

MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY

A public meeting of the Maryland Health and Higher Educational Facilities Authority was convened at 10:00 a.m., Tuesday, June 4, 2024, with Mr. Arnold Williams, Chairman, presiding. This open meeting was held at 401 East Pratt Street (World Trade Center) in a conference room on the 26th Floor. This meeting was open to the public and available to the public remotely via an open conference and video line.

Present: Arnold Williams, Chairman
 Jonathan Martin, Chief Deputy Treasurer, Designee of Treasurer
 Dr. Bisma Beg, Member
 Mamie Johns Perkins, Member
 John Phelps, Member
 Arthur S. Varnado, Member
 W. Daniel White, Member
 Bart Savidge, Executive Director
 Lynn Gorman-Lepson, Chief Financial Officer
 David Gregory, Bond Counsel
 Brian Carter, Financial Advisor

Absent: Frederick W. Meier, Jr., Member

Special Guests: See attached.

Mr. Arnold Williams, Chairman, convened the meeting. Mr. Savidge announced the names of the Members, staff, counsel, and advisors in attendance.

APPROVAL OF MINUTES

The minutes of the May 7, 2024 regular meeting of the Authority were unanimously approved.

MARYLAND INSTITUTE COLLEGE OF ART (MICA)

Ms. Cecelia McCormick, newly appointed President of MICA, provided a brief update on MICA. Ms. McCormick began her comments by addressing the recent article about MICA that was published in the Baltimore Sun. She stated that MICA was not in the process of down-sizing, but rather right-sizing the College. She stated that the recent reduction in expenses was focused on eliminating redundancies and achieving more efficient operations. Ms. McCormick reported on current enrollment levels and stated that MICA has been able to maintain a retention rate of over 85% for its students.

Mr. Daniel Cronin, Executive Vice President & Chief Financial Officer of MICA provided a brief update on operations and recent fundraising successes. He stated that MICA received Board approval in mid-May for this upcoming transaction and the College has scheduled a meeting with Fitch in early June with the rating expected in mid to late June.

Several questions were raised and there was discussion relating to the challenges that MICA is currently facing, its competition and support that MICA is receiving from the State and the City.

Mr. Savidge asked the Members to consider a resolution authorizing the issuance from time to time of the Authority's revenue bonds in a principal amount not exceeding \$42,000,000 and delegating to any one Member of the Authority the power to approve the principal amount of the bonds, the interest rate and other terms of the bonds and other matters in connection with the issuance, sale, and delivery of such bonds.

Following discussion, the Authority, on motion by Mr. Phelps, seconded by Mr. Varnado, adopted the following resolution (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none):

THE MARYLAND INSTITUTE BOND AUTHORIZING RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT (DETERMINED AS PROVIDED HEREIN) NOT EXCEEDING \$42,000,000 IN ORDER TO LEND THE PROCEEDS THEREOF TO THE MARYLAND INSTITUTE (THE "INSTITUTION"), FOR THE PURPOSE OF FINANCING AND REFINANCING CERTAIN CAPITAL PROJECTS FOR THE INSTITUTION AND REFUNDING ALL OR A PORTION OF THE AUTHORITY'S REVENUE BONDS, MARYLAND INSTITUTE COLLEGE OF ART ISSUE, SERIES 2012; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO THE AUTHORIZATION, SALE, ISSUANCE, DELIVERY AND PAYMENT OF AND FOR SUCH REVENUE BONDS; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

RECITALS

At its meeting on June 4, 2024, Maryland Health and Higher Educational Facilities Authority (the "Authority") accepted an application from The Maryland Institute, a nonprofit corporation formed under the laws of the State of Maryland (the "Institution"), for (i) the refunding of all or a portion of the Authority's Revenue Bonds, Maryland Institute College of Art Issue, Series 2012 (the "Refunded Bonds") and (ii) the financing and refinancing by the Authority of the cost of the 2024 Project (defined herein) pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 13-301 through 10-356, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act").

The 2024 Project consists of the financing of the costs of certain capital expenditures related to external and internal improvements to the Institution's existing facilities, including (without limitation), roof replacement, HVAC and plumbing upgrades, security and safety upgrades around the Institution's campus, lighting and electrical upgrades, certain technology

related improvements, elevator upgrades, the installation of electric vehicle charging stations, the replacement of food service equipment, repavement of asphalt surfaces, replacement of various instructional equipment and various other capital campus wide internal improvements and equipment.

The Authority has determined to authorize the issuance of such revenue bonds under the Act for such purposes.

NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority is hereby authorized to issue, sell and deliver its revenue bonds (the "2024 Bonds") in an aggregate principal amount not to exceed \$42,000,000. The 2024 Bonds shall be issued pursuant to the Amended and Restated The Maryland Institute, College of Art Bond Resolution adopted by the Authority (the "Resolution"), which shall contain such terms, provisions and conditions as shall be approved by the Authorized Member (hereinafter defined). The 2024 Bonds may be issued in one or more series. In determining the principal amount of 2024 Bonds issued pursuant to this resolution, each 2024 Bond issued at a discount from the stated amount thereof due at maturity shall be deemed to be issued in a principal amount equal to the gross proceeds realized from the sale of such 2024 Bond. Accordingly, it is expressly contemplated that the face amount of the 2024 Bonds may exceed the maximum aggregate principal amount of 2024 Bonds authorized hereby.

The proceeds of the 2024 Bonds shall be loaned to the Institution pursuant to the Amended and Restated Master Loan Agreement between the Authority and the Institution (the "Master Loan Agreement"), which shall contain such terms, provisions and conditions as shall be approved by the Authorized Member, for the public purpose of financing and refinancing the 2024 Project and the facilities financed and refinanced with proceeds of the Refunded Bonds (collectively, the "Project") in order to enable the Institution to provide, and to finance and refinance at the least cost to the users thereof, the Project, for the benefit of the people of the State of Maryland, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions.

SECTION 2. As permitted by the Act, one or more series of the 2024 Bonds shall be sold at a private (negotiated) sale to BofA Securities, Inc. (the "Underwriter") pursuant to a bond purchase agreement, at a price or prices at, above or below par and upon such terms as the Authorized Member deems to be in the best interest of the Authority.

SECTION 3. Any Member of the Authority (the "Authorized Member") is hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this resolution and the Act, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the 2024 Bonds, including (without limitation):

- (a) the principal amount of 2024 Bonds issued at any one time or from time to time;

(b) the purchase price or prices to be paid to the Authority by the Underwriters for 2024 Bonds issued at any one time or from time to time;

(c) the rate or rates of interest payable on the 2024 Bonds, or the method of determining the same;

(d) with respect to 2024 Bonds issued at any one time or from time to time that are offered to the public at a premium or discount from their stated principal amount due at maturity, the price or prices at which such 2024 Bonds are offered initially to the public;

(e) the date or dates of maturity of the 2024 Bonds issued at any one time or from time to time, the payment provisions therefor, the optional and mandatory redemption provisions thereof, including (without limitation) the mandatory sinking fund installments (if any) for such 2024 Bonds, the designation or designations of the 2024 Bonds and the date of issuance thereof;

(f) the form, tenor, terms and conditions of the 2024 Bonds, and provisions for the registration and transfer of the 2024 Bonds;

(g) the form and contents of, and provisions for the execution and delivery of, such documents as the Authorized Member shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the 2024 Bonds issued at any one time or from time to time, the loan of the proceeds of such 2024 Bonds to the Institution, the financing and refinancing of the Project, including (without limitation) the Resolution, the Master Loan Agreement and any security agreements, letters of credit, bond insurance policies or other credit or liquidity facilities supporting the 2024 Bonds, financing agreements and other similar agreements;

(h) provision for the administration of the 2024 Bonds, including (without limitation) the appointment of a trustee under the Resolution and any remarketing agents, paying agents, registrars, escrow agents or other agents as the Authorized Member shall deem necessary or desirable to effectuate the transactions authorized hereby;

(i) the preparation and distribution, in conjunction with representatives of the Institution and the Underwriter, of a preliminary official statement and a final official statement in connection with the sale of the 2024 Bonds;

(j) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the 2024 Bonds;

(k) procedures for the approval of change orders and substitutions for the construction, renovation, equipment and other improvements included within the 2024 Project by an authorized officer on behalf of the Authority;

(l) the creation of security for the 2024 Bonds, which may include (without limitation) provisions for securing the 2024 Bonds or any indebtedness or other obligations incurred in connection with the issuance of the 2024 Bonds, including (without limitation) any interest rate swap agreement, on parity with outstanding revenue bonds previously issued by the Authority pursuant to any resolution or trust agreement executed and delivered by the Authority, the execution and delivery by an Authorized Member of any supplemental resolution or trust agreement providing therefor to constitute conclusive evidence of the determination by the Authority that all of the conditions to the issuance of parity debt under such resolution or trust agreement have been met to the satisfaction of the Authority; and

(m) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the 2024 Bonds and the security for the 2024 Bonds and the consummation of the transactions contemplated by this resolution as may be deemed appropriate and approved by the Authorized Member, including (without limitation) the establishment of procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments as are or may be necessary or appropriate to consummate the transactions contemplated by this resolution in accordance with the Act and this resolution.

