

MINUTES

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
(CHFFA or AUTHORITY)
915 Capitol Mall, Room 110
Sacramento, California 95814
September 24, 2020 – 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

Deputy Treasurer, Audrey Noda, 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: Audrey Noda for Fiona Ma, CPA, State Treasurer
Via Microsoft Teams Meeting:
Jacqueline Wong-Hernandez for Betty T. Yee, State Controller
Gayle Miller for Keely Martin Bosler, Director, Department of Finance
Antonio Benjamin
Francisco Silva
Robert Cherry, M.D.
Jonathan Bergman, M.D.
Katrina Kalvoda
Keri Kropke

Staff Present: Frank Moore, Executive Director
Carolyn Aboubechara, Deputy Executive Director
Summer Nishio, Staff Services Manager II
Brock Lewis, Staff Services Manager I
Sondra Jacobs, Staff Services Manager I

Chair Noda declared a quorum present.

Chair Noda welcomed the newest Authority members Antonio Benjamin and Francisco Silva who were appointed by the Governor. She also thanked former Authority members Judith Frank and Jay Hansen for their many years of service to the Authority.

Item #2 Approval of the Minutes from the August 27, 2020 Meeting (Action Item)

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

Authority Action

Motion to approve the minutes from the August 27, 2020 meeting.

MOTION: Member Miller SECOND: Member Kalvoda

AYES:.....Members: Silva, Kalvoda, Bergman, Cherry, Kropke, Miller,
Wong-Hernandez, Noda

NOES:.....NONE

ABSTAIN:.....Member Benjamin

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 August 31, 2020.

Tax-Exempt Bonds Delegation of Powers Monthly Update

Mr. Moore reported that there were no actions taken pursuant to the Tax-Exempt Bonds Delegation of Powers Resolution.

HELP II Loan Program Delegation of Powers Monthly Update

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

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. Mr. Moore reported that in total, he had approved nine deferrals for four separate borrowers for a total of approximately \$82,000 in deferred loan payments.

COVID-19 Emergency HELP Loan Program

Mr. Moore presented a Delegation of Powers report for Asian American Drug Abuse Program, Inc. (AADAP). Mr. Moore reported that AADAP requested a COVID-19 Emergency HELP loan in the amount of \$250,000 and that the loan proceeds would be used to renovate and convert an existing youth residential treatment facility into a facility that will serve pregnant or parenting adult women with substance abuse issues. Mr. Moore approved the COVID-19 Emergency HELP loan for AADAP on August 27, 2020. Mr. Moore also reported that he had approved a total of two COVID-19 Emergency HELP loans to two borrowers for a combined total of \$500,000.

Contract Delegation of Powers Monthly Update

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

Site Visits

Mr. Moore reported site visits are on hold. However, CHFFA did attend a virtual open house for the Merced County Youth Crisis Stabilization Unit.

Item #5

**No Place Like Home Program
Resolution No. 2020-05 (Action Item)**

Ms. Nishio presented. The California Department of Housing and Community Development (HCD) requested Authority approval to issue a second tranche of bonds (the 2020 Bonds) in a principal amount not to exceed \$450 million as well as the execution and delivery of certain bond documents for the No Place Like Home (NPLH) Program. The first tranche was issued in November 2019. Ms. Nishio reported that the NPLH Program is designed to help accelerate the supply of permanent supportive housing and build on existing programs to combat homelessness among persons who are in need of mental health services. Ms. Nishio mentioned that with the issuance of the 2020 Bonds, HCD would be able to make awards to California counties to assist them in preventing and addressing homelessness by investing in the development of permanent supportive housing for persons who would experience homelessness, chronic homelessness or who would be at risk of chronic homelessness and who would be in need of mental health services.

Attendees: (via teleconference) Christina DiFrancesco, Program Specialist, California HCD, Borrower; Jenna Magan, Partner, Orrick, Herrington & Sutcliffe LLP, Bond Counsel; Chris Mukai, Managing Director, Citigroup Global Markets Inc. and Emily Giles, Director, Raymond James & Associates, Inc., Joint Senior Managing Underwriters; Julie Giordano, Assistant Director, California State Treasurer’s Office, Public Finance Division, Agent for Sale and Trustee.

Ms. DiFrancesco gave an overview of the HCD projects.

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

Authority Action

Motion to approve Resolution No. 2020-05 authorizing the issuance of the 2020 Bonds and the execution and delivery of the Second Supplemental Indenture, the First Supplemental Loan Agreement, a Bond Purchase Agreement, and a Preliminary Official Statement, among other matters.

MOTION: Member Silva SECOND: Member Benjamin

AYES:.....Members: Silva, Kalvoda, Bergman, Cherry, Kropke, Benjamin, Miller, Wong-Hernandez, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #6

**County of Sonoma
Investment in Mental Health Wellness Grant Program (First Funding Round)
Resolution No. MH 2014-20B (Action Item)**

Ms. Jacobs presented. The County of Sonoma (County) requested Authority approval to reduce the bed count in the project description for its Crisis Stabilization Unit (CSU) that was previously approved under Resolution No. MH 2014-20. The new project description reduces the grant funded number of beds from 18 to four for a total capacity of 16 beds instead of 30. Ms. Jacobs gave an overview of how the County addressed the Authority’s procedures regarding project changes under the Investment in Mental Health Wellness Grant Program and

presented each procedure listed in the Review Matrix. Ms. Jacobs reported that staff had reviewed the new documentation and information submitted by the County, scored the proposed project change as if it were a new application, and determined that the County's 4-bed CSU would have received a grant award if it had been proposed when the County originally applied in 2014.

Attendees: (via teleconference) Barbie Robinson, Director, and Bill Carter, Behavioral Health Division Director, Sonoma County Department of Health Services, Grantee.

Mr. Carter gave an overview of the County's need for an improved system of care, and how the the CSU would fit within the system.

Member Kropke asked for a description of what a bed looks like in a CSU.

Mr. Carter provided additional details explaining that the term bed references the number of program slots. He also explained that the CSU had both beds and reclining chairs, accessible based on the level of care needed by the patient.

Member Cherry asked for assurances that the County would not end up back before the Authority in the same situation.

Mr. Carter explained that the CSU is a core component of the County's continuum of care, that the modifications strengthen the operation of the CSU, and that the operating budget for the reduced number of beds is financially sustainable.

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

Authority Action

Motion to approve Resolution No. MH 2014-20B, approving the new project description.

MOTION: Member Kropke SECOND: Member Miller

AYES:.....Members: Silva, Kalvoda, Bergman, Cherry, Kropke, Benjamin, Miller,
Wong-Hernandez, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Items #7 and #8

Public Comment and Adjournment

Chair Noda asked for public comment. Hearing none, the meeting adjourned at 2:08 P.M.