



Caitlin Dye, Business Development and Incentives Coordinator
 301 College Ave #101
 Athens, Georgia
caitlin.dye@accgov.com

Re: Georgia Square Mall Redevelopment TAD Funding Application

Ms. Dye and Members of the Athens-Clarke County TAD Committee:

On behalf of Athens Development Group, please accept the attached application for Tax Allocation District funding for our proposed mixed-use redevelopment of Georgia Square Mall, which is located within Tax Allocation District Number 1 - Unified Government of Athens-Clarke County, Georgia, also known known as "Mall Area Tax Allocation District". The proposed redevelopment will create a transformative, best-in-class mixed-use community and neighborhood that will redefine Athens-Clarke County's retail, residential, and office landscape. The project will create a pedestrian-friendly environment that encourages walkability, biking, and alternative modes of transportation on a formerly auto-centric and pedestrian-hostile parking lot. The project will add central greenspace, sustainable stormwater infrastructure, and a new tree canopy that was non-existent on the formerly impervious asphalt site.

This project will transform the deteriorating, largely vacant Georgia Square Mall located along Atlanta Highway, adjacent to State Route 10. Occupancy at Georgia Square Mall began a rapid decline in 2017. Since then, the mall has lost all but one of its anchor tenants, and the physical structure of the mall has substantially deteriorated. The structure is now over 40 years old. Athens-Clarke County recognizes the strong community desire for the site to be redeveloped when it proactively created a TAD Plan for the area in 2020.

We are requesting that the TAD Advisory Board grant our tax allocation district (TAD) funding request in the amount of \$141,175,000 to help us bridge the funding gap for this transformational redevelopment project. The funding would be made available by TAD Bonds secured solely by incremental property tax revenues generated within the TAD by the redevelopment of the Mall.

We have retained KB Advisory Group to help us estimate TAD revenues for this project. KB Advisory Group conservatively forecasts that this project would increase the annual property tax revenue generated from the underlying parcels at the Mall from \$338,228 currently, to approximately **\$5.2 million**, representing annual incremental (increased) tax revenue of \$4.9 million.

Site

The proposed mixed-use redevelopment of the Georgia Square Mall site consists of six parcels that occupy approximately 74.8 acres. The proposed redevelopment site is approximately 9 miles west of the University of Georgia campus and 8 miles west of Downtown Athens. All six of the parcels that make up the proposed development are in the newly established TAD #1 Mall Area Tax Allocation District. According to CoStar, the six parcels contain 895,000 square feet of rentable building area, and as of November 2022, 65% of that space is vacant.

Project

The proposed Georgia Square Mall redevelopment will be a mixed-use district that includes townhomes, multifamily apartments, active adult apartments, a retrofitted portion of the Georgia Square Mall with retail and office, a new retail village, and a central green space. The mall will be redeveloped to include one remaining retail tenant, which will operate 120,000 square feet of space. The redeveloped mall will also include 70,000 square feet of new street-level retail, and additional proposed office tenants that will operate the remaining 70,000 square feet of space in the existing building. The remainder of the mall will be demolished, and the land will be redeveloped for other uses within the footprint of the original six parcels.

The residential component of the redevelopment plan includes 816 multifamily units, 170 active adult units, and 202 for-sale townhomes - for a total of 1,188 residential units built across 3 phases. The commercial component will include 352,000 square feet of commercial space, including remodeled existing buildings with 190,000 square feet of retail space and 70,000 square feet of office space, as well as a newly constructed retail core with 92,000 square feet of retail space. The site will include a main green space in the center of the site.

The proposed project is expected to be delivered in three phases which would start generating incremental property tax revenue within the TAD starting in 2025.

- Phase 1 is programmed to include 276 multifamily units, 170 active adult units, 66 townhomes, 70,000 square feet of office space, and 190,000 square feet of retail space, expected to be completed and generating TAD revenue in 2025.
- Phase 2 is programmed to include 300 multifamily units, 66 townhomes, and 92,000 square feet of retail space, expected to be completed and generating TAD revenue in 2026.
- Phase 3 is programmed to include 240 multifamily units and 70 townhomes, expected to be completed and generating TAD revenue in 2027.

Economic & Fiscal Impacts

Athens Development Group commissioned KB Advisory Group to prepare a summary of the potential economic impacts of the proposed Georgia Square Mall Redevelopment. The project stands to provide economic benefits to the local economy and fiscal benefits to local governmental entities by substantially increasing public sector revenues to Athens-Clarke County and the Clarke County School District.

Based on the proposed development plan and expected market conditions, the fiscal and economic benefits from this project are expected to include:

Construction Impacts

- 770 annual full-time equivalent construction jobs.
- \$52.1 million in construction payroll, much of which will be reinvested in the local economy.
- \$367 million total regional impact from construction, labor, and local spending.
- \$3.1 million in revenues from sales taxes, permits and fees from construction.

Impacts from Operations

- 352,000 SF of new or significantly rehabilitated retail and office space, with \$101.5 million in annual on-site retail sales.

- The redevelopment will be home to approximately 1,035 workers with an annual on-site payroll of over \$48.4 million.
- 1,183 new housing units supporting over 1,000 households, which will spend an estimated \$35.7 million on goods and services locally.

Public Revenues

- \$388.5 million in real property value generating \$5.2 million in annual property taxes:
 - \$2.1 million to Athens-Clarke County
 - \$3.1 million to Clarke County School District (subject to Board of Education consent).
- \$8 million annually in total local sales taxes:
 - \$4 million to the State of Georgia
 - \$4 million to local government (ACC, SPLOST, ESPLOST, TSPLOST)

Indirect Effects

- \$234 million in direct construction investment will yield nearly \$305 million in regional benefits.
- \$101.5 million in annual sales will yield a total of \$121.8 million in regional commercial sales
- 963 regional jobs for 3 years supported by construction and 1,138 regional jobs from operations

Consistency with Athens-Clarke County's Plan and Vision

The Georgia Square Mall Redevelopment is consistent with the stated goals and priorities of the Athens Mall Area Redevelopment Plan, the Athens-Clarke County 2018 Comprehensive Plan, and Athens's TAD Funding Goals & Priorities.

The proposed development is consistent with the stated goals and visions in the Redevelopment Plan:

- "Upon review of the subject area...there is a need for additional mixing of residential opportunities into the existing fabric" (Page 25).
- "[large scale renovation at the mall property] could infuse an auto-dominated landscape with compatible residential uses and public infrastructure allowing multiple means of transportation or visitors to park once and meet their shopping needs on foot" (Page 25).
- "Any uses imposed after development of real property should encourage a mixing of uses that allow flexibility and reduce auto-dependency" (Page 25).
- "...creating connections to the mall property and potentially an open street network would help this area function as a neighborhood..." (Page 25).
- "Housing...would benefit by being affordable for employees who choose to live and work in this area" (Page 25).

The proposed development plans to deliver a robust mix of rental and for-sale housing, including housing that meets the needs of households earning 80% AMI, and senior housing. Additionally, the mixed-use nature of the development hopes to promote walkability and bicycling by addressing infrastructure needs that create a pedestrian-friendly environment.

The redevelopment plan established four priorities for the use of TAD funds to pay for redevelopment costs. The proposed development addresses the following TAD funding goals and priorities:

- public infrastructure needs,
- housing opportunities,
- economic development partnership opportunities, and
- Clarke County School District and youth development.

The proposed development is redeveloping a deteriorating, auto-oriented site and adding new bike and pedestrian infrastructure that will enhance safety and walkability while reducing car trips in the immediate vicinity, a central public greenspace, intersection improvements and crosswalks, and an increase in pervious surfaces and stormwater infrastructure. Additionally, the proposed development is addressing housing opportunities by allocating 10% of all rental units to be attainable for households earning 80% AMI. Furthermore, the proposed development is adding 70,000 SF of loft office space that aims to provide opportunities for small women and minority-owned businesses. Finally, the proposed development is providing 6,100 SF of newly renovated space for the Boys and Girls Club of Athens to start their new Youth Force initiative at no cost.

The proposed development aligns with the long-range goals of the 2018 Comprehensive Plan. The proposed development addresses several goals related to land use, “place”, neighborhoods, “foundation”, and infrastructure.

- “Given the county’s small geographic area, redevelopment should be prioritized over greenfield development as plenty of opportunity exists to improve blight along corridors and gateways, strip malls, industrial sites, and aging apartments” (Page 31).
- **“Goal:** Housing options that reflect diversity and meet the needs of the community, including housing for families and a diverse workforce. These are quality options with a variety of types, prices, and locations.” (Page 28).
- **“Goal:** A vibrant and physically attractive community with a variety of places and equitable access to parks, open space, and other community gathering places. Development and redevelopment – with redevelopment as a priority – are well considered, appropriately placed, and have a positive and thoughtful economic, social, and environmental impact” (Page 32).
- **“Goal:** Our neighborhoods will be vibrant, safe, and stable places where residents interact with each other and have access to a range of diverse housing types, public spaces, and services” (Page 35).
- **“Goal:** Increased range of transportation options – including walking, biking, transit, and driving – that provide efficient, safe, affordable, and equitable access throughout the community and connect to the region and the world (through rail and air service)” (Page 46).
- **“Goal:** Well-maintained infrastructure is strategically expanded and upgraded in full consideration of environmental sustainability to unlock economic potential and help meet the needs of individuals” (Page 49).

This TAD funding request is consistent with Athens-Clarke County’s TAD policies and procedures established in the Redevelopment Plan.

A) Purposes/Uses of TAD Funds

- a) The Georgia Square Mall Redevelopment conforms with eligible uses for TAD funds including renovation, rehabilitation, reconstruction, repair or demolition of any existing building, creation or improvement of public spaces, and creation or improvement of pedestrian access and safety.

B) Positive Local/Regional Economic Impacts

- a) The Georgia Square Mall Redevelopment will add over 1,100 new households that will support new and existing local businesses.

C) Potential legitimate needs for TAD contributions to overcome poor development economics

Georgia Square Mall Redevelopment TAD Funding Application

- a) This TAD request is intended to help overcome the site's challenging economics which has stymied redevelopment for several years. This is the first TAD redevelopment proposal in Athens-Clarke County since the TAD redevelopment plan was established in 2020 and is the first project to take on the area's market challenges. The Athens Development Group has worked extensively with ACC Staff to negotiate extensive zoning, land use, and development constraints for the Georgia Square Mall site which, if implemented, will create a new style of higher-end development that does not currently exist in the local real estate market. The development economics to support these constraints will require more expensive development costs related to parking, structures, landscaping, public amenities, and infrastructure than is currently required on any site in the Athens Clarke-County market. Local real estate market conditions will not currently support the additional expenses; however, we all agree that the successful implementation of this redevelopment project has the potential to redefine those local economics at a higher level, both on the site itself and as a "halo effect" that will catalyze redevelopment of other underdeveloped properties in the area. Without support from the Tax Allocation District, this project will not be able to move forward as envisioned.
- D) Project Benefits and Return on Public Investment:** The Athens Development Group is investing over \$333 million to the transformation of this site into a transcendent community hub for Athens-Clarke County. An investment of this scale would create additional impacts for the surrounding community and municipal government – including over 1,800 of new jobs, \$8 million in sales taxes collected annually, and new opportunities for living, shopping, recreation, and entertainment. The TAD Bonds would be secured solely by the incremental (increased) property tax revenue generated within the TAD from the redevelopment of the Mall.

Thank you for considering the Georgia Square Mall Redevelopment for TAD Funding.

A handwritten signature in black ink, appearing to read 'Mark Jennings', with a large, sweeping flourish extending to the right.

Mark Jennings
Founding Partner
The Leaven Group



Date Application Filed: 11/4/22 **TAD Meeting:** 1/25/23-2/3/23 **Mayor & Commission Meeting:** Jan.31 and Feb.7

Application Fee: ☒ **Cash** **Check No.** 1100 (Received) **Receipt No.** _____

Application Taken By: Caitlin Dye **Date:** Updated Cover Letter-1/11/23

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PART II: DEVELOPMENT PROFESSIONAL TEAM

A. PROJECT ARCHITECT:

Company Name: Dynamix Design

Primary Contact Name: David Yung

Address: 5901 Peachtree Dunwoody Rd. Suite 250 Atlanta, GA 30328

Phone: 678-506-8830

Email: dyung@dynamikdesign.com

B. CIVIL/TRAFFIC ENGINEER:

Company Name: W&A Engineering

Primary Contact Name: Jon Williams

Address: 355 Oneta St. Suite D100 Athens GA 30601

Phone: 706-310-0400

Email: jwilliams@bc-collaborative.com

C. CONTRACTOR:

General Contractor Name: Balfour Beatty

Primary Contact Name: Paul Kelley

Address: 300 Galleria Parkway #2050 Atlanta GA 30339

Phone: 904-334-0367

Email: pkelley@balfourbeattyus.com

D. PROPERTY MANAGER (IF APPLICABLE):

Company Name: Hendon Properties

Primary Contact Name: Jerry Pascaul

Address: 3445 Peachtree Rd. NE Suite 405 Atlanta, GA 30326

Phone: 404-262-7400

Email:

E. APPLICANT'S ATTORNEY:

Legal Firm Name: McGuireWoods LLP

Primary Contact Name: Kenneth M. Neighbors

Address: 1230 Peachtree Street NE Suite 2100 Atlanta, GA 30309-3534

Phone: 404-443-5710

Email: kneighbors@mcguirewoods.com

F. OTHER:

Company Name:

Primary Contact Name:

Address:

Phone:

Email:

Role:

PART III: GENERAL PROJECT INFORMATION

A. GENERAL PROJECT DESCRIPTION:

Tax Parcel(s): 073 016T, 073 016K, 073 016F, 073 016J, 073 016S, 073 016 District #:
Location/Address: 3700 Atlanta Hwy, Athens, GA 30606 Zoning: C-G
Existing Use(s): Regional Mall Size: 74.81 AC
Current Full Value: \$25,091,105 Current Assessed Value (40%): \$10,036,442
Current Annual Real Property Tax Bills: \$137,499 \$200,729
(Athens-Clarke County Unified Government) (School)

Estimated Existing Total Population Residing Within Development Site: 0

Estimated Existing Public School Enrollment Residing Within Development Site: 0

Proposed Demolition of Existing Structures (If applicable, describe the amount of existing building SF and current uses of buildings to be demolished. Include the number of existing total and occupied housing units): Existing structure is 1 million SF of a regional mall, 740,000 SF will be demolished.

