



HAPEVILLE DEVELOPMENT AUTHORITY

Join the live stream by [clicking this link](#)

June 10, 2024 6:00 PM

AGENDA

James Newton
Chairman

John Stalvey
Vice Chairman

Alan Hallman
Mayor

Cory Ellis
Board member

Matt Morrison
Board member

Joy Rinehart
Board member

J. Allen Poole
Board member

Ricky Clark
Board member

Susan Bailey
Board member

1. CALL TO ORDER:

2. ROLL CALL:

James Newton, Chairman
John Stalvey, Vice-Chairman
Alan Hallman, Mayor
Cory Ellis
Matt Morrison
Joy Rinehart
J. Allen Poole
Ricky Clark
Susan Bailey

3. WELCOME:

4. NEW BUSINESS:

- 4.I. Consideration and Action on request to approve third-party purchase of 3560 and 3572 Perkins Street and to authorize the Chair to execute any necessary documents to evidence approval of same.

Background:

The HDA sold two parcels off Perkins Street consisting of approximately 1.127 acres to CML Hapeville Perkins Sub LLC ("Coro") on January 23, 2023. The property is a part of a total 8.5 +/- acres that were simultaneously transferred to MRCT, which was set to build 300 high-end apartments. The limited warranty deed conveying the property included the typical covenants/restrictions the HDA requires for all of its transactions: (i) right to repurchase; (ii) right of first refusal; and (iii) right of approval for 3rd party buyers. It further requires the development to substantially comply with the site plan approved by the HDA. Due to market changes and other circumstances, MRCT decided not to move forward with the development. MRCT is now seeking HDA's approval to transfer the property to Terwilliger Pappas for development of the 300 apartments using the same architect and a similar site plan.

Documents:

1. Current View
2. Terwilliger Pappas - 2024_0405 Hapeville Site Plan
3. Hapeville Elevation Rendering 24.04.03
4. Solis Hapeville 3 (002)
5. HDA Deed
6. Hapeville Development Authority Meeting - June 10, 2024_Redacted

5. EXECUTIVE SESSION:

When Executive Session is Required one will be called for the following issues: 1) Litigation O.C.G.A. §50-14-2; 2) Real Estate O.C.G.A. §50-14-3(b)(1); or 3) Personnel O.C.G.A. §50-14-3(b)(2).

6. ADJOURN:





SITE INFORMATION

TOTAL SITE AREA (APPROX.): 8.79 AC
CURRENT ZONING: RMU

LEGEND

MULTIFAMILY

- (M1) 4 STORY (TYPE VA) - 2 BUILDINGS
TOTAL : 80 UNITS (40 UNITS/BLDG)
- (M2) 4 STORY (TYPE VA) - 1 BUILDING
TOTAL : 40 UNITS
- (M3) 3 STORY (TYPE VA) - 2 BUILDINGS
TOTAL : 60 UNITS (30 UNITS/BLDG)
- (M4) 4 STORY (TYPE VA) - 1 BUILDING
TOTAL : 55 UNITS
- (M5) 3 STORY ABOVE 1 STORY RETAIL, LEASING AND AMENITIES (TYPE VA)
TOTAL : 70 UNITS

TOTAL UNITS : 305
AVG HEATED AREA - MF : 960 SF (APPROX.)
TOTAL PARKING : 449 SPACES (INCLUDING GARAGES)
PARKING RATIO PROVIDED : 1.47 SPACES/DU

RETAIL

- (R) TOTAL : 8,600 SF

AMENITIES

- (C1) MULTIFAMILY CLUB / LEASING
TOTAL : 9,300 SF
- (C2) SKY LOUNGE
TOTAL : 1,800 SF

GARAGES

- (G) 6 BAY GARAGES
NO. OF GARAGES : 2
TOTAL GARAGE PARKING : 12 SPACES

4/4/2024

HAPEVILLE - MULTIFAMILY UNIT DATA

UNIT	BLDG 1000					BLDG 2000				BLDG 3000				BLDG 4000				BLDG 5000				BLDG 6000			BLDG 7000			QTY	BEDS	HEATED UNIT AREA (NRSF)		BALC.	MIX PERCENTAGE					
	B1	L1	L2	L3	L4	L1	L2	L3	L4	L1	L1	L2	L4	L1	L2	L3	L4	L1	L2	L3	L4	L1	L2	L3	L1	L2	L3			HEATED	TOTAL HEATED		(NRSF)	GOAL	ACTUAL			
STUDIO UNITS																																						
S1	1	1	2	2	2	2	2	2	2	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	48	48	643 SF	30,864 SF	0			15.74%
SUBTOTAL	1	1	2	2	2	2	2	2	2	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	48	48	643 AVG	30,864 SF	(NRSF)	15.00%	15.74%				
1 BED UNITS																																						
A1	0	0	0	0	0	3	3	3	3	0	0	0	0	3	3	3	3	3	3	3	3	2	2	2	2	2	2	2	2	2	48	48	676 SF	32,448 SF	63			15.74%
A2	1	1	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	8	724 SF	5,792 SF	80			2.62%
A3	0	0	1	1	1	1	1	1	1	8	8	8	8	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	59	59	784 SF	46,256 SF	63			19.34%
SUBTOTAL	1	1	3	3	3	4	4	4	4	8	8	8	8	4	4	4	4	4	4	4	4	4	4	4	4	4	4	115	115	735 AVG	84,496 SF	(NRSF)	40.00%	37.70%				
2 BED UNITS																																						
B1	1	1	10	10	10	0	0	0	0	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	36	72	1,162 SF	41,832 SF	59			11.80%
B2	0	0	0	0	0	4	4	4	4	2	2	2	2	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	80	160	1,240 SF	99,200 SF	178			26.23%
B2A	0	0	3	3	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	18	1,274 SF	11,466 SF	88			2.95%
SUBTOTAL	1	1	13	13	13	4	4	4	4	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4	125	250	1,220 AVG	152,498 SF	(NRSF)	40.00%	40.98%				
3 BED UNITS																																						
C1	2	2	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	30	1,412 SF	14,120 SF	249			3.28%
C2	0	0	0	0	0	0	0	0	0	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	12	1,558 SF	6,232 SF	223			1.31%
C3	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	9	1,518 SF	4,554 SF	249			0.98%
SUBTOTAL	2	2	2	2	2	0	0	0	0	2	2	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17	51	1,465 AVG	24,906 SF	(NRSF)	5.00%	5.57%				
TOTALS PER FLOOR	5	5	20	20	20	10	10	10	10	14	14	14	13	10	10	10	10	10	10	10	10	10	10	10	10	10	10	305	464		292,764 SF	(NRSF)	100%	100%				
TOTALS PER BLDG	70					40				55				40				40			30			30														
TOTALS																											HEATED:	960 AVG	(NRSF)									



HAPEVILLE MULTIFAMILY
 HAPEVILLE, GA
 CONCEPTUAL PACKAGE • 04-05-2024

TWP2023-07



© COPYRIGHT 2024 DYNAMIK DESIGN





Record & Return to:
Flucher Denmark LLC
100 Hartsfield Centre Pkwy, Ste. 400
Atlanta, GA 30354
ATTN: Danielle Matricardi, Esq.

PARCEL NO. 14 009500010113
PARCEL NO. 14 009500010188

LIMITED WARRANTY DEED

STATE OF GEORGIA
COUNTY OF FULTON

THIS INDENTURE made this the 23rd day of January, 2023, between **HAPEVILLE DEVELOPMENT AUTHORITY**, a public authority of the State of Georgia, as Party of the First Part (hereinafter called "Grantor"), and **CML Hapeville Perkins Sub LLC**, a Georgia limited liability company, as Party of the Second Part, (hereinafter called "Grantee"); (the words "Grantor" and "Grantee" to include their respective heirs, successors and assigns where the context requires or permits).

WITNESSETH

THAT, for and in consideration of the sum of One Dollar and other considerations (\$1.00) in hand paid to the Grantor by the Grantee at and before the execution, sealing and delivery of these presents, and other good and valuable considerations, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Grantor, by these presents, does grant, bargain, sell, alien, convey and confirm unto the Grantee the following described real property and agreements (collectively the "Property"), to-wit:

All that tract or parcel of land lying and being in Land Lot 95 and 96 of the 14th District of Fulton County, Georgia as more particularly described in the attached **Exhibit "A"**, which Exhibit is incorporated herein and made a part hereof by reference.