SECTION 4. The Authorized Member and the Executive Director of the Authority are hereby authorized from time to time after the issuance of the 2024 Bonds to take any action required or permitted to be taken by or on behalf of the Authority under the Act, the Resolution, the Master Loan Agreement or other document or instrument executed and delivered in connection therewith, including (without limitation) providing any consent, approval or direction required or permitted thereunder, entering into any amendment of or supplement to any of the foregoing and entering into any agreement providing for the replacement of, substitution for or addition of (as the case may be) any credit or liquidity facility, remarketing agent, trustee or other agent, subject to the requirements of the Act and any other agreement by which the Authority is bound.

SECTION 5. This resolution shall take effect immediately.

TIDALHEALTH

TidalHealth, formerly Peninsula Regional Health System, Inc., submitted an application in December 2020 to advance refund the callable maturities of the Authority's Revenue Bonds, Peninsula Regional Medical Center Issue, Series 2015 utilizing a taxable note/tax-exempt bond structure ("Cinderella Bond"). The taxable note was issued by TidalHealth to Truist Commercial Equity, Inc. to lock in the refunding debt service savings. This current transaction will refund the taxable note, on or after July 1, 2024, with a tax-exempt bond at a fixed rate of 1.90% and will generate additional annual debt service savings for TidalHealth.

Ms. Stephanie Gary, Chief Financial Officer of TidalHealth, provided a brief update on operations. She reported that staffing costs continue to be the biggest challenge that they are facing.

She also stated that TidalHealth is continuing to work with the Mayor of Crisfield to identify an alternate site for its planned free standing medical facility (FMF) after the first site had site work challenges.

Mr. Savidge asked the Members to consider a resolution authorizing the issuance from time to time of the Authority's revenue bonds in a principal amount not exceeding \$131,730,000 and delegating to any one Member of the Authority the power to approve the principal amount of the bonds, the interest rate and other terms of the bonds and other matters in connection with the issuance, sale, and delivery of such bonds.

Following discussion, the Authority, on motion by Mr. White, seconded by Mr. Phelps, adopted the following resolution (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none):

**TIDALHEALTH, INC.
BOND AUTHORIZING RESOLUTION**

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT (DETERMINED AS PROVIDED HEREIN) NOT EXCEEDING \$131,730,000 IN ORDER TO LEND THE PROCEEDS THEREOF TO TIDALHEALTH, INC. (THE "INSTITUTION") AND CERTAIN OF ITS AFFILIATES, FOR THE PURPOSE OF REFINANCING A TAXABLE PROMISSORY NOTE PREVIOUSLY ISSUED BY THE INSTITUTION TO REFUND A PORTION OF THE AUTHORITY'S REVENUE BONDS, PENINSULA REGIONAL MEDICAL CENTER ISSUE, SERIES 2015; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO THE AUTHORIZATION, SALE, ISSUANCE, DELIVERY AND PAYMENT OF AND FOR SUCH REVENUE BONDS; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

RECITALS

Maryland Health and Higher Educational Facilities Authority (the "Authority") accepted an application from TidalHealth, Inc., a nonprofit Maryland corporation (the "Institution"), as the "Obligated Group Representative" on behalf of itself and certain of its affiliates (together, the "Obligated Group Members") for the refinancing of a taxable promissory note previously issued by the Institution (the "Taxable Note"), the proceeds of which were applied to refund a portion of the Authority's Revenue Bonds, Peninsula Regional Medical Center Issue, Series 2015 ("Series 2015 Bonds"), pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356 of the Economic Development Article of the Annotated Code of Maryland (the "Act").

At the request of the Institution, the Authority has determined to authorize the issuance of revenue bonds under the Act for the purpose of refinancing the Taxable Note.

NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority is hereby authorized to issue, sell and deliver its revenue bonds (the "2024 Bond") in an aggregate principal amount not to exceed \$131,730,000. The 2024 Bond shall be issued and the proceeds thereof shall be loaned to the Institution pursuant to the Financing Agreement dated as of February 1, 2021, among the Authority, the Institution and the other Obligated Group Members referred to therein, Truist Commercial Equity, Inc. (as successor to BB&T Community Holdings Co.) (the "Purchaser") and The Bank of New York Mellon, as trustee, as amended and supplemented (the "Financing Agreement"), for the public purpose of refinancing the Taxable Note in order to enable the Institution to provide, and to finance and refinance at the least cost to the users thereof, the facilities financed and refinanced with proceeds of the Series 2015 Bonds, for the benefit of the people of the State of Maryland, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions.

SECTION 2. As permitted by the Act, one or more series of the 2024 Bond shall be sold at a private (negotiated) sale to the Purchaser, at prices at, above or below par and upon such terms as the Authorized Member deems to be in the best interest of the Authority.

