

OFFICIAL MINUTES

**California Health Facilities Financing Authority
915 Capitol Mall, Room 587
Sacramento, California**

**Alternate Location for Teleconference Participation
State Treasurer's Office
304 S. Broadway, Suite 550
Los Angeles, CA 90013**

**Thursday, January 26, 2006
1:45 PM**

The meeting was called to order by Dennis Trujillo sitting for Chairman Philip Angelides. Members present were Anne Sheehan (sitting for Michael C. Genest), Windie Scott (sitting for Steve Westly), Harry Bistrin, Judith Frank, and Dr. Oscar Sablan. Dr. Theodore Hariton participated via the teleconference location. Sumi Sousa arrived prior to the Children's Hospital - San Diego presentation. Also present were staff members Sandra Simpson-Fontaine, Executive Director, Greg Rogers, Deputy Executive Director, Mark Paxson, Counsel to the Authority, and Peggy Arrivas, Financial Advisor, PricewaterhouseCoopers LLP.

The minutes of the December 1, 2005 meeting were approved as submitted.

The Executive Director's Report was presented covering the month of December 2005. As of December 31, 2005, bonds outstanding totaled \$6,425,563,908 and the fund balance was \$7,866,519.30. There were 10 borrowers with over \$100 million in CHFFA debt with a combined balance outstanding of \$4,968,080,000, which represents 77% of all CHFFA debt outstanding, and 8 equipment financings with a total balance outstanding of \$25,982,261. The Executive Director also reported a HELP II Fund balance of \$17,828,411, a HealthCAP balance of \$0.00, a Cedillo-Alarcón Clinic Grant Fund balance of \$3,420,433, an Anthem-Wellpoint Grant Fund balance of \$35,629,996 and the Children's Hospital Bond Act of 2004 Fund balance of \$664,983,602, as of December 31, 2005.

Amendment to Resolution No. HII-177 – Yolo Family Service Agency requested the Authority approve an amendment to its existing HELP II Resolution. The amendment will remove the HELP II loan approval requirement of securing the loan with two separate properties and will result in the loan being secured by one property located at 455 First Street in Woodland. Staff recommended the Authority approve an amendment to HII-177 to remove the loan approval contingency requirement of securing a first lien on the property located at 1105 Kennedy Place, Davis, CA. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

Resolution No. 2006-01 – Children's Hospital – San Diego (CHSD) requested grant funds in an amount not to exceed \$10,143,751. CHSD will use the grant funds for remodeling the first floor of the Rose Pavilion and for purchasing a Picture Archiving and Communicating System. In addition, CHSD will use grant funds to reimburse costs associated with a CT Scanner purchase and remodel, a helipad upgrade and various equipment expenditures. Staff recommended the Authority approve a resolution for Children's Hospital – San Diego to provide

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a grant not to exceed \$10,143,751 (less costs of issuance), subject to all requirements of the Children's Hospital Program. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

Resolution No. 2006-02 – Children's Hospital of Orange County (CHOC) requested grant funds in an amount not to exceed \$18,400,897. CHOC is seeking grant funds to expand and remodel its Ambulatory Care Center and to purchase patient care equipment. The purpose of the project is to consolidate its Primary Care Clinic and its Specialty Clinics into one location. Staff recommended the Authority approve a resolution for Children's Hospital of Orange County to provide a grant not to exceed \$18,400,897 (less costs of issuance), subject to all requirements of the Children's Hospital Program. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

Resolution No. 2006-03 – Staff requested the Authority approve the proposed Community Clinic Grant Program of 2005 (Program) permanent regulations for submission to the Office of Administrative Law. The emergency regulations implementing the Program are due to expire April 14, 2006. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

Other Business – Having no other business, the meeting was adjourned.