

**MEETING MINUTES
CUMBERLAND COMMUNITY IMPROVEMENT DISTRICT
Thursday, October 26, 2017**

MEMBERS PRESENT

Tad Leithead
John Shern
Mike Plant
Barry Teague
Mason Zimmerman (arrived at 8:10 a.m.)

EXECUTIVE DIRECTOR

Malaika Rivers

LEGAL COUNSEL

Lynn Rainey

COBB CHAMBER OF COMMERCE

Rasha Al Rawi
Melissa Crook
Kyethea Clark
Noelle Lloyd
Roxanne Plummer
Mike Winters

COBB COUNTY

Mike Boyce
Bob Ott
Jim Wilgus
Karen Matthews
Erica Parish

JACOBS

Vinay Uchil
Alex Chung

OTHERS PRESENT

Ariana Ward, GA Commute Options
Tacita Williams, GA Commute Option
Ken Bleakly, Bleakly Advisory Group
Chris Kingsbury, Moreland Altobelli
Peter Hortman, Pond
Vance Smith, Pond
Cody Zanni, Kimley-Horn
Heidi Dasinger, Marietta Power
Sara Fernald, Fernald and Co.
Ron Sifen, Vinings
Ricky Leroux, MDJ

The October meeting of the Cumberland Community Improvement District Board was called to order at 7:37 a.m. on Thursday, October 26, 2017 at the Cobb Chamber of Commerce, 240 Interstate North Parkway, Atlanta, Cobb County, Georgia, pursuant to legal notice. A quorum was present.

Chairman Leithead presided and welcomed special guests.

ITEMS FOR APPROVAL

1. Minutes: Mr. Shern made a motion to approve the September 28, 2017 Minutes of the CID Board. Mr. Teague seconded the motion which was unanimously approved.
2. Approval of Financial Statement: After making the Treasurer's Report, Mr. Teague made a motion to approve the September Financial Report (Exhibit A) and invoices and cash disbursements as presented (Exhibit B). Mr. Plant seconded the motion which was unanimously approved.

CHAIRMAN'S REPORT: BIG PICTURE

Chairman Leithead congratulated Lynn Rainey, Legal Counsel, on his daughter Carrie Rainey being named the Teacher of the Year for Marietta City Schools.

EXECUTIVE DIRECTOR'S REPORT

Ms. Rivers congratulated Board member Shern on the birth of his 9th grandchild and went on to congratulate Chairman Leithead on being named the 2017 John Williams CID award honoree. He will be honored at the Council for Quality Growth's 8th Annual CID recognition reception on November 1st.

A. Real Estate Activity

1. Investment & Sales Activity: Ms. Rivers reviewed the Investment & Sales activity collateral. Through 10/20/17 the total value of permits in the CCID is \$124M. This makes up 22% of Cobb County's total commercial permit value of almost \$560M. CCID is less than 2% of Cobb County's total land area yet over 1/3 of their total commercial permit value. In 2016, \$626M in commercial properties sold in the CCID area. The average sales price was 148% above Tax Assessor value. Since 2013, \$2.6B in commercial properties have sold in the CCID. In 2017, the average sales price has been 81% above Tax Assessor value.
- B. Tax Digest & Revenue Projections: Ms. Rivers reported the CCID's revenue collections have not changed from where the CCID has been projecting which is \$6.4M. A check in the amount of \$1.1M was received earlier this month.
- C. Cash Flow Model: Ms. Rivers reviewed the Baseline Cash Flow Model. The CCID has projected to be in the "red" in fiscal year 2018. The dollars will be managed accordingly and CCID staff will continue to keep a close eye on these numbers.
- D. CID Open Projects & Cobb County & Other Agency Open Projects: Ms. Rivers reviewed the CCID's Open Work Program. The CCID has about \$232M worth of projects that are either under construction or in process, \$130M being under construction through \$150M in outside commitments and \$50M of CCID commitments. There is a \$31M funding gap.

