

Oregon Facilities Authority
Minutes of Meeting of
May 9, 2022

A duly called meeting of the Oregon Facilities Authority ("OFA" or the "Authority") was held on May 9, 2022, commencing at approximately 1:00 p.m. The physical location of the meeting was 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 Roy Kim (in-person), Authority Members Eric Johansen, Erika Patton, and Kathleen Cornett.

Participating in the meeting to assist the Authority (via Zoom, unless otherwise indicated) were: Gwendolyn Griffith, Executive Director of the Authority (in-person), Nick Pham, Executive Assistant to the Authority (in-person), Jennifer Córdova of Hawkins Delafield & Wood LLP, SNAP Loan and Special Bond Counsel (in-person); Doug Goe and Michael Schrader, of Orrick Herrington and Sutcliffe LLP, Lead Bond Counsel; Duncan Brown (in-person) and Maggie Marshall of PFM Financial Advisors, Financial Advisor to the Authority; Laura Worth of the Office of the State Treasurer ("OST"); and Senior Assistant Attorney General Sam Zeigler, Oregon Department of Justice ("DOJ").

Chair Roy Kim called the meeting to order and presented the notice of meeting.

Consideration of Preliminary Approval for the application by Adapt for an OFA SNAP Loan in an approximate amount of \$2,850,000.

Mr. Jerry O'Sullivan, Chief Regional Business Operations, and Ms. Jocelyn Hanan, Project Assistant appeared on behalf of the Applicant. They apologized that Mr. Grayson Bly, CFO, could not attend. Ms. Sharon Guisande and Ms. Michele Michels, of Columbia Bank, appeared to assist with the Application.

Mr. O'Sullivan presented on the history of Adapt and discussed the scope of the Project. The Applicant provides primary health care, behavioral health care, and substance use disorder services. The Project will finance a new HVAC system and new windows in the facility that used to be the local hospital. While the original application included a refinancing of seven loans related to properties used in Adapt's mission in Coos, Josephine, and Douglas Counties, the Project has been downsized to include only the HVAC and windows portions of the Project. This reduces the loan amount to \$2,850,000.

Mr. O'Sullivan and Ms. Guisande presented the terms of the loan, which will have a 25-year amortization period and a 10-year term. The expected SNAP Loan interest rate is 3.07%.

The Financial Advisor's report is included in the materials. Mr. Brown reported that he met with the Applicant, and that while a variety of factors have been reduced significantly, the plan of finance has not changed materially from that discussed. Mr. Brown noted that the Applicant and the transaction appear to meet the requirements for a SNAP Loan. He recommended the transaction for preliminary approval.

SNAP Loan Counsel's report is included in the materials. Ms. Córdova reported she and Ms. McCoog attended two scoping calls with the Applicant and identified no unusual issues during the calls. Ms. Córdova confirmed that they will perform the usual due diligence with respect to the Applicant and the Project. Ms. Córdova recommended the transaction for preliminary approval.

The Executive Director's report is included in the materials. Ms. Griffith welcomed the Applicant to OFA, and reported that if preliminary approval is granted, the Applicant hopes to return for final approval in July. Ms. Griffith recommended the transaction for preliminary approval.

After discussion, Mr. Johansen moved that the Authority adopt Resolution 2022-4, granting Preliminary Approval to Adapt, for an OFA SNAP Loan in an approximate amount of \$2,850,000. Resolution 2022-4 was unanimously approved.

Approval of Minutes

The Minutes of the meeting of April 11, 2022, were unanimously approved.

Associate Executive Director Reports

Mr. Goe reported on the status of the Legacy Health transaction. Mr. Schrader reported on the status of the Clackamas Middle College transaction. Ms. Griffith directed the Board's attention to the Bonding Report and General Report, both of which were included with the materials. She reported on the history and structure of OFA's finances and budget.

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 2:25 p.m.

/s/Roy Kim
Roy Kim, Chair

/s/Gwendolyn Griffith
Gwendolyn Griffith, Executive Director

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