

**PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY
THURSDAY, JANUARY 21, 2021
4:00 P.M.**

**St. Petersburg College EpiCenter
13805 58th Street North, Board Rooms 1-451 and 1-453, Clearwater, Florida 33760**

A G E N D A

- I. Call to Order by Chairman.
- II. Oath of Office: Kelly Kirschner.
- III. Consideration of minutes from the February 20, 2020 meeting.
- IV. Presentation by Admiral Farragut Academy and consideration of a Resolution approving amendments of certain provisions in the Authority's documents securing the Pinellas County Educational Facilities Authority Refunding Revenue Bonds (Admiral Farragut Academy Project), Series 2012 and the Pinellas County Educational Facilities Authority Revenue Bonds (Admiral Farragut Academy Project), Series 2018.
- V. Presentation by Shorecrest Preparatory Academy, Inc. and consideration of a Resolution approving amendments of certain provisions in the Authority's documents securing the Pinellas County Educational Facilities Authority Revenue Bonds (Shorecrest Preparatory School Project), Series 2017A and the Pinellas County Educational Facilities Authority Revenue Bonds (Shorecrest Preparatory School Project), Series 2017B.
- VI. Discussion regarding election of officers and 2021 meeting schedule.
- VII. Update on administrative services for the Authority.
- VIII. Other business to come before the Authority.

*** Due to the pandemic and under local law, all those attending the Authority meeting should, while in the building, wear a face covering at all times and adhere to CDC social distancing guidelines.**

**MINUTES OF
PINELLAS COUNTY EDUCATIONAL FACILITIES AUTHORITY MEETING
THURSDAY, FEBRUARY 20, 2020**

Members Present

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, Bryant Miller Olive P.A., Bond Counsel
Danielle LaVere, Bryant Miller Olive P.A., Recording Secretary
Ike Papadopoulos, Ziegler, Managing Director
John Pantazes, Athenian Academy, Board President
Alex Veloados, Choice Charter School Services, CEO
Thomas B. Sternberg, Tripp Scott, Borrower's Counsel
Destiny Crawford, SPC, Student

Call to Order. The meeting was held in the St. Petersburg College EpiCenter, 13805 58th Street N, Clearwater, Florida 33760. Vice-Chairman Brennan called the meeting to order at 4:10 p.m. and confirmed a quorum was present.

Approval of Minutes. Vice-Chairman Brennan and the Authority Members reviewed the minutes from the December 19, 2019 meeting. There being no further discussion, a motion to approve the minutes was made by Secretary Hodges and seconded by Assistant Secretary Smith.
Motion Approved.

The Athenian Academy, Inc. Vice-Chairman Brennan 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 The Athenian Academy, Inc. (the "School").

Alex Veloados, CEO of Choice Charter School Services, introduced himself and John Pantazes, Board President of the School. Alex provided background information stating that the School originated in the year 2000 in Dunedin, Florida with 37 students and 3 teachers originating from Greece to teach the Greek language and culture. In 2005 the School amended the Charter to add a Spanish Enrichment Program in addition to daily Greek program. In 2013 the School outgrew their space with 275 students, the school hired Choice Charter Schools Services to assist in day to day management and operation. The School relocated during school year 2014-2015 with the assistance of Building Hope by entering an agreement between the School and Building

Hope to acquire an approximately 30,000 square foot two-story educational facility and another 10,000 square foot building, which is currently being utilized as a gymnasium, extra resources activities, cafeteria and pre-school classrooms to total a combined approximate 40,000 square foot educational facility. The School's current agreement with Building Hope is \$1,000 per student/year with a 5-year pro-forma lease option to purchase. Building Hope and the School have mutually agreed to a buyout option.

Alex's partner, Angela Combs who was supposed to be in attendance at the meeting, was going to present more on the academics of the School since that is her area of expertise. Alex then explained, that the School was a high performing school for five years and the School is currently performing at a "C" grade level and the School is participating in a corrective action plan to bring that grade back to a "B" grade by attempting different Math approaches and hiring additional resources teachers. The School currently has 490 students and full capacity if all space was utilized as classroom space would be 600 students.

Vice-Chairman Brennan inquired what Building Hope was and what their relationship is to the School. Mr. Veloados replied that Building Hope is a charter school investor and Building Hope invested monies in the acquisition of the School's current facility and that the School was the first template school that Building Hope provided 100% backing to purchase charter school educational facilities. Vice-Chairman Brennan inquired if they financed the acquisition and the School leases the facilities. Mr. Veloados responded, yes, 100% and they agreed upon the amount at closing and that amount has been set for acquisition and renovation since that date in order to provide funds and equity for the lease and the buyout option. Mr. Veloados further confirmed that Building Hope is a non-profit entity.

Vice-Chairman Brennan inquired if Choice Charter School Services has had interaction with Building Hope in previous transactions. Mr. Veloados replied no, they have not had other interactions with Building Hope. Choice Charter School Services originated two years ago by Alex and Angela and they currently manage another charter school located in Fort Myers, Florida. Alex further explained that Angela is located in the Fort Myers area and he is located locally.

