

Oregon Facilities Authority
Minutes of Meeting of
June 10, 2019

A duly called meeting of the Oregon Facilities Authority ("OFA" or the "Authority") was held on June 10, 2019, commencing at approximately 12:00 p.m. at 888 SW Fifth Avenue, Suite 1600, Portland, Oregon.

Authority Members participating in the meeting (in person, unless otherwise indicated) were: Chair Eric Johansen, Vice-Chair Allyson Anderson (by phone) and Authority Members Sean Hubert, Kevin McAuliffe, and Roy Kim, and Beth deHamel.

Participating in the meeting to assist the Authority (in person, unless otherwise indicated) were: Gwendolyn Griffith, Executive Director of the Authority; Duncan Brown of PFM, Financial Advisor; Carol McCoog of Hawkins Delafield & Wood LLP, SNAP Loan and Special Bond Counsel, Michael Schrader and Doug Goe of Orrick, Herrington and Sutcliffe LLP, Lead Bond Counsel; Lee Anaya and Lee Helgerson of the Office of the State Treasurer ("OST"); and Assistant Attorney General Cynthia Byrnes (by phone), Oregon Department of Justice ("DOJ").

Chair Eric Johansen called the meeting to order and presented the notice of meeting.

Recognition of new Board member, Ms. Andrea Trenner

Chair Johansen introduced Ms. Trenner to the Board.

Recognition of Ms. Anderson

The Board recognized the service of Ms. Anderson as Vice-Chair and OFA Board Member. Ms. Anderson was appointed to the OFA Board in 2017 and became Vice-Chair in January 2019. OST, Authority Members, and OFA staff expressed their appreciation for her service to the Authority, and wished her well in her next adventure.

Approval of Minutes

The Minutes of the meeting of April 8, 2019, were unanimously approved.

Ms. Anderson left the meeting.

Executive Director Reports

Ms. Griffith directed the Board's attention to the Bonding Report and General Report, both of which were included with the materials. A general discussion ensued.

Ms. Carol McCoog reported on Meyer Memorial Trust application, which is expected to be withdrawn. She explained that the appraisal on the property was substantially lower than

anticipated, likely due to the specialized nature of the property. This adversely affected the loan-to-value ratio. The Applicant has decided to proceed with a taxable loan.

Mr. Schrader reported on the Howard Street Charter School closing, which went smoothly. Mr. Schrader reported that the Borrower is delighted with the entire process. Mr. Schrader also reported on Trillium Charter School. He reported that a new trustee is now in place, with Treasury's consent, and that there is some interest from another school in possibly purchasing the property.

Presentation by Washington Trust Bank

Mr. Brooke Turner and Mr. Steven Isaak introduced themselves and made a brief presentation on the history and the mission of Washington Trust Bank. They reiterated the Bank's interest in participating in OFA financings, both Traditional and SNAP.

Election of Officer

Mr. Kevin McAuliffe was nominated for Vice-Chair and was unanimously approved.

The Board took a brief recess and reconvened at approximately 1:00 p.m.

Consideration of Final Approval for the application by Human Solutions, Inc. for an OFA SNAP Bond in an amount not to exceed \$1,650,000.

Ms. Sarah Schubert, Director of Housing, and Ms. Tanja Lux, CFO, appeared on behalf of the Applicant. Ms. Kathy Swift, Senior Vice President and Non-Profit Development Officer of Heritage Bank, the sponsoring Bank, appeared to assist with the presentation.

Ms. Schubert briefly reviewed the Project and reported on the progress of the financing team since preliminary approval. She reported that construction is complete and all business issues with the Loan have been resolved. The Applicant is ready to close.

Bond Counsel's report is included in the materials. Ms. McCoog reported that there were no issues with the tax due diligence and documents were in substantially final form. Ms. McCoog recommended the transaction for final approval.

Ms. Griffith reported she has a conflict of interest because the law firm in which she is a partner provides legal representation to the Applicant. As a result, she did not provide any recommendation relating to this transaction.

Mr. Anaya, on behalf of OST, recommended the transaction for final approval.

After discussion, Mr. McAuliffe moved that the Authority adopt Resolution 2019-6, granting final approval to Human Solutions, Inc. for an OFA SNAP Loan in an amount not to exceed \$1,650,000, and recommending that the State Treasurer consider closing the

transaction. Ms. deHamel seconded the motion and Resolution 2019-6 was unanimously approved.

Consideration of Budget for Fiscal Year 2019-2020.

Ms. Griffith presented a proposed budget for the fiscal year ending June 30, 2020. In the ensuing discussion it became clear that additional funds may be required for outreach on issues relating to housing. It was proposed that an additional \$10,000 be added to the Outreach/Legislative budget for this purpose.

Mr. McAuliffe moved that the Authority adopt the proposed Budget for Fiscal Year 2019-2020 with the proposed amendment. Mr. Hubert seconded the motion and the Budget, as amended, was unanimously approved.

The Chair asked for public comment. There was none.

There being no further business to come before the Authority, the meeting was adjourned at approximately 1:50 p.m.

/s/ Eric H. Johansen

Eric H. Johansen, Chair

/s/ Gwendolyn Griffith

Gwendolyn Griffith, Executive Director

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