MONTANA FACILITY FINANCE AUTHORITY

Board Meeting

Montana Facility Finance Authority Office
1712 9th Ave, Helena

October 22, 2025

"Enhance Montana healthcare and community capabilities through access to cost-effective capital financing and development services."

MONTANA
FACILITY FINANCE AUTHORITY

Department of Commerce
1712 9th Ave.
PO Box 200506
Helena, MT 59620-0506
406.444.5435
www.mtfacilityfinance.com

MEMORANDUM

To: MFFA Board Members
From: Adam Gill, Seth Lutter, Monica Birlut, and Carolyn Jones
Date: October 15, 2025
Subject: MFFA Board Meeting Wednesday, October 22, 2025

Enclosed, please find board meeting materials for our upcoming MFFA Board Meeting.

We will have an inducement resolution for Big Sky Bioenergy and a resolution to allow the proceeds of the Billings Clinic Series 2021A Taxable Bonds to be allocated to projects on the Logan Health-Kalispell campus. This is possible because of the merger between Billings Clinic and Logan Health and because the taxable nature of the Series 2021A bonds means there are less restrictions on the allocation and use of funds.

We will also review changes to the C-PACE Program now that the expanded program offerings are available. A memo outlining the changes as well as an update on the program progress is attached. We will also review our normal updates and reports.

As always, please call or write if you have any questions.

MICROSOFT TEAMS INSTRUCTIONS

Conference Link
Meeting ID: 297 124 280 452 2
Password: 9ag39RN3
OR
Dial by Telephone: +1 406-318-5487
Meeting ID: 442090117#

MONTANA FACILITY FINANCE AUTHORITY
Board Meeting
October 22, 2025

MFFA Offices
1712 9th Ave, Helena

MEETING AGENDA

9:00 I. CALL TO ORDER
A. Roll Call
B. Approval of Meeting Minutes (8/20)
C. Disclosure and Conflict of Interest

II. PUBLIC COMMENT on Board Related Items

III. FINANCINGS
A. Billings Clinic Series 2021 Reallocation
1. Resolution No. 25-09
Joining Remotely:
Robyn Helmlinger, Bond Counsel – Orrick, Herrington, Sutcliffe

B. Big Sky Bioenergy
1. Resolution No. 25-10
Joining in Person:
Nathan Bilyeu, Bond Counsel – Jackson, Murdo & Grant

9:45 IV. GENERAL ADMINISTRATIVE
A. Financials
1. Budget -v- Actual
2. Revenue Graph
3. Reserve Balances
4. Staff Approved Loans & Grants

B. Miscellaneous
1. C-PACE Guidelines
2. Strategic Planning
3. Outreach & Marketing Report
4. Anticipated Financings

11:00 DISMISS

MICROSOFT TEAMS INSTRUCTIONS
Conference Link
Meeting ID: 297 124 280 452 2
Password: 9ag39RN3
OR
Dial by Telephone: +1 406-318-5487
Meeting ID: 442090117#

MONTANA FACILITY FINANCE AUTHORITY
Board Meeting
August 20, 2025
9:00 A.M.

MINUTES

BOARD MEMBERS PRESENT:	William Northey JoAn Cuffe John Iverson Vu Pham Craig Anderson Eric Hanson (online) Mel Reinhardt (online)
BOARD MEMBERS ABSENT:	
STAFF PRESENT:	Adam Gill, Executive Director Seth Lutter, Associate Director Monica Birlut, Accountant Carolyn Jones, C-PACE Program Manager
GUESTS:	Nathan Bilyeu, Authority Counsel – Jackson, Murdo & Grant Sarah Bartow, Agency Performance Advisor – MT Dept of Admin Adam Carpenter, Chief Data Officer – MT Dept of Admin Therese Simpson, Business Analyst – MT Dept of Admin Brandy Murray, Data Modeler – MT Dept of Admin Jeremy Henry, Administrative Specialist – MT Dept of Admin Dr. Kevin Harada, CEO – Northern Montana Healthcare (online) Kim Lucke, CFO – Northern Montana Healthcare (online) John Henningsgard, Managing Director – Piper Sandler (online) Erin McCrady, Bond Counsel – Dorsey & Whitney (online) Courtney Ellis, Bond Counsel – Dorsey & Whitney (online)

BOARD MEETING

CALL TO ORDER

Board Chair Pham called the August 20, 2025, board meeting of the Montana Facility Finance Authority (the "Authority") to order at 9:00 A.M. The meeting convened with all members of the Board present.

