



MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

BOARD OF DIRECTORS MEETING

April 13, 2021, 12:00 P.M.

By Public Teleconference

(866) 845-1266, 65069804#

- I. Chairman Hopper opened the meeting at 12:05 and welcomed the Board and guests. Mr. Pisons was asked to conduct a roll call for the telephonic meeting:
 - A. Board Directors present: Vice Chairman Neil Amin, Mr. Linh Hoang, Mr. Corey Holeman, Chairman John Hopper, Mr. Ronnie Johnson, Mr. Michael Joyce, Mr. Jay Mahone, designee for Manju Ganeriwala, Ms. Jennifer Mayton, and Mr. William Smith
 - B. Board Directors absent: Ms. Susana Marino, Mr. Sanjay Puri
 - C. VSBA Staff present: Mr. Howard Pisons, Ms. Anna Mackley, Ms. Linda Tackett, Ms. Karen White, Ms. Robin Foster, and Ms. Angela Reese
 - D. Others present: Mr. Don Ferguson (Senior Assistant Attorney General), Mr. TW Bruno (McGuire Woods, Church Schools), Mr. Chip Broadway (Church Schools in the Diocese of Virginia Inc.), Ms. Lisa Medina Williams (McGuire Woods, NPPF – Beth Medresh), Mr. Issac Levina (Beth Medresh Govoha, NPPF – Beth Medresh), Mr. Doug Lamb (McGuire Woods, City Gateway), Mr. Rick Green (Capital City, City Gateway), Mr. Greg Montgomery (Clean Source Capital, City Gateway)
- II. Chairman Hopper called the meeting to order and read the Emergency Declaration allowing public board meetings and hearings to be held by toll free telephonic conferencing due to the COVID-19 state-of-emergency.
- III. Approval of Minutes

A motion was made by Mr. Johnson and seconded by Mr. Joyce to approve the February 9, 2021 Board of Directors Meeting minutes. Mr. Pisons called the roll. Voting aye: Vice Chairman Amin, Mr. Hoang, Mr. Holeman, Mr. Hopper, Mr. Johnson, Mr. Joyce, Mr. Mahong, Ms. Mayton, and Mr. Smith. Voting nay: None.

The Public Hearing was declared open at 12:10 p.m.

IV. Tax-Exempt Bond Projects

Church School in the Diocese of Virginia Inc.

Ms. Anna Mackley presented the request for an initial inducement resolution for a \$25 million bond issuance to the Church School in the Diocese of Virginia Inc. (CSDV). The proceeds of the \$25 million bond issuance will be utilized to finance and refinance various capital projects at St. Catherine's School in the City of Richmond and in the St. Catherine's athletic fields in Goochland

County. At the main campus on Grove Avenue, the bond proceeds will finance the construction of a new theater, fine arts and performing arts center, as well as new sidewalks and parking improvements. The bond will also refinance the principal outstanding on two bonds previously issued by VSBFA in 2009 and 2019, as well as finance the cost of issuance.

Mr. TW Bruno and Mr. Chip Broadway presented an overview of the development plans and approval process. Pursuant to the presentation brief discussion and questions raised by Messrs. Smith, Hoang, Hopper, and Holeman found that:

- CSDV is committed and continues to strive for utilizing small business, diversifying selections and not utilizing the same vendors.
- CSDV has split up general contractors to address and provide maximum opportunities.
- CSDV uses a matrix to determine and utilize small business sub-contractors not focusing solely on low cost but best providers.
- CSDV has a system to campaign dollars to build our buildings and not using tuition, requests are to be 75% funded before put into action.

Chairman Hopper called for the motion to approve initial inducement resolution. Mr. Joyce motioned for approval the motion was seconded by Mr. Smith and approved by the Board by roll call. Mr. Pisons called the roll. Voting Aye: Vice Chairman Amin, Mr. Holeman, Mr. Hopper, Mr. Johnson, Mr. Joyce, Mr. Mahone, Ms. Mayton, and Mr. Smith; Voting Nay: None; Abstaining: Mr. Hoang

Green Community Program

Ms. Anna Mackley presented the request for amendment to loan agreement in connection with the issuance of its taxable qualified energy conservation bonds for the VSBFA Green Community Program – City Gateway Project. The Project Owner has previously represented that, due to unexpected developments occurring since the Original Issuance Date, including recent marketplace instability caused by the COVID-19 pandemic, updates to the Project have materialized and schedule delays have transpired.

