

MINUTES

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
(CHFFA or AUTHORITY)
915 Capitol Mall, Room 587
Sacramento, California 95814
August 27, 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
Judith Frank
Robert Cherry M.D.
Jonathan Bergman M.D.
Katrina Kalvoda
Keri Kropke

Member Absent: Jay Hansen

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

Chair Noda declared a quorum present.

Chair Noda welcomed the newest Authority member Dr. Jonathan Bergman who was appointed by the Senate Rules Committee. She also thanked Dr. Oscar Sablan for his fifteen years of service on the board.

Item #2 **Approval of the Minutes from the July 30, 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 July 30, 2020 meeting.

MOTION: Member Miller SECOND: Member Frank

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

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 July 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 presented a Delegation of Powers report for Operation Samahan, Inc. (Operation Samahan). Mr. Moore reported that Operation Samahan requested a three month deferral of debt service payments for all three of its HELP II loans totaling \$23,437.11 for the deferral period. Mr. Moore approved the deferral requests for Operation Samahan on July 23, 2020.

Mr. Moore presented a Delegation of Powers report for Sierra View Homes. Mr. Moore reported that Sierra View Homes requested a three month deferral of debt service payments for both of its HELP II loans totaling \$26,402.55 for the deferral period. Mr. Moore approved the deferral requests for Sierra View Homes on July 23, 2020.

Mr. Moore presented a Delegation of Powers report for Lomi School Foundation (Lomi). Mr. Moore reported that Lomi requested a three month deferral of debt service payment for all three of its HELP II loans totaling \$21,820.74 for the deferral period. Mr. Moore approved the deferral requests for Lomi on August 14, 2020.

COVID-19 Emergency HELP Loan Program

Mr. Moore presented a Delegation of Powers report for Operation Samahan, Inc. (Operation Samahan). Mr. Moore reported that Operation Samahan requested a COVID-19 Emergency HELP loan in the amount of \$250,000. Loan proceeds would be used to increase space for a drive-thru clinic for COVID-19 screenings and services and to renovate an Operation Samahan-owned building to decrease the rent expense of utilizing a leased building. Mr. Moore approved the COVID-19 Emergency HELP loan for Operation Samahan on August 13, 2020.

Contract Delegation of Powers Monthly Update

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

Other Items

Mr. Moore reported that the COVID-19 Task Force met for the second time on August 20, 2020. Mr. Moore thanked Member Kropke for being on the Task Force and mentioned that there were a few members from the Department of Finance. He updated the board on the role of the Task Force and that it would continue to work on the list of potential programs and would bring those programs back to the board at a later date with a final list.

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

Item #4

**PIH Health, Inc.
Bond Financing Program
Resolution No. 441 (Action Item)**

Mr. Lewis presented. PIH Health, Inc. (PIH) requested Authority approval to issue tax-exempt and taxable bonds in an amount not to exceed \$376,000,000. Mr. Lewis reported that the bond proceeds would be used to refinance various outstanding debt, including the debt of Good Samaritan Hospital (Good Samaritan) as they join the PIH Obligated Group. The proceeds would also fund the construction, expansion, remodeling, renovation, and equipping of multiple PIH facilities.

Attendees: (via teleconference) Anita Chou, Chief Financial Officer; Richard Wang, Vice President – Finance; and Sumer Sharma, Vice President of Finance Operations at PIH Health, Inc.; Kathleen Leak, Partner, Orrick, Herrington & Sutcliffe LLP, Bond Counsel; James Kim, Managing Director, and Tim Carey, Director, Barclays Capital Inc., Underwriter; John Andersen, Vice President, Kaufman, Hall & Associates LLC, Borrower’s Financial Advisor; and Kevin Duthoy, Partner, Bewley, Lassleben & Miller LLP, Borrower’s Counsel.

Mr. Kim thanked the Authority and staff.

Ms. Chou thanked the Authority and staff with a special thank you to Anna Ramirez, Staff Analyst, and Mr. Lewis for helping in this very important process. Ms. Chou gave an overview of the background of PIH and its current as well as future projects.

Members engaged in a conversation with PIH representatives and Bond Counsel.

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

Authority Action

Motion to approve Resolution No. 441 in amount not to exceed \$376,000,000 for PIH Health, Inc., subject to the conditions in the resolution.

MOTION: Member Cherry SECOND: Member Wong-Hernandez

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

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

