**ARTA Teams Info-20241023\_125056-Meeting Recording**

October 23, 2024, 6:51PM

12m 4s

 **CO-Greenwood Village-Pikes Peak (16)** 0:03
Can you hear something so great?
Melissa, can you hear us OK.

 **Melissa Buck** 0:09
Yep.

 **CO-Greenwood Village-Pikes Peak (16)** 0:11
So your your camera was on, so I asked you so I could.
Yeah, I could see you so.
Great. OK. Then we're returning from executive session ready to conduct the rest of our meeting.
Someone want to bringing back.
I'll ask a requesting that he join.
OK, Tom, you wanna walk us through what's left here?

 **George, Tom** 0:39
Sure, Mr. chair. Thank you.
Three items basically.
The first one is item B1.
Here is discussion and potential approval of engagement with an additional underwriter bond underwriter to service Comanner with Jefferies on your Bond transaction. And then the second would be to review the comprehensive plan of finance that Melissa is prepared to present will have the board adopt that after present.
Presentation. If she's inclined, and then you have to pack it in for action.
Today's a bond parameters resolution and Dave Lucas, your bond counsel with Sherman and Howard, is with us to present that to you when you get.
B3.
So the first topic there that is considered a Co manager.
Melissa, do you want to just tee that up or, Matt, if you you'd like to and then?
For board discussion in action.

 **CO-Greenwood Village-Pikes Peak (16)** 1:25
Can you just real briefly give us a real quick cuz? Like I said, we wanna make sure everybody's here for the for all the votes.

 **Melissa Buck** 1:33
Sure. So a few weeks ago the board authorized me to put out an RFP for Co managers on this transaction as we expected, it may be of sufficient size.
We solicited 8 firms. Arna received 8 responses to that solicitation, including DA Davidson, JP Morgan, Stifel, RBC, Wells Fargo.
Northland Securities, Estrada, Hinojosa and Piper Sandler.
Each of these firms put together a very thoughtful, aggressive proposal.
We certainly appreciate the detail that a lot of these firms put into their proposals.
That said, in discussions.
In discussion, I think it is the board's choosing to have one comancher for this transaction, especially given the short timing of it.
So Matt, do you want to go ahead and share?
The board's thoughts?

 **CO-Greenwood Village-Pikes Peak (16)** 2:35
Yep. So we won't have a, we'll actually we will, I think the board saw after reading your memo that you've provided in the information and discussion.
I would make a motion that we add DA Davidson as the Co managing underwriter for this transaction and we established the the split as a 7525 split of those.
At the cost.
2025 to DIA Davidson, 75 to Jeffrey.

 **Gardner, Curtis** 3:08
I'll second that Gardner.

 **CO-Greenwood Village-Pikes Peak (16)** 3:10
Thank you. Motion's been made and 2nd all in favor, say aye, aye.

 **Gardner, Curtis** 3:15
Hi.

 **CO-Greenwood Village-Pikes Peak (16)** 3:16
That is unanimous. Thank you.
Moving on to the comprehensive plan of Finance, Melissa, do you want to give us a quick overview on that?

 **Melissa Buck** 3:27
Yep. So in your board packets you should have.
Comprehensive plan of finance as relates to this 2024 bond transaction. As a reminder, this is a requirement prior prior to Arter issuing any bonds.
So what you see is what we think a conservative case for artist proposed debt issuance presently in that pack in those numbers runs I think we have about 185 million.
We anticipate that actually being.
A bit higher, which is why the parameters resolution will show a much higher par amount, but we simply wanted to present a conservative case for for what we anticipate art of being able to achieve.
So I I don't know if there's anything else that anybody wants to talk through with that we anticipate about that plan of finance shows about 185 million, netting about 133, a 135 million in project proceeds.

