



PLANNING COMMISSION MEETING SEPTEMBER 7, 2016

ALPHARETTA CITY HALL
COUNCIL CHAMBERS
2 PARK PLAZA
6:30 PM

I. CALL TO ORDER

- a. **The following items have been deferred until October 6, 2016 and will not be heard tonight.**

- 1. MP-16-11/CLUP-16-07/Z-16-09/V-16-23 Sharp Residential Townhomes/Windward POD20A**
- 2. CU-16-06 Vision Warriors' Group Home**
- 3. PH-16-12 Landscape and Tree Ordinance Amendments**

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

- a. August 4, 2016
- b. July 13, 2016

IV. ITEMS FROM BOARD MEMBERS

V. ITEMS FROM STAFF

VI. PUBLIC HEARING

- a. **Z-16-01/V-16-02 Pence/Old Rucker Road**
Consideration of a request to rezone approximately 10 acres from AG to R to construct 6 “for sale” detached homes. A variance is requested from UDC Section 3.3.1 (D) to the Stormwater Management Manual Section 6, Item 3 to allow stream buffer within the area of a residential lot and a variance to allow gravel driveways. The property is located at 850 and 860 Old Rucker Road and is legally described as being located in Land Lots 1243 and 1244, 2nd District, 2nd Section, Fulton County, Georgia.
- b. **MP-16-06/V-16-16 Academy Sports**
Consideration of a request to amend the North Point Business Center Master Plan Pod 1 to add additional stand-alone retail density in order to develop a 62,943 square foot Academy Sports retail building. A variance to UDC Section 3.7.2 (2) to reduce the minimum 25% clear glass on a commercial building requirement along roadway facades is requested. The property is located on the north side of North Point Drive west of Haynes Bridge Road and is legally described as Land Lots 743 & 754, 1st District, 2nd Section, Fulton County, Georgia.
- c. **MP-16-08/V-16-18 Marriott Courtyard/Parkway 400**
Consideration of a request to amend the Parkway 400 Master Plan Pod C to allow an additional hotel and to allow a porte-cochere to encroach upon the front setback in order to develop a 115-room Marriott Courtyard Hotel. Variances are requested from UDC Section 2.2 to increase the maximum impervious area in the O-I district and from UDC Section 2.5.1 (B) to reduce the required parking. The property is located on the west side of Amber Park Drive south of Old Milton Parkway and is legally described as Land Lot 804, 1st District, 2nd Section, Fulton County, Georgia.

VII. ADJOURNMENT



PLANNING COMMISSION MEETING MINUTES MEETING OF AUGUST 4, 2016

PUBLISHED: Friday, September 8, 2016
Department of Community Development
WWW.ALPHARETTA.GA.US
678.297.6070

*This summary is provided as a convenience and service to the public, media and staff. It is not the intent to record proceedings verbatim. Any reproduction of this summary must include this notice. Public comments are noted as heard by Council, but not quoted or paraphrased. This document includes limited presentation by Council and invited speakers in summary form. **This is not an official record** of the Alpharetta City Council Meeting proceedings. Official Minutes are recorded and available for review.*

I. CALL TO ORDER

II. ROLL CALL

- Commission Members Present
 - Francis Kung'u (Chairperson)
 - Kyle Caswell (Vice-Chair)
 - Fergal Brady
 - Karen Cashion
 - Karen Richard
 - Ben Burnett
- Commission Members Absent
 - Larry Attig
 - Rob Partee
 - John Goss
- Staff Present
 - Kathi Cook, Director of Community Development
 - Michael Woodman, Senior Planner
 - Eric Graves, Senior Traffic Engineer, Planner
 - Elle Taylor, Boards Assistant

III. APPROVAL OF MEETING MINUTES

a. July 13, 2016 Minutes

Approval was deferred until September meeting.

IV. ITEMS FROM BOARD MEMBERS

V. ITEMS FROM STAFF

VI. PUBLIC HEARING

a. Z-16-08/V-16-22 Old Rucker Rd/Garrett

- Kathi Cook, Director of Community Development, came forward to introduce the item
- Consideration of a request to rezone approximately 3.5 acres from AG (Agricultural) to R (Dwelling 'For-Sale', Residential) in order to develop 3 single-family detached homes on minimum one (1) acre lots.
- Properties surrounding the subject parcel are zoned AG to the north, east and west and R-15 to the south
- Hickory Ridge subdivision is located to the south and consists of ½ acre lots.
- The site plan submitted depicts three (3) single-family detached lots with an existing 2-story detached home on Lot 2 and an existing barn on Lot 1. Lots 1 and 3 are one (1) acre each and Lot 2 is 1.511 acres. The existing home and two (2) additional lots are shown fronting Old Rucker Road. The proposed minimum lot size is one (1) acre and minimum lot width is 100 feet.
- After discussion with Staff, The Applicant agrees to the Front Setback (Old Rucker Rd) -50' and the Rear Setback of 50'.
- The Applicant is requesting a variance to reduce the side setback from 25' to 15'.
- Staff recommends Approval with the following Conditions:
 1. The property to be rezoned shall have an "R" zoning classification with single-family detached minimum lot sizes of one (1) acre.
 2. Property shall be subdivided substantially as depicted on the site plan prepared by Brumbelow Reese & Associates, dated 6/30/16.
 3. Setbacks shall be as follows:
 - Front – 50'
 - Side – 15'
 - Rear – 50'
 4. All homes shall be oriented to Old Rucker Road and shall only have access from Old Rucker Road.
 5. Crepe Myrtle and privacy fence screening along Rucker Road shall remain and be maintained by each property owner.
 6. Provide minimum 5' landscape strips along the west and east property lines of the 3.5-acre parcel.
 7. Specimen trees shall be saved and home sites shall be laid out to minimize impact to the existing tree canopy, as determined by the City Arborist.
 8. Driveways may be crushed stone to minimize impacts to specimen trees.
 9. Homes shall be a historic architectural style, with final approval by Staff.
- Marie Garrett, Applicant, came forward to speak to the request.
 - Gave background on property and surrounding area
 - Lot sizes in adjacent subdivisions
 - Agreed to Staff Conditions
 - Size of homes proposed 4000-4500sf
- Public Comment was invited:

In favor:

1. Steve Garrett, 825 Rucker Road

In Opposition:

1. Assunta Fiorini, 755 Old Rucker Road
2. Scott Skillman, 755 Old Rucker Road
3. Dr. Barnett, 760 Old Rucker Road
4. Scott Perkins, 740 Old Rucker Road
5. Jonna Beiletti, 740 Old Rucker Road

Concerns:

- Integrity of Old Rucker Road
- Aesthetics of Old Rucker Road
- Estate type lots
- Quiet
- Unique
- Stewardship of properties
- Inconsistent use
- Gravel road cannot accommodate additional traffic
- 15ft setback too close to horses on adjacent property
- Narrow lots
- Placement of homes
- Planning Commissioners posed questions and discussed item:
 - Setbacks
 - Email from adjacent property owner not in favor of side setbacks
 - Previously subdivided properties in area near the property
 - Location of lots on proposed subdivision
 - Architecture to be final approved by Staff and/or DRB
 - Existing structure on the property with regard to conforming with setbacks
 - Future Land Use
 - Lot sizes of properties across the street
 - Precedent setting consequences
 - Consistency with adjacent properties (1 acre may be a good precedent)
 - Width of Lot 1
 - Whether there is substantial reason to make a Zoning change
 - Capacity of gravel road
 - Trees

❖ Commission Member Richard offered a motion to deny the item

- The motion received a second from Commission Member Brady
- The motion passed by vote (5-1-0)(Kung'u)

b. MP-16-05/CLUP-16-05/Z-16-06 Duke Land Group/Preston Ridge

This item was deferred by the Applicant. It was not heard on August 4, 2016.

Consideration of a request to rezone approximately 13.4 acres from O-I (Office-Institutional) and CUP (Community Unit Plan) to CUP (Community Unit Plan) in order to develop 73 townhomes and a 48,000 square foot office building. An amendment to the Preston Ridge Master Plan Pod H to add 'Dwelling, 'For-Sale' Attached' to the list of permitted uses is requested, as well as, a change to the Comprehensive Land Use Plan from 'Corporate Campus Office' to 'Mixed Use'. The property is located at the southwest

corner of Webb Bridge Road and Morris Road and is legally described as being located in Land Lots 909, 1262 & 1263, 1st/2nd District, 2nd Section, Fulton County, Georgia.

c. CLUP-16-06/Z-16-07/V-16-17 Westside Daycare Center

Michael Woodman, Senior Planner came forward to introduce the item

- Consideration of a request for a land use change from “High Density Residential” to “Professional Business Office” and a change in zoning for the 1.795 acres from R-10M to O-P in order to develop a ‘Day Care Center’ at the southwest corner of Westside Parkway and Webb Bridge Road
 - A variance is requested from the Unified Development Code (UDC) to eliminate the 50’ undisturbed buffer requirement between non-residential and residential uses.
 - The subject property is a triangular-shaped, undeveloped parcel located at the southwest corner of Westside Parkway and Webb Bridge Road. The remnant parcel is the result of the construction of Westside Parkway between Old Milton Parkway and Webb Bridge Road.
 - The property is zoned R-10M (Dwelling, ‘For-Rent or ‘For-Sale’, Residential) and abuts the Woodlands at Webb Bridge subdivision, also zoned R-10M, to the west and south. The property to the east is vacant land owned by the City of Alpharetta, zoned R-10M, and the property to the north is St. James United Methodist Church, zoned O-I.
 - The submitted site plan depicts a 13,200 square foot, 1-story day care center building fronting on Westside Parkway and Webb Bridge Road. A 12,000 square foot outdoor play area is shown at the rear of the building. 55 parking spaces are proposed between the building and Webb Bridge Road and Westside Parkway.
- Staff recommends Approval with the following Conditions:
 1. The property to be rezoned shall have an “O-P” zoning classification and the Land Use classification shall be “Professional Business Office”.
 2. Site plan shall be developed substantially as depicted on the site plan prepared by AEC dated 4/27/16, except that the site plan shall be adjusted to remove excess parking to accommodate a reduced buffer along the west and south property lines.
 3. Site access from Webb Bridge Road should be provided from Woodland Lane. If this access cannot be accomplished, a raised median shall be constructed between the eastbound and westbound lanes of Webb Bridge Road between the Woodland Lane and Westside Parkway, enforcing the prohibition of westbound left turns.
 4. Drop-Off & Pick-Up operations shall be contained on the site. Operations shall not impede traffic along Webb Bridge Road and Westside Parkway.
 5. An opaque screen shall be provided around the playground area to screen it from Webb Bridge Road, Westside Parkway and the Woodlands at Webb Bridge subdivision.
 6. The building shall have the same level of architectural details and materials on the front and 2 sides, with final approval by the Design Review Board. Design shall be a minimum of 50 percent brick or stone on each elevation and shall have a residential scale and appearance.
 7. Fencing visible from Westside Parkway and/or Webb Bridge Road shall be decorative, as approved by the Design Review Board.
 8. Walls visible from public right-of-way or adjacent subdivision shall be faced with brick or stone, as approved by the Design Review Board.
 9. Dumpster shall have a brick or stone enclosure with painted metal doors and shall be heavily screened with landscaping, as approved by the Design Review Board.

10. A varying width reduced undisturbed buffer, minimum 15-foot wide, shall be provided along all property lines adjacent to Woodlands at Webb Bridge. The applicant shall save specimen trees and significant tree groupings within the reduced undisturbed buffer, as approved by the City Arborist. Side and rear setbacks may be included within undisturbed buffer.
11. Specimen trees identified in the arborist report prepared by Outdoor Spaces, dated May 5, 2016, shall be incorporated into the site plan.
12. Pedestrian-scale lighting shall be provided along Webb Bridge Road and Westside Parkway, as approved by Staff.
13. In addition to the landscape strip requirements along Webb Bridge Road and Westside Parkway, street trees shall be planted in the beauty strip between the road and the sidewalk as approved by Staff.
14. Parking spaces shall be located no closer than 75 feet from the project driveways, as measured from the right-of-way line.

- Don Rolader, Steve Rowe, Brent Davis, Applicants, came forward to speak to the request:
 - Presented Proposed changes to Conditions
 - Grading Conditions that won't allow Dogwood Tree #567 to be saved
 - Changes to Site Plan- eliminated some parking spaces to move building closer to the road and away from residents
 - Architecture
 - Retaining Wall – showed examples of modular block
 - Sidewalk

- Public Comment was invited:
 1. Cheryl Geary 1110 Woodland Lane (HOA President)
 2. Malaika Whitaker 8118 Woodland Ln
 3. Alexander Williamson, 12535 Wexcroft Ln
 4. Owner of Kiddie Academy

Concerns:

- Opposed use of private road of subdivision
- Median – need a left turn on to Webb Bridge Road
- Future use of building
- Color of playground equipment
- Fence
- Not enough demand for Daycare facility within 2 mile area
- Traffic flow per hour
- Planning Commissioners posed questions and discussed item:
 - Cost differential of modular block
 - Capacity of Daycare Center (220)
 - Width of sidewalk
 - Current allowed uses
 - Conditions #3, #10 and #11
 - Median
 - Restrict to Daycare Use in Condition #2

- ❖ Commission Member Caswell offered a motion to approve the item with the Staff Conditions subject to the markup with changes as listed :

1. The property to be rezoned shall have an “O-P” zoning classification and the Land Use classification shall be “Professional Business Office”.
 2. Site plan shall be developed substantially as depicted on the site plan prepared by AEC dated 4/27/16, except that the site plan shall be adjusted to remove excess parking to accommodate a reduced buffer along the west and south property lines. Site shall be restricted to day care center use only.
 3. A raised median shall be constructed between the eastbound and westbound lanes of Webb Bridge Road between the Woodland Lane and Westside Parkway, enforcing the prohibition of westbound left turns.
 4. Drop-Off & Pick-Up operations shall be contained on the site. Operations shall not impede traffic along Webb Bridge Road and Westside Parkway.
 5. A landscaping screen shall be provided around the playground area to screen it from Webb Bridge Road, Westside Parkway and the Woodlands at Webb Bridge subdivision, as approved by Staff.
 6. The building shall have the same level of architectural details and materials on the front and 2 sides, with final approval by the Design Review Board. Design shall be a minimum of 50 percent brick or stone on each elevation and shall have a residential scale and appearance.
 7. Fencing visible from Westside Parkway and/or Webb Bridge Road shall be decorative, as approved by the Design Review Board.
 8. Walls visible from public right-of-way or adjacent subdivision shall be faced with brick or stone, as approved by the Design Review Board.
 9. Dumpster shall have a brick or stone enclosure with painted metal doors and shall be heavily screened with landscaping, as approved by the Design Review Board.
 10. A varying width reduced undisturbed and/or replanted buffer, minimum 15-foot wide, shall be provided along all property lines adjacent to Woodlands at Webb Bridge. The applicant shall save specimen trees and significant tree groupings within the reduced undisturbed and/or replanted buffer, as approved by the City Arborist. Side and rear setbacks may be included within undisturbed and/or replanted buffer. All the above as approved by Staff.
 11. Specimen trees identified in the arborist report prepared by Outdoor Spaces, dated May 5, 2016, shall be incorporated into the site plan.
 12. Pedestrian-scale lighting shall be provided along Webb Bridge Road and Westside Parkway, as approved by Staff.
 13. In addition to the landscape strip requirements along Webb Bridge Road and Westside Parkway, street trees shall be planted in the beauty strip between the road and the sidewalk as approved by Staff and shall count toward any required tree density.
 14. Parking spaces shall be located no closer than 75 feet from the project driveways, as measured from the right-of-way line.
 15. Provide an 8’ sidewalk along both Webb Bridge Road and Westside Parkway as approved by Staff. Staff will work with Applicant regarding any encroachment into landscape strips or adjustments to sidewalk widths.
- The motion received a second from Commission Member Brady
 - The motion passed by vote (6-0-0)

d. MP-16-07 William & Reed Academy

Kathi Cook, Director of Community Development, came forward to introduce the item

- The applicant, William & Reed Academy, is requesting a master plan amendment to add 'School, Academic' to the list of permitted uses in Pod 21B of the Windward Master Plan to allow for a private school (grades K-12) located at 1600 Union Hill Road.
- The subject property is located on the west side of Union Hill Road, just north of Windward Parkway. The property is zoned CUP (Community Unit Plan) and is located in Pod 21B of the Windward Master Plan.
- Pod 21B has a land use designation of Business Center, which permits office-institutional, research and development, office-professional and some light industrial uses such as bakery, day care facility, distribution center, light manufacturing, and research laboratory.
- Union Hill Road is a business park setting consisting of office and industrial warehouse buildings
- There are no similar uses in the surrounding area. The nearest similar use in the City is King's Ridge Christian School at 2765 Bethany Bend and Fulton Science Academy at 3035 Fanfare Way.
- The site is surrounded by E*TRADE Financial to the south, The Ascent at Windward apartments to the east, Union Hill Park to the north, and GE Capital to the west.

- Public Comment was invited:

In Favor:

1. Kari Yuhas, 12245 Clairmont Avenue
2. Mr. Surghii, Windward Resident
3. Kate Hutchison, 1115 Bascomb Farm Drive
4. Celeste Starbird, 2065 Beacon Hill Way
5. Leslie Thomson, 350 Banyon Brook Point, Roswell , GA

6. Resident, 2020 Lakeshore Landing, Roswell, GA

Reasons:

- Kids being “plugged in” to Community
- Increase in property values
- Job opportunities

In Opposition:

1. Georgia Barrow, 1580 Spinnaker Drive
2. Tom Miller, 4025 Walnut Creek Trail

Concerns:

- Precedent
 - Other vacant properties in City available for this use
 - Not an appropriate location
 - Traffic
 - Removing Class A Office Property from Master Plan
 - Decrease in property values
 - Viability of job center
- Planning Commissioners posed questions and discussed item:
 - When School was founded
 - Grades offered
 - SACS accreditation
 - Conditional Use Criteria
 - Master Plan Amendment Criteria
 - Traffic queuing
 - Potential of being a detriment to Office Park
 - Effect on Corporate Tax base
 - No compelling reason to amend the Master Plan

❖ Commission Member Cashion offered a motion to approve subject to the conditions 1-14 made by Staff

- The motion received a second from Commission Member Brady
- The motion failed for lack of majority by vote (3-3-0)(Burnett)

The item moves forward to City Council without a recommendation from Planning Commission.

e. Z-16-05/V-16-21 Aycock/Thompson St Downtown - Live Work

- Kathi Cook, Director of Community Development, came forward to introduce the item
- The applicant, Elvin Aycock, is requesting a change in zoning for the 0.932 acres from O-P (Office-Professional) to DT-LW (Downtown Live-Work) to allow for seven (7) single-family, detached lots.

- A variance is requested to the Unified Development Code (UDC) to reduce the minimum lot size for single-family detached lots and a variance to the paving requirements to allow for crushed stone on the internal private streets and driveways.
 - The subject property is located on the north side of Thompson Street, east of Haynes Bridge Road, I immediately adjacent to the Voysey project.
 - The site plan submitted depicts seven (7) detached lots with four (4) rear-loaded homes fronting Thompson Street. Three (3) internal lots are shown as side- or rear-loaded. The proposed minimum lot size is 1,500 square feet and the minimum lot width is 25’.
- Staff recommends Approval with the following Conditions:
 1. The property to be rezoned shall have a “DT-LW” zoning classification with detached minimum lot sizes of 1,500 square feet.
 2. Property shall be developed substantially in accordance with the submitted plan prepared by Atlanta Engineering Services, Inc., dated 6/16/16. However, lot yield depicted is not guaranteed and subject to meeting all City Code requirements and conditions of zoning.
 3. Density shall be limited to a maximum of 8 dwelling units per acre.
 4. Residential lots shall not include any portion of the State or City stream buffer. Stream buffers shall be located on common area and be maintained by the HOA.
 5. All units along Thompson Street shall be oriented to the street with their front door facing Thompson Street.
 6. Architecture shall be similar to the Voysey project (Hedgewood Homes) architecture or shall meet the Alpharetta Downtown Code Architectural Guidelines, as approved by Staff. Residential lots shall have formal gardens and stone walls, with final approval by Staff.
 7. Visible privacy fence shall be prohibited along Thompson Street and the multi-use path.
 8. Reasonable effort shall be made to incorporate specimen trees, trees of quality, and groupings of smaller trees into the site plan as approved by Staff. Site configuration and density may change based on compliance with this condition.
 9. Impacts to off-site trees shall be minimized. The owner of the off-site trees shall be notified of any encroachment greater than 10% or as directed by the City Arborist. This notification shall include a letter from the project Arborist detailing the extent of the encroachment and possible outcomes.
 10. Applicant shall obtain an inter-parcel access agreement with the Voysey project for access as shown on the submitted site plan.
 11. Applicant shall continue the Thompson Street typical section, which includes 10’ travel lanes, on-street parking, 8’ brick paver sidewalks to match the City brick paver sidewalks on Haynes Bridge Road, street trees, and pedestrian lighting as approved by Staff.
 12. Pedestrian-scale lighting and amenities shall be required throughout the development.
 13. Dedicate a 20’ public access easement to the City and construct a 12’ multi-use path through the property in the outer most 50- to 75-foot stream buffer, as depicted on the submitted site plan. Multi-use path shall be ADA accessible and construction shall be the same used for the Voysey project. The path shall meet the Thompson Street Linear Park standards, including landscaping and low-level path lighting as approved by Staff.
 14. Exotic and invasive plants within the stream buffer shall be replanted with native trees and shrubs. The path shall be heavily landscaped with a park-like setting and include a seating area. Two (2) areas for future public art shall also be included and along the path (circular concrete path).
 15. A stone or paver edging material shall be required around the perimeter of internal roads to maintain rock base.
 16. Crushed stone areas visible from Thompson Street shall be screened with heavy landscaping and/or decorative walls.
 17. Structural design and calculations appropriate for garbage truck and fire apparatus shall be provided.
 18. Each property owner shall sign an affidavit stating that they are aware that this is a private drive and the maintenance is solely the responsibility of the HOA to make sure the City does not take any liability for this. The applicant shall submit all executed affidavits to the Department of Community Development.

- Alvin Aycock, Applicant, came forward for the item.

- Public Comment was invited:

1. Alexander Williamson, 12535 Wexcroft Lane
2. Christine Kujawski, 151 Arrowood Court

Concerns:

1. Traffic
2. Density
3. 3 Northern homes physically touching bicycle path
4. Where is work component
5. Potential for “patchwork” development
 - Planning Commissioners posed questions and discussed item:
 - Condition #4 addressing homes physically touching bicycle path
 - Development being an extension of Hedgewood
 - Work Component of DT-LW
 - Precedent

❖ Commission Member Brady offered a motion to approve with all conditions as presented by Staff

- The motion received a second from Commission Member Cashion
- Commission Member Richard offered a Friendly Amendment to change Condition #3 to reflect maximum dwelling of 7.51 units per acre
- Commission Member Brady accepted the Amendment
- The motion passed by vote (5-1-0)(Burnett)

f. CU-16-07/V-16-20 European Wax Center

Michael Woodman, Senior Planner, came forward to introduce the item

- Consideration of a request for a conditional use permit and a variance to the minimum distance requirements to allow ‘Spa Services’ for a hair removal/waxing business located at 2685 Old Milton Parkway, Suite 140 (The Atwater).
- The subject property is located on the south side of Old Milton Parkway, just east of Westside Parkway in The Atwater shopping center. The property is zoned C-2 (General Commercial - Conditional), which allows ‘Spa Services’ as a conditional use.
 - Staff recommends Denial of the Application

If approved, the following conditions are recommended:

1. Spa Services’ shall be added as a conditional use at 2685 Old Milton Pkwy, Suite 140.
2. Conditional use approval shall be limited to the European Wax Center; no additional spa services businesses or subleasing shall be permitted within the approved space.
3. No massage services shall be permitted within the approved space.
4. Hours of operation are planned from Monday through Saturday from 9:30 AM to 8:00 PM and Sunday 12:00 PM to 6:00 PM.

- Ethan Underwood, Applicant, came forward for the item.
 - Reasons why Applicant wants to be in this location
 - History of European Wax Center
 - Distance Requirement
 - There will be no Waxing Services that require disrobing at this location due to requirements in City Ordinance

- Public Comment was invited:

Arun Madadi, Owner of European Wax Center spoke.

- Planning Commissioners posed questions and discussed item
 - Discussion of allowed Waxing Services
 - How Measurement was determined for distance between SPA Services
 - Condition #5 added and required due to Public Safety Code of Ordinance

❖ **Commission Member Richard offered a motion to deny the item**

- The motion received a second from Commission Member Brady
- The motion passed by vote (6-0-0)

g. MP-16-06/V-16-16 Academy Sports

This item was deferred by the Applicant until September 7, 2016. It was not heard on August 4, 2016

Consideration of a request to amend the North Point Business Center Master Plan Pod 1 to add additional stand-alone retail density in order to develop a 62,943 square foot Academy Sports retail building. A variance to UDC Section 3.7.2 (2) to reduce the minimum 25% clear glass on a commercial building requirement along roadway facades is requested. The property is located on the north side of North Point Drive west of Haynes Bridge Road and is legally described as Land Lots 743 & 754, 1st District, 2nd Section, Fulton County, Georgia.

h. MP-16-09 Odyssey Escape Game/Windward

Michael Woodman, Senior Planner came forward to introduce the item

- Consideration of a request for a master plan amendment to add ‘Recreation Facilities, Indoor’ to the list of permitted uses in Pod 56 of the Windward Master Plan to allow for a team-building, entertainment business located at 1111 Alderman Drive, Suite 210.
- The subject property is located on the east side of Alderman Drive, just north of Windward Parkway.
- The property is zoned CUP (Community Unit Plan) and is located in Pod 56 of the Windward Master Plan.
- Pod 56 has a land use designation of Light Industrial, which permits low density industrial park for light manufacturing facilities, office distribution facilities, small scale warehousing and small office buildings. Alderman Drive is a business park setting consisting of office and industrial warehouse buildings.

- According to the applicant, escape rooms are a new industry with the first business opening in the US in 2013. If the applicant's request is approved, it will be Odyssey Escape Game's first location. The applicant has requested operating hours of Tuesday – Thursday from Noon to 8:00 PM, Friday – Saturday from 10:00 AM to Midnight and Sunday from 10:00 AM to 8:00 PM. Also, the applicant states that the business will be open to the general public on week nights and weekends.

- Staff recommends Approval with the following Conditions:

1. Add 'Recreation Facilities, Indoor' as a permitted use in the Windward Master Plan, Pod 56 at 1111 Alderman Drive, Suite 210.
2. Approval shall be limited to the Odyssey Escape Game, LLC; no additional indoor recreation facilities businesses or subleasing shall be permitted within the approved space.
3. Hours of operation shall be limited to Monday – Sunday 9:00 AM to 10:00 PM.
4. Business shall only be open to the general public after 6:00 PM on week nights and on the weekends and holidays.
5. The business shall not be permitted to serve alcohol.
6. Signage shall be limited to signs permitted in industrial and office parks.

- Michael Cook, Applicant, came forward to speak to the request.

- History of business
- Nature of business
- Reason for this location

- Public Comment was invited:

In Opposition:

1. Merrill Oakes, 1072 Windalier Way, Roswell, GA

- Planning Commissioners posed questions and discussed item
 - Staff Reasons for recommending approval – complementary business and will not affect other uses in the development
 - There was no opposition from surrounding businesses
 - May be considered an accessory use by businesses
 - Need for Letter from WCSA

❖ Commission Member Brady offered a motion to approve the item

- The motion received a second from Commission Member Cashion
- The motion failed due to lack of majority by vote (3-3-0)(Brady, Cashion, Caswell)(Burnett, Richard, Kung'u)

The item moves forward to City Council with no recommendation from the Planning Commission

VII. WORKSHOP

a. Existing Approved SPA and Massage Locations

VIII. ADJOURNMENT

Chairman Kung'u adjourned the meeting at 12:08 a.m.



PLANNING COMMISSION MEETING MINUTES

MEETING OF JULY 13, 2016

PUBLISHED: FRIDAY, JULY 28, 2016

DEPARTMENT OF COMMUNITY DEVELOPMENT

WWW.ALPHARETTA.GA.US

678.297.6070

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I. CALL TO ORDER



- The meeting was called to order at 6:30 PM

II. ROLL CALL

- Commission Members Present
 - Larry Attig
 - Fergal Brady
 - John Goss
 - Robert Partee
 - Karen Richard
- Commission Members Absent
 - Francis Kung'u (Chair)
 - Kyle Caswell (Vice Chair)
 - Karen Cashion
- Staff Present
 - Kathi Cook, Director of Community Development
 - James Drinkard, Assistant City Administrator
 - Michael Riddle
 - Michael Woodman, Senior Planner

III. ELECTION OF CHAIR PERSON FOR JULY 13, 2016 MEETING



- In the absence of both the Chair and the Vice Chair, one member in attendance must be elected to serve in the capacity of Chair only for this meeting

- ❖ Commission Member Attig nominated Karen Richards to serve in the capacity of Chair for the July 13, 2016 meeting
 - The nomination received a second from Commission Member Partee
 - The nomination was approved by unanimous vote (5-0-0)
- Commission Member Richards assumed the Chair and presided over the remainder of the proceedings

IV. APPROVAL OF MEETING MINUTES



- ❖ Commission Member Partee offered a motion to approve the minutes of the June 02, 2016 meeting
 - The motion received a second from Commission Member Attig
 - The motion was approved by unanimous vote (5-0-0)

V. ITEMS FROM BOARD MEMBERS

VI. ITEMS FROM STAFF

VII. PUBLIC HEARING

A. CU-16-03: Assisted Living / Hill



- Kathi Cook, Director of Community Development, came forward to introduce the item
 - The applicant is requesting a conditional use permit to allow an assisted living facility at 1080 Upper Hembree Road
 - The subject property is located on the north side of Upper Hembree Road with its west boundary adjacent to the City of Roswell
 - Birch Hollow subdivision is adjacent to the north
 - The zoning of the property is O-I (Office-Institutional), which allows 'Congregate Housing, Assisted Living Facility' as a conditional use.
 - The applicant will utilize the existing structure with no planned alterations to the exterior
 - The existing parking on the site will be utilized by the applicant, with no significant alterations to the site

- Staff recommends approval of the item with ten (10) conditions
 1. Parking area shall be screened and striped in compliance with Unified Development Code (UDC) regulations.
 2. Required parking shall be met on-site and/or at 1130 Upper Hembree Road (Hembree Senior Care Center) as long as both locations are under common ownership.
 3. Remove tree stump at site entrance (southeast corner) and replace with a minimum 4" caliper tree and 2' shrubs, as approved by Staff.

4. Install a 5' sidewalk along the frontage of the property.
 5. Any additions and modifications to the existing structure shall be residential in character and approved by Staff.
 6. Maintain a minimum 50' undisturbed buffer at the rear of the property.
 7. Maintain and replant where sparse a 10' buffer along the west property line, as approved by Staff.
 8. Signage shall be limited to one ground sign not to exceed 6 feet in height and 16 square feet in size (32 square feet if double faced) with landscaping at the base.
 9. Structure must meet all Life Safety Code requirements.
 10. Expansion to accommodate more than 16 beds shall require a public hearing and demonstration that the residential character of the property is maintained and all facility needs can be met on site.
- Rob Hill, the applicant, came forward to speak to the request.

He discussed reasons for opening the facility, no changes to exterior, intent to maintain residential feel, presented statistics on aging population, traffic, agreed to Conditions.

There was discussion on affordable pricing, number of beds, no outside area, services provided, parking, referrals.
 - Planning Commissioners posed questions that were responded to by the applicant
 - Public comment was invited
 - None
 - ❖ Commission Member Attig offered a motion to approve the item with Staff recommended conditions as presented
 - The motion received a second from Commission Member Brady
 - The motion passed by unanimous vote (5-0-0)

B. MP-16-04 / CU-16-04: Nail Seasons / Twin Oaks / Preston Ridge



- Michael Woodman, Senior Planner, came forward to introduce the item
 - The applicant, Nail Seasons & Tan, Inc., is requesting a conditional use permit and master plan amendment to allow 'Nail Salon' at 3450 Old Milton Parkway, Suite 100
 - The submitted request, if approved, will permit the applicant to provide nail salon services in a 2,101 square foot suite within an existing shopping center
 - Manicure and pedicure services are the only services proposed by the applicant
 - The subject property is located at the northeast corner of Old Milton Parkway and North Point Parkway
 - The property is zoned CUP (Community Unit Plan) and is located in Pod B of the Preston Ridge Master Plan, which allows 'Nail Salon' as a conditional use

- Staff recommends approval of the application with five (5) conditions
 1. 'Nail Salon' shall be added as a conditional use at 3450 Old Milton Pkwy, Suite 100.
 2. Conditional use approval shall be limited to Nail Seasons & Tan, Inc.; no additional nail salon businesses or subleasing shall be permitted within the approved space.
 3. No services, such as waxing and massage, shall be permitted.
 4. Hours of operation shall be limited to Monday through Sunday from 9:30 AM to 8:00 PM.
 5. Neon window signage within the permitted 20% shall be limited to one 'OPEN' sign.

There was discussion on neon window signage.

- Ethan Underwood, attorney, came forward in representation of the applicant
 - The applicant states that they have been in business for 10 years and currently operate a Nail Seasons & Tan, Inc. location in the Alpharetta Commons shopping Center, located at 4305 State Bridge Road, Suite 106 in Alpharetta
 - The applicant intends to relocate the existing business to the Twin Oaks shopping center, pending approval of the conditional use permit and master plan amendment
- Public comment was invited
 - None

There was discussion of relocation, services offered, saturation in the market.

- ❖ Commission Member Partee offered a motion to approve the application with Staff recommended conditions as presented
 - The motion received a second from Commission Member Brady
 - The motion passed by unanimous vote (5-0-0)

C. MP-16-10 / CU-16-05: iNails / Spa Services



- Kathi Cook, Director of Community Development, came forward to introduce the item
 - The applicant, iNails Salon & Spa, is requesting a conditional use permit and master plan amendment to allow 'Nail Salon' and 'Spa Services' for a business located at 7300 North Point Parkway, Suite 104A (North Point Village I)
 - The submitted request, if approved, will permit the applicant to provide nail salon services in a 3,295 square foot suite within an existing shopping center
 - In addition to a nail salon, the applicant's business also offers services such as facials, waxing, and massage
- Staff recommends approval of the application with four (4) conditions
 1. 'Nail Salon' and 'Spa Services' shall be added as a conditional use at 7300 North Point Pkwy, Suite 104A.

2. Conditional use approval shall be limited to the iNails Salon & Spa; no additional nail salon/spa businesses or subleasing shall be permitted within the approved space.
 3. Hours of operation shall be limited to Monday through Saturday from 9:30 AM to 8:00 PM and Sunday 12:00 PM to 6:00 PM.
 4. Neon window signage within the permitted 20% shall be limited to one 'OPEN' sign.
- Steve Cooper of Coro Realty and David Truong, the applicant, came forward in representation of the application. Applicant stated facials and waxing services would be available, but not massage.
 - Public comment was invited
 - None

There was discussion on hours of operation and window signage.

- ❖ Commission Member Brady offered a motion to approve the application with Staff recommended conditions as presented
 - The motion received a second from Commission Member Partee
 - The motion was approved by unanimous vote (5-0-0)

D. PH-16-08: Unified Development Code – Text Amendments



- Michael Woodman, Senior Planner, came forward to introduce the item
- Staff is requesting consideration of changes to the Unified Development Code in order to amend Section 1.4.2 definition of “Spa Services”, remove Section 2.7.7 Massage Therapy, add “Equestrian Center” as a conditional use in the RE, R, R-22, and R-15 zoning districts, and delete Section 2.3.7 Conditional Uses
 - Spa Services
 - Due to conflicts between the definition of ‘Spa Services’ in UDC Section 1.4.2 – Definitions and the definition of ‘Spa Establishments’ in UDC Section 2.7.7 Massage Therapy, staff proposes to amend the definition of ‘Spa Services’ to add “personal services that cause a customer to disrobe”
 - In addition, staff proposes the deletion of UDC Section 2.7.7 Massage Therapy as these regulations are enforced by the City’s Public Safety Department and are included in the Code of Ordinances
 - Equestrian Center
 - In an effort to protect the rural and agricultural character of larger residential properties in the City, staff proposes adding ‘Equestrian Center’ as a conditional use in the RE, R, R-22, and R-15 zoning districts
 - ‘Equestrian Center’ is currently listed as a permitted use in the SU zoning district and as a conditional use in the AG, CUP, and MU zoning districts
 - Staff proposes that ‘Equestrian Center’ be listed as a conditional use in the RE, R, R-22, and R-15 zoning districts
 - Approval of a conditional use permit would be subject to the criteria established by the Fulton County Code of Ordinances Section 4.8.1
 - Conditional Uses

- Due to duplication, staff proposes that UDC Section 2.3.7 Conditional uses be deleted
- UDC Section 4.2.3 (B) Conditional Use Standards already establishes conditional use standards
- Questions were posed by the Planning Commission and responded to by Staff
 - Board Member Partee requested a map or list of SPA/Massage Establishments at next Workshop.
 - There was discussion on Equestrian Center use having one acre per horse per Fulton County Code.
- Public comment was invited
 - None
- ❖ Commission Member Partee offered a motion to approve PH-16-08
 - The motion received a second from Commission Member Goss
 - The motion passed by unanimous vote (5-0-0)

VIII. ADJOURNMENT



- With no further business to be conducted or items to be heard, the Chair adjourned the meeting at 7:06 PM



CITY COUNCIL MEETING STAFF REPORT

SUBMITTING DEPARTMENT: COMMUNITY DEVELOPMENT
SUBMITTED BY: KATHI COOK
DRAFTED BY: MICHAEL WOODMAN

I. AGENDA ITEM TITLE: Z-16-01 PENCE/OLD RUCKER ROAD

PLANNING COMMISSION: SEPTEMBER 7, 2016
CITY COUNCIL: SEPTEMBER 26, 2016

II. RECOMMENDATION:

Approve Z-16-01 Pence/Old Rucker Road subject to the following conditions:

1. The property to be rezoned shall have an "R" zoning classification with single-family detached minimum lot sizes of one (1) acre. Density shall not exceed 0.56 dwelling units per acre.
2. Property shall be subdivided substantially as depicted on the 6-lot site plan prepared by Jones Consulting Group, dated 8/29/16, except that the site shall meet all City requirements and lot yield is not guaranteed.
3. Provide minimum 5-foot landscape strips along the west and south property lines of the 10.66-acre parcel.
4. Driveways shall be crushed stone to minimize impacts to specimen trees.
5. Homes shall be a historic architectural style and substantially similar to renderings provided by the applicant, with final approval by Staff.
6. Layout and home placement shall minimize impacts to specimen trees shown to be in 'Fair' to 'Good' condition as identified in the tree assessment prepared by Arboguard, dated 4/29/16, as approved by Staff.
7. Trees of Quality as determined by the City Arborist to be designed around during individual lot permitting. This will require the trees and house layouts on the neighboring lots to be considered in order to properly save trees.
8. Additional encroachment in to the CRZ of trees to be saved will be allowed as long as innovative techniques are implemented in order to reduce the impacts of encroachment as approved by the City Arborist.
9. If stormwater management is determined to be required, it shall be located on a separate lot as approved by Staff.
10. The applicant shall assess the vegetative condition of the 35-foot state buffer and 100-foot undisturbed city buffer. A buffer enhancement planting plan shall be prepared, as approved by Staff, and implemented during land disturbance activities.
11. Subdivision plat shall identify and assign maintenance responsibility of property containing stream and stream buffers and shall note that the parcel cannot be developed with a residential dwelling unit.
12. Applicant shall be responsible to repair and/or replace existing gravel roadway impacted by construction traffic as determined by Staff prior to each home CO.

III. REPORT IN BRIEF:

The applicant, Robert Forrest, requests a change in zoning for 10.66 acres from AG (Agriculture) to R (Dwelling 'For-Sale', Residential) for the purpose of subdividing two (2) properties into six (6) single-family detached lots. The subject properties are located at 850 and 860 Old Rucker Road.

IV. ATTACHMENTS:

- Site Plan
- Examples of Homes

DISCUSSION

The submitted request, if approved, will allow for six (6) single-family detached lots with a proposed density of 0.56 dwelling units per acre. The two (2) properties are zoned AG (Agriculture) and are located on the northeast side of Old Rucker Road. Each property is developed with a single-family detached home and accessory structures. The total acreage of the properties is 10.66 acres, with 850 Old Rucker Road being approximately 2.75 acres and 860 Old Rucker Road being approximately 7.9 acres. In addition, the applicant proposes a land swap (0.10 acres) with the property located at 840 Old Rucker Road to allow for a better lot configuration of Lot 6, as shown on the applicant's site plan.

Properties surrounding the subject parcels are zoned AG and R-22 to the north, AG to the west, R-15 to the east, and AG and R-15 to the south. The adjacent AG property to the west is 0.97 acres, the AG properties to the south are 1 acre, 1.12 acres, 1.28 acres, and 1.13 acres, and the AG property to the north is 6.76 acres. The Preserve at Charlotte and Charlotte Walk subdivisions are located to the east and are developed as 1/3-acre lots.

The City's Comprehensive Plan reflects a Very Low Density Residential future land use designation for the property. The R (minimum 1 acre) and R-22 (minimum 22,000 square feet) zoning districts are shown as appropriate zoning districts in the Very Low Density Residential designation. Because the surrounding area primarily consists of AG-zoned properties, the R zoning district is the most appropriate zoning district for the subject properties.

The property at 825 Old Rucker Road received approval with conditions for a rezoning from AG to R on August 22, 2016. The zoning proposal requested subdivision of a 3.5-acre parcel into two (2) lots (1.19 acres and 2.3 acres) to allow for two (2) single-family detached homes. The applicant's request was consistent with the future land use designation of the property and did not include any variances.

A public hearing application was submitted to the City in February 2013 and included the subject properties. The zoning proposal requested a change of zoning from AG to R-15, comprehensive land use plan amendment from Very Low Density Residential to Low Density Residential, and lot width and front setback variances to allow a 19-lot subdivision. The request was ultimately withdrawn by the applicant.

The Broadwell Road II public hearing application was submitted to the City in April 2013, which included 800 Old Rucker Road and two (2) parcels along Broadwell Road. The zoning proposal requested a change of zoning from AG to R-15, comprehensive land use plan amendment from Very Low Density Residential to Low Density Residential, and a front setback variance to allow an 18-lot subdivision. The application was denied without prejudice on July 1, 2013.

SITE PLAN ANALYSIS

The applicant's site plan depicts six (6) single-family detached lots ranging in size from 1.01 acres to 1.53 acres with an average lot size of 1.2 acres. The west property line is proposed to be reconfigured through a land swap (0.10 acres) with the property located at 840 Old Rucker Road, which will allow for a better lot configuration of Lot 6. All lots are shown with frontage along Old Rucker Road. The site plan reflects compliance with the minimum development standards in the R zoning district, including lot width (100 feet), maximum building coverage (25%), minimum floor area of a dwelling unit (1,800 square feet) and minimum setbacks (Front – 50 feet, Side – 25 feet, Rear – 50 feet). A 3.45-acre unbuildable parcel of land contains the stream and stream buffer.

Currently the properties are developed with two (2) existing homes, several accessory structures and a concrete driveway that will be removed. The applicant has stated that impervious area will be minimized by requiring all driveways to be pervious (pavers or gravel material). Also, all homes will have rain barrels or a cisterns installed.

A stream runs along the east property line and includes a 35' state tributary buffer, 100' City undisturbed buffer, and 150' City impervious setback. The applicant's tree assessment identified several specimen trees on the subject property with large groups of the specimen trees concentrated on the north, east and south sides of the property, especially within the stream buffer. The applicant's lot layout and building footprints minimize impacts to existing specimen trees.

The applicant submitted home elevations and floor plans that can be accommodated within the buildable area of the proposed lots. Homes will be of similar size, quality, and style to homes in the surrounding area. According to the applicant, homes will be priced from \$600,000 to \$1+ million.

SCHOOLS

Residential development is known to increase school enrollment. Fulton County calculated the potential maximum number of children who may live on the property by using the Fulton County schools standard calculation to distinguish the number of children that a residential development will generate. The following chart outlines these figures:

FULTON COUNTY SCHOOLS – 6 Single-Family Detached Residential Units

School	Estimated # New FCS Students Generated
Crabapple Crossing Elementary School	1 to 3 students
Northwestern Middle School	0 to 1 students
Milton High School	1 to 2 students
TOTAL	2 to 6 students

Based on the total figure for all three school levels, it can be assumed that the proposed development could house approximately 2-6 school age children. Numbers provided by Fulton County Schools show that Crabapple Crossing Elementary is already at capacity and Northwestern Middle School and Milton High School are both over capacity by 172 and 225 students, respectively.

TRAFFIC

A trip generation analysis was provided by the applicant and states that a total of nine (9) PM Peak Hour trips would be generated by the proposed six (6) single-family detached homes. The net increase of four (4) single-family detached homes will generate six (6) PM Peak Hour trips.

The Old Rucker Road right-of-way will remain a gravel surface. Gravel roads are sufficient for traffic volumes of up to 400 vehicles per day, which equates to approximately 40 homes accessed on a dead end gravel road. If the applicant's request is approved, a total of 13 homes (4 additional homes) will have access on Old Rucker Road.

STANDARDS FOR ZONING CHANGES

The Planning Commission and the City Council shall consider the following standards in considering a rezoning application, giving due weight or priority to those factors particularly appropriate to the circumstances of each application:

- a. Whether the zoning proposal will permit a use that is suitable in view of the zoning use and development of adjacent and nearby property.

Response: The zoning proposal would allow 'For-Sale' single-family detached homes on minimum one (1) acre lots, which is consistent with the use of adjacent and nearby properties. The adjacent AG property to the west is 0.97 acres, the AG properties to the south are 1 acre, 1.12 acres, 1.28 acres, and 1.13 acres, and the AG property to the north is 6.76 acres. The Preserve at Charlotte and Charlotte Walk subdivisions are located to the east and are developed as 1/3-acre lots.

- b. Whether the zoning proposal will adversely affect the existing use or usability of adjacent or nearby property.

Response: The zoning proposal will not adversely affect the existing use or usability of adjacent or nearby properties, if conditions are included protecting the tree canopy and stream, and requiring architectural standards. In addition, the Old Rucker Road gravel surface will remain and has sufficient design capacity to handle four (4) additional single-family detached homes.

- c. Whether the zoning proposal will adversely affect the natural environment.

Response: The proposed development will not have significant impacts on the natural environment. The applicant's site plan depicts the stream and buffers to be undisturbed and located on a separate 3.45-acre parcel. In addition, Staff recommends conditions to protect specimen trees and the tree canopy.

- d. Whether there are substantial reasons why the property cannot or should not be used as currently zoned.

Response: The two (2) properties are currently zoned AG and each are developed with a single-family detached home. The UDC allows an additional 'For-Sale' single-family detached home on properties in the AG zoning district with approval of a conditional use permit.

e. Whether the zoning proposal will result in a use that will or could cause an excessive or burdensome use of public facilities or services, including but not limited to existing streets and transportation facilities, schools, water or sewer utilities, and police or fire protection.

Response: Four (4) additional single-family detached lots will not create a significant impact on public facilities or services. The Old Rucker Road gravel surface will remain. Gravel roads are sufficient for traffic volumes of up to 400 vehicles per day, which equates to approximately 40 homes accessed on a dead end gravel road. If the applicant's request is approved, a total of 13 homes will have access on Old Rucker Road.

f. Whether the zoning proposal is supported by new or changing conditions not anticipated or reflected in the existing zoning on the property.

Response: The vision in the City's Comprehensive Plan for the Old Rucker Road area is 1-2 dwelling units per acre. The applicant's request for 0.56 dwelling units per acre is well below the allowable densities in the area.

g. Whether the zoning proposal reflects a reasonable balance between the promotion of the public health, safety, morality or general welfare against the right to unrestricted use of property.

Response: The request to rezone the properties from AG to R reflects a reasonable balance due to the Comprehensive Land Use Plan designation being Very Low Density Residential, which allows densities of 1-2 dwelling units per acre. The applicant's request for 0.56 dwelling units per acre is well below the allowable densities in the area.

h. Whether there are substantial reasons why the property cannot be used in accordance with existing zoning.

Response: The Very Low Density Residential designation allows densities of 1-2 dwelling units per acre, which is higher than the applicant's request for 0.56 dwelling units per acre.

i. The extent to which the zoning proposal is consistent with the Comprehensive Plan.

Response: The proposed R zoning district meets the Comprehensive Land Use Plan designation, which is Very Low Density Residential.

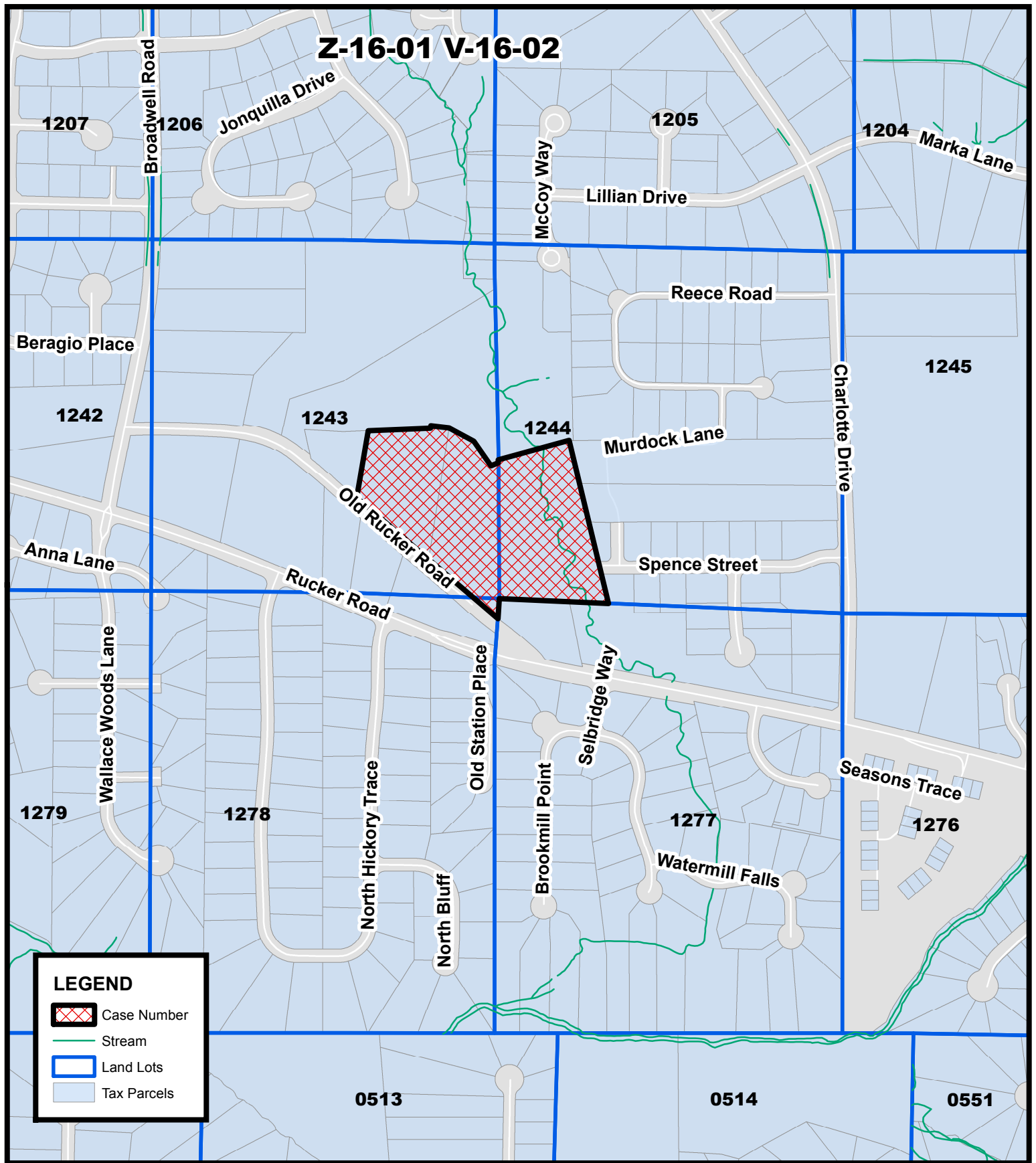
CONCURRENCES

City Staff has reviewed the applicant's proposal and finds that it can support the applicant's request for rezoning. The R zoning district allows minimum one (1) acres lots, which is consistent with the Very Low Density Residential Comprehensive Land Use Plan designation of the subject properties. In addition, the Very Low Density Residential designation allows for densities of 1-2 dwelling units per acre. The applicant's request is for 0.56 dwelling units per acre, which is less than the Comprehensive Land Use Plan designation and consistent with the rural character of the area. The minimum lot size depicted of one (1) acre (average lot size of 1.2 acres) is smaller than some of the adjacent properties; however, Staff recommends architectural standards, as well as site conditions to preserve the rural character of the area.

CITIZEN PARTICIPATION PLAN

The report submitted by the applicant states that property owners within 500' were contacted by letter, phone, email, and personal visits regarding the applicant's intent. The report states that some property owners generally

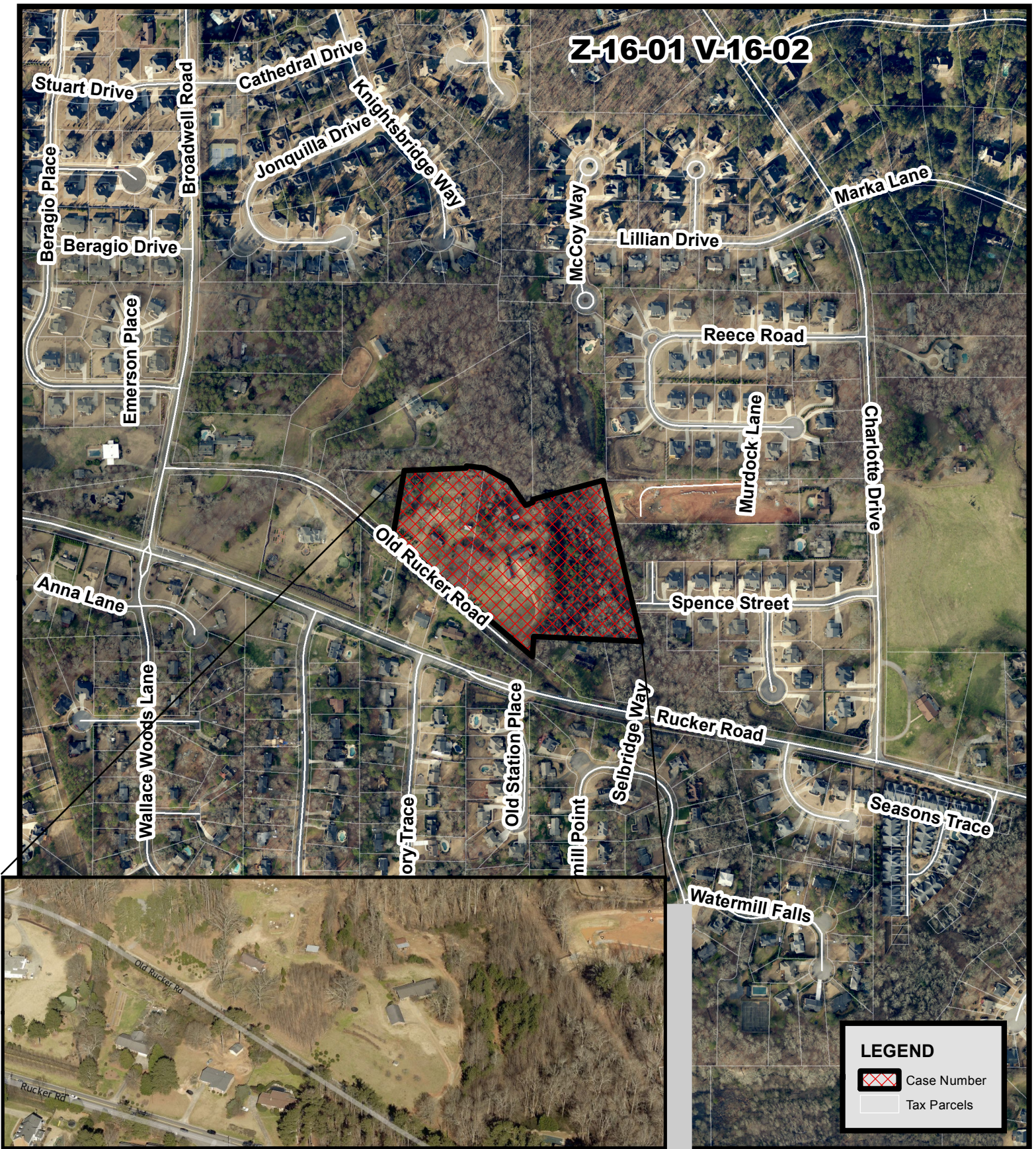
support the request while another property owner will not support the request, if additional traffic is shown on Old Rucker Road.



Location Map Pence Old Rucker Road

Z-16-01 V-16-02
D/LL: 2/2/1243,
1244, 1278
PC Date: 9/07/16
CC Date: 9/26/16

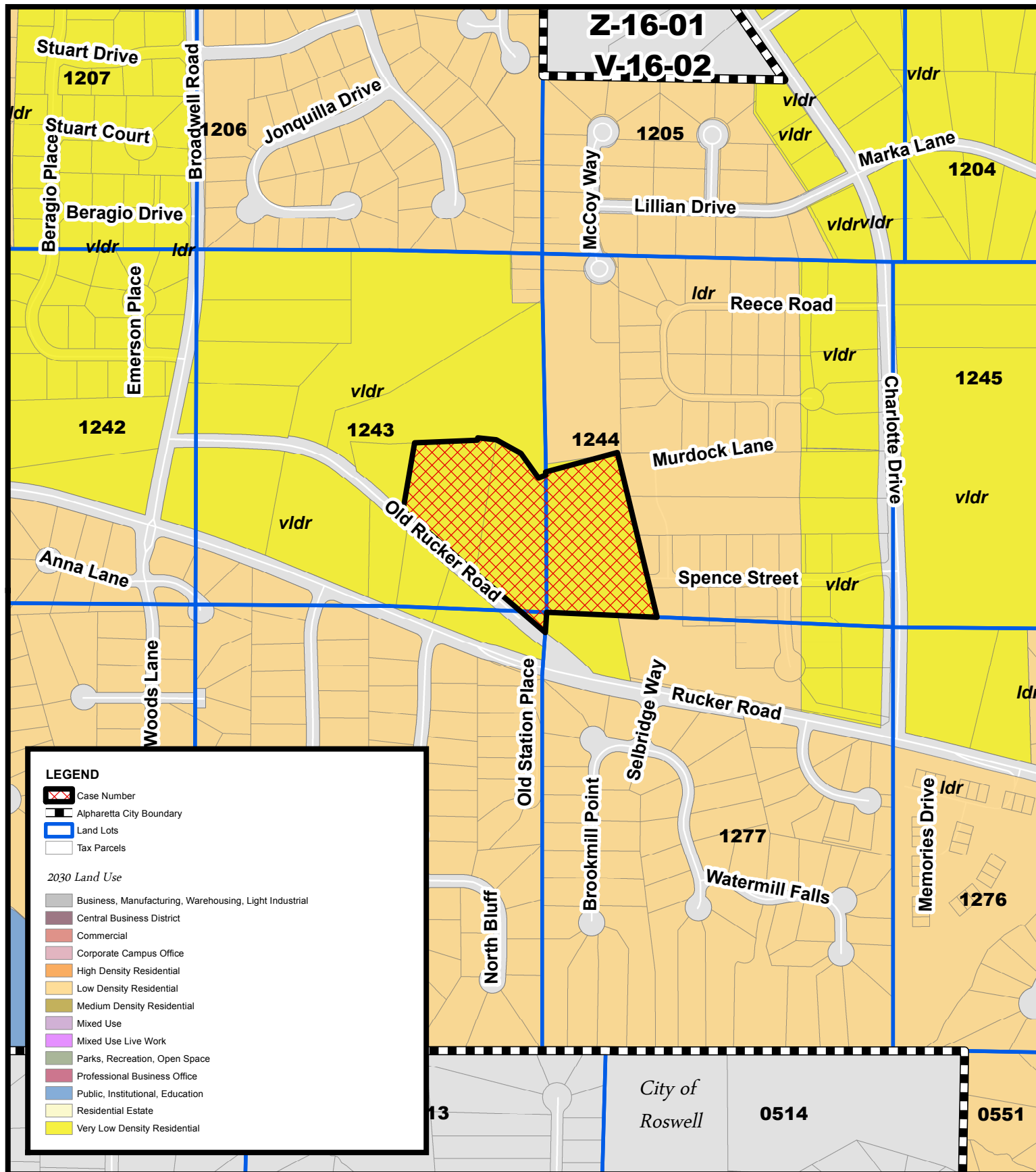
Location Map Provided by:
Community Development - GIS



Aerial Map **Pence** **Old Rucker Rd**

Z-16-01 V-16-02
D/LL: 2/2/1243,
1244, 1278
PC Date: 9/07/16
CC Date: 9/26/16

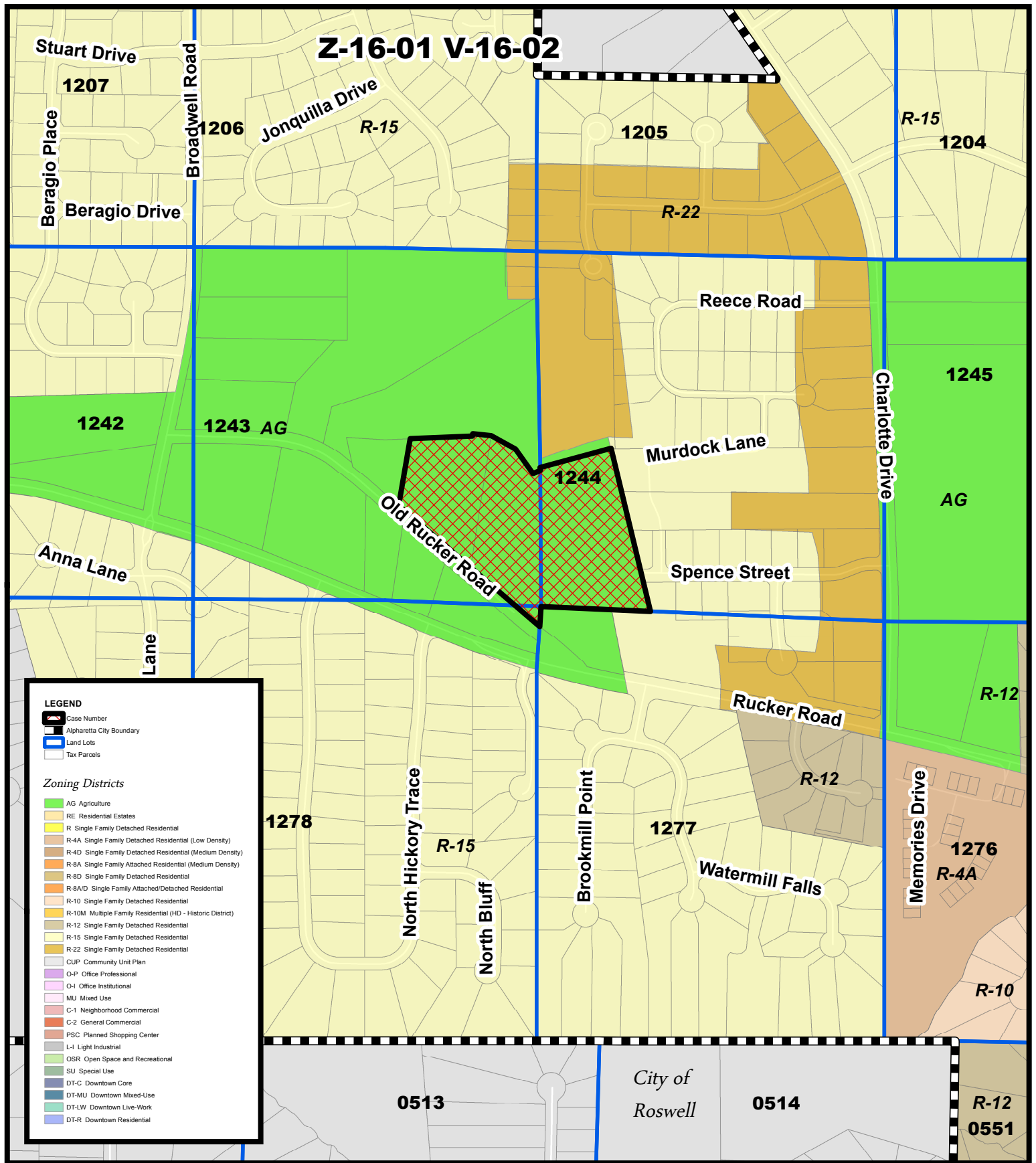
Location Map Provided by:
Community Development - GIS



2030 Land Use Pence Old Rucker Road

Z-16-01 V-16-02
D/LL: 2/2/1243,
1244, 1278
PC Date: 9/07/16
CC Date: 9/26/16

Location Map Provided by:
Community Development - GIS



Zoning Map **Pence** **Old Rucker Road**

Z-16-01 V-16-02
D/LL: 2/2/1243,
1244, 1278
PC Date: 9/07/16
CC Date: 9/26/16
Location Map Provided by:
Community Development - GIS

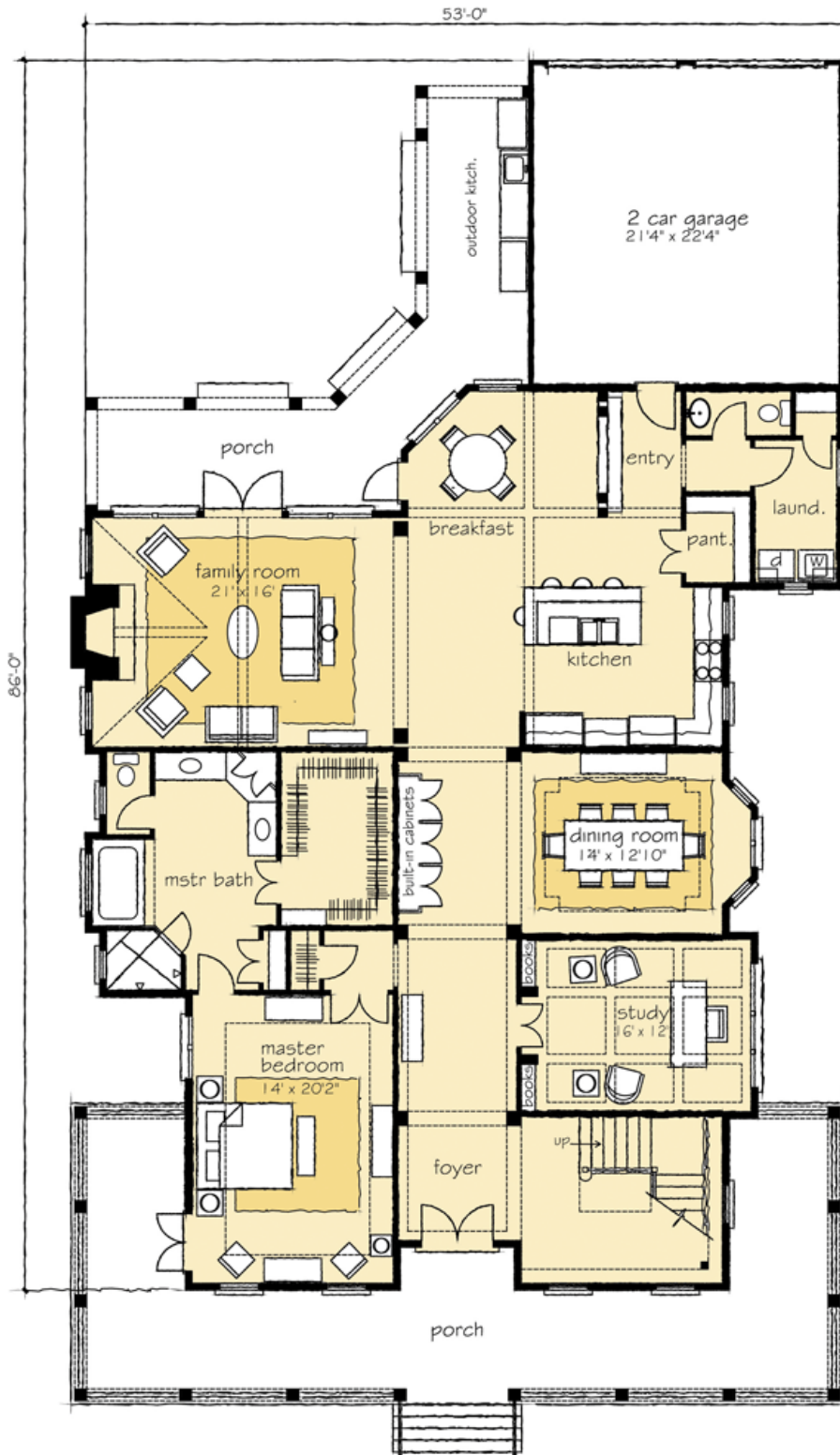






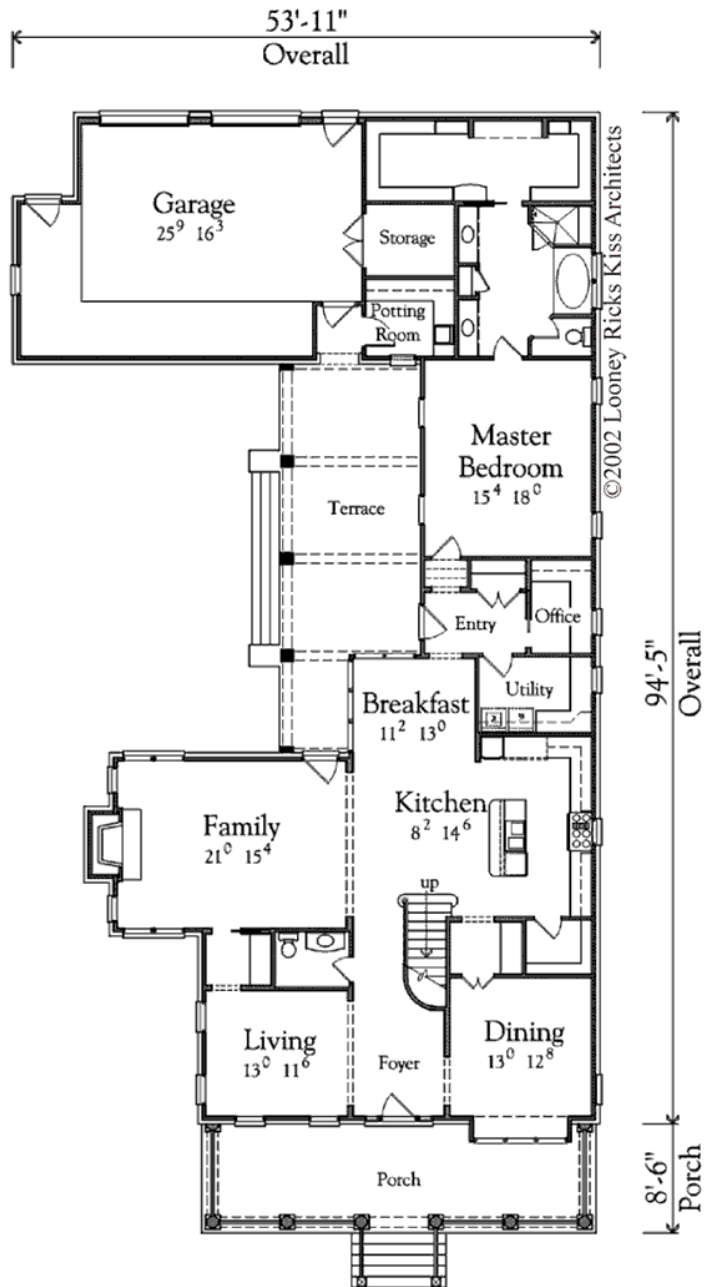


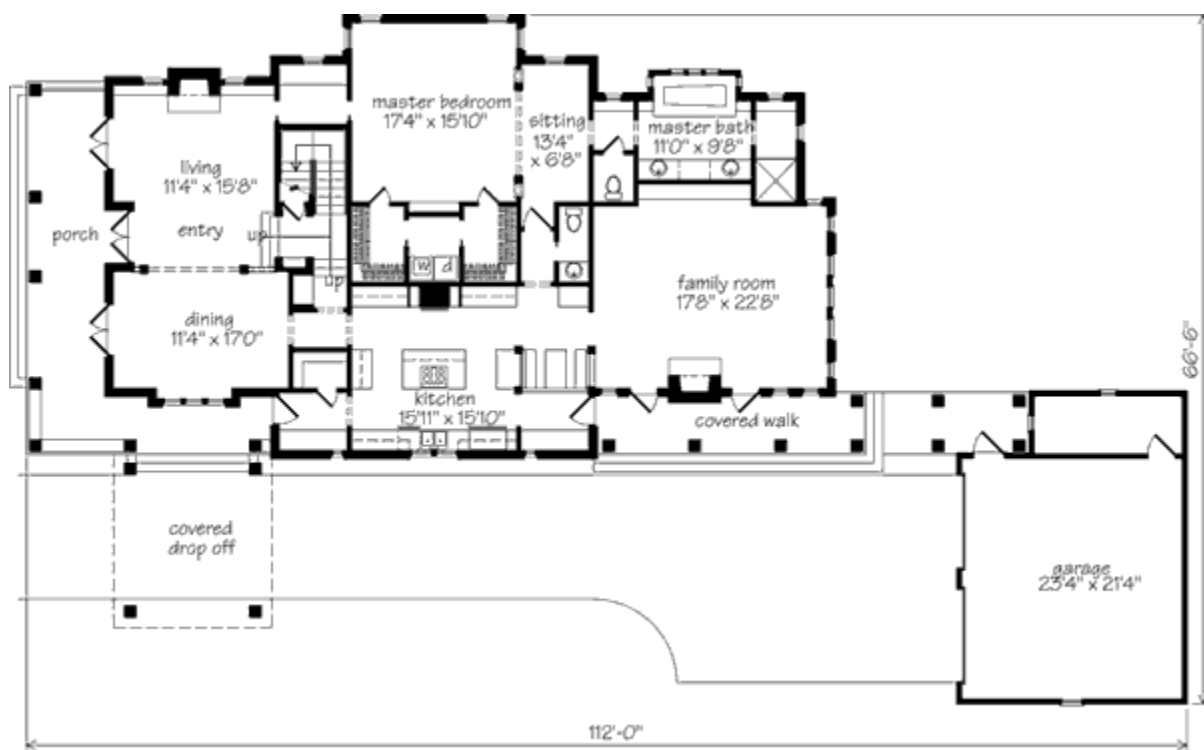
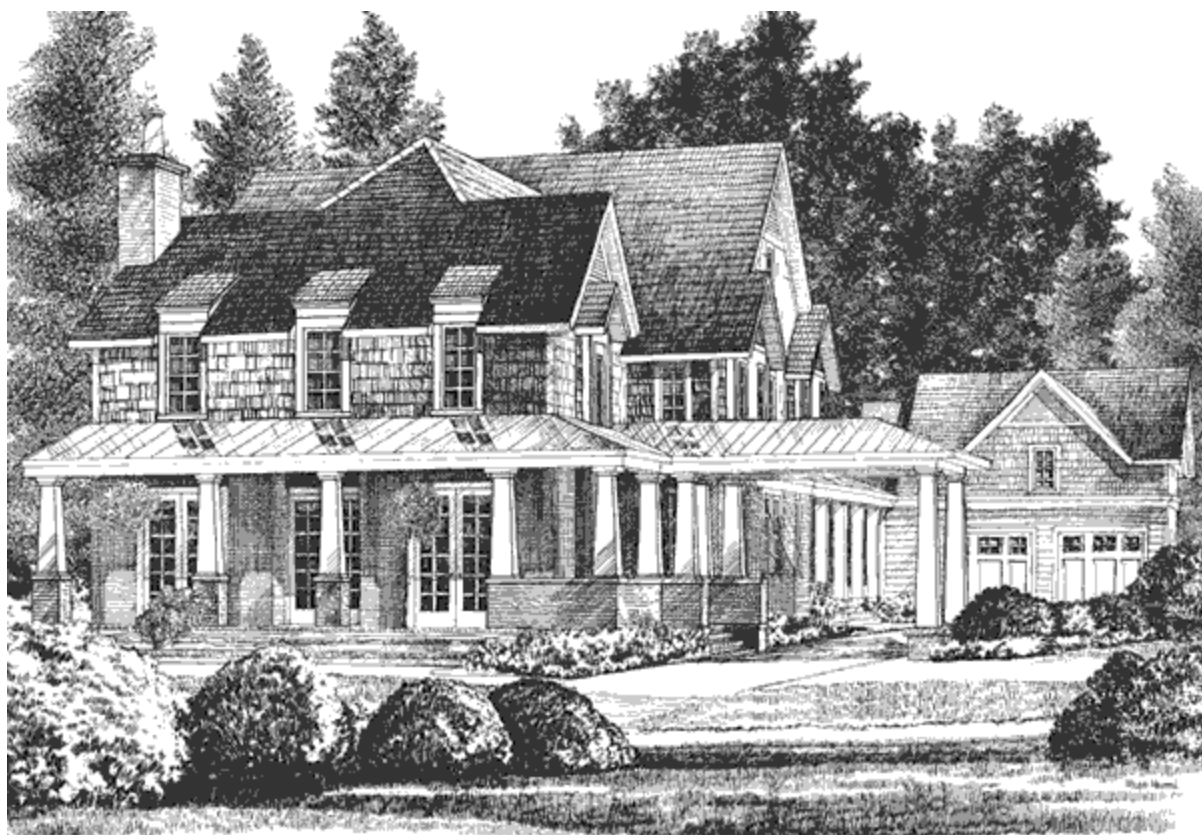


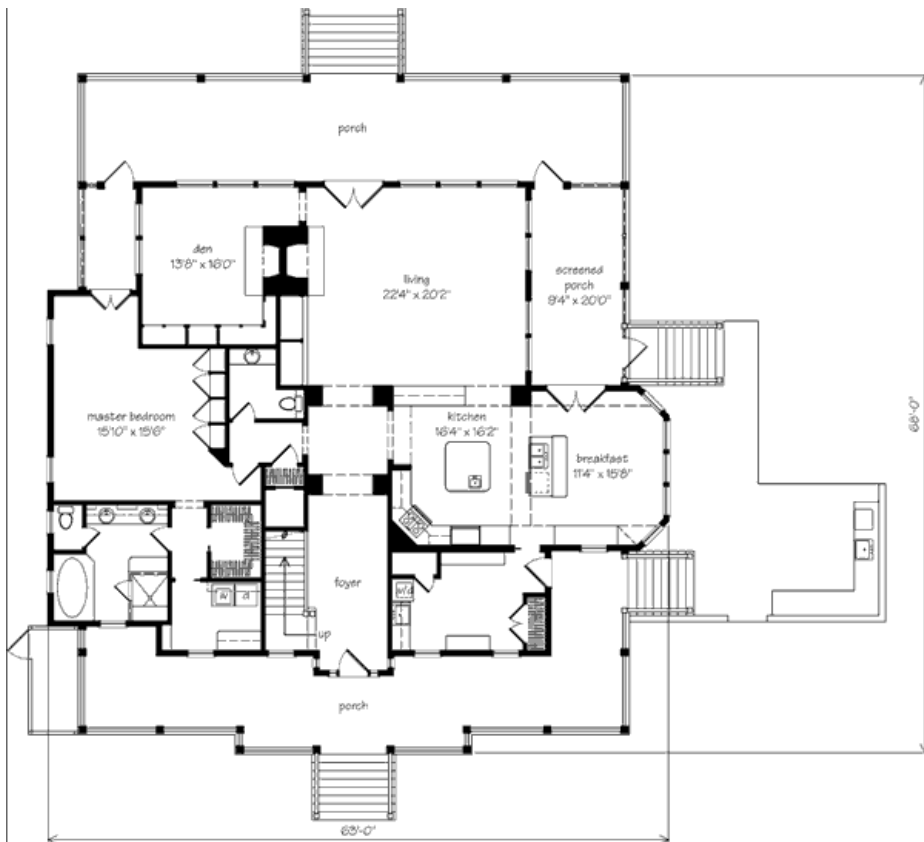






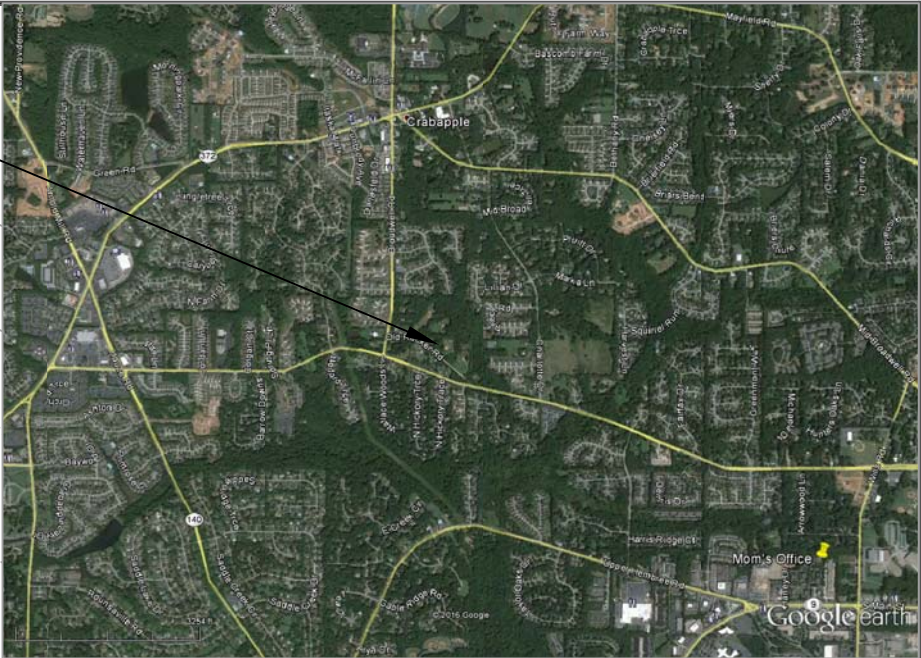






LOT	TOTAL AREA	
	Sq Ft	Ac
1	66,771.59	1.53
2	52,829.87	1.21
3	52,179.88	1.20
4	50,650.00	1.16
5	47,553.00	1.09
6	44,148.00	1.01
7	150,104.93	3.45

EXISTING AREA (SF) 464252.2
REVISED AREA (SF) 464237.3
DIFFERENCE (SF) 15.0



SITE LOCATION MAP

LEGEND

SETBACK

INTERIOR LOT LINES

EXTERIOR LOT LINES

INTERMEDIATE CONTOURS

INDEX CONTOURS

STREAM BUFFERS

100-YR FLOOD LIMITS

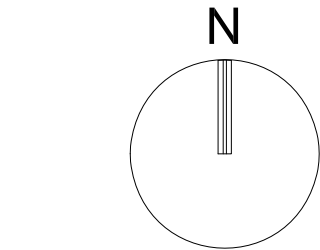
WETLANDS

STORMWATER FLOW

LEVEL SPREADER/
STORMWATER STORAGE

PROPERTY ACREAGE: 10.66 AC
CURRENT ZONING: AG
TARGET ZONING: R
ZONE R REQUIREMENTS:
Minimum Lot Size-1 acre (43,560 square feet).
Minimum Lot Width-100 feet.
Minimum Setbacks.
Front yard-from all street frontages:
From right-of-way of local street-50 feet.
From right-of-way of all other streets-65 feet.
Side yard-25 feet.
Rear yard-50 feet.
Maximum Ground Coverage By Principal Buildings-25%.
Maximum Building Height-35 feet.
Minimum Floor Area of a Dwelling Unit-1,800 square feet.

THE STORMWATER MANAGEMENT CONCEPT SHALL INCLUDE DRIVEWAYS CONSTRUCTED WITH PERVIOUS OR POROUS MATERIALS (PAVERS, GRAVEL, SHELL, ETC.), AND ALL RESIDENTS SHALL HAVE RAIN BARRELS OR A CISTERN INSTALLED TO CAPTURE RUNOFF FROM THE ROOF. EACH LOT BUILDER/OWNER SHALL ADDRESS ADDITIONAL "ON LOT" DETENTION NEEDS WITH CITY STAFF.



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PENCE DEVELOPMENT

Jones Consulting Group



MAY 29, 2016
VICTOR C. JONES
PE NO. 024415

JONES CONSULTING GROUP, LLC
vic@jones-consulting-group.com
(M) 770-335-0959

CONT. NO.	
DATE	AUG 29, 2016
PROJ	10030.011
SHEET	

CITIZEN PARTICIPATION FORM - PART B

This form must be completed and submitted to the City of Alpharetta Community Development Department a minimum of twenty (20) working days prior to the scheduled Public Hearing. Failure to do so will result in cancellation of the scheduled hearing.

Public Hearing or Project Name: Old Rucker Road

Contact Name: Robert Forrest

Telephone: 404-514-8575

Please describe comments and concerns provided by any and all individuals contacted as part of the the Citizen Participation Program. If any individuals provided written correspondence, please attach copies of same to this report.

Scott Perkins (next door) generally ok with it. Marie Garrett is in support of it. Dr Barnett doesn't have time to meet or discuss

but did reply via email that they wanted the road to be opened up on the Rucker end and no traffic to come out on Broadwell

side. No others have responded to my attempts to connect but will continue to do so.

Method by which these individuals were contacted. Please mark all that apply. *Please provide samples of any and all written communications used to provide notification.*



Letter



Personal Visits



Telephone



Group Meeting



Email



Other (Please Specify) _____

Attach a list of people who have been notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified.

I, the undersigned, as an authorized representative of the applicant and Public Hearing item identified above, do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Citizen Participation Form - Part B and in any and all documents provided in support of this report are true and accurate. I further understand that any false statements provided by representatives of the applicant as part of this report may result in penalties up to and including denial of the subject application.



Signature of Authorized Agent: _____

Date: 8/18/2016

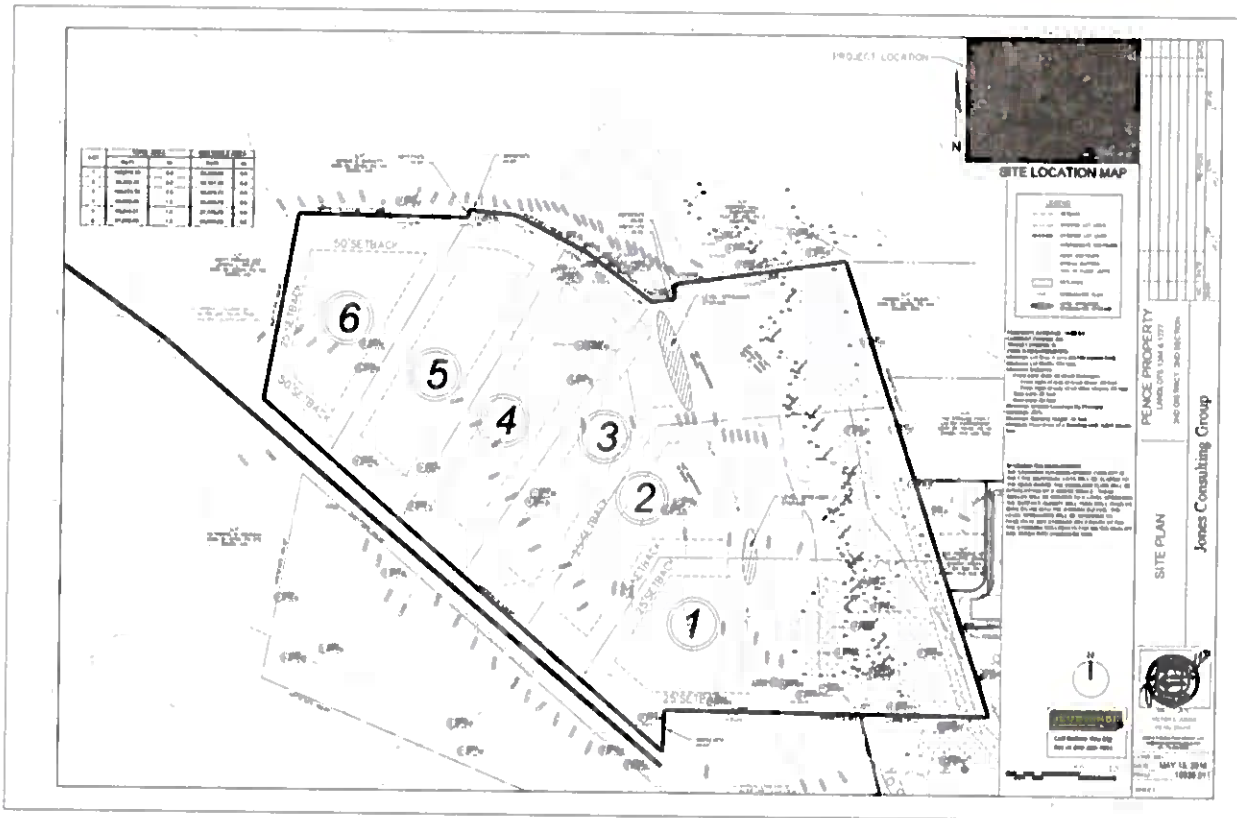
Print Form

850 & 860 Old Rucker Road

August 8, 2016

Dear Neighbor:

I am writing to you today as your neighbor (I live up the street in Crabapple Station) that has u/c the 10.655 acres with two homes located at 850 & 860 Old Rucker Road. I am going before the planning commission and city council of Alpharetta next month with our plans for subdividing the two lots there into a total of six lots that will have six beautiful and fitting residential homes that will be priced in the \$800's-\$1M+ range that we feel will be very beautiful and upscale while giving the neighborhood a turn of the century look and feel. Now before you shoot me... please listen to my reasoning...



