

CHFFA Fund Balances and Comprehensive Debt List Summaries

Ronald Washington, Executive Director, reported the CHFFA fund balances, and the outstanding debt information as of May 31, 2018.

Tax-Exempt Bonds Delegation of Powers Monthly Update

Mr. Washington presented the Delegation of Powers report regarding AltaMed Health Services Corporation (“AltaMed”), execution of the First Supplemental Bond Indenture for Series 2015A and 2015B. Mr. Washington reported that AltaMed requested an amendment to the Bond Indenture to adjust the interest rates. The Attorney General’s Office reviewed the request and confirmed that the proposed action fell within the Executive Director’s delegated authority under CHFFA’s Bond Financing Program’s Delegation Resolution No. 2017-01. The Executive Director executed the First Supplemental Bond Indenture for Series 2015A and 2015B on May 24, 2018.

Mr. Washington presented the Delegation of Powers report regarding Sutter Health (“Sutter”), Series 2007A, 2007B, and 2007C (collectively the “2007 Bonds”), execution of the IRS Forms 8038-R, 8821, and 2848. Mr. Washington reported that in May 2012, Bond Logistix (“BLX”) scheduled a rebate calculation for the 2007 Bonds and determined that Sutter had an arbitrage rebate payment due to the Federal Government. Mr. Washington also reported that in March 2018, BLX determined the 2007 Bonds earned negative arbitrage. Mr. Washington stated Sutter is seeking a refund of the arbitrage rebate payment from the I.R.S. The State Treasurer’s Office Legal Counsel reviewed the request and confirmed the proposed action fell within the Executive Director’s delegated authority under the Bond Financing Program’s Delegation Resolution No. 2017-01. The Executive Director executed the IRS Forms 8038-R, 8821, and 2848 on May 25, 2018.

Mr. Washington, presented the Delegation of Powers report regarding Dignity Health’s, formerly Catholic Healthcare West (the “Corporation”), execution of a Certificate of Redemption for Series 1988C bonds. Mr. Washington reported that on July 18, 2018, the outstanding aggregate principal amount of \$29,500,000 in bonds was paid in full. The State Treasurer’s Office’s Legal Counsel reviewed the request and confirmed the proposed action fell within the Executive Director’s delegated authority under the Bond Financing Program’s Delegation Resolution No. 2017-01. The Executive Director executed the Certificate of Redemption for Series 1988C on June 12, 2018.

HELP II Loan Program Delegation of Powers Monthly Update

No action was taken pursuant to the HELP II Loan Program Delegation of Powers Resolution.

Investment in Mental Health Wellness Grant Program Quarterly Milestones

Mr. Washington mentioned one change and one highlight to the Investment in Mental Health Wellness Quarterly Milestones Report. The change is on page one for the County of Sacramento (the “County”) shaded in blue. Mr. Washington reported that the County missed its first milestone, which was to start construction by May 31, 2018. The County had sixty days from its milestone deadline to meet the requirement under the delegation resolution. Mr. Washington mentioned that on page three, staff added a section that refers to the forfeited projects as of June 2018.

Site Visits

Mr. Washington stated that the site visit to the County of Napa’s Crisis Stabilization Unit would be presented after Item #10

Carolyn Aboubechara, Program Manager, presented the board with a handout that provides a status update on the two Children’s Hospital Programs (Proposition 61 and 3) and highlighted the two hospitals, University of California Los Angeles Medical Center and University of California Irvine Medical Center, who have funds remaining in the first funding round of Proposition 3 and that she would go over the Proposition 61 part under Item #6 on the agenda.

Dr. Cherry recused himself from Item 4 through Item 6 due to his employment with the University of California, Los Angeles Medical Center and recent affiliation with Miller Children’s Hospital.

Item #4 **University of California, Irvine Medical Center,**
Resolution No. CHP-3 2018-04

Ms. Aboubechara, presented. University of California, Irvine Medical Center (the “Hospital”) requested Authority approval of a grant in an amount not to exceed \$29,284,802. Ms. Aboubechara reported that the proceeds of the grant would be used to construct, equip, and furnish a new two-story building to operate the Center for Child Health (“CCH”). The new CCH would allow the Hospital to consolidate four different services into a single location.

Attendees: via teleconference – Neil Myers, Director of Finance, Dr. Michael Stamos, Dean of the School of Medicine, Dr. KV Le-Bucklin, Interim Chair, Department of Pediatrics, Francine Jeffrey, Associate Dean of Administration, Ron Cortez, Chief Financial Officer and Vice Chancellor of Finance and Administration, Janet Mason, Assistant Vice Chancellor Capital Planning, Tara Massimino, Director, Research Development, School of Medicine, Financial Administration, Maryann Pack, Chief Administrative Officer, Pediatrics.