 **CO-Greenwood Village-Pikes Peak (16)** 4:30
Thank you for that.

 **George, Tom** 4:30
Hey, Melissa, this this is Tom.

 **CO-Greenwood Village-Pikes Peak (16)** 4:32
And then go ahead talk. Yep.

 **George, Tom** 4:33
I just wanted to clarify that that make sure I understand this right.
Your planet finance really is the keys in on on revenue streams and and the projected revenues and then assumes a conservative interest rate for bond projection purposes. But that the plan of finance shows what the the revenues will be and and in the event that ARTA can can.
Issue more bonds higher than that number.
That's still supported by the plan of finance because the revenues don't change.

 **Melissa Buck** 5:00
Yes.

 **George, Tom** 5:01
Just can't guess.
Really, we don't know the market conditions that we'd see in the next six weeks.
So I just wanted to clarify that make sure that I understand that correctly.

 **Melissa Buck** 5:09
Yes, well said.
Yeah, the plan of finance shows our key assumptions as it relates to projecting artist cash flows.
Arta is General Fund operating budget for 2024 and 2025 and then shows a conservative case of how much debt those cash flows would be able to support. Ultimately, the amount of debt that are to issues in the next month or so.
Will be dictated by the market, but it all flow back to those cash flows or be supported by those cash flows.

 **CO-Greenwood Village-Pikes Peak (16)** 5:49
Thank you. With that then.
Any discussion by board members regarding the plan of finance?
Again, I think that as Melissa indicated, it's a conservative approach, just meaning that we do believe that we're in a much stronger position to both en rate and impair amount. But it does give us kind of that snapshot of support for for this issuance. So with that chair.
Would.
But without objection would make a motion to approve the comprehensive plan of finance.

 **Gardner, Curtis** 6:25
2nd gardener.

 **Sundberg, Steve** 6:25
So moved Sundberg. Yeah, yeah, go ahead.

 **CO-Greenwood Village-Pikes Peak (16)** 6:29
Thank you.
Motion has been made and 2nd all in favor say hi.

 **Gardner, Curtis** 6:33
Hi.

 **Sundberg, Steve** 6:34
Hi.

 **CO-Greenwood Village-Pikes Peak (16)** 6:35
Motion carries.
Thank you.
Moving on to the bond resolution, is that correct? Yeah.

 **George, Tom** 6:45
Mr. Chair, I'll turn it over to David Lucas with Sherman and Howard.

 **Lucas, David K.** 6:50
Yes, good afternoon.
So the bound resolution before the board does a couple of things.
Number one, it authorizes the issuance of a single series of bonds for new money purposes within a couple of parameters.
The parameters that are set forth in the resolution are not to exceed 225 million and not to exceed 7 1/2% final maturity not later than December 1, 2055. I believe there's a recommendation to increase the Max par par par.
From 225 million up to 250 million.
To reduce the maximum interest rate from 7 1/2 down to 7% and also as was just discussed, to add DA Davidson as a comanager in addition to Jeffrey's in the definition of bond purchase agreement.
So in addition to making those changes.
And those parameters, the bond resolution also.
Approves certain documents that are related to the bond transaction, namely the indenture of trust, the preliminary limited offering memorandum which has been very long disclosure, document a continuing disclosure agreement and then lastly that bond purchases agreement that I just mentioned between RDA and it's now two underwriters. Jeff.
'S and.
Dear Davidson, for this particular deal, so happy to answer any questions, but that is the purpose of the bond resolution.

 **CO-Greenwood Village-Pikes Peak (16)** 8:07
Any questions?
Hearing none, is there a motion to approve the bond resolution?

 **Gardner, Curtis** 8:14
So moved Gardner.

 **Steve O'Dorisio** 8:14
Motion of.

 **CO-Greenwood Village-Pikes Peak (16)** 8:16
Thank you. Motion's been made by Steven.
Was that a second by Curtis Gardner? Thank you.

