OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

April 15, 2026

The Ohio Higher Educational Facility Commission (the "Commission") met on Wednesday, April 15, 2026, 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; Kelly Weir, Vice Chair; Michael Gonsiorowski; William Elliott; John Adams; John Rozic; Richard Simpson; and Mary Grace Pattison. Absent: John Martin. Also present were: Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; Kevin Holtsberry of the Department of Higher Education; Amy Hayman of D.A. Davidson & Co; Kate Biggar of KeyBanc Capital Markets; and representatives of the institutions appearing before the Commission. Ms. Weir served as Acting Secretary for this meeting.

The meeting was called to order by the Chair. Upon call of the roll, the Acting Secretary declared that a quorum was present. She 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 March 18, 2026 were sent to each member prior to this meeting. Upon a motion by Mr. Rozic that was seconded by Mr. Gonsiorowski, all Commission members present approved those minutes.

JUDSON OBLIGATED GROUP

The Chair next called upon Susan Chiancone, Chief Financial Officer and William (Bill) Fehrenbach, Vice President of Project Management, to discuss Judson's financing request. Also present on behalf of Judson was Amy Hayman of D.A. Davidson, the placement agent engaged by Judson. Ms. Hayman noted that the Judson organization maintains three facilities: Judson Park and Judson Manor in Cleveland; and South Franklin Circle near Chagrin Falls, Ohio. The purpose of the proposed bond issue for Judson is to finance memory care facilities at South Franklin Circle, to finance other capital facilities at its Cleveland and Chagrin Falls locations and to refinance a portion of its Series 2020B Bonds issued through the Commission. Some proceeds may be used to reimburse Judson for costs paid before bond issuance. The proposed financing will be for an approximate 15-year term, with Old National Bank as bond purchaser. The proposed bonds will be issued in two series, one of which may be a draw-down bond with proceeds advanced over time. Judson is rated BBB- by Fitch Ratings. In response to questions from Mr. Gonsiorowski and Ms. Pattison, Ms. Hayman noted that the last rating visit was in April of last year, before the current plan of finance had been developed. Approximately $22 million of bond proceeds will be for the South Franklin Circle memory care project. The Judson group enjoys a debt service coverage ratio of approximately 2.7.

In response to questions from Mr. Adams and Mr. Rozic, Ms. Hayman noted that the bonds are expected to be issued as variable bonds with swaps to be put in place for each bond. The Judson system will have approximately $108mm of debt after the current financing. The current plan calls for the retirement of the refunding portion of the financing in 10 years, with the other portion to be retired in approximately 26 years. They are working to achieve level debt service.

Mr. Fehrenbach discussed the memory care project. There are approximately 7 million people with Alzheimer's Disease in the United States. That number is expected to double. The project has been planned for years but was delayed by the pandemic. Construction is scheduled to start in July. The project will include buildings that will provide care and accommodation for approximately 12 persons each. In response to a question from Mr. Needles, Mr. Fehrenbach and Ms. Chiancone noted that memory care facilities will provide care to persons who have varying levels of need, from mild to mid-level dementia to Alzheimer's. The facilities will cover the whole spectrum of people with cognitive challenges. Care will be tailored to the needs of each patient. The new memory care facilities will be on the 89-acre South Franklin Circle campus. Memory care facilities currently are situated next to assisted living facilities. In response to a question from Ms. Pattison, Mr. Fehrenbach confirmed that each memory care facility in which patients will reside will have 24-hour staff presence, while providing on-site nursing and physical therapy treatment. The model of having employees dedicated to a single 12-person building has shown to be a positive for resident care and treatment, as well as for employee retention. In response to questions from Mr. Gosnioirowski and Mr. Simpson, Ms. Chiancone noted that there are over 500 total residents. The new memory care facilities will prioritize existing memory care patients, with new patients to follow. A goal of the South Franklin Circle and Cleveland campuses is to keep couples together as their medical needs change. In response to questions from Mr. Elliot, Ms. Chiancone confirmed that Judson Park and Judson Manor are in Cleveland and that South Franklin Circle is near Chagrin Falls. The Judson Obligated Group will have approximately $109 million of debt after these bonds are issued. The current Fitch rating covers all existing debt. The Series 2020A Bonds will remain outstanding. Ms. Hayman continued by noting the expected 2.7 debt service coverage ratio after the financing. Proceeds used for reimbursement will help with liquidity.

In response to questions from Mr. Rozic, Ms Chiancone and Ms. Hayman confirmed that Judson has been in Cleveland for 100 years. South Franklin Circle was constructed in 2009. In terms of competition, there are no others like them in the area. Judson entities are all private pay. Elsewhere in the State similar groups may include Otterbein Homes and Friendship Village. In response to questions from Mr. Needles and Mr. Gonsiorowski, Ms. Chiancone and Ms. Hayman noted the wide range or pricing that varies based on the level of need. Mr. Fehrenbach noted that once someone is in the system they automatically become eligible for increased levels of care as needs may increase over time. Capacity is prioritized for existing residents. Mr. Fehrenbach, note that three memory care buildings will be financed. A fourth building in the planning stages will not be financed by the bonds.

