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INDUSTRIAL DEVELOPMENT AUTHORITY
ZOOM MEETING

Friday, June 12, 2020
10:00 a.m. - 11:13 a.m.

Stenographically Remotely Reported By:
Karen K. Crawford, CSR, RPR, FPR

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APPEARANCES (REMOTELY):

David Barton, Chairman
Gail Markham, Treasurer
Tom Hoolihan, Secretary
Doug Gyure, Assistant Secretary
Robbie Roepstorff, Assistant Secretary

John Talmage, Lee County EDO
Nancy Collura, Lee County EDO

Sharon Brotherton, ShaBro Office Solutions

Christopher M. Traber, Esquire, Nabors Giblin &
Nickerson, Bond Attorney

James T. Humphrey, Esquire, IDA Counsel
George H. Knott, Esquire, IDA Counsel

Matthew Lux, Cypress Cove
Troy Churchill, Cypress Cove

Grant Ostlund, Ponder & Co.

Lily Dalton, Paralegal

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PROCEEDINGS

MR. HUMPHREY: David, or Margaret, if David can unmute and open the meeting.

MR. BARTON: Can you hear me?

MR. KNOTT: Yes, sir.

MR. BARTON: This is David Barton and I am officially opening the meeting.

MR. KNOTT: Thank you, Chairman Barton. May I be recognized?

MR. BARTON: David Barton.

MR. KNOTT: Thank you, sir.

MR. BARTON: Would the members give their name or answer when I speak. Is Doug Gyure available?

MR. GYURE: Doug is here.

MR. BARTON: Tom Hoolihan?

MR. HOOLIHAN: Tom is here.

MR. BARTON: Gail Markham?

MS. MARKHAM: Here.

MR. BARTON: Robbie Roepstorff? Robbie? I can see you.

MS. ROEPSTORFF: Here.

MR. BARTON: Ed Bolter? Wayne Kirkwood? Is wayne not there yet? Nor Ed.

MR. KNOTT: wayne is not on. And we don't have

1 any record of Ed being on either.

2 MR. HUMPHREY: George, do you have a quorum
3 yet?

4 MR. BARTON: I have got five.

5 MR. KNOTT: Yes, we do have five.

6 MR. BARTON: We have got five.

7 MR. HUMPHREY: Okay. So if I may,
8 Mr. Chairman, I can then proceed with, of course,
9 calling on George to not only recognize the quorum
10 is there, and also the notice. And then, George,
11 maybe can -- we can look at the agenda. From that
12 we can start with the approval of the minutes and
13 then the treasurer report. Actually the Chairman
14 called to order. The guest introductions I think
15 that should probably come first.

16 MR. KNOTT: Before we start, Mr. Humphrey, and
17 may I be recognized, Chairman Barton?

18 MR. HUMPHREY: I can say yes.

19 MR. KNOTT: Thank you. For all in attendance,
20 we have with us today the Florida registered
21 stenographic reporter, Karen Crawford, who is
22 making a record of these proceedings. Consistent
23 with the mandates of the Centers For Disease
24 Control and Prevention regarding social distancing
25 and the Florida Governor's Executive Order 2069, as

1 extended by the Florida Governor's Executive Order
2 20-139, we are proceeding with this meeting in an
3 electronic or telephonic format as is permitted at
4 this period of time in our state's history.

5 This is a meeting format that the members of
6 the Board have experience with now, but I would
7 still like to refresh your collective recollection
8 as to the steps we should take so that we can make
9 an accurate and complete record. Before you speak
10 at this meeting, you need to state your name so
11 that the stenographic reporter can get an accurate
12 record of who is speaking. Any votes that will be
13 taken during this meeting will be taken through
14 roll call voting. Once again before voting you
15 should state your name.

16 This meeting has been published as a regular
17 meeting of the Lee County Industrial Development
18 Authority in the Fort Myers News-Press on June 2nd
19 of 2020.

20 At this time I would turn the meeting back over
21 to Mr. Humphrey.

22 MR. HUMPHREY: Thank you, George. And I think
23 it's probably appropriate now for the bond counsel,
24 Chris Traber, to address the notice that has been
25 filed for the public hearing that's coming up

1 under v.

2 Chris, are you there?

3 MR. TRABER: Yes. Thank you. For the record
4 Chris Traber, Nabors Giblin & Nickerson, I am bond
5 counsel for the IDA. I do have, and I previously
6 supplied to the IDA staff, an Affidavit of
7 Publication from the News-Press for an
8 advertisement that ran last Friday in the newspaper
9 providing notice of the public hearing to be held
10 by the IDA today pursuant to the applicable IRS
11 regulations. And I want to just note for the
12 record that in that advertisement there was a toll
13 free number for the public to participate, and
14 again in compliance with the most recent IRS
15 regulations on the issue of electronic meetings
16 based on the COVID 19 outbreak. So everything is
17 in order, and we are confident that this meets the
18 requirements of the IRS and that the hearing has
19 been duly noted.

20 MR. HUMPHREY: Thank you. Then, if I may,
21 Mr. Chairman, not trying to usurp your authority,
22 but if I can -- if you authorize me to follow the
23 agenda items, because next would be approval of the
24 minutes, unless -- at a public hearing we can
25 introduce the applicant, the ones that are here for

1 that public meeting -- I mean for the public
2 hearing.

3 So approval of the minutes would be next in
4 order. If I could have a motion and second on the
5 approval of the minutes of March the 13th, 2020.
6 If anyone has any questions about it, any authority
7 member that is?

8 MR. GYURE: I make the motion to accept the
9 minutes, Doug Gyure.

10 MR. HUMPHREY: Doug, thank you.

11 And is there a second?

12 MS. MARKHAM: Gail Markham, second.

13 MR. HUMPHREY: Thank you, Gail.

14 Then with that, Gail, just stay on because we
15 move into the treasurer's report. So let me
16 express my appreciation. Thank you for your
17 actions, making sure that the financial statements
18 were appropriate, and up-to-date and all of that
19 because I know you have been working tirelessly on
20 that for the last few days.

21 MS. MARKHAM: First of all, I would recommend
22 that we defer this discussion until after our
23 public hearing which we typically do, we do the
24 treasurer after; are you okay with that?

