

**PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY  
THURSDAY, FEBRUARY 20, 2020  
4:00 P.M.**

**St. Petersburg College EpiCenter  
13805 58th Street North, Room 1-200, Clearwater, Florida 33760**

**A G E N D A**

- I. Call to Order by Vice-Chairman
- II. Consideration of minutes from the December 19, 2019 meeting
- III. Consideration of Inducement Resolution regarding Pinellas County Educational Facilities Authority Revenue Bonds (Athenian Academy Project), Series 2020
- IV. Other business to come before the Authority

**MINUTES OF  
PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY MEETING  
FRIDAY, DECEMBER 19, 2019**

**Members Present**

Robert Kapusta, Chairman  
Christopher Brennan, Vice Chairman  
Noreen Hodges, Secretary  
Grace Smith, Assistant Secretary  
Diana Silveira, Member

**Also Present**

Donald Crowell, Esq., Chief Assistant County Attorney  
William "Bill" Berger, Pinellas County Attorney Liaison  
Grace Dunlap, Esq., Bryant Miller Olive P.A., Bond Counsel  
Lawrence Raab, Esq., Bryant Miller Olive P.A., Bond Counsel  
Danielle LaVere, Bryant Miller Olive P.A., Recording Secretary  
Greg McKenna, BB&T Capital Markets  
Richard Moreno, Building Hope  
Richard Wood, Tripp Scott  
Jenny Tsantilas, Superior Schools Corporation  
Louis Kokkinakos, Board Chairman, Plato Academy  
Dr. Constantinos E. Scaros, Senior Advisor to the Board of Directors, Plato Academy  
Dagmar Ortiz  
Megan Reeves, Reporter, Tampa Bay Times

*Call to Order.* The meeting was held in the St. Petersburg College EpiCenter, 13805 58th Street N, Clearwater, Florida 33760. The Chairman called the meeting to order at 4:04 p.m. and confirmed a quorum was present.

*Approval of Minutes.* The Chairman and the members reviewed the minutes from the May 24, 2019 meeting. There being no further discussion, a motion to approve the minutes was made by Grace Smith and seconded by Noreen Hodges. **Motion Approved.**

*Plato Academy Schools Corporation, Inc.* The Chairman introduced the Inducement Resolution for consideration of the Pinellas County Educational Facilities Authority (the "Authority") approving certain initial matters regarding the proposed issuance of revenue bonds of the Authority for the benefit of *Plato Academy Schools Corporation, Inc.* (the "School").

Ms. Dunlap advised that there was a request for Public Comment and there was a revision to the addresses listed on the schedule attached to the Resolution previously distributed. Revised copies of the schedule were distributed to the members of the Authority to replace the prior schedule.

Chairman Kapusta opened the floor for Public comment, there was no one present for public comments.

Ms. Dunlap introduced Greg McKenna and Richard Moreno. Mr. McKenna then introduced Richard Wood with Tripp Scott (Borrower's Counsel), Jenny Tsantilas with Superior Schools Corporation, Louis Kokkinakos with Plato Academy; and Dr. Constantinos E. Scaros, with Plato Academy.

Dr. Scaros provided back ground information on the School explaining that in 2005 a group of people had a vision for excellent schools. The founder of Plato Academy and Steve Christopoulos, the former CEO of Superior Schools came together to build eight successful schools throughout Pinellas, Pasco and Hillsborough Counties. Steve Christopoulos passed away in June 2018 filling the Plato Academy family with great sadness and a void that has been difficult to fill. Dr. Scaros further explained that Plato's Board is currently comprised of Chairman Louis Kokkinakos, Vice Chairman Chris Alahouzos, and Treasurer John Petalas and is actively seeking additional members to fill vacancies of the board. Dr. Scaros further explained that there are four schools being considered relating the issuance of the bonds located in Clearwater, Pinellas Park, St. Petersburg and Tarpon Springs. Dr. Scaros explained that he is new to the school and upon joining and studying the schools, he has been pleasantly surprised that there are no major concerns with the leadership, academics or the management of Plato Academy. He reviewed the "A" ratings of the various schools and opined that the Pinellas Park Campus' "B" rating and Largo Campus' "C" ratings were due to rapid growth and that the schools are now stabilizing and it is Plato Academy's goal to have all schools rated "A".

Dr. Scaros introduced Jenny Tsantilas, who provided personal background and history of her children attending Plato Academy. Ms. Tsantilas also explained that she is impressed with the tight knit atmosphere that Plato provides. She further explained that she is with Superior Schools and since the tragedy in 2018 Superior Schools has stood behind the Schools. Ms. Tsantilas then explained that construction on the St. Petersburg campus has commenced and that the School is currently working with Hawkins Construction and the project should be finished in April 2020.

