



CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

HEALTHCARE EXPANSION LOAN PROGRAM II (HELP II)

APPLICATION

901 P Street, Room 313
Sacramento, California 95814

Phone: (916) 653-2799

chffa@treasurer.ca.gov

Website: www.treasurer.ca.gov/chffa/programs/help.asp

HELP II ELIGIBILITY

Before proceeding with the application, verify your eligibility for a HELP II loan by reviewing the following requirements. If one or more of these requirements cannot be met, contact the Authority to discuss eligibility before proceeding.

- ☐ A health facility under the California Health Facilities Financing Authority's enabling statute – [Section 15432\(d\) of the California Government Code](#).
- ☐ A non-profit 501(c)(3) corporation or a limited liability company, whose sole member is a nonprofit organization, or a city, a county, or district hospital.
- ☐ One of the following:
 - District Hospital
 - Located in a [rural Medical Service Study Area](#) as defined by the California Healthcare Workforce Policy Commission
 - An organization with no more than \$40 million in annual gross revenues, as shown on audited financial statements for the most recently completed fiscal year.
- ☐ Has been in existence for at least three years performing the same types of services.
- ☐ With some exceptions, must be licensed by the State of California.
- ☐ Provide audited financial statements for previous three fiscal years, demonstrate fiscal soundness, and ability to meet loan terms.

General Instructions

Applications are accepted on a continual basis. Applications are due by the 20th of the month to be included on the agenda for the following month's meeting date.

Submit your completed application to the California Health Facilities Financing Authority (Authority) either by email as a Portable Document Format (PDF) attachment to chffa@treasurer.ca.gov;

OR

By mail to:

California Health Facilities Financing Authority
901 P Street, Room 313
Sacramento, California 95814
Attn: HELP II Manager

Please note:

- *Incomplete or illegible applications may result in a delayed review.*
- *The Authority is not responsible for email transmittal delays or failures of any kind.*

Payment:

A nonrefundable \$50 application fee is required. Your application will not be processed until this fee is received. This fee can be made via electronic payment system accessed at <https://www.govone.com/PAYCAL/CHFFA>. Manual payments are accepted via check, money order or cashier check made payable to the *California Health Facilities Financing Authority*. Enter the organization's name and "HELP II Loan" on the memo line for manual payments.

Questions/Assistance:

Authority staff is pleased to answer any questions or provide technical assistance in preparing your application. A pre-application discussion with Authority staff is recommended. Please call us at (916) 653-2799.

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HELP II LOAN APPLICATION FORM

Summary Information

APPLICANT INFORMATION:

Legal Name *[Name from Articles of Incorporation or Amendment(s)]*

Street Address

Federal Tax I.D. Number

City, State & Zip

Contact Person / Title

P.O. Box Address *[If Applicable]*

Telephone Number

Email Address

Have you been a prior HELP II borrower? ☐ Yes ☐ No

If yes, date(s) loan(s) funded.

LOAN INFORMATION:

Amount Requested:*

\$

Repayment Term (Maximum):

[Real Property 20 yrs. / Refinance 15 yrs. / Equipment 5 yrs.]

Date Funds Needed:

Est. Value of Collateral:

\$

Description of Collateral: (i.e. address)

Lien Position:

☐ 1st ☐ 2nd ☐ Other:

Purpose of Loan: (Check all applicable boxes)

☐ Purchase Real Property

☐ Construction**

☐ Purchase Equipment

☐ Refinance

☐ Renovation**

☐ Other (describe):

**Existing HELP II borrowers new money loan request and existing loan(s) must not exceed the combined total of \$2,000,000. For refinancing loans, new loan request and existing loan(s) must not exceed the combined total of \$1,000,000.*

***HELP II Loan borrowers must comply with California's prevailing wage law under Labor Code section 1720, et seq. for public works projects. The Authority recommends Applicants and borrowers consult with their legal counsel.*

TITLE COMPANY: (IF KNOWN)

NOT APPLICABLE TO EQUIPMENT LOANS

Name:

Contact Person and Title:

Phone Number:

Address:

Email Address:

PROJECT INFORMATION: (USE ADDITIONAL PAGES AS NECESSARY)

Facility Name(s) to be funded

List street address, city, and county of Project(s) site

What is the expected project start date?

What is the expected project end date?

Provide a description of the project.

Describe the purpose of this project (e.g. increase client capacity, expansion of services, community resources, etc.)

Sources of Funds and Project Costs

Please fill out the top portion with sources of funds used to complete the project including the requested loan amount and any other sources of funds applicable. Fill out the bottom portion with estimated project costs including Authority loan fees and closing costs.

Note: Both sections should have the same ending totals to show the project is fully funded.

SOURCES OF FUNDS:

HELP II loan (Max. \$2,000,000, can't exceed 95% loan-to-value)	\$ _____	(_____ %)
Applicant funds *	\$ _____	(_____ %)
Other sources, list (i.e. bank loan, grant, etc.)		
_____	\$ _____	(_____ %)
_____	\$ _____	(_____ %)
_____	\$ _____	(_____ %)
Total Sources of Funds	\$ _____	(_____ %)

Must equal 100%

*Applicant funds must comprise at least 5% of the total sources of funds. This 5% must either be in the form of cash or documented project expenditures, subject to approval by the Authority. For refinancing transactions, the 5% may come from the equity in the property.

