

Southfield Redevelopment Authority
Board of Directors Remote Participation Meeting
Wednesday, October 7, 2020 @ 7:00pm

Directors Remotely Present, via Attendance Rollcall:

Tom Henderson, Chairman
David Rubin, Vice-Chairman
Pat O’Leary, Clerk
Kelli O’Brien McKinnon
Brittany Besler
Chris Primiano
Kevin Donovan

Not Present: Robert Rizzi

Also Remotely Present: Jim Young, Land Use Administrator
Eric Hart, Treasurer
Patricia Fitzgerald, Recording Secretary

The Chairman called the meeting to order at 7:00pm and said:

*In response to Governor Baker's declaration of a public health emergency and the related Emergency Executive Order dated March 12, 2020, the Southfield Redevelopment Authority (“the Authority”) shall be meeting remotely until further notice. The **application Webinar #875-6376-7613** provided through **ZOOM** and a **Passcode of 076066** will be used for this purpose.*

The Zoom online link and dial-in instructions were provided 48 hours in advance of the meeting.

This application will permit the public to access and participate in future Board meetings and hearings. We extend our thanks for your understanding and participation in this manner, which is intended to keep members of the Board and the public safe.

This meeting may be recorded via Zoom.

Open Session Minutes

VOTED: Motion of Kevin Donovan, seconded by Dave Rubin, to accept the September 23, 2020 minutes, as written.

7-0-0 unanimous rollcall vote

Treasurer's Report

2010A Infrastructure Development Revenue Bond Refunding Resolutions

- Approval of Amended and Restated Trust Indenture between the Authority and Wells Fargo Bank, N.A.
- Designation of Authorized Officers of the Authority
- Authorization for issuance of the 2020A Infrastructure Development Revenue Bonds
- Authorization for execution of a purchase contract between the Authority and Stifel, Nicolaus & Company, Inc.
- Approval of the public infrastructure improvements (the "Series 2020A Improvements")
- Adoption of post-issuance compliance procedures

Chairman Henderson introduced Jay Gonzalez and Kris Moussette of Hinkley-Allen, bond counsel for the Authority.

Mr. Gonzalez said South Shore Tri Town Development (SSTTDC) issued bonds in 2010 to finance project infrastructure. Those bonds are being paid by a few sources; assessments on FOST-1 and FOST-2, and property tax revenue. This has been pledged to the owners of the 2010 bonds, who lent the money. At that time there was not a lot on the base, and the bonds were riskier. The market is much better today, interest rates are really low, there is a lot more development now and this has generated more tax revenue. There is now an opportunity to refinance the outstanding debt and generate significant savings; that is what the Resolution is all about.

Resolution

Mr. Gonzalez explained:

Section 1 authorizes a new and restated Trust Indenture which is basically a source of security for whoever will loan money in order to make them feel comfortable that they will be repaid. This includes a pledge to bond holders, provides for terms of the bond, and the rights that bond holders have. This essentially authorizes the Chairman and the Vice Chairman, on behalf of the Authority and the Board, to make any amendments to the form of Indenture necessary and to enter into it to provide for the issuance and security for the bond.

Section 2 authorizes the issuance of Series 2020A Bonds and terms and rate of interest. He said the SRA's vote has a maximum amount of \$17 million depending on the market the day the bonds are sold.

Section 2 also includes the purposes for which the bonds can be issued, which includes funding a reserve fund and using premiums generated to finance new projects.

The vote authorizing the bonds also says the Authority can only move forward with the bond issue and sell the bonds if it achieves savings by doing so. This is also important because the state has to approve any bond issue that SRA issues, unless it is being done for savings, which this is.

The interest rate is capped at 8½ %, which is why they are trying to generate all savings up front.

Section 3 authorizes the sale of the bonds to Stifel, Nicolaus & Company, the underwriter, pursuant to a purchase contract. The actual issuance and closing will probably take place a couple of weeks later. The Chairman and Vice Chairman are authorized to sell the bonds at a price not less than 110%.

Section 4 is a list of projects that need to be done. This total cost is likely to be more than the upfront savings of the bonds. This authorizes the Chairman or the Vice Chairman to determine which projects to move forward with, but only if:

- it is determined there are sufficient funds to complete the project, and
- there is confirmation from bond counsel that the project authorized will not adversely impact the tax-exempt status of the bond

Section 5 authorizes the Chairman and Vice Chairman to do anything else necessary to carry out this transaction. Also referenced are additional necessary documents.

Section 6 approves attached Exhibit C “Post-Issuance Compliance Policy”. Underwriters buying the bond want to see that policies and procedures are in place.

Section 7 provides for when the Resolution will take effect (upon the Authority’s adoption).

Kris Moussette said the Indenture is a draft that will need to be finalized, and the Post Issuance Compliance Procedures Policy has two components (tax law requirements and security law requirements) which should be looked at.

VOTED: Motion of Kevin Donovan, seconded by Tom Henderson, to adopt the Resolution as presented and delineated by Bond Counsel

(See vote below)

Mr. Primiano asked for the assessed value of FOST1 and FOST2; Mr. Hart said approximately \$230 million.

Mr. Primiano asked where that figure comes from; Mr. Gonzalez said it is the assessed values determined by the towns.

Public Comments:

Mary Parsons of Rockland asked what the assessed value is for Rockland; Mr. Hart said he thought that the amount of pledged revenue for Rockland is around \$10,000. Ms. Parson also asked when the Bonds will expire; Mr. Gonzalez said the date is the same as now, 2040.

Vote on above Motion:

7-0-0 unanimous rollcall vote

Chairman Henderson said the two-thirds vote was achieved, the motion carried, and the resolution has been adopted.

Topics not reasonably anticipated by the Chairman 48 hours in advance of the meeting: none

VOTED: Motion of Kevin Donovan, seconded by Kelli O'Brien McKinnon, to adjourn at 7:35pm

7-0-0 unanimous rollcall vote

Patricia Fitzgerald, Recording Secretary

Tom Henderson, Chairman

Documents reviewed during the meeting:

Resolution from Bond Counsel