

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Minutes of Regular Meeting Held on June 16, 2020

A Regular Meeting of the Orange County Industrial Development Authority (the “Authority”) was held in the offices of Holland & Knight, 200 South Orange Avenue, Suite 2600, Orlando, Florida at 2:00 p.m. on June 16, 2020. Present in person throughout the meeting were Chairman Justin Vermuth, Vice Chairman Paul Michelotti, Authority members Mark Gonzalez and Julio Rocha, and Authority Assistant Secretary William Parsons. The Authority members present in person constituted a quorum of the members of the Authority. Also in attendance in person were Glenn A. Adams and paralegal Suzanne McCormack of Holland & Knight LLP (“H&K”), general counsel to the Authority. Also, present via teleconference were Joel Knopp (former Authority member whose term expired December 31, 2019¹), Authority Secretary Casey Barnes, Michael L. Wiener of H&K, serving as Bond Counsel, and Danielle Philippe of the Financial & Business Services Division of Orange County. This meeting was held both in person and via a “virtual” public meeting format using communications media technology as authorized by Florida Governor Ron DeSantis’s Emergency Executive Order No. 20-69 related to the COVID-19 state of emergency, as amended.

Chairman Justin Vermuth presided at the meeting. He called the meeting to order at 2:04 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. A motion was made to nominate Mr. Vermuth for the office of Chairman of the Authority, the motion was seconded, and the election of Mr. Vermuth was unanimously approved. A motion was made to nominate Mr. Michelotti for the office of Vice Chairman of the Authority, the motion was seconded, and the election of Mr. Michelotti was unanimously approved. A motion was made to nominate Mr. Barnes for Secretary of the Authority, the motion was seconded, and the election of Mr. Barnes was unanimously approved. Finally, a motion was made to nominate Mr. Parsons for Assistant Secretary of the Authority, the motion was seconded, and the election of Mr. Parsons was unanimously approved.

The next matter to come before the meeting was the approval of the minutes of a regular meeting of the Authority held on September 17, 2019, 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, seconded, 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.

¹ A successor has not been appointed, and Mr. Knopp did not vote on the hereinafter described actions.

The next item on the agenda was a presentation via teleconference by Admiral Alfred G. Harms, Jr., President of Lake Highland Preparatory School, Inc. ("Lake Highland"). Also, present via teleconference on behalf of Lake Highland was Jim Bartlett, Chief Financial Officer of Lake Highland, C. Andrew Roy of Windersweedle, Haines, Ward & Woodman, P.A, Counsel to Lake Highland, and David Adams of Stifel, Nicolaus & Company, Inc., as financial advisor. Admiral Harms gave an in-depth presentation addressing an overview of Lake Highland and the proposed plans for the new and renovated facilities to be located in Orange County, Florida. Mr. Bartlett discussed the refinancing of the transaction.

Mr. Rocha asked questions regarding the diversity of the student body and faculty at Lake Highland. Admiral Harms responded that Lake Highland is working towards increasing financial aid to minorities and making other efforts to increase the diversity of the students, faculty and staff at Lake Highland. Mr. Gonzalez inquired why, other than construction jobs, there is not more expected permanent job creation at Lake Highland due to the size and scope of the projects. Admiral Harms and Mr. Bartlett responded that the proposed facilities are primarily replacing outdated facilities so the school's population is not expected to grow significantly due to these projects.

Following the presentation, Chairman Vermuth conducted a TEFRA Public Hearing, pursuant to and in compliance with Section 147(f) of the Internal Revenue Code, on behalf of the Authority.

The Chairman stated the following:

ISSUANCE BY THE
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
OF INDUSTRIAL DEVELOPMENT REVENUE AND REFUNDING BONDS

June 16, 2020

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" required by 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. Lake Highland Preparatory School, Inc., Lake Highland Preparatory School Foundation, Inc. and OS Complex, Inc., each a Florida not for profit corporation, which are organized for charitable, religious and educational purposes within the meaning of Section 501(c)(3) of the Code and are referred to collectively as the "Borrower," have requested that the Orange County Industrial Development Authority (the "Authority") issue its industrial development revenue and refunding bonds or notes in one or more series in an aggregate principal amount not to exceed \$51,000,000, which are referred to herein as the "Bonds." The Borrower will be solely obligated to repay the Bonds from its revenues and other security pledged to the repayment of the Bonds. The Authority will have no financial obligation for repayment of the Bonds.

Upon conclusion of any testimony given at this hearing, the 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 the Authority of the Bonds.

A Notice of Public Hearing was published in *The Orlando Sentinel*, a newspaper of general circulation in Orange County, Florida (the "County"), on June 3, 2020, advising that the Authority would hold a public hearing on June 16, 2020, at 2:00 p.m. or soon thereafter, at the offices of Holland & Knight LLP, 200 South Orange Avenue, Suite 2600, Orlando, Florida 32801, on the proposed issuance of the Bonds. The public hearing is also accessible by calling a toll-free telephone number set forth in such notice.

We will now conduct the public hearing on the proposed issuance by the Authority of the Bonds in an aggregate principal amount not to exceed \$51,000,000.