PROJECT COSTS:

Purchase real property	\$ _____
Construction, renovation, remodel real property	\$ _____
Refinance real property debt	\$ _____
Purchase equipment/furnishings	\$ _____
Other _____	\$ _____
_____	\$ _____
_____	\$ _____
Authority Loan Fee**	\$ _____
Other closing costs (title, escrow, etc., typically \$1,000 - \$2,000)	\$ _____
Total Project Costs	\$ _____

** Authority Loan fee is 1.25% of the HELP II Loan amount and must be paid with Applicant funds.

Long-Term Debt & Utilization

LIST OF LONG-TERM DEBT:

List all outstanding debts owed by the Applicant (*include existing lines of credit*) that do ***not*** appear in the most recent audited financials.

Place an * by any debt to be refinanced with the HELP II Loan.

<u>Lender</u>	<u>Original Loan Amount</u>	<u>Original Loan Date (mm/yy)</u>	<u>Amount Outstanding</u>	<u>Monthly Payment</u>	<u>Interest Rate</u>	<u>Maturity Date</u>

UTILIZATION:

Please provide the total number of clients served and the total number of patient visits for each of the three most recent fiscal years.

Clients Served / (Patient Visits) Fiscal Year Ended

	20	20	20
Totals	/ ()	/ ()	/ ()

Legal Status Questionnaire

Note: You may respond directly on this form or attach additional pages as needed.

Applicant Name:

1. Financial Viability

Disclose material information relating to any legal or regulatory proceeding or investigation in which the applicant/borrower/project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the applicant/borrower/project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the applicant/borrower/project sponsor that is involved in the management, operation, or development of the project.

Response:

2. Fraud, Corruption, or Serious Harm

Disclose any civil, criminal, or regulatory action in which the applicant/borrower/project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, matters related to employment conditions (including, but not limited to wage claims, discrimination, or harassment), or matters involving health and safety where there are allegations of serious harm to employees, the public or the environment.

Response:

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charges, complaint or filing, and the outcome.

Provide the following as attachments:

Attachment A – Financial Information

- Provide copies of your audited financial statements for the three most recent fiscal years.

Note: the most current audited financial statement must be within six months of the fiscal year end.

- Provide a brief summary describing the most recent three fiscal years.

Attachment B – Background

- Provide a copy of your organization's mission and history (i.e. brochure, website literature). What programs do you provide? How long have you been providing them?
- List the street address, city and county of the organization's other facilities, if any.

Attachment C – Management/Organization Information

- Provide a copy of the Board Minutes or Board Resolution approving the application for a HELP II Loan for this project.
- Provide the names of the Executive Director, Chief Financial Officer, Board Members and/or key managers of the organization.
- Provide the name and title of the person to be designated by the board to sign loan documents if financing is approved (e.g., the Executive Director).
- Provide a copy of the State of California operating license and/or certification (as applicable) (e.g. Department of Health Care Services, Social Services, or other authorizing agency), for the facility receiving funding.
- Provide copies of organization's certified Articles of Incorporation and Bylaws, and any Amendments.

APPLICATION CERTIFICATION

Please transfer the following certification language onto your organization's letterhead and have the Executive Director of the applicant, Board Chairperson, or other individual with the authority to commit the applicant to contract sign and date this certification. Please submit the certification with an original signature or authorized digital signature.

1. I certify that to the best of my knowledge, the information contained in this application and the accompanying supplemental materials is true and accurate. The applicant understands that misrepresentation may result in the cancellation of the loan and other actions which the Authority is authorized to take.
2. The applicant hereby agrees that all legal disclosure information requested has been disclosed.
3. I certify that the applicant does not restrict or grant preference or modify its billing practice with respect to admission or treatment of patients or residents at its healthcare facilities based on the religion of the patients or residents. I further certify that the applicant does not discourage individuals, on the basis of their religion, from seeking admission or treatment.

By (Print Name)

Signature

Title

Date

Sample

Checklist - HELP II Loan Application

Please use this checklist to determine if the application is complete (*incomplete or illegible applications will not be considered for financing*).

Summary Information

(Page A-1) ☐ - Completed Sections re: Applicant Information, Loan Information, & Project Information.

Project Costs & Sources of Funds

(Page A-2) ☐ - Completed Sources and Uses information.

Long-Term Debt & Utilization

(Page A-3) ☐ - Provided List of Long-Term Debt.

☐ - Completed Utilization Information.

Legal Status Questionnaire

(Page A-4) ☐ - Completed Legal Status Questionnaire (with an explanation for all “yes” answers).

Attachment A – Financial Information

☐ - Provided copies of audited financial statements for the three most recent fiscal years.

☐ - Provide a brief summary describing the most recent three fiscal years.

Attachment B – Background

☐ - Provided organization’s background information.

☐ - Provided street address, city, and county of the organization’s other facilities, if any.

Attachment C – Management/Organization Information

☐ - Provided copy of Board Minutes or Board Resolution approving HELP II Loan.

☐ - Provided names of the key managers of the organization (*i.e. ED, CEO, CFO, etc.*).

☐ - Provided name and title of the person designated to sign loan documents.

☐ - Provided operating license and/or certification for the facility receiving funding.

☐ - Provided copies of certified Articles of Incorporation, Bylaws, and any Amendments.

Certification

☐ - Execute Certification Page.