Permanent Job Creation/Retention Associated with Development (If Applicable): 1,035

Estimated Annual Property Taxes Generated: \$2,129,117 \$3,108,200
(Unified Government) (School)

B. PROJECT (USE) MIX:

	# Units	Building Area (SF)	% of Building Area
Residential	1,183		55%
Retail		282,000	14%
Office		70,000	10%
Other:			21%
Parking Structures (Spaces)		2,898 spaces	
TOTAL	1,183	352,000 SF, 2,898 parking spaces	100%

1) Construction Type (New Construction, Rehab, Conversion, etc.): Combination of new construction and renovation to partial element of existing mall structure.

C. RESIDENTIAL DETAIL (IF APPLICABLE):

1) Ownership Housing Unit Mix:

	# Units	Size Range (SF)	Average SF	Average Sale Price
Studio				
1 Bedroom				
2 Bedroom	21	1,600 - 1,800	1,700	
3 Bedroom	105	1,950 - 2,150	2,050	
4+ Bedroom	86	2,200 - 2,500	2,350	
TOTAL	212	1,600 - 2,500	2,050	

2) Rental Housing Unit Mix:

	# Units	Size Range (SF)	Average SF	Average Lease Price
Studio	112	570 - 655	613	
1 Bedroom	526	757 - 836	797	
2 Bedroom	292	1,116 - 1,226	1,171	
3 Bedroom	56	1,425 - 1,500	1,463	
4+ Bedroom	0			
TOTAL	986	570 - 1,500	1,011	

D. DESCRIBE PLANNED UNIT FEATURES, FINISHES & AMENITIES (PROVIDE VISUALS IF AVAILABLE):

See Supporting Exhibit 3D.

E. DESCRIBE PLANNED PROJECT AMENITIES (RECREATIONAL AMENITIES, OPEN SPACE, ETC.):

Please see the Project Proposed Community Benefits described in Part IV of this application.

F. NONRESIDENTIAL DETAIL (IF APPLICABLE):

	# Units	Size Range (SF)	Average SF	Avg. Sale (\$/SF)	Avg. Lease (\$/SF)
Office	70,000 SF	10,000 - 30,000	10,000		
Retail	282,000 SF	3,500 - 25,000	3,500		
Other					
TOTAL					

G. ESTIMATED PROJECT COMPLETION (END) VALUE: (Estimate the total sell out value of the project. Include a value estimate for any buildings retained by the Applicant) \$627,391,294

H. DESCRIBE THE PROPOSED USES OF TAD FUNDS & ITEMIZE THE DISTRIBUTION OF THOSE COSTS:

See Supporting Exhibit 3H.

I. SUPPORTING DOCUMENTS TO BE SUBMITTED:

- 1) Existing Conditions Photos
- 2) Location & Project Boundary Maps
- 3) Conceptual Site Plan (if unavailable, provide an estimated delivery date for a site plan)
- 4) Project Architectural Rendering or Conceptual Elevation Drawings (if available)

PART IV. PROJECT PROPOSED COMMUNITY BENEFITS

A. GOALS & PRIORITIES FOR USE OF TAD FUNDS: Please indicate which priority the project addresses, and how it aligns. Please be specific.

- ☐ **Housing Opportunities:** This goal targets residential development opportunities to provide at least 20% of dwelling units at permanently affordable at 80% of Area Median Income.

See Supporting Exhibit 4A.

- ☐ **Economic Development Partnership Opportunities:** This provides for infrastructure support that creates opportunities for job creation, innovation, incubators, accelerators, and similar spaces to provide high wage employment in ACC. Private enterprise redevelopment opportunities are also included.

See Supporting Exhibit 4A.

- ☐ **Clarke Co. School District (CCSD) & Youth Development:** This provides the opportunity to collaborate with youth support providers, including CCSD, to create optimal spaces for youth development and support of school system needs.

See Supporting Exhibit 4A.

- ☐ **Public Infrastructure Needs:** This includes bike and pedestrian facilities, parks and greenspace, intersection improvements, livestream pipe replacement, stormwater facilities and other public spaces, facilities, and infrastructure

See Supporting Exhibit 4A.

B. In what ways does the project demonstrate a commitment to sustainable design, including water and energy efficiency, recycling and waste reduction, use of green technologies?

This project will greatly enhance the current mall as we know it today. We will be removing over 10 acres of existing asphalt parking lot and replacing it with landscaped and planted areas. We are proposing to build a new stormwater retention facility on-site that will greatly improve the drainage and run off areas due to the current impervious conditions on-site.

Finally all new commercial construction will be built to LEED building standards, which will be a vast improvement over the current structure and systems that were built in the early 1980's.

C. What other community benefits will your project create that should be considered?

See Supporting Exhibit 4C.

PART V. PROJECT ECONOMICS

A. FINANCING SOURCES:

	Applicable? (Y/N)	Financing Amount	% of Total Cost
1) Conventional Debt		\$261,165,387	55%
2) Government Loans (Describe)			
3) State/Federal Grants (List Sources)			
4) Tax Credits			
5) Other Debt			
6) Contributed Equity		\$72,505,771	15.27%
7) Others Sources			
8) TAD Funding Request		\$141,175,000	29.73%
TOTAL		\$474,846,158	100%

B. EQUITY – Describe the amount and source(s) of Applicant's equity to be supplied to the development.

Equity will be provided by the Athens Development Group. Limited partners investments might be utilized on certain phases of the project.

C. ESTIMATED FINANCING TERMS – Estimate interest rates/costs of debt financing to be used.

Traditional bank backed construction loans will be used to finance the project.

D. DISCOUNTED CASH FLOW ANALYSIS – Submit a DCFA reflecting the period from start-up through construction, stabilization, and total sell out. If a portion of the property is to be retained by the Applicant, provide an estimate of the residual value of the retained property. (The Applicant may submit its own pro forma.).

See Supporting Exhibit 5D.

- E. **CONSTRUCTION COST ESTIMATES** – Include in the development pro forma a detailed estimate of all construction hard and soft costs. Any costs associated with proposed uses of TAD funds as described above should be itemized separately for verification.

See Supporting Exhibit 5E.

- F. **INCOME PROJECTIONS FROM SALES & LEASING ACTIVITY**– Provide detailed revenue estimates from sales and leasing activity. If space is to be leased and retained in the Applicant's ownership after completion, include stabilized occupancy and lease rate projections. If space is to be sold, include projected absorption rates, unit price appreciation, and related assumptions.

See Supporting Exhibit 5F.

- G. **MARKET EVIDENCE**– Describe the sources of comparable sales/leases and/or other market evidence relied upon as a basis for the proposed prices and absorption rates indicated above.

See Supporting Exhibit 5G.

- H. **ROI**– Calculate projected returns on equity to be provided by the Applicant, with and without the requested TAD contribution. If more than one investor is contributing equity to the project, calculate ROI to individual investment entities.

See Supporting Exhibit 5H.

PART VI: SITE CONTROL, ZONING & SCHEDULE

- A. Provide evidence of site control in the form of copies of deed(s), contracts for purchase, land lease agreement, etc.

- B. Indicate the requested zoning designation(s) for the project site:

The Athens Development group is filing for a PD rezoning.

- C. Is site currently zoned for its intended use(s)? If no, describe the timeline for obtaining zoning approvals.

Rezoning has been applied for and is current under consideration. Rezoning is on the February agenda.

