

## OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

### MINUTES OF THE MEETING OF THE COMMISSION

June 14, 2021

The Ohio Higher Educational Facility Commission (the "Commission") met by teleconference on Wednesday, June 14, 2021, at 11:00 a.m. at +1-415-655-0001, Meeting number (access code): 161 254 9296#, written notice of which had duly been given to all members of the Commission. The following members attended: Thomas Needles, Chair; Frederick Church, Vice Chair; John Martin, Secretary; John Adams; James Shindler; and Mike Gonsiorowski. Absent: ~~John Martin~~ <sup>Suzan Tate</sup>. Also present were: Ben Christensen of the Ohio Department of Higher Education; Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; and representatives of the institutions appearing before the Commission.

The meeting was called to order by the Chair. Upon call of the roll, the Secretary declared that a quorum was present. He also stated that the notice of this meeting had been given to all media, organizations or other persons who requested that information in accordance, and in full compliance, with Section 121.22 of the Revised Code. The record should also show that this meeting is was held and conducted by means of teleconference as permitted by Ohio House Bill 197, signed into law on March 27, 2020, as amended, including as amended by Ohio House Bill 404 signed into law on November 20, 2020. All appropriate notifications and access information have been given to the public and media as required by said House Bill.

The Chair noted that the minutes of the Commission meeting of May 19, 2021 were sent to each member prior to this meeting. Upon a motion by Mr. Martin that was seconded by Mr. Shindler, all Commission members present approved the minutes of that meeting by the affirmative individual vote of each member present.

#### **CLEVELAND CLINIC FOUNDATION**

The Chair next called Susan Nobilio, Executive Director, Debt Management, to update the Commission in respect of The Cleveland Clinic Foundation's financing request. Ms. Nobilio was joined by Tim Longville, Chief Accounting Officer. Ms. Nobilio thanked the Commission members, noting that the health system's plan of finance had not changed since Ms. Nobilio spoke at the Commission's May meeting. The bonds are expected to be issued in two series, one for refunding of prior bonds, and the other to pay costs associated with the health system's prior acquisition of Mercy Health System. Market conditions remain good and the health system is hoping to achieve approximately \$39 million of net present value savings through the refinance. In addition to Barclays and Citi, Huntington, RBC, UBS and PNC will be part of the underwriting group. Mr. Longville noted the strength of the health system's first quarter financial performance, specifically noting favorable data for operating income and increased surgeries and outpatient visits. Expenses have increased due to COVID. Investment returns have been good. The Chair complimented the health system on its performance and the financing.

Mr. Burlingame stated that the bond documents have been prepared and are presented in substantially final form. The resolution under consideration approves the issuance of the bonds and related documents.

Mr. Gonsiorowski moved and Mr. Adams seconded the motion that Resolution No. 2021-07 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Church; Gonsiorowski; Martin; Needles; Shindler

Nay: None

The Secretary declared the motion passed and Resolution No. 2021-07 adopted.

Resolution No. 2021-07 is as follows:

## **OTTERBEIN HOMES**

The Chair next called on J. Christopher Green, Chief Financial Officer, to speak to the Commission regarding the financing request of Otterbein Homes. He was joined by counsel to Otterbein Homes, Jason George. Mr. Green thanked the Commission, noting that projects approved by the Commission last year were going well. Last year Otterbein Homes acquired Sunset Retirement Communities. The proposed financing would be to refinance 2011 bonds issued to finance nursing and assisted living facilities in Toledo and Sylvania. Approximately \$2 million of net present value savings is expected. Otterbein Homes has selected B.C. Ziegler and Company as underwriter.

Mr. Burlingame stated that the resolution approves the Preliminary Agreement with Otterbein Homes. That agreement and related resolution preliminarily approve the projects and the financing and refinancing transaction.

Mr. Martin moved and Mr. Shindler seconded the motion that Resolution No. 2021-08 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Church; Gonsiorowski; Martin Needles; Shindler

Nay: None

The Secretary declared the motion passed and Resolution No. 2021-08 adopted.

Resolution No. 2021-08 is as follows:

**UNIVERSITY CIRCLE INCORPORATED (AMENDMENT OF LEASE)**

Mr. Burlingame noted that the resolution presented regarding the University Circle Incorporated approves an amendment of Commission's lease with University Circle Incorporated. The amendment was requested by University Circle Incorporated and will be approved by the trustee and the bondholder for its 2020 financing. The amendment does not change the terms of the bonds.

Mr. Gonsiorowski moved and Mr. Adams seconded the motion that Resolution No. 2021-09 be adopted.

There being no further discussion, the Chair called for the roll and, pursuant to the roll call, the following votes were cast:

Aye: Adams; Church; Gonsiorowski; Martin; Needles; Shindler


Nay: None

The Secretary declared the motion passed and Resolution No. 2021-09 adopted.

Resolution No. 2021-09 is as follows:

**OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT**

It is now expected that the Commission will next meet on July 21, 2021, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.

  
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Secretary