As you know, many builders have looked at this land and attempted to develop it. As a developer who is from the area having grown up in North Fulton and living just up the street, I walk down this quaint road many times a month and love it. I too feel that a typical neighborhood would be inappropriate for this area and this street, but as this is public right of

way and there is a future land use map that shows R and R22 possibilities, more dense development could possibly be justified. Rather than face the unknown future, working with you all on a very low impact, low-density 6 lots would help preserve the road & areas feel. I am asking the city to allow variances to do just this... NO additional right of way, NO HOA, NO paving, NO detention pond. Just 4 additional large (1.75+ acre average) lots... for a total of 6 out of over 10++ acres.

I invite you to reach out to us and ask any questions you may have, provide suggestions, etc.

Feel free to email, text, or call... I would love to come meet each of you all as well just let us know as soon as possible.

The planning commission hearing is Wednesday, September 7, 2016 at 6:30pm at City Hall.

Sincerely,

ROBERT FORREST -- 404-514-8575 cell -- text or call anytime

rob@stonewalkco.com - email

Subject: Re: pence property

Date: Monday, August 22, 2016 at 3:02:55 PM Eastern Daylight Time

From: ROBERT FORREST

To: Florence Barnett

Dr Barnett,

Thanks for replying back! I definitely understand you and the neighbors wanting to maintain the tranquility of Old Rucker Road that's the main reason I'm buying the property and rezoning it...

Right now, there is 10.5+ acres (and another 6.8 next door) that could be developed into more density in the future. And it IS a public right of way... so widening and/or paving could be in the future who knows.

My zoning would allow only 4 more lots to be developed and, with having 6 - \$1M+ estate homes each on an average of 1.75+ acres, it would be a very very long time if ever that those would be reassembled and subdivided.

With my plan you know what you get... 4 more estate home lots than today... and very large (1.75+ avg) lot sizes. And no road widening or paving (and hopefully NO HOA!) It will help preserve and maintain the tranquil nature of Old Rucker for generations hopefully.

Thank you again for your time. Wish we could meet so if things change or time opens up please let me know.

Rob.

From: Florence Barnett <florence@barnettneurosurgery.com>

Date: Friday, August 19, 2016 at 6:55 PM

To: ROBERT FORREST <rob@stonewalkco.com>

Subject: RE: pence property

I had your email wrong.

that is why i sent a test.

the only way we - as the neighbors that intend to stay on Old Rucker will sign on for the proposed changes is if there is an alternative - not more traffic on the unpaved road. They could egress by the barrier and just move it closer to Jonna's House. Generally - we are against rezoning the only area of AG left in Alpharetta. I do not have time to meet.

Florence C. Barnett, MD, FACS FAANS

Johns Creek Neurosurgery

6335 Hospital Parkway

Suite 210

Johns Creek, Ga. 30097

Phone: 678-474-9490

Fax 770-497-6716

From: Rob Forrest [mailto:rob@stonewalkco.com]
Sent: Thursday, August 18, 2016 3:09 PM
To: Florence Barnett M. D>
Subject: Re: pence property

Hey Dr Barnett

Love your house but really love the old car y'all have!

Could I come by and meet y'all tomorrow or this weekend? I live just up Broadwell and could walk down, just let me know when is a good time.

Thanks!

Rob

Robert Forrest

On Aug 18, 2016, at 6:23 AM, Rob Forrest <rob@stonewalkco.com> wrote:

Hello!

Yes this works! Love to talk to you about this property. Let me know a time today I could call or meet!

Rob

Robert Forrest

On Aug 18, 2016, at 6:13 AM, Florence Barnett M. D> <florence@barnettneurosurgery.com> wrote:

Test

Florence C. Barnett, MD FACS FAANS
6335 Hospital Parkway
Suite 210
Johns Creek , Ga 30097
Phone 678-474-9490
Fax 770-497-6716

WILSON JEFFREY SCOTT & KIMBERLEY ANN

Or Current Property Owner

12220 CHARLOTTE DR

ALPHARETTA GA 30004

AHMED KASHIF & KASHIF BILQUEES HUMA

Or Current Property Owner

955 REECE RD

ALPHARETTA GA 30004

ARCHER JAMES K JR & ARCHER JENNIFER L

Or Current Property Owner

1050 SPENCE ST

ALPHARETTA GA 30004

AYCOCK JEFF V II & ASHLI

Or Current Property Owner

12275 BROADWELL RD

ALPHARETTA GA 30004

BALAJI SUBRAMANIAM K & HEMA

Or Current Property Owner

1000 REECE RD

ALPHARETTA GA 30004

BARKETT GEORGE E

Or Current Property Owner

820 OLD RUCKER RD

ALPHARETTA GA 30004

BARNETT FLORENCE C

Or Current Property Owner

760 OLD RUCKER RD

ALPHARETTA GA 30004

BECKMAN BRADLEY W

Or Current Property Owner

990 REECE RD

ALPHARETTA GA 30004

BEILETTI JONNA L

Or Current Property Owner

840 OLD RUCKER RD

ALPHARETTA GA 30004

BERT GREGORY R & HICKMAN NATALIE C

Or Current Property Owner

1030 SPENCE ST

ALPHARETTA GA 30004

BLAINE CAROL S

Or Current Property Owner

11935 N HICKORY TRCE

ALPHARETTA GA 30004

BOARMAN MATTHEW E & BOARMAN KAREN B

Or Current Property Owner

12110 SPENCE WAY

ALPHARETTA GA 30004

BORJA LOLITA C & CRISPIN A

Or Current Property Owner

12150 N HICKORY TRCE

ALPHARETTA GA 30004

CAMPOS LUIS F

Or Current Property Owner

910 RUCKER RD

ALPHARETTA GA 30004

CASTLEBERRY BRIDGE FARM LLC

Or Current Property Owner

1115 BEL AIR DR # 4

BOCA RATON FL 33487

CHAMBERS JA JUAN B

Or Current Property Owner

1005 REECE RD

ALPHARETTA GA 30004

COLEMAN KIM G & ELISA MONTEILH COLEMAN

Or Current Property Owner

12130 BROOKMILL PT

ALPHARETTA GA 30004

DENNING LAUREN E

Or Current Property Owner

11860 N HICKORY TRCE

ALPHARETTA GA 30004

EMERSON HALL HOMEOWNERS ASSN INC

Or Current Property Owner

P.O.BOX 2458

ALPHARETTA GA 30023 2458

FERN THOMAS E & ETHEL P

Or Current Property Owner

12145 N HICKORY TRCE # F

ALPHARETTA GA 30004

FIELD NANCY B & MICHAEL

Or Current Property Owner

12140 BROOKMILL POINT

ALPHARETTA GA 30004 4019

FIORINI ASSUNTA

Or Current Property Owner

755 OLD RUCKER RD

ALPHARETTA GA 30004

GARRETT MARIE L

Or Current Property Owner

825 OLD RUCKER RD

ALPHARETTA GA 30004

GAYNOR JEFFREY R & LORRAINE M

Or Current Property Owner

975 REECE RD

ALPHARETTA GA 30004

GOLLA MURALI K & GOLLA RADHA R

Or Current Property Owner

1045 SPENCE ST

ALPHARETTA GA 30004

HARRIS MICHELE Q & HARRIS ADAM E

Or Current Property Owner

11910 OLD STATION PL

ALPHARETTA GA 30004

HERMAN ROBERT S & JENNY

Or Current Property Owner

945 REECE RD

ALPHARETTA GA 30004

HOLBROOK LOVICK W & HOLBROOK MARJAN D

Or Current Property Owner

1010 SPENCE ST

ALPHARETTA GA 30004

HUNDELT THOMAS K JR & SHANNON JENNIFER L

Or Current Property Owner

970 REECE RD

ALPHARETTA GA 30004

JAIN AMIT & SHARMA SHWETA

Or Current Property Owner

1035 SPENCE ST

ALPHARETTA GA 30004

JEAN PIERRE MARIE T

Or Current Property Owner

11870 N HICKORY TRC

ALPHARETTA GA 30004

JOHNSON DAVID R
Or Current Property Owner
875 RUCKER RD
ALPHARETTA GA 30004 4050

KUMAR AKHILESH & SINGH PREETI
Or Current Property Owner
950 REECE RD
ALPHARETTA GA 30004

MANTHEY KEITH W & MANTHEY SUSAN M
Or Current Property Owner
1020 SPENCE ST
ALPHARETTA GA 30004

NELSON ERIC & MARY
Or Current Property Owner
12080 BROOKMILL POINT
ALPHARETTA GA 30004

OLD STATION HOMEOWNERS ASSN INC
Or Current Property Owner
11850 OLD STATION PL
ALPHARETTA GA 30004

PENCE DONALD W & ELAINE U
Or Current Property Owner
860 OLD RUCKER RD
ALPHARETTA GA 30004 6373

RAYOL HILTON & ADRIANY W
Or Current Property Owner
12200 MCCOY WAY
ALPHARETTA GA 30004

RYAN PATRICK & RYAN MAUREEN FARRELL
Or Current Property Owner
12120 SPENCE WAY
ALPHARETTA GA 30004

SHIRLEY GIORDANO REVOCABLE TR
Or Current Property Owner
12110 BROOKMILL POINT
ALPHARETTA GA 30004

TVS PROPERTY LLC
Or Current Property Owner
12165 MOUNTAIN LAUREL DR
ROSWELL GA 30075

KATHERINE WORLEY COLEMAN REVOCABLE LIVING TRUST THE
Or Current Property Owner
855 RUCKER RD
ALPHARETTA GA 30004

LANIER THOMAS Z IV & LANIER LEIGH M
Or Current Property Owner
12285 BROADWELL
ALPHARETTA GA 30004

MAZZOTTA DOMINIC F & KELLEY A
Or Current Property Owner
11890 OLD STATION PL
ALPHARETTA GA 30004

NGUYEN PHUONG THAO
Or Current Property Owner
973 SOUTHERBY LN
ALPHARETTA GA 30004

ONEACRE CRAIG R & AMY S
Or Current Property Owner
940 REECE RD
ALPHARETTA GA 30004

POULSEN BO RIIIS & URBIZO IRMA L
Or Current Property Owner
11880 OLD STATION PL
ALPHARETTA GA 30004

RUTHVEN SEAN D & RUTHVEN EMILY L
Or Current Property Owner
1040 SPENCE ST
ALPHARETTA GA 30004

SCHINDLER RUDOLF R & REBECCA B
Or Current Property Owner
11925 N HICKORY TRCE
ALPHARETTA GA 30004

STRAUS FAMILY LIMITED PARTNERSHIP THE
Or Current Property Owner
12190 CHARLOTTE DR
ALPHARETTA GA 30004

VINJAMURI RAVI S & KAVITA
Or Current Property Owner
11900 OLD STATION PL
ALPHARETTA GA 30004

KUCKLUCK SANDRA L
Or Current Property Owner
11915 N HICKORY TRCE
ALPHARETTA GA 30004

LERIT BRUCE M & VAN THI
Or Current Property Owner
930 REECE RD
ALPHARETTA GA 30004 1420

MENDEZ RONALD & HEATHER M
Or Current Property Owner
11880 N HICKORY TRCE
ALPHARETTA GA 30004

OAKS ON CHARLOTTE DRIVE HOMEOWNERS ASSOCIATION
INC
Or Current Property Owner
1455 OLD ALABAMA RD SUITE 100
ROSWELL GA 30076 3871

PADIGALA MAHESH & JAKKA SHIRESHA
Or Current Property Owner
980 REECE RD
ALPHARETTA GA 30004

PRESERVE ON CHARLOTTE DRIVE HOMEOWNERS
ASSOCIATION INC
Or Current Property Owner
1100 NORTHMEADOW PKWY STE 114
ROSWELL GA 30076

RUTTLE CHRISTOPHER P & RUTTLE MOLLY
Or Current Property Owner
1025 SPENCE ST
ALPHARETTA GA 30004

SEALS BART D & VIVIAN R
Or Current Property Owner
11850 N HICKORY TRCE
ALPHARETTA GA 30004 4035

TUTTAS SUSAN L & THOMAS C
Or Current Property Owner
12135 N HICKORY TRCE
ALPHARETTA GA 30004

WILLIAMSON GARY L
Or Current Property Owner
12090 BROOKMILL PT
ALPHARETTA GA 30004

6/15/16

CITY OF ALPHARETTA

PUBLIC HEARING APPLICATION

Z-16-01/V-16-02
Pence/Old Rucker Rd

FOR OFFICE USE ONLY

Case #: _____

☐ Fee Paid Initial: _____

COMMUNITY DEVELOPMENT DEPARTMENT

2 PARK PLAZA

ALPHARETTA, GA 30009

1. This page should be the first page in each of your completed application packets.
2. It is preferred that all responses be typed. Illegible applications will not be accepted.
3. Prior to signing and submitting your application, please check all information supplied on the following pages to ensure that all responses are complete and accurate. Incomplete applications will not be accepted.
4. Payment of all applicable fees must be made at the time of application. Payment may be made via cash, credit card (American Express, Master Card or Visa), or check made payable to "City of Alpharetta."
5. Applications will be accepted only on the designated submittal dates between the hours of 8:30 AM and 3:30 PM.
6. If you have any questions regarding this form, please contact the Community Development Department by calling 678-297-6070.

Contact Information:

Contact Name: Robert Forrest Telephone: 404-514-8575

Address: 12611 Itaska Walk Suite: _____

City Milton State: GA Zip: 30004 Fax: _____

Mobile Tel: 404-514-8575 Email: rob@stonewalkco.com

Subject Property Information:

Address: 850 & 860 Old Rucker Road Current Zoning: AG

District: 2 Section: 2 Land Lot: 1243-1244 Parcel ID: 22 418012430508 & 22 418012430359

Proposed Zoning: R Current Use: Two houses

This Application For (Check All That Apply):

- | | |
|---|---|
| ☐ Conditional Use | ☐ Master Plan Amendment |
| ☒ Rezoning | ☐ Master Plan Review |
| ☒ Variance | ☐ Public Hearing |
| ☐ Comprehensive Plan Amendment | ☐ Other (Specify): _____ |

APPLICANT REQUEST AND INTENT

What is the proposed use(s) of the property?

Rezone the property from AG to R to allow the development of 4 additional homes (6 total) on about 10.655 acres

Applicant's Request (Please itemize the proposal):

To rezone the property from AG to R to allow 6 total lots each 1 acre or more. We are proposing not disturbing the current Old Rucker Road just retaining the current gravel road and terminating the road as is - currently a dead end. Homes of no less than 3,000 sq.ft. would be built and would be similar in nature to those already on Old Rucker (farm house/traditional/etc).

Also a variance is requested from Section 6 Item 3 of the Storm Water Management Design Manual which says "No portion of any lot with residences shall contain any stream buffer. All stream buffers shall be included in a common area deeded to the homeowners association for that subdivision development. We are also hoping to not have a HOA in keeping with the rural nature of this street and the current homes there are not a part of an HOA either. We would like each builder/homeowner to provide their own stormwater management on their lot.

A variance is requested to allow the street to remain gravel - again in keeping with the rural nature of this street and area.

Applicant's Intent (Please describe what the proposal would facilitate):

The surrounding properties outside of this 30+/- acre "pocket" of Alpharetta are already developed as R15/R20. The property to the West (840 Old Rucker) is 42,334 sq.ft. (just under an acre), and the properties along Rucker Road that are across the street from this property are 865 Rucker Road - 48,787 sq.ft, 875 Rucker Road - 55,756 sq.ft., and 855 Rucker Road - 50,529 sq.ft.

As depicted on our rezoning plan, our lots range in a similar/larger range - 51,613 sq.ft. (1.2+/- ac) to 102,579 sq.ft. (2.4+/- ac) with an average of 77,355 sq.ft. (1.77+ acres) per lot.

In order to maintain the rural look/nature of this street/area, we are also requesting a variance to not require the stream buffer be put into a HOA or the creation of any HOA as residents of these types of areas/lots (including the current residents on this street) desire to purchase and live here because there is no HOA and don't desire one. We would propose that each resident that would have stream buffer on their lot (half of the lots) be responsible for their own property.

As one of the biggest draws to this street is that it is not paved but rather a narrower gravel road and the three homes on the south side of Old Rucker across from our lots also have access/frontage on this gravel road today, that we would maintain the current gravel road as-is and not disturb it.

Our overall intent is to keep everything as it is today and just subdivide the current 2 lots into a total of 6 lots replacing the two current homes with six total homes that would in fact be more similar in size and style to the others found on this road today.

6/15/16

PROPERTY OWNER AUTHORIZATION

Z-16-01/V-16-02

Pence/Old Rucker Rd

Property Owner Information:

Contact Name:

Donald & Elaine Pence

Telephone:

6-

Address:

8501860 Old Rucker Rd.

Suite:

City

Alpharetta

State:

GA

Zip:

30006

Authorization:

I do solemnly swear and attest, subject to criminal penalties for false swearing, that I am the legal owner, as reflected in the records of Fulton County, Georgia, of the property identified below, which is the subject of the attached Application for Public Hearing before the City of Alpharetta, Georgia.

As the legal owner of record of the subject property, I hereby authorize the individual named below to act as the applicant in the pursuit of the Application for Public Hearing in request of the items indicated below.

☐ Annexation☐ Special Use☒ Rezoning☐ Conditional Use☐ Variance☐ Master Plan☐ Land Use Application☐ Other _____Identify Authorized Applicant:

Name of Authorized Applicant:

Telephone:

Address:

Suite:

City

State:

Zip:

So Sworn and Attested:

Owner Signature:

Donald Pence Elaine Pence

Date:

5/31/2016

Notary:

Notary Signature:



Date:

5/31/2016

6/15/16

DISCLOSURE FORM

Z-16-01/V-16-02
Pence/Old Rucker Rd

The Official Code of Georgia Annotated requires disclosure of campaign contributions to government officials by an applicant or opponent of a rezoning or public hearing petition (O.C.G.A. 36-67 A-1).

Applicants must file this form with the City of Alpharetta Community Development Department within ten (10) days after filing for rezoning or public hearing. Opponents to a rezoning or public hearing petition must file this form five (5) days prior to the Planning Commission meeting at which the subject rezoning or public hearing petition is scheduled to be heard.

Name of Applicant or Opponent: Robert Forrest

Subject Public Hearing Case: Old Rucker Road

Campaign Contribution Information:

Please provide the requested information for each contribution with a dollar amount or value of \$250 or more made within the past two (2) years to an Alpharetta Official by the individual identified above. Please use a separate form for each Alpharetta Official to whom such a contribution as been made.

If the individual identified above has made no such contributions to an Alpharetta Official within the past two (2) years, please indicate this by entering "N/A" on the appropriate lines below.

Name of Official: NA

Position: NA

Description of Contribution: NA

Value: NA

Description of Contribution: NA

Value: NA

Description of Contribution: NA

Value: NA

Description of Contribution: NA

Value: NA

Description of Contribution: NA

Value: NA

Campaign Contribution Information:

I do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Disclosure Form is true and accurate and that I have disclosed herein any and all campaign contributions made to an Official of the City of Alpharetta, Georgia in accordance with O.C.G.A. 36-67 A-1.

Signature:



Date: January 4, 2016

6/15/16

Pence/Old Rucker Rd

ALPHARETTA PLANNING COMMISSION REVIEW CRITERIA

How will this proposal be compatible with surrounding properties?

The property directly to the West and the properties directly to the south are all the same or smaller size lots as the ones proposed. Lots to the East and elsewhere around this "pocket" of 30 or so acres are all smaller R15-R20.

How will this proposal affect the use and value of the surrounding properties?

It is complimentary to the surrounding properties with home prices anticipated to be \$600k-\$1M+

Can the property be developed for a reasonable economic use as currently zoned? Please explain why or why not.

AG zoning only allows 1 unit per 5 acres and there is no zoning anywhere near this property that is similar. While Old Rucker is a rural looking gravel road (which look/feel we are maintaining) this area is characterized by 1-3 units per acre rather than 1 unit per 5 acres. Of the 12 properties that abut Old Rucker Road, only 3 (25%) meet the 5+ acre minimum required of AG zoning and as such should really be zoned R not AG. Upkeep/maintenance is much greater the larger the lot as well.

What would be the increase to population and traffic if the proposal were approved?

4 net new houses with 12-15 total population and 30 or so vehicle trips per day on the existing city-owned road.

What would be the impact to schools and utilities if the proposal were approved?

A net increase potential of 4-10 school aged children and minimal utility impacts

How is the proposal consistent with the Alpharetta Comprehensive Plan; particularly the Future Land Use Map?

The future land use map shows this area a very low density which allows R and R22 zoning. We originally were going to as for R22 zoning but after discussing with staff are now seeking R zoning (1 acre lots).

Are there existing or changing conditions which affect the development of the property and support the proposed request?

All of the surrounding properties have been zoned and developed in the area to higher densities. The family that owns this land desires to sell it to us and R zoning meets the future land use plan.

On a separate sheet or sheets, please provide any information or evidence that supports your request and the statements that you have provided in this application.

6/15/16

CITIZEN PARTICIPATION FORM - PART A

Bence/Old Rucker Rd

This form must be completed and submitted with the applicant's completed Public Hearing Application. Applications submitted to the City of Alpharetta without a completed Citizen Participation Form - Part A will not be accepted.

Public Hearing or Project Name: Old Rucker Road

Contact Name: Robert Forrest

Telephone: 404-514-8575

The following people will be notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified. Use additional pages as needed.

See attached list

Method by which these individuals will be contacted. Please mark all that apply. If you select "Other," please provide a description of the method of contact that will be used.



Letter



Personal Visits



Telephone



Group Meeting



Email



Other (Please Specify)

Please describe the method(s) by which these individuals will have the opportunity to respond or contact the applicant with questions or concerns about the proposal.

They can schedule a meeting or discuss via voice, email, or text with me at rob@stonewalkco.com or 404-514-8575 anytime.

6/15/16

Z-16-01/V-16-02
Pence/Old Rucker Rd

820 OLD RUCKER RD
BARKETT GEORGE E & FLORENCE

12275 BROADWELL RD
AYCOCK JEFF V II & ASHLI

12285 BROADWELL RD
LANIER THOMAS Z IV & LANIER LEIGH M

12295 BROADWELL RD
HANAY PETER M & MARY H

755 OLD RUCKER RD
FIORINI ASSUNTA

825 OLD RUCKER RD
GARRETT MARIE

865 RUCKER RD
TVS PROPERTY LLC

855 RUCKER RD # RT 4
KATHERINE WORLEY COLEMAN REVOCABLE
LIVING TRUST THE

875 RUCKER RD
JOHNSON DAVID R

910 RUCKER RD
CAMPOS LUIS F

12100 CHARLOTTE DR
PRESERVE ON CHARLOTTE DRIVE
HOMEOWNERS ASSOCIATION INC

1025 SPENCE ST
RUTTLE CHRISTOPHER P & RUTTLE MOLLY

1035 SPENCE ST
JAIN AMIT & SHARMA SHWETA

1010 SPENCE ST
HOLBROOK LOVICK W & HOLBROOK MARJAN
D

1020 SPENCE ST
MANTHEY KEITH W & MANTHEY SUSAN M

1030 SPENCE ST
BERT GREGORY R & HICKMAN NATALIE C

1040 SPENCE ST
RUTHVEN SEAN D & RUTHVEN EMILY L

1045 SPENCE ST
GOLLA MURALI K & GOLLA RADHA R

12120 SPENCE WAY
RYAN PATRICK & RYAN MAUREEN FARRELL

12110 SPENCE WAY
BOARMAN MATTHEW E & BOARMAN KAREN
B

1065 SPENCE ST
PENDYALA KIRANPAL R & PENDYALA
GEETHA

12125 SPENCE WAY
PHADKE RAHUL & PHADKE DEEPIKA

12115 SPENCE WAY
DAVIS CHRISTOPHER J & DAVIS DANA KAY

12190 CHARLOTTE DR
STRAUS FAMILY LIMITED PARTNERSHIP
THE

12220 CHARLOTTE DR
WILSON JEFFREY SCOTT & KIMBERLEY ANN

960 REECE RD
OAKS ON CHARLOTTE DRIVE HOMEOWNERS
ASSOCIATION INC

950 REECE RD
KUMAR AKHILESH & SINGH PREETI

940 REECE RD
ONEACRE CRAIG R & AMY S

930 REECE RD
LERIT BRUCE M & VAN THI

970 REECE RD
HUNDELT THOMAS K JR & SHANNON
JENNIFER L

980 REECE RD
PADIGALA MAHESH & JAKKA SHIRESHA

975 REECE RD
GAYNOR JEFFREY R & LORRAINE M

955 REECE RD
AHMED KASHIF & KASHIF BILQUEES HUMA

945 REECE RD
HERMAN ROBERT S & JENNY

1005 REECE RD
CHAMBERS JA JUAN B

990 REECE RD
BECKMAN BRADLEY W

12200 MCCOY WAY
RAYOL HILTON & ADRIANY W

		Intensity	Daily Trips	AM Peak Hour			PM Peak Hour			
ITE	Land Use			Total	In	Out	Total	In	Out	
<u>Code</u>	<u>Description</u>									
210	Single-Family Detached									
	Housing	6	Total	77	13	3	9	9	5	3
		4	Net New	52	9	2	6	6	4	2

Trip Generation (9th Ed.)

6/15/16

SITE PLAN CHECK LIST

Pence/Old Rucker Rd

This document is provided as a resource for the applicant to assist in the preparation of site plans to be submitted in support of applications for public hearing. The items listed below reflect the minimum information that must be included on all site plans submitted as part of the public hearing process.

Site plans submitted as part of a public hearing application must be drawn to scale, and the scale must be displayed in the lower left corner of the plan page. The maximum page size for original full-size plan documents is 30" x 42". Plan copies submitted as part of the completed application packets may be a maximum of 11" x 17", must be folded to a size of 8.5" x 11", and must be attached to each submittal packet set.

Applications that include site plan documents that do not meet these requirements will not be accepted.

☐	Element Description
☐	Key and/or legend and site location map with North arrow
☐	Boundary survey of subject property which includes dimensions along property lines that match the metes and bounds of the property's written legal description and clearly indicates the point of beginning.
☐	Acreage of the subject property.
☐	Location of land lot lines and identification of land lots.
☐	Existing, proposed, new dedicated, and future reserved rights-of-way of all streets, roads, and rail lines adjacent to and on the subject property. N/A
☐	Proposed streets on the subject site. Proposed Driveways will be off of Old Rucker Road
☐	Current zoning of the subject site and adjoining properties.
☐	Existing buildings (with square footages, heights, and stories), wells, driveways, fences, cell towers, and any other structures or improvements on the subject property.
☐	Location of proposed buildings with square footages, heights, and stories. Min. footprint and max. height shown
☐	Layout and minimum lot size of proposed single-family residential lots.
☐	Topography of subject site.
☐	Required and proposed setbacks.
☐	100-year flood plain horizontal limits and flood zone designations as shown on survey or FEMA FIRM maps.
☐	Required landscape strips, undisturbed buffers, and any other natural areas as required or proposed. N/A
☐	Tree lines, woodlands, significant trees with critical root zones (1.3 x trunk diameter), and open fields on subject site.
☐	Required and proposed parking spaces, loading, and unloading facilities. N/A
☐	Lakes, streams, and other waters on the site and associated buffers. Wetlands shown on GIS maps or survey.
☐	Proposed stormwater management facilities.
☐	Entrance distance profile assuming the driver's eye at a height of 3.5 feet. N/A
☐	Existing driveways located within 150 feet of the subject property on adjacent or nearby parcels (including those parcels on the opposite side of a public street). N/A
☐	Proposed access driveways and the available intersection sight distance (according to AASHTO Green Book). N/A

6/15/16

Z-16-01/V-16-02

Pence/Old Rucker Rd

PROJECT LOCATION

N

SITE LOCATION MAP

LOT	TOTAL AREA		BUILDABLE AREA	
	Sq Ft	Ac	Sq Ft	Ac
1	102,579.33	2.4	22,232.56	0.5
2	96,272.73	2.2	19,167.35	0.5
3	100,273.75	2.3	19,876.72	0.5
4	56,552.48	1.3	26,448.78	0.6
5	56,843.31	1.3	27,176.79	0.6
6	51,613.60	1.2	23,563.32	0.5

N/F
SCOTT PERKINS AND
JOANNA L. BEILETTI
DEED BK 22334, PG 132
ZONED: AG1

APPROX. LOCATION OF
WATER LINE TAKEN FROM
FULFON COUNTY MAP (TYP)

N/F
KATHERINE W. COLEMAN
DEED BK 5753, PG 372
ZONED: AG1

N/F
GEORGE E. BARKETT
DEED BK 20124, PG 145
ZONED: AG1

N07°17'03"E
10.90'

S83°56'55"E
64.85'

N/F
EMERSON HALL
SUBDIVISION
PLAT BK 259, PG 2
ZONED: R22

N/F
KIMBERLY A. WILSON
DEED BK 39095, PG 365
ZONED: R22

N/F
THE STRAUSS FAMILY
LIMITED PARTNERSHIP
DEED BK 10109, PG 191
ZONED: R15 AND R22

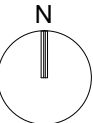
N/F
THE PRESERVE OF
CHARLOTTE DRIVE
COMMON AREAS
PLAT BK 362, PG 6
ZONED: R15 AND R22

LEGEND

- SETBACK
- INTERIOR LOT LINES
- EXTERIOR LOT LINES
- INTERMEDIATE CONTOURS
- INDEX CONTOURS
- STREAM BUFFERS
- 100-YR FLOOD LIMITS
- WETLANDS
- STORMWATER FLOW
- LEVEL SPREADER/
STORMWATER STORAGE

PROPERTY ACREAGE: 10.66 AC
CURRENT ZONING: AG
TARGET ZONING: R
ZONE R REQUIREMENTS:
Minimum Lot Size--1 acre (43,560 square feet).
Minimum Lot Width--100 feet.
Minimum Setbacks:
Front yard--from all street frontages:
From right-of-way of local street--50 feet.
From right-of-way of all other streets--65 feet.
Side yard--25 feet.
Rear yard--50 feet.
Maximum Ground Coverage By Principal
Buildings--25%.
Maximum Building Height--35 feet.
Minimum Floor Area of a Dwelling Unit--1,800 square
feet.

STORMWATER MANAGEMENT:
THE STORMWATER MANAGEMENT CONCEPT IS
THAT THE INDIVIDUAL LOTS WILL BE SLOPED TO
THE REAR WHERE THE OVERLAND FLOW WILL BE
INTERCEPTED BY A GRASS SWALE. THESE
SWALES WILL BE ROUTED TO A LEVEL SPREADER.
THE SURFACE RUNOFF WILL THEN SPILL OVER AS
SHEETFLOW INTO THE STREAM BUFFER. THE
LEVEL SPREADERS WILL BE DESIGNED TO
FACILITATE ANY STORAGE NECESSARY AFTER
THE STORMWATER CREDITS FOR WATER QUALITY
ARE TAKEN INTO CONSIDERATION.



PENCE PROPERTY

LANDLOTS 1244 & 1277

2ND DISTRICT, 2ND SECTION

SITE PLAN

Jones Consulting Group



MAY 13, 2016
VICTOR C. JONES
PE NO. 024415

JONES CONSULTING GROUP, LLC
vic@jones-consulting-group.com
(M) 770-335-0959

CONT. NO.

DATE MAY 13, 2016

PROJ 10030.011

SHEET

FILE NO.:

FILE NAME:

PENCE PROPERTY LEGAL DESCRIPTION

THE TRUE POINT OF BEGINNING IS LOCATED AT THE INTERSECTION OF LANDLOTS 22-1243, 22-1244, 22-1278, AND 22-1277. FROM THIS POINT OF BEGINNING, COMMENCE SOUTH 89 DEGREES, 19 MINUTES, 01 SECONDS EAST A DISTANCE OF 446.33 FEET TO A POINT; THENCE NORTH 18 DEGREES, 08 MINUTES, 07 SECONDS WEST A DISTANCE OF 653.77 FEET TO A POINT; THENCE SOUTH 81 DEGREES, 49 MINUTES, 00 SECONDS WEST A DISTANCE OF 237.97 FEET TO A POINT; THENCE SOUTH 00 DEGREES, 39 MINUTES, 24 SECONDS WEST A DISTANCE OF 20.08 FEET TO A POINT; THENCE SOUTH 82 DEGREES, 41 MINUTES, 14 SECONDS WEST A DISTANCE OF 31.70 FEET TO A POINT; THENCE NORTH 53 DEGREES, 17 MINUTES, 06 SECONDS WEST A DISTANCE OF 114.64 FEET TO A POINT; THENCE NORTH 63 DEGREES, 12 MINUTES, 28 SECONDS WEST A DISTANCE OF 106.60 FEET TO A POINT; THENCE NORTH 83 DEGREES, 56 MINUTES, 55 SECONDS WEST A DISTANCE OF 64.85 FEET TO A POINT; THENCE SOUTH 07 DEGREES, 17 MINUTES, 03 SECONDS WEST A DISTANCE OF 10.90 FEET TO A POINT; THENCE NORTH 89 DEGREES, 05 MINUTES, 11 SECONDS WEST A DISTANCE OF 233.06 FEET TO A POINT; THENCE SOUTH 10 DEGREES, 13 MINUTES, 13 SECONDS WEST A DISTANCE OF 258.50 FEET TO A POINT; THENCE SOUTH 49 DEGREES, 18 MINUTES, 47 SECONDS EAST A DISTANCE OF 293.00 FEET TO A POINT; THENCE SOUTH 49 DEGREES, 20 MINUTES, 07 SECONDS EAST A DISTANCE OF 439.40 FEET TO A POINT; THENCE NORTH 00 DEGREES, 44 MINUTES, 48 SECONDS EAST A DISTANCE OF 57.43 FEET TO A POINT, WHICH IS THE POINT OF BEGINNING.

SAID TRACT OR PARCEL OF LAND CONTAINS 10.659 ACRES AND IS DEPICTED ON THAT TREE SURVEY EXHIBIT FOR PENCE PROPERTY SURVEYED AND CERTIFIED BY JESSE GUNNIN, GA RLS 3079, DATED MARCH 09, 2016.

6/15/16

Z-16-01/V-16-02
Pence/Old Rucker Rd



HOMES WILL BE OF SIMILAR SIZE, QUALITY, AND STYLE TO THESE FOUND NEARBY THE AREA

Tree Assessment Data					
AG#	DBH	SPECIES	CONDITION	NOTES	DESIGN AROUND TREE
1	30	Red Maple	Fair	Boundary Tree (BT), decay in upper canopy, few dead limbs	No
2	24	Tulip Poplar	Fair	BT, co-dominant at approximately 35', contorted canopy, few dead limbs	No
3	30	Loblolly Pine	Good	BT	Yes
4	30	Loblolly Pine	Good		Yes
5	13	Sourwood	Poor	Large basal cavity at root crown, severe lean, lead is dead	No
6	34	White Oak	Good		Yes
7	34	Loblolly Pine	Good	Multiple calloused basal wounds, included barb wire	No
8	28	Tulip Poplar	Fair	BT, root flare growing around adjacent tree	No
9	39	Red Maple	Poor	Large basal cavity at root crown, approximately 30% canopy dieback, severe epicormic sprouts, large fungal fruiting body at approximately 25'	No
10	35	White Oak	Fair	Creek has severely undercut root plate	No
11	34	Tulip Poplar	Fair	Creek has severely undercut root plate, contorted canopy	No
12	25	Tulip Poplar	Fair	Creek has severely undercut root plate, sinuous trunk, 1 large dead limb	No
13	26	Tulip Poplar	Poor	Hollow at root crown, heavy vine coverage	No
14	30	Red Maple	Fair	Phomopsis, 1 large dead limb, few dead limbs, crook in stem at approximately 25'	No
15	29	Tulip Poplar	Good	BT, few dead limbs	Yes
16	25	Tulip Poplar	Good		Yes
17	24	Tulip Poplar	Fair	1 large dead limb, multiple dead limbs, sinuous trunk	No
18	35	Tulip Poplar	Fair	Co-dominant in upper canopy, few dead limbs, creek has undercut root plate, sinuous trunk	No
19	29	Tulip Poplar	Poor	Creek has severely undercut root plate, tip is dead, large basal cavity from approximately 20'-25'	No
20	27	Red Maple	Good	Moderate lean	Yes
21	26	Sweetgum	Good	Weak stem union at approximately 25'	Yes
22	39	Tulip Poplar	Fair	Weak stem union at approximately 6' with severe included bark and decay in union, few dead limbs	No
23	42,13	Tulip Poplar	Poor	Weak stem union at approximately 4' with basal cavity in union, slime flux, phomopsis, co-dominant at approximately 20' with 1 lead dead	No
24	30,20	Tulip Poplar	Fair	Co-dominant at approximately 3' with weak stem union and severe included bark, heavy vine coverage, few dead limbs	No
25	26	Sweetgum	Fair	Few large dead limbs, co-dominant at approximately 20'	No
26	8	Sourwood	Good	Basal wound with decay at root crown	No
27	26	Willow Oak	Good	Exposed roots with few wounds	Yes
28	8	Dogwood	Good	Multiple dead limbs	Yes
29	8,7,4	Dogwood	Poor	Tri-stem at root crown with weak stem union and included bark, basal wound at root crown, severe epicormic sprouts	No
30	31	Loblolly Pine	Good	Asymmetrical canopy	No
31	11,7	Dogwood	Fair	Weak stem union at root crown, small lead is approximately 80% dead, multiple dead limbs, epicormic sprouts	No
32	37	Loblolly Pine	Fair	Co-dominant at approximately 10' with weak stem union and severe included bark	No
33	10,7	Crabapple	Poor	Co-dominant at approximately 1' with weak stem union, 2 large dead limbs, severe epicormic sprouts, basal cavity at approximately 3', multiple prune wounds	No
34	27	Water Oak	Fair	BT, basal cavity at approximately 10', multiple dead limbs	No
35	8,7,6,6	Arborvitae	Good	Multi-stem at approximately 2', asymmetrical canopy	No
36	26	Pecan	Fair	Fungal fruiting body at root crown	No
37	26	Pecan	Poor	Large basal cavity from approximately 2'-5', 2 large prune wounds with decay, weak stem union with severe included bark at approximately 10'	No
38	36	Pecan	Good	Overhead light at approximately 12'	Yes
39	37	Northern Red Oak	Good	Multiple large calloused prune wounds	Yes
40	30	Northern Red Oak	Fair	2 large prune wounds, 1 prune wound has slime flux, severe epicormic sprouts	No
41	26	Northern Red Oak	Good	1 large dead limb, weak stem union at root crown is dead	Yes
42	27	Northern Red Oak	Good	2 large dead limbs, epicormic sprouts	Yes
43	25	White Oak	Good	Co-dominant at approximately 20', slight phototropic lean	Yes
44	12,5	Sourwood	Fair	Co-dominant at root crown, large basal cavity on small lead, multiple dead limbs, exposed root with basal wound	No
45	12	Sourwood	Good		Yes
46	24	White Oak	Good	BT	Yes
47	28	White Oak	Good	BT	Yes
48	11	Sourwood	Fair	BT, top is dead, severe epicormic sprouts	No
49	26	White Oak	Good		Yes
50	24	White Oak	Good	Co-dominant in upper canopy	Yes
51	25	White Oak	Fair	2 large fungal fruiting bodies at root crown, basal wound with decay at root crown, asymmetrical canopy	Yes
52	25	White Oak	Good	Co-dominant at approximately 5'	No
53	34,6	Tulip Poplar	Good	Weak stem union at root crown, co-dominant at approximately 30'	Yes
54	28	Northern Red Oak	Good	Multiple dead limbs	Yes
55	25	Northern Red Oak	Good	Few dead limbs	Yes
56	31	American Beech	Fair	Multiple calloused basal wounds on trunk, few large dead limbs	Yes
57	31	Post Oak	Good	Asymmetrical canopy	No
58	34	Tulip Poplar	Good		Yes
59	40	Tulip Poplar	Fair	Co-dominant at approximately 5' with weak stem union and included bark, few dead limbs	No
60	25	Tulip Poplar	Good		Yes
61	33	White Oak	Fair	BT, creek has severely undercut root plate, multiple dead roots	No
62	35	White Oak	Good	BT, creek has undercut root plate, moderate lean	No
63	27	American Beech	Fair	Few large dead limbs, severe epicormic sprouts	Yes
64	26	White Oak	Fair	Approximately 20% canopy dieback, epicormic sprouts, soil cut approximately 10' from base	No
65	32	White Oak	Good	BT	Yes

N/F
SCOTT PERKINS AND
JOANNA L. BEILETTI
DEED BOOK 22334, PAGE
132
ZONED: AG1

N/F
GEORGE E. BARKETT
DEED BOOK 20124, PAGE 145
ZONED: AG1

N/F
EMERSON HALL
SUBDIVISION
PLAT BOOK 259, PAGE 2
ZONED: R-22

N/F
KIMBERLY A.
WILSON
DEED BOOK 39095,
PAGE 365
ZONED: R-15 AND
R-22

N/F
THE STRAUS FAMILY
LIMITED
SOURWOOD PARTNERSHIP
DEED BOOK 10109, PAGE
191
ZONED: R-15 AND R-22

N/F
KATHERINE
W.
COLEMAN
DEED BOOK
5753, PAGE
372
ZONED: AG1

N/F
LUIS F. CAMPO
DEED BOOK 29570, PAGE
542
ZONED: AG1

N/F
THE PRESERVE
ON CHARLOTTE
DRIVE
PLAT BOOK 362,
PAGE 84
ZONED: R22 AND
R15

TREE REPORT NOTE:

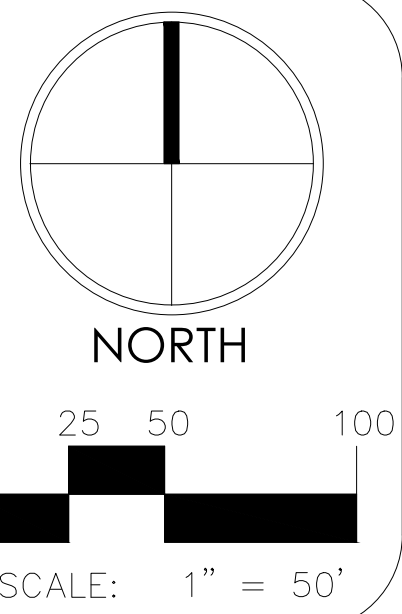
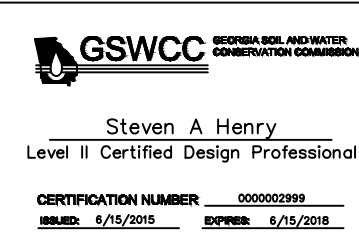
"TREES TO DESIGN
AROUND" ARE
IDENTIFIED BY AN *
"ASTERISK" ON THE
PLAN HEREIN

ARBORIST NOTE:

"TREES OF QUALITY"
WILL BE IDENTIFIED
AND PRESERVED ON
A LOT BY LOT BASIS
DURING PERMITTING.

PER SURVEY, THIS IS THE
ONLY STRUCTURE LOCATED
ON PROPERTY

TREES SHOWN HEREON WERE FIELD
LOCATED UNDER MY SUPERVISION.
ALL TREES SHOWN ARE ACCURATELY
SHOWN RELATIVE TO THE BOUNDARY.
THE UNDERSIGNED MAKES NO
CERTIFICATION TO ANY OTHER
INFORMATION SHOWN HEREON. TREE
SIZE AND SPECIES PER ARBORIST
REPORT.



CANOPY
landscape architecture+hand planning+contracting
PO BOX 7 0052
MARIETTA, GEORGIA 30007
www.canopyatlanta.com
678.233.8466

PENCE PROPERTY
LAND LOTS 1244 & 1277, 2ND DISTRICT, 2ND SECTION
CITY OF ALPHARETTA, GEORGIA

REVISIONS	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
PROJECT NO. 12-148	
DATE: 03.09.16	
DRAWN BY: SAH	CHECKED BY: SAH

TREE
SURVEY

TP-101



The Preserve at Charlotte Revision 1

Tree Assessment

For:
Steven Henry
CANOPY, LLC
P.O. Box 70052
Marietta, GA 30007

By:
Jay West
ISA Certified Arborist #SO-6905A
Arborguard Tree Specialists, Inc.
PO Box 477
111 North Clarendon Avenue
Avondale Estates, GA 30002

April 29, 2016

*Tree Assessment***Assignment**

Survey, tag and record the following data for City of Alpharetta specimen trees meeting the size criteria for hardwood trees $\geq 24''$ in Diameter at Breast Height (DBH), softwood trees $\geq 30''$ DBH and flowering understory trees $\geq 8''$ DBH site-wide: tree number, diameter, species, vitality, and other comments relative to condition. Provide photograph of any tree in Fair, Poor, or Dead condition.

Methods

Information for the following parameters was recorded for each tree and provided in the following survey.

Term	Description
Tree No.	All trees were tagged on the side of the trunk with an aluminum tag, bearing a unique number to identify trees, at about 5 feet.
DBH	Diameter of trunk in inches, measured at 4.5' feet above average soil level. Measurements were taken using a forestry diameter tape.
Species	Listed as the North American common name.
Condition	Good.....Tree has excellent vigor and is actively growing without any serious pathogenic problems. Tree exhibits a structural form that is safe and typical of the species. Fair.....Tree is in moderate health, but may have a minor pathogenic problem. Some insects and disease could be present. Tree may have minor structural defects, but does not exhibit optimal form for the species in an urban environment. A tree in fair condition may not react favorably to site developments or additional stress. Poor.....Tree's vigor is low to moderate. It may also have moderate to severe structural defects or a form that is undesirable for the species. Some trees in poor condition are not recoverable and could degrade into a state of advanced decline leading to death. Dead.....Tree is dead. InvasiveTrees that are non-indigenous to the Atlanta area, Piedmont region. Hazardous .Tree with uncorrectable defects severe enough to pose present danger to people or buildings under normal conditions, as determined by a City Arborist or City Forester.
Comments	Additional information regarding health and condition of the trees.

Tree Assessment Data

AG#	DBH	SPECIES	CONDITION	NOTES	DESIGN AROUND TREE
1	30	Red Maple	Fair	Boundary Tree (BT), decay in upper canopy, few dead limbs	No
2	24	Tulip Poplar	Fair	BT, co-dominant at approximately 35', contorted canopy, few dead limbs	No
3	30	Loblolly Pine	Good	BT	Yes
4	30	Loblolly Pine	Good		Yes
5	13	Sourwood	Poor	Large basal cavity at root crown, severe lean, lead is dead	No
6	34	White Oak	Good		Yes
7	34	Loblolly Pine	Good	Multiple calloused basal wounds, included barb wire	No
8	28	Tulip Poplar	Fair	BT, root flare growing around adjacent tree	No
9	39	Red Maple	Poor	Large basal cavity at root crown, approximately 30% canopy dieback, severe epicormic sprouts, large fungal fruiting body at approximately 25'	No
10	35	White Oak	Fair	Creek has severely undercut root plate	No
11	34	Tulip Poplar	Fair	Creek has severely undercut root plate, contorted canopy	No
12	25	Tulip Poplar	Fair	Creek has severely undercut root plate, sinuous trunk, 1 large dead limb	No
13	26	Tulip Poplar	Poor	Hollow at root crown, heavy vine coverage	No
14	30	Red Maple	Fair	Phomopsis, 1 large dead limb, few dead limbs, crook in stem at approximately 25'	No
15	29	Tulip Poplar	Good	BT, few dead limbs	Yes
16	25	Tulip Poplar	Good		Yes
17	24	Tulip Poplar	Fair	1 large dead limb, multiple dead limbs, sinuous trunk	No
18	35	Tulip Poplar	Fair	Co-dominant in upper canopy, few dead limbs, creek has undercut root plate, sinuous trunk	No
19	29	Tulip Poplar	Poor	Creek has severely undercut root plate, tip is dead, large basal cavity from approximately 20'-25'	No
20	27	Red Maple	Good	Moderate lean	Yes
21	26	Sweetgum	Good	Weak stem union at approximately 25'	Yes
22	39	Tulip Poplar	Fair	Weak stem union at approximately 6' with severe included bark and decay in union, few dead limbs	No

23	42,13	Tulip Poplar	Poor	Weak stem union at approximately 4' with basal cavity in union, slime flux, phomopsis, co-dominant at approximately 20' with 1 lead dead	No
24	30,20	Tulip Poplar	Fair	Co-dominant at approximately 3' with weak stem union and severe included bark, heavy vine coverage, few dead limbs	No
25	26	Sweetgum	Fair	Few large dead limbs, co-dominant at approximately 20'	No
26	8	Sourwood	Good	Basal wound with decay at root crown	No
27	26	Willow Oak	Good	Exposed roots with few wounds	Yes
28	8	Dogwood	Good	Multiple dead limbs	Yes
29	8,7,4	Dogwood	Poor	Tri-stem at root crown with weak stem union and included bark, basal wound at root crown, severe epicormic sprouts	No
30	31	Loblolly Pine	Good	Asymmetrical canopy	No
31	11,7	Dogwood	Fair	Weak stem union at root crown, small lead is approximately 80% dead, multiple dead limbs, epicormic sprouts	No
32	37	Loblolly Pine	Fair	Co-dominant at approximately 10' with weak stem union and severe included bark	No
33	10,7	Crabapple	Poor	Co-dominant at approximately 1' with weak stem union, 2 large dead limbs, severe epicormic sprouts, basal cavity at approximately 3', multiple prune wounds	No
34	27	Water Oak	Fair	BT, basal cavity at approximately 10', multiple dead limbs	No
35	8,7,6,6	Arborvitae	Good	Multi-stem at approximately 2', asymmetrical canopy	No
36	26	Pecan	Fair	Fungal fruiting body at root crown	No
37	26	Pecan	Poor	Large basal cavity from approximately 2'-5', 2 large prune wounds with decay, weak stem union with severe included bark at approximately 10'	No
38	36	Pecan	Good	Overhead light at approximately 12'	Yes
39	37	Northern Red Oak	Good	Multiple large calloused prune wounds	Yes
40	30	Northern Red Oak	Fair	2 large prune wounds, 1 prune wound has slime flux, severe epicormic sprouts	No
41	26	Northern Red Oak	Good	1 large dead limb, weak stem union at root crown is dead	Yes
42	27	Northern Red Oak	Good	2 large dead limbs, epicormic sprouts	Yes
43	25	White Oak	Good	Co-dominant at approximately 20', slight phototropic lean	Yes

44	12,5	Sourwood	Fair	Co-dominant at root crown, large basal cavity on small lead, multiple dead limbs, exposed root with basal wound	No
45	12	Sourwood	Good		Yes
46	24	White Oak	Good	BT	Yes
47	28	White Oak	Good	BT	Yes
48	11	Sourwood	Fair	BT, top is dead, severe epicormic sprouts	No
49	26	White Oak	Good		Yes
50	24	White Oak	Good	Co-dominant in upper canopy	Yes
51	25	White Oak	Fair	2 large fungal fruiting bodies at root crown, basal wound with decay at root crown, asymmetrical canopy	No
52	25	White Oak	Good	Co-dominant at approximately 5'	No
53	34,6	Tulip Poplar	Good	Weak stem union at root crown, co-dominant at approximately 30'	Yes
54	28	Northern Red Oak	Good	Multiple dead limbs	Yes
55	25	Northern Red Oak	Good	Few dead limbs	Yes
56	31	American Beech	Fair	Multiple calloused basal wounds on trunk, few large dead limbs	Yes
57	31	Post Oak	Good	Asymmetrical canopy	No
58	34	Tulip Poplar	Good		Yes
59	40	Tulip Poplar	Fair	Co-dominant at approximately 5' with weak stem union and included bark, few dead limbs	No
60	25	Tulip Poplar	Good		Yes
61	33	White Oak	Fair	BT, creek has severely undercut root plate, multiple dead roots	No
62	35	White Oak	Good	BT, creek has undercut root plate, moderate lean	No
63	27	American Beech	Fair	Few large dead limbs, severe epicormic sprouts	Yes
64	26	White Oak	Fair	Approximately 20% canopy dieback, epicormic sprouts, soil cut approximately 10' from base	No
65	32	White Oak	Good	BT	Yes

Summary

65 trees were tagged on this site that met the City of Atlanta specimen tree size criteria.

32 trees are in Good condition

25 trees are in Fair condition

8 trees are in Poor condition

Exhibits



Tree#1



Tree #2



Tree #5



Tree #8



Tree #9



Tree #10



Tree #11



Tree #12



Tree #13



Tree #14



Tree #17



Tree #18



Tree #19



Tree #22



Tree #23



Tree #24



Tree #25



Tree #29



Tree #31



Tree #32



Tree #33



Tree #34



Tree #36



Tree #37



Tree #40



Tree #44



Tree #48



Tree #51



Tree #52



Tree #56



Tree #59



Tree #61



Tree #63



Tree #64

6/15/16

CITIZEN PARTICIPATION FORM - PART B

Pence/Old Rucker Rd

This form must be completed and submitted to the City of Alpharetta Community Development Department a minimum of twenty (20) working days prior to the scheduled Public Hearing. Failure to do so will result in cancellation of the scheduled hearing.

Public Hearing or Project Name: _____

Contact Name: _____

Telephone: _____

Please describe comments and concerns provided by any and all individuals contacted as part of the the Citizen Participation Program. If any individuals provided written correspondence, please attach copies of same to this report.

Method by which these individuals were contacted. Please mark all that apply. *Please provide samples of any and all written communications used to provide notification.*

☐

Letter

☐

Personal Visits

☐

Telephone

☐

Group Meeting

☐

Email

☐

Other (Please Specify) _____

Attach a list of people who have been notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified.

I, the undersigned, as an authorized representative of the applicant and Public Hearing item identified above, do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Citizen Participation Form - Part B and in any and all documents provided in support of this report are true and accurate. I further understand that any false statements provided by representatives of the applicant as part of this report may result in penalties up to and including denial of the subject application.

Signature of Authorized Agent: _____

Date: _____

Print Form



CITY COUNCIL MEETING STAFF REPORT

SUBMITTING DEPARTMENT: COMMUNITY DEVELOPMENT
SUBMITTED BY: KATHI COOK
DRAFTED BY: MICHAEL WOODMAN

I. AGENDA ITEM TITLE: MP-16-06 ACADEMY SPORTS/NORTH POINT BUSINESS CENTER

PLANNING COMMISSION: SEPTEMBER 7, 2016

CITY COUNCIL: SEPTEMBER 26, 2016

II. RECOMMENDATION:

Deny MP-16-06 Academy Sports/North Point Business Center request for a master plan amendment.

If approved, the following conditions are recommended:

1. Retail/Restaurant uses in Pod 1 shall be restricted to a maximum of 78,000 square feet. Required parking for each use shall be met on-site.
2. The following uses shall be prohibited within the Master Plan area:
 - a) Adult bookstore and adult entertainment facility

- b) Advertising display manufacturing and billboard advertisement
 - c) Auto body shop
 - d) Auto service repair facilities
 - e) Clairvoyant, fortune teller, tarot card reader or comparable
 - f) Massage therapy
 - g) Pawn shop
 - h) Tattoo/piercing salon
 - i) Gasoline service station
 - j) Car wash
 - k) Spa services
 - l) Nail salon
3. The site development plans shall meet all regulations and provisions of UDC Section 3.7 North Point Activity Center Guidelines. Regulations and provisions for the Type 'C' Corridor/Street shall apply to the proposed development.
 4. Applicant shall submit development, landscape, and lighting plans to the Design Review Board for approval. Plans submitted shall include illumination standards and identify decorative fixture types to be used along roadways, pedestrian paths, parking lots, etc. A sign package shall also be submitted to the Design Review Board for approval.
 5. Design Review Board shall review building elevations. Building elevations shall meet all requirements and recommendations of UDC Section 3.7 North Point Activity Center Guidelines. Each building elevation shall consist of a minimum 50% brick or stone.
 6. Provide architectural screening of loading and utility areas. No trash enclosures, loading areas or "back of house" functions shall be visible from public rights-of-way or the Private Drive.
 7. Retaining walls visible from public rights-of-way or the Private Drive shall be faced with brick or stone as approved by the Design Review Board.
 8. The two (2) corners at the primary site entrance off North Point Drive (aligned with North Point Court) shall be designed with a minimum 1,500 square foot (total both corners) formal green space area, as approved by Staff.
 9. Provide a tree-lined and landscaped pedestrian access through the parking lot from the Private Drive to the building entrance. Shade trees to be spaced based upon the mature size of the canopy on both sides of pathway with shrubs in between as approved by Staff.
 10. Provide central landscaped islands throughout the parking areas for additional tree plantings and stormwater as approved by Staff.
 11. A 10' landscape strip shall be provided along the Private Drive.
 12. Detention pond shall be heavily landscaped with evergreen material to provide an opaque screen on all sides.
 13. Configuration of driveways/intersections shall require approval by the City Transportation Engineer.
 14. Sidewalk along North Point Drive shall be extended off-site to connect with the sidewalk at the entrance to the Residence Inn (to the west). Impact fee credits shall be provided for the off-site sidewalk improvement.
 15. A sidewalk connection shall be required between the sidewalk along North Point Drive to the front door.
 16. The 5' sidewalk along the Private Road shall meet sidewalk and planter strip requirements for local public roadways.
 17. Provide a pedestrian connection across Private Drive to adjacent outparcel properties. Pedestrian crossings shall be in ramped brick pavers for traffic control.
 18. Provide a roundabout at North Point Drive and North Point Court. The center of the roundabout shall include a focal point feature (sculpture) and associated landscaping as approved by Staff. If a roundabout is determined to not be feasible due to right-of-way constraints and/or traffic conditions, an alternate intersection treatment will be required as determined by a traffic study accepted by the City's Transportation Engineer. If a roundabout is not constructed, focal point feature shall be moved to a prominent location on the property where it can be seen from North Point Drive. Impact fee credits shall be provided.
 19. Provide a 20' easement to the City and construct within said easement a 12' multi-use path (pedestrian and bicycle) along the length of the west side of the property as approved by Staff. Path shall be concrete, ADA accessible, and include path lighting and landscaping as approved by Staff. Path shall be placed within the 150' impervious setback and shall be field located to minimize impacts to existing trees.
 20. Provide a 10'-15' easement to the City and construct within said easement an 8' multi-use path along the length of the north side of the property. Path shall be concrete as approved by Staff.
 21. A master stormwater management facility shall accommodate the three (3) outparcels along Haynes Bridge Road, as well as, the proposed development.
 22. Drainage and maintenance easements shall be dedicated to the North Point Business Center Business Association for all drainage and stormwater management.
 23. Outdoor display of merchandise shall be prohibited.
 24. Specimen trees #760, #761, #765 and #766, as identified in the arborist report prepared by Outdoor Spaces dated 5/19/16, shall be saved with no encroachment into the critical root zones.

III. REPORT IN BRIEF:

The applicant, Academy Sports, requests an amendment to the North Point Business Center Master Plan (a.k.a. Georgia 400 Master Plan) Pod 1 to increase the permitted stand-alone retail density to a total of 78,000 square feet in order to allow for the construction of a 62,943 square foot big box retail building. The subject property is located on the north side of North Point Drive and west of Haynes Bridge Road.

IV. ATTACHMENTS:

- Site Plan
- Architectural Elevations

DISCUSSION

The subject property is a 9.178-acre undeveloped parcel of land located on the north side of North Point Drive, west of Haynes Bridge Road, and east of North Point Mall. The property is zoned PSC (Planned Shopping Center) and is located within Pod 1 of the North Point Business Center Master Plan, as well as the North Point Activity Center area. Surrounding properties are zoned PSC, except for the property to the north which is zoned O-P (Office-Professional). Extended Stay America and Georgia 400 are located to the north of the subject property, Pollo Tropical, Chipotle, Zoe's Kitchen and Corner Bakery to the east, Residence Inn to the west, and La Quinta Inn & Suites and restaurant parcels to the south. The interchange at Haynes Bridge Road and Georgia 400 property is within a quarter (1/4) mile of the subject property.

A master plan amendment (MP-11-02) was approved on June 20, 2011 to add 46,000 square feet of retail/restaurant use (no more than 16% of the site total) to Pod 1 of the North Point Business Center Master Plan. The site plan at the time depicted three (3) retail buildings and one (1) restaurant building (ranging from 6,000 – 25,000 square feet in size), two (2) 125,000 square feet 5-story office buildings, and a 6-story parking deck. Cousins Properties, Inc. justified the amendment to add retail use by reducing the overall allowable density and building heights on the property and by committing to a mix of uses on the property, including 250,000 square feet of office use.

Three (3) commercial outparcels have been developed in Pod 1 along Haynes Bridge Road, including Pollo Tropical (3,974 square feet), Chipotle (2,247 square feet), and Zoe's Kitchen and Corner Bakery (6,682 square feet). Based on the existing retail/restaurant development, 33,097 square feet of retail/restaurant use remains in Pod 1.

Blueprint North Fulton is a strategic land use and transportation plan developed in conjunction with the North Fulton Community Improvement District (CID) and identifies the North Point Activity Center as one of three (3) nodes within the plan's study area. The vision of Blueprint North Fulton includes transportation improvements, as well as mixed-use development strategies, allowing people to walk, bike or ride public transportation. The plan states the following:

“Regional office with integrated residential development is proposed for the areas closer to Georgia 400 interchanges, where office buildings and retail currently dominate the landscape.”

The North Point Activity Center Livable Centers Initiative (LCI) plan was adopted by the City in 2008. The vision of the plan was a mixed-use, walkable environment including accessible open space, enhanced pedestrian connectivity, and multi-modal transportation options. In 2015, the North Point Activity Center Guidelines were codified into the Unified Development Code (UDC). UDC Section 3.7 North Point Activity Center Guidelines, states the following:

“The purpose of the North Point Activity Design Guidelines is to encourage new development and redevelopment within the commercial areas that foster greater pedestrian connectivity and spaces; buildings and landscaping that contribute to the physical definition of thoroughfares and public gathering spaces.”

The City's vacant office available (for lease) rate has been steadily declining since 2013. At the end of the 2nd quarter of 2016 the City's vacant office available rate was 9.30%, which is one of the lowest office vacancy rates in the Atlanta metro area. According to the development community, spec office is typically developed when office vacant available rates drop below 10.00%. Hines and Cousins Properties, Inc. are currently developing a spec office building at Avalon. As shown in the table below, nearly 500,000 square feet of office development is currently under construction or in the development review process within the City.

Office Development – Under Construction or Land Disturbance Permit Review

Project Name	Location	Building Area	Status
Avalon Bldg. 8000	Avalon Boulevard	268,405 SF	Under Construction
Avalon Outparcel Office	2700 Old Milton Pkwy	40,000 SF	Under Construction
The Gates at North Point 2	Webb Bridge Rd	40,000 SF	Under Construction
North Point Park Phase 3	5755 North Point Pkwy	48,240 SF	Under Construction
East Village Commercial	Old Milton Pkwy & Westside Pkwy	18,000 SF	Under Construction
Teasley Place	50 Canton Street	7,596 SF	Under Construction
City Center	2 Park Plaza	29,950 SF	LDP Pending
TOTAL		452,191 SF	

CONCEPTUAL PLAN ANALYSIS

The applicant's site plan depicts a 62,943 square foot 1-story big box retail building. The proposed building is internally-oriented to a large parking area. 266 parking spaces are proposed and are shown wrapping the building on the east and north. UDC parking regulations require one (1) parking space per 200 square feet of gross floor space for retail uses. However, the North Point Activity Center Guidelines reduce the minimum parking requirements by 20% less than required by the UDC and the impervious area of surface parking stalls may not exceed the surface area of the building supported. Therefore, the proposed building requires a minimum 252 parking spaces and a maximum of 348 parking spaces.

Four (4) project driveways are shown on the site plan with two (2) driveways on the existing north-south Private Drive and two (2) driveways on North Point Drive. The primary project driveway on North Point Drive is shown to be aligned with North Point Court. The existing “L-shaped” Private Drive aligning with North Point Court is proposed to be removed and replaced with parking.

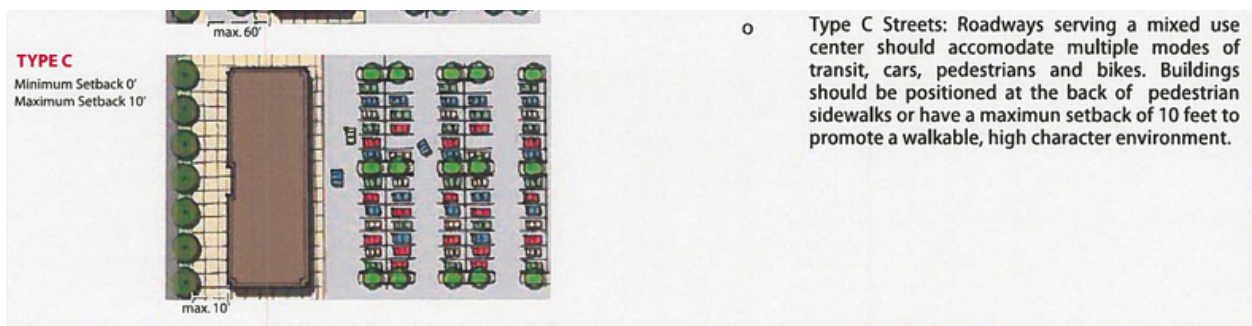
A five (5) foot sidewalk exists along North Point Drive and the site plan depicts a new five (5) foot sidewalk along the Private Drive. 10' landscape buffers are shown along North Point Drive and the north property line and 5' landscape buffers are shown along the Private Drive and the west property line. A 100' undisturbed stream buffer and 150' impervious setback is located along the west side of the property. The existing earthen-slope detention pond is shown to be enlarged with a walled stormwater facility within the general vicinity of the existing pond on the west side of the property.

Many of the trees identified on the tree survey and assessment are Wild Pear, which do not warrant site design consideration. However, the White Oaks, Hickory, and Sweet Gum located in the stream buffer should be taken into design consideration.

A review of the applicant's site plan and building elevations revealed several inconsistencies with the regulations and provisions of UDC Section 3.7 North Point Activity Center Guidelines. For the purpose of referencing the applicable site regulations, Staff as determined that North Point Drive is a Type C Corridor/Street. If the applicant's request is approved, site plan and building elevations should comply with the following regulations and provisions:

1. Building shall face streets with a primary entrance opening directly onto adjacent public sidewalk or greenspace.
2. Minimum building setback shall be 0' and maximum building setback shall be 10' from the required sidewalk area along North Point Drive.
3. Surface parking must be located behind or beside primary buildings. If parking is located to the side it shall be screened and shall not be clearly visible from the public right-of-way or adjacent sidewalk. No parking or driveways parallel to the roadway shall be allowed between primary buildings and the public right of way.
4. Minimum Furniture Zone Width (buffer between roadway/curb and sidewalk) shall be 6'.
5. Minimum sidewalk width along North Point Drive shall be 15'.
6. Transportation systems shall include potential greenway links to corresponding facilities abutting the development and direct sidewalk connections to pedestrian facilities along major corridors. Pedestrian and bicycle networks shall be interconnected internally and provide access to all formal greenspaces, and transit loading areas on the site or adjacent to the site.
7. Ground floor commercial facilities along roadways shall have no less than 25% and no more than 65% clear glass along the roadway facades.

The site plan depicts a 50' building setback along North Point Drive and the building is not oriented to the street. In addition, surface parking and a driveway at the side of the building are depicted closer to the road than the building. The proposed streetscape does not meet the regulations and provisions of the North Point Activity Center Guidelines and greenway links are not provided. As shown below, UDC Section 3.7.5 provides illustrated zoning regulations for Type C Streets.



Building elevations provided by the applicant show the building facing to the east, away from North Point Drive and toward a parking area. As shown below, the elevation facing North Point Drive consists of 17% glass.



Information was not provided on the applicant's site plan to verify compliance with the items below. Development plans should also comply with the following North Point Activity Center Guidelines regulations and provisions:

1. Sidewalks, decorative street lights and cross walks, benches, planters, kiosks, trash receptacles, bicycle racks and other street furniture along major corridors (Mansell, Haynes Bridge, North Point Parkway, Westside Parkway, Encore Parkway) should maintain coordinated appearance in keeping with the Blueprint North Fulton Design Guidelines (attached). Within individual developments, lights and cross walks, benches, planters, kiosks, trash receptacles, bicycle racks and other street furniture items should be incorporated throughout the development and subject to approval by the City of Alpharetta may be of a different style than the Blueprint North Fulton Design Guidelines to provide a unique character within the development itself.
2. For each proposed development, design guidelines related to building setbacks, architecture, materials, and permitted colors must be submitted to the City of Alpharetta for review and approval.
3. Street and Pedestrian Lighting Spacing shall be 50 feet on center.
4. Street Tree Requirement shall be 50 feet on center.
5. Minimum 15% of the total lot area (minimum 1.38 acres) shall be greenspace. Greenspace shall consist of two types: natural and formal. Natural greenspace shall consist of floodplains, steep slopes, wetlands, and large specimen trees. Formal greenspace shall consist of greens, commons, and parks that are defined by building walls, streets, and street trees and shall be publicly accessible during typical operating hours (daylight hours). At least 30% (0.41 acres) of the required greenspace (Item 1 above) shall be set aside as formal greenspace. Views of formal greenspace shall be maximized by locating such areas in highly visible locations as often as possible. Formal greenspaces must be bordered on one side by a public roadway with all appropriate sidewalk facilities.
6. A sculpture and/or landscaped focal point should be located on prominent sites of the development, such as street intersections, traffic roundabouts, development entrances, or in formal greenspaces (see definition under "Greenspace").

TRAFFIC

A traffic study, prepared by A & R Engineering, Inc., was provided by the applicant. The current versus proposed use trip generation is provided in the tables below. The traffic study shows a reduction in 431 PM Peak Hour trips from the current allowable uses as compared to the proposed uses.

TABLE 1 TRIP GENERATION - CURRENT ZONING							
Land Use (Size)	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-way
ITE 710 General Office (250,000 sf)	350	48	398	61	297	358	2,634
ITE 820 Shopping Center (33,900 sf)	50	31	81	139	151	290	3,362
ITE 932 High Turnover Sit-Down Rest. (8,600 sf)	51	42	93	51	34	85	1,093
ITE 934 Fast-food Rest w/Drive-Thru Window (3,500sf)	81	78	159	59	55	114	1,736
Total Trips without Reductions	532	199	731	310	537	847	8,825
<i>Mixed-use reduction – Shopping Center</i>	-4	-5	-9	-5	-7	-12	-219
<i>Mixed-use reduction – General Office</i>	-5	-4	-9	-7	-5	-12	-219
<i>Pass-by Reduction (0%) 34%* - Shopping Center</i>	0	0	0	-46	-49	-95	-950
<i>Pass-by Trips* (0%)43% High Turnover Restaurant</i>	0	0	0	-22	-15	-37	-370
<i>Pass-by Trips* (49%)50% Fast Food w/Drive Thru</i>	-40	-38	-78	-30	-28	-58	-580
Total Reductions	-49	-47	-96	-110	-104	-214	-2,338
Existing Total Trips with Reductions	483	152	635	200	433	633	6,487

*Pass-by Trips (AM) PM; 24 Hour pass-by trips estimated by considering PM pass-by as 10% of daily volumes

TABLE 2 TRIP GENERATION – PROPOSED ZONING							
Land Use Size	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-Way
ITE 861 – Sporting Goods Superstore (62,943 sf)	10	6	16	71	77	148	5,026**
ITE 932 – High-Turnover Sit-Down Restaurant (8,600 sf)	51	42	93	51	34	85	1,093
ITE 934 – Fast-Food Restaurant w/Drive-Thru (3,500 sf)	81	78	159	59	55	114	1,736
Total Trips (without Reductions)	142	126	268	181	166	347	7,855
<i>Pass-by Trips* (0%)34% Shopping Center</i>	0	0	0	-24	-26	-50	-500
<i>Pass-by Trips* (0%)43% High Turnover Restaurant</i>	0	0	0	-22	-15	-37	-370
<i>Pass-by Trips* (49%)50% Fast Food w/Drive Thru</i>	-40	-38	-78	-30	-28	-58	-580
Total Reductions	-40	-38	-78	-76	-69	-145	-1,450
New Total External Trips (with Reductions)	102	88	190	105	97	202	6,405

*Pass-by Trips (AM) PM; 24 Hour pass-by trips estimated by considering PM pass-by as 10% of daily volumes

** In the absence of any reference in ITE for 24-hour trips for Sporting goods superstore, we have used Shopping Center statistics for the 24-hour trips.

TABLE 3 TRIP GENERATION COMPARISON – TOTAL SITE							
Scenario	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-way
Current Zoning Conditions	483	152	635	200	433	633	6,487
Proposed Zoning Conditions	102	88	190	105	97	202	6,405
Difference	-381	-64	-445	-95	-336	-431	-82
Difference %	-79%	-42%	-70%	-47%	-78%	-68%	-1%

STANDARDS FOR MASTER PLAN AMENDMENTS

The Planning Commission and the City Council shall consider the following standards in considering a rezoning application, giving due weight or priority to those factors particularly appropriate to the circumstances of each application:

- Whether the zoning proposal will permit a use that is suitable in view of the zoning use and development of adjacent and nearby property.

Response: North Point Business Center Master Plan Pod 1 was designated for office use to complement the surrounding retail uses. The proposed retail use is not suitable because it will add vehicle trips to the surrounding roadway network at the same peak times when traffic congestion already occurs.

b. Whether the zoning proposal will adversely affect the existing use or usability of adjacent or nearby property.

Response: North Point Business Center Master Plan Pod 1 was designated for office use to complement the surrounding retail uses. The proposed retail use will adversely affect the use and usability of surrounding properties by adding vehicle trips to the surrounding roadway network at the same peak times when traffic congestion already occurs.

c. Whether the zoning proposal will adversely affect the natural environment.

Response: The zoning proposal does not appear to have significant impacts on the natural environment. However, if the applicant's request is approved, conditions are recommended to protect certain specimen trees within the stream buffer.

d. Whether there are substantial reasons why the property cannot or should not be used as currently zoned.

Response: There are not substantial reasons why the property cannot be used for office use. Comprehensive Plan Land Use Strategy 6.2 states, "Designate major entranceways to the city, (the interchanges along GA-400) for office use in order to preserve the corporate campus business environment." The subject parcel is located within a 1/4-mile of the interchange at Georgia 400 and Haynes Bridge Road. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be justified that the subject property remains a viable office parcel.

e. Whether the zoning proposal will result in a use that will or could cause an excessive or burdensome use of public facilities or services, including but not limited to existing streets and transportation facilities, schools, water or sewer utilities, and police or fire protection.

Response: While the proposed change in use from office to retail may result in a decrease in vehicle trips generated, an office use would generate traffic at different times of the day than the surrounding retail uses. Impacts due to the proposed change in use on other public facilities or services should be insignificant.

f. Whether the zoning proposal is supported by new or changing conditions not anticipated or reflected in the existing zoning on the property.

Response: The zoning proposal is not supported by new or changing conditions. Comprehensive Plan Land Use Strategy 6.2 states, "Designate major entranceways to the city, (the interchanges along GA-400) for office use in order to preserve the corporate campus business environment." The subject parcel is located within a 1/4-mile of the interchange at Georgia 400 and Haynes Bridge Road. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be justified that the subject property remains a viable office parcel.

g. Whether the zoning proposal reflects a reasonable balance between the promotion of the public health, safety, morality or general welfare against the right to unrestricted use of property.

Response: The proposed master plan amendment does not reflect a reasonable balance as it conflicts with the vision set forth in the North Point Business Center Master Plan, North Point Activity Center LCI, Blueprint North Fulton, Comprehensive Plan, and UDC Section 3.7 North Point Activity Center Guidelines.

h. Whether there are substantial reasons why the property cannot be used in accordance with existing zoning.

Response: The property can be used for office use as envisioned in the North Point Business Center Master Plan. The subject parcel is located within a ¼-mile of the interchange at Georgia 400 and Haynes Bridge Road. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, the subject property remains a viable office parcel.

i. The extent to which the zoning proposal is consistent with the Comprehensive Plan.

Response: The proposed retail use is inconsistent with several Comprehensive Plan strategies, including the following: Land Use Strategy 6.2: Designate major entranceways to the city, (the interchanges along GA-400) for office use in order to preserve the corporate campus business environment (as described in Part 2: Character-Area Focus for individual Character Areas). Land Use Strategy 9.5: Maintain the visual aesthetics of GA-400 by preserving and enhancing the tree buffer and prohibiting retail at the interchanges.

CONCURRENCES

Staff's analysis finds that the requested master plan amendment and proposed site design is in conflict with the vision set forth in the North Point Business Center Master Plan, North Point Activity Center LCI, Blueprint North Fulton, Comprehensive Plan, and UDC Section 3.7 North Point Activity Center Guidelines. The original Georgia 400 Master Plan envisioned North Point Mall being bookend with office development on the east and west sides of the Mall. The purpose of the office development was to ensure the long-term viability of the large amount of retail in the area by building-in the customer.

The proposed big box retail development is an automobile-oriented use and is in direct conflict with many of the goals, policies, and strategies in the Comprehensive Plan as it relates to developments in the North Point Activity Center and in areas along the Georgia 400 corridor and interchanges. The applicant's request fails to meet the following Land Use and Transportation strategies:

LU Strategy 2.2: Promote development that is pedestrian-oriented and minimizes vehicular trips.

LU Strategy 6.2: Designate major entranceways to the city, (the interchanges along GA-400) for office use in order to preserve the corporate campus business environment (as described in Part 2: Character-Area Focus for individual Character Areas).

LU Strategy 8.3: Encourage owners/developers with large land holdings to plan for multiple land uses.

LU Strategy 8.4: Establish varying levels of mixed use development densities, through overlay districts or other means, such that the highest densities of office, retail and residential development will be located along the GA-400 corridor.

LU Strategy 9.5: Maintain the visual aesthetics of GA-400 by preserving and enhancing the tree buffer and prohibiting retail at the interchanges.

T Strategy 1.1: Enhance connectivity to community destinations with a street network that expands route options for people driving, biking, walking and riding public transportation.

T Strategy 1.2: Support transit friendly streets, bicycle routes and walkable communities that provide linkages to activity centers within the city.

T Strategy 1.3: Promote the development of compact mixed-use and transit-oriented development exclusively in the GA-400 corridor.

T Strategy 4.2: Encourage development designs to promote pedestrian activity that reduces on-site vehicular dependence.

The subject parcel is located within a ¼-mile of the interchange at Georgia 400 and Haynes Bridge Road. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be justified that the subject property remains a viable office parcel.

If the applicant's request is approved, conditions should be established as part of this application that are consistent with the vision of the North Point Activity Center Guidelines and Blueprint North Fulton. The applicant's site plan should be reconfigured to foster a pedestrian-oriented environment, including orientation of the building to North Point Drive and implementation of a walkable streetscape. Providing the appropriate greenspace, landscape, streetscape, screening, and multi-use paths will help define the thoroughfare and identify gathering spaces while improving walkability. Special attention should be given to the building architecture and materials in order to create a building that contributes to the sense of place in the North Point Activity Center. Due to traffic issues along North Point Drive, staff recommends intersection improvements at North Point Drive and North Point Court.

CITIZEN PARTICIPATION PLAN

The report submitted by the applicant states that letters were mailed to each property owner within 500' of the subject property stating the applicant's intent. The report states that comments were received from Bruce Williams, on behalf of Greene Hogg NP 1 and Greene Hogg NP. These entities own 2 of the 3 restaurant outparcels along Haynes Bridge Road in Pod 1. According to the applicant, Mr. Williams requested some site plan modifications, which the applicant is addressing. The applicant states that they contacted BFC Properties (Chipotle) and that BFC supports the applicant's request. The applicant states that they contacted Hal Hobgood at Chipotle and Glenn Rozansky at Pollo Tropical and both are supportive of the applicant's request.

Staff provided the applicant's request and site plan to Nick Nicolosi, General Manager of North Point Mall. Mr. Nicolosi indicated that he does not support the applicant's request for additional retail use, because he believes that office use is more compatible with the existing retail use in the North Point area. An email commenting on the applicant's request was provided by Mr. Nicolosi.

APPLICANT VERSION

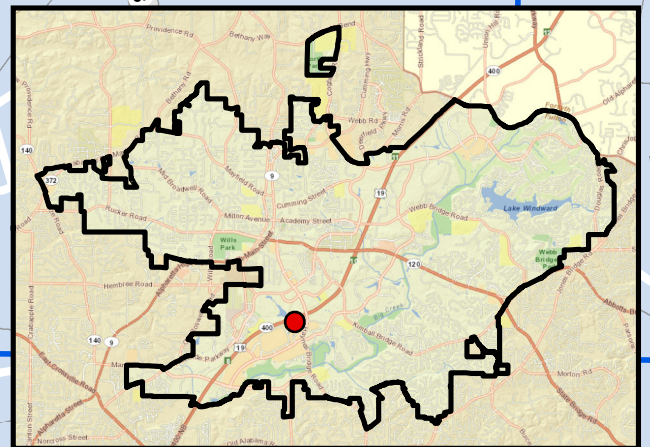
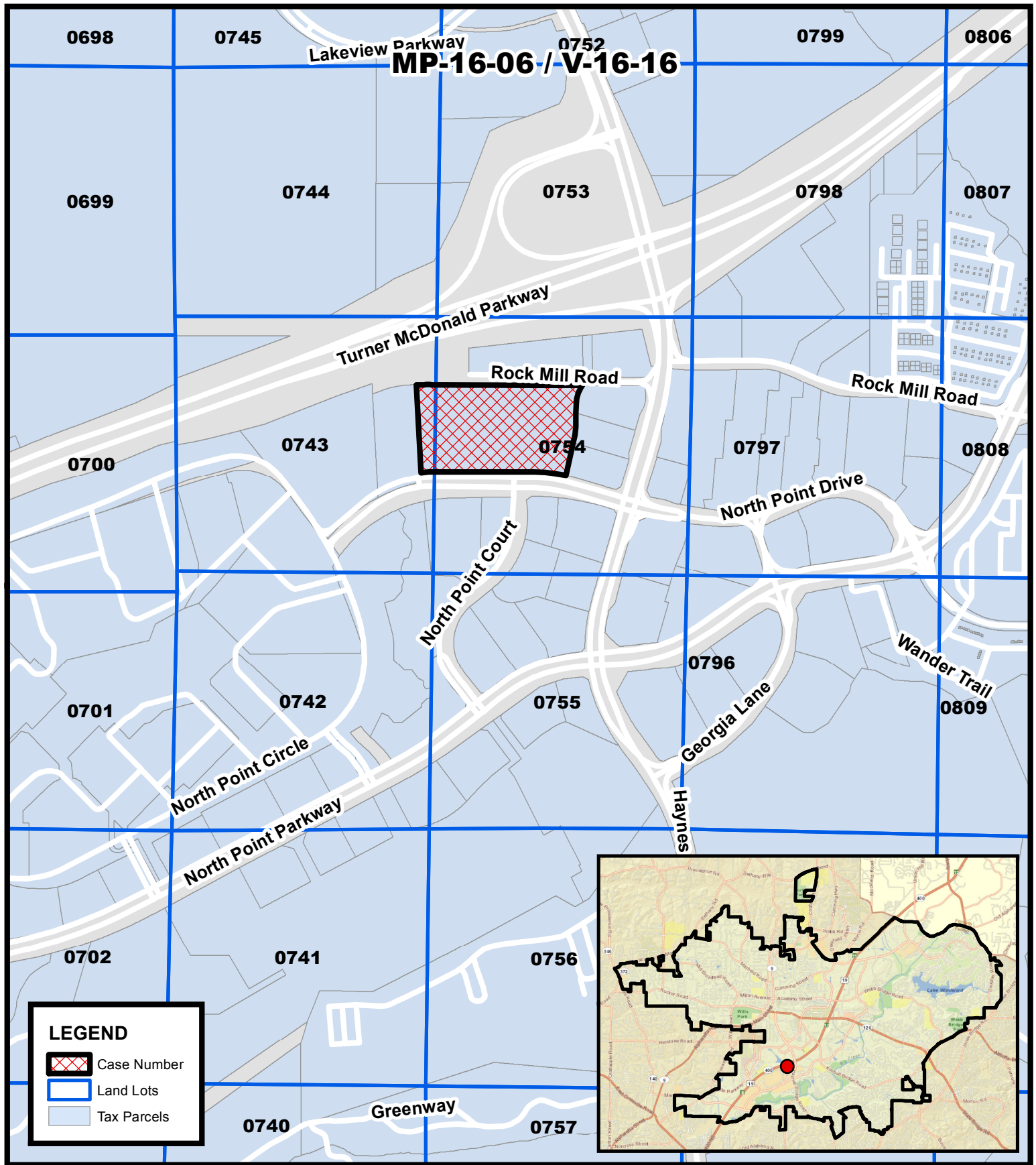
If approved, the following conditions are recommended:

1. Retail/Restaurant uses in Pod 1 shall be restricted to a maximum of 78,000 square feet. Required parking for each use shall be met on-site.
2. The following uses shall be prohibited within the Master Plan area:
 - a) Adult bookstore and adult entertainment facility
 - b) Advertising display manufacturing and billboard advertisement
 - c) Auto body shop
 - d) Auto service repair facilities
 - e) Clairvoyant, fortune teller, tarot card reader or comparable
 - f) Massage therapy
 - g) Pawn shop
 - h) Tattoo/piercing salon
 - i) Gasoline service station
 - j) Car wash
 - k) Spa services
 - l) Nail salon
3. ~~The site development plans shall meet all regulations and provisions of UDC Section 3.7 North Point Activity Center Guidelines. Regulations and provisions for the Type 'C' Corridor/Street shall apply to the proposed development. NOTE: Northpoint Drive is not designated as a Type "C" Corridor/Street. North Point Activity Center sets "guidelines", not requirements. Applicant will comply with many of the guidelines, but cannot comply with all.~~
4. Applicant shall submit development, landscape, and lighting plans to the Design Review Board for approval. Plans submitted shall include illumination standards and identify decorative fixture types to be used along roadways, pedestrian paths, parking lots, etc. A sign package shall also be submitted to the Design Review Board for approval.
5. Design Review Board shall review building elevations. ~~Building elevations shall meet all requirements and recommendations of UDC Section 3.7 North Point Activity Center Guidelines.~~ Each building elevation shall consist of a minimum 50% brick or stone.
6. Provide architectural screening of loading and utility areas. No trash enclosures, loading areas or "back of house" functions shall be visible from public rights-of-way or the Private Drive.
7. Retaining walls visible from public rights-of-way ~~or the Private Drive~~ shall be faced with **DECORATIVE POURED CONCRETE WALL**, brick or stone as approved by the Design Review Board.

8. The two (2) corners at the primary site entrance off North Point Drive (aligned with North Point Court) shall be designed with a minimum 1,500 square foot (total both corners) formal green space area, as approved by Staff.
9. Provide a ~~tree-lined and~~ landscaped pedestrian access **WITH 5 FOOT SIDEWALK** through the parking lot from the Private Drive to the building entrance. ~~Shade trees to be spaced based upon the mature size of the canopy on both sides of pathway with shrubs in between as approved by Staff.~~
10. Provide ~~central~~ landscaped islands throughout the parking areas ~~for additional tree plantings and stormwater as approved by Staff.~~ **IN COMPLIANCE WITH APPLICABLE CODE REQUIREMENTS.**
11. A 10' landscape strip shall be provided along the Private Drive.
12. Detention pond shall be heavily landscaped with evergreen material to provide an opaque screen on all sides **VISIBLE FROM PUBLIC RIGHT OF WAYS.**
13. Configuration of driveways/intersections shall require approval by the City Transportation Engineer.
14. ~~Sidewalk along North Point Drive shall be extended off-site to connect with the sidewalk at the entrance to the Residence Inn (to the west). Impact fee credits shall be provided for the off-site sidewalk improvement. NOTE: Georgia Impact Fee Law does not permit cities to make extractions for system improvements. This offsite sidewalk is a system improvement. Applicant has no need for impact fee credits. If the City wants to fund the sidewalk extension, applicant will construct it simultaneously with Applicant's sidewalk construction.~~
15. A sidewalk connection shall be required between the sidewalk along North Point Drive to the front door.
16. The 5' sidewalk along the Private Road shall meet sidewalk and planter strip requirements for local public roadways. **(5' SIDEWALK-10' LANDSCAPE STRIP ON 2:1 SLOPE)**
17. Provide a pedestrian connection across Private Drive to adjacent outparcel properties. Pedestrian crossings shall be in ramped brick pavers for traffic control, ~~subject to abutting property owner consent and approval. Applicant does not own the outparcels.~~
18. ~~Provide a roundabout at North Point Drive and North Point Court. The center of the roundabout shall include a focal point feature (sculpture) and associated landscaping as approved by Staff. If a roundabout is determined to not be feasible due to right-of-way constraints and/or traffic conditions, an alternate intersection treatment will be required as determined by a traffic study accepted by the City's Transportation Engineer. If a roundabout is not constructed, focal point feature shall be moved to a prominent location on the property where it can be seen from North Point Drive. Impact fee credits shall~~

~~be provided.~~ Applicant's traffic engineer reports that a roundabout is not a viable solution at the intersection. Applicant's traffic engineer indicates that a traffic signal is the best solution. Applicant will include a focal point feature with the intersection design.

