

**MINUTES OF
REGULAR MEETING OF THE DIRECTORS OF
THE OKLAHOMA DEVELOPMENT FINANCE AUTHORITY
January 31, 2024**

The Directors of the Oklahoma Development Finance Authority held a Regular Meeting at 10:00 a.m. on Wednesday, January 31, 2024, in the Conference Room of the Oklahoma Development Finance Authority, 9220 North Kelley Avenue, Oklahoma City, Oklahoma.

The following members of the Authority were PRESENT:

Mr. Keith Ventris, Chairman
Mr. Bridger Cox, Vice Chairman
Mr. Peter Carey, Secretary
Mr. Hank Bradley, Member
Mr. Matt Caldwell, Member
Mr. D.R. Shipley, Member

The following member of the Authority was ABSENT:

Mr. Hopper Smith, Ex-Officio

Others attending the meeting were members of the Oklahoma Development Finance Authority staff and other guests representing firms doing business with ODFA, who are listed on the Attendance Register which is kept in the original meeting file.

ROLL CALL

Chairman Ventris called the meeting to order and requested a roll call from the Assistant Secretary, after which he declared a quorum present.

In response to a question by Chairman Ventris, it was reported that notice of the Special Meeting of the Authority was filed in the office of the Oklahoma Secretary of State and public notice of this meeting was posted in prominent view at 9220 North Kelley Avenue, Oklahoma City, Oklahoma, twenty-four (24) hours prior to this meeting excluding Saturdays, Sundays, and legal holidays, all in compliance with the Oklahoma Open Meeting Act.

APPROVAL OF MINUTES OF THE MEETING OF DECEMBER 13, 2023

Minutes of the meeting held December 13, 2023, had been sent electronically to the Board Members prior to the meeting and the reading was waived. Mr. Carey made a motion to approve the minutes as transmitted. Mr. Shipley seconded the motion. All members present voted Aye.

FINANCIAL REPORT

Mr. Davis stated that on pages 13 and 14 of the board packets are the trended balance sheet and income statement for the month ending December 31, 2023. The total revenues are \$1.297 million versus \$1.337 million a year ago. The expenses are slightly up at \$657,000 versus \$562,000 this same period a year ago. This leaves a net income of \$640,000 versus \$775,000 a year ago.

Chairman Ventris asked if there were any questions or comments concerning the report. Hearing none, he asked if there was a motion. Mr. Caldwell made a motion to approve the financial report, as presented. Mr. Carey seconded the motion. All members present voted AYE.

NEW LOAN APPLICATIONS/PROJECTS

A. Oklahoma Development Finance Authority (ODFA) – \$1,250,000 Oklahoma Community Economic Development Pooled Finance Act Award (City of Oklahoma City Project, Series 2024)

Discussion and possible with respect to a resolution acknowledging receipt of a Determination Letter from the Oklahoma Department of Commerce (“ODOC Determination Letter”); implementing the financial incentive described in the ODOC Determination Letter, namely, the Oklahoma Community Economic Development Pooled Finance Act (City of Oklahoma City), Series 2024, in an aggregate principal amount estimated at \$1,250,000 (the “Award”); approving and authorizing the execution and delivery of a Funding Agreement and other related documents; and containing additional matters relating thereto.

Mr. Stoner stated starting on page 21 is the Business Expansion Incentive Program pipeline report. There are now 87 projects in the pipeline including four of the five that are on the agenda today. The fifth project that is on the Agenda, Highland Dairy, will not be heard today. It will be back on the agenda in February. There were six of the 87 projects that recently paid off. You will see that some of the projects are paying off and we are adding new ones. This has been the case over the last year. There is \$110 million outstanding and this leaves about \$90 million of availability in the program.

The first project summary is on page 24 of the board packet. This project is for the ODFA \$1,250,000 Oklahoma Community Economic Pooled Finance Act Award for

City of Oklahoma City. The City of Oklahoma City made an application to the P3 Program to assist with the development of new infrastructure including water, sewer, and road. This will be paid initially by the developer and ownership will be transferred on completion to the City of Oklahoma City. This is about a \$7 million total project that will help with the actual development itself just a mile to the west of us on the south side of Chicken and Pickle area. There is an emergency and improved access component to this. Dolese Bros. and OneCore Health have signed on as partners and they will capture the withholdings from these companies to help support the project.

The Oklahoma Department of Commerce has identified that the project is a net positive benefit to the State of Oklahoma and has recommended an incentive award of \$1,250,000 to be paid off over the next three years.

