

# CRAIG L. GARRETT

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August 10, 2023

*VIA EMAIL [john@ocoefoundation.org](mailto:john@ocoefoundation.org) & U.S. MAIL*

John H. Sheehan, Jr.  
Ocoee Foundation, Inc.  
3555 Keith Street, NW, Suite 101  
Cleveland, Tennessee 37312

Re: *Proposed Acquisition of Assets and Operations of Blount Memorial Transitional Care Center and MorningView Village Senior Community*

Dear Mr. Sheehan:

I am the County Attorney for Blount County, Tennessee. In that capacity, I have received a copy of your July 25, 2023 addressed to Blount Memorial Hospital, Inc., Blount Memorial Transitional Care Center and MorningView Village Senior Community.

Blount Memorial Hospital is a County-owned hospital facility, which is operated by a non-profit corporation who acts as the County's agent, Blount Memorial Hospital, Inc. It is the County's position that Blount Memorial Hospital, Inc. cannot sell to you the assets identified in your letter without the formal approval of Blount County, through its legislative body.

I hope that you are aware that there is current litigation pending between Blount County and Blount Memorial Hospital, Inc. which deals with the issue of the ownership of properties that Blount Memorial Hospital, Inc. has titled in its name. I would assume that Blount Memorial Hospital, Inc. would not have entered into these negotiations with you without making you aware of this lawsuit, but I am attaching a copy of the Amended Counter-Complaint (without exhibits) that we have filed which identifies in Count I the issue of this disputed property.

It is the Blount County Mayor and his staff's intention to do their due diligence on this proposed transaction and share that information with the County Commission so that they can make a proper decision on this proposed transaction. I know that the Mayor will be reaching out to Blount Memorial Hospital, Inc. and requesting additional information from them and it may well be that we will seek information from Ocoee Foundation as well. We hope that we can count on your cooperation.

Please acknowledge receipt of this letter and acknowledge that no action will be taken to finalize this transaction without the approval of Blount County. I do not think Blount Memorial Hospital, Inc. would attempt to close this transaction without the County's approval, but they have surprised me quite a few times in

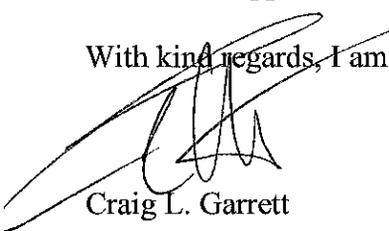
John H. Sheehan, Jr.  
August 10, 2023  
Page 2

the recent past. I do want you to be on notice that they cannot provide to you good title without the approval of Blount County and let you know that the County will review this proposal in good faith.

It is also the County's position that this proposed sale involves a material amount of the assets of the hospital and therefore, will come under the purview of the Public Benefit Hospital Sales and Conveyance Act of 2006, codified at T.C.A. § 48-68-201 et. seq. This Act requires approval of the State Attorney General of the sale and provides for significant penalties for failure to comply with the Act. If the County approves this sale we would, of course, cooperate in seeking the approval of the Attorney General relative to this proposed transaction.

I look forward to receiving your acknowledgement of this letter and confirmation that no action will be taken without the approval of Blount County. I will also be glad to answer any questions you may have.

With kind regards, I am



Craig L. Garrett

CLG/jr  
Enclosure

cc: Ed Mitchell  
Blount County Board of Commissioners  
Randy Vineyard  
Brian Baldwin