19. Provide a 20' easement to the City ~~and construct within said easement a 12' multi-use path (pedestrian and bicycle)~~ along the length of the west side of the property as approved by Staff. ~~Path shall be concrete, ADA accessible, and include path lighting and landscaping as approved by Staff. Path shall be setback and placed within the 150' impervious shall be field located to minimize impacts to existing trees.~~ NOTE: This path is a system improvement and the city cannot require the applicant to dedicate or construct it. Applicant further notes that there is no approved trail plan in this area.
20. Provide a 10'-15' easement to the City ~~and construct within said easement an 8' multi-use path~~ along the length of the north side of the property. ~~Path shall be concrete as approved by Staff.~~ NOTE: This path is a system improvement and the city cannot require the Applicant to dedicate or construct it. Applicant further notes that there is no approved trail plan in this area.
21. A master stormwater management facility shall accommodate the three (3) outparcels along Haynes Bridge Road, as well as, the proposed development.
22. Drainage and maintenance easements shall be dedicated to the ~~North Point Business Center Business Association~~ appropriate entity for all drainage and stormwater management.
23. Outdoor display of merchandise shall be prohibited, ~~except in the area indicated on the site plan.~~
24. Specimen trees #760, #761, #765 and #766, as identified in the arborist report prepared by Outdoor Spaces dated 5/19/16, shall be saved with no encroachment into the critical root zones.

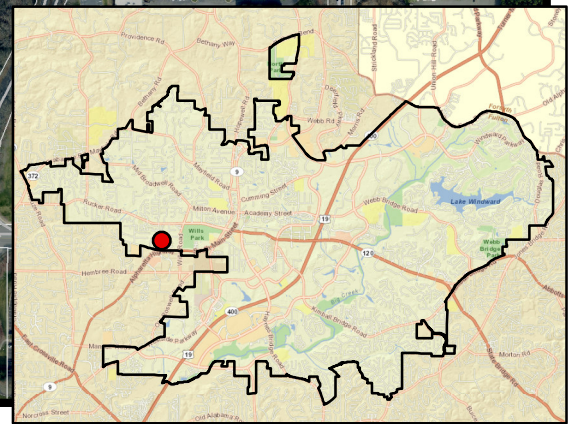
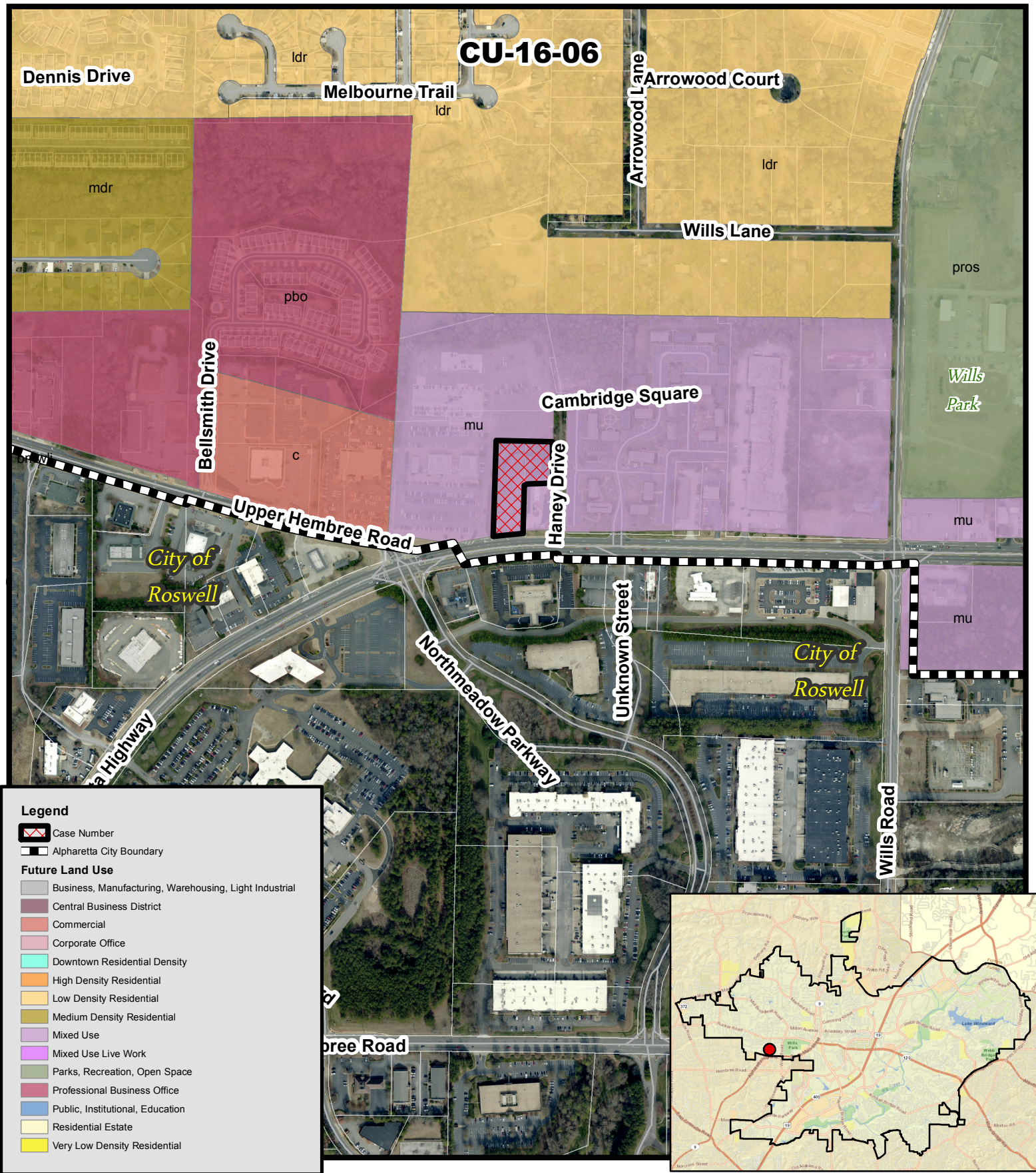


Location Map
Academy Sports
North Point Drive

MP-16-06/V-16-16
D/LL: 1/2/743, 754
PC: 08/04/16
CC: 08/22/16



Location Map Provided by:
Community Development - GIS



CU-16-06

D/LL: 1/2/597, 600

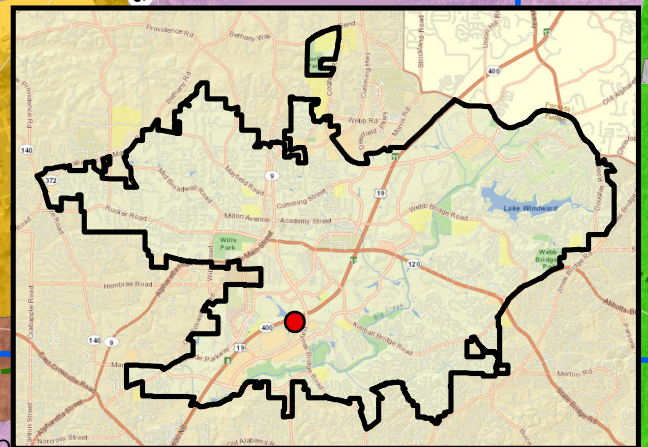
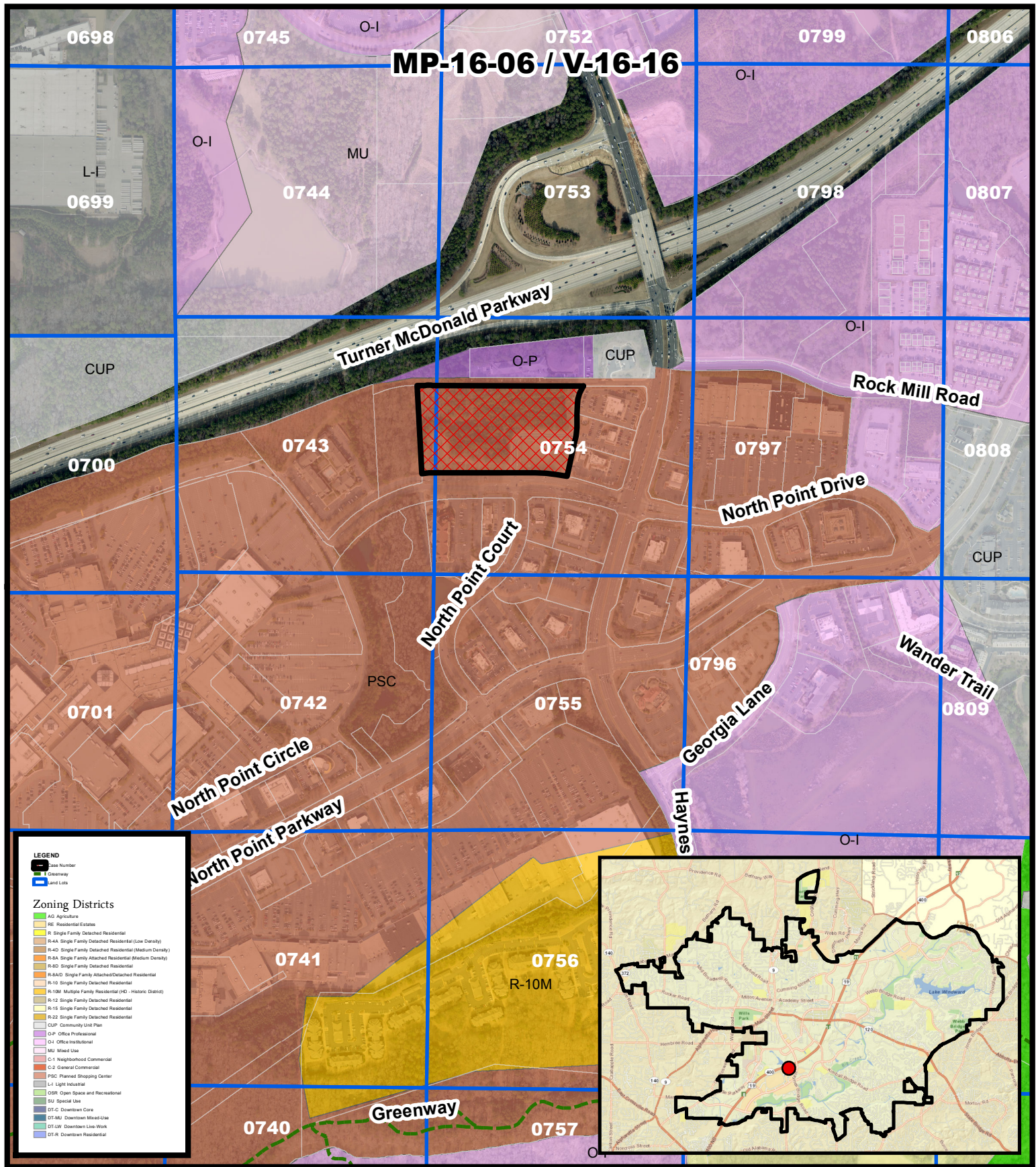
PC Date: 09/07/16

CC Date: 09/26/16



2030 Land Use
Vision Warriors Group Home
1497/1499 Alpharetta Highway

Location Map Provided by:
Community Development - GIS

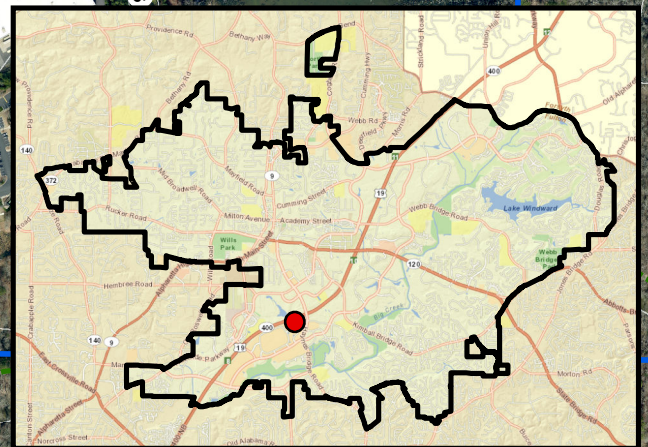
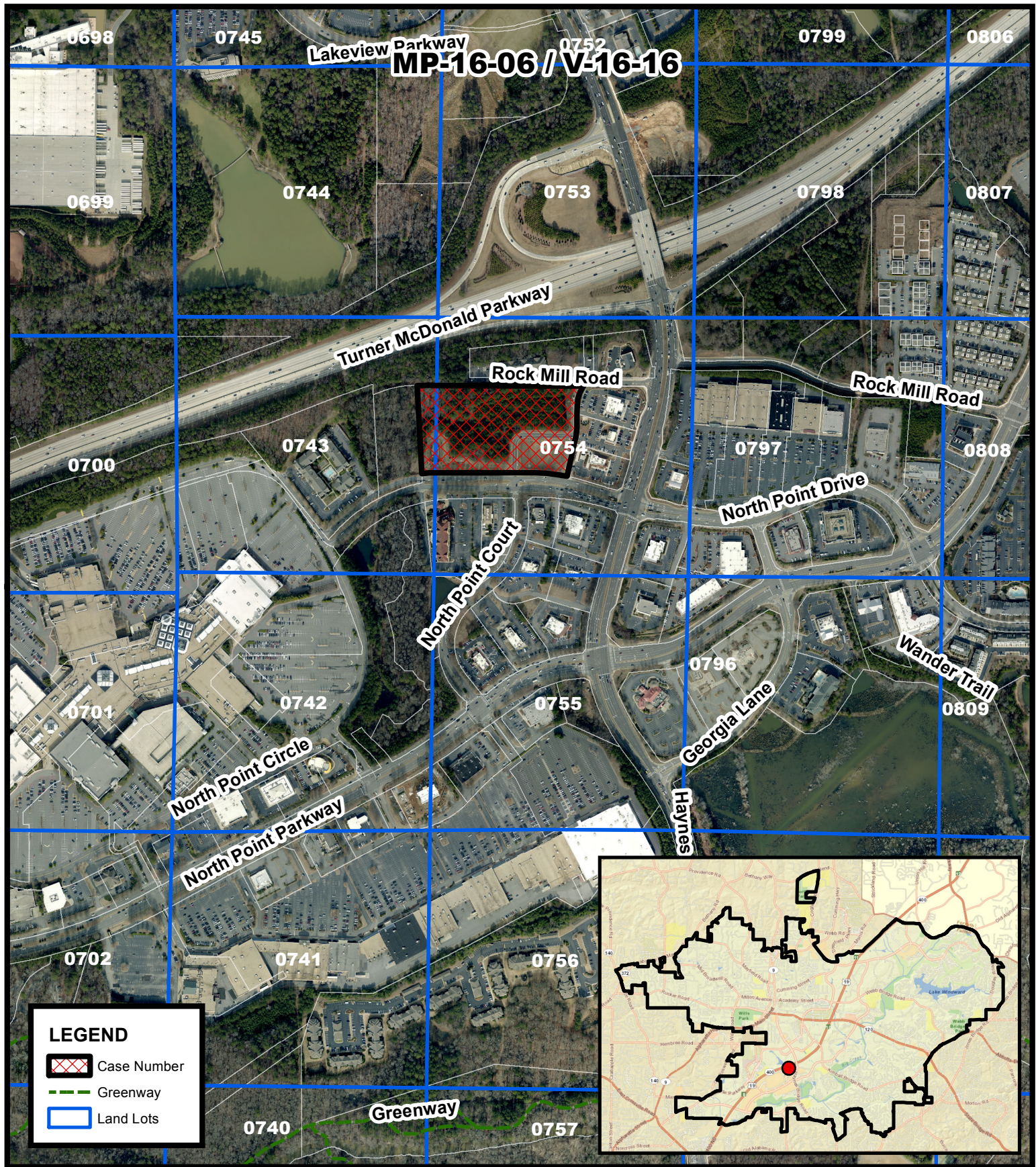


Zoning Map **Academy Sports** **North Point Drive**

MP-16-06/V-16-16
D/LL: 1/2/743, 754
PC: 08/04/16
CC: 08/22/16



Location Map Provided by:
Community Development - GIS



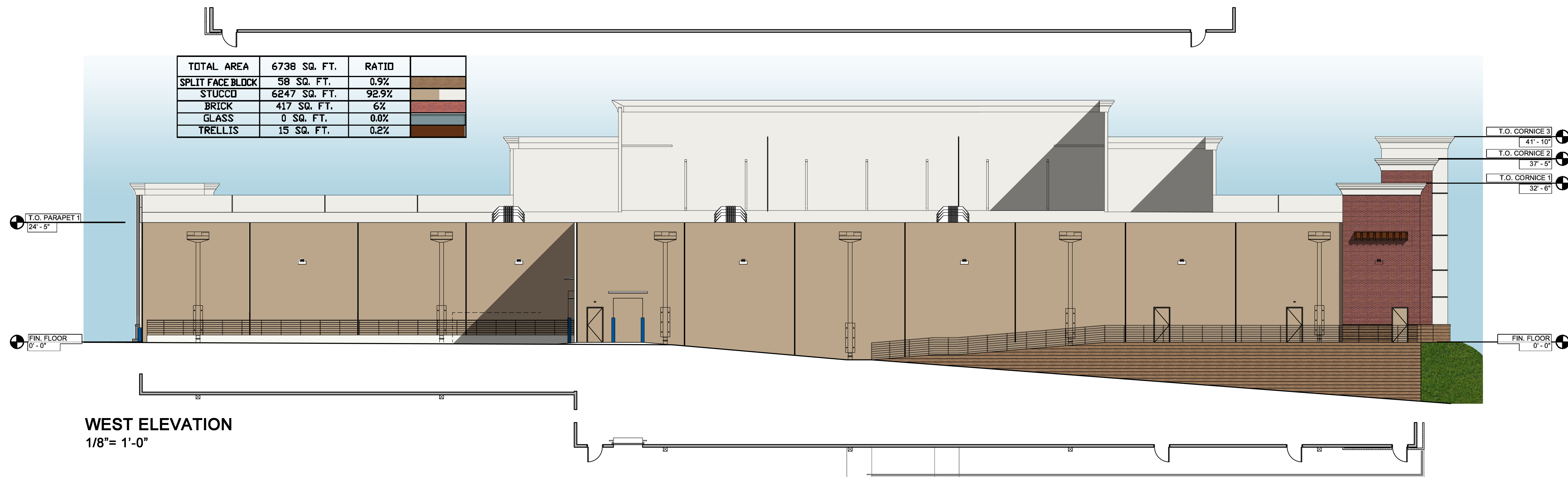
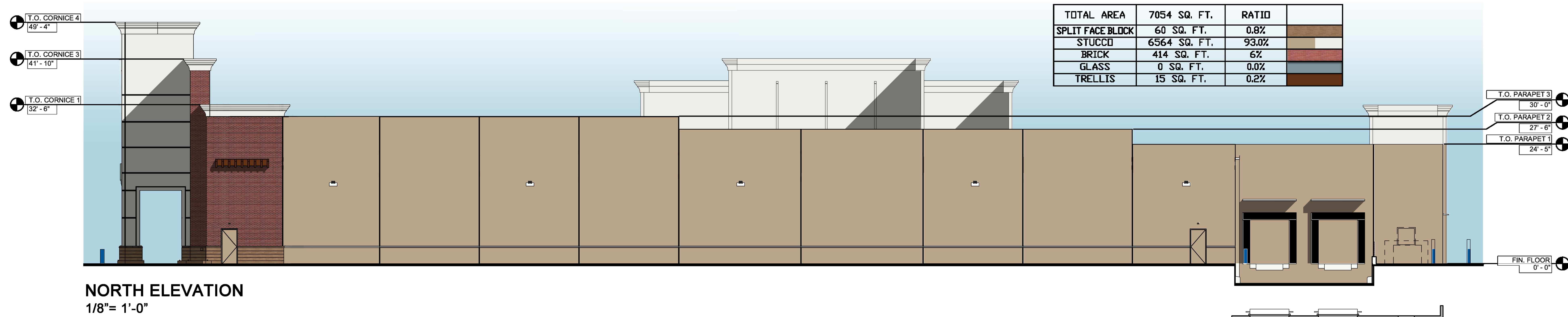
Aerial Map **Academy Sports** **North Point Drive**

MP-16-06/V-16-16
D/LL: 1/2/743, 754
PC: 08/04/16
CC: 08/22/16



Location Map Provided by:
Community Development - GIS

ACADEMY SPORTS + OUTDOORS
ALPHARETTA, GA
ELEVATION STUDY
JULY 26, 2016

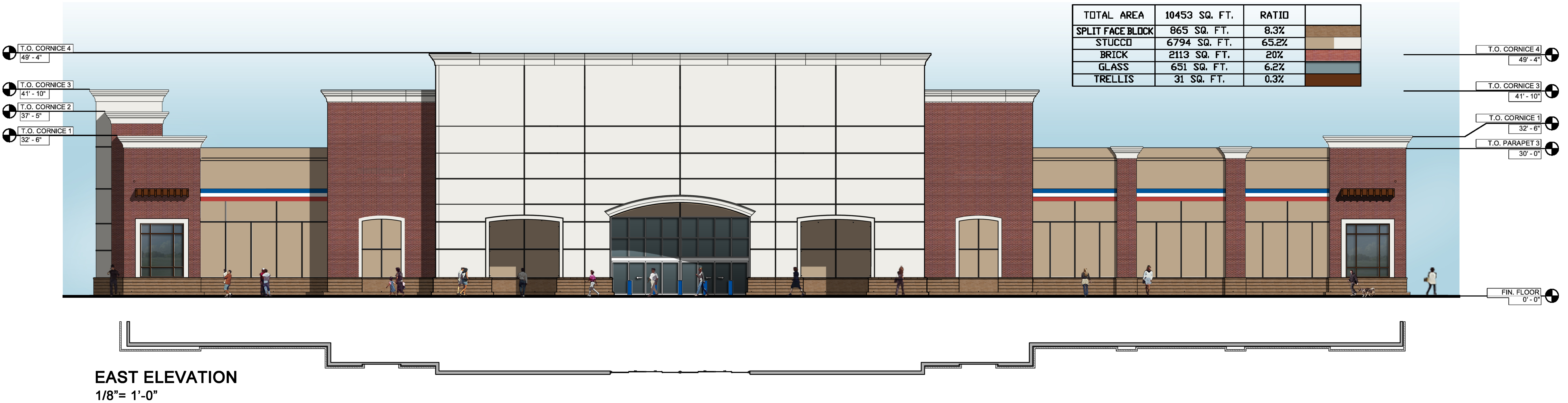


ACADEMY SPORTS + OUTDOORS

ALPHARETTA, GA
ELEVATION STUDY
JULY 26, 2016



SOUTH ELEVATION
1/8"= 1'-0"





AERIAL VIEW LOOKING SOUTH



A&R Engineering Inc.

2160 Kingston Court, Suite O
Marietta, GA 30067
Tel: (770) 690-9255 Fax: (770) 690-9210
www.areng.com

Memorandum

To: Turcotte Development Group, LLC.
From: Abdul K. Amer, PE, PTOE
Date: May 24, 2016
Subject: Trip Generation Comparison Memorandum for Academy Sports on North Point Drive.

The purpose of this memorandum is to determine the trip generation that will result from the proposed Academy Sports development relative to the current zoning for this site located in the northwest corner of the intersection of Haynes Bridge Road and North Point Drive in Alpharetta, Georgia. The proposed development will consist of 62,943 square feet of retail space occupied by Academy Sports. The development will be served by one full access driveway each on Northpoint Drive and Rock Mill Road. It will also have an inter-parcel right-in only access from Haynes Bridge Road.

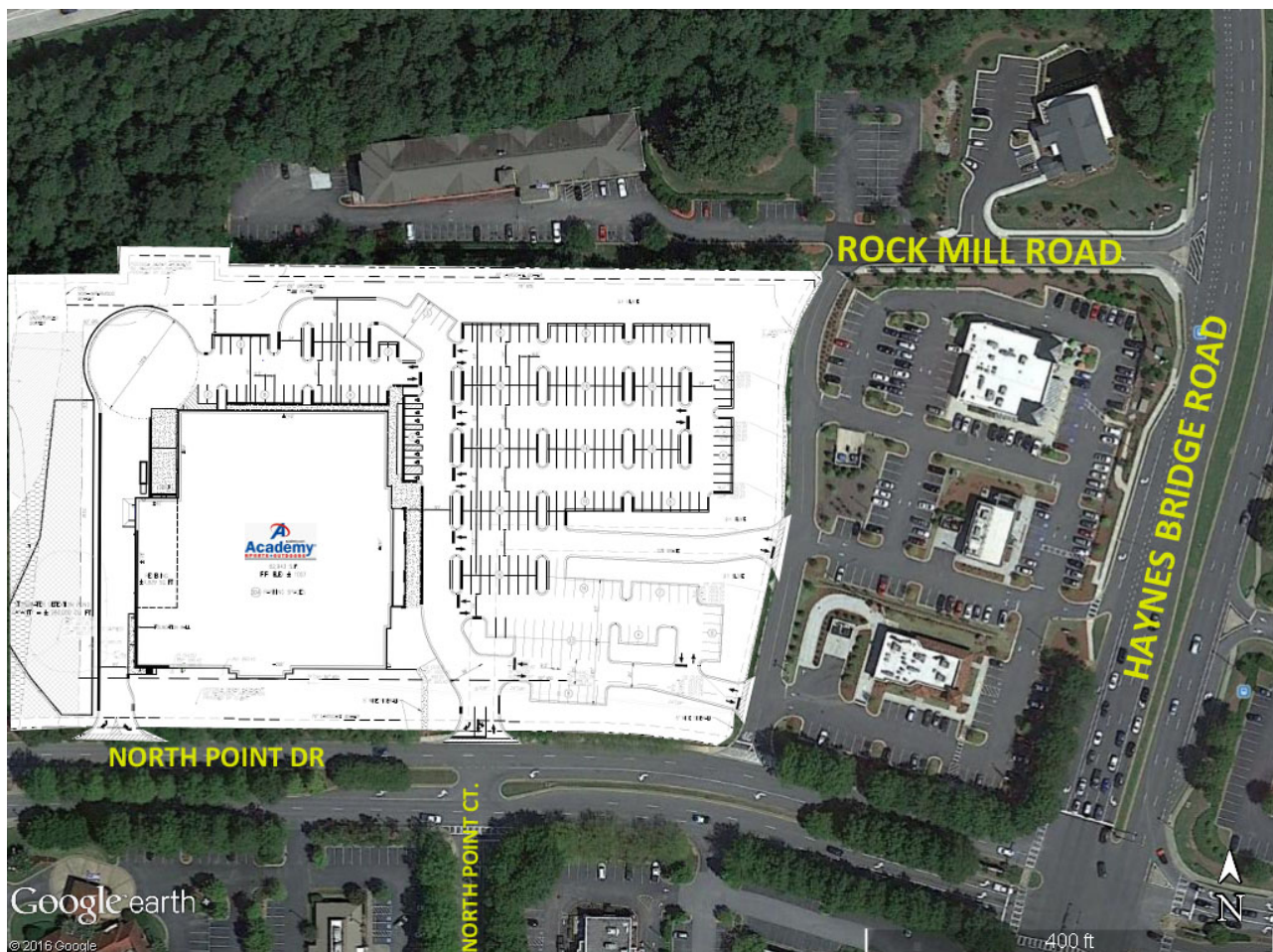


Figure 1 – Site Overlay

METHODOLOGY

The Institute of Transportation Engineers has published data sets for estimating trip generation in the 9th edition of the Institute of Transportation Engineers (ITE) Trip Generation report. This reference contains traffic volume count data collected at similar facilities nationwide. The trip generation referenced for the current zoning is based on the following ITE Land Uses: 710 – *General Office Building*, 820 – *Shopping Center*, 932 – *High Turn-Over Sit-Down Restaurant* and 934 – *Fast Food Restaurant with Drive-Through Window*. Trip generation estimates for the proposed zoning is based on the following ITE Land Uses: 861 – *Sporting Goods Superstore*, 932 – *High Turn-over Sit-Down Restaurant* and 934 – *Fast-Food Restaurant with Drive-Through Window*.

DATA PROPERTIES

The ITE Trip Generation report states the following for each land use considered:

ITE 710 – General Office Building

The ITE Trip Generation reference describes data used to develop trip rates for the General Office land use as a building that: “houses multiple tenants; it is a location where affairs of businesses, commercial or industrial originations, or professional persons or firms are conducted.” The peak hour of these trips typically coincides with the peak hour of the adjacent street traffic. Further information on the data set suggests that if additional buildings, such as banks, restaurants, or retail stores are included in the development, then the development should be treated as a multiuse project”.

ITE 820 – Shopping Center

“A shopping center is an integrated group of commercial establishments that is planned, developed, owned and managed as a unit. A shopping center’s composition is related to its market area in terms of size, location and type of store. A shopping center also provides on-site parking facilities sufficient to serve its own parking demands.” It also states “Some of these centers contained non-merchandising facilities, such as office buildings, movie theaters, restaurants, post offices, banks, health clubs and recreational facilities.”

ITE861 – Sporting Goods Superstore

“Sporting goods superstores are free-standing facilities. These stores generally offer a variety of customer services and centralized cashiering and specialize in the sale of athletic and outdoor-oriented merchandise. These stores typically maintain long store hours 7 days a week. Examples of items sold in these stores include outdoor/athletic clothing, sports equipment, shoes and hunting/boating/fishing gear. Some may also carry automotive supplies. Sporting goods superstores are sometimes also found as separate parcels within a retail complex, with or without their own dedicated parking”.

ITE932 – High-Turnover (Sit-Down) Restaurant

This land use consists of sit-down, full service eating establishments with typical duration of stay of approximately one hour. This type of restaurant is usually moderately priced and frequently belongs to a restaurant chain. Generally, these restaurants serve lunch and dinner, they may also be open for breakfast and are sometimes open 24 hours per day. These restaurants typically do not take reservations. Patrons commonly wait to be seated, are served by a waiter/waitress, order from menus and pay for their meal after they eat”.

ITE 934 – Fast-Food Restaurant with Drive-Through Window

“This category includes fast-food restaurants with drive-through window. This type of restaurant is characterized by a large drive-through clientele, long hours of service (some are open for breakfast, all are open for lunch and dinner, some are open late at night or 24 hours per day) and high-turnover rates for eat-in customers. These limited-service eating establishments do not provide table service. Non-drive through patrons generally order at a cash register and pay before they eat.”

Trip reductions were applied when applicable to account for pass-by trips, and internal mixed-use trips. These reductions are described below:

Mixed-Use Reductions

Internal Capture (or Mixed-Use) reductions occur when a site has a combination of different uses that interact with one another. For example, employees of the office component may also choose to visit the retail component of the site without adding to the volume of traffic on the roadway. The relationship for internal capture between uses is a function of the number of trips attracted by the “receiving” land-use as well as the number of trips sent by the “originating” land-use. The procedure for estimating these interactions is outlined in the Institute of Transportation Engineers Trip Generation Handbook (2nd Edition).

Pass-by Reductions

Typically taken for retail trips only, traffic normally traveling along a roadway that choose to visit a retail establishment that is along the path are referred to as “pass-by”. Pass-by trips going to that development are already on the roadway and would, therefore, should not be considered as a new trip to the adjacent street network. It is anticipated that pass-by trips may occur along Paces Ferry Road for the commercial component. Rates for pass-by trips are provided for each land-use by the Institute of Transportation Engineers Trip Generation Handbook (2nd Edition).

CALCULATIONS

The results of the analysis for the current zoning are shown in Tables 1, below.

TABLE 1 TRIP GENERATION - CURRENT ZONING							
Land Use (Size)	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-way
ITE 710 General Office (250,000 sf)	350	48	398	61	297	358	2,634
ITE 820 Shopping Center (33,900 sf)	50	31	81	139	151	290	3,362
ITE 932 High Turnover Sit-Down Rest. (8,600 sf)	51	42	93	51	34	85	1,093
ITE 934 Fast-food Rest w/Drive-Thru Window (3,500sf)	81	78	159	59	55	114	1,736
Total Trips without Reductions	532	199	731	310	537	847	8,825
Mixed-use reduction – Shopping Center	-4	-5	-9	-5	-7	-12	-219
Mixed-use reduction – General Office	-5	-4	-9	-7	-5	-12	-219
Pass-by Reduction (0%) 34%* - Shopping Center	0	0	0	-46	-49	-95	-950
Pass-by Trips* (0%)43% High Turnover Restaurant	0	0	0	-22	-15	-37	-370
Pass-by Trips* (49%)50% Fast Food w/Drive Thru	-40	-38	-78	-30	-28	-58	-580
Total Reductions	-49	-47	-96	-110	-104	-214	-2,338
Existing Total Trips with Reductions	483	152	635	200	433	633	6,487

*Pass-by Trips (AM) PM; 24 Hour pass-by trips estimated by considering PM pass-by as 10% of daily volumes

The trip generation analysis for the proposed zoning is shown below in Tables 2.

TABLE 2 TRIP GENERATION – PROPOSED ZONING							
Land Use Size	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-Way
ITE 861 – Sporting Goods Superstore (62,943 sf)	10	6	16	71	77	148	5,026**
ITE 932 – High-Turnover Sit-Down Restaurant (8,600 sf)	51	42	93	51	34	85	1,093
ITE 934 – Fast-Food Restaurant w/Drive-Thru (3,500 sf)	81	78	159	59	55	114	1,736
Total Trips (without Reductions)	142	126	268	181	166	347	7,855
Pass-by Trips* (0%)34% Shopping Center	0	0	0	-24	-26	-50	-500
Pass-by Trips* (0%)43% High Turnover Restaurant	0	0	0	-22	-15	-37	-370
Pass-by Trips* (49%)50% Fast Food w/Drive Thru	-40	-38	-78	-30	-28	-58	-580
Total Reductions	-40	-38	-78	-76	-69	-145	-1,450
New Total External Trips (with Reductions)	102	88	190	105	97	202	6,405

*Pass-by Trips (AM) PM; 24 Hour pass-by trips estimated by considering PM pass-by as 10% of daily volumes

** In the absence of any reference in ITE for 24-hour trips for Sporting goods superstore, we have used Shopping Center statistics for the 24-hour trips.

TABLE 3							
TRIP GENERATION COMPARISON – TOTAL SITE							
Scenario	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-way
Current Zoning Conditions	483	152	635	200	433	633	6,487
Proposed Zoning Conditions	102	88	190	105	97	202	6,405
Difference	-381	-64	-445	-95	-336	-431	-82
Difference %	-79%	-42%	-70%	-47%	-78%	-68%	-1%

Based on the trip-generation calculations in Table 1 and Table 2, the amount of trips generated by the proposed conditions is 70% less in AM peak hour and 68% less in PM peak hour. ITE did not provide any reference for 24-hour trips for Sporting goods superstore land-use. We used Shopping Center land-use for calculating the 24-hour trips and the calculations show that trips generated in the proposed conditions are less by 1%. Trip generation comparison is shown above in Table 3.

ADDITIONAL INFORMATION

As part of this memorandum, annual average daily traffic volumes were collected from Georgia Department of Transportation traffic counters in close proximity to the site. Average annual daily traffic volumes for 2015 recorded on those locations are given below:

1. Station ID 1210823 on Haynes Bridge Road south of the site – 18,300 vehicles per day
2. Station ID 1210824 on Haynes Bridge Road north of the site – 24,100 vehicles per day
3. Station ID 1210458 on GA400, west of the site – 148,000 vehicles per day
4. Station ID 1210459 on GA400, east of the site – 138,000 vehicles per day

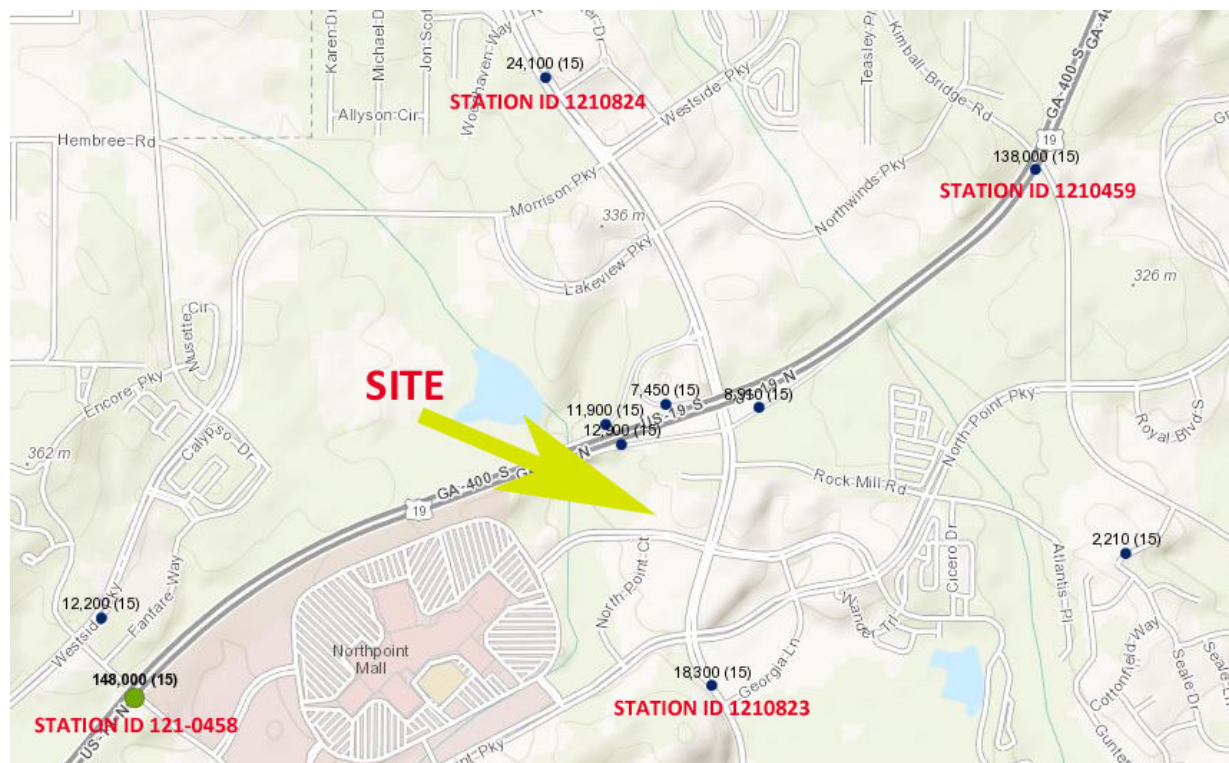


Figure 2: Location of Traffic Counter # 1210823, 1210824, 1210458 & 1210459



PAULSON MITCHELL
INCORPORATED

PROJECT:

LAND LOTS 743, 754, 1ST DIST.
NORTH POINT DR. @ ROCK MILL RD.
CITY OF ALPHARETTA
FULTON CO., GA 30022

FOR:

**TSTR
ENTERPRISES,
LLC**

5949 SHERRY LANE, SUITE 755
DALLAS, TX. 75225

ZONING INFORMATION

ZONING RESEARCH DATE: FEB. 2016

ZONING CLASSIFICATION

JURISDICTION: CITY OF ALPHARETTA

EX ZONING: 300 (PLANNED SUBDIVISION STD)

EX. ZONING: PSC (PLANNED SHOPPING CTR.)

BUILDING SETBACKS

FRONT: 50' (LOCAL) 65' (ALL OTHERS)

FRONT:	50 (LOCAL), 65 (ALL OTHERS)
SIDE:	15

SIDE:	15
BEAR:	15

BUFFERS

FRONT / STREET: _____

SIDE: 100' UNDIST. & 150' NON-IMP.

BEAR: 60' ALONG CA 100 B/A

BUILDING SUMMARY

MAX. BLDG. HT. W/ PARAPET: 49'-4"

MAX. BUILDING COVERAGE:	40%
-------------------------	-----

PARKING SUMMARY

PARKING SUMMARY

RETAIL REQ.: 4.0 SPACES/1,000 S.F.

RESTAURANT REQ.:	N/A
------------------	-----

RESTAURANT REQ..	N/A
CITY STD. STALL DIMENSIONS:	6' 10'

CITY STD. STALL DIMENSIONS: 9' x 19'

CITY COMPACT STALL DIMENSIONS: 8' x 16'

COMPACT STALLS ALLOWED: 20%

MIN. 90°/60° DRIVE WIDTH: 22'/22'

LANDSCAPE REGULATIONS

TREE DENSITY: _____ == UNITS/ACRE

ISLAND REQ: 1 / 8 SPACES

ISLAND REQ.:	1 / 8 SPACES
MIN. ISLAND SIZE (WIDTH)	300 G.S.

MIN. ISLAND SIZE/WIDTH: 200 S.F.

FEMA MAP

FIRM PANEL #: 1312100065 (6/22/08)

DRAWING RECORD

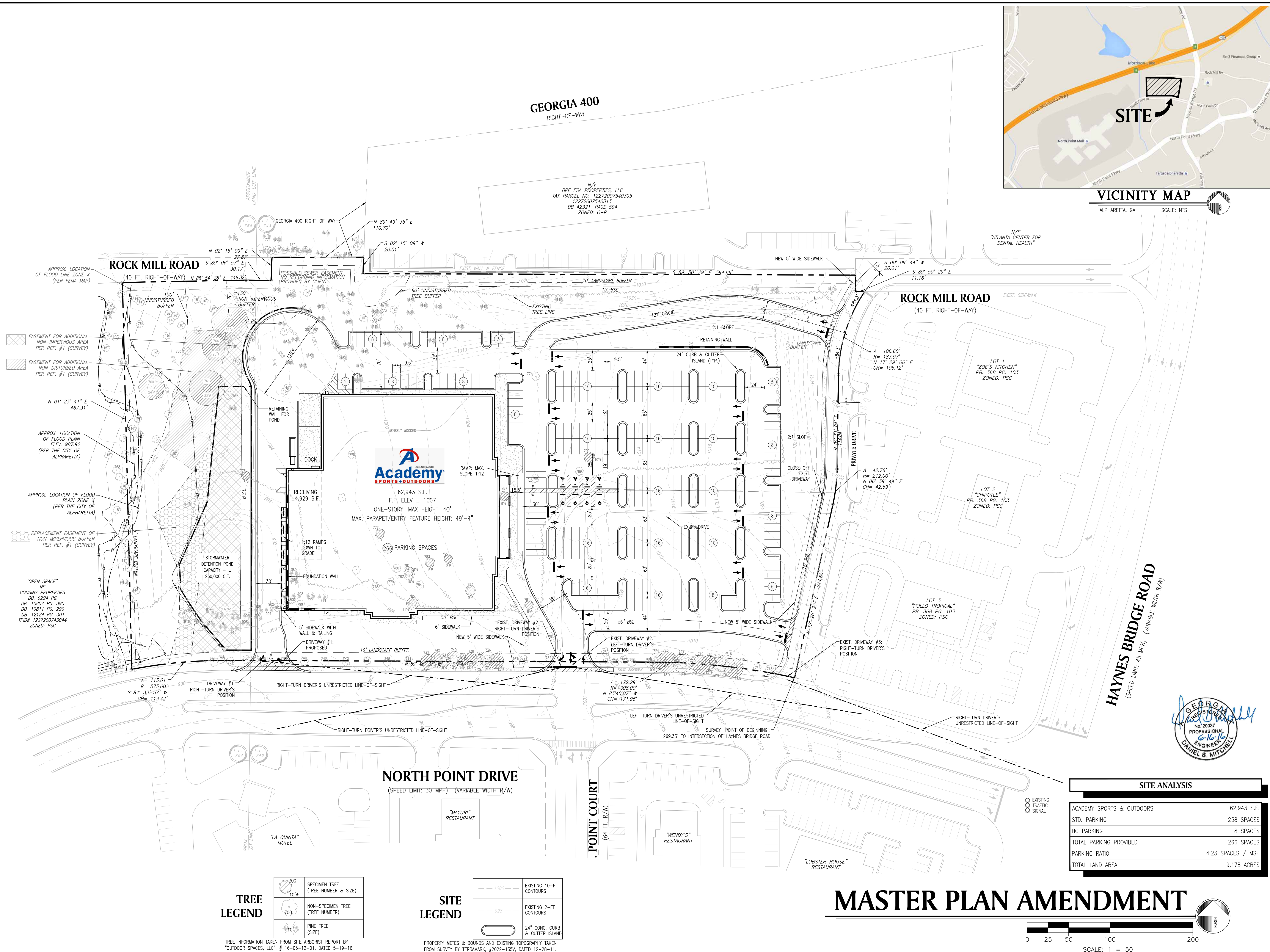
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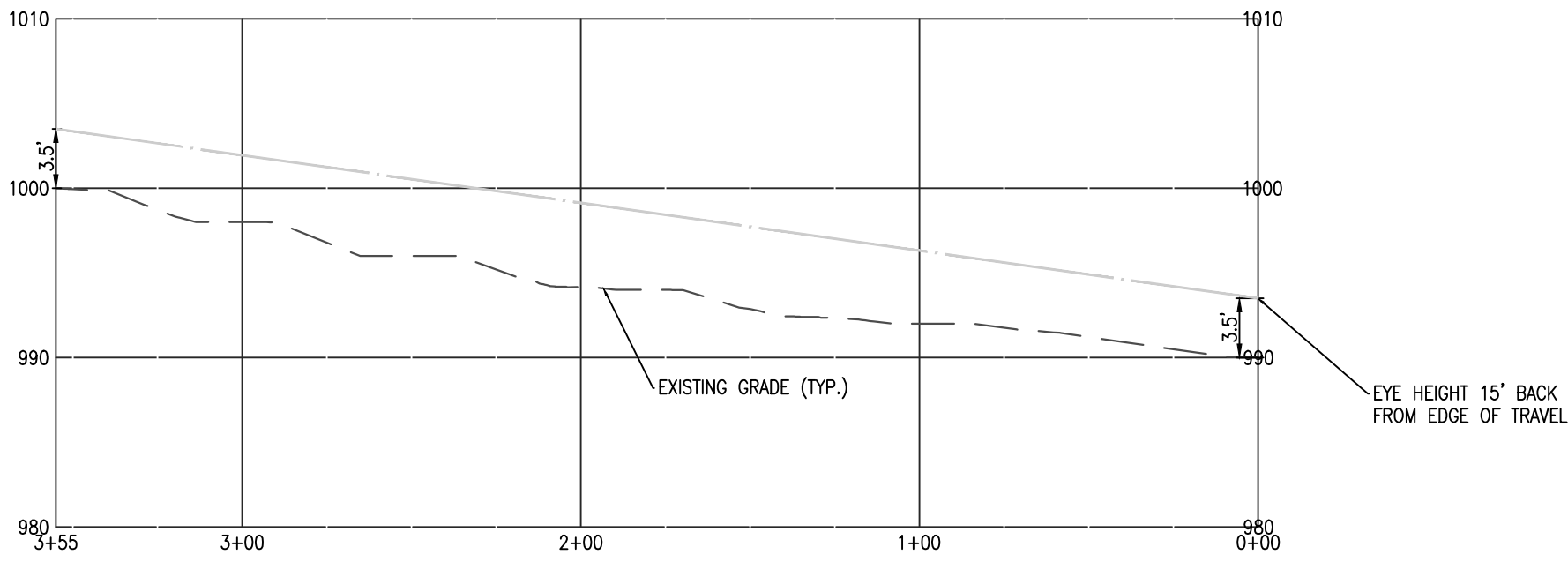
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SHEET

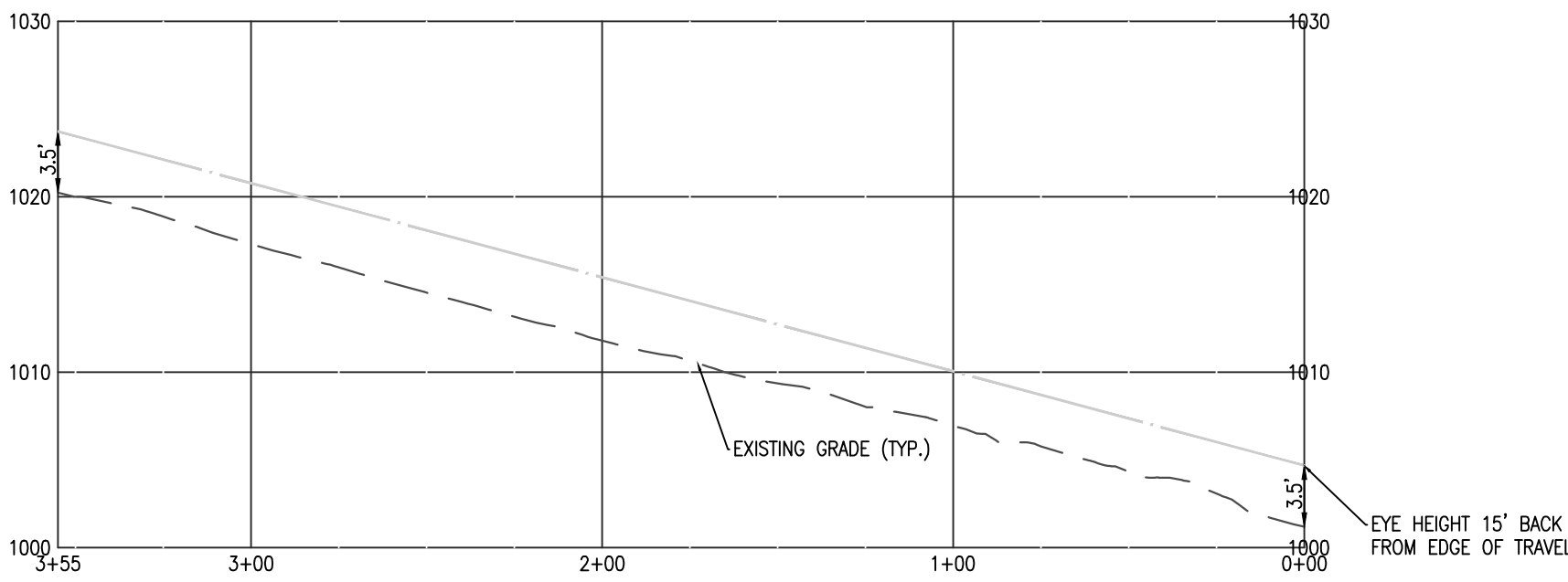
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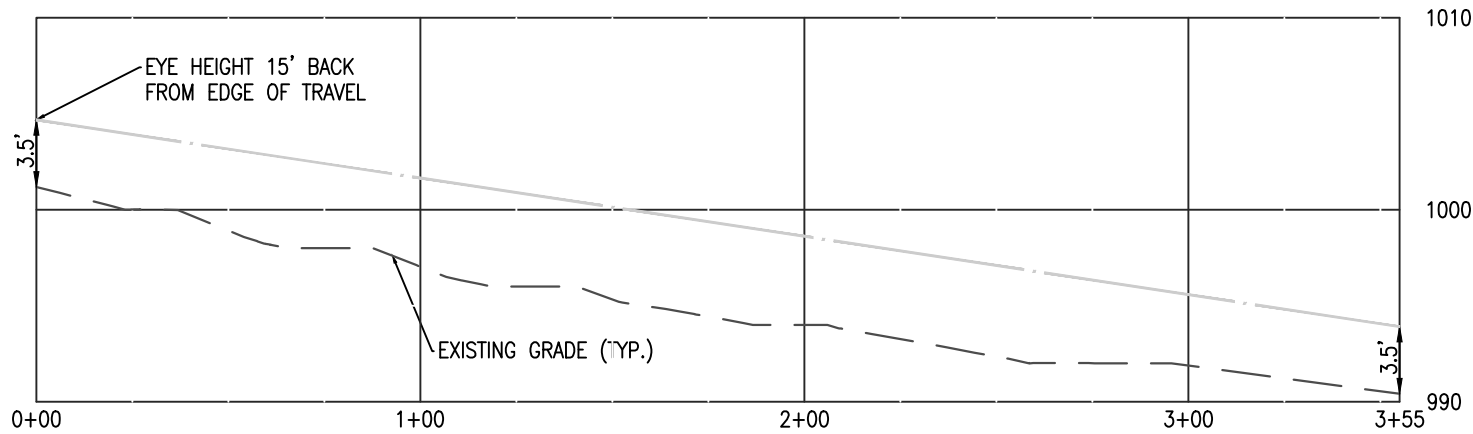
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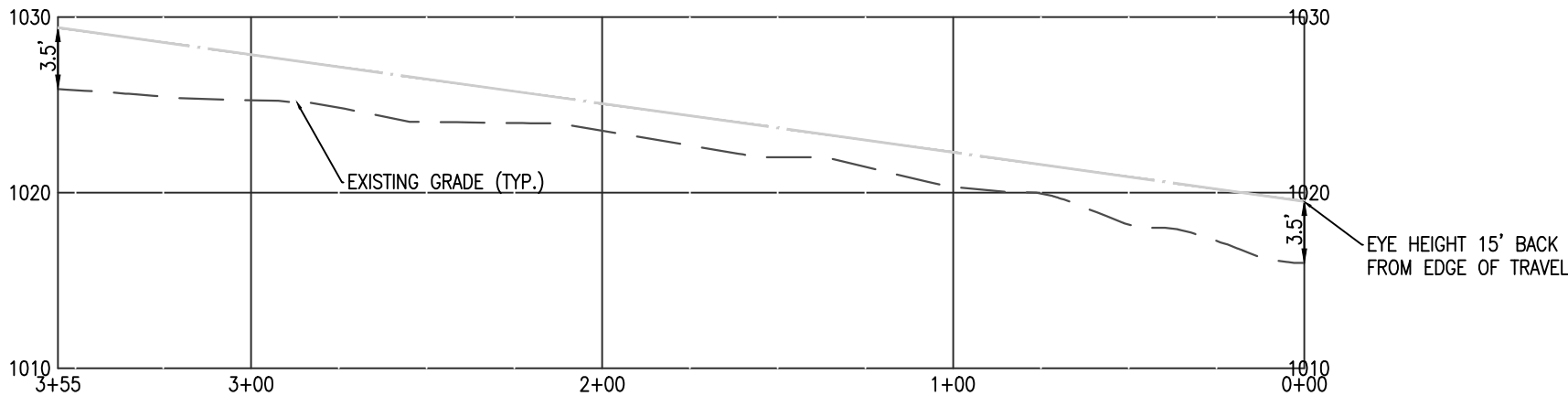
SIGHT DISTANCE PROFILE
DRIVE 1 LEFT



SIGHT DISTANCE PROFILE
DRIVE 2 LEFT



SITE DISTANCE PROFILE
DRIVE 2 RIGHT



SIGHT DISTANCE PROFILE
DRIVE 3 LEFT



"NORTH POINT COUSINS - TRACT TWO"

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOTS 743 & 754, 1ST DISTRICT, 2ND SECTION, CITY OF ALPHARETTA, FULTON COUNTY, GEORGIA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TO FIND THE POINT OF BEGINNING, COMMENCE AT A POINT AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY OF HAYNES BRIDGE ROAD (HAVING A VARIABLE RIGHT OF WAY) WITH THE NORTHERLY RIGHT-OF-WAY OF NORTH POINT DRIVE (HAVING A VARIABLE RIGHT OF WAY), IF THE RIGHT OF WAYS WERE EXTENDED TO INTERSECT; THENCE, LEAVE THE AFORESAID POINT AND RIGHT-OF-WAY OF HAYNES BRIDGE ROAD NORTH 73° 40' 07" WEST, 20.00 FEET TO A POINT ON THE AFORESAID RIGHT-OF-WAY OF NORTH POINT DRIVE; THENCE, CONTINUING WITH THE AFORESAID RIGHT-OF-WAY OF NORTH POINT DRIVE NORTH 73° 40' 07" WEST, 214.45 FEET; THENCE, 54.88 FEET ALONG THE ARC OF A CURVE DEFLECTING TO THE LEFT, HAVING A RADIUS OF 808.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 75° 36' 50" WEST, 54.87 FEET TO THE TO THE POINT OF BEGINNING.

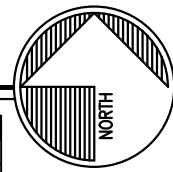
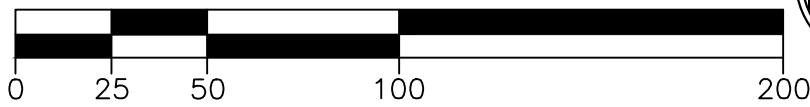
THENCE, FROM SAID POINT OF BEGINNING AND CONTINUING WITH THE AFORESAID RIGHT-OF-WAY OF NORTH POINT DRIVE THE FOLLOWING COURSES AND DISTANCES:

1. 172.29 FEET ALONG THE ARC OF A CURVE DEFLECTING TO THE LEFT, HAVING A RADIUS OF 808.00 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 83° 40' 07" WEST, 171.96 FEET; THENCE,
2. NORTH 89° 46' 37" WEST, 516.49 FEET; THENCE,
3. 113.61 FEET ALONG THE ARC OF A CURVE DEFLECTING TO THE LEFT, HAVING A RADIUS OF 575.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 84° 33' 57" WEST, 113.42 FEET; THENCE, LEAVING THE AFORESAID RIGHT-OF-WAY OF NORTH POINT PARKWAY AND RUNNING ALONG AN AREA DESIGNATED AS OPEN SPACE
4. NORTH 01° 23' 41" WEST, 467.51 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF ROCK MILL ROAD (HAVING AN APPARENT 40' RIGHT-OF-WAY); THENCE, CONTINUING WITH THE SOUTHERLY RIGHT-OF-WAY OF ROCK MILL ROAD
5. NORTH 88° 54' 28" EAST, 149.32 FEET; THENCE,
6. SOUTH 89° 06' 57" EAST, 30.17 FEET; THENCE,
7. NORTH 02° 15' 09" EAST, 27.87 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF GEORGIA STATE ROUTE 400 (HAVING A VARIABLE RIGHT-OF-WAY); THENCE, LEAVING THE AFORESAID RIGHT-OF-WAY OF ROCK MILL ROAD AND CONTINUING WITH THE SOUTHERLY RIGHT-OF-WAY OF GEORGIA STATE ROUTE 400;
8. NORTH 89° 49' 35" EAST, 110.70 FEET; THENCE, LEAVING THE AFORESAID RIGHT-OF-WAY OF GEORGIA STATE ROUTE 400 AND CONTINUING ALONG THE PROPERTY NOW OR FORMERLY OWNED BY BRE ESA PROPERTIES, LLC RECORDED IN DB 42321 PAGE 594 AMONG THE LAND RECORDS OF FULTON COUNTY, GEORGIA
9. SOUTH 02° 15' 09" WEST, 20.01 FEET; THENCE,
10. SOUTH 89° 50' 29" EAST, 594.66 FEET TO A POINT ON THE AFORESAID RIGHT-OF-WAY OF ROCK MILL ROAD; THENCE, LEAVING THE PROPERTY OF BRE ESA PROPERTIES, LLC AND CONTINUING WITH THE AFORESAID RIGHT-OF-WAY OF ROCK MILL ROAD
11. SOUTH 00° 09' 44" WEST, 20.01 FEET; THENCE,
12. SOUTH 89° 50' 29" EAST, 11.16 FEET; THENCE, LEAVING THE AFORESAID RIGHT-OF-WAY OF ROCK MILL ROAD AND RUNNING ALONG THE LINE SEPARATING TRACT ONE AND TRACT TWO AS SHOWN ON THAT CERTAIN MINOR PLAT OF COUSINS PROPERTIES NORTH POINT PREPARED BY TERRAMARK LAND SURVEYING, INC., BEARING THE SEAL AND SIGNATURE OF PAUL B. CANNON, RLS AND DATED DECEMBER 8, 2011
13. 106.60 FEET ALONG THE ARC OF A CURVE DEFLECTING TO THE LEFT, HAVING A RADIUS OF 183.97 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 17° 29' 06" WEST, 105.12 FEET; THENCE,
14. SOUTH 00° 53' 04" WEST, 114.04 FEET; THENCE,
15. 42.76 FEET ALONG THE ARC OF A CURVE DEFLECTING TO THE RIGHT, HAVING A RADIUS OF 212.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 06° 39' 44" WEST, 42.69 FEET; THENCE,
16. SOUTH 12° 26' 25" WEST, 214.65 FEET TO THE POINT OF BEGINNING, CONTAINING 399,800 SQUARE FEET OR 9.1781 ACRES OF LAND, MORE OR LESS.

DESCRIBED PROPERTY IS SUBJECT TO ALL RIGHTS-OF-WAY AND EASEMENTS, BOTH RECORDED AND UNRECORDED.



SIGHT DISTANCE PROFILES



LAND PLANNERS
ENGINEERS • SURVEYORS
TRANSPORTATION
LANDSCAPE ARCHITECTS

85-A MILL STREET
SUITE 200
ROSWELL, GEORGIA 30075
VOICE 770.650.7685
FAX 770.650.7684
www.paulsonmitchell.com

PAULSON MITCHELL
INCORPORATED

PROJECT:

PROPOSED DEVELOPMENT

LAND LOTS 743, 754, 1ST DIST.
NORTH POINT DR. @ ROCK MILL RD.
CITY OF ALPHARETTA
FULTON CO., GA 30022

FOR:

TSTR ENTERPRISES, LLC

5949 SHERRY LANE, SUITE 755
DALLAS, TX. 75225

ZONING INFORMATION

ZONING RESEARCH DATE: FEB. 2016

ZONING CLASSIFICATION

JURISDICTION: CITY OF ALPHARETTA

EX. ZONING: PSC (PLANNED SHOPPING CTR.)

PR. ZONING: PSC (PLANNED SHOPPING CTR.)

BUILDING SETBACKS

FRONT: 50' (LOCAL), 65' (ALL OTHERS)

SIDE: 15'

REAR: 15'

BUFFERS

FRONT/STREET: --

SIDE: 100' UNDIST. & 150' NON-IMP.

REAR: 60' ALONG GA 400 R/W

BUILDING SUMMARY

MAX. BLDG. HT. W/ PARAPET: 49'-4"

MAX. BUILDING COVERAGE: 40%

PARKING SUMMARY

RETAIL REQ.: 4.0 SPACES/1,000 S.F.

RESTAURANT REQ.: N/A

CITY STD. STALL DIMENSIONS: 9' x 19'

CITY COMPACT STALL DIMENSIONS: 8' x 16'

COMPACT STALLS ALLOWED: 20%

MIN. 90'/60' DRIVE WIDTH: 22'/22'

LANDSCAPE REGULATIONS

TREE DENSITY: -- UNITS/ACRE

ISLAND REQ.: 1 / 8 SPACES

MIN. ISLAND SIZE/WIDTH: 200 S.F.

GREENSPACE %: --%

FEMA MAP

FIRM PANEL #: 13121C006E (6.22.98)

DRAWING RECORD

DRAWN BY: MLM

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SIGHT DISTANCE PROFILES

SHEET

MP-2

CITIZEN PARTICIPATION FORM - PART B

This form must be completed and submitted to the City of Alpharetta Community Development Department a minimum of twenty (20) working days prior to the scheduled Public Hearing. Failure to do so will result in cancellation of the scheduled hearing.

Public Hearing or Project Name: North Point Drive Retail

Contact Name: Don Rolader

Telephone: 770-442-0330

Please describe comments and concerns provided by any and all individuals contacted as part of the the Citizen Participation Program. If any individuals provided written correspondence, please attach copies of same to this report.

Applicant contacted Bruce Williams who represents outparcel owners Greene Hogg NP 1 and Greene Hogg NP. These entities own two of the three restaurant outparcels. He requested some site plan modifications which Applicant is addressing. Applicant contacted BFC Properties which owns the other (Chipotle) outparcel. BFC supports the application. Applicant contacted Hal Hobgood at Chipotle and Glenn Rozansky at Pollo Tropical. Both support the application. Applicant will amend the report as additional responses are received.

Method by which these individuals were contacted. Please mark all that apply. *Please provide samples of any and all written communications used to provide notification.*

- | | |
|--|---|
| ☒ Letter | ☐ Personal Visits |
| ☐ Telephone | ☐ Group Meeting |
| ☐ Email | ☐ Other (Please Specify) _____ |

Attach a list of people who have been notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified.

All persons listed on Exhibit A attached hereto.

I, the undersigned, as an authorized representative of the applicant and Public Hearing item identified above, do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Citizen Participation Form - Part B and in any and all documents provided in support of this report are true and accurate. I further understand that any false statements provided by representatives of the applicant as part of this report may result in penalties up to and including denial of the subject application.

Signature of Authorized Agent: _____

Don Rolader

Date: 7/15/2016

Print Form

July 14, 2016

Property Owner
(insert address)

RE: Master Plan Amendment and Variance Application by TSTR Enterprises, LLC for property located on North Point Drive, Alpharetta, GA

Dear Property Owner:

TSTR Enterprises, LLC has filed an application for a Master Plan Amendment on 9.178 acres on North Point Drive for the development of an approximately 63,000 square foot single user retail facility on this property, which is zoned PSC. The variance request is for a reduction of the North Point Activity Center Design Criteria requirement of 25% clear glass on the building frontage facing North Point Drive.

The Planning Commission meeting is scheduled for August 4, 2016 at 7:30 p.m. at City Hall. The City Council meeting is scheduled for August 22, 2016 at 6:30 p.m. at City Hall. If you have questions or would like additional information, please contact Don Rolader at 770-442-0330. His fax number is 770-442-0641 and his email is don@roladerandrolader.com. His address is 1865 Lockeway Drive, Suite 601, Alpharetta, GA 30004.

Sincerely,

_____ for
TSTR Enterprises, LLC

Citizen Participation Form – Exhibit A

Subject Parcel

0 North Point Drive

Parcel ID 12 272007430382

Cousins Properties Incorporated

191 Peachtree Street, Suite 500

Atlanta, GA 30303

Parcels within 500 feet of Subject Parcel

10850 Haynes Bridge Road

Parcel ID 12 273007540212

Village Creative Labs

940 Emmett Avenue, Suite 200

Belmont, CA 04022

10885 Haynes Bridge Road

Parcel ID 12 273007540453

1085 Haynes Bridge Road, LLC

P.O. Box 660066

Atlanta, GA 30366

10890 Haynes Bridge Road

Parcel ID 12 273007540220

Alan B & Elaine S Kolodkin

3530 Piedmont Road, #PH2

Atlanta, GA 30305

10900 Haynes Bridge Road

Parcel ID 12 272007540503

Greene Hogg NP I LLC

3425 Duluth Park Lane

Duluth, GA 30096

10905 Haynes Bridge Road

Parcel ID 12 272007540461

North Point Investments LLC

3055 River North Parkway

Atlanta GA30328

10910 Haynes Bridge Road
Parcel ID 12 272007540495
BFC Properties Inc ET AL
515 Lyell Drive, Suite 101
Modesto, CA 95356

10920 Haynes Bridge Road
Parcel ID 12 272007540487
Greene Hogg NP II LLC
c/o Brogdon Consulting
3425 Duluth Park
Duluth, GA 30096

11190 Haynes Bridge Road
Parcel ID 12 272007540321
Haynes Rock LLC
11190 Hanes Bridge Road
Alpharetta, GA 30022

975 North Point Drive
Parcel ID 12 286007970312
Larose LLC & Clinging Vide LLC
11911 San Vicente Boulevard, Suite 310
Los Angeles, CA 90049

1325 North Point Drive
Parcel ID 12 272007430374
HPTM II Properties Trust
PO Box 579
Louisville, TN 37777-0579

1100 North Point Drive
Parcel ID 12 273007540238
DPH LLC
4030 Johns Creek Parkway
Suwanee, GA 30024

6000 North Point Circle
Parcel ID 12 272007430416
Sears
3333 Beverly Road
Hoffman Estates, IL 60179-0001

2355 North Point Court
Parcel ID 12 273007540246
Ansley Investment Partners LP
P.O. Box 460169
Houston, TX 77056

1350 North Point Court
Parcel ID 12 273007430265
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909 Hidden Ridge, #600
Irving, TX 75038

2500 North Point Court
Parcel ID 12 273007540279
Village Creative Labs
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BRI 1870 North Point LLC
1140 E Hallandale Beach Boulevard
Hallandale, FL 33009

1000 North Point Parkway
Parcel ID 12 273007420431
GGP North Point Inc.
P.O. Box 617905
Chicago, IL 60661-7905

0 Rock Mill Road
Parcel ID 12 272007540313
BRE/ESA P Portfolio LLC
P.O. Box 49550-Prop Tax
Charlotte, NC 28277-9550

1950 Rock Mill Road

Parcel ID 12 272007540305

BRE/ESA P Portfolio LLC

P.O. Box 49550-Prop Tax

Charlotte, NC 28277-9550

CITY OF ALPHARETTA

PUBLIC HEARING APPLICATION

FOR OFFICE USE ONLY

Case #: _____

☐ Fee Paid Initial: _____

COMMUNITY DEVELOPMENT DEPARTMENT

2 PARK PLAZA

ALPHARETTA, GA 30009

1. This page should be the first page in each of your completed application packets.
2. It is preferred that all responses be typed. Illegible applications will not be accepted.
3. Prior to signing and submitting your application, please check all information supplied on the following pages to ensure that all responses are complete and accurate. Incomplete applications will not be accepted.
4. Payment of all applicable fees must be made at the time of application. Payment may be made via cash, credit card (American Express, Master Card or Visa), or check made payable to "City of Alpharetta."
5. Applications will be accepted only on the designated submittal dates between the hours of 8:30 AM and 3:30 PM.
6. If you have any questions regarding this form, please contact the Community Development Department by calling 678-297-6070.

Contact Information:

Contact Name: Richard Turcotte, TSTR Enterprises, LLC Telephone: (214) 750-6828

Address: 5949 Sherry Lane Suite: 755

City Dallas State: TX Zip: 75225 Fax: _____

Mobile Tel: (214) 629-1886 Email: rt@turcottedevelopment.com

Subject Property Information:

Address: Northwest Quadrant of Haynes Bridge Road and North Point Drive Current Zoning: PSC

District: 1ST Section: 2ND Land Lot: 743 & 754 Parcel ID: 1227200743038

Proposed Zoning: PSC Current Use: Undeveloped

This Application For (Check All That Apply):

- | | |
|---|---|
| ☐ Conditional Use | ☒ Master Plan Amendment |
| ☐ Rezoning | ☐ Master Plan Review |
| ☒ Variance | ☐ Public Hearing |
| ☐ Comprehensive Plan Amendment | ☐ Other (Specify): _____ |

APPLICANT REQUEST AND INTENT

What is the proposed use(s) of the property?

Retail - Academy Sports + Outdoors store with associated site work improvements

Applicant's Request (Please itemize the proposal):

Amend the currently-approved Master Plan to allow for the additional retail use and shown on the attached Site Plan

Applicant's Intent (Please describe what the proposal would facilitate):

The Applicant intends to construct an Academy Sports + Outdoors store on this property once this Master Plan amendment is approved.

ALPHARETTA PLANNING COMMISSION REVIEW CRITERIA

How will this proposal be compatible with surrounding properties?

The majority of surrounding properties have been developed as retail or restaurant uses. This retail use is compatible with the surrounding uses.

How will this proposal affect the use and value of the surrounding properties?

The retail development of this parcel will have a positive effect on the value of surrounding properties. The use is similar and will have no negative effect.

Can the property be developed for a reasonable economic use as currently zoned? Please explain why or why not.

The property cannot be reasonably developed for office use. It has been offered for sale for office use for years with no offers. There is no node of office development close by to create an office market. It is in a retail node of development.

What would be the increase to population and traffic if the proposal were approved?

There will be no increase in population. Trip generation figures suggest 16 A.M. peak trips and 148 P.M. peak trips. Not all trips will be new trips.

What would be the impact to schools and utilities if the proposal were approved?

There will be no impact on the school system. There are sufficient utilities available to serve the proposed development.

How is the proposal consistent with the Alpharetta Comprehensive Plan; particularly the Future Land Use Map?

The property is zoned PSC which permits retail development.

Are there existing or changing conditions which affect the development of the property and support the proposed request?

Surrounding property has developed over the last ten years predominantly as retail/restaurant uses. Recently, the City has added Rooms to Go and Ashley Home Store at Haynes Bridge and North Point Parkway. There has been no significant new office development in the area.

On a separate sheet or sheets, please provide any information or evidence that supports your request and the statements that you have provided in this application.

BOARD OF ZONING APPEALS REVIEW CRITERIA

Please respond to the following ONLY if you are applying for a zoning variance.

Are there extraordinary and exceptional conditions pertaining to the subject property because of its size, shape, or topography? Please describe them.

Due to the shape and location of the property, the building front will not face North Point Drive. Requiring a minimum of 25% clear glass on a building side elevation is of no benefit and limits Applicant's ability to provide an upscale architectural design for the building exterior. The glass will not provide visibility into the interior of the store from North Point Drive.

Would the application of the Zoning Code standards as they relate to the subject property create an unnecessary hardship? Please explain.

Requiring 25% clear glass on the side of a retail building creates a hardship which is unnecessary. Merchandise displays and customer service/checkout are oriented to the front of the building. Any view from the side would not be attractive. Additionally, it creates a potential security risk for unauthorized, forced entry.

Are there conditions that are peculiar to the subject property? Please describe them in detail.

The footprint shape of the property requires that room for "in front" parking and store entry be oriented on an east/west axis. The building front will not face North Point Drive. It will face east. Requiring 25% glass on the south elevation does not benefit the City or the Applicant.

Would relief, if granted, cause substantial detriment to the public good or impair the purpose and intent of the Zoning Code? Please defend your response.

Granting the variance will not cause substantial detriment to the public good and will not impair the purpose and intent of the Zoning Code. It will permit the Applicant to design a more attractive building for the benefit of the City and the Applicant.

On a separate sheet or sheets, please provide any information or evidence that supports your request and the statements that you have provided in this application.

PROPERTY OWNER AUTHORIZATION

Property Owner Information:

Contact Name: Cousins Properties Incorporated

Telephone: (404) 407 - 1000

Address: 191 Peachtree Street NE

Suite: 500

City Atlanta

State: GA

Zip: 30303

Authorization:

I do solemnly swear and attest, subject to criminal penalties for false swearing, that I am the legal owner, as reflected in the records of Fulton County, Georgia, of the property identified below, which is the subject of the attached Application for Public Hearing before the City of Alpharetta, Georgia.

As the legal owner of record of the subject property, I hereby authorize the individual named below to act as the applicant in the pursuit of the Application for Public Hearing in request of the items indicated below.

☐ Annexation

☐ Special Use

☐ Rezoning

☐ Conditional Use

☒ Variance

☐ Master Plan

☐ Land Use Application

☒ Other

Master Plan Amendment

Identify Authorized Applicant:

Name of Authorized Applicant: Richard Turcotte, TSTR Enterprises, LLC

Telephone: (214) 750-6828

Address: 5949 Sherry Lane

Suite: 755

City Dallas

State: TX

Zip: 75225

So Sworn and Attested:

Owner Signature: _____

William Bassett SVP

Date: 5-31-16

Notary:

Notary Signature: _____

Alinna Kerr



Date: 5-31-16

DISCLOSURE FORM

The Official Code of Georgia Annotated requires disclosure of campaign contributions to government officials by an applicant or opponent of a rezoning or public hearing petition (O.C.G.A. 36-67 A-1).

Applicants must file this form with the City of Alpharetta Community Development Department within ten (10) days after filing for rezoning or public hearing. Opponents to a rezoning or public hearing petition must file this form five (5) days prior to the Planning Commission meeting at which the subject rezoning or public hearing petition is scheduled to be heard.

Name of Applicant or Opponent: Richard Turcotte, TSTR Enterprises, LLC

Subject Public Hearing Case: _____

Campaign Contribution Information:

Please provide the requested information for each contribution with a dollar amount or value of \$250 or more made within the past two (2) years to an Alpharetta Official by the individual identified above. Please use a separate form for each Alpharetta Official to whom such a contribution as been made.

If the individual identified above has made no such contributions to an Alpharetta Official within the past two (2) years, please indicate this by entering "N/A" on the appropriate lines below.

Name of Official: N/A

Position: N/A

Description of Contribution: _____

Value: _____

Description of Contribution: _____

Value: _____

Description of Contribution: _____

Value: _____

Description of Contribution: _____

Value: _____

Description of Contribution: _____

Value: _____

Campaign Contribution Information:

I do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Disclosure Form is true and accurate and that I have disclosed herein any and all campaign contributions made to an Official of the City of Alpharetta, Georgia in accordance with O.C.G.A. 36-67 A-1.

Signature: _____

Ree T. A.

Date: _____

5/27/16

"North Point Cousins – Tract Two"

All that tract or parcel of land lying and being in Land Lots 743 & 754, 1st District, 2nd Section, City of Alpharetta, Fulton County, Georgia and being more particularly described as follows:

To find the POINT OF BEGINNING, commence at a point at the intersection of the westerly right of way of Haynes Bridge Road (having a variable right of way) with the northerly right-of-way of North Point Drive (having a variable right of way), if the right of ways were extended to intersect; thence, leave the aforesaid point and right-of-way of Haynes Bridge Road North 73° 40' 07" West, 20.00 feet to a point on the aforesaid right-of-way of North Point Drive; thence, continuing with the aforesaid right-of-way of North Point Drive North 73° 40' 07" West, 214.45 feet; thence, 54.88 feet along the arc of a curve deflecting to the left, having a radius of 808.00 feet and a chord bearing and distance of North 75° 36' 50" West, 54.87 feet to the POINT OF BEGINNING.

Thence, from said POINT OF BEGINNING and continuing with the aforesaid right-of-way of North Point Drive the following courses and distances:

1. 172.29 feet along the arc of a curve deflecting to the left, having a radius of 808.00 feet and a chord bearing and distance of North 83° 40' 07" West, 171.96 feet; thence,
2. North 89° 46' 37" West, 516.49 feet; thence,
3. 113.61 feet along the arc of a curve deflecting to the left, having a radius of 575.00 feet and a chord bearing and distance of South 84° 33' 57" West, 113.42 feet; thence, leaving the aforesaid right-of-way of North Point Parkway and running along an area designated as open space
4. North 01° 23' 41" West, 467.31 feet to a point on the southerly right-of-way of Rock Mill Road (having an apparent 40' right-of-way); thence, continuing with the southerly right-of-way of Rock Mill Road
5. North 88° 54' 28" East, 149.32 feet; thence,
6. South 89° 06' 57" East, 30.17 feet; thence,
7. North 02° 15' 09" East, 27.87 feet to a point on the southerly right-of-way of Georgia State Route 400 (having a variable right-of-way); thence, leaving the aforesaid right-of-way of Rock Mill Road and continuing with the southerly right-of-way of Georgia State Route 400;
8. North 89° 49' 35" East, 110.70 feet; thence, leaving the aforesaid right-of-way of Georgia State Route 400 and continuing along the property now or formerly owned by BRE ESA Properties, LLC recorded in DB 42321 Page 594 among the land records of Fulton County, Georgia
9. South 02° 15' 09" West, 20.01 feet; thence,
10. South 89° 50' 29" East, 594.66 feet to a point on the aforesaid right-of-way of Rock Mill Road; thence, leaving the property of BRE ESA Properties, LLC and continuing with the aforesaid right-of-way of Rock Mill Road
11. South 00° 09' 44" West, 20.01 feet; thence,
12. South 89° 50' 29" East, 11.16 feet; thence, leaving the aforesaid right-of-way of Rock Mill Road and running along the line separating Tract One and Tract Two as shown on that certain Minor Plat of Cousins Properties North Point prepared by TerraMark Land Surveying, Inc., bearing the seal and signature of Paul B. Cannon, RLS and dated December 8, 2011
13. 106.60 feet along the arc of a curve deflecting to the left, having a radius of 183.97 feet and a chord bearing and distance of South 17° 29' 06" West, 105.12 feet; thence,
14. South 00° 53' 04" West, 114.04 feet; thence,
15. 42.76 feet along the arc of a curve deflecting to the right, having a radius of 212.00 feet and a chord bearing and distance of South 06° 39' 44" West, 42.69 feet; thence,
16. South 12° 26' 25" West, 214.65 feet to the POINT OF BEGINNING, containing 399,800 square feet or 9.1781 acres of land, more or less.

Described property is subject to all rights-of-way and easements, both recorded and unrecorded.



ROLADER & ROLADER, P.C.

ATTORNEYS AND COUNSELORS AT LAW

1865 LOCKEWAY DRIVE, SUITE 601

ALPHARETTA, GEORGIA 30004

Telephone (770) 442-0330

Fax (770) 442-0641

www.roladerandrolader.com

DONALD A. ROLADER
don@roladerandrolader.com

D.W. "Pete" ROLADER
1924 - 2011

June 1, 2016

Mayor and City Council
City of Alpharetta, Georgia
2 Park Plaza
Alpharetta, Georgia 30009

RE: Application of TSTR Enterprises, LLC for Master Plan Amendment and Variance on 9.178 acres on North Point Drive, City of Alpharetta, Fulton County, Georgia owned by Cousins Properties, Inc.

Dear Mayor and Councilpersons:

This firm represents TSTR Enterprises, LLC, the Applicant, seeking approval of this Master Plan Amendment and Variance. This letter shall be construed as the Letter of Intent for this Application.

The subject property contains approximately 9.178 acres and is located on North Point Drive to the west of Haynes Bridge Road. To the north is a hotel and Georgia 400, a limited access highway. To the east are restaurant locations and a retail shopping center with retail outparcels across Haynes Bridge Road. To the south is North Point Drive and restaurant uses. To the west is undeveloped land and North Point Mall.

Applicant proposes to have site plan approval for the construction of a 62,943 SF retail single user building. The impact on the surrounding area would be minimal because of the amount of retail development in the area. The property has been vacant for more than 15 years, and has received no offers for office development. Due to the location of the property, this tract may not be expected to be developed as office in the near future. The surrounding area is predominantly retail. Surrounding property has been developed for retail and restaurant uses. The proposed development will generate 70% less a.m. peak traffic and 68% less p.m. traffic than an office campus development for which the property is approved. There is substantial demand for retail use in the area. The City has recently approved a large box Rooms To Go furniture store and an Ashley Furniture Store close by.

Mayor and City Council
City of Alpharetta, Georgia
June 1, 2016
Page 2

The granting of this Zoning Application will have no negative impact on adjoining or nearby properties, but will provide a compatible supporting retail use. This development will not unduly tax any City of Alpharetta services, including, but not limited to, fire and police protection, water service and garbage collection. Presently sewer is available through Fulton County. The development will have no impact on the Fulton County School System. To fail to approve this Application will be of no benefit to the citizens of Alpharetta, Georgia while causing a financial burden upon the property owners and the developer.

Applicant requests a Variance to the North Point Activity Center Design Criteria requirement that a minimum of twenty five percent of the building frontage facing the street be clear glass. Applicant's design shows less than twenty five percent clear glass on the elevation facing North Point Drive. Requiring twenty five percent clear glass impedes Applicant's ability to provide upscale, desirable architecture on this elevation, and creates a potential security risk for the tenant.

Applicant has attached Constitutional Objections which are incorporated herein by reference and made a part hereof.

Property owner respectfully requests that the Mayor and City Council approve this Application for Master Plan Amendment and the Variance requested to allow the use of the property as indicated on the site plan.

Very truly yours,

ROLADER & ROLADER, P.C.

A handwritten signature in blue ink, appearing to read "D. Rolader", is written over a faint, larger blue ink signature that also appears to read "D. Rolader".

Donald A. Rolader

DAR/ddf

CONSTITUTIONAL OBJECTIONS

Georgia Law and the procedures of the City of Alpharetta require us to raise Federal and State Constitutional objections during the rezoning application process. While the Owner anticipates a smooth application process, failure to raise constitutional objections at this stage may mean that the owner will be barred from raising important legal claims later in the process. Accordingly, we are required to raise the following constitutional objections at this time:

A denial of the Application would be unconstitutional in that it would destroy the Owner's property rights without first paying fair, adequate and just compensation for such rights, in violation of Article I, Section I, Paragraph I of the Constitution of the State of Georgia of 1983, Article I, Section III, Paragraph I of the Constitution of the State of Georgia of 1983 and the Due Process Clause of the Fourteenth Amendment to the Constitution of the United States.

Any application of the Code of the City of Alpharetta, or the Unified Development Code of the City of Alpharetta, to the Subject Property that prohibits the Owner from developing the Subject Property as proposed is unconstitutional, illegal, null and void because such an application constitutes a taking of the Owner's property in violation of the Just Compensation Clause of the Fifth Amendment to the Constitution of the United States, Article I, Section I, Paragraph I, and Article I, Section III, Paragraph I, of the Constitution of the State of Georgia of 1983 and a violation of the Equal Protection and Due Process Clauses of the Fourteenth Amendment to the Constitution of the United States because such an application denies the Owner an economically viable use of its land while not substantially advancing legitimate state interests.

A denial of this Application would also constitute an arbitrary and capricious act by the City of Alpharetta without any rational basis therefore, thereby constituting an abuse of discretion in violation of Article I, Section I, Paragraph I of the Constitution of the State of Georgia of 1983, Article I, Section III, Paragraph I of the Constitution of the State of Georgia of 1983 and the Due Process Clause of the Fourteenth Amendment to the Constitution of the United States.

A refusal by the City of Alpharetta to grant the Application would be unconstitutional and discriminate in an arbitrary, capricious and unreasonable manner between the Owner and Owners of similarly situated property in violation of Article I,

Section I, Paragraph II of the Constitution of the State of Georgia of 1983 and the Equal Protection Clause of the Fourteenth Amendment to the Constitution of the United States. Any approval of the Application that subjects the Subject Property to conditions that are different from the conditions requested by the Owner, to the extent such different conditions would have the effect of further restricting the Owner's utilization of the Subject Property, would also constitute an arbitrary, capricious and discriminatory act in zoning the Subject Property to an unconstitutional category and would likewise violate each of the provisions of the State and Federal Constitutions set forth hereinabove.

In addition, this constitutes formal written notice to City of Alpharetta, pursuant to O.C.G.A. § 36-33-5, that the Owner plans to seek to recover all damages that it sustains or suffers as a result of the denial of this Application and/or the unconstitutional zoning of the Subject Property by the City of Alpharetta. Such damages may include, but are not necessarily limited to, damages related to the diminution in the value of the Subject Property, attorneys' fees and expenses of litigation.

Accordingly, the Owner respectfully requests that the City of Alpharetta grant the Application as requested.

ROLADER & ROLADER, P.C.

By: _____


Donald A. Rolader
Attorney for Owner

1865 Lockeway Drive
Suite 601
Alpharetta, GA 30004
770-442-0330

CITIZEN PARTICIPATION FORM - PART A

This form must be completed and submitted with the applicant's completed Public Hearing Application. Applications submitted to the City of Alpharetta without a completed Citizen Participation Form - Part A will not be accepted.

Public Hearing or Project Name: North Point Drive Retail

Contact Name: Richard Turcotte

Telephone: 214-629-1886

The following people will be notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified. Use additional pages as needed.

All those persons listed on Exhibit A attached hereto and

incorporated herein by reference.

Method by which these individuals will be contacted. Please mark all that apply. If you select "Other," please provide a description of the method of contact that will be used.

☒

Letter

☐

Personal Visits

☐

Telephone

☐

Group Meeting

☐

Email

☐

Other (Please Specify) _____

Please describe the method(s) by which these individuals will have the opportunity to respond or contact the applicant with questions or concerns about the proposal.

Interested parties may respond by letter, email, telephone, fax, personal meeting or group meeting.

Citizen Participation Form – Exhibit A

Subject Parcel

0 North Point Drive
Parcel ID 12 272007430382
Cousins Properties Incorporated
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Atlanta, GA 30303

Parcels within 500 feet of Subject Parcel

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Charlotte, NC 28277-9550

1950 Rock Mill Road

Parcel ID 12 272007540305

BRE/ESA P Portfolio LLC

P.O. Box 49550-Prop Tax

Charlotte, NC 28277-9550

“North Point Cousins – Tract Two”

All that tract or parcel of land lying and being in Land Lots 743 & 754, 1st District, 2nd Section, City of Alpharetta, Fulton County, Georgia and being more particularly described as follows:

To find the POINT OF BEGINNING, commence at a point at the intersection of the westerly right of way of Haynes Bridge Road (having a variable right of way) with the northerly right-of-way of North Point Drive (having a variable right of way), if the right of ways were extended to intersect; thence, leave the aforesaid point and right-of-way of Haynes Bridge Road North 73° 40' 07" West, 20.00 feet to a point on the aforesaid right-of-way of North Point Drive; thence, continuing with the aforesaid right-of-way of North Point Drive North 73° 40' 07" West, 214.45 feet; thence, 54.88 feet along the arc of a curve deflecting to the left, having a radius of 808.00 feet and a chord bearing and distance of North 75° 36' 50" West, 54.87 feet to the POINT OF BEGINNING.

