

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

February 19, 2025

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, February 19, 2025, 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; John Rozic; John Adams and William Elliott. Absent: Michael Gonsiorowski; and Susan Tate. Also present were: Kevin Holtsberry of the Ohio Department of Higher Education; Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; and Robert Connors, Vice President for Finance and Administration of John Carroll University.

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 recognized the contributions of Susan Tate to the Commission. Ms. Tate was a Commission member for 16 years. Her thoughtfulness will be missed by her fellow Commission members.

The Chair noted that the minutes of the Commission meeting of January 15, 2025 were sent to each member prior to this meeting. Upon a motion by Mr. Adams that was seconded by Mr. Elliott, all Commission members present approved those minutes.

JOHN CARROLL UNIVERSITY

The Chair next called upon Robert Connors, Vice President for Finance and Administration, to update the Commission members on the structure of John Carroll University's financing request. Mr. Connors thanked the Commission members, noting that the main project to be financed remains unchanged from how it was described at prior Commission meetings. The University's Gateway project will be five floors, with the top four floors consisting of student housing facilities. The first floor will include retail space that will not be financed by the proposed bonds. The retail space is hoped to include space for a nationally recognized grocery store. Mr. Connors also noted that a homeowner near the Gateway project site had accepted the University's offer to purchase the homeowner's property. The University is appearing again as the plan of finance will now allow for a pledge of University revenues. The addition of the pledge will enhance the marketability of the bonds. The University anticipates a bond rating in the BBB category. Existing University bondholders may receive a parity pledge of University revenues too. The bond closing is expected in early April, with groundbreaking for the Gateway project in May.

In response to questions from Mr. Elliott and Mr. Rozic, Mr. Connors confirmed that the addition of the pledge of University revenues should provide more favorable interest rates to the University and that the pledge may also be given to holders of other future University debt. Mr. Burlingame noted that other institutions have a revenue pledge to secure bonds. Xavier University is an example. In response to a question from Mr. Martin, Mr. Connors confirmed that the University has the same trustee for all of its outstanding bonds. In response to a question from Mr. Needles, Mr. Connors confirmed that others have expressed interest in the retail space but that the University wanted to finalize terms with the proposed grocer before making other arrangements. An additional use of space may be for an urgent care center, which could tie in with University health related programs.

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. It provides alternative and additional authority to the resolution regarding the University adopted at the Commission's December 2024 meeting.

Mr. Adams moved and Mr. Elliott seconded the motion that Resolution No. 2025-02 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; Martin; Needles; Rozic

Nay: None

The Secretary declared the motion passed and Resolution No. 2025-02 adopted.

Resolution No. 2025-02 is as follows:

BALDWIN WALLACE UNIVERSITY

The Commission next considered a resolution for Baldwin Wallace University in connection with potential amendments and modifications to the University's existing 2018 bond issue. The amendments allow for changes to the interest rate formula and tender rights benefiting the bondholder, PNC Bank. Among other things, the amendments provide some flexibility to the University and the bank in light of publicized University financial issues. Mr. Rozic inquired whether there should be a University presentation. Historically, no presentation has been made when there are no new bonds or projects, which is the case for the current proposed resolution. The resolution approves all actions and documents necessary to facilitate amendments and related actions. Mr. Burlingame noted that there would be no change in the amount of bonds or to any of the indemnifications and immunities provided to the Commission in the 2018 bond documents.

Mr. Elliott moved and Mr. Rozic seconded the motion that Resolution No. 2025-03 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; Martin; Needles; Rozic

Nay: None

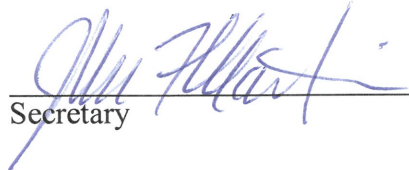
The Secretary declared the motion passed and Resolution No. 2025-03 adopted.

Resolution No. 2025-03 is as follows:

OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

At the invitation of the Chair, Mr. Church discussed the financial headwinds that are facing many of the private nonprofit institutions of higher education in Ohio. Commission members also discussed recent legislation that provides for remote participation in meetings. A summary will be provided to Commission members. Mr. Needles noted that the Commission now has two vacancies and that he has been in communication with the Governor's office in respect of those. Mr. Burlingame noted that the Commission received a copy of materials from Ohio Christian University that it was required to provide in connection with maintenance of financial ratios under its bond documents. No Commission action is needed in respect of Ohio Christian University at this time. The Commission members also adopted a resolution in recognition of Ms. Tate.

It is now expected that the Commission will next meet on March 19, 2025, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.


Secretary