



W A S H I N G T O N

HEALTH CARE FACILITIES

A U T H O R I T Y

Financing the Health Care Future

**Washington Health Care Facilities Authority
Special Meeting by Teleconference
Thursday, November 12, 2020 Meeting Minutes**

A special meeting of the Washington Health Care Facilities Authority was held by teleconference. Meeting notices were mailed to all members of the Authority, to all persons who requested such meeting notice, and to those members of the media presently on the mailing list for receiving meeting notices of the Washington Health Care Facilities Authority.

Members Present:

David Schumacher, Governor's Designee, Member, Chair
Toni Hood, Insurance Commissioner's Designee, Member
Steve Jacobs, Public Member

Authority Staff Present:

Donna Murr, Executive Director
Shannon Govia, Assistant Executive Director and Program Manager
Ashlee Frye, Assistant Executive Director and Chief Financial Officer
Danni Miller, Executive Assistant

Others Present:

Rusty Fallis, Authority Assistant Attorney General
Dan Gottlieb, Authority Bond Counsel, Hillis Clark Martin & Peterson P.S.
Christi Jacobsen, Authority Bond Counsel, Hillis Clark Martin & Peterson P.S.
Robyn Helmlinger, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP
Bryan Victor, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP
Mark Melio, Authority Financial Advisor, Melio & Company
Raul Ardelean, Authority Financial Advisor, Melio & Company
Rodger Matlock, Chief Financial Officer, Family Health Centers
Jesus Hernandez, Chief Executive Officer, Family Health Centers
Joyce Sinakhone, SEIU

Mr. Schumacher called the meeting to order at 1:02 p.m. after noting a quorum was present consisting of himself, Ms. Hood, and Mr. Jacobs.

Board Members

Governor
Jay Inslee
Chair

Governor's Designee
David Schumacher

Lieutenant Governor
Cyrus Habib

Insurance Commissioner
Mike Kreidler

Insurance Commissioner's
Designee
Toni Hood

Secretary
Department of Health
John Wiesman

Public Member
Steven R. Jacobs

Executive Director
Donna A. Murr

Review, discussion and possible action regarding the Minutes from the September 9, 2020 Authority Board Meeting.

Upon motion by Mr. Jacobs and seconded by Ms. Hood, the minutes of the September 9, 2020 Authority meeting were accepted by a roll call vote of 3-0.

Review, discussion and possible action regarding the Minutes from the October 8, 2020 Authority Board Meeting.

Upon motion by Mr. Jacobs and seconded by Ms. Hood, the minutes of the October 8, 2020 Authority meeting were accepted by a roll call vote of 3-0.

Review, discussion and possible action regarding the adoption of Resolution No. 2020-06 approving the application for financial assistance and authorizing the issuance and sale of a bond for the benefit of Family Health Centers.

Mr. Govia summarized Resolution No. 2020-06 which, if adopted, would approve the application for financial assistance submitted by Family Health Centers (“FHC”) and authorize the issuance and sale of a bond in the maximum principal amount of \$4,500,000. The proceeds of the loan will be used to refinance a New Markets Tax Credit loan for a medical facility located in Omak, Washington; a second loan for the furniture and fixtures associated with the facility; and to pay issuance costs.

The financing will be structured as a Quick Loan – private placement. The primary bondholder security is Deeds of Trust against all of FHC’s facilities. There are no Certificate of Need issues per the Department of Health. A TEFRA hearing was held on October 12, 2020, at which no individuals testified for or against the project. The interest rate is fixed at 3.4% for the first five years of the 10 year loan term, after which the rate will be reset to a new tax-exempt fixed rate to maturity based on the 5-year FHLB of Des Moines index. The depository bank is U.S. Bank National Association. FHC estimates an approximate savings of \$672,663 in interest costs over traditional taxable interest rate financing.

Mr. Govia introduced Mr. Gottlieb from Hillis Clark Martin & Peterson P.S., serving as the Authority’s bond counsel for this transaction. Mr. Gottlieb summarized the documents presented for approval and indicated that they are all in good order. Based on the determinations that are required by Authority’s rules, the due diligence investigation conducted by bond counsel, as well as the information in the application, Mr. Govia urged adoption of Resolution No. 2020-06 for the benefit of Family Health Centers.

Mr. Govia introduced Mr. Hernandez from FHC, who thanked the Authority for its continued support.

There being no further discussion, upon motion by Mr. Jacobs, seconded by Ms. Hood, Resolution No. 2020-06 was adopted by a 3-0 roll call vote.

Executive Director's Report

Ms. Murr reviewed the Executive Director's Report presented in the board materials including the status of Authority financings, financial statements, status report and debt service report.

Adjournment:

There being no further business, the meeting was adjourned at 1:11 pm.

John Wiesman, Secretary