**MINUTES OF THE**

**CAPITAL TRUST AGENCY, INC.**

 The 213th meeting of the Capital Trust Agency, Inc., Gulf Breeze, Florida, was held at the Capital Trust Agency office at 315 Fairpoint Drive, Gulf Breeze, Florida and on Thursday, May 27, 2021 at 8:00 a.m.

 The following Board Members were present: Burt Snooks (Chairman), Gary Michaels (Vice-Chairman), Bob Cleveland (Secretary), Chris Kemp (Assistant Secretary), Deborah Roche (Board Member), and Tom Naile (Board Member). Also attending was Denis McKinnon (Executive Director), and Michael Stebbins (Counsel). Attending via Zoom conference was Kareem Spratling (Bond Counsel) and Jeff Larson, (Larson Consulting Services, LLC).

**AGENDA ITEM:**

 Approval of Minutes: 4/29/2021

**DISCUSSION:**

No Discussion

**MOTION/ACTION:**

**Bob Cleveland made a motion to approve the 4/29/2021 minutes as presented. Deborah Roche seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Award Resolution #10-21 – Imagine at North Manatee

**DISCUSSION:**

 Imagine Charter School at North Manatee is a PK-8 elementary and middle school serving over 610 students. The proposed financing is for the acquisition of the currently leased facilities, fund debt service reserves and costs of issuance.

 Gary Michaels asked if a lease termination fee is typical for this type of financing. Kareem Spratling stated that it is not customary, however, the landlord has a performing tenant and the price to terminate early was prohibitable.

 Bob Cleveland asked if there are any outstanding follow up questions remaining from inducement that need to be addressed. Denis McKinnon replied that all questions have been addressed.

**MOTION/ACTION:**

**Bob Cleveland made a motion to approve Resolution #10-21 as presented. Chris Kemp seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Award Resolution #11-21 – AcadeMir Charter School West

**DISCUSSION:**

 Denis McKinnon introduced Mr. Jeff Larson, Larson Consulting Services, LLC via Zoom. Mr. Larson represents AcadeMir Charter Schools as a Financial Advisor.

 AcadeMir owns and operates 6 charter schools in the Miami area, however no other schools will be included in this financing. This financing is for the acquisition of an existing 2 story building to accommodate an additional 150 students at full capacity and the acquisition of land adjacent to the existing building containing a playground, basketball court and grass area. The current wait list is over 300 students with a 95% retention rate.

 Denis McKinnon stated a material event has occurred since inducement. Piper Jaffray will be co-underwriter for this project along with MBS Capital Markets.

 Bob Cleveland asked if there will be a subordinate lease to the bonds. Kareem responded there will be an unsecured subordinate lease with the normal UCC filing.

Denis McKinnon stated that the lease expense on the other building will remain after closing, as they are only purchasing the Pre-K building. However, this existing lease will be extended and the bond holders will have 1st position on any revenues received. Chris Kemp asked if the Mirs family is the current owner of the property and if they are selling their property to the charter school. Denis stated the Pre-K building being acquired and converted into elementary school space is not owned by the Mirs. The field, playground, and basketball courts are being sold by the Mirs at or below appraised value.

Bob Cleveland asked where the funds are coming from to convert the Pre-K building into additional classrooms. Denis replied that FF&E is currently in place and additional funding is coming directly from the charter school themselves.

**MOTION/ACTION:**

**Deborah Roche made a motion to approve Resolution #11-21 as presented. Tom Naile seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Squire Patton Boggs Conflict Waiver Request

**DISCUSSION:**

Squire Patton Boggs is requesting consent to serve in a dual capacity as bond and underwriter counsel. Mike Stebbins stated that a potential for conflict has not been identified at this time.

**MOTION/ACTION:**

**Bob Cleveland made a motion to approve Squire Patton Boggs conflict waiver request as presented. Gary Michaels seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Pipeline Report

**DISCUSSION:**

 Mike Stebbins reported that the bankruptcy proceedings for the Provision Cares Proton Therapy Center in Orlando, Florida is going as well as can be expected. John Adams with Beggs & Lane has reported that it is a Chapter 11, reorganization bankruptcy.

 Bob Cleveland asked if it was the Medicare issue that caused the bankruptcy. Denis stated that the facility never received the equipment they ordered and paid for, and obviously need, in order to open the clinic.

 Gary Michaels asked for clarification on the funds that have been disbursed and where is the equipment that they paid for and who is responsible for oversight of these funds. Mike Stebbins said he would ask John Adams for additional information. Gary replied that he did not want to incur large legal bills by asking a few questions. Denis stated we have budgeted $5,000 for this legal expense; however, the answer should be short and concise.

**MOTION/ACTION:**

**No Action Required.**

**AGENDA ITEM:**

 CTA Educational and Charitable Giving Fund Policy and Amendments

**DISCUSSION:**

Tom Naile requested a variance to the CTA Educational and Charitable Giving Fund in order to award a $5,000 scholarship to a Pensacola High School IB student who lives on Pensacola Beach and whose family owns a business in Gulf Breeze. This student is not eligible for Optimist scholarship funds due to current residency rules. This student received a 36 out of 36 on his ACT and has an impressive resume.

 Gary Michaels stated the CTA Educational and Charitable Giving Fund gave $40,000 in scholarship funds to the Optimist Club to use at their discretion for qualifying students. This student did not qualify.

 Deborah Roche stated we would need to change the qualifications to include non-residents of Gulf Breeze. Gary Michaels stated that we should not waiver from our written qualifications so that we cannot be questioned or criticized by the media or the public.

Denis McKinnon stated that the Take Stock in Children program has requested scholarship funds again this year. Tom Naile commented that the State matches all donations. Bob Cleveland stated that he has been a mentor in the past and it was a positive experience.

Denis McKinnon stated that administrative edits to the existing policy have been presented to the board for consideration. These edits include bullet points for guidelines/rules, timelines, submitting annual applications and providing a non-profit IRS letter for documentation purposes. Initial feedback from board members included allowing more time for consideration and approval, and disbursement of funds. Burt Snooks asked if there were plans to replenish the fund and suggested a portion of each origination fee go into this fund. All agreed to table the edits for a future meeting.

**MOTION/ACTION:**

**Bob Cleveland made a motion to approve 2 TSIC scholarships for City of Gulf Breeze middle or high school students in the amount of $8,500/each, for a total amount of $17,000. Chris Kemp seconded the motion. Vote for approval was 6-0.**

No other formal business of the board was taken and the meeting adjourned at approximately 9:15 am.

Minutes submitted by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Connie Presnell, Office Administrator

Approved by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Burt Snooks, Chairman