



Development Authority of DeKalb County, Georgia d.b.a.

Decide DeKalb Development Authority

Board Members Officers

Mr. Don Bolia
Chair of the Authority
Partner
Peachtree Government
Relations

Mr. Kevin Gooch, Esq.
Vice-Chair of the Authority
Partner
Holland & Knight LLP

Ms. Miranda Mack McKenzie
Secretary of the Authority

Mr. Andrew Greenberg
Board Member of the Authority
Executive Director
Georgia Game Developers
Association

Ms. Rebekah Coblentz
Board Member of the Authority
Senior Property Manager
NAI Brannen Goddard

Mr. Robert Patrick
Board Member of the Authority
District 1 DeKalb County
Commissioner

Ms. Ann Hanlon
Perimeter CID

Ms. Ansly Moyer
Counsel to the Authority
Arnall Golden Gregory, LLP

DECIDE DEKALB DEVELOPMENT AUTHORITY BOARD MEETING

Date: Thursday, March 9th, 2023
Time: 8:30 AM
Location: Decide DeKalb Office
1 W Court Sq Suite #460
Decatur, Ga 30030

Board Members Present:

Don Bolia, Chair
Andrew Greenberg, Board Member
Robert Patrick, Board Member
Rebekah Coblentz, Board Member
Miranda Mack McKenzie, Secretary
Ann Hanlon, Board Member

Board Members Absent

Kevin Gooch, Vice- Chair

Legal Counsel Present

Ansly Moyer, AGG

Staff Members Present

Dorian DeBarr, President
Randi Mason, VP, Economic Development
Terra Washington, Vice President, Marketing & Communication
Laura Ramos, Marketing Manager
Sunny Anderson, Senior Business Attraction Manager
Geoffrey Lofton, Equitable ED Program Manager
Amanda McAbee, Director, Accounting & Finance
Shelbia Jackson, Director, DeKalb Entertainment Commission
Jenee Williams, HR Coordinator/Office Manager
Holly Smith, Executive Assistant
Joshua Williams, Business Relations Specialist
Evan Spann, Intern

Others Present

Shaney Lokken, Hunton Andrews Kurth LLP
Douglass Selby, Hunton Andrews Kurth LLP
Ted Terry, BOC
Michelle Long-Spears, BOC
Daniel Harari, Related Group
Ed Allen, Related Group
Tom Harold, Miller & Martin
Ben Brooks, SGR
Tharon Johnson, PCG
Rachel Tobin, Tobin Ink
Zoe Seiler, Decaturism

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Cynthia Waterbury, DeKalb Resident
Tom Woodward, DeKalb Advocacy Council
Andy Schneggenburger, BOC
Steven Hilber, DeKalb Resident
Tara Smith, BOC
Aiun Nettles, BOC
Jamie Sauer, EWS
Allison Shoemake, EWS
Greg Worthy, BCLLP

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The June meeting of the Decide DeKalb Development Authority was called to order at 11:46am on Thursday, June 8th, 2023, at the Decide DeKalb Office, 1 W Court Square, Suite #460 Decatur, Ga 30030.

I. CALL TO ORDER

Chair Bolia presided.

II. ITEMS FOR DECISION

A. Approval of May 22, 2023 Board Meeting Minutes:

Ms. Coblentz made a motion to approve the May 22, 2023 Board Meeting minutes as presented. Mr. Patrick seconded the motion which was unanimously approved.

B. Approval of the May 2023 Financials:

Ms. McAbee presented the May financials.

Current assets are as follows: Cash \$1.4m, Total investments \$1.5m, Accounts Receivable \$301k.

Ms. Mack McKenzie made a motion to approve the May 2023 Financials. Mr. Patrick seconded the motion which was unanimously approved.

