

**KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION**  
**MINUTES**  
**SEPTEMBER 22, 2022**  
**2:30 PM**

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Thursday, September 22, 2022, at 2:30 PM ET via ZOOM video teleconference by Michael Bowman, permanent proxy for Lieutenant Governor and Vice-Chair to the Commission Jacqueline Coleman. Other members present were Chris Lewis, permanent proxy for Attorney General Daniel Cameron; Edgar C. Ross, State Controller and Executive Director, Office of the Controller; Carla Wright, proxy for the Office of the State Budget Director (“OSBD”); Secretary Holly Johnson, Finance and Administrative Cabinet (“FAC”); and Sarah Butler, proxy for Jeff Noel, 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; Steven Starkweather, Deputy Director of OFM; Billy Aldridge; Bethany Couch; Melissa Perry; and Aubry McDonald.

Other Guests Present: Katherine Halloran, Legislative Research Commission (“LRC”); Samuel Thorner, Kentucky Housing Corporation (“KHC”); and Robert Long, FAC.

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

Mr. Bowman introduced the first item for business, which was the approval of the minutes from the August 18, 2022, meeting. A motion to accept the minutes of the August 18, 2022, meeting was made by Mr. Ross and seconded by Ms. Wright. There being no further discussion, the motion **CARRIED**.

Mr. Bowman recognized Sarah Butler to present **Resolution 2022-34**:

**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 MUHLENBERG ON BEHALF OF THE PARADISE PARK REGIONAL INDUSTRIAL DEVELOPMENT AUTHORITY, INC FOR \$250,000.**

Ms. Butler presented Resolution 2022-34 for the approval of the Economic Development Revenue Bonds to be issued by the commission to make a grant to the County of Muhlenberg on behalf of the Paradise Park Reginal Industrial Development Authority, Inc. for \$250,000. The county of Muhlenberg, in partnership with Paradise Park Industrial Development Authority, Inc. is seeking to extend water and waste water utilities to 620 acres in the Industrial Business Park as well as enhance the entrance. This project is a potential infrastructure project identified by an independent

site selection consultant as having potential for future investment, location of an economic development project. Ms. Butler stated that under the terms of the EDF grant agreement, requests may be submitted no more than monthly, and funds shall be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant. Ms. Butler noted that CED staff recommends approval.

Mr. Bowman called for a motion to approve Resolution **2022-34**. Ms. Wright made a motion to approve and was seconded by Mr. Ross. The motion **CARRIED** and Resolution **2022-34** was **ADOPTED**.

Mr. Bowman recognized Billy Aldridge to present **Resolutions 2022-35, 2022-36 and 2022-37**:

**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 \$21,500,000.**

**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 \$55,000,000.**

**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 \$55,000,000.**

Mr. Aldridge stated the next three resolutions were for the Kentucky Housing Corporation multi-family housing revenue bonds conduit transactions. As conduit transactions, the aggregate principal amount, not to exceed \$272,300,000, will not be a KHC or Commonwealth's debt. The projects were included in OFM's submittal to the Capital Projects and Bond Oversight Committee. He then requested that if the Commission wished to roll the resolutions into one motion, he could present the projects together. Otherwise, he would present each project individually. Mr. Bowman accepted his request to roll the resolutions into one motion and Mr. Aldridge continued with a summary of each project.

Flats at Bardstown, Bond Resolution 2022-35 authorizing an amount not to exceed \$21,500,000. Proceeds will finance the acquisition, construction, and equipping of a multi-family residential rental facility of approximately 192 units located at multiple locations in Jefferson County. The estimated total project cost is approximately \$40,700,000. The financing is scheduled for October 31, 2022, with an anticipated net interest rate of 5% over a term of 40 years. The method of sale is

private placement with Dinsmore & Shohl as bond counsel and Marian Development Group as the developer.

The Prestonian, Bond Resolution 2022-36 authorizing an amount not to exceed \$55,000,000. Proceeds will finance the acquisition, rehabilitation, and equipping of a multi-family residential rental facility of approximately 343 units located at 715 E. Gray Street, Louisville, KY. The project was approved in May 2022 for \$50,000,000 but requested and received additional authorization from KHC since then due to the estimated total project cost increasing from \$117,500,000 to \$124,500,000 million. The financing is scheduled for October 29, 2022, with an anticipated net interest rate of 5.40% over a term of 40 years. The method of sale is private placement with Dinsmore and Shohl as bond counsel and LDG Development as the developer.

Starks Artist Lofts, Bond Resolution 2022-37 authorizing an amount not to exceed \$55,000,000. Proceeds will finance the acquisition, rehabilitation, and equipping of a multi-family residential rental facility of approximately 288 units located at 455 South Fourth Street, Louisville, KY. The estimated total project cost is approximately \$107,000,000. The financing is scheduled for December 2022, with an anticipated net interest rate of 4.22% over a term of 40 years for Series A, and Series B anticipated at the Wall Street Journal Prime minus 0.25% over a term of 2 years. Series A is a public offering, and Series B is a private placement. Stites & Harbison is serving as bond counsel and Heritage Land and Development as the developer.

Mr. Bowman called for a motion to approve all three **Resolutions 2022-35, 2022-36 and 2022-37**. Ms. Wright made a motion to approve and was seconded by Secretary Johnson. The motion **CARRIED** and **Resolutions 2022-35, 2022-36 and 2022-37** were **ADOPTED**.

Mr. Bowman recognized Sarah Butler to present **Resolution 2022-38**:

**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 OHIO COUNTY FISCAL COURT ON BEHALF OF THE OHIO COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, INC FOR \$300,000.**

Ms. Butler presented Resolution 2022-38 for the approval of the Economic Development Revenue Bonds to be issued by the commission to make a grant to the Ohio County Fiscal Court on behalf of the Ohio County Industrial Development Authority, Inc. for \$300,000. The Ohio County Fiscal Court, in partnership with Ohio County Industrial Development Authority, Inc. is seeking to upgrade its electric to 9.4 megawatts at Bluegrass Crossings. This project is a potential infrastructure project identified by an independent site selection consultant as having potential for future investment, location of an economic development project. Ms. Butler stated that under the terms of the EDF grant agreement, requests may be submitted no more than monthly, and funds shall be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the

local government entity to provide to the project applicant. Ms. Butler noted that CED staff recommends approval.

Mr. Bowman called for a motion to approve Resolution **2022-38**. Mr. Ross made a motion to approve and was seconded by Ms. Wright. The motion **CARRIED** and Resolution **2022-38** was **ADOPTED**.

With no further business before the Commission, Mr. Bowman asked for a motion to adjourn, Secretary Johnson made a motion and was seconded by Mr. Ross and the meeting adjourned at 2:42 PM.

Respectfully submitted,

*Ryan Barrow*

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Ryan Barrow  
Secretary