Vice-Chairman Brennan inquired about the School's reaccreditation. Alex replied that the process is going very well and the School is close to obtaining their ten year charter renewal. The School's Board is having a workshop on March 10th and a board meeting is scheduled for March 24th, and the School previously submitted all required documentation in December 2019. Vice-Chairman Brennan inquired if the School has any accreditations. Alex replied that the School does not hold any additional accreditations at this time.

Secretary Hodges inquired on Alex's personal history with the School. Alex replied that he was previously a volunteer School Board Member for 10 years until the School was outgrowing their previous space. Alex and Angela came together to start Choice Charter School Services in order to assist the School with their expansion since the School needed more assistance than what a volunteer board could manage. Secretary Hodges inquired about Alex's other clients. Alex

advised that this School and the school in Fort Myers are Choice Charter School Services only clients.

Secretary Hodges inquired further about the accreditation and asked if the School goes by the guidelines and curriculum of Pinellas County Schools? Alex replied that the School goes by Charter Law and the Pinellas County School's curriculum and calendar. He further explained they are able to develop the School's curriculum which is followed which is permissible because the School is a Charter School entity.

Secretary Hodges then inquired about the School's current challenges. Alex replied that the School make-up is a diverse group of demographics and finding resources for those special needs is sometimes challenging. The School is also having some challenges with behavior stemming from social media which the school takes very seriously. Alex explained that the School has a full-time resource office which assists in these instances.

Secretary Hodges inquired about security surrounding the campus. Alex advised that the School is required by law to have security and they currently utilize "The Guardian" program, they also have a full-time School Resource Officer who can perform most duties that an armed patrol officer can. Secretary Hodges asked if the campus is fully secured. Alex advised that the Schools just recently installed new gates and locks to replace the rusted-dated gate system.

Secretary Hodges inquired about the parent involvement. Alex responded that the School has a PSTA (Parent-Student-Teacher Association) which is very active. The PTSA does fundraising and supports the School.

Authority Member Silveira inquired about the School's Media Center. Alex explained that the School's media center is located in a separate portable and the library, gifted programs and computer labs are all housed there. Authority Member Silveira inquired if there is designated staff for the Media Center. Alex responded, no. Authority Member Silveira then inquired about the class size ratio. Alex replied that the average class size is 18-22 students.

Authority Member Silveira inquired about waiting lists for the School. Alex explained that there are waiting list for certain grades such as kindergarten through third grade and currently each grade level has four 4 classes.

Assistant Secretary Smith inquired as to where most students continue their schooling after completion through eighth grade. Alex explained that students attend their local choice high schools after graduation from the School.

Secretary Hodges inquired about credentials for the School's faculty. Alex replied that all of the School's teachers are certified and some teachers have master's Degrees. He further explained that the psychologists and the school's guidance counselors are licensed and certified.

Secretary Hodges inquired about the main attractors to the School. Alex explained that the School is very family oriented, students are knowledgeable in foreign languages and various cultures with involvement in the Greek and Spanish Enrichment Programs. Mr. Pantazes added that the School's diversity is also an attractor because people are able to experience and see all the blending of different cultures within the School. Mr. Pantazes provided a personal story of a former student being able to effectively communicate in Greek and this convinced Mr. Pantazes that the school is passionate about teaching and learning.

Secretary Hodges inquired about the purpose of the financing and details to pay Building Hope. Grace Dunlap confirmed that the transaction is to acquire the facility that the School is currently leasing. Grace Dunlap then introduced Ike Papadopoulos, Managing Director of Ziegler. Ike explained that they ran preliminary bond sizing utilizing the following numbers: (i) the purchase price of the facility is \$7,600,000, (ii) Debt Service Reserve Fund in the amount of \$518,750, and (iii) funding a Costs of Issuance account in the amount of \$431,250 totaling \$8,550,000; therefore, the School is requesting a \$9,000,000 to insure that they have enough money to allow for any changes or fluctuations in the market. The financing will be based on a 35-year amortization with the closing to take place on or around April 30, 2020. This will be a non-rated transaction because of the School's credit. Ziegler explained that they have the responsibility of providing information regarding the School and their situation to various investors, but they feel that the transaction will do well in the market.

Vice-Chairman Brennan inquired about the economics of the School and the savings. Alex explained that they are currently leasing the facility at \$600,000 so it would provide a \$50,000 savings per year since the School currently pays on the capacity number of 600 students.

Vice-Chairman Brennan inquired on the responsibility of the maintenance to the School's campus. Alex explained that the property management company would continue to perform all maintenance to the School's campus.

Vice-Chairman Brennan inquired if the School's has existing debt. Alex advised that the School currently has an outstanding line of credit for a furniture loan and they have 1 monthly payment left of \$1,000 per month. Vice-Chairman Brennan advised that he took a look at the Form 990 and inquired if they are still balancing on budget. Alex advised that they are balancing on budget.

