

NWFSC Foundation Finance Committee Meeting
May 19, 2023 at 8:00 a.m.
Room 308, 3rd Floor, Student Services Building

Members Present:

Jim Bagby
Destin Cobb
Todd Grisoff
Don Litke
Heather Kilbey
Jonathan Ochs
Brian Pennington
Chris Stowers
Alan Wood

Members Absent:

Bo Arnold
Christie Austin
Cindy Frakes
Gordon King
JD Peacock
Steve Rhodes

Staff Present:

Jennifer Bernich
Conner Rogers

Others Present:

Cristie Kedroski
Ray McGovern
Tanner McKnight
Shane O'Dell
Whitney Rutherford

Call to Order:

Mr. Ochs called the meeting to order at 7:59 a.m.

Public Comments:

Mr. Ochs opened the meeting to public comments regarding the meeting agenda. None were presented.

Disclosure of Conflict of Interest:

Mr. Ochs repeated the statement from the May 16, 2023 meeting that he and Mr. Wood had submitted Conflict of Interest forms because their banks could potentially participate in some aspect of the lending for the Raider Village project. He then turned meeting over to Ms. Kilbey.

Approval of Destin Cobb Attending Remotely:

The committee approved Mr. Cobb attending the meeting via teleconference.

Discussion of Agenda Item:

Ms. Rutherford and Mr. McKnight updated the committee on conversations with the developer following the May 16 meeting. The developer remained committed to 80% loan to cost from the Foundation, with 20% equity, at 7% fixed interest. The basic terms proposed were 3-years interest only with an additional 5 years of principal and interest, no pre-payment penalty, a 10% liquidity covenant, and developer's equity being exhausted prior to Foundation contribution.

The committee discussed the update from the discussions with the developer and further discussed participating in the lending for Raider Village. The committee asked questions related to the lending proposal and the project overall. Mr. Ochs stated that Community Bank had expressed interest in participating in the lending for Raider Village along with the Foundation.

Action:

Motion to (1) authorize Mr. Ochs, as committee chair, to seek participation of a bank to join the Foundation in an 80% loan to the developer with a 50% participation in the loan by the Foundation (contingent upon removal of any conflict of interest by Mr. Ochs); and (2) authorize staff to deliver a draft loan commitment and participation agreement (plus any other pertinent construction-related documents) to the committee, including incentives and disincentives related to completing housing on an August 2024 timeline. **Motion made by Mr. Bagby; Second Mr. Grisoff, motion passed unanimously.**

Adjournment:

There being no further business, the meeting adjourned at 10:09 a.m.

Cindy Frakes
Cindy Frakes, Chair

May 19, 2023
Date

Chris Stowers
Chris Stowers, Secretary

7/13/23
Date