

## **BOARD OF DIRECTORS AND FINANCE & INVESTMENT COMMITTEE JOINT WORKSHOP MINUTES 1/12/2022**

Wednesday, January 12, 2022

Teleconference 1-415-655-0002 Access Code 2305 768 0699

GCMC Boardroom 13685 Doctors Way, Suite 190 Fort Myers, FL 33912

### **MEMBERS PRESENT**

David Collins, Chair

Stephen Brown, MD., Board Member

### **MEMBERS PRESENT VIRTUALLY**

Therese Everly, Vice Chair

Donna Clarke, Treasurer

Diane Champion, Secretary

Kathy Bridge-Liles, Board Member

Sanford Cohen, MD., Board Member

Chris Hansen, Board Member

Nancy McGovern, Board Member

### **MEMBERS ABSENT**

Stephanie Meyer, Board Member

### **COMMITTEE MEMBERS PRESENT VIRTUALLY**

Peter Andruszkiewicz, Community Committee Member

David Klein, Community Committee Member

### **COMMITTEE MEMBERS ABSENT**

William Hearn, MD., Committee Physician Member

The Board of Directors Workshop Meeting was called to order at 1:34 pm. by David Collins, Board Chair. Donna Clarke Finance & Investment Committee Chair welcomed attendees and asked Board and Committee Members to consider where the Board has come from in regards to the purchase of the property in Estero. She asked that they take into consideration the economic, environmental and social health changes that have occurred in the interim, and

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to look into the future when deciding how best for the Board to proceed with the various options for the property being presented.

Stephen Brown, MD. arrived at 1:35 pm.

### **HISTORICAL OVERVIEW OF ESTERO PROPERTY**

Ben Spence, Chief Financial Officer shared an historical compilation with Board and Committee Members. Discussion ensued on best paths forward.

### **OPTION 1: LEASE OF ESTERO PROPERTY**

George Knott, Deputy Board Counsel explained the legal aspects and Board risks with the RFP Land Lease to a Developer. Lee Health employs a competitive award process targeted at selecting the best qualified master developer to land lease the Estero Acreage from Lee Health. This plan would use a request for proposal format to solicit proposals from interested master developers.

### **OPTION 2: SELL ESTERO PROPERTY**

George Knott, Deputy Board Counsel explained this option would list the property for sale after recording an appropriate restrictive covenant for the lands use.

### **OPTION 3: INVESTMENT MODEL FOR ESTERO PROPERTY**

George Knott Deputy Board Counsel, outlined for Board Members the process needed to transfer the property to Community Health Care Innovations, LLC, with Lee Health as the sole member, who in turn would contribute the acreage to Lee Healthcare Holding, LLC with Community Healthcare Innovations as its sole member. These companies would then be the vehicles used to participate in the proposed Investment model.

Discussion ensued about all three options. Board members asked for pro forma numbers to be created in order to assess the potential returns on investment of the lease and investment models compared to the sale of the property. Board members also asked that a chart be made listing Board concerns for each option and that the Systems concerns with each option be shown side by side to compare and contrast. It was suggested that additional information be provided

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for each of the options through the Board meeting process and enable full discussion by all board members.

### FINAL REMARKS

Larry Antonucci, MD. President & CEO acknowledged this is a big complex decision with many legal challenges. He said as with all strategic decisions, break it down and ask what is the best business decision.

### ADJOURN

The Lee Health Board of Directors and Finance & Investment Workshop was adjourned at 3:42 pm by David Collins, Board Chair.

Board Minutes were prepared by Kathy J. Hagen Assistant to the Board

Signed: **Diane Champion, Board Secretary**

Date: **1/27/22**