25 MR. HUMPHREY: Yes.

1 MR. BARTON: I agree with that. That's the way
2 we always do it, yes.

3 MR. HUMPHREY: Then we will go to old business.
4 The status report from the May 29, 2020 web-ex
5 meeting. And I think, George, you were going to
6 review that.

7 MR. KNOTT: I believe the suggestion has been
8 to defer that until after the bond matter.

9 MR. HUMPHREY: Okay. All right. Then why
10 don't we move into the public hearing even before
11 the audit proposal.

12 Let me ask is a representative of Ashley, Brown
13 & Company part of the telephone conference? Okay.
14 Seeing none, the treasurer will be able to I'm sure
15 address that matter.

16 So let's hold the public hearing and consider
17 adoption of the inducement resolution relating to
18 Cypress Cove at HealthPark Florida, Inc. This
19 project -- and for the record I have reviewed the
20 inducement resolution and the agreement and can
21 approve same as to legal sufficiency and form.
22 But, of course, I would like for our bond counsel,
23 the IDA's bond counsel, to review the application
24 and introduce the members from -- the
25 representatives from the applicant.

1 Chris, if I could turn the matter over to you
2 now.

3 MR. TRABER: Thank you. Again for the record
4 Chris Traber, Nabors Giblin & Nickerson, bond
5 counsel for the IDA.

6 I guess first I would like to introduce the
7 other members of the working group that are on the
8 phone with us today. One of them -- Matthew Lux,
9 first, is the Chief Financial Officer for Cypress
10 Cove he is on. Their financial advisor from Ponder
11 & Co., Grant Ostlund, is on the phone here. I
12 don't think any other team members have phoned in,
13 but if they have, I would ask them to speak up.

14 I guess first before we get into the
15 nitty-gritty of the resolution I would just like to
16 ask Matt to maybe share a few minutes of just
17 getting an update on where Cypress Cove is, what
18 they plan to do, and just kind of a little
19 background. You know, the Authority has -- I think
20 this is either their fifth or sixth bond issue for
21 Cypress Cove going back to the mid 90s. I think
22 the last time they came before the IDA was in 2014.

23 Matthew, if you can kind of give them a little
24 update on what Cypress Cove is and probably
25 especially perhaps what's going on right now with

1 COVID 19; I know that is always a question from
2 authorities that are issuing bonds for senior care.
3 I will turn it over to Matt.

4 MR. LUX: Thank you, Chris. And thank you to
5 the Authority for letting us participate in this
6 meeting today. Again my name is Matt Lux. I am
7 actually the Chief Financial Officer for Cypress
8 Living. We are the management company for Cypress
9 Cove. But I am an authorized representative on
10 behalf of Cypress Cove for financial and strategic
11 purposes.

12 So just to give you a quick update. On COVID,
13 let me start with COVID. We have been fairly lucky
14 I would say. We early on adopted a very strict
15 lockdown of the campus. We do have a screening
16 checkpoint out front currently, albeit we have
17 started to lift restrictions, along with the
18 Governor's guidance there recently early in June to
19 let independent living residents start to move
20 about freely. But the health center is still
21 locked down. We are not allowing any external
22 visitors at this time, until such notice is
23 approved by state and local officials.

24 So our cash burn has not been significant in
25 that regard. We do have some additional expenses

1 related to the security checkpoint. A tent is out
2 front. We do have some additional staffing needs
3 for that in terms of contracted employees helping
4 us with the screening, checking temperatures,
5 asking the relevant questions that I suspect most
6 other organizations are asking as well. So really
7 only authorized personnel and vendors are allowed
8 on the campus at this point.

9 On a year to date basis what you have in front
10 of you is the audited financial -- I'll just give
11 you an idea for our last report, monthly report,
12 ending April. Cypress Cove is doing well. We have
13 not had a significant cash downturn. In fact, we
14 have had an uptake I suspect related to the
15 investment portfolio that has really started to
16 return. At the end of March we were down about
17 14.5 percent on those investments. As of May 31st
18 down about five percent. So we are moving in
19 tandem with the general market conditions.

20 And as well as we are accepting new independent
21 living residents. Interestingly enough some folks
22 have elected to seek the security of Cypress Cove
23 and have moved in during the last couple of months.

24 So from an operational standpoint we are pretty
25 much I would say, you know, static. No real

1 downturn and no real uptake. So I'm happy to
2 report that.

3 MR. TRABER: Matt, what's your -- how many
4 independent living units, assisted living, memory
5 care, what is your current units?

6 MR. LUX: We have 377 independent living units.
7 374 of those are actually available for use by
8 residents. We do have some operational use of
9 three others. We do have 44 assisted living beds,
10 44 memory care beds and 64 beds in the skilled
11 nursing facility. So our current occupancy as of
12 April 30th, and they are pretty static here, but
13 independent living is right around 89 percent, and
14 that has been even preCOVID, so we have sustained
15 that. Assisted living is about 92 percent as well
16 as memory care. And the skilled nursing is about
17 87 percent.

18 MR. TRABER: And then the refinancing, you
19 know, the application we are going to be taking
20 out, the Authority 2012 bonds, 2014 bonds as well
21 as the 2017 note that you all used for some
22 construction, I guess the overall goal is
23 restructuring of your debt and savings. So can you
24 give us an idea what this will do, the benefit to
25 the community and the residents?

1 MR. LUX: Sure. So as you might suspect, as
2 Chris mentioned earlier, we have had several bond
3 issues over the years for various reasons. This
4 opportunity really came about or started the
5 discussions last summer to see what that might look
6 like if we were to refinance this existing debt.
7 And because of the current tax structure we are not
8 able to do that solely with tax exempt reissuance
9 of bonds. So we start looking at the bank
10 structure standpoint. Received Board approval for
11 that early in this year, 2020, and have been moving
12 forward. So the thought here is to reduce our
13 overall debt service, even while borrowing about
14 the \$10 million additional amount of debt. To
15 reroof Cypress Cove we think that is about a \$7
16 million project, and then about another 3 million
17 of other capital expenditures. So really working
18 into a debt capital stack that makes sense, and
19 because of the reduced interest rates actually
20 saving Cypress Cove some debt service cash flow in
21 the process.

22 So the Board thinks it's a win/win. Management
23 thinks it's a win/win. And we would like to
24 proceed, if approved.

