

Washington Higher Education Facilities Authority

MINUTES

January 7, 2020

**Seattle Pacific
University,
Series 2020:
Public Hearing
(OID 19-W04)**

Mr. Steve Walker, Executive Director of the Washington Higher Education Facilities Authority, opened the public hearing at 1:04 p.m.

In addition to Mr. Walker, Mr. Jerome Cohen, Authority board member; Ms. Carol Johnson and Ms. Rona Monillas, Authority staff, were also present in the Elliott Bay Room at the Authority's offices located at 1000 Second Avenue, 28th floor in Seattle, WA 98104. Authority board members, Mr. Michael Meotti and Ms. Claire Grace, were present by phone.

Mr. Craig Kispert, Vice President for Business & Finance of Seattle Pacific University, and Ms. Cherry Gilbert, Director of Budget and Finance, Seattle Pacific University, were both present by phone.

Mr. Walker stated that the public hearing was being held concerning the proposed issuance by the Authority of tax-exempt revenue bonds in an aggregate principal amount of not to exceed \$91,000,000 to benefit Seattle Pacific University (the "University"). The Bonds will be issued pursuant to chapter 28B.07 of the Revised Code of Washington and the Internal Revenue Code of 1986, as amended (the "Code").

Mr. Walker further stated that the Bonds will be issued as qualified 501(c)(3) bonds under Section 145 of the Code and the proceeds will be loaned to the University for the following purposes: to reimburse the University for previous qualified property acquisitions and capital projects located on the University's campus or within the proximate area extending to the Lake Washington Ship Canal to the north, to Warren Avenue North to the east, to W. Barrett Street and W. Florentia Street to the south and to 8th Avenue West to the west (the "University Facilities Area"), in an amount not to exceed \$10,680,000; to finance miscellaneous nonprofit facility capital projects all located within the University Facilities Area, in an amount not to exceed \$9,820,000; to refinance the Authority's outstanding Series 2013 A, B, C, D, and E bonds (the "2013 Bonds") issued on behalf of the University, which financed campus-wide improvements to University facilities, including

residence halls, office and academic buildings, athletic and parking facilities, the campus library, and equipment; the acquisition of land for, and construction of, a student residence hall; and the acquisition of the Wesley Apartments, all within the University Facilities Area; in an amount not to exceed \$65,000,000; and to pay costs of terminating an interest rate swap contract associated with the 2013 Bonds in an amount not to exceed \$5,500,000.

Proceeds of the Bonds may also be used to finance miscellaneous capital improvements to University facilities located on the University's campus; and any other costs, fees, reserves, capitalized interest, and permitted issuance expenses associated with the transaction.

Ms. Johnson stated that no written comments were received from the public.

Ms. Johnson asked Mr. Kispert and Ms. Gilbert from Seattle Pacific University if they have any additional comments. Mr. Kispert said that the University appreciates the support they received from the Authority. He added that they are looking forward to seeing how the project will benefit the students.

Mr. Cohen commended the University for the project. He added that having the opportunity to do this for the University is always a thrill. Ms. Grace further added that it is very exciting to be able to help the University retire some of their debt and that she is pleased to be a participant in making the project possible.

Mr. Walker then closed the public hearing at 1:10 p.m.