

MINUTES

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (AUTHORITY)

**5th Floor Conference Room
915 Capitol Mall, Room 587
Sacramento, California 95814**

Pursuant to Government Code section 11133, the Authority provided Board members, participants, and members of the public the opportunity to participate in this meeting through teleconferencing.

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

October 27, 2022 – 1:30 P.M.

OPEN SESSION

Fiona Ma, Chair, called the meeting to order at 1:34 P.M.

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

Item #1

Roll Call

Members Present: Fiona Ma, CPA, State Treasurer
Indira McDonald for Betty T. Yee, State Controller
Adam Dorsey for Joe Stephenshaw, Director of Finance
Antonio Benjamin
Robert Cherry, M.D.
Robert Hertzka, M.D.
Katrina Kalvoda
Keri Kropke, M.A., M.A., CCC-SLP

Members Absent: Francisco Silva

Staff Present: Carolyn Aboubechara, Executive Director
Chris Healy, Associate Governmental Program Analyst
Rachel Dunham, Associate Governmental Program Analyst
Tyler Bui, Associated Governmental Program Analyst
Kylie Stasko, Associate Governmental Program Analyst

Chair Ma declared a quorum present.

Item #2

**Approval of the Minutes from the September 29, 2022,
Authority Meeting (Action Item)**

Chair Ma asked the Authority members if there were any changes or edits to the minutes.

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

Authority Action

Motion to approve the minutes from the September 29, 2022, Authority meeting.

MOTION: Member Kropke SECOND: Member Benjamin

AYES:.....Members: Kalvoda, Hertzka, Cherry, Kropke, Benjamin, Dorsey,
McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #3

Executive Director’s Report (Information Item)

Nondesignated Public Hospital Bridge Loan Program II Update

Executive Director Aboubechara gave some background and an update on the Nondesignated Public Hospital Bridge Loan Program II. Executive Director Aboubechara reported that the application deadline for the first round was October 14, 2022. CHFFA received nine applications, totaling a little over \$41 million. Executive Director Aboubechara reported the final loan amounts would be determined based on the calculations in the approved guidelines as a proportionate share of the amount allocated for each hospital. CHFFA expects all \$40 million to be loaned out given that all the applications are complete and meet the program requirements once staff finalized their reviews. Executive Director Aboubechara reported that CHFFA does not expect a need for a second funding round at this point. Once the loans are approved, staff would present the hospitals and amounts received at the subsequent board meeting.

Bond Delegation of Powers Update

Executive Director Aboubechara reported a Delegation of Powers update for Providence St. Joseph Health (PSJH). Executive Director Aboubechara reported that in August 2022, PSJH provided notice to the Authority of its intent to transition to a new trustee and requested the Authority execute the First Supplemental Bond Indenture. Executive Director Aboubechara executed the First Supplemental Bond Indenture on October 5, 2022.

Other Items

Executive Director Aboubechara gave an update on a site visit and tour with CHFFA staff and Treasurer Ma to the Children’s Hospital of Los Angeles and reported seeing various medical equipment that was financed with Proposition 61 (2004), Proposition 3 (2008) and Proposition 4 (2018) Children’s Hospital Programs. The equipment included Echo Machines to detect heart defects, Giraffe beds and Panda warmers in the NICU to regulate temperatures and humidity for the newly born patients, and a portable computed tomography scanner. The tour included the lab where a machine purchased with grant funds that analyzed blood and detected various cancer types.

Executive Director Aboubechara introduced new staff member Rana Mayers as an analyst that joined CHFFA’s Bonds and Loans team. Executive Director Aboubechara also mentioned that Anna Ramirez would be leaving CHFFA to start a new position as a Staff Services Manager at the California Debt and Investment Advisory Commission.