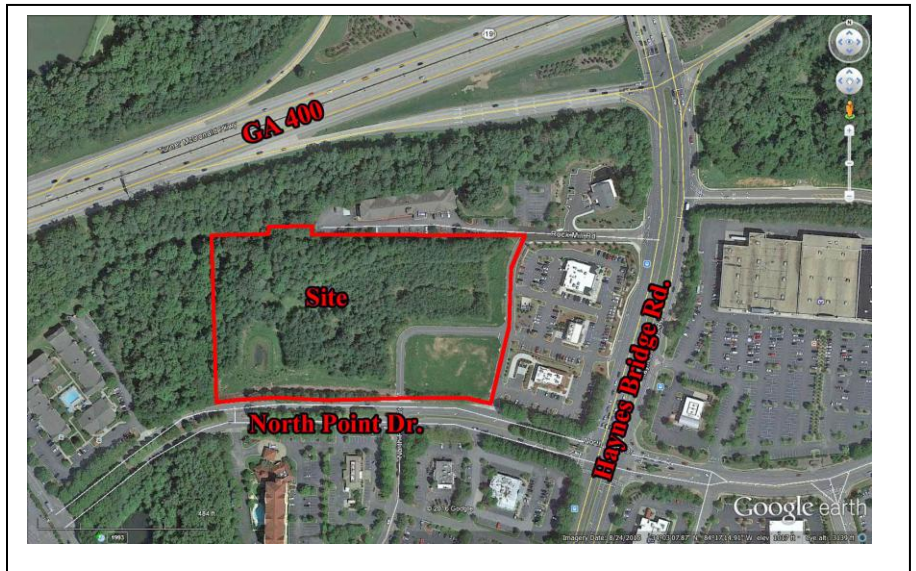
Thence, from said POINT OF BEGINNING and continuing with the aforesaid right-of-way of North Point Drive the following courses and distances:

1. 172.29 feet along the arc of a curve deflecting to the left, having a radius of 808.00 feet and a chord bearing and distance of North 83° 40' 07" West, 171.96 feet; thence,
2. North 89° 46' 37" West, 516.49 feet; thence,
3. 113.61 feet along the arc of a curve deflecting to the left, having a radius of 575.00 feet and a chord bearing and distance of South 84° 33' 57" West, 113.42 feet; thence, leaving the aforesaid right-of-way of North Point Parkway and running along an area designated as open space
4. North 01° 23' 41" West, 467.31 feet to a point on the southerly right-of-way of Rock Mill Road (having an apparent 40' right-of-way); thence, continuing with the southerly right-of-way of Rock Mill Road
5. North 88° 54' 28" East, 149.32 feet; thence,
6. South 89° 06' 57" East, 30.17 feet; thence,
7. North 02° 15' 09" East, 27.87 feet to a point on the southerly right-of-way of Georgia State Route 400 (having a variable right-of-way); thence, leaving the aforesaid right-of-way of Rock Mill Road and continuing with the southerly right-of-way of Georgia State Route 400;
8. North 89° 49' 35" East, 110.70 feet; thence, leaving the aforesaid right-of-way of Georgia State Route 400 and continuing along the property now or formerly owned by BRE ESA Properties, LLC recorded in DB 42321 Page 594 among the land records of Fulton County, Georgia
9. South 02° 15' 09" West, 20.01 feet; thence,
10. South 89° 50' 29" East, 594.66 feet to a point on the aforesaid right-of-way of Rock Mill Road; thence, leaving the property of BRE ESA Properties, LLC and continuing with the aforesaid right-of-way of Rock Mill Road
11. South 00° 09' 44" West, 20.01 feet; thence,
12. South 89° 50' 29" East, 11.16 feet; thence, leaving the aforesaid right-of-way of Rock Mill Road and running along the line separating Tract One and Tract Two as shown on that certain Minor Plat of Cousins Properties North Point prepared by TerraMark Land Surveying, Inc., bearing the seal and signature of Paul B. Cannon, RLS and dated December 8, 2011
13. 106.60 feet along the arc of a curve deflecting to the left, having a radius of 183.97 feet and a chord bearing and distance of South 17° 29' 06" West, 105.12 feet; thence,
14. South 00° 53' 04" West, 114.04 feet; thence,
15. 42.76 feet along the arc of a curve deflecting to the right, having a radius of 212.00 feet and a chord bearing and distance of South 06° 39' 44" West, 42.69 feet; thence,
16. South 12° 26' 25" West, 214.65 feet to the POINT OF BEGINNING, containing 399,800 square feet or 9.1781 acres of land, more or less.

Described property is subject to all rights-of-way and easements, both recorded and unrecorded.

16-05-12-01 North Point Site Arborist Report Alpharetta Arborist Report

Reference UDC
Alpharetta, Georgia



Location Map



All of the following information is based upon visual field observations and 25 years of practical horticultural experience. No scientific or lab tests have been performed. I certify that all information in this report is true and inclusive to the best of my knowledge and is prepared in good faith.

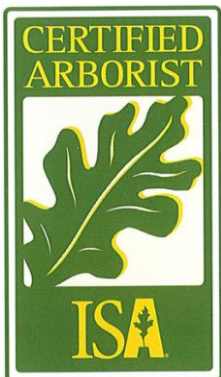
Outdoor Spaces, LLC

By Scott Hall, Owner

On Site Specimen Evaluation Date: May 17, 18, 2016

Report Date: May 19, 2016

Revised Date:



Outdoor Spaces, LLC
Scott Hall, Owner
RLA, Certified Arborist
Certificate Number: SO-5434A
404-328-6561 Cell
678-965-4784 Fax
scottandcyrena@bellsouth.net

Warranty Disclaimer:

No warranties express or implied are made with respect to the report of aforementioned specimen trees. It is understood the OWNER makes use of this report by the ARBORIST at OWNER's sole risk and that the report is provided as best judgment opinion. In no manner does this report guarantee the life or imply any length of life span of the trees that are determined to be specimens.

Arborist Note:

Due to certain species and undesirable traits, some trees shall be considered in poor condition if the following is true. Numerous trees grown in a native setting may appear to grow as multi-trunk; however this is not desirable in most trees. Most trees that have multi-trunks at the base are usually created when two separate trees grow together or the tree branches off at an early age and they become Co-Dominate Leaders. Either scenario is an undesirable condition for most trees because they both create weak crotches, included bark and/or a prime place for debris and water to get trapped that will always cause decay. In this case these trees become a life safety issue and can not be considered specimen trees.

Some trees are an exception to this rule, such as, but not limited to:

Crape Myrtles, Birches, Wax Myrtles, Red Buds, Fringe Trees, Dogwoods, Hollies, Cedars, Sourwoods, Sweet Bay Magnolias, Red Bays and Live Oaks.

These are an exception because they naturally create sucker growth from the roots and/or trunk or do not typically have the life safety issues because they are not large growing trees.

Reference: Sinclair, Wayne A., 1936. Diseases of Trees and Shrubs / Wayne A. Sinclair and Howard H. Lyon.-2nd ed. Published 2005

ARTICLE III. LAND DEVELOPMENT ACTIVITIES

SECTION 3.2 TREE PROTECTION

3.2.1 DEFINITIONS

Caliper. A standard of trunk measurement for understory or replacement trees. Caliper inches are measured at the height of 6 inches above the ground for trees up to and including 4 inch caliper and 12 inches above the ground for trees larger than 4 inch caliper.

Diameter Breast-Height (DBH). The standard measure of overstory tree size (for trees existing on a site). The tree trunk is measured at a height of 4 ½ feet above the ground. If a tree splits into multiple trunks below 4 ½ feet, measure the trunk at its most narrow point beneath the split.

Hardwood Tree. Any tree that is not coniferous (cone bearing). This definition is based on the colloquialism, and does not necessarily reflect any true qualities of the tree.

Softwood Tree. Any coniferous (cone bearing) tree. This definition is based on the colloquialism, and does not necessarily reflect any true qualities of the tree.

Specimen Tree. Any tree which qualifies for special consideration for preservation due to its size, type, condition, location or historical significance. See additional requirements for Specimen Trees in Appendix B.

Tree. Any living, self-supporting woody or fibrous plant which normally obtains a diameter breast height of at least three (3) inches, and typically has one (1) main stem or trunk and many branches.

Understory. Those trees that grow beneath the overstory, and will generally reach a mature height of under 40 feet.

APPENDIX A

SPECIMEN TREES

Some trees on a site warrant special consideration and encouragement for conservation. These trees are referred to as Specimen Trees.

The following criteria are used by the Director to identify specimen trees.

A Specimen Tree is any tree which qualifies for special consideration for preservation due to its size, type, condition, location, or historical significance and is determined by the City Arborist, prior to development, to be in overall good health without the aid of a specialized care plan according to accepted ISA practices, and which also meets the minimum size criteria set forth below.

Size Criteria

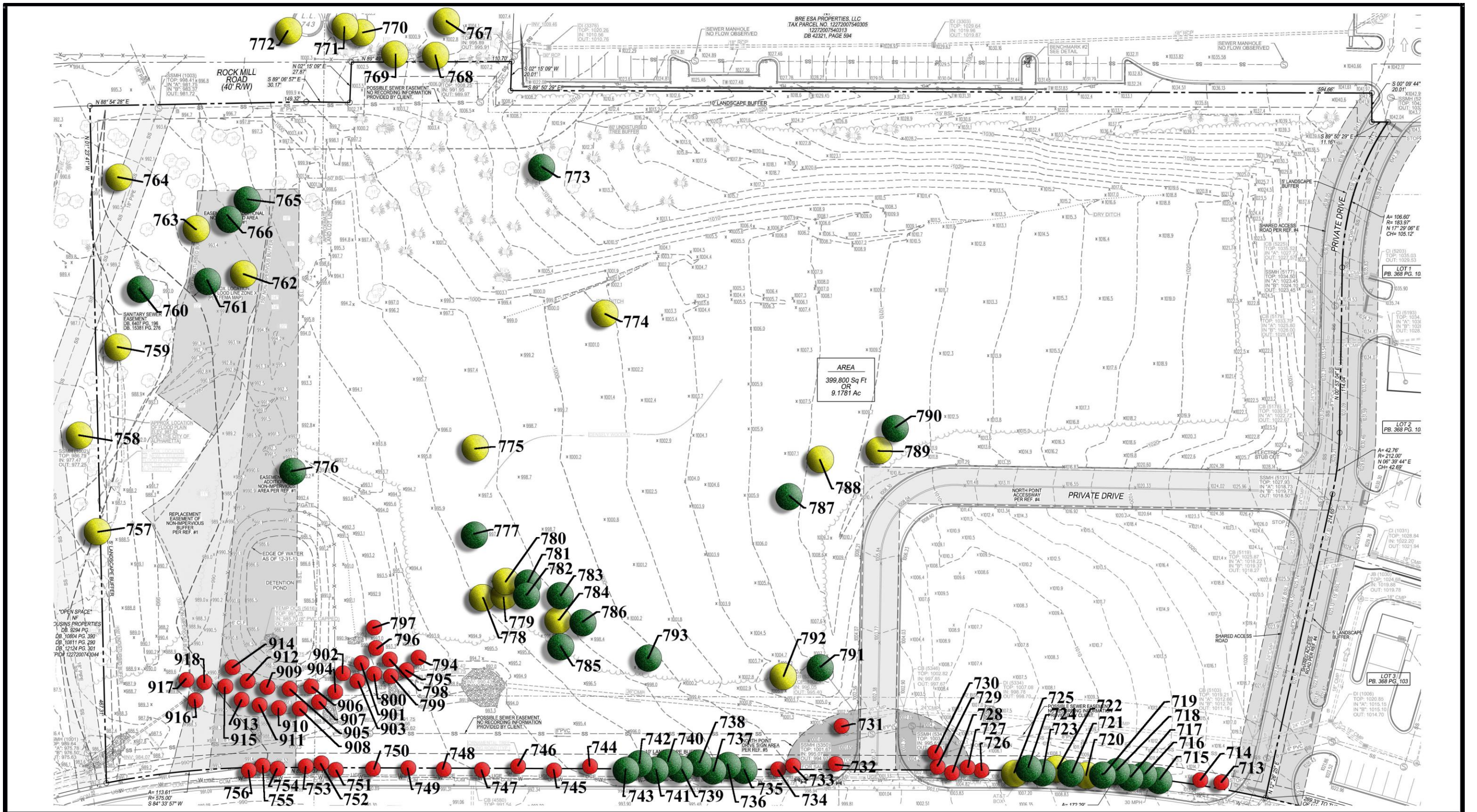
Pine Trees: 30-inch (30") diameter or larger Overstory Trees: 24-inch (24") diameter or larger Understory Trees: 8-inch (8") diameter or larger

In order to encourage the conservation of Specimen Trees and the incorporation of these trees into the design of projects, additional density credit will be given for Specimen Trees, which are successfully saved by a design feature specifically designated for such purpose. Credit for any Specimen Tree thus saved would be two (2) times the assigned unit value shown in Table 3.4. The Critical Root Zone of Specimen Trees will be protected with hog-back/wire-back tree save fencing with metal support poles.

If a Specimen Tree is to be removed, a plan or written document indicating the reason for the removal must be submitted to the Director.

Specimen Trees that cannot be saved (see Section 3.2.13) must be replaced with trees having three (3) times the unit value of the tree removed with a minimum four-inch (4") tree caliper by species with potentials for comparable size and quality.

Any Specimen Tree which is removed without the appropriate review and approval of the Director must be replaced by trees with a total density equal to eight (8) times the unit value of the tree removed with a minimum four-inch (4") tree caliper. Size alone will determine whether a tree was a specimen quality if the tree is removed without approval and there is no evidence of its condition. Violations will be subject to the applicable penalties as described in Section 3.2.19.



- Landscape Tree
- Specimen
- Non-Specimen



Not To Scale

Notes:

- All tree locations are approximate and have not been field surveyed. Refer to survey for locations.
- All 20" DBH trees within 30' of property line have been identified and specimen size have been evaluated.

Specimen Location Plan

Specimen Analysis

(General Observations: The site has two distinct areas. The areas along the north and east property lines appear to be between the Pioneer and Climax phase of succession. This area is dominated with Overstory Oaks, Hickories and Pines. The rest of the site is in the Pioneer phase with under brush and/or Pines. Minimal understory trees such as; Sourwoods, Dogwoods and Black Cherries are on the site, however there are several wild Pears that have accumulated.)

Tree #	Size/ Species	Health Condition	Structural Condition	Specimen	Landscape Tree	Comments	Photo # (See Attached)
713	4" Nuttall Oak	Fair	Good	Not of Size	Yes	Tree stake straps should be removed. Due to condition, this tree should be taken into design consideration.	
714	4" Nuttall Oak	Fair	Good	Not of Size	Yes	Tree stake straps should be removed. Due to condition, this tree should be taken into design consideration.	
715	18" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
716	17" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
717	16" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
718	13" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
719	17" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
720	14" Flowering Peach	Poor	Poor	No	Yes	Crown Gall. Severe tip dieback. Active Gummosis. Due to condition tree is not a design consideration.	1-2
721	18" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
722	13" Flowering Peach	Poor	Poor	No	Yes	Crown Gall. Severe tip dieback. Due to condition tree is not a design consideration.	3
723	20" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
724	15" Flowering Peach	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
725	13" Flowering Peach	Poor	Poor	No	Yes	Crown Gall. Severe tip dieback. Active Gummosis. Due to condition tree is not a design consideration.	4-6
726	10" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
727	9" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
728	9" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
729	10" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
730	9" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
731	4" Nuttall Oak	Poor	Fair	Not of Size	Yes	Tree stake straps should be removed. In decline with severe dieback. Due to condition tree is not a design consideration.	7

Specimen Analysis

(General Observations: The site has two distinct areas. The areas along the north and east property lines appear to be between the Pioneer and Climax phase of succession. This area is dominated with Overstory Oaks, Hickories and Pines. The rest of the site is in the Pioneer phase with under brush and/or Pines. Minimal understory trees such as; Sourwoods, Dogwoods and Black Cherries are on the site, however there are several wild Pears that have accumulated.)

Tree #	Size/ Species	Health Condition	Structural Condition	Specimen	Landscape Tree	Comments	Photo # (See Attached)
732	4" Nuttall Oak	Poor	Fair	Not of Size	Yes	Tree stake straps should be removed. In decline with severe dieback. Due to condition tree is not a design consideration.	8
733	9" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
734	11" Red Maple	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
735	14" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
736	14" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
737	13" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
738	12" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
739	9" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
740	14" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
741	9" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
742	12" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
743	14" Aristocrat Pear	Good	Good	Yes	Yes	Due to condition, this tree should be taken into design consideration.	
744	15" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker. Due to condition tree is not a design consideration.	9
745	12" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker. Due to condition tree is not a design consideration.	10
746	13" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker. Due to condition tree is not a design consideration.	11
747	14" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker with severe dieback. Due to condition tree is not a design consideration.	12-13
748	16" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker. Due to condition tree is not a design consideration.	14
749	15" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker. Due to condition tree is not a design consideration.	15
750	15" Willow Oak	Poor	Poor	Not of Size	Yes	Symptoms of Hypoxylon Canker. Due to condition tree is not a design consideration.	16

Specimen Analysis

(General Observations: The site has two distinct areas. The areas along the north and east property lines appear to be between the Pioneer and Climax phase of succession. This area is dominated with Overstory Oaks, Hickories and Pines. The rest of the site is in the Pioneer phase with under brush and/or Pines. Minimal understory trees such as; Sourwoods, Dogwoods and Black Cherries are on the site, however there are several wild Pears that have accumulated.)

Tree #	Size/ Species	Health Condition	Structural Condition	Specimen	Landscape Tree	Comments	Photo # (See Attached)
751	11" Zelkova	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
752	12" Zelkova	Poor	Poor	Not of Size	Yes	Decay in trunk with fruiting bodies. Trunk gall. Due to condition tree is not a design consideration.	17-18
753	11" Zelkova	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
754	11" Zelkova	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
755	10" Zelkova	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
756	14" Zelkova	Good	Good	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
757	23" Tulip Poplar	Fair	Fair	Not of Size		Off site tree. Due to condition, this tree should be taken into design consideration.	
758	26" Red Maple	Poor	Poor	No		Large hollow cavity with decay. Due to condition tree is not a design consideration.	19
759	25" Tulip Poplar	Poor	Poor	No		Large hollow cavity with decay. Due to condition tree is not a design consideration.	20
760	24" Sweet Gum	Fair	Fair	Yes		Due to condition, this tree should be taken into design consideration.	
761	33" White Oak	Good	Good	Yes		Due to condition, this tree should be taken into design consideration.	
762	30" Tulip Poplar	Poor	Poor	No		Large hollow cavity with decay. 3 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to condition tree is not a design consideration.	21
763	30" White Oak	Poor	Poor	No		Large hollow cavity with decay. Due to condition tree is not a design consideration.	22
764	23" Sycamore	Fair	Fair	Not of size		Off site tree. Due to condition, this tree should be taken into design consideration.	
765	34" White Oak	Good	Good	Yes		Due to condition, this tree should be taken into design consideration.	
766	25" Hickory	Fair	Poor	Yes		Due to condition tree is not a design consideration.	
767	30" Pine	Poor	Fair	No		In severe decline, possible Pine Beetle. Due to condition tree is not a design consideration.	

Specimen Analysis

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Tree #	Size/ Species	Health Condition	Structural Condition	Specimen	Landscape Tree	Comments	Photo # (See Attached)
768	25" Pine	Poor	Fair	Not of Size		In severe decline, possible Pine Beetle. Due to condition tree is not a design consideration.	
769	21" Sweet Gum	Fair	Fair	Not of Size		Off site tree. Due to condition, this tree should be taken into design consideration.	
770	22" Pine	Fair	Fair	Not of Size		Due to condition tree is not a design consideration.	
771	25" Pine	Fair	Fair	Not of Size		Due to condition tree is not a design consideration.	
772	24" Pine	Fair	Fair	Not of Size		Due to condition tree is not a design consideration.	
773	10" Sourwood	Good	Good	Yes		Due to condition, this tree should be taken into design consideration.	
774	8" Wild Pear	Poor	Poor	No		2 Co-Dominate Leaders with decay and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	23
775	10" Wild Pear	Poor	Poor	No		2 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Trunk damage with decay. Due to condition tree is not a design consideration. Due to type of tree it is not a design consideration.	24
776	8" Wild Pear	Good	Good	Yes		Due to type of tree it is not a design consideration.	
777	9" Wild Pear	Good	Good	Yes		Due to type of tree it is not a design consideration.	
778	10" Wild Pear	Poor	Poor	No		3 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	
779	9" Wild Pear	Poor	Poor	No		Decay in trunk with fruiting bodies. Due to type of tree it is not a design consideration.	25
780	10" Wild Pear	Poor	Poor	No		2 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	

Specimen Analysis

(General Observations: The site has two distinct areas. The areas along the north and east property lines appear to be between the Pioneer and Climax phase of succession. This area is dominated with Overstory Oaks, Hickories and Pines. The rest of the site is in the Pioneer phase with under brush and/or Pines. Minimal understory trees such as; Sourwoods, Dogwoods and Black Cherries are on the site, however there are several wild Pears that have accumulated.)

Tree #	Size/ Species	Health Condition	Structural Condition	Specimen	Landscape Tree	Comments	Photo # (See Attached)
781	9" Wild Pear	Good	Good	Yes		Due to type of tree it is not a design consideration.	
782	10" Wild Pear	Good	Good	Yes		Due to type of tree it is not a design consideration.	
783	9" Wild Pear	Good	Good	Yes		Due to type of tree it is not a design consideration.	
784	9" Wild Pear	Poor	Poor	No		2 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	
785	11" Wild Pear	Fair	Fair	Yes		Due to type of tree it is not a design consideration.	
786	8" Wild Pear	Fair	Fair	Yes		Due to type of tree it is not a design consideration.	
787	9" Wild Pear	Fair	Fair	Yes		Due to type of tree it is not a design consideration.	
788	9" Wild Pear	Poor	Poor	No		3 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	
789	11" Wild Pear	Poor	Poor	No		2 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	
790	10" Wild Pear	Fair	Fair	Yes		Due to type of tree it is not a design consideration.	
791	8" Wild Pear	Fair	Fair	Yes		Due to type of tree it is not a design consideration.	
792	11" Wild Pear	Poor	Poor	No		2 Co-Dominate Leaders with weak crotches and included bark. Due the species, a multi-stem tree at or near the base of the tree is undesirable and a life safety issue. Due to type of tree it is not a design consideration.	
793	9" Wild Pear	Fair	Fair	Yes		Due to type of tree it is not a design consideration.	
794	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
795	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
796	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	

Specimen Analysis

(General Observations: The site has two distinct areas. The areas along the north and east property lines appear to be between the Pioneer and Climax phase of succession. This area is dominated with Overstory Oaks, Hickories and Pines. The rest of the site is in the Pioneer phase with under brush and/or Pines. Minimal understory trees such as; Sourwoods, Dogwoods and Black Cherries are on the site, however there are several wild Pears that have accumulated.)

Tree #	Size/ Species	Health Condition	Structural Condition	Specimen	Landscape Tree	Comments	Photo # (See Attached)
797	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
798	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
799	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
800	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
Skip in tag numbers							
901	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
902	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
903	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
904	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
905	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
906	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
907	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
908	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
909	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
910	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
911	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
912	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
913	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
914	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
915	3" Cryptomeria	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
916	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
917	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	
918	3" Crape Myrtle	Fair	Fair	Not of Size	Yes	Due to condition, this tree should be taken into design consideration.	



Crown Gall

Photo 1



Photo 2



Photo 3



Photo 4



Photo 5



Photo 6



Photo 7

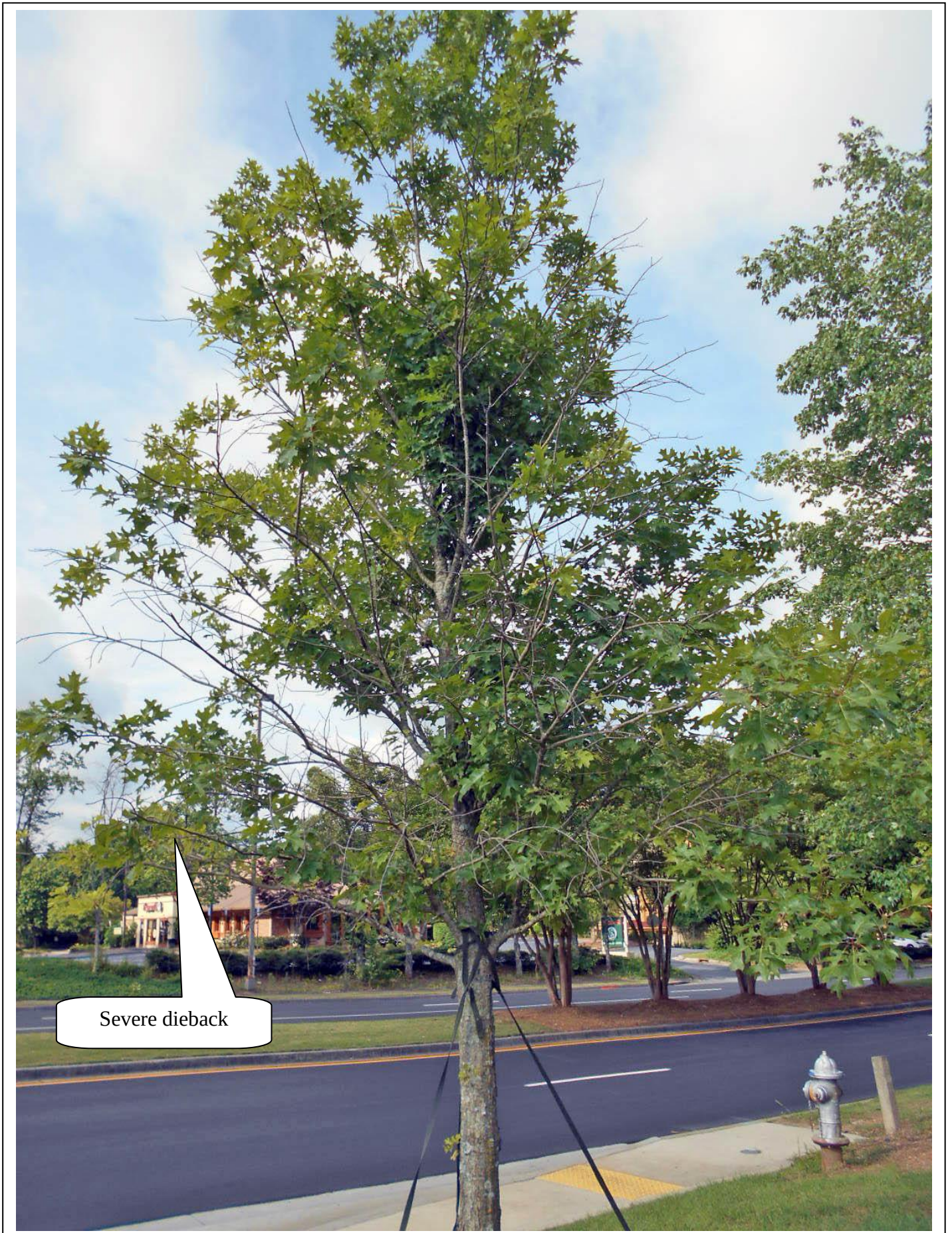


Photo 8



Photo 9



Photo 10

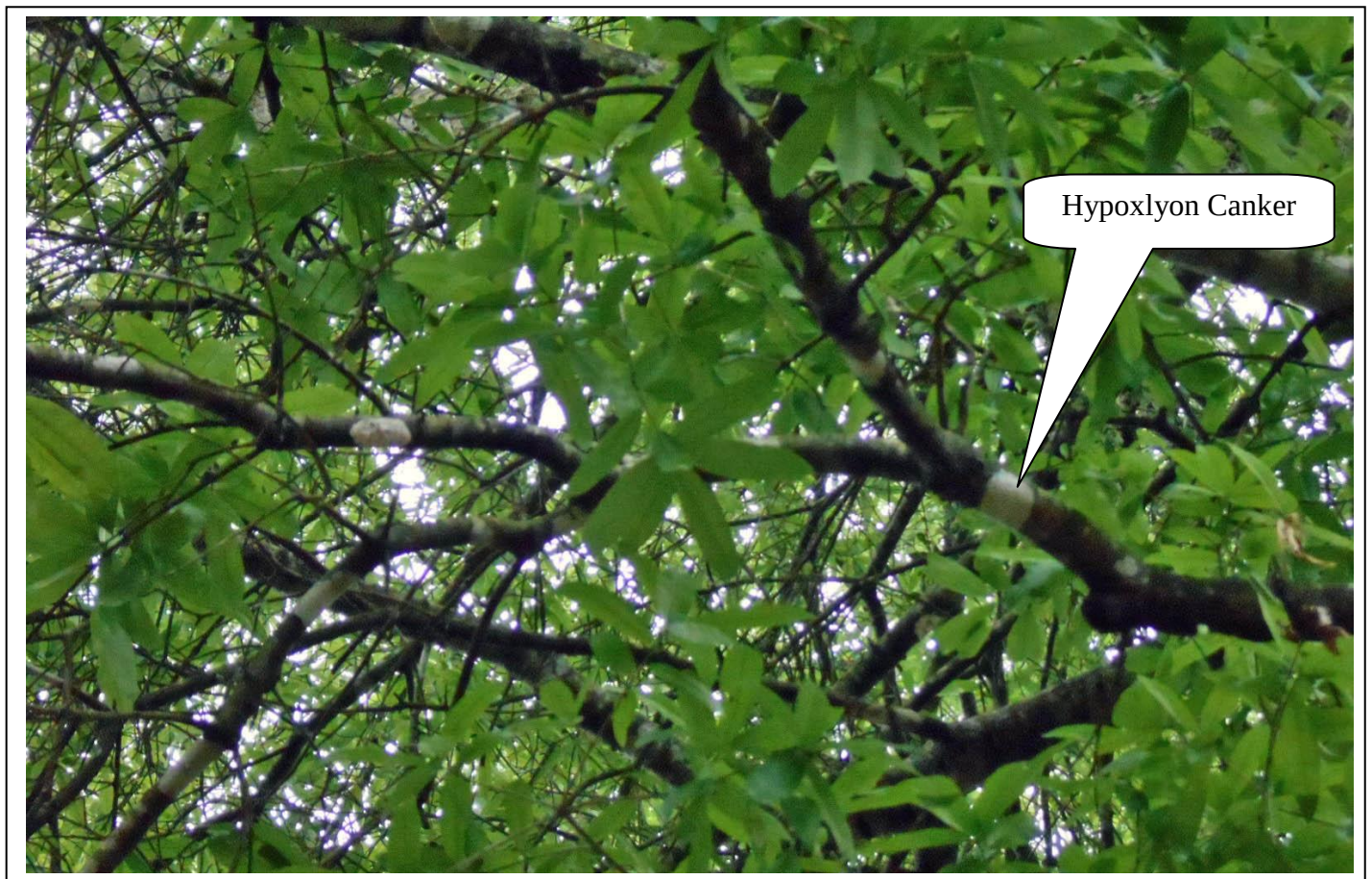


Photo 11



Photo 12



Photo 13



Photo 14

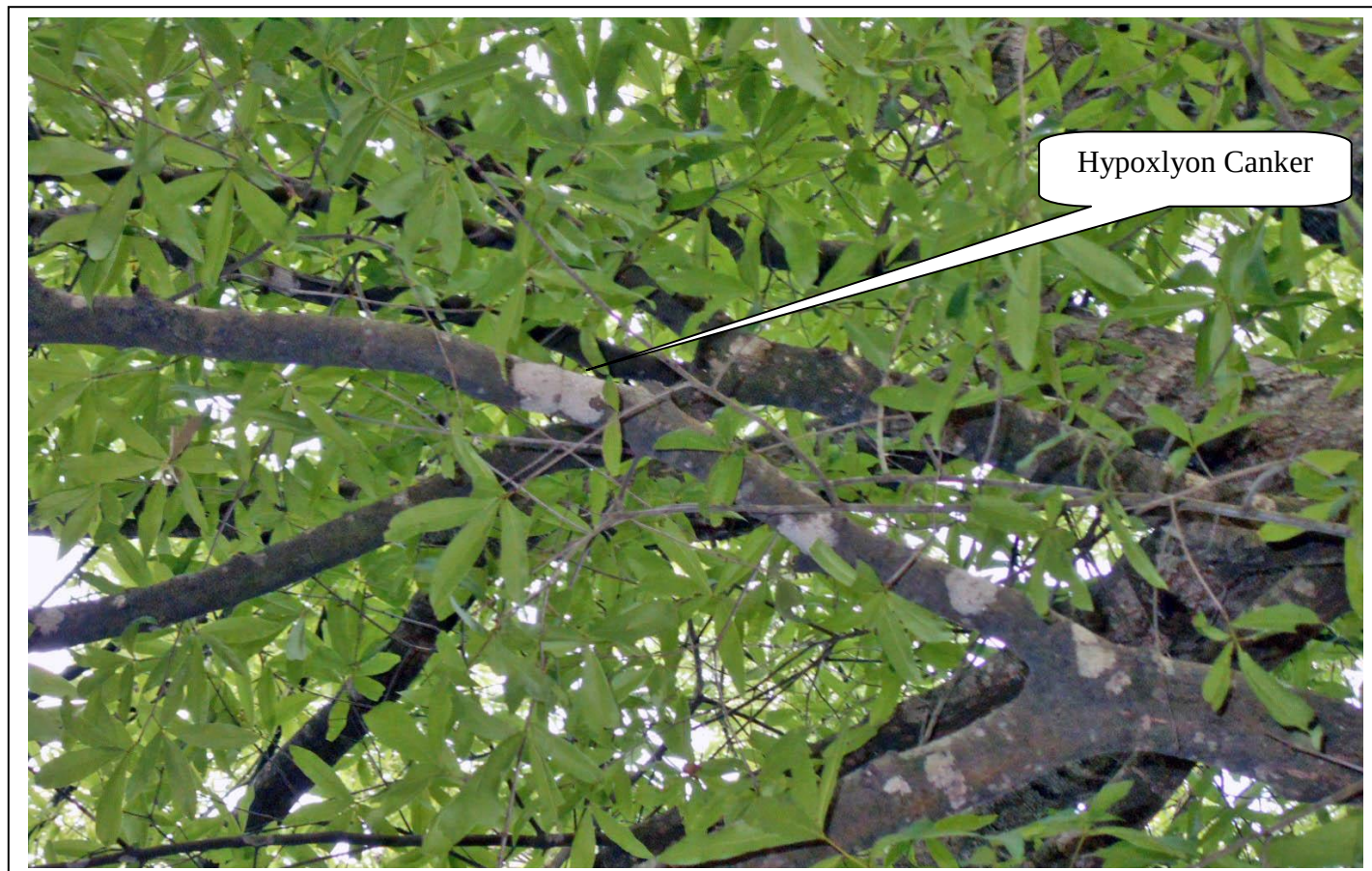


Photo 15

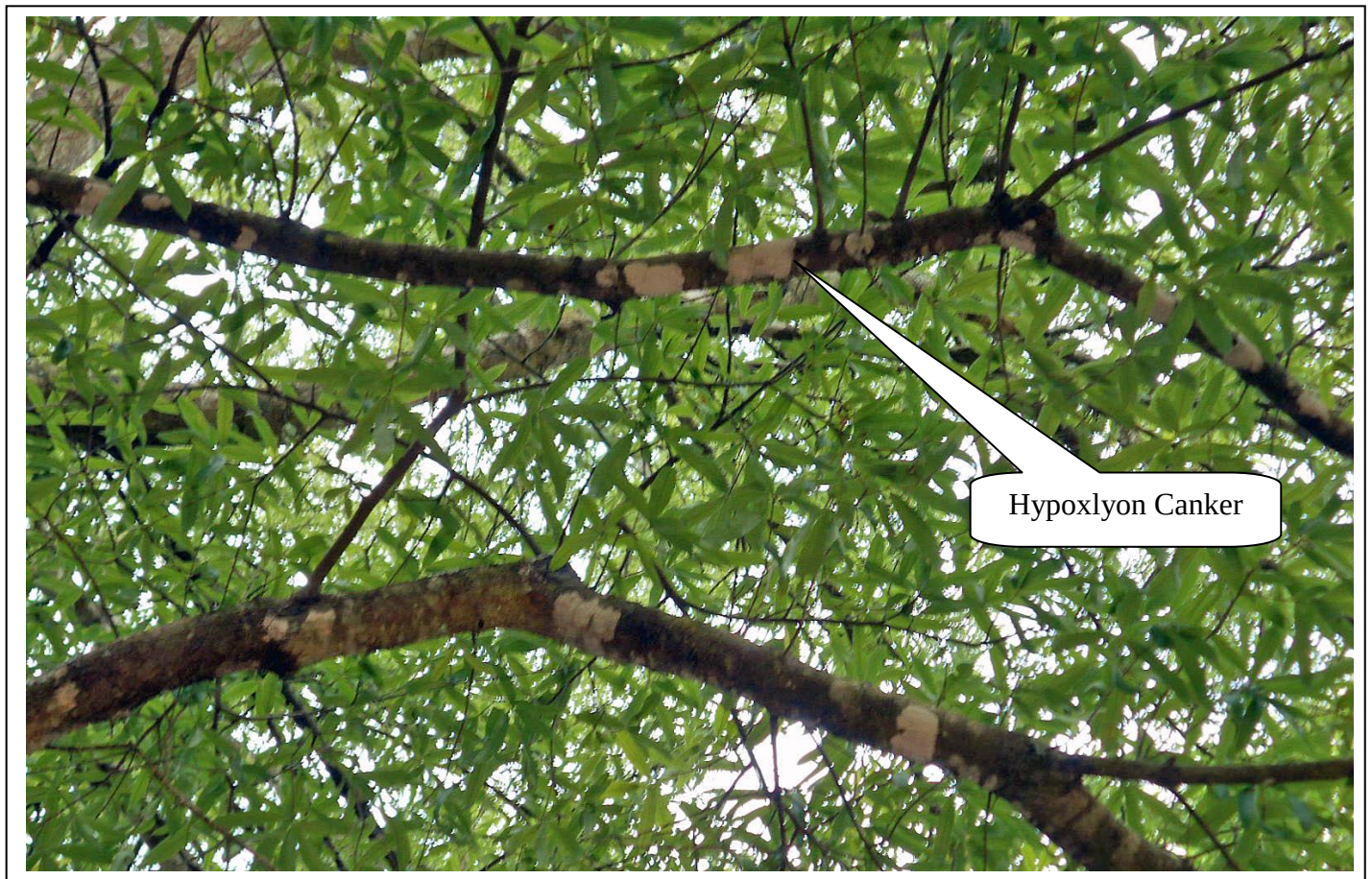


Photo 16

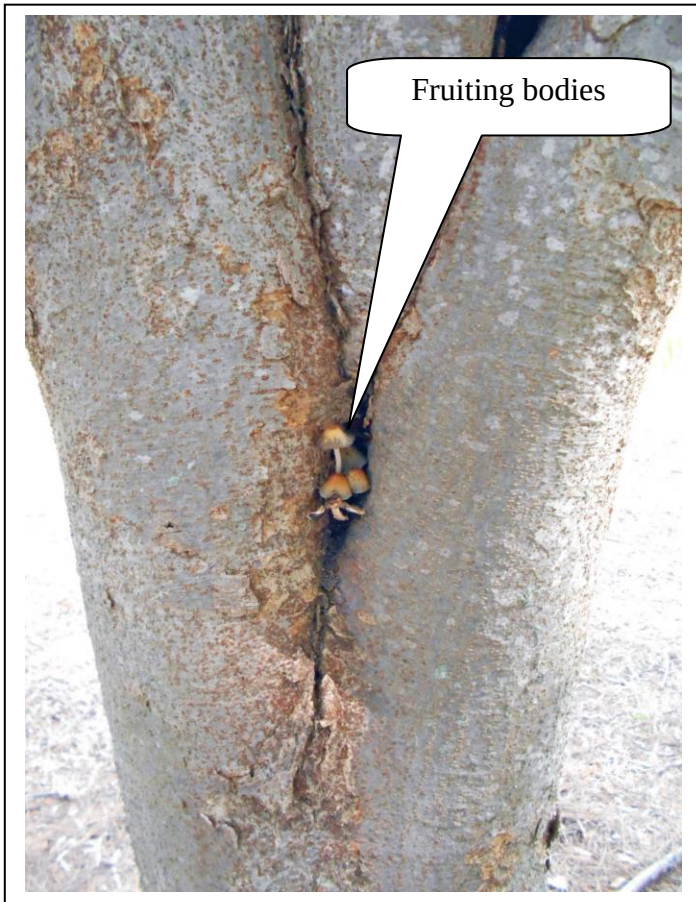


Photo 17

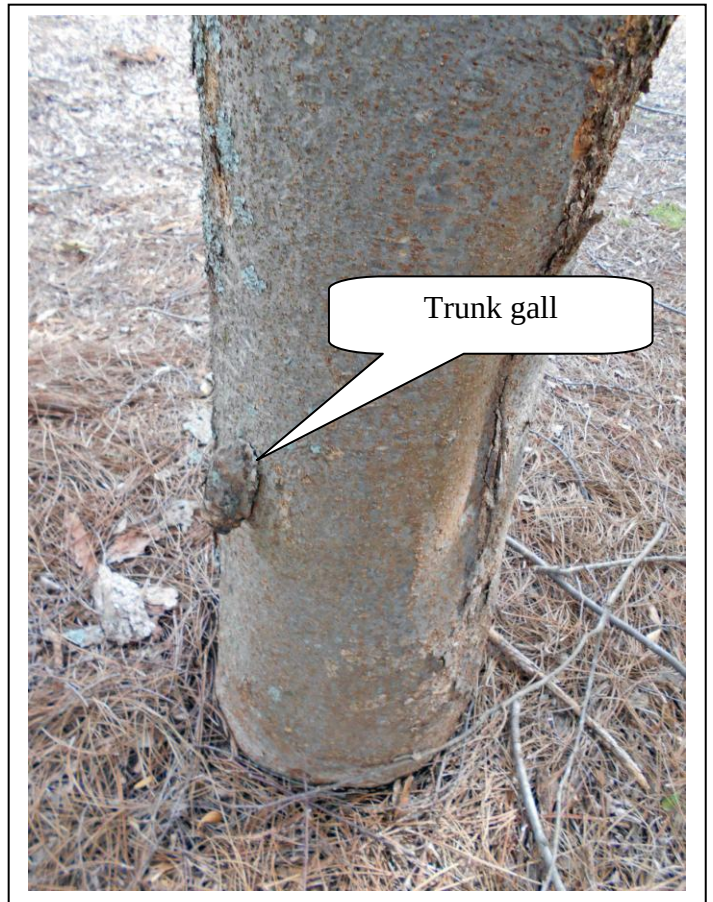


Photo 18



Photo 19



Photo 20



Photo 21



Photo 22



Photo 23



Photo 24



Photo 25

SURVEY NOTES

EQUIPMENT USED:
A TOPCON ZED 220 TOTAL STATION WAS USED TO OBTAIN ANGULAR MEASUREMENTS AND DISTANCE MEASUREMENTS.

A TRIMBLE 5+8 DUAL FREQUENCY GPS UNIT WAS USED FOR ESTABLISHING CONTROL. A NETWORK ADJUSTED RTK SURVEY WAS PERFORMED AND ADJUSTED BY RELATIVE POSITIONAL ACCURACY OF 1/33,100 FEET.

CLOSURE STATEMENT:
THIS SURVEY HAS BEEN CALCULATED FOR CLOSURE AND IS ACCURATE WITHIN ONE FOOT IN 133,100 FEET.

THE FIELD DATA UPON WHICH THIS SURVEY IS BASED HAS A CLOSURE OF ONE FOOT IN 73,737 FEET AND AN ANGULAR ERROR OF 3" PER ANGLE POINT AND WAS ADJUSTED USING THE COMPASS RULE.

THE BEARINGS SHOWN ON THIS SURVEY ARE COMPUTED ANGLES BASED ON A GRID BEARING BASE (GA WEST) ZONE).

ALL HORIZONTAL DISTANCES SHOWN ARE GROUND DISTANCES.

ELEVATIONS ARE BASED ON STANDARD GLOBAL POSITIONING SYSTEMS OBSERVATION AND ARE RELATIVE TO NAVD 88 DATUM.

CONTOURS ARE SHOWN AT TWO FOOT INTERVALS.

INITIAL FIELD WORK FOR THIS PROPERTY WAS COMPLETED ON FEBRUARY 24, 2012. ADDITIONAL FIELD WORK WAS COMPLETED ON MAY 25, 2016 TO UPDATE TOPOGRAPHIC & TREE DATA.

LOCATION OF EXISTING UNDERGROUND UTILITIES AND STRUCTURES IS SHOWN HEREON. THERE IS NO CERTAINTY TO THE ACCURACY OF THIS INFORMATION AND THEREFORE, IT IS CONSIDERED AN EXISTENCE OF RECORD. TERRAKARM EMPLOYEES, HIS CONTRACTORS, AND/OR HIS AGENTS SHALL HEREBY DISTINCTLY UNDERSTAND THAT THE LOCATION AND ARRANGEMENT OF UNDERGROUND UTILITIES AND STRUCTURES SHOWN HEREON MAY BE INACCURATE AND UTILITIES AND STRUCTURES NOT SHOWN HEREON MAY EXIST. THEREFORE, TERRAKARM EMPLOYEES, HIS CONSULTANTS, HIS CONTRACTORS, AND/OR HIS AGENTS SHALL HEREBY DISTINCTLY UNDERSTAND THAT THE SURVEYOR IS NOT RESPONSIBLE FOR THE CORRECTNESS OR SUFFICIENCY OF THIS INFORMATION SHOWN HEREON AS TO SUCH UNDERGROUND INFORMATION.

INFORMATION REGARDING STORM SEWER AND SANITARY SEWER AS SHOWN HEREON, IS BASED ON OBSERVATIONS TAKEN BY TERRAKARM EMPLOYEES AT THE TIME OF THE SURVEY. EXCAVATION OF THE SIZE AND SPECIES OF THE SAID TREES ARE NOT AUTHORIZED TO ENTER A CONFINED SPACE SUCH AS A STRUCTURE. THEREFORE, THERE IS NO CERTAINTY OF THE PIPE SIZES AND PIPE MATERIAL THAT ARE SHOWN ON THIS SURVEY. EXCAVATION BY A CERTIFIED CONTRACTOR IS THE ONLY WAY TO VERIFY PIPE SIZE AND MATERIAL. THE OWNER, HIS EMPLOYEES, HIS CONSULTANTS, HIS CONTRACTORS, AND/OR HIS AGENTS SHALL HEREBY DISTINCTLY UNDERSTAND THAT THE SURVEYOR IS NOT RESPONSIBLE FOR THE CORRECTNESS OR SUFFICIENCY OF THE PIPE INFORMATION SHOWN HEREON.

INFORMATION REGARDING SIZE, LOCATION, AND SPECIES OF EXISTING TREES IS AS SHOWN HEREON. THERE IS NO CERTAINTY OF THE SIZE AND SPECIES OF THE SAID TREES WITHOUT VERIFICATION FROM THE DESIGNATED ARBORIST BY THE LOCAL REGULATORY AUTHORITY. THE OWNER, HIS EMPLOYEES, HIS CONSULTANTS, HIS CONTRACTORS, AND/OR HIS AGENTS SHALL HEREBY DISTINCTLY UNDERSTAND THAT THE SURVEYOR IS NOT RESPONSIBLE FOR THE CORRECTNESS OR SUFFICIENCY OF THIS INFORMATION SHOWN HEREON SUBJECT BY APPROVAL OF SAID AUTHORITY.

STATE WATERS AND BUFFERS AS SHOWN HEREON ARE SUBJECT TO REVIEW BY LOCAL JURISDICTION OFFICIALS. IT IS THE RESPONSIBILITY OF THE LOCAL AUTHORITY TO DETERMINE SPECIFIC WATER CLASSIFICATION. THEREFORE TERRAKARM LAND MANAGEMENT ASSOCIATES, INC. HAS NO LIABILITY IN THE IDENTIFICATION OF SAID WATERS OR BUFFERS IDENTIFIED HEREON.

PROPERTY IS SUBJECT TO RIGHTS OF UPPER AND LOWER RIPARIAN OWNERS IN AND TO THE WATERS OF CREEKS AND BRANCHES CROSSING OR ADJOINING SAID PROPERTY AND THE NATURAL FLOW THEREOF, FREE FROM DIMINUTION OR POLLUTION.

THIS SURVEY WAS PREPARED FOR THE EXCLUSIVE USE OF THE PERSON, PERSONS OR ENTITY NAMED HEREON. THIS SURVEY DOES NOT EXTEND TO ANY UNNAMED PERSON OR ENTITY. THEREFORE, THE SURVEYOR'S CERTIFICATION BY THE SURVEYOR NAMING SAID PERSON, PERSONS OR ENTITY.

TERRAKARM LAND SURVEYING, INC. DOES NOT WARRANT THE EXISTENCE OR NON-EXISTENCE OF ANY WETLANDS OR HAZARDOUS WASTE IN THE SURVEY AREA.

TITLE NOTES

ACCORDING TO THE "FIRST" (DATED SEPTEMBER 18, 2013) OF FULTON COUNTY PANEL NUMBERS 3121-02069-F (FLOOD INSURANCE RATE MAP), PORTIONS OF THIS PROPERTY LIE WITHIN SPECIAL FLOOD HAZARD AREAS ZONE X AND ZONE AE AREAS OF 500 YEAR FLOOD DEPTHS OF 1.0 TO 1.5 AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH A DRAINAGE AREA OF LESS THAN 1 SQUARE MILE; AND AREAS PROTECTED BY LEES RIVER FLOOD PROOF

SUBJECT PROPERTY HAS ACCESS TO THE PUBLIC HIGHWAY OF WAY OF NORTH POINT DRIVE AND ROCK MILL ROAD.

THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT, WHICH COULD REVEAL ENCUMBRANCES NOT SHOWN ON THIS SURVEY.

SITE INFORMATION

OWNER: COUSINS PROPERTIES, INC
ADDRESS: NOT ASSIGNED
TAX PARCEL #: 1227200743038
ZONING: (PSC) THESE PROPERTIES ARE SUBJECT TO THE ZONING CONDITIONS FOR MP-11-02 AND MP-01-07 FOR POD 1

ABBREVIATIONS

A	ARC LENGTH	IPS	IRON PIN SET (CAPPED)
AC	ACRE	N/F	NOW OR FORMERLY
AE	ACCESS EASEMENT	OP	OPEN TOP PIPE
BSL	BUILDING SETBACK LINE	PB	FLAT BOOK
BW	BARBWARE	PG	PAGE
CH	CHORD LENGTH	POB	POINT OF BEGINNING
CL	CHAINLINK FENCE	POC	POINT OF COMMENCEMENT
CMP	CORRUGATED METAL PIPE	R	RADIUS LENGTH
CNC	CONCRETE	R/W	RIGHT OF WAY
CTP	CRIMP TOP PIPE	R/W MON	RIGHT OF WAY MONUMENT
DB	DEED BOOK	RB	REBAR
DIP	DUCTILE IRON PIPE	RCP	REINFORCED CONCRETE PIPE
FDC	FIRE DEPARTMENT CONNECTION	SDE	STORM DRAINAGE EASEMENT
FND	FOUND	50 FT.	SQUARE FOOT
HDE	HIGH DENSITY POLYETHYLENE PIPE	SEE	SANITARY SEWER EASEMENT
IPF	IRON PIN FOUND	VCP	VITRIFIED CLAY PIPE

REFERENCE MATERIAL

1. SURVEY PREPARED FOR COUSINS PROPERTIES INCORPORATED BY ENGINEERING & INSPECTION SYSTEMS, INC. SURVEY DATED 7-106
2. REZONING / SITE PLAN FOR COUSINS PROPERTIES NORTH POINT PREPARED BY SOUTHERN CIVIL ENGINEERS
DATED MARCH 31, 2011; LAST REVISED JUNE 13, 2011
3. BOUNDARY SURVEY COMPLETED IN THE FIELD BY TERRAMARK LAND SURVEYING, INC IN DECEMBER 7, 2011
4. MINOR PLAT FOR COUSINS PROPERTIES NORTH POINT PREPARED BY TERRAMARK LAND SURVEYING, INC.
RECORDED IN PB. 358 PG. 109
AMONG THE RECORDS OF FULTON COUNTY GA
5. TOPOGRAPHIC SURVEY FOR FORESTRIE GROUP, INC. PREPARED BY TERRAMARK LAND SURVEYING, INC.
DATED FEBRUARY 29, 2012

Tree #	Size/Species
713	4" Nuttall Oak
714	4" Nuttall Oak
715	18" Flowering Peach
716	17" Flowering Peach
717	16" Flowering Peach
718	13" Flowering Peach
719	17" Flowering Peach
720	14" Flowering Peach
721	18" Flowering Peach
722	20" Flowering Peach
723	20" Flowering Peach
724	15" Flowering Peach
725	13" Flowering Peach
726	10" Red Maple
727	9" Red Maple
728	9" Red Maple
729	10" Red Maple
730	9" Red Maple
731	4" Nuttall Oak
732	4" Nuttall Oak
733	9" Red Maple
734	11" Red Maple
735	14" Aristocrat Pear
736	14" Aristocrat Pear
737	13" Aristocrat Pear
738	12" Aristocrat Pear
739	9" Aristocrat Pear
740	14" Aristocrat Pear
741	9" Aristocrat Pear
742	12" Aristocrat Pear
743	14" Aristocrat Pear
744	15" Willow Oak
745	12" Willow Oak
746	13" Willow Oak
747	14" Willow Oak
748	16" Willow Oak
749	15" Willow Oak
750	15" Willow Oak
751	11" Zelkova
752	12" Zelkova
753	11" Zelkova
754	11" Zelkova
755	10" Zelkova
756	14" Zelkova
757	23" Tulip Poplar
758	26" Red Maple
759	26" Tulip Poplar
760	21" Sweet Gum
761	33" White Oak
762	30" Tulip Poplar
763	30" White Oak
764	23" Sycamore
765	34" White Oak
766	25" Hickory
767	30" Pine
768	26" Pine
769	21" Sweet Gum
770	22" Pine
771	25" Pine
772	24" Pine
773	10" Sourwood
774	8" Wild Pear
775	10" Wild Pear
776	8" Wild Pear
777	9" Wild Pear
778	10" Wild Pear
779	9" Wild Pear
780	10" Wild Pear
781	9" Wild Pear
782	9" Wild Pear
783	9" Wild Pear
784	9" Wild Pear
785	1" Wild Pear
786	8" Wild Pear
787	9" Wild Pear
788	9" Wild Pear
789	10" Wild Pear
790	8" Wild Pear
791	8" Wild Pear
792	11" Wild Pear
793	3" Cryptomeria
794	3" Cryptomeria
795	3" Cryptomeria
796	3" Cryptomeria
797	3" Cryptomeria
798	3" Cryptomeria
799	3" Crape Myrtle
800	3" Crape Myrtle
801	3" Crape Myrtle
902	3" Crape Myrtle
903	3" Crape Myrtle
904	3" Cryptomeria
905	3" Cryptomeria
906	3" Cryptomeria
907	3" Cryptomeria
908	3" Cryptomeria
909	3" Cryptomeria
910	3" Cryptomeria
911	3" Cryptomeria
912	3" Cryptomeria
913	3" Cryptomeria
914	3" Cryptomeria
915	3" Cryptomeria
916	3" Crape Myrtle
917	3" Crape Myrtle
918	3" Crape Myrtle

NOT TO SCALE

BENCHMARK #1
ELEV. 994.08
BOLT BETWEEN
1998 AND OPEN

BENCHMARK #2
ELEV. 1033.00
BOLT BETWEEN
CITY AND STATE

[illegible]

LEGEND

	CURB AND GUTTER (C&G)		CATCH BASIN (DWCB)		IRRIGATION CONTROL VALVE (ICV)		POWER POLE (PP)		CONCRETE AREA
	FENCE		CATCH BASIN (SWCB)		FIRE HYDRANT (FH)		UTILITY MANHOLE (UM)		ASPHALT AREA
	STORM DRAIN LINE		DROP INLET (DI)		WATER VALVE (WV)		SPOTLIGHT		GRAVEL AREA
	SANITARY SEWER		JUNCTION BOX (JB)		WATER METER (WM)		GAS METER (GM)		BRICK AREA
	WATER LINE		HEAD WALL (HW)		FIRE DEPT. CONNECTION (FDC)		GAS VALVE (GV)		TRAFFIC SIGNAL
	GAS LINE		CURB INLET (CI)		WATER VALVE MARKER		TRAFFIC SIGNAL BOX (TSB)		FLAG POLE (FP)
	UNDERGROUND POWER LINE		FLARED END SECTION (FES)		TRANSFORMER BOX (TX)		AIR CONDITIONER (AC)		MAIL BOX
	OVERHEAD POWER LINE		OUTLET CONTROL STRUCTURE		ELECTRIC METER (EM)		SIGN		SPOT ELEVATION
	UNDERGROUND COMMUNICATION		SS MAN-HOLE (MH)		ELECTRIC UTILITY		PICTURE LOCATION		
	TOPOGRAPHIC CONTOUR		CLEANOUT (CO)						
	PROPERTY LINE		GREASE TRAP (GT)						

X 100.00

UTILITY NOTES

THE UNDERGROUND UTILITIES SHOWN HEREON ARE PER REF. #6 AND HAVE NOT BEEN UPDATED FOR THIS SURVEY. LOCATION OF MARKINGS WAS ORIGINALLY PROVIDED BY :

UTILSURVEY, LLC.
514 DUNLEA DRIVE
PEACHTREE CITY, GA 30209
PHONE: 404-312-8912
ATTENTION: HANS WÖNNEBERGER

THE UNDERGROUND UTILITIES (EXCEPT THE LOCATION OF EXISTING DRAINAGE SEWER AND IRRIGATION UTILITIES AS WELL AS UNDERGROUND STORAGE TANKS) WERE LOCATED BY UTILSURVEY, LLC. UTILIZING RADIO FREQUENCY TECHNIQUE. THIS TECHNIQUE IS CAPABLE OF LOCATING METALLIC UTILITIES AND TRACER WIRES. ANY NON-METALLIC UTILITIES WITHOUT TRACER WIRE ARE NOT LOCATED.

THE SURVEYOR MAKES NO GUARANTEES THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN- SERVICE OR ABANDONED. UNDERGROUND UTILITIES NOT OBSERVED OR LOCATED UTILIZING THIS TECHNIQUE MAY EXIST ON THIS SITE BUT ARE NOT SHOWN, AND MAY BE FOUND UPON EXCAVATION. THE SURVEYOR FURTHER DOES NOT WARRANT THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED THEREON. THE SURVEYOR FURTHER WARRANTS THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE.

INFORMATION REGARDING MATERIAL AND SIZE OF UTILITIES IS BASED ON RECORDS ACQUIRED FROM THE UTILITY OWNERS.

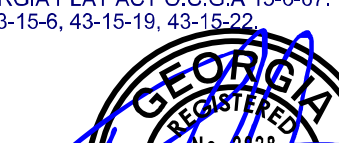
TREE LEGEND (ABBREVIATIONS)

	DECIDUOUS (TREE)	BRC BCH CM CHRY CYP FUR	BIRCH BEECH CERCH MYRTLE CHERRY CYPRESS FUR	HLY HW MAG MAP OAK ORN PEAR POP SYC	HOLLY HARDWOOD MAGNOLIA MAPLE OAK ORNAMENTAL PEAR POPLAR SYCAMORE
	CONIFER (TREE)	GINK GUM HIC	GINKGO SWEET GUM HICKORY		

SURVEYOR'S CERTIFICATE

THIS SURVEY WAS PREPARED IN CONFORMITY WITH THE TECHNICAL STANDARDS FOR PROPERTY SURVEYS IN GEORGIA AS SET FORTH IN CHAPTER 180-7 OF THE RULES OF GEORGIA BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS AND AS SET FORTH IN THE GEORGIA PLAT ACT O.C.G.A. 15-6-67.

AUTHORITY O.C.G.A. SECS. 15-6-67, 43-15-64, 43-15-6, 43-15-10, 43-15-20



PAUL B. CANNON, RLS
REGISTERED NUMBER: 2928



NOT TO SCALE
LATITUDE: 34° 03' 07" N
LONGITUDE: 84° 17' 15" W



TerraMark Land Surveying, Inc.
1396 Bells Ferry Road
Marietta, Georgia 30066
Phone No. (770) 421-1927
Fax No. (770) 421-0552
www.TerraMark.com
C. O. A. # LSF000810



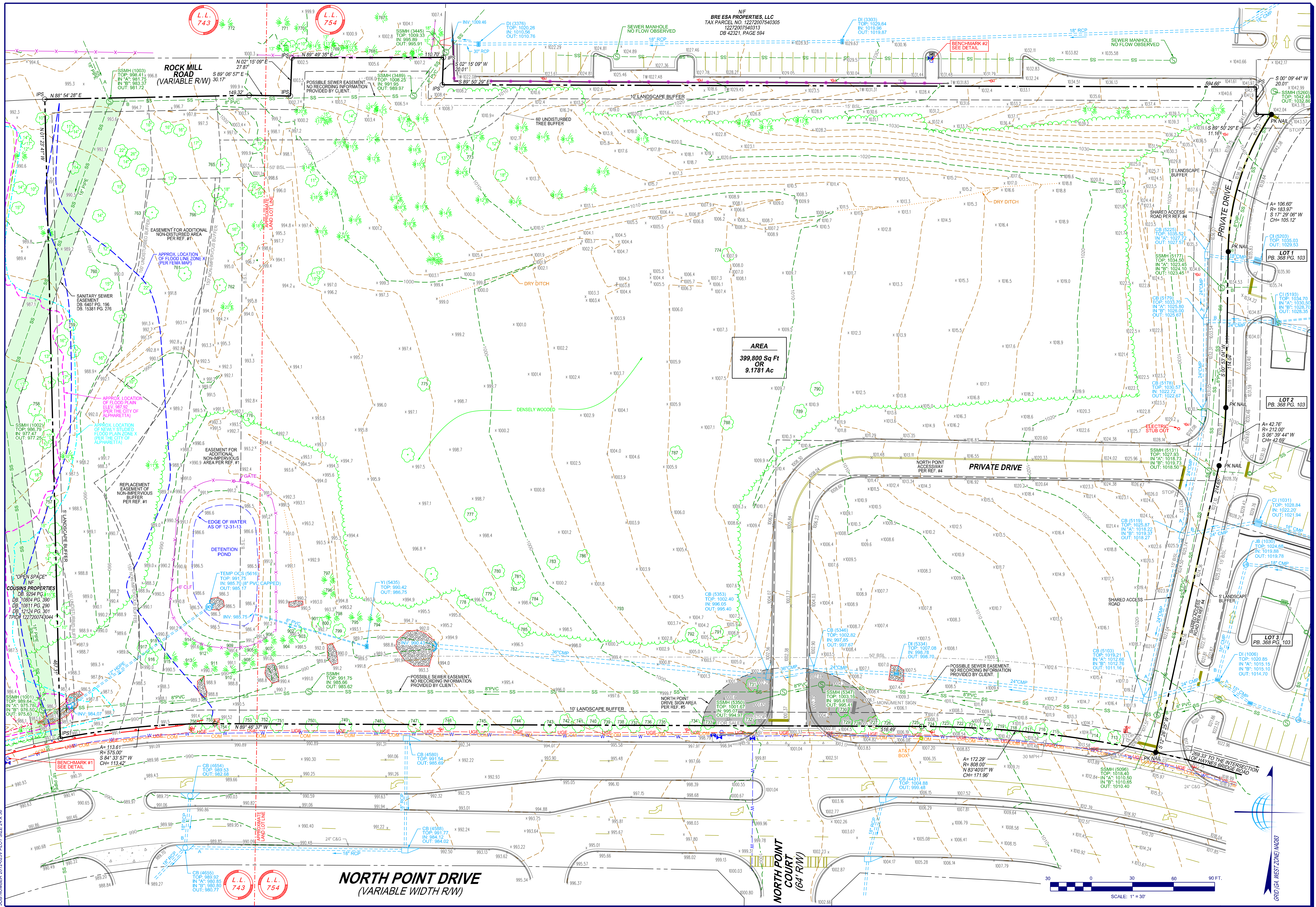
Project No.	2014-20204	Revision	Date
Survey Crew:	JK TGM NC	#1	
Drawn By:	JDNV	#3	
Approved By:	FBC	#4	
Date:	5/27/2016	#5	
		#6	
		#6	
Scale:	1"=30'		
S: SURVEY 2014-20204 DOWN REVISION TOPO DATA			

BOUNDARY & TOPOGRAPHIC SURVEY
FOR
TURCOTTE DEVELOPMENT GROUP, LLC
(HAYNES BRIDGE ROAD SITE)
LOCATED IN
LAND LOTS 743 & 754, 1ST DISTRICT, 2ND SECTION
CITY OF ALPHARETTA
FULTON COUNTY, GEORGIA

SHEET NO.

 $\frac{1}{2}$

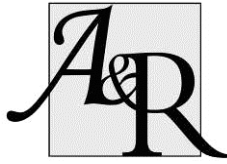
DRAWING# TM 12-025V



TerraMark Professional Land Surveying, Inc.
1400 Peachtree City, Georgia 30096
Phone No. (770) 421-1927
Fax No. (770) 421-0552
www.TerraMark.com
C. O. A. LSC00810

Project No.	2012-025V	No.	#1	#2	#3	#4	#5	#6	#7	#8	Scale
Survey Crew	JN, TC, NC										
Drawn By	JOV										
Approved By	PBC										
Date	5/27/2016										
Revision											

BOUNDARY & TOPOGRAPHIC SURVEY
FOR
TURCOTTE DEVELOPMENT GROUP, LLC
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LAND LOTS 743 & 754, 1ST DISTRICT, 2ND SECTION
CITY OF ALPHARETTA
FULTON COUNTY, GEORGIA



A&R Engineering Inc.

2160 Kingston Court, Suite O
Marietta, GA 30067
Tel: (770) 690-9255 Fax: (770) 690-9210
www.areng.com



Memorandum

To: Turcotte Development Group, LLC.
From: Abdul K. Amer, PE, PTOE
Date: May 24, 2016
Subject: Trip Generation Comparison Memorandum for Academy Sports on North Point Drive.

The purpose of this memorandum is to determine the trip generation that will result from the proposed Academy Sports development relative to the current zoning for this site located in the northwest corner of the intersection of Haynes Bridge Road and North Point Drive in Alpharetta, Georgia. The proposed development will consist of 62,943 square feet of retail space occupied by Academy Sports. The development will be served by one full access driveway each on Northpoint Drive and Rock Mill Road. It will also have an inter-parcel right-in only access from Haynes Bridge Road.

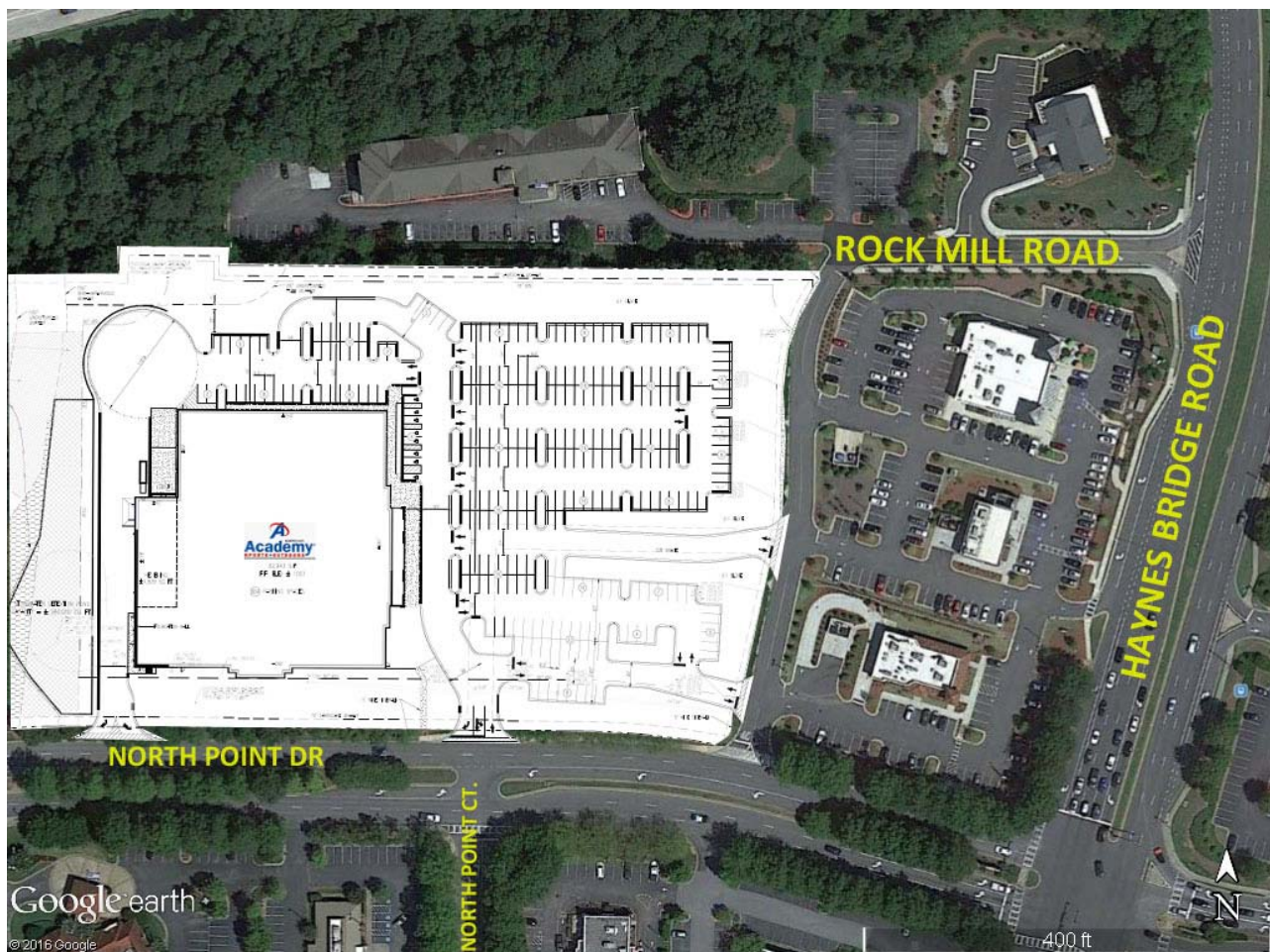


Figure 1 – Site Overlay

METHODOLOGY

The Institute of Transportation Engineers has published data sets for estimating trip generation in the 9th edition of the Institute of Transportation Engineers (ITE) Trip Generation report. This reference contains traffic volume count data collected at similar facilities nationwide. The trip generation referenced for the current zoning is based on the following ITE Land Uses: 710 – *General Office Building*, 820 – *Shopping Center*, 932 – *High Turn-Over Sit-Down Restaurant* and 934 – *Fast Food Restaurant with Drive-Through Window*. Trip generation estimates for the proposed zoning is based on the following ITE Land Uses: 861 – *Sporting Goods Superstore*, 932 – *High Turn-over Sit-Down Restaurant* and 934 – *Fast-Food Restaurant with Drive-Through Window*.

DATA PROPERTIES

The ITE Trip Generation report states the following for each land use considered:

ITE 710 – General Office Building

The ITE Trip Generation reference describes data used to develop trip rates for the General Office land use as a building that: “houses multiple tenants; it is a location where affairs of businesses, commercial or industrial originations, or professional persons or firms are conducted.” The peak hour of these trips typically coincides with the peak hour of the adjacent street traffic. Further information on the data set suggests that if additional buildings, such as banks, restaurants, or retail stores are included in the development, then the development should be treated as a multiuse project”.

ITE 820 – Shopping Center

“A shopping center is an integrated group of commercial establishments that is planned, developed, owned and managed as a unit. A shopping center’s composition is related to its market area in terms of size, location and type of store. A shopping center also provides on-site parking facilities sufficient to serve its own parking demands.” It also states “Some of these centers contained non-merchandising facilities, such as office buildings, movie theaters, restaurants, post offices, banks, health clubs and recreational facilities.”

ITE 861 – Sporting Goods Superstore

“Sporting goods superstores are free-standing facilities. These stores generally offer a variety of customer services and centralized cashiering and specialize in the sale of athletic and outdoor-oriented merchandise. These stores typically maintain long store hours 7 days a week. Examples of items sold in these stores include outdoor/athletic clothing, sports equipment, shoes and hunting/boating/fishing gear. Some may also carry automotive supplies. Sporting goods superstores are sometimes also found as separate parcels within a retail complex, with or without their own dedicated parking”.

ITE 932 – High-Turnover (Sit-Down) Restaurant

This land use consists of sit-down, full service eating establishments with typical duration of stay of approximately one hour. This type of restaurant is usually moderately priced and frequently belongs to a restaurant chain. Generally, these restaurants serve lunch and dinner, they may also be open for breakfast and are sometimes open 24 hours per day. These restaurants typically do not take reservations. Patrons commonly wait to be seated, are served by a waiter/waitress, order from menus and pay for their meal after they eat”.

ITE 934 – Fast-Food Restaurant with Drive-Through Window

“This category includes fast-food restaurants with drive-through window. This type of restaurant is characterized by a large drive-through clientele, long hours of service (some are open for breakfast, all are open for lunch and dinner, some are open late at night or 24 hours per day) and high-turnover rates for eat-in customers. These limited-service eating establishments do not provide table service. Non-drive through patrons generally order at a cash register and pay before they eat.”

Trip reductions were applied when applicable to account for pass-by trips, and internal mixed-use trips. These reductions are described below:

Mixed-Use Reductions

Internal Capture (or Mixed-Use) reductions occur when a site has a combination of different uses that interact with one another. For example, employees of the office component may also choose to visit the retail component of the site without adding to the volume of traffic on the roadway. The relationship for internal capture between uses is a function of the number of trips attracted by the “receiving” land-use as well as the number of trips sent by the “originating” land-use. The procedure for estimating these interactions is outlined in the Institute of Transportation Engineers Trip Generation Handbook (2nd Edition).

Pass-by Reductions

Typically taken for retail trips only, traffic normally traveling along a roadway that choose to visit a retail establishment that is along the path are referred to as “pass-by”. Pass-by trips going to that development are already on the roadway and would, therefore, should not be considered as a new trip to the adjacent street network. It is anticipated that pass-by trips may occur along Paces Ferry Road for the commercial component. Rates for pass-by trips are provided for each land-use by the Institute of Transportation Engineers Trip Generation Handbook (2nd Edition).

CALCULATIONS

The results of the analysis for the current zoning are shown in Tables 1, below.

TABLE 1 TRIP GENERATION - CURRENT ZONING							
Land Use (Size)	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-way
ITE 710 General Office (250,000 sf)	350	48	398	61	297	358	2,634
ITE 820 Shopping Center (33,900 sf)	50	31	81	139	151	290	3,362
ITE 932 High Turnover Sit-Down Rest. (8,600 sf)	51	42	93	51	34	85	1,093
ITE 934 Fast-food Rest w/Drive-Thru Window (3,500sf)	81	78	159	59	55	114	1,736
Total Trips without Reductions	532	199	731	310	537	847	8,825
Mixed-use reduction – Shopping Center	-4	-5	-9	-5	-7	-12	-219
Mixed-use reduction – General Office	-5	-4	-9	-7	-5	-12	-219
Pass-by Reduction (0%) 34%* - Shopping Center	0	0	0	-46	-49	-95	-950
Pass-by Trips* (0%)43% High Turnover Restaurant	0	0	0	-22	-15	-37	-370
Pass-by Trips* (49%)50% Fast Food w/Drive Thru	-40	-38	-78	-30	-28	-58	-580
Total Reductions	-49	-47	-96	-110	-104	-214	-2,338
Existing Total Trips with Reductions	483	152	635	200	433	633	6,487

*Pass-by Trips (AM) PM; 24 Hour pass-by trips estimated by considering PM pass-by as 10% of daily volumes

The trip generation analysis for the proposed zoning is shown below in Tables 2.

TABLE 2 TRIP GENERATION – PROPOSED ZONING							
Land Use Size	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-Way
ITE 861 – Sporting Goods Superstore (62,943 sf)	10	6	16	71	77	148	5,026**
ITE 932 – High-Turnover Sit-Down Restaurant (8,600 sf)	51	42	93	51	34	85	1,093
ITE 934 – Fast-Food Restaurant w/Drive-Thru (3,500 sf)	81	78	159	59	55	114	1,736
Total Trips (without Reductions)	142	126	268	181	166	347	7,855
Pass-by Trips* (0%)34% Shopping Center	0	0	0	-24	-26	-50	-500
Pass-by Trips* (0%)43% High Turnover Restaurant	0	0	0	-22	-15	-37	-370
Pass-by Trips* (49%)50% Fast Food w/Drive Thru	-40	-38	-78	-30	-28	-58	-580
Total Reductions	-40	-38	-78	-76	-69	-145	-1,450
New Total External Trips (with Reductions)	102	88	190	105	97	202	6,405

*Pass-by Trips (AM) PM; 24 Hour pass-by trips estimated by considering PM pass-by as 10% of daily volumes

** In the absence of any reference in ITE for 24-hour trips for Sporting goods superstore, we have used Shopping Center statistics for the 24-hour trips.

TABLE 3							
TRIP GENERATION COMPARISON – TOTAL SITE							
Scenario	A.M. Peak Hour			P.M. Peak Hour			24-Hour
	Enter	Exit	Total	Enter	Exit	Total	2-way
Current Zoning Conditions	483	152	635	200	433	633	6,487
Proposed Zoning Conditions	102	88	190	105	97	202	6,405
Difference	-381	-64	-445	-95	-336	-431	-82
Difference %	-79%	-42%	-70%	-47%	-78%	-68%	-1%

Based on the trip-generation calculations in Table 1 and Table 2, the amount of trips generated by the proposed conditions is 70% less in AM peak hour and 68% less in PM peak hour. ITE did not provide any reference for 24-hour trips for Sporting goods superstore land-use. We used Shopping Center land-use for calculating the 24-hour trips and the calculations show that trips generated in the proposed conditions are less by 1%. Trip generation comparison is shown above in Table 3.

ADDITIONAL INFORMATION

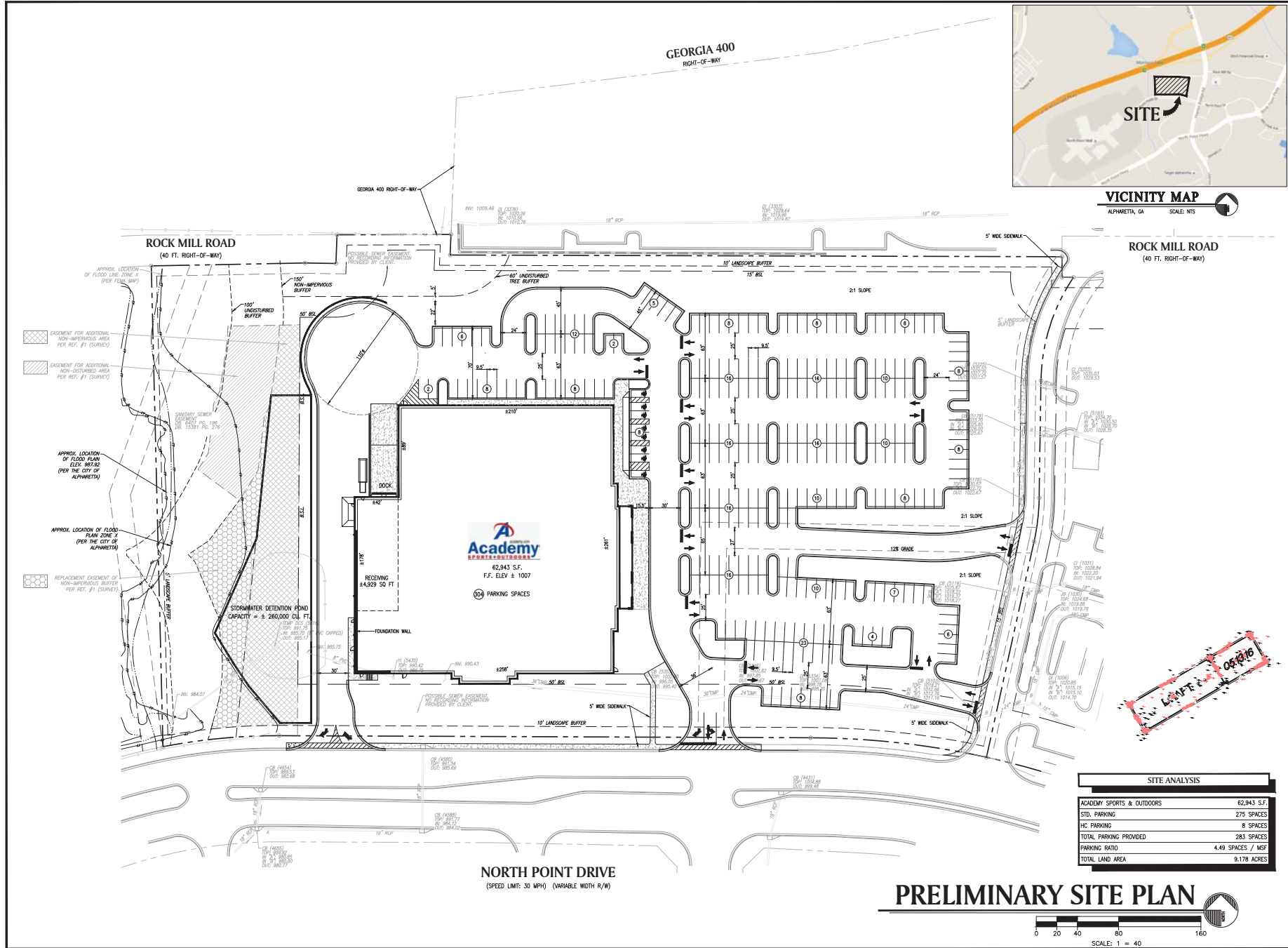
As part of this memorandum, annual average daily traffic volumes were collected from Georgia Department of Transportation traffic counters in close proximity to the site. Average annual daily traffic volumes for 2015 recorded on those locations are given below:

1. Station ID 1210823 on Haynes Bridge Road south of the site – 18,300 vehicles per day
2. Station ID 1210824 on Haynes Bridge Road north of the site – 24,100 vehicles per day
3. Station ID 1210458 on GA400, west of the site – 148,000 vehicles per day
4. Station ID 1210459 on GA400, east of the site – 138,000 vehicles per day



Figure 2: Location of Traffic Counter # 1210823, 1210824, 1210458 & 1210459

Appendix



SITE ANALYSIS	
ACADEMY SPORTS & OUTDOORS	62,943 S.F.
STD. PARKING	275 SPACES
HC PARKING	8 SPACES
TOTAL PARKING PROVIDED	283 SPACES
PARKING RATIO	4.49 SPACES / MSF
TOTAL LAND AREA	9.178 ACRES

PAULSON MITCHELL, INCORPORATED

PROJECT:
PROPOSED DEVELOPMENT
LAND LOTS 743, 754, 1ST DIST.
NORTH POINT DR. @ ROCK MILL RD.
CITY OF ALPHARETTA
FULTON CO., GA 30022

FOR:
TURCOTTE DEVELOPMENT GROUP LLC
4121 HAWTHORNE AVENUE
DALLAS, TX. 75219

ZONING INFORMATION
ZONING RESEARCH DATE: FEB. 2016
ZONING CLASSIFICATION
JURISDICTION: CITY OF ALPHARETTA
EX. ZONING: PSC (PLANNED SHOPPING CTR.)
PR. ZONING: ---
BUILDING SETBACKS
FRONT: 50' (LOCAL), 65' (ALL OTHERS)
SIDE: 15'
REAR: 15'
BUFFERS
FRONT/STREET: ---
SIDE: 100' UNDIST. & 150' NON-IMP.
REAR: ---
BUILDING SUMMARY
MAX. BUILDING VTL: 40'
MAX. BUILDING COVERAGE: 40%
PARKING SUMMARY
RETAIL REQ.: 4.0 SPACES/1,000 S.F.
RESTAURANT REQ.: N/A
CITY STD. STALL DIMENSIONS: 9' x 19'
CITY COMPACT STALL DIMENSIONS: 8' x 16'
COMPACT STALLS ALLOWED: 20%
MIN. 90' DRIVE WIDTH: 22'/22'
LANDSCAPE REGULATIONS
TREE DENSITY: --- UNITS/ACRE
ISLAND REQ.: 1 / 8 SPACES
MIN. ISLAND SIZE/WIDTH: 200 S.F./---
GREENSPACE %: ---%
FEMA MAP
FIRM PANEL #: 13121C000E (6.22.98)
DRAWING RECORD
DRAWN BY: MLM
2016109 P5 - to client 05/03/16

PRELIMINARY SITE PLAN

SHEET PS-5



CITY COUNCIL MEETING STAFF REPORT

SUBMITTING DEPARTMENT: COMMUNITY DEVELOPMENT
SUBMITTED BY: KATHI COOK
DRAFTED BY: MICHAEL WOODMAN

I. AGENDA ITEM TITLE: MP-16-08/V-16-18 MARRIOTT COURTYARD/PARKWAY 400

PLANNING COMMISSION: SEPTEMBER 7, 2016

CITY COUNCIL: SEPTEMBER 26, 2016

II. RECOMMENDATION:

Deny MP-16-08/V-16-18 Marriott Courtyard/Parkway 400 request for master plan amendment and variances.

If approval is contemplated, the following conditions are recommended:

1. One select service business class hotel shall be permitted not to exceed 6 stories in height with a maximum 115 guest rooms. No extended stay or "suites" hotel shall be permitted.
2. Site shall be developed substantially as shown on plan prepared by MDA, dated January 18, 2016. Only the porte-cochere shall encroach into the front setback, as depicted on the site plan.

3. A traffic study shall be prepared assessing traffic operations at proposed curb cut, and intersections Private Drive/Kimball Bridge Road and Amber Park Drive/Old Milton Parkway. City Transportation Engineer shall approve the scope of the study.
4. Development shall be permitted the following setbacks:
 - 35' Front Yard along Private road, except porte-cochere may have a setback of 17'.
 - 20' Side Yard
 - 25' Rear Yard
5. Building shall be constructed with architectural detail and ornamental features on all 4 sides with final approval by Staff and Design Review Board. Site and landscape plan shall also require Design Review Board approval.
6. Building shall be brick on all 4 sides.
7. Extensive landscaping and decorative street lights shall be provided along the Private Drive, Amber Park Drive and at the project entrance, as approved by Staff.
8. Minimum 5' sidewalk and minimum 4' planting strip shall be installed along the north and east sides of the property.
9. Decorative foundation plantings shall be provided with final approval by the Design Review Board.
10. A water feature with a statue shall be installed at the corner of Amber Park Drive and the Private Drive as approved by the Design Review Board.
11. Generator and dumpster shall be contained within an enclosure with materials that match the building and shall include landscape screening as approved by the Design Review Board.
12. Provide a shared parking agreement or set aside sufficient land within the open space to provide for future parking. Parking may be reduced by up to 20% where a shared parking agreement is provided or sufficient land is determined to be set aside for future parking.
13. Existing Oak trees along Private Drive shall be preserved and the sidewalk shall be placed behind the trees as approved by Staff.
14. Existing Maple trees along the south property line shall be protected and preserved during construction.
15. All proposed landscaping shall be coordinated with existing landscaping to avoid conflicts as approved by Staff. Placement of parking lot islands shall be coordinated with off-site trees to avoid conflicts as approved by Staff.
16. Pervious pavers shall be used in parking areas to off-set the increase in impervious area over the maximum 70% requirement.
17. All previous conditions in the master plan remain in effect unless explicitly superseded with these conditions.

III. REPORT IN BRIEF:

The applicant, Hotel Development Partners, LLC, requests an amendment to the Parkway 400 Master Plan Pod C to allow an additional hotel use and to allow a porte-cochere to encroach into the front setback in order to develop a 115-room Courtyard by Marriott Hotel. Variances are requested from UDC Section 2.2 to increase the maximum impervious area from 70% to 74% and from UDC Section 2.5.1 (B) to reduce the required parking from 125 spaces to 113 spaces. The subject property is located on the west side of Amber Park Drive and on the south side of the Private Drive within the Parkway 400 Master Plan.

IV. ATTACHMENTS:

- Site Plan
- Building Elevations

DISCUSSION

The submitted request, if approved, will allow Hotel Development Partners, LLC to construct a 115-room select-service hotel on a 1.9-acre undeveloped property located south of Old Milton Parkway, west of Amber Park Drive and on the south side of the Private Drive. The subject property is zoned O-I (Office-Institutional) and is located in Pod C of the Parkway 400 Master Plan (F.K.A. Woodland Park Master Plan). Surrounding properties are zoned O-I and are also located within the Parkway 400 Master Plan. Office buildings are located to the south and east, Kiku Japanese House, Alpharetta Eye Clinic and Fifth Third Bank are located to the north, and properties entitled for the EVEN Hotel and office use are located to the west.

The 115-room select-service hotel will include a restaurant and lounge, market pantry, 1,200 square foot meeting space, business center, indoor pool, fitness room, guest laundry room, and outdoor patio and a fire pit. The Courtyard by Marriott hotel brand is a mid-rate product geared toward business travelers. According to U.S. Hotel

Appraisals, other hotels in the same asset class (select-service) as the Courtyard by Marriott brand include Aloft Hotel, Cambria Suites, Clarion, DoubleTree, Four Points by Sheraton, Hilton Garden Inn, Holiday Inn Select, Hotel Indigo, Hyatt Place, Ramada, and Wyndham Garden Inn to name a few. According to the feasibility study prepared by HVS, Courtyard by Marriott hotels have a nationwide average occupancy level of 73.1%.

The City's vacant office available (for lease) rate has been steadily declining since 2013. At the end of the 2nd quarter of 2016 the City's vacant office available rate was 9.30%, which is one of the lowest office vacancy rates in the Atlanta metro area. According to the development community, spec office is typically developed when office vacant available rates drop below 10.00%. Hines and Cousins Properties, Inc. are currently developing a spec office building at Avalon.

Parkway 400 Master Plan was approved in 1998 (MP-98-01 Myrick Company) as a mixed-use development including 435,000 square feet of office use and 63,000 square feet of retail/commercial use. Pod C was approved primarily for office use with subordinate retail/commercial uses permitted within an office building (not freestanding). Maximum office density in Pod C is 14,000 square feet/acre. Hotel use was not shown in the master plan's permissible and conditional uses table.

