

MINUTES OF
LEON COUNTY EDUCATIONAL FACILITIES AUTHORITY

January 19, 2005

The Leon County Educational Facilities Authority met on January 19, 2005 in the Board Room, 6th floor, University Center pursuant to published notice.

Authority Members Present: Bob Kellam, Liz Maryanski and Craig Fletcher, Henry Lewis, Bill Hilaman, Taylor Moore..

Authority Members Absent: Wendy Grey.

Others in Attendance: Calvin Ogburn; Terry Madigan; Ray Allen, Bob Powell and Chris Cayer.

Bob Kellam, Chairman, called the meeting to order at 12:25 p.m.

At the request of the Chairman, the Executive Director reported on the University Courtyard. The property is now 79% occupied as of January 05. Bad debt collection continues to be a major concern as well as the addition of 700 new units which will open in the fall of '05 in the immediate neighborhood. Management has instituted a lease renewal program and is continuing to develop inroads with the Florida A&M Housing Office. It was suggested by Henry Lewis that, at a future meeting, the Authority ask someone from the community who is knowledgeable in student housing to report on the new construction activities in Leon County.

The Executive Director also reported on SouthGate. Currently there are slightly over a 100 applications for leases for Fall of 05 (which is slightly ahead of this time last year). The property experienced a net loss of 12 residents at the change of semesters. This is equal to the amount budgeted. Floor tiles have been replaced in the foyer area, exterior painting has been done in the entrances ways, including the railings, and the bathroom floors in the Lofts have been redone. Carpet has also been replaced in the ballroom. Cash food sales are above budget. Year to date revenue is above budget and expenses are below budget however these trends will flatten out as the year progresses.

It was discussed that the next Authority meeting which is scheduled for April 13 at noon at Heritage Grove will also be the time when the fraternity plaques will be dedicated at the entrance of the property.

The Authority then discussed the application procedure used for potential projects. It was agreed that RBC Dain Rauscher financial advisors Mitch Owens or Candace Mortensen would be contacted when the Authority received another application that merits their type of expertise.

Discussion was held pertaining to the application process and the application form itself. After this discussion, Taylor Moore made a motion that the application fee be increased to \$10,000 per project, seconded by Henry Lewis. It was directed that the

Authority should establish written guidelines as to which potential projects should or should not be considered. All were in favor of the motion. The Chairman requested that Craig Fletcher and Henry Lewis serve as a committee to establish these procedures.

The Chairman then requested that Managing Partner Bob Powell of James Moore and Company present the audit. He reported that the audits for SouthGate, the TownHouses and the Administrative Find are completed and there are no significant findings. His firm has just completed the audit of the construction activity of Heritage Grove and is now doing the operating portion for that entity. He circulated preliminary statements and reviewed them with Authority members. The Auditor requested that the Executive Committee be granted the authority to issued a final approval of the audit and authorize filing of the financial reports. Without objection, this was agreed to by the membership.

The Authority members then discussed scholarship donations. Taylor Moore motioned that \$60,000 be donated in scholarships (\$50,000 from the TownHouses and 10,000 from University Courtyard) at this time. This money is to be split equally between the three institutions of higher learning. It was seconded by Henry Lewis and all were in favor. At the suggestion of Craig Fletcher, it was decided that the scholarship donations would be announced before the Leon County Board of County Commissioners at a future date which is to be set by the Executive Director. Liz Maryanski requested that the Authority reconsider the distribution level inasmuch as Florida State enrollment is so much larger than the other two schools. After considerable discussion, it was agreed that this issue will be reconsidered once Heritage Gove becomes fully operational and begins to create scholarship funds.

Henry Lewis presented a verbal report on the progress of the establishment of a vaccine research facility in Leon County. It was the consensus that the Authority is willing to participate as needed.

The minutes of October 13, 2004 and November 8, 2004 meetings were approved with a motion by Henry Lewis, seconded by Craig Fletcher and all were in favor.

Ray Allen of Coastal Property Management reported that the pool and volleyball court should be completed this week at Heritage Grove. The property is now at the 85% occupied level and the property experienced a 5% increase in rental levels at the semester break.

There being no further business, the meeting was adjourned at 2:00 p.m.

Robert E. Kellam, Chairman

Calvin P. Ogburn, Executive Director