

MINUTES

California Health Facilities Financing Authority
("CHFFA")
915 Capitol Mall, Room 587
Sacramento, California 95814

Alternate Location for CHFFA Teleconference Participation

Qiu Accountancy Corporation
3580 Wilshire Blvd., Suite 1126
Los Angeles, California 90010

June 27, 2013 – 1:30 P.M.

Deputy Treasurer Michael Paparian, serving as Chairman, called the meeting to order at 1:35 P.M.

Roll Call

Members Present: Michael Paparian for Bill Lockyer, State Treasurer
Ruth Holton-Hodson for John Chiang, State Controller
Jennifer Rockwell for Ana J. Matosantos, Director of Finance
Judith Frank
Jack Buckhorn
Jay Hansen*
Samuel Qiu via Teleconference

Members Absent: Dr. Oscar Sablan
Ann Madden Rice

Chairman Paparian declared a quorum present.

*Mr. Hansen joined the meeting at 1:36 P.M.

Approval of the Minutes from the May 30, 2013 Meeting

Ms. Holton-Hodson moved approval of the minutes and Ms. Rockwell seconded the motion. The motion was adopted with a 6-Aye roll call vote and Ms. Frank abstained.

Executive Director's Report

CHFFA Fund Balances and Comprehensive Debt List Summary

Barbara Liebert, Executive Director, submitted the fund balances for the record as of May 31, 2013. Also, included were the CHAMP fund balance and the Comprehensive Debt List Summary of CHFFA's top 15 borrowers.

Tax Exempt Bond Delegation of Powers Monthly Update

No action taken.

HELP II Loan Program Delegation of Powers Monthly Update

No action taken.

California Health Access Model Program (“CHAMP”) Status Update

Ms. Liebert provided an update on CHAMP. Staff formally notified 12 applicants to submit a full grant application for its demonstration projects by August 14, 2013 at 5:00 P.M. Ms. Liebert further explained the detailed application requirements, the limits of pages, memorandums, and exceptions. Staff anticipated returning to the Authority in October with recommendations. Copies of the proposals would be available after August 14, 2013 to the members of the Authority.

Ms. Liebert read into the record the 12 applicants invited back, which are the following:

Alliance Medical Clinic
Children’s Dental Health Clinic
Children’s Partnership, The
CHOC Children’s at Mission Hospital
Council of Community Clinics
Health Improvement Partnership of Santa Cruz County
Lifelong Medical Care
St. John’s Well Child and Family Center
San Francisco Health Plan
Santa Rosa Community Health Centers
University of California, San Francisco
University of the Pacific

Site Visits

There were no site visits.

Item #4 Casa Colina, Inc. (“CCI”), Resolution No. 393

Michael Tang, Staff Analyst, reported Casa Colina, Inc. requested the Authority to authorize the refunding of all of the outstanding CHFFA Series 2001 Bonds used to finance and/or refinance the construction, renovation, expansion, and equipping of certain portions of its health care and related facilities owned and operated by CCI. Based on the current market conditions, CCI estimated a net present value savings of approximately \$2.0 million over the life of the bonds.

Representing Casa Colina, Inc.: Felice L. Loverso, Ph.D., President & Chief Executive Officer, David V. Morony, Chief Financial Officer, and Kathleen A. Leak, Bond Counsel, Orrick, Herrington & Sutcliffe LLP.

Staff recommended the Authority approve Resolution No. 393 for CCI in an amount not to exceed \$30,000,000 subject to the conditions in the resolution, including a bond rating of at least investment grade by a nationally recognized rating agency. Macias Gini & O’Connell, LLP, the Authority’s financial analyst and Fieldman, Rolapp & Associates, Inc., the Authority’s financial advisor, concurred with the Authority’s staff recommendation.

Chairman Papanian asked if there were any questions or public comment. Hearing none, Mr. Buckhorn moved approval of Resolution No. 393 and Mr. Hansen seconded the motion. The motion was adopted with a 7-Aye roll call vote.

*Mr. Hansen left the meeting at 2:18 P.M.

Item #5 **Investment in Mental Health Wellness Act of 2013**

Ms. Liebert reported SB 82, Investment in Mental Health Wellness Act of 2013, was signed into law. The 2013-2014 Budget provided a one-time, \$142 million dollar general fund allocation to the Authority for a mental health wellness grant program for purposes of cost-effectively expanding the number of community-based crisis resources in regions and communities selected for funding. The bill authorized the Authority to administer a competitive selection process for capital capacity and program expansion to increase capacity for mobile crisis support, crisis intervention, crisis stabilization services and crisis residential treatment. Funds are to be made available to selected counties or counties acting jointly and the Authority may give consideration to private non-profit corporations and public agencies in an area or region of the state if a county, or counties acting jointly, affirmatively support this designation and collaboration in lieu of county government directly receiving the funds. The bill required the Authority to develop a process for awarding grants after consulting with representatives and interested stakeholders from the mental health community.

Initial consultations and stakeholders met June 26, 2013 and June 27, 2013.

Ms. Liebert further reported staff would present to the Authority at the July 25, 2013 meeting a timeline that included all of the efforts to date and what staff would expect to be accomplished. The Authority is required to report to the Legislature in May 2014 and May 2015 the progress of the mental health wellness grant program. The program is for three years. Ms. Liebert also commented the involvement from Authority members was welcomed.

Mr. Qiu replied he was familiar with the mental health system through his business and he volunteered his services. Ms. Holton-Hodson also volunteered her services.

Ms. Fathia Macauley, via teleconference represented Non-Profit Finance Fund, commented she was very interested in learning more about the mental health wellness grant program. Chairman Paparian replied staff should make an interested parties list and asked Ms. Macauley to provide her contact information to Mr. Qiu.

Item #6 **HELP II Bi-Annual Report**

Rosalind Brewer, Deputy Executive Director, provided an overview of the HELP II Loan Program's portfolio, which included the combined financial summary of the original HELP Loan Program and the HELP II Loan Program.

Item #7 **Other Business**

Ms. Liebert commented staff would give an update on both grant programs and the HELP II Loan Program at the next meeting. The next Authority meeting is scheduled for July 25, 2013.

Chairman Paparian asked for public comment, hearing none and with no additional business, the meeting was adjourned at 2:32 P.M.