Secretary Hodges inquired about the role that Choice Charter School Services would have with the School in the future. Alex explained that they will continue to manage the School so long as the School's Board would like them to. Grace Dunlap asked how long the Management Contract is in place for. Alex advised that the Management Contract is renewed with the renewal of the Charter School Contract which is a ten year term, or at the discretion of the School's Board.

Secretary Hodges inquired if the Management Company feels that the School has made significant strides of improvement. Alex explained that the first five years were the most challenging since they were the 10th charter in the State of Florida when the School was founded

by his Father In-Law. Alex added that there were challenges figuring out what Charter Schools looked like regarding laws and make-up and that the Charter Laws have changed over the time. He further explained that the initial growth of the School was challenging and that the number of students was halted at 100 students for the first five years because of spacing issues. As a result, the School's Board decided to amend the Bylaws and change the makeup of the emersion to include Spanish in addition to Greek language and start looking for a new facility with more space. The School currently provides one hour of Greek and one hour of Spanish in addition to their curriculum, making it difficult to bring in a new student later in their academic career because since they would be behind in the School's language programs.

Secretary Hodges inquired if the School went to 12th Grade. Alex replied that the School goes through eighth grade. Secretary Hodges then inquired where the students go to finish school. Alex replied that they go to their choice of schools within the County. Secretary Hodges inquired what advantages the students have since they have taken Greek and Spanish at the School. Alex explained that kindergarten through fifth grade students get Greek and Spanish daily, so they develop excellent language skills. In grades sixth through eighth it is considered an elective and in seventh and eighth grade the students earn high school language credit.

Secretary Hodges requested background information of the makeup of the School's Board. Mr. Pantazes advised that the previous President of the School's Board passed away last year and he instructed the Authority to turn to the handout to review the make-up of the School's Board. Mr. Pantazes reviewed the information provided in the hand-out and further described his background in architecture and development, Mark Tsetsi's background in informational technologies, that Vasili Nezer owns a security company and Voula Patrides is a Greek liaison within the community. Secretary Hodges further inquired regarding any marketing and promotion the School. Mr. Pantazes advised that Board Member Patrides is always in the community and with her involvement finds various functions and ways to promote the School and get students involved.

Authority Member Silveira inquired if the "School Leader" listed in the handout was the role of principal. Alex replied yes, that the term was incorporated though the previous management company and the term "school leader" has been used to describe the principal or lead role. Secretary Hodges inquired on how long the previous management company was in place. Alex explained that the previous management company was not transparent, so they were only with the School for approximately 18 months.

Grace Dunlap recapped that the applicant is offering a preliminary "handshake" with the inducement resolution being provided to the Authority Board, that Ziegler believes that there is a strong market for charter school bonds. Ms. Dunlap further explained that the bonds would be offered to accredited investors and those investors would perform their own diligence. Ike then advised that Ziegler has a relationship with investors that deal in Charter School transactions only and that Ziegler hosts an annual event in Chicago relating to Charter Schools and Charter School Investors. Grace Dunlap further advised that if the Authority Board decides to approve

the inducement resolution the matter would be recommended go before the County Commission giving the public an opportunity to address any questions or concerns regarding the School. Bond Counsel would then work on bond documents for the transaction to come back before the Authority at their scheduled April meeting for final approval.

There being no further discussion, Vice-Chairman Brennan entertained the motion to approve the Inducement Resolution, motion moved by Assistant Secretary Smith with no second. There was then discussion on "Roberts Rule" as to whether the Vice-Chairman was able to vote. The Authority Board agreed to allow Vice-Chairman Brennan to vote where he seconded the motion. Attorney Steinberg, counsel to the School, requested a vote for the records. Vice-Chairman Brennan called for a vote, 2 favorable votes (Christopher Brennan and Grace Smith) 2-opposing votes (Noreen Hodges and Diana Silveira). **Motion Impasse.**

Update on Administrative Services. Danielle LaVere advised that she will continue to offer her services as recording secretary, and further advised the Authority Board that there was no additional business to come before the Authority Board.

Alex Veloudos requested feedback from Authority Members on why they opposed the project. Authority Member Silveira advised that the School's test grades and lack of a proper media center and resources with accompanying support staff was a big concern and caused her opposing vote. Alex explained that they are in a corrective action plan to remedy the grade. He further explained that they have support from the district and the School's history shows that they have been an "A-B" graded school. Grace Dunlap asked if there was any corrective action the School could take to come back in front of the Authority. Authority Member Silveira added that if the other representative would come to discuss more on the academic strengths and the plan of action for long-term success. Assistant Secretary Smith also added that it has been helpful in the past when daily school representatives come before the Authority to speak on behalf the schools. Alex asked if they could teleconference Angela to further discuss any concerns with the School's academics and performance. Grace Dunlap advised no, that they would need to come back to the Authority Board for another meeting. Vice-Chairman Brennan added that the School's "C" grade needs improvement and he believes that the School is going to be a tough credit for the market, but he will let the market figure it out. Alex assured the Authority Board that there is a corrective plan of action and their "map" scores are high.

Adjournment. There being no further Authority business, the meeting was adjourned by Vice-Chairman Brennan at 4:56 p.m.