Mr. Fehrenbach described the layout of each proposed memory care building. The goal is to provide a comfortable environment while using technology to provide a high level care. For example, Ms. Chiancone noted that the flooring will include weight disbursing technology to help in the event of a patient fall. Bathrooms are designed so that they will be easier for patients to find.

In response to questions from Mr. Rozic and Mr. Needles, Mr. Fehrenbach noted that outdoor facilities are designed with safety in mind so that patients may be monitored while not making them feel like they were in prison. There will be heated walkways to reduce the risk of falls. Staff will be present at each memory care building 24-hours a day with 24-hour nurse access too. In response to further questions from Mr. Needles and Mr. Goniorowski, Ms. Chiancone noted that it is rare when patients run out of money. The Judson Foundation can provide some assistance in these situations. While there will be a 24-hour staff presence at each memory care building, staff will not live in the building. Licensed nurses will be available on a 24-hour basis for each building. Ms. Chiancone noted that Nelson Rockeffer provided the initial seed money for Judson. Judson Manor was at one time a hotel. Judson Park and Judson Manor have close ties to University Circle cultural institutions and institutions of higher education. There are programs and performances that involve students from the Cleveland Institute of Music and the Cleveland Institute of Art.

Mr. Burlingame noted that the agenda includes the public hearing for the proposed financing for the Judson Obligated Group 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 Judson. That agreement and related resolution preliminarily approve the project and the financing transaction.

Mr. Gonsiorowski moved and Mr. Simpson seconded the motion that Resolution No. 2026-08 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; Gonsiorowski; Elliott; Needles; Pattison; Rozic; Simpson; Weir

Nay: None

The Acting Secretary declared the motion passed and Resolution No. 2026-08 adopted.

Resolution No. 2026-08 is as follows:

BALDWIN WALLACE UNIVERSITY

The Chair next called upon John Case, Chief Financial Officer, to speak to the Commission members regarding Baldwin Wallace University's financing request. Mr. Case was joined by Kate Biggar of KeyBanc Capital Markets, the lead underwriter engaged by the University. Mr. Case thanked the Commission members, noting that he joined the University at about the same time as President Fisher. The University has approximately 2,900 undergraduate and graduate level students. It is facing the same challenges faced by all liberal arts institutions. The University participates in Division III athletics. The University has a two-year plan that, among other things, includes balancing the University budget. Goals include differentiating the University, financial stability and engaging in strategic partnerships beneficial to the University. The University has approximately $24 million of debt from bond issues in 2012, 2018 and 2022. The 2018 Bonds financed the University's Front Street student residence facility and the 2022 Bonds financed the Berea Townhomes student residence project. The University has an approximate $170 million endowment and expects a $6 million deficit after the financing. Proceeds will be to refinance 2018 Bonds and to finance University facilities, including replacing old geothermal facilities with a boiler system and electrical infrastructure improvements. The financing has been approved by the Board and the bond size of $15 million was set with S&P requirements in mind. The bonds may be secured by a pledge of University revenues and a mortgage of certain University property.

In response to a question from Mr. Simpson, Mr. Case noted that changes that need to be made for University success include academic optimization and a focus on programs the market wants. Theres also needs to be a year-round focus on fully utilizing University facilities. There needs to be expense reductions, and the University is considering whether it can sell certain property it doesn't need. In response to questions from Ms. Weir, Mr. Case noted that the University expects retention to increase. The goal is to have a balanced budget by fiscal year 2028. A deficit of $6 million is expected for fiscal year 2027. In response to a question from Ms. Pattison, Mr. Case noted that there was a dip in applications and enrollment, in part due to negative publicity the University has received. With the leadership of President Fisher, the University goal is increase incoming class size by approximately 90 students. In response to questions from Mr. Needles, Mr. Case confirmed that the budget shortfall was expected with the underlying issue going back to 2024. Approximately 40% of students are involved in athletics. The University maintains approximately 1,500 beds. It has been in existence for 185 years. Among other things, the University is known for its conservatory and theater programs. It has a good relationship with the Cleveland Browns. There was an admissions function at the Browns facility and the Browns support the University flag football program. In response to questions from Mr. Simpson and Mr. Adams, Mr. Case confirmed the high level of participation in athletics and that students are attracted to the ability in compete during their university years at the Division III level. The University is using eligible reserves and fundraising to help address the deficit. While cash flow positive, depreciation contributes to the deficit. In response to questions from Mr. Elliott and Mr. Rozic, Mr. Case noted that no additional large projects are anticipated at this time. The geothermal facilities being replaced are over 30 years old and are approaching the end of their useful lives. In response to questions from Ms. Weir, Mr. Case noted that there is current monitoring by the US Department of Education. The Higher Learning Commission visited campus this past December. Mr. Case believes that visit went well.

Mr. Burlingame noted that the agenda includes the public hearing for the proposed financing for the 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 proposed financing transaction.

Mr. Elliott moved and Ms. Pattison seconded the motion that Resolution No. 2026-09 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; Gonsiorowski; Needles; Pattison; Rozic; Simpson; Weir; Elliott

Nay: None

The Acting Secretary declared the motion passed and Resolution No. 2026-09 adopted.

Resolution No. 2026-09 is as follows:

OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

It is now expected that the Commission will next meet on May 20, 2026, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.

Secretary