Dr. Scaros explained that teachers of Plato are meticulously chosen and trained therefore the teachers and administration work together to be a cohesive team throughout all campuses. When Dr. Scaros came into Plato a year ago he was impressed with the well conceptualized plans, methods and the training. Ms. Tsantilas further explained that the teachers make the schools a "home" and that a lot of the time the hiring and promotion process starts within the schools.

Greg McKenna explained that the Bond market has become a popular place for charter schools to access capital. He went on to explain that the tax-exempt bond market is a \$350 Billion to \$400 Billion a year market and that charter schools generate approximately \$1.5 Billion per year.

Richard Moreno, as financial advisor to the Schools, explained that Plato Academy has come before the Authority in order purchase four facilities that the Schools are currently leasing which are located within Pinellas County.

Greg McKenna discussed the proposed timeline of events for the transaction, the various parties of the working group, and the Flow of Funds once the Bonds have been issued. Mr. McKenna then opened up the opportunity for questions from the Authority.

Chairman Kapusta acknowledged that there are nine campus including one campus in Hillsborough and wanted an explanation on the cash flows. Mr. Moreno explained that the Bonds will have an effective obligated group where the four Pinellas locations will pledge revenues and that Charter School Statutes state each of the schools pledged funds are independent and that each school has their own separate audits, for the purposes of these Bonds the four schools will pledge their revenues together. Security interests granted to the Bondholders are the pledged revenues of the four schools and the first Mortgage on the properties. Chairman Kapusta further inquired if one school is stronger than another campus, can funds be used to pay debt service on the struggling campus. Mr. Moreno explained that the if the Schools are within the same non-profit and school district then their cash can be moved around for the benefit of other campuses.

Chairman Kapusta then inquired if there has been any thought to FCIS accreditation. Ms. Tsantilas replied that Plato Academy is currently accredited with SACs. Dr. Scaros then added that the school is actively working on re-accreditation but is not currently pursuing FCIS accreditation; however, it is something that they would consider in the future.

Chairman Kapusta requested information on how Superior Schools interacts with Plato Academy. Dr. Scaros informed that Superior Schools is not currently serving in the capacity of the School's management company and that the School is now self-managing. He further explained that Superior Schools has a lot of vested interest including being the landlord of multiple schools, Superior Schools also manages the before care and after care programs for the Schools and they collaborate with one another for the benefit of the School. Mr. McKenna added that Steve Christopoulos passed away in June of 2018 and by April the Schools became self-managed. Chairman Kapusta requested clarification on the Schools status of being self-managed, and Ms. Tsantilas replied that the management company manages the before and after care and the early learning program and Ms. Tsantilas then added that the St. Pete location is at full capacity and is planning on moving over to the new location once construction is complete.

Grace Smith stated that she is familiar with the area and inquired if the Tarpon Springs campus was located in the church at the address listed on the schedule to the resolution. Ms. Tsantilas explained that the school is located behind the church. The church also leases the building from Superior Schools and they are planning on using the facility as a satellite office once the church's new facility is complete. She further explained that there are three buildings located on that property which include the school and an indoor gym.

Secretary Hodges inquired on Plato Academy and Superior Schools' governing boards. Dr. Scaros confirmed they have a governing board and Ms. Tsantilas advised that they are a for-profit organization and are not required to have a board.

Secretary Hodges then inquired about faculty and staff credentials. Dr. Santos advised that they follow the guidelines of SACs and of each of the Districts of the Schools. Ms. Tsantilas added that the teachers are certified and the Principals have Masters Degrees, Education Degrees and backgrounds in education.

Secretary Hodges inquired about the use of the bond proceeds and if they would be acquiring just the buildings. Richard Moreno explained that the contents of the schools are already owned by the School and that the bond proceeds are for the acquisition of current buildings that the various schools are leasing.

Secretary Hodges requested attractors for the school. Dr. Scaros stated that people are attracted to the Schools for their successful track record, the School's dedication to learning, the School's waiting list, the School's ratings, the quality of teachers on paper and in the classroom, retention rates of students and employees, and by word of mouth of the families of Plato Academy. He further explained that one of the unique niches of Plato Academy is the Greek culture. Secretary Hodges then inquired about the disadvantages that School is faced with. Dr. Scaros explained that the disadvantages are non-academic factors stemming from the loss of Steve Christopoulos and the changing of leadership, he also explained that there are physical space challenges to accommodate the School's students and parents during specialized events.

