

MINUTES

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
(CHFFA or AUTHORITY)**

**915 Capitol Mall, Room 110
Sacramento, California 95814**

**300 S. Spring Street, Suite 8500
Los Angeles, California 90013**

February 24, 2022 – 1:30 P.M.

Public Participation

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

OPEN SESSION

Fiona Ma, Chair, called the meeting to order at 1:30 P.M.

The Secretary announced to the public joining in by phone the instructions for being heard.

Item #1

Roll Call

Members Present: Via Microsoft Teams Meeting:
Fiona Ma, CPA, State Treasurer
Indira McDonald for Betty T. Yee, State Controller
Gayle Miller for Keely Martin Bosler, Director, Department of Finance
Antonio Benjamin
Francisco Silva
Robert Cherry, M.D.
Katrina Kalvoda
Keri Kropke

Staff Present: Frank Moore, Executive Director
Carolyn Aboubechara, Deputy Executive Director
Sondra Jacobs, Staff Services Manager I
Cory Mouhasseb, Associate Governmental Program Analyst
Kylie Stasko, Staff Services Analyst

Chair Ma declared a quorum present.

Item #2

**Approval of the Minutes from the December 2, 2021
Authority Meeting (Action Item)**

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

Authority Action

Motion to approve the minutes from the December 2, 2021 Authority meeting.

MOTION: Member Miller SECOND: Member McDonald

AYES:.....Members: Silva, Kalvoda, Cherry, Kropke, Benjamin, Miller, McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #3

Executive Director’s Report (Information Item)

Bond Delegation of Powers Monthly Update

Mr. Moore reported a Delegation of Powers report for Chinese Hospital Association, Series 2012 (the Bonds). Mr. Moore reported that in November 2021, Chinese Hospital Association provided notice to CHFFA of its intent to refund the Bonds and requested CHFFA to execute the Irrevocable Refunding Instructions, the Termination Agreement, and the U.S. Treasury State and Local Government Series (SLGS) securities subscription letter. The Executive Director executed the Irrevocable Refunding Instructions and the Termination Agreement on January 27, 2022 and the SLGS letter on January 20, 2022.

Mr. Moore reported a Delegation of Powers report for PIH Health, Inc. (PIH) Series 2020 A&B (the Bonds). Mr. Moore reported that in January 2022, PIH provided notice to CHFFA of its intent to amend the list of assets identified in the Tax Certificate and Agreement in order to utilize funds remaining on deposit in the Project Fund and requested CHFFA to execute the First Supplemental Tax Certificate and Agreement. The Executive Director executed the First Supplemental Tax Certificate and Agreement on January 18, 2022.

Mr. Moore reported a Delegation of Powers report for Providence St. Joseph Health (PSJH), Series 2013A and 2019C (the Bonds). Mr. Moore reported that in January 2022, PSJH provided notice to CHFFA of its intent to redeem a portion of the outstanding Bonds and requested CHFFA to execute the Certificate and Direction as to Redemption Letters, the Notice to the IRS of Defeasance, and the U.S. Treasury State and Local Government Series (SLGS) securities subscription letters. The Executive Director executed the Certificate and Direction as to Redemption Letters and the Notice to the IRS of Defeasance on January 26, 2022 and the SLGS letters on January 18, 2022.

Nondesignated Public Hospital Bridge Loan Program Delegation of Powers Update

Mr. Moore reported a Delegation of Powers report for the Nondesignated Public Hospital Bridge Loan Program update on the approvals of the first funding round for 15 hospitals, totaling \$17,822,854.

Community Services Infrastructure Grant Program Delegation of Powers Update

Mr. Moore reported a Delegation of Powers report for the County of Los Angeles (County). Mr. Moore reported that on December 16, 2021, the County requested to extend its open and operational milestone condition deadline from January 31, 2022 to April 1, 2022, a 60-day extension. The Deputy Executive Director executed the milestone extension on January 31, 2022.

Mr. Moore reported a Delegation of Powers report for the County of Nevada (County). Mr. Moore reported that on January 11, 2022, the County requested to extend its open and operational milestone condition deadline from January 31, 2022 to March 14, 2022, a 42-day extension. The Deputy Executive Director executed the milestone extension on January 27, 2022.

Investment in Mental Health Wellness Grant Program Delegation of Powers Quarterly Milestones Update

Mr. Moore reported a Delegation of Powers Quarterly Milestone Update. Mr. Moore highlighted a few changes on the Quarterly Milestones Update report.

