

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

The 28th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Tuesday, October 29, 2024 at 9:00 a.m.

The following Board Members were present: Chris Kemp (Chairman), Gary Michaels (Vice-Chairman), Deborah Roche (Assistant Secretary), Burt Snooks (Board Member), Bobby Potomski (Board Member), and Mayor Cherry Fitch (Board Member). Also attending were Denis McKinnon (Executive Director), Connie Beargie (Office Administrator) and Samantha Abell (City Manager). Attending via teleconference was Kareem Spratling (BMO Bond Counsel), and Alex Moorhead (CTA Intern). Special guests were Matt Levin (Stiffel), Gina DiMartino (Alpha Lifestyle), Rush Rice (Mohawk Valley) and Marie Andress (Whole Family CEO).

**AGENDA ITEM:**

Capital Trust Authority Minutes from 10/3/2024

**DISCUSSION:**

No discussion.

**MOTION/ACTION:**

**Mayor Cherry Fitch made a motion to approve the minutes as presented. Deborah Roche seconded. Vote for approval was 6-0.**

**AGENDA ITEM:**

Award Resolution 40-24 – Whole Family Health Center

**DISCUSSION:**

Whole Family Health Center is a 501c3 non-profit medical facility located in Vero Beach, Florida. The purpose of the bonds is to finance the acquisition of an existing medical office building for use as a primary care health facility. The bonds are to be a direct placement with SouthState Bank.

Denis introduced Marie Andress, CEO of Whole Family Health, who can address the questions raised at inducement regarding the 2022 audit recommendations. Marie Andress stated a new and larger CPA firm was hired as a result of federal grant funds received after COVID and

a new finance team was put in place. The recommendations from the new CPA firm regarding improved pharmacy services and implementing the suggested allocation of expenses were immediately adopted. Bobby Potomski asked about the 343b contract revenue pricing from the pharmacy. Marie Andress replied that as a result of the contract pricing, they have seen a 50% internal capture rate from filling prescriptions within rather than the outside big pharmacies such as CVS, Walgreens and Publix.

**MOTION/ACTION:**

**Mayor Cherry Fitch made a motion to approve Resolution 40-24 as presented. Bobby Potomski seconded. Vote for approval was 6-0.**

**AGENDA ITEM:**

Award Resolution 41-24 – Alpha Lifestyle Partners

**DISCUSSION:**

Alpha Lifestyle Partners is a 501c3 not for profit consisting of eight continuing care retirement communities located in Florida, Arizona, Utah, and Louisiana.

Denis McKinnon stated that one of the communities dropped out of the current financing as they needed more time to prepare. Matt Levin with Stifel Nicolaus stated the Sarasota property was removed as they were not seasoned far enough along and pulled down the occupancy and stabilization rates, so they were removed from the project.

Chris Kemp asked about the historical struggles with assisted living facilities. Matt Levin replied that the market was challenged due to COVID. As a result, the demand for this asset class has increased. Matt Levin further stated that a combined portfolio project such as this one is better protected than a one-off financing.

Gary Michaels asked for clarification of the Asset Management Fee and the Regular Management Fee. Matt Levin replied that the Asset Management Fee is for Trinity Investors and the Regular Management Fee is for the owner, as administrator of the program.

Bobby Potomski stated he appreciates the rent abatement for seniors and supports the overall senior mission. Denis McKinnon stated that Alpha Lifestyle will be reinvesting in the property to make sure they are still there 15 years from now and still fulfilling the needs of the communities they serve. Denis McKinnon further stated this is a strong project, providing housing to seniors with significant savings programs to its tenants.

**MOTION/ACTION:**

**Deborah Roche made a motion to approve Resolution 41-24 as presented. Mayor Cherry Fitch seconded. Vote for approval was 5-1.**

**AGENDA ITEM:**

Award Resolution 42-24 – Mohawk Valley Materials

**DISCUSSION:**

Mohawk Valley Materials is a for profit, family business, founded in 2007. The purpose of the bonds is to purchase an existing Recycling Landfill in DeFuniak Springs, Florida. Recently, the Florida Department of Environmental Protection issued the landfill a Class 1 designation, which significantly increases the value of the property. A Class 1 designation includes household waste.

