

# **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**

## **Minutes of Regular Meeting Held on April 16, 2019**

A Regular Meeting of the Orange County Industrial Development Authority (the “Authority”) was held in the OMB Conference Room, 3<sup>rd</sup> floor, at the Orange County Administration Center, 201 S. Rosalind Avenue, Orlando, Florida 32801 at 2:00 p.m. on April 16, 2019. Present throughout the meeting were Chairman Justin Vermuth, Vice Chairman Paul Michelotti, Authority Secretary Casey Barnes, and Authority member Julio Rocha. Authority member Joel A. Knopp and Authority Assistant Secretary William Parsons were absent. The Authority members present constituted a quorum of the members of the Authority. Also in attendance were Glenn A. Adams and paralegal Suzanne McCormack of Holland & Knight LLP (“H&K”), general counsel to the Authority. Also present were Fred Winterkamp and Danielle Philippe of the Financial & Business Services Division of Orange County. Several University of Central Florida students were at the meeting to observe as a class assignment.

Prior to the start of the meeting, Mr. Rocha read and executed an Oath of Office for the Authority.

Chairman Justin Vermuth presided at the meeting. He called the meeting to order at 2:00 p.m. All parties in attendance were introduced to the group.

The first matter to come before the meeting was the election of a Chairman, Vice Chairman, Secretary and Assistant Secretary. Mr. Michelotti nominated Mr. Vermuth for the office of Chairman of the Authority, Mr. Rocha seconded the nomination, and the election of Mr. Vermuth was unanimously approved. Mr. Vermuth nominated Mr. Michelotti for the office of Vice Chairman of the Authority, Mr. Rocha seconded the nomination, and the election of Mr. Michelotti was unanimously approved. Mr. Vermuth nominated Mr. Barnes for Secretary of the Authority, Mr. Rocha seconded the nomination, and the election of Mr. Barnes was unanimously approved. Mr. Vermuth nominated Mr. Parsons for Assistant Secretary of the Authority, Mr. Michelotti seconded the nomination, and the election of Mr. Parsons was unanimously approved.

The next item on the agenda was the approval of the minutes of a regular meeting of the Authority held on August 21, 2018, the most recent previous meeting of the Authority. A draft of the proposed minutes previously had been delivered to each of the members of the Authority.

A motion to approve the minutes as distributed was made by the Chairman, seconded by Mr. Michelotti, and unanimously adopted.

The next order of business to come before the meeting was to call for public comment; there being none, the Chairman moved on to the next matter of business.

The next item on the agenda was a presentation by Heather M. Brown, Director of Finance & Treasury of Charter Schools, USA (“Charter School”) the Manager of Renaissance Charter School, Inc. (“Renaissance”) Also present was Richard B. Harb of Nabors, Giblin & Nickerson P.A., Bond Counsel to Capital Trust Agency (“CapTrust”) Ms. Brown gave a brief explanation of

Renaissance Charter School, Inc. and the plans for the facility. Mr. Adams explained that the Authority is not the issuer of the Educational Facilities Revenue Bonds (Renaissance Charter School, Inc. Projects), Series 2019, and that the Authority is acting as a host for the TEFRA public hearing pursuant to and in compliance with Section 147(f) of the Internal Revenue Code. CapTrust proposes to issue its Educational Facilities Revenue Bonds (Renaissance Charter School, Inc. Projects), Series 2019, in an amount not to exceed \$92,500,000.

Following the presentation, Chairman Vermuth conducted a TEFRA Public Hearing on behalf of the Authority.

The Chairman stated the following:

ISSUANCE BY CAPITAL TRUST AGENCY OF ITS  
EDUCATIONAL FACILITIES REVENUE BONDS  
(RENAISSANCE CHARTER SCHOOL, INC. PROJECTS),  
SERIES 2019

April 16, 2019

This public hearing is being conducted pursuant to the requirements of the federal Tax Equity and Fiscal Responsibility Act of 1982, as amended by the Tax Reform Act of 1986, collectively referred to for purposes of this hearing as “TEFRA” and embodied in Section 147(f) of the Internal Revenue Code of 1986, as amended (referred to as the “Code”). TEFRA requires that in order for the interest on private activity bonds, to be exempt from federal income tax, such bonds and the projects which they will finance must be approved by either a voter referendum or by an applicable elected representative after a public hearing following reasonable public notice. Renaissance Charter School, Inc., a Florida not for profit corporation, and/or one or more related and/or affiliated entities, collectively referred to herein as the “Borrower” has requested that Capital Trust Agency issue for its benefit Educational Facilities Revenue Bonds (Renaissance Charter School, Inc. Projects), Series 2019, in an aggregate principal amount not to exceed \$92,500,000, and referenced herein as the “Bonds.” The Borrower is solely obligated to repay the Bonds from its revenues and other security pledged to the repayment of the Bonds. The Authority has no financial obligation for repayment of the Bonds.

Upon conclusion of any testimony given at this hearing the Orange County Industrial Development Authority will be asked to adopt a resolution requesting that the Board of County Commissioners of Orange County, Florida approve, solely for the purposes of Section 147(f) of the Code, the issuance by Capital Trust Agency of the Bonds.

