

MINUTES

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
(CHFFA or AUTHORITY)**

**915 Capitol Mall, Room 110
Sacramento, California 95814**

**300 S. Spring Street, Suite 8500
Los Angeles, California 90013**

January 28, 2021 – 1:30 P.M.

In light of the COVID-19 pandemic and in accordance with the requirements of Executive Order N-25-20 to provide social distancing at state body meetings, CHFFA provided Authority members, participants, and members of the public the opportunity to participate in this meeting via teleconference.

Public Participation

Call-In Number: (877) 810-9415 and Participant Code: 6535126

OPEN SESSION

Fiona Ma, Chair, called the meeting to order at 1:30 P.M.

The Secretary announced to the public joining in by phone the instructions for being heard. The Chair went on to mention social distancing measures being taken for the meeting.

Item #1

Roll Call

Members Present: Via Microsoft Teams Meeting:
Fiona Ma, CPA, State Treasurer
Jacqueline Wong-Hernandez for Betty T. Yee, State Controller
Adam Dorsey for Keely Martin Bosler, Director, Department of Finance
Antonio Benjamin
Francisco Silva
Robert Cherry, M.D.
Jonathan Bergman, M.D. (left at 1:56 P.M.)
Katrina Kalvoda
Keri Kropke (left at 1:57 P.M.)

Staff Present: Frank Moore, Executive Director
Carolyn Aboubechara, Deputy Executive Director
Yuanyuan Wei, Staff Services Manager I
Brock Lewis, Staff Services Manager I
Sondra Jacobs, Staff Services Manager I

Chair Ma declared a quorum present.

Item #2

**Approval of the Minutes from the December 3, 2020
Authority Meeting (Action Item)**

Chair Ma asked if there were any questions or public comment; there were none.

Authority Action

Motion to approve the minutes from the December 3, 2020 Authority meeting.

MOTION: Member Benjamin SECOND: Member Wong-Hernandez

AYES:.....Members: Silva, Kalvoda, Bergman, Cherry, Kropke, Benjamin, Dorsey,
Wong-Hernandez, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #3

Executive Director’s Report (Information Item)

CHFFA Comprehensive Debt List Summaries

Mr. Moore reported on the Comprehensive and Equipment Debt List Summaries as of November 30, 2020.

Tax-Exempt Bonds Delegation of Powers Monthly Update

Mr. Moore presented a Delegation of Powers report for Stanford Health Care (SHC), Series 2020A Bonds. Mr. Moore reported that SHC provided notice to CHFFA of its intent to amend the Tax Certificate and requested CHFFA execute a Supplemental Tax Certificate in connection with the Bonds. The Executive Director executed the Supplemental Tax Certificate for Stanford Health Care on December 2, 2020.

HELP II Loan Program Delegation of Powers Monthly Update

Mr. Moore presented a Delegation of Powers report for Operation Samahan, Inc. (Samahan). Mr. Moore reported that Samahan notified CHFFA of its intent to borrow \$1,000,000 from the California Primary Care Association COVID Response Loan Fund and requested CHFFA’s consent for Samahan to acquire the additional debt. The Executive Director provided written consent of the additional debt on December 7, 2020.

HELP II Loan Program Debt Service Payment Deferrals

Mr. Moore reported that there were no actions taken pursuant to the HELP II Loan Program Debt Service Payment Deferrals Delegation of Powers Resolution.

COVID-19 Emergency HELP Loan Program

Mr. Moore reported that there were no actions taken pursuant to the COVID-19 Emergency HELP Loan Program Delegation of Powers Resolution.

Contract Delegation of Powers Monthly Update

Mr. Moore reported that there were no actions taken pursuant to the Contract Delegation of Powers Resolution.

Investment in Mental Health Wellness Grant Program

Mr. Moore highlighted the delegation extension he granted to Orange County, extending their milestone condition to be operational by two months to March 1, 2021.

Mr. Moore reported that HELP II borrower Sierra View Homes had a virtual ribbon cutting ceremony.

Mr. Moore reported that the submission deadline for the second funding round for Investment in Mental Health Wellness Grant Program for Children and Youth was January 29, 2021 and that applications would come before the board for approval in April.