Other Items

Mr. Moore reported on Community Service Infrastructure grant program openings. The County of Los Angeles, Office of Diversion and Reentry, opened its twelve-bed, Olive View-UCLA Medical Center Recuperative Care Center on November 12, 2021 and is expected to serve 72 clients annually. The County of Riverside opened its Arlington Recovery Community and Sobering Center on December 13, 2021 and is expected to serve 54 clients annually. The County of Sacramento opened its Jail Diversion and Treatment Resource Center on December 14, 2021 and is expected to serve 150 clients annually.

Chair Ma asked where the Chinese Hospital is located, and Mr. Moore confirmed it was in San Francisco.

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

Item #4 Investment in Mental Health Wellness Grant Program for Children and Youth (Third Funding Round) Resolution Nos. CY 2022-01 through CY 2022-05 (Action Item)

Ms. Jacobs presented. Ms. Jacobs gave an overview of the Investment in Mental Health Wellness Grant Program for Children and Youth (CY Grant Program) third funding round results and recommended the Authority approve a final allocation in the amount of \$16,446,636.17 to five counties (Kings, Mendocino, Monterey, Santa Cruz, and Tulare) to develop three Crisis Residential Treatment facilities with a combined total of 26 beds, two Crisis Stabilization Units with a combined total of 16 beds, and one Mobile Crisis Support Team consisting of one vehicle and two full-time equivalent personnel. Ms. Jacobs stated that county representatives were available via teleconference to answer any questions from the Board. Ms. Jacobs then gave a summary of each project.

County of Kings – Resolution No. CY 2022-01

Staff recommended a grant award in the amount of \$227,365.00 for the County of Kings to develop one new Mobile Crisis Support Team (MCST) consisting of one new vehicle and two full-time equivalent staff that would provide field-based mental health crisis services for children and youth 21 years of age or younger experiencing a psychiatric crisis. The County anticipated that the MCST would provide services to approximately 185 clients annually.

County of Mendocino – Resolution No. CY 2022-02

Staff recommended a grant award in the amount of \$1,860,243.00 for the County of Mendocino to develop a six-bed Crisis Residential Treatment (CRT) program that would provide mental health treatment to children and youth ages 17 and under experiencing a mental health crisis that would not meet the criteria for psychiatric hospitalization. It would be the first CRT program for children and youth in the County. The County anticipated the CRT would serve approximately 36 clients annually.

County of Monterey – Resolution No. CY 2022-03

Staff recommended a grant award in the amount of \$1,851,546.21 for the County of Monterey to develop the County’s first four-bed Crisis Residential Treatment (CRT) program and a four-bed Crisis Stabilization (CS) program for children and youth ages 18 years and under. The CRT program would provide a therapeutic alternative to psychiatric hospitalization for approximately 10-20 clients annually, while the CS program would provide mental health treatment and comprehensive psychological evaluation for approximately 200-300 clients annually.

County of Santa Cruz – Resolution No. CY 2022-04

Staff recommended a grant award in the amount of \$7,597,706.36 for the County of Santa Cruz to develop a new 16-bed Crisis Residential Treatment (CRT) program that would be located on County-owned property. The CRT program would provide short-term mental health care services to children and youth ages 12 to 17, who are experiencing distress or a mental health crisis. The County anticipated that the CRT would provide services to approximately 584 clients annually.

County of Tulare – Resolution No. CY 2022-05

Staff recommended a grant award in the amount of \$4,909,775.60 for the County of Tulare to develop a new 12-bed Crisis Stabilization program that would provide psychiatric assessments, crisis and substance abuse evaluation and stabilization services, therapeutic interventions and referral services for children and youth ages 21 and under. The County anticipated serving more than 2,000 clients annually.

Member Cherry stated that he liked the layout of the chart in Exhibit B.

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

Authority Action

Motion to approve Resolution Nos. CY 2022-01 through CY 2022-05 in a total amount not to exceed \$16,446,636.17 in final allocations, subject to the conditions in each resolution.

MOTION: Member Benjamin

SECOND: Member Kropke

AYES:.....Members: Silva, Kalvoda, Cherry, Kropke, Benjamin, Miller, McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #5

County of Los Angeles

Investment in Mental Health Wellness Grant Program (First Funding Round)

Resolution No. MH 2014-06 (Information Item)

Mr. Mouhasseb presented. Mr. Mouhasseb reported that the Authority approved a reinstatement of, and an amendment to, Resolution No. MH 2014-06 on February 22, 2018 for an Investment in Mental Health Wellness Grant Program grant for the County of Los Angeles Department of Mental Health (County) in an amount not to exceed \$40,892,700.49 to develop 240 beds in 15 new Crisis Residential Treatment programs, one expanded Crisis Stabilization Unit, aka Urgent Care Center, and 14 Mobile Crisis Support Teams. Mr. Mouhasseb stated, as a condition of approval, the Authority required the County to provide quarterly updates detailing milestones achieved, progress, and challenges related to the completion of the projects. The last update was presented to the Authority on July 29, 2021.