SUBJECT ONLY to those matters set forth and described on **Exhibit "B"**, which Exhibit is incorporated herein and made a part hereof by reference (hereinafter referred to as the "Permitted Exceptions"), incident or appurtenant thereto and Grantor's Right to Repurchase the Property as provided for in the **Exhibit "C"**, which Exhibit is incorporated herein and made a part hereof by reference.

TO HAVE AND TO HOLD the Land, together with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in anywise appertaining, to the only proper use, benefit and behoof of Grantee, in **FEE SIMPLE**.

AND GRANTOR SHALL WARRANT and forever defend the right and title to the Land

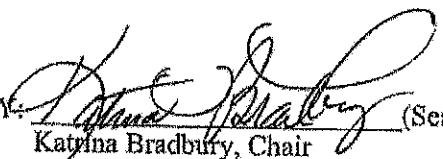
unto Grantee against the claims of any persons owning, holding or claiming by, through or under Grantor, except for claims arising under or by virtue of the Permitted Exceptions.


IN WITNESS WHEREOF, Grantor has caused this Limited Warranty Deed to be executed in the manner provided by law as of the day and year first above written.

**HAPEVILLE DEVELOPMENT
AUTHORITY, a public authority of the
State of Georgia**

Signed, sealed and delivered
in the presence of:


Unofficial Witness

BY:  (Seal)
Katrina Bradbury, Chair


Notary Public
My Commission expires:
01/13/2024

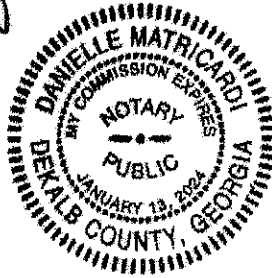


Exhibit "A"

Parcel 1

All that tract or parcel of land lying and being in Land Lots 95 and 96 of the 14 District of Fulton County, Georgia, being more particularly described as follows:

BEGINNING at a point on the Southeasterly right-of-way line of Perkins Street two hundred (200) feet Southwesterly along the Southeasterly right-of-way line of Perkins Street and an extension Northwesterly thereof, from the Central of Georgia Railroad Southerly right-of-way line; and running thence South $31^{\circ} 42'$ West along the Southeasterly right-of-way line of Perkins Street 100 feet to a point which is the Northwest corner of property now or formerly owned by C.A. Rowland; thence South $63^{\circ} 19'$ East 62.6 feet to a point; thence South $55^{\circ} 20'$ East 136.2 feet to a point; thence South $31^{\circ} 42'$ West 20.0 feet to a point which is the Southeast corner of property now or formerly owned by C.A. Rowland; thence South $66^{\circ} 26'$ East 11.89 feet to an iron pin; thence South $67^{\circ} 53'$ East 189.6 feet to the Northwesterly right-of-way line of Elm Street; thence in a Northeasterly direction along the Northwesterly right-of-way line of Elm Street 100.00 feet to a point which is 194 feet Southwesterly, as measured along the Northwesterly right-of-way line of Elm Street, and an extension Northeasterly thereof, from the Central of Georgia Railroad Southerly right-of-way line; thence North $58^{\circ} 57'$ West 92.35 feet to a point; thence South $29^{\circ} 14'$ West 6.0 feet; thence North $58^{\circ} 55'$ West 297.0 feet to the Southeasterly right-of-way line of Perkins Street and the TRUE POINT OF BEGINNING.

Being improved property, on which is located a brick office and garage building

AND

Parcel 2

All that tract or parcel of land lying and being in the City of Hapeville in Land Lot 95 of the 14th District of Fulton County, Georgia and described as follows:

BEGINNING at a point formed by the intersection of the Southern right-of-way of the Central of Georgia Railway Line and the Eastern right-of-way of Perkins Street; running thence South along the Eastern right-of-way of Perkins Street 300 feet to the true point of beginning; thence South 61 degrees 36 minutes 11 seconds East a distance of 61.70 feet to a point; thence South 53 degrees 42 minutes 27 seconds East a distance of 136.82 feet to a point; running thence South 33 degrees 55 minutes 15 seconds West 20 feet to a point; running thence North 64 degrees 47 minutes 09 seconds West a distance of 200 feet to a point on the east right-of-way of Perkins Street; running thence North 33 degrees 26 minutes 57 seconds East along the Eastern right-of-way of Perkins Street a distance of 50 feet to the TRUE POINT OF BEGINNING.

This being improved property known as 3572 Perkins Street according to the present numbering systems of the City of Hapeville and comprising of .172 acres.

Exhibit "B"

1. Taxes and assessments for the year 2023 and subsequent years, not due and payable.
2. All matters shown on that certain survey prepared by Mitchell Lowry of Lowry & Associates Land Surveying, LLC, dated January 10, 2023 for CML Hapeville Perkins Sub LLC and Stewart Title Guaranty Company

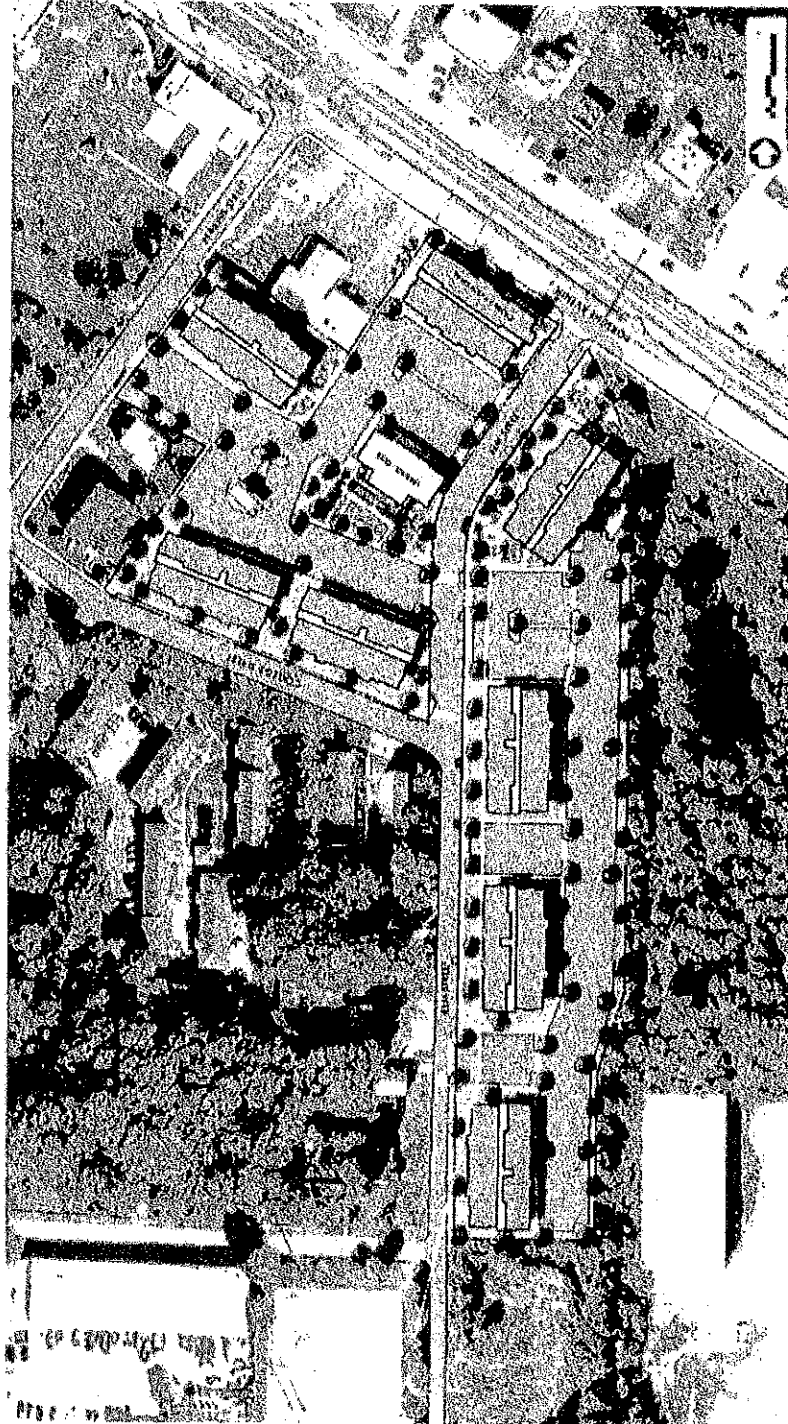
Exhibit "C"
Grantor's Right to Repurchase


1. Subject to Section 2 below, Grantee covenants and agrees that, if commencement of construction (as defined in paragraph 3 below) on the Property has not started within one (1) year after the Closing Date (as defined in paragraph 5 below), or if the construction fails to substantially comply with the site plan attached hereto and incorporated herein as Exhibit C-1, subject to changes thereto as may be required or ultimately approved by the City of Hapeville or Georgia Power (such site plan being referred to herein as the "Site Plan"), then Grantor shall have the exclusive right and option to repurchase the Property ("Repurchase Option") from Grantee, its successors, or assigns, for a total consideration equal to the Purchase Price paid to Grantor pursuant to this Agreement ("Repurchase Price"). Grantee shall re-convey the Property to Grantor by Limited Warranty Deed (subject only to the same Permitted Exceptions as provided herein) in exchange for the Repurchase Price payable in immediately available funds at a closing ("Repurchase Closing") held within thirty (30) days of Grantor's written notice to Grantee exercising its Repurchase Option at a date, time, and location designated by Grantor.
2. Grantor may not exercise its Repurchase Option if, starting with the first day following the expiration of said one (1) year period after Closing, and monthly after that, Grantee or its successor in interest to the Property pays and continue to pays Grantor \$5,000.00 per month. Said payments shall be non-refundable and shall continue until the termination of Grantor's Repurchase Option (as described in Section 3 below). In the event such payments cease during the required payment period, Grantor may exercise its Repurchase Option. Notwithstanding the foregoing, prior to exercising the Grantor's Repurchase Option based upon the failure to make a payment as provided in this paragraph, Grantor shall give written notice to the record owner of the Property, and upon receipt of said written notice, the record owner of the Property shall have ten (10) days to deliver the applicable payment to the Grantor before Grantor shall have the right to initiate the Repurchase Option. The Grantor and Grantee hereto acknowledge and agree that the sums payable under this Section 2 shall constitute liquidated damages and not penalties. The Grantor and Grantee further acknowledge that (i) the amount of loss or damages likely to be incurred is incapable or is difficult to precisely estimate; (ii) the amounts specified in such subsections bear a reasonable relationship to, and are not plainly or grossly disproportionate to, the probable loss likely to be incurred in connection with any failure of the Grantee to timely commence construction and/or any failure of the Grantee to substantially comply with the Site Plan; and (iii) the Grantor and Grantee are sophisticated entities and have been represented by sophisticated and able legal counsel and negotiated this Agreement at arm's length.
3. The Repurchase Option shall automatically terminate upon the earlier of (i) the commencement of construction on the Property that substantially complies with the Site Plan and that occurs prior to receipt of written notification from Grantor exercising its Repurchase Option; or (ii) two (2) years from the Closing Date. For the purposes of this Exhibit, the "commencement of construction" of the Property shall be marked by the pouring of foundation(s) within the Property. Upon such termination, the Grantor shall file a release in the deed records with the Clerk of the Superior Court of Fulton County extinguishing the Repurchase Option.
4. Notwithstanding the foregoing, if Grantee, its successors, or assigns, choose to sell any undeveloped portion(s) of the Property to a third-party, Grantor shall have a right of first refusal with respect to the purchase of such undeveloped portion(s) at a price which equals the prorated share of the Purchase Price plus the prorated share of improvement costs, if any, expended in connection with the undeveloped property ("Right of First Refusal"). Moreover, in the event Grantor does not purchase such undeveloped portion(s) of the Property, Grantee covenants and agrees that Grantor shall have the right to approve any and all third-party buyers of such undeveloped portion(s) of the Property ("Right of Approval"). The Right of First Refusal and the Right of Approval shall terminate five (5) years after the Closing Date or upon commencement of construction that substantially complies with the Site Plan, whichever first occurs. Notwithstanding

