

NWFSC Foundation Finance Committee Meeting
July 13, 2023 at 8:00 a.m.
Room 302, 3rd Floor, Student Services Building

Members Present:

Cristie Austin
Jim Bagby
Destin Cobb (via telephone)
Cindy Frakes
Fran Hendricks
Bernard Johnson (via telephone)
Heather Kilbey
Don Litke

Vince Mayfield
Wendy McAdams Dorr
Jonathan Ochs
Hu Ross
Devin Stephenson
Chris Stowers
Alan Wood

Members Absent:

Todd Grisoff
Brian Pennington
Steve Rhodes

Staff Present:

Jennifer Bernich
Conner Rogers

Others Present:

Bryan Brooks
Cristie Kedroski
Ray McGovern
Shane O'Dell

Ramsey Ross
Whitney Rutherford

Call to Order:

Ms. Frakes called the meeting to order at 8:03 a.m.

Welcome:

Ms. Frakes welcomed new members to the Foundation Board and to the Finance Committee.

Approval of Destin Cobb and Bernard Johnson Attending Remotely:

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

Public Comments:

Ms. Frakes opened the meeting to public comments regarding the meeting agenda. None were presented.

Approval of Committee Meeting Minutes:

The May 16, 2023 meeting and the May 19, 2023 meeting minutes were approved as presented. **Motion to approve minutes, Gen. Litke, Second, Mr. Wood. Motion carried unanimously.**

Disclosure of Conflict of Interest:

Mr. Wood stated that he no longer had a conflict of interest in this matter. Ms. Austin stated that she has a signed conflict of interest form as an employee of Community Bank. Mr. Frakes states that a copy would be included with the minutes.

Discussion of Agenda Item:

Mr. Stowers gave a brief overview of the previous meeting discussions and the decisions that had been made up to this point.

Mr. Ochs updated the committee on conversations with the Jay Odom Group and the participation of Community Bank as a partner in the financing of the Raider Village project. He shared the loan commitment between Community Bank and the Jay Odom Group along with the loan summary.

Mr. Ochs shared the revised proposed participation terms for the Foundation:

Project budget: \$13,396,206.62

80% Loan: \$10,716,968

20% Developer Equity: \$2,679,241

50% of Loan from Bank and Foundation: \$5,358,484

Term of Loan: 7 years: 24 months interest only, 60 months principal and interest with a 30-year amortization schedule, and no pre-payment penalty

Interest Rate: 7.05% fixed. The Bank proposes receiving a higher proportion of the interest because the Bank is leading in offering and administering the loan.

OPTION 1: The Foundation would receive 6.35% during months 1-24 and 6.85% in months 25-84.

OPTION 2: The Foundation would receive 6.55% during months 1-24 and 6.8% in months 25-84.

Origination Fee: 0.5% of the loan amount (\$53,584.81) The Bank proposes splitting the fee 75% to the Bank and 25% to the Foundation, because the Bank is leading in offering and administering the loan.

The projected schedule anticipates Raider Village opening by Spring 2025. The developer has continued pre-construction work to ensure that, if financing is secured, they can move swiftly to construction.

Ms. Frakes reiterated that the committee is deciding to present the information to the full Foundation Board for approval. Once approved, Board of Trustees will be asked to approve the ground lease for the project.

Action:

Motion to approve and recommend to the Foundation Board of Directors the Community Bank Loan Commitment and Participation Agreement, as presented, and select Option 2 as the interest rate the Foundation receives. This loan would be treated as a special exception to the Foundation's investment policy. **Motion made by Mr. Bagby; second Mr. Wood, motion passed unanimously.**

Ms. Austin abstained from voting due to COI.

Adjournment:

There being no further business, the meeting adjourned at 9:44 a.m.

Cindy Frakes
Ms. Frakes, Chair

7-25-23
Date

Chris Stowers
Chris Stowers, Secretary

7/25/23
Date