E. Key Updates

Ms. Rivers gave updates on:

- Akers Mill Ramp – Phase I is under construction and Phase II continues to move forward. The total project cost for Phase I and II is \$45M. The CCID has contributed \$6M and along with the outside funding sources, 74% of the \$45M has been assembled. The CCID is in a very good place and the project is moving on a fast track. Parsons continues to work on the design of Phase II and it is about 30% designed. Phase II will cost approximately \$20M and there is a funding gap of \$12M. The CCID submitted two applications for Phase II funding – INFRA (through USDOT) and TIGER (through USDOT). The CCID cannot win both awards, but has a chance to win one or a portion. USDOT will announce the winners early next year. Ms. Rivers and the lobbyist firm in D.C. will continue to work on these efforts. The CCID has a third application pending with ARC. ARC will announce the winner before Thanksgiving. Chairman Leithead thanked Ms. Rivers, consultants and staff for their hard work on preparing these applications.
- Ms. Rivers stated at last month's meeting that she is working with an attorney on the creation of the new 501(c)3. There are a few items that the attorney needs and Ms. Rivers would like to assemble a small group to help with this effort. Chairman Leithead suggested Board member Zimmerman, Board member Voyles and Mike Winters to be involved in these discussions. Ms. Rivers will communicate with the group on the next step.
- Ms. Rivers updated Board members on the bikeshare program with Zagster. Ms. Rivers reminded the Board that they requested the bikeshare program be expedited and as such, private property owners were approached along with the National Park Service (NPS). The NPS is moving forward slowly, but several of the private property owners have declined to participate due to liability and insurance concerns. CCID staff was hopeful that the effort would be ready to launch by October or November, but will not be able to meet that artificial deadline. Ms. Rivers will continue to work with NPS as well as see what the best path will be with private property owners.

F. Key Updates

Blueprint Cumberland 3.0 Marketing & Economic Analysis: Ken Bleakly, Bleakly Advisory Group, presented the Blueprint Cumberland 3.0 real estate market and economic impact analysis of the CCID. As a whole the Cumberland area has 92M square feet of commercial space in a 4-mile market area with nearly 1,500 buildings and 38M square feet of the commercial space is in the CCID area – 41% of total of 13% of the Market Area’s land. There is 3.3M square feet of existing retail space and the Battery adds 45K+ square feet. There are 10 new multifamily developments since 2013, all in the CCID due to walkable locations. The potential demand for growth in the CCID for the next 10 years is projected:

- 2.25 million square feet of office space
- 2.5 - 3.5 million square feet of retail space
- 1,200-1,500 owner-occupied residential units
- 4,500-5,000 renter-occupied residential units

Demand was determined by population growth, employment growth (office related demand vs. industrial related office demand), retail potential (daytime population and resident growth), and what the existing retail activity was and then what the growth potential over the next 10 years would be in the CCID based on household growth and employment growth.

{Board member Zimmerman joined the meeting at this point.}

Mr. Bleakly discussed the geography of economic impacts – CCID Area of Influence (AOI). The CCID AOI includes 14 census tracts around the boundaries of the CCID. Boundaries are consistent with earlier Georgia Tech enterprise Innovation Institute’s impact study of December 2012. Mr. Bleakly went on to discuss two measurements of economic impact – total economic impact and net fiscal impact. The direct economic impacts in terms of jobs, earning, economic output and total economic impact were both analyzed. Total economic impact includes the direct effects plus the multiplier impacts from indirect and induced economic activity and economic impacts are analyzed for the CCID AOI, Cobb County and Georgia. The net fiscal impact is the difference between the governmental revenues generated in the CCID AOI minus the cost of providing services to the area. Estimates of the net fiscal impact have been prepared for Cobb County and revenue estimates for Georgia. The full dimension of the CCID’s economic impact was analyzed from two time periods (2012-2016) and what is and will happen from today until 2026.

