

MINUTES

LEON COUNTY EDUCATIONAL FACILITIES AUTHORITY

February 21, 2012

The Leon County Educational Facilities Authority met Tuesday, February 21, 2012 at 4:00 p.m. at heritage Grove office, Tallahassee, Fl. pursuant to public notice.

Authority Members Present: Billy Hilaman, Lynn Tipton, Craig Fletcher, Bob Kellam; Randy Guemple and BOCC liaison Brian Desloge.

Authority Members Absent: Joe Weil, Liz Maryanski.

Others in Attendance: Calvin Ogburn; Terry Madigan; Ray Allen and Viola Cannon representing Coastal Property Management, Larry Rubin, FSU, Curtis Whigham, VP, Mad Dog Construction Company

The meeting was called to order at 4:02 p.m. by Chairman Hilaman.

The Chairman reported that the Heritage Grove committee, after reviewing the two proposals, had selected Mad Dog Construction to develop Lot 11. After reviewing the proposals and utilizing the evaluation criteria as spelled out in the RFP, the committee awarded Mad Dog Construction 560 points and LLT 531 points. The committee is recommending to the Authority that Mad Dog be selected. Mad Dog VP, Curtis Whigham reviewed the proposed time schedule for the development of this lot. (See Tab E in the Mad Dog proposal).

(4:04 p.m. Randy Guemple arrived)

Coastal Property VP Ray Allen described the proposed sequence of construction indicating that the Club House, including the attached town houses and the western town house segment, would be built first, to be followed by the eastern townhouse.

(4:06 p.m. Brian Desloge, BOCC Representative, arrived)

Craig Fletcher initiated a group discussion as to how this project is to be financed. Curtis Whigham reported that his firm had talked to several lenders, however, had nothing definitive to report at this time. He maintains that the financing of this project is the hardest challenge. Terry Madigan reminded all members that this project must be self-sufficient and be able to be financed on its own. Brian Desloge then requested that the record reflect that any more "ownership" of property by the EFA continues to raise concerns of some of the Board of County Commissioners. Several members of the Authority explained the unique ownership and financing structure that is in place and required at Heritage Grove.

Ray Allen then summarized the lease up activities of the fall of 2012. He said that at least one fraternity has increased its membership greatly and would be a possibility to purchase a residence house within two years. Many questions were asked concerning the potential lease-up and what the options would be if it does not come to fruition. Chairman Hilaman reminded all that we were not solely dependent on fraternities and that we can also rent to FSU students who are independents.

According to Curtis Whigham, the design phase is approximately 30% complete and that the various permitting offices had been advised of this project and he feels that permits will be in place by April 3. Craig Fletcher pointed out that currently this lot is not producing any income and it is, in fact, an expense which leaves the complex in a less enviable financial position. Brian Desloge responded that in his opinion it is not appropriate to have a group of volunteer citizens participating in real estate ventures and urged the Authority to leave it to the private sector to do this type of activity.

Randy Guemple was added to the financing group by the Chairman.

The motion was made by Lynn Tipton to move forward on this development with Mad Dog Construction and to continue to work on the financing, seconded by Randy Guemple. The motion was clarified by Terry Madigan that Mad Dog was selected first and that LLT was selected second and therefore the award is to be made to Mad Dog Construction Company. The motion passed 4-1 with Craig Fletcher voting no.

The Chairman requested that the Authority authorize the Chairman and the Executive Director to execute all documents pertaining to this development. The motion was made by Lynn Tipton, seconded by Bob Kellam. All were in favor.

The meeting was adjourned at 4:38 p.m.

Billy Hilaman, Chairman

Calvin P. Ogburn, Executive Director