

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

The 14th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Tuesday, October 17, 2023 at 9:00 a.m.

The following Board Members were present: Gary Michaels (Vice-Chairman), Bob Cleveland (Secretary), Deborah Roche (Asst. Secretary), Burt Snooks (Board Member), Harry Wilder (Board Member), Also attending was Denis McKinnon (Executive Director), Samantha Abell (City Manager), and Connie Beargie (Office Administrator). Attending via teleconference was Brooke Gonzalez (BMO Bond Counsel) and special guests Chad Toujague (Orlando College of Osteopathic Medicine), Phil Zaveri (Orlando College of Osteopathic Medicine) and Emily Magee (Butler Snow).

**AGENDA ITEM:**

Capital Trust Authority Minutes from 9/14/2023

**DISCUSSION:**

No discussion.

**MOTION/ACTION:**

**Burt Snooks made a motion to approve the minutes as presented. Deborah Roche seconded. Vote for approval was 5-0.**

**AGENDA ITEM:**

Inducement Resolution 15-23 – Orlando College of Osteopathic Medicine

**DISCUSSION:**

Orlando College of Osteopathic Medicine (OCOM) is a proposed 145,000 square foot health care facility within a higher-education facility consisting of classrooms, teaching auditoria, research labs, clinical exam rooms, office space and additional space for future expansion.

Bob Cleveland asked if it is ok to induce the project prior to the final IRS 501c(3) determination. According to Denis McKinnon, yes. Denis stated Capital Trust Agency has issued bonds before on behalf of entities awaiting a 501c3 designation letter from the IRS. The Borrower is hopeful the letter will arrive prior to bonds being issued, but if it does not there are 2 options. CTA can issue the bonds taxable and when the letter arrives, the bonds will be converted to tax-

exempt status or the bonds can be issued tax-exempt pending a determination letter within a set amount of time determined by the borrower and bondholders.

Bob Cleveland asked if the difference between the 80M project and the 140M bond issue for working capital is normal and customary. Denis McKinnon replied that this is normal and he is comfortable with the structure. Phil Zaveri stated there will be significant start up costs in order to retain the accreditation status, including being fully staffed on opening day, with reduced class sizes and produce good learning outcomes before ramping up to fully stabilized classes. The accrediting authority requires schools to be fully staffed prior to receiving the first dollar from students.

Bob Cleveland asked where the debt service numbers are located as he did not see them in the proforma. Phil Zaveri stated the final feasibility and updated proforma will be distributed before final authorization.

Chad Toujague gave a brief video presentation of the current campus and pre-accreditation status. Representatives of OCOM stated the College has received more than 500 applications for 90 student spots available.

Gary Michaels asked if they were experiencing difficulty in staffing. Chad Toujague replied they have over 1000 applications in place after just two weeks of the job portal opening for applicants.

**MOTION/ACTION:**

**Harry Wilder made a motion to approve Resolution 15-23 as presented. Deborah Roche seconded. Vote for approval was 5-0.**

**AGENDA ITEM:**

Pipeline Report

**DISCUSSION:**

Denis McKinnon stated the Heritage Park Apartments project is not ready for a workshop yet. The TEFRA hearing was held last week and more than 50 members of the public showed up to speak; a majority of which were against the project. Bob Cleveland asked about an article he read from the Sanford News. It stated the town was not in favor of the bonds and questioned the ability of the developer to complete the project. Denis replied that the townspeople were under the impression the project would be Section 8 and for that reason were not in favor of the development.

**MOTION/ACTION:**

No Action Required.

No other formal business of the board was taken and the meeting adjourned at approximately 10:05am.

Minutes submitted by: Connie Beargie Connie Beargie, Office Administrator

Approved by: Chris Kemp Chris Kemp, Chairman