C. Approval of Final Bond Resolution for Manor Druid Hills Project in a Principal Amount not to exceed \$180,000,000:

Manor Druid Hills is a proposed mixed-use project that will produce an estimated \$180,000,000 in capital investment and an estimated 270 new full-time jobs (8 of which are from multifamily development). It is comprised of approximately 381 units of Class A multi-family, an approximately 55,000 SF office building, and an approximately 140-key hotel. The Project is seeking a property tax incentive to offset the costs of this project. The legal structure for this incentive is a Taxable Lease Purchase Bond and the \$15m incentive value is based on the Authority's Policy Guidelines for Property Tax Incentives to Encourage Economic Development. The bond inducement was approved by the Board on 10/13/2022.

Mr. DeBarr addressed the board. He notes that the comments made by stakeholders and partners at the May board meeting were heard and changes were made to the project and the Authority's interior policies.

Tom Harold, Miller & Martin provided the board with insight on the project. He highlighted how great of a project this will be and the project plans to allot 76 affordable housing units for teachers, and first responders.

Mr. Greenberg requested his previous comments be documented in the minutes regarding his position on the project.

In my seven years on this board, this is the least justifiable inducement brought for a vote. I have enumerated a few of the reasons the board should reject this reduction in property taxes.

1. The property involved is valuable land in a part of DeKalb already active with development. When the property went to auction, it had numerous interested parties who made no indication that they would need tax relief to develop this prime property. No developer should require a \$15 million abatement to develop this property.

2. This inducement brings no benefits to the county that it could not get without the inducement. The Druids Hills Tax Allocation is funded and capable. The infrastructure upgrades can all be handled with

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tools that are in place. It is nice for DeKalb to get a \$2 million PILOT payment, but with a \$15 million tax reduction, the county loses much more than that in property taxes that will not be collected.

3. This incentive creates an unnecessary precedent. The area near this development has seen a number of large-scale developments that did not require a tax abatement. Thanks to the CHOA development, that area is extremely attractive. ANY new project on the current project site will significantly raise the tax base. We should not be creating an expectation that any developer can get their taxes reduced in this part of the county.

4. By our Authority rules, a development like this one, located as it is within a tax allocation district, requires extraordinary circumstances to qualify for tax relief. This development is actually subpar for what we have approved for incentives outside of TADs, much less within them. Establishing this one as extraordinary is another poor precedent.

5. When this proposal first came to the board, the argument was that its compliance with our housing requirements made it extraordinary. I disagreed with that assessment then, and now the developer has even reduced its compliance with our existing regulations. Not only does this continue to prove how un-extraordinary it is, but it also sets a problematic precedent for our own requirements.

6. I am very concerned by the developer's claim that it does not have the financial wherewithal to meet our housing guidelines, as well as the very low cost it would actually require. This is a \$200,000 impact on a \$180,000,000 proposal. A developer with such threadbare margins is a concern for the county.

7. While this proposal alleges a significant number of jobs, none of them are tied to the tax reduction. In other words, even if no jobs occur, the county has no recourse. There is no claw back mechanism. There is no way to reclaim the abatement if the promised employment fails to materialize.

8. Time is not, and never has been, of the essence for the developer in this matter. The developer took it to the Brookhaven DDA almost three years ago. Had time been of the essence, they would have continued there rather than begin the process all over again with us.

I thus move to table this discussion until existing concerns can be addressed.

Commissioner Long Spears requested to comment and noted that the project undermines the spirit of abatements and is not in the public's interest or benefit and requests voting no on the item.

Mr. Greenberg made a motion to table the vote. With no second, the motion failed. Mr. Coblenz then made a motion to approve the Final Bond Resolution for Manor Druid Hills Project in a Principal Amount not to exceed \$180,000,000. The motion was seconded Ms. Hanlon and approved by Mr. Patrick, Ms. Mack McKenzie and Chairman Bolia. Mr. Greenberg voted no.

D. Approval of Assignment of Decatur Apartments, LLC Project (The Baxter Decatur) to EQR-Baxter, LLC:

In 2016, a property tax incentive was approved by the Board of Decide DeKalb for Decatur Apartments LLC. The lease and bond documents were assumed by SREIT Decatur in August 2020. The development, now known as The Baxter Decatur, has 290 units, 29 of which are reserved for workforce housing. The Baxter is currently managed by Highmark Residential.

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The bonds closed in 2017 and the 10-year tax incentive period began in 2019 and the lease will run through 2028.