Mr. Doug Lamb, Mr. Rick Green and Greg Montgomery presented an overview of the amendments at the trustees' request, stating that schedule changes due to COVID-19 there was a delay in building. Pursuant to the presentation brief discussion and questions raised by Mr. Hoang found that:

- Green Community Program - City Gateway Project is a small business that is working with small contractors utilizing 30-50% small minority business from ownership to contractors down to sub-contractors.

Chairman Hopper called for the motion to approve amendment to the 2017 VSBFA issued bond for the City Gateway Project. Mr. Hoang motioned for approval the motion was seconded by Mr. Holeman and approved by the Board by roll call. Mr. Pisons called the roll. Voting Aye: Vice Chairman Amin, Mr. Hoang, Mr. Holeman, Mr. Hopper, Mr. Johnson, Mr. Joyce, Mr. Mahone, Ms. Mayton, and Mr. Smith; Voting Nay: None

NPPF Intermediate Funding I, LLC

Ms. Anna Mackley presented the request for amendment to the 2006 conduit revenue bond for the benefit of NPPF Intermediate Funding I, LLC (NPPF), a non-profit based in Atlanta, whose mission was and still is to assist other non-profits in lowering their costs of financing. The concept was for NPPF and its investment banking advisors to identify non-profit borrowers across the country who would participate in a pooled bond issue where standard documentation and standard fees would be used that would result in lower costs for those national borrowers.

Ms. Lisa Medina Williams and Mr. Issac Levine presented the amendments to the 2006 bond, stating that it would add a second guaranty to its loan to NPPF and allow Beth Medresh to incorporate the assets, agreement to amend the documents and make the structure of all debt consistent.

Chairman Hopper called for the motion to approve the amendments to the 2006 conduit revenue bond. Mr. Holeman motioned for approval the motion was seconded by Mr. Johnson and approved by the Board by roll call. Mr. Pisons called the roll. Voting Aye: Vice Chairman Amin, Mr. Hoang, Mr. Holeman, Mr. Hopper, Mr. Johnson, Mr. Joyce, Mr. Mahone, Ms. Mayton, and Mr. Smith; Voting Nay: None

V. Board Review and Ratification

Ms. Mackley presented multiple approvals and declines for ratification. Chairman Hopper called for a motion. Motion was made by Mr. Joyce, seconded by Mr. Hoang and approved by The Board by roll call. Mr. Pisons called the roll. Voting Aye: Vice Chairman Amin, Mr. Hoang, Mr. Holeman, Mr. Hopper, Mr. Johnson, Mr. Joyce, Mr. Mahone, Ms. Mayton, and Mr. Smith; Voting Nay: None

VI. Public Comment Period

Chairman Hopper called for comments from the attending public. Hearing none the comment period and the Public Hearing was closed at 12:47 p.m.

VII. Other Business

A. Update on JLARC Audit Response for Risk Rating System presented by Mr. Howard Pisons. Policy has been drafted to include a risk rating system for all new loans and to include annual loan reviews. These reviews would be risk rated and brought to the Board of Directors if the loan becomes part of the watch list within the risk rating system. This periodic reporting would give insight into how VSBFA chooses to implement or make changes within its credit policies.

B. Update on JLARC Audit Response for Fund Dashboard presented by Mr. Howard Pisons. The Dashboard has been created to show total fund allocated per program, how much we have utilized, the utilization rate, the amount of loans/enhancement programs currently active, cash on hand per program, total loans or enhancements funded since the inception of the program, along with a record of this year plus the last two (2) fiscal years of loans/enhancements closed. The next step is to set goals for the next year, two years, and five years and create a pathway for success to maximize utilization up to ninety percent (90%).

VIII. The meeting was adjourned at 1:34 pm.