- D. Have all required site plan approvals and/or variances been obtained? If no, describe the timeline for obtaining the plan and/or variance approvals.

The variances are part of the above zoning application and consideration.

E. Provide a copy of findings from the Phase I Environmental Report. If a Phase I Environmental Report has not been prepared, provide a timeline for submitting the report.

See Supporting Exhibit 6E.

F. Include a project construction schedule that describes the time frames and estimated milestones for acquiring financing, completing plans and specifications, permitting, and construction. The construction schedule should identify target dates for the following major milestones:

- 1) Obtain Financing Commitments
- 2) Detailed (Final) Site Plan Approval
- 3) Real Estate Closing Date (If Applicable)
- 4) Construction Start Date
- 5) Estimated Completion Date
- 6) Target Date for First Units Sold or Leased

PART VII: CERTIFICATIONS

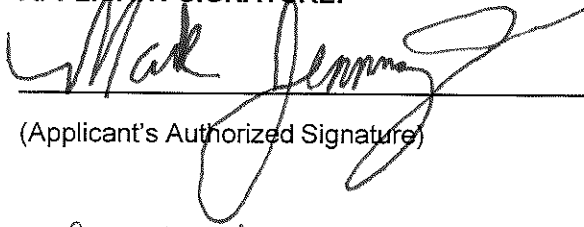
The undersigned Applicant hereby certifies to the best of his/her/their knowledge and belief, that the information in this application is true, correct and complete. The undersigned further represents that he/she/they has the authority to bind the Applicant and all individuals and entities herein to this warranty of truthfulness and completeness of the application.

The Applicant further acknowledges having read all applicable sections of The Unified Government of Athens-Clarke County Policies and Procedures governing the disposition of requests for TAD financing assistance. The Applicant understands and agrees to abide by all provisions of applicable Georgia statutes.

PART VIII: COMMUNITY BENEFIT AGREEMENT

The Applicant acknowledges that the Unified Government of Athens-Clarke County (ACC) shall incur no TAD funding obligation as the result of its accepting this Application or of a favorable vote on this Application by the TAD Advisory Committee. Rather, ACC shall not be obligated as regards TAD funding unless and until a mutually satisfactory Community Benefits Agreement is approved by and fully executed by, and delivered to, ACC and the Applicant, provided, that any funding obligation of ACC under any such Community Benefits Agreement shall be limited as provided therein and in any event the sole source for payment thereof shall be the legally available and unrestricted positive tax allocation increment of this taxallocation district.

APPLICANT SIGNATURE:



(Applicant's Authorized Signature)

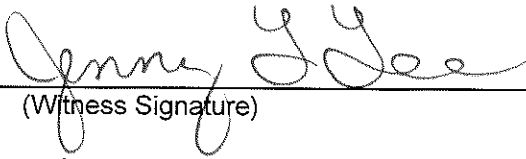
Date: 11/4/22

Mark Jennings

Title: 11/4/22

(Typed or Printed Name)

WITNESS SIGNATURE:



(Witness Signature)

Date: 11/4/22

Jenny Lee

(Typed or Printed Name)

Application **WITHDRAWAL** Notification: I (We) hereby withdraw the above application.

SIGNED _____

Supporting Exhibits

3D. Describe Planned Units Features, Finishes & Amenities:

The following provides a summary of the key Project amenities contingent upon approval of the requested tax allocation district bond financing:

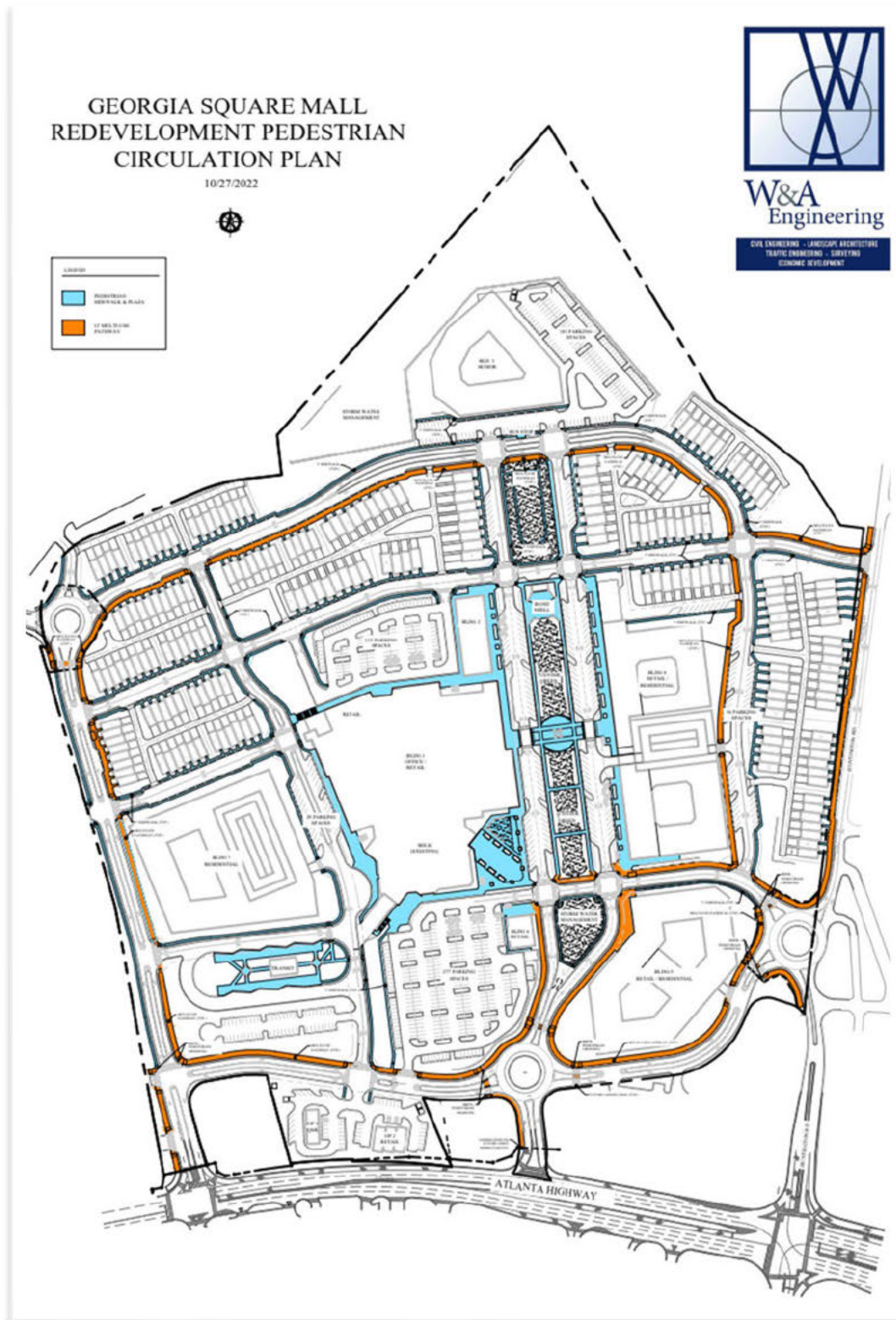
- 12-foot-wide multi-use trail (bike and pedestrian). Please see the attached Exhibit 3D depicting the same. The trail will connect to neighboring properties as well as create a “ring” around the property. Notably, a total of 7,818 linear feet of paths will be constructed as part of the Project. This enhanced connectivity within and to the Project will enhance non-vehicular circulation and increase the prospect for value creation off-site and in the vicinity of the Project due to this connectivity.
- Substantial increase in green space and open space. We are providing a 37% ratio of green and open space to developed space, which is well above the present code requirements. Included in the planned greenspace area is, among other features, a large central park. A performance stage represents a key design element of the central park, which will be a neighborhood and regional draw with the planned programming and events. These attributes reflect the features included in catalytic developments throughout signature markets in the State of Georgia and other major metropolitan areas.
- A multi-modal station providing bus service for Athens/Clarke County and an express route to Downtown. The bus station element provides a substantial benefit to residents wishing to manage their total living costs and is particularly beneficial to the workforce and affordable housing residents. This feature also provides the opportunity to reduce vehicular traffic in and around the Project location and creates a desirable transit-oriented development project attribute.
- New and enhanced stormwater features that will be aesthetically pleasing but also improve the onsite and surrounding regional drainage issues in the area. Here again, this design feature reflects a best practice in the development of catalytic projects and blends seamlessly with the other greenspace and open space Project elements. The new stormwater infrastructure aligns with conclusions and recommendations from ACC’s 2018 Watershed Management Plan.
- Enhanced pedestrian, bicycle, and vehicular circulation (including 3 new traffic circles, raised and lighted crosswalks, and sidewalks connecting to neighboring properties). The Project will also be developed in a manner that creates an urban street grid, increasing the aesthetic value and catalytic impact of the Project.
- Playground areas for children.
- Dog parks.
- Bicycle storage and repair facilities.