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

Item #4 **Tarzana Treatment Centers, Inc.**
Bond Financing Program
Supplement and Amendment to Resolution No. 434 (Action Item)

Chris Healy presented. Tarzana Treatment Centers, Inc. (Tarzana) requested the Authority approve a Supplement and Amendment to Resolution No. 434 (Original Resolution). Chris Healy reported that the Original Resolution authorized the issuance of one or more series of bonds in an amount not to exceed \$13.5 million. In March 2019, the Authority issued bonds in the principal amount of approximately \$13.5 million. However, after the issuance of the bonds, Tarzana received funding from another source and applied that funding to some projects authorized in the Original Resolution. This action resulted in \$4.4 million in unspent bond proceeds. Tarzana requested the Authority to supplement and amend the Original Resolution to apply the remaining bond proceeds to additional eligible projects. Projects included the acquisition and remodeling of a facility to be used for outpatient drug and alcohol treatment and case management services.

Attendees: (via teleconference) Albert Senella, President and Chief Executive Officer, Tarzana Treatment Centers, Inc., Borrower; Brian D. Quint, Partner, Quint & Thimmig LLP, Bond Counsel; and Rob Pankratz, Vice President, Wulff, Hansen & Co., Municipal Advisor.

Member Cherry asked what the approximate increase in volume of patients would be for the new facility.

Tarzana’s President Senella responded that the volume would increase by two to three hundred patients.

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

Authority Action

Motion to approve Supplement and Amendment to Resolution No. 434 for Tarzana Treatment Centers, Inc., with all prior provisions and conditions remaining unchanged and in full effect.

MOTION: Member Benjamin SECOND: Member Cherry

AYES:.....Members: Kalvoda, Hertzka, Cherry, Kropke, Benjamin, Dorsey,
McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #5

**University of California Irvine Medical Center
Children's Hospital of Orange County
Children's Hospital Programs of 2008 (Proposition 3) and 2018 (Proposition 4)
Resolution No. CHP-3 2022-02 and Resolution CHP-4 2022-01 (Action Item)**

Member Cherry recused himself from Item #5 because he is an employee of the University of California.

Member Kalvoda recused herself from Item #5 due to being a community partner of University of California Irvine Medical Center and Children's Hospital Orange County.

Rachel Dunham presented. The University of California Irvine Medical Center (UCI) requested the Authority approve a grant in the amount not to exceed \$12,216,949.50 under Proposition 3 and a grant in the amount not to exceed \$30,212,071.50 under Proposition 4 to fund the pediatric portion of constructing and equipping the Center for Advanced Care (CAC), a new five-story, mixed-use medical office owned by UCI. Rachel Dunham reported that the pediatric portion of the CAC would be located on the first and second floors. Proposition 3 money would be used to reimburse and fund the Center for Autism and Neurodevelopmental Disorders (CAND) located on the first floor of the CAC. Rachel Dunham reported that the Proposition 4 grant money would be used to reimburse and fund the Center for Children's Health (CCH) located on the second floor of the CAC. The CCH would provide pediatric services, such as primary care, multispecialty care, and rehabilitation care. Children's Hospital of Orange County (CHOC) applied jointly with UCI only for the Proposition 4 grant money. CHOC would lease the space from UCI and operate the pediatric services on the second floor of the CAC. UCI would be the lead grantee, and CHOC would be the joint grantee for the Proposition 4 grant. Rachel Dunham reported that construction on the CAC had started on January 13, 2021, and construction would be completed by March 31, 2024.

Attendees: (via teleconference) UCI: Randolph Siwabessy, Chief Financial Officer Clinical Enterprise; Neil Myers, Controller; Cathy Brock, Executive Director, CAND and Interim Chief Administrative Officer, Pediatrics; Paul Da Veiga, Director, Planning Administration; Diane Laird, Strategy Advisor; Courtney Chu, Senior Manager, Business Relations; and Dr. Coleen Cunningham, Professor and Chair of Pediatrics at the University of California Irvine and Senior Vice President and Pediatrician-in-Chief at Children's Hospital of Orange County.

CHