

MINUTES

LEON COUNTY EDUCATIONAL FACILITIES AUTHORITY

January 14, 2010

The Leon County Educational Facilities Authority met Thursday, January 14, 2010 at noon in the Ballroom at SouthGate Campus Centre, 675 W. Jefferson St., Tallahassee, FL pursuant to public notice.

Authority Members Present: Bob Kellam, Craig Fletcher, Bill Hilaman, Liz Maryanski, Anne Peery and Randy Guemple.

Authority Members Absent: Henry Lewis

Others in Attendance: Calvin Ogburn; Terry Madigan; David Reid, Christina Long Parades, Leon County staff; Bill Black, Van Kampen; Randall Husmann, Julie Bonnin, Jason Fort, Ken Mills, Asset Campus Housing; Beth Driggs, USBank,; Tom Kadel and Ray Allen, Coastal Property Services; Tricia Raub, Bob Powell (by phone); Kevin Warren, Auditors, James Moore and Company.

County Commissioners in Attendance: Bryan Desloge, John Daily, Akin Akinyemi.

Chairman Kellam called the meeting of the general session to order at 12:08 p.m. He requested a report from the Heritage Grove working group, which had met earlier, and was composed of Ray Allen, Tom Kadel, Anne Peery, Bill Hilaman and Beth Driggs. Ray Allen presented the spring 2010 marketing plan and market conditions for The Heritage Grove property (a copy of this report is on file). He said that the Tallahassee market is experiencing that many would be residents are now doubling up with other residents in local rental units. He also said that community wide delinquencies and evictions have increased due to market conditions. He said that HG is not offering any inducements for new tenants and does not plan to reduce the rents. Anne Peery suggested that the management company collect racial and gender statistics in order to determine a market trend. Ray Allen said that March 1st has been set as the absolute deadline date for current fraternities to renew for the coming year. He then reiterated the problem of last year when a fraternity was allowed to delay renewal and then cancelled, leaving the property with many more vacancies than anticipated. He emphasized that it is important to educate the fraternities as to their responsibilities under the lease agreement. It was agreed that there would be increased advertising as HG qualifies for the Florida Pre-paid program and of the possible scholarship opportunities at HG. The Authority members urged HG and SG (SouthGate) staff to share waiting lists with each other.

Senior accountant Tricia Raub presented the audit for FY ending 9-30-09. Bob Powell participated by telephone. Randy Guemple called attention to pages 5, 14 and 16 which shows an increased disclosure that the "B" bonds are not general obligations of Leon County, or any other public body. He also said, as indicated on pages 25 and 26, that it appears that the Authority is not in a condition of financial emergency. (A copy of the Audit is on file as well as on the County's web-site.) Without further comment, Randy Guemple made a motion to approve the audit subject to a final review of the audit with

Bob Powell at the Executive Committee meeting next week. Motion was seconded by Craig Fletcher. All were in favor.

Chairman Kellam, with the assistance of General Manager Ken Mills, introduced the key staff of SG who have had a major influence in the improvement of the SG occupancy. Ken Mills emphasized that the mission of SG is to enhance the education of the residents living at SG and to provide the highest degree of customer satisfaction of any property managed by Asset Campus Housing.

Asset Campus Housing CFO Randall Husmann then gave a power point presentation on the flow of funds of the SG project (a copy of this presentation is on file). He then reviewed the ten year capital improvements plan and discussed the immediate physical facility challenges of the property which include re-roofing, furniture replacement and lobby upgrading.

Area Manager Jason Fort presented the marketing plan for the 2010-2011 leasing season (a copy on file). He said that SG is currently 96% occupied and 10% pre-leased for next fall (as compared to 0% at this time last year). Several members asked questions pertaining to the operation of SB. In response to the enrollment question, Liz Maryanski said that FSU enrollment would continue to stay as is for the next year.

Chairman Kellam requested that discussion of the draft report to be submitted to the Board of County Commissioners, which has previously been circulated to all members, be deferred to a later time because of the late hour of this meeting.

There being no further business, the meeting was adjourned at 2:55 p.m.

Robert E. Kellam, Chairman

Calvin P. Ogburn, Executive Director