CCID 2012-2016--A Period of Growth and Transition

- The CCID is evolving from primarily an office and retail center into one of the Atlanta Region’s dominant cores.
- Joining Perimeter, Buckhead and Midtown in the top tier of these cores based on scale of development, its evolving mixed use character and economic activity.
- As a result, over the past four years CCID experienced--
 - 2,000+ new residential units created—helping turn CCID into a live, work, play environment.
 - 15,000 new jobs in four years—now totaling 92,200--placing it among the top job centers in the region for growth.
 - 180,000-total job impact—equivalent to 53% of all jobs in the County.

Fiscal impacts to Cobb County-2016

- The CCID AOI generates \$76.6M in annual revenues for Cobb County while resulting in \$44.1M in local service costs.

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- The CCID AOI has a net positive fiscal impact to Cobb County of \$32.5M annually. Fiscal impact is the net difference between new revenues generated from development minus the cost of governmental services.

Fiscal impacts to the State of Georgia

- The CCID AOI generates substantial amounts of revenue for the State of Georgia.
- \$837M in annual revenue to Georgia from businesses and employees in the CCID AOI.
- CCID revenues represent 4% of all Georgia revenues in 2016.

Mr. Bleakly went on to discuss the CCID's AOI accelerated future growth - 2017-2026.

- The decision of the Atlanta Braves to move to the Cobb County in 2013 accelerated growth in the CCID, further enhanced its appeal as an urban district, and drew millions of new visitors to the area. As a result:
 - 8.1M square feet of new development is planned for the CCID—the creation of SunTrust Park and the Battery, plus more than \$1B of additional development will include:
 - 3.8M square feet of new office development
 - 465,000 square feet of retail space
 - 3,100 units of new multifamily housing
 - 1,000 new hotel rooms
 - 6,500 new permanent jobs created by new development--over the coming decade, with a payroll of over \$214M

Revenue Impact to Cobb County:

- New Cobb property taxes will increase from \$9.6M to \$36M by 2026.
- Local sales taxes (\$0.02) and hotel/motel taxes will increase from \$5.2M to \$11M by 2026.
- The CCID will see an additional \$22.8M in revenue over the next decade.

Net Fiscal Impact to Cobb County:

Over the next decade new development in the CCID area will generate \$381M in new taxes for Cobb County.

- \$92M in local sales and hotel/motel taxes.
- \$289M in new property taxes.
- The net fiscal impact to Cobb County over the decade (revenues minus cost) will be \$161M in net revenue.

Georgia revenues from CCID Development:

The State of Georgia will see a significant increase in revenues from the development in 2017-2026.

- \$27.7M in additional state income taxes
- \$14.3M in sales taxes
- \$3.6M in other state revenues
- \$45.6M in annual revenues by 2026

CCID's overall economic impacts:

- CCID's economic output increases from equivalent to 5.4% of Georgia GDP in 2012 to 6.4% by 2026.

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- CCID’s economic output increases from equivalent to 33.3% of Cobb County in 2012 to 36.1% by 2016.
- The CCID’s share of County employment rises from 23% in 2010 to 30% in 2026.

Mr. Bleakly closed his presentation by stating these are strong numbers and a tribute to the CCID Board for their hard work.

Ms. Rivers thanked Mr. Bleakly and his team for the great work. The CCID is in a great place to live and work. Chairman Boyce agreed. Chairman Leithead is very happy with the findings.

Ms. Rivers announced the multi-use bridge over I-285 was recently issued an award from GTPQ.

G. Required Action/Requests

1. **FY18 Budget Request (\$2,423,900):** Ms. Rivers stated this is the time of year when the CCID Board considers/approves annual accounts for next fiscal year (FY18). Ms. Rivers reviewed the pie chart of the CCID’s anticipated collections and the recommended allocations.

| | |
|--|-----------------|
| Support Programs (In-House labor) 2 % | \$400,700 |
| Support Programs 8% | \$145,376 |
| New Initiatives (In-House labor) 1% | \$27,804 |
| New Initiatives 4% | \$275,000 |
| Landscape Maintenance (In-House labor) 10% | \$63,259 |
| Landscape Maintenance 8% | \$560,000 |
| Capital Projects (In-House labor) 6% | \$388,488 |
| Capital Projects 69% | \$4,236,579 |
| Operating 6% | \$53,020 |
| Operating (In-House labor) 1% | <u>\$54,282</u> |
| | \$2,423,900 |

