

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION
MINUTES
THURSDAY, AUGUST 19, 2021
11:30 AM

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Thursday, August 19, 2021 at 11:30 AM 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 Geri Grigsby, proxy for Holly M. Johnson, Secretary of the Finance and Administration Cabinet (“FAC”) and Executive Director to the Commission; 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 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; Billy Aldridge, Bethany Couch, Steven Starkweather, Matthew Feltner and Aubry McDonald.

Other Guests Present: Robert Long, Executive Director of the Finance and Administration Cabinet (“FAC”); Korey Sallee, Legislative Research Committee (“LRC”); Tracy Thurston, Kentucky Housing Corporation (“KHC”) and Sam Thorner, 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 19, 2021, meeting. A motion to accept the minutes of the July 19, 2021, meeting was made by Ms. Grigsby and seconded by Ms. Roark. There being no further discussion, the motion **CARRIED**.

Secretary Brown recognized Billy Aldridge to present **Resolution 2021-13**:

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 \$22,300,000. (CROSSINGS AT MILL CREEK)

Mr. Aldridge presented Resolution 2021-13 for the authorization of a conduit issuance in an amount not to exceed \$22.3 million of Kentucky Housing Corporation Multifamily Housing Revenue Bonds in one or more series. Proceeds of the bonds will be used to finance the acquisition, rehabilitation, and equipping of a multifamily residential rental facility of approximately 180 units located at 4801 Manslick Road, Louisville, Kentucky. The proposed date of sale is September 9, 2021. The estimated total project cost is approximately \$38 million. The anticipated net interest

rate is 3.753% over a term of 40 years. These preliminary numbers are estimates based on recent market conditions. The financing was included in OFM's August submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on August 25th. The method of sale is a private placement. Bond counsel is Dinsmore & Shohl, LLP, and the developer is Marian Development Group. KHC Board of Directors approved the inducement resolution for this project in April 2021. As a conduit transaction, the bonds will not be a KHC or Commonwealth debt. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution **2021-13**. Mr. Ross made a motion to approve and was seconded by Ms. Smith. The motion **CARRIED** and Resolution **2021-13** was **ADOPTED**.

Secretary Brown recognized Billy Aldridge to present **Resolution 2021-14**:

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 \$22,500,000. (BOWLING GREEN TOWERS)

Mr. Aldridge presented Resolution 2021-14 for the authorization of a conduit issuance in an amount not to exceed \$22.5 million of Kentucky Housing Corporation Multifamily Housing Revenue Bonds in one or more series. Proceeds of the bonds will be used to finance the acquisition, rehabilitation, and equipping of a multifamily residential rental facility of approximately 202 units located at 1149 College Street, #1, Bowling Green, Kentucky. The proposed date of sale is September 15, 2021. The estimated total project cost is approximately \$42.9 million. The anticipated net interest rate is 1% over a term of three years. These preliminary numbers are estimates based on recent market conditions. The financing was included in OFM's August submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on August 25th. The method of sale is a public offering. Bond counsel is Dinsmore & Shohl, LLP, and the developer is Community Housing and Opportunity Foundation. KHC Board of Directors approved the inducement resolution for this project in April 2021. As a conduit transaction, the bonds will not be a KHC or Commonwealth debt. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution **2021-14**. Ms. Smith made a motion to approve and was seconded by Ms. Grigsby. The motion **CARRIED** and Resolution **2021-14** was **ADOPTED**.

Secretary Brown recognized Billy Aldridge to present **Resolution 2021-15**:

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 \$20,000,000. (LOWER HUNTER'S TRACE)

Mr. Aldridge presented Resolution 2021-15 for the authorization of a conduit issuance in an amount not to exceed \$20 million of Kentucky Housing Corporation Multifamily Housing Revenue Bonds in one or more series. Proceeds of the bonds will be used to finance the acquisition, construction, and equipping of a multifamily residential rental facility of approximately 168 units located on multiple parcels at or near 4225 Kerrick Lane, Louisville, Kentucky. The proposed date of sale is Fall 2021. The estimated total project cost is approximately \$35 million. The anticipated net interest rate is 4% over a term of 17 years. These preliminary numbers are estimates based on recent market conditions. The financing was included in OFM's August submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on August 25th. The method of sale is a private placement. Bond counsel is Frost Brown Todd, LLC, and the developer is Marian Development Group. KHC Board of Directors approved the inducement resolution for this project in April 2021. As a conduit transaction, the bonds will not be a KHC or Commonwealth debt. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution 2021-15. Mr. Ross made a motion to approve and was seconded by Ms. Roark. The motion **CARRIED** and Resolution 2021-15 was **ADOPTED**.

With no further business before the Commission, Secretary Brown asked for a motion to adjourn and was seconded by all remaining members and the meeting adjourned at 11:39 AM.

Respectfully submitted,



Ryan Barrow
Secretary