Mr. Stoner introduced Randy Hogan, the developer with Hogan Property and, also Joanna McSpadden with the City of Oklahoma City. Mr. Hogan then gave an overview of the project.

Mr. Cox made a motion to approve the project. Mr. Caldwell seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley, Ventris
NAY: NONE

B. Oklahoma Development Finance Authority (ODFA) – \$300,000 Oklahoma Community Economic Development Pooled Finance Act Award (National Cowboy & Western Heritage Museum Project), Series 2024

Discussion and possible with respect to a resolution acknowledging receipt of a Determination Letter from the Oklahoma Department of Commerce (“ODOC Determination Letter”); implementing the financial incentive described in the ODOC Determination Letter, namely, the Oklahoma Community Economic Development Pooled Finance Act (National Cowboy & Western Heritage Museum Project), Series 2024, in an aggregate principal amount estimated at \$300,000; waiving competitive bidding and authorizing the sale of the Notes on a private placement basis; approving and authorizing the execution and delivery of the Notes and documents; and containing other matters relating thereto.

Mr. Stoner stated this project is an infrastructure and expansion opportunity for the National Cowboy & Western Heritage Museum. The museum is looking to renovate and construct parking lots, the purchase and installation of a museum vault protecting the art and artifacts housed at the museum, and to purchase and install new guest experience and exhibits at the museum.

The Oklahoma Department of Commerce has identified that the project is a net positive benefit to the State of Oklahoma and has recommended an award amount of \$300,000 over the next three years.

Mr. Stoner then introduced Mr. Pat Fitzgerald, CEO of the Museum and Mr. Jake Yunker. Mr. Fitzgerald gave a brief overview of the project.

Mr. Cox made a motion to approve the project. Mr. Shipley seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley, Ventris
NAY: NONE

C. Oklahoma Development Finance Authority (ODFA) – \$700,000 Oklahoma Community Economic Development Pooled Finance Act Award (Town of Goldsby Project), Series 2024

Discussion and possible with respect to a resolution acknowledging receipt of a Determination Letter from the Oklahoma Department of Commerce (“ODOC Determination Letter”); implementing the financial incentive described in the ODOC Determination Letter, namely, the Oklahoma Community Economic Development Pooled Finance Act (Town of Goldsby Project), Series 2024, in an aggregate principal amount estimated at \$700,000; waiving competitive bidding and authorizing the sale of the Notes on a private placement basis; approving and authorizing the execution and delivery of the Notes and documents; and containing other matters relating thereto.

Mr. Stoner stated that on page 26 of the board packets is the summary for the Town of Goldsby. The town has applied for the Public-Private Partnership (P3) for a \$1.4 million project. This project primarily will support about 6,000 feet of 12 inch water main line connecting the growing areas of the town to the town’s water treatment facility with three different partners that joined on the application. B&H Construction, H&H Plumbing and Marcum Nursery are partnering with the town on this project.

Mr. Stoner stated that in 2022, the authority helped support the Town of Goldsby’s project for \$5 million for a wastewater project and that award has since paid off.

The Oklahoma Department of Commerce has identified that the project is a net positive benefit to the State of Oklahoma and has recommended an award amount of \$700,000 to be captured over the next three years.

Mr. Stoner introduced Mr. Adam Vossen, the administrator for the town of Goldsby who then gave a brief overview of the project.

Mr. Caldwell made a motion to approve the project. Mr. Carey seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley, Ventris
NAY: NONE

D. Oklahoma Development Finance Authority (ODFA) – \$400,000 Oklahoma Community Economic Development Pooled Finance Act Award (Vox Printing Project), Series 2024

Discussion and possible with respect to a resolution acknowledging receipt of a Determination Letter from the Oklahoma Department of Commerce (“ODOC Determination Letter”); implementing the financial incentive described in the ODOC Determination Letter, namely, the Oklahoma Community Economic Development Pooled Finance Act (Vox Printing Project), Series 2024, in an aggregate principal amount estimated at \$400,000; waiving competitive bidding and authorizing the sale of the Notes on a private placement basis; approving and authorizing the execution and delivery of the Notes and documents; and containing other matters relating thereto.

Mr. Stoner stated that Item D. is for \$400,000 Oklahoma Community Economic Development Pooled Finance Act Award for Vox Printing. Vox Printing has been here once before and has also been a recipient of OIEP in 2021. In 2021, there was a \$400,000 folding and gluing machine that allowed Vox to pivot as the industry started to shift. In 2022, the Authority assisted them with another award to help support \$4 million warehouse facility. Vox Printing is a family-owned business 3 miles east of our building. They are the largest tray liner producer in the US. The project today is to purchase and install a flexographic printing press and an in-line die cutting machine to increase capacity of its finished products. They currently have 91 existing jobs. When we first started working with Vox, they had about 65 employees. They have grown and this opportunity will add another 15 jobs.