25 MR. TRABER: And as Matt mentioned, this is

1 going to be a direct placement with two or more
2 banks. So it is not going to be a publicly offered
3 bond in the bond market right now. The bond market
4 for senior care is still a little bit unstable. So
5 they are proceeding with banks with direct
6 placement. The overall schedule is to -- if the
7 Board would like to proceed with this, is to
8 consider the inducement resolution today. If that
9 is adopted, get the county approval hopefully
10 sometime over the next four or five weeks, and then
11 come back in August at the IDA's August meeting
12 with a full suite of documents and a full plan of
13 finance for you all to review and again consider
14 approval at that point. It is going to take about
15 a month and a half, two months to get everything
16 together dealing with multiple banks and putting
17 the structure together.

18 I do want to note for the record that this is
19 going to be a plan of finance that is going to
20 stretch over two years, because we are going to put
21 in place some tax exempt portions to the extent we
22 can in August, but IRS rules prevent us from
23 putting one hundred percent tax exempt in place.
24 So we are going to have to put some taxable debt in
25 place that is going to convert to tax exempt in

1 2022, when the IRS will let them convert. So again
2 all of those details will come forth in August in a
3 much more, you know, streamlined manner. But I
4 just want to put that on the record that those
5 details will be worked out over the next month and
6 a half or two months, and we will back in August,
7 if you decide to proceed with the full approval.

8 This resolution again is the first of those
9 three steps with the county and then also the final
10 approval. It's very similar to the resolutions
11 that have been before the Board in the past.
12 Attached to the resolution is the affidavit I
13 mentioned earlier in the meeting. And also more
14 importantly is the Memorandum of Agreement between
15 Cypress Cove and the IDA that essentially states
16 that this is not the final approval, that there are
17 a number of guidelines that are going to be met
18 before you consider your final approval in August.
19 And if the project is estopped, the IDA, its
20 counsel, professionals, are all going to be
21 reimbursed for the costs that are incurred between
22 now and then. So that Memorandum of Agreement
23 again would be signed by the IDA and Cypress Cove
24 after they decide to proceed.

25 At this point, I guess, I would like to open it

1 up to the Board members, if you have any questions
2 for me, or the members of the working group that
3 are with us today.

4 MR. HUMPHREY: If I can interject, Chris,
5 thanks for that presentation. And I believe it's
6 appropriate to make the -- for the record -- file
7 with the record the May 27th correspondence from
8 Matthew Lux, the CFO, that was part of the
9 application. So it should be part of the
10 transcript too, I guess. Any objections to that?
11 Then we'll make it part of the record.

12 So now I think you went to the -- Authority
13 members, is there any questions by the members of
14 the Authority?

15 MR. HOOLIHAN: Yes, Tom Hoolihan. What would
16 be the fee that would be generated for the IDA?

17 MR. HUMPHREY: Well, do you have it, Chris? I
18 reviewed this. Tom, what it would be based on is,
19 like I said, the IDA fee is .25 for the refunding
20 and then one half of one percent for what we call
21 the new money. And right now the actual resolution
22 approves not to exceed 112 million, so it will not
23 be any more. But from the documents I have
24 reviewed it looks like, and Chris you can correct
25 me, but it looks like there is about 110 or maybe

1 108 million that they are looking at obtaining.

2 Chris, could you answer that or address that
3 any further?

4 MR. TRABER: Sure. I guess the rough
5 calculation is it is probably, you know, in excess
6 of \$250,000, 260, depending on where they end up,
7 at 25 basis points on a hundred million. Again 112
8 is not the C amount. We are obviously hoping to
9 come in less than that. It is in excess of 250,
10 280 depending on the exact calculation.

11 MR. HUMPHREY: Any other questions?

12 MS. MARKHAM: Mr. Humphrey, do you need a
13 motion now?

14 MR. HUMPHREY: Yes, we do. There is an
15 inducement resolution that I believe that -- plus
16 the agreement that is attached to it.

17 Before I ask you to act on the resolution,
18 let's see if there is any member of the public,
19 since this is the public hearing. Is there any
20 member of the public that has under the procedure
21 connected into this teleconference and have any
22 questions or comments pertaining to the public
23 hearing relating to Cypress Cove at HealthPark,
24 Florida, Inc., the project?

25 MR. BARTON: Hearing none.

1 MR. HUMPHREY: Yes, Mr. Chairman, I do not hear
2 anything, so I think it would be appropriate to go
3 back to the Authority.

4 And, Gail, as the finance treasurer if you
5 might want to first propose the resolution that's
6 being requested. As I said earlier, I have
7 approved it as to form and legal sufficiency.

8 I will say for the Chairman, Mr. Chairman,
9 earlier before the meeting Chris and myself, along
10 with Robbie, discussed the preapplication for the
11 business loan document, and they are making those
12 corrections that pertain to the fact that what is
13 important this is a not for profit entity. And
14 while it's favorable that they have net revenues of
15 2 million or less, but the way they address it
16 actually from the application it's net profit, and
17 it's not net profit, it's revenues in excess of the
18 expenses.

19 So with that, Gail, if you would like to move
20 with the inducement resolution.

21 And, Chris, should I read the title of it for
22 the record?

23 MR. BARTON: I think so. I think it would be a
24 good idea.

25 MR. HUMPHREY: This Inducement Resolution of

1 the Lee County Industrial Development Authority
2 relative to the proposed issuance of healthcare
3 facilities refunding revenue bonds for the
4 principal amount of refunding certain outstanding
5 obligations of the Authority and the borrowing and
6 financing or providing for reimbursement of certain
7 capital improvement costs incurred or to be
8 incurred by the borrower through its existence, the
9 senior care facilities and then providing for the
10 preliminary approval by the Authority for the
11 issuance of not exceeding 112 million of such bonds
12 in any one or more series of taxable and tax exempt
13 bonds providing for certain related matters in
14 connection therewith, an effective date. And
15 attached to that resolution is a Memorandum of
16 Agreement for issuance of the private activity
17 revenue bond.

18 As Chris explained, this is a private activity
19 bond request, and I think he said three financial
20 institutions are looking at it.