On October 28, 2021, the Authority approved a fifth amendment to Resolution Number MH 2014-06 that granted the County an extension to the milestone conditions and extended the grant period and the resolution expiration dates to December 31, 2022.

The County reported that construction at the Olive View, MLK, and Rancho Los Amigos campuses is complete, and the facilities have received certificates of occupancy. The construction at the LAC+USC campus is close to completion. Mr. Mouhasseb reported that all projects are expected to be open and operational by spring 2022, ahead of the open and operational milestone condition deadline of September 30, 2022.

Attendees: (via teleconference) Gregory C. Polk, Chief Deputy Director and Jo Ann Yanagimoto-Pinedo, Deputy Director, Strategic Initiatives, Los Angeles County Department of Mental Health Services.

Mr. Polk thanked the Authority and staff, gave an overview of the County's projects and provided additional information regarding the construction and procurement delays.

Ms. Yanagimoto-Pinedo provided a further explanation on the project delays and provided an update on the project's licensing status.

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

Item #6**County of Mendocino
Investment in Mental Health Wellness Grant Program (Third Funding Round)
Resolution No. MH 2015-03 (Information Item)**

Ms. Stasko presented. Ms. Stasko reported that on January 30, 2020, the Authority approved a fifth amendment to Resolution No. MH 2015-03 for an Investment in Mental Health Wellness Grant Program grant for the County of Mendocino (County) in an amount not to exceed \$500,000.00 to develop a six to eight-bed Crisis Residential Treatment facility to serve individuals 18 years of age and older. Ms. Stasko stated that as a condition of approval, the Authority required the County to provide quarterly updates detailing milestones achieved, progress, and challenges related to the completion of the project. Ms. Stasko reported that on December 2, 2021 the Authority approved a sixth amendment to Resolution Number 2015-03, granting the County an extension to the milestone conditions, as well as extending the grant period and the resolution expiration dates to June 30, 2022. Ms. Stasko reported that the last update had been presented to the Authority on July 29, 2021.

Attendees: (via teleconference) Karen Lovato, Senior Program Manager, Behavioral Health and Recovery Services.

Ms. Lovato reported that construction of the project is complete, furnishings and equipment installed, and a ribbon cutting ceremony was held in December 2021. Ms. Lovato also shared that the County is actively working with the service provider to complete the licensing process and anticipated receiving the required license in March 2022. She added that the County faced supply chain issues, specifically with a generator, but was able to resolve and continue the licensing process and stated that they anticipate being open and operational by end of March 2022.

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

Member Miller congratulated Ms. Lovato for the recent completion of construction.

**Item #7 Requests by Eligible Hospitals to Change Project Scopes/Descriptions
for the Children’s Hospital Program of 2018 (Information Item)**

Ms. Myint presented. Ms. Myint reported that this item provided the Authority with CHFFA’s intended parameters to address future requests by Eligible Hospitals to change project scopes/descriptions for the Children’s Hospital Program of 2018 (Program) and to inform the Authority about Santa Barbara Cottage Hospital’s request. Ms. Myint reported that the Authority would have the right to recover grant funds if a grantee failed to use and operate grant-funded projects, as approved in the project description of the Authority’s resolution, for the useful life of the projects. Ms. Myint reported that staff had developed parameters for project scope/description change requests received from Eligible Hospitals based on similar parameters that were in place for CHFFA’s other competitive grant programs since grant awards for Eligible Hospitals were determined on a competitive basis. Ms. Myint gave an overview of the procedural steps that staff would follow when project scope/description change requests were received. Then, Ms. Myint gave an overview of the first project scope change requested from Santa Barbara Cottage Hospital under the Program.

Attendees: None

Chair Ma thanked staff for the report.

Member Kropke asked why the pediatric psychiatry clinic would no longer be part of Santa Barbara Cottage Hospital's project.

Mr. Moore responded that CHFFA would provide that information when the project is presented as an action item at a future board meeting.

Member Cherry asked whether staff would still present the request to the Authority as an action item if the request for project/description change would not meet the minimum score and therefore not recommended.

Ms. Aboubechara responded that if the request did not score appropriately, and staff would not recommend approval, then staff would update the Authority through an information item.

Member Cherry asked if staff could amend the staff report to add this outcome potential. Ms. Aboubechara confirmed.

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

Items #8 and #9 **Public Comment and Adjournment**

Chair Ma asked for public comment. Hearing none, the meeting adjourned at 2:04 P.M.