SECTION 3. Any Member of the Authority (the "Authorized Member") is hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this resolution, the Financing Agreement and the Act, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the 2024 Bond, including (without limitation):

- (a) the principal amount of 2024 Bond;
- (b) the purchase price to be paid to the Authority for the 2024 Bond;
- (c) the rate or rates of interest payable on the 2024 Bond, or the method of determining the same;
- (d) the date or dates of maturity of the 2024 Bond, the payment provisions therefor, the optional and mandatory redemption provisions thereof, including (without limitation) the mandatory sinking fund installments (if any) for the 2024 Bond, the designation or designations of the 2024 Bond and the date of issuance thereof;
- (e) the form, tenor, terms and conditions of the 2024 Bond, and provisions for the registration and transfer of the 2024 Bond;
- (f) the form and contents of, and provisions for the execution and delivery of, such documents as the Authorized Member shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the 2024 Bond, the loan of the proceeds of the 2024 Bond to the Institution and the other Obligated Group Members named in the Financing Agreement, and the refinancing of the Taxable Note, including (without limitation) any applicable supplements to the Financing Agreement and any security agreements, letters of

credit, bond insurance policies or other credit or liquidity facilities supporting the 2024 Bond, financing agreements and other similar agreements;

(g) provision for the administration of the 2024 Bond, including (without limitation) the appointment of any remarketing agents, paying agents, registrars, escrow agents or other agents as the Authorized Member shall deem necessary or desirable to effectuate the transactions authorized hereby;

(h) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the 2024 Bond;

(i) the creation of security for the 2024 Bond, which may include (without limitation) provisions for securing any indebtedness or other obligations incurred in connection with the issuance of the 2024 Bond, including (without limitation) any interest rate swap agreement, on parity with outstanding revenue bonds previously issued by the Authority pursuant to any resolution or trust agreement executed and delivered by the Authority, the execution and delivery by an Authorized Member of any supplemental resolution or trust agreement providing therefor to constitute conclusive evidence of the determination by the Authority that all of the conditions to the issuance of parity debt under such resolution or trust agreement have been met to the satisfaction of the Authority; and

(j) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the 2024 Bond and the security for the 2024 Bond and the consummation of the transactions contemplated by this resolution as may be deemed appropriate and approved by the Authorized Member, including (without limitation) the establishment of procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments as are or may be necessary or appropriate to consummate the transactions contemplated by this resolution in accordance with the Act and this resolution.

SECTION 4. The Authorized Member and the Executive Director of the Authority are hereby authorized from time to time after the issuance of the 2024 Bond to take any action required or permitted to be taken by or on behalf of the Authority under the Act, the Financing Agreement or other document or instrument executed and delivered in connection therewith, including (without limitation) providing any consent, approval or direction required or permitted thereunder, entering into any amendment of or supplement to any of the foregoing and entering into any agreement providing for the replacement of, substitution for or addition of (as the case may be) any credit or liquidity facility, remarketing agent, trustee or other agent, subject to the requirements of the Act and any other agreement by which the Authority is bound.

SECTION 5. This resolution shall take effect immediately.

LUMINIS HEALTH INC.

Luminis Health Inc. submitted an application in January 2022 to advance refund the Authority's Revenue Bonds, Anne Arundel Health System Issue, Series 2014 utilizing a taxable note/tax-exempt bond structure ("Cinderella Structure"). The taxable note was issued by Luminis Health to Truist Commercial Equity, Inc. to lock in the refunding debt service savings. This current transaction will refund the taxable note, on or after July 1, 2024, with a tax-exempt bond with a fixed rate of 1.79% through 2039 and will generate additional annual debt service savings for Luminis Health.

Ms. Stephanie Schnittger, Chief Financial Officer of Luminis Health, provided a brief update on operations highlighting the revenue cycle challenges. Ms. Schnittger also shared that Luminis Health is evaluating an expansion at its Luminis Health Doctors Community Hospital.

Mr. Savidge asked the Members to consider a resolution authorizing the issuance from time to time of the Authority's revenue bonds in a principal amount not exceeding \$112,170,000 and delegating to any one Member of the Authority the power to approve the principal amount of the bonds, the interest rate and other terms of the bonds and other matters in connection with the issuance, sale, and delivery of such bonds.