Secretary Hodges inquired about security and safety. Dr. Scaros advised that the School utilizes the Guardian System and a Director of the Guardian System is on site to handle any escalated situations. The School is currently inquiring on the Pinellas County Sherriff school program, although it is not a Pinellas County requirement. Dr. Scaros added that there are security measures in place with background checks and each campus is locked and secured. The staff and faculty are also highly trained in threat and safety assessment drills. Secretary Hodges further inquired if all arising security issues are public knowledge. Dr. Scaros explained that everything is public knowledge through the sheriff's office and the through the Pinellas County Charter School District and the Pinellas County School District, the Pasco County School District, and the Hillsborough County School District.

Secretary Hodges inquired about parent involvement. Dr. Scaros advised that they have an active PTO which meetings are very well attended. He added that a goal for early 2020 is to implement having a specific board member that strictly deals with parents communications and concerns to open a direct line of communication throughout the Schools. Ms. Tsantilas added that they also have a required 35 hour involvement of volunteering for parents.

Christopher Brennan inquired about the ownership of the properties. Louis Kokkinakos replied that Superior Schools owns the schools. Mr. Brennan inquired about the costs of repairs and maintenance. Mr. Moreno advised that the Schools are currently parties of triple net leases so costs of repair and maintenance are included in those leases. McKenna further explained that the bond documents will include outlines for a repair and replacement fund which will be funded over a period of time to cover future costs of repairs that may arise.

Christopher Brennan inquired about the risk of the Bonds. Mr. McKenna advised that some risks include political change in the State of Florida, Charter Schools longer being welcomed in the State, competition of other charter schools, if academic grades slip and they lose their Charter. Ms. Tsantilas advised that their reputation is strong holding the most charter schools in the County.

Secretary Hodges inquired about the scope and location for the Superior Schools. Ms. Tsantilas explained that they are currently only located in Pinellas County, they are not sure where they are going in the future but they would like to grow in the future.

Chairman Kapusta inquired about savings on property taxes since the School is purchasing the properties from Superior Schools. Mr. Moreno explained that Florida is based on tenancy so there would be no changes to the property taxes.

There being no further discussion, Chairman Kapusta entertained the motion to approve the Authorizing Resolution. Dagmar Ortiz stated that she was a former Plato Academy Board Member and requested to be heard for public comment.

Although public comment period had been opened and closed earlier, Chairman Kapusta granted Ms. Ortiz the opportunity to speak due to her late arrival.

Ms. Ortiz advised that unfortunately, she believes that the School's new administration and the current Plato Academy Board Members are not for the best interest of the School and its students. She advised that once Steve Christopoulos passed away there were a lot of disagreements regarding how the school was being managed which lead to litigation between the School and Superior Schools this also resulted in the previous chairman and herself resigning from the School's governing board. She had concern that the new administration wanted to replace all current personnel; however, the School's attorney intervened and that did not take place. She is not entirely sure why she is at the Authority meeting but wanted make sure that the Authority was aware of the current conflict. It is her opinion that the bond issue should wait until the litigation is settled.

Secretary Hodges inquired about the current ligation. Jeffery Wood replied that there is current litigation between Plato Academy and Superior Schools and the matter of the litigation is confidential, he further explained that the two parties are pending a settlement and that the contents of that settlement is confidential and is currently being mediated. He further explained

that the previous chairman and Ms. Ortiz resigned from Plato's Board and it has been difficult to replace the members with the new members since these members are all volunteers.

Chairman Kapusta inquired about the risks of the litigation and the impact that it may have on the issuance with BB&T. Mr. McKenna advised that there will be due diligence performed and a section will be dedicated to the topic in the offering documents which will disclose any litigation to the rating agencies and potential investors.

Vice Chairman Brennan inquired on the process going forward. Mr. McKenna advised that the rating agency will review five years of audits, they will also perform site visits to gather information to present to potential investors. Vice Chairman Brennan further inquired if there will be an opportunity to get additional information. Mr. McKenna assured that there will be more information revealed in the future.

Secretary Hodges inquired if there is a "Plan B" for the School. Dr. Scaros advised that even though there are discrepancies between the Plato's Board and Superior Schools, it has not affected the Schools and their academics successes.