The Department of Commerce has identified that the project is a net positive benefit to the State of Oklahoma and has recommended an incentive award of \$400,000 to be paid out over the next three years.

Mr. Stoner then introduced Mr. David Reid, President, and his brother, Mr. Robert Reid, Vice President of Operations. The two gave a brief overview of the project.

Mr. Cox made a motion to approve the project. Mr. Shipley seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley, Ventris

NAY: NONE

E. Oklahoma Development Finance Authority (ODFA) – \$125,000,000 Oklahoma Development Finance Authority Conduit Program – Higher Education Master Lease/Purchase Real Property, Series 2024

Discussion and possible action granting preliminary and final approval authorizing the Authority to enter into its Higher Education Master Lease/Purchase Real Property Program and cause to be issued bonds under said Program the (“Bonds”) in one or more series in the total aggregated principal amount of not to exceed \$125,000,000 for the calendar year 2024; waiving competitive bidding and authorizing said bonds to be sold on a negotiated basis, approving a contract of Purchase; authorizing the Chairman, Vice Chairman or President to approve a Certificate of Determination setting out the terms of the bonds; approving a Trust Indenture, Master Real Property Lease/Purchase Agreement and other documents relating to said bonds; approving an Official Statement; authorizing and directing of the execution of documents relating to the transactions; and containing other provisions relating thereto.

Mr. Stoner stated that this project is for \$125,000,000 Higher Education Master Lease Real Property Program, Series 2024. Each January we ask for the authorization for the program. Each individual project will come back later through the Council of Bond Oversight. The Master Lease Program supports 25 colleges and universities in Oklahoma they are under the Oklahoma State Regents for Higher Education. This program has been an efficient program for higher education. This allows them to pool the projects together and share expenses for the bond issuance. It also helps reduce rates because the program carries the State’s credit rating. The Real Property Program began in 2006, there is a statutory cap on annual bond issuance. Although we are asking for \$125,000,000 today based on initial conversations with the State Regents. They are expecting roughly \$35 million of new projects and potential opportunities to refund bonds that were issued in 2014. This will leave roughly \$85 million, if rates come back down, we might be able to refund the bonds and save some money for each of the institutions. There is a legislative review process for the Real Property Program. These projects will be put together by the State Regents and they will be provided to the Legislature in the first week of session. The Legislature will have 45 days to review the projects. So, we will have a 45 day waiting period to see what our project list will become in mid-March. At that time, we will begin to put the projects together and start the process of issuing the bonds.

Mr. Shipley made a motion to approve the project. Mr. Carey seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley Ventris
NAY: NONE

F. Oklahoma Development Finance Authority (ODFA) – \$50,000,000 Oklahoma Development Finance Authority Conduit Program – Higher Education Master Lease/Purchase Equipment Program, Series 2024

Discussion and possible action granting preliminary and final approval authorizing the Authority to enter into its Higher Education Master Lease/Purchase Equipment Program and cause to be issued bonds under said Program the (“Bonds”) in one or more series in the total aggregated principal amount of not to exceed \$50,000,000 for the calendar year 2024; waiving competitive bidding and authorizing said bonds to be sold on a negotiated basis, approving a contract of Purchase; authorizing the Chairman, Vice Chairman or President to approve a Certificate of Determination setting out the terms of the bonds; approving a Trust Indenture, Master Lease/Purchase Equipment Agreement and other documents relating to said bonds; approving an Official Statement; authorizing and directing of the execution of documents relating to the transactions; and containing other provisions relating thereto.

Mr. Stoner stated that this project is like the last item. This is the ODFA Higher Education Master Lease/Purchase Equipment Program, Series 2024. This is the same idea and the difference for equipment is there is a statutory annual cap of \$50 million. Historically, we ask the Board for the full amount. These projects do not go to the legislature. The State Regents for Higher Education ask the colleges and universities for their equipment projects and typically go out in the Spring and in the Fall to do a couple of issuances throughout the year.