Following discussion, the Authority, on motion by Mr. Phelps seconded by Dr. Beg, adopted the following resolution (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none):

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC. BOND AUTHORIZING RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS REVENUE BOND IN AN AGGREGATE PRINCIPAL AMOUNT (DETERMINED AS PROVIDED HEREIN) NOT EXCEEDING \$112,170,000 IN ORDER TO LEND THE PROCEEDS THEREOF TO LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC. (THE "INSTITUTION") AND CERTAIN OF ITS AFFILIATES, FOR THE PURPOSE OF REFINANCING A TAXABLE PROMISSORY NOTE PREVIOUSLY ISSUED BY THE INSTITUTION TO REFUND A PORTION OF THE AUTHORITY'S REVENUE BONDS, ANNE ARUNDEL HEALTH SYSTEM ISSUE, SERIES 2014; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO THE AUTHORIZATION, SALE, ISSUANCE, DELIVERY AND PAYMENT OF AND FOR SUCH REVENUE BONDS; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

RECITALS

Maryland Health and Higher Educational Facilities Authority (the "Authority") accepted an application from Luminis Health Anne Arundel Medical Center, Inc., a nonprofit corporation formed under the laws of the State of Maryland (the "Institution"), as the "Obligated Group

Representative” on behalf of itself and Luminis Health, Inc. (“Luminis Health”), Luminis Health Imaging, Inc. (“LHI”) and Luminis Health Doctors Community Medical Center, Inc. (together, the “Obligated Group Members”) for the refinancing of a taxable promissory note heretofore issued by the Institution (the “Taxable Note”), the proceeds of which were applied to refund a portion of the Authority’s Revenue Bonds, Anne Arundel Health System Issue, Series 2014 (“Series 2014 Bonds”), pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356 of the Economic Development Article of the Annotated Code of Maryland (the “Act”).

At the request of the Institution, the Authority has determined to authorize the issuance of a revenue bond under the Act for the purpose of refinancing the Taxable Note.

NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority is hereby authorized to issue, sell and deliver its revenue bond (the “2024 Bond”) in an aggregate principal amount not to exceed \$112,170,000. The 2024 Bond shall be issued and the proceeds thereof shall be loaned to the Institution pursuant to the Financing Agreement dated as of February 1, 2022 (the “Financing Agreement”) among the Authority, the Institution, Luminis Health and LHI, Truist Commercial Equity, Inc. (as successor to BB&T Community Holdings Co.) (the “Purchaser”) and The Bank of New York Mellon, as trustee, as amended and supplemented (the “Financing Agreement”), for the public purpose of refinancing the Taxable Note in order to enable the Institution to provide, and to finance and refinance at the least cost to the users thereof, the facilities financed and refinanced with proceeds of the Series 2014 Bonds, for the benefit of the people of the State of Maryland, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions.

SECTION 2. As permitted by the Act, one or more series of the 2024 Bond shall be sold at a private (negotiated) sale to the Purchaser, at prices at, above or below par and upon such terms as the Authorized Member deems to be in the best interest of the Authority.

SECTION 3. Any Member of the Authority (the “Authorized Member”) is hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this resolution, the Financing Agreement and the Act, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the 2024 Bond, including (without limitation):

- (a) the principal amount of 2024 Bond;
- (b) the purchase price to be paid to the Authority for the 2024 Bond;
- (c) the rate or rates of interest payable on the 2024 Bond, or the method of determining the same;
- (d) the date or dates of maturity of the 2024 Bond, the payment provisions therefor, the optional and mandatory redemption provisions thereof, including (without limitation) the mandatory sinking fund installments (if any) for

the 2024 Bonds, the designation or designations of the 2024 Bond and the date of issuance thereof;

(e) the form, tenor, terms and conditions of the 2024 Bond, and provisions for the registration and transfer of the 2024 Bond;

(f) the form and contents of, and provisions for the execution and delivery of, such documents as the Authorized Member shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the 2024 Bond, the loan of the proceeds of the 2024 Bond to the Institution and the other Obligated Group Members named in the Financing Agreement, and the refinancing of the Taxable Note, including (without limitation) any applicable supplements to the Financing Agreement and any security agreements, letters of credit, bond insurance policies or other credit or liquidity facilities supporting the 2024 Bond, financing agreements and other similar agreements;

(g) provision for the administration of the 2024 Bond, including (without limitation) the appointment of any remarketing agents, paying agents, registrars, escrow agents or other agents as the Authorized Member shall deem necessary or desirable to effectuate the transactions authorized hereby;

(h) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the 2024 Bond;

(i) the creation of security for the 2024 Bond, which may include (without limitation) provisions for securing any indebtedness or other obligations incurred in connection with the issuance of the 2024 Bond, including (without limitation) any interest rate swap agreement, on parity with outstanding revenue bonds previously issued by the Authority pursuant to any resolution or trust agreement executed and delivered by the Authority, the execution and delivery by an Authorized Member of any supplemental resolution or trust agreement providing therefor to constitute conclusive evidence of the determination by the Authority that all of the conditions to the issuance of parity debt under such resolution or trust agreement have been met to the satisfaction of the Authority; and

(j) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the 2024 Bond and the security for the 2024 Bond and the consummation of the transactions contemplated by this resolution as may be deemed appropriate and approved by the Authorized Member, including (without limitation) the establishment of procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments as are or may be necessary or appropriate to consummate the transactions contemplated by this resolution in accordance with the Act and this resolution.