Mayor Cherry Fitch asked if the site is visible from the interstate. Rush Rice, financial advisor to the borrower, stated the footprint of the property is 637 acres and the site is not visible from the interstate or even the entrance road.

Bobby Potomski asked if the waste is buried and if so, how deep. Rush Rice replied that a geology report determines the depth of the waste, however, in this case it is up to 10 feet and the lifespan of the site is 40 years.

**MOTION/ACTION:**

**Gary Michaels made a motion to approve Resolution 42-24 as presented. Bobby Potomski seconded. Vote for approval was 6-0.**

**AGENDA ITEM:**

Inducement Resolution 43-24 – Florida Charter Education Foundation

**DISCUSSION:**

Denis McKinnon recommended Resolution 43-24 be removed from the agenda at this time. Kareem Spratling stated the Municipal Advisor has recently received a SEC fine with possible

civil penalties. This project has not been identified; however, all information has not been disclosed in order for a decision to be made today.

**MOTION/ACTION:**

**Gary Michaels made a motion to remove Resolution 43-24 from the agenda and to table any further discussions or motions regarding the project until more information can be brought to a future meeting. Deborah Roche seconded. Vote for approval was 6-0.**

**AGENDA ITEM:**

Inducement Resolution 45-24 – Plato Academy

**DISCUSSION:**

Plato Academy operates 9 charter schools across 3 counties in Florida with a total enrollment of approximately 3800 students. Plato emphasizes Greek culture and influence. The purpose of the bonds is to refinance existing debt and finance the acquisition costs of the existing leased facilities.

Chris Kemp asked about the debt service reserve and the final cost of issuance numbers. Kareem Spratling replied that after inducement, the financial advisors will start running the numbers and final financial projections.

Mayor Cherry Fitch asked if there were any plans to visit the site. Denis McKinnon replied that currently there are no plans to visit the site, however, the project is well known and respected in the community. Denis McKinnon further stated that he has met the principals of Plato and will have the opportunity to hear them speak at the next charter school conference next month.

**MOTION/ACTION:**

**Bobby Potomski made a motion to approve Resolution 45-24 as presented. Mayor Cherry Fitch seconded. Vote for approval was 5-0. (Deborah Roche left the meeting)**

**AGENDA ITEM:**

Inducement Resolution 46-24 – AHF - Waters at North Port

**DISCUSSION:**

Atlantic Housing Foundation (AHF) is a 501c3 whose mission is to provide quality affordable housing. AHF owns and operates 46 communities with approximately 10,000 units. The purpose of the bonds is to finance the acquisition and construction of a new 288-unit multifamily housing facility in North Port, Florida. Units will be marketed to workforce housing individuals with 50% and 80% AMI limits.

Denis McKinnon stated that CTA has worked with Michael Nguyen, CEO of AHF successfully in the past.

Bobby Potomski stated it would be nice to see a proportional split of affordable housing units to market rate units.

Chris Kemp stated is nice to see a new construction housing project.

**MOTION/ACTION:**

**Mayor Cherry Fitch made a motion to approve Resolution 46-24 as presented. Bobby Potomski seconded. Vote for approval was 5-0.**

**AGENDA ITEM:**

Pipeline Report

**DISCUSSION:**

Denis McKinnon gave an overview of the pipeline report.

**MOTION/ACTION:**

**No Motion Required.**

**AGENDA ITEM:**

FYE Financials as of 9/30/2024

**DISCUSSION:**

Denis McKinnon reviewed the FYE 9/30/2024 financials.

**MOTION/ACTION:**

**No Motion Required.**

No other formal business of the board was taken and the meeting adjourned at approximately 10:25am.

Minutes submitted by:  Connie Beargie, Office Administrator

Approved by:  Chris Kemp, Chairman