Minutes

Board Member Northey moved for approval of the June 17, 2025 and July 21, 2025, board meeting minutes. Board Member Iverson seconded the motion which passed unanimously.

CONFLICT OF INTEREST

Call was made for announcement of any conflict of interest and recusals. Board Member Northey noted his conflict with Northern Montana Healthcare and recused himself from discussion and voting on the financing. Board Chair Pham noted his relationship with Northern Montana Healthcare which did not require a recusal.

PUBLIC COMMENT

The meeting was opened for public comment. *No comments were received.*

FINANCINGS

<u>Northern Montana Healthcare</u>

Mr. Gill introduced Dr. Kevin Harada, CEO – Northern Montana Healthcare (online), Kim Lucke, CFO – Northern Montana Healthcare (online), John Henningsgard, Managing Director – Piper Sandler (online), Erin McCrady, Bond Counsel – Dorsey & Whitney (online), and Courtney Ellis, Bond Counsel – Dorsey & Whitney (online) and provided a description of the project which is to finance an expansion and renovation of the facility. The renovation will bring the hospital in compliance with AAMI and Infection Control standards and expand its capacity to provide surgical, endoscopy and rehabilitation services to the community.

Dr. Kevin Harada provided a description of the financing, the hospital's market, payor mix, and history on its accounts receivable. John Henningsgard, Managing Director – Piper Sandler (online) described the financing structure as well as provided a market update and expected projected outcomes for the financing. Board Chair Pham requested a motion for approval of Resolution 25-07. Board Chair Pham motioned for approval of the financing Resolution 25-07. Board Member Anderson seconded the motion. Erin McCrady, Bond Counsel – Dorsey & Whitney (online) described Resolution 25-07.

At the conclusion of discussion, an amendment to Resolution 25-07 was proposed to include "Northern Montana Hospital, a Montana nonprofit corporation" as the Borrower. Board Chair Pham requested a motion for approval of the amendment to the financing resolution. Board Member Iverson motioned for approval of the amendment to the financing resolution. Board Member Cuffe seconded the motion which passed with Board Member Northey abstaining from discussion and voting.

<u>Spike Properties, LLC</u>

Mr. Lutter introduced Inducement Resolution 25-08 pertaining to Spika Properties, LLC and its intent on pursuing an Industrial Development Bond (IDB). Mr. Lutter described the project which is for an expanded safety scaffolding/platform manufacturing facility in Lewistown. The bond financing is currently targeted for equipment and/or eligible facility costs of a new production facility.

Board Chair Pham requested a motion for approval of the financing resolution. Board Member Northey motioned for approval of the financing Resolution 25-08. Board Member Reinhardt seconded the motion. Nathan Bilyeu described Resolution 25-08 which passed unanimously.

GENERAL ADMINISTRATIVE

Financials

Mr. Lutter presented the Budget-v-Actual results, the Reserve Balances, Staff Approved Loans and Grants, and presented the Revenue Graph.

Strategic Planning

Mr. Gill introduced Sarah Bartow, Agency Performance Advisor – MT Dept of Admin, Adam Carpenter, Chief Data Officer – MT Dept of Admin, Therese Simpson, Business Analyst – MT Dept of Admin, Jeremy Henry, Administrative Specialist – MT Dept of Admin, and Brandy Murray, Data Modeler – MT Dept of Admin. Ms. Bartow discussed the process for MFFA's strategic planning development. The board and staff then discussed MFFA's three main objectives, their strategies, and associated tasks.

PERSONNEL

Executive Session

Board Chair Pham requested an Executive Session where the staff left the room.

ADJOURN

The meeting adjourned at 11:50 A.M.

APPROVE: ________________________ Vu Pham, Board Chair

ATTEST: ________________________ Adam Gill, Executive Director

APPROVAL DATE:________________

RESOLUTION NO. 25-09

RESOLUTION RELATING TO TAXABLE REVENUE BONDS (BILLINGS CLINIC OBLIGATED GROUP), SERIES 2021A; MAKING FINDINGS WITH RESPECT TO THE PROJECTS; AUTHORIZING AND APPROVING THE AMENDMENT OF THE BOND INDENTURE AND THE AMENDMENT OF THE LOAN AGREEMENT FOR THE SERIES 2021A BONDS; AND AUTHORIZING THE SIGNING AND DELIVERY OF DOCUMENTS (the "Resolution")

BE IT RESOLVED by the Montana Facility Finance Authority (the "Authority"), as follows:

Section 1. Recitals.