A master plan amendment was requested in 2007 to allow hotel use (Nylo Hotel) in Pod C of the Parkway 400 Master Plan. The request was denied due to concern over entitling additional hotel sites when several sites already existed. In 2015/2016, master plan amendments were approved to add a 132-room hotel use (EVEN Hotel) in Pod C, which is located immediately to the west of the subject site.

A master plan amendment and variance request (MP-15-06/V-15-12) was denied on February 2, 2016 to allow a hotel use (Courtyard by Marriott) on the same property in Pod C of the Parkway 400 Master Plan. The current Courtyard by Marriott request is the same request that was recently denied, with the exception of the current request providing a feasibility study to support the proposed use.

SITE PLAN

The submitted site plan depicts a 6-story, 115-room hotel with 113 parking spaces, of which 24 are compact. Two (2) driveways are proposed to the site, a right-in, right-out driveway on Amber Park Drive and a full-access driveway on the Private Drive. The applicant's site plan shows the following building setbacks:

Front Yard	35 feet, with encroachment of the porte-cochere up to 17'-8"
Side Yard	20 feet
Rear Year	25 feet

A setback variance is requested to allow for the encroachment of a porte-cochere on the front 35' building setback. The primary structure exceeds the front setback from back of curb; however, the porte-cochere is shown 17'-8" from back of curb.

The UDC parking requirement for hotel use is one (1) space per each guestroom, plus one (1) employee space for each 20 sleeping rooms, plus one (1) space per 500 square feet of space used for convention rooms, conference rooms, ballrooms, restaurant and retail shops. The proposed 115-room hotel requires 125 parking spaces. The applicant requests a variance to allow 113 parking spaces. The applicant has provided a hotel design publication that estimates parking needs based on the number of rooms, occupancy rate, and number/percentage of people arriving by car. Using this formula yields a requirement for 74 parking spaces. The proposed 113 parking spaces will likely provide sufficient parking for the proposed hotel; however, parking shortages may occur during times of maximum occupancy of the hotel. Off-site shared parking agreements have not been provided by the applicant to address potential parking shortages.

The site plan depicts an impervious area of approximately 74%. The applicant has requested a variance to increase the allowable maximum impervious area requirement of 70% in the O-I zoning district. The required 10' landscape strips along all internal streets are provided on the applicant's site plan.

The property consists of a mixture of pines, hardwoods, and Magnolias. An arborist report was not provided by the applicant. However, the City Arborist conducted a site visit and feels that there are opportunities to design around and incorporate existing trees into the site plan.

The applicant's proposed building elevation is shown below. According to the Feasibility Study, it will have a stucco finish. However, the applicant has stated that the building will be stucco and brick.



MARKET STUDY

The applicant provided a Feasibility Study, prepared by HVS Consulting & Valuation. The study states that the primary factors contributing to the strengthening of the hotel market included several corporations opening offices in the City, as well as a lack of new hotel supply and the opening of Avalon. Using the Smith Travel Research (STR) Chain Scale, which classifies the Courtyard by Marriott brand as an Upscale hotel, the national average occupancy rate in that category is 73.2% in 2016. The table below provides a historical perspective on the supply and demand trends for the applicant's selected 'competitive set' of hotels. The study identifies its competitive set classified as Upscale and Upper Midscale. 2016 Year-to-Date data shows a 76.2% occupancy rate.

FIGURE 1-1 HISTORICAL SUPPLY AND DEMAND TRENDS (STR)

Average Daily		Available Room		Occupied Room		Average				
Year	Room Count	Nights	Change	Nights	Change	Occupancy	Rate	Change	RevPAR	Change
2004	1,542	562,719	—	357,249	—	63.5 %	\$79.87	—	\$50.71	—
2005	1,516	553,350	(1.7) %	362,789	1.6 %	65.6	88.02	10.2 %	57.71	13.8 %
2006	1,542	562,830	1.7	370,205	2.0	65.8	97.42	10.7	64.08	11.0
2007	1,542	562,830	0.0	361,023	(2.5)	64.1	108.75	11.6	69.76	8.9
2008	1,542	562,830	0.0	349,353	(3.2)	62.1	111.10	2.2	68.96	(1.1)
2009	1,542	562,830	0.0	328,521	(6.0)	58.4	90.94	(18.1)	53.08	(23.0)
2010	1,542	562,830	0.0	377,638	15.0	67.1	83.99	(7.6)	56.36	6.2
2011	1,542	562,830	0.0	383,546	1.6	68.1	90.00	7.2	61.33	8.8
2012	1,542	562,830	0.0	390,207	1.7	69.3	95.18	5.8	65.99	7.6
2013	1,542	562,830	0.0	413,706	6.0	73.5	101.10	6.2	74.32	12.6
2014	1,542	562,830	0.0	417,152	0.8	74.1	111.09	9.9	82.34	10.8
2015	1,542	562,830	0.0	425,784	2.1	75.7	121.10	9.0	91.61	11.3
Year-to-Date Through June										
2015	1,542	279,102	—	212,153	—	76.0 %	\$120.14	—	\$91.32	—
2016	1,542	279,041	(0.0) %	212,634	0.2 %	76.2	132.11	10.0 %	100.67	10.2 %
Hotels Included in Sample						Number of Rooms	Year Affiliated	Year Opened		
Residence Inn Atlanta Alpharetta Windward						103	Apr 1990	Apr 1990		
Fairfield Inn & Suites Atlanta Alpharetta						86	May 1995	May 1995		
Hyatt Place Atlanta Alpharetta North Point Mall						124	Jan 2008	Aug 1995		
Hyatt Place Atlanta Alpharetta Windward Parkway						127	Apr 2007	Jan 1998		
Hilton Garden Inn Atlanta North Alpharetta						164	Mar 1998	Mar 1998		
Hampton Inn Suites Alpharetta Windward						103	Feb 1999	Feb 1999		
Holiday Inn Express Alpharetta Windward Parkway						124	Feb 2014	Feb 1999		
Springhill Suites Atlanta Alpharetta						82	Mar 1999	Mar 1999		
Residence Inn Atlanta Alpharetta North Point Mall						120	May 1999	May 1999		
Courtyard Atlanta Alpharetta						154	Jan 2000	Jan 2000		
Doubletree Atlanta Alpharetta Windward						79	May 2005	May 2000		
Hilton Garden Inn Atlanta Northpoint						125	Mar 2001	Mar 2001		
Embassy Suites Atlanta Alpharetta						150	May 2001	May 2001		
Total						1,541				

Source: STR

As shown in the table below, the applicant's competitive set of hotels are expected to see a drop in occupancy in 2018 from 76.5% to 71.4% with the new supply of hotel inventory associated with other projects and the proposed Courtyard by Marriott. Based on historical occupancy levels in this market and the anticipated impact of the new supply, market occupancy is forecast to remain at 71% through 2021.

FIGURE 4-25 FORECAST OF MARKET OCCUPANCY

	2016	2017	2018	2019	2020	2021
Commercial						
Base Demand	246,096	248,557	280,869	283,678	285,097	285,097
Unaccommodated Demand	26,497	26,762	30,242	30,544	30,697	30,697
Total Demand	272,594	275,319	311,111	314,222	315,793	315,793
Growth Rate	11.3 %	1.0 %	13.0 %	1.0 %	0.5 %	0.0 %
Meeting and Group						
Base Demand	52,856	53,120	57,370	57,657	57,657	57,657
Unaccommodated Demand	1,599	1,607	1,735	1,744	1,744	1,744
Induced Demand	0	0	20,400	22,800	24,000	24,000
Total Demand	54,455	54,727	79,505	82,201	83,401	83,401
Growth Rate	3.5 %	0.5 %	45.3 %	3.4 %	1.5 %	0.0 %
Leisure						
Base Demand	45,984	46,214	47,600	47,838	47,838	47,838
Unaccommodated Demand	554	556	573	576	576	576
Total Demand	46,538	46,770	48,173	48,414	48,414	48,414
Growth Rate	1.2 %	0.5 %	3.0 %	0.5 %	0.0 %	0.0 %
Totals						
Base Demand	344,936	347,891	385,840	389,173	390,592	390,592
Unaccommodated Demand	28,650	28,925	32,550	32,864	33,016	33,016
Induced Demand	0	0	20,400	22,800	24,000	24,000
Total Demand	373,586	376,817	438,790	444,837	447,608	447,608
less: Residual Demand	28,685	28,973	2,013	0	0	0
Total Accommodated Demand	344,901	347,844	436,777	444,837	447,608	447,608
Overall Demand Growth	0.4 %	0.9 %	25.6 %	1.8 %	0.6 %	0.0 %
Market Mix						
Commercial	73.0 %	73.1 %	70.9 %	70.6 %	70.6 %	70.6 %
Meeting and Group	14.6	14.5	18.1	18.5	18.6	18.6
Leisure	12.5	12.4	11.0	10.9	10.8	10.8
Existing Hotel Supply	1,246	1,246	1,246	1,246	1,246	1,246
Proposed Hotels						
Proposed Courtyard by Marriott ¹			87	115	115	115
Proposed EVEN Hotel ²			131	131	131	131
Proposed Aloft ³			83	83	83	83
Marriott Autograph Collection ⁴			132	132	132	132
Available Room Nights per Year	454,748	454,681	612,687	623,037	623,037	623,037
Nights per Year	365	365	365	365	365	365
Total Supply	1,246	1,246	1,679	1,707	1,707	1,707
Rooms Supply Growth	0.0 %	0.0 %	34.8 %	1.7 %	0.0 %	0.0 %
Marketwide Occupancy	75.8 %	76.5 %	71.3 %	71.4 %	71.8 %	71.8 %

¹ Opening in April 2018 of the 100% competitive, 115-room Proposed Courtyard by Marriott

² Opening in January 2018 of the 100% competitive, 131-room Proposed EVEN Hotel

³ Opening in January 2018 of the 75% competitive, 111-room Proposed Aloft

⁴ Opening in January 2018 of the 40% competitive, 330-room Marriott Autograph Collection

^A Change of room count in April 2016 of the 75% competitive, Fairfield Inn & Suites Atlanta Alpharetta

Staff noted the following concerns regarding assumptions made in the applicant's feasibility study:

1. The study relies on future office development at Avalon (225,000 SF), Parkway 400 (720,000 SF), The Edison (200,000 SF), Northwinds (1,200,000 SF). With the exception of The Edison, Staff has no information regarding eminent office development at any of the other listed locations. At the same time, the City has experienced a loss of office properties to other uses, such as assisted living facilities, residential, and hotel.
2. The study notes the lack of full-service and select-service hotel rooms to accommodate occupied office space in the North Fulton submarket. However, the City has 923 select-service rooms with 252 more rooms expected in the next year (total of 1,175 rooms). Only one (1) full-service hotel (318 rooms) is located in the City. Even with the opening of the Avalon Autograph Hotel (330 rooms) in the next year, full-service hotels should be the priority for future hotel development in the City.

3. The study compares the proposed hotel against its selected 'competitive set' of main competitors and secondary competitors, which includes seven (7) select-service hotels, five (5) limited-service hotels, and one (1) select-service hotel in the City of Milton. However, Staff looks at the City as a whole and there are ten (10) limited-service hotels and a full-service hotel that have not been factored into the study. In addition, the Home2 Suites is nearly groundbreaking, but was not considered in the study.

STANDARDS FOR MASTER PLAN AMENDMENTS

The Planning Commission and the City Council shall consider the following standards in considering a rezoning application, giving due weight or priority to those factors particularly appropriate to the circumstances of each application:

- a. Whether the zoning proposal will permit a use that is suitable in view of the zoning use and development of adjacent and nearby property.

Response: The master plan amendment would allow for an additional hotel use in the Parkway 400 Master Plan, which is developed with office and accessory retail uses. A 132-room EVEN Hotel was entitled through master plan amendments in 2015-2016. While the proposed hotel use may be suitable as a complementary use to the surrounding office, retail and mixed-use development, an additional hotel entitlement may result in overdevelopment of hotel use given the existing/proposed inventory.

- b. Whether the zoning proposal will adversely affect the existing use or usability of adjacent or nearby property.

Response: While the master plan amendment to add of hotel use may be complementary to adjacent office and retail/restaurant uses, the entitlement of an additional hotel use may adversely impact occupancy rates of hotels in the City. There are currently 13 sites in the City entitled for hotel use, of which one (1) is under construction and three (3) are close to breaking ground.

- c. Whether the zoning proposal will adversely affect the natural environment.

Response: The applicant's site plan does not depict existing trees to be saved, except for the street trees along the Private Drive.

- d. Whether there are substantial reasons why the property cannot or should not be used as currently zoned.

Response: Parkway 400 Master Plan Pod C is designation for office use. Comprehensive Plan Land Use Strategy 6.2 states, "Designate major entranceways to the city, (the interchanges along GA-400) for office use in order to preserve the corporate campus business environment." The subject property is within 1/3-mile of the Georgia 400 interchange at Old Milton Parkway. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be justified that the subject property remains a viable office parcel.

- e. Whether the zoning proposal will result in a use that will or could cause an excessive or burdensome use of public facilities or services, including but not limited to existing streets and transportation facilities, schools, water or sewer utilities, and police or fire protection.

Response: The proposed hotel use will not result in a significant change to impacts on public facilities or services as compared to the current permitted use of office.

- f. Whether the zoning proposal is supported by new or changing conditions not anticipated or reflected in the existing zoning on the property.

Response: The zoning proposal is not supported by new or changing conditions. Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be justified that the subject property remains a viable office parcel.

g. Whether the zoning proposal reflects a reasonable balance between the promotion of the public health, safety, morality or general welfare against the right to unrestricted use of property.

Response: Not applicable.

h. Whether there are substantial reasons why the property cannot be used in accordance with existing zoning.

Response: The property can be used for office use as envisioned in the Parkway 400 Master Plan. The subject property is within 1/3-mile of the Georgia 400 interchange at Old Milton Parkway. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be justified that the subject property remains a viable office parcel.

i. The extent to which the zoning proposal is consistent with the Comprehensive Plan.

Response: The proposed hotel use is consistent with the Comprehensive Land Use Plan designation of the subject property, which is Corporate Campus Office.

VARIANCE REQUIREMENTS

The City of Alpharetta Unified Development Code Article IV, Section 4.5.3 outlines the criteria set forth for granting a variance. The ordinance specifically states..."a variance may be granted in whole or in part, or with conditions, in such individual case of unnecessary hardship upon a finding that":

(1) There are extraordinary and exceptional conditions pertaining to the particular piece of property in question because of its size, shape or topography; or

Response: There are no extraordinary or exceptional conditions pertaining to the subject property that justify the need for the applicant's requested variances. The property is likely too small to accommodate the proposed development. However, the applicant has provided a hotel design publication that estimates parking needs based on number of rooms, occupancy rate, and number/percentage of people arriving by car. Using this formula yields a requirement for 74 parking spaces. While the proposed 113 parking spaces should provide sufficient parking for the proposed hotel, parking shortages may occur during times of maximum occupancy of the hotel. If the applicant's request is approved, a zoning condition is recommended to address parking shortages.

(2) The application of the Ordinance to this particular piece of property would create an unnecessary hardship; or

Response: Unified Development Code parking, setback, and impervious area requirements do not create a hardship for the applicant. The property is likely too small to accommodate the proposed development. However, additional parking could be provided off-site with a shared parking agreement and pervious pavers could be used to off-set the increase in impervious area.

(3) There are conditions that are peculiar to the property which adversely affect its reasonable use or usability as currently zoned; or

Response: Not applicable.

(4) Relief, if granted, would not cause substantial detriment to the public good or impair the purpose and intent of the City of Alpharetta ordinances.

Response: If a parking shortage is identified, additional parking can be accommodated off-site through a shared parking agreement. In addition, pervious pavers are recommended to off-set the increase in impervious area.

CONCURRENCES

Staff has reviewed the applicant's request and has concerns about adding another select-service hotel use to the Parkway 400 Master Plan given the number of existing hotels, entitled hotel sites, and hotels under construction or soon to break ground. In addition, there is an imbalance in the number of full-service versus limited- and select-service hotels.

Generally, hotel/lodging resources define the three (3) hotel asset classes as follows: A Limited-Service Hotel is a hotel without restaurant or banquet facilities, but may offer a range of amenities including a business center, a fitness room, a guest laundry facility, a market pantry, and indoor and/or outdoor pool and whirlpool, and small meeting rooms. A Select-Service Hotel offers the same amenities as a limited-service hotel together with a selection of the services and amenity characteristics of full-service hotel properties. Usually the select services include a restaurant and small meeting space(s). A Full-Service Hotel includes the provision of food and beverage services suitable for both guests and groups. Therefore, on-site restaurant, lounges and group meeting spaces with banquet facilities are the cornerstones of the full-service offering. In addition, selective amenities such as spas, elaborate banquet rooms, doormen, valet parking, extended room services, concierge services, and high-end restaurant and boutiques distinguish many full-service hotel properties.

Smith Travel Research (STR), a leader in data collection for the lodging industry, categorizes the hotel industry into six (6) segments known as 'Chain Scales': Luxury, Upper-Upscale, Upscale, Upper Midscale (with food and beverage), Midscale (without food and beverage), and Economy. These chain scales are based on the actual system-wide average room rates of the major chains.

As shown in the table below, there are currently 23 hotels operating in the City including one (1) full-service (318 rooms), 15 limited-service (1,524 rooms), and seven (7) select-service hotels (923 rooms).

Existing Hotels in the City of Alpharetta

Name	Location	Rooms	Type/Chain Scale
Atlanta Marriott Alpharetta	5750 Windward Pkwy	318	Full-Service/Upper Upscale
Comfort Inn	5455 Windward Pkwy W	65	Limited-Service/Upper Midscale
Courtyard by Marriott Alpharetta	12655 Deerfield Pkwy	154	Select-Service/Upscale
DoubleTree by Hilton Alpharetta	2925 Jordan Ct	79	Select-Service/Upscale
Embassy Suites Atlanta - Alpharetta	5955 North Point Pkwy	150	Select-Service/Upper Upscale
Extended Stay America Rock Mill Road	1950 Rock Mill Road	101	Limited-Service/Economy
Extended Stay America Northpoint East	3331 Old Milton Parkway	91	Limited-Service/Economy
Extended Stay America Northpoint West	3329 Old Milton Parkway	90	Limited-Service/Economy
Fairfield Inn & Suites Atlanta Alpharetta	11385 Haynes Bridge Road	87	Limited-Service/Upper Midscale
Hampton Inn - Alpharetta / Roswell	10740 Westside Way	106	Limited-Service/Upper Midscale
Hampton Inn & Suites Alpharetta	16785 Old Morris Road	103	Limited-Service/Upper Midscale
Hilton Garden Inn North/Alpharetta	4025 Windward Plaza	164	Select-Service/Upscale
Hilton Garden Inn North Point	10975 Georgia Lane	125	Select-Service/Upscale
Holiday Inn Express & Suites	12505 Innovation Way	124	Limited-Service/Upper Midscale
Homewood Suites by Hilton	10775 Davis Drive	112	Limited-Service/Upscale
Hyatt Place North Point Mall	7500 North Point Parkway	124	Select-Service/Upscale

Hyatt Place Windward Parkway	5595 Windward Parkway	127	Select-Service/Upscale
La Quinta Inn & Suites Alpharetta	1350 North Point Drive	131	Limited-Service/Midscale
Residence Inn North Point Mall	1325 North Point Drive	120	Limited-Service/Upscale
Residence Inn Windward	5465 Windward Parkway W	103	Limited-Service/Upscale
Staybridge Suites North Point	3980 North Point Parkway	118	Limited-Service/Upscale
TownePlace Suites by Marriott	7925 Westside Parkway	89	Limited-Service/Upper Midscale
Wingate by Wyndham Alpharetta	1005 Kingswood Place	84	Limited-Service/Midscale
TOTAL		2,765	1 FS, 15 LS, 7 SS

Four (4) hotel projects consisting of 688 rooms are currently under construction or will begin land development activities in the near future, as shown in the table below. EVEN Hotel was recently approved within the Parkway 400 Master Plan and is located less than ¼-mile from Avalon. Home2 Suites has a land disturbance permit and is nearing the beginning of land development activities. Home2 Suites is located approximately ½-mile from Avalon. The Avalon Hotel and Conference Center is currently under construction, less than ¼-mile from the subject property.

Entitled Hotel Properties – Under Construction/Land Disturbance Permit Review

Project	Location	Type/Chain Scale	Rooms	Status
Avalon – Marriott Autograph Collection Hotel & Alpharetta Conference Center	Avalon Phase 2	Full-Service/Upper Upscale	330	Under Construction
Aloft	North Point Pkwy & Mansell Rd	Select-Service/Upscale	120	LDP Pending
EVEN Hotel	Parkway 400	Select-Service/Upscale	132	LDP Pending
Home2 Suites	Webb Bridge Rd & Morris Rd	Limited-Service/Upper Midscale	107	LDP Issued
TOTAL		1 FS, 1 LS, 2 SS	688	

Staff has identified nine (9) sites that are currently entitled for hotel use in the City. The sites listed below could be developed with hotel use without a public hearing.

Entitled Hotel Properties - Undeveloped

Master Plan	Location	Acreage
Cousins Westside – Pod F	Westside Pkwy & Encore Pkwy	21 acres
Preston Ridge – Pod A	North Point Pkwy & Old Milton Pkwy	2 acres
Preston Ridge – Pod G	Morris Rd & Webb Bridge Rd	12 acres
Preston Ridge – Pod H	Webb Bridge Rd & Morris Rd	13 acres
Preston Ridge – Pod N	North Point Pkwy & Old Milton Pkwy	6 acres
Metropolitan Life (Peridot)	Haynes Bridge Rd & Lakeview Pkwy	8 acres
Northwinds – Pod A	Haynes Bridge Rd & GA 400	12 acres
Windward Mill	North Point Pkwy & Windward Pkwy	5 acres
Brookside – Pod A & B	Brookside Pkwy	5 acres

When the new hotel supply expected over the next year is added to the existing hotel inventory, the City will have an estimated 1,631 limit-service hotel rooms, 1,175 select-service hotel rooms, and 648 full-service hotel rooms. Full-service hotel rooms will represent just under 19% of all hotel rooms in the City. In addition, there are currently nine (9) sites entitled for hotel use including five (5) sites within a ¾-mile radius of Avalon.

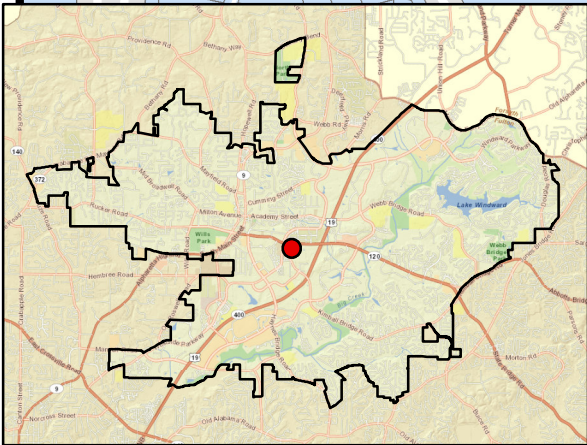
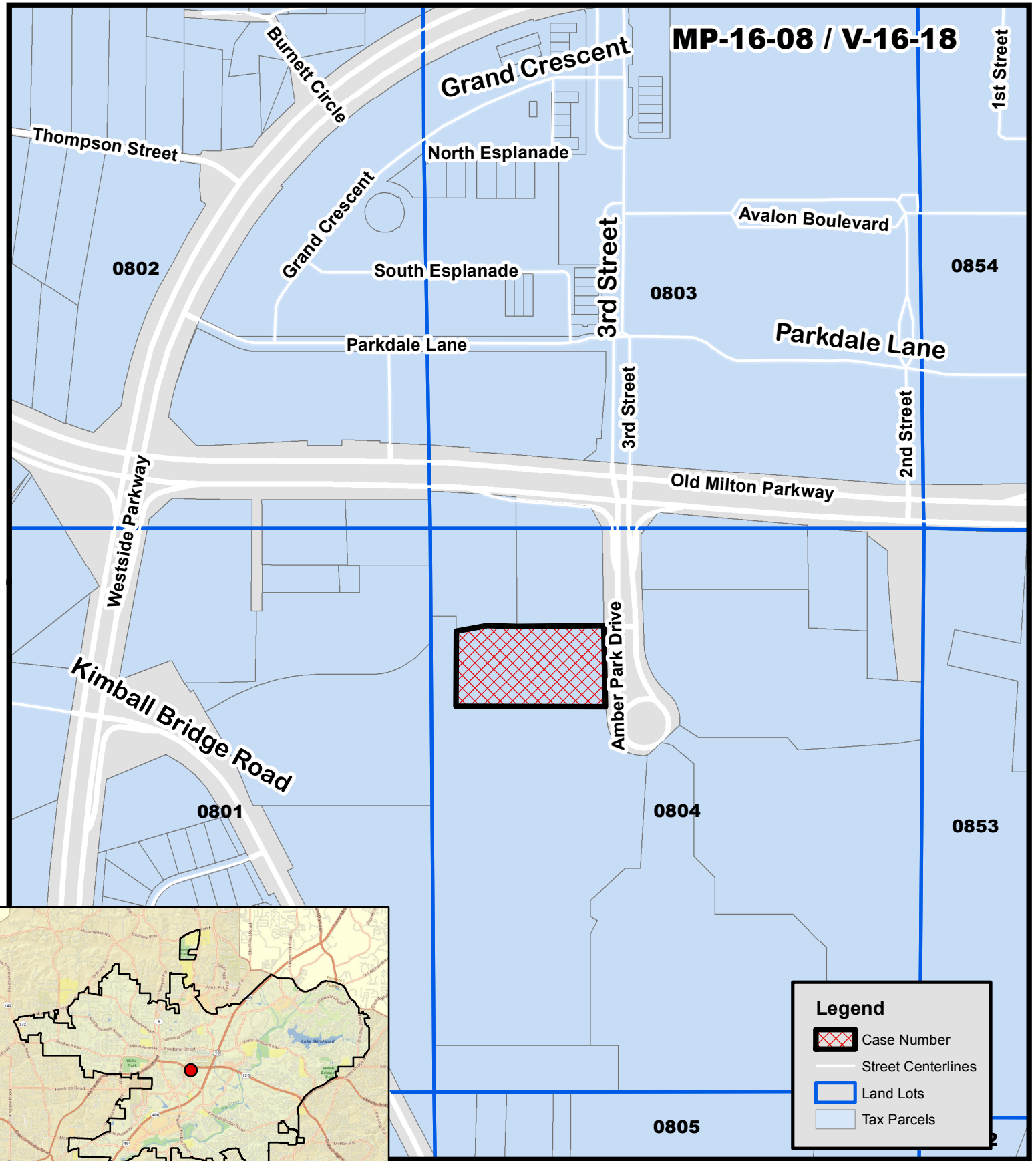
The subject parcel is located within a 1/3-mile of the interchange at Georgia 400 and Old Milton Parkway. In addition, Alpharetta has one of the lowest office vacancy rates in the Atlanta metro area at 9.30%. Demand for office, especially in North Fulton, continues to grow. As parcels zoned for office uses are developed or rezoned for other uses, the result will be less opportunity for growth once the office market picks up. Therefore, it can be

justified that the subject property remains a viable office parcel. In addition, one (1) hotel has been approved for the master plan and most master plans of this size have one entitled hotel.

If the applicant's request is approved, conditions are recommended that enhance the site's landscape and hardscape design and address potential parking shortages. Also, special attention should be given to the building architecture and materials in order to create a building that contributes to the sense of place in the Parkway 400 Master Plan and Old Milton Parkway corridor.

CITIZEN PARTICIPATION PLAN

The applicant notified surrounding property owners of their application and intent for the property. The report states that no comments were received.



Legend

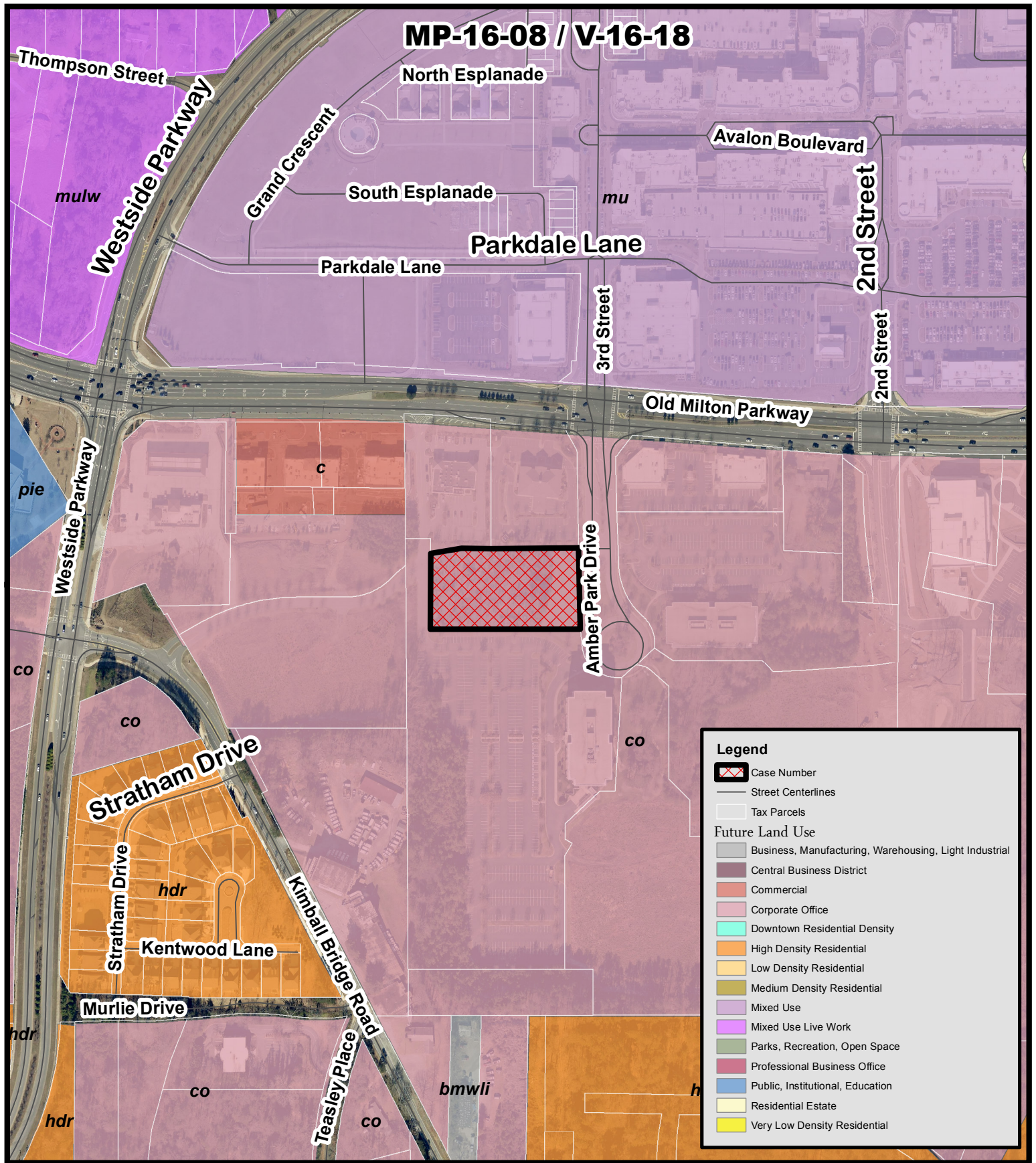
- Case Number
- Street Centerlines
- Land Lots
- Tax Parcels

MP-16-08 / V-16-18
D/LL: 1/2/804
PC: 09/07/16
CC: 09/26/16

Location Map
Marriott Courtyard
Parkway 400



Location Map Provided by:
Community Development - GIS



MP-16-08 / V-16-18

D/LL: 1/2/804

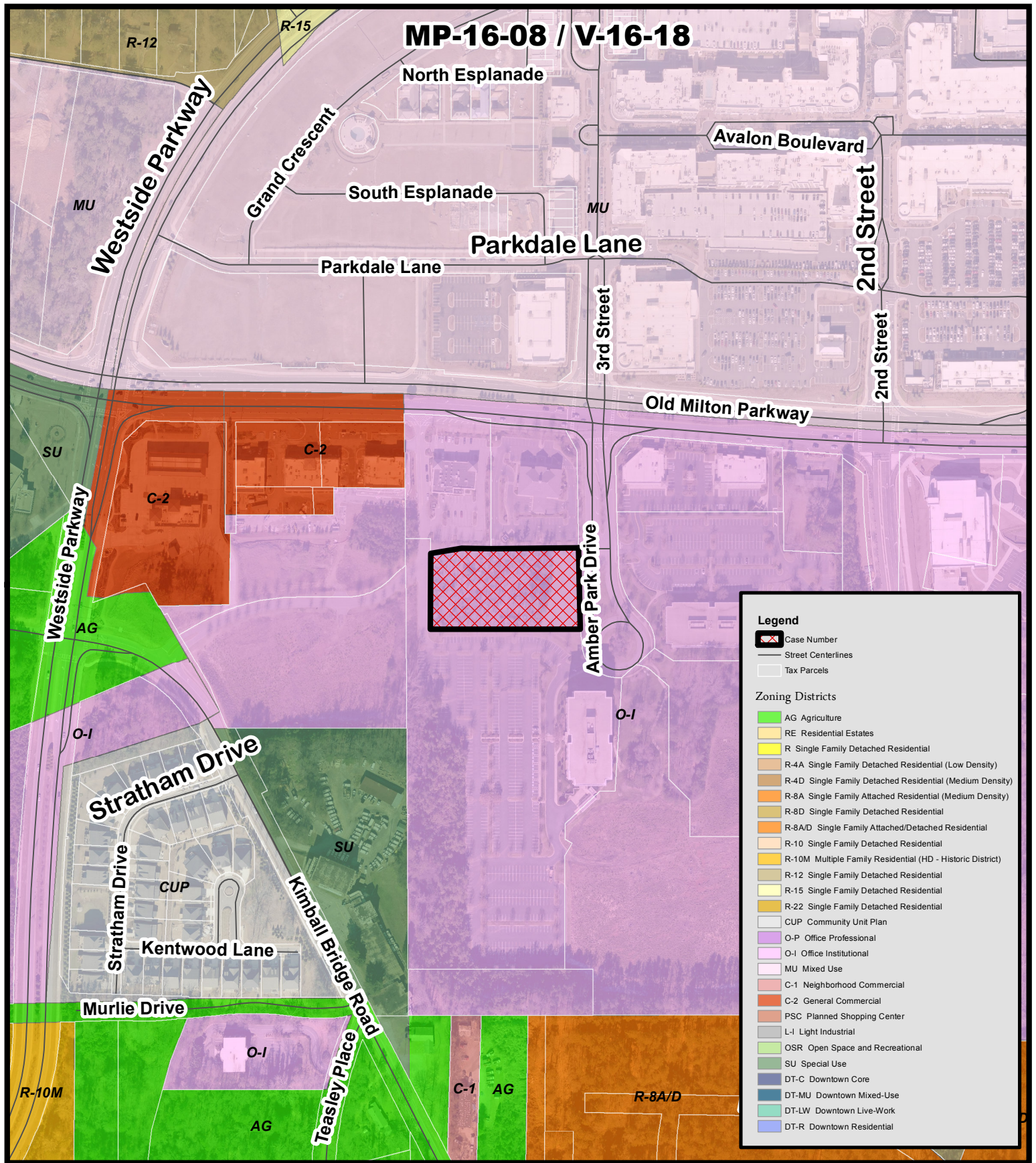
PC: 09/07/16

CC: 09/26/16

**Future Land Use
Marriott Courtyard
Parkway 400**



**Location Map Provided by:
Community Development - GIS**



Zoning Map **Marriott Courtyard** **Parkway 400**

MP-16-08 / V-16-18

D/LL: 1/2/804

PC: 09/07/16

CC: 09/26/16

Location Map Provided by:
Community Development - GIS



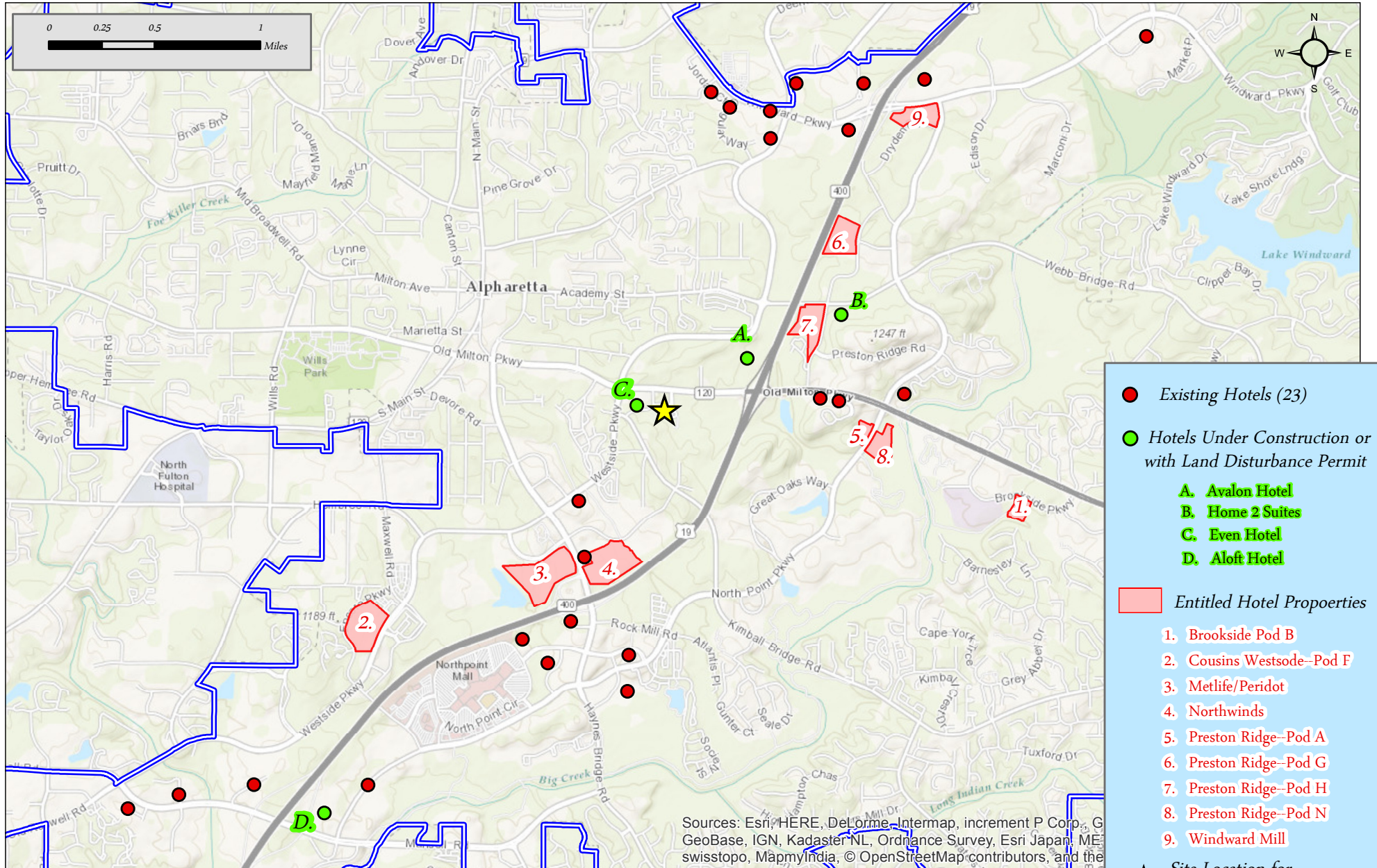
Aerial Map
Marriott Courtyard
Parkway 400

MP-16-08 / V-16-18
D/LL: 1/2/804
PC: 09/07/16
CC: 09/26/16

Location Map Provided by:
Community Development - GIS

City of Alpharetta Hotel Sites

Existing, Entitled or Under Construction



CITIZEN PARTICIPATION FORM - PART B

This form must be completed and submitted to the City of Alpharetta Community Development Department a minimum of twenty (20) working days prior to the scheduled Public Hearing. Failure to do so will result in cancellation of the scheduled hearing.

Public Hearing or Project Name: MP-16-08; V-16-18; Parkway 400

Contact Name: Carl E. Westmoreland, Jr.

Telephone: 404-233-7000

Please describe comments and concerns provided by any and all individuals contacted as part of the the Citizen Participation Program. If any individuals provided written correspondence, please attach copies of same to this report.

There were no responses.

Method by which these individuals were contacted. Please mark all that apply. Please provide samples of any and all written communications used to provide notification.

- | | |
|--|---|
| ☒ Letter | ☐ Personal Visits |
| ☐ Telephone | ☐ Group Meeting |
| ☐ Email | ☐ Other (Please Specify) _____ |

Attach a list of people who have been notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified.

I, the undersigned, as an authorized representative of the applicant and Public Hearing item identified above, do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Citizen Participation Form - Part B and in any and all documents provided in support of this report are true and accurate. I further understand that any false statements provided by representatives of the applicant as part of this report may result in penalties up to and including denial of the subject application.

Signature of Authorized Agent: 

Date: 8-18-16

Print Form

OWNER MAILING LIST

Name	Owner Address	Owner City, State & Zip
Fifth Third Bank	38 Fountain Square Plaza	Cincinnati, OH 45202
Windward Eye Group LLC	5315 Windward Pkwy, Suite F	Alpharetta, GA 30004
NNN Parkway Four Hundred, LLC	11720 amber Park Drive	Alpharetta, GA 30009
Fourth Quarter Properties 87 LLC	P.O. Box 56607	Atlanta, GA 30343
WBCMT 2007 C31 Amberpark Limited Partnership	1601 Washington Avenue, Suite 700	Miami, FL 33139
Greenstone Parkway Four Hundred LLLP	3301 Windy Ridge Parkway, Suite 320	Atlanta, GA 30339
Fulton County Board of Education	786 Cleveland Avenue	Atlanta, GA 30315
Joel B. Shirley, Jr	2705 Old Milton Pkwy	Alpharetta, GA 30004
John Doulgerakis	2665 Old Milton Pkwy	Alpharetta, GA 30004



FEASIBILITY STUDY

Proposed Courtyard by Marriott Parkway 400 Alpharetta

AMBERPARK DRIVE
ALPHARETTA, GEORGIA

SUBMITTED TO:

Mr. Steven C Smith
Hotel Development Partners
3414 Peachtree Road Northeast, Suite 1075
Atlanta, Georgia, 30326

+1 (404) 842-1422

PREPARED BY:

HVS Consulting & Valuation
Division of Hospitality Property Tax, LLC
400 Trade Center, Suite 5900
Woburn, MA 01801

+1 (617) 424-8912



August 18, 2016

Mr. Steven C Smith
Hotel Development Partners
3414 Peachtree Road Northeast, Suite 1075
Atlanta, Georgia, 30326

HVS BOSTON

400 Trade Center, Suite 5900

Woburn, MA 01801

+1 (617) 424-8912

www.hvs.com

Re: Proposed Courtyard by Marriott Parkway 400 Alpharetta
Alpharetta, Georgia
HVS Reference: 2016021117

Dear Mr. Smith:

Pursuant to your request, we herewith submit our feasibility study pertaining to the above-captioned property. We have inspected the real estate and analyzed the hotel market conditions in the Alpharetta, Georgia area. We have studied the proposed project, and the results of our fieldwork and analysis are presented in this report. We have also reviewed the proposed improvements for this site. Our report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), as provided by the Appraisal Foundation.

We hereby certify that we have no undisclosed interest in the property, and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

Sincerely,
TS Worldwide, LLC

DRAFT DOCUMENT

Michael E. Brophy, Senior Vice President, Partner
mbrophy@hvs.com, +1 (678) 628-6577
State Appraiser License (GA) 343765

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1. Executive Summary

Subject of the Feasibility Study

The subject of the feasibility study is a 82,590-square-foot (1.90-acre) parcel to be improved with a select-service lodging facility; the hotel will be affiliated with the Courtyard by Marriott brand. The property, which is expected to open on April 1, 2018, will feature 115 rooms, a restaurant and lounge, 1,200 square feet of meeting space, an indoor pool, a fitness room, a business center a market pantry, a guest laundry room, and an outdoor patio and fire pit.. The hotel will also contain the appropriate parking capacity (113) and all necessary back-of-the-house space.

The proposed subject property will be located within walking-distance to the Avalon mixed-use development and Conference Center that is currently under construction, and will be the second Courtyard by Marriott in Alpharetta. The hotel's strong brand, coupled with a premier location a growing neighborhood, will allow it to become a foremost choice for business travelers. The proposed subject hotel should also work in concert with the Proposed Marriott Autograph Collection hotel and the Alpharetta Conference Center in enticing larger and more varied groups to the market. Moreover, the subject site is in the center of the primary developments that have been recently completed, are under construction, or are planned in Alpharetta. The subject site's location is Amberpark Drive, Alpharetta, Georgia, 30009.

Pertinent Dates

The effective date of the report is August 9, 2016. The subject site was inspected by Benjamin A. Levin on July 26, 2016. In addition to the inspection, Benjamin A. Levin participated in the research for this assignment and assisted in the report's preparation. Michael E. Brophy participated in the analysis and reviewed the findings, but did not personally inspect the property.

Ownership, Franchise, and Management Assumptions

The developer of the proposed subject hotel is Hotel Development Partners, which is based in Atlanta, Georgia. The subject site is now under contract for purchase by Hotel Development Partners for a reported price of \$1,350,000; the site was originally listed for sale for \$1,615,000 by Bullock Mannelly Partners, Inc. Whileaway Holdings LLC has owned the site since 2005 when it purchased the parcel from AFP Strategies LLC for a reported price of \$875,000.

The proposed subject hotel will be managed by Hotel Equities. Details pertaining to management terms were not yet determined at the time of this report; therefore, our forecast represent fees deducted at rates consistent with current market standards. We have assumed a market-appropriate total management fee of 3.0% of total revenues in our study.

Summary of Hotel Market Trends

The proposed subject hotel will operate under a franchise agreement with Marriott Hotels & Resorts as a Courtyard by Marriott; the terms of this agreement had yet to be determined at the time of this appraisal. Based on our review of the agreement's terms or expected terms, the Courtyard by Marriott franchise is reflected in our forecasts with a royalty fee of 6% of rooms revenue, and a marketing assessment of 2% of rooms revenue.

Strong occupancy and average rate levels caused RevPAR to first peak at nearly \$70 in 2007, before declining to a low point of roughly \$53 by year-end 2009 because of the recession. A rapid recovery began in 2010 that extended through year-end 2015; as illustrated, the 2007 peak in RevPAR was exceeded in 2013. Primary factors contributing to this period of strengthening included several corporations opening offices in Alpharetta during that time, including Fiserv, LG Air Conditioning, and Halyard Health, as well as a lack of new supply and opening of the Avalon mixed-use development.

Year-to-date data illustrate stable occupancy levels, but roughly a \$12.00 gain in average rate. RevPAR reached its high point in early 2016. The outlook for the remaining months of 2016 is strong due to the historically high demand levels and strong local economy.

The following table provides a historical perspective on the supply and demand trends for a selected set of hotels, as provided by STR.

FIGURE 1-1 HISTORICAL SUPPLY AND DEMAND TRENDS (STR)

Year	Average Daily Room Count	Available Room Nights	Change	Occupied Room Nights	Change	Occupancy	Average Rate	Change	RevPAR	Change
2004	1,542	562,719	—	357,249	—	63.5 %	\$79.87	—	\$50.71	—
2005	1,516	553,350	(1.7) %	362,789	1.6 %	65.6	88.02	10.2 %	57.71	13.8 %
2006	1,542	562,830	1.7	370,205	2.0	65.8	97.42	10.7	64.08	11.0
2007	1,542	562,830	0.0	361,023	(2.5)	64.1	108.75	11.6	69.76	8.9
2008	1,542	562,830	0.0	349,353	(3.2)	62.1	111.10	2.2	68.96	(1.1)
2009	1,542	562,830	0.0	328,521	(6.0)	58.4	90.94	(18.1)	53.08	(23.0)
2010	1,542	562,830	0.0	377,638	15.0	67.1	83.99	(7.6)	56.36	6.2
2011	1,542	562,830	0.0	383,546	1.6	68.1	90.00	7.2	61.33	8.8
2012	1,542	562,830	0.0	390,207	1.7	69.3	95.18	5.8	65.99	7.6
2013	1,542	562,830	0.0	413,706	6.0	73.5	101.10	6.2	74.32	12.6
2014	1,542	562,830	0.0	417,152	0.8	74.1	111.09	9.9	82.34	10.8
2015	1,542	562,830	0.0	425,784	2.1	75.7	121.10	9.0	91.61	11.3

Year-to-Date Through June

2015	1,542	279,102	—	212,153	—	76.0 %	\$120.14	—	\$91.32	—
2016	1,542	279,041	(0.0) %	212,634	0.2 %	76.2	132.11	10.0 %	100.67	10.2 %

Hotels Included in Sample	Number of Rooms	Year Affiliated	Year Opened
Residence Inn Atlanta Alpharetta Windward	103	Apr 1990	Apr 1990
Fairfield Inn & Suites Atlanta Alpharetta	86	May 1995	May 1995
Hyatt Place Atlanta Alpharetta North Point Mall	124	Jan 2008	Aug 1995
Hyatt Place Atlanta Alpharetta Windward Parkway	127	Apr 2007	Jan 1998
Hilton Garden Inn Atlanta North Alpharetta	164	Mar 1998	Mar 1998
Hampton Inn Suites Alpharetta Windward	103	Feb 1999	Feb 1999
Holiday Inn Express Alpharetta Windward Parkway	124	Feb 2014	Feb 1999
Springhill Suites Atlanta Alpharetta	82	Mar 1999	Mar 1999
Residence Inn Atlanta Alpharetta North Point Mall	120	May 1999	May 1999
Courtyard Atlanta Alpharetta	154	Jan 2000	Jan 2000
Doubletree Atlanta Alpharetta Windward	79	May 2005	May 2000
Hilton Garden Inn Atlanta Northpoint	125	Mar 2001	Mar 2001
Embassy Suites Atlanta Alpharetta	150	May 2001	May 2001
Total	1,541		

Source: STR

The following tables reflect our estimates of operating data for hotels on an individual basis. These trends are presented in detail in the Supply and Demand Analysis chapter of this report.

FIGURE 1-2 PRIMARY COMPETITORS – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation			Estimated 2014				Estimated 2015					
		Commercial	Meeting and Group	Leisure	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Courtyard by Marriott Atlanta Alpharetta	154	75 %	15 %	10 %	154	65 - 70 %	\$115 - \$120	\$75 - \$80	154	70 - 75 %	\$120 - \$125	\$85 - \$90	90 - 95 %	95 - 100 %
Hilton Garden Inn Atlanta North Alpharetta	164	75	15	10	164	75 - 80	115 - 120	85 - 90	164	75 - 80	125 - 130	100 - 105	100 - 110	110 - 120
Hilton Garden Inn Atlanta Northpoint	125	75	15	10	125	70 - 75	115 - 120	80 - 85	125	70 - 75	125 - 130	90 - 95	95 - 100	100 - 110
DoubleTree by Hilton Windward	79	70	15	15	79	65 - 70	110 - 115	70 - 75	79	70 - 75	115 - 120	85 - 90	95 - 100	95 - 100
Embassy Suites Atlanta Alpharetta	150	70	20	10	150	80 - 85	125 - 130	105 - 110	150	85 - 90	130 - 140	115 - 120	110 - 120	120 - 130
Sub-Totals/Averages	672	73 %	16 %	11 %	672	74.2 %	\$118.72	\$88.08	672	77.1 %	\$128.05	\$98.78	102.2 %	107.7 %
Secondary Competitors	870	69 %	14 %	17 %	574	73.1 %	\$103.57	\$75.71	574	73.6 %	\$113.43	\$83.44	97.4 %	91.0 %
Totals/Averages	1,542	71 %	15 %	13 %	1,246	73.7 %	\$111.79	\$82.38	1,246	75.5 %	\$121.48	\$91.71	100.0 %	100.0 %

* Specific occupancy and average rate data was utilized in our analysis, but is presented in ranges in the above table for the purposes of confidentiality.

FIGURE 1-3 SECONDARY COMPETITORS – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation			Total Competitive Level	Estimated 2014				Estimated 2015			
		Commercial	Meeting and Group	Leisure		Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR
SpringHill Suites by Marriott Alpharetta	82	75 %	15 %	10 %	75 %	62	75 - 80 %	\$100 - \$105	\$75 - \$80	62	65 - 70 %	\$110 - \$115	\$75 - \$80
Hyatt Place Alpharetta Woodward Parkway	127	70	15	15	75	95	80 - 85	95 - 100	80 - 85	95	80 - 85	105 - 110	90 - 95
Hyatt Place Atlanta Alpharetta North Point Mall	124	65	15	20	75	93	65 - 70	100 - 105	70 - 75	93	65 - 70	115 - 120	75 - 80
Fairfield Inn & Suites Atlanta Alpharetta	87	70	15	15	75	65	70 - 75	100 - 105	70 - 75	65	65 - 70	105 - 110	70 - 75
Hampton Inn & Suites Alpharetta	103	70	15	15	75	77	65 - 70	100 - 105	70 - 75	77	70 - 75	110 - 115	80 - 85
Holiday Inn Express & Suites Alpharetta-Windward Parkway	124	65	15	20	75	93	60 - 65	100 - 105	60 - 65	93	70 - 75	105 - 110	75 - 80
Residence Inn by Marriott Alpharetta	120	70	10	20	40	48	80 - 85	100 - 105	85 - 90	48	75 - 80	115 - 120	90 - 95
Residence Inn by Marriott Atlanta Alpharetta Windward	103	70	10	20	40	41	75 - 80	125 - 130	100 - 105	41	75 - 80	140 - 150	110 - 115
Totals/Averages	870	69 %	14 %	17 %	66 %	574	73.1 %	\$103.57	\$75.71	574	73.6 %	\$113.43	\$83.44

* Specific occupancy and average rate data was utilized in our analysis, but is presented in ranges in the above table for the purposes of confidentiality.

Summary of Forecast Occupancy and Average Rate

Based on our analysis presented in the Projection of Occupancy and Average Rate chapter, we have chosen to use a stabilized occupancy level of 74% and a base-year rate position of \$130.00 for the proposed subject hotel. The following table reflects a summary of our market-wide and proposed subject hotel occupancy and average rate projections.

FIGURE 1-4 MARKET AND SUBJECT PROPERTY AVERAGE RATE FORECAST

Year	Area-wide Market (Calendar Year)			Subject Property (Calendar Year)			
	Occupancy	Average Rate Growth	Average Rate	Occupancy	Average Rate Growth	Average Rate	Average Rate Penetration
Base Year	75.5 %	—	\$121.48	—	—	\$130.00	107.0 %
2016	75.8	10.0 %	133.63	—	10.0 %	143.00	107.0
2017	76.5	6.0	141.65	—	6.0	151.58	107.0
2018	71.4	3.5	146.61	68.0 %	3.5	156.89	107.0
2019	71.5	2.0	149.54	72.0	2.0	160.02	107.0
2020	71.9	2.5	153.28	74.0	2.5	164.02	107.0
2021	71.9	3.0	157.87	74.0	3.0	168.94	107.0

The following table summarizes the proposed subject hotel's forecast, reflecting fiscal years and opening-year rate discounts as applicable.

FIGURE 1-5 FORECAST OF AVERAGE RATE

Year	Occupancy	Average Rate Before Discount	Discount	Average Rate After Discount
2018/19	69 %	\$157.66	2.5 %	\$153.72
2019/20	73	161.01	1.0	159.40
2020/21	74	165.24	0.0	165.24

Summary of Forecast Income and Expense Statement

Our positioning of each revenue and expense level is supported by comparable operations or trends specific to this market. Our forecast of income and expense is presented in the following table.

FIGURE 1-6 DETAILED FORECAST OF INCOME AND EXPENSE

	2018/19 Begins April				2019/20				Stabilized				2021/22				2022/23			
Number of Rooms:	115				115				115				115				115			
Occupancy:	69%				73%				74%				74%				74%			
Average Rate:	\$153.72				\$159.40				\$165.24				\$170.19				\$175.30			
RevPAR:	\$106.07				\$116.36				\$122.28				\$125.94				\$129.72			
Days Open:	365				365				365				365				365			
Occupied Rooms:	28,963	%Gross	PAR	POR	30,642	%Gross	PAR	POR	31,062	%Gross	PAR	POR	31,062	%Gross	PAR	POR	31,062	%Gross	PAR	POR
OPERATING REVENUE																				
Rooms	\$4,452	91.6 %	\$38,713	\$153.71	\$4,884	91.2 %	\$42,470	\$159.39	\$5,133	91.1 %	\$44,635	\$165.25	\$5,286	91.1 %	\$45,965	\$170.18	\$5,445	91.1 %	\$47,348	\$175.30
Food	243	5.0	2,109	8.37	277	5.2	2,412	9.05	295	5.2	2,562	9.48	303	5.2	2,638	9.77	313	5.2	2,718	10.06
Beverage	116	2.4	1,005	3.99	137	2.6	1,191	4.47	147	2.6	1,281	4.74	152	2.6	1,319	4.88	156	2.6	1,359	5.03
Other Operated Departments	47	1.0	408	1.62	52	1.0	455	1.71	55	1.0	480	1.78	57	1.0	495	1.83	59	1.0	510	1.89
Miscellaneous Income	5	0.1	41	0.16	5	0.1	46	0.17	6	0.1	48	0.18	6	0.1	49	0.18	6	0.1	51	0.19
Total Operating Revenues	4,862	100.0	42,276	167.86	5,356	100.0	46,574	174.79	5,636	100.0	49,005	181.43	5,804	100.0	50,467	186.85	5,978	100.0	51,985	192.46
DEPARTMENTAL EXPENSES *																				
Rooms	894	20.1	7,777	30.88	942	19.3	8,188	30.73	975	19.0	8,480	31.40	1,004	19.0	8,734	32.34	1,035	19.0	8,996	33.31
Food & Beverage	312	87.2	2,715	10.78	338	81.5	2,939	11.03	353	80.0	3,074	11.38	364	80.0	3,166	11.72	375	80.0	3,261	12.07
Other Operated Departments	25	53.8	220	0.87	27	50.9	231	0.87	28	50.0	240	0.89	28	50.0	247	0.92	29	50.0	255	0.94
Total	1,232	25.3	10,711	42.53	1,306	24.4	11,358	42.63	1,356	24.1	11,794	43.66	1,397	24.1	12,148	44.97	1,439	24.1	12,512	46.32
DEPARTMENTAL INCOME	3,630	74.7	31,565	125.33	4,050	75.6	35,215	132.17	4,279	75.9	37,212	137.77	4,407	75.9	38,319	141.87	4,539	75.9	39,473	146.14
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	478	9.8	4,156	16.50	500	9.3	4,351	16.33	518	9.2	4,505	16.68	534	9.2	4,640	17.18	550	9.2	4,779	17.69
Info. & Telecom. Systems	44	0.9	383	1.52	46	0.9	401	1.50	48	0.8	415	1.54	49	0.8	427	1.58	51	0.8	440	1.63
Marketing	252	5.2	2,187	8.69	263	4.9	2,290	8.59	273	4.8	2,371	8.78	281	4.8	2,442	9.04	289	4.8	2,515	9.31
Franchise Fee	356	7.3	3,097	12.30	391	7.3	3,398	12.75	411	7.3	3,571	13.22	423	7.3	3,677	13.61	436	7.3	3,788	14.02
Prop. Operations & Maint.	171	3.5	1,487	5.91	201	3.8	1,752	6.57	232	4.1	2,015	7.46	239	4.1	2,076	7.68	246	4.1	2,138	7.92
Utilities	176	3.6	1,531	6.08	184	3.4	1,603	6.02	191	3.4	1,660	6.14	197	3.4	1,709	6.33	202	3.4	1,761	6.52
Total	1,477	30.3	12,842	50.99	1,586	29.6	13,793	51.77	1,672	29.6	14,536	53.82	1,722	29.6	14,971	55.43	1,773	29.6	15,421	57.09
GROSS HOUSE PROFIT	2,153	44.4	18,722	74.34	2,464	46.0	21,422	80.40	2,608	46.3	22,675	83.95	2,685	46.3	23,348	86.44	2,766	46.3	24,052	89.05
Management Fee	146	3.0	1,268	5.04	161	3.0	1,397	5.24	169	3.0	1,470	5.44	174	3.0	1,514	5.61	179	3.0	1,560	5.77
INCOME BEFORE NON-OPER. INC. & EXP.	2,007	41.4	17,454	69.30	2,303	43.0	20,025	75.16	2,439	43.3	21,205	78.51	2,511	43.3	21,834	80.84	2,587	43.3	22,492	83.27
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	143	2.9	1,239	4.92	147	2.7	1,276	4.79	151	2.7	1,315	4.87	156	2.7	1,354	5.01	160	2.7	1,395	5.16
Insurance	51	1.1	447	1.77	53	1.0	460	1.73	55	1.0	474	1.76	56	1.0	488	1.81	58	1.0	503	1.86
Reserve for Replacement	97	2.0	846	3.36	161	3.0	1,397	5.24	225	4.0	1,960	7.26	232	4.0	2,019	7.47	239	4.0	2,079	7.70
Total	291	6.0	2,532	10.05	360	6.7	3,134	11.76	431	7.7	3,749	13.88	444	7.7	3,861	14.30	457	7.7	3,977	14.72
EBITDA LESS RESERVE	\$1,716	35.4 %	\$14,922	\$59.25	\$1,942	36.3 %	\$16,891	\$63.39	\$2,007	35.6 %	\$17,456	\$64.63	\$2,067	35.6 %	\$17,973	\$66.54	\$2,129	35.6 %	\$18,515	\$68.55

* Departmental expenses are expressed as a percentage of departmental revenues.

FIGURE 1-7 TEN-YEAR FORECAST OF INCOME AND EXPENSE

	2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27		2027/28	
Number of Rooms:	115		115		115		115		115		115		115		115		115		115	
Occupied Rooms:	28,963		30,642		31,062		31,062		31,062		31,062		31,062		31,062		31,062		31,062	
Occupancy:	69%		73%		74%		74%		74%		74%		74%		74%		74%		74%	
Average Rate:	\$153.72	% of	\$159.40	% of	\$165.24	% of	\$170.19	% of	\$175.30	% of	\$180.56	% of	\$185.98	% of	\$191.55	% of	\$197.30	% of	\$203.22	% of
RevPAR:	\$106.07	Gross	\$116.36	Gross	\$122.28	Gross	\$125.94	Gross	\$129.72	Gross	\$133.61	Gross	\$137.62	Gross	\$141.75	Gross	\$146.00	Gross	\$150.38	Gross
OPERATING REVENUE																				
Rooms	\$4,452	91.6 %	\$4,884	91.2 %	\$5,133	91.1 %	\$5,286	91.1 %	\$5,445	91.1 %	\$5,608	91.1 %	\$5,777	91.1 %	\$5,950	91.1 %	\$6,128	91.1 %	\$6,312	91.1 %
Food	243	5.0	277	5.2	295	5.2	303	5.2	313	5.2	322	5.2	332	5.2	341	5.2	352	5.2	362	5.2
Beverage	116	2.4	137	2.6	147	2.6	152	2.6	156	2.6	161	2.6	166	2.6	171	2.6	176	2.6	181	2.6
Other Operated Departments	47	1.0	52	1.0	55	1.0	57	1.0	59	1.0	60	1.0	62	1.0	64	1.0	66	1.0	68	1.0
Miscellaneous Income	5	0.1	5	0.1	6	0.1	6	0.1	6	0.1	6	0.1	6	0.1	6	0.1	7	0.1	7	0.1
Total Operating Revenue	4,862	100.0	5,356	100.0	5,636	100.0	5,804	100.0	5,978	100.0	6,157	100.0	6,343	100.0	6,533	100.0	6,728	100.0	6,930	100.0
DEPARTMENTAL EXPENSES*																				
Rooms	894	20.1	942	19.3	975	19.0	1,004	19.0	1,035	19.0	1,066	19.0	1,098	19.0	1,130	19.0	1,164	19.0	1,199	19.0
Food & Beverage	312	87.2	338	81.5	353	80.0	364	80.0	375	80.0	386	80.0	398	80.0	410	80.0	422	80.0	435	80.0
Other Operated Departments	25	53.8	27	50.9	28	50.0	28	50.0	29	50.0	30	50.0	31	50.0	32	50.0	33	50.0	34	50.0
Total	1,232	25.3	1,306	24.4	1,356	24.1	1,397	24.1	1,439	24.1	1,482	24.1	1,527	24.1	1,572	24.1	1,619	24.1	1,668	24.1
DEPARTMENTAL INCOME																				
3,630	74.7	4,050	75.6	4,279	75.9	4,407	75.9	4,539	75.9	4,675	75.9	4,816	75.9	4,960	75.9	5,109	75.9	5,262	75.9	
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	478	9.8	500	9.3	518	9.2	534	9.2	550	9.2	566	9.2	583	9.2	601	9.2	619	9.2	637	9.2
Info. & Telecom. Systems	44	0.9	46	0.9	48	0.8	49	0.8	51	0.8	52	0.8	54	0.8	55	0.8	57	0.8	59	0.8
Marketing	252	5.2	263	4.9	273	4.8	281	4.8	289	4.8	298	4.8	307	4.8	316	4.8	326	4.8	335	4.8
Franchise Fee	356	7.3	391	7.3	411	7.3	423	7.3	436	7.3	449	7.3	462	7.3	476	7.3	490	7.3	505	7.3
Prop. Operations & Maint.	171	3.5	201	3.8	232	4.1	239	4.1	246	4.1	253	4.1	261	4.1	269	4.1	277	4.1	285	4.1
Utilities	176	3.6	184	3.4	191	3.4	197	3.4	202	3.4	209	3.4	215	3.4	221	3.4	228	3.4	235	3.4
Total	1,477	30.3	1,586	29.6	1,672	29.6	1,722	29.6	1,773	29.6	1,827	29.6	1,881	29.6	1,938	29.6	1,996	29.6	2,056	29.6
GROSS HOUSE PROFIT																				
2,153	44.4	2,464	46.0	2,608	46.3	2,685	46.3	2,766	46.3	2,849	46.3	2,935	46.3	3,023	46.3	3,113	46.3	3,206	46.3	
Management Fee	146	3.0	161	3.0	169	3.0	174	3.0	179	3.0	185	3.0	190	3.0	196	3.0	202	3.0	208	3.0
INCOME BEFORE NON-OPER. INC. & EXP.																				
2,007	41.4	2,303	43.0	2,439	43.3	2,511	43.3	2,587	43.3	2,664	43.3	2,744	43.3	2,827	43.3	2,911	43.3	2,998	43.3	
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	143	2.9	147	2.7	151	2.7	156	2.7	160	2.7	165	2.7	170	2.7	175	2.7	181	2.7	186	2.7
Insurance	51	1.1	53	1.0	55	1.0	56	1.0	58	1.0	60	1.0	61	1.0	63	1.0	65	1.0	67	1.0
Reserve for Replacement	97	2.0	161	3.0	225	4.0	232	4.0	239	4.0	246	4.0	254	4.0	261	4.0	269	4.0	277	4.0
Total	291	6.0	360	6.7	431	7.7	444	7.7	457	7.7	471	7.7	485	7.7	500	7.7	515	7.7	530	7.7
EBITDA LESS RESERVE																				
\$1,716	35.4 %	\$1,942	36.3 %	\$2,007	35.6 %	\$2,067	35.6 %	\$2,129	35.6 %	\$2,193	35.6 %	\$2,259	35.6 %	\$2,327	35.6 %	\$2,396	35.6 %	\$2,468	35.6 %	

*Departmental expenses are expressed as a percentage of departmental revenues.

As illustrated, the hotel is expected to stabilize at a profitable level. Please refer to the Forecast of Income and Expense chapter of our report for a detailed explanation of the methodology used in deriving this forecast.

Feasibility Conclusion

The Feasibility Analysis chapter of this report converts these cash flows into a net present value indication assuming set-forth debt and equity requirements. The conclusion of this analysis indicates that an equity investor contributing \$6,400,000 (roughly 30% of the \$21,300,000 development cost) could expect to receive a 19.5% internal rate of return over a ten-year holding period, assuming that the investor obtains financing at the time of the project's completion at the loan-to-value ratio and interest rate set forth. The proposed subject hotel has an opportunity to serve what is becoming an underserved niche in the submarket. Based on our market analysis, there is sufficient market support for the proposed Courtyard by Marriott hotel. Our conclusions are based primarily on the long-term strength of this hotel market. Our review of investor surveys indicates equity returns ranging from 14.2% to 22.1%, with an average of 18.7%. Based on these parameters, the calculated return to the equity investor, 20.5%, is above the average and within the range of market level returns given the anticipated cost of \$20,800,000.

Assignment Conditions

"Extraordinary Assumption" is defined in USPAP as follows:

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.¹

The analysis is based on the extraordinary assumption that the described improvements have been completed as of the stated date of opening. The reader should understand that the completed subject property does not yet exist as of the date of this report. Our feasibility study does not address unforeseeable events that could alter the proposed project and/or the market conditions reflected in the analyses; we assume that no significant changes, other than those anticipated and explained in this report, shall take place between the date of inspection and stated date of opening. The use of this extraordinary assumption may have affected the assignment results. We have made no other extraordinary assumptions specific to this feasibility study. However, several important general assumptions have been

¹ The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*, 2016–2017 ed.

made that apply to this feasibility study and our studies of proposed hotels in general. These aspects are set forth in the Assumptions and Limiting Conditions chapter of this report.

Intended Use of the Feasibility Study

This feasibility report is being prepared for use in the development of the proposed subject hotel.

Identification of the Client and Intended User(s)

The client for this engagement is Hotel Development Partners. This report is intended for the addressee firm, and may not be distributed to or relied upon by other persons or entities.

Scope of Work

The methodology used to develop this study is based on the market research and valuation techniques set forth in the textbooks authored by Hospitality Valuation Services for the American Institute of Real Estate Appraisers and the Appraisal Institute, entitled *The Valuation of Hotels and Motels*,² *Hotels, Motels and Restaurants: Valuations and Market Studies*,³ *The Computerized Income Approach to Hotel/Motel Market Studies and Valuations*,⁴ *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations*,⁵ and *Hotels and Motels – Valuations and Market Studies*.⁶

1. All information was collected and analyzed by the staff of TS Worldwide, LLC. Information was supplied by the client and/or the property's development team.
2. The subject site has been evaluated from the viewpoint of its physical utility for the future operation of a hotel, as well as access, visibility, and other relevant factors.
3. The subject property's proposed improvements have been reviewed for their expected quality of construction, design, and layout efficiency.
4. The surrounding economic environment, on both an area and neighborhood level, has been reviewed to identify specific hostelry-related

² Stephen Rushmore, *The Valuation of Hotels and Motels*. (Chicago: American Institute of Real Estate Appraisers, 1978).

³ Stephen Rushmore, *Hotels, Motels and Restaurants: Valuations and Market Studies*. (Chicago: American Institute of Real Estate Appraisers, 1983).

⁴ Stephen Rushmore, *The Computerized Income Approach to Hotel/Motel Market Studies and Valuations*. (Chicago: American Institute of Real Estate Appraisers, 1990).

⁵ Stephen Rushmore, *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations* (Chicago: Appraisal Institute, 1992).

⁶ Stephen Rushmore and Erich Baum, *Hotels and Motels – Valuations and Market Studies*. (Chicago: Appraisal Institute, 2001).

economic and demographic trends that may have an impact on future demand for hotels.

5. Dividing the market for hotel accommodations into individual segments defines specific market characteristics for the types of travelers expected to utilize the area's hotels. The factors investigated include purpose of visit, average length of stay, facilities and amenities required, seasonality, daily demand fluctuations, and price sensitivity.
6. An analysis of existing and proposed competition provides an indication of the current accommodated demand, along with market penetration and the degree of competitiveness. Unless noted otherwise, we have inspected the competitive lodging facilities summarized in this report.
7. Documentation for an occupancy and average rate projection is derived utilizing the build-up approach based on an analysis of lodging activity.
8. A detailed projection of income and expense made in accordance with the Uniform System of Accounts for the Lodging Industry sets forth the anticipated economic benefits of the subject property.
9. A feasibility analysis is performed that compares the net present value of the forecast cash flows to the development cost of the hotel.

2. Description of the Site and Neighborhood

The suitability of the land for the operation of a lodging facility is an important consideration affecting the economic viability of a property and its ultimate marketability. Factors such as size, topography, access, visibility, and the availability of utilities have a direct impact on the desirability of a particular site.

The subject site is located in central Alpharetta, southwest of the intersection formed by Kimball Bridge Road and Amber Park Drive. This site is in the city of Alpharetta, Georgia.

Physical Characteristics

The subject site measures approximately 1.90 acres, or 82,590 square feet. The parcel's adjacent uses are set forth in the following table.

FIGURE 2-1 SUBJECT PARCEL'S ADJACENT USES

Direction	Adjacent Use
North	Kimball Bridge Road
South	Parking Lot
East	Amber Park Drive
West	Access Road

The subject site offers approximately 394 linear feet of frontage along Kimball Bridge Road and 244 linear feet of frontage along Amber Park Drive, which should enhance the access and visibility of the improvements once completed.

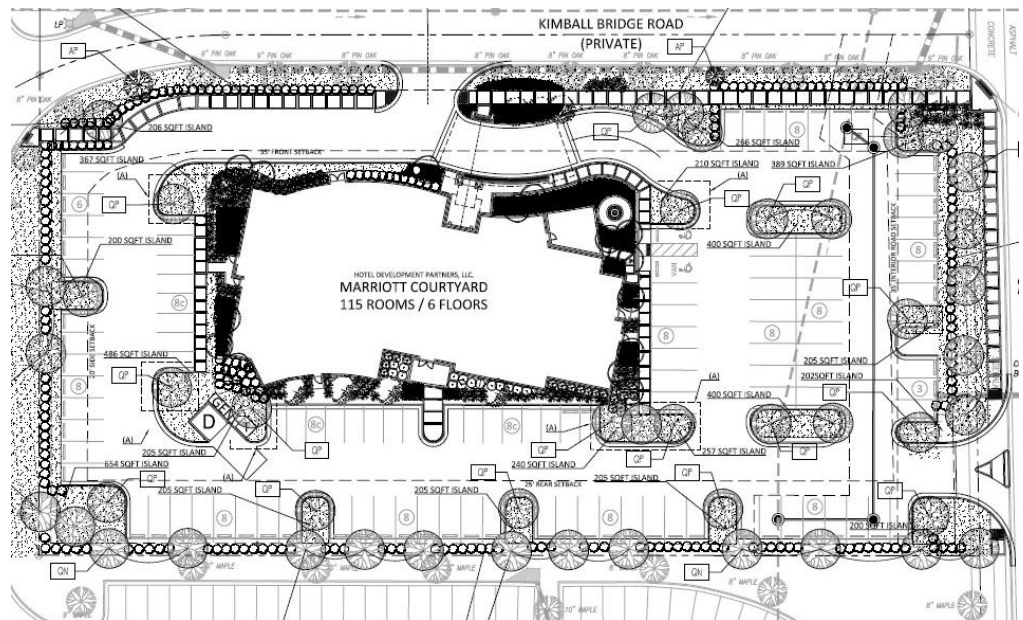
VIEW OF SUBJECT SITE



Topography and Site Utility

As illustrated in the following exhibit, the shape of the parcel should permit efficient use of the site for building and site improvements, including ingress and egress. Upon completion of construction, the subject site will not contain any significant portion of undeveloped land that could be sold, entitled, and developed for alternate use. It is expected that the site will be developed fully with building and site improvements, thus contributing to the overall profitability of the hotel.

SITE PLAN



AERIAL PHOTOGRAPH



VIEW FROM SITE TO THE NORTH**VIEW FROM SITE TO THE SOUTH****VIEW FROM SITE TO THE EAST****VIEW FROM SITE TO THE WEST****Access and Visibility**

It is important to analyze the site with respect to regional and local transportation routes and demand generators, including ease of access. The subject site is readily accessible to a variety of local and county roads, as well as state and interstate highways.

accessibility, and the proposed hotel is expected to enjoy good visibility from within its local neighborhood.

Airport Access

The proposed subject hotel will be served by the Hartsfield-Jackson Atlanta International Airport, which is located approximately 30 miles to the southwest of the subject site.

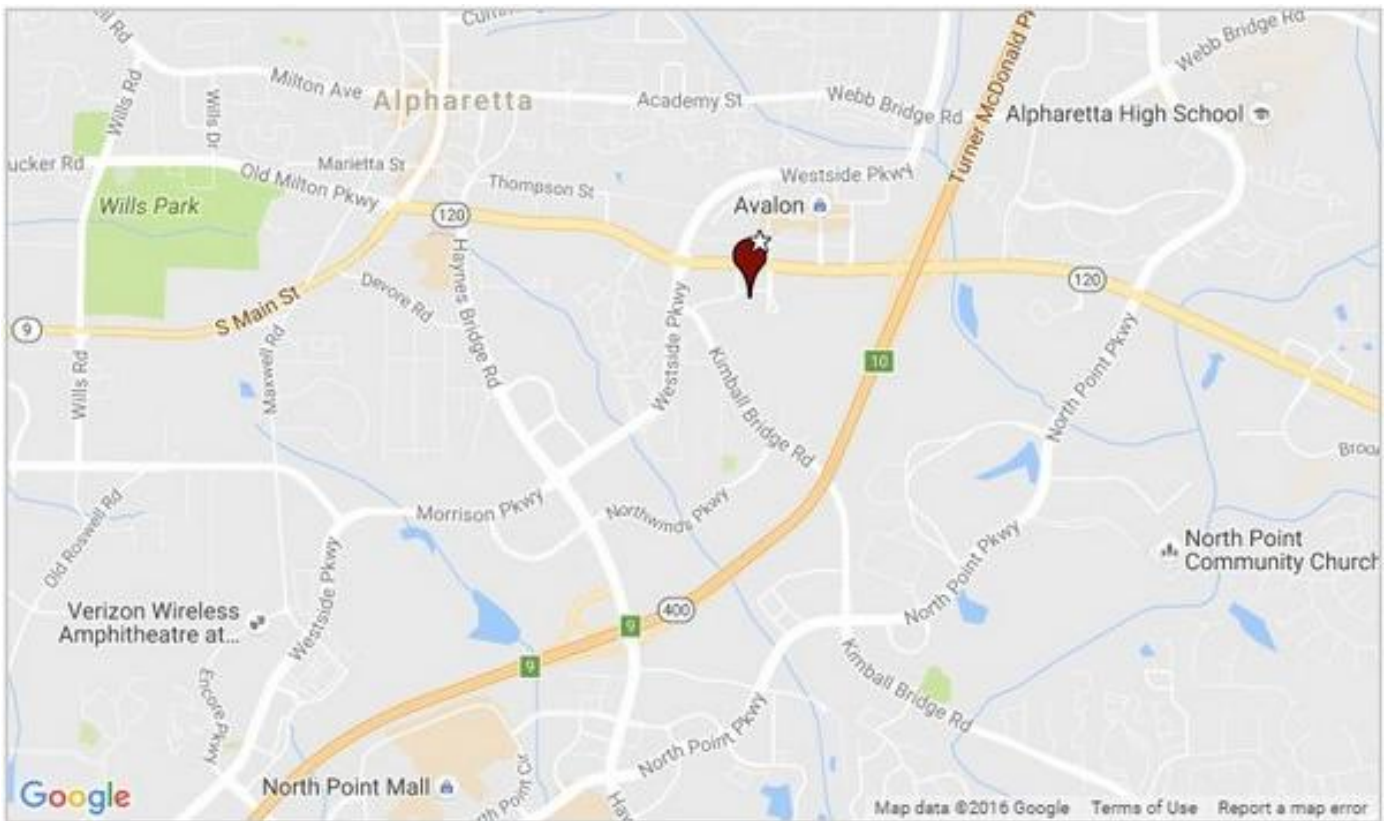
Neighborhood

The neighborhood surrounding a lodging facility often has an impact on a hotel's status, image, class, style of operation, and sometimes its ability to attract and properly serve a particular market segment. This section of the report investigates the subject neighborhood and evaluates any pertinent location factors that could affect its future occupancy, average rate, and overall profitability.

The neighborhood that surrounds the subject site is generally defined by Academy Street and Webb Bridge Road to the north, Turner McDonald Parkway/State Route 400 to the east, Turner McDonald Parkway/State Route 400 and Haynes Bridge Road to the south, and Haynes Bridge Road to the west. The neighborhood is characterized by restaurants, office buildings, and retail shopping centers along the primary thoroughfares, with residential areas located along the secondary roadways. Some specific businesses and entities in the area include the Gwinnett Technical College, Regal Cinemas Avalon 12, Charles Schwab, and Whole Foods Market. Hotels in the vicinity include the Fairfield Inn & Suites by Marriott and TownePlace Suites by Marriott, while restaurants located near the subject site include Bocado Burger, Bantam + Bidby, Starbucks, and Ted's Montana Grill; the proximity of these restaurants is considered supportive of the operation of a select-service lodging property.

In general, this neighborhood is in the growth stage of its life cycle. In late 2014, Phase I of the 86-acre Avalon mixed-use development opened in late 2014, with the first pieces of Phase II opening in 2017. The Avalon development has also spurred growth in the surrounding areas, with several new shopping centers opening, as well as the Gwinnett Tech Alpharetta/North Fulton campus welcoming its first students in January 2016. Future plans for the Gwinnett Tech Alpharetta/North Fulton's 25-acre campus include increasing its size from one to three building to accommodate up to 10,000 students. The neighborhood is also benefitting from a significant upgrade to its infrastructure. Northwinds Parkway, which currently runs parallel to State Route 400 from Haynes Bridge Road to Kimball Bridge Road, is being extended and will connect to Old Milton Parkway. The multi-million dollar project is planned for completion in early 2017. The new road should ease traffic along State Route 400 as well as improve accessibility to the Avalon and surrounding developments.

MAP OF NEIGHBORHOOD

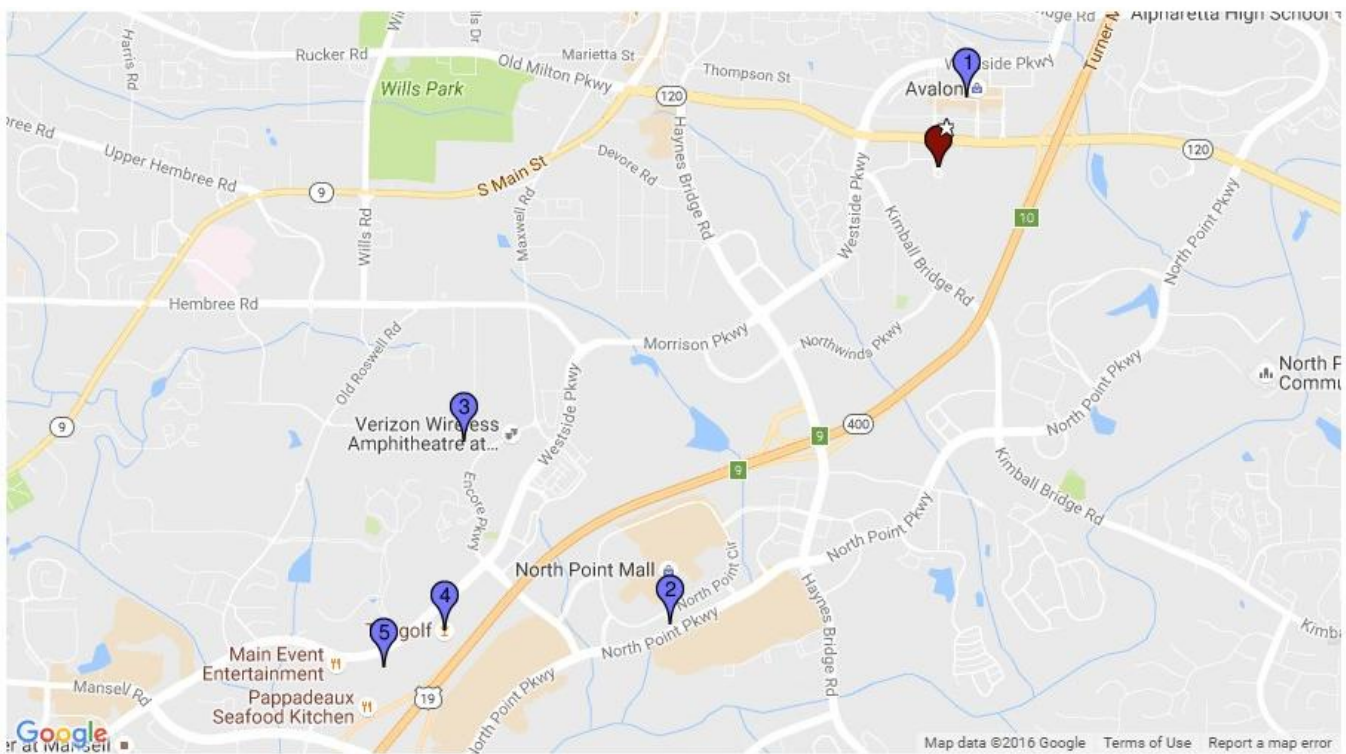


The proposed subject hotel's opening should be a positive influence on the area; the hotel will be in character with and will complement surrounding land uses. Overall, the supportive nature of the development in the immediate area is considered appropriate for and conducive to the operation of a hotel.

Proximity to Local Demand Generators and Attractions

The subject site is located near the area's primary generators of lodging demand. A sample of these demand generators is reflected on the following map, including respective distances from and drive times to the subject site. Overall, the subject site is well situated with respect to demand generators.

ACCESS TO DEMAND GENERATORS AND ATTRACTIONS



<u>Demand Generator</u>	<u>Approx. Driving Time/Distance from Subject Property</u>	<u>Description</u>
 Subject Property		
 The Avalon	 2 minutes  1 mile	
 North Point Mall	 6 minutes  4 miles	
 Verizon Wireless Amphitheatre at Encore Park	 5 minutes  4 miles	
 Topgolf	 6 minutes  4 miles	
 The Cooler	 6 minutes  5 miles	

Utilities

The subject site will reportedly be served by all necessary utilities.

**Soil and
Subsoil Conditions**

Geological and soil reports were not provided to us or made available for our review during the preparation of this report. We are not qualified to evaluate soil conditions other than by a visual inspection of the surface; no extraordinary conditions were apparent.

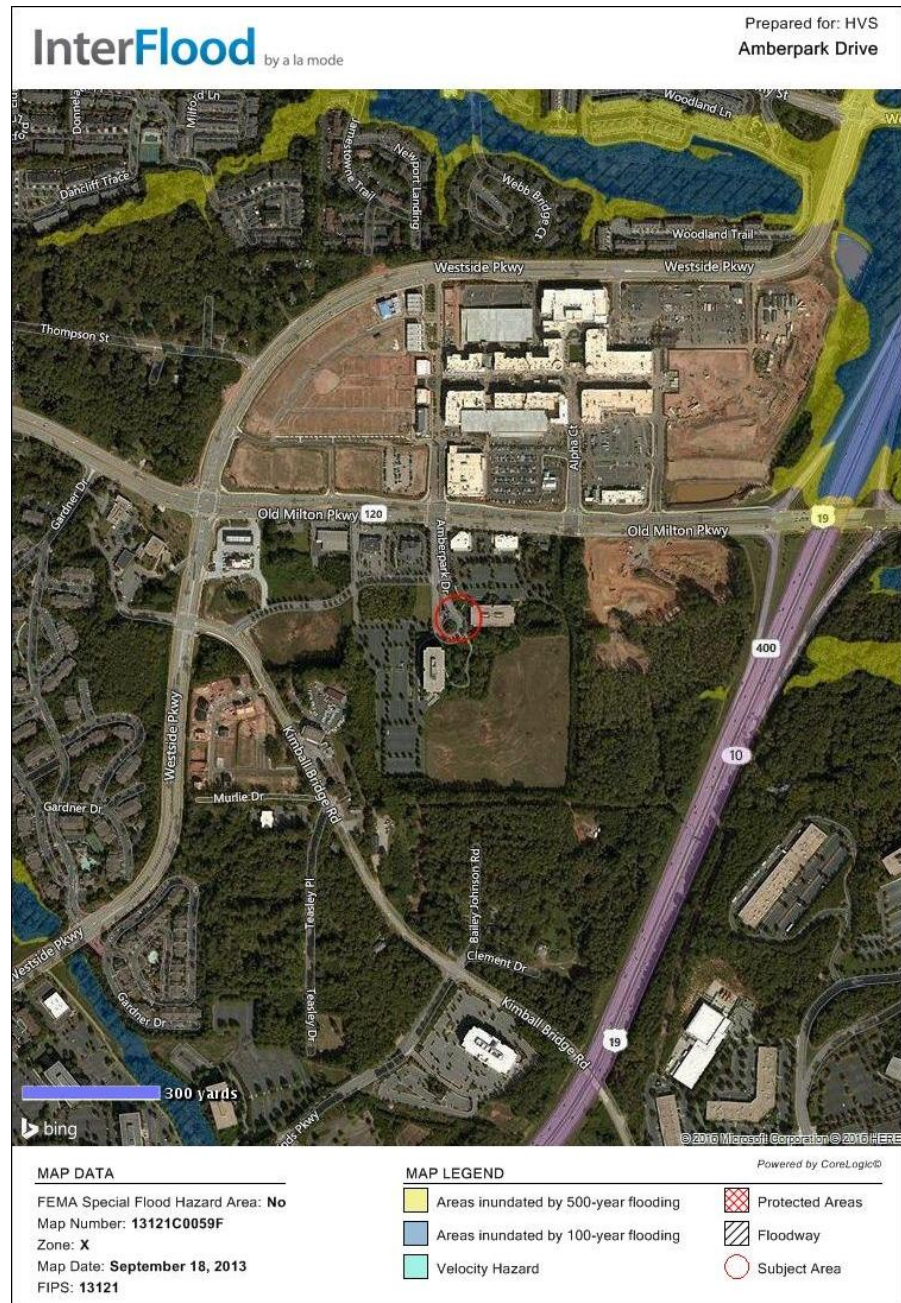
**Nuisances
and Hazards**

We were not informed of any site-specific nuisances or hazards, and there were no visible signs of toxic ground contaminants at the time of our inspection. Because we are not experts in this field, we do not warrant the absence of hazardous waste and urge the reader to obtain an independent analysis of these factors.

