

MINUTES

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
("CHFFA" or "AUTHORITY")
915 Capitol Mall, Room 587
Sacramento, California 95814
February 28, 2019 – 1:45 P.M.**

Alternate Location for CHFFA Teleconference Participation

Asset Strategies
500 South Figueroa Street
Los Angeles, CA 90071

Public Participation

Call-In Number: (877) 810-9415 and Participant Code: 6535126

OPEN SESSION

Treasurer Fiona Ma, Chair, called the meeting to order at 1:59 PM.

Chair Ma announced in an effort to promote transparency, a live, interactive, call-in number was available to the public to provide access to Authority meetings. Open meetings would be available live to all who wish to call-in to listen and participate.

Item #1

Roll Call

Members Present: Fiona Ma, CPA, California State Treasurer, Chair
Jacqueline Wong-Hernandez for Betty T. Yee, State Controller, Vice Chair
Adam Dorsey for Keely Martin Bosler, Director, Department of Finance
Judith Frank – via teleconference
Oscar Sablan, M.D.
Jack Buckhorn
Sumi Sousa

Members Absent: Jay Hansen
Robert Cherry, M.D.

Staff Present: Frank Moore, Executive Director

Chair Ma declared a quorum present.

Item #2

Approval of the Minutes from the January 31, 2019 Meeting

Chair Ma asked if there were any changes, questions or public comment; there were none.

Authority Action

Motion to approve the minutes from the January 31, 2019 meeting.

MOTION: Member Buckhorn SECOND: Member Wong-Hernandez

AYES:.....Members: Buckhorn, Sablan, Dorsey, Wong-Hernandez, Ma

NOES:.....NONE

ABSTAIN:.....Members: Sousa, Frank

RECUSE:.....NONE

MOTION APPROVED.

CHFFA Fund Balances and Comprehensive Debt List Summaries

Mr. Moore reported that the CHFFA Fund Balances and Comprehensive Debt List Summaries were not available at this time.

Tax-Exempt Bonds Delegation of Powers Monthly Update

Mr. Moore reported that there was no action taken pursuant to the Tax-Exempt Bond Delegation of Powers Resolution.

HELP II Loan Program Delegation of Powers Monthly Update

Mr. Moore reported that there was no action taken pursuant to the HELP II Loan Program Delegation of Powers Resolution.

Mr. Moore gave an update on the Lifeline Grant Program.

Mr. Moore reported that on February 22, 2019, the U.S. Department of Health and Human Services released a final ruling to revise the regulations governing the Title X family planning program. The ruling required clear financial and physical separation between Title X and non-Title X activities at facilities.

Mr. Moore stated that CHFFA has an existing program called the Lifeline Grant Program that assists small and rural health facilities, including community based clinics, that would be adversely affected financially by a reduction or elimination of federal government assistance and that had little to no access to working capital. Mr. Moore reported that a number of facilities had received final allocations under the program for working capital costs incurred as a result of the threat that their access to the Title X family planning program would be restricted.

Mr. Moore reported that the final ruling meets the definition of a federal trigger under the regulations pursuant to this program. Mr. Moore stated that CHFFA would be contacting facilities that had received awards related to a Title X trigger alerting them that a trigger had occurred and requested that they submit a Request for Disbursement and proof of expenditures in order for CHFFA to release grant funds. Mr. Moore also mentioned that CHFFA planned on issuing a press release that this trigger had occurred so the additional facilities had the opportunity to submit applications for a Lifeline grant.

Mr. Moore introduced Tricia Mitchell, the new Office Technician for CHFFA and California Educational Facilities Authority.

Chair Ma asked if there were additional questions or public comment; there were none.

Item #4**Approving the Adoption of Regulations & Authorizing Rulemaking Proceedings for the Children's Hospital Bond Act of 2018, Resolution No. 2019-01**

Carolyn Aboubechara, Program Manager, presented. Staff requested Authority approval to adopt regulations and authorize rulemaking proceedings for the Children's Hospital Bond Act of 2018 and any other actions as set forth in the resolution.

Ms. Aboubechara reported that staff held meetings with stakeholders and conducted a Stakeholder Webinar for input regarding the development of the program and feedback on the draft regulations.