21 I am ready for any questions for me as
22 Authority counsel, if you have any?

23 MS. MARKHAM: I would like to make the motion
24 that we accept the resolution as stated by
25 Mr. Humphrey.

1 MR. GYURE: I will second it, Doug Gyure.

2 MR. BARTON: Thank you, Doug.

3 Are there any further questions or comments
4 from the members? In that case I put it to the
5 vote. All those in favor --

6 MR. HUMPHREY: Let me interrupt you,
7 Mr. Chairman.

8 And by the way, this is the adoption of the
9 Inducement Resolution, but what we need is for the
10 Authority member to first identify themselves and
11 then vote for the motion to approve it.

12 MR. BARTON: I would like to then call the name
13 of the members that I have present.

14 Doug Gyure.

15 MR. GYURE: Doug Gyure I am positive for it.

16 MR. BARTON: Tom Hoolihan.

17 MR. HOOLIHAN: Yeah, Tom Hoolihan. Yes.

18 MR. BARTON: Thank you.

19 Gail Markham obviously.

20 MS. MARKHAM: Gail Markham, yes.

21 MR. BARTON: Robbie Roepstorff.

22 MS. ROEPSTORFF: Robbie Roepstorff, yes.

23 MR. BARTON: Thank you.

24 Ed Bolter. Is Ed here?

25 wayne Kirkwood. It sounds like they are not

1 with us.

2 You have my vote, David Barton.

3 Is that in order, Mr. Humphrey?

4 MR. HUMPHREY: Yes. I guess just to identify
5 or say publicly that with a quorum present the vote
6 adopting the resolution is unanimous.

7 And, Chris, is there any additional matters
8 before I close the public hearing?

9 MR. TRABER: Not on this issue. I do have
10 another issue to bring up with the Board, but we
11 can wait further down on the agenda.

12 MR. HUMPHREY: All right. Well, then let me
13 say again is there any member of the public that
14 has connected in to this meeting through the
15 teleconference procedure, which is -- what is it,
16 Chris, the criteria that is no charge to the
17 members of the public.

18 MR. TRABER: Toll free line.

19 MR. HUMPHREY: Toll free line. So with that
20 then I'll close the public hearing and we'll move
21 then to Gail -- or Mr. Chairman?

22 MR. BARTON: Yes?

23 MR. HUMPHREY: We completed the public hearing
24 and adoptions of the resolution. Do you want to
25 stay with V and go to the audit proposal, Gail, or

1 go back up to the treasurer's report?

2 MR. KNOTT: Mr. Humphrey, a point of order,
3 please. We are continuing in a public forum with
4 respect to the balance of the agenda of the regular
5 meeting of the IDA; correct?

6 MR. HUMPHREY: Correct. Thank you, George.
7 Yes. The public hearing was closed.

8 MR. BARTON: Public hearing -- the point you
9 were making was we want to finish off clause V New
10 Business or do we want to go back to III and do the
11 treasurer's report. I would suggest we go back to
12 III and deal with the treasurer's report, if that's
13 in order, Mr. Humphrey, in your opinion.

14 MR. HUMPHREY: Yes, I had given the treasurer
15 the option of -- if they wanted to move on the
16 audit proposal from Ashley, Brown before we go to
17 number III, the treasurer's report.

18 MR. BURTON: Do you prefer to do that?

19 MR. HUMPHREY: Gail, would you --

20 MR. BARTON: What's Gail's attitude?

21 MS. MARKHAM: It does not matter to me.

22 MR. HUMPHREY: well, then we should probably go
23 ahead and stay under V, audit proposal from Ashley,
24 Brown. It has been mailed to the Authority
25 members. I again look to our treasurer to see if

1 there are any comments about it or a
2 recommendation.

3 MS. MARKHAM: We have been employing Ashley,
4 Brown & Company for several years to do our audit.
5 They have done a commendable job. And my
6 recommendation is we stick with them.

7 MS. ROEPSTORFF: I will second that motion, if
8 that's a motion.

9 MS. MARKHAM: It's a motion.

10 MS. ROEPSTORFF: It's Robbie Roepstorff.

11 MR. BARTON: I agree, Robbie. Any comment or
12 remarks from the membership?

13 MR. GYURE: Doug Gyure. I just want to
14 question what was the fee last year?

15 MS. MARKHAM: Pretty similar. This is Gail.
16 Pretty similar. The proposal this year is
17 fifty-four seventy-five; it was right around the
18 same ballpark.

19 MR. GYURE: Okay. Very good. Thank you.

20 MR. BARTON: Any other questions?

21 MR. HUMPHREY: Do you need to call the --

22 MR. BARTON: Doug Gyure.

23 MR. GYURE: Yes. Doug Gyure, yes.

24 MR. BARTON: Tom Hoolihan.

25 MR. HOOLIHAN: Tom Hoolihan, yes.

1 MR. BARTON: I think that's -- I vote to go
2 ahead. I think that's everybody. Do we have
3 everyone in favor?

4 MR. KNOTT: Mr. Chairman, you need to request
5 the vote of Ms. Roepstorff and Miss Markham.

6 MR. BARTON: Sorry.

7 MS. MARKHAM: Gail Markham, yes.

8 MS. ROEPSTORFF: Robbie Roepstorff, yes.

9 MR. BARTON: Thank you, Robbie.

10 Then to continue. Thank you very much, ladies
11 and gentlemen. Sorry, Jim, you can speak.

12 MR. HUMPHREY: That's all right. I was just
13 saying now, Mr. Chairman, we can go back to the
14 agenda and III treasurer's report.

15 MS. MARKHAM: Okay.

16 MR. BARTON: We are back to Gail.

17 MS. MARKHAM: This is Gail Markham. And I
18 would like to address the May 31 financial reports
19 that were emailed to you earlier this week.

20 I believe Sharon is on the call too. Thank
21 you, Sharon, for being available for us. And I
22 want to thank Sharon overall because she is a
23 wonderful partner of ours in doing our accounting,
24 and she is very flexible and works very hard for
25 us, and I want to thank you, Sharon, for doing

1 that.

2 MS. BROTHERTON: Thank you. I'm glad to be
3 here.

4 MS. MARKHAM: Good. Thank you.

5 I would like to draw your attention to the
6 Statement of Financial Position Summary in your
7 packet. It is showing that we have bank cash --
8 bank accounts and petty cash of about \$463,000. In
9 addition to that we have investment accounts of
10 about two million. That is mostly CDs; it is not
11 all CDs. And our funds available are about \$2.4
12 million of which about 1.2 million are committed to
13 various funds and budget-type directives such as
14 the administration budget and for -- that's for
15 Gilman, and the Horizon Foundation and other causes
16 that we have committed to, which have mostly been
17 undefined at this point in time. So our net
18 available funds are about 50 percent of our total
19 funds available of about -- so that's about \$1.2
20 million.

