

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION

MINUTES OF THE MEETING OF THE COMMISSION

November 15, 2023

The Ohio Higher Educational Facility Commission (the "Commission") met on Thursday, November 15, 2023, at 11:00 a.m. at the Ohio Department of Education Building, 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; John Martin, Secretary; Mike Gonsiorowski; John Adams; and John Rozic. Absent: Frederick Church; Patricia Jackson; and Susan Tate. Also present were: Kevin Holtsberry of the Ohio Department of Higher Education; Alexander G. Burlingame of Squire Patton Boggs (US) LLP, Bond Counsel to the Commission; and a representative of the institution appearing before the Commission.

The meeting was called to order by the Chair. Upon call of the roll, the Secretary declared that a quorum was present. He 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 welcomed John Rozic to the Commission.

The Chair noted that the minutes of the Commission meeting of September 21, 2023 were sent to each member prior to this meeting. Upon a motion by Mr. Adams that was seconded by Mr. Gonsiorowski, the Commission members present unanimously approved those minutes.

ELIZA JENNINGS SENIOR CARE NETWORK

The Chair next called on Rich Boyson, Chief Executive Officer, to speak to the Commission members regarding Eliza Jennings Senior Care Network's financing request. Mr. Boyson noted that Eliza Jennings is one of the oldest senior care providers in the Cleveland area, established in 1888. It provides assorted levels of care, including hospice and home health. Eliza Jennings has facilities in Westlake, Olmsted and Cleveland. Eliza Jennings has over 500 residents and approximately 200 others it provides care to. There are over 500 employees. Mr. Boyson has been Chief Executive Officer for over eight years. Eliza Jennings is rated BB+ by Fith Ratings and has approximately 250 days cash on hand. It is seeking to acquire the assisted living and skilled nursing facility known as The Weils located in Bainbridge Township. The Weils opened in 2001 and currently is owned by Menorah Park.

In response to questions from Mr. Gonsiorowski, Mr. Boyson noted that the proposed acquisition is consistent with the Network's strategic plan by expanding its assisted living and skilled nursing capabilities. The Weils had been owned by Montefiore which was acquired by Menorah Park in 2020. The proposed financing for the acquisition would be through a private

placement with Northwest Bank. There will be some bond proceeds used for improvements to the The Weils facilities too. In response to questions from Mr. Rozic, Mr. Adams and Mr. Martin, Mr. Boyson noted that the notion of selling and buying of beds at its existing facilities comes from Certificate of Need requirements and tracking licenses from the State. He further noted that nursing homes generally are doing more of what hospitals used to do and provide charity care. The provision of skilled nursing, which Menorah Park has, is consistent with the Network's mission of caring for people. The Network provides more long-term stay facilities than short-term. The short-term facilities have better reimbursement rates. The Network provides private space, which is more expensive, but supports the dignity of patients. In response to questions from Mr. Needles, Mr. Boyson reviewed pay percentages when comparing Medicare, Medicaid and private pay. These can vary by facility. The Network has worked through some market headwinds resulting from labor demand and inflation. The State budget has been very helpful in this regard. The Network has worked to grow its Renaissance facility in Olmsted. This facility includes independent living facilities at the site of a former golf course. Mr. Needles commented on the dedication of volunteers in the skilled nursing setting. In response to a question from Mr. Rozic, Mr. Boyson noted that the Network intends to retain staff and building leadership at The Weils.

Mr. Burlingame noted that this portion of the agenda includes the public hearing for the proposed financing for the Network 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 Eliza Jennings Senior Care Network. That agreement and related resolution preliminarily approve the financing transaction.

Mr. Gonsiorowski moved and Mr. Adams seconded the motion that Resolution No. 2023-14 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; Martin; Needles; Rozic

Nay: None

The Secretary declared the motion passed and Resolution No. 2023-14 adopted.

Resolution No. 2023-14 is as follows:

OTHER BUSINESS AND CALL OF NEXT MEETING AND ADJOURNMENT

There was next discussion of Notre Dame College and Menorah Park. Notice materials relating to both were circulated to Commission members. The College continues to work with its bondholder in respect of defaults and the future of the College. Menorah Park has had a default too. It has announced the proposed sale of all its facilities, other than The Weils. It's planned that Menorah Park's bonds would be paid-off in connection with the sale.

After discussion among the Members, it is now expected that the Commission will next meet on December 13, 2023, if necessary, or upon the call of the Chair. On a motion duly made and seconded, the meeting was adjourned.



Secretary

