

KENTUCKY STATE PROPERTY AND BUILDINGS COMMISSION
MINUTES
NOVEMBER 17, 2020
10:30 AM

The Kentucky State Property and Buildings Commission (“SPBC” or the “Commission”) meeting was called to order on Tuesday, November 17, 2020, at 10:30 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; 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; Billy Aldridge, Steve Starkweather, Bethany Couch and Marcia Hutcherson.

Other Guests Present: Katherine Halloran, Legislative Research Commission (“LRC”); Julia Wang, Legislative Research Commission (“LRC”), Carla Wright, Office of the State Budget Director (“OSBD”); and Tracy M. Thurston, Kentucky Housing Corporation.

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 October 14, 2020, meeting. A motion to accept the minutes of the October 14, 2020, meeting was made by Mr. Lewis and seconded by Mr. Ross. There being no further discussion, the motion **CARRIED**.

Secretary Brown recognized Billy Aldridge to present **Resolution 2020-26**:

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 \$25,000,000.

Mr. Aldridge presented Resolution 2020-26 for the approval of the Kentucky Housing Corporation Multifamily Tax-Exempt, Mortgage-Backed Bonds in one or more series in an amount not to exceed \$25 million. Proceeds of the bonds will be used to finance the acquisition, construction, and equipping of a multifamily residential rental facility of approximately 209 units located at 300 Newtown Pike, Lexington, Kentucky. The proposed date of sale is December 15, 2020. The estimated total project cost is approximately \$42 million, and will have an anticipated net interest rate of 4.5% over a term of 20 years. The method of sale is a private placement. Bond counsel is Dinsmore & Shohl LLP., and the developer is Winterwood Development, LLC. This financing was included in OFM's October submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on Thursday, November 19, 2020. Kentucky Housing Commission Board of Directors approved the transaction on October 29, 2020 and as a conduit transaction, the bonds will not be a debt of the Kentucky Housing Commission or a Commonwealth. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution **2020-26**. Ms. Smith made a motion and was seconded by Director Hicks. The motion **CARRIED** and Resolution **2020-26** was **ADOPTED**.

Secretary Brown recognized Billy Aldridge to present **Resolution 2020-27**:

**RESOLUTION OF THE STATE PROPERTY AND BUILDINGS
COMMISSION OF THE COMMONWEALTH OF KENTUCKY
APPROVING THE ISSUANCE OF EASTERN KENTUCKY UNIVERSITY
GENERAL RECEIPTS REFUNDING BONDS, IN ONE OR MORE
SUBSERIES, IN AN AGGREGATE PRINCIPAL AMOUNT OF
APPROXIMATELY \$12,405,000.**

Mr. Aldridge presented Resolution 2020-27 for the authorization to issue approximately \$12.405 million of Eastern Kentucky University General Receipts Forward Delivery Refunding Bonds, in one or more series. Bond proceeds will be used to refund certain outstanding EKU General Receipts Bond Series 2011 A for a present value savings, and pay associated costs of issuance. EKU's 2011 Series A Bonds currently have an outstanding par amount of approximately \$13.42 million. The 2021 transaction for approximately \$12.4 million will be a 10 year financing with a final maturity of October 2031. The transaction will have an estimated all in true interest cost of 1.7488%. Savings will be taken up front with debt service for the refunding bonds to match the original debt service. This will be a negotiated sale, and pending approvals is currently scheduled for December 1, 2020. Delivery of the bonds is scheduled for July 6, 2021. Bond Counsel is Dinsmore & Shohl. The financing was included in OFM's November submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on Thursday, November 19, 2020. Director Hicks commented that this resolution has significant savings. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution **2020-27**. Director Hicks made a motion and was seconded by Ms. Smith. The motion **CARRIED** and Resolution **2020-27** was **ADOPTED**.

Secretary Brown recognized Billy Aldridge to present **Resolution 2020-28**:

**RESOLUTION OF THE STATE PROPERTY AND BUILDINGS
COMMISSION OF THE COMMONWEALTH OF KENTUCKY
APPROVING THE ISSUANCE OF APPROXIMATELY \$4,965,000 OF
MOREHEAD STATE UNIVERSITY GENERAL RECEIPTS REFUNDING
BONDS, 2020 TAXABLE SERIES A.**

Mr. Aldridge presented Resolution 2020-28 for the authorization to issue approximately \$4.965 million of Morehead State University General Receipts Refunding Bonds 2020 Taxable Series A. Bond proceeds will be used to refund certain outstanding 2012 Series A and 2013 Series A bonds for present value savings, and pay associated costs of issuance. Morehead State University's 2012 Series A bonds currently have an outstanding par amount of approximately \$3.24 million, and 2013 Series A bond currently have an outstanding par amount of approximately \$6.755 million. The 2020 transaction for approximately \$4.965 million will be a 12 year financing with a final maturity of November 2032. The transaction will have an estimated all in true interest cost of 2.3348%. This will be a competitive sale, and pending approvals is currently scheduled for November 30, 2020. Bond Counsel is Dinsmore & Shohl. The financing was included in OFM's November submittal to Capital Projects and Bond Oversight Committee, scheduled to meet on Thursday, November 19, 2020. Staff recommends approval.

Secretary Brown called for a motion to approve Resolution **2020-28**. Ms. Grigsby made a motion and was seconded by Mr. Ross. The motion **CARRIED** and Resolution **2020-28** was **ADOPTED**.

With no further business before the Commission, Secretary Brown asked for a motion to adjourn. Ms. Smith made a motion and was seconded by all remaining members and the meeting adjourned at 10:40 AM.

Respectfully submitted,



Ryan Barrow
Secretary