SECTION 4. The Authorized Member and the Executive Director of the Authority are hereby authorized from time to time after the issuance of the 2024 Bond to take any action required

or permitted to be taken by or on behalf of the Authority under the Act, the Financing Agreement or other document or instrument executed and delivered in connection therewith, including (without limitation) providing any consent, approval or direction required or permitted thereunder, entering into any amendment of or supplement to any of the foregoing and entering into any agreement providing for the replacement of, substitution for or addition of (as the case may be) any credit or liquidity facility, remarketing agent, trustee or other agent, subject to the requirements of the Act and any other agreement by which the Authority is bound.

SECTION 5. This resolution shall take effect immediately.

CHARLESTOWN COMMUNITY INC.

Mr. Don Grove, Executive Director of Charlestown, provided a brief background on Charlestown and the project, highlighting how the planned improvements will provide additional resident amenities. Ms. Pam Stiner, Director of Finance of Charlestown, provided an overview of operations, occupancy trends and the plan of finance.

Mr. Savidge asked the Members to consider a resolution authorizing the issuance from time to time of the Authority's revenue bonds in a principal amount not exceeding \$30,000,000 and delegating to any one Member of the Authority the power to approve the principal amount of the bonds, the interest rate and other terms of the bonds and other matters in connection with the issuance, sale, and delivery of such bonds.

Following discussion, the Authority, on motion by Mr. Varnado, seconded by Mr. White, adopted the following resolution (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none):

CHARLESTOWN COMMUNITY BOND AUTHORIZING RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") OF ITS REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT (DETERMINED AS PROVIDED HEREIN) NOT EXCEEDING \$30,000,000 IN ORDER TO LEND THE PROCEEDS THEREOF TO CHARLESTOWN COMMUNITY, INC. FOR THE PURPOSE OF FINANCING AND REFINANCING CERTAIN CAPITAL PROJECTS; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO THE AUTHORIZATION, SALE, ISSUANCE, DELIVERY AND PAYMENT OF AND FOR SUCH REVENUE BONDS; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

RECITALS

At its meeting on June 4, 2024, Maryland Health and Higher Educational Facilities Authority (the "Authority") accepted an application from Charlestown Community, Inc., a nonprofit corporation formed under the laws of the State of Maryland (the "Institution"), for the financing of a portion of the costs of acquisition, construction and equipping of certain capital projects (collectively, the "Project") of the Institution pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356 of the Economic Development Article of the Annotated Code of Maryland, as amended (the "Act").

The Project consists of renovations and capital improvements to the Institution's existing facilities located at 707 Maiden Choice Lane, 709 Maiden Choice Lane, 711 Maiden Choice Lane, 713 Maiden Choice Lane, 715 Maiden Choice Lane, 717 Maiden Choice Lane, 719 Maiden Choice Lane and 721 Maiden Choice Lane each located in Catonsville, Maryland 21228 (the "Facilities"), including (without limitation): (i) with respect to the area of campus known as the "Historic District," located adjacent to Our Lady of Angels Chapel, capital improvement projects, including (without limitation) (a) renovations to existing common spaces to provide for a new café, sit-down restaurant, multi-functional catering space, and indoor pickle ball, (b) upgrades to the refectory, music room, medical center, lobby, terraces, library and art spaces and (c) improvements to certain outdoor spaces and amenities, including (without limitation) the addition of walking paths, outdoor bocce and pickle ball courts, picnic and social gathering spaces, gardens and landscaped areas; (ii) other lifecycle improvements, capital expenditures and/or the acquisition of equipment, including (without limitation) upgrades to elevators, concrete and paved areas, fencing, boilers, and central plant equipment; and (iii) to funded capitalized interest and the payment of certain costs of issuance.

At the request of the Institution, the Authority has determined to authorize the issuance of revenue bonds under the Act for the purposes of financing and refinancing the Project.

NOW, THEREFORE, BE IT RESOLVED BY MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY THAT:

SECTION 1. The Authority is hereby authorized to issue, sell and deliver its revenue bond (the "2024 Bond") in an aggregate principal amount not to exceed \$30,000,000 for the purpose of financing and refinancing the Project. The 2024 Bond shall be issued and the proceeds thereof loaned to the Institution pursuant to a financing agreement (the "Financing Agreement") among the Authority, the Institution, Truist Commercial Equity, Inc. (the "Purchaser") and The Bank of New York Mellon, as trustee, which shall contain such terms, provisions and conditions as shall be approved by the Authorized Member (defined herein).

The proceeds of the 2024 Bond shall be loaned to the Institution pursuant to the Financing Agreement for the public purpose of financing and refinancing the Project. In order to enable the Institution to provide, and to finance and refinance at the least cost to the users thereof, the Project for the benefit of the people of the State of Maryland, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions.

