

**MINUTES OF MEETING
INDUSTRIAL DEVELOPMENT AUTHORITY
OF ST. JOHNS COUNTY
June 3, 2019, 2:00 PM
at
500 San Sabastian View, St. Augustine FL**

Members Present: Geoffrey Litchney, Joseph Rowell, Vivian Helwig (call in at 2PM), and Thomas Skinner

Members Absent: Henry Green.

Guests Present: See attached sign in sheet.

Mr. Skinner brings the meeting to order at 2:00PM.

Mr. Skinner asks for roll call.

All members not present. Mr. Green is absent.

Mr. Skinner asks for public comment.

No public comment.

Mr. Dobson states the TEFRA hearing was noticed seven days ago.

Mr. Skinner moves to additions and deletions to the agenda.

No additions or deletions.

Mr. Skinner moves to regular business hearing on amendments concerning the Bayview project.

Mr. Skinner gives a brief background of the issue presented today. He states today's special meeting of the Authority was held to give time for Mr. O'Connell to receive additional financial information from Bayview and for a hearing to take place in Minnesota concerning the amendments which was scheduled prior to this meeting.

Mr. Skinner moves to TEFRA hearing.

Mr. Skinner opens the TEFRA hearing at 2:06PM.

Mr. Dobson states he has reviewed the IRS regulations about today's hearing and its justification. He states the only way the authority can express an opinion will be in the government in the sunshine. He continues by going over the upcoming hearing in Minnesota and general provisions.

Discussion.

Mr. Dobson states the hearing in Minnesota on these amendments has been postponed until July.

Discussion on the documents presented.

Mr. Thames recaps what Bayview is asking for. He states they are asking to sell the Buckingham Smith location. He continues by stating what is being asked for is a release of collateral and the use of the funds from the sale. He states Bayview is not looking to borrow any more money.

Dr. Lake presents a handout and goes over the attendees of the meeting and the contents of the handout. He states the letter from Flagler Health is a letter of intent and is non-binding but it is what is happening going forward.

Mr. Dame, bond counsel for Bayview, discusses the issue and states that in his opinion the actions requested does not affect the tax-exempt status of the bonds. He hands out a memorandum of his findings. He states he does not believe based on his research the need for Bayview in this instance to have to be subject to financial review with regards to Florida Statute 159.29 subsection (2). He continues by stating that in his opinion a TEFRA hearing is not required either because the issues and requested changes are not material to warrant such a hearing.

Mr. Skinner asks Mr. O'Connell to state his findings.

Mr. O'Connell states that he was initially asked by the authority to treat this request by Bayview as a financing agreement which would subject the agreement to a complete review as it related to Florida Statute 159.29 subsection (2) and the subsequent issuance of an opinion letter by him. He stated he was provided sufficient financial information to perform his review. He continued by stating the results of the review would not allow him to issue a favorable opinion. He stated the current financial performance, current financial position and prior earnings trends were not sufficient to conform with Florida Statute 159.29 subsection (2).

Discussion.

Mr. Dobson states the issue is whether this is a substantial modification which would require a TEFRA hearing and a formal opinion by Mr. O'Connell.

Discussion.

Mr. Dobson states before any modification would occur to the bond issue the contract for the sale of the property would need to be finalized; no property sale no bond modification.

Mr. Skinner asks for member comment.

Mr. Rowell states he would like a summary of the steps to be taken.

Mr. Dobson discusses the terms of the sale and bond amendment.

Discussion.

Mr. Dame states the minority bond holders have not been found.

Discussion.

Mr. Helwig asks if this matter has to go in front of the BCC.

Mr. Dobson states yes, this matter will have to be ratified by the BCC only after action by this authority.

Mr. Litchney asks what items do the members have to look for?

Discussion about the form of the agreement, financing or not.

Mr. Halikman states he is the external auditor for Bayview. He continues by stating the execution of this agreement and ultimate sales of the Buckingham Smith location will give Bayview a liquid asset instead of a

non performing asset. He continues to state that this transaction would not be material and agrees with the opinion presented by bond counsel that this would not be classified as a financing agreement.

Mr. Skinner asks Dr. Lake what economic impact this action would do.

Dr. Lake discusses the current operations at Bayview. He states they currently have 200 employees. He states 60 million in charitable care has been given by Bayview since 1997 when the IDA approved the initial bond issue that built Bayview.

Mr. Helwig asks Dr. Lake how this action would help Bayview keep its promise to the county when they gave them a grant last year?

Discussion on future actions of Bayview and it's letter of intent from Flagler Health.

Mr. Skinner states the time is 3:15pm and the meeting must end by 3:30 because the room is booked.

Discussion on steps to be taken.

Motion Mr. Litchney, Second Rowell to close the TEFRA hearing at 3:06.

Vote unanimous.

Motion Mr. Rowell, Second Mr. Litchney to instruct Mr. Dobson to draft a proposed resolution authorizing certain amendments to the St Johns County Industrial Development Authority \$14,335,000 Health Care Revenue Bonds, Tax Exempt Series 2007 (Bayview Project).

Vote unanimous.

Discussion on timing of next meeting.

Mr. Skinner states next meeting is June 10, 2019 at 3:00PM

Mr. Skinner asks for reports from members.

No reports from members.

Motion Mr. Rowell, Second Mr. Litchney to adjourn at 3:22PM

Vote unanimous.

IDA

SIGN IN SHEET

IDA BOARD MEMBERS		<p style="text-align: center;">IDA MEETING</p> <p>DATE: <u>6/3/19</u></p>
1	Rusty Skinner	
2	Geoffrey Litchney	
3	Joseph Rowell	
4	Viv Helwig Callin 2:00 PM	
5		
6		
7		

VISITORS / GUESTS		Who do you represent?
1	Geoff Nelson	Idby
2	FARLEN HALIKMAN	MSL, CPA'S FOR BAYVIEW
3	WAF O'CONNELL	CPA FOR AUTHORITY
4	Melissa Glasgow	St. Johns County
5	Jennifer Zubara	St. Johns County
6	LARRY LAKE	Bayview Healthcare
7	James Norman	Bayview "
8	Patsy Dams	Akenn LLP
9	RICK THOMAS	Bayview
10	JEROD NEELS	BAYVIEW HCARE
11	Jeb S. Smith	SJCBC
12	Rebecca Lorie	SJC-OCA
13	DAN GRAY	CALL IN CONTINUUM DEV.
14	Jason Barrett	Bayview
15	TODD BATEWORTH	BAYVIEW
16	JOE BOLES	BAYVIEW

Mark Bailey
William T. Abner, III.

Bayview chair of Board
Bayview Board members

01/2/17

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CONTINUED

2016

Laren Everett

St Johns County
Chamber of Commerce

Andrew Delmeca

St Johns County
Chamber of Commerce

01/2/17

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