

STATE PROPERTY AND BUILDINGS COMMISSION
Minutes
February 13, 2006

The State Property and Buildings Commission was called to order at 10:00 a.m. on Monday, February 13, 2006 by Chairman John Farris, proxy for Robbie Rudolph, Secretary, Finance and Administration Cabinet, in Room 76 of the Capitol Annex. Other members present were Libby Milligan, proxy for Governor Ernie Fletcher; Ryan Watts, proxy for Lt. Governor Steve Pence; Bonnie Howell, proxy for Attorney General Gregory Stumbo; and Katie Smith, proxy for Gene Strong, Secretary, Cabinet for Economic Development.

Chairman Farris declared that a quorum was present and verified that the press had been notified of the meeting.

A motion was made by Mr. Watts and seconded by Ms. Howell to accept the minutes of the December 19, 2005 meeting. Motion **CARRIED**.

Chairman Farris introduced Resolution 2006-01:

**A RESOLUTION OF THE STATE PROPERTY AND BUILDINGS
COMMISSION OF THE COMMONWEALTH OF KENTUCKY
APPROVING THE ISSUANCE BY THE KENTUCKY HOUSING
CORPORATION OF ITS HOUSING REVENUE BONDS IN ONE OR
MORE SERIES AND IN ONE OR MORE TAX PLANS IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$200,000,000.**

F. Thomas Howard, Executive Director, Office of Financial Management, discussed Resolution 2006-01. Mr. Howard stated that the Corporation's Executive Committee approved financing plans up to \$200,000,000 at their meeting on February 3, 2006. Mr. Howard further indicated that Resolution 2006-01 provides for the initial issuance of bonds. He noted also that private activity volume cap will be allocated at a meeting of the Kentucky Private Activity Bond Allocation Committee on February 16, 2006 and that the Corporation is expected to receive a portion of the state issuer pool. He added that the Corporation will also use proceeds from the sale of taxable bonds to provide mortgage financing for first-time low and moderate income home buyers. Mr. Howard indicated that the financing team will consist of Kutak Rock as bond counsel; Merrill Lynch as underwriter; Peck, Shaffer & Williams as underwriter's counsel; and JP Morgan as trustee. In addition, Mr. Howard pointed out that the Corporation executed an interest rate swap for a portion of the variable rate bonds to be delivered simultaneously with the bonds at a rate of 3.76 percent.

A motion was made by Ms. Smith and seconded by Ms. Howell to adopt Resolution 2006-01 approving the issuance by the Kentucky Housing Corporation of its Housing Revenue Bonds in one or more series and in one or more tax plans in an aggregate principal amount not to exceed \$200,000,000. Motion carried and Resolution 2006-01 was **ADOPTED**.

Mr. Howard indicated that the Commission hopefully would not meet again until the General Assembly enacts a budget.

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With no new business before the Commission, a motion was made by Mr. Watts and seconded by Ms. Howell to adjourn the meeting. Motion **CARRIED**.



Secretary
State Property and Buildings Commission