**MINUTES OF THE**

**CAPITAL TRUST AGENCY, INC.**

 The 215th 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 Monday, September 20, 2021 at 2:30 p.m.

 The following Board Members were present: Burt Snooks (Chairman), Bob Cleveland (Secretary), Chris Kemp (Assistant Secretary), Deborah Roche (Board Member), Harry Wilder (Board Member), and Tom Naile (Board Member). Also attending was Denis McKinnon (Executive Director), Michael Stebbins (Counsel) and Kareem Spratling (Bond Counsel). Attending via Zoom conference was Phil Guistolise (Trinity Partners). Also present was Matt Dannheisser (Attorney, Town of Century).

**AGENDA ITEM:**

 Approval of Minutes: 8/26/2021

**DISCUSSION:**

No Discussion

**MOTION/ACTION:**

**Tom Naile made a motion to approve the 8/26/2021 minutes as presented. Harry Wilder seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Inducement Resolution #17-21 – Marie Selby Botanical Gardens

**DISCUSSION:**

 Marie Selby Botanical Gardens (MSBG) was founded 45 years ago in Sarasota, Florida. The purpose of the bonds is for the financing of infrastructure improvements and a new visitor center for education, gift shops, and stores for gardeners. MSBG will provide $17,000,000 in equity contributions they have received in the form of donations and contributions from the people of Sarasota who strongly believe in this project and its success.

 Denis McKinnon stated that many of the bond purchasers are Sarasota citizens who qualify as Qualified Institutional Buyers (QIB). Another unique feature contemplated is a 5-year callable option due to the nature of the capital campaign. It is anticipated that as pledges are fulfilled, bonds will be redeemed.

 Harry Wilder asked why these bonds will be non-rated bonds. Denis McKinnon replied that S&P has not historically provided ratings for this type of transaction. According to the Underwriter, it may cost prohibitive.

 Kareem Spratling stated he conducted a site visit recently with the CEO and CFO and found the property to be exceptional. Denis stated he would be conducting a site visit and invited any board member who wanted to see the property.

**MOTION/ACTION:**

**Bob Cleveland made a motion to approve Resolution #17-21 as presented. Deborah Roche seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Wynwood Bay – Preliminary Approval

**DISCUSSION:**

 Wynwood Bay is an existing apartment complex in Miami, Florida to be converted into a Workforce Housing project. CTA would be the borrower of this entity, using the Miami Dade County Industrial Development Authority (the IDA) as issuer of the bonds.

 Denis McKinnon requested board approval to begin the process of seeking Borrower’s Counsel, begin developing a subsidiary special purpose entity, and submitting an application for tax-exempt bonds to the IDA.

 Bob Cleveland stated he is not comfortable with the ownership aspect of this project. Bob stated three red flags: why we would want to be the first in Florida to close on this type of financing, why we would start with such a large project and why we would consider a project where the average median income is at 100 – 140%.

 Chris Kemp indicated this structure is far removed from our normal business structure and that a workshop would be necessary to be fully informed. Denis McKinnon stated a workshop would be held in order to understand our involvement as Borrower, including all startup costs, and forming the subsidiary entity.

 Kareem Spratling stated we would have two fees immediately upon preliminary approval: the application fee to Miami Date IDA and the forming of the special purpose entity.

**MOTION/ACTION:**

**Deborah Roche made a motion to pass on the Wynwood Bay project as presented, however, CTA will conduct a Workforce Housing Project workshop in the near future in order to learn more about this financing structure. Chris Kemp seconded the motion. Vote for approval was 6-0.**

**AGENDA ITEM:**

 Antares of Ormond Beach – Bond Counsel Fee

**DISCUSSION:**

 Antares of Ormond Beach was a proposed assisted living facility to be located in Ormond Beach, Florida, however, due to construction setbacks and other concerns, the project never closed. Foley & Lardner served as bond counsel to CTA and incurred almost $300,000 in legal fees before the project terminated. Foley & Lardner has approached CTA for assistance in recovering these fees.

 Mike Stebbins stated his firm has unrecoverable fees due to projects not closing and CTA’s assistance in this matter could set a precedence for future attempts from other parties who have fees they would like to recover. Kareem Spratling stated his firm also has unrecoverable expenses.

 Harry Wilder asked for clarification of what our inducement letter says about bond counsel fees. Denis replied the letter states that the borrower agrees to pay the out-of-pocket expenses of counsel for the agency, specifically, Foley & Lardner LLP, as bond counsel, and Bryant Miller Olive, special counsel to CTA, whether or not the financing actually closes. Denis further indicated that based on his conversations with the borrower, they are willing to pay the fees if and when CTA provides an invoice for Foley & Lardner’s legal time and expenses.

 Bob Cleveland asked if our letter states we are responsible for these fees. Denis McKinnon stated that no, CTA is not responsible for the fees. Denis, Mike Stebbins, and Foley & Lardner will discuss today’s meeting.

**MOTION/ACTION:**

**No Action Required.**

**AGENDA ITEM:**

 Pipeline Report

**DISCUSSION:**

 No Discussion

**MOTION/ACTION:**

**No Action Taken.**

No other formal business of the board was taken and the meeting adjourned at approximately 3:30 pm.

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

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