the foregoing, the Right of First Refusal and the Right of Approval shall not apply to Grantee's sale of the Property to MCRT Investments, LLC, or an affiliate thereof; provided, however, Grantor's rights hereunder shall remain in effect in accordance with the terms of this Exhibit following the closing of said transaction. Upon termination of the Right of First Refusal and Right of Approval, the Grantor shall file a release in the deed records with the Clerk of the Superior Court of Fulton County extinguishing the Right of First Refusal and Right of Approval.

5. For the purposes of this Exhibit, the term "Closing Date" shall mean the date this Limited Warranty Deed is executed by Grantor.

Exhibit "C-1"
Site Plan



 MILL CREEK

MODERA HAPEVILLE
HAPEVILLE, GA
CONCEPTUAL SITE PLAN - 10-06-2022

DYNAMIK

From: [Robert Fransen](#)
To: [Sharee Steed](#)
Subject: Hapeville Development Authority Meeting - June 10, 2024
Date: Friday, June 7, 2024 10:36:40 AM
Attachments: [image005.png](#)
[Current View.pdf](#)
[Terwilliger Pappas - 2024_0405 Hapeville Site Plan.pdf](#)
[HDA Deed.pdf](#)

Dear Sharee:

Attached are:

1. Current view of the site
2. Site plan – this has been approved by the planning department and commission
3. Elevation of the building that would front on Porsche Ave.
4. Aerial rendering of the entire site
5. Deed that we would like to discuss

In addition, the following information might be helpful. This information is the same as what I sent to James Newton and Tim Young via email on May 1, 2024.

-
Background

1. As you may know, my company owns various land parcels on the south side of Porsche Ave. in central Hapeville. They total roughly 8.5 acres.
2. Among those parcels are two small properties (totaling +/- 1 acre) that we purchased from the Hapeville Development Authority (HDA) in January 2023.
3. The original intent of our purchase from the HDA was to transfer the 8.5 acres, including the former HDA properties, to Mill Creek Residential Trust (MCRT).
4. MCRT would build 300 Class A apartments and a little bit of retail on the 8.5 acres.
5. As the real estate market changed (rising costs, rising interest rates, etc.), MCRT elected not to move forward.
6. After extensive marketing and negotiations, we were able to find a replacement buyer (Terwilliger Pappas), which intends to build an equally high-quality apartment community.
7. Terwilliger Pappas has been working with the City of Hapeville for many months, during which time it has obtained Planning Commission, Design Review Committee, and other approvals.
8. One open item to enable Terwilliger Pappas to move forward is the HDA's Right of Repurchase included in the deed when my company purchased the HDA's one acre. The intent of the Right of Repurchase was to ensure that a high-quality development was constructed on the land. Terwilliger Pappas is a first-class developer.

- a. As you can see below and attached, Terwilliger Pappas' site plan is very similar to MCRT's plan.
- b. Terwilliger Pappas and MCRT used the same architect (Dynamik).
- c. They build a similar high-quality product.
- d. Terwilliger Pappas intends to build the same number of units (300).

Mill Creek Plan

Terwilliger Pappas Plan





9. In fact, Terwilliger Pappas's plan is superior the MCRT plan previously approved by the City and HDA because Terwilliger Pappas will also purchase and redevelop the Hapeville Radiator shop. This enables Terwilliger Pappas to create a superior layout, to add more functional retail (improving the property's curb appeal), and to remove a rough-looking property from downtown Hapeville. We are excited about Terwilliger Pappas' plans. We hope you share that view.

Request:

Time is of the essence. Terwilliger Pappas wants to close and start construction soon, lest the capital markets

change again. We would like to find the most expedient path forward to modify the HDA's Right of Repurchase, enabling Terwilliger Pappas to turn 9 fallow acres into a Class-A residential community with retail amenities for the neighborhood.

[Redacted]

 Robert Paul Fransen
Coro Realty

[Redacted]

[Redacted]

[Large redacted block]