

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION
MINUTES
AUGUST 12, 2020
3:00 PM

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Wednesday, August 12, 2020, at 3:00 PM ET via ZOOM video teleconference by J. Michael Brown, Secretary of the Governor’s Executive Cabinet permanent proxy for Governor Andy Beshear, and Chair of the Commission. Other members present were Beth Roark, permanent proxy for Lieutenant Governor and Vice-Chair to the Commission Jacqueline Coleman; Chris Lewis, permanent proxy for Attorney General Daniel Cameron; Edgar C. Ross, State Controller and, Executive Director, Office of the Controller; John T. Hicks, State Budget Director, Office of the State Budget Director (“OSBD”); and Katie Smith, proxy for Larry Hayes, Interim Secretary for the Cabinet for Economic Development (“CED”).

The Office of Financial Management (“OFM”) Staff Members Present: Ryan Barrow, Executive Director of OFM and Secretary to the Commission; Sandy Williams, Deputy Executive Director; Bethany Couch, Steve Starkweather and Jennifer Yount.

Other Guests Present: Katherine Halloran, Legislative Research Commission (“LRC”), Julia Wang, LRC; and Tracy Thurston, Kentucky Housing Corporation (“KHC”).

Secretary Brown verified with staff a quorum was present, and the press had been notified of the meeting.

Secretary Brown introduced the first item for business, which was the approval of the minutes from July 14, 2020, meeting. A motion to accept the minutes of the July 14, 2020, meeting was made by Mr. Ross and seconded by Mr. Hicks. There being no further discussion, the motion **CARRIED**.

Secretary Brown recognized Sandy Williams to present **Resolution 2020-18**:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS
COMMISSION OF THE COMMONWEALTH OF KENTUCKY
APPROVING THE ISSUANCE BY THE KENTUCKY HOUSING
CORPORATION OF ITS MULTIFAMILY HOUSING REVENUE BONDS
IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$19,800,000.**

Mrs. Williams presented Resolution 2020-18 for the approval of the Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Christian Towers Project), Series 2020, in an amount not to exceed \$19.8 million. Proceeds of the bonds will be used to finance the acquisition, rehabilitation and equipping of the 142 multifamily housing unit, located at 1511 Versailles Road in Fayette County. The proposed date of sale is September 2020. The anticipated net interest rate is 3.75% over a term of 35 years. The method of sale is private placement. Bond counsel is Dinsmore & Shohl LLP, and the developer is Mansermar Development, LLC. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2020-18. Ms. Smith made a motion and was seconded by Mr. Hicks. The motion **CARRIED** and Resolution 2020-18 was **ADOPTED**.

Secretary Brown recognized Mrs. Williams to present **Resolution 2020-19**:

A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE ISSUANCE BY THE KENTUCKY HOUSING CORPORATION OF ITS MULTIFAMILY HOUSING REVENUE BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$21,000,000.

Mrs. Williams presented Resolution 2020-19 for the approval of the Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Overlook at Elkhorn Creek Apartments Project), Series 2020, in an amount not to exceed \$21 million. Proceeds of the bonds will be used to finance the acquisition, rehabilitation and equipping of the 156 multifamily housing units, located in Scott County at Overview Path. The proposed date of sale is September 2020. The anticipated net interest rate is 3.75% over a term of 35 years. The method of sale is private placement. Bond counsel is Dinsmore & Shohl LLP, and the developer is LDG Multifamily, LLC. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2020-19. Mr. Ross made a motion and was seconded by Mrs. Smith. The motion **CARRIED** and Resolution 2020-19 was **ADOPTED**.

Secretary Brown recognized Katie Smith to present **Resolution 2020-20**:

A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE APPLICATION OF THE SECRETARY OF THE CABINET FOR ECONOMIC DEVELOPMENT TO IDENTIFY AND SPECIFY CERTAIN ECONOMIC DEVELOPMENT PROJECTS TO BE FINANCED FROM THE PROCEEDS OF ECONOMIC DEVELOPMENT REVENUE BONDS TO BE ISSUED BY THE COMMISSION TO MAKE A GRANT TO THE CITY OF HOPKINSVILLE FOR THE BENEFIT OF THE HOPKINSVILLE INDUSTRIAL FOUNDATION, INC. FOR \$500,000.

Ms. Smith presented Resolution 2020-20 for the approval to issue Economic Development Revenue Bonds to make a grant in the amount of \$500,000 to the City of Hopkinsville on behalf of the Hopkinsville Industrial Foundation, Inc. The City of Hopkinsville in partnership with the Hopkinsville Industrial Foundation, Inc. is seeking to construct a speculative building located in Hopkinsville, Christian County, Kentucky on a 22-acre Kentucky Certified Build-Ready Site in the Commerce Park. The TVA Prep Grant funds and City of Hopkinsville will be obtaining a bank loan to fund the match to the EDF grant. This project represents the sixth of eight potential

infrastructure projects identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project. Under the terms of the grant agreement, disbursement requests will be submitted no more than monthly and funds shall be disbursed on a reimbursement basis. Supporting documentation and progress reports will be required. Upon staff's review and approval of documentation, funds will be disbursed to the local government entity to provide to the project applicant. KEDFA approved the project at its meeting on July 31, 2020. This was included in the OFM August submittal to Capital Projects and Oversight Committee scheduled to meet on August 19, 2020. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2020-20. Mr. Hicks made a motion and was seconded by Mr. Lewis. The motion **CARRIED** and Resolution 2020-20 was **ADOPTED**.

Secretary Brown recognized Mrs. Smith to present **Resolution 2020-21**:

A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS COMMISSION OF THE COMMONWEALTH OF KENTUCKY APPROVING THE APPLICATION OF THE SECRETARY OF THE CABINET FOR ECONOMIC DEVELOPMENT TO IDENTIFY AND SPECIFY CERTAIN ECONOMIC DEVELOPMENT PROJECTS TO BE FINANCED FROM THE PROCEEDS OF ECONOMIC DEVELOPMENT REVENUE BONDS TO BE ISSUED BY THE COMMISSION TO MAKE A GRANT TO THE COUNTY OF KNOX FOR THE BENEFIT OF THE SOUTHEAST KENTUCKY INDUSTRIAL DEVELOPMENT AUTHORITY, INC. FOR \$250,000.

Ms. Smith presented Resolution 2020-21 for the approval to issue Economic Development Revenue Bonds to make a grant in the amount of \$250,000 to the County of Knox on behalf of Southeast Kentucky Industrial Development Authority, Inc. (SKIDA). SKIDA proposes to extend water and sewer infrastructure to supply speculative building #4 to improve the marketability in the industrial park. SKIDA has committed funds on hand to match the EDF grant. This project represents the seventh of eight potential infrastructure projects identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project. Under the terms of the grant agreement, disbursement requests will be submitted no more than monthly and funds shall be disbursed on a reimbursement basis. Supporting documentation and progress reports will be required. Upon staff's review and approval of documentation, funds will be disbursed to the local government entity to provide to the project applicant. KEDFA approved the project at its meeting on July 31, 2020. This was included in the OFM August submittal to Capital Projects and Oversight Committee scheduled to meet on August 19, 2020. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2020-21. Mr. Ross made a motion and was seconded by Mrs. Roark. The motion **CARRIED** and Resolution 2020-21 was **ADOPTED**.

With no further business before the Commission, Secretary Brown asked for a motion to adjourn. Mr. Lewis made a motion and was seconded by Mr. Hicks and the meeting adjourned at 3:11 PM.

Respectfully submitted,



Ryan Barrow
Secretary

