

## **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, March 3, 2026, 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 26<sup>th</sup> 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
- Granville Templeton III, Vice-Chairman
- Rebecca Ruff, Chief Deputy Treasurer, Designee of Treasurer
- Cale Christensen, Member
- James Dugan, Member
- Frederick W. Meier, Jr., Member
- Arthur S. Varnado, Member
- Lyn White, Member
- Bart Savidge, Executive Director
- Lynn Gorman-Lepson, Chief Financial Officer
- David Gregory, Bond Counsel
- William Taylor, Bond Counsel
- Brian Carter, Financial Advisor
- Lorraine McClaren, Financial Advisor

**Absent:** Dr. Bisma Beg, 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 January 6, 2026, regular meeting of the Authority were unanimously approved.

### **COMMUNITY OUTREACH INITIATIVE - PARK WEST HEALTH SYSTEM**

The Authority, through its Community Outreach Initiative, is requesting a \$500,000 participation in Neighborhood Investment Impact Fund's ("NIIF") \$1.362MM term loan.

Dr. Allen Bennett, President & CEO, provided an overview of Park West Health System ("PWHS") including the organization's history and the proposed project. PWHS is a Federally Qualified Health Center ("FQHC"). It has served the Park Heights community for more than 54 years, providing comprehensive medical, dental, and pharmacy services. The project includes an expansion and renovation to the existing building and the addition of a new facility to expand behavioral health services.

Mr. Neville Gayle, CFO, provided an overview of the financing structure. PWHS's primary revenue drivers include Federal Grants, Medicare and Medicaid reimbursements, and patient service revenue. To fund the capital project, Park West has partnered with the Neighborhood Impact Investment Fund (NIIF) and the Primary Care Development Corporation (PCDC). These partners are providing the bridge and term loan financing. In addition, MHHEFA's participation in the NIIF loan strengthens the overall capital structure and offers PWHS an additional funding source for both current and future facility needs.

Questions raised for discussion included the composition of the healthcare service providers, the status of cash flow management given a line of credit termination, MHHEFA's participation and the roles of the primary lenders, the timing of audited financial statements, and the impact of the new billing system on revenue reporting.

Following the discussion, Mr. Arnold Williams asked the Members to entertain a motion for the acceptance of the approval of the participating loan financing in the amount of \$500,000 through the Community Outreach Initiative, on motion by Mr. Meier seconded by Mr. Varnado, adopted the following resolution (Affirmative – Templeton, Christensen, Dugan, Meier, Ruff, and Varnado; Negative – none; Abstain – Williams and White).

#### **PARK WEST HEALTH SYSTEMS COMMUNITY OUTREACH LOAN PARTICIPATION**

A RESOLUTION AUTHORIZING MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY") TO PARTICIPATE IN A LOAN AND SECURITY AGREEMENT IN AN AMOUNT UP TO \$500,000 PURSUANT TO A PARTICIPATION AGREEMENT (AS DEFINED BELOW) IN ORDER TO ASSIST PARK WEST HEALTH SYSTEMS, INCORPORATED IN OBTAINING FUNDS WITH WHICH TO PAY COSTS OF THE PROJECT (AS DEFINED BELOW) IN FURTHERANCE OF THE AUTHORITY'S COMMUNITY OUTREACH PROGRAM; AUTHORIZING ANY MEMBER OF THE AUTHORITY TO SPECIFY, PRESCRIBE, DETERMINE, PROVIDE FOR AND APPROVE CERTAIN MATTERS, DETAILS, FORMS, DOCUMENTS AND PROCEDURES PERTAINING TO SUCH PARTICIPATION AGREEMENT; AND PROVIDING FOR AND DETERMINING VARIOUS MATTERS IN CONNECTION WITH THE FOREGOING.

#### **RECITALS**

Maryland Health and Higher Educational Facilities Authority (the "Authority") has adopted a Community Outreach Program (the "Program") for the purpose, among others, of assisting certain eligible borrowers, including health care institutions in the State of Maryland, with financing the costs of certain capital projects as permitted by the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 10-356, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act").

The Institution has entered into a Loan and Security Agreement (the "Loan Agreement") with Neighborhood Impact Investment Fund, Inc. ("NIIF") under which NIIF has agreed to advance loan proceeds from time to time to Park West Health Systems, Incorporated (the

“Institution”) to finance a portion of the costs of the Project (as defined below). At the request of the Institution, the Authority has agreed to enter into a Participation Agreement with NIIF in accordance with the Program and the Act for the purpose of assisting the Institution, directly or indirectly, in obtaining funds under the Loan Agreement in an amount up to \$500,000 with which to pay certain costs relating to the capital improvements for the expansion of the Institution’s facilities in connection with the delivery by the Institution of, among other things, health, dental, behavioral and mental health services within the community that it serves (the “Project”).