21 As to our accounts payable, there are attorney
22 fees; we are going to go over those in a few
23 minutes. Our statements of activity are -- we have
24 about \$21,000 in revenues for the period October
25 2019 to May 2020 of which most is interest. We

1 have a small bond application fee of 1500; the rest
2 is interest.

3 Our funds expended to date are about \$74,000.
4 So we have depleted our cash about \$53,000 year to
5 date.

6 That's pretty much it for the financial
7 summary. It's pretty clean and simple at this
8 point in time, not a lot of activity going on.

9 I would like to have Mr. Humphrey go over his
10 legal fees that he's asking for approval to be
11 paid. So I would like you to do that,
12 Mr. Humphrey.

13 MR. HUMPHREY: Yes. I am off mute. Thank you,
14 Gail.

15 Yes, to the Authority members the -- I believe
16 the invoice was attached to your report, but I can
17 cover it anyway. This was a result of discussions
18 that pertain to our fee and the fact that much of
19 our time and effort was expending associated with
20 the coronavirus and the -- what is the word I am
21 looking for -- the 19, the COVID-19.

22 And so in discussing it with the treasurer what
23 George and I agreed to do is the same that we are
24 doing for the public health because of the added
25 efforts by our firm and particularly originally --

1 the original approval by the state for us to
2 conduct our meetings through the Zoom. And so with
3 that what we still decided to do was to grant a
4 discount of 20 percent off of our billings for the
5 month of May.

6 And, George, I will probably ask you to talk
7 about this. I think it stops when the Governor --
8 the discount ceases when the Governor removes it
9 from being an emergency situation, emergency health
10 situation.

11 I would submit to you the fees in the invoices
12 with \$5,525.10 for one and the second was
13 \$4,384.56. So I respectfully request that the
14 Authority approve the payment of these two
15 invoices.

16 Let me ask George. Do you have anything to
17 add, George?

18 MR. KNOTT: No, sir.

19 MR. HUMPHREY: So I will turn it back to you,
20 Mr. Chairman, in request for approval of those
21 invoices.

22 MR. BARTON: Do I have someone to put forward a
23 motion for approval?

24 MR. GYURE: Doug Gyure. I make the motion to
25 move forward with paying the invoices for our

1 attorneys.

2 MR. BARTON: Is there a second?

3 MR. HOOLIHAN: Tom Hoolihan. I will make the
4 second.

5 MR. BARTON: Thank you. Is there any further
6 discussion?

7 I put the question to Doug Gyure.

8 MR. GYURE: Yes, Doug Gyure.

9 MR. BARTON: Gail Markham.

10 MS. MARKHAM: Yes.

11 MR. BARTON: Robbie Roepstorff.

12 MS. ROEPSTORFF: Yes.

13 MR. BARTON: Tom Hoolihan.

14 MR. HOOLIHAN: Tom Hoolihan, yes.

15 MR. BARTON: Thank you. Ed Bolter not here nor
16 Wayne.

17 Thank you, ladies and gentlemen.

18 MS. ROEPSTORFF: May I just ask a question,
19 Chairman?

20 MR. BARTON: Yes.

21 MS. ROEPSTORFF: We have two very good
22 attorneys. And you get what you pay for, and so I
23 am not disputing their hourly fees. But I guess my
24 question to our counsel is how long are we going to
25 need to continue to operate with two attorneys?

1 MR. HUMPHREY: well, like you say, during this
2 time we will operate principally with two
3 attorneys. what we will do and what I have
4 historically explained to the Authority is that we
5 will continue frankly with both the lead partner,
6 George Knott, and then myself as counsel for the
7 IDA. However, if both of us have to be at the
8 meetings or if there is duplication, in other
9 words, something that I had always said in the past
10 that I will visit and attempt not to have it
11 because of the added cost to the Authority. So
12 what we will do, and just like the ones that we
13 looked at, we don't mind any discussions or
14 questions about it, Robbie, but it is my intent,
15 and I think George has agreed, that as we move
16 forward I'd like to shift more of the research -- I
17 will be attending the meetings. But all of the
18 work, like what he has done with this telephonic
19 process so -- but we will give our times. And, you
20 know, doing this emergency period George's bill is
21 separate than mine. what I did is I revisited mine
22 because of the fact that there was some
23 duplication, and there was some error in who we
24 sent it to, so we needed to amend that. But I hope
25 that answers your question.

1 MS. ROEPSTORFF: Yes, sir. I was just trying
2 to be fiscally prudent here, because I don't think
3 we have ever had two attorneys to the level of both
4 of your caliber. I mean you are both -- I will
5 just get down to the bottom line because it's not
6 my money, and I just feel like I have to look out
7 and ask the questions, you know. It's top dollar
8 for all of work in all areas, where I know in the
9 past, Jim, you have used more junior, newer
10 attorneys, I guess, is what I am saying. So trust
11 me I value the knowledge and skillset of both of
12 you, but just for the record of being fiscally
13 prudent wanted to ask the question is all.

14 MR. HUMPHREY: I appreciate the question,
15 Robbie. But I also need to make for the record and
16 something I'm proud of, and George has also agreed
17 that our fee per hour is discounted significantly,
18 like the ones here are \$225 an hour. Where you
19 know George and even myself over 26 years, and the
20 history, and the capabilities we believe we have,
21 and the positive things we are doing for our public
22 clients is that we frankly know that that's the
23 most -- that's frankly a reasonable fee, hourly
24 fee, to charge.

25 But even with that I still want to look and

1 make sure you're not being charge the \$500 an hour
2 both of us together on it. I'm glad that allowed
3 me to tell you. I think I have not said it for a
4 good while, but --

5 And you have been a banker and a mother of a
6 lawyer, you probably understand 225 an hour.

7 MS. ROEPSTORFF: Well, no. Knock on wood here
8 and hope all of this conversation is not jinxing
9 me, I have haven't had to use the use of attorneys
10 for a while, so I don't know the fee of attorneys
11 out there. And my son obviously is not at the
12 level of where you two are, so I don't know that he
13 would be demanding that hourly fee that you all
14 probably can.