The foregoing Project amenities serve to create a new, walkable, and pedestrian-friendly environment connecting seamlessly with planned retail spaces.



Supporting Exhibits

3D. Describe Planned Units Features, Finishes & Amenities



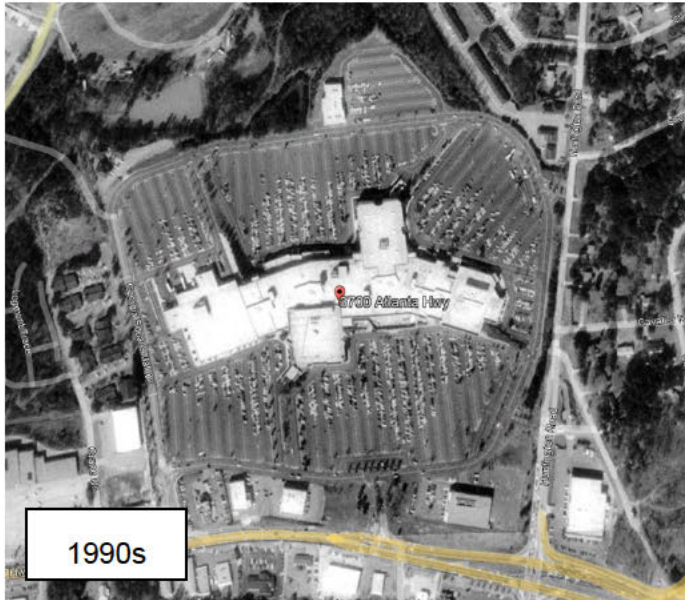
Supporting Exhibits

3H| Detailed Use of TAD Funds Budget

<u>Proposed Use of TAD Funds</u>	
<u>Public Infrastructure</u>	Amount
Bike and Pedestrian Facilities and Paths. (12 ft wide multi use path around the property and also connecting to neighboring parcels. A total of 7,818 linear feet of paths will be constructed. Exhibit depicting extent of paths is attached. 160 bicycle parking spaces along with bicycle storage and repair facilities are included.)	\$5,030,281
Parks and Greenspace. (There will be a 20 ACRE reduction of impervious surfaces)	\$17,729,278
Intersection Improvements. (3 traffic circles, pedestrian cross walks, urban street grid/intersections)	\$11,385,951
Stormwater Remediation and Facilities. (Storm facilities to bring current site to code and also help alleviate the regional stormwater issues for the surrounding properties. Detention facilities are designed to be aesthetically pleasing and incorporated into the common areas)	\$13,100,007
Common Areas and Public Spaces. (Central gathering courtyard and enhanced pedestrian experiences at retail storefronts)	\$4,393,031
Infrastructure (Paving and curb/gutter for new street grid and road layout)	\$9,546,018
Landscape/Sitework/Utility (Installation of 1,024 trees that are 2" caliper or greater. Reforestation of 24,500 sf of green space. Utility services and network brought up to current requirements)	\$7,328,316
Transit Station. Multi Modal station with on site parking for ACC bus service as well as 3 public on site bus stops	\$9,268,529
Urban/Dense apartment construction. (Premium over garden style ground level apartments include; Structured parking decks, vertical transportation, enhanced building construction code requirements.)	\$46,611,591
<u>Affordable Housing</u>	\$15,582,005
10% at 80% AMI	
<u>CCSD and Youth Development</u>	\$1,200,000
Boys and Girls Club venue	
(YouthForce pilot program. See exhibits for detail. Rent and buildout of tenant space donated. Transportation shuttle provided to area school children at no expense. Professional staff and equipment included)	
TOTAL	\$141,175,006

Supporting Exhibits

3I. 1) Existing Conditions Photos



Supporting Exhibits

3I. 1) Existing Conditions Photos





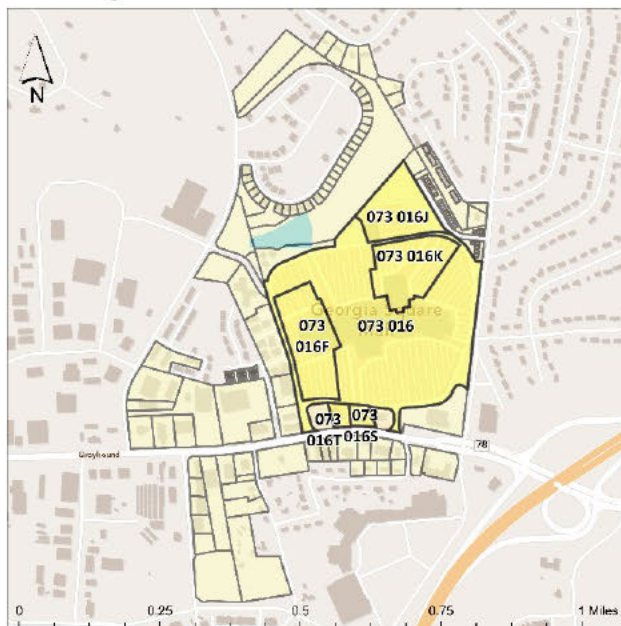


Supporting Exhibits

3I. 2) Location & Project Boundary Maps

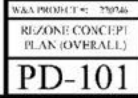
Parcels in Georgia Square Mall Redevelopment Assemblage (Source: Athens-Clarke County Tax Assessor)

Site Map



Georgia Square Redevelopment Parcels and Tax Digest Values

Parcel ID	Acres	Owner	Zoning	2022 Appr. Val.	2022 Assd. Val.
073 016T	0.93	KDI ATHENS MALL LLC	C-G	\$696,359	\$278,544
073 016K	8.78	KDI ATHENS ANCHOR LLC	C-G	\$2,920,412	\$1,168,165
073 016F	10.49	ATHENS CONSTRUCTION GROUP PROPERTY HOLDINGS LLC	C-G	\$3,000,000	\$1,200,000
073 016J	8.67	ATHENS CONSTRUCTION GROUP PROPERTY HOLDINGS LLC	C-G	\$1,601,526	\$640,610
073 016S	0.96	KDI ATHENS OUTPARCELS LLC	C-G	\$872,808	\$349,123
073 016	44.98	KDI ATHENS MALL LLC	C-G	\$16,000,000	\$6,400,000
Total	74.81			\$25,091,105	\$10,036,442



Supporting Exhibits

3I. 4) Project Architectural Rendering



Supporting Exhibits

3I. 4) Project Architectural Elevations



Supporting Exhibits

4A. Goals and Priorities for Use of TAD Funds

- **Housing Opportunities:** This goal targets residential development opportunities to provide at least 20% of dwelling units at permanently affordable at 80% of the Area Median Income.