1.01. The Authority is authorized by Montana Code Annotated, Title 90, Chapter 7, Parts 1, 2 and 3, as amended (the "Act"), to issue and sell its revenue bonds and to lend the proceeds of the bonds to one or more institutions to finance, refinance or provide reimbursement for allowable costs of the acquisition, construction, reconstruction, repair, alteration, enlargement, improvement and equipping of eligible facilities, all as defined in the Act ("Facilities"), or to refund indebtedness incurred for such purpose. Bonds so issued are payable solely from the revenues and assets derived from the participating institutions and shall not constitute a debt, liability or obligation of the state of Montana (the "State") or a pledge of the full faith and credit of the State. The Authority is required to secure the bonds by pledging the revenues received from the participating institutions, and the bonds may be secured by mortgages, assignments and other security devices deemed advantageous by the Authority. The Authority may also secure the bonds under a trust agreement between the Authority and a corporate trustee. Pursuant to the Act, the Authority may issue up to $500 million in revenue bonds and notes per biennium, exclusive of revenue bonds or notes issued to refund outstanding revenue bonds or notes, for financing of eligible facilities.

1.02. On November 16, 2021, the Authority, at the request of Billings Clinic, a Montana nonprofit corporation (the "Borrower"), issued its Taxable Revenue Bonds (Billings Clinic Obligated Group), Series 2021A (the "Series 2021A Bonds"), in an original principal amount of $150,000,000 pursuant to a Bond Indenture, dated as of November 1, 2021 (the "Bond Indenture"), by and between the Authority and U.S. Bank Trust Company, as successor trustee (the "Bond Trustee").

1.03. Pursuant to a Loan Agreement relating to the Series 2021A Bonds, dated as of November 1, 2021 (the "Loan Agreement"), between the Authority and the Borrower, the Authority loaned the proceeds of the Series 2021A Bonds to the Borrower to finance costs incurred in the acquisition, construction, reconstruction, repair, alteration, enlargement, improvement and equipping of hospital, clinic, other health care and related facilities owned and/or operated by the Borrower (the "Billings Project"), among other purposes.

1.03. To secure the Borrower's obligations with respect to the Loan Agreement, the Borrower issued Obligation No. 6 pursuant to the Master Trust Indenture (Second Amended and Restated), dated as of October 1, 2018 and as amended and supplemented (as so amended and supplemented, the "Master Indenture"), between the Borrower and U.S. Bank Trust Company, National Association, as successor master trustee.

1.04. On September 1, 2023, MTWY Health, a Montana nonprofit corporation, became the sole corporate member of Logan Health, a Montana nonprofit corporation and of the Borrower. Logan Health is the sole corporate member of Kalispell Regional Medical Center, Inc. ("KRMC"), doing business as Logan Health Medical Center.

1.05. Effective December 19, 2024, KRMC became a member of the obligated group created by the Master Indenture and agreed to be jointly and severally liable for all Obligations issued pursuant to the Master Indenture, including but not limited to Obligation No. 6.

1.06. The Borrower has completed the Billings Project, and proceeds of the Series 2021A Bonds remain unspent.

1.07. Management of MTWY Health has recommended that it would be in the best interests of MTWY Health, the Borrower and KRMC for proceeds of the Series 2021A Bonds that currently remain unspent to be used to finance, reimburse and/or refinance costs of acquisition, construction, reconstruction, repair, alteration, enlargement, improvement and equipping of certain facilities owned and operated by KRMC (the "KRMC Project").

1.08. To facilitate the funding of the KRMC Project with unspent proceeds of the Series 2021A Bonds, the Borrower has requested that the Authority enter into (i) a First Supplemental Bond Indenture with the Bond Trustee (the "Bond Indenture Supplement") and (ii) a First Amendment to Loan Agreement with the Borrower (the "Loan Agreement Amendment" and, together with the Bond Indenture Supplement, the "Amendments").

1.09. There have been presented at this meeting and on file in the office of the Authority are draft forms of the Amendments:

Section 2. Findings. The Authority finds, determines and declares as follows:

(a) the Borrower and KRMC are each an "institution" and a "participating institution," and the Billings Clinic Project and the KRMC Project each comprise an "eligible facility," each within the meaning of the Act;

(b) the Billings Project and the KRMC Project are and will be operated by the Borrower and/or its affiliate KRMC for the purpose of fulfilling the Borrower's and KRMC's obligation to provide health care facilities;

(e) based solely upon information and representations provided by the Borrower, the Borrower and KRMC have sufficient experience and expertise to operate the Billings Project and the KRMC Project and their other health care facilities;