Flood Zone

According to the Federal Emergency Management Agency map illustrated below, the subject site is located in flood zone X.

COPY OF FLOOD MAP AND COVER



The flood zone definition for the X designation is as follows: areas outside the 500-year flood plain; areas of the 500-year flood; areas of the 100-year flood with average depths of less than one foot or with drainage areas less than one square mile and areas protected by levees from the 100-year flood.

Zoning

According to the local planning office, the subject property is zoned as follows: O-I - Office Institutional. This zoning designation allows for select commercial uses, including office building, financial institutions, and medical centers. We note that hotels are not permitted uses in this designation; we have assumed that a proper zoning variance would be granted before construction commences and within the timeline of construction presented in our report. We further assume that all necessary permits and approvals will be secured (including the appropriate liquor license if applicable) and that the subject property will be constructed in accordance with local zoning ordinances, building codes, and all other applicable regulations. Our zoning analysis should be verified before any physical changes are made to the site.

Easements and Encroachments

We are not aware of any easements attached to the property that would significantly affect the utility of the site or marketability of this project.

Conclusion

We have analyzed the issues of size, topography, access, visibility, and the availability of utilities. The subject site is favorably located near the interstate and the Avalon mixed-use development. In general, the site should be well suited for future hotel use, with acceptable access, visibility, and topography for an effective operation.

3. Market Area Analysis

The economic vitality of the market area and neighborhood surrounding the subject site is an important consideration in forecasting lodging demand and future income potential. Economic and demographic trends that reflect the amount of visitation provide a basis from which to project lodging demand. The purpose of the market area analysis is to review available economic and demographic data to determine whether the local market will undergo economic growth, stabilize, or decline. In addition to predicting the direction of the economy, the rate of change must be quantified. These trends are then correlated based on their propensity to reflect variations in lodging demand, with the objective of forecasting the amount of growth or decline in visitation by individual market segment (e.g., commercial, meeting and group, and leisure).

Market Area Definition

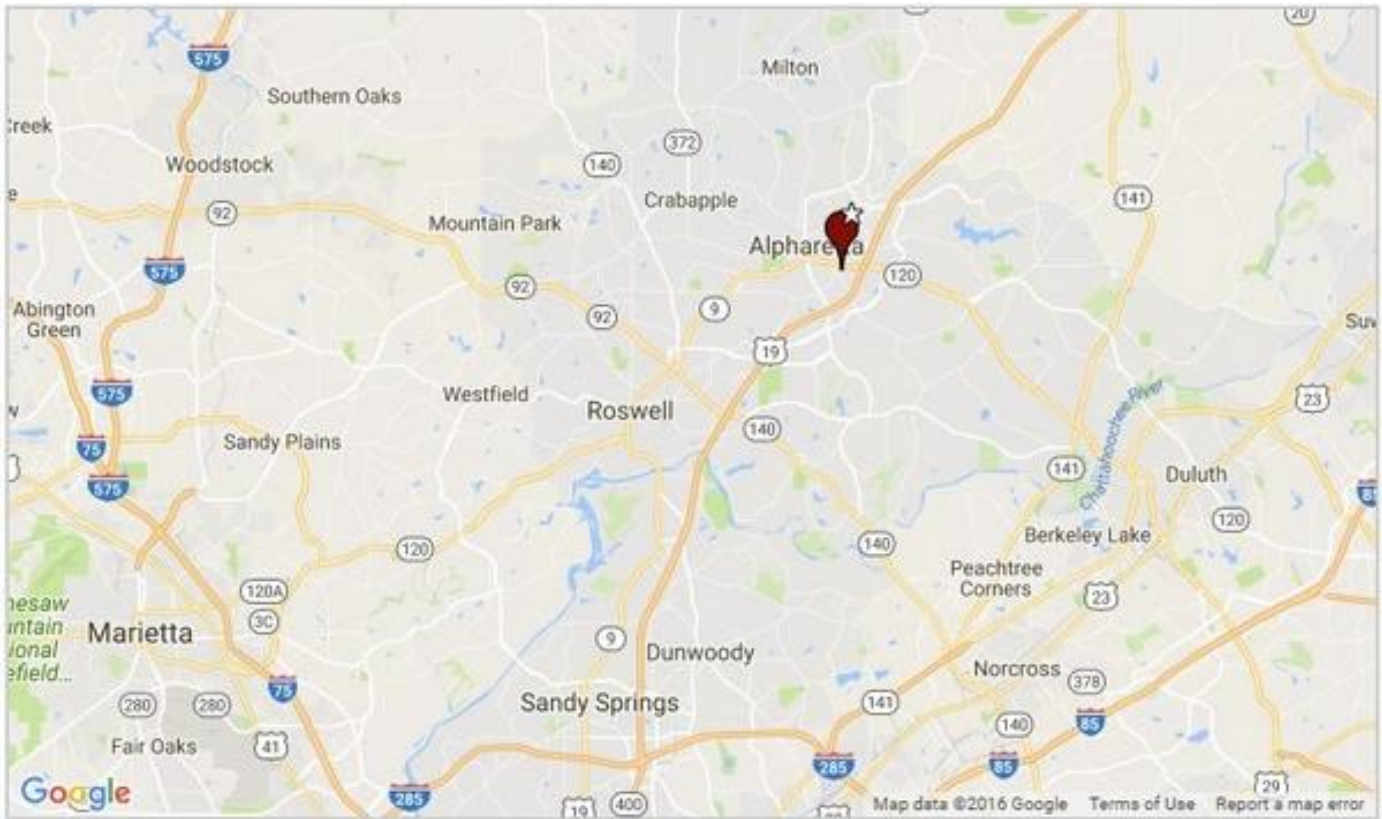
The market area for a lodging facility is the geographical region where the sources of demand and the competitive supply are located. The subject site is located in the city of Alpharetta, the county of Fulton, and the state of Georgia. Alpharetta is located in Fulton and Forsyth Counties, less than 25 miles north of Atlanta, Georgia. Alpharetta offers upscale shopping centers, exceptional dining, and a dynamic art scene; the area also benefits from its proximity to the mountains of Northwest Georgia and Downtown Atlanta. In 2015, the City of Alpharetta completed a master plan, which received the Outstanding Planning Document Award from the Georgia Planning Association, to improve its Downtown area and increase connectivity between Downtown the other major developments in Alpharetta. The plan suggests adding new bicycle/pedestrian paths, adding a structured parking deck, improving the streetscape, and bringing more retailers, restaurants, and multi-family housing to Downtown. All of these improvements are expected to enhance Alpharetta's ability to attract millennials to the city. Overall, the Downtown plan is expected to work in concert with, and not compete against, the nearby Avalon development.

ALPHARETTA



The proposed subject property's market area can be defined by its Combined Statistical Area (CSA): Atlanta--Athens-Clarke County--Sandy Springs, GA. The CSA represents adjacent metropolitan and micropolitan statistical areas that have a moderate degree of employment interchange. Micropolitan statistical areas represent urban areas in the United States based around a core city or town with a population of 10,000 to 49,999; the MSA requires the presence of a core city of at least 50,000 people and a total population of at least 100,000 (75,000 in New England). The following exhibit illustrates the market area.

MAP OF MARKET AREA



Economic and Demographic Review

A primary source of economic and demographic statistics used in this analysis is the *Complete Economic and Demographic Data Source* published by Woods & Poole Economics, Inc.—a well-regarded forecasting service based in Washington, D.C. Using a database containing more than 900 variables for each county in the nation, Woods & Poole employs a sophisticated regional model to forecast economic and demographic trends. Historical statistics are based on census data and information published by the Bureau of Economic Analysis. Projections are formulated by Woods & Poole, and all dollar amounts have been adjusted for inflation, thus reflecting real change.

These data are summarized in the following table.

FIGURE 3-1 ECONOMIC AND DEMOGRAPHIC DATA SUMMARY

					Average Annual		
					Compounded Change		
	2000	2010	2015	2020	2000-10	2010-15	2015-20
Resident Population (Thousands)							
Fulton County	816.2	925.9	992.8	1,047.3	1.3 %	1.4 %	1.1 %
Atlanta-Sandy Springs-Roswell, GA MSA	4,293.5	5,304.2	5,761.8	6,276.5	2.1	1.7	1.7
Atlanta--Athens-Clarke County--Sandy Springs, GA CSA	4,812.3	5,928.7	6,421.9	6,975.9	2.1	1.6	1.7
State of Georgia	8,227.3	9,712.2	10,366.7	11,093.7	1.7	1.3	1.4
United States	282,162.4	309,330.2	324,186.9	340,554.3	0.9	0.9	1.0
Per-Capita Personal Income*							
Fulton County	\$56,255	\$54,221	\$57,146	\$60,801	(0.4)	1.1	1.2
Atlanta-Sandy Springs-Roswell, GA MSA	40,617	37,510	39,536	41,912	(0.8)	1.1	1.2
Atlanta--Athens-Clarke County--Sandy Springs, GA CSA	39,275	36,595	38,587	40,941	(0.7)	1.1	1.2
State of Georgia	34,334	33,969	35,952	38,263	(0.1)	1.1	1.3
United States	36,473	39,144	41,554	44,387	0.7	1.2	1.3
W&P Wealth Index							
Fulton County	153.3	139.0	138.0	137.4	(1.0)	(0.1)	(0.1)
Atlanta-Sandy Springs-Roswell, GA MSA	114.5	98.6	97.7	97.1	(1.5)	(0.2)	(0.1)
Atlanta--Athens-Clarke County--Sandy Springs, GA CSA	110.6	96.2	95.5	94.9	(1.4)	(0.2)	(0.1)
State of Georgia	95.8	88.7	88.3	88.0	(0.8)	(0.1)	(0.1)
United States	100.0	100.0	100.0	100.0	0.0	0.0	0.0
Food and Beverage Sales (Millions)*							
Fulton County	\$2,473	\$2,992	\$3,427	\$3,787	1.9	2.7	2.0
Atlanta-Sandy Springs-Roswell, GA MSA	7,013	8,938	10,300	11,670	2.5	2.9	2.5
Atlanta--Athens-Clarke County--Sandy Springs, GA CSA	7,604	9,702	11,161	12,631	2.5	2.8	2.5
State of Georgia	11,228	14,049	15,975	17,896	2.3	2.6	2.3
United States	368,842	447,396	499,600	548,160	1.9	2.2	1.9
Total Retail Sales (Millions)*							
Fulton County	\$15,415	\$15,820	\$18,302	\$20,212	0.3	3.0	2.0
Atlanta-Sandy Springs-Roswell, GA MSA	67,299	75,271	88,292	100,623	1.1	3.2	2.6
Atlanta--Athens-Clarke County--Sandy Springs, GA CSA	73,963	82,640	96,718	109,988	1.1	3.2	2.6
State of Georgia	115,258	126,206	145,764	163,523	0.9	2.9	2.3
United States	3,902,969	4,149,070	4,707,800	5,187,469	0.6	2.6	2.0

* Inflation Adjusted

Source: Woods & Poole Economics, Inc.

The U.S. population has grown at an average annual compounded rate of 0.9% from 2010 through 2015. The county's population has grown at a quicker pace than the nation's population; the average annual growth rate of 1.4% between 2010 and 2015 reflects a gradually expanding area. Following this population trend, per-capita personal income increased slowly, at 1.1% on average annually for the county between 2010 and 2015. Local wealth indexes have remained stable in recent years, registering a relatively high 138.0 level for the county in 2015.

Food and beverage sales totaled \$3,427 million in the county in 2015, versus \$2,992 million in 2010. This reflects a 2.7% average annual change, which is stronger than the 1.9% pace recorded in the prior decade, the latter years of which were adversely affected by the recession. Over the long term, the pace of growth is forecast to moderate to a more sustainable level of 2.0%, which is forecast through 2020. The retail sales sector demonstrated an annual increase of 0.3% registered in the decade 2000 to 2010, followed by an increase of 3.0% in the period 2010 to 2015. An increase of 2.0% average annual change is expected in county retail sales through 2020.

Workforce Characteristics

The characteristics of an area's workforce provide an indication of the type and amount of transient visitation likely to be generated by local businesses. Sectors such as finance, insurance, and real estate (FIRE); wholesale trade; and services produce a considerable number of visitors who are not particularly rate-sensitive. The government sector often generates transient room nights, but per-diem reimbursement allowances often limit the accommodations selection to budget and mid-priced lodging facilities. Contributions from manufacturing, construction, transportation, communications, and public utilities (TCPU) employers can also be important, depending on the company type.

The following table sets forth the county workforce distribution by business sector in 2000, 2010, and 2015, as well as a forecast for 2020.

FIGURE 3-2 HISTORICAL AND PROJECTED EMPLOYMENT (000S)

Industry	2000	Percent of Total	2010	Percent of Total	2015	Percent of Total	2020	Percent of Total	Average Annual Compounded Change		
									2000-2010	2010-2015	2015-2020
Farm	0.4	0.0 %	0.2	0.0 %	0.2	0.0 %	0.2	0.0 %	(5.8) %	(0.7) %	(1.1) %
Forestry, Fishing, Related Activities And Other	1.2	0.1	0.4	0.0	0.5	0.0	0.5	0.0	(9.5)	1.9	0.9
Mining	0.9	0.1	0.6	0.1	0.6	0.1	0.6	0.1	(4.6)	1.9	(0.7)
Utilities	5.3	0.6	3.8	0.4	3.4	0.3	3.2	0.3	(3.4)	(1.9)	(1.6)
Construction	29.0	3.2	25.5	2.7	26.2	2.6	28.2	2.6	(1.3)	0.5	1.5
Manufacturing	42.0	4.7	27.6	3.0	27.2	2.7	26.4	2.5	(4.1)	(0.3)	(0.6)
Total Trade	122.4	13.5	109.5	11.8	115.2	11.5	120.7	11.3	(1.1)	1.0	0.9
Wholesale Trade	51.7	5.7	45.4	4.9	47.5	4.8	49.3	4.6	(1.3)	0.9	0.8
Retail Trade	70.7	7.8	64.2	6.9	67.7	6.8	71.4	6.7	(1.0)	1.1	1.0
Transportation And Warehousing	45.9	5.1	42.0	4.5	45.6	4.6	48.6	4.6	(0.9)	1.7	1.3
Information	65.9	7.3	50.0	5.4	51.7	5.2	52.5	4.9	(2.7)	0.7	0.3
Finance And Insurance	60.0	6.6	67.8	7.3	73.1	7.3	76.7	7.2	1.2	1.5	1.0
Real Estate And Rental And Lease	33.0	3.7	50.1	5.4	53.0	5.3	56.6	5.3	4.3	1.2	1.3
Total Services	392.1	43.4	449.3	48.3	501.1	50.1	547.7	51.4	1.4	2.2	1.8
Professional And Technical Services	93.3	10.3	108.6	11.7	120.1	12.0	130.7	12.3	1.5	2.0	1.7
Management Of Companies And Enterprises	23.0	2.5	21.1	2.3	22.5	2.2	24.5	2.3	(0.9)	1.3	1.8
Administrative And Waste Services	84.2	9.3	76.9	8.3	86.8	8.7	93.0	8.7	(0.9)	2.5	1.4
Educational Services	17.4	1.9	22.4	2.4	26.2	2.6	28.1	2.6	2.5	3.2	1.4
Health Care And Social Assistance	56.9	6.3	79.8	8.6	91.8	9.2	105.4	9.9	3.4	2.8	2.8
Arts, Entertainment, And Recreation	15.2	1.7	19.8	2.1	21.6	2.2	23.2	2.2	2.6	1.8	1.4
Accommodation And Food Services	63.2	7.0	70.6	7.6	76.5	7.6	81.2	7.6	1.1	1.6	1.2
Other Services, Except Public Administration	39.0	4.3	50.1	5.4	55.6	5.6	61.6	5.8	2.5	2.1	2.1
Total Government	105.3	11.7	103.5	11.1	101.8	10.2	104.3	9.8	(0.2)	(0.3)	0.5
Federal Civilian Government	23.3	2.6	21.8	2.3	19.0	1.9	17.6	1.7	(0.7)	(2.7)	(1.5)
Federal Military	4.5	0.5	4.7	0.5	3.9	0.4	3.9	0.4	0.5	(3.8)	0.1
State And Local Government	77.5	8.6	77.1	8.3	78.9	7.9	82.8	7.8	(0.1)	0.5	1.0
TOTAL	903.4	100.0 %	930.3	100.0 %	999.8	100.0 %	1,066.1	100.0 %	0.3 %	1.5 %	1.3 %
MSA	2,767.1	—	3,083.5	—	3,352.1	—	3,656.0	—	1.1 %	1.7 %	1.8 %
U.S.	165,371.0	—	173,626.7	—	185,504.6	—	198,343.5	—	0.8	1.3	1.3

Source: Woods & Poole Economics, Inc.

Woods & Poole Economics, Inc. reports that during the period from 2000 to 2010, total employment in the county grew at an average annual rate of 0.3%. This trend was below the growth rate recorded by the MSA and also lagged the national average. More recently, the pace of total employment growth in the county accelerated to 1.5% on an annual average from 2010 to 2015, reflecting the initial years of the recovery.

Of the primary employment sectors, Total Services recorded the highest increase in number of employees during the period from 2010 to 2015, increasing by 51,866 people, or 11.5%, and rising from 48.3% to 50.1% of total employment. Of the various service sub-sectors, Professional And Technical Services and Health Care And Social Assistance were the largest employers. Strong growth was also recorded in the Total Trade sector, as well as the Finance And Insurance sector, which expanded by 5.2% and -1.4%, respectively, in the period 2010 to 2015. Forecasts developed by Woods & Poole Economics, Inc. anticipate that total employment in the county will change by 1.3% on average annually through 2020. The trend is below the forecast rate of change for the U.S. as a whole during the same period.

Radial Demographic Snapshot

The following table reflects radial demographic trends for our market area measured by three points of distance from the subject site.

FIGURE 3-3 DEMOGRAPHICS BY RADIUS

	0.00 - 1.00 miles	0.00 - 3.00 miles	0.00 - 5.00 miles
Population			
2021 Projection	5,778	75,060	207,676
2016 Estimate	5,459	69,703	193,299
2010 Census	5,061	62,387	173,493
2000 Census	4,452	47,438	135,751
Growth 2016 - 2021	5.8%	7.7%	7.4%
Growth 2010 - 2016	7.9%	11.7%	11.4%
Growth 2000 - 2010	13.7%	31.5%	27.8%
Households			
2021 Projection	2,862	30,049	77,338
2016 Estimate	2,677	27,853	71,971
2010 Census	2,439	24,867	64,588
2000 Census	2,232	18,490	50,358
Growth 2016 - 2021	6.9%	7.9%	7.5%
Growth 2010 - 2016	9.7%	12.0%	11.4%
Growth 2000 - 2010	9.3%	34.5%	28.3%
Income			
2016 Est. Average Household Income	\$84,511	\$110,211	\$118,255
2016 Est. Median Household Income	68,228	82,377	85,340
2016 Est. Civ. Employed Pop 16+ by Occupation			
Architect/Engineer	86	887	2,363
Arts/Entertainment/Sports	94	1,117	2,824
Building Grounds Maintenance	126	997	3,357
Business/Financial Operations	204	3,580	9,080
Community/Social Services	20	402	1,097
Computer/Mathematical	405	3,509	8,606
Construction/Extraction	104	658	2,471
Education/Training/Library	103	1,637	4,938
Farming/Fishing/Forestry	10	180	263
Food Prep/Serving	170	1,889	5,702
Health Practitioner/Technician	108	1,703	4,315
Healthcare Support	69	466	938
Maintenance Repair	25	556	1,763
Legal	59	560	1,408
Life/Physical/Social Science	7	292	615
Management	430	7,037	18,155
Office/Admin. Support	374	3,671	9,773
Production	65	671	2,294
Protective Services	47	340	824
Sales/Related	328	4,825	13,636
Personal Care/Service	76	1,098	3,225
Transportation/Moving	102	774	2,355

Source: The Nielsen Company

This source reports a population of 193,299 within a five-mile radius of the subject site, and 71,971 households within this same radius. Average household income within a five-mile radius of the subject site is currently reported at \$118,255, while the median is \$85,340.

The following table illustrates historical and projected employment, households, population and average household income data as provided by REIS for the overall Atlanta market.

FIGURE 3-4 HISTORICAL & PROJECTED EMPLOYMENT, HOUSEHOLDS, POPULATION, AND HOUSEHOLD INCOME STATISTICS

Year	Total Employment	% Chg	Office Employment	% Chg	Industrial Employment	% Chg	Households	% Chg	Population	% Chg	Household Avg. Income	% Chg
2003	2,250,800	—	706,825	—	357,871	—	1,712,810	—	4,615,020	—	\$95,179	—
2004	2,298,730	2.1 %	727,369	2.9 %	359,743	0.5 %	1,754,570	2.4 %	4,709,510	2.0 %	98,806	3.8 %
2005	2,374,030	3.3	751,903	3.4	364,013	1.2	1,805,790	2.9	4,849,770	3.0	104,096	5.4
2006	2,438,730	2.7	770,971	2.5	366,770	0.8	1,857,940	2.9	5,003,350	3.2	107,792	3.6
2007	2,461,030	0.9	780,736	1.3	363,850	(0.8)	1,899,440	2.2	5,122,470	2.4	109,738	1.8
2008	2,391,630	(2.8)	764,383	(2.1)	348,541	(4.2)	1,928,520	1.5	5,208,290	1.7	108,738	(0.9)
2009	2,263,470	(5.4)	731,008	(4.4)	315,969	(9.3)	1,948,770	1.1	5,271,990	1.2	103,429	(4.9)
2010	2,287,230	1.0	737,304	0.9	319,002	1.0	1,967,540	1.0	5,337,110	1.2	105,326	1.8
2011	2,325,100	1.7	750,084	1.7	322,282	1.0	1,990,650	1.2	5,415,800	1.5	111,353	5.7
2012	2,370,230	1.9	765,691	2.1	326,241	1.2	2,021,890	1.6	5,489,490	1.4	115,780	4.0
2013	2,442,200	3.0	788,345	3.0	328,565	0.7	2,053,380	1.6	5,565,570	1.4	113,978	(1.6)
2014	2,541,300	4.1	816,330	3.5	338,280	3.0	2,075,180	1.1	5,663,990	1.8	120,199	5.5
2015	2,617,730	3.0	837,325	2.6	349,576	3.3	2,115,190	1.9	5,763,590	1.8	123,740	2.9
Forecasts												
2016	2,692,980	2.9 %	860,625	2.8 %	354,209	1.3 %	2,167,930	2.5 %	5,882,550	2.1 %	\$128,734	4.0 %
2017	2,758,010	2.4	881,167	2.4	358,523	1.2	2,229,570	2.8	6,017,710	2.3	134,296	4.3
2018	2,817,660	2.2	899,289	2.1	362,948	1.2	2,291,150	2.8	6,171,300	2.6	139,282	3.7
2019	2,855,200	1.3	910,742	1.3	364,669	0.5	2,349,610	2.6	6,326,990	2.5	142,660	2.4
2020	2,872,040	0.6	915,894	0.6	363,682	(0.3)	2,402,560	2.3	6,474,810	2.3	145,630	2.1
Average Annual Compound Change												
2003 - 2015		1.3 %		1.4 %		(0.2) %		1.8 %		1.9 %		2.2 %
2003 - 2007		2.3		2.5		0.4		2.6		2.6		3.6
2007 - 2010		(2.4)		(1.9)		(4.3)		1.2		1.4		(1.4)
2010 - 2015		2.7		2.6		1.8		1.5		1.5		4.1
Forecast 2016 - 2020		1.6 %		1.6 %		0.7 %		2.6 %		2.4 %		3.1 %

Source: REIS Report, 1st Quarter, 2016

For the Atlanta market, of the roughly 2,600,000 persons employed, 32% are categorized as office employees, while 13% are categorized as industrial employees. Total employment decreased by an average annual compound rate of -2.4% during the recession of 2008 to 2011, followed by an increase of 2.7% from 2011 to 2015. By comparison, office employment reflected compound change rates of -1.9% and 2.6%, during the same respective periods. Total employment is expected to expand by 2.9% in 2016, while office employment is forecast to expand by 2.8% in 2016. From 2015 through 2020, REIS anticipates that total employment will expand at an average annual compound rate of 1.6%, while office employment will expand by 1.6% on average annually during the same period.

The number of households is forecast to expand by 2.6% on average annually between 2015 and 2020. Population is forecast to expand during this same period, at an average annual compounded rate of 2.4%. Household average income is forecast to grow by 3.1% on average annually from 2015 through 2020.

Unemployment Statistics

The following table presents historical unemployment rates for the proposed subject hotel's market area.

FIGURE 3-5 UNEMPLOYMENT STATISTICS

Year	City	MSA	State	U.S.
2006	3.9 %	4.7 %	4.7 %	4.6 %
2007	3.4	4.4	4.5	4.6
2008	4.6	6.2	6.2	5.8
2009	7.9	9.9	9.9	9.3
2010	7.8(r)	10.3(r)	10.5	9.6
2011	7.4(r)	9.9(r)	10.2(d)	8.9
2012	6.5(r)	8.8(r)	9.2(d)	8.1
2013	5.7(r)	7.8(r)	8.2(d)	7.4
2014	5.2(r)	6.7(r)	7.1(d)	6.2
2015	4.3(r)	5.6(r)	5.9(d)	5.3
<i>Recent Month - Jun</i>				
2015	4.8 %	6.0 %	6.3 %	5.3 %
2016	4.3	5.3	5.6	4.9

* Letters shown next to data points (if any) reflect revised population controls and/or model re-estimation implemented by the BLS.

Source: U.S. Bureau of Labor Statistics

After the U.S. unemployment rate declined to an annual average of 4.6% in 2006 and 2007, the Great Recession, which spanned December 2007 through June 2009, resulted in heightened unemployment rates. The unemployment rate peaked at 10.0% in October 2009, after which job growth resumed; the national unemployment rate has steadily declined since 2010. Total nonfarm payroll employment increased by 144,000, 11,000, and 287,000 jobs in April, May, and June 2016, respectively. While the level of May job gains was the lowest reported in five years, the level reported for June bounced back. The strongest gains in June were recorded in the hospitality, health care and social assistance, and financial activities sectors. The national unemployment rate was reported to be 4.9% in June; it has remained near the 5.0% mark since August of 2015, reflecting a trend of relative stability and the overall strength of the U.S. economy.

Locally, the unemployment rate was 4.3(r)% in 2015; for this same area in 2016, the most recent month's unemployment rate was registered at 4.3%, versus 4.8% for the same month in 2015. After showing year-over-year improvement, unemployment began to rise in 2008 as the region entered an economic slowdown, and this trend continued through 2010 as the height of the national recession took hold. However, unemployment declined in 2011 as the economy rebounded, a trend that continued through 2015. The most recent comparative period illustrates further improvement, as indicated by the latest available data for 2016. City officials expect the unemployment rate to decline further in the near future, as the Atlanta metropolitan area is anticipated to sustain its current job growth, and the number of layoffs in the market should continue to trend downward.

Major Business and Industry

Providing additional context for understanding the nature of the regional economy, the following table presents a list of the major employers in the subject property's market.

FIGURE 3-6 MAJOR EMPLOYERS

Rank	Firm
1	ADP, LLC
2	McKesson Information Solutions
3	LexisNexis Risk Solutions
4	Verizon Business Network Services, Inc.
5	Comcast
6	UPS Supply Chain Solutions General Services
7	Hewlett-Packard Company
8	Equifax Information Services LLC
9	E*TRADE Financial Corporation
10	American International Group, Inc. (formerly Chartis Claims, Inc.)

Source: Office of Economic Development, City of Alpharetta, 2015

The following bullet points highlight major demand generators for this market:

- Established in 1946, Northside Hospital-Forsyth was the first hospital in Forsyth County; today, nearly 300 physicians and 1,000 additional healthcare specialists are on staff. In 2011, approximately \$50 million in improvements were made to the campus, and in January 2014, the hospital opened a Level III Neonatal Intensive Care Unit. Northside also operates a 140-acre campus in Alpharetta. In addition to these area healthcare providers, Alpharetta is home to McKesson Technology Solutions, a branch of McKesson Corporation that provides software, automation, connectivity, services and consulting for medical entities. Halyard Health, a medical technology spinoff of Kimberly Clark, completed construction in January 2015 on its new 174,000-square-foot headquarters in Alpharetta. In April 2016, Halyard acquired CORPAK MedSystems, a company that develops, manufactures, and markets internal access devices, for \$174 million.
- The technology industry is important within this region. In August 2013, AT&T opened a 5,000-square-foot research facility to test and develop innovations in digital automotive communications, and in November 2015, AT&T launched its ultra-fast GigaPower Internet service in Alpharetta. Fiserv, a financial software firm, relocated to Alpharetta in 2014; the company plans to hire an additional 500 employees. HealthPort Technologies is also planning to add up to 200

employers over the next several years. This healthcare IT company leased an additional 26,000 square feet at the Parkview One office building in 2015. To take advantage of these locally based headquarters, Gwinnett Technical College opened a new \$19.3-million North Fulton/Alpharetta campus in 2016.

- Headquartered in nearby Sandy Springs, United Parcel Service, Inc. (UPS) delivers 15 million packages each day to approximately 6.1 million customers in 220 countries and territories around the world. Its primary business is the time-definite delivery of packages and documents worldwide, which it operates in three segments: U.S. domestic package operations, international package operations, and supply & freight operations. UPS employs 435,000 workers worldwide and comprises a delivery fleet of 99,892 vehicles. In 2014, the company reported a delivery volume of more than 4.6 billion packages and total revenues of \$54,400,000. UPS was ranked 47th on Fortune magazine's Fortune 500 list for 2015.

The Alpharetta economy has enjoyed strengthening and economic expansion in recent years, which stems directly from the diversity of key drivers and industries. Technology-related commerce continues to be an important economic driver, as companies such as Hewlett-Packard, Verizon Wireless, ADP Inc., and McKesson Corporation maintain a strong presence in the market. Additionally, in 2013, EY (formerly Ernst & Young) announced an \$8.5-million project that will create a Global IT Center and add 400 jobs by 2018. The ongoing development of the Avalon mixed-use project should help bolster growth in the retail sector, as well as support additional corporations in the market. Moreover, LG Air Conditioning Systems opened its new 40,000-square-foot headquarters office in Alpharetta in December 2015. Alpharetta's location in the heart of the largest fiber-linked network in the United States and proximate to the world's busiest airport makes the area ideal for companies on the forefront of the modern economy.

Office Space Statistics

Trends in occupied office space are typically among the most reliable indicators of lodging demand, as firms that occupy office space often exhibit a strong propensity to attract commercial visitors. Thus, trends that cause changes in vacancy rates or occupied office space may have a proportional impact on commercial lodging demand and a less direct effect on meeting demand. The following table details office space statistics for Class A office space for the pertinent market area.

FIGURE 3-7 OFFICE SPACE STATISTICS – MARKET OVERVIEW

Submarket	Inventory Square Feet	Total Vacancy SF	YTD Net Absorption SF	Under Construction SF	Vacancy Rate	Average Asking Lease Rate
1 Central Perimeter	19,670,238	2,306,382	(223,714)	957,000	11.7 %	\$27.67
2 Buckhead	16,418,581	2,038,207	(18,321)	682,858	12.4	32.99
3 Midtown Atlanta	15,688,573	2,016,759	306,264	704,465	12.9	28.92
4 North Fulton	14,411,418	1,666,369	129,655	357,575	11.6	23.69
5 Cumberland/Galleria	13,234,611	2,032,127	229,687	1,054,906	15.4	25.66
6 Downtown Atlanta	13,715,523	2,800,396	(177,258)	0	20.4	23.53
7 Northeast Atlanta	6,872,527	1,385,602	130,574	60,000	20.2	20.93
Totals and Averages	100,011,471	14,245,842	376,887	3,816,804	14.2 %	\$26.94

Source: CoStar Office Marker Report, 2nd Quarter, 2016, Class A

The greater Atlanta market comprises a total of 100.0 million square feet of Class A office space. For the 2nd Quarter of 2016, the market reported a vacancy rate of 14.2% and an average asking rent of \$26.94. The subject property is located in the North Fulton submarket, which houses 14,411,418 square feet of office space. The North Fulton submarket comprises the fourth-largest amount of available office space, but the lowest vacancy rate in the Atlanta market. This submarket also features one of the lowest average asking lease rates in Atlanta. However, the average asking lease rate in the North Fulton market is expected to increase in the coming years, as is has to a lesser extent over the past few years, with several recently completed, under construction, and planned office developments in the market.

In January 2013, North American Properties broke ground on its Avalon mixed-use project, which will reportedly contain a total of 750,000 square feet of office space once fully developed. The first phase of the project was completed in September 2014 and included the opening of 106,000 square feet of office space, which is reportedly 100% leased at average asking lease rates of \$32.50. Phase II of the development is currently underway and will add an additional 550,000 square feet of office space. The first of the new office buildings, 8000 Avalon, is slated to open in the second quarter of 2017, bringing 225,000 square feet of office space into the market. Microsoft has signed a 43,000 at 8000 Avalon, and the building is currently being offered rates of \$37.50 per square foot.

Directly south of the Avalon, Greenstone Properties is planning their Parkway 400 office development. The project is expected to contain a total of 720,000 square feet in four buildings, including an 100,000-square-foot boutique office building. The Parkway 400 is also expected to include a café, fitness facility, covered parking, and conference facility. Moreover, the TPA Group is reportedly creating a 24-acre campus that will feature two 100,000-square-foot office buildings and a 5,000-square-foot clubhouse. The \$40-million project, known as The Edison, will reportedly target Alpharetta's growing tech industry. Pope and Land also, reportedly, has 1,200,000 square feet of fully entitled office space directly south of Parkway 400 in its NorthWinds development.

The additional Class A office space will be a welcome addition to the North Fulton market that realized several significant relocations in 2015 from, among others, Fiserv and Halyard Health, which totaled nearly 600,000 square feet. According to CoStar, there are currently only five available blocks of office space that can accommodate a user over 100,000 square feet.

However, when compared to the other top office markets in Atlanta, the North Fulton office market is currently underserved in its availability of full- and select-service hotel room to accommodate occupied office space, with reportedly less than one-third the amount of available hotel rooms per-square-foot than the Buckhead and Perimeter submarkets. Additionally, the bulk of the office space that has been recently delivered or planned is located along Old Milton Parkway, which is currently void of a hotel component west of State Route 400. Quality lodging options and proximity to restaurants are two components companies look for when moving to a new location. As such, new hotel developments along the Old Milton Parkway corridor should contribute to the success of the area's ongoing office developments.

Airport Traffic

Airport passenger counts are important indicators of lodging demand. Depending on the type of service provided by a particular airfield, a sizable percentage of arriving passengers may require hotel accommodations. Trends showing changes in passenger counts also reflect local business activity and the overall economic health of the area.

Hartsfield-Jackson Atlanta International Airport (ATL), serviced by a variety of major commercial airlines, features a terminal complex measuring 6.8 million square feet; the airport is a major connecting hub for global travelers and has been the world's busiest airport in terms of passengers and aircraft movement since 2005. ATL is one of the largest employers in Georgia and has a significant regional economic impact. On May 16, 2012, the \$1.4-billion Maynard H. Jackson Jr. International Terminal opened. The terminal, dubbed the city's "new front door" for the world, added twelve new gates to Concourse F; the 28-gate Concourse E,

along with the 40 gates at Concourse F, will now use the international terminal's entrance. As part of the continued capital improvement plan, the \$47-million expansion of Concourse D was completed in July 2013. Furthermore, the renovation of Concourse C was completed in December 2015, while the new 128,566-square-foot Cargo C building was completed in November 2015. In the fall of 2014, the airport released its \$6-billion master plan. The plan includes \$7.5 million in surveillance improvements, elevator upgrades, a new United club lounge, new cargo facilities, parking garage upgrades (beginning in 2017), a cargo facility expansion (beginning in 2018), a sixth runway (beginning in 2021 or later), an arched covering over the domestic terminal curbside areas, a new InterContinental hotel, and three new international terminals. Additionally, in July 2015, airport officials announced a \$430-million, three-year modernization project for the domestic terminal and concourses T, A, B, C, and D.

The following table illustrates recent operating statistics for the Hartsfield-Jackson Atlanta International Airport, which is the primary airport facility serving the proposed subject hotel's submarket.

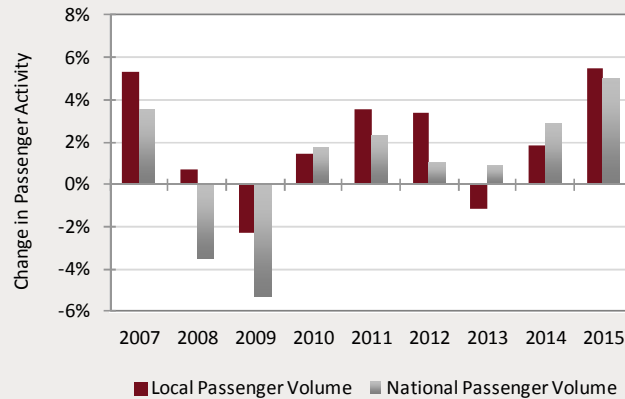
FIGURE 3-8 AIRPORT STATISTICS - HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT

Year	Passenger Traffic	Percent Change*	Percent Change**
2006	84,846,639	—	—
2007	89,379,287	5.3 %	5.3 %
2008	90,039,280	0.7	3.0
2009	88,001,381	(2.3)	1.2
2010	89,238,059	1.4	1.3
2011	92,389,023	3.5	1.7
2012	95,513,828	3.4	2.0
2013	94,431,224	(1.1)	1.5
2014	96,178,899	1.9	1.6
2015	101,491,106	5.5	2.0
<i>Year-to-date, Jun</i>			
2015	49,095,284	—	—
2016	51,293,666	4.5 %	—

*Annual average compounded percentage change from the previous year

**Annual average compounded percentage change from first year of data

Source: Hartsfield-Jackson Atlanta International Airport

FIGURE 3-9 LOCAL PASSENGER TRAFFIC VS. NATIONAL TREND

Source: HVS, Local Airport Authority

This facility recorded 101,491,106 passengers in 2015. The change in passenger traffic between 2014 and 2015 was 5.5%. The average annual change during the period shown was 2.0%.

Tourist Attractions

The market benefits from a variety of tourist and leisure attractions in the area. The peak season for tourism in this area is from May through August. During other times of the year, weekend demand comprises travelers passing through en route to other destinations, people visiting friends or relatives, groups attending sports related tournaments, and other similar weekend demand generators. Primary attractions in the area include the following:

- Georgia Aquarium is the world's largest aquarium, with more than 100,000 animals and over eight million gallons of fresh and marine water. The aquarium was built on a 20-acre site in Atlanta. Two whale sharks, the larger measuring over 15 feet long, are among the main attractions of the Ocean Voyager exhibit. The aquarium reopened in April 2011 following a \$110-million expansion, including an 84,000-square-foot dolphin exhibit. The exhibit "Sea Monsters Revealed: Aquatic Bodies" opened in September 2013, while in March 2016, a new \$40-million sea lion exhibit opened.
- Historic Downtown Alpharetta Square, located at the intersection of Milton and Main Streets, features antiques, gifts, flowers, dining, and a glimpse into some of Alpharetta's past. The City of Alpharetta has invested \$31 million in reorganizing the downtown space. The new City Hall building opened in 2015 with a town square and additional parking set back from South Main Street.

- The Verizon Wireless Amphitheatre at Encore Park, which opened in May 2008, is an outdoor venue with a 12,000-person capacity. The amphitheatre is the summer home of the Grammy award-winning Atlanta Symphony Orchestra and has hosted major performances by the Dave Matthews Band, the Eagles, and Tom Petty.
- The Cooler, Alpharetta's premier venue for ice skating and organized hockey leagues, includes two ice arenas for figure skating/ice hockey and one roller arena with professional sport flooring for roller hockey. Each arena has bleacher capacities ranging from 800 to 2,000 plastic-covered seats.

VERIZON WIRELESS AMPHITHEATRE

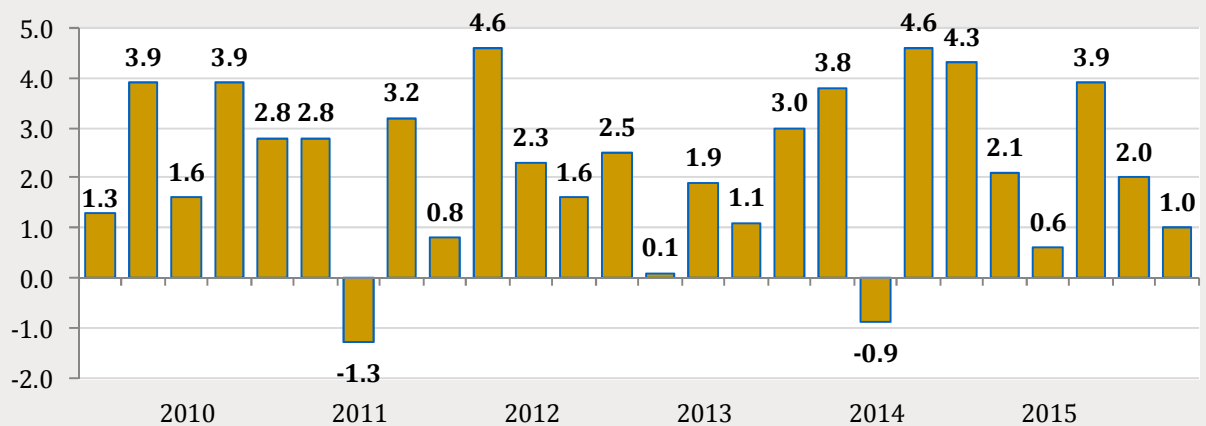


Conclusion

This section discussed a wide variety of economic indicators for the pertinent market area. The Alpharetta market is experiencing a period of economic strength and expansion, led by numerous companies, including those in the professional and business services and the healthcare sector. The significant presence of several Fortune 500 companies supplies consistent economic benefits to the market. Furthermore, recent projects in the submarket, such as the Avalon mixed-use development, as well as the established infrastructure with commercial, retail, and residential developments already in place, bode well for this submarket. As such, the market outlook is favorable.

Our analysis of the outlook for this specific market also considers the broader context of the national economy. The U.S. economy has experienced economic expansion during the last seven quarters, with the most recent peak the 3.9% growth realized in the second quarter of 2015. During the last two quarters of 2015, growth waned, falling to a 1.0% growth rate during the fourth quarter. In recent months, increases in personal consumption expenditures (PCE) and residential housing were the primary factors in the net gain. PCE was up 1.3%, and residential housing was up a robust 8.0%.

FIGURE 3-10 UNITED STATES GDP GROWTH RATE



Source: tradingeconomics.com, Bureau of Economic Analysis

In the fourth quarter of 2015, both imports and exports declined slightly, and non-residential investments were also down. U.S. economic growth is anticipated to support continued expansion of lodging demand; however, as economic growth slows, demand growth may not be as robust in 2016 as in the last several years. Nevertheless, the stability in the U.S. economy is maintaining strong interest in hotel investments by a diverse array of market participants.

4. Supply and Demand Analysis

In the lodging industry, price varies directly, but not proportionately, with demand and inversely, but not proportionately, with supply. Supply is measured by the number of guestrooms available, and demand is measured by the number of rooms occupied; the net effect of supply and demand toward equilibrium results in a prevailing price, or average rate. The purpose of this section is to investigate current supply and demand trends, as indicated by the current competitive market, and to set forth a basis for the projection of future supply and demand growth.

Definition of Subject Hotel Market

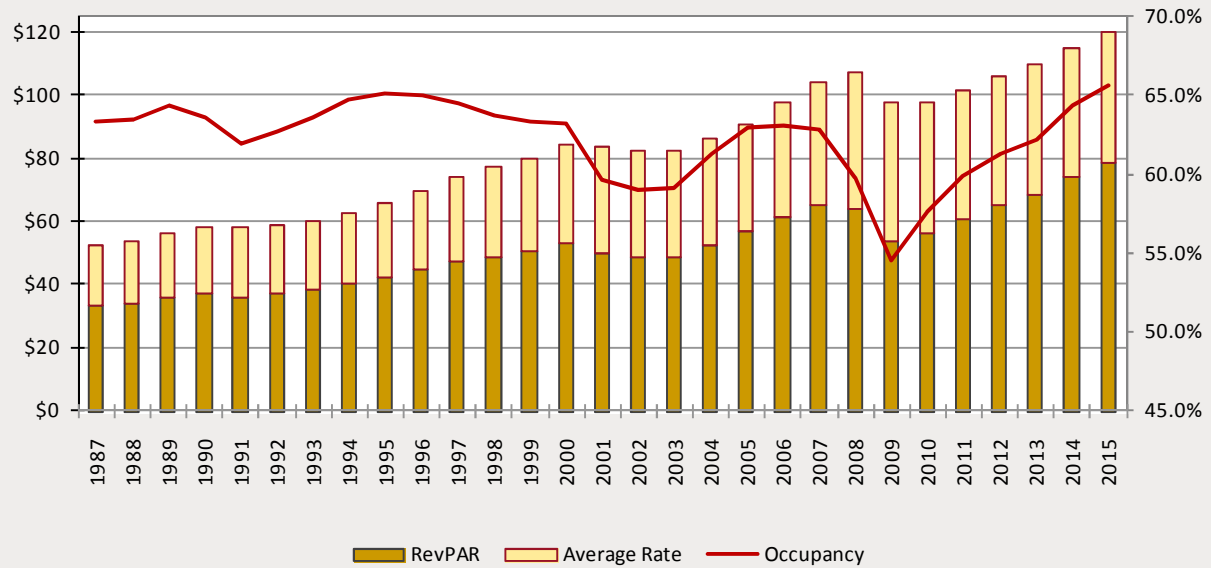
The subject property is located in the greater Atlanta lodging market. This greater lodging market spans nearly 825 open and operating lodging facilities totaling more than 95,000 guestrooms. Within this greater market, the direct submarket that encompasses the proposed subject hotel is known as Alpharetta. The proposed subject hotel is expected to compete with five hotels on a primary level based on location, service level, price point, and brand affiliation. We have considered an additional eight hotels as future secondary competitors given differences in previously noted criteria.

National Trends Overview

The subject property's local lodging market is most directly affected by the supply and demand trends within the immediate area. However, individual markets are also influenced by conditions in the national lodging market. We have reviewed national lodging trends to provide a context for the forecast of the supply and demand for the proposed subject hotel's competitive set.

STR is an independent research firm that compiles and publishes data on the lodging industry, and this information is routinely used by typical hotel buyers. The following STR diagram presents annual hotel occupancy and average rate data since 1987. The next two tables contain information that is more recent; the data are categorized by geographical region, price point, type of location, and chain scale, and the statistics include occupancy, average rate, and rooms revenue per available room (RevPAR). RevPAR is calculated by multiplying occupancy by average rate and provides an indication of how well rooms revenue is being maximized.

FIGURE 4-1 NATIONAL OCCUPANCY AND AVERAGE RATE TRENDS



Source: STR

FIGURE 4-2 NATIONAL OCCUPANCY AND AVERAGE RATE TRENDS – YEAR-TO-DATE DATA

	Occupancy - Thru May			Average Rate - Thru May			RevPAR - Thru May		
	2015	2016	% Change	2015	2016	% Change	2015	2016	% Change
United States	63.4 %	63.5 %	0.0 %	\$118.67	\$122.18	3.0 %	\$75.28	\$77.52	3.0 %
Region									
New England	57.7 %	57.0 %	(1.3) %	\$133.13	\$136.84	2.8 %	\$76.83	\$77.93	1.4 %
Middle Atlantic	61.7	61.6	(0.1)	151.09	150.63	(0.3)	93.17	92.82	(0.4)
South Atlantic	67.4	67.5	0.2	121.77	125.44	3.0	82.04	84.69	3.2
East North Central	56.2	56.4	0.4	100.23	101.34	1.1	56.29	57.13	1.5
East South Central	58.8	60.1	2.1	89.30	93.36	4.5	52.51	56.06	6.8
West North Central	54.9	54.2	(1.4)	89.49	92.15	3.0	49.15	49.91	1.6
West South Central	63.9	62.4	(2.4)	100.82	101.43	0.6	64.45	63.31	(1.8)
Mountain	63.7	64.0	0.5	112.33	116.08	3.3	71.50	74.26	3.8
Pacific	70.8	71.7	1.3	144.92	153.52	5.9	102.57	110.10	7.3
Class									
Luxury	69.5 %	69.7 %	0.4 %	\$279.92	\$281.59	0.6 %	\$194.46	\$196.36	1.0 %
Upper Upscale	71.7	71.8	0.1	173.76	177.60	2.2	124.63	127.49	2.3
Upscale	70.8	71.0	0.2	133.64	137.57	2.9	94.63	97.61	3.2
Upper Midscale	64.6	64.6	0.1	107.97	110.78	2.6	69.73	71.62	2.7
Midscale	57.2	56.9	(0.5)	87.36	89.43	2.4	50.01	50.91	1.8
Economy	56.4	56.1	(0.5)	64.67	67.07	3.7	36.46	37.62	3.2
Location									
Urban	71.3 %	71.5 %	0.2 %	\$167.25	\$170.28	1.8 %	\$119.30	\$121.68	2.0 %
Suburban	65.1	65.3	0.2	100.43	104.47	4.0	65.43	68.22	4.3
Airport	73.7	73.4	(0.4)	109.33	113.78	4.1	80.54	83.47	3.6
Interstate	54.1	53.2	(1.7)	78.72	80.15	1.8	42.60	42.64	0.1
Resort	67.9	68.5	0.9	171.94	175.21	1.9	116.71	120.05	2.9
Small Metro/Town	52.5	52.4	(0.2)	89.78	92.12	2.6	47.12	48.23	2.4
Chain Scale									
Luxury	75.4 %	75.1 %	(0.4) %	\$321.45	\$325.24	1.2 %	\$242.34	\$244.29	0.8 %
Upper Upscale	73.7	73.7	0.0	175.00	179.25	2.4	128.99	132.16	2.5
Upscale	73.3	73.2	(0.3)	133.51	137.54	3.0	97.91	100.61	2.8
Upper Midscale	65.1	65.1	0.0	105.91	108.72	2.6	68.91	70.77	2.7
Midscale	56.9	56.5	(0.7)	81.04	82.70	2.0	46.13	46.74	1.3
Economy	56.1	55.5	(1.1)	56.43	58.29	3.3	31.65	32.33	2.2
Independents	59.2	59.6	0.6	115.49	119.03	3.1	68.40	70.90	3.7

Source: STR - May 2016 Lodging Review

FIGURE 4-3 NATIONAL OCCUPANCY AND AVERAGE RATE TRENDS – CALENDAR YEAR DATA

	Occupancy			Average Rate			RevPAR		
	2014	2015	% Change	2014	2015	% Change	2014	2015	% Change
United States	64.4 %	65.6 %	1.7 %	\$114.92	\$120.01	4.4 %	\$74.04	\$78.67	6.3 %
Region									
New England	63.5	64.8 %	2.0 %	\$139.15	\$145.84	4.8 %	\$88.37	\$94.48	6.9 %
Middle Atlantic	66.9	67.6	1.1	160.87	162.13	0.8	107.58	109.61	1.9
South Atlantic	64.9	66.6	2.6	110.77	116.36	5.0	71.91	77.49	7.8
East North Central	60.5	61.5	1.6	99.68	104.72	5.1	60.34	64.37	6.7
East South Central	59.2	61.1	3.1	85.96	90.62	5.4	50.92	55.34	8.7
West North Central	59.6	59.7	0.2	89.96	93.06	3.4	53.63	55.56	3.6
West South Central	63.9	63.1	(1.3)	96.05	98.21	2.2	61.36	61.94	0.9
Mountain	63.1	65.0	3.0	103.07	108.69	5.5	65.05	70.66	8.6
Pacific	71.4	73.3	2.7	141.90	150.79	6.3	101.32	110.54	9.1
Price									
Luxury	69.7 %	70.9 %	1.8 %	\$270.22	\$279.21	3.3 %	\$188.27	\$198.01	5.2 %
Upper upscale	72.0	72.6	1.0	166.79	173.45	4.0	120.01	125.99	5.0
Upscale	71.5	72.4	1.3	128.61	134.69	4.7	91.92	97.51	6.1
Upper midscale	65.8	67.0	1.9	105.86	110.41	4.3	69.61	73.99	6.3
Midscale	59.0	60.2	2.1	86.44	90.21	4.4	50.97	54.29	6.5
Economy	57.5	58.6	1.9	62.57	65.69	5.0	36.00	38.50	7.0
Location									
Urban	72.3 %	73.1 %	1.0 %	\$168.19	\$173.95	3.4 %	\$121.67	\$127.13	4.5 %
Suburban	65.5	66.8	2.0	96.70	101.77	5.2	63.29	67.96	7.4
Airport	72.4	73.7	1.7	102.69	109.36	6.5	74.40	80.61	8.3
Interstate	56.8	57.4	1.0	78.67	81.11	3.1	44.66	46.52	4.2
Resort	66.1	68.2	3.2	156.21	163.49	4.7	103.32	111.57	8.0
Small Metro/Town	56.4	57.1	1.2	92.65	95.91	3.5	52.27	54.77	4.8
Chain Scale									
Luxury	75.0 %	75.3 %	0.5 %	\$304.72	\$317.43	4.2 %	\$228.44	\$239.11	4.7 %
Upper Upscale	73.6	74.2	0.7	168.45	175.24	4.0	124.04	129.99	4.8
Upscale	73.8	74.3	0.7	127.55	133.79	4.9	94.15	99.46	5.6
Mid-scale w/ F&B	66.4	67.6	1.9	104.45	108.93	4.3	69.32	73.66	6.3
Mid-scale w/o F&B	58.3	59.5	2.1	79.84	83.18	4.2	46.55	49.50	6.3
Economy	57.5	58.3	1.4	56.14	58.97	5.0	32.26	34.37	6.5
Independents	60.7	62.2	2.5	113.21	118.25	4.4	68.70	73.55	7.1

Source: STR - December 2015 Lodging Review

Following the significant RevPAR decline experienced during the last recession, demand growth resumed in 2010, led by select markets that had recorded growth trends in the fourth quarter of 2009. A return of business travel and some group activity contributed to these positive trends. The resurgence in demand was partly fueled by the significant price discounts that were widely available in the first half of 2010. These discounting policies were largely phased out in the latter half of the year, balancing much of the early rate loss. Demand growth remained strong, but decelerated from 2011 through 2013, increasing at rates of 4.7%, 2.8%, and 2.0%, respectively. Demand growth then surged to 4.0% in 2014, driven by a strong economy, a robust oil and gas sector, and limited new supply, among other factors. By 2014, occupancy had surpassed the 64% mark. Average rate rebounded similarly during this time, bracketing 4.0% annual gains from 2011 through 2014.

In 2015, demand growth continued to outpace supply growth, a relationship that has been in place since 2010. With a 2.9% increase in room-nights, the nation's occupancy level reached a record high 65.6% in 2015. Supply growth intensified, but remained at 1.1%, following annual supply growth levels of 0.7% and 0.9% of 2013 and 2014, respectively. Average rate posted another strong year of growth, at 4.4% in 2015, in pace with the annual growth of the last four years. Robust job growth, intensified group and leisure travel, and waning price-sensitivity all contributed to the gains. For year-to-date June 2016, occupancy had increased 0.1 of a point to 65.1%, reflecting that demand growth has generally been keeping pace with supply growth. Average rate increased 3.1% year-to-date through June 2016. By year-end 2016, we expect U.S. hotel occupancy to remain heightened, rising 0.3 of a point to 65.9%; this gain is relatively low in consideration of continued supply additions. On a national average, strengthening demand levels should also permit hotel operators to increase room rates by 4.25% and 4.0% in 2016 and 2017, respectively, just under the levels experienced in 2014 and 2015.

Historical Supply and Demand Data

As previously noted, STR is an independent research firm that compiles and publishes data on the lodging industry, routinely used by typical hotel buyers. HVS has ordered and analyzed an STR Trend Report of historical supply and demand data for a group of hotels considered applicable to this analysis for the proposed subject hotel. This information is presented in the following table, along with the market-wide occupancy, average rate, and rooms revenue per available room (RevPAR). RevPAR is calculated by multiplying occupancy by average rate and provides an indication of how well rooms revenue is being maximized.

FIGURE 4-4 HISTORICAL SUPPLY AND DEMAND TRENDS

Average Daily		Available Room		Occupied Room		Average				
Year	Room Count	Nights	Change	Nights	Change	Occupancy	Rate	Change	RevPAR	Change
2004	1,542	562,719	—	357,249	—	63.5 %	\$79.87	—	\$50.71	—
2005	1,516	553,350	(1.7) %	362,789	1.6 %	65.6	88.02	10.2 %	57.71	13.8 %
2006	1,542	562,830	1.7	370,205	2.0	65.8	97.42	10.7	64.08	11.0
2007	1,542	562,830	0.0	361,023	(2.5)	64.1	108.75	11.6	69.76	8.9
2008	1,542	562,830	0.0	349,353	(3.2)	62.1	111.10	2.2	68.96	(1.1)
2009	1,542	562,830	0.0	328,521	(6.0)	58.4	90.94	(18.1)	53.08	(23.0)
2010	1,542	562,830	0.0	377,638	15.0	67.1	83.99	(7.6)	56.36	6.2
2011	1,542	562,830	0.0	383,546	1.6	68.1	90.00	7.2	61.33	8.8
2012	1,542	562,830	0.0	390,207	1.7	69.3	95.18	5.8	65.99	7.6
2013	1,542	562,830	0.0	413,706	6.0	73.5	101.10	6.2	74.32	12.6
2014	1,542	562,830	0.0	417,152	0.8	74.1	111.09	9.9	82.34	10.8
2015	1,542	562,830	0.0	425,784	2.1	75.7	121.10	9.0	91.61	11.3
<u>Year-to-Date Through June</u>										
2015	1,542	279,102	—	212,153	—	76.0 %	\$120.14	—	\$91.32	—
2016	1,542	279,041	(0.0) %	212,634	0.2 %	76.2	132.11	10.0 %	100.67	10.2 %
Hotels Included in Sample					Number of Rooms	Year Affiliated	Year Opened			
Residence Inn Atlanta Alpharetta Windward					103	Apr 1990	Apr 1990			
Fairfield Inn & Suites Atlanta Alpharetta					86	May 1995	May 1995			
Hyatt Place Atlanta Alpharetta North Point Mall					124	Jan 2008	Aug 1995			
Hyatt Place Atlanta Alpharetta Windward Parkway					127	Apr 2007	Jan 1998			
Hilton Garden Inn Atlanta North Alpharetta					164	Mar 1998	Mar 1998			
Hampton Inn Suites Alpharetta Windward					103	Feb 1999	Feb 1999			
Holiday Inn Express Alpharetta Windward Parkway					124	Feb 2014	Feb 1999			
Springhill Suites Atlanta Alpharetta					82	Mar 1999	Mar 1999			
Residence Inn Atlanta Alpharetta North Point Mall					120	May 1999	May 1999			
Courtyard Atlanta Alpharetta					154	Jan 2000	Jan 2000			
Doubletree Atlanta Alpharetta Windward					79	May 2005	May 2000			
Hilton Garden Inn Atlanta Northpoint					125	Mar 2001	Mar 2001			
Embassy Suites Atlanta Alpharetta					150	May 2001	May 2001			
Total					1,541					

Source: STR

It is important to note some limitations of the STR data. Hotels are occasionally added to or removed from the sample; furthermore, not every property reports data in a consistent and timely manner. These factors can influence the overall quality of the information by skewing the results, and these inconsistencies may also cause the STR data to differ from the results of our competitive survey. Nonetheless, STR data provide the best indication of aggregate growth or decline in existing supply and demand; thus, these trends have been considered in our analysis. Opening dates, as available, are presented for each reporting hotel in the previous table.

The STR data for the competitive set reflect a market-wide occupancy level of 75.7% in 2015, which compares to 74.1% for 2014. The overall average occupancy level for the calendar years presented equates to 71.3%. The STR data for the competitive set reflect a market-wide average rate level of \$121.10 in 2015, which compares to \$111.09 for 2014. The average across all calendar years presented for average rate equates to \$100.96. These occupancy and average rate trends resulted in a RevPAR level of \$91.61 in 2015.

Strong occupancy and average rate levels caused RevPAR to first peak at nearly \$70 in 2007, before declining to a low point of roughly \$53 by year-end 2009 because of the recession. A rapid recovery began in 2010 that extended through year-end 2015; as illustrated, the 2007 peak in RevPAR was exceeded in 2013. Primary factors contributing to this period of strengthening included several corporations opening offices in Alpharetta during that time, including Fiserv, LG Air Conditioning, and Halyard Health, as well as a lack of new supply and opening of the Avalon mixed-use development.

Year-to-date data illustrate stable occupancy levels, but roughly a \$12.00 gain in average rate. RevPAR reached its high point in early 2016. The outlook for the remaining months of 2016 is strong due to the historically high demand levels, strong local economy, and the continued developments the Avalon

Seasonality

Monthly occupancy and average rate trends are presented in the following tables.

FIGURE 4-5 MONTHLY OCCUPANCY TRENDS

Month	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	57.5 %	59.4 %	62.6 %	60.1 %	57.8 %	48.9 %	57.8 %	58.4 %	62.0 %	66.6 %	65.7 %	66.0 %	65.3 %
February	62.7	68.6	65.7	64.1	61.1	55.8	65.2	67.2	69.2	72.7	70.1	74.7	73.6
March	67.0	65.1	69.9	64.7	61.3	54.1	66.0	72.8	71.8	73.9	76.1	76.9	76.8
April	69.4	71.0	67.5	66.4	66.9	56.2	68.3	68.5	68.1	82.3	77.2	79.1	81.9
May	63.8	64.2	71.8	68.4	68.7	58.3	71.0	72.5	72.1	79.1	76.3	78.2	78.1
June	66.9	69.3	72.1	66.9	66.3	62.7	74.4	73.3	75.4	81.2	77.5	81.3	81.6
July	63.8	66.0	68.7	70.1	67.3	67.3	77.0	75.3	75.0	79.4	81.5	86.8	—
August	65.4	68.9	68.4	69.9	65.7	58.7	69.7	71.1	72.2	72.6	80.0	78.8	—
September	64.9	65.9	61.4	64.5	62.8	64.3	70.2	67.0	70.4	70.6	74.7	77.6	—
October	67.3	69.9	67.9	69.4	65.8	65.7	67.5	71.3	75.0	77.2	81.6	80.5	—
November	62.2	67.7	64.0	58.5	55.4	58.1	62.4	63.5	63.8	67.0	68.3	68.6	—
December	50.5	51.4	49.3	46.8	45.7	50.3	55.7	56.7	57.0	59.6	60.1	59.3	—
Annual Occupancy	63.5 %	65.6 %	65.8 %	64.1 %	62.1 %	58.4 %	67.1 %	68.1 %	69.3 %	73.5 %	74.1 %	75.7 %	—
Year-to-Date	64.5 %	66.2 %	68.3 %	65.1 %	63.7 %	56.0 %	67.1 %	68.8 %	69.7 %	75.9 %	73.8 %	76.0 %	76.2 %

Source: STR

FIGURE 4-6 MONTHLY AVERAGE RATE TRENDS

Month	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	\$79.68	\$87.94	\$95.88	\$110.71	\$119.50	\$105.36	\$85.78	\$89.05	\$97.69	\$101.04	\$109.13	\$118.19	\$130.52
February	80.52	88.69	96.95	110.51	116.22	101.52	86.33	91.95	96.51	101.83	112.41	121.77	136.28
March	79.40	88.09	97.77	108.68	114.90	99.03	85.38	92.86	94.28	99.81	110.57	122.03	134.22
April	78.65	85.95	96.81	110.05	115.70	95.81	82.25	88.80	94.63	100.90	112.46	120.25	129.50
May	79.88	87.28	96.88	108.69	111.20	89.61	82.31	88.38	93.43	100.04	106.19	116.59	129.60
June	80.48	88.73	99.16	106.84	111.29	90.66	83.27	91.22	94.65	103.19	113.00	121.93	132.94
July	78.07	86.33	93.19	103.95	109.76	87.49	82.71	87.60	94.85	102.99	113.81	127.08	—
August	81.96	90.39	100.45	108.72	108.51	87.50	86.17	95.46	97.25	100.15	110.54	121.21	—
September	79.84	88.22	97.35	108.35	109.94	86.37	85.29	88.67	96.01	102.00	112.27	121.77	—
October	80.16	89.91	100.97	112.95	109.73	86.17	85.51	90.97	97.94	104.31	113.45	121.58	—
November	80.28	88.83	98.38	108.34	104.88	85.35	84.51	89.68	94.10	98.47	110.74	123.71	—
December	79.56	85.01	94.17	107.18	98.84	81.01	78.23	84.20	89.98	97.24	107.46	114.96	—
Annual Average Rate	\$79.87	\$88.02	\$97.42	\$108.75	\$111.10	\$90.94	\$83.99	\$90.00	\$95.18	\$101.10	\$111.09	\$121.10	—
Year-to-Date	\$79.75	\$87.77	\$97.28	\$109.20	\$114.64	\$96.59	\$84.11	\$90.40	\$95.11	\$101.13	\$110.59	\$120.14	\$132.11

Source: STR

The illustrated monthly occupancy and average rates patterns reflect important seasonal characteristics. We have reviewed these trends in developing our forthcoming forecast of market-wide demand and average rate. The competitive market is characterized by a moderate degree of seasonality, which is evident in the monthly occupancy statistics. The strongest occupancy levels are recorded in the summer months, when demand from sports teams and leisure travelers supplement the commercial segment that is the principal source of demand in this submarket. However, average rates remain relatively stable throughout the year.

Patterns of Demand

A review of the trends in occupancy and average rate by day of the week provides some insight into the impact that the current economic conditions have had on the competitive lodging market. The data, as provided by STR, are illustrated in the following table(s).

FIGURE 4-7 OCCUPANCY BY DAY OF WEEK (TRAILING 12 MONTHS)

Month	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Month
Jul - 15	65.6 %	94.3 %	98.8 %	87.9 %	81.1 %	89.0 %	91.6 %	86.8 %
Aug - 15	54.2	92.3	98.6	94.8	72.8	66.8	75.9	78.8
Sep - 15	60.7	78.6	91.0	90.6	67.9	69.3	78.6	77.6
Oct - 15	57.1	91.9	97.5	96.4	73.4	72.2	79.1	80.5
Nov - 15	46.8	76.3	78.0	81.1	72.1	65.3	64.2	68.6
Dec - 15	42.0	62.1	67.4	66.3	59.9	52.9	60.5	59.3
Jan - 16	45.8	76.7	87.3	87.6	63.6	52.5	54.2	65.3
Feb - 16	49.1	85.5	93.7	92.6	65.3	59.6	66.8	73.6
Mar - 16	49.8	88.0	95.2	90.9	64.7	70.9	72.9	76.8
Apr - 16	58.9	89.5	95.0	94.2	70.0	79.9	85.2	81.9
May - 16	55.7	77.4	89.4	92.4	66.6	79.1	89.4	78.1
Jun - 16	54.2	91.9	97.5	89.3	74.0	79.4	84.8	81.6
Average	53.1 %	83.6 %	90.4 %	88.3 %	69.4 %	70.1 %	75.2 %	75.7 %

Source: STR

FIGURE 4-8 AVERAGE RATE BY DAY OF WEEK (TRAILING 12 MONTHS)

Month	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Month
Jul - 15	\$119.08	\$143.02	\$148.69	\$144.23	\$123.97	\$103.26	\$104.91	\$127.08
Aug - 15	116.18	141.56	145.66	144.04	120.93	81.06	80.35	121.21
Sep - 15	108.93	139.93	144.30	142.67	118.93	85.12	85.55	121.77
Oct - 15	114.45	144.47	152.39	148.94	121.48	82.93	82.78	121.58
Nov - 15	116.82	144.37	148.99	142.74	118.20	87.61	87.44	123.71
Dec - 15	101.10	128.98	140.88	137.94	107.92	81.51	80.58	114.96
Jan - 16	116.59	151.74	160.60	157.87	138.96	84.16	81.14	130.52
Feb - 16	117.97	154.62	167.68	164.72	137.71	82.94	83.15	136.28
Mar - 16	122.83	155.07	164.52	158.13	129.34	84.76	83.62	134.22
Apr - 16	123.21	155.75	167.26	163.87	133.91	85.81	84.93	129.50
May - 16	112.94	147.48	160.53	158.60	128.79	90.41	89.89	129.60
Jun - 16	123.18	154.58	165.37	154.72	129.88	91.82	91.56	132.94
Average	\$116.27	\$147.21	\$155.76	\$151.58	\$125.50	\$87.68	\$86.64	\$127.07

Source: STR

FIGURE 4-9 OCCUPANCY, AVERAGE RATE, AND REVPAR BY DAY OF WEEK (MULTIPLE YEARS)

Occupancy (%)	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Year
Jul 13 - Jun 14	50.6 %	81.8 %	88.4 %	85.7 %	68.1 %	63.9 %	68.5 %	72.5 %
Jul 14 - Jun 15	52.9	83.8	89.6	88.3	70.0	68.2	73.4	75.2
Jul 15 - Jun 16	53.1	83.6	90.4	88.3	69.4	70.1	75.2	75.7
<u>Change (Occupancy Points)</u>								
FY 14 - FY 15	2.3	1.9	1.2	2.6	1.9	4.2	4.9	2.7
FY 15 - FY 16	0.2	-0.1	0.8	0.0	-0.5	1.9	1.8	0.5
ADR (\$)	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Year
Jul 13 - Jun 14	\$99.83	\$119.23	\$124.32	\$122.69	\$105.36	\$77.62	\$76.21	\$105.89
Jul 14 - Jun 15	109.17	133.11	137.58	135.49	115.26	82.73	81.75	115.87
Jul 15 - Jun 16	116.27	147.21	155.76	151.58	125.50	87.68	86.64	127.07
<u>Change (Dollars)</u>								
FY 14 - FY 15	\$9.34	\$13.89	\$13.26	\$12.80	\$9.89	\$5.11	\$5.54	\$9.98
FY 15 - FY 16	7.10	14.10	18.18	16.09	10.25	4.96	4.89	11.20
<u>Change (Percent)</u>								
FY 14 - FY 15	9.4 %	11.6 %	10.7 %	10.4 %	9.4 %	6.6 %	7.3 %	9.4 %
FY 15 - FY 16	6.5	10.6	13.2	11.9	8.9	6.0	6.0	9.7
RevPAR (\$)	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Year
Jul 13 - Jun 14	\$50.55	\$97.54	\$109.91	\$105.10	\$71.75	\$49.63	\$52.19	\$76.73
Jul 14 - Jun 15	57.79	111.50	123.29	119.61	80.63	56.40	59.97	87.13
Jul 15 - Jun 16	61.76	123.14	140.80	133.84	87.14	61.42	65.11	96.25
<u>Change (Dollars)</u>								
FY 14 - FY 15	\$7.24	\$13.96	\$13.38	\$14.50	\$8.88	\$6.77	\$7.77	\$10.40
FY 15 - FY 16	3.97	11.64	17.50	14.23	6.51	5.02	5.14	9.12
<u>Change (Percent)</u>								
FY 14 - FY 15	14.3 %	14.3 %	12.2 %	13.8 %	12.4 %	13.6 %	14.9 %	13.6 %
FY 15 - FY 16	6.9	10.4	14.2	11.9	8.1	8.9	8.6	10.5

Source: STR

In most markets, business travel, including individual commercial travelers and corporate groups, is the predominant source of demand on Monday through Thursday nights. Leisure travelers and non-business-related groups generate a majority of demand on Friday and Saturday nights. The Alpharetta submarket of

Atlanta is heavily dependent on corporate entities with headquarter offices in the area; accordingly, midweek demand is the strongest. Tuesday and Wednesday nights typically sell out in this market throughout the year at rates that are nearly double the weekend rates.

SUPPLY

Based on an evaluation of the occupancy, rate structure, market orientation, chain affiliation, location, facilities, amenities, reputation, and quality of each area hotel, as well as the comments of management representatives, we have identified several properties that are expected to be primarily competitive with the proposed subject hotel. If applicable, additional lodging facilities may be judged only secondarily competitive; although the facilities, rate structures, or market orientations of these hotels prevent their inclusion among the primary competitive supply, they are expected to compete with the proposed subject hotel to some extent.

The following table summarizes the important operating characteristics of the future primary competitors and the aggregate secondary competitors (if applicable). This information was compiled from personal interviews, inspections, lodging directories, and our in-house library of operating data. The table also sets forth each property's penetration factors; penetration is the ratio between a specific hotel's operating results and the corresponding data for the market. If the penetration factor is greater than 100%, the property is performing better than the market as a whole; conversely, if the penetration is less than 100%, the hotel is performing at a level below the market-wide average.

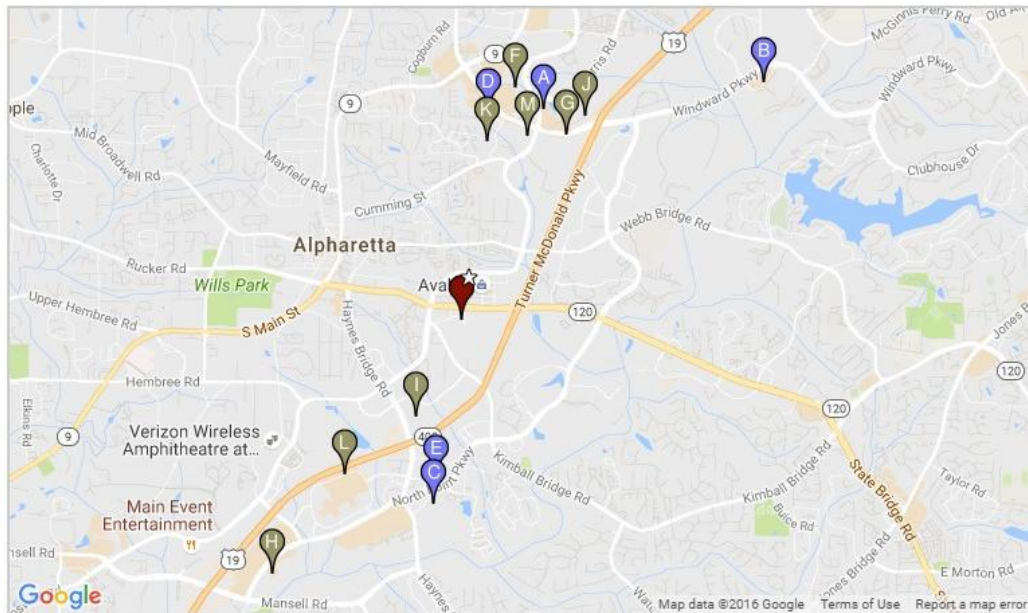
FIGURE 4-10 PRIMARY COMPETITORS – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation			Estimated 2014				Estimated 2015					
		Commercial	Meeting and Group	Leisure	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Courtyard by Marriott Atlanta Alpharetta	154	75 %	15 %	10 %	154	65 - 70 %	\$115 - \$120	\$75 - \$80	154	70 - 75 %	\$120 - \$125	\$85 - \$90	90 - 95 %	95 - 100 %
Hilton Garden Inn Atlanta North Alpharetta	164	75	15	10	164	75 - 80	115 - 120	85 - 90	164	75 - 80	125 - 130	100 - 105	100 - 110	110 - 120
Hilton Garden Inn Atlanta Northpoint	125	75	15	10	125	70 - 75	115 - 120	80 - 85	125	70 - 75	125 - 130	90 - 95	95 - 100	100 - 110
DoubleTree by Hilton Windward	79	70	15	15	79	65 - 70	110 - 115	70 - 75	79	70 - 75	115 - 120	85 - 90	95 - 100	95 - 100
Embassy Suites Atlanta Alpharetta	150	70	20	10	150	80 - 85	125 - 130	105 - 110	150	85 - 90	130 - 140	115 - 120	110 - 120	120 - 130
Sub-Totals/Averages	672	73 %	16 %	11 %	672	74.2 %	\$118.72	\$88.08	672	77.1 %	\$128.05	\$98.78	102.2 %	107.7 %
Secondary Competitors	870	69 %	14 %	17 %	574	73.1 %	\$103.57	\$75.71	574	73.6 %	\$113.43	\$83.44	97.4 %	91.0 %
Totals/Averages	1,542	71 %	15 %	13 %	1,246	73.7 %	\$111.79	\$82.38	1,246	75.5 %	\$121.48	\$91.71	100.0 %	100.0 %

* Specific occupancy and average rate data was utilized in our analysis, but is presented in ranges in the above table for the purposes of confidentiality.

The following map illustrates the locations of the proposed subject hotel and its future competitors.

MAP OF COMPETITION



- | | |
|---|--|
|  Proposed Courtyard by Marriott Parkway 400 Alpharetta |  Hyatt Place Alpharetta Windward Parkway (Secondary) |
|  Courtyard by Marriott Atlanta Alpharetta (Primary) |  Hyatt Place Atlanta Alpharetta North Point Mall (Secondary) |
|  Hilton Garden Inn Atlanta North Alpharetta (Primary) |  Fairfield Inn & Suites Atlanta Alpharetta (Secondary) |
|  Hilton Garden Inn Atlanta Northpoint (Primary) |  Hampton Inn & Suites Alpharetta (Secondary) |
|  DoubleTree by Hilton Windward (Primary) |  Holiday Inn Express & Suites Alpharetta-Windward Parkway (Secondary) |
|  Embassy Suites Atlanta Alpharetta (Primary) |  Residence Inn by Marriott Alpharetta (Secondary) |
|  SpringHill Suites by Marriott Alpharetta (Secondary) |  Residence Inn by Marriott Atlanta Alpharetta Windward (Secondary) |

Our survey of the primarily competitive hotels in the local market shows a range of lodging types and facilities. Each primary competitor was inspected and evaluated. Descriptions of our findings are presented below.

**PRIMARY COMPETITOR #1 - COURTYARD BY MARRIOTT ATLANTA
ALPHARETTA**



**Courtyard by Marriott
Atlanta Alpharetta**
12665 Deerfield
Parkway
Alpharetta, GA

FIGURE 4-11 ESTIMATED HISTORICAL OPERATING STATISTICS

<u>Year</u>	<u>Wtd. Annual Room Count</u>	<u>Occupancy</u>	<u>Average Rate</u>	<u>RevPAR</u>	<u>Occupancy Penetration</u>	<u>Yield Penetration</u>
Est. 2013	154	65 - 70 %	\$105 - \$110	\$70 - \$75	90 - 95 %	95 - 100 %
Est. 2014	154	65 - 70	115 - 120	75 - 80	90 - 95	95 - 100
Est. 2015	154	70 - 75	120 - 125	85 - 90	90 - 95	95 - 100

The Courtyard by Marriott Atlanta Alpharetta is owned by Ashford Hospitality Trust and is operated by Marriott International. Facilities and amenities include The Bistro, an outdoor pool, three computer workstations in the lobby, a fitness room, a market pantry, and four meeting rooms spanning a total of 1,285 square feet of meeting space. The hotel, which opened in 2000, was renovated in 2012 and 2015; upgrades in 2012 included new lobby furniture, carpet, and décor to meet the "Refreshing Business Lobby" standards, while in 2015, the guestrooms underwent a comprehensive renovation. This hotel benefits from its recent upgrades and strong brand affiliation. Overall, the property appeared to be in very good condition. Its accessibility is similar to that of the subject site, and its visibility is similar to the expected visibility of the Proposed Courtyard by Marriott Parkway 400 Alpharetta.

**PRIMARY COMPETITOR #2 - HILTON GARDEN INN ATLANTA NORTH
ALPHARETTA**



**Hilton Garden Inn
Atlanta North
Alpharetta**
4025 Windward Plaza
Alpharetta, GA

FIGURE 4-12 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2013	164	65 - 70 %	\$105 - \$110	\$65 - \$70	90 - 95 %	90 - 95 %
Est. 2014	164	75 - 80	115 - 120	85 - 90	100 - 110	100 - 110
Est. 2015	164	75 - 80	125 - 130	100 - 105	100 - 110	110 - 120

The Hilton Garden Inn Atlanta North Alpharetta is owned by Capstone-TSG II, LLC and Terra Hospitality-Giant, LLC and is operated by McKibbon Hotel Management. Facilities and amenities include the Garden Grill and Bar, an indoor pool, a fitness room, the Pavilion Pantry, a guest laundry facility, a business center, and approximately 3,600 square feet of meeting space. The hotel, which opened in 1998, received new lobby décor and furniture in 2011, while in 2013, the guestrooms were upgraded with new softgoods and case goods. This hotel benefits from its recent upgrades and its location near several of the area's top commercial demand generators. Overall, the property appeared to be in very good condition. Its accessibility is similar to that of the subject site, and its visibility is similar to the expected visibility of the Proposed Courtyard by Marriott Parkway 400 Alpharetta.

PRIMARY COMPETITOR #3 - HILTON GARDEN INN ATLANTA NORTHPOINT



**Hilton Garden Inn
Atlanta Northpoint**
10975 Georgia Lane
Alpharetta, GA

FIGURE 4-13 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2013	125	65 - 70 %	\$110 - \$115	\$75 - \$80	90 - 95 %	100 - 110 %
Est. 2014	125	70 - 75	115 - 120	80 - 85	95 - 100	100 - 110
Est. 2015	125	70 - 75	125 - 130	90 - 95	95 - 100	100 - 110

The Hilton Garden Inn Atlanta North Point is owned by Lowe Enterprises and operated by Southern States Management. Facilities and amenities include the Garden Grill & Bar, an outdoor pool and whirlpool, a fitness room, the Pavilion Pantry, a guest laundry facility, a business center, and 1,575 square feet of meeting space. The hotel, which opened in 2001, underwent a lobby renovation in 2013; upgrades included new case goods and décor. This hotel benefits from its select-service orientation and location within the North Point Mall development. Overall, the property appeared to be in very good condition. Its accessibility is similar to that of the subject site, and its visibility is similar to the expected visibility of the Proposed Courtyard by Marriott Parkway 400 Alpharetta.

PRIMARY COMPETITOR #4 - DOUBLETREE BY HILTON WINDWARD

**DoubleTree by Hilton
Windward**
2925 Jordan Court
Alpharetta, GA

FIGURE 4-14 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2013	79	65 - 70 %	\$105 - \$110	\$70 - \$75	90 - 95 %	90 - 95 %
Est. 2014	79	65 - 70	110 - 115	70 - 75	85 - 90	85 - 90
Est. 2015	79	70 - 75	115 - 120	85 - 90	95 - 100	95 - 100

The DoubleTree by Hilton Windward is owned and operated by North Point Hospitality. Facilities and amenities include Savannah's Restaurant and Lounge, an outdoor pool, a fitness room, a business center, and approximately 750 square feet of meeting space. The hotel, which opened in 2000, has not been recently renovated. However, a property-wide renovation is scheduled for late 2016. This hotel benefits from its Hilton brand affiliation but is somewhat disadvantaged by its lack of recent upgrades. Overall, the property appeared to be in good condition. Its accessibility is similar to that of the subject site, and its visibility is similar to the expected visibility of the Proposed Courtyard by Marriott Parkway 400 Alpharetta.

PRIMARY COMPETITOR #5 - EMBASSY SUITES ATLANTA ALPHARETTA



**Embassy Suites Atlanta
Alpharetta**
5955 North Point
Parkway
Alpharetta, GA

FIGURE 4-15 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2013	150	80 - 85 %	\$120 - \$125	\$100 - \$105	110 - 120 %	130 - 140 %
Est. 2014	150	80 - 85	125 - 130	105 - 110	110 - 120	130 - 140
Est. 2015	150	85 - 90	130 - 140	115 - 120	110 - 120	120 - 130

The Embassy Suites Atlanta Alpharetta is owned by Alpharetta Hotel Venture, LP and is operated by the Windsor Capital Group. Facilities and amenities include Cascades (serving complimentary breakfast, as well as lunch and dinner), an indoor pool and whirlpool, a fitness center, a business center, a market pantry, a guest laundry room, and approximately 3,156 square feet of meeting space. The hotel, which opened in 2001, has not been recently renovated. However, the hotel will reportedly undergo a property-wide renovation in early 2017. This hotel benefits from its all-suite product offering, but is somewhat disadvantaged by its dated guestrooms. Overall, the property appeared to be in good condition. Its accessibility is similar to the accessibility attributes of the subject site, while its visibility is similar to the expected visibility of the Proposed Courtyard by Marriott Parkway 400 Alpharetta.

**Secondary
Competitors**

We have also reviewed other area lodging facilities to determine whether any may compete with the proposed subject hotel on a secondary basis. The room count of each secondary competitor has been weighted based on its assumed degree of competitiveness in the future with the proposed subject hotel. By assigning degrees of competitiveness, we can assess how the proposed subject hotel and its future competitors may react to various changes in the market, including new supply, changes to demand generators, and renovations or franchise changes of existing supply. The following table sets forth the pertinent operating characteristics of the secondary competitors.

FIGURE 4-16 SECONDARY COMPETITOR(S) – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation				Total Competitive Level	Estimated 2014				Estimated 2015			
		Commercial	Meeting and Group	Leisure			Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR
SpringHill Suites by Marriott Alpharetta	82	75 %	15 %	10 %		75 %	62	75 - 80 %	\$100 - \$105	\$75 - \$80	62	65 - 70 %	\$110 - \$115	\$75 - \$80
Hyatt Place Alpharetta Windward Parkway	127	70	15	15		75	95	80 - 85	95 - 100	80 - 85	95	80 - 85	105 - 110	90 - 95
Hyatt Place Atlanta Alpharetta North Point Mall	124	65	15	20		75	93	65 - 70	100 - 105	70 - 75	93	65 - 70	115 - 120	75 - 80
Fairfield Inn & Suites Atlanta Alpharetta	87	70	15	15		75	65	70 - 75	100 - 105	70 - 75	65	65 - 70	105 - 110	70 - 75
Hampton Inn & Suites Alpharetta	103	70	15	15		75	77	65 - 70	100 - 105	70 - 75	77	70 - 75	110 - 115	80 - 85
Holiday Inn Express & Suites Alpharetta-Windward Parkway	124	65	15	20		75	93	60 - 65	100 - 105	60 - 65	93	70 - 75	105 - 110	75 - 80
Residence Inn by Marriott Alpharetta	120	70	10	20		40	48	80 - 85	100 - 105	85 - 90	48	75 - 80	115 - 120	90 - 95
Residence Inn by Marriott Atlanta Alpharetta Windward	103	70	10	20		40	41	75 - 80	125 - 130	100 - 105	41	75 - 80	140 - 150	110 - 115
Totals/Averages	870	69 %	14 %	17 %		66 %	574	73.1 %	\$103.57	\$75.71	574	73.6 %	\$113.43	\$83.44

* Specific occupancy and average rate data was utilized in our analysis, but is presented in ranges in the above table for the purposes of confidentiality.

We have identified eight hotels that are expected to compete with the proposed subject hotel on a secondary level. The SpringHill Suites by Marriott, Fairfield Inn & Suites by Marriott, Hampton by Hilton, and the Holiday Inn Express Hotel & Suites are anticipated to compete for overlapping transient demand; however, due to their limited-service orientations, these hotel's are not expected to compete on a primary level. The two Hyatt Place hotels offer similar select-service products; however, these hotels operate at lower price points. Moreover, the two Residence Inn by Marriott hotels are anticipated to be competitive based on their upscale products and similar Marriott parent-brand affiliation; however, given their extended-stay orientations, they are not anticipated to compete directly with the proposed subject hotel.

Supply Changes

It is important to consider any new hotels that may have an impact on the proposed subject hotel's operating performance. The following chart sets forth the hotels that have recently opened, are under construction, or are in the stages of early development in the Alpharetta area. The list is categorized by the principal submarkets within the city.

FIGURE 4-17 AREA DEVELOPMENT ACTIVITY

Proposed Hotel Name	Estimated Number of Rooms	Hotel Product Tier	Development Stage	Expected Qtr. & Year of Opening	Address
Downtown					
Autograph Collection Marriott	325	Luxury	Under Construction	Q1 '18	Old Milton Parkway, Alpharetta
Proposed EVEN Hotel	131	Upscale	Construction to Begin Soon	Q1 '18	110 Kimball Bridge Road, Alpharetta
Proposed Aloft	111	Upscale	Construction to Begin Soon	Q1 '18	7895 North Point Parkway, Alpharetta
Proposed VIB	112	Upscale	Application Denied	N/A	Kimball Bridge Road, Alpharetta

Of the hotels listed in the preceding chart, we have identified the following new supply that is expected to have some degree of competitive interaction with the proposed subject hotel, based on location, anticipated market orientation and price point, and/or operating profile.

