

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

The 19th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida and on Thursday, February 8, 2024 at 9:00 a.m.

The following Board Members were present: Chris Kemp (Chairman), Gary Michaels (Vice-Chairman), Bob Cleveland (Secretary), Deborah Roche (Asst. Secretary), Bobby Potomski (Board Member), Christy Larkins (Board Member), Mayor Cherry Fitch (Board Member), 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 Kareem Spratling (BMO Bond Counsel), Brooke Gonzalez (BMO Bond Counsel), and special guests Chad Toujague (OCOM), Phil Zaveri (OCOM), Emily Magee (Butler Snow), Richard Moreno (Building Faith), and Wes Olson (Raymond James).

AGENDA ITEM:

Capital Trust Authority Minutes from 1/18/2024

DISCUSSION:

No discussion.

MOTION/ACTION:

Harry Wilder made a motion to approve the minutes as presented. Gary Michaels seconded. Vote for approval was 9-0.

AGENDA ITEM:

Award Resolution 03-24 – Orlando College of Osteopathic Medicine (OCOM)

DISCUSSION:

Orlando College of Osteopathic Medicine (OCOM) is a 145,000 square foot health care facility located in Winter Garden, Florida. The facility consists of classrooms, large teaching auditoria, research labs, clinical exam rooms, office space and additional space for future expansion. Proceeds of the bonds will finance construction, working capital, capitalized interest, a debt service reserve fund and the cost of issuance.

Denis McKinnon brought to the Board's attention a revised Award Resolution with a new not to exceed amount of \$175,000,000. The additional \$30,000 will be taxable and no new TEFRA

hearing will be necessary. Gary Michaels asked why the additional funds are needed. Denis McKinnon replied that the funds are for working capital and were requested by the investors. Bob Cleveland asked if the additional amount has been approved by the underwriters. Denis replied that it has been approved.

Denis McKinnon introduced Phil Zaveri and Chad Toujague from OCOM. Denis asked Phil or Chad for a brief description of the definition of Osteopathic medicine.

Chris Kemp asked why some schools act independently, while others are affiliated with a university. Chad Toujague replied that stand alone schools must meet accreditation standards of the Commission on Osteopathic College Accreditation (COCA). It is likely that most new healthcare colleges will not be affiliated with universities.

Bobby Potomski asked about the residency programs currently included in the College's pipeline. Chad Toujague replied that currently there is a shortage of doctors and not enough residency programs to meet the shortage. In house residents and traveling nurses are highly desired. Christy Larkins asked if the residency program is open to all students or just students at Southeastern University. Chad replied that open spots are not guaranteed, but the likelihood of matching from within the school is very high.

Bobby Potomski asked if the accreditation process is eminent. Chad Toujague replied that the pre-accreditation process is complete and the risk is low that full accreditation status will not be achieved. Chad mentioned that Florida is embracing medical schools and the applicants MCAT and GPA scores are monitored closely.

MOTION/ACTION:

Mayor Cherry Fitch made a motion to approve Resolution 03-24 as presented. Deborah Roche seconded. Vote for approval was 9-0.

AGENDA ITEM:

Award Resolution 04-24 – Independence Classical Academy

DISCUSSION:

Independence Classical Academy is a successful non-for-profit charter school located in Fort Pierce, Florida. The school has been in operation since 2020 and currently has 534 students in grades K-8. This financing will be for land acquisition costs of the currently leased facilities, including approximately 145 new student stations and development of adjacent land for future expansion.

Denis McKinnon introduced Richard Moreno, Financial Advisor to the borrower. Richard Moreno stated the lease rates were high and this will allow the borrower to save money and grow the number of students at the school. Richard Moreno stated there is significant demand to place students as area housing developments have increased.

Bob Cleveland asked if there have been any changes since inducement. Denis McKinnon stated no changes. Bob Cleveland asked if Freedom Charter is a not-for-profit. Richard Moreno replied that it is an LLC with 501c3 status.

Bobby Potomski asked if the expenses listed include board member payments. Richard Moreno replied that the board members are not paid, and the expenses include auditing and other minor expenses.

MOTION/ACTION:

Christy Larkins made a motion to approve Resolution 04-24 as presented. Bobby Potomski seconded. Vote for approval was 9-0.

AGENDA ITEM:

Award Resolution 05-24 – AcadeMir Math & Science

DISCUSSION:

AcadeMir Math & Science consists of three charter school facilities accommodating approximately 725 students in grades K-8 located in Homestead, Florida.

Denis McKinnon introduced Wes Olsen, Managing Director from Raymond James. Wes Olsen stated that Axos Bank has agreed to purchase the bonds. AcadeMir will pledge the revenues of 5 charter schools operated by AcadeMir to strengthen the credit of the project. These five schools are not part of the two AcadeMir schools previously financed by Capital Trust Agency.

Wes Olsen stated the demographic makeup of these schools is largely 1st generation Hispanic, Latino and Cuban immigrants.

MOTION/ACTION:

Gary Michaels made a motion to approve Resolution 05-24 as presented. Harry Wilder seconded. Vote for approval was 9-0.

AGENDA ITEM:

Award Resolution 06-24 – 2024 Bond Validation

DISCUSSION:

Capital Trust Authority is seeking a second validation since its original formation in 2021. This request is for \$2,000,000,000 and is expected to cost approximately \$50,000 in legal fees from BMO.

Bobby Potomski asked what is the total amount of CTA validated bonds. Denis McKinnon replied that it is roughly \$5 billion, however, that excludes the early bonds that were issued prior to seeking our first bond validation. Denis McKinnon further stated that the Authority will have issued over 1 billion in validated bonds in its first 2 years, and currently has over 1 billion in the pipeline.

MOTION/ACTION:

Bob Cleveland made a motion to approve Resolution 06-24 as presented. Deborah Roche seconded. Vote for approval was 9-0.

AGENDA ITEM:

Pipeline Report

DISCUSSION:

Denis McKinnon provided a brief overview of current and potential projects.

MOTION/ACTION:

No Action Required.

AGENDA ITEM:

Financials as of 12/31/2023

DISCUSSION:

Denis McKinnon provided a brief overview of the December 2023 financials.


MOTION/ACTION:

No Action Required.

MOTION/ACTION:

No Action Required.

No other formal business of the board was taken and the meeting adjourned at approximately 10:35am.

Minutes submitted by:  Connie Beargie, Office Administrator

Approved by:  Chris Kemp, Chairman