Mr. Moore mentioned that three Children's Hospital Program annual reports and the Investment in Mental Health Wellness Grant Program for Children and Youth legislative report had been given to the Authority members.

Chair Ma asked if there were any questions or public comment; there were none.

Member Cherry and Member Bergman recused themselves from Items #4 and #5 due to potential conflicts of interest, as they are both employees of the University of California.

Item #4

**Children's Hospital Los Angeles
Children's Hospital Program of 2018
Resolution No. CHP-4 2021-01 (Action Item)**

Ms. Wei presented. Children's Hospital Los Angeles (CHLA) requested the Authority approve a grant in an amount not to exceed \$11,954,167.00. Ms. Wei reported the grant proceeds would be used to reimburse the costs of patient care equipment for various departments, including the Neonatal Intensive Care Unit, the Pediatric Intensive Care Unit, and the Department of Imaging. Equipment items purchased include, but are not limited to: ventilators, surgical beds, echocardiography machines, a benchmark platform, a portable scanner, and an automated inoculation delivery system. All the equipment was purchased and is currently in operation.

Attendees: (via teleconference) Scott Lieberenz, Chief Financial Officer; Luis Ayala, Vice President of Government Relations and Community Affairs; Rob Capulong, Director of Decision Support and Finance; and William Luiz, Director of Clinical Services.

Mr. Luiz gave an overview of CHLA and the projects.

Member Silva asked about the residency program at CHLA.

Mr. Luiz summed up CHLA's residency program.

Member Kropke asked what the EKG wait time was. Mr. Luiz said he will provide the Authority that answer after the meeting.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. CHP-4 2021-01 for Children's Hospital Los Angeles to receive a grant not to exceed \$11,954,167.00 (less costs of issuance and administrative costs), subject to all requirements of the Children's Hospital Program of 2018.

MOTION: Member Kalvoda

SECOND: Member Silva

AYES:.....Members: Silva, Kalvoda, Kropke, Benjamin, Dorsey, Wong-Hernandez, Ma
NOES:.....NONE
ABSTAIN:.....NONE
RECUSE:.....Members: Bergman and Cherry

MOTION APPROVED.

Item #5 **University of California, San Francisco Medical Center**
Children’s Hospital Program of 2018
Resolution No. CHP-4 2021-02 (Action Item)

Ms. Wei presented. The University of California, San Francisco Medical Center (UCSF) requested the Authority approve a grant in an amount not to exceed \$3,289,785.40. Ms. Wei reported the grant proceeds would be used to fund the costs of phase one of a large renovation project at the UCSF Ron Conway Gateway Medical Building. The large renovation project includes two phases. Ms. Wei reported that phase one includes three projects: (1) the renovation, furnishing and equipping of space on the 4th floor to expand and relocate nine pediatric services from the 5th and 6th floors; (2) the renovation, furnishing and equipping of space on the 6th floor to expand and relocate the Pediatric Brain Center located currently on the 5th floor; and (3) the funding of the architectural design costs for the eventual relocation and renovation of pediatric services on the 4th floor of the building. Phase two of the project includes the renovation of space on the 4th floor, designed during phase one of the project, and the renovation of the Pediatric Primary Care and the Surgical Programs currently located on the 5th floor. UCSF plans to submit a subsequent application to fund the second phase of the renovation project.

Attendees: (via teleconference) Ted Wang, Chief Financial Officer; Dr. Steven Wilson, Chief Medical Officer; Jason Selinger, Director of Children’s Ambulatory Services; Ellen Schumm, Director of Design and Construction; Dr. Scott J. Soifer, Professor of Pediatrics and Vice Chair of Hospital and Space Planning; and Chris Wenzel, Accountant.

Mr. Wilson and Mr. Selinger gave an overview of UCSF’s projects.

Member Kropke inquired about the bioartificial kidney. Mr. Soifer responded to her question.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. CHP-4 2021-02 for the University of California, San Francisco Medical Center to receive a grant not to exceed \$3,289,785.40 (less costs of issuance and administrative costs), subject to all requirements of the Children’s Hospital Program of 2018.

