

Atlanta Downtown Neighborhood Association  
March 14, 2017 – General Body Meeting Minutes

**The following are meeting minutes from the Atlanta Downtown Neighborhood Association General Body meeting, held on March 14, 2017. These minutes are based on observations made and information capture during the meeting. These minutes are NOT intended to serve as exact quotes of any attendees or officials at this meeting.**

Featured Guest – Honorable Mayor Kasim Reed

- Underground Atlanta

Jennifer Ball CAP – Bright Lights Signage District  
Conditions set forth at 2/23 ADNA Meeting

- CAP take a phased approach to mitigate concerns of board

The Atlanta Downtown Neighborhood Association introduced themselves. Members in attendance:

- Kip Dunlap, President
- Otis Threatt, Vice President
- Jeshua Pringle, Vice President of Administration
- Amanda Babcock, Vice President of Finance
- Jessie Dixon, Vice President of Communications
- Daniel Lentz, Vice President of Membership
- Martin DiGeronimo, Delegate to Westside TAD
- Zelda Jackson, Vice President of Events
- Stephen Krauska, Member-At-Large

Mayor Reed began the discussion by providing a brief synopsis of the conditions surrounding the Underground Atlanta site and the proposed developments. Elements of this discussion included but are not limited to:

- The carrying cost of Underground Atlanta to the City was stated as \$8 million a year
- From the first inception of Underground Atlanta, it has gone under three incarnations. Each incarnation did not include a residential component which may have contributed to the outcomes observed for Underground.
- Mayor Reed stated that the voices of residents is critical because the residents were a part of the Downtown community prior to the re-development of the Underground. He also stated that there is no desire to create a development that is inconsistent with the desires of the community.
- Mayor Reed noted that the Demand letter issued by ADNA could result in the loss of about a quarter of a billion in development for South Downtown.
- Mayor Reed noted that WRS was the first firm interested in developing the Underground and that they have a love and a passion for this project that will guarantee a first rate product.

- It was stated that because of the Demand letter the development could not obtain title insurance and the City would suffer severe harm, and cost \$8 Million for underground
- Mayor Reed stated that the City is committed to working with the neighborhood and collaborating to ensure that this is a successful development for the neighborhood and the city as a whole. He noted that the Buckhead, Ponce City Market, and Turner Field projects indicate that the city is committed to creating dynamic and successful projects to server everyone in the City. The underground Atlanta project will be good or better than the projects referenced. The Mayor sees the potential in South Downtown and wants to support the growth of the area. There has been a record of delivering quality results with numerous projects throughout the City.

Tim Keane, the Commission of Planning committed to addressing concerns related to affordability, scale, architecture, and neighborhood engagement. He stated that there is a consensus that we want this to be a successful project and makes the city a vibrant place with a good Downtown.

A timeline of the events between the ADNA and the City of Atlanta was recapped by the City's legal representation:

- On January 5, 2017 the City of Atlanta received the "Demand letter" from the Atlanta Downtown Neighborhood Association's legal council
- On January 11, 2017 the City issued a response to the "Demand letter" to set up a conversation with ADNA and WRS
- On January 26, 2017, ADNA, WRS and the City of Atlanta met with each other to discuss the Underground Atlanta re-development project and ADNA's demand letter
  - ADNA was asked to present a list of demands to provide to WRS
  - The City of Atlanta and WRS worked to address the demands/concerns of ADNA
- On February 16, 2017, the City's legal representative and the legal council of ADNA met to discuss the verbiage of the Declaration of Covenantance.
  - The Declaration of Covenantance was noted as running with the land and that it would be binding for all future owners of the land

The City's legal representation stated that they have been working with the lawyers to ensure that the following elements are enacted by WRS:

- WRS works with the neighborhood
- Maintains historical significance and facades of buildings
- Engage in a public process in the future that includes public notification for changes
- Run ads in the newspaper if they plan to make changes

It was also noted that there was community comment at the most recent TAD meeting, there would be more community engagement at the DDA meeting on Thursday, and the City has worked with the legal council of ADNA for the past two months.

Christopher Collier, ADNA's Legal Council provided an update on the activities that occurred between ADNA and the City. In this statement he noted that there has been a give and take since ADNA and the City began discussions. Based on the discussion the major issue was community engagement. Mr. Collier stated that any time there are major changes to Underground Atlanta, WRS would be required to issue an ad in the Atlanta Journal-Constitution or a similar newspaper. The notification would then trigger community engagement from the community with their elected officials. He also stated that there are a number of restrictions in the Declaration of Covenantance that will ensure public access to the abandoned streets.

The floor was then opened for a question and answer session.

Question: Could you explain what was in the Demand letter?

Answer: The original letter involved concerns regarding the urban redevelopment act. This act has provisions that require community engagement. Since the original letter the conversation has been changed to the quality of the development. Community engagement at meetings has taken place. They city has worked with ADNA legal staff to meet some of the demands issued to the city.

Question: Is the Covenantance in writing?

Answer: Yes, they are in writing and will be executed with the sale of the property. This would run with the land and not the owner of the land. Affordable housing, NPU engagement, and notifications to the public are all a part of the Covenantance.

Question: What are some of the items in the demand letter that were not adhered to? And what is our rationale for not meeting those demands?

Answer: I won't be able to go into the specifics of the demands, but for example the demands for affordable housing were higher than what was settled on, there were some historical designations that weren't able to be met and other locations that were included in historical designation.

Question: Why does the developer think and 89,000 square foot development is appropriate for downtown?

Answer: Because the developer believes that Underground will be the center or residential development. With all of the development occurring in South downtown, the grocery store will be critical for the success of this project and other projects. That is what the developer believes the market is trending towards.

Mayor Reed noted that 55 real estate transactions are currently underway. These developments would turn South Downtown into a major residential hub and the development would have to occur South Downtown. There is interest in building a residential real estate tower above Underground Atlanta, an additional hotel next to Mercedes Benz complex, and additional development all through the Downtown area.

Statement: Since we still need a public hearing, the project needs to be rebid, engage the community, and work with the City design studio to strategically plan the area.

Answer 1: The triggering language with relation to major modifications would result in public engagement and comment. Some of the major overall design is circling through the NPU and the DDA. You should get involved at those levels for additional public engagement

Answer 2: The abandonment ordinance has a requirement in it that requires the developer to report quarterly with Community Development and Human Resources and to provide a plan for communications moving forward

Question: As I recall, this project would not be subsidized by the City through TAD funds, now it's in from of the TAD committee.

Answer: It is before the DDA not the TAD committee, it was simply announced at the TAD committee.

Mayor Reed: The statement I made at the time was that they would have to buy the project out right. This didn't preclude funds for development. When we made the demand for affordable housing, there was a shift to allow for additional public funding. There is the demand for 15% affordable housing, this is higher than other projects. Typically there is a form of public support when there is this level of affordable housing.

Question: The notification rules for street abandonment were ignored or waived. How can we be sure that the other legal requirements are ignored or waived?

Answer – Mayor Reed: Because the Covenant that both councils agree on runs with the land. This is a distressed property. The reason why people are interested in the property now is because WRS is interested in it. What I'm respectfully asking you is to look at the record of our success and understand that this will be a successful project for the community.

Question: Is WRS a qualified developer for a project of this scale? With other people offering to step up to the plate, we should give them a chance to develop the project

Answer: Kevin Rodgers has the financial capacity to develop the project and has a vision for this project and will work with the community. They have the experience and ADNA should spend more time with Kevin Rodgers before we pass judgement on their ability to develop the property.

Question: What is the major hurdle that would keep this project from moving forward?

Answer: Getting the neighborhood comfortable with the project moving forward. When the neighborhood submitted that letter threatening litigation, then there wasn't the ability to obtain title insurance. Finding folks to invest a quarter of a billion in a corridor isn't as easy as people may think. The Underground could remain a weight on the City.

Question: What happens if WRS loses the funding?

Answer: They have funding set already and they have meet with the City multiple times. Affordable housing is important to the City and has been included to the agreement. WRS

didn't know if they would get public funding or not, but they agreed to providing the affordable housing.

Question: Grocery store typically requires long term agreements to have the space built out. Will these demands be place on the space? Is there a non-compete with these agreements?

Answer: The last thing the developer ever wants to agree to is that a grocery store can fail and lose the business. If the grocery store fails then the developer can recapture the space and allow for another tenant to come into the space.

Question: Could you explain why there is so much parking planned for this development? With it being next to Five Points, the largest transit hub in the City, why is there so much parking?

Answer: Parking is tied to a potential commercial customer, that people would be open to coming to the area. This is a retailer that believes downtown could be a major retailer that they city is seeing.

Kyle Kessler provided a recap of his prior encounter with WRS. He noted a lack of willingness to discuss the Underground Atlanta project. During his speech he conveyed that he has been trying to engage in conversation with Kevin Rodgers since 2014 and Mr. Rodgers has been non-responsive. Mr. Kessler stated his frustration with the situation and expressed how vital it is for there to be meaningful community engagement.

Next Steps: Plans or changes will be submitted to the board in the next few days. The plan that is required by the ordinance will be submitted the City and the DDA. They have received a rough draft and is reviewing it.

A motion was made to table the vote on withdrawing the Demand Letter until the next board meeting. This motion was seconded. The motion was unanimously passed.

The meeting moved onto the next agenda item which was related to the Bright Lights Signage District. Jennifer Ball was no longer present to discuss this topic.

Additional Announcements: CAP Downtown Master Plan Open House invitation

Additional Comment:

Policing Priorities – from NPU Board. Each neighborhood annually sets their priorities for their Zone Commanders. Last year we had two initiatives one that deals with monetary solicitation. The NPU board requested suggestions for other initiatives for this year. Feedback will be received from the board.

*Meeting was adjourned*