Of an anticipated FY18 net revenue collection of \$6,709,819, the recommended amount to be allocated to the annual budgets is \$2,423,900. This is 4% more than FY17 and includes Landscape Maintenance, New Initiatives, Support Programs, and Operating Overhead. It also includes in-house labor that supports those accounts. Of the \$6,709,819 total projected net revenue collection, 93% (\$4,625,067) is recommended for projects, programs, services, and in-house labor that supports those efforts, while 7% (\$455,282) is recommended for operating overhead. Both Chairman Leithead and the Treasurer Barry Teague have reviewed the information. Chairman Leithead asked the Board to review the budget and then vote on it at the November 30th Board meeting. Board members asked for a summary breakdown. Ms. Rivers will send out more information to the Board.

H. Operations

1. **Capital Improvements Update:** Kyethea Clark, Director of Operations gave updates on: Cumberland Blvd Bridgescape, US 41 Cobb Pkwy Enhancement, Riverwood Parkway Streetscape, and Palisades/Paces Mill NRS Unit Rehabilitation.

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Ms. Clark reported on a meeting held last month with GDOT on Revive I-285 (renamed 'I-285 Top End'.) The project is in the conceptual design process and GDOT is reaching out to area property owners. The project is looking to go under construction in 2024 with completion in 2028. Chairman Leithead stated there is an opportunity for the Board to engage in this initiative. Ms. Rivers asked the Board to consider submitting a letter to GDOT relative to making sure there is transit provisions or opportunities. Cobb Commissioner Bob Ott, District 2, stated he also serves on the House Transit Governance and Funding Commission which could be another avenue. He stated GDOT is also part of this Commission and if there is an issue that some of these projects do not include transit options, it needs to be brought to the attention of the Commission. Ms. Rivers will work with Commissioner Ott on a letter for him to bring in front of the Commission.

- I. Communications & Outreach Activities: Noelle Lloyd, Communications & Outreach Manager, reported the next Coffee & Construction will be held December 7th and will be co-presenting with Cobb DOT.

Ms. Lloyd continues to work on the CCID's 2017 Annual Report.

Ms. Lloyd is continuing to update the CCID's 2018 communication plan and work on 30th anniversary plans and activities for next year.

Ms. Lloyd introduced Rasha Al Rawi. Ms. Al Rawi is the CCID's newest intern. She will be assisting the CCID staff with marketing efforts and special projects.

COBB COUNTY ISSUES & UPDATES

Commissioner Ott announced there will be some significant changes made to the Circulator and to be on the lookout for those.

Commissioner Ott will be working with Mr. Plant on the final revenue numbers of the first season at SunTrust Park.

Commissioner Ott stated there will be a coordinated effort coming together to create an emergency management plan for the south side of the Cumberland area.

Commissioner Ott reported there was a community meeting last night to talk about the proposed zoning (Kroger 96K sq. feet, 340 apartments, self-storage facility, 5 restaurant pads and another retail strip) coming forward for the redevelopment of the Brumby site. Chairman Leithead stated this property is outside the CCID boundaries, but when appropriate, he would like to discuss with the developers about bringing them into the CCID.

Commissioner Ott reported the County is getting ready to embark on a pilot program to replace some of the vegetation on medians with artificial turf. It should help reduce cost and maintenance.

Jim Wilgus, Cobb DOT announced that all bridges in the Cumberland area are award winning bridges.

Ron Sifen, Vinings Homeowner, stated he is on the Revive I-285 citizen's advisory committee. He went on to give an update from the last meeting.

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OTHER BUSINESS

The next regular board meeting is scheduled for the same location on November 30, 2017 at 7:30 a.m. There being no further business, the meeting was adjourned at 9:08 a.m.

Approved by the Board this _____ day of

_____, 2017

_____ Secretary