

**MINUTES OF THE
CAPITAL TRUST AUTHORITY, INC.**

The 5th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Thursday, October 13, 2022 at 8:00 a.m.

The following Board Members were present: Chris Kemp (Chairman), Gary Michaels (Vice-Chairman), Bob Cleveland (Secretary), Burt Snooks (Board Member), Tom Naile (Board Member). Also attending was Denis McKinnon (Executive Director), Connie Beargie (Office Administrator) and Samantha Abell (City Manager). Attending via telephone was Deborah Roche (Board Member), Kareem Spratling (Bond Counsel) and Brooke Gonzalez (Bond Counsel).

AGENDA ITEM:

Approval of Minutes: 9/29/2022

DISCUSSION:

No discussion.

MOTION/ACTION:

Tom Naile made a motion to approve the 9/29/2022 minutes as presented. Burt Snooks seconded the motion. Vote for approval was 4-0 (Deborah Roche did not vote via telephone).

AGENDA ITEM:

Inducement Resolution 02-22 Affordable Housing Preservation Corporation

DISCUSSION:

The Affordable Housing Preservation project consists of 5 existing affordable housing communities located in Tallahassee, Pensacola, Mobile and Birmingham, AL. All five properties have been renovated within the past 12 months.

Denis McKinnon stated that CTA has worked successfully with the borrower in the past and looks forward to continuing this positive relationship. The previous project was Mission Springs in Jacksonville, FL.

Denis McKinnon stated the 5 projects will be under one master trust agreement and will be structured as capital appreciation bonds. Franklin Templeton will be the investor; Piper Sandler will underwrite the bonds.

Chris Kemp asked if all five properties were recently acquired. Denis stated that they were previously acquired and the rehab was completed in a timely manner.

Gary Michaels stated the HUD ratings look great and asked how they stay true to the low-income requirements. Denis stated the requirements are dictated within the LURA (Land Use Restriction Agreement).

Bob Cleveland asked why they previously used taxable bonds. Denis McKinnon stated they were pressed for time completing the TEFRA and intended to refinance to secure tax exempt bonds upon completion of the renovations. The TEFRA process is much smoother using a Florida issuer as only one approval is needed from the Governor, however, using the Public Finance Authority in Wisconsin, TEFRA approval was needed from all locations which greatly slowed down the project and added additional costs.

MOTION/ACTION:

Tom Naile made a motion to approve the resolution as presented. Burt Snooks seconded. Vote for approval was 4-0.

AGENDA ITEM:

FYE Financials 9/30/2022

DISCUSSION:

Denis McKinnon noted the \$50,000 initial deposit from CTA CDE with the remaining funds to be approved by City Council before transferring to the Authority.

MOTION/ACTION:

No Action Required.

AGENDA ITEM:

Bryant Miller Olive Invoice for 2022 Validation \$200,000

DISCUSSION:

Kareem Spratling stated the final invoice includes a courtesy discount of \$5,179.70 which brings to total cost down to the original estimate of \$200,000.

Burt Snooks asked what is a DTC blanket letter as referenced on the bottom of page 11 of the invoice. Kareem stated the DTC blanket letter of representations is an agreement between the Authority and the depository trust company in which the issuer agrees to comply with the requirements stated in the trust documents, as amended from time to time.

MOTION/ACTION:

Gary Michaels made a motion to approve the invoice as presented. Bob Cleveland seconded. Vote for approval was 4-0.

No other formal business of the board was taken and the meeting adjourned at approximately 9:00 am.

Minutes submitted by:  Connie Beargie, Office Administrator

Approved by:  Chris Kemp, Chairman