Due to the intensity and enhanced cost of the above referenced Project amenities, the Project will include the development and leasing of 10% of the multifamily units at rental prices affordable to individuals and families earning not to exceed 80% of Area Median Income (or “AMI”), adjusted for family size. The affordable units will be built and finished exactly the same as the market-rate units. The affordable units will also be scattered throughout the property and not confined to a certain area or floor. This, too, reflects a best practice in the development of affordable housing designed to transform opportunities and outcomes. Additionally, 10% of each unit type (e.g., 1, 2, and 3 bedrooms) will be subject to the planned affordable requirement; not just one floor plan.

We are considering strategies that will make the affordable housing units permanent, versus subject to a more limited affordability period and are working with counsel familiar with best practices in creating “durable” affordable housing. In addition, we are working on strategies to market the affordable and market-rate units to governmental employees (e.g., teachers, police officers, firefighters, and other public service employees).

- **Economic Development Partnership Opportunities:** This provides for infrastructure support that creates opportunities for job creation, innovation, incubators, accelerators, and similar spaces to provide high wage employment in ACC. Private enterprise redevelopment opportunities are also included.

As part of the adaptive reuse of the mall, we are converting a significant portion of the remaining, second floor of the mall (approximately 70,000 square feet) into loft office-type space. This office component provides us with the opportunity to develop an affordable, commercial office component aimed at allowing small, minority, and women-owned businesses (S/M/WBEs) an opportunity to participate in the resurgence of the mall and the surrounding area. This is an attribute commonly missed in similar, catalytic development projects and best reflects the emerging principles of equitable development. In addition, the development team is developing and implementing a workforce training and recruitment program designed to provide S/M/WBEs and others suffering economic displacement with an opportunity to meaningfully participate in construction opportunities created by the Project.

- **Clarke Co. School District (CCSD) & Youth Development:** This provides the opportunity to collaborate with youth support providers, including CCSD, to create optimal spaces for youth development and support of school system needs.

We are in the process of building out and creating 6,100 square feet of newly renovated mall space, which will be leased to the Boys and Girls Club of Athens to kick start their Youth Force initiative AT NO COST. Please see the description of the Youth Force program attached. As part of this initiative, we are actively working on an educational partnership with CCSD to identify students to participate in the Boys and Girls Club's programming at this facility. As a part of this educational partnership, we are committed to working with CCSD to develop enhanced programming which correlates to educational and other needs and objectives identified by CCSD representatives and raising and contributing scholarship funding for the fees and expenses associated with participation of the identified students who attend the elementary schools zoned for the Project area. In addition, we are working on an arts enhancement program that will provide CCSD the opportunity to showcase plays, jazz and concert band, and other school utilization of the performing arts stage in the central park.

Public Infrastructure Needs: This includes bike and pedestrian facilities, parks and greenspace, intersection improvements, livestream pipe replacement, stormwater facilities and other public spaces, facilities, and infrastructure

Please see the Project amenities set forth elsewhere in this application. Here it is important to note that the master plan for the Project reflects numerous public amenities and design features identified in extensive planning discussions with city leadership, all with the common view of making the Project a catalytic driver for West Athens, avoiding the prospect of a "ghost" mall and/or avoiding the construction of a base level of massed apartments and other development elements which, while in compliance with existing zoning without further action, would result in a missed opportunity for the community. The TAD funding is essential to make the Project a destination and economic development driver in West Athens. Notably, there are very few sites in Athens which present a shared opportunity, through a public-private initiative such as the tax allocation district, to advance the aesthetic and economic health of the community.

Supporting Exhibits

4A. Goals and Priorities for Use of TAD Funds



 greatfuturesathens.com

 706-546-5910

 705 Fourth St. Athens, GA 30601

Dear Pipeline Partner:

YouthForce is committed to developing an engaged, inclusive and skilled workforce in Northeast Georgia, and surrounding areas. Our motto, "You can't be what you can't see", is rooted in exposing youth to existing workforce pathways. We aim to train youth with the skills and confidence needed to secure and retain employment. We'd like to highlight our early success with our summer workforce initiative. In the last two months, we've succeeded in creating nine new community partners directly impacting 200 plus new teen members, and providing over 8100 service hours to those students.

As we move into the second phase of our YouthForce initiative, we count on your support and commitment to ensure our objectives and goals are met. YouthForce is committed to developing a pathway to employment for all youth that walk through our doors. Such a task requires commitment and consistency. We believe a skilled workforce is the foundation for a strong community.

The second phase of our program includes the creation of our new YouthForce Innovation Center located in Georgia Square Mall. The 6100 square foot facility will include space for manufacturing process training, robotics, coding and soft skills development for teens. Participants will also receive skill specific training in six employment pathways through virtual reality portals. Be sure to review our YouthForce report, and thank you for your commitment to shaping the future workforce of Northeast Georgia.

Sincerely,

Sterling Gardner

Sterling Gardner
Vice President of Workforce
Development / YouthForce
Boys & Girls Clubs of Athens, Inc.

