



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 Board Meeting
410 11th Avenue S.E., Suite 201
Olympia, WA 98504
Friday, March 13, 2020 Meeting Minutes**

A special meeting was held at the office of the Washington Health Care Facilities Authority. 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, by conference speakerphone

Authority Staff Present:

Shannon Govia, Assistant Executive Director and Program Manager
Ashlee Frye, Assistant Executive Director and Chief Financial Officer

Others Present:

Rusty Fallis, Authority Assistant Attorney General, by conference speakerphone
Dan Gottlieb, Hillis Clark Martin & Peterson P.S., by conference speakerphone
Robyn Helmlinger, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP, by conference speakerphone
Catrina Kohn, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP, by conference speakerphone
Mayling Leong, Authority Bond Counsel, Orrick Herrington & Sutcliffe LLP, by conference speakerphone
Raul Ardelean, Authority Financial Advisor, Melio & Company, by conference speakerphone
Mark Melio, Authority Financial Advisor, Melio & Company, by conference speakerphone
Joey Freichels, Authority Financial Advisor, Melio & Company, by conference speakerphone
Dustin Greer, Sea Mar Community Health Centers, by conference speakerphone
Rachel Erstad, SEIU, by conference speakerphone
Libby Hollingshead, Deputy Chief of Staff, Office of Lt. Governor Cyrus Habib, by conference speakerphone

Mr. Schumacher called the meeting to order at 11:32 a.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 January 16, 2020 Authority Board Meeting.

Upon motion by Mr. Jacobs and seconded by Ms. Hood the minutes of the January 16, 2020 Authority meeting were accepted by a vote of 3-0.

Review, discussion and possible action regarding the amended application for financial assistance submitted by Sea Mar Community Health Centers (Sea Mar).

The Authority accepted an application in the amount of \$20,002,500 on August 16, 2019 for the benefit of Sea Mar. The transaction was to be structured as a Quick Loan – private placement and Heritage Bank was to act as the lender of the loan. Proceeds of the loan were to be used to finance the renovation and remodel of several facilities and to reimburse Sea Mar for all or a portion of the acquisition costs of several facilities. Approximately \$14,150,000 was to be allocated to remodeling and renovation and the remaining \$5,852,500 was to be allocated to reimbursement of acquisition costs.

Subsequent to the acceptance of the application described above, Sea Mar decided to expand the scope of the project, increase the requested amount and selected MUFG Union Bank as the new lender. In addition to the original project scope, Sea Mar would also like to refinance two series of outstanding Authority revenue bonds—the Series 2015C and Series 2016B—bonds, both of which are currently held by MUFG Union Bank.

The amendment request amount is \$34,065,960. Based on its review of the amended application, Orrick Herrington & Sutcliffe, Authority's bond counsel, has determined that the borrower and the project are eligible for financing under the Authority's statute, but such determination is subject to further due diligence. Mr. Govia urged the Authority's acceptance of this amended application.

There being no further discussion, upon motion by Mr. Jacobs, seconded by Ms. Hood, the amended application for financial assistance submitted by Sea Mar Community Health Centers was accepted by a vote of 3-0.

Executive Director's Report

Ms. Frye 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 11:40 am.

John Wiesman, Secretary