



Monday, March 30, 2020, 11:00 a.m.
Conference Call via (339) 209-5927

In Attendance: Erik D'Aquino, Julie Hewitt, Garry Lubi - Chair

Staff Attendees: President Dr. Tom LoBasso, General Counsel Brian Babb, Vice President, Advancement & Executive Director, Foundation Tim Norton, Chief Financial Officer Isalene Montgomery, Attorney Ken Artin

I. Call to Order

Chair Garry Lubi called the meeting to order at 11:04 a.m.

II. Approval of Minutes – February 4, 2020

Julie Hewitt motioned for approval, Erik D'Aquino seconded, and the motion carried.

III. Public Participation None

IV. For Review

Negotiated Bank Financing Proposal from TD Bank of March 27, 2020

Chair Garry Lubi reported that two proposals for financing were received, one from TD Bank and one from JP Morgan (Appendix 1 and 2).

The DSC internal review committee met on March 19 to review and rank each proposal. The result of that meeting was the authorization to negotiate with TD Bank for terms. From the meeting on the 19th to March 27, Housing Corp attorney, Ken Artin, and Tim Norton negotiated the terms in the proposal you have before you. The DSC internal review committee met again on March 30 to review the final terms (Appendix 3), and there are four points of clarification which have been requested of TD Bank by our attorney, Ken Artin.

Ken Artin was asked to review the points for clarification, and the answers from TD Bank

- i. While revenues for a second dorm cannot be pledged without bank consent all accumulated surplus cash from the first dorm may be used for the second dorm. *TD Bank: If and/or when there is an additional bonds request, we would need to look at the sources/uses for that project. This information would need to be presented to the Bank before we could deny or accept this query.*
- ii. What expenses will the college incur in the event we don't close by May 18th? (Example GMP exceeds budget) *TD Bank: The College will not incur any expenses if you don't close by May 18th, but the Bank cannot lock an interest rate without certainty of the close date. So, there is no penalty as long as the Bank does not fix a rate, but in order to do this, the Bank must know the close date with certainty.*
- iii. There is no termination fee being charged if we don't close on May 18th? *TD Bank: No, but again, the Bank cannot offer a rate lock until there is certainty to the close date. Please adjust the close date as needed, and we can reprice.*

- iv. Will the bank remove the first fill requirement given the fact that the second building may be more suite styles than first building. *TD Bank: No, this is not something we can remove. Given that this project is prefilled with athletes, this should naturally first fill.*

After discussion regarding the proposal, potential impact of the current economic climate and the need for clarity once we have received guaranteed maximum price for construction from Perry-McCall, ***Julie Hewitt motioned for approval, Erik D'Aquino seconded, and the motion carried unanimously.***

Attorney Ken Artin was directed to contact TD Bank to seek a document for execution by President LoBasso following this approval by the Daytona State College Housing Corporation.

V. Adjournment

Erik D'Aquino motioned for approval, Julie Hewitt seconded, and the motion carried at 11:34 a.m.