Supporting Exhibits

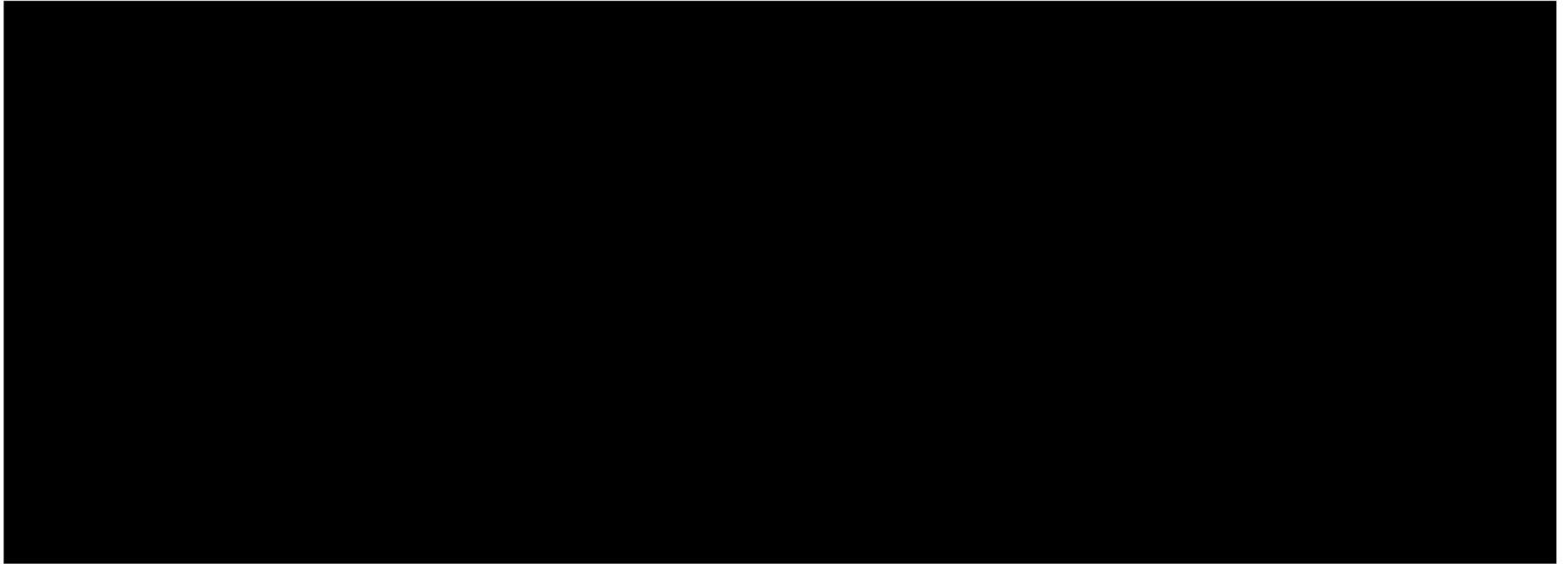
4C. Project Proposed Community Benefits

Please see the Project amenities and community benefits described elsewhere in this application. In addition, set forth below are additional community benefits which evidence our commitment to the Project and the local community:

- *Bike and Pedestrian Facilities and Paths:* 12 ft wide multi-use path around the property and also connecting to neighboring parcels. A total of 7,818 linear feet of paths will be constructed. Bike storage and repair facilities will be included.
- *Parks and Greenspace:* There will be a 20-acre reduction of impervious surfaces.
- *Intersection Improvements:* 3 traffic circles, pedestrian crosswalks, urban street grid/intersections.
- *Stormwater Remediation and Facilities:* Storm facilities to bring the current site to code and also help alleviate the regional stormwater issues for the surrounding properties. Detention facilities are designed to be aesthetically pleasing and incorporated into the common areas.
- *Common Areas and Public Spaces:* Central gathering courtyard and enhanced pedestrian experiences at retail storefronts.
- *Infrastructure:* Paving and curb/gutter for the new street grid and road layout.
- *Landscape/Sitework/Utility:* Installation of 1,024 trees that are 2" caliper or greater. Reforestation of 24,500 sf of green space. Utility services and network brought up to current requirements.
- *Transit Station:* Multi-Modal station with onsite parking for ACC bus service as well as 3 public on site bus stops.

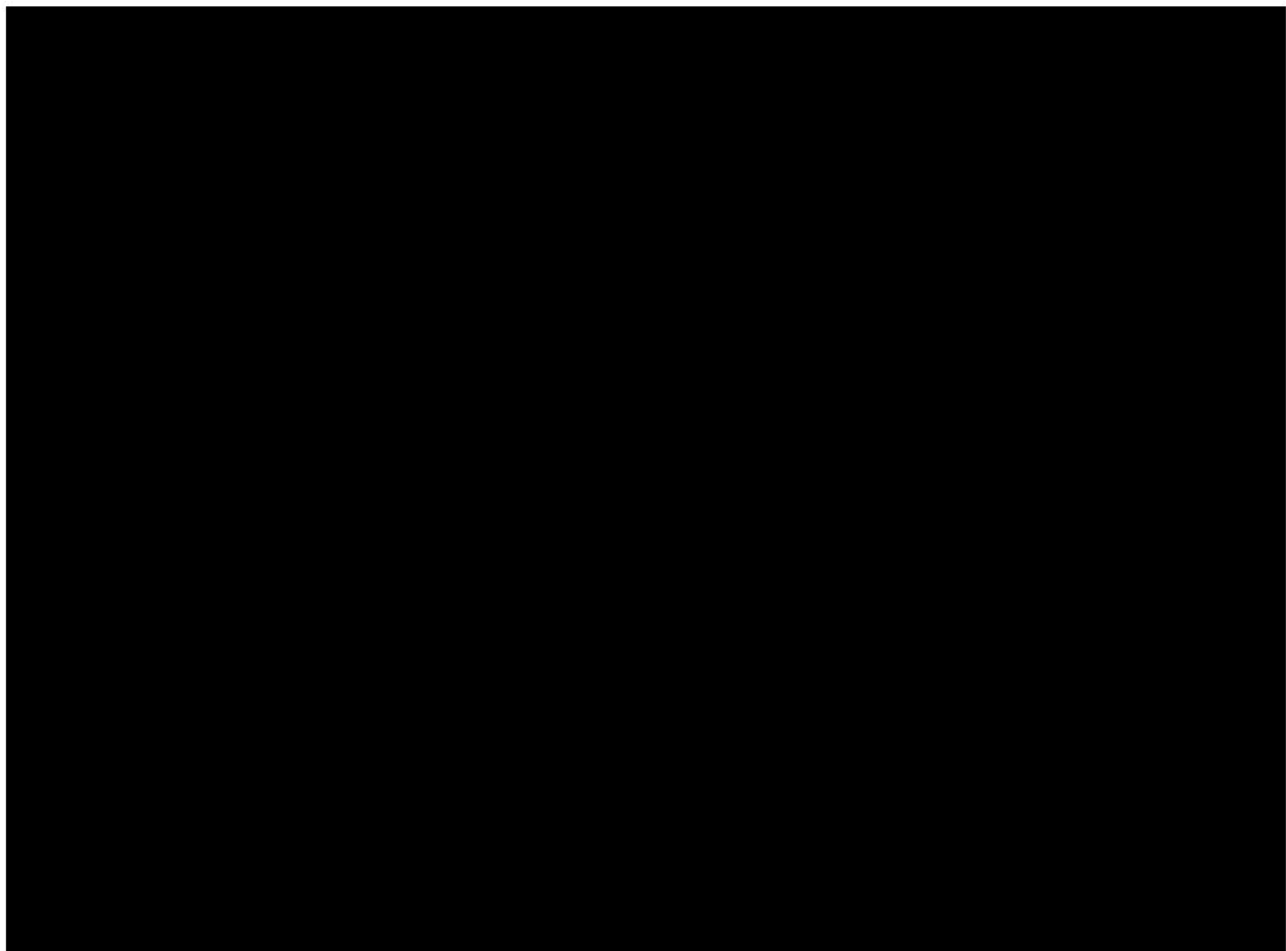
Supporting Exhibits

5D. Discounted Cash Flow Analysis



Supporting Exhibits

5E. Construction Cost Estimates



Supporting Exhibits

5F. Income Projections from Sales and Leasing Activity



Supporting Exhibits

5G. Market Evidence

A comprehensive residential market analysis was conducted by Noell Consulting Group in June of 2022. The development team recognizes the importance of development principles that are supported by market evidence. The conclusions of the market study support the proposed development program.