Ms. Aboubechara highlighted some of the features in the program, including funding, eligible applicants and project costs, evaluation criteria, application process, scoring process, appeal process, and release of funds.

Chair Ma asked if there were additional questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. 2019-01 approving the adoption of regulations and authorizing rulemaking proceedings for the Children’s Hospital Bond Act of 2018.

MOTION: Member Buckhorn SECOND: Member Wong-Hernandez

AYES:.....Members Sousa, Buckhorn, Sablan, Frank, Dorsey, Wong-Hernandez, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

**Item #5 Investment in Mental Health Wellness Act of 2013
– County of Mendocino Update**

Nicole Weaver, staff analyst, presented. Ms. Weaver reported that on June 25, 2015, the Authority approved a grant for the County of Mendocino (“the County”) in an amount not to exceed \$500,000 to implement a 10-bed Crisis Residential Treatment (“CRT”) program. Ms. Weaver stated that on May 24, 2018, the Authority approved an extension and third amendment to Resolution Number MH 2015-03, which the County requested due to a delay in securing the remaining funding needed for its joint CRT and Crisis Stabilization Unit (“CSU”) project. The County had informed the Authority that it would pursue the City of Ukiah and County of Mendocino Community Development Block Grants (“CDBG”). The Authority required the County to provide an update no later than February 2019 detailing the progress toward meeting its first milestone of securing sufficient funds by July 31, 2019.

Attendees: Karen Lovato, Acting Deputy Executive Director, Mendocino County Behavioral Health and Recovery Services and via teleconference Jessica Johnson, Project Manager, Redwood Community Services, Inc.

Ms. Lovato reported that the County was actively pursuing Measure B funding. The Measure B Oversight Committee recommended that the County’s Board of Supervisors (“BOS”) move forward with pursuing a CRT facility for the County. Ms. Lovato stated that the County’s BOS voted unanimously to direct the County’s Health and Human Services Agency to go through research and a Request for Proposal (“RFP”) process for a CRT facility, a CSU, and a Psychiatric Health Facility; and to bring back information to the BOS so action can be taken as it is available. Ms. Lovato stated that Redwood Community Services, the County’s designated non-profit service provider, would be submitting a proposal for the County’s CRT and co-located CSU facility in response to the RFP.

Ms. Lovato asked if there were any questions from the Authority.

Member Dorsey asked if the County decided not to pursue the CDBG. Ms. Lovato responded that in June 2018, the County was notified that the priority for the CDBG awards would be given to fire response and recovery activities. The County decided to explore other options for securing funding to complete the project. Ms. Lovato stated that the County would pursue another County of Mendocino CDBG for \$3,000,000 opening in May if the Measure B funding opportunity is not granted.

Member Dorsey asked whether the County would be opening its first CRT or if it would be an expansion of an existing CRT. Ms. Lovato responded that it would be the first CRT in the County.

Member Buckhorn asked about the County's timeline for completing the CRT project. Ms. Lovato responded the County expects the CRT to be open and operational by May 2021 per the milestone requirement previously set by the Authority.

Member Buckhorn asked whether the County had missed a grant opportunity. Ms. Lovato responded that during the 2017 wildfires, the County missed a deadline to apply for a grant.

Member Wong-Hernandez asked if the County was confident that it would meet its milestones. Ms. Lovato responded that the County was confident that Measure B funding would be able to fund at least a portion of the CRT project.

Member Frank asked Ms. Lovato to verify the cost of the project that was reported on the staff report. Ms. Lovato clarified that the \$5,160,000 covered the CRT project and a co-located CSU project. Ms. Lovato stated that the CRT project comprised of approximately 40 percent of the entire budget.

Chair Ma asked if the CRT project would be on County-owned property. Ms. Lovato responded that the CRT project would be on property that Redwood Community Services purchased.

Chair Ma asked if there were any questions or public comment; there were none.

Items #6, #7, #8 **Other Business, Public Comment, Adjournment**

Chair Ma asked for public comment. Hearing none and with no additional business, the meeting adjourned at 2:31 P.M.