 **Gardner, Curtis** 8:20
Answer.

 **CO-Greenwood Village-Pikes Peak (16)** 8:21
Motion to made second all in favor say aye, aye.

 **Gardner, Curtis** 8:24
Hi.

 **CO-Greenwood Village-Pikes Peak (16)** 8:27
Motion carries.
Thank you, item.

 **George, Tom** 8:28
Mr. Chair, if we could.
Sorry to interject for the purposes of that resolution. It's a certified resolution.
Can we just do a roll call vote so we can have make sure we document how each person voted?

 **CO-Greenwood Village-Pikes Peak (16)** 8:38
We'll get roll call has been requested and will be granted. Steve odorisio.
Curtis Gardner.
Steve sundberg.
And the chair votes aye.

 **George, Tom** 8:54
Thank you.

 **CO-Greenwood Village-Pikes Peak (16)** 8:57
Moving on to item item 4.

 **George, Tom** 8:57
Give me a Shakespeare in item four. I think. Dave Lucas, we perhaps don't need this.
I think sometimes we make sure make sure we've got the authorization we need.
I I my guess is this is included in the bond resolution document authorization.

 **Lucas, David K.** 9:11
It is.
It's embedded in that in a paragraph in the bond resolution itself.
So no need to separately approve the authorization board members.
Any of the board members are authorized to sign upon documents as a matter of course.
We typically have the chair assign them.

 **George, Tom** 9:25
OK.
So we can skip #4, then, Mr. Chair and #5 is an update on the bond issuance.
I'll give a quick update on the inclusions, which are part of this and then maybe Melissa could just give us a quick rundown of the timeline. If we've got time for that, the inclusions were still working on it.
We've been in contact with all five parties.
We were very close on final versions of the inclusion agreement.
I've got comments back this week from a few and just hope to finish those up this week and next for execution by Halloween as our target and I we haven't had any substantive changes, just sort of.
Minor tweaking here and there to the language, so feeling optimistic about those.
And Melissa, do you wanna? If you'd like, Mr. Chair. A quick timeline on bond issuance or we can we could circulate that later.
I know we're tight on time.

 **CO-Greenwood Village-Pikes Peak (16)** 10:06
Yeah, go ahead.

 **Melissa Buck** 10:07
OK.
So.
Just to just to give the board an update on how we're looking for the bond issuance timing, we're going to be working on finalizing the plan and the market study this next week.
Our goal is to price or sorry to post both of those documents along with an investor roadshow the first week of November.
I think we've preliminarily targeted November 5th as that posting date, which will give the Underwriters 2 weeks to.
Market the bonds and our goal would be to price on November 19th, which is the week before Thanksgiving.
So then that would mean a target close date of December 3rd, largely because of the Thanksgiving holiday.
So we should have delivery of proceeds in early December.

 **CO-Greenwood Village-Pikes Peak (16)** 10:59
And that, and we're slated on, that's December 3rd we're anticipating. Is that correct?
Thank you.
Any questions for Melissa?
Alright, thank you.
I just say good job, team. You've done great. All of you. Thank you.

 **Michael Baldwin** 11:19
Thank you.

 **CO-Greenwood Village-Pikes Peak (16)** 11:22
All right. Is there any managers matters today? No, Sir.
OK.
Great legal matters.
Tom.

 **George, Tom** 11:31
Mr. Chair, not the premier.

 **CO-Greenwood Village-Pikes Peak (16)** 11:34
We've already done executive session. I don't think we have any other business.
Other than our next meeting will be on November 13th.
And with that, chair will look for a motion to adjourn.
Thank you, Steve Tibo Dorisio made the motion.
Thank you. Steve Sundberg seconded that all in favor.
Say aye. Aye, perfect.

 **Sundberg, Steve** 11:57
I.

 **CO-Greenwood Village-Pikes Peak (16)** 11:58
Thank you all for your hard work on this.
Thank you for your time.

 **Michael Baldwin** 12:02
Thank you.

 **Melissa Buck** 12:02
Thank you everyone. Bye.

 **Sundberg, Steve** 12:02
Thank you.

 **Carlson, Nicholas** stopped transcription