Mr. Caldwell made a motion to approve the project. Mr. Carey seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley Ventris
NAY: NONE

G. Oklahoma Development Finance Authority (ODFA) – Oklahoma Development Finance Authority Conduit Program – Higher Education Master Lease/Purchase Program, Series 2024 (Equipment and Real Property) – Request for Professional Services (RFP Selection)

Discussion and possible vote on selection of Bond Counsel, Underwriter, Trustee Bank, Special Tax Counsel and Printer Services for the ODFA’s Higher Education Master Lease/Purchase Program, Series 2024

Mr. Stoner stated that this is ODFA’s Conduit Program for the Master Lease Equipment and Real Property, Serie 2024. This is for the selection of service providers. In the beginning of January, the Authority submitted RFPs to various service providers, and we received the proposals last week.

Mr. Cox made a motion stating that the subcommittee met this morning and selected the following providers: Underwriter – BOK Financial Securities; Bond Counsel – The Public Finance Law Group; Trustee Bank – UMB; Special Tax Counsel – Hawkins Delafield & Wood; Printer – Financial Printing Resources. Mr. Shipley seconded the motion. Upon Roll Call, the vote was as follows:

AYE: Bradley, Caldwell, Carey, Cox, Shipley Ventris
NAY: NONE

REVIEW AND POSSIBLE APPROVAL OF TRAVEL CLAIMS

Mr. Shipley made a motion to approve the travel claim. Mr. Carey seconded the motion. All members present voted AYE.

PRESIDENT’S REPORT

Mr. Davis reported that the Board has seen several P3 Projects, Business Expansion Incentive Programs and on page 21 is a summary of those Projects. This one-page report has now become a three-page report. This program has done so much for existing Oklahoma companies. There are 87 total active projects that were awarded, approved, closed, or receiving payments. There is a \$200 million capacity for the program. It has the evergreen function that every dollar paid back becomes available for another project. Today the capacity for the program is at \$89.5 million.

Through the Oklahoma Innovation Expansion Program, Series 2023 there were 178 companies that were awarded for \$13.5 million. This program is a pay for performance incentive program. Twelve of these companies for a variety of reasons were not able to perform so we are working with 166 companies, and we have disbursed \$9.5 million to these companies through January.

Mr. Davis added that the staff, the Department of Commerce, and the Oklahoma Manufacturing Alliance are making plans for the marketing of the OIEP, Series 2024 Program. We will be asking for authorization for this program in March. They will be doing some in person meetings in several communities and work with other statewide and regional organizations to make sure the companies know about this program.

Mr. Davis reported that there will possibly be \$35 million in new money for the Master Real Property Program. There are substantial opportunities for refunding of bonds that were issued in 2014 that have come up on their call date. Mr. Davis is unsure if the rates will put them in the money to refund. Today the fed’s hold steady, the job numbers are a little soft and this might indicate a little bit of slowing. After the meeting in March there might be some percentage possibility, quarter cuts at each of those meetings.

Mr. Davis added that in December we had a special meeting to approve the Ardmore, Michelin Rapid Response Community Program. There has been quite a bit of work in finalizing the rules of the program, especially around the entrepreneurial support. This is a revolving loan fund that

was set up. There is a Michelin transition task force and Mr. Davis has attended these calls. He also has participated in a finance team leadership meeting and an entrepreneurship task force sub-committee. Mr. Davis stated that things are going well with this program, and he reported to the board that there were a lot of Michelin representatives on the phone call and the CFO of Michelin, North America was on that call as well. These guys are really working shoulder to shoulder with the State in trying to make sure that these employees that get left behind, are provided support. Mr. Davis stated that he has been through a few situations where management had to do a reduction in force and everyone offers resume writing and interview skills, etc. But it appears to Mr. Davis that Michelin has gone far above in helping their employees.

Mr. Davis reported that each of the Governor's appointed Board members serve a six-year term, and they overlap. We have a member that goes off each year. There are six members because it is based on the 1959 congressional district map when we did have six districts. This year District 4 which is Director Shipley's district is up for reappointment. Mr. Davis has reached out to the Governor's appointments office, and he is going through the process of applying for reappointment. Typically, there is a confirmation hearing held at the end of session.

Lastly, Mr. Davis reported that the legislative session will begin next Monday. He has an extensive list of legislation that will affect economic development in the State. He is currently going through general government legislation pieces that he is looking at. He has research to do to get through these bills and it will consume some of his time in the next few months.

Mr. Davis stated that this concluded his President's Report. Chairman Ventris made note that no formal action was taken during the President's report.

ADJOURNMENT

Chairman Ventris asked if there were any announcements. Hearing none, he asked if there was a motion to adjourn. Mr. Cox made a motion to adjourn. Mr. Shipley seconded the motion. All members present voted AYE.

These minutes officially approved and adoption this 28th day of Feb., 2024.

Keith Ventris

Chairman
SEAL

Keith Cox
Assistant Secretary