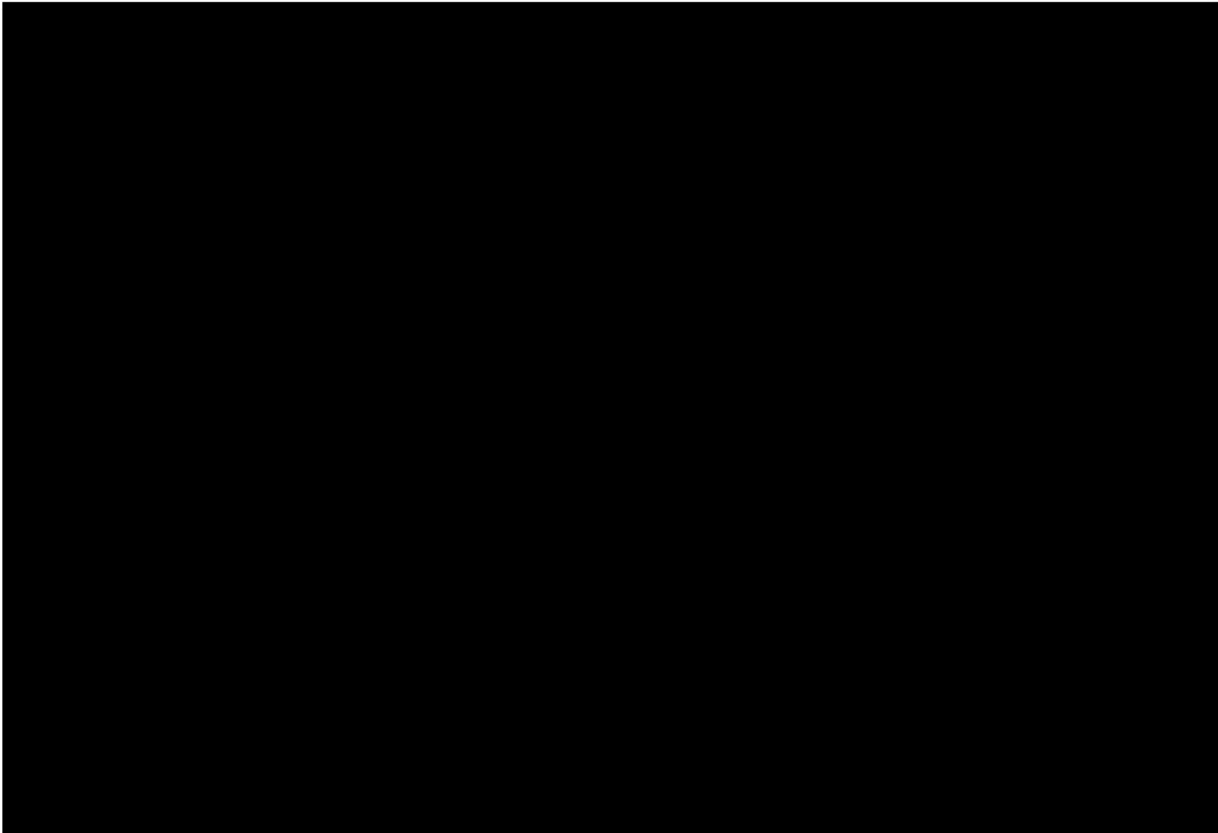
GEORGIA SQUARE MALL REDEVELOPMENT UPDATE
FOR-SALE AND RENTAL RESIDENTIAL MARKET ANALYSIS UPDATE

ATHENS DEVELOPMENT GROUP
JUNE 2022

www.NoellConsulting.com CONTACT | 404.681.0006

Supporting Exhibits

5H. ROI



Supporting Exhibits

6A. Evidence of Site Control

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is dated as of October __, 2020 (the "Effective Date") and is hereby made and entered into by and between **KDI ATHENS MALL, LLC**, a Georgia limited liability company, **KDI ATHENS ANCHOR, LLC**, a Georgia limited liability company, and **KDI ATHENS OUTPARCELS, LLC**, a Georgia limited liability company (hereinafter collectively referred to as the "Seller"), and **MARK JENNINGS**, an individual resident of the state of Georgia (hereinafter referred to as the "Purchaser").

1. Purchase and Sale. The undersigned Purchaser agrees to buy, and the undersigned Seller agrees to sell all that tract or parcel of land, with such improvements as are located thereon, described as follows: All that tract of land containing approximately _____ acres more or less located on Atlanta Highway, City of Athens in Clarke County, Georgia, which real property is described on Exhibit "A", attached hereto and made a part hereof, together with (i) all rights, privileges, easements, appurtenances, (ii) all buildings, structures, improvements, topsoil, trees, timber and minerals located thereunder or thereon, (iii) Seller's interest as landlord in the lease agreements described on Exhibit "B", attached hereto and made a part hereof (the "Leases"), and (iv) all equipment, fixtures, furniture, supplies, stock for maintenance or tenant improvement purposes and other personal property of Seller relating thereto, including the following (collectively, the "Property"):

- (a) Georgia Square Mall parcel with surrounding parking (45.44 acres approximately);
- (b) Former Macy's building with related parking (8.78 acres approximately);
- (c) Pep Boys building with surrounding parking (3.77 acres approximately);
- (d) Two (2) buildings with related parking near Atlanta Highway access (3.5 acres approximately);
- (e) Belk building; and
- (f) JC Penney building.

Notwithstanding anything to the contrary contained herein, the Property shall not include (i) the former Sears building located at 3700 Atlanta Highway, Athens, Georgia (Tax Parcel ID # 073 016F) or (ii) Georgia Square Mall Theatre located at 3700 Atlanta Highway, Athens, Georgia (Tax Parcel ID # 073 016K).

2. Purchase Price. Seller shall sell and transfer the Property to Purchaser, and Purchaser shall purchase the Property from Seller and pay to Seller, by federal wire transfer or other immediately available funds at Closing, the sum of _____ (the "Purchase Price") which Purchaser agrees to pay.

3. Earnest Money. Within five business days from the Final Execution Date of this agreement the Purchaser shall deposit in escrow with First American Title Insurance Company (the "Escrow Agent"), the sum of Fifty Thousand and NO/100 Dollars (\$50,000.00) ("Initial Earnest Money"). The Initial Earnest Money and the Additional Earnest Money (as defined in Section 7) shall be referred to herein, collectively as the "Earnest Money". Upon expiration of the Feasibility Period, in the absence of an uncured default by Seller, and except to the extent otherwise set forth herein, the Earnest Money shall be non-refundable and shall be applied for Purchaser's benefit against the Purchase Price at Closing. The Earnest Money shall be applied as a credit to the Purchaser against the Purchase Price at time of closing. Purchaser shall pay all escrow fees which are charged by Escrow Agent, and Seller and Purchaser each agree to execute and deliver all documents which are reasonably requested by Escrow Agent to effectuate the escrow of the Earnest Money.

4. Closing and Possession. The sale shall be consummated via an escrow closing through the offices of Escrow Agent, at 3455 Peachtree Road NE, Suite 675, Atlanta, GA 30326, or at the Purchaser's option

Supporting Exhibits

6E| Environmental Assessment



PHASE I ENVIRONMENTAL SITE ASSESSMENT

**GEORGIA SQUARE MALL
3700 ATLANTA HIGHWAY
ATHENS, GEORGIA 30606**

CARDNO ATC PROJECT NO.: 90.27235.0003

JULY 22, 2013

Prepared by:

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Prepared for:

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