As requested by the Borrower, the Bonds will be issued by the Authority for the benefit of the Borrower and the proceeds from the sale thereof will be loaned to Borrower for the following purposes:

(1) Proceeds of the Bonds in a principal amount not exceeding \$26,000,000 are expected to be applied, together with other available funds, to refinance the obligations of the Borrower with respect to, and thereby refund, the Authority's Industrial Development Refunding Revenue Bonds (Lake Highland Preparatory School, Inc. Project), Series 2011.

(2) Proceeds of the Bonds in a principal amount not exceeding \$25,000,000 are expected to be applied, together with other available funds, (a) to finance or refinance the acquisition, construction, renovation and equipping of educational facilities, including (i) the phased replacement of Johnston and Hale Halls with a new multi-story academic building located at 901 Highland Avenue, Orlando, Florida, consisting of approximately 70,000 gross square feet of new academic, administrative, upper school library, and support spaces, (ii) the relocation of an existing softball field and the construction of a new multi-purpose gymnasium, parking lot improvements and an artificial turf field on or near Lake Highland Drive between Highland Avenue and Ferris Avenue, in Orlando, Florida, (iii) the demolition of Maxwell Hall and the renovation and improvement of the Calkins Library, Rex Hall and Highland House, all of which are located at 901 Highland Avenue, Orlando, Florida, (iv) the renovation and improvement of the Lake Highland Preparatory School Annex located at 940 Highland Avenue, Orlando, Florida, (v) the acquisition of the property known as the "American Heart Association Building" located at 236 Marks Street, Orlando, Florida, and (vi) other improvements to existing facilities or to build new facilities at the locations and for the purposes described herein, (b) to pay all or a portion of the termination fee associated with an interest rate swap executed by the Borrower in connection with the 2011 Bonds, and (c) to pay the costs of issuing the Bonds.

All of the improvements described above are or will be owned and operated by the Borrower and be located on or in the general vicinity of the Borrower's campuses at 901 Highland Avenue and 741 North Mills Avenue in Orlando, Florida (including on the north side of Lake Highland).

Orange County, Florida 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 (either in person or telephonically) 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, a motion was made and seconded that the Authority approve Resolution 2020-01 which is attached to these minutes as "Exhibit A" and captioned:

RESOLUTION NO. 2020-01

A RESOLUTION EXPRESSING THE INTENT OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY TO ISSUE INDUSTRIAL DEVELOPMENT REFUNDING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$51,000,000 FOR THE PURPOSE OF LOANING FUNDS TO LAKE HIGHLAND PREPARATORY SCHOOL, INC., LAKE HIGHLAND PREPARATORY SCHOOL FOUNDATION, INC. AND OS COMPLEX, INC. OR THEIR RESPECTIVE SUCCESSORS OR ASSIGNS, IN ORDER TO REFINANCE THE OBLIGATIONS OF SUCH PARTIES UNDER A LOAN AGREEMENT WITH THE ISSUER AND THEREBY (I) REFUND THE ISSUER'S INDUSTRIAL DEVELOPMENT REFUNDING REVENUE BONDS (LAKE HIGHLAND PREPARATORY SCHOOL, INC. PROJECT), SERIES 2011, AND (II) FINANCE OR REFINANCE THE ACQUISITION, CONSTRUCTION, RENOVATION AND EQUIPPING OF CERTAIN EDUCATIONAL FACILITIES, IN ORANGE COUNTY, FLORIDA; AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT PERTAINING TO THE ISSUANCE OF SUCH NOTES AND PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO.

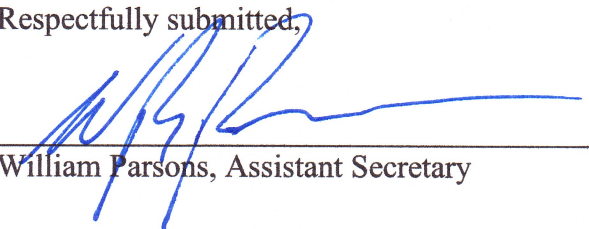
Chairman Vermuth asked if there were any further discussion on the motion. There being no further discussion, Chairman Vermuth called for a vote on the motion. Voting in favor was Mr. Michelotti, Mr. Vermuth, Mr. Rocha, and Mr. Gonzalez. There were no negative votes. Chairman Vermuth announced that the motion carried and that Resolution 2020-01 was adopted.

The next item to be addressed as further business was a discussion regarding updating the Guidelines of the Authority. Mr. Adams pointed out that the Guidelines had not been updated in several years and recommended that the Guidelines be revised (i) to update the references in the Guidelines from "Metro Orlando Economic Development Commission" to the "Orlando Economic Partnership" due to a name change; and (ii) to amend the notice period for Authority meetings from fourteen days to seven days to match the seven-day notice requirement published in the final TEFRA Regulations effective for transactions occurring after April 1, 2019. A motion

was made to approve the updated Guidelines with the noted revisions. The motion was seconded, and the revisions to the Guidelines were unanimously approved.

There being no further business, the Chairman adjourned the meeting at 2:46 p.m.

Respectfully submitted,



William Parsons, Assistant Secretary

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