

Charter School Property, Inc
Board of Directors Meeting
December 15, 2020
1:30PM

1. Introductions
 - a. Board Members Present: Ken Hanson, Bryan Toft, and Dr. Meg Cavalier.
 - b. Guests: Karl Jentoft, Sean Elder, Craig Kepler, Emmanuel Donaby, Justin Tiarks, Jenny Reiling and Ava Buchanan.
2. Motion to Appoint Ken Hanson as Board Chair of Charter School Property, Inc. – Dr. Meg Cavalier; seconded by Bryan Toft.
3. Motion to Approve Agenda – Dr. Meg Cavalier; seconded by Bryan Toft.
 - a. Ken Hanson – Aye
4. Motion to Approve Minutes 11.20.2020 – Bryan Toft; seconded by Dr. Meg Cavalier.
 - a. Ken Hanson – Aye
5. Financial Statement and Motion to Approve Check Register bills in the amount of \$11,542: cash in building company bank account \$502,603 YTD; cash held in escrow \$902,390 (split between several accounts); \$18,370 liabilities due to school. Deficit of \$1.6 million (principal interest payment in January and July); \$261k rent from school – Dr. Meg Cavalier; seconded by Bryan Toft.
 - a. Ken Hanson – Aye
6. Motion to Approve American Engineering Testing: Vapor Assessment has been scheduled as required by MPCA at the cost of \$13,500 (test in winter and summer) – Dr. Meg Cavalier; seconded by Bryan Toft.
 - a. Ken Hanson – Aye
7. Updated project budgets
 - a. Update on sale of primary and middle schools: 3 significantly interested buyers for the primary school; potential to receive intent to purchase in January, but we will not meet our initial December deadline. This will likely push our building construction timeline to a fall 2022 launch. Limited interest in the middle school at the moment.

- i. Option to offer the building to a buyer for purchase with a lease back option, then lease to purchase the facility beginning in 2022)
 - ii. Option to rent out primary school building to generate steady revenue; coordinate inflow to avoid over-extending our costs on the new building
 - b. Updated plans indicate that costs will be about \$1 million over budget. SPCS is currently working to slim down that budget.
- 8. Motion to Approve Financing Proposal with Sunrise Leverage Loan Proposal, Sunrise New Market Tax Credit Proposal, and MMCDC New Market Tax Credit Proposal as presented – Dr. Meg Cavalier; seconded by Bryan Toft.
 - a. Ken Hanson – Aye
 - i. Sunrise Leverage Loan Proposal – interest rate of 4% with \$11.2 million limit.
 - ii. Sunrise New Market Tax Credit Proposal & MMCDC New Market Tax Credit Proposal – used for allocation of New Market Tax credit (together totalling \$6 million in tax credits) with between a 4-5% closing fee. Currently rating around 67 cents on the dollar; committing to moving forward with this with the understanding that the rates will likely improve with less uncertainty surrounding COVID.
- 9. Charter School Property, Inc ABC Handbook – The school district (SPCS) has control over the Charter School Property Board. The district is the driver of the projects that the CSP manages. The CSP Board serves as an extra reviewer for policies and materials. Thus, the CSP Board serves as an advisory for the school.
- 10. Regularly scheduled meetings
 - a. January–June 2021: Second Tuesday of the month 2-3PM
- 11. Motion to Adjourn – Bryan Toft; seconded by Dr. Meg Cavalier.
 - a. Ken Hanson – Aye

Meeting adjourned at 2:30pm.