FIGURE 4-18 NEW SUPPLY

Proposed Property	Number of Rooms	Total Competitive Level	Weighted Room Count	Estimated Opening Date	Developer	Development Stage
Proposed Courtyard by Marriott	115	100 %	115	April 1, 2018	Hotel Development Partners	Early Development
Proposed EVEN Hotel	131	100	131	January 1, 2018	Greenstone Properties Inc.	Construction to Begin Soon
Proposed Aloft	111	75	83	January 1, 2018	PeachState Hospitality	Construction to Begin Soon
Marriott Autograph Collection	330	40	132	January 1, 2018	Stormont Hospitality	Under Construction
Totals/Averages	687		461			

The proposed EVEN Hotel will be located adjacent to the subject site and is expected to compete for similar transient and group demand. As such, this hotel is expected to be fully competitive. The proposed Aloft is expected to operate at a similar price point and offer a comparable select-service product; however, given its location nearly three miles from the proposed subject site, it is not expected to compete on a primary level. Additionally, the Marriott Autograph Collection is currently under construction at the Avalon. This full-service hotel is expected to operate at a significantly higher price point and target more group demand. Therefore, it has been weighted as secondarily competitive new supply.

While we have taken reasonable steps to investigate proposed hotel projects and their status, due to the nature of real estate development, it is impossible to determine with certainty every hotel that will be opened in the future, or what their marketing strategies and effect in the market will be. Depending on the outcome of current and future projects, the future operating potential of the proposed subject hotel may be affected. Future improvement in market conditions will raise the risk of increased competition. Our forthcoming forecast of stabilized occupancy and average rate is intended to reflect such risk.

Supply Conclusion

We have identified various properties that are expected to be competitive to some degree with the proposed subject hotel. We have also investigated potential increases in competitive supply in this Alpharetta submarket. The Proposed Courtyard by Marriott Parkway 400 Alpharetta should enter a dynamic market of varying product types and price points. Next, we will present our forecast for demand change, using the historical supply data presented as a starting point.

DEMAND

The following table presents the most recent trends for the subject hotel market as tracked by HVS. These data pertain to the competitors discussed previously in this section; performance results are estimated, rounded for the competition, and in some cases weighted if there are secondary competitors present. In this respect,

the information in the table differs from the previously presented STR data and is consistent with the supply and demand analysis developed for this report.

FIGURE 4-19 HISTORICAL MARKET TRENDS

Year	Accommodated		Room Nights		Market		Market		
	Room Nights	% Change	Available	% Change	Occupancy	Market ADR	% Change	RevPAR	% Change
Est. 2013	329,848	—	454,954	—	72.5 %	\$102.42	—	\$74.25	—
Est. 2014	335,259	1.6 %	454,954	0.0 %	73.7	111.79	9.2 %	82.38	10.9 %
Est. 2015	343,449	2.4	454,954	0.0	75.5	121.48	8.7	91.71	11.3
Avg. Annual Compounded									
Chg., Est. 2013-Est. 2015:		2.0 %		0.0 %			8.9 %		11.1 %

Demand Analysis Using Market Segmentation

For the purpose of demand analysis, the overall market is divided into individual segments based on the nature of travel. Based on our fieldwork, area analysis, and knowledge of the local lodging market, we estimate the 2015 distribution of accommodated-room-night demand as follows.

FIGURE 4-20 ACCOMMODATED ROOM-NIGHT DEMAND

Market Segment	Marketwide	
	Accommodated Demand	Percentage of Total
Commercial	244,872	71 %
Meeting and Group	52,593	15
Leisure	45,984	13
Total	343,449	100 %

The market's demand mix comprises commercial demand, with this segment representing roughly 71% of the accommodated room nights in this Alpharetta submarket. The remaining portion comprises meeting and group at 15%, with the final portion leisure in nature, reflecting 13%.

Using the distribution of accommodated hotel demand as a starting point, we will analyze the characteristics of each market segment in an effort to determine future trends in room-night demand.

Commercial Segment

Commercial demand consists mainly of individual businesspeople passing through the subject market or visiting area businesses, in addition to high-volume corporate accounts generated by local firms. Brand loyalty (particularly frequent-

traveler programs), as well as location and convenience with respect to businesses and amenities, influence lodging choices in this segment. Companies typically designate hotels as “preferred” accommodations in return for more favorable rates, which are discounted in proportion to the number of room nights produced by a commercial client. Commercial demand is strongest Monday through Thursday nights, declines significantly on Friday and Saturday, and increases somewhat on Sunday night. It is relatively constant throughout the year, with marginal declines in late December and during other holiday periods.

A major factor considered in the development of our growth rates is the presence of major national and international headquarter operations in the Alpharetta area. Companies including Promethean, Verizon, and AT&T have increased their room-night production in the wake of the economic downturn with training, research and development, and manufacturing. The market is replete with first-class corporate office parks that house regional operations for several companies, including Coca-Cola, United Parcel Service, McKesson Provider Technologies, and Ernst and Young, which recently opened a new global IT center in Alpharetta. As many of these companies continue to expand and increase employee recruiting and training efforts, demand growth should continue. Several new headquarter offices in the market, including Fiserv and Halyard Health, are providing commercial demand. New office space at the Avalon mixed-use development and Parkway 400 office park should also support commercial demand growth in the market. Moreover, continued growth at Gwinnett Technical College's new campus should provide additional commercial demand. As such, we expect modest growth to occur in this segment through the stabilized year.

Meeting and Group Segment

The meeting and group market includes meetings, seminars, conventions, trade association shows, and similar gatherings of ten or more people. Peak convention demand typically occurs in the spring and fall. Although there are numerous classifications within the meeting and group segment, the primary categories considered in this analysis are corporate groups, associations, and SMERFE (social, military, ethnic, religious, fraternal, and educational) groups. Corporate groups typically meet during the business week, most commonly in the spring and fall months. These groups tend to be the most profitable for hotels, as they typically pay higher rates and usually generate ancillary revenues including food and beverage and/or banquet revenue. SMERFE groups are typically price-sensitive and tend to meet on weekends and during the summer months or holiday season, when greater discounts are usually available; these groups generate limited ancillary revenues. Association demand is generally divided on a geographical basis, with national, regional, and state associations representing the most common sources. Professional associations and/or those supported by members' employers often meet on weekdays, while other associations prefer to hold events

on weekends. The profile and revenue potential of associations varies depending on the group and the purpose of the meeting or event.

The presence of many multinational corporations and headquarter offices in the Alpharetta area fuel the majority of group demand in this market. The same companies that create commercial demand also generate group demand through training activities and corporate events. Supplemental meeting and group demand is provided by weddings, family reunions, and sports teams. Alpharetta and nearby Roswell are home to several historic wedding venues, and The Cooler often hosts ice hockey and figure skating tournaments. The opening of the conference center at the Avalon, coupled with increased corporate group demand from the area's new office developments, are expected to bolster meeting and group demand in the market. We expect strong growth to occur within this segment through the stabilized year.

Leisure Segment

Leisure demand consists of individuals and families spending time in an area or passing through en route to other destinations. Travel purposes include sightseeing, recreation, or visiting friends and relatives. Leisure demand also includes room nights booked through Internet sites such as Expedia, Hotels.com, and Priceline; however, leisure may not be the purpose of the stay. This demand may also include business travelers and group and convention attendees who use these channels to take advantage of any discounts that may be available on these sites. Leisure demand is strongest Friday and Saturday nights, and all week during holiday periods and the summer months. These peak periods represent the inverse of commercial visitation trends, underscoring the stabilizing effect of capturing weekend and summer tourist travel. Future leisure demand is related to the overall economic health of the region and the nation. Trends showing changes in state and regional unemployment and disposable personal income correlate strongly with leisure travel levels.

Leisure demand in the area is primarily generated by Alpharetta's retail and entertainment venues, including the upscale North Point Mall and the Verizon Wireless amphitheatre. This destination draws limited weekend demand from the surrounding area that lacks a similar depth of retail, while sell-out nights only occur when there is a major concert being held at the amphitheatre. As the retail component of the market is still expanding with the Avalon mixed-use development, growth related to this source should continue to expand in the future. Nearby attractions in Atlanta also generate demand for this market. We expect modest demand growth to occur in this segment through the stabilized year.

Base Demand Growth Rates

The purpose of segmenting the lodging market is to define each major type of demand, identify customer characteristics, and estimate future growth trends. Starting with an analysis of the local area, three segments were defined as representing the subject property's lodging market. Various types of economic and demographic data were then evaluated to determine their propensity to reflect changes in hotel demand. Based on this procedure, we forecast the following average annual compounded market-segment growth rates.

FIGURE 4-21 AVERAGE ANNUAL COMPOUNDED MARKET SEGMENT GROWTH RATES

Market Segment	Annual Growth Rate					
	2016	2017	2018	2019	2020	2021
Commercial	0.5 %	1.0 %	13.0 %	1.0 %	0.5 %	0.0 %
Meeting and Group	0.5	0.5	8.0	0.5	0.0	0.0
Leisure	0.0	0.5	3.0	0.5	0.0	0.0
Base Demand Growth	0.4 %	0.9 %	10.9 %	0.9 %	0.4 %	0.0 %

Latent Demand

A table presented earlier in this section illustrated the accommodated-room-night demand in the subject property's competitive market. Because this estimate is based on historical occupancy levels, it includes only those hotel rooms that were used by guests. Latent demand reflects potential room-night demand that has not been realized by the existing competitive supply, further classified as either unaccommodated demand or induced demand.

Unaccommodated Demand

Unaccommodated demand refers to individuals who are unable to secure accommodations in the market because all the local hotels are filled. These travelers must defer their trips, settle for less desirable accommodations, or stay in properties located outside the market area. Because this demand did not yield occupied room nights, it is not included in the estimate of historical accommodated-room-night demand. If additional lodging facilities are expected to enter the market, it is reasonable to assume that these guests will be able to secure hotel rooms in the future, and it is therefore necessary to quantify this demand.

Unaccommodated demand is further indicated if the market is at all seasonal, with distinct high and low seasons; such seasonality indicates that although year-end occupancy may not average in excess of 70%, the market may sell out certain nights during the year. To evaluate the incidence of unaccommodated demand in the market, we have reviewed the average occupancy by the night of the week for the past twelve months for the competitive set, as reflected in the STR data. This is set forth in the following table.

FIGURE 4-22 OCCUPANCY BY NIGHT OF THE WEEK

Month	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Month
Jul - 15	65.6 %	94.3 %	98.8 %	87.9 %	81.1 %	89.0 %	91.6 %	86.8 %
Aug - 15	54.2	92.3	98.6	94.8	72.8	66.8	75.9	78.8
Sep - 15	60.7	78.6	91.0	90.6	67.9	69.3	78.6	77.6
Oct - 15	57.1	91.9	97.5	96.4	73.4	72.2	79.1	80.5
Nov - 15	46.8	76.3	78.0	81.1	72.1	65.3	64.2	68.6
Dec - 15	42.0	62.1	67.4	66.3	59.9	52.9	60.5	59.3
Jan - 16	45.8	76.7	87.3	87.6	63.6	52.5	54.2	65.3
Feb - 16	49.1	85.5	93.7	92.6	65.3	59.6	66.8	73.6
Mar - 16	49.8	88.0	95.2	90.9	64.7	70.9	72.9	76.8
Apr - 16	58.9	89.5	95.0	94.2	70.0	79.9	85.2	81.9
May - 16	55.7	77.4	89.4	92.4	66.6	79.1	89.4	78.1
Jun - 16	54.2	91.9	97.5	89.3	74.0	79.4	84.8	81.6
Average	53.1 %	83.6 %	90.4 %	88.3 %	69.4 %	70.1 %	75.2 %	75.7 %

Source: STR

Our interviews with market participants found that the market generally sells out on Tuesday and Wednesday nights throughout the year, as well as weekends during peak travel season. Special events, such as concerts at the Verizon Wireless Amphitheatre, regularly sell out competitive hotels. A portion of this demand, which is currently turned away, should return to the market concurrent with the supply increase. The following table presents our estimate of unaccommodated demand in the subject market.

FIGURE 4-23 UNACCOMMODATED DEMAND ESTIMATE

Market Segment	Accommodated Room Night Demand	Unaccommodated Demand Percentage	Unaccommodated Room Night Demand
Commercial	244,872	10.8 %	26,366
Meeting and Group	52,593	3.0	1,591
Leisure	45,984	1.2	554
Total	343,449	8.3 %	28,510

Accordingly, we have forecast unaccommodated demand equivalent to 8.3% of the base-year demand, resulting from our analysis of monthly and weekly peak demand and sell-out trends.

Induced Demand from new Conference Center

Induced demand represents the additional room nights that are expected to be attracted to the market following the introduction of a new demand generator. Situations that can result in induced demand include the opening of a new manufacturing plant, the expansion of a convention center, or the addition of a new hotel with a distinct chain affiliation or unique facilities. The following table summarizes our estimate of induced demand.

FIGURE 4-24 INDUCED DEMAND CALCULATION

Market Segment	2018	2019	2020	2021
Meeting and Group	20,400	22,800	24,000	24,000
Total	20,400	22,800	24,000	24,000

The opening of the new Alpharetta Conference Center at the Avalon should induce considerable demand into this market. The center is expected to include a 12,500-square foot exhibition hall, a 10,000-square-foot ballroom, six meeting rooms, a boardroom, a reception area, pre-function space, and outdoor venues, spanning a total of 65,000 square feet. Additionally, the exhibition hall and ballroom can be combined to form a single 22,5000-square-foot room, which is more than three times larger than the largest meeting room at the Marriott Alpharetta. The combined exhibition hall and ballroom is also larger than any single meeting room in the Buckhead or Perimeter markets. Upon completion, the conference center should draw new groups to this market, as these groups with planned meetings would have likely chosen an alternate destination if it were not for the availability of the new facility. The available meeting space component should also help entice corporations to the areas office space.

The demand for the conference center will largely be accommodated by the adjoining Marriott Autograph Collection hotel; however, strong-branded and well-know overflow hotels will be needed to service the conference center. Also, the Marriott Autograph Collection will be a four-star hotel and is expected to be the rate leader in the market by a considerable margin. Many price-sensitive attendees to meetings and events held at the conference center would opt for a less expensive lodging option that, preferably, is within walking distance to the conference center. In our opinion, having an overflow hotel with the same parent

brand as the proposed Marriott Autograph Collection would be a positive influence on the convention center and improve its booking capabilities.

We have assumed that 500 rooms nights each week will be induced into the market by the convention center, which calculates to an additional 24,000 annual room nights. While attendance at the conference center will be significantly higher than this figure, attendees living within a one to two hour distance from the conference center may opt to return home. Accordingly, we have incorporated 24,000 room nights (rounded) into our analysis, phased in over an appropriate ramp-up period to account for bookings

Accommodated Demand and Market- wide Occupancy

Based upon a review of the market dynamics in the subject property's competitive environment, we have forecast growth rates for each market segment. Using the calculated potential demand for the market, we have determined market-wide accommodated demand based on the inherent limitations of demand fluctuations and other factors in the market area.

The following table details our projection of lodging demand growth for the subject market, including the total number of occupied room nights and any residual unaccommodated demand in the market.

FIGURE 4-25 FORECAST OF MARKET OCCUPANCY

	2016	2017	2018	2019	2020	2021
Commercial						
Base Demand	246,096	248,557	280,869	283,678	285,097	285,097
Unaccommodated Demand	26,497	26,762	30,242	30,544	30,697	30,697
Total Demand	272,594	275,319	311,111	314,222	315,793	315,793
Growth Rate	11.3 %	1.0 %	13.0 %	1.0 %	0.5 %	0.0 %
Meeting and Group						
Base Demand	52,856	53,120	57,370	57,657	57,657	57,657
Unaccommodated Demand	1,599	1,607	1,735	1,744	1,744	1,744
Induced Demand	0	0	20,400	22,800	24,000	24,000
Total Demand	54,455	54,727	79,505	82,201	83,401	83,401
Growth Rate	3.5 %	0.5 %	45.3 %	3.4 %	1.5 %	0.0 %
Leisure						
Base Demand	45,984	46,214	47,600	47,838	47,838	47,838
Unaccommodated Demand	554	556	573	576	576	576
Total Demand	46,538	46,770	48,173	48,414	48,414	48,414
Growth Rate	1.2 %	0.5 %	3.0 %	0.5 %	0.0 %	0.0 %
Totals						
Base Demand	344,936	347,891	385,840	389,173	390,592	390,592
Unaccommodated Demand	28,650	28,925	32,550	32,864	33,016	33,016
Induced Demand	0	0	20,400	22,800	24,000	24,000
Total Demand	373,586	376,817	438,790	444,837	447,608	447,608
less: Residual Demand	28,685	28,973	2,013	0	0	0
Total Accommodated Demand	344,901	347,844	436,777	444,837	447,608	447,608
Overall Demand Growth	0.4 %	0.9 %	25.6 %	1.8 %	0.6 %	0.0 %
Market Mix						
Commercial	73.0 %	73.1 %	70.9 %	70.6 %	70.6 %	70.6 %
Meeting and Group	14.6	14.5	18.1	18.5	18.6	18.6
Leisure	12.5	12.4	11.0	10.9	10.8	10.8
Existing Hotel Supply	1,246	1,246	1,246	1,246	1,246	1,246
Proposed Hotels						
Proposed Courtyard by Marriott	¹		87	115	115	115
Proposed EVEN Hotel	²		131	131	131	131
Proposed Aloft	³		83	83	83	83
Marriott Autograph Collection	⁴		132	132	132	132
Available Room Nights per Year	454,748	454,681	612,687	623,037	623,037	623,037
Nights per Year	365	365	365	365	365	365
Total Supply	1,246	1,246	1,679	1,707	1,707	1,707
Rooms Supply Growth	0.0 %	0.0 %	34.8 %	1.7 %	0.0 %	0.0 %
Marketwide Occupancy	75.8 %	76.5 %	71.3 %	71.4 %	71.8 %	71.8 %

¹ Opening in April 2018 of the 100% competitive, 115-room Proposed Courtyard by Marriott

² Opening in January 2018 of the 100% competitive, 131-room Proposed EVEN Hotel

³ Opening in January 2018 of the 75% competitive, 111-room Proposed Aloft

⁴ Opening in January 2018 of the 40% competitive, 330-room Marriott Autograph Collection

^A Change of room count in April 2016 of the 75% competitive, Fairfield Inn & Suites Atlanta Alpharetta

The defined competitive market of hotels should experience modest occupancy growth in the near term; however, an influx of new supply is expected to cause a sharp drop in occupancy in 2018. No new supply has opened in the Alpharetta market in more than a decade, which has contributed to the market's historically high occupancy levels. Based on historical occupancy levels in this market and the anticipated impact of the new supply, market occupancy is forecast to stabilize in the low 70s.

5. Description of the Proposed Improvements

The quality of a lodging facility's physical improvements has a direct influence on marketability, attainable occupancy, and average room rate. The design and functionality of the structure can also affect operating efficiency and overall profitability. This section investigates the subject property's proposed physical improvements and personal property in an effort to determine how they are expected to contribute to attainable cash flows.

Project Overview

The Proposed Courtyard by Marriott Parkway 400 Alpharetta will be a select-service lodging facility containing 115 rentable units. The six-story property will open on April 1, 2018. The proposed subject property will be located within walking-distance to the Avalon mixed-use development and Conference Center that is currently under construction, and will be the second Courtyard by Marriott in Alpharetta. The hotel's strong brand, coupled with a premier location a growing neighborhood, will allow it to become a foremost choice for business travelers.

The Courtyard by Marriott concept was developed by Marriott in 1985 to target business travelers. Courtyard by Marriott is a mid-rate, select-service product, commonly considered to be one of the strongest mid-rate products in the lodging industry. Each Courtyard by Marriott contains a restaurant/lounge (for either grab-and-go snacks or sit-down meals), a business center, a market pantry, a fitness room, a swimming pool, and meeting space. Main competitors of the Courtyard by Marriott brand include Hilton Garden Inn, Starwood's Four Points by Sheraton, Wingate by Wyndham, Hampton Inn & Suites, La Quinta Inn & Suites, and Hyatt Place, among others. As of year-end 2015, there were 891 Courtyard by Marriott properties (124,630 rooms) in operation across North America. In 2015, the brand's North American hotels achieved an average occupancy level of 73.1%, an average daily rate of \$136.58, and an average RevPAR of \$99.88.

ACTUAL EXTERIOR DESIGN OF PROPOSED COURTYARD BY MARRIOTT PARKWAY 400



Architectural Concept Illustration
Courtyard by Marriott / Parkway 400 ALPHARETTA
 ARCHITECT: RICHARD RAUH & ASSOCIATES ATLANTA
 for HOTEL DEVELOPMENT PARTNERS LLC

Summary of the Facilities

Based on information provided by the proposed subject hotel's development representatives, the following table summarizes the facilities that are expected to be available at the proposed subject hotel.

FIGURE 5-1 PROPOSED FACILITIES SUMMARY

Guestroom Configuration		Number of Units
King		75
Queen/Queen		40
Total		115
Food & Beverage Facilities		Seating Capacity
Bistro		TBD
Indoor Meeting & Banquet Facilities		Square Footage
Meeting Room		1,200
Amenities & Services		
Indoor Swimming Pool		Market Pantry
Fitness Room		Guest Laundry Area
Business Center		Outdoor Patio and Fire Pit
Infrastructure		
Parking Spaces		113
Elevators		TBD
Life-Safety Systems		Sprinklers, Smoke Detectors
Construction Details		Wood Framing, Poured Concrete

Site Improvements and Hotel Structure

Once guests enter the site, parking will be available on the surface lot to the west, south, and east of the proposed hotel. Site improvements will include freestanding signage, which will be located on the northeastern side of the site (additional signage will be placed on the exterior of the building). We assume that all signage will adequately identify the property and meet brand standards. Planned landscaping should allow for a positive guest impression and competitive exterior appearance. Sidewalks will be present along the front entrance and around the perimeter of the hotel. Other site improvements will include an outdoor patio and fire pit, as well as a trash area toward the rear of the property. Overall, the planned site improvements for the property appear adequate.

The hotel structure will comprise one single building, which is expected to be constructed of wood framing and poured concrete. The exterior of the hotel is expected to be finished with stucco. Two stairways and two elevators should provide internal vertical transportation within the main structure. The hotel roof will most likely feature a rubber-membrane roofing system. Double-paned

windows will reduce noise transmission into the rooms. Heating and cooling will be provided by through-the-wall units and several large units for the public areas. Overall, the planned building components are anticipated to be normal for a hotel of this type and should meet the standards for this market. We assume that all structural components will meet local building codes and that no significant defaults will occur during construction that would affect the future operating potential of the hotel or delay its assumed opening date.

Lobby

Guests will enter the hotel through a single set of automatic doors, which will open to a vestibule, and then through a second set of automatic doors. The lobby will be large, appropriate for a Courtyard by Marriott. The front desk and registration area will consist of "Welcome Podiums." The lobby will also be equipped with a GoBoard™, a touch-screen information system providing up-to-date weather information, local events and headlines, restaurant recommendations, and mapping capabilities. The furnishings and finishes in this space should offer an appropriate first impression, and the design of the space should lend itself to adequate efficiency. We assume that all property management and guestroom technology will be appropriately installed for the effective management of hotel operations.

Food and Beverage Facilities

The Bistro, a counter-service food and beverage offering, will provide guests with a variety of food and beverage options. The Bistro design is intended to draw guests into the lobby as a communal space for relaxation, with a variety of areas available for guest use while dining, including a communal table, a home theater-like entertainment area, media pods, and a business library, as well as individual tables.

TYPICAL COURTYARD BY MARRIOTT DINING AREA



Overall, the hotel will provide a competitive offering of food and beverage facilities for a property of this type.

Meeting and Banquet Space

The hotel will offer one meeting room on the first floor. This planned meeting space appears appropriate for a hotel of this type and is assumed to meet brand standards. Public restrooms near the entrance to the meeting space should enhance the overall functionality of the area.

Recreational Amenities

The hotel is expected to offer an indoor pool and a fitness room as recreational facilities. Restrooms should be present off the pool area. The hotel should also feature an outdoor patio with a fire pit.

Additional Amenities

Other amenities should include a business center and a 24-hour market, named The Market, to be located on the lobby level. There are no vending areas planned, but an ice machine will be available on each guestroom floor. The hotel is also expected to feature a guest laundry room. Overall, the supporting facilities should be appropriate for a hotel of this type, and we assume that they will meet brand standards.

Guestrooms

The hotel will feature standard and suite-style room configurations, with guestrooms present on all levels of the property's proposed single building. The guestrooms will offer typical amenities for this product type. In addition to the standard furnishings, guestrooms should feature an iron and ironing board, a coffeemaker, and wireless, high-speed Internet access. Suites, which will be available for a premium rate, are expected to feature a larger living area and additional amenities such as a microwave and small refrigerator. Overall, the guestrooms should offer a competitive product for this Alpharetta neighborhood.

Guestroom bathrooms are expected to be of a standard size, with a shower-in-tub, commode, and single sink with vanity area, featuring a stone countertop. Bathroom amenities should include a hairdryer and complimentary toiletries. Overall, the bathroom design is expected to be appropriate for a product of this type.

TYPICAL COURTYARD BY MARRIOTT GUESTROOM



The interior guestroom corridors will be wide and functional, permitting the easy passage of housekeeping carts. Corridor carpet, wallcovering, signage, and lighting will be in keeping with the overall look and design of the rest of the property.

Back-of-the-House

The hotel will be served by the necessary back-of-the-house space, including an in-house laundry facility, administrative offices, and a full-service kitchen to serve the needs of The Bistro. These spaces should be adequate for a hotel of this type and should allow for the efficient operation of the property under competent management.

ADA and Environmental

We assume that the property will be built according to all pertinent codes and brand standards. Moreover, we assume its construction will not create any environmental hazards (such as mold) and that the property will fully comply with the Americans with Disabilities Act.

Capital Expenditures

Our analysis assumes that, after its opening, the hotel will require ongoing upgrades and periodic renovations in order to maintain its competitive level in this market and to remain compliant with brand standards. These costs should be

adequately funded by the forecasted reserve for replacement, as long as a successful, ongoing preventive-maintenance program is employed by hotel staff.

Construction Budget

The construction budget for the 115-room subject hotel, as provided by the project developer, is illustrated in the following table.

FIGURE 5-2 SUBJECT PROPERTY CONSTRUCTION BUDGET

Component	Cost	Cost per Room
Hard Costs & Site Improvements		
Foundation	\$950,000	\$8,261
Construction	9,899,200	86,080
Sub Total Hard Cost & Site Improvements	\$10,849,200	94,341
FF&E		
FF&E	\$1,800,000	\$15,652
Sub Total FFE & OS&E	1,800,000	15,652
Pre-Opening Costs and Working Capital		
Pre-Opening Costs and Working Capital	435,000	3,783
Sub Total Pre-Opening and Working Capital	\$435,000	\$3,783
Soft Costs	2,632,500	22,891
Fees	2,632,500	\$22,891
Soft Costs	\$1,641,500	14,274
Contingency	1,000,000	8,696
Sub Total Soft Costs	\$5,274,000	\$45,861
Sub Total (without Land and Developer's Fee)	\$18,358,200	\$159,637
Site Cost	1,400,000	12,174
Sub Total (without Developer's Fee)	\$19,758,200	\$171,810
Developer's Fee		0
Total	\$19,758,200	\$171,810

Conclusion

Overall, the proposed subject hotel should offer a well-designed, functional layout of support areas and guestrooms. All typical and market-appropriate features and amenities appear to be included in the hotel's design. We assume that the building will be fully open and operational on the stipulated opening date and will meet all local building codes and brand standards. Furthermore, we assume that the hotel staff will be adequately trained to allow for a successful opening and that pre-marketing efforts will have introduced the product to major local accounts at least six months in advance of the opening date.

6. Projection of Occupancy and Average Rate

Along with average rate results, the occupancy levels achieved by a hotel are the foundation of the property's financial performance and market value. Most of a lodging facility's other revenue sources (such as food, beverages, other operated departments, and rentals and other income) are driven by the number of guests, and many expense levels vary with occupancy. To a certain degree, occupancy attainment can be manipulated by management. For example, hotel operators may choose to lower rates in an effort to maximize occupancy. Our forecasts reflect an operating strategy that we believe would be implemented by a typical, professional hotel management team to achieve an optimal mix of occupancy and average rate.

Penetration Rate Analysis

The subject property's forecasted market share and occupancy levels are based upon its anticipated competitive position within the market, as quantified by its penetration rate. The penetration rate is the ratio of a property's market share to its fair share.

Historical Penetration Rates by Market Segment

In the following table, the penetration rates attained by the primary competitors and the aggregate secondary competitors are set forth for each segment for the base year.

FIGURE 6-1 HISTORICAL PENETRATION RATES

Property	Commercial	Meeting and Group	Leisure	Overall
Courtyard by Marriott Atlanta Alpharetta	99 %	92 %	70 %	94 %
Hilton Garden Inn Atlanta North Alpharetta	110	103	78	105
Hilton Garden Inn Atlanta Northpoint	102	95	72	97
DoubleTree by Hilton Windward	98	97	111	99
Embassy Suites Atlanta Alpharetta	112	149	85	114
Secondary Competition	94	90	123	97

The Embassy Suites Atlanta Alpharetta achieved the highest penetration rate within the commercial segment. The highest penetration rate in the meeting and

Forecast of Subject Property's Occupancy

group segment was achieved by the Embassy Suites Atlanta Alpharetta, while the secondary competition led the market with the highest leisure penetration rate.

Because the supply and demand balance for the competitive market is dynamic, there is a circular relationship between the penetration factors of each hotel in the market. The performance of individual new hotels has a direct effect upon the aggregate performance of the market, and consequently upon the calculated penetration factor for each hotel in each market segment. The same is true when the performance of existing hotels changes, either positively (following a refurbishment, for example) or negatively (when a poorly maintained or marketed hotel loses market share).

A hotel's penetration factor is calculated as its achieved market share of demand divided by its fair share of demand. Thus, if one hotel's penetration performance increases, thereby increasing its achieved market share, this leaves less demand available in the market for the other hotels to capture and the penetration performance of one or more of those other hotels consequently declines (other things remaining equal). This type of market share adjustment takes place every time there is a change in supply, or a change in the relative penetration performance of one or more hotels in the competitive market.

Our projections of penetration, demand capture, and occupancy performance for the subject property account for these types of adjustments to market share within the defined competitive market. Consequently, the actual penetration factors applicable to the subject property and its competitors for each market segment in each projection year may vary somewhat from the penetration factors delineated in the previous tables.

The following tables set forth, by market segment, the projected adjusted penetration rates for the proposed subject hotel and each hotel in the competitive set.

FIGURE 6-2 COMMERCIAL SEGMENT ADJUSTED PENETRATION RATES

Hotel	2015	2016	2017	2018	2019	2020	2021
Courtyard by Marriott Atlanta Alpharetta	99 %	99 %	99 %	103 %	101 %	100 %	100 %
Hilton Garden Inn Atlanta North Alpharetta	110	110	110	114	112	112	112
Hilton Garden Inn Atlanta Northpoint	102	102	102	106	104	103	103
DoubleTree by Hilton Windward	98	98	98	101	100	99	99
Embassy Suites Atlanta Alpharetta	112	110	110	114	112	111	111
Secondary Competition	94	95	95	98	96	96	96
Proposed Courtyard by Marriott	—	—	—	101	106	107	107
Proposed EVEN Hotel	—	—	—	99	102	103	103
Proposed Aloft	—	—	—	101	104	105	105
Marriott Autograph Collection	—	—	—	67	73	76	76

Within the commercial segment, the proposed subject hotel's occupancy penetration level is positioned appropriately within the range of existing competitors, supported by the hotel's proposed location proximate to several existing, as well as multiple planned, office buildings, as well as the expected strength of the Courtyard by Marriott brand in capturing corporate demand associated with travelers loyal to Marriott hotels. The proposed subject hotel is anticipated to outperform the proposed EVEN hotel in the commercial market segment given its stronger brand affiliation.

FIGURE 6-3 MEETING AND GROUP SEGMENT ADJUSTED PENETRATION RATES

Hotel	2015	2016	2017	2018	2019	2020	2021
Courtyard by Marriott Atlanta Alpharetta	92 %	93 %	93 %	91 %	87 %	86 %	86 %
Hilton Garden Inn Atlanta North Alpharetta	103	103	103	101	97	96	96
Hilton Garden Inn Atlanta Northpoint	95	95	95	94	90	88	88
DoubleTree by Hilton Windward	97	98	98	96	92	91	91
Embassy Suites Atlanta Alpharetta	149	145	145	142	136	134	134
Secondary Competition	90	91	91	89	85	84	84
Proposed Courtyard by Marriott	—	—	—	96	99	101	101
Proposed EVEN Hotel	—	—	—	79	83	84	84
Proposed Aloft	—	—	—	89	92	93	93
Marriott Autograph Collection	—	—	—	148	180	187	187

The proposed subject hotel is expected to become the foremost choice for overflow meeting and group demand in this market. While proposed Marriott Autograph Collection will house the majority of group demand generated by its adjacent conference center, the nearby Courtyard by Marriott should be the first choice for additional room blocks, as well as more price-sensitive attendees. The proposed hotel will also feature an adequately sized meeting room to service the needs of small in-house groups. Therefore, the proposed subject hotel should achieve an above-market-average level by the stabilized period.

FIGURE 6-4 LEISURE SEGMENT ADJUSTED PENETRATION RATES

Hotel	2015	2016	2017	2018	2019	2020	2021
Courtyard by Marriott Atlanta Alpharetta	70 %	70 %	70 %	77 %	75 %	75 %	75 %
Hilton Garden Inn Atlanta North Alpharetta	78	78	78	85	84	83	83
Hilton Garden Inn Atlanta Northpoint	72	72	72	79	77	77	77
DoubleTree by Hilton Windward	111	112	112	121	119	118	118
Embassy Suites Atlanta Alpharetta	85	83	83	91	89	88	88
Secondary Competition	123	123	123	134	131	130	130
Proposed Courtyard by Marriott	—	—	—	65	74	76	76
Proposed EVEN Hotel	—	—	—	76	82	85	85
Proposed Aloft	—	—	—	76	82	84	84
Marriott Autograph Collection	—	—	—	79	88	90	90

The proposed subject hotel should benefit from a strong amount of leisure demand during the peak season and weekends, considering its proximity to the Avalon and its ongoing developments. However, the proposed Courtyard by Marriott is anticipated to concentrate primarily on high-rated corporate demand and meeting and group demand generated by the conference center. As such, the proposed subject hotel's leisure penetration is positioned at a below-market-average level by the stabilized period.

These positioned segment penetration rates result in the following market segmentation forecast.

FIGURE 6-5 MARKET SEGMENTATION FORECAST – SUBJECT PROPERTY

	2018	2019	2020	2021
Commercial	74 %	74 %	74 %	74 %
Meeting and Group	18	18	18	18
Leisure	8	8	8	8
Total	100 %	100 %	100 %	100 %

The proposed subject hotel's occupancy forecast is set forth as follows, with the adjusted projected penetration rates used as a basis for calculating the amount of captured market demand.

FIGURE 6-6 FORECAST OF SUBJECT PROPERTY'S OCCUPANCY

Market Segment	2018	2019	2020	2021
Commercial				
Demand	309,241	314,222	315,793	315,793
Market Share	5.2 %	7.1 %	7.2 %	7.2 %
Capture	16,065	22,459	22,862	22,862
Penetration	101 %	106 %	107 %	107 %
Meeting and Group				
Demand	79,398	82,201	83,401	83,401
Market Share	4.9 %	6.7 %	6.8 %	6.8 %
Capture	3,925	5,496	5,668	5,668
Penetration	96 %	99 %	101 %	101 %
Leisure				
Demand	48,138	48,414	48,414	48,414
Market Share	3.4 %	5.0 %	5.1 %	5.1 %
Capture	1,625	2,408	2,493	2,493
Penetration	65 %	74 %	76 %	76 %
Total Room Nights Captured	21,616	30,364	31,022	31,022
Available Room Nights	31,625	41,975	41,975	41,975
Subject Occupancy	68 %	72 %	74 %	74 %
Marketwide Available Room Nights	612,687	623,037	623,037	623,037
Fair Share	5 %	7 %	7 %	7 %
Marketwide Occupied Room Nights	436,777	444,837	447,608	447,608
Market Share	5 %	7 %	7 %	7 %
Marketwide Occupancy	71 %	71 %	72 %	72 %
Total Penetration	96 %	101 %	103 %	103 %

The proposed subject hotel is expected to stabilize with an above-market penetration rate due to its new facility, its strong Courtyard by Marriott brand, and its favorable location near several office buildings and the Avalon mixed-use development. Its very good access from State Route 400 should also contribute to its ability to command a higher-than-average occupancy level in this Alpharetta market.

Based on our analysis of the proposed subject hotel and market area, we have selected a stabilized occupancy level of 74%. The stabilized occupancy is intended

to reflect the anticipated results of the property over its remaining economic life, given all changes in the life cycle of the hotel. Thus, the stabilized occupancy excludes from consideration any abnormal relationship between supply and demand, as well as any nonrecurring conditions that may result in unusually high or low occupancies. Although the subject property may operate at occupancies above this stabilized level, we believe it equally possible for new competition and temporary economic downturns to force the occupancy below this selected point of stability.

Average Rate Analysis

One of the most important considerations in estimating the value of a lodging facility is a supportable forecast of its attainable average rate, which is more formally defined as the average rate per occupied room. Average rate can be calculated by dividing the total rooms revenue achieved during a specified period by the number of rooms sold during the same period. The projected average rate and the anticipated occupancy percentage are used to forecast rooms revenue, which in turn provides the basis for estimating most other income and expense categories.

Competitive Position

Although the average rate analysis presented here follows the occupancy projection, these two statistics are highly correlated; in reality, one cannot project occupancy without making specific assumptions regarding average rate. This relationship is best illustrated by revenue per available room (RevPAR), which reflects a property's ability to maximize rooms revenue. The following table summarizes the historical average rate and the RevPAR of the subject property's future primary competitors.

FIGURE 6-7 BASE-YEAR AVERAGE RATE AND REVPAR OF THE COMPETITORS

Property	Estimated 2015 Average Room Rate	Average Room Rate Penetration	Rooms Revenue Per Available Room (RevPAR)	RevPAR Penetration
Courtyard by Marriott Atlanta Alpharetta	\$120 - \$125	100 - 110 %	\$85 - \$90	95 - 100 %
Hilton Garden Inn Atlanta North Alpharetta	125 - 130	100 - 110	100 - 105	110 - 120
Hilton Garden Inn Atlanta Northpoint	125 - 130	100 - 110	90 - 95	100 - 110
DoubleTree by Hilton Windward	115 - 120	95 - 100	85 - 90	95 - 100
Embassy Suites Atlanta Alpharetta	130 - 140	110 - 120	115 - 120	120 - 130
Average - Primary Competitors	\$128.05	105.4 %	\$98.78	107.7 %
Average - Secondary Competitors	113.43	93.4	83.44	91.0
Overall Average	\$121.48		\$91.71	

The defined primarily competitive market realized an overall average rate of \$128.05 in the 2015 base year, improving from the 2014 level of \$118.72. The Embassy Suites by Hilton achieved the highest estimated average rate in the local competitive market, by a modest, because of modest margin given its full-service orientation and all-suite guestroom product. An important rate aspect of this market is the strong presence of commercial demand, especially corporate-transient demand during the weekdays. The selected rate position for the proposed subject hotel, in base-year dollars, takes into consideration factors such as its location, product type, and brand affiliation. We have selected the rate position of \$130.00, in base-year dollars, for the proposed subject hotel.

Market-wide rates began to trend upward in 2011. We expect average rates to continue to improve because of the historically high levels of demand in Alpharetta, which should allow hotels in this market to regain more pricing power, as well as the entrance of high-rated new supply.

Based on these considerations, the following table illustrates the projected average rate and the growth rates assumed. As a context for the average rate growth

factors, note that we have applied underlying inflation rates of 2.0%, 2.5%, and 3.0% thereafter for each respective year following the base year of 2014.

FIGURE 6-8 MARKET AND SUBJECT PROPERTY AVERAGE RATE FORECAST

Year	Area-wide Market (Calendar Year)			Subject Property (Calendar Year)			
	Occupancy	Average Rate Growth	Average Rate	Occupancy	Average Rate Growth	Average Rate	Average Rate Penetration
Base Year	75.5 %	—	\$121.48	—	—	\$130.00	107.0 %
2016	75.8	10.0 %	133.63	—	10.0 %	143.00	107.0
2017	76.5	6.0	141.65	—	6.0	151.58	107.0
2018	71.3	3.5	146.61	68.0 %	3.5	156.89	107.0
2019	71.4	2.0	149.54	72.0	2.0	160.02	107.0
2020	71.8	2.5	153.28	74.0	2.5	164.02	107.0
2021	71.8	3.0	157.87	74.0	3.0	168.94	107.0

As illustrated above, a 10.0% rate of change is expected for the subject property's positioned 2015 room rate in 2016. This is followed by growth rates of 6.0% and 3.5% in 2017 and 2018, respectively. The Alpharetta market should experience rate growth through the near term. The proposed subject hotel's rate position should reflect growth similar to market trends because of the proposed hotel's new facility, strong brand affiliation, and location. The proposed subject hotel's penetration rate is forecast to reach 107.0% by the stabilized period.

The following table provides a comparison of the historical performance and forecasts for the competitive set, as well as the forecasts for the proposed subject property.

FIGURE 6-9 COMPARISON OF HISTORICAL AND PROJECTED OCCUPANCY, AVERAGE RATE, AND REVPAR – PROPOSED SUBJECT PROPERTY AND MARKET

	2013	2014	2015	Projected					
				2016	2017	2018	2019	2020	2021
Proposed Courtyard by Marriott Parkway 400 Alpharetta									
Occupancy				—	—	68.4 %	72.3 %	73.9 %	73.9 %
Change in Points				—	—	—	4.0	1.6	0.0
Occupancy Penetration				—	—	95.9 %	101.3 %	102.9 %	102.9 %
Average Rate			\$130.00	\$143.00	\$151.58	\$156.89	\$160.02	\$164.02	\$168.94
Change				—	6.0 %	3.5 %	2.0 %	2.5 %	3.0 %
Average Rate Penetration				107.0 %	107.0 %	107.0 %	107.0 %	107.0 %	107.0 %
RevPAR				—	—	\$107.23	\$115.76	\$121.22	\$124.86
Change				—	—	—	8.0 %	4.7 %	3.0 %
RevPAR Penetration				—	—	102.6 %	108.4 %	110.1 %	110.1 %
	Historical (Estimated)			Projected					
	2014	2014	2015	2016	2017	2018	2019	2020	2021
Alpharetta Submarket									
Occupancy	72.5 %	73.7 %	77.1 %	75.8 %	76.5 %	71.3 %	71.4 %	71.8 %	71.8 %
Change in Points	—	1.2	3.5	—	0.7	(5.2)	0.1	0.4	0.0
Average Rate	\$102.42	\$111.79	\$121.48	\$133.63	\$141.65	\$146.61	\$149.54	\$153.28	\$157.87
Change	—	9.2 %	8.7 %	10.0 %	6.0 %	3.5 %	2.0 %	2.5 %	3.0 %
RevPAR	\$74.25	\$82.38	\$93.71	\$101.35	\$108.37	\$104.51	\$106.77	\$110.12	\$113.42
Change	—	10.9 %	13.8 %	8.1 %	6.9 %	(3.6) %	2.2 %	3.1 %	3.0 %

* The forecast for the proposed subject property does not include rate discounts that are expected to occur during the initial year(s) of operation.

A new property must establish its reputation and a client base in the market during its ramp-up period; as such, the proposed subject hotel's average rates in the initial operating period have been discounted to reflect this likelihood. We forecast 2.5% and 1.0% discounts to the proposed subject hotel's forecast room rates in the first two operating years, which would be typical for a new operation of this type.

The following occupancies and average rates will be used to project the subject property's rooms revenue; this forecast reflects years beginning on April 1, 2018, which corresponds with our financial projections.

FIGURE 6-10 FORECASTS OF OCCUPANCY, AVERAGE RATE, AND REVPAR

Year	Occupancy	Average Rate		Average Rate After Discount	RevPAR
		Before Discount	Discount		
2018/19	69 %	\$157.66	2.5 %	\$153.72	\$106.07
2019/20	73	161.01	1.0	159.40	116.36
2020/21	74	165.24	0.0	165.24	122.28

7. Projection of Income and Expense

In this chapter of our report, we have compiled a forecast of income and expense for the proposed subject hotel. This forecast is based on the facilities program set forth previously, as well as the occupancy and average rate forecast discussed previously.

The forecast of income and expense is expressed in current dollars for each year. The stabilized year is intended to reflect the anticipated operating results of the property over its remaining economic life, given any or all applicable stages of build-up, plateau, and decline in the life cycle of the hotel. Thus, income and expense estimates from the stabilized year forward exclude from consideration any abnormal relationship between supply and demand, as well as any nonrecurring conditions that may result in unusual revenues or expenses. The ten-year period reflects the typical holding period of large real estate assets such as hotels. In addition, the ten-year period provides for the stabilization of income streams and comparison of yields with alternate types of real estate. The forecasted income streams reflect the future benefits of owning specific rights in income-producing real estate.

Comparable Operating Statements

In order to project future income and expense for the proposed subject hotel, we have included a sample of individual comparable operating statements from our database of hotel statistics. All financial data are presented according to the three most common measures of industry performance: ratio to sales (RTS), amounts per available room (PAR), and amounts per occupied room night (POR). The following data reflect the performance of five hotel properties, which were chosen based on similarities in product, market orientation, brand affiliation, size, and price positioning. These historical income and expense statements will be used as benchmarks in our forthcoming forecast of income and expense.

FIGURE 7-1 COMPARABLE OPERATING STATEMENTS: RATIO TO SALES

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
	2015/16	2015/16	2013/14	2015/16	2011	Stabilized \$
Year:	2015/16	2015/16	2013/14	2015/16	2011	2014
Number of Rooms:	160 to 210	80 to 110	90 to 110	130 to 170	90 to 130	115
Days Open:	365	365	365	365	365	365
Occupancy:	73%	72%	76%	72%	72%	74%
Average Rate:	\$143	\$151	\$137	\$132	\$136	\$143
RevPAR:	\$104	\$109	\$105	\$95	\$98	\$105
REVENUE						
Rooms	87.0 %	91.9 %	93.5 %	88.7 %	88.8 %	91.1 %
Food & Beverage	8.3	6.9	6.3	9.6	10.1	7.8
Other Operated Departments	4.6	1.2	0.2	1.3	1.1	1.0
Rentals & Other Income	0.0	0.0	0.1	0.3	0.0	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
DEPARTMENTAL EXPENSES*						
Rooms	19.2	19.9	18.3	22.9	18.3	19.0
Food & Beverage	77.1	88.1	86.7	63.7	71.1	80.0
Total	23.5	25.0	23.2	27.1	24.4	24.1
DEPARTMENTAL INCOME	76.5	75.0	76.8	72.9	75.6	75.9
OPERATING EXPENSES						
Administrative & General	9.2	8.1	10.3	11.1	6.8	9.2
Info. and Telecom. Systems	0.0	0.0	0.0	0.0	0.0	0.8
Marketing	5.5	3.0	4.5	7.4	1.8	4.8
Franchise Fee	6.7	5.9	7.0	0.0	10.1	7.3
Property Operations & Maintenance	5.2	3.9	4.8	4.4	7.0	4.1
Utilities	2.9	6.3	3.5	3.6	4.6	3.4
Total	29.4	27.1	30.0	26.5	30.2	29.7
HOUSE PROFIT	47.1	47.9	46.8	46.4	45.4	46.3
Management Fee	4.0	3.1	2.0	6.0	4.5	3.0
INCOME BEFORE FIXED CHARGES	43.1	44.8	44.8	40.4	40.9	43.3

* Departmental expense ratios are expressed as a percentage of departmental revenues

FIGURE 7-2 COMPARABLE OPERATING STATEMENTS: AMOUNTS PER AVAILABLE ROOM

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
						Stabilized \$
Year:	2015/16	2015/16	2013/14	2015/16	2011	2014
Number of Rooms:	160 to 210	80 to 110	90 to 110	130 to 170	90 to 130	115
Days Open:	365	365	365	365	365	365
Occupancy:	73%	72%	76%	72%	72%	74%
Average Rate:	\$143	\$151	\$137	\$132	\$136	\$143
RevPAR:	\$104	\$109	\$105	\$95	\$98	\$105
REVENUE						
Rooms	\$37,804	\$39,950	\$38,231	\$34,611	\$35,891	\$38,499
Food & Beverage	3,623	2,999	2,564	3,738	4,088	3,314
Other Operated Departments	2,007	515	69	526	426	414
Rentals & Other Income	0	0	38	129	0	41
Total	43,434	43,463	40,903	39,005	40,405	42,269
DEPARTMENTAL EXPENSES						
Rooms	7,268	7,953	6,994	7,930	6,567	7,315
Food & Beverage	2,795	2,642	2,222	2,383	2,907	2,652
Total	10,228	10,885	9,483	10,551	9,874	10,173
DEPARTMENTAL INCOME	33,206	32,578	31,420	28,454	30,531	32,095
OPERATING EXPENSES						
Administrative & General	4,000	3,505	4,193	4,343	2,739	3,886
Info. and Telecom. Systems	0	0	0	0	0	358
Marketing	2,369	1,312	1,840	2,880	711	2,045
Franchise Fee	2,896	2,564	2,864	0	4,080	3,080
Property Operations & Maintenance	2,249	1,678	1,952	1,721	2,822	1,738
Utilities	1,239	2,735	1,422	1,403	1,840	1,432
Total	12,754	11,794	12,271	10,349	12,192	12,539
HOUSE PROFIT	20,452	20,784	19,149	18,105	18,339	19,556
Management Fee	1,737	1,326	818	2,340	1,802	1,268
INCOME BEFORE FIXED CHARGES	18,716	19,458	18,330	15,765	16,537	18,288

FIGURE 7-3 COMPARABLE OPERATING STATEMENTS: AMOUNTS PER OCCUPIED ROOM

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
						Stabilized \$
Year:	2015/16	2015/16	2013/14	2015/16	2011	2014
Number of Rooms:	160 to 210	80 to 110	90 to 110	130 to 170	90 to 130	115
Days Open:	365	365	365	365	365	365
Occupancy:	73%	72%	76%	72%	72%	74%
Average Rate:	\$143	\$151	\$137	\$132	\$136	\$143
RevPAR:	\$104	\$109	\$105	\$95	\$98	\$105
REVENUE						
Rooms	\$142.64	\$151.27	\$136.97	\$131.98	\$136.19	\$142.53
Food & Beverage	13.67	11.35	9.19	14.25	15.51	12.27
Other Operated Departments	7.57	1.95	0.25	2.01	1.62	1.53
Rentals & Other Income	0.00	0.00	0.14	0.49	0.00	0.15
Total	163.89	164.57	146.54	148.74	153.32	156.49
DEPARTMENTAL EXPENSES						
Rooms	27.43	30.12	25.06	30.24	24.92	27.08
Food & Beverage	10.55	10.00	7.96	9.09	11.03	9.82
Total	38.59	41.22	33.97	40.24	37.47	37.67
DEPARTMENTAL INCOME	125.30	123.36	112.56	108.50	115.85	118.83
OPERATING EXPENSES						
Administrative & General	15.09	13.27	15.02	16.56	10.39	14.39
Info. and Telecom. Systems	0.00	0.00	0.00	0.00	0.00	1.33
Marketing	8.94	4.97	6.59	10.98	2.70	7.57
Franchise Fee	10.93	9.71	10.26	0.00	15.48	11.40
Property Operations & Maintenance	8.49	6.35	6.99	6.56	10.71	6.44
Utilities	4.67	10.36	5.10	5.35	6.98	5.30
Total	48.12	44.66	43.96	39.46	46.27	46.42
HOUSE PROFIT	77.17	78.70	68.60	69.04	69.59	72.40
Management Fee	6.55	5.02	2.93	8.92	6.84	4.70
INCOME BEFORE FIXED CHARGES	70.62	73.68	65.67	60.12	62.75	67.71

Fixed and Variable Component Analysis

The comparables' departmental income ranged from 72.9% to 76.8% of total revenue. The comparable properties achieved a house profit ranging from 45.4% to 47.9% of total revenue. We will refer to the comparable operating data in our discussion of each line item, which follows later in this section of the report.

HVS uses a fixed and variable component model to project a lodging facility's revenue and expense levels. This model is based on the premise that hotel revenues and expenses have one component that is fixed and another that varies directly with occupancy and facility usage. A projection can be made by taking a known level of revenue or expense and calculating its fixed and variable components. The fixed component is then increased in tandem with the underlying rate of inflation, while the variable component is adjusted for a specific measure of volume such as total revenue.

The actual forecast is derived by adjusting each year's revenue and expense by the amount fixed (the fixed expense multiplied by the inflated base-year amount) plus the variable amount (the variable expense multiplied by the inflated base-year amount) multiplied by the ratio of the projection year's occupancy to the base-year occupancy (in the case of departmental revenue and expense) or the ratio of the projection year's revenue to the base year's revenue (in the case of undistributed operating expenses). Fixed expenses remain fixed, increasing only with inflation. Our discussion of the revenue and expense forecast in this report is based upon the output derived from the fixed and variable model. This forecast of revenue and expense is accomplished through a systematic approach, following the format of the *Uniform System of Accounts for the Lodging Industry*. Each category of revenue and expense is estimated separately and combined at the end in the final statement of income and expense.

Inflation Assumption

A general rate of inflation must be established that will be applied to most revenue and expense categories. The following table shows inflation estimates made by economists at some noted institutions and corporations.

FIGURE 7-4 INFLATION ESTIMATES

Name (Sample from Survey)	Firm	Projected Increase in Consumer Price Index (Annualized Rate Versus 12 Months Earlier)				
		June 2016	Dec 2016	June 2017	Dec 2017	June 2018
Lewis Alexander	Nomura Securities International	1.1 %	1.9 %	2.3 %	2.0 %	—
Paul Ashworth	Capital Economics	1.2	2.0	3.0	3.0	3.0 %
Daniel Bachman	Deloitte LP	1.1	1.7	2.4	2.6	2.5
Bernard Baumohl	Economic Outlook Group	1.6	1.8	1.9	2.2	2.4
Nariman Behravesh	IHS Global Insight	1.0	2.0	2.6	2.5	2.1
David Berson	Nationwide Insurance	1.5	2.3	2.4	2.5	2.7
Brian Bethune	Tufts University	1.2	1.4	1.8	2.1	2.2
Ram Bhagavatula	Combinatorics Capital	1.8	2.5	2.4	2.4	2.4
Steven Blitz	M Science	0.8	1.5	1.0	0.8	0.5
Beth Ann Bovino	Standard and Poor's	1.0	1.7	2.5	2.2	2.1
Michael Carey	Credit Agricole CIB	1.0	1.9	2.2	2.3	—
Joseph Carson	AllianceBernstein	1.4	2.0	2.5	2.5	2.8
Mike Cosgrove	Econoclast	1.5	2.0	2.3	2.3	2.2
Lou Crandall	Wrightson ICAV	1.1	2.3	2.9	2.7	2.6
Amy Crews Cutts	Equifax	0.7	0.7	1.2	1.3	1.7
David Crowe	National Association of Home Builders	1.9	2.0	2.1	2.2	2.3
J. Dewey Daane	Vanderbilt University	1.0	1.0	1.0	1.0	1.0
Greg Daco	Oxford Economics	1.3	2.0	2.2	2.3	2.0
Rajeev Dhawan	Georgia State University	0.6	1.0	2.4	2.8	2.8
Douglas Duncan	Fannie Mae	1.1	1.7	2.2	2.1	2.1
Robert Dye	Comerica Bank	1.6	2.3	2.2	2.0	2.0
Maria Fiorini Ramirez/Joshua Shapiro	MFR, Inc.	1.1	1.6	2.0	1.7	—
Mike Fratantoni	Mortgage Bankers Association	1.4	1.9	2.0	2.1	2.3
Michael Gapen	Barclays Capital	1.2	2.4	2.5	2.5	—
Michael Gregory	BMO Capital	1.2	2.1	2.4	2.3	2.2
Ethan Harris	Bank of America Securities- Merrill Lynch	1.1	2.2	2.5	2.2	—
Jan Hatzius	Goldman, Sachs & Co.	1.1	2.1	2.8	2.3	2.2
Derek Holt	Scotiabank	1.1	2.0	2.3	2.3	2.0
Constance Hunter	KPMG	2.1	1.5	2.9	2.1	1.8
Nathaniel Karp	BBVA Compass	1.0	1.8	2.1	2.2	2.2
Jack Kleinhenz	National Retail Federation	1.0	1.7	2.1	2.2	—
Joseph LaVorgna	Deutsche Bank Securities, Inc.	1.1	1.6	2.0	1.8	2.0
Edward Leamer/David Shulman	UCLA Anderson Forecast	1.1	1.8	2.8	3.0	3.0
Kevin Logan	HSBC Securities	1.1	1.5	1.9	2.0	—
John Lonski	Moody's Investors Service	1.0	1.8	2.0	1.6	1.4
Aneta Markowska	Societe Generale	1.1	1.8	2.2	2.7	2.8
Jim Meil	ACT Research	1.0	1.9	1.9	2.1	2.2
Robert Mellman	JP Morgan Chase & Co.	1.1	2.4	2.4	2.4	2.5
Michael Moran	Daiwa Capital	1.1	1.7	2.2	2.3	2.4
Chad Moutray	National Association of Manufacturers	1.2	1.9	2.7	2.7	2.7
Millan Mulraine	TD Securities	1.1	1.8	2.0	2.0	2.4
Joel Naroff	Naroff Economic Advisors	1.2	2.0	2.8	3.0	2.6
Mark Nielson	MacroEcon Global Advisors	1.3	1.5	1.9	2.1	2.1
Frank Nothaft	Corelogic	1.0	1.5	2.3	2.3	2.5
Jim O'Sullivan	High Frequency Economics	1.2	1.7	2.5	2.7	—
Dr. Joel Prakken/ Chris Varvares	Macroeconomic Advisers	1.1	1.9	2.1	2.1	2.0
Russell Price	Ameriprise Financial	1.1	1.9	2.2	2.2	2.2
Arun Raha	Eaton Corp.	1.5	1.8	2.0	2.1	2.2
Lynn Reaser	Point Loma Nazarene University	1.1	1.6	2.0	2.1	2.2
Martin Regalia	Chamber of Commerce	0.8	1.2	1.9	1.8	—
Ian Shepherdson	Pantheon Macroeconomics	1.0	1.8	2.1	2.5	2.5
John Silvia	Wells Fargo & Co.	1.1	2.0	2.3	2.4	—
Allen Sinai	Decision Economics, Inc.	1.1	1.8	2.1	2.3	2.4
James F. Smith	Parsec Financial Management	1.3	1.6	1.7	1.8	1.8
Sean M. Snaith	University of Central Florida	1.1	1.4	2.1	2.2	2.4
Sung Won Sohn	California State University	1.2	1.7	1.8	1.8	1.6
Stephen Stanley	Pierpont Securities	1.1	2.3	3.1	3.3	3.4
Susan M. Sterne	Economic Analysis Associates Inc.	1.7	2.1	1.8	2.0	2.2
James Sweeney	CSFB	1.0	1.5	1.7	2.3	—
Kevin Swift	American Chemistry Council	1.3	2.0	2.5	2.3	2.3
Diane Swonk	Diane Swonk & Associates LLC	1.4	1.9	2.3	2.3	2.4
Carl Tannenbaum	The Northern Trust	1.1	1.9	2.1	2.1	2.1
US Economics Team	BNP Paribas	0.8	2.0	2.0	2.1	—
Bart van Ark	The Conference Board	1.1	2.0	2.4	2.4	—
Brian S. Wesbury/ Robert Stein	First Trust Advisors, L.P.	1.1	2.0	2.7	2.8	2.9
Lawrence Yun	National Association of Realtors	1.3	2.5	3.0	3.3	2.8

Averages: 1.2 % 1.8 % 2.2 % 2.2 % 2.3 %

Source: Wall Street Journal Economic Forecasting Survey, June 2016

As the preceding table indicates, the financial analysts who were surveyed in June 2016 anticipated inflation rates ranging from 0.7% to 2.5% (on an annualized basis) for December 2016; the average of these data points was 1.8%. The same group expects annualized inflation rates of 2.2% for both June 2017 and December 2017, slightly lower than the 2.3% average inflation rate forecast for June 2018.

As a further check on these inflation projections, we have reviewed historical increases in the Consumer Price Index (CPI-U). Because the value of real estate is predicated on cash flows over a relatively long period, inflation should be considered from a long-term perspective.

FIGURE 7-5 NATIONAL CONSUMER PRICE INDEX (ALL URBAN CONSUMERS)

Year	National Consumer Price Index	Percent Change from Previous Year
2005	195.3	—
2006	201.6	3.2 %
2007	207.3	2.8
2008	215.3	3.8
2009	214.5	-0.4
2010	218.1	1.6
2011	224.9	3.1
2012	229.6	2.1
2013	233.0	1.5
2014	234.8	0.8
2015	236.5	0.7
Average Annual Compounded Change		
2005 - 2015:		1.9 %
2010 - 2015:		1.6
Source: Bureau of Labor Statistics		

Between 2005 and 2015, the national CPI increased at an average annual compounded rate of 1.9%; from 2010 to 2015, the CPI rose by a slightly lower average annual compounded rate of 1.6%. In 2015, the CPI rose by 0.7%, a decrease from the level of 0.8% recorded in 2014.

In consideration of the most recent trends, the projections set forth previously, and our assessment of probable property appreciation levels, we have applied underlying inflation rates of 2.0%, 2.5%, and 3.0% thereafter for each respective year following the base year of 2014. This stabilized inflation rate takes into account normal, recurring inflation cycles. Inflation is likely to fluctuate above and below this level during the projection period. Any exceptions to the application of

**Summary of
Projections**

the assumed underlying inflation rate are discussed in our write-up of individual income and expense items.

Based on an analysis that will be detailed throughout this section, we have formulated a forecast of income and expense. The following table presents a detailed forecast through the fifth projection year, including amounts per available room and per occupied room. The second table illustrates our ten-year forecast of income and expense, presented with a lesser degree of detail. The forecasts pertain to years that begin on April 1, 2018, expressed in inflated dollars for each year.

FIGURE 7-6 DETAILED FORECAST OF INCOME AND EXPENSE

	2018/19 Begins April				2019/20				Stabilized				2021/22				2022/23			
Number of Rooms:	115				115				115				115				115			
Occupancy:	69%				73%				74%				74%				74%			
Average Rate:	\$153.72				\$159.40				\$165.24				\$170.19				\$175.30			
RevPAR:	\$106.07				\$116.36				\$122.28				\$125.94				\$129.72			
Days Open:	365				365				365				365				365			
Occupied Rooms:	28,963	%Gross	PAR	POR	30,642	%Gross	PAR	POR	31,062	%Gross	PAR	POR	31,062	%Gross	PAR	POR	31,062	%Gross	PAR	POR
OPERATING REVENUE																				
Rooms	\$4,452	91.6 %	\$38,713	\$153.71	\$4,884	91.2 %	\$42,470	\$159.39	\$5,133	91.1 %	\$44,635	\$165.25	\$5,286	91.1 %	\$45,965	\$170.18	\$5,445	91.1 %	\$47,348	\$175.30
Food	243	5.0	2,109	8.37	277	5.2	2,412	9.05	295	5.2	2,562	9.48	303	5.2	2,638	9.77	313	5.2	2,718	10.06
Beverage	116	2.4	1,005	3.99	137	2.6	1,191	4.47	147	2.6	1,281	4.74	152	2.6	1,319	4.88	156	2.6	1,359	5.03
Other Operated Departments	47	1.0	408	1.62	52	1.0	455	1.71	55	1.0	480	1.78	57	1.0	495	1.83	59	1.0	510	1.89
Miscellaneous Income	5	0.1	41	0.16	5	0.1	46	0.17	6	0.1	48	0.18	6	0.1	49	0.18	6	0.1	51	0.19
Total Operating Revenues	4,862	100.0	42,276	167.86	5,356	100.0	46,574	174.79	5,636	100.0	49,005	181.43	5,804	100.0	50,467	186.85	5,978	100.0	51,985	192.46
DEPARTMENTAL EXPENSES *																				
Rooms	894	20.1	7,777	30.88	942	19.3	8,188	30.73	975	19.0	8,480	31.40	1,004	19.0	8,734	32.34	1,035	19.0	8,996	33.31
Food & Beverage	312	87.2	2,715	10.78	338	81.5	2,939	11.03	353	80.0	3,074	11.38	364	80.0	3,166	11.72	375	80.0	3,261	12.07
Other Operated Departments	25	53.8	220	0.87	27	50.9	231	0.87	28	50.0	240	0.89	28	50.0	247	0.92	29	50.0	255	0.94
Total	1,232	25.3	10,711	42.53	1,306	24.4	11,358	42.63	1,356	24.1	11,794	43.66	1,397	24.1	12,148	44.97	1,439	24.1	12,512	46.32
DEPARTMENTAL INCOME	3,630	74.7	31,565	125.33	4,050	75.6	35,215	132.17	4,279	75.9	37,212	137.77	4,407	75.9	38,319	141.87	4,539	75.9	39,473	146.14
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	478	9.8	4,156	16.50	500	9.3	4,351	16.33	518	9.2	4,505	16.68	534	9.2	4,640	17.18	550	9.2	4,779	17.69
Info. & Telecom. Systems	44	0.9	383	1.52	46	0.9	401	1.50	48	0.8	415	1.54	49	0.8	427	1.58	51	0.8	440	1.63
Marketing	252	5.2	2,187	8.69	263	4.9	2,290	8.59	273	4.8	2,371	8.78	281	4.8	2,442	9.04	289	4.8	2,515	9.31
Franchise Fee	356	7.3	3,097	12.30	391	7.3	3,398	12.75	411	7.3	3,571	13.22	423	7.3	3,677	13.61	436	7.3	3,788	14.02
Prop. Operations & Maint.	171	3.5	1,487	5.91	201	3.8	1,752	6.57	232	4.1	2,015	7.46	239	4.1	2,076	7.68	246	4.1	2,138	7.92
Utilities	176	3.6	1,531	6.08	184	3.4	1,603	6.02	191	3.4	1,660	6.14	197	3.4	1,709	6.33	202	3.4	1,761	6.52
Total	1,477	30.3	12,842	50.99	1,586	29.6	13,793	51.77	1,672	29.6	14,536	53.82	1,722	29.6	14,971	55.43	1,773	29.6	15,421	57.09
GROSS HOUSE PROFIT	2,153	44.4	18,722	74.34	2,464	46.0	21,422	80.40	2,608	46.3	22,675	83.95	2,685	46.3	23,348	86.44	2,766	46.3	24,052	89.05
Management Fee	146	3.0	1,268	5.04	161	3.0	1,397	5.24	169	3.0	1,470	5.44	174	3.0	1,514	5.61	179	3.0	1,560	5.77
INCOME BEFORE NON-OPER. INC. & EXP.	2,007	41.4	17,454	69.30	2,303	43.0	20,025	75.16	2,439	43.3	21,205	78.51	2,511	43.3	21,834	80.84	2,587	43.3	22,492	83.27
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	143	2.9	1,239	4.92	147	2.7	1,276	4.79	151	2.7	1,315	4.87	156	2.7	1,354	5.01	160	2.7	1,395	5.16
Insurance	51	1.1	447	1.77	53	1.0	460	1.73	55	1.0	474	1.76	56	1.0	488	1.81	58	1.0	503	1.86
Reserve for Replacement	97	2.0	846	3.36	161	3.0	1,397	5.24	225	4.0	1,960	7.26	232	4.0	2,019	7.47	239	4.0	2,079	7.70
Total	291	6.0	2,532	10.05	360	6.7	3,134	11.76	431	7.7	3,749	13.88	444	7.7	3,861	14.30	457	7.7	3,977	14.72
EBITDA LESS RESERVE	\$1,716	35.4 %	\$14,922	\$59.25	\$1,942	36.3 %	\$16,891	\$63.39	\$2,007	35.6 %	\$17,456	\$64.63	\$2,067	35.6 %	\$17,973	\$66.54	\$2,129	35.6 %	\$18,515	\$68.55

*Departmental expenses are expressed as a percentage of departmental revenues.

FIGURE 7-7 TEN-YEAR FORECAST OF INCOME AND EXPENSE

	2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27		2027/28	
Number of Rooms:	115		115		115		115		115		115		115		115		115		115	
Occupied Rooms:	28,963		30,642		31,062		31,062		31,062		31,062		31,062		31,062		31,062		31,062	
Occupancy:	69%		73%		74%		74%		74%		74%		74%		74%		74%		74%	
Average Rate:	\$153.72	% of	\$159.40	% of	\$165.24	% of	\$170.19	% of	\$175.30	% of	\$180.56	% of	\$185.98	% of	\$191.55	% of	\$197.30	% of	\$203.22	% of
RevPAR:	\$106.07	Gross	\$116.36	Gross	\$122.28	Gross	\$125.94	Gross	\$129.72	Gross	\$133.61	Gross	\$137.62	Gross	\$141.75	Gross	\$146.00	Gross	\$150.38	Gross
OPERATING REVENUE																				
Rooms	\$4,452	91.6 %	\$4,884	91.2 %	\$5,133	91.1 %	\$5,286	91.1 %	\$5,445	91.1 %	\$5,608	91.1 %	\$5,777	91.1 %	\$5,950	91.1 %	\$6,128	91.1 %	\$6,312	91.1 %
Food	243	5.0	277	5.2	295	5.2	303	5.2	313	5.2	322	5.2	332	5.2	341	5.2	352	5.2	362	5.2
Beverage	116	2.4	137	2.6	147	2.6	152	2.6	156	2.6	161	2.6	166	2.6	171	2.6	176	2.6	181	2.6
Other Operated Departments	47	1.0	52	1.0	55	1.0	57	1.0	59	1.0	60	1.0	62	1.0	64	1.0	66	1.0	68	1.0
Miscellaneous Income	5	0.1	5	0.1	6	0.1	6	0.1	6	0.1	6	0.1	6	0.1	6	0.1	7	0.1	7	0.1
Total Operating Revenue	4,862	100.0	5,356	100.0	5,636	100.0	5,804	100.0	5,978	100.0	6,157	100.0	6,343	100.0	6,533	100.0	6,728	100.0	6,930	100.0
DEPARTMENTAL EXPENSES*																				
Rooms	894	20.1	942	19.3	975	19.0	1,004	19.0	1,035	19.0	1,066	19.0	1,098	19.0	1,130	19.0	1,164	19.0	1,199	19.0
Food & Beverage	312	87.2	338	81.5	353	80.0	364	80.0	375	80.0	386	80.0	398	80.0	410	80.0	422	80.0	435	80.0
Other Operated Departments	25	53.8	27	50.9	28	50.0	28	50.0	29	50.0	30	50.0	31	50.0	32	50.0	33	50.0	34	50.0
Total	1,232	25.3	1,306	24.4	1,356	24.1	1,397	24.1	1,439	24.1	1,482	24.1	1,527	24.1	1,572	24.1	1,619	24.1	1,668	24.1
DEPARTMENTAL INCOME	3,630	74.7	4,050	75.6	4,279	75.9	4,407	75.9	4,539	75.9	4,675	75.9	4,816	75.9	4,960	75.9	5,109	75.9	5,262	75.9
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	478	9.8	500	9.3	518	9.2	534	9.2	550	9.2	566	9.2	583	9.2	601	9.2	619	9.2	637	9.2
Info. & Telecom. Systems	44	0.9	46	0.9	48	0.8	49	0.8	51	0.8	52	0.8	54	0.8	55	0.8	57	0.8	59	0.8
Marketing	252	5.2	263	4.9	273	4.8	281	4.8	289	4.8	298	4.8	307	4.8	316	4.8	326	4.8	335	4.8
Franchise Fee	356	7.3	391	7.3	411	7.3	423	7.3	436	7.3	449	7.3	462	7.3	476	7.3	490	7.3	505	7.3
Prop. Operations & Maint.	171	3.5	201	3.8	232	4.1	239	4.1	246	4.1	253	4.1	261	4.1	269	4.1	277	4.1	285	4.1
Utilities	176	3.6	184	3.4	191	3.4	197	3.4	202	3.4	209	3.4	215	3.4	221	3.4	228	3.4	235	3.4
Total	1,477	30.3	1,586	29.6	1,672	29.6	1,722	29.6	1,773	29.6	1,827	29.6	1,881	29.6	1,938	29.6	1,996	29.6	2,056	29.6
GROSS HOUSE PROFIT	2,153	44.4	2,464	46.0	2,608	46.3	2,685	46.3	2,766	46.3	2,849	46.3	2,935	46.3	3,023	46.3	3,113	46.3	3,206	46.3
Management Fee	146	3.0	161	3.0	169	3.0	174	3.0	179	3.0	185	3.0	190	3.0	196	3.0	202	3.0	208	3.0
INCOME BEFORE NON-OPER. INC. & EXP.	2,007	41.4	2,303	43.0	2,439	43.3	2,511	43.3	2,587	43.3	2,664	43.3	2,744	43.3	2,827	43.3	2,911	43.3	2,998	43.3
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	143	2.9	147	2.7	151	2.7	156	2.7	160	2.7	165	2.7	170	2.7	175	2.7	181	2.7	186	2.7
Insurance	51	1.1	53	1.0	55	1.0	56	1.0	58	1.0	60	1.0	61	1.0	63	1.0	65	1.0	67	1.0
Reserve for Replacement	97	2.0	161	3.0	225	4.0	232	4.0	239	4.0	246	4.0	254	4.0	261	4.0	269	4.0	277	4.0
Total	291	6.0	360	6.7	431	7.7	444	7.7	457	7.7	471	7.7	485	7.7	500	7.7	515	7.7	530	7.7
EBITDA LESS RESERVE	\$1,716	35.4 %	\$1,942	36.3 %	\$2,007	35.6 %	\$2,067	35.6 %	\$2,129	35.6 %	\$2,193	35.6 %	\$2,259	35.6 %	\$2,327	35.6 %	\$2,396	35.6 %	\$2,468	35.6 %

*Departmental expenses are expressed as a percentage of departmental revenues.

Forecast of Income and Expense

The following description sets forth the basis for the forecast of income and expense. We anticipate that it will take three years for the subject property to reach a stabilized level of operation. Each revenue and expense item has been forecast based upon our review of the proposed subject hotel's operating budget and comparable income and expense statements. The forecast is based upon fiscal years beginning April 1, 2018, expressed in inflated dollars for each year.

Rooms Revenue

Rooms revenue is determined by two variables: occupancy and average rate. We projected occupancy and average rate in a previous section of this report. The proposed subject hotel is expected to stabilize at an occupancy level of 74% with an average rate of \$165.24 in 2020/21. Following the stabilized year, the subject property's average rate is projected to increase along with the underlying rate of inflation.

Food and Beverage Revenue

Food and beverage revenue is generated by a hotel's restaurants, lounges, coffee shops, snack bars, banquet rooms, and room service. In addition to providing a source of revenue, these outlets serve as an amenity that assists in the sale of guestrooms. With the exception of properties with active lounges or banquet facilities that draw local residents, in-house guests generally represent a substantial percentage of a hotel's food and beverage patrons. In the case of the Proposed Courtyard by Marriott Parkway 400 Alpharetta, the food and beverage department will include a restaurant and lounge; moreover, banquet space is expected to span 1,200 square feet.

The proposed subject hotel's food and beverage operation is expected to be an important component of the hotel. Therefore, based upon our review of comparable operating statements, we have positioned an appropriate revenue level given the hotel's planned facility and price point. We would expect future moderate growth to occur within this category after the hotel's opening. We project food and beverage revenue to be \$8.37 and \$3.99 per occupied room, respectively, in the first projection year, or respectively 5.4% and 2.6% of rooms revenue. These per-occupied-room amounts increase to \$9.48 and \$4.74 for respective food and beverage revenue categories by the stabilized year, or respectively 5.7% and 2.9% of rooms revenue. On a percentage of food revenue, beverage revenue is forecast at 47.7% in the first projection year, stabilizing at 50.0%.

Other Operated Departments Revenue

According to the Uniform System of Accounts, other operated departments include any major or minor operated department other than rooms and food and beverage. The proposed subject hotel's other operated departments revenue sources are expected to include the hotel's telephone charges, market pantry sales, and valet laundry fees,. Based on our review of operations with a similar extent of

offerings, we have positioned an appropriate revenue level for the proposed subject hotel.

The comparable operating statements illustrate other operated departments revenue ranging from 0.2% to 5.3% of rooms revenue and \$0.25 to \$7.57 per occupied room. We forecast the proposed subject hotel's other operated departments revenue to stabilize at 1.1% of rooms revenue or \$1.78 per occupied room by the stabilized year, 2020/21.

Miscellaneous Income

The miscellaneous income sources comprise those other than guestrooms, food and beverage, and the other operated departments. The proposed subject hotel's miscellaneous income revenues are expected to be generated primarily by the hotel's guest laundry machines, as well as other minor collections, such as cancellation fees. Based on our review of operations with a similar extent of offerings, we have positioned an appropriate revenue level for the proposed subject hotel. Miscellaneous revenue for the comparables ranged 0.1% to 0.4% of rooms revenue or \$0.14 to \$0.49 on a per-occupied-room basis. Changes in this revenue item through the projection period result from the application of the underlying inflation rate and projected changes in occupancy. We forecast the proposed subject hotel's miscellaneous income to stabilize at \$0.18 per occupied room by the stabilized year, 2020/21.

Rooms Expense

Rooms expense consists of items related to the sale and upkeep of guestrooms and public space. Salaries, wages, and employee benefits account for a substantial portion of this category. Although payroll varies somewhat with occupancy and managers can generally scale the level of service staff on hand to meet an expected occupancy level, much of a hotel's payroll is fixed. A base level of front desk personnel, housekeepers, and supervisors must be maintained at all times. As a result, salaries, wages, and employee benefits are only moderately sensitive to changes in occupancy.

Commissions and reservations are usually based on room sales, and thus are highly sensitive to changes in occupancy and average rate. While guest supplies vary 100% with occupancy, linens and other operating expenses are only slightly affected by volume.

The comparables illustrated rooms expense ranging between 18.3% and 22.9% of rooms revenue; on a per-occupied-room basis, the range was between \$24.92 and \$30.24. We have projected rooms expense for the proposed subject hotel at 20.1% in the first year (or \$30.88 per occupied room), stabilizing at 19.0% in 2020/21 (or \$31.40 per occupied room). The proposed subject hotel's rooms department expense has been positioned based upon our review of the comparable operating data and our understanding of the hotel's future service level and price point.

Food and Beverage Expense

Food expenses consist of items necessary for the primary operation of a hotel's food and banquet facilities. The costs associated with food sales and payroll are moderately to highly correlated to food revenues. Items such as china, linen and uniforms are less dependent on volume. Although the other expense items are basically fixed, they represent a relatively insignificant factor. Beverage expenses consist of items necessary for the operation of a hotel's lounge and bar areas. The costs associated with beverage sales and payroll are moderately to highly correlated to beverage revenues.

The comparables illustrate food and beverage expense ranging between 63.7% and 88.1% of food and beverage revenue. We have projected a stabilized expense ratio of 80.0% in 2020/21. The proposed subject hotel's food and beverage operation is expected to be efficiently managed and operated at an expense level that is in line with other comparable operations.

Other Operated Departments Expense

Other operated departments expense includes all expenses reflected in the summary statements for the divisions associated in these categories. This was previously discussed in this chapter. The comparables illustrated other operated departments expense ranging between \$0.62 and \$1.52 per occupied room. We have projected a stabilized expense ratio of 50.0% in 2020/21. The proposed subject hotel's other operated departments revenue sources are expected to include the hotel's telephone charges, market pantry sales, and valet laundry fees. Based on our review of operations with a similar extent of offerings, we have positioned an appropriate revenue level for the proposed subject hotel.

Administrative and General Expense

Administrative and general expense includes the salaries and wages of all administrative personnel who are not directly associated with a particular department. Expense items related to the management and operation of the property are also allocated to this category.

Most administrative and general expenses are relatively fixed. The exceptions are cash overages and shortages; commissions on credit card charges; provision for doubtful accounts, which are moderately affected by the number of transactions or total revenue; and salaries, wages, and benefits, which are very slightly influenced by volume.

As a percentage of total revenue, the comparable operations indicate an administrative and general expense range from 6.8% to 11.1%, or \$2,739 to \$4,343 per available room. Based upon our review of the comparable operating data and the expected scope of facility for the proposed subject hotel, we have positioned the administrative and general expense level at a market- and property-supported level. In the first projection year, we have projected administrative and general expense for the proposed subject hotel to be \$4,156

per available room, or 9.8% of total revenue. By the 2020/21 stabilized year, these amounts change to \$4,505 per available room and 9.2% of total revenue.

Information and Telecommunications Systems Expense

Information and telecommunications systems expense consists of all costs associated with a hotel's technology infrastructure. This includes the costs of cell phones, administrative call and Internet services, and complimentary call and Internet services. Expenses in this category are typically organized by type of technology, or the area benefitting from the technology solution. We expect the proposed subject hotel's information and telecommunications systems to be well managed. Expense levels should stabilize at a typical level for a property of this type.

Marketing Expense

Marketing expense consists of all costs associated with advertising, sales, and promotion; these activities are intended to attract and retain customers. Marketing can be used to create an image, develop customer awareness, and stimulate patronage of a property's various facilities.

The marketing category is unique in that all expense items, with the exception of fees and commissions, are totally controlled by management. Most hotel operators establish an annual marketing budget that sets forth all planned expenditures. If the budget is followed, total marketing expenses can be projected accurately.

Marketing expenditures are unusual because although there is a lag period before results are realized, the benefits are often extended over a long period. Depending on the type and scope of the advertising and promotion program implemented, the lag time can be as short as a few weeks or as long as several years. However, the favorable results of an effective marketing campaign tend to linger, and a property often enjoys the benefits of concentrated sales efforts for many months.

As a percentage of total revenue, the comparable operations indicate a marketing expense range from 1.8% to 7.4%, or \$711 to \$2,880 per available room. Based upon our review of the comparable operating data and the expected scope of facility for the proposed subject hotel, we have positioned the marketing expense level at a market- and property-supported level. In the first projection year, we have projected marketing expense for the proposed subject hotel to be \$2,187 per available room, or 5.2% of total revenue. By the 2020/21 stabilized year, these amounts change to \$2,371 per available room and 4.8% of total revenue.

Franchise Fee

As previously discussed, the proposed subject property is expected to be franchised under the Courtyard by Marriott brand. Costs associated with this franchise are summarized in the introductory chapter in this report.

Property Operations and Maintenance

Property operations and maintenance expense is another expense category that is largely controlled by management. Except for repairs that are necessary to keep the facility open and prevent damage (e.g., plumbing, heating, and electrical items), most maintenance can be deferred for varying lengths of time.

Maintenance is an accumulating expense. If management elects to postpone performing a required repair, they have not eliminated or saved the expenditure; they have only deferred payment until a later date. A lodging facility that operates with a lower-than-normal maintenance budget is likely to accumulate a considerable amount of deferred maintenance.

The age of a lodging facility has a strong influence on the required level of maintenance. A new or thoroughly renovated property is protected for several years by modern equipment and manufacturers' warranties. However, as a hostelry grows older, maintenance expenses escalate. A well-organized preventive maintenance system often helps delay deterioration, but most facilities face higher property operations and maintenance costs each year, regardless of the occupancy trend. The quality of initial construction can also have a direct impact on future maintenance requirements. The use of high-quality building materials and construction methods generally reduces the need for maintenance expenditures over the long term.

As a percentage of total revenue, the comparable operations indicate a property operations and maintenance expense range from 3.9% to 7.0%, or \$1,678 to \$2,822 per available room. We expect the proposed subject hotel's maintenance operation to be well managed. Expense levels should stabilize at a typical level for a property of this type. Changes in this expense item through the projection period result from the application of the underlying inflation rate and projected changes in occupancy. In the first projection year, we have projected property operations and maintenance expense for the proposed subject hotel to be \$1,487 per available room, or 3.5% of total revenue. By the 2020/21 stabilized year, these amounts change to \$2,015 per available room and 4.1% of total revenue.

Utilities Expense

The utilities consumption of a lodging facility takes several forms, including water and space heating, air conditioning, lighting, cooking fuel, and other miscellaneous power requirements. The most common sources of hotel utilities are electricity, natural gas, fuel oil, and steam. This category also includes the cost of water service.

Total energy cost depends on the source and quantity of fuel used. Electricity tends to be the most expensive source, followed by oil and gas. Although all hotels consume a sizable amount of electricity, many properties supplement their utility

requirements with less expensive sources, such as gas and oil, for heating and cooking.

As a percentage of total revenue, the comparable operations indicate a utilities expense range from 2.9% to 6.3%, or \$1,239 to \$2,735 per available room. The changes in this utilities line item through the projection period are a result of the application of the underlying inflation rate and projected changes in occupancy. In the first projection year, we have projected utilities expense for the proposed subject hotel to be \$1,531 per available room, or 3.6% of total revenue. By the 2020/21 stabilized year, these amounts change to \$1,660 per available room and 3.4% of total revenue.

Management Fee

Management expense consists of the fees paid to the managing agent contracted to operate the property. Some companies provide management services and a brand-name affiliation (first-tier management company), while others provide management services alone (second-tier management company). Some management contracts specify only a base fee (usually a percentage of total revenue), while others call for both a base fee and an incentive fee (usually a percentage of defined profit). Basic hotel management fees are often based on a percentage of total revenue, which means they have no fixed component. While base fees typically range from 2% to 4% of total revenue, incentive fees are deal-specific and often are calculated as a percentage of income available after debt service and, in some cases, after a preferred return on equity. Total management fees for the subject property have been forecast at 3.0% of total revenue.

Property Taxes

Property (or ad valorem) tax is one of the primary revenue sources of municipalities. Based on the concept that the tax burden should be distributed in proportion to the value of all properties within a taxing jurisdiction, a system of assessments is established. Theoretically, the assessed value placed on each parcel bears a definite relationship to market value, so properties with equal market values will have similar assessments and properties with higher and lower values will have proportionately larger and smaller assessments.

Depending on the taxing policy of the municipality, property taxes can be based on the value of the real property or the value of the personal property and the real property. We have based our estimate of the proposed subject property's market value (for tax purposes) on an analysis of assessments of comparable hotel properties in the local municipality.

FIGURE 7-8 COUNTY-ASSESSED VALUE OF COMPARABLE HOTELS

Hotel	Year Open	Land	Improvements	Personal	Total
Hilton Garden Inn Atlanta North Point	2001	\$900,826	\$3,603,303	\$225,920	\$4,504,129
DoubleTree by Hilton Windward	2000	612,000	1,529,600	158,840	2,141,600
Embassy Suites Atlanta Alpharetta	2001	823,680	4,322,160	361,980	5,145,840
Hyatt Place Atlanta Alpharetta North Point Mall	1995	1,252,800	1,027,200	284,520	2,280,000
Fairfield Inn & Suites Atlanta Alpharetta	1995	191,160	988,840	284,630	1,180,000
Hampton Inn & Suites Alpharetta	1996	561,600	2,067,200	387,450	2,628,800
Hilton Garden Inn Atlanta North Alpharetta	1998	1,224,000	4,058,160	660,600	5,282,160
<i>Assessments per Room</i>	<i># of Rms</i>				
Hilton Garden Inn Atlanta North Point	125	\$7,207	\$28,826	\$1,807	\$36,033
DoubleTree by Hilton Windward	79	7,747	19,362	2,011	27,109
Embassy Suites Atlanta Alpharetta	150	5,491	28,814	2,413	34,306
Hyatt Place Atlanta Alpharetta North Point Mall	124	10,103	8,284	2,295	18,387
Fairfield Inn & Suites Atlanta Alpharetta	86	2,223	11,498	3,310	13,721
Hampton Inn & Suites Alpharetta	106	5,298	19,502	3,655	24,800
Hilton Garden Inn Atlanta North Alpharetta	164	7,463	24,745	4,028	32,208
Positioned Subject - Per Room	115	\$7,000	\$22,500	\$3,500	\$33,000
Positioned Subject - Total		\$805,000	\$2,587,500	\$402,500	\$3,795,000

Source: Fulton County Tax Assessor

We have positioned the future assessment levels of the subject site and proposed improvements, as well as the planned personal property, based upon the illustrated comparable data. We have positioned these assessments closest to the Hilton Garden Inn properties because of the similarities, including product type; overall, the positioned assessments are well supported by the market data.

Tax rates are based on the city and county budgets, which change annually. The most recent tax rate in this jurisdiction was reported at 34.87200%. The following table shows changes in the tax rate during the last several years.

FIGURE 7-9 COUNTY TAX RATES

Year	Real Property Millage Rate	Personal Property Millage Rate
2012	34.82300	34.82300
2013	34.70300	34.70300
2014	36.22300	36.22300
2015	34.87200	34.87200

Source: Fulton County Tax Assessor

Based on comparable assessments and the tax rate information, the proposed subject property's projected property tax expense levels are calculated as follows.