15 Just being fiscally prudent and having two
16 bills, I just felt the need to ask.

17 MR. HUMPHREY: Again I appreciate you asking.
18 And let me ask George. Do you have anything,
19 George, to add to that?

20 MR. KNOTT: The only thing that I would add is
21 to assure the Authority that there will not be
22 duplication of billing between Jim and myself. I
23 think, as he stated, if both of us are attending
24 this hearing, this particular meeting, only one of
25 us would be billing our time. We do bill at a

1 discounted rate for public entities by design. And
2 we will be affording those discounts so that the
3 Industrial Development Authority can get the full
4 benefit of the same.

5 MS. ROEPSTORFF: Thank you.

6 MR. BARTON: Thank you very much.

7 Any other comments?

8 MS. MARKHAM: This is Gail. Do we need the
9 financial statements approved?

10 MR. KNOTT: Yes.

11 MR. BARTON: Is there a motion to approve?

12 MS. ROEPSTORFF: So move. This is Robbie
13 Roepstorff. So move.

14 MR. BARTON: Is there a second?

15 MR. GYURE: Doug Gyure, I second.

16 MR. BARTON: Thank you, Doug.

17 All in favor. I am calling the names. Tom
18 Hoolihan.

19 MR. HOOLIHAN: Tom Hoolihan, yes.

20 MR. BARTON: Gail Markham.

21 MS. MARKHAM: Gail Markham, yes.

22 MR. BARTON: Robbie Roepstorff.

23 MS. ROEPSTORFF: Robbie Roepstorff, yes.

24 MR. BARTON: And David Barton is yes.

25 So the matter is approved. Thank you very

1 much, ladies and gentlemen.

2 I would suggest we go to item IV which is old
3 business, which is May 29th and it's Jim Humphrey.

4 MR. HUMPHREY: Yes. This is Jim Humphrey and I
5 defer to George Knott. But first, I think what we
6 may want to do is have a further report. But,
7 George, the status of the May 29th meeting, which
8 also was a webex meeting, I think you and maybe --
9 I know Sharon is here.

10 MR. KNOTT: Sarah Owen is not present.

11 MR. HUMPHREY: Who?

12 MR. KNOTT: Sarah Owen is not present.

13 MR. HUMPHREY: Is she present?

14 MR. KNOTT: No, she is not.

15 MR. HUMPHREY: Can you do it for us?

16 MR. KNOTT: Sure. I will be happy to try to
17 give an overview. If the Board remembers, there
18 were three grant recipients that we had considered.
19 One was the Lee County Medical Society Foundation,
20 Inc., which has submitted an application, has
21 submitted all of the supporting documentations ,and
22 is in compliance with the Board's -- the
23 Authority's resolution ,and that grant has been
24 funded to the Lee County Medical Society Foundation
25 for the personal protective equipment.

1 It's my understanding that your grant
2 administrator, Sharon Owen, is monitoring that
3 grant, and will be administering it and obtaining
4 all of the required reports from the Lee County
5 Medical Foundation, Inc.

6 The second grant that we had made -- considered
7 making was to the -- was to -- if you will
8 remember, we had originally contemplated making a
9 grant to Front-Line Foods. We had determined in
10 our due diligence that Front-Line Foods was not a
11 tax exempt organization. The board had then --
12 excuse me, the Authority had then made the decision
13 to issue that grant to Lee County -- excuse me, the
14 Lee Health Foundation with the proviso that they
15 work collaboratively with Front-Line Foods and
16 LeeSar in seeing that the monies were expended for
17 the COVID unit medical professionals who are
18 working in closed medical units to address people
19 with the COVID virus.

20 I know that Sharon -- and I wish Sharon was
21 here to provide you with additional detail. But
22 what I understand from Sharon is that the Lee
23 County -- excuse me, the Lee Health Foundation had
24 expressed concern about sending any grant monies
25 they might receive to Washington D.C. for the

1 Front-Line foods to in turn fund the money back to
2 the local Front-Line Foods organization. And so
3 that's kind of a report as to the status of where
4 we're at.

5 To date we have not received a grant
6 application from the Lee County -- excuse me, the
7 Lee Health Foundation. And I know that Sharon was
8 working through that issue. So I believe that's a
9 matter that should be tabled for future -- for
10 future consideration if and when an appropriate
11 grant application is made.

12 Most recently, in fact, yesterday we received a
13 grant application from Lee -- from the Cape
14 Spirits, Inc. recipient, which is, if you will
15 remember, originally -- the original resolution was
16 that the grant would be made to Wicked Dolphin
17 Distillery, which we discovered through the due
18 diligence process was a brand name utilized by Cape
19 Spirits, Inc. We have revised the resolution.
20 That revised resolution has not been formally
21 entered by the Board because we wanted to bring
22 back the Lee Health Foundation Front-Line Foods
23 issue to you, but they are not tied together. And
24 Cape Spirits, Inc. has submitted an application.

25 I have reviewed the application. There are

1 attachments to the application which was received
2 yesterday that we have not received that remain
3 outstanding that need to be submitted for the
4 application process to be completed. So at this
5 point in time that needs to be accomplished as
6 well.

7 So I do not believe there is anything that
8 needs Authority action, except for potentially
9 addressing the Lee Health Foundation/Front-Line
10 Foods issue, which frankly I do not have sufficient
11 personal knowledge of that I believe the Board
12 should defer that until such time as the grant
13 administrator, Sharon Owen, can give you a more
14 robust briefing on what's occurring in that regard.

15 Thank you.

16 MR. BARTON: Thank you very much, George.

17 Thank you.

18 Any questions from anybody? In which case I am
19 going to suggest we go to item VI, which is the
20 report -- yes Chris.

21 MR. TRABER: I just wanted, with your
22 permission, to add one more thing to old business.

23 MR. BARTON: Yes.

24 MR. HUMPHREY: Before that, Mr. Chairman, this
25 is Jim Humphrey, I think we need a correction or

1 either I misunderstood, it's Sarah Owen, the name.

2 MR. KNOTT: You are absolutely correct,
3 Mr. Humphrey, and I apologize to Sarah for
4 misstating her name.

5 MR. HUMPHREY: I do that enough myself.

6 But now, Mr. Chairman, I believe Chris Traber,
7 the bond counsel, desires to cover another matter
8 with you, the Authority.