(f) based solely upon information provided and representations made by the Borrower, the Billings Project and the KRMC Project are financially feasible and the Borrower and KRMC will generate sufficient revenues to pay the principal of, premium, if any, and interest on Obligation No. 6 and, therefore, the Series 2021A Bonds when due;

(g) based solely on information provided and representations made by the Borrower, to the extent legally required, the Billings Project and the KRMC Project has been reviewed and approved by the appropriate regional and state health planning boards and has received any approval required by Montana Code Annotated, Title 50, Chapter 5, Part 3, as amended;

(h) based solely on information provided and representations made by the Borrower, including the reports or surveys on file with the Borrower by the Department of Public Health and Human Services and the Occupational Safety and Health Agency, the financing of the Billings Project and the KRMC Project does not significantly affect the quality of the human environment, within the meaning of Montana Code Annotated, Section 75-1-201(1)(b)(iii).

The foregoing findings and determinations are made pursuant to the Act and are not made for the benefit of, and may not be relied upon by, the owners from time to time of the Series 2021A Bonds.

Section 3. Approval and Authorizations.

3.01. Any one of the Executive Director, the Chair, or any other member of the Authority is authorized to approve in the name and on behalf of the Authority the final forms of the Bond Indenture Supplement and the Loan Agreement Amendment. Any one of the Executive Director, the Chair or any other member of the Authority is authorized to sign and deliver the Bond Indenture Supplement, the Loan Agreement Amendment and such other agreements, certificates and documents to be signed and delivered by the Authority in connection with the amendments contemplated by the Bond Indenture Supplement, the Loan Agreement Amendment and this Resolution. Any one of the Executive Director, the Chair, or any other member of the Authority is also authorized to approve in the name and on behalf of the Authority, and is authorized to sign and deliver, any subsequent amendments, waivers or consents entered into or given in accordance with such documents. The approval of the final forms of the Bond Indenture Supplement, Loan Agreement Amendment and those other documents shall be conclusively evidenced by the signing and delivery of those documents by the Executive Director or the Chair or any other member of the Authority.

Section 4. Commitment Conditional. The Authority retains the right in its sole and absolute discretion to withdraw from participation and accordingly not amend the Bond Indenture or the Loan Agreement should the Authority at any time prior to the signing and delivery of the Bond Indenture Supplement and the Loan Agreement Amendment by the Authority determine that it is in the best interests of the Authority not to amend the Bond Indenture or the Loan Agreement or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents required for the amendments contemplated by the Bond Indenture Supplement, the Loan Agreement Amendment and this Resolution.

PASSED AND APPROVED BY THE MONTANA FACILITY FINANCE AUTHORITY this 22nd of October, 2025.

____
_______________, Chair

RESOLUTION NO. 25-10

RESOLUTION DECLARING THE OFFICIAL INTENT OF THE MONTANA FACILITY FINANCE AUTHORITY TO REIMBURSE CERTAIN ORIGINAL EXPENDITURES RELATED TO THE CONSTRUCTION OF A SOLID WASTE DISPOSAL FACILITY BY BIG SKY BIOENERGY, LLC FROM THE PROCEEDS OF TAX-EXEMPT BONDS TO BE ISSUED BY THE AUTHORITY AFTER THE PAYMENT OF SUCH ORIGINAL EXPENDITURES

WHEREAS, U.S. Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations"), promulgated pursuant to Section 150 of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the allocation of the proceeds of tax-exempt bonds to expenditures for governmental purposes originally paid from a source other than such tax-exempt bonds will be treated as expenditures of such tax-exempt bonds only if certain requirements of the Reimbursement Regulations are satisfied by the issuer of such tax-exempt bonds; and

WHEREAS, the Montana Facility Finance Authority (the "Authority") expects that Big Sky Bioenergy (the "Borrower") will pay certain original expenditures for the construction and/or development of a solid waste disposal facility which shall convert the solid waste products (chips, sawdust, bark and planer shavings) from wood products manufacturing at Sun Mountain Lumber into electricity and biochar through a gasification/combustion process (the "Project") and which original expenditures are expected to be reimbursed from the proceeds of one or more series of tax-exempt bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA FACILITY FINANCE AUTHORITY, AS FOLLOWS:

1. The Authority has a reasonable expectation (within the meaning of Treasury Regulations, Section 1.148-1(b)) that it will make expenditures for the Project in calendar year 2025 and/or 2026. The Authority has a reasonable expectation that it will issue one or more series of tax-exempt bonds (the "Bonds") in the estimated maximum principal amount not to exceed $35,000,000 to finance the Project and that the Borrower will make reimbursement allocations with respect to such original expenditures for the Project from the proceeds of such Bonds.