FIGURE 7-10 PROJECTED PROPERTY TAX BURDEN (BASE YEAR)

	Real Property			Personal Property
	Land	Real Property	Total	
Positioned (Assessed Value)	\$805,000	\$2,587,500	\$3,392,500	\$402,500
Equalization Rate			1.00000	
Millage Rate			34.87200	34.87200
Tax Burden as of Base Year			\$118,303	\$14,036

FIGURE 7-11 PROJECTED PROPERTY TAX EXPENSE - REAL PROPERTY

Year	Real Property			Taxes Payable
	Total Tax Burden (Full Previous Year)	Base Rate of Tax Burden Increase	% Complete	
Positioned	\$118,303	—		\$118,303
2018/19	\$118,303	7.7 %	100 %	\$127,397
2019/20	127,397	3.0	100	131,219
2020/21	131,219	3.0	100	135,155
2021/22	135,155	3.0	100	139,210

FIGURE 7-12 PROJECTED PROPERTY TAX EXPENSE – PERSONAL PROPERTY

Year	Personal Property			Taxes Payable
	Personal Tax Burden (Previous Year)	Base Rate of Tax Burden Increase	% of Positioned Assessment	
Positioned	\$14,036	—		\$14,036
2018/19	\$14,036	7.7 %	100 %	\$15,115
2019/20	15,115	3.0	100	15,568
2020/21	15,568	3.0	100	16,035
2021/22	16,035	3.0	100	16,516

FIGURE 7-13 PROJECTED PROPERTY TAX EXPENSE – SUMMARY

Year	Taxes Payable		
	Real	Personal	Total
Positioned	\$118,303	\$14,036	\$132,339
2018/19	\$127,397	\$15,115	\$142,511
2019/20	131,219	15,568	146,787
2020/21	135,155	16,035	151,190
2021/22	139,210	16,516	155,726

Insurance Expense

The insurance expense category consists of the cost of insuring the hotel and its contents against damage or destruction by fire, weather, sprinkler leakage, boiler explosion, plate glass breakage, and so forth. General insurance costs also include premiums relating to liability, fidelity, and theft coverage. Insurance rates are based on many factors, including building design and construction, fire detection and extinguishing equipment, fire district, distance from the firehouse, and the area's fire experience. Insurance expenses do not vary with occupancy.

Based on comparable data and the structural attributes of the proposed project, we have forecast the proposed subject hotel's insurance expense at \$474 per available room by the stabilized year (positioned at \$400 on a per-available-room basis in base-year dollars). This forecast equates to 1.0% of total revenue on a stabilized basis. In subsequent years, this amount is assumed to increase in tandem with inflation.

Reserve for Replacement

Furniture, fixtures, and equipment are essential to the operation of a lodging facility, and their quality often influences a property's class. This category includes all non-real estate items that are capitalized, rather than expensed. The furniture,

fixtures, and equipment of a hotel are exposed to heavy use and must be replaced at regular intervals. The useful life of these items is determined by their quality, durability, and the amount of guest traffic and use.

Periodic replacement of furniture, fixtures, and equipment is essential to maintain the quality, image, and income-producing potential of a lodging facility. Because capitalized expenditures are not included in the operating statement but affect an owner's cash flow, a forecast of income and expense should reflect these expenses in the form of an appropriate reserve for replacement.

The International Society of Hospitality Consultants (ISHC) oversees a major industry-sponsored study of the capital expenditure requirements for full-service/luxury, select-service, and extended-stay hotels. The most recent study was published in 2014.⁷ Historical capital expenditures of well-maintained hotels were investigated through the compilation of data provided by most of the major hotel companies in the United States. A prospective analysis of future capital expenditure requirements was also performed based upon the cost to replace short- and long-lived building components over a hotel's economic life. The study showed that the capital expenditure requirements for hotels vary significantly from year to year and depend upon both the actual and effective ages of a property. The results of this study showed that hotel lenders and investors are requiring reserves for replacement ranging from 4% to 5% of total revenue.

Based on the results of this study, our review of the subject asset and comparable lodging facilities, and our industry expertise, we estimate that a reserve for replacement of 4% of total revenues is sufficient to provide for the timely and periodic replacement of the subject property's furniture, fixtures, and equipment. This amount is ramped up during the initial projection period.

Conclusion

In conclusion, our analysis reflects a profitable operation, with net income expected to total 35.6% of total revenue by the stabilized year. The stabilized total revenue comprises primarily rooms and food and beverage revenue, with a secondary portion derived from other income sources. On the cost side, departmental expenses total 24.1% of revenue by the stabilized year, while undistributed operating expenses total 29.6% of total revenues; this assumes that the property will be operated competently by a well-known hotel operator. After a 3.0% of total revenues management fee, and 7.7% of total revenues in fixed expenses, a net income ratio of 35.6% is forecast by the stabilized year.

⁷ The International Society of Hotel Consultants, *CapEx 2014, A Study of Capital Expenditure in the U.S. Hotel Industry*.

8. Feasibility Analysis

Return on investment can be defined as the future benefits of an income-producing property relative to its acquisition or construction cost. The first step in performing a return on investment analysis is to determine the amount to be initially invested. For a proposed property, this amount is most likely to be the development cost of the hotel. Based on the total development cost, the individual investor will utilize a return on investment analysis to determine if the future cash flow from a current cash outlay meets his or her own investment criteria and at what level above or below this amount such an outlay exceeds or fails to meet these criteria.

As an individual or company considering investment in hotel real estate, the decision to use one's own cash, an equity partner's capital, or lender financing will be an internal one. Because hotels typically require a substantial investment, only the largest investors and hotel companies generally have the means to purchase properties with all cash. We would anticipate the involvement of some financing by a third party for the typical investor or for those who may be entering the market for hotel acquisitions at this time. In leveraged acquisitions and developments where investors typically purchase or build upon real estate with a small amount of equity cash (20% to 50%) and a large amount of mortgage financing (50% to 80%), it is important for the equity investor to acknowledge the return requirements of the debt participant (mortgagee), as well as his or her own return requirements. Therefore, we will begin our rate of return analysis by reviewing the debt requirements of typical hotel mortgagees.

Construction Cost Estimate

Because the subject property is a proposed hotel, we have relied upon the actual development budget for the proposed subject hotel in performing a cost analysis. As this budget takes into consideration all of the physical, structural, and design elements specific to the property, it is believed to be the most accurate assessment of the actual cost of developing a hotel facility of this type. The details of this budget, prepared by the developers of the Proposed Courtyard by Marriott Parkway 400 Alpharetta, are presented in the following table.

FIGURE 8-1 SUBJECT PROPERTY CONSTRUCTION BUDGET

Component	Cost	Cost per Room
Hard Costs & Site Improvements		
Foundation	\$950,000	\$8,261
Construction	9,899,200	86,080
Sub Total Hard Cost & Site Improvements	\$10,849,200	94,341
FF&E		
FF&E	\$1,800,000	\$15,652
Sub Total FFE & OS&E	1,800,000	15,652
Pre-Opening Costs and Working Capital		
Pre-Opening Costs and Working Capital	435,000	3,783
Sub Total Pre-Opening and Working Capital	\$435,000	\$3,783
Soft Costs	2,632,500	22,891
Fees	2,632,500	\$22,891
Soft Costs	\$1,641,500	14,274
Contingency	1,000,000	8,696
Sub Total Soft Costs	\$5,274,000	\$45,861
Sub Total (without Land and Developer's Fee)	\$18,358,200	\$159,637
Site Cost	1,400,000	12,174
Sub Total (without Developer's Fee)	\$19,758,200	\$171,810
Developer's Fee	\$450,000	3,913
Total	\$20,208,200	\$175,723

Mortgage Component

Hotel financing, while still available for most tiers of the lodging industry, has become more challenging to procure in recent months due to the concerns about rising levels of new supply and potential economic volatility. The CMBS market has been most affected because of this shifting environment. While many lenders remain active, underwriting standards are becoming more stringent. Lenders continue to be attracted to the lodging industry because of the higher yields generated by hotel financing relative to other commercial real estate, and the industry continues to perform strongly in most markets. To varying degrees and with some market selectivity, commercial banks, mortgage REITs, insurance companies, and CMBS and mezzanine lenders continue to pursue deals.

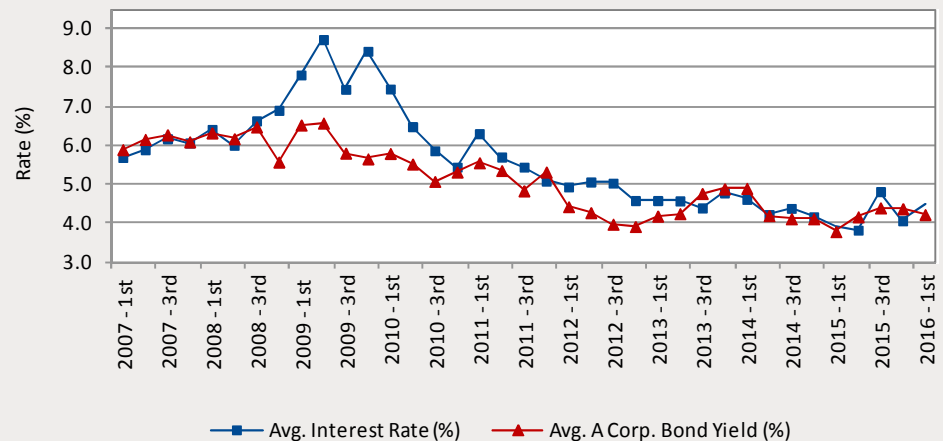
Data for the mortgage component may be developed from statistics of actual hotel mortgages made by long-term lenders. The American Council of Life Insurance,

which represents 20 large life insurance companies, publishes quarterly information pertaining to the hotel mortgages issued by its member companies.

Because of the six- to nine-month lag time in reporting and publishing hotel mortgage statistics, it was necessary to update this information to reflect current lending practices. Our research indicates that the greatest degree of correlation exists between the average interest rate of a hotel mortgage and the concurrent yield on an average-A corporate bond.

The following chart summarizes the average mortgage interest rates of the hotel loans made by these lenders. For the purpose of comparison, the average-A corporate bond yield (as reported by *Moody's Bond Record*) is also shown.

FIGURE 8-2 AVERAGE MORTGAGE INTEREST RATES AND AVERAGE-A CORPORATE BOND YIELDS



Sources: American Council of Life Insurance, Moody's Bond Record, HVS

The relationship between hotel interest rates and the yields from the average-A corporate bond can be detailed through a regression analysis, which is expressed as follows.

$$Y = 0.95361100 X + 0.79589898$$

Where: Y = Estimated Hotel Mortgage Interest Rate
 X = Current Average-A Corporate Bond Yield
 (Coefficient of correlation is 94%)

The July 27, 2016, average yield on average-A corporate bonds, as reported by Moody's Investors Service, was 3.57%. When used in the previously presented equation, a factor of 3.57 produces an estimated hotel/motel interest rate of 4.20% (rounded).

Yields on U.S. treasuries and average-A corporate bonds remain at low levels due to Federal Reserve policy and the strengthening of the dollar, providing a favorable financing environment. Debt remains available at favorable interest rates, though some lenders have pulled out of the market and underwriting standards have become more stringent. The most prevalent interest rates for single hotel assets are currently ranging from 4.5% to 7.0%, depending on the type of debt, loan-to-value ratio, and the quality of the asset and its market.

In addition to the mortgage interest rate estimate derived from this regression analysis, HVS constantly monitors the terms of hotel mortgage loans made by our institutional lending clients. Fixed-rate debt is being priced at roughly 300 to 500 basis points over the corresponding yield on treasury notes. As of July 27, 2016, the yield on the ten-year T-bill was 1.38%, indicating an interest rate range from 4.4% to 6.4%. The hotel investment market has been very active given the low interest rates over the last few years. The Federal Reserve, which raised interest rates slightly at the close of 2015, is anticipated to raise interest rates only modestly throughout 2016. Real estate investment experts do not anticipate any significant impact on hotel values in the near term as a result of stable interest rates. However, a growing gap between seller and buyer expectations has recently weakened the transaction market. At present, we find that lenders that are active in the market are using loan-to-value ratios of 60% to 75% and amortization periods of 20 to 30 years.

Based on our analysis of the current lodging industry mortgage market and adjustments for specific factors, such as the proposed property's location and conditions in the Alpharetta hotel market, it is our opinion that a 5.75% interest, 25-year amortization mortgage with a 0.075493 constant is appropriate for the proposed subject hotel. In the mortgage-equity analysis, we have applied a loan-to-cost ratio of 70%, which is reasonable to expect based on this interest rate and current parameters.

Equity Component

The remaining capital required for a hotel investment generally comes from the equity investor. The rate of return that an equity investor expects over a ten-year holding period is known as the equity yield. Unlike the equity dividend, which is a short-term rate of return, the equity yield specifically considers a long-term holding period (generally ten years), annual inflation-adjusted cash flows, property appreciation, mortgage amortization, and proceeds from a sale at the end

of the holding period. To establish an appropriate equity yield rate, we have used two sources of data: past appraisals and investor interviews.

Hotel Sales – Each appraisal performed by HVS uses a mortgage-equity approach in which income is projected and then discounted to a current value at rates reflecting the cost of debt and equity capital. In the case of hotels that were sold near the date of our valuation, we were able to derive the equity yield rate and unlevered discount rate by inserting the ten-year projection, total investment (purchase price and estimated capital expenditure and/or PIP) and debt assumptions into a valuation model and solving for the equity yield. The overall capitalization rates for the historical income and projected first-year income are based on the sales price “as is.” The following table shows a representative sample of hotels that were sold on or about the time that we appraised them, along with the derived equity return and discount rates based on the purchase price and our forecast.

FIGURE 8-3 SAMPLE OF HOTELS SOLD – FULL-SERVICE & LUXURY

Hotel	Location	Number of Rooms	Date of Sale	Total Property Yield	Equity Yield	Overall Rate Based on Sales Price	
						Historical Year	Projected Year One
Hyatt Regency Rochester	Rochester, NY	338	Feb-16	10.9 %	17.1 %	10.7 %	5.2 %
Holiday Inn	Little Rock, AR	150	Feb-16	11.3	19.5	10.0	12.3
La Jolla Inn	La Jolla, CA	23	Feb-16	11.8	20.2	7.0	7.7
Marriott Detroit Troy	Troy, MI	350	Jan-16	9.7	17.4	6.2	8.1
Crowne Plaza Orange County	Costa Mesa, CA	224	Jan-16	8.7	15.6	4.5	6.3
DoubleTree World Arena	Colorado Springs, CO	299	Jan-16	10.9	19.2	9.0	7.2
Hilton Orrington Evanston	Evanston, IL	269	Dec-15	9.0	15.5	6.5	7.3
Ames Boston	Boston, MA	114	Dec-15	10.0	16.4	4.3	5.1
Sofitel San Francisco Bay	Redwood City, CA	421	Dec-15	10.2	18.9	6.2	7.8
InterContinental Miami	Miami, FL	641	Dec-15	8.5	15.0	6.3	6.6
Marriott Boston Burlington	Burlington, MA	418	Dec-15	10.0	18.0	7.0	8.0
Vail Cascade Hotel & Club	Vail, CO	292	Dec-15	9.8	16.2	4.9	4.6
Holiday Inn Downtown	Miami, FL	200	Nov-15	8.1	13.0	6.1	6.5
Embassy Suites	Denver, CO	403	Nov-15	8.7	17.6	6.8	7.0
London NYC	New York, NY	562	Nov-15	7.2	10.7	3.2	4.0
Le Meridien	Dallas, TX	170	Nov-15	9.7	18.3	6.9	8.2
Hyatt Regency Orange County	Garden Grove, CA	656	Oct-15	9.3	17.1	7.9	7.0
Hotel Phillips Kansas City	Kansas City, MO	217	Oct-15	10.6	18.0	4.2	10.0
Hilton Atlanta	Atlanta, GA	1,242	Oct-15	10.8	18.2	9.3	7.6
Hyatt Regency Fairfax	Fairfax, VA	316	Oct-15	9.9	16.8	3.2	5.1
Hotel Indigo	Scottsdale, AZ	126	Oct-15	10.0	18.4	7.1	9.6
DoubleTree	Orlando, FL	742	Sep-15	10.1	18.4	8.4	8.9
3 Palms	College Park, GA	243	Sep-15	11.7	19.5	—	5.2
Hotel Durant	Berkeley, CA	144	Sep-15	9.9	17.6	5.1	6.1
Embassy Suites	Valencia, CA	156	Sep-15	10.1	18.4	7.3	7.9
Holiday Inn Hotel & Suites	Phoenix, AZ	228	Jul-15	11.0	19.5	6.2	7.4
Cobblestone Inn	Carmel, CA	24	Jul-15	10.9	18.3	6.0	7.3
Sheraton	Raleigh, NC	353	Jul-15	11.0	18.5	7.6	8.1
Holiday Inn Hotel & Suites	Phoenix, AZ	228	Jul-15	11.0	19.5	6.2	7.4
Sheraton Suites	Key West, FL	184	Jun-15	9.0	16.0	5.8	6.8
Sheraton	Ann Arbor, MI	197	Jun-15	9.9	18.2	6.7	7.6
Holiday Inn	Princeton, NJ	182	Jun-15	12.8	22.9	8.6	9.5
DoubleTree	Charlotte, NC	173	Jun-15	18.8	11.1	9.9	8.7
Sunset Tower Hotel	West Hollywood, CA	74	Jun-15	9.2	16.5	5.6	6.0
Marriott	Irvine, CA	485	Jun-15	9.6	16.2	7.1	7.7
Wyndham Riverwalk	Jacksonville, FL	323	Jun-15	12.0	18.3	—	—
Marriott	New York, NY	655	May-15	9.0	15.3	3.8	5.3

Source: HVS

FIGURE 8-4 SAMPLE OF HOTELS SOLD – SELECT-SERVICE/EXTENDED-STAY

Hotel	Location	Number of Rooms	Date of Sale	Total Property Yield	Equity Yield	Overall Rate Based on Sales Price	
						Historical Year	Projected Year One
Wyndham Garden Chelsea West	New York, NY	124	Mar-16	9.0 %	14.2 %	6.5 %	6.1 %
Courtyard by Marriott Vanderbilt	Nashville, TN	226	Jan-16	9.7	17.0	7.6	8.0
Residence Inn by Marriott Midtown	Atlanta, GA	160	Jan-16	10.3	18.0	6.8	7.4
Candlewood Suites I-75	Fort Myers, FL	80	Dec-15	11.9	22.1	8.6	8.3
SpringHill Suites by Marriott	Altamonte Springs, FL	90	Dec-15	10.6	18.1	8.0	8.9
Brookwood Inn (Cambria Suites)	Durham, NC	148	Nov-15	11.6	18.0	5.8	10.1
Hampton Inn	Crestview, FL	69	Nov-15	12.3	21.0	12.6	11.3
Courtyard by Marriott	Decatur, GA	179	Oct-15	10.0	17.9	7.1	8.6
Hyatt House	Miami, FL	156	Oct-15	10.3	18.2	8.0	8.7
Residence Inn	Branchburg, NJ	101	Jul-15	10.1	18.0	7.5	7.9
Residence Inn	Hunt Valley, MD	141	Jul-15	10.3	18.0	7.3	7.1
Courtyard by Marriott	Memphis, TN	96	Jul-15	10.5	19.3	9.7	10.0
Courtyard by Marriott	BillERICA, MA	210	Jun-15	10.0	18.0	6.5	6.8
Courtyard by Marriott	Wichita, KS	128	Jun-15	9.7	17.9	7.7	8.1
Hampton Inn & Suites	Columbus, OH	145	Jun-15	9.8	18.0	8.3	8.3
Hampton Inn & Suites	Washington, PA	103	Jun-15	9.8	18.0	9.3	7.9
Hampton Inn & Suites	Homestead, PA	113	Jun-15	9.8	18.0	6.9	8.0
Hampton Inn	Phoenix, AZ	106	Jun-15	9.9	18.0	6.7	7.3
Homewood Suites	Canonsburg, PA	148	Jun-15	10.0	18.2	5.5	7.8
Residence Inn	Stillwater, OK	101	Jun-15	9.8	18.0	11.2	10.7
Hyatt Place	Jacksonville, FL	127	May-15	10.6	19.6	7.3	8.3
Fairfield Inn & Suites	Cincinnati, OH	95	Jan-15	11.4	21.4	6.1	9.6
Best Western Plus	Palm Beach Gardens, FL	83	May-15	11.9	20.4	10.1	8.3
Holiday Inn Express	Brookville, OH	70	May-15	12.7	21.8	14.0	10.0
Hampton Inn & Suites	Minneapolis, MN	211	Apr-15	10.1	17.9	—	6.4
Holiday Inn Express	Saint Rose, LA	134	Mar-15	11.0	20.3	9.0	8.2
Hampton Inn	Titusville, FL	86	Mar-15	10.5	17.3	9.7	9.5
Red Lion Wenatchee	Wenatchee, WA	149	Feb-15	12.8	20.0	5.0	8.4
Holiday Inn Express	Kenedy, TX	68	Jan-15	11.6	20.9	33.6	11.7
Hyatt Place	San Jose, CA	234	Nov-14	10.0	17.4	6.8	6.6
Holiday Inn	Chandler, AZ	106	Nov-14	11.8	21.2	4.9	6.2
Hilton Garden Inn	Burlington, MA	179	Nov-14	9.8	17.4	6.5	7.6
Inn at Key West	Key West, FL	106	Sep-14	11.0	19.6	7.5	7.8
Hampton Inn	Pleasanton, TX	63	Aug-14	10.9	20.0	20.0	17.3
Courtyard by Marriott	Montgomery, AL	146	Aug-14	11.0	19.6	4.3	9.0
Springhill Suites	Atlanta, GA	147	Aug-14	10.2	18.9	7.7	8.5
Springhill Suites	New York, NY	173	Jul-14	9.2	14.3	4.6	6.8

Source: HVS

Investor Interviews - During the course of our work, we continuously monitor investor equity-yield requirements through discussions with hotel investors and brokers. While equity still looks to yield high returns for the risk of hotel investment, the low-yield environment, coupled with increased competition for

quality assets, has placed downward pressure on equity-yield returns. We find that equity-yield rates currently range from a low in the low-to-mid teens for high-barrier-to-entry "trophy assets"; the upper teens for high quality, institutional-grade assets in strong markets; and the upper teens to low 20s for quality assets in more typical markets. Equity yields have increased moderately because of higher leverage levels, though competition for quality assets continues to place downward pressure on return requirements. Equity-yield rates tend to exceed 20% for aging assets with functional obsolescence and/or other challenging property- or market-related issues. Equity return requirements also vary with an investment's level of leverage. Higher loan-to-value ratios are becoming more prevalent, allowing for increased equity returns.

The following table summarizes the range of equity yields indicated by hotel sales and investor interviews. We note that there tends to be a lag between the sales data and current market conditions, and thus, the full effect of the change in the economy and capital markets may not yet be reflected.

FIGURE 8-5 SUMMARY OF EQUITY YIELD OR INTERNAL RATE OF RETURN REQUIREMENTS

Source	Data Point Range	Average
HVS Hotel Sales - Full-Service & Luxury	10.7% - 22.9%	17.3%
HVS Hotel Sales - Select-Service & Extended-Stay	14.2% - 22.1%	18.7%
HVS Hotel Sales - Budget/Economy	12.5% - 24.1%	20.3%
HVS Investor Interviews	13% - 25%	

Based on the assumed 70% loan-to-cost ratio, the risk inherent in achieving the projected income stream, and the anticipated market position of the subject property, it is our opinion that an equity investor could expect to receive a 20.4% internal rate of return over a 10-year holding period, assuming that the investor obtains financing at the time of the project's completion at the loan-to-cost ratio and interest rate set forth.

Terminal Capitalization Rate

Inherent in this valuation process is the assumption of a sale at the end of the ten-year holding period. The estimated reversionary sale price as of that date is calculated by capitalizing the projected eleventh-year net income by an overall terminal capitalization rate. An allocation for the selling expenses is deducted from this sale price, and the net proceeds to the equity interest (also known as the equity residual) are calculated by deducting the outstanding mortgage balance from the reversion.

We have reviewed several recent investor surveys. The following chart summarizes the averages presented for terminal capitalization rates in various investor surveys during the past decade.

FIGURE 8-6 HISTORICAL TRENDS OF TERMINAL CAPITALIZATION RATES

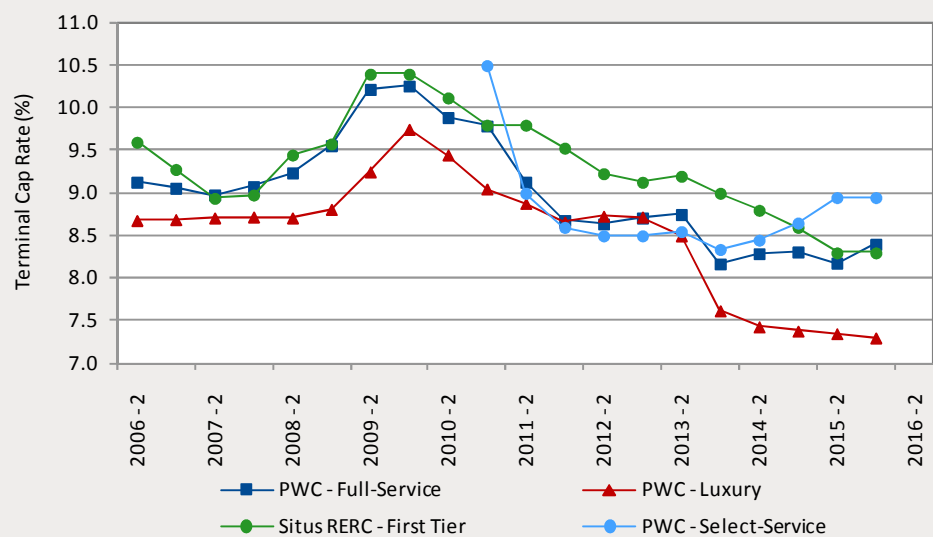


FIGURE 8-7 TERMINAL CAPITALIZATION RATES DERIVED FROM INVESTOR SURVEYS

Source	Data Point Range	Average
PWC Real Estate Investor Survey - 1st Quarter 2016		
Select-Service Hotels	7.5% - 10.0%	9.0%
Full-Service Hotels	7.0% - 10.0%	8.4%
Luxury Hotels	5.5% - 10.0%	7.3%
USRC Hotel Investment Survey - Winter 2016		
Full-Service Hotels	6.8% - 9.0%	8.1%
Situs RERC Real Estate Report - 1st Quarter 2016		
First Tier Hotels	6.7% - 10.5%	8.3%

For purposes of this analysis, we have applied a terminal capitalization rate of 9.5%. Our final position for the terminal capitalization rate reflects the current

Mortgage-Equity Method

market for hotel investments. In tandem with overall lower return expectations, terminal capitalization rates for quality hotel assets in markets with high barriers to entry have declined to new lows, while terminal capitalization rates for older assets or for those suffering from functional obsolescence and/or weak market conditions remain elevated, reflecting the market's recognition that certain assets have less opportunity for significant appreciation.

As the two participants in a real estate investment, investors and lenders must evaluate their equity and debt contributions based on their particular return requirements. After carefully weighing the risk associated with the projected economic benefits of a lodging investment, the participants will typically make their decision whether or not to invest in a hotel or resort by determining if their investment will provide an adequate yield over an established period. For the lender, this yield will typically reflect the interest rate required for a hotel mortgage over a period of what can range from seven to ten years. The yield to the equity participant may consider not only the requirements of a particular investor, but also the potential payments to cooperative or ancillary entities such as limited partner payouts, stockholder dividends, and management company incentive fees.

The return on investment analysis in a hotel acquisition would not be complete without recognizing and reflecting the yield requirements of both the equity and debt participants. The analysis will now calculate the yields to the mortgage and equity participants during a ten-year projection period.

The annual debt service is calculated by multiplying the mortgage component by the mortgage constant.

Mortgage Component	\$14,526,000
Mortgage Constant	<u>0.075493</u>
Annual Debt Service	\$1,096,608

The yield to the lender based on a 70% debt contribution equates to an interest rate of 5.75%, which is calculated as follows.

FIGURE 8-8 RETURN TO THE LENDER

Year	Total Annual Debt Service		Present Worth of \$1 Factor at 5.7%		Discounted Cash Flow
2018/19	\$1,097,000	x	0.946205	=	\$1,038,000
2019/20	1,097,000	x	0.895304	=	982,000
2020/21	1,097,000	x	0.847141	=	929,000
2021/22	1,097,000	x	0.801569	=	879,000
2022/23	1,097,000	x	0.758448	=	832,000
2023/24	1,097,000	x	0.717647	=	787,000
2024/25	1,097,000	x	0.679042	=	745,000
2025/26	1,097,000	x	0.642512	=	705,000
2026/27	1,097,000	x	0.607948	=	667,000
2027/28	12,101,000 *	x	0.575244	=	6,961,000
Value of Mortgage Component					\$14,525,000

*10th year debt service of \$1,097,000 plus outstanding mortgage balance of \$11,004,000

The following table illustrates the cash flow available to the equity position, after deducting the debt service from the projected net income.

FIGURE 8-9 NET INCOME TO EQUITY

Year	Net Income Available for Debt Service		Total Annual Debt Service		Net Income to Equity
2018/19	\$1,716,000	-	\$1,097,000	=	\$619,000
2019/20	1,942,000	-	1,097,000	=	845,000
2020/21	2,007,000	-	1,097,000	=	910,000
2021/22	2,067,000	-	1,097,000	=	970,000
2022/23	2,129,000	-	1,097,000	=	1,032,000
2023/24	2,193,000	-	1,097,000	=	1,096,000
2024/25	2,259,000	-	1,097,000	=	1,162,000
2025/26	2,327,000	-	1,097,000	=	1,230,000
2026/27	2,396,000	-	1,097,000	=	1,299,000
2027/28	2,468,000	-	1,097,000	=	1,371,000

In order for the present value of the equity investment to equate to the \$6,225,000 capital outlay, the investor must accept a 20.5% return, as shown in the following table.

FIGURE 8-10 EQUITY COMPONENT YIELD

Year	Net Income to Equity		Present Worth of \$1 Factor at 20.5%		Discounted Cash Flow
2018/19	\$619,000	x	0.829908	=	\$514,000
2019/20	845,000	x	0.688747	=	582,000
2020/21	910,000	x	0.571597	=	520,000
2021/22	970,000	x	0.474373	=	460,000
2022/23	1,032,000	x	0.393686	=	406,000
2023/24	1,096,000	x	0.326723	=	358,000
2024/25	1,162,000	x	0.271150	=	315,000
2025/26	1,230,000	x	0.225030	=	277,000
2026/27	1,299,000	x	0.186754	=	243,000
2027/28	16,455,000 *	x	0.154989	=	2,550,000
Value of Equity Component					\$6,225,000

*10th year net income to equity of \$1,371,000 plus sales proceeds of \$15,084,000

Conclusion

In determining the potential feasibility of the proposed Proposed Courtyard by Marriott Parkway 400 Alpharetta, we analyzed the lodging market, researched the area's economics, reviewed the estimated development cost, and prepared a ten-year forecast of income and expense, which was based on our review of the current and historical market conditions, as well as comparable income and expense statements.

The conclusion of this analysis indicates that an equity investor contributing \$6,225,000 (roughly 30% of the \$20,800,000 development cost) could expect to receive a 20.5% internal rate of return over a ten-year holding period, assuming that the investor obtains financing at the time of the project's completion at the loan-to-value ratio and interest rate set forth. The proposed subject hotel has an opportunity to serve what is becoming an underserved niche in the submarket. Based on our market analysis, there is sufficient market support for the proposed Courtyard by Marriott hotel. Our conclusions are based primarily on the long-term strength of this hotel market. Our review of investor surveys indicates equity returns ranging from 14.2% to 22.1%, with an average of 18.7%. Based on these parameters, the calculated return to the equity investor, 20.5%, is above the average and within the range of market level returns given the anticipated cost of \$20,800,000.

The analysis is based on the extraordinary assumption that the described improvements have been completed as of the stated date of opening. The reader should understand that the completed subject property does not yet exist as of the date of this report. Our feasibility study does not address unforeseeable events

that could alter the proposed project and/or the market conditions reflected in the analyses; we assume that no significant changes, other than those anticipated and explained in this report, shall take place between the date of inspection and stated date of opening. The use of this extraordinary assumption may have affected the assignment results. We have made no other extraordinary assumptions specific to this feasibility study. However, several important general assumptions have been made that apply to this feasibility study and our studies of proposed hotels in general. These aspects are set forth in the Assumptions and Limiting Conditions chapter of this report.

9. Statement of Assumptions and Limiting Conditions

1. This report is set forth as a feasibility study of the proposed subject hotel; this is not an appraisal report.
2. This report is to be used in whole and not in part.
3. No responsibility is assumed for matters of a legal nature, nor do we render any opinion as to title, which is assumed marketable and free of any deed restrictions and easements. The property is evaluated as though free and clear unless otherwise stated.
4. We assume that there are no hidden or unapparent conditions of the sub-soil or structures, such as underground storage tanks, that would affect the property's development potential. No responsibility is assumed for these conditions or for any engineering that may be required to discover them.
5. We have not considered the presence of potentially hazardous materials or any form of toxic waste on the project site. We are not qualified to detect hazardous substances and urge the client to retain an expert in this field if desired.
6. The Americans with Disabilities Act (ADA) became effective on January 26, 1992. We have assumed the proposed hotel would be designed and constructed to be in full compliance with the ADA.
7. We have made no survey of the site, and we assume no responsibility in connection with such matters. Sketches, photographs, maps, and other exhibits are included to assist the reader in visualizing the property. It is assumed that the use of the described real estate will be within the boundaries of the property described, and that no encroachment will exist.
8. All information, financial operating statements, estimates, and opinions obtained from parties not employed by TS Worldwide, LLC are assumed true and correct. We can assume no liability resulting from misinformation.
9. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property.
10. The property is assumed to be in full compliance with all applicable federal, state, local, and private codes, laws, consents, licenses, and regulations (including the appropriate liquor license if applicable), and that all licenses, permits, certificates, franchises, and so forth can be freely renewed or transferred to a purchaser.

11. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise.
12. None of this material may be reproduced in any form without our written permission, and the report cannot be disseminated to the public through advertising, public relations, news, sales, or other media.
13. We are not required to give testimony or attendance in court because of this analysis without previous arrangements, and shall do so only when our standard per-diem fees and travel costs have been paid prior to the appearance.
14. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material presented in this report, it is recommended that the reader contact us.
15. We take no responsibility for any events or circumstances that take place subsequent to the date of our field inspection.
16. The quality of a lodging facility's onsite management has a direct effect on a property's economic viability. The financial forecasts presented in this analysis assume responsible ownership and competent management. Any departure from this assumption may have a significant impact on the projected operating results.
17. The financial analysis presented in this report is based upon assumptions, estimates, and evaluations of the market conditions in the local and national economy, which may be subject to sharp rises and declines. Over the projection period considered in our analysis, wages and other operating expenses may increase or decrease because of market volatility and economic forces outside the control of the hotel's management. We assume that the price of hotel rooms, food, beverages, and other sources of revenue to the hotel will be adjusted to offset any increases or decreases in related costs. We do not warrant that our estimates will be attained, but they have been developed based upon information obtained during the course of our market research and are intended to reflect the expectations of a typical hotel investor as of the stated date of the report.
18. This analysis assumes continuation of all Internal Revenue Service tax code provisions as stated or interpreted on either the date of value or the date of our field inspection, whichever occurs first.
19. Many of the figures presented in this report were generated using sophisticated computer models that make calculations based on numbers carried out to three or more decimal places. In the interest of simplicity, most numbers have been rounded to the nearest tenth of a percent. Thus, these figures may be subject to small rounding errors.

20. It is agreed that our liability to the client is limited to the amount of the fee paid as liquidated damages. Our responsibility is limited to the client, and use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.
21. Evaluating and comprising financial forecasts for hotels is both a science and an art. Although this analysis employs various mathematical calculations to provide value indications, the final forecasts are subjective and may be influenced by our experience and other factors not specifically set forth in this report.
22. This study was prepared by TS Worldwide, LLC. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by the staff of TS Worldwide, LLC as employees, rather than as individuals.

10. Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

1. the statements of fact presented in this report are true and correct;
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. our engagement in this assignment was not contingent upon developing or reporting predetermined results;
6. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined result or direction in performance that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this study;
7. our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;
8. Benjamin A. Levin personally inspected the property described in this report; Michael E. Brophy participated in the analysis and reviewed the findings, but did not personally inspect the property;
9. Benjamin A. Levin provided significant assistance to Michael E. Brophy, and that no one other than those listed above and the undersigned prepared the analyses, conclusions, and opinions concerning the real estate that are set forth in this report; Michael E. Brophy has not performed services, as an appraiser or in any other capacity, on the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;
10. the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code

of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute;

11. the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives; and
12. as of the date of this report, Michael E. Brophy has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.

DRAFT REPORT

Michael E. Brophy
Senior Vice President, Partner
State Appraiser License (GA) 343765

6/6/16

MP-16-08/PH-16-11/V-16-18
Marriott Courtyard/Pkwy 400

CITY OF ALPHARETTA

PUBLIC HEARING APPLICATION

FOR OFFICE USE ONLY

Case #: _____

☐ Fee Paid Initial: _____

COMMUNITY DEVELOPMENT DEPARTMENT

2 PARK PLAZA

ALPHARETTA, GA 30009

1. This page should be the first page in each of your completed application packets.
2. It is preferred that all responses be typed. Illegible applications will not be accepted.
3. Prior to signing and submitting your application, please check all information supplied on the following pages to ensure that all responses are complete and accurate. Incomplete applications will not be accepted.
4. Payment of all applicable fees must be made at the time of application. Payment may be made via cash, credit card (American Express, Master Card or Visa), or check made payable to "City of Alpharetta."
5. Applications will be accepted only on the designated submittal dates between the hours of 8:30 AM and 3:30 PM.
6. If you have any questions regarding this form, please contact the Community Development Department by calling 678-297-6070.

Contact Information:

Contact Name: Hotel Development Partners, LLC c/o Steven C. Smith Telephone: 404-842-1422

Address: Six Concourse Parkway Suite: 2075

City Atlanta State: GA Zip: 30328 Fax: _____

Mobile Tel: 770-330-3233 Email: ssmith@hdpfunds.com

Subject Property Information:

Address: Amber Park Drive Current Zoning: O-I 

District: 1 Section: 2 Land Lot: 804 Parcel ID: 12-284-00804029-2

Proposed Zoning: O-I  Current Use: Vacant/underdeveloped

This Application For (Check All That Apply):

- | | |
|---|---|
| ☐ Conditional Use | ☒ Master Plan Amendment |
| ☐ Rezoning | ☐ Master Plan Review |
| ☒ Variance | ☐ Public Hearing |
| ☐ Comprehensive Plan Amendment | ☐ Other (Specify): _____ |

APPLICANT REQUEST AND INTENT

What is the proposed use(s) of the property?

The property is proposed for use as a six story, 115 room Marriott Courtyard hotel.

Applicant's Request (Please itemize the proposal):

1. Approval of reduction in waiting period to hear application from one year to six months per Section 4.2.1C;
2. Master Plan Amendment to allow proposed hotel use in Pod C, Building Site 6 of the Parkway 400 Master Plan;
3. Variance to reduce required parking to 113 spaces;
4. Variance to reduce front-yard setback from 35 feet to 17.8 feet, at certain points, to allow for a porte cochere at the front of the proposed hotel; and
5. Variance to increase lot coverage to 74%.

Applicant's Intent (Please describe what the proposal would facilitate):

The proposal is to develop hotel as described above, complementary to adjacent and nearby development along Old Milton Parkway.

6/6/16

MP-16-08/PH-16-11/V-16-18
Marriott Courtyard/Pkwy 400

PROPERTY OWNER AUTHORIZATION

Property Owner Information:

Contact Name: Steven Spelnagel - Whiteway Holdings, LLC

Telephone: 678-892-5902

Address: 2520 Northwinds Parkway

Suite: 255

City Alpharetta

State: GA

Zip: 30009

Authorization:

I do solemnly swear and attest, subject to criminal penalties for false swearing, that I am the legal owner, as reflected in the records of Fulton County, Georgia, of the property identified below, which is the subject of the attached Application for Public Hearing before the City of Alpharetta, Georgia.

As the legal owner of record of the subject property, I hereby authorize the individual named below to act as the applicant in the pursuit of the Application for Public Hearing in request of the items indicated below.

☐ Annexation

☐ Special Use

☐ Rezoning

☐ Conditional Use

☒ Variance

☒ Master Plan

☐ Land Use Application

☐ Other _____

Identify Authorized Applicant:

Name of Authorized Applicant: Hotel Development Partners, LLC c/o Steven C. Smith

Telephone: 404-842-1422

Address: Six Concourse Parkway

Suite: 2075

City Atlanta

State: GA

Zip: 30328

So Sworn and Attested:

Owner Signature: _____

Date: 5/26/16

Notary:

Notary Signature: _____

Angela M. Saavedra



Date: 5/26/16

DISCLOSURE FORM

The Official Code of Georgia Annotated requires disclosure of campaign contributions to government officials by an applicant or opponent of a rezoning or public hearing petition (O.C.G.A. 36-67 A-1).

Applicants must file this form with the City of Alpharetta Community Development Department within ten (10) days after filing for rezoning or public hearing. Opponents to a rezoning or public hearing petition must file this form five (5) days prior to the Planning Commission meeting at which the subject rezoning or public hearing petition is scheduled to be heard.

Name of Applicant or Opponent: Steven E. Spetnagel

Subject Public Hearing Case: _____

Campaign Contribution Information:

NONE

Please provide the requested information for each contribution with a dollar amount or value of \$250 or more made within the past two (2) years to an Alpharetta Official by the individual identified above. Please use a separate form for each Alpharetta Official to whom such a contribution has been made.

If the individual identified above has made no such contributions to an Alpharetta Official within the past two (2) years, please indicate this by entering "N/A" on the appropriate lines below.

Name of Official: _____ Position: _____

Description of Contribution: _____ Value: _____

Description of Contribution: _____ Value: _____

Description of Contribution: _____ Value: _____

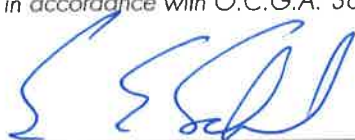
Description of Contribution: _____ Value: _____

Description of Contribution: _____ Value: _____

Campaign Contribution Information:

I do solemnly swear and attest, subject to criminal penalties for false swearing, that the information provided in this Disclosure Form is true and accurate and that I have disclosed herein any and all campaign contributions made to an Official of the City of Alpharetta, Georgia in accordance with O.C.G.A. 36-67 A-1.

Signature: _____



Date: _____

5/26/16

DISCLOSURE FORM

The Official Code of Georgia Annotated requires disclosure of campaign contributions to government officials by an applicant or opponent of a rezoning or public hearing petition (O.C.G.A. 36-67 A-1).

Applicants must file this form with the City of Alpharetta Community Development Department within ten (10) days after filing for rezoning or public hearing. Opponents to a rezoning or public hearing petition must file this form five (5) days prior to the Planning Commission meeting at which the subject rezoning or public hearing petition is scheduled to be heard.

Name of Applicant or Opponent: Hotel Development Partners

Subject Public Hearing Case: _____

Campaign Contribution Information: **NONE**

Please provide the requested information for each contribution with a dollar amount or value of \$250 or more made within the past two (2) years to an Alpharetta Official by the individual identified above. Please use a separate form for each Alpharetta Official to whom such a contribution has been made.

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Value: _____

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Value: _____

Description of Contribution: _____

Value: _____

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Signature: _____

Date: 5/31/16

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Name of Applicant or Opponent: Morris, Manning & Martin LLP

Subject Public Hearing Case: _____

Campaign Contribution Information: **NONE**

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Signature: 

Date: 5/31/16

Legal Description

ALL THAT TRACT OR PARCEL OF land lying and being in Land Lot 804 of the 1st District, 2nd Section, City of Alpharetta, Fulton County, Georgia and being more particularly described as follows:

To find the **POINT OF BEGINNING** commence at the Land Lot Corner common to Land Lots 800, 801, 804 and 805; thence along Land Lot Line common to Land Lot 801 and 804 North 00°09'23" West, a distance of 700.80 feet to a point; thence continuing along said Land Lot Line North 00°06'58" East, a distance of 463.94 feet to a point; thence leaving said Land Lot Line 60.30 feet along a curve to the right, said curve having a chord of North 55°30'04" East 60.04 feet and a radius of 187.00 feet to a point, that is the **POINT OF BEGINNING**; thence 79.04 feet along a curve to the right, said curve having a chord of North 77°51'12" East 78.45 feet and a radius of 187.00 feet to a point; thence North 89°57'40" East, a distance of 307.45 feet to a point located on the westerly right of way of Amberpark Drive (100 foot right of way); thence along said right of way South 01°07'53" East, a distance of 215.02 feet to a point; thence leaving said right of way North 89°58'34" West, a distance of 388.79 feet to a point; thence North 00°06'58" East, a distance of 198.58 feet to a point, being the **POINT OF BEGINNING**.

Said tract contains 1.896 acres.



June 1, 2016

City of Alpharetta Community Development Department
2 Park Plaza
Alpharetta, Georgia 30009

Carl E. Westmoreland, Jr.
404-504-7799
cew@mmmlaw.com
www.mmmlaw.com

Re: Letter of Intent for Hotel Development Partners, LLC Application

To Whom It May Concern:

This application seeks the following approvals: (1) approval of reduction in waiting period to hear the application from one year to six months; (2) master plan amendment to allow hotel use in Pod C, Building Site 6 of the Parkway 400 Master Plan; (3) variance to reduce required parking from 125 spaces to 113 spaces; (4) variance to reduce the front yard setback from 35' to 17'-8" for a porte cochere; and (5) variance to increase lot coverage from 70% to 74%. The Parkway 400 site was zoned in Fulton County in 1998 and annexed into the City of Alpharetta in 2004. The Parkway 400 master plan includes 557,100 square feet of development allowed, however, approximately 60% of the master planned area is vacant and undeveloped.

Approval of this application would allow the development of a 115 room, six story Marriott Courtyard hotel designed to serve business travelers. The hotel will include a bistro that serves breakfast, dinner and beverages and a market that offers 24 hour grab and go options. Amenities will include meeting rooms, a business library, fitness room, pool and outdoor seating areas. The proposed hotel will enhance the existing mix of uses in the immediate area, which include the Avalon mixed use development, offices, restaurants, banks and institutional uses.

Best,

Carl E. Westmoreland, Jr.

ALPHARETTA PLANNING COMMISSION REVIEW CRITERIA

How will this proposal be compatible with surrounding properties?

The proposed hotel is compatible with the surrounding uses of office and retail and will provide a needed amenity to the developing office and retail corridor along Old Milton Parkway. The property is located across from the primary entrance to Avalon, which is a mixed use development with 500,000 square feet of commercial, 350 residential units, 1 million square feet of office and a full service hotel. Gwinnett Technical College, a higher education facility of up to 10,000 students is also located nearby. The proposal will add to the existing diverse development fabric.

How will this proposal affect the use and value of the surrounding properties?

As a complementary use, the proposed hotel should have a positive effect on the use and value of the surrounding properties, which, as noted, are largely developed for office and retail uses.

Can the property be developed for a reasonable economic use as currently zoned? Please explain why or why not.

The property is currently zoned for an office building, as are numerous sites in its immediate vicinity. The property has been vacant for 17 years which evidences the lack of reasonable economic use of the property as currently zoned. While it is expected that some of the properties in the immediate area will be developed for office use, it is unrealistic to think that all will be developed within any foreseeable time frame and the proposed hotel will provide a catalytic amenity to the existing and proposed office development.

What would be the increase to population and traffic if the proposal were approved?

Due to the nature of the use, a hotel use will not create an increase in traffic. The site is currently vacant so there will be minimal increase in traffic from a hotel use in this area, however, such increase is certainly less impact on both than from office development as currently zoned. The current master plan allows an 8 story office that would generate 1.56 trips per 1,000 square feet of gross floor area during the weekday am peak and 1.49 trips per 1,000 square feet of gross floor area during the weekday pm peak according to ITE standards. A business hotel generates 0.56 trips per occupied room in the am peak and 0.62 trips in the pm peak. With an expected 75% occupancy, the hotel will generate 48 trips

What would be the impact to schools and utilities if the proposal were approved? ^in the am peak and 53 trips in the pm peak.

There will be no impact on schools and all utilities are in place and sufficient to serve the proposed development. The Big Creek/Johns Creek Reclamation Plants currently serve the property and have available capacity. Water is supplied by Fulton County through the North Area Water Treatment Plant.

How is the proposal consistent with the Alpharetta Comprehensive Plan; particularly the Future Land Use Map?

The property is designated "Corporate Office Campus" and is located in the Old Milton Corridor. Neither classification prohibits the proposed hotel use. The change from office use within the Parkway 400 Master Plan for this site is consistent with the comprehensive plan and with the recent trend of development in the area.

Are there existing or changing conditions which affect the development of the property and support the proposed request?

As noted, recent development in the immediate area has created a need for a hotel such as that proposed to serve the increased office development and to be complementary to the conference center under development across Old Milton Parkway. There are a number of office sites in the immediate area, sufficient to meet any foreseeable demand for that use. While there are a number of other parcels in the city zoned for hotels, most if not all were zoned prior to the development of Avalon and other uses which have shifted the center of Alpharetta's business development to the Old Milton corridor in which hotels are a necessary component. It is not likely that many, if any, of the other approved hotel sites will be developed for such a use.

On a separate sheet or sheets, please provide any information or evidence that supports your request and the statements that you have provided in this application.

BOARD OF ZONING APPEALS REVIEW CRITERIA

Please respond to the following ONLY if you are applying for a zoning variance.

Are there extraordinary and exceptional conditions pertaining to the subject property because of its size, shape, or topography? Please describe them.

A variance is requested to reduce the front setback from 35 feet to 17 feet 8 inches to accommodate the porte cochere for the front of the hotel. The property has two road frontages, one of which is private. The main building will remain behind the 35 foot front yard standard on both road frontages. The porte cochere encroaches into the 35 foot setback abutting the private road. As this is an interior site within the Parkway 400 development, there is no compelling reason to maintain the 35 foot setback for all parts of the building.

A parking reduction from 125 to 113 spaces is also requested, based on the applicant's experience and the enclosed industry publication evidencing that such number is sufficient for the employees and guests of the proposed hotel. The applicant has provided parking within all available areas on the site and is already requesting a lot coverage increase. As parking demand can be met with the lower number of spaces, there is no reason to increase the paving of the site unnecessarily to provide the amount required by code.

The variance to increase the allowable lot coverage from 70% to 74% is necessary due to the relatively small size of the lot (1.896 acres) for a commercial development. The impact of the size of the lot on lot coverage is further emphasized by the parking reduction request.

Would the application of the Zoning Code standards as they relate to the subject property create an unnecessary hardship? Please explain.

The setback reduction is needed to provide a covered area over the entry drive to the hotel. The encroachment is not conditioned space and is limited in its area of encroachment. To require compliance with the setback for the porte cochere would create an unnecessary hardship. The attached industry treatise provides that hotel designers recommend a specific formula for determining the number of parking spaces that will be required to avoid construction of unnecessary spaces or inadequate parking. The formula is (rooms) x (% occupancy) x (people/room) x (% arriving by car/(people/car)). With an expected occupancy of 75% with 10% sharing a room, 85% arriving by car and at least 10% of cars having more than 1 occupant, the formula yields a requirement for 73.313 parking spaces. The provision of more than the proposed 113 spaces would create an unnecessary hardship.

To proposed development necessitates a small increase in the allowable lot coverage. The proposal already includes a parking reduction request which helps mitigate the lot coverage variance needed. To require the lot coverage to be met would further reduce the parking proposed and create an unnecessary hardship.

Are there conditions that are peculiar to the subject property? Please describe them in detail.

The subject property is uniquely situated across from the recently developed Avalon mixed use development, however, the site does not have frontage on Old Milton Parkway. Instead it is an interior site in the Parkway 400 master plan development, the majority (60%) of which is undeveloped. The variances requested will enable the development of the site with a use and development that is reflective of the revitalization of this corridor and the mix of uses appropriate in this area.

Would relief, if granted, cause substantial detriment to the public good or impair the purpose and intent of the Zoning Code? Please defend your response.

Granting the requested variances would not cause substantial detriment to the public good or impair the purpose and intent of the Zoning Code. To the contrary, the relief would enable the development of a vacant tract in the predominantly vacant Parkway 400 office park with a use that is complementary to the uses in the immediate area.

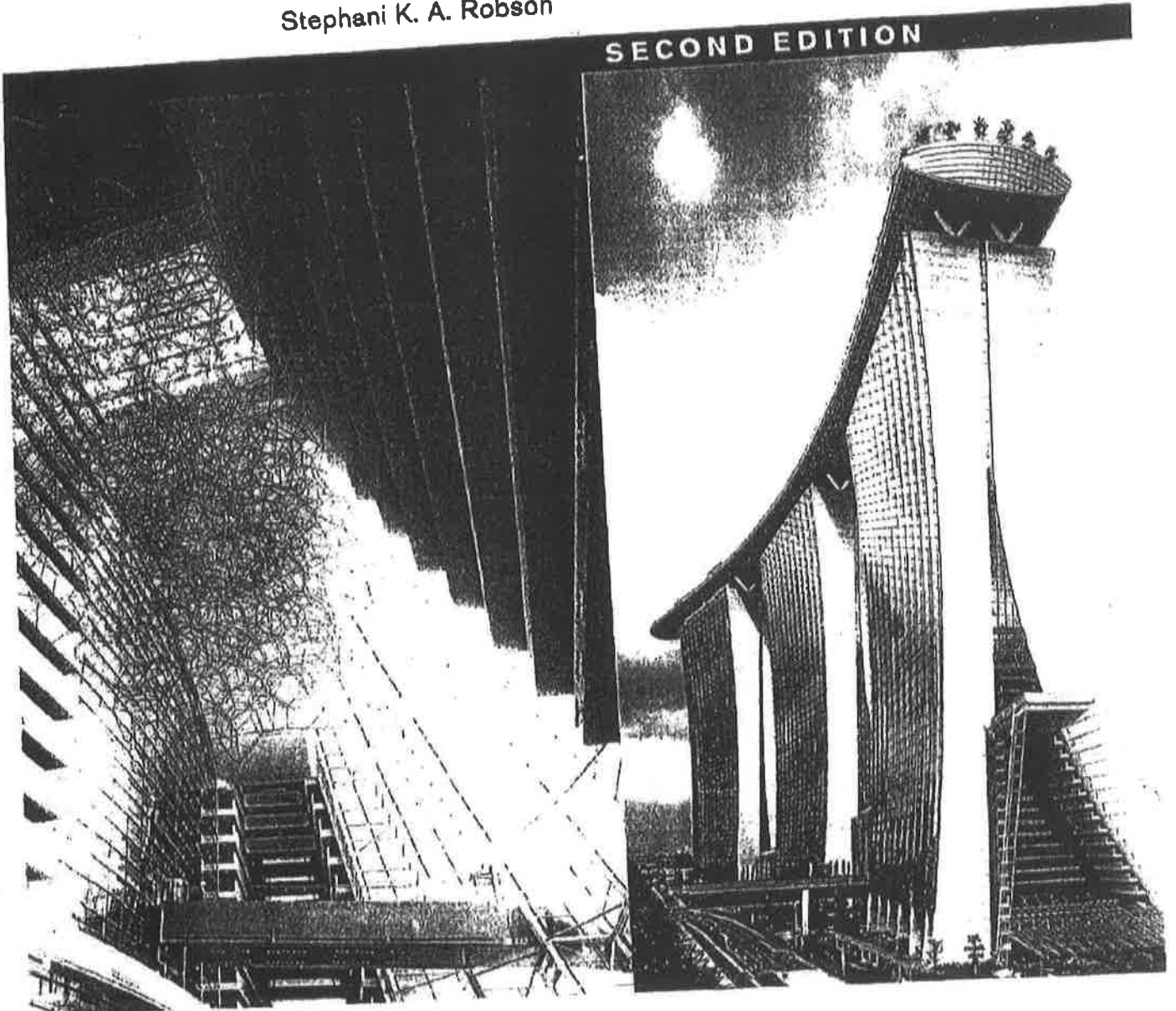
On a separate sheet or sheets, please provide any information or evidence that supports your request and the statements that you have provided in this application.

HOTEL DESIGN

PLANNING AND DEVELOPMENT

Richard H. Penner
Lawrence Adams, AIA
Stephani K. A. Robson

SECOND EDITION



DESIGN GUIDE

- **Safety:** Do not provide a diving board; include slip-free deck surface, depth markings, underwater lighting, safety or "pool rules" signage.
- **Wading pool, whirlpool:** Include additional pools within view of the swimming pool but slightly separated.
- **Indoor pool:** Design either operable roof or glass walls to provide direct sunlight and ventilation.

Spa and Health Club

A second major component of hotel recreational facilities is the spa or, in smaller properties, the health club, a feature that for many types of hotel has become more central than the pool. The focus of the spa is on the guest's experience, and introduces unique images, sounds (flowing water or music), scents (aromatherapy), and more to soothe and relax the individual. At a destination resort, there might be as many as one treatment room for every five guestrooms, dropping to one to every 50 or 100 in urban locations. In contrast, a simple health club may feature little more than a combination of exercise equipment (such as Nautilus or Universal machines) and such specialized facilities as whirlpool baths, steam rooms, and saunas. Larger complexes may add a unisex hair salon, a multi-purpose room for aerobic exercise—even racquetball courts. The spa at the Terranea Resort in Southern California is representative of how a medium-size, upscale resort property can cater to guests and the local community. Its 20,000 sq ft (1,850 sq m) spa, not including the adjoining fitness center and pool, has 23 treatment rooms for about 380 hotel guestrooms, plus many casitas and golf villas. See the

further discussion of spa facilities in the discussion of resort hotels in Chapter 7. The following items should be considered during the planning phase:

- **Location:** Plan the spa so that guests can reach it directly from the guestroom elevators, and local members have access from the street or parking area, without passing through the hotel lobby.
- **Program:** Include the following, depending on the market:
 - Reception area with attendant
 - Retail sales area
 - Salon
 - Lockers, showers, and toilets
 - Exercise room
 - Sauna, steam room, and whirlpool
 - Treatment rooms
 - Relaxation lounges
 - Spa café and support areas
- **Adjacencies:** Plan the complex with the control area and lounge most visible, and with the private functions either shared (exercise room) or back-to-back (saunas and restrooms).

Parking

The provision of sufficient parking can be a crucial element in both the budgeting and conceptual planning, for a hotel or motel. And its design often influences the guest's first and last impressions of the property. Roadside Inn developers know they must provide

Table 17.12 Parking needed for different types of hotel

Hotel type	Number of spaces/room	Comment
Business (downtown)	0.4–0.8	Assumes limited function space
Boutique hotel	0.3–0.8	Higher factor in resort areas
Suburban hotel	1.2–1.4	Heavy local meeting and banquet use
Airport hotel	0.6–1.0	Moderate rental-car use
Roadside inn	1.0–1.2	Very limited local banquet and F&B use
Resort (all types)	0.2–1.4	Varies by market, location, and proximity to urban centers or major attractions
Convention hotel	0.8–1.4	Regional convention hotels need more parking
Conference center	1.0–1.3	If full house, minimum local use
Condominium hotel	1.2–2.0	May need two spaces/condominium
All-suite hotel	0.8–1.2	Limited F&B and function areas
Super-luxury hotel	1.0–1.2	Limited function areas
Mega-hotel	1.0–1.2	Limited local business; high rental-car use
Mixed-use hotel	0.6–1.2	Highly variable depending on other activities
Casino hotel	0.8–2.0	Varies by location (for example, Atlantic City requires extensive bus parking)

PUBLIC SPACE DESIGN

Table 17.13 Parking analysis

The following steps describe an approach to calculating parking requirements based on the changing needs of the guestrooms and other hotel facilities throughout the day. The maximum parking demand in most properties is created not by the rooms but by the meeting and banquet space. The provision of parking must recognize the sum of the various components and the interrelationship of the peaks and valleys over a 24-hour period.

1. Determine the components of the parking requirement: overnight guests, restaurant and bar patrons, meeting attendees, and other visitors (see Step 3).
2. Calculate the maximum number of cars that might be reasonably anticipated, planning to accommodate full demand on 80–85 percent of all days, but not peak demand for each component. The overnight guest calculation is illustrated by the following example:

Number of rooms	400
Percent occupancy	85
People per room	1.4
Percent arriving by car	40
People per car	1.5

Each calculation will be slightly different; the equation for calculating the overnight guests' parking requirement is:

$$\frac{(\text{Rooms}) \times (\% \text{ occupancy}) \times (\text{people/room}) \times (\% \text{ by car})}{(\text{People/car})}$$

Example: $\frac{400 \times 0.85 \times 1.4 \times 0.40}{1.5} = 127 \text{ cars}$

The calculation for the other components includes similar factors as appropriate, such as food and beverage covers, percentage of diners arriving by car, and number of employees by shift.

3. Develop a table (see below) showing hourly parking use factors (example shows four-hour periods). For example, the parking facility needs to accommodate all (100 percent or 1) overnight guest cars from midnight to 4:00 A.M. but, because of checkouts, only 60 percent (0.6) during the midday periods.
4. Combine the parking requirements for each component (Step 2) with the use table (Step 3) to calculate the total amount of parking necessary during each time period. In this example, hotel guests would require 127 parking spaces (1×127) at midnight but only 76 spaces (0.6×127) at noon. Recognize that high evening demand, for example, might be partially met by available parking nearby.

User	Morning			Afternoon		
	Midnight- 4:00	4:00- 8:00	8:00- noon	Noon- 1:00	1:00- 2:00	2:00- midnight
Hotel guests	1.0	0.95	0.6	0.6	0.9	0.95
Restaurant and bar patrons	0.05	0.1	0.1	0.1	0.2	0.25
Meeting/banquet attendees	0.05	—	0.1	0.1	0.4	0.4
Health club members	—	0.2	0.1	0.2	0.2	0.05
Visitors	—	0.1	0.2	0.1	0.2	0.4
Employees	0.25	0.25	0.4	0.4	0.35	0.35

one space per room; full-service hotels need additional spaces for employees and for any public areas—restaurants, bars, meeting space, or recreational facilities—that attract guests from the community. An otherwise successful hotel can be seriously affected—especially its ability to attract local banquet business—by insufficient or inconvenient parking.

The key objective should be to provide optimum but not excessive amounts of parking. Unless unusual conditions (sports complex, large banquet facility, retail center) exist, the parking provision for different types of lodging properties falls within the ranges shown in Table 17.12. Land cost is an increasing problem in suburban and rural locations, where parking usually is on grade, often covering more land than the building itself, making it necessary for developers to program their parking requirements more carefully. However, the more

critical concern is at downtown hotels, and at those other properties where high land costs preclude extensive amounts of surface parking or require the construction of a garage, often below the hotel. It is not uncommon for the developer and architect to appeal zoning regulations, if justified, based on an analysis by traffic experts. One technique is to project hourly parking requirements, recognizing that hotel guests, conferees, banquet guests, and employees create peak demands on parking at different periods of the day (see example, Table 17.13).

In addition to programming the parking, the design team must consider the impact it makes on the lasting impression the guest has of the hotel. Designers need to address concerns about convenience, safety, and possible claustrophobia:

CITIZEN PARTICIPATION FORM - PART A

This form must be completed and submitted with the applicant's completed Public Hearing Application. Applications submitted to the City of Alpharetta without a completed Citizen Participation Form - Part A will not be accepted.

Public Hearing or Project Name: Parkway 400

Contact Name: Hotel Development Partners, LLC c/o Steven C. Smith Telephone: 404-842-1422

The following people will be notified of this application and provided information describing the subject proposal. Please note that ALL adjoining property owners MUST be notified. Use additional pages as needed.

Fifth Third Bank, 2755 Old Milton Pkwy. Joel B. Shirley, Jr.

Windward Eye Group, 272 Old Milton Pkwy. John Doulgerakis

NNN Parkway Four Hundred, LLC, 11720 Amber Park Drive

Fourth Quarter Properties 87, LLC

WBCMT 2007 C31 Amberpark Limited Partnership

Greenstone Parkway Four Hundred, LLP

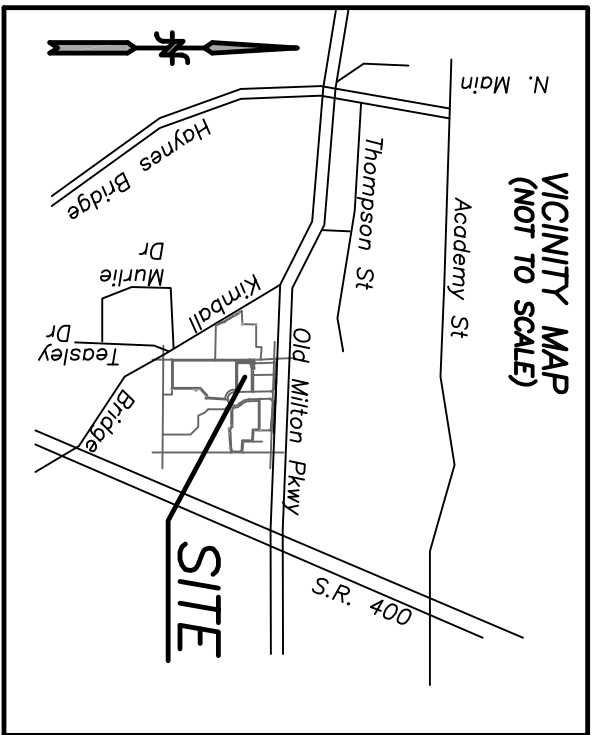
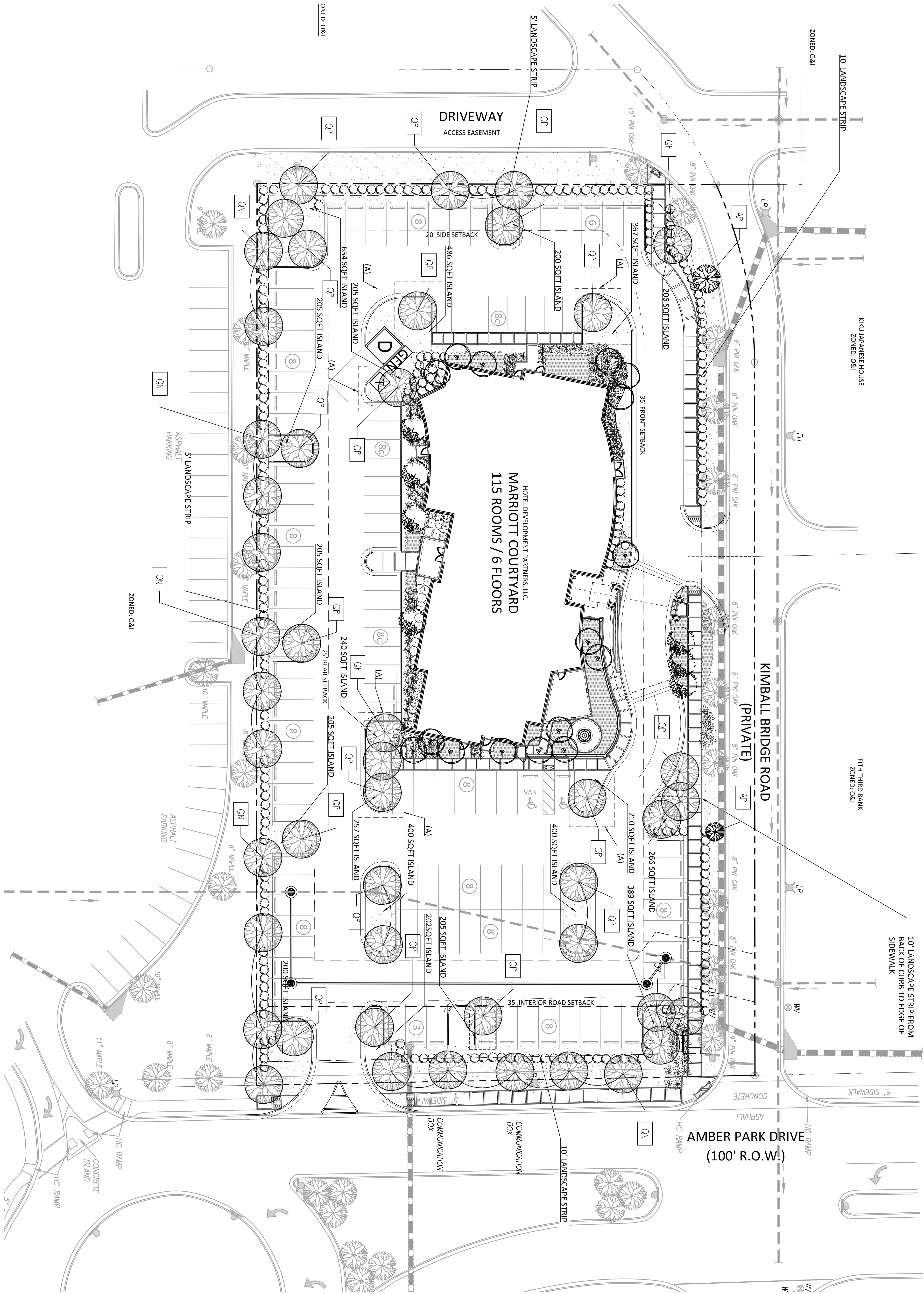
Fulton County Board of Education

Method by which these individuals will be contacted. Please mark all that apply. If you select "Other," please provide a description of the method of contact that will be used.

- | | |
|--|--|
| ☒ Letter | ☐ Personal Visits |
| ☐ Telephone | ☐ Group Meeting |
| ☐ Email | ☒ Other (Please Specify) <u>Will offer to meet in the letter</u> |

Please describe the method(s) by which these individuals will have the opportunity to respond or contact the applicant with questions or concerns about the proposal.

They will be given contact information (telephone, email and address) for the Applicant's representative.



LEGEND

LARGE SHADE TREE
[QP] WILLOW OAK
QUERCUS PHELLOS
[QN] NUTTAL OAK
QUERCUS NUTTALLI

SHADE TREE
[AP] PIN OAK
ACER PALUSTRIS

UNDERSTORY TREE
[ICB-T] TREE FORM BURFORD HOLLY
ILEX CENATA 'BURFORD'

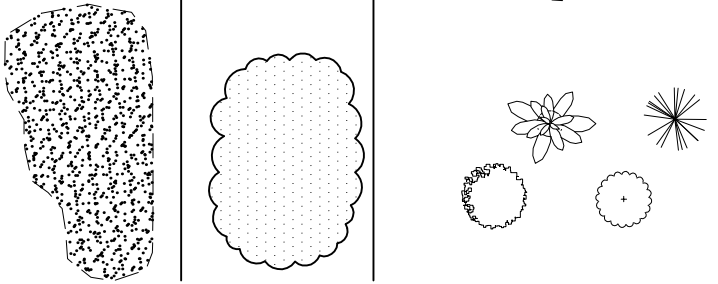
[C] JAPANESE CEDAR
CRYPTOMERIA JAPONICA
[ICB] MATCHEZ GRAPE MYRTLE
LAGERSTOMIA 'MATCHEZ'

SHRUBBERY
[MSG] MAIDEN GRASS
MISCANTHUS SINENSIS 'GRACILIMUS'
[PAH] FOUNTAIN GRASS
PENNISETUM ALOPECUROIDES 'HADELIN'
[ICB] DWARF BURFORD HOLLY
ILEX CRENATA 'DWARF BURFORD'

GROUND COVER

SOD / GRASS

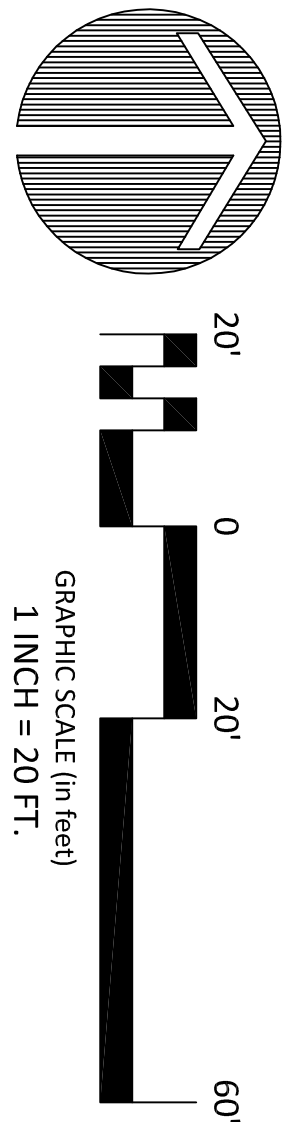
(A) STRUCTURAL SOIL VAULT



PARKWAY 400 - MARRIOTT COURTYARD
ZONING LANDSCAPE PLAN

KIMBALL BRIDGE DRIVE, ALPHARETTA, GEORGIA

JANUARY 15, 2016 (16-0317 REVERSED SITE LAYOUT - © 2016 A. L. S. ROOKS, L.L.P. (PARKING))



1. DEED BOOK 41674, PAGE 273
2. ALTA/ACSM LAND TITLE SURVEY AND TOPOGRAPHIC SURVEY PREPARED FOR APF STRATEGIES, LLC, LANDMARK BANK OF FLORIDA AND LAWYER'S TITLE INSURANCE CORPORATION BY REGISTERED LAND SURVEYORS, INC., DATED AUGUST 12, 2003.

1. FIRM MAP NUMBER 13121C0095F, EFFECTIVE 09-18-2013, INDICATES THAT THIS TRACT DOES NOT LIE IN AN AREA DESIGNATED AS HAVING FLOOD HAZARD.

2. ELEVATIONS DETERMINED BY A TRIMBLE R6 GPS, MODEL #4 AND ELEVATIONS ADJUSTED TO GEOID03 ~ NAVD88.

– WHILEAWAY HOLDINGS, LLC

- 01

- AMBERPARK DR.
ALPHARETTA, GA 30009

– THERE IS NO PARKING SPACES ON THIS PROPERTY.

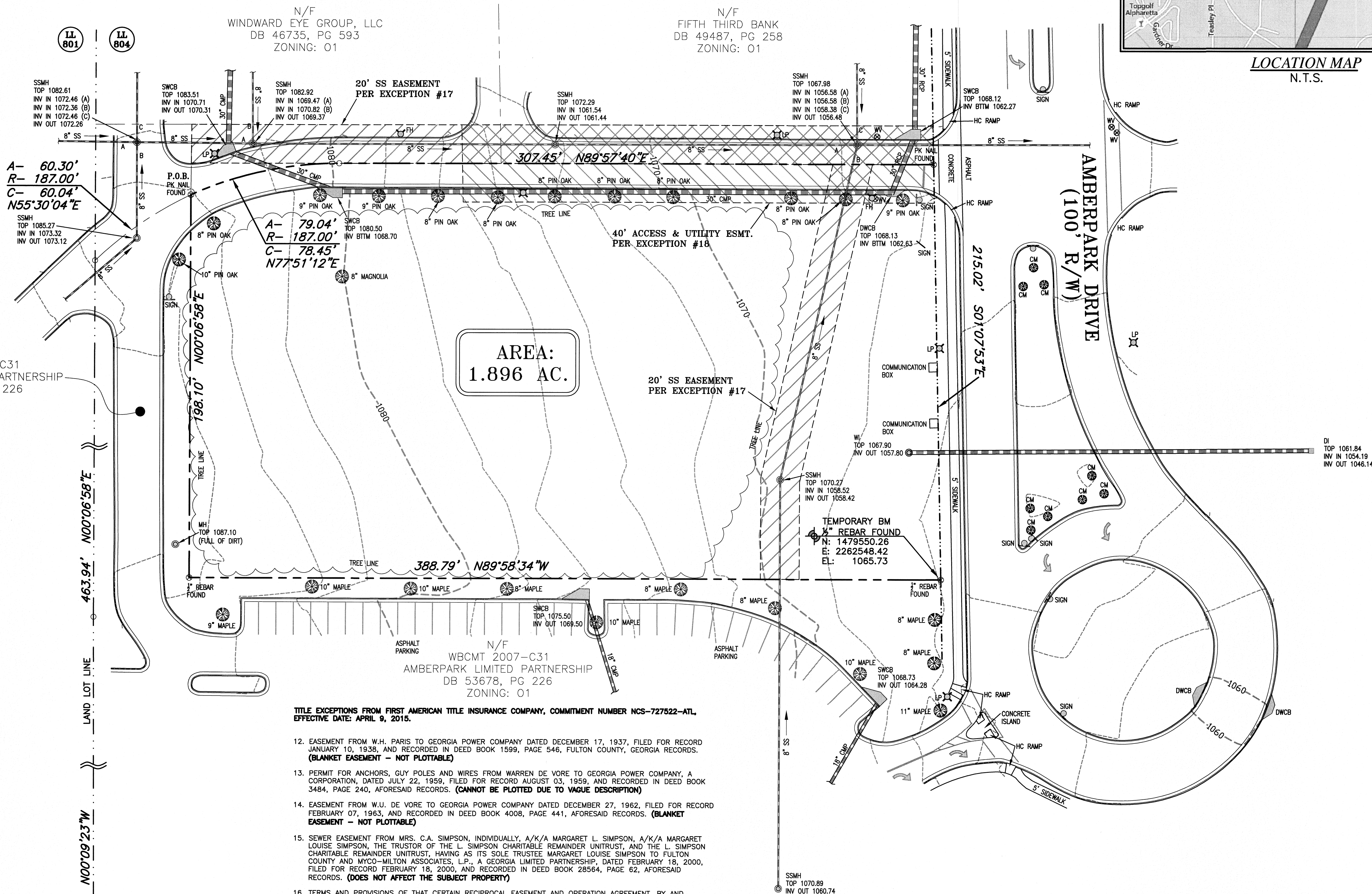
- THERE IS NO EVIDENCE OF CURRENT EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADDITIONS.

- THERE IS NO EVIDENCE OF SITE USE AS A SOLID WASTE DUMP, SUMP OR SANITARY LANDFILL.

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2011 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/ACSM LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 4, 5, 6(a), 6(b), 7(a), 8, 9, 11(a), 13, 16 AND 18 OF TABLE A THEREOF. THE FIELD WORK WAS COMPLETED ON JUNE 11, 2015.

This plat and permitted reproductions, in whole or in part, are instruments of service and are the sole property of McFarland-Dyer & Associates, Inc. unless otherwise agreed to, they shall not be reproduced or conveyed in any manner nor are they to be used for any projects other than specifically indicated hereon without written authorization from and due compensation to McFarland-Dyer & Associates, Inc.

This plat was prepared for the exclusive use of the person, persons, or entity named hereon. This plat does not extend to any unnamed person, persons, or entity without the express recertification of the surveyor naming such person, persons, or entity.

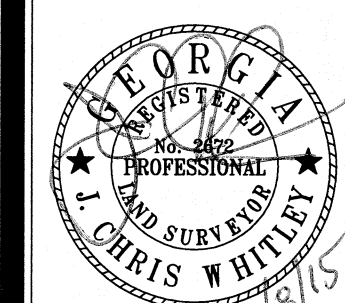


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To find the **POINT OF BEGINNING** commence at the Land Lot Corner common to Lands 800, 801, 804 and 805; **THENCE** along Land Lot Line common to Land Lot 801 and 804 North $00^{\circ}09'23''$ East, a distance of 70.80 feet to a point; **thence** continuing along said Land Lot Line North $00^{\circ}06'58''$ East, a distance of 463.94 feet to a point; **thence** leaving said Land Lot Line 60.30 feet along a curve to the right, said curve having a chord of North $55^{\circ}30'04''$ East 60.04 feet and a radius of 187.00 feet to a point, that is the **POINT OF BEGINNING**; **thence** $79^{\circ}04'$ along a curve to the right, said curve having a chord of North $77^{\circ}17'10''$ East 100.00 feet and a radius of 187.00 feet to a point; **thence** North $89^{\circ}57'40''$ East, a distance of 307.45 feet to a point located on the right of way line; **thence** along said right of way line South $01^{\circ}07'53''$ East, a distance of 215.02 feet to a point, **thence** leaving said right of way North $89^{\circ}58'34''$ West, a distance of 388.79 feet to a point; **thence** North $00^{\circ}06'58''$ East, a distance of 198.58 feet to a point, being the **POINT OF BEGINNING**.

Said tract contains 1.896 acres.

THIS SURVEY WAS PREPARED IN CONFORMITY WITH THE TECHNICAL STANDARDS FOR PROPERTY SURVEYS IN GEORGIA AS SET FORTH IN CHAPTER 180-7 OF THE RULES OF THE GEORGIA BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS AND AS SET FORTH IN THE GEORGIA PLAT ACT O.C.G.A. 15-6-67. AUTHORITY O.C.G.A. SECS. 15-6-67, 43-15-4, 43-15-6, 43-15-19, 43-15-22.



MDA
 McFARLAND-DYER & ASSOCIATES
 PHONE (770) 932-6550
 4174 SILVER PEAK PARKWAY
 SUWANEE, GEORGIA 30024
 FAX (770) 932-6555
 WWW.MCDM.COM/NET

THE FIELD DATA UPON WHICH THIS PLAT IS BASED HAS A CLOSURE PERCENTAGE OF ONE FOOT IN 3773.2 FEET AND AN ANGULAR ERROR OF 30.72 PER CENT POINT, AND WAS ADJUSTED USING LEAST SQUARES RULE.

THIS WAY OR PLAT HAS BEEN CALCULATED FOR CLOSURE AND IS FOUND TO BE ACCURATE WITHIN ONE FOOT IN 12,535.46 FEET.

A TABLE OF 56 QUANTIC TOTAL STATIONS WAS USED TO OBTAIN THE MEASUREMENTS AND ANGULAR MEASUREMENTS USED IN THE PREPARATION OF THIS PLAT.

FIELD DATA WAS OBTAINED ON 06/08/2015.

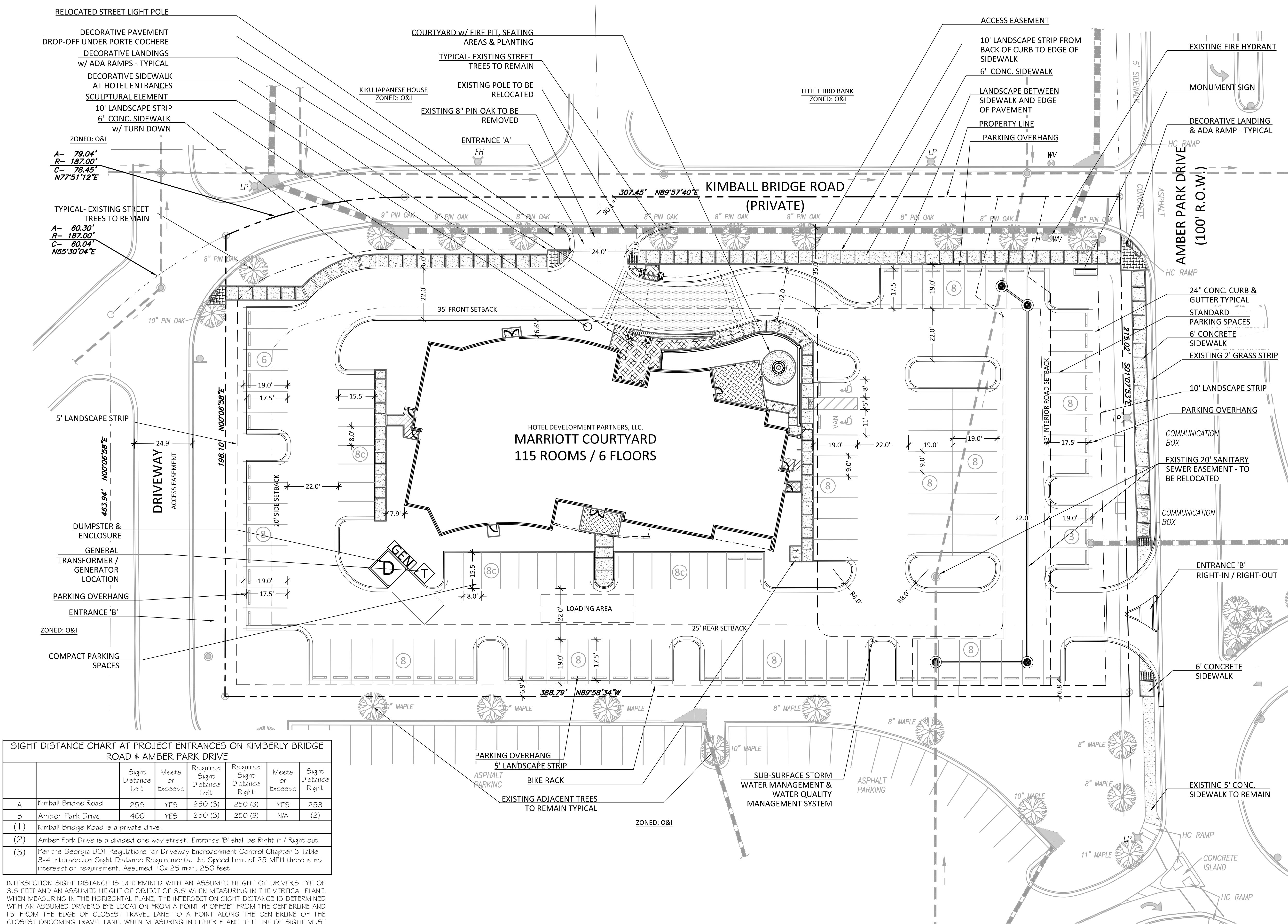
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SURVEY FOR:

HOTEL DEVELOPMENT PARTNERS, LLC, AND
FIRST AMERICAN TITLE INSURANCE COMPANY

L. 804, 1ST DISTRICT, 2ND SECTION
CITY OF ALPHARETTA
CLUTON COUNTY, GEORGIA

ALTA/AACSM
LAND TITLE
SURVEY
SHEET 1 OF 1



- GENERAL NOTES:
1. SITE AREA : 1.896 ACRES (82,589.83 SQFT.), ZONED O&I (OFFICE-INDUSTRY)
 2. LOCATION : KIMBALL BRIDGE ROAD & AMBER PARK DRIVE
LAND LOT 804, 1st DISTRICT, 2nd SECTION FULTON COUNTY.
BUILDING SITE 6 IN THE PARKWAY 400 MASTER PLAN (MP-98-01)
 4. LAST EXISTING USE : UNDEVELOPED LAND
 5. PROPOSED USE: HOTEL AND PARKING LOT
MEETING SPACE: 1,200 SQFT, RESTAURANT: 1,000 SQFT
 6. OWNER/DEVELOPER : HOTEL DEVELOPMENT PARTNERS, LLC
3414 PEACHTREE ROAD NE, SUITE 1075
ATLANTA, GEORGIA 30326
STEVE SMITH, 770-330-3233
 - CONTACT PERSON: MCFARLAND - DYER & ASSOCIATES, INC.
4174 SILVER PEAK PARKWAY
SUWANEE, GEORGIA 30024
JEFF DYER (770) 932-6550 ,
JDyer@gomda.net
 7. BOUNDARY, TOPOGRAPHY & SITE INFORMATION PREPARED BY REGISTERED LAND SURVEYORS, INC DATED JUNE 15, 2004 LAST UPDATED SETEMBER 21, 2004.
 8. ALL CONSTRUCTION SHALL CONFORM TO THE CITY OF ALPHARETTA DEVELOPMENT REGULATIONS. ALL CONSTRUCTION SHALL ALSO COMPLY WITH ALL APPLICABLE COUNTY, STATE AND FEDERAL CODES, STANDARDS AND REGULATIONS.
 9. FIRM MAP NUMBER 13121C0059F, EFFECTIVE SEPTEMBER 18, 2013, INDICATES THAT THIS TRACT DOES NOT LIE IN AN AREA DESIGNATED AS HAVING FLOOD HAZARD. THE SUBJECT SITE IS LOCATED IN A FLOOD ZONE "X" AREA DETERMINED TO BE OUTSIDE OF THE 500 YEAR FLOOD PLAIN.
 10. COVERAGE: PROPERTY: 82,589.83 SQFT
ACCESS EASEMENT: 7,741.92 SQFT
SITE: 77,595.26 SQFT
IMPERVIOUS AREA: 57,249.78 SQFT
PLANTED AREA: 20,345.48 SQFT
(IMPERVIOUS SQFT / SITE SQFT)x100% = 73.78% COVERAGE
 11. STORM WATER MANAGEMENT SHALL BE PROVIDED ON SITE IN SUB-SURFACE FACILITIES.
 12. THERE ARE NO LAKES, STREAMS, WETLANDS OR WATERS OF STATE OR THEIR ASSOCIATED BUFFERS ON THIS SITE.
 - REQUIRED SETBACKS:
FRONT SETBACK: 35'
REAR SETBACK: 25'
SIDE SETBACK: 20'
 13. HEIGHT OF BUILDING:
4 STORIES OR 85' WITHIN FIRST 200' FROM RESIDENTIAL PROPERTY.
6 STORIES OR 110' WITHIN SECOND 200' FROM RESIDENTIAL PROPERTY.
8 STORIES OR 140' REMAINDER OF POD 'C'.
PROPOSED HOTEL = UP TO 6 STORIES
MAXIMUM COVERAGE BY PRINCIPAL BUILDING 40%: 19% PROPOSED.
 14. COMPACT PARKING SPACES: MAXIMUM OF 20% MAY BE COMPACT SPACES.
 15. FINAL LANDSCAPE PLAN SHALL BE IN ACCORDANCE WITH THE MASTER PLAN.
 16. THERE ARE NO LAKES, STREAMS AND OTHER WETLANDS ON THE SITE AND ASSOCIATED BUFFERS.

PARKING	
Required Parking Spaces	
Hotel (115 rooms)	115
Hotel Employee (1 per 20 rooms)	6
Convention/Conf./Ball Rm (1 per 500 SqFt)	2
Restaurant / Retail (1 per 500 SqFt)	2
TOTAL PARKING REQUIRED	125
Proposed Parking Spaces	
Standard Parking Space (9'X19')	89
Compact Parking (8'X15'-6" max 20%)	24
TOTAL PARKING PROPOSED	113