The Notice of Public Hearing was published in The Orlando Sentinel, a newspaper of general circulation in Orange County, Florida, on April 2, 2019, advising that the Orange County Industrial Development Authority would hold a public hearing on April 16, 2019, at 2:00 p.m. or soon thereafter, at the Orange County Administration Building, 201 South Rosalind Avenue, 3rd Floor, Conference Room OMB, Orlando, Florida, on the proposed issuance of the Bonds.

We will now conduct the public hearing on the proposed issuance by Capital Trust Agency of its plan of finance for the issuance of the Bonds in an aggregate principal amount not to exceed \$92,500,000.

As requested by the Borrower, the Bonds will be issued by Capital Trust Agency for the benefit of the Borrower. Up to \$92,500,000 of the proceeds from the sale of the Bonds will be loaned to Borrower for the purpose of financing or refinancing , including through reimbursement, (i) the acquisition and development of certain education facilities including fixtures, furnishings and equipment; provided, however, such acquisition shall not include the land on which such facilities are located, (ii) the funding of a debt service reserve fund for the Bonds, if deemed necessary or desirable; (iii) the funding of capitalized interest for the Bonds, if deemed necessary or desirable; and (iv) the payment of certain costs of issuing the Bonds, collectively referred to as the "Project"). The facilities will be owned by the Borrower. The initial manager of the facilities will be Charter Schools USA, or an affiliate thereof or another entity chosen by the Borrower.

The Facilities shall mean and include:

(a) an approximately 76,480 square-foot charter school facility, for students in grades K 8, located on approximately 10.01 acres of land at 6004 South Goldenrod Road, Orlando, Orange County, Florida 32822, known as Renaissance Charter School at Goldenrod, with proceeds of the Bonds not to exceed \$27,000,000;

(b) an approximately 68,152 square-foot charter school facility, for students in grades K 8, located on approximately 11.13 acres of land at 4480 Boggy Creek Road, Kissimmee, in unincorporated Osceola County, Florida 34744, known as Renaissance Charter School at Boggy Creek, with proceeds of the Bonds not to exceed \$22,500,000;

(c) an approximately 63,102 square-foot charter school facility, for students in grades K 8, located on approximately 7.31 acres of land at 6696 South Military Trail, Lake Worth, in unincorporated Palm Beach County, Florida 33463, known as Renaissance Charter School at Central Palm, with proceeds of the Bonds not to exceed \$21,500,000; and

(d) an approximately 63,102 square-foot charter school facility, for students in grades K 8, located on approximately 5.543 acres of land at 3200 South State Road 7, Wellington, Palm Beach County, Florida 33449, known as Renaissance Charter School at Wellington, with proceeds of the Bonds not to exceed \$21,500,000.

The County will neither issue, nor be obligated in any manner on, the Bonds.

Testimony will now be heard by anyone desiring to speak on the proposed issuance of the Bonds.

Is there anyone who wishes to speak or file written testimony on this matter?

Let the record reflect that there are no members of the public in attendance and wishing to speak or file written testimony.

This concludes the public hearing scheduled for today.

Chairman Vermuth concluded the public hearing and then read the proposed resolution that previously had been circulated to the Authority members.

Based on the foregoing and after the discussion on the Renaissance Charter School, Inc. Projects Bonds, a motion was made by Mr. Michelotti and seconded by Mr. Rocha that the Authority approve Resolution 2019-01 which is attached to these minutes as “Exhibit A” and captioned:

RESOLUTION NO. 2019-01

RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY RELATING TO THE PROPOSED ISSUANCE BY THE CAPITAL TRUST AGENCY (THE “ISSUER”) OF THE ISSUER’S EDUCATIONAL FACILITIES REVENUE BONDS (RENAISSANCE CHARTER SCHOOL, INC. PROJECTS), SERIES 2019 AND RECOMMENDING THAT THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY, FLORIDA APPROVE OF THE ISSUANCE OF SUCH BONDS SOLELY FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE CODE; AND PROVIDING AN EFFECTIVE DATE

Chairman Vermuth asked if there were any further discussion on the motion. There being no further discussion, Chairman Vermuth called for a vote on the motion. Voting in favor was Mr. Michelotti, Mr. Vermuth and Mr. Rocha. There were no negative votes. Chairman Vermuth announced that the motion carried and that Resolution 2019-01 was adopted.

Mr. Adams brought up a final item for discussion regarding the U.S. Department of Treasury’s release of final TEFRA regulations addressing the requirement for public notice, hearing and approval of bonds under Code section 147(f). The Authority held a discussion regarding whether the Authority should consider making revisions to its guidelines particularly with respect to the length of notice and the method of giving notice. Mr. Adams suggested that the Authority members consider different alternatives and continue discussions at a later date. Mr. Winterkamp explained the history of Orange County’s requirement for a map to be included in the notifications.

Mr. Rocha inquired if the Authority would be responsible if Renaissance had a shortfall of reserves. Mr. Adams explained that, no the Authority would not be responsible.

There being no further business, the Chairman adjourned the meeting at 2:40 p.m.

Respectfully submitted,

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Casey Barnes, Secretary

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