

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Specialty Dental Clinic Grant Program

First Amendment and Restatement to Resolution No. SDC 2025-14

(First Funding Round)

University of the Pacific, Arthur A. Dugoni School of Dentistry

June 25, 2026

PURPOSE OF THE REQUEST:

University of the Pacific, Arthur A. Dugoni School of Dentistry (Grantee) is requesting the Authority approve a first amendment and restatement to Resolution Number SDC 2025-14 to amend the milestone conditions and extend the grant period and resolution expiration dates for its Specialty Dental Clinic Grant Program (SDC) project.

ISSUE:

The Grantee will not be able to meet the milestone condition deadlines of being open and operational by August 31, 2026 and of submitting all disbursement documentation by January 31, 2027 due to the additional time required for construction.

The Grantee has experienced delays in the permitting and inspection processes as well as due to building and architectural challenges associated with the existing structure of the building. The Grantee has confirmed that the permits were approved, and construction began in May 2026, and now anticipates construction to be complete by April 2027 and staffing and accreditation to be complete by December 2027.

The Grantee requests an extension to amend the milestone condition deadlines of being open and operational from August 31, 2026 to December 31, 2027 and of submitting all disbursement documentation from January 31, 2027 to May 31, 2028 as well as an extension of the grant period and resolution expiration dates from July 31, 2027 to November 30, 2028. These extensions will give the Grantee the time needed to complete construction, recruit staff, obtain accreditation and become open and operational.

BACKGROUND:

On February 27, 2025, the Authority approved Resolution Number SDC 2025-14, awarding a final allocation in the amount of \$5,000,000.00 in grant funds to renovate an existing facility to develop a 23-hour ambulatory surgery center (ASC) and a multidisciplinary advanced care clinic (MDACC) in the Bay Area/Central Coast region. The ASC will include four operating rooms, and the MDACC will include eight new dental operatories, five mixed medical/dental treatment rooms, and a two-chair recovery room. Special health care needs patients will constitute 50 percent or more of the total number of patient visits. Resolution Number SDC 2025-14 was approved with a grant period expiration date of July 31, 2027, and the following milestone conditions: (1) the Grantee shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before August 31, 2027, and funds

shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff and (2) the Grantee shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than January 31, 2028.

As of June 2026, \$135,622.50 has been disbursed in grant funds for construction/renovation, and there is \$4,864,377.50 remaining to be disbursed.

RECOMMENDATION:

Staff recommends the Authority approve a first amendment and restatement to Resolution Number SDC 2025-14 to amend the milestone conditions and extend the grant period and resolution expiration dates to November 30, 2028, subject to the following amended milestone conditions:

- 1) The Grantee shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before December 31, 2027, and funding shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff.
- 2) The Grantee shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than May 31, 2028.

All other conditions in the Resolution shall remain the same and in full effect.

FIRST AMENDED AND RESTATED RESOLUTION NO. SDC 2025-14

**A RESOLUTION OF
THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
APPROVING EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE SPECIALTY DENTAL CLINIC GRANT PROGRAM
TO THE UNIVERSITY OF THE PACIFIC,
ARTHUR A. DUGONI SCHOOL OF DENTISTRY**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the provisions of the Specialty Dental Clinic Grant Program (“Program”) (Section 2.00, Chapter 43, Statutes of 2022 (SB 154); Section 47, Chapter 45 Budget Act of 2022 (AB 178); and Section 2.00, Chapter 12, Statutes of 2023 (SB 101)) and implementing guidelines (“Guidelines”) to award grants to support the construction, expansion, modification, or adaptation of specialty dental clinics in California to increase access to oral health care for the special health care needs populations; and

~~WHEREAS, the University of the Pacific, Arthur A. Dugoni School of Dentistry (“Grantee”) qualifies as an eligible applicant under the Program Guidelines.~~

WHEREAS, on February 27, 2025, the Authority ~~staff reviewed the application submitted by the Grantee against the eligibility requirements pursuant to the Program in accordance with all relevant authority and recommends the approval of a grant~~ adopted Resolution No. SDC 2025-14 approving a grant for the University of the Pacific, Arthur A. Dugoni School of Dentistry (“Grantee”) in an amount not to exceed \$5,000,000.00 for the eligible project (the “Project”), which consists of specialty dental clinic capital costs as described in the Grantee’s application; and as particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference); and

WHEREAS, the Grantee requests an amendment of the milestone conditions and an extension of the grant period and resolution expiration dates to complete the Project;

NOW, THEREFORE, BE IT RESOLVED by the California Health Facilities Financing Authority as follows:

Section 1. The Authority hereby approves a grant not to exceed the amount of \$5,000,000.00 to the Grantee to complete the Project within a grant period that ends on ~~July 31, 2027~~ November 30, 2028. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating that the Project shall be operational on or before ~~August 31, 2026~~ December 31, 2027, and funding shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff. Grantee must submit all disbursement requests, including required supporting documentation, to the Authority no later than ~~January 31, 2027~~ May 31, 2028.

Section 2. For and on behalf of the Authority, the Executive Director and the Deputy Executive Director, in the absence of the Executive Director, are hereby authorized and directed to do all of the following:

(a) Approve any non-material changes in the Project described in the application submitted to the Authority. Nothing in this Resolution shall be construed to require the Authority to provide additional funding, even if more grants are approved, exceeding available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should that funding not be available for any reason whatsoever.

(b) Allocate funding not to exceed those amounts approved by the Authority for the Grantee.

(c) Execute and deliver to the Grantee any and all documents necessary to complete the transfer of moneys that are consistent with the Program.

(d) Do any and all things and to execute and deliver any and all documents that the Executive Director, or the Deputy Executive Director, in the absence of the Executive Director, deems necessary or advisable to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 3. All funding from this grant shall be used in support of the Grantee's Project, as described in the Program application and Exhibit A to this Resolution.

Section 4. This resolution shall repeal on ~~July 31, 2027~~ November 30, 2028, unless extended by action of the Authority prior to that date.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the University of the Pacific, Arthur A. Dugoni School of Dentistry (“Grantee”) as follows:

The Grantee must add at least four (4) operating rooms in an ambulatory surgery center, eight (8) new dental operatories, and five (5) mixed medical/dental treatment rooms, in the Bay Area/Central Coast Region, to provide dental services to the Special Health Care Needs Populations as defined in the Program Guidelines Section 1(z) which include “*children and adults who have disabilities that prevent them from receiving routine or specialty care due to their physical, developmental, or cognitive condition*” and as further detailed in its application or as mutually agreed upon by the Grantee and the Authority under applicable authority. Upon completion of the Project, Special Health Care Needs Populations patients must constitute at least 50 percent of the Facility’s Caseload, with the requirement applicable only to Facilities financed with Grant funds. The Grantee may use grant funds to finance eligible costs in support of the Grantee’s Project as stated in Section 3 of the Program Guidelines¹.

Summary of Amount:

Project	Approved Grant Amount
University of the Pacific, Arthur A. Dugoni School of Dentistry	\$5,000,000.00
Total	<u>\$5,000,000.00</u>

¹ All capitalized terms used in the Resolution are defined in Section 1 of the Program Guidelines.