Chairperson Chiang asked if there were any questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. CHP-3 2018-04 in an amount not to exceed \$29,284,802 for the University of California, Irvine Medical Center, less issuance and administrative costs, subject to all requirements of the Children’s Hospital Program of 2008.

MOTION: Member Frank SECOND: Member LoFaso

AYES:.....Members Buckhorn, Frank, Wong-Hernandez, LoFaso, Chiang

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....Member Cherry

MOTION ADOPTED.

Item # 5 **University of California, Los Angeles Medical Center,**
Resolution No. CHP-3 2018-05

Nicole Weaver, staff analyst, presented. The University of California, Los Angeles Medical Center (the “Medical Center”) requested Authority approval of a grant in an amount not to exceed \$14,200,000. Ms. Weaver reported the grant funds would be used to reimburse the costs of neonatal and pediatric patient care equipment for Santa Monica – UCLA Medical Center and Orthopaedic Hospital (the “Santa Monica facility”) and for UCLA Mattel Children’s Hospital, and

AYES:Members Buckhorn, Frank, Wong-Hernandez, LoFaso, Chiang
NOES:NONE
ABSTAIN:NONE
RECUSE:Member Cherry

MOTION ADOPTED.

Item #7 **CommuniCare Health Centers, Resolution No. HII-314**

CommuniCare Health Centers was removed from the agenda.

Item #8 **Tulare Youth Service Bureau, Incorporated, Resolution No. HII-315**

Crystal Wong, staff analyst, presented. Tulare Youth Service Bureau, Incorporated (“Tulare”) requested the Authority approval of a HELP II loan in an amount not to exceed \$1,500,000 to renovate one of Tulare’s existing commercial buildings into additional office and meeting room spaces. Ms. Wong stated the additional office space would aid Tulare to provide better service to its community and improving its programs.

Attendees: Bob Pennington, Chief Financial Officer, Will Goodall, New Chief Financial Officer and Tim Zavala, Executive Director.

Chairperson Chiang asked if there were any questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. HII-315 in an amount not to exceed \$1,500,000 for Tulare Youth Service Bureau, Incorporated for a term not to exceed 20 years, and contingent upon financing terms acceptable to the Authority. Macias Gini & O’Connell LLP, the Authority’s financial analyst, concurs with the Authority’s staff recommendation.

MOTION: Member Wong-Hernandez SECOND: Member LoFaso

AYES:Members Buckhorn, Cherry, Frank, Wong-Hernandez, LoFaso, Chiang
NOES:NONE
ABSTAIN:NONE
RECUSE:NONE

MOTION ADOPTED.

Item #9 **Lifeline Grant Program, Resolution No. LGBP 2018-01**

Rosalind Brewer, Program Manager, presented. Staff requested Authority approval of 42 Final Allocation Awards and to grant the Executive Director the delegated powers outlined in the Resolution. Ms. Brewer reported the Lifeline Grant Program was to assist small and rural health facilities that may be adversely financially affected by a reduction or elimination of federal government assistance and have little to no access to working capital. Ms. Brewer stated that of the 42 eligible applications, 15 applicants indicated they have already experienced a federal trigger and 27 applicants anticipate a federal trigger to happen sometime between the fall of 2018 and January 2019. Ms. Brewer also reported the emergency regulations will expire August 23, 2018. The Permanent Regulations will be brought to the Authority no later than the August 2018 Authority meeting. The application period was open for 30 days, from February 26, 2018 and ended at 5:00 p.m. March 26, 2018.

Site Visit to the County of Napa's Crisis Stabilization Unit

Ms. Lane reported on a site visit she went on to the County's first Crisis Stabilization Unit ("CSU"). The County was approved in December of 2015 for a four bed facility. Ms. Lane stated the CSU opened in May 2017 with eight beds adding additional four beds. Ms. Lane reported the CSU is open 24 hours. She added that the CSU provides services for adults and children and 5150 holds and training. About 50% of clients served are referrals or self check-ins and the other 50% are police drop offs. Approximately 16-18% of clients served are children.

Item #11

Closed Session

The Closed Session was removed from the agenda.

Items #12, #13, #14

Other Business, Public Comment, Adjournment

Chairperson Chiang asked for public comment. Hearing none and with no additional business, the meeting adjourned at 2:22 P.M.