF FULTON COUNTY

~~**EXECUTIVE COMMITTEE ON NOVEMBER 16, 2020.**~~

BOARD OF DIRECTORS ON JUNE 22, 2021

Development Authority of Fulton County

Director ~~Compensation~~Per Diem Policy

EXHIBIT A

PER DIEM APPROVAL FORM

I, the undersigned member of the Development Authority of Fulton County, do hereby certify that I was engaged in official Authority business, regular and or special called meetings, on the dates indicated below, and I am entitled to the per diem allowance authorized by law for such service.

DATE OF SERVICE: _____

DESCRIPTION OF SERVICE(S): _____

TOTAL AMOUNT \$ _____
(Per Diem or Expenses*)

This Day of _____, 2021

DIRECTOR,
DEVELOPMENT AUTHORITY OF FULTON
COUNTY

Accounting Liaison,
DEVELOPMENT AUTHORITY OF
FULTON COUNTY

*Any travel or lodging expenses related to DAFC activities as permitted under this Policy. Receipts must accompany this form.

Development Authority of Fulton County

Director ~~Compensation~~Per Diem Policy

EXHIBIT B

Permitted Descriptions of Service for Per Diem Approval Form

Attend Board Meeting on [DATE]

Attend Executive Committee Meeting on [DATE]

Attend [X] Committee Meeting on [DATE]

Site Visit for [X] Project arranged by DAFC

Review of Audit/Accounting/Banking Records

Meeting with Auditor or Accountant

Review and execute documents relating to [X] Project

Attend [X] Conference at the request of DAFC

Meeting/Call with Legal Counsel to discuss project, committee, legal issue, or other matter

Meeting/Call with Developer to discuss new project

Meeting/Call with staff to discuss operational issue

Meeting/Call with Commissioner or other official at the request of the DAFC

Made a presentation at the request of the DAFC