

Oregon Facilities Authority
Minutes of Meeting of
July 13, 2020

A duly called meeting of the Oregon Facilities Authority ("OFA" or the "Authority") was held on July 13, 2020, commencing at approximately 1:00 p.m. The physical location of the meeting was at 888 SW Fifth Avenue, Suite 1600, Portland, Oregon. The meeting was held by Zoom teleconference.

Authority Members participating in the meeting (via Zoom, unless otherwise indicated) were: Chair Eric Johansen (in person), Vice-Chair Kevin McAuliffe, and Authority Members Sean Hubert, Roy Kim, and Andrea Trenner.

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

Chair Eric Johansen called the meeting to order and presented the notice of meeting. He congratulated Ms. Trenner and Ms. deHamel (*in absentia*) for being re-appointed by the Treasurer to the OFA Board.

Consideration of Preliminary Approval for the application by The Ivy School for an OFA SNAP Loan in an approximate amount of \$3,800,000.

Ms. Nikki Jones, Executive Director, Mr. Dave Coffman, CPA, and Ms. Lisa Larpenteur, Treasurer, appeared on behalf of the Applicant. Ms. Kathleen Swift, of Heritage Bank, the sponsoring bank, appeared to assist the Applicant with the presentation.

Ms. Jones presented the mission, vision and goals of The Ivy School. The Applicant is a K-8 charter school in its 11th year of operation. Its mission is to inspire children of diverse backgrounds to be lifelong, independent learners who value responsibility and embody peace. The Applicant's charter was recently renewed. Ms. Jones presented the Project, which is a refinancing of the portion of the purchase price of the Applicant's current land and building, which were acquired in August, 2019, through financing provided by Charter School Capital.

The Applicant's presentation materials are available upon request.

Ms. Swift presented the terms of the financing. The loan will have a 25-year amortization period. Interest will be fixed for ten years, and then will be reset again at years 11 and 21, at which time each of the Bank and Applicant would have a call. The estimated SNAP Loan interest rate is 3.33%, which represents significant savings from the current 12% rate.

The Financial Advisor's report is included in the materials. Mr. Brown reported that he met with the Applicant on July 2, 2020, and that this Application is consistent with their conversation at that time. According to Mr. Brown, this appears to be a straightforward financing with an

experienced lender and borrower. The Applicant and the transaction appear to meet the requirements for a SNAP Loan. Mr. Brown recommended the transaction for preliminary approval.

SNAP Counsel's report is included in the materials. Ms. McCoog reported that she and Ms. Cordova participated in the scoping call and no unusual issues were identified. Ms. McCoog agreed that this appears to be a straightforward SNAP financing transaction. SNAP Counsel will perform the usual diligence with respect to the Applicant and the Project. Ms. McCoog recommended the transaction for preliminary approval.

The Executive Director's report is included in the materials. Ms. Griffith recommended the transaction for preliminary approval.

After discussion, Mr. McAuliffe moved that the Authority adopt Resolution 2020-8, granting Preliminary Approval to The Ivy School for an OFA SNAP Loan in an approximate amount of \$3,800,000. Mr. Kim seconded the motion. Resolution 2020-8 was unanimously approved.

Approval of Minutes

The Minutes of the meeting of April 13, 2020, were unanimously approved.

Executive Director Reports

Ms. Griffith asked Mr. Brown to report on the Samaritan transaction, in his role as FA to the Borrower (if he felt comfortable doing so). He reported that the transaction resulted in a new interest rate of 3.14% and \$13.2 million in NPV savings over the term of the bonds. These results were satisfactory to the Borrower.

Ms. Griffith directed the Board's attention to the Bonding Report and General Report, both of which were included with the materials. Ms. Griffith provided an update on the requests for SNAP Loan Modifications due to COVID-19.

Consideration of Budget for Fiscal Year 2020-2021.

Ms. Griffith presented a proposed budget for the fiscal year ending June 30, 2021, which was included with the supplemental materials. She emphasized that this year was likely to bring few financing transactions because of the uncertainty associated with COVID. Therefore this budget is a "stick to our knitting" sort of budget.

After discussion, Mr. Hubert moved that the Authority adopt the proposed Budget for fiscal year 2020-2021. Ms. Trenner seconded the motion. The motion 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 2:30 p.m.

/s/ Eric H. Johansen
Eric H. Johansen, Chair

/s/ Gwendolyn Griffith
Gwendolyn Griffith, Executive Director
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