9 MR. BARTON: Yes, Chris.

10 MR. TRABER: Sorry, to add an item that wasn't
11 on the agenda, but this is a real brief update. If
12 you recall, the Authority in December had the bond
13 issue for Bonita Springs Utility. The bond issue
14 was a forward delivery as we call it. And
15 basically what that means is we did everything we
16 need to do to issue the bond back then. The
17 forward delivery it wouldn't be issued until August
18 of this year, again based on some IRS restriction.

19 So we did a lot of work. The IDA did a lot of
20 work back then. But no one received any fees or
21 got paid. At the end of July we will be
22 circulating closing documents for that transaction
23 and it is scheduled to close August 6th. So I just
24 want to kind of put that on you all's radar there
25 is another transaction out there that will be

1 closing, and that fee is \$93,000. So that will be
2 coming in as well.

3 MR. BURTON: Thank you. Any questions? Thank
4 you, Chris.

5 MS. ROEPSTORFF: What was that for, Chris?

6 MR. TRABER: That was for the bond issue in
7 December that the IDA approved for the Bonita
8 Springs Utility; it was a refunding. So we did
9 everything we needed to do. All of the approvals
10 are done. The bank basically agreed to issue -- or
11 take the bond in August, but it was what we call a
12 forward delivery. Everything is done up front, but
13 you don't actually close the deal until you can for
14 IRS purposes.

15 MS. ROEPSTORFF: Thank you.

16 MR. BARTON: Does that include -- cover
17 everything Mr. Humphrey, Jim?

18 MR. HUMPHREY: Mr. Chairman, I don't know if
19 you need approval. I don't think so of the --
20 Chris's update. I think it was no more than
21 information to give you about the closing of that
22 Bonita Springs Utilities that will occur now on
23 August 6th.

24 But I think there was something, George, --
25 after giving your report is there something that

1 you need action on?

2 MR. KNOTT: Yes, sir. Just as a point of
3 order, I don't believe there was -- there was a
4 motion and a second with respect to the approval of
5 the March 13, 2020 meeting minutes, but I don't
6 believe there was a vote.

7 MR. HUMPHREY: Okay. Mr. Chairman, would you
8 want to call the roll on the motion?

9 MR. BARTON: How would you wish the motion to
10 be worded?

11 MR. KNOTT: I believe there is a motion that's
12 pending that has been seconded. It's just a motion
13 to approve the March 13, 2020 minutes.

14 MR. BARTON: I see. Okay.

15 MR. KNOTT: It just wasn't voted on.

16 MR. BARTON: Can I call for the vote? Doug
17 Gyure.

18 MR. GYURE: Doug Gyure, yes.

19 MR. BARTON: Tom Hoolihan.

20 MR. HOOLIHAN: Tom Hoolihan, yes.

21 MR. BARTON: Gail Markham.

22 MS. MARKHAM: Gail Markham, yes.

23 MR. BARTON: Robbie Roepstorff.

24 MS. ROEPSTORFF: Robbie Roepstorff, yes.

25 MR. BARTON: David Barton, yes. Thank you.

1 Does that cover that, ladies and gentlemen?

2 MR. KNOTT: Yes, sir.

3 MR. HUMPHREY: I believe it covers all of it,
4 Mr. Chairman. It complete the whole business with
5 that action and then the new business.

6 The next is number VI the report from the IDA
7 representative to the Horizon Council. I don't
8 know if there's any representative.

9 MS. ROEPSTORFF: Yes, that's me. That's
10 Robbie.

11 MR. HUMPHREY: Go ahead, Robbie.

12 MS. ROEPSTORFF: If I may. So to bring the IDA
13 current, being the representative sitting on the
14 Horizon Foundation Board and the Executive
15 Committee, there was a meeting of the foundation
16 board on June 5th. And at that meeting I had given
17 you preliminary discussion of what was going on at
18 our prior IDA meeting, if you looked in the
19 minutes. And then at this June 5th meeting the
20 bylaws -- the proposed updates to the bylaws, their
21 committee met, they made presentations, and the
22 revisions to the bylaws were approved.

23 MR. BARTON: There are funny noises.

24 MS. ROEPSTORFF: I think you will be seeing
25 some changes from the Horizon Foundation. It will

1 kind of be more independent from the Horizon
2 Council, as we had discussed.

3 Is that correct, Gail? I don't want to take
4 away any of John's thunder and get into what he is
5 going to say, you know, just reporting out from the
6 EDO office. But the Blue Chip -- the industry
7 appreciation of -- that the Horizon Foundation
8 always usually has on an annual basis is still on.
9 They are going to have it October 16th, if you want
10 to go ahead and tickle your calendars or save the
11 date for October 16.

12 And they have given John Talmage some
13 reassurances, I guess the Mayor has, that the
14 Caloosa Sound, formerly known as Harborside, will
15 be ready and it will host, and that's where the
16 event will be held. I think we are all excited and
17 looking forward to that. And I am sure John will
18 probably expand next in his report.

19 And then I'll let John -- he also made an
20 announcement -- there was an announcement made
21 about the Edison Awards update of which he has kind
22 of shepherded that, so I will let John -- I will
23 defer to John since he is present with us today; he
24 can give you more details on that.

25 So I think -- and then the Foundation Fund

1 Raising Report is just amazing the job that Gilman
2 is doing. He reported out that he had in excess of
3 360,000 of a 425,000 budget. Some have pulled
4 back, some have come on, and he anticipates those
5 that have pulled back, if we get the state of
6 Florida and Southwest Florida up and running again,
7 and get, you know, get business going, he feels
8 those that pulled back will come back on, and so he
9 is still very optimistic as to meeting the goal.

10 So that is about it. I will see if you have
11 any questions that I can answer.

12 MR. BARTON: I lost some of the sound, ladies
13 and gentlemen at the beginning.

14 If anybody wants -- if any of the members wish
15 to ask any questions or comment, please feel free
16 to do so.

17 It looks as if we're in the clear, Robbie.
18 Thank you very much.

19 MS. ROEPSTORFF: Yes, sir.

20 MR. BARTON: In which case I would like to go
21 to -- item VII Economic Development Office
22 Comments.

23 MR. TALMAGE: Good morning, everybody. It is
24 exciting to have Cypress Cove back with us, so
25 thank you for all of that work.

1 To expand on what Robbie said, yes, we are very
2 excited about the foundation bylaw changes, it
3 establishes an independent foundation, and allows
4 us to begin to think about the next step
5 programmatically and from an investor's
6 perspective.

7 We are the chosen site for the Edison Awards.
8 We are working with Mayor Henderson, and the
9 Foundation, Dan and Chris, on what we need to do
10 from a financial perspective to make sure they do
11 come here. They are in advanced conversations with
12 WGPU and FGCU. And they're seeing what is the
13 input -- is the opportunity for the university and
14 WGPU to partner with the innovation minutes and
15 programming around innovation and highlight and
16 spotlight what Southwest Florida is.

17 As Robbie said, -- I'm sorry, the Blue Chip
18 Awards they have asked us, and I think we are
19 exploring this from both the Horizon Council and
20 the Horizon Foundation to partner with them to
21 produce the awards.

22 The Hyatt has now laid off half of its staff.
23 They laid off 190 people -- they will have laid off
24 190 people as of next week. So we are going back
25 to make sure that the Hyatt is still a viable

1 venue. Right now it still looks like it is where
2 we are going to have it.

3 Mainsail has continued to assure us that
4 Caloosa Sound and the Luminary will be up and
5 running in August. We hope the rain doesn't get in
6 the way. It's looking fantastic. You know, when
7 we go inside and see what they have done, it's the
8 -- the former Harborside is just going to be a
9 spectacular venue for events, and we are very
10 excited about moving that forward.

11 We are having various conversations with them
12 about what social distancing means. This will
13 probably be the first big event out of the box
14 coming post COVID at either of the large venues
15 around so, you know, hopefully we will have
16 standard -- safe, you know, safe protection such as
17 it will be. So we are getting ready to get
18 nomination forms out. So that is all very exciting.

19 We are continuing our grant program. We have
20 given several thousand grants out. It has been
21 overwhelming and satisfying to see the number of
22 rents and mortgages, payments we were able to make,
23 number of business assistance grants. We did that
24 with food pantries this week. Glen Salyer has done
25 a perfect job of helping shepherd this program

1 across all areas.

2 we opened up -- the scholarship program is up
3 and running and going well. I think we will make a
4 proposal to expand the business grants even enlarge
5 it at the BOCC meeting. So more to come on that.
6 It has been just a terrific opportunity to help
7 businesses reopen, especially the small ones,
8 barber shops and the salons. They were just closed
9 for three months and they needed help with both PPE
10 and whatnot.

11 we distributed about 600 PPE packets to the
12 medical community. They all have about three
13 months of PPE. So that has been terrific as well.

14 On the economic development front we have never
15 been busier. We have got about 2 million square
16 feet of advanced site selection going on. There is
17 a million square foot facility that I will be glad
18 to name the name eventually, but Southwest Florida
19 will get that facility whether it is Collier County
20 or Lee County. We are in advanced conversations
21 about that.

22 we located another eight headquartered
23 buildings and national headquartered buildings from
24 around the state or from outside the state here and
25 we will put together a list of those. We will make

1 a series of announcements. That has really been
2 amazing. We thought we were going to be slow.
3 There is a perception that we are a safe haven for
4 some companies. And so that Alico corridor
5 continues to fill up, and we are very excited about
6 what is happening there.

7 So with that, if there are questions -- Next
8 time I'll bring -- Ben Siegel continues to be my
9 partner. The Port Authority and the airports, you
10 know, they are beginning to see a rapid increase,
11 not fast enough for their business. But Frontier
12 and Southwest have made some real commitments to
13 reopening up Southwest Florida, and so airport
14 activity has continued to expand. We are seeing
15 real green sprouts. We don't want to be overly
16 optimistic, because there is a lot of pain out
17 there still, but there are some green sprouts we
18 can cultivate and we can put our hopes on.

19 MR. BARTON: Thank you, John.

20 MS. ROEPSTORFF: John, this is Robbie.

21 Chairman, may I?

22 MR. BARTON: Yes.

23 MS. ROEPSTORFF: Did I miss it or -- because
24 there was like three events there, did you also
25 tell them about the Blue Chip?

1 MR. TALMAGE: Yes, ma'am. The Hyatt.

2 MS. ROEPSTORFF: That was the Hyatt, okay.

3 That's in November?

4 MR. TALMAGE: That's in November, that's right.

5 So October 16th is Industry Appreciation. Mid

6 November is Blue Chip.

7 MS. ROEPSTORFF: I had November the 10th

8 written down.

9 MR. TALMAGE: Exactly.

10 MS. ROEPSTORFF: Save the date.

11 MR. BARTON: Any questions for John, ladies and

12 gentlemen? It sounds like that's it. I think we

13 are at the end of the meeting, ladies and

14 gentlemen. Does anyone else have any comments or

15 thoughts? If not, I'm -- I would ask for someone

16 to adjourn the meeting.

17 MR. HOOLIHAN: Motion to adjourn.

18 MS. MARKHAM: Second, Gail.

19 MR. BARTON: Thank you. Thank you, everybody.

20 MR. HOOLIHAN: Tom Hoolihan, aye.

21 MR. BARTON: Oh, Tom, sorry.

22 MS. MARKHAM: Gail Markham, aye.

23 MR. BARTON: Robbie?

24 MS. ROEPSTORFF: Robbie, yes, aye.

25 MR. BARTON: Doug.

1 MR. GYURE: Doug, yes.

2 MR. BARTON: Thank you, ladies and gentlemen.

3 I am in favor, too. Thanks for your attendance.

4 MR. TRABER: Have a good weekend.

5 (Proceedings concluded at 11:13 a.m.)

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1 CERTIFICATE OF REPORTER

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3
4 I, Karen K. Crawford, Certified Shorthand
5 Reporter, Registered Professional Reporter, Florida
6 Professional Reporter, certify that I was authorized to
7 and did remotely stenographically report the foregoing
8 proceedings and that the transcript, pages 1 through 49,
9 is a true and complete record of my stenographic notes.

10
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12 Dated this 13th day of June, 2020.

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17 Karen K. Crawford

18
19 _____
20 Karen K. Crawford, CSR, RPR, FPR
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