

OFFICIAL MINUTES

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

Thursday, May 25, 2006
1:45 PM

The meeting was called to order by Dennis Trujillo sitting for Chairman Philip Angelides. Members present were Windie Scott (sitting for Steve Westly), Anne Sheehan (sitting for Michael C. Genest), Harry Bistrin, Judith Frank, Dr. Oscar Sablan and Sumi Sousa. Also present were staff members Sandra Simpson-Fontaine, Executive Director, Greg Rogers, Deputy Executive Director, Julia Bilaver, Counsel to the Authority, and Peggy Arrivas, Financial Advisor, PricewaterhouseCoopers LLP. Due to time restrictions Harry Bistrin and Judith Frank left the meeting during the presentation of Resolutions No. 2006-06A and No. 2006-06B and before the items were voted upon.

The minutes of the April 27, 2006 meeting were approved as submitted.

The Executive Director's Report was presented covering the month of April 2006. As of April 30, 2006, bonds outstanding totaled \$6,816,990,742 and the fund balance was \$8,182,232. There were 10 borrowers with over \$100 million in CHFFA debt with a combined balance outstanding of \$5,391,265,000, which represents 79% of all CHFFA debt outstanding, and eight equipment financings with a total balance outstanding of \$22,049,095. The Executive Director also reported a HELP II Fund balance of \$19,871,811, a HealthCAP balance of \$0, a Cedillo-Alarcón Clinic Grant Fund balance of \$3,485,926, an Anthem-Wellpoint Grant Fund balance of \$36,312,315 and the Children's Hospital Bond Act of 2004 Fund balance of \$597,412,077, as of April 30, 2006.

Resolution No. 2006-01 – Lucile Salter Packard Children's Hospital at Stanford (LPCH) requested grant funds in an amount not to exceed \$74,000,000. LPCH will use the grant funds for several projects. The money will be used to fund the Oncology Unit, Surgical Suite, Pediatric Intensive Care Unit and purchase medical equipment. Staff recommended the Authority approve a resolution for LPCH to provide a grant not to exceed \$74,000,000 (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. HII-185 – Elizabeth Center for Cancer Detection (the Center) requested the Authority approve a HELP II resolution in an amount not to exceed \$40,000. The loan proceeds will be used to purchase medical record shelving equipment and a mobile aisle system. Staff recommended the Authority approve a resolution for a HELP II loan in an amount not to exceed \$40,000 for a term not to exceed five years for the Center, subject to the standard HELP II loan provisions. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

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Amendment to Resolution Number HII-66 – The amendment will allow the Fred Finch Children’s Home dba Fred Finch Youth Center (FFYC) to transfer title of its property at 3800 Coolidge Avenue in Oakland to its supporting organization, the Eunice Ann Finch Resource Center (EAFRC). The Authority would retain first deed of trust as security for the loan. Staff recommended the Authority approve an amendment to HII-66 that incorporates the transfer of title on the property located at 3800 Coolidge Avenue in Oakland from the FFYC to the EAFRC. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

Resolutions No. 2006-06A and No. 2006-06B – As a result of the Anthem-WellPoint merger, WellPoint agreed to provide \$35,000,000 to be used for the improvement of non-profit community based clinics serving low-income healthcare consumers. The Authority was statutorily charged with implementing the \$35,000,000 Community Clinic Grant Program of 2005 (CCGP), when Senate Bill 190 became law on October 15, 2005. In addition to the \$35,000,000 received for the CCGP, \$1,300,000 of interest has been earned and credited since its receipt in February 2005 with an additional \$350,000 expected to be credited in July 2006. Further, \$3,500,000 will be available from interest earned on the Cedillo-Alarcón Community Clinic Investment Act of 2000 Fund. The total funding available for the CCGP is approximately \$40,150,000. The Authority received a total of 300 applications for grants totaling \$76,450,000 from the four predetermined geographic regions within the State. Of the applications received, staff recommended funding 146 grant requests in an amount totaling \$40,103,364 including the appeals of Native American Health Center (East Bay Clinic) and West County Health Centers (Russian River Clinic) to be considered eligible for funding. Staff recommended that no other appeals be approved. After discussion by the Authority, motions were made and seconded and Resolutions No. 2006-06A and No. 2006-06B were unanimously approved. Attachment A provides a list of the approved grant awards.

Having no other business, the meeting was adjourned.