

Oregon Facilities Authority
Minutes of Meeting of
August 9, 2021

A duly called meeting of the Oregon Facilities Authority ("OFA" or the "Authority") was held on August 9, 2021, 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, Vice-Chair Roy Kim, and Authority Members Kevin McAuliffe, Sean Hubert, Erika Patton, and Kathleen Cornett.

Participating in the meeting to assist the Authority (via Zoom, unless otherwise indicated) were: Jessica Morgan, Associate Executive Director of the Authority; Duncan Brown of PFM, Financial Advisor to the Authority; Carol McCoog of Hawkins Delafield & Wood LLP, SNAP Loan and Special Bond Counsel; Doug Goe, and Greg Blonde of Orrick Herrington and Sutcliffe LLP, Lead Bond Counsel; Duncan Brown and Maggie Marshall, of PFM Financial Advisors LLC, Financial Advisors; Laura Worth of the Office of the State Treasurer ("OST"); and Assistant Attorney General Wendy Johnson, Oregon Department of Justice ("DOJ").

Chair Eric Johansen called the meeting to order and presented the notice of meeting. Mr. Johansen also welcomed new Board Member, Kathleen Cornett.

Consideration of Conditional Final Approval for the application by Siskiyou Community Health Center for an OFA SNAP Loan in an amount not to exceed \$8,025,000.

Mr. Richard Booth, Chief Executive Officer, Mr. Greg Ball, Chief Financial Officer, Mr. Bruce McKee, retired Chief Financial Officer, and Mr. Tim Estes, Executive Assistant, appeared on behalf of the Applicant. Mr. Darwin Parker and Mr. Zane Lockwood of Banner Bank appeared to assist the Applicant with their presentation.

Mr. Booth presented on the history of the Applicant and the scope of services provided to the community. Siskiyou Community Health Center was established in 1973 and is headquartered in Josephine County. The Applicant services patients at the Federally Qualified Health Center facility in Grants Pass, Oregon, on the travelling dental care van, or in one of four school-based health centers.

Mr. Ball presented on the project and the plan of financing. The underlying project is the acquisition of the currently leased 33,512 square foot multi-use healthcare building situated on a site totaling 114,127 square feet. The Applicant currently does, and intends to in the future, use 100% of the space for its operations. The financing will be structured as a loan with a term of 20 years at an estimated initial SNAP Loan interest rate of 2.72% for the first ten years, with a repricing on the 10

year anniversary. The Applicant's presentation materials are available upon request.

The Financial Advisor's report is included in the materials. Mr. Brown reported on his meeting with the Applicant in July and that the application as submitted was consistent with their conversation. Mr. Brown noted that the Applicant and the transaction appear to meet the requirements for a SNAP Loan. Mr. Brown recommended the transaction for conditional final approval.

SNAP Counsel's report is included in the materials. Ms. McCoog reported that she and Ms. Cordova no unusual issues yet identified during the scoping call held prior to the meeting. Ms. McCoog confirmed that the Applicant has already responded to tax due diligence requests and that they will perform the usual due diligence with respect to the Applicant and the Project. Ms. McCoog noted that with a conditional final approval, OST, OFA and SNAP Loan Counsel must agree that all conditions have been met prior to closing. Ms. McCoog recommended the transaction for conditional final approval.

The Associate Executive Director's report is included in the materials. Ms. Morgan welcomed the Applicant to OFA. She reported a scoping call was held on June 29, 2021, and that no unusual issues were identified that would prevent a smooth transaction. The financing team has already begun drafting documents and the bank is an experienced sponsoring bank for the SNAP loan program. Ms. Morgan recommended the transaction for conditional final approval under the condition that she would remain involved in the process until closing and would notify the Authority of any material deviations from the initial application or any concerns from a policy standpoint.

After discussion, Mr. Kim moved that the Authority adopt Resolution 2021-6, granting Conditional Final Approval to Siskiyou Community Health Center for an OFA SNAP Loan in an amount not to exceed \$8,025,000, and recommending that the State Treasurer consider closing the transaction when the conditions have been met. Mr. Hubert seconded the motion. Resolution 2021-5 was unanimously approved.

Approval of Minutes

The Minutes of the meeting of March 8, 2021, and April 26, 2021 were unanimously approved.

Associate Executive Director Reports

Ms. Morgan directed the Board's attention to the Bonding Report and General Report, both of which were included with the materials. Mr. Goe and Mr. Blonde reported on the closing of Willamette University Traditional Bonds. Ms. Morgan presented options for meetings held in-person or virtual and opened discussion.

After discussion, Ms. Morgan agreed that in light of the recent news on the Delta variant, this topic will be revisited in October or a future meeting as appropriate.

State of the Bond World

Mr. Brown presented on the current state of the Bond World. Mr. Brown's materials are available upon request.

Consideration of Budget for Fiscal Year 2021-2022

Ms. Morgan presented the proposed budget and budget memo. After discussion the proposed budget was approved unanimously.

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 2:45 p.m.

Eric H. Johansen

Eric H. Johansen, Chair

Jessica Morgan

Jessica Morgan, Associate Executive Director
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