2. This Resolution shall be maintained as part of the books and records of the Authority at the main administrative office of the Authority, and shall be continuously available during normal business hours of the Authority on every business day of the period beginning not more than thirty (30) days after adoption of this Resolution and ending on the last date of issue of any Bonds.

3. This Resolution has been adopted not later than sixty (60) days after payment of any original expenditure for the Project to be subject to a reimbursement allocation with respect to the proceeds of the Bonds.

4. All reimbursement allocations with respect to the Bonds will be made not later than eighteen (18) months after the later of: (i) the date the original expenditure is paid; or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after an original expenditure is paid for the Project. If the Bonds are eligible for the small issuer exception from arbitrage rebate, the "18-month" limitation above is extended to "three years" and the "three-year" maximum reimbursement period is disregarded.

5. All original expenditures to which reimbursement allocations are to be made constitute: (i) capital expenditures; (ii) costs of issuance of the Bonds; (iii) expenditures for extraordinary, nonrecurring items that are not customarily payable from current revenues, such as casualty losses or extraordinary legal judgments in amounts in excess of reasonable insurance coverage, and for which no

reserve is maintained; or (iv) a grant (as defined in Treasury Regulations, Section 1.148-6(d)(4), as a transfer for a governmental purpose of money or property to a transferee that is not a related party to or an agent of the transferor with respect to which no obligation or condition is imposed to directly or indirectly repay any amount to the transferor).

6. The limitations set forth in paragraphs 3 and 4 of this Resolution do not apply to: (i) the costs of issuance of the Bonds; (ii) an amount not in excess of the lesser of $100,000 or five percent (5%) of the proceeds of the Bonds; or (iii) preliminary expenditures up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the Bonds that finance or are reasonably expected by the Authority to finance the Project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

7. This Resolution is an expression of the reasonable expectations of the Authority based on the facts and circumstances known to the Authority as of the date hereof. The anticipated original expenditures for the Project are consistent with the Authority's budgetary and financial circumstances. No sources other than proceeds of Bonds to be issued by the Authority are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the Authority's budget or financial policies to pay such expenditures for the Project.

8. This Resolution is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

9. No reimbursement allocation of the proceeds of the Bonds to expenditures for the Project will employ an abusive arbitrage device (within the meaning of Treasury Regulations, Section 1.148-10) to avoid the arbitrage restrictions or to avoid the restrictions of Sections 141 through 150 of the Code.

Passed and approved by the Authority this 22nd day of October, 2025.