The Institution's obligations under the Financing Agreement will be secured by a Limited Recourse Guaranty (the "Guaranty") and an Indemnity Deed of Trust, Security Agreement and Assignment of Leases (the "Deed of Trust") pursuant to which the Authority will mortgage to the Trustee and grant the Trustee a security interest in the real estate and personal property comprising the Facilities.

SECTION 2. As permitted by the Act, one or more series of the 2024 Bond shall be sold at private (negotiated) sale to the Purchaser, at a price or prices at, above or below par and upon such terms as the Authorized Member deems to be in the best interest of the Authority.

SECTION 3. Any Member of the Authority (the "Authorized Member") is hereby authorized to specify, prescribe, determine, provide for or approve, all within the limitations of this resolution and the Act, all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the 2024 Bond, including (without limitation):

- (a) the maximum principal amount of 2024 Bond;
- (b) the purchase price or prices to be paid to the Authority for the 2024 Bond;
- (c) the rate or rates of interest payable on the 2024 Bond, or the method of determining the same;
- (d) the date of maturity of the 2024 Bond issued at any one time or from time to time, the payment provisions therefor, the mandatory tender and purchase provisions thereof, optional and mandatory redemption provisions thereof, including (without limitation) the mandatory sinking fund installments (if any) for such 2024 Bond, the designation of the 2024 Bond and the date of issuance thereof;
- (e) the form, tenor, terms and conditions of the 2024 Bond, and provisions for the registration and transfer of the 2024 Bond;
- (f) the form and contents of, and provisions for the execution and delivery of, such documents as the Authorized Member shall deem necessary or desirable to evidence, secure or effectuate the issuance, sale and delivery of the 2024 Bond issued at any one time or from time to time, the loan of the proceeds of such 2024 Bond to the Institution, and the financing and refinancing of the Project, including (without limitation) the Financing Agreement, the Guaranty, the Deed of Trust, a resolution or trust agreement, loan agreement and any security agreements, letters of credit, bond insurance policies or other credit or liquidity facilities supporting the 2024 Bond and other similar agreements;
- (g) provision for the administration of the 2024 Bond, including (without limitation) the appointment of a trustee under the Financing Agreement and any remarketing agents, paying agents, registrars, escrow agents or other agents

as the Authorized Member shall deem necessary or desirable to effectuate the transactions authorized hereby;

(h) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the 2024 Bond;

(i) procedures for the approval of change orders and substitutions for the construction, renovation, equipping and other improvements included within the Project by an authorized officer on behalf of the Authority;

(j) the creation of security for the 2024 Bond, which may include (without limitation) provisions for securing any indebtedness or other obligations incurred in connection with the issuance of the 2024 Bond, including (without limitation) any interest rate swap agreement, on parity with outstanding revenue bonds previously issued by the Authority pursuant to any resolution or trust agreement executed and delivered by the Authority, the execution and delivery by an Authorized Member of any supplemental resolution or trust agreement providing therefor to constitute conclusive evidence of the determination by the Authority that all of the conditions to the issuance of parity debt under such resolution or trust agreement have been met to the satisfaction of the Authority; and

(k) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the 2024 Bond and the security for the 2024 Bond and the consummation of the transactions contemplated by this resolution as may be deemed appropriate and approved by the Authorized Member, including (without limitation) the establishment of procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments as are or may be necessary or appropriate to consummate the transactions contemplated by this resolution in accordance with the Act and this resolution.

SECTION 4. The Authorized Member and the Executive Director of the Authority are hereby authorized from time to time after the issuance of the 2024 Bond to take any action required or permitted to be taken by or on behalf of the Authority under the Act, the Financing Agreement or any other document or instrument executed and delivered in connection therewith, including (without limitation) providing any consent, approval or direction required or permitted thereunder, entering into any amendment of or supplement to any of the foregoing and entering into any agreement providing for the replacement of, substitution for or addition of (as the case may be) any credit or liquidity facility, remarketing agent, trustee or other agent, subject to the requirements of the Act and any other agreement by which the Authority is bound.

SECTION 5. This resolution shall take effect immediately.

APPROVAL OF FEE WAIVER FOR FY 2025 AND REVIEW OF FY 2025 OPERATING AND CAPITAL BUDGETS

Ms. Gorman-Lepson reported on the Audit Committee Meeting that was held on May 7, 2024. Ms. Gorman-Lepson reported that after much discussion, the Audit Committee unanimously agreed to reduce the administrative fee rate to 2.5 basis points due to the growing fund balances, the operational efficiencies of the Authority and the Authority's ability to annually review the administrative fee.