Equity Residential (EQR) is acquiring the property and is requesting to assume the lease, which will remain unchanged after the assignment. EQR will assume the existing Fannie Mae loan on the property. This property will be EQR's first acquisition in DeKalb County. EQR plans to invest \$1.2 million in the first 24 months of ownership for upgrades and replacements.

The Baxter Decatur currently employs 5 people, at an average wage of \$51,689, and it's expected these positions will remain.

Mr. Greenberg made a motion to approve the Assignment of Decatur Apartments, LLC Project (The Baxter Decatur) to EQR-Baxter, LLC. Ms. Coblenz seconded the motion which was unanimously approved.

E. Approval of Consulting Contract with Bleakly Advisory Group, Inc. d/b/a KB Advisory Group:

Decide DeKalb issued a Request for Proposals on April 17, 2023 for consultants to produce a development plan that will be used in the creation of a tax allocation district (TAD) to support their development of southwest DeKalb County. KB Advisory Group's proposal was selected. KB Advisory Group recently completed the redevelopment plan for the Market Square TAD on behalf of Decide DeKalb.

The scope of work includes consultations with key stakeholders, an independent analysis of identified development opportunities, assessment of TAD boundary options, preparation of TAD redevelopment plan, and additional tasks as needed.

The fee for the engagement is \$29,610, which is inclusive of all expenses, including data and overhead. KBAG requires a retainer of \$7,000 to be paid prior to the commencement of the assignment. The retainer will be applied to the final invoice.

Ms. Mack McKenzie made a motion to approve the Consulting Contract with Bleakly Advisory Group, Inc. d/b/a KB Advisory Group. Mr. Greenberg seconded the motion which was unanimously approved.

F. Approval of FY2024 Operating and Maintenance Budget for the Atlanta VA Regional Office Project:

Mr. Bolia recused himself before the vote took place.

The VA presented the Operation & Maintenance Budget for Fiscal Year 2024 (FY'24) and one-page projected FY25 Budget for the Atlanta VA Regional Office to the board.

Allison Shoemake, EWS Facility Manager provided the board with highlights of the budget. One of the main modifications that has been made for year 2024 is to the security line item. Ms. Shoemake attributes the increase to inflation and labor costs as well as to keep in line and be competitive with other employers.

Mr. Greenberg made a motion to approve the FY2024 Operating and Maintenance Budget for the Atlanta VA Regional Office Project with continued changes and Mr. Debarr as signer. Ms. Mack McKenzie seconded the motion which was unanimously approved.

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III. Discussion:

A. TAD Advisory Committee Update:

Each TAD Advisory Committee will make recommendations to Decide DeKalb Development Authority on projects to be funded from TAD proceeds, tax allocation increment or other funds generated by the respective TAD.

Each Committee will use the respective Redevelopment Plan document as a guide for project consideration. Each Committee will work to ensure that the sentiments of stakeholders within the areas most impacted by any proposed development efforts are heard and that sentiments are taken into consideration by the DDDA Board of Directors and any other decision-makers in the respective TAD funding process.

The Committee will consist of 5 members and will be a combination of government appointees, business representative appointees and a general appointee of the DDDA Board of Directors.

The Committee will meet on an Ad Hoc basis.

B. President's Report:

Mr. DeBarr presented the President's Report highlighting DDDA's current standing: 225 new jobs, \$5.5m in investment and 41 BRE visits.

In Business Development, the team celebrated its first annual Economic Development Week and was issued a proclamation by CEO Thurmond. The week consisted of several events including Donuts with Dorian, Business Resources 101, and a DEC panel discussion that brought together industry leaders and business owners looking to engage in the entertainment industry.

Marcom's website analytics were at an all-time high with a static post ED Week banner in the AJC. DEC also celebrated the kickoff of their website.

A copy of the full President's Report and all Fact Sheets presented to the Board are included in the meeting file.

The Decide DeKalb Development Authority Board Meeting adjourned at 1:05 a.m.

Adopted by the Board in the meeting
of _____,
(Date of Meeting)

(Signature of Presiding Officer)

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