MONTANA FACILITY FINANCE AUTHORITY

____
By: Vu Pham
Its: Chairman

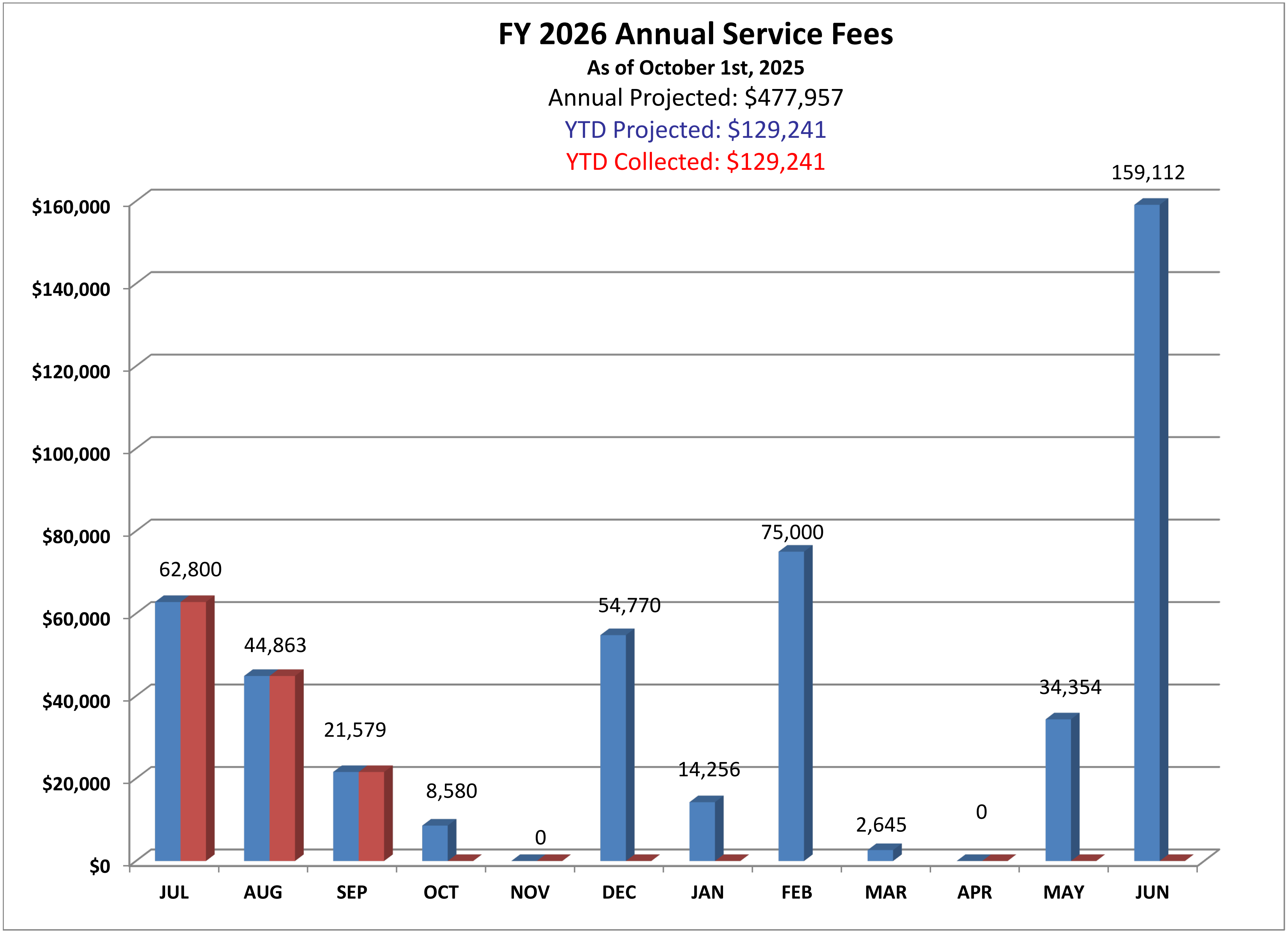
ATTEST:

____
By: Adam Gill
Its: Executive Director

Montana Facility Finance Authority
Budget v. Actual Expenses
09/30/25
25.00 % Expended

Legislative Budget	Category	Year to Date Budget	Year to Date Actual	Year to Date $ Variance	Year to Date % Variance
$ 958,069	**A) INCOME**	**$ 249,110**	**313,859**	64,750	26%
217,000	Application Fees	54,250	84,000	29,750	55%
478,408	Annual Fees	129,194	143,609	14,415	11%
262,661	Investment Income	65,665	86,250	20,585	31%
	Misc (Quad State conf/cost recovery)				
$ 396,005	**B) PERSONAL SERVICES EXPENSE**	**$ 99,001**	**124,450**	25,448	26%
386,505	Salaries & benefits	96,626	122,050	25,423	
9,500	Board Per Diem	2,375	2,400	25	
$ 482,064	**C) OPERATING EXPENSES****	**$ 103,016**	**$ 74,779**	$ (28,237)	**-27%**
138,160	Contracted & Other Services	34,540	11,566	(22,974)	-67%
	Misc. Other Services		5,241		
	Legal Services		5,400		
	Legislative Audit		0		
	ITSD		925		
31,218	Supplies/Materials/Equipment	7,805	6,369	(1,436)	-18%
8,090	Communications	2,023	1,098	(925)	-46%
44,967	Travel	11,242	6,156	(5,085)	-45%
0	Equipment Lease	0	597	597	0%
	Building Lease Amortization	8,461	6,622	(1,839)	-22%
4,181	Repairs & Maintenance	1,045	0	(1,045)	0%
151,603	Miscellaneous	37,901	42,371	4,470	12%
	Commerce Department Services		24,753		
	Administration (statewide) Indirect Costs		2,984		
	Education		2,003		
	Other Miscellaneous		12,631		
$ 80,000	**REVENUES IN EXCESS OF EXPENSES (A-B-C)**	**47,092**	**114,631**	67,539	143%
150,000	Grants-Obligated/Paid	75,000	0		
	Current Year Increase in Net Assets		114,631		
$ (70,000)					
	INCREASE (DECREASE) IN NET ASSETS		114,631		

* Income presented on CASH basis. GAAP accrual accounting would reflect approximately $8,647 less income annually, or < 1.8%



FY 2026 Annual Service Fees
As of October 1st, 2025
Annual Projected: $477,957
YTD Projected: $129,241
YTD Collected: $129,241
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$0
62,800
44,863
21,579
8,580
0
54,770
14,256
75,000
2,645
0
34,354
159,112
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN

MFFA Reserve Balances

AS OF 10/1/2025

		Current Balance	Policy Guideline	
A/E 06015	**Operating Account Summary**			
	Total Fund Balance Available Net Capital Reserve "B" Balance	2,680,812		
	Less: Working Capital Reserve Requirement	1,897,044	1,897,044	(a)
	Available for Restricted Capital Reserve "A"	783,768	9,650,386	(b)
	Fund Balance: Sub-Total	2,680,812	11,547,430	
A/E 06015	**Trust Fund Loan Pool**			
	RC 710300, Accounts 521190	14,368		
	Plus: Prior Year End Capital Reserve "B" Fund Balance Sub Total	1,115,325		
	Capital Reserve "B" Fund Balance	1,129,693	1,151,801	(d)
A/E 06012	**Direct Loan Program**			
	Current Program Fund Balance	6,288,973		
	Less: Outstanding Loan Balance	5,045,103		
	Funds Available to Loan from Direct Loan Program	1,243,870		
	Fund Balance: Sub-Total	6,288,973	6,228,009	(c)
	Total Projected Fund Balance	10,099,478	18,927,239	

Notes:

Policy Guidelines - Minimum Funding Requirements

(a) Twice the current Fiscal Year annual budget.	948,522
(b) 10% of the outstanding BOI enhanced bond balance as of 7/1/25	96,503,857
(c) $6,228,009 as of 7/1/25 plus YTD loan payments, account investment earnings.	6,228,009
(d) 10% of the Trust Fund Loan Pool Balance as of 7/1/25	11,518,005

MONTANA FACILITY FINANCE AUTHORITY

Staff Approved Grants

7/1/2025-9/30/2025

Commitments Pending

Facility	Location	Date Submitted	Date Approved		Amount	Project	Program
Liberty Medical Center	Chester	10/18/24	11/07/24	$	25,000	Facility Master Planning	MCAP
Logan Health Shelby	Shelby	10/18/24	11/07/24	$	25,000	Facility Master Planning	MCAP
Northern Rockies Medical Center	Cut Bank	10/18/24	11/07/24	$	25,000	Facility Master Planning	MCAP
Pondera Medical Center	Conrad	10/18/24	11/07/24	$	25,000	Facility Master Planning	MCAP
Bitterroot Health	Hamilton	06/27/25	07/01/25	$	25,000	Facility Master Planning	MCAP
Prairie Community Hospital	Terry	08/28/25	08/29/25	$	25,000	Facility Master Planning	MCAP
Dahl Memorial Healthcare	Ekalaka	08/20/25	08/21/25	$	25,000	Energy Efficiency Program	MCAP
Total Pending Grants:				$	175,000		

Grants Paid since 7/1/2025

Grantee	Location	Date	Approved	Paid		Amount	Project	Program
Total Grants:					$	-		

MONTANA FACILITY FINANCE AUTHORITY

Staff Approved Loans

7/1/2025-9/30/2025

Submitted Applications

Borrower	*Location*	*Date Submitted*	*Term*	*Interest*	*Amount*	*Project*
Total Pending Direct Loans:					**$ -**	

Approved Applications

Borrower	*Location*	*Date Approved*	*Term*	*Interest*	*Amount*	*Project*
Fallon Medical Complex	Baker	08/21/25	5	3.97%	$ 199,590	Equipment Purchase
Total Approved Direct Loans:					**$ 199,590**	

Funds Available Under

Direct Loan Program:

Loan Fund: (10/01/2025)	6,288,973
Total Outstanding Loans: (10/01/2025)	5,045,103
Approved Applications from above:	(199,590)
Total Available to Loan at 10/01/2025	**$ 1,044,280**

Funded Applications from 7/1/25:

Borrower	*Location*	*Date Funded*	*Term*	*Interest*	*Amount*	*Project*
Ruby Valley Medical Center	Sheridan	09/04/25	10	4.52%	$ 500,000	Clinic Construction
Total Loans Funded since 7/1/25					**$ 500,000**	

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To: MFFA Board Members
From: Adam Gill, Seth Lutter, Monica Birlut, and Carolyn Jones
Date: October 15, 2025
Subject: 2025 C-PACE Program Update

With key C-PACE statutory changes approved during the 2025 Legislative Session, program staff have been busy ensuring a timely rollout of all the updates. Since the session ended, this has involved editing most program documents, including guidelines, resolutions, templates, website pages, marketing materials, etc. We felt now would be a good time to step back and provide an overall recap of year-to-date program activities to the Board.

Legislative:

HB120, supported by Commerce, changed the "multifamily" definition and including a definition in the C-PACE statute rather than only by reference, successfully passed during the 2025 session. This definition change took immediate effect upon signing.

SB458, introduced by Senator Bogner, adding public safety and resiliency improvements as eligible for C-PACE, successfully passed during the 2025 session. These improvements became effective on Oct. 1, 2025.

Programmatic:
With the passage of HB120 and SB458, a rewrite of the Program Guidelines and supporting templates for an effective date of October 1, 2025, was undertaken. Primary changes include:

- The Program Plan was incorporated into the Program Guidelines, resulting in just one document outlining program requirements.
- Guidelines changes include:
    - A review of program rules to ensure only what is required by statute is included in the program, eliminating any unnecessary restrictions.
    - Added public safety and resiliency improvement information and updated multifamily definition
    - The Independent Third-Party Review (ITPR) is no longer required. However, the program reserves the right to request.
    - The definition of "Cost Effectiveness" has been broadened. This allows for determination and attestation by property owner that the project has good value, which can include more than just the monetary savings being greater than the costs.
    - Specific Contractor requirements listed in the Guidelines were removed, as the program does not have the ability to continually verify. Within the Terms and conditions, the Contractor declares under penalty of perjury that they accept and agree to requirements, including Licensing and Registration; Adherence to Laws, Regs, and Guidelines; Insurance; etc.
    - Templates removed from Appendixes. Eliminates need to edit multiple copies in multiple locations.
    - Added information to address common program questions, such as key players, benefits to various project parties, expanded fees info, and list of key documents.

- Document now includes Section numbers to allow for easier communication regarding future changes.
- Document is in format and style that fits Commerce's Marketing and Communications requirements while maintaining clear statutory language and references.

C-PACE Districts:
For Calendar Year 2025, six counties and three cities have adopted C-PACE Districts, bringing the total C-PACE Districts to 23 counties and five cities to date. This represents 73% of the population. A seventh county should finalize adopting a C-PACE District in November.

Presentations:
There have been 26 presentations provided to date in 2025. Two additional presentations are scheduled in October. There have been thirteen presentations for local governments, eight for client groups, and seven for stakeholder groups.

Marketing:
Program flyers were redone this spring in conjunction with Commerce Marcomms team and posted to the Last Best PACE website. Project Case Studies were also developed and links posted to the website. Website revisions took place as needed to ensure information was up to date. New program flyers have been developed to demonstrate to property owners the wide variety of improvements now eligible under C-PACE. Additional website revisions will be taking place to ensure all partners have current information about the program.

Awards:
Last Best PACE Program received a national PACESetter Award for Innovative Deal of the Year (under $5 million) for the Old Soldier Enterprises Hedden Empire Building project at the PACENation Summit in New York City in May. Seth and Carolyn were in attendance to accept the award.

Other:
Seth was elected to the PACENation Executive Board to serve as Secretary.

A new PACE Program Administrator association was launched in September. The National Association of C-PACE Program Administrators (NAPPA) held its first informational session on Oct. 8. The annual fee for Program Administrators is $500 per year.

2025

OCTOBER

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	Board Mtg	23	24	25
26	27	28	29	30	31	

NOVEMBER

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16	17	18	19	20	21	22
23/30	24	25	26	27	28	29

DECEMBER

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	Board Mtg	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

2026

JANUARY

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18	19	20	21	22	23	24
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FEBRUARY

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MARCH

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MAY

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JUNE

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JULY

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AUGUST

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23/30	24/31	25	26	27	28	29

SEPTEMBER

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27	28	29	30			

HOLIDAYS AND OBSERVANCES

1-Jan	New Year's Day	4-Jul	Independence Day	27-Nov	Thanksgiving Day
19-Jan	MLK Day	7-Sep	Labor Day	25-Dec	Christmas Day
16-Feb	Presidents' Day	13-Oct	Columbus Day		
25-May	Memorial Day	11-Nov	Veterans Day Ob.		

CONFERENCES

Oct 5-8	NAHEFFA, Minneapolis, MN	Oct 21-23	MT Lodging & Hosp. Assoc., Missc
Oct 7-10	MHA, Billings	Oct 28	MT Bankers Assoc., Virtual
Oct 7-10	MEDA, Polson	Apr 8-9	PACENation, NYC
Oct 15-16	Big Sky, Bright Futures, Bozemar	Apr 12-15	NAHEFFA, Pensacola, FL