



October 1, 2018

Atlanta City Council
55 Trinity Avenue, SW
Suite 2900
Atlanta, GA 30303

Dear Honorable City Council:

For 159 years, the Metro Atlanta Chamber has engaged in civic, community and economic initiatives to help improve the city of Atlanta and our broader region. Our experience gives us a unique view into countless projects underway across our region, a well-informed perspective on the business community's role in each of them and an intense focus on efforts that can drive significant long-term benefits. The redevelopment of the Gulch is one such effort.

As we have followed this project over recent weeks, we understand Council's concern with the current time constraints as it works to fully digest the commitments and requirements of the Gulch project. We recognize the complexity of the project, the more than 600 pages of documents and third-party reviews that must be contemplated and reconciled before a vote can occur. We applaud the Council for requesting additional time to work with the Mayor's office, citizens, developer, businesses and community groups to vet this important project.

To aid in the review process, the Metro Atlanta Chamber offers to provide to Council independent resources for its use. In addition, we offer the following key facts to help clarify misinformation that has made its way into our public discourse. Upon City Council approval:

- CIM will privately fund up to \$700 million to build a platform that will provide the foundation for future development of the Gulch.
- CIM will contribute a total of \$59 million in community benefits, including funds for job training, affordable housing and community redevelopment.
- When development is in place and generating revenue, the city will begin collecting its portion of sales tax revenue (3.9% sales tax rate). At the same time, the state's (4%) sales tax rate and the local option sales tax (1%) generated from retail sales occurring on the property will begin to reimburse the initial infrastructure costs.
- There is no risk to the City of Atlanta: The city does not guarantee the bonds. The city has not pledged any existing tax dollars to the bonds. CIM will be the sole initial purchaser of the bonds and will assume all financial risk; not the city of Atlanta or the state. The bonds are the responsibility of the developer. Any loss under the bonds will not be the city's responsibility, it will be CIM's.
- Thirty-eight percent (38%) of project costs will be directed to women or minority-owned firms. Additionally, CIM will make a series of direct investments that will impact economic mobility, including: \$12 million for a community development fund, \$2 million in job training and \$28 million for an affordable housing fund.



- The project will comprise up to 3,000 new housing units, including at least 20 percent permanent affordable housing units (compared to the typical 20 years or less).
- The capacity space for passenger rail is being preserved. It will neither increase nor diminish because of this development. The status quo is unaffected, and the development doesn't preclude any future rail activities.

Unfortunately, the project has real time constraints that are, not surprisingly, associated with multiple public and private land holders and a complex real estate deal three years in the making. While a vote on October 1 would be ideal, we are hopeful Council can vote in favor of the Gulch project at the October 15 Council meeting, which would follow four weeks of review and deliberation.

We are clear that the redevelopment of the Gulch is an imperative worthy of deliberate, timely and thoughtful consideration. As we work toward our mission of making metro Atlanta more vibrant and prosperous, breathing new life into downtown Atlanta is a clear priority.

Sincerely,

A handwritten signature in black ink, appearing to read "Hala Modellmog", with a long, sweeping underline that extends to the right.

Hala Modellmog
President and CEO
Metro Atlanta Chamber

cc: Mayor Keisha Lance Bottoms
Eloisa Klementich, Invest Atlanta
David Abney, UPS
Harsha Agadi, Crawford & Co.
Ed Bastian, Delta Air Lines, Inc.
Mark Becker, Georgia State University
Frank Bisignano, First Data
Raphael Bostic, Federal Reserve Bank of Atlanta
Paul Bowers, Georgia Power
Paul Brown, Inspire Brands
Kevin Brown, Piedmont Healthcare
Mary Schmidt Campbell, Spelman College
Heath Campbell, BB&T
Bill Connors, Comcast
Mike Cote, SecureWorks
Alan Dabbieri, OneTrust
Dave Dase, Goldman, Sachs & Co.
Richard Deane, Jones Day
Mike Donnelly, Wells Fargo
Michael Doss, Graphic Packaging International, Inc.
John Dwyer, AT&T
Matt Echols, The Coca-Cola Company



Jimmy Etheredge, Accenture
Dietmar Exler, Mercedes-Benz USA
Tom Fanning, Southern Company
Christian Fischer, Georgia-Pacific
Steve Fisher, Novelis Inc.
Bob Fishman, NCR Corporation
Marty Flanagan, Invesco Ltd.
Tom Gallagher, Genuine Parts Company
Larry Gellerstedt, Cousins Properties Incorporated
Taylor Glover, Turner Enterprises, Inc.
Kim Greene, Southern Company Gas
Scott Hall, Mueller Water Products, Inc.
Kathy Harris, Sharecare
Richard Hays, Alston & Bird
Robert Hays, King & Spalding
Doug Hertz, United Distributors, Inc.
Ed Heys, Deloitte
Donna Hyland, Children's Healthcare of Atlanta
Sam Johnson, EY
Jenna Kelly, SunTrust Bank
Morgan Kendrick, Anthem, Inc.
Mark Kistulinec, The Boston Consulting Group
Steve Koonin, Atlanta Hawks & State Farm Arena
Mary Laschinger, Veritiv
Bill Leahy, AT&T
Steve Lewis, Troutman Sanders LLP
Bill Linginfelter, Regions Bank
Ryan Marshall, PulteGroup
Milford McGuirt, KPMG LLP
Penny McPhee, Arthur M. Blank Family Foundation
Allan Merrill, Beazer Homes
Eddie Meyers, PNC Bank
Laura Miles, Bain & Company, Inc.
Valerie Montgomery Rice, Morehouse School of Medicine
Bud Peterson, Georgia Institute of Technology
Marian Pittman, Cox Media Group
Steve Reis, McKinsey & Company
John Robinson, Aaron's, Inc.
Michael Russell, H.J. Russell & Company
Jim Simpson, Kaiser Permanente
Jeff Sloan, Global Payments Inc.
Ed Smith, Anthem
Jeff Sprecher, Intercontinental Exchange
Claire Sterk, Emory University
Wendy Stewart, Bank of America
Russell Stokes, GE Power
Carol Tomé, The Home Depot
Michael Traub, Serta Simmons Bedding



Bill Underwood, Mercer University
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Kevin Yates, Siemens