Ms. Gorman-Lepson reported that the FY 2025 Operating Budget reflects the administrative fee at 2.5 basis points. She stated that the Budget was reviewed in detail and approved at the Audit Committee meeting held on May 7th. Ms. Gorman-Lepson provided an overview of the major revenue and expense line items, including administrative fees, investment income, salaries and benefits, and professional fees.

Following discussion, the Authority, on motion by Mr. Phelps, seconded by Mr. Varnado, approved the administrative fee waiver for FY 2025. (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none).

INVESTMENT POLICY – ANNUAL APPROVAL

Mr. Savidge presented the Authority's FY 2025 Investment Policy for review and approval. He stated that there are no changes to the Investment Policy proposed for FY 2025. He described the investment objectives as the preservation of capital and liquidity while trying to obtain the highest yield possible within these policy constraints. Mr. Savidge described this investment policy as conservative and prudent. The Authority maintains a buy and hold strategy and uses a laddered investment approach.

Following discussion, the Authority, on motion by Mr. Phelps, seconded by Mr. Varnado, approved the administrative fee waiver for FY 2024. (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none).

EMPLOYEE HANDBOOK – ANNUAL ACKNOWLEDGEMENT

Mr. Savidge presented to the Members the Authority's Employee Handbook for acknowledgement. He stated that all employees annually acknowledge the Employee Handbook, as well as the policy on IT usage. Minor edits have been made to the Handbook since the last annual review by the Authority which included adding a Day of Caring and modest changes to the bereavement policy.

The Members acknowledged receipt of the Employee Handbook by unanimous vote.

FINANCIAL ADVISOR'S REPORT

Mr. Brian Carter reported on the current overall economic condition in the United States, stating that national and economic indicators are providing mix signals of the Federal Reserve's next actions. The market currently expects the Federal Funds Rate to approach a peak of nearly 5.3% in June of 2024. The unemployment rate remains low at 3.9% as of April. Mr. Carter highlighted that indicators relating to pricing and inflation are beginning to moderate and consumer confidence is declining. He provided details on the overall impact these conditions have on interest rates and the municipal bond market.

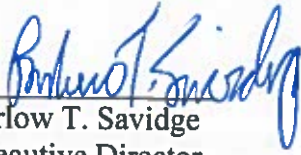
Mr. Carter provided an overview and highlights of the Barclays/HFMA Healthcare conference. He stated that generative Artificial Intelligence is a growing area of investment for hospitals and healthcare systems. He highlighted that expenses remain elevated particularly with regards to labor but operating margins are returning to pre-pandemic levels, just slower than expected.

EXECUTIVE DIRECTOR'S REPORT

Mr. Savidge provided an update on recent closings highlighting Friends School of Baltimore and Stevenson University. He also provided detail on the recent waiver that the Hebrew Home of Maryland of Greater Washington (HHGW) received on its FYE 12/31/2023 debt service coverage violation. Mr. Savidge stated that the organization was negatively impacted by inflation driven higher operating expenses and realized investment losses on its substantial investment portfolio. Without these realized investment losses HHGW would have been in compliance. Mr. Savidge concluded his comments by providing an update on current operations, highlighting that the Authority is working with its IT consultant and managed IT service provider to conduct an internal and external vulnerability assessment.

With no further business, on motion by Mr. White, seconded by Mr. Varnado, the meeting was adjourned at approximately 11:45 a.m. (Affirmative – Williams, Beg, Martin, Perkins, Phelps, Varnado and White; Negative – none; Abstain – none).

The next meeting of the Authority is scheduled for August 6, 2024.



Barlow T. Savidge
Executive Director

Approved:



Arnold Williams
Chairman

August 6, 2024

**Authority Meeting
June 4, 2024
Guest List**

Maryland Institute College of Art (MICA)

Cecelia McCormick, President

Daniel A. Cronin, M.B.A., Ph. D, Executive Vice President & Chief Financial Officer

Arent Fox Schiff LLP - Maryland Institute College of Art - Borrower's Counsel

Davis Sherman, Counsel

Callowhill Capital Advisors - Maryland Institute College of Art - Financial Advisor

Sandra Kurtz Baxter, President & Principal

TidalHealth, Inc.

Stephanie Gary, Chief Financial Officer

Arent Fox Schiff LLP – TidalHealth, Inc. - Borrower's Counsel

Davis Sherman, Counsel

Kauffman Hall – TidalHealth - Financial Advisor

Brad Dills, Vice President

Luminis Health

Stephanie Schnittger, Chief Financial Officer

Amanda Nickerson, Director of Accounting

Charlestown Community, Inc.

Don Grove, Executive Director

Pam Stiner, Director of Finance

Marathon Capital – Charlestown Community, Inc. – Financial Advisor

Alex Dinkel, Principal

Community Outreach Consultant

Annette Anselmi