

Maplewood Manor Local Development Corporation
September 30, 2013 – 4:00 p.m.

Present: Chairman Wright; Supervisors Kinowski, Richardson, Wood and Grattidge; David Meager; Helen Endres, (via teleconference); Spencer Hellwig, Administrator; Ryan Moore, Mgmt. Analyst; George Martin, Treasurer; Justin Miller, Harris Beach; Press.

Chairman Wright called the meeting to order and welcomed all in attendance.

On a motion made by Mr. Kinowski, seconded by Mr. Richardson the minutes of the June 27, 2013 meeting were approved unanimously.

Mr. Moore distributed copies of the Maplewood Manor Local Development Corporation 2014 Tentative Budget to all committee members for their review. He said the 2014 budget is due on November 1, 2013 at the Authorities Office. The budget estimate for 2014 is \$100,000, which will be covered by the non-refundable portion of the eventual buyer's funds.

A motion was made by Mr. Kinowski, seconded by Mr. Wood to approve the 2014 Tentative Budget for the Maplewood Manor Local Development Corporation. Unanimous.

Mr. Hellwig gave the following update on the process so far with the proposed sale of Maplewood Manor. He said with the help of our broker Marcus & Millichap, and our attorney Justin Miller from Harris Beach, the LDC put together an RFP for the sale of Maplewood Manor.

Pursuant to the instructions given to the LDC by the Board of Supervisors the RFP criteria went far beyond financial considerations.

Bidders were asked to provide their track record with respect to other nursing homes they own, including quality of care and their history of employee relations and practices. They were also asked for guarantees that all existing residents of Maplewood Manor would be allowed to stay after the sale was completed. It was also made clear within the RFP that the LDC would prioritize bids that contain commitments to interview and consider for employment all existing facility staff with as little disruption as possible. Bidders were also asked for their future plans for Maplewood in terms of how they would improve existing services, what types of new services they will provide, and how much money they are willing to invest in the facility to achieve these goals.

We released the RFP on April 5, 2013 and responses were due back on June 14, 2013. Our broker immediately began an extensive marketing campaign to reach out to as many prospective buyers as possible. They sent out over 1800 e-flyers, made hundreds of phone calls, and signed confidentiality agreements with 60 potential buyers. With the help of LDC staff, the broker hosted a confidential documents room where interested parties could examine detailed information about Maplewood, and dozens of potential bidders used this resource.

With the help of Maplewood staff, the broker also facilitated a number of on-site visits to the facility by potential bidders.

In late June, we had 7 formal offers, all from highly regarded and well-qualified potential owners. Every one of these offers was higher than the minimum bid price of \$11 million.

At the last LDC meeting, Chairman Wright appointed an Advisory Committee to analyze all seven proposals. For the past three months, Ed Kinowski, Dave Meager, Helen Andres, and the LDC staff have worked very hard to narrow that initial group of seven down to several "semifinalists". The Advisory Committee has interviewed all of these semifinalists, they've visited several of the nursing facilities they currently own, and they've spent hours going through surveys, financial statements, newspaper articles, and basically every other form of documentation they could access. That's pretty much what has been accomplished so far.

Mr. Wright announced that the committee would adjourn to executive session so the Advisory Committee can give the rest of the LDC Board their impressions on the proposals. No action is expected to come out of the Executive Session. The Advisory Committee will take input from the other Board members, and they will continue their due diligence work through the month of October.

Mr. Wright requested a motion to enter into executive session to discuss the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

A motion was made by Mr. Meager, seconded by Mr. Richardson to move into Executive Session for the purpose of Contract Negotiations. Unanimous.

On a motion made by Mr. Kinowski, seconded by Mr. Richardson the meeting reopened to regular session.

No action was taken.

On a motion made by Mr. Wood, seconded by Mr. Kinowski the meeting was adjourned unanimously.

Respectfully submitted,
Chris Sansom