There being no further discussion, Chairman Kapusta entertained the motion to approve the Authorizing Resolution, motion to approve by Chris Brennan and seconded by Grace Smith. Chairman Kapusta called for a vote, 3 yeas (Robert Kapusta, Christopher Brennan, and Grace Smith) 2-nays (Noreen Hodges and Diana Silveira). **Motion Passed 3 to 2.**

2020 Meeting Schedule. Grace Dunlap, introduced the 2020 Meeting Schedule and confirmed that the date and location worked for the Authority Members. Grace further explained that the suggested meeting schedule has been advertised in the newspaper as an annual schedule to reduce the cost of publication. There being no further discussion, **the 2020 Meeting Schedule was approved.**

Election of Officers. Chairman Kapusta, introduced the election of officers as the next item for discussion. Chairman Kapusta inquired if the Members of the Authority were still willing to serve in their capacities. All member acknowledged and agreed to continue serving in their personal roles. There being no further discussion, a motion to approve the election of the current slate of officers to continue in such offices was mad

Update on Administrative Services. Danielle advised the board that the 2018-19 Records Management Compliance Statement and the Florida Department of Economic Opportunity forms have been filed. Ms. Dunlap remind the Authority Members of Danielle's duties and further explained that the Borrowers are responsible for paying the administrative fee of \$250.00 per year directly to Danielle. There was no further discussion on administrative services.

Adjournment. There being no further Authority business, the meeting was adjourned by the Chairman at 5:12 p.m.

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## RESOLUTION

A RESOLUTION PROVIDING FOR CERTAIN INITIAL MATTERS REGARDING THE ISSUANCE OF REVENUE BONDS OF THE PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY, IN AN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$9,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION OF EDUCATIONAL FACILITIES ON BEHALF OF THE ATHENIAN ACADEMY, INC.; PROVIDING AN EXPRESSION OF OFFICIAL INTENT FOR PURPOSES OF REIMBURSEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the Pinellas County Educational Facilities Authority (the "Issuer") was created pursuant to Chapter 243, Part II, Florida Statutes, and the Board of County Commissioners (the "Board") of Pinellas County, Florida (the "County"), found and determined that there is a need for the Issuer to function in the County, and the Issuer has been duly constituted and organized in the manner prescribed by law; and

**WHEREAS**, the Board, pursuant to Chapter 159, Part II, Florida Statutes, has designated the Issuer as a "local agency" under Chapter 159, Part II, Florida Statutes (together with Chapter 243, Part II, Florida Statutes, the "Act"), and authorized the Issuer to also provide financing for "projects" as defined in Section 159.27(5), Florida Statutes, on behalf of educational providers; and

**WHEREAS**, the Issuer has been requested by The Athenian Academy, Inc., a Florida not for profit corporation and a charter school organized and recognized as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower"), to assist the Borrower by undertaking an issuance of bonds and making a loan for the purpose of financing or refinancing, including through reimbursement, (i) the acquisition, equipping and undertaking improvements to an existing charter school facility to accommodate up to 600

students in grades kindergarten through eighth grade located at 2289 North Hercules Avenue, Clearwater, Florida; (ii) the funding of a debt service reserve fund, if required, for the Bonds (as defined below); (iii) the funding of any capitalized interest; and (iv) the payment of certain costs of issuing the Bonds (collectively, the "Project"); and

**WHEREAS**, the Borrower is currently working to structure matters properly in order to acquire and finance the Project which the Borrower currently leases, and has made its initial preparations for the financing including a presentation to the Issuer; and

**WHEREAS**, the Issuer desires to indicate its initial willingness to issue its not to exceed \$9,000,000 aggregate principal amount of Pinellas County Educational Facilities Authority Revenue Bonds (Athenian Academy Projects), Series 2020 (the "Bonds"), in one or more series, for the purpose of financing or refinancing, including through reimbursement, the Project; and

**WHEREAS**, the Issuer has been advised by the Borrower that if the Bonds do not receive an investment grade rating, the Bonds will be sold only to "Qualified Institutional Buyers" as defined under Rule 144A of the Securities and Exchange Commission or "Accredited Investors" as defined in Regulation D of the Securities and Exchange Commission, each as promulgated under the Securities Act of 1933, as amended; and

**WHEREAS**, the Borrower is authorized by law to enter into agreements to pay from legally available funds of the Borrower sufficient moneys to the Issuer to repay the Bonds with interest and other charges.

**BE IT RESOLVED** by the members of the Pinellas County Educational Facilities Authority, Pinellas County, Florida, that:

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of the Act, and other applicable provisions of law.