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

**SECTION 1.** The Authority is hereby authorized to enter into a Participation Agreement with NIIF under which the Authority agrees to participate in the loan made by NIIF under the Loan Agreement and advance funds thereunder, from time to time, in an amount up to \$500,000 (the “Participation Agreement”). The Participation Agreement shall contain such terms, provisions and conditions as shall be approved by the Authorized Member (hereinafter defined) for the public purpose of assisting the Institution, directly or indirectly, in obtaining funds under the Loan Agreement with which to pay costs of 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.** 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 Participation Agreement, including (without limitation):

(a) the amount being advanced by the Authority from to time under the Participation Agreement so long as such amount does not exceed \$500,000;

(b) 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 or effectuate the participation in the Loan Agreement, including (without limitation) the Participation Agreement;

(c) the security, if any, for the amounts advanced by the Authority under the Participation Agreement; and

(d) such other matters in connection with the Participation Agreement and the amounts being advanced by the Authority thereunder and any security for such advances made under the Participation Agreement 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 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 3.** This resolution shall take effect immediately.

### **INSTITUTION RATING UPDATES AND RATING AGENCY SECTOR REVIEW**

As a component of the Authority's due diligence practices, Mr. Savidge presented Institutions' rating profiles, rating agency sector outlooks and commentary, and updates regarding any financial covenant waivers.

Mr. Savidge reviewed the rating profiles of the Authority's institutions, noting that several recent rating actions have included downgrades or negative outlook revisions, which are consistent with the broader market pressures impacting Maryland institutions.

Mr. Savidge reported that all three major credit-rating agencies, Moody's, S&P, and Fitch, have maintained a stable national outlook for the healthcare sector. However, Mr. Savidge cautioned that Maryland healthcare institutions could be affected by potential reimbursement changes and highlighted that capital spending is expected to remain elevated.

Mr. Savidge reported that Moody's, S&P, and Fitch have negative outlooks for the higher education sector, driven by pressure on federal grant funding and shifting demographics that are reducing enrollment. For Charter Schools, the national outlook remains stable, however, Mr. Savidge noted that Maryland charter schools face uncertainty relating to the future of charter school funding and the impact on operating performance.

Mr. Savidge provided updates on several institutions that were granted financial covenant waivers by MHHEFA and the lenders holding the bonds including Imagine Andrews Public Charter School and Sandy Spring Friends School. He highlighted how the Authority works with these institutions to help facilitate consents.

### **FINANCIAL ADVISOR'S REPORT**

Mr. Brian Carter provided a market update and an overview of current economic conditions. He noted that despite the geopolitical factors influencing the broader markets, the municipal market remains stable and continues to experience strong investor demand for municipal transactions. Inflation indicators have also remained stable, and there is currently no compelling economic data suggesting the need for interest rate adjustments.

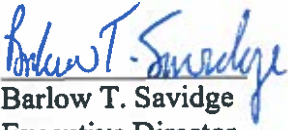
Ms. Lorraine McClaren reported on the MedStar Health, Series 2026A, B-1, and B-2 bond transactions, which priced in January. In the days leading up to this pricing, geopolitical activity was heightened causing volatility in the equity markets; however, the municipal market remained steady. Following an effective pre-marketing effort that generated strong investor interest, price adjustments were made throughout the curve, and the bonds were positively received in the market. Following this successful pricing, the MedStar Health, Series 2026C bond transaction priced later in early February. Market conditions had improved significantly, resulting in the Series 2026C bonds being oversubscribed, allowing for favorable pricing adjustments across the entire transaction.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Savidge provided an update on recent closings. He also discussed upcoming operating system enhancements, reviewed relevant Maryland legislation currently being proposed, and shared highlights from a recent meeting with the Mid-Shore Community Foundation.

With no further business, on motion by Mr. Meier, seconded by Mr. Templeton, the meeting was adjourned at approximately 11:20 a.m. (Affirmative – Williams, Templeton, Christensen, Dugan, Meier, Ruff, Varnado, and White; Negative – none; Abstain – none).

The next meeting of the Authority is scheduled for May 5, 2026.



Barlow T. Savidge  
Executive Director

Approved:



Arnold Williams  
Chairman

May 5, 2026

**Authority Meeting  
March 3, 2026  
Guest List**

**Park West Health System**

Dr. Allen Bennett, President & CEO  
Neville Gayle, CFO

**Community Outreach**

Annette Anselmi, Consultant