

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

October 16, 2024

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, October 16, 2024, at 11:00 a.m. at 25 S. Front Street, Columbus, Ohio, due written notice of which had been given to all members of the Commission.

The following members attended: Thomas Needles, Chair; Frederick Church, Vice Chair; John Martin, Secretary; Michael Gonsiorowski; John Adams; John Rozic; and William Elliott. Absent: Patricia Jackson; and Susan Tate. Also present were: Kevin Holtsberry of the Ohio Department of Higher Education; Alexander G. Burlingame and Ellen C. Steinmetz 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 Chair noted that the minutes of the Commission meeting of August 21, 2024 were sent to each member prior to this meeting. Upon a motion by Mr. Gonsiorowski that was seconded by Mr. Adams, all Commission members present approved those minutes, excepting Mr. Rozic who abstained.

THE COLLEGE OF WOOSTER

The Chair next called upon David Jones, Vice President for Finance and Business, to speak to the Commission members regarding The College of Wooster's financing request. Mr. Jones thanked the Commission members, noting that he has been with the College for approximately a year. He is an alumnus of the College. The College is seeking preliminary approval for the renovation of student housing facilities. Work on Douglass Hall commenced early this year. There also will be improvements to Compton Hall. Douglass Hall work includes plumbing improvements, and a portion of proceeds will be used to reimburse the College for expenses already paid. Douglass Hall costs are approximately \$18.5 million. Work on Compton Hall will start this coming spring. Approximately \$11.5 of bond proceeds will be applied toward Compton Hall improvements, with additional funds coming from gifts and designated portions of the College budget. Blue Rose Capital Advisors are the College's financial advisors and are assisting in the bank selection process. The College has a new president and leadership team. As part of its "Framing Our Future" initiative, the College is focused on enrollment and the student residential experience. There were 370 new students this year, with 26 transfer students and 1,725 FTE headcount. The College is working to expand its brand awareness. Its budget shows a deficit, but

the College did break even on an operating basis for fiscal year 2024. Fiscal year 2023 showed net assets of approximately \$574 million. As of June 2024, the endowment was valued at approximately \$437 million. The College currently has an A1 rating from Moody's. The College Board approved a financing of not to exceed \$30 million earlier this year. It will take further action to approve bank selection and further project specifics later this month. Mr. Jones then inquired as to whether there were any questions.

In response to a question from Mr. Rozic, the projects primarily are to improve the College's housing facilities. Additional space is not the primary objective, though approximately ten additional beds will be created. While work is ongoing, students will live in other residence halls and houses. In response to questions from Mr. Needles, Mr. Jones noted that the College is taking assorted steps to address current challenges in higher education, including demographic challenges and FAFSA issues. The College is working to elevate its brand in order to distinguish itself from others, as well as to leverage its alumni base in recruiting efforts. The College is recruiting in other parts of the country while being mindful of the need to attract qualified students. The College is recruiting in Michigan, Pennsylvania and the Northeast. The College is developing data and natural science programs and business programs to meet student demand. The College is competing with larger State schools, as well as with larger public institutions in the South. The College has between 20 and 25 international students. A public fundraising campaign for the College is anticipated.

Mr. Burlingame noted that the agenda includes the public hearing for the proposed financing for The College of Wooster as required by federal tax rules. Notice of the public hearing was posted in accordance with those rules. Mr. Holtsberry noted that the Commission did not receive questions or comments in the mail or by email prior to the hearing. There being no further questions or comments, the hearing was closed.

Mr. Burlingame stated that the resolution approves the Preliminary Agreement with the University. That agreement and related resolution preliminarily approve the project and the financing transaction and are in their usual form.

Mr. Adams moved and Mr. Rozic seconded the motion that Resolution No. 2024-10 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; Rozic

Nay: None

Abstain: Elliott

The Secretary declared the motion passed and Resolution No. 2024-10 adopted.

Resolution No. 2024-10 is as follows:

JOHN CARROLL UNIVERSITY

The Chair next called upon Robert Connors, Vice President for Finance and Administration, to speak to the Commission members regarding John Carroll University's financing request. Mr. Connors was joined by Jeremiah Swetel, Assistant Vice President for Facility and Auxiliary Services. Mr. Connors thanked the Commission members, noting that the proposed project is designed to create a vibrant entry way to the University on the site of tire shop and a former gas station. The University is seeking to increase geographic diversity with a goal of having over fifty percent of students come from outside of the State. Currently, sixty-eight percent of students are from Ohio. The proposed project will include apartment style housing facilities for upper-class students that will support the University's four-year housing requirement. The first floor will include retail space that bond proceeds will not be used to finance. Mr. Swetel further described the project location and design. The building will feature glass frontage. Other University facilities will be financed, including improvements to the Student Center, improvements to existing student residence facilities and athletic facilities improvements.

In response to questions from Mr. Needles, Mr. Gonsiorowski, Mr. Elliott and Mr. Rozic, Mr. Swetel noted that the University does own the nearby apartments and shopping plaza on Fairmount Circle. A nationally recognized grocery store is expected to be in the retail space. The building will face Warrensville Road and Fairmount Circle. There will be separate parking areas for students and retail customers. The University Heights Planning Commission recently recommended approval of the project. In response to further questions from Mr. Elliott, Mr. Martin and Mr. Needles, Mr. Swetel noted that there will be no parking garage which is cost prohibitive. Surface parking also enhances the walkability of the area and gives the University flexibility in future planning. Mr. Connors noted that the building will include approximately 350 student beds. Approximately seventy to eighty percent of students have cars. University police will monitor the parking facilities with respect to the use of retail and student designated parking areas. The facility will include urgent care and student health facilities in partnership an area health system.

In response to a further question from Mr. Needles and Mr. Elliott, Mr. Connors noted that the University Heights Mayor has expressed support for the project. The retail space also will be owned by the University. In response to questions from Mr. Rozic and Mr. Gonsiorowski, Mr. Connors and Mr. Swetel noted that the project does create some additional housing capacity. The University is transitioning from a two-year student residency requirement to a four-year requirement. The four -year requirement will be fully implemented by Fall 2026. All University housing is within a mile area in and around campus. The apartments will include individual bedrooms. A four bedroom apartment will include two bathrooms. Leases will be for ten months at approximately \$1,400 per month. Student and retail rentals should support bond debt service. In response to further questions from Mr. Elliott and Mr. Rozic, Mr. Connors and Mr. Swetel noted that proposed rentals are in line with the market. Rent for existing renovated student housing is \$1,200 per month. Students in the new facility will not be required to have a University meal plan. This type of facility is increasing in use. Loyola University in Chicago has a similar facility. In response, to a further question from Mr. Needles; Mr. Connors noted approximately forty-eight percent of freshman identify as Catholic. This is a declining percentage with more students expressing no religious affiliation. Mr. Swetel noted that the University does host sporting events for Benedictine High School.

Mr. Burlingame noted that the agenda includes the public hearing for the proposed financing for John Carroll University as required by federal tax rules. Notice of the public hearing was posted in accordance with those rules. Mr. Holtsberry noted that the Commission did not receive questions or comments in the mail or by email prior to the hearing. There being no further questions or comments, the hearing was closed.

Mr. Burlingame stated that the resolution approves the Preliminary Agreement with the University. That agreement and related resolution preliminarily approve the project and the financing transaction and are in their usual form.

Mr. Elliott moved and Mr. Gonsiorowski seconded the motion that Resolution No. 2024-11 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; Elliott; Gonsiorowski; Martin; Needles; Rozic

Nay: None

The Secretary declared the motion passed and Resolution No. 2024-11 adopted.

Resolution No. 2024-11 is as follows:

OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

A draft annual report has been prepared, is available and will be posted on the Commission website. It is now expected that the Commission will next meet on November 20, 2024, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.


Secretary