**SECTION 2. FINDINGS.** Based upon materials presented and the presentation provided by the Borrower and its consultants, it is hereby found, ascertained, determined and declared that:

(A) The Issuer is located in the County, and is authorized and empowered by the Act to provide for the issuance of and to issue and sell its revenue bonds for the purpose of paying all or any part of the cost of any "project," as that term is defined in the Act; and

(B) The Borrower is a not for profit corporation organized, existing and in good standing under the laws of the State of Florida (the "State"), is authorized to do business in the State of Florida and is a qualified 501(c)(3) organization as set forth in the Code (as defined below);

(C) The Borrower operates the Project as a charter school pursuant to Section 1002.33, Florida Statutes, as amended (the "Charter School Act") and the Borrower intends to continue to operate the Project as a charter school pursuant to the Charter School Act;

(D) The Borrower has informed the Issuer of its intent to finance the Project, and has made a request to the Issuer to finance such Project through the issuance of revenue bonds for the Project; and

(E) The Borrower has requested the Issuer exercise its powers to issue revenue bonds, pursuant to the Act, for the purpose of financing the Project; and

(F) In order to promote development and the economic growth of the County and the industrial economy of the State of Florida (the "State"), to increase opportunities for gainful employment through better education, to advance and improve the economic prosperity and the

general welfare of the State and its people, it is desirable that the Issuer provide for a statement of its initial intent to undertake the issuance and sale of the Bonds and that the Issuer use the proceeds thereof to pay any "cost" (as defined in the Act) of the Project; and

(G) The Issuer is willing to and does herein authorize the Borrower to finance the Project for the Borrower from proceeds of the sale of its revenue bonds, and to loan the proceeds to the Borrower, such loan to be payable by the Borrower in installments sufficient to pay the principal of, premium (if any), interest and other costs due on such revenue bonds when and as the same become due; and

(H) The Borrower has shown that the Project will help to fill the need for educational facilities in the County and will constitute an "educational facility" as identified in Section 159.27(22), Florida Statutes; and

(I) The Project will make a significant contribution to the economic growth of the County and the area in which it is located, will assist in providing educational instruction and will serve a public purpose by advancing the economic prosperity and the general health and welfare of the State and its people; and

(J) The Issuer finds, based upon representations of the Borrower, that the County will be able to continue to cope satisfactorily with the impact of the Project and is able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that will be necessary to support the Project and on account of any increase in population or other circumstances resulting therefrom; and

(K) It is believed essential by the Borrower that the financing of the Project commence at the earliest practical date, and the Borrower is unwilling to make commitments for its purchase

of the Project without satisfactory assurances from the Issuer that, upon satisfaction of all requirements of law and upon an underwriting of the Bonds to provide proceeds to undertake the loan and satisfaction of any requirements of the County and the Issuer and other conditions to be met by the Borrower, the Bonds will be issued and sold and the proceeds thereof will be made available to finance the Project, to the extent of such proceeds; and

(L) Based upon representations of the Borrower, the Borrower is financially responsible and fully capable and willing to fulfill its obligations under a financing or loan agreement, including the obligation to make installment payments on the loan for the Project financed with the proceeds of the sale of the Bonds in the amount and at the times to be required by such agreement; the obligation to operate, repair and maintain such Project at its own expense; and to serve the purpose of the Act and other responsibilities to be imposed under a financing or loan agreement or other bond documents, due consideration having been given to various factors determinative of the financial capability of the Borrower; and

(M) The Bonds shall and will be payable from the revenues and proceeds derived by the Borrower and will not constitute a debt, liability or obligation of the Issuer, the County, the State or of any political subdivision thereof; the Issuer shall not be obligated to pay the same nor interest, premiums (if any) or costs thereon except from the revenues and proceeds pledged therefor, and neither the faith and credit nor the taxing power of the County or the State or of any political subdivision thereof will be pledged to the payment of the principal, premium (if any), interest, or costs due pursuant to or under such Bonds.

**SECTION 3. OFFICIAL INTENT.** This Resolution is an "initial resolution" and is the Issuer's declaration of "official intent" within the meaning of the Act and official action toward

issuance of the Bonds for purposes of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder, including, but not limited to Section 1.103-18, as amended.

**SECTION 4. RECOMMEND APPROVAL BY COUNTY.** The Issuer hereby recommends that the Board hold a public hearing at an upcoming meeting, duly noticed in order to consider the approval of the issuance of the Bonds on behalf of the Borrower and requests that bond counsel proceed with the necessary actions in order to receive the Board approval. The Issuer further recommends that the Board approve the issuance of the Bonds by the Issuer.

**SECTION 5. REPEALING CLAUSE.** All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

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**SECTION 6. EFFECTIVE DATE.** This resolution shall be effective immediately upon its adoption.

Passed and adopted at a special meeting of the Pinellas County Educational Facilities Authority held on the 20<sup>th</sup> day of February, 2020.

**PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY**

(SEAL)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Name: Noreen Hodges  
Title: Secretary