MOTION: Member Wong-Hernandez SECOND: Member Benjamin

AYES:.....Members: Silva, Kalvoda, Kropke, Benjamin, Dorsey, Wong-Hernandez, Ma
NOES:.....NONE
ABSTAIN:.....NONE
RECUSE:.....Members: Bergman and Cherry

MOTION APPROVED.

Member Bergman left the meeting at 1:56 P.M.

Member Kropke left the meeting at 1:57 P.M.

Item #6

**Dientes Capitola Road LLC
HELP II Loan Program
Resolution No. HII-327 (Action Item)**

Mr. Lewis mentioned a change to the staff report and resolution. The applicant name Dientes Capitola Road LLC would be replaced with Dientes Community Dental Care.

Dientes Community Dental Care (Dientes) requested Authority approval of a HELP II Loan in an amount not to exceed \$1,500,000. Mr. Lewis reported that the loan proceeds would be used to construct a 5,600 square-foot, 11 chair dental clinic which would provide dental care to 6,000 patients annually. The clinic would be a part of a larger project in collaboration with MidPen Housing and Santa Cruz Community Health Centers to bring affordable housing and health care services to Santa Cruz County.

Attendees: (via teleconference) Laura Marcus, Chief Executive Officer and Sheree Storm, Chief Development Officer.

Ms. Marcus gave an overview of Dientes’ project.

Authority members engaged in a conversation with Ms. Marcus, Ms. Storm, and Authority staff regarding Dientes Capitola Road LLC, the collaborative work between Dientes and MidPen Housing, and the reason for the difference between the two percent loan for Dientes and the three percent loan for Gateway Center of Monterey County.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. HII-327 in an amount not to exceed \$1,500,000 for Dientes Community Dental Care, subject to the conditions in the resolution.

MOTION: Member Kalvoda

SECOND: Member Cherry

AYES:.....Members: Silva, Kalvoda, Cherry, Benjamin, Dorsey, Wong-Hernandez, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #7

**Santa Cruz Community Health Centers
HELP II Loan Program
Resolution No. HII-328 (Action Item)**

Mr. Lewis presented. Santa Cruz Community Health Centers (SCCHC) requested Authority approval of a HELP II loan in an amount not to exceed \$1,500,000. Mr. Lewis reported that the loan proceeds would be used to construct a 20,000 square-foot medical facility that would provide medical care to 10,000 patients annually. The medical facility would be a part of a larger project in collaboration with MidPen Housing and Dientes Community Dental Care to bring affordable housing and health care services to Santa Cruz County.

Attendees: (via teleconference) Ignacio Perez, Chief Financial Officer.

Mr. Perez gave an overview of SCCHC's projects.

Authority members engaged in a conversation with Mr. Perez regarding SCCHC's clinical involvement with its collaborating partners, SCCHC's demographics, and how board members could follow the progress of the project.

Member Dorsey asked about the retroactive Medi-Cal revenue on the income statement. Mr. Perez responded that the retroactive Medi-Cal revenue was due to SCCHC opening a new facility as a Federally Qualified Health Center and the State's process for reimbursing for Medi-Cal payments for the new facility.

Chair Ma stated that she appreciated this type of community concept.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. HII-328 in an amount not to exceed \$1,500,000 for Santa Cruz Community Health Centers, subject to the conditions in the resolution.

MOTION: Member Cherry

SECOND: Member Benjamin

AYES:.....Members: Silva, Kalvoda, Cherry, Benjamin, Dorsey, Wong-Hernandez, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #8

**Gateway Center of Monterey County, Inc.
HELP II Loan Program
Resolution No. HII-329 (Action Item)**

Mr. Lewis presented. Gateway Center of Monterey County, Inc. (Gateway Center) requested Authority approval of a HELP II loan in an amount not to exceed \$400,000. Mr. Lewis reported that the loan proceeds would be used to refinance a Bank of America loan that has a balloon payment that is due in December 2025.

Attendees: (via teleconference) Robert Freiri, Executive Director.

Mr. Freiri gave an overview of Gateway Center's projects.

Member Cherry asked about a sizeable increase of approximately \$600,000 in cash and cash equivalents from 2018 to 2019. Mr. Freiri responded that this is due to back pay from the State of about 10% for services provided, as well as a change in services that concentrated on intensive center programming, which provides a higher rate of pay.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. HII-329 in an amount not to exceed \$400,000 for Gateway Center of Monterey County, Inc., subject to the conditions in the resolution.

MOTION: Member Dorsey SECOND: Member Wong-Hernandez

AYES:.....Members: Silva, Kalvoda, Cherry, Benjamin, Dorsey, Wong-Hernandez, Ma
NOES:.....NONE
ABSTAIN:.....NONE
RECUSE:.....NONE

MOTION APPROVED.

Item #9 **Delegation Resolution for Bond Financings**
Resolution No. 2021-01 (Action Item)

Mr. Moore presented. Mr. Moore reported that by statute, the Authority is authorized to delegate to the Executive Director or any other official or employee of the Authority, any powers and duties that the Authority deems proper. For the last several years, certain powers and duties have been delegated to these people through a resolution. This resolution would delegate twelve specific powers related to bonds authorized by the Authority, including signing and certifying resolutions adopted by the Authority; executing, delivering, supplementing and amending bond documents; and approving certain changes to bond documents. The current resolution expires on January 31, 2021, and the new resolution would expire on January 31, 2023.

Mr. Moore mentioned a correction on page four under Section 4 on the tenth line, beginning with “the bonds”; “(4=iii) the merger”, should be changed to “(iii) the merger.”

Attendees: (via teleconference) Deborah Yang, Deputy Attorney General, California Department of Justice and Jenna Magan, Partner, Orrick, Herrington & Sutcliffe LLP.

Authority members engaged in a conversation with Authority staff, Ms. Yang and Ms. Magan, regarding certain provisions as well as the general purpose of the delegation resolution.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. 2021-01, authorizing the delegation of certain functions related to bond financings.

MOTION: Member Silva SECOND: Member Cherry

AYES:.....Members: Silva, Kalvoda, Cherry, Benjamin, Dorsey, Wong-Hernandez, Ma
NOES:.....NONE
ABSTAIN:.....NONE
RECUSE:.....NONE

MOTION APPROVED.

Item #10

**County of Los Angeles
Investment in Mental Health Wellness
Grant Program (First Funding Round)
Resolution No. MH 2014-06 (Information Item)**

Ms. Jacobs presented. Ms. Jacobs reported that in February 2018, the Authority approved a reinstatement and amendment to Resolution No. MH 2014-06, for the County of Los Angeles (County) to create 240 Crisis Residential Treatment and eight Crisis Stabilization Unit beds, along with 14 Mobile Crisis Support Teams. Ms. Jacobs stated that as a condition of the reinstatement and amendment the Authority required the County to provide quarterly updates on the progress and status of the project. This report was the County's eleventh update.

Attendees: (via teleconference) Jo Ann Yanagimoto-Pinedo, Deputy Director, Los Angeles County Department of Mental Health.

Ms. Yanagimoto-Pinedo gave an update on the County's projects.

Member Wong-Hernandez thanked Ms. Yanagimoto-Pinedo for the update.

Chair Ma asked if there were any questions or public comment; there were none.

Item #11

**County of Mendocino
Investment in Mental Health Wellness
Grant Program (Third Funding Round)
Resolution No. MH 2015-03 (Information Item)**

Ms. Jacobs presented. Ms. Jacobs reported that in January 2020, the Authority approved an amendment to Resolution No. MH 2015-03 for the County of Mendocino (County) to develop a six to eight bed Crisis Residential Treatment (CRT) facility. Ms. Jacobs stated that as a condition of the amendment the Authority required the County to provide quarterly updates on the progress and status of the project. This report was the County's fourth update.

Attendees: (via teleconference) Karen Lovato, Acting Deputy Director, Mendocino County Behavioral Health and Recovery Services.

Ms. Lovato gave an overview of the County's project.

Member Cherry asked if a six bed CRT unit was feasible. Ms. Lovato responded that the County's plan is to have multiple CRTs throughout the County and that a combination of Measure B funding and Medi-Cal will be enough to sustain the programs. Ms. Lovato added that the facility being built has four bedrooms and that it most likely will have eight beds.

Chair Ma asked if there were any additional questions or public comment; there were none.

Items #12 and #13

Public Comment and Adjournment

Chair Ma asked for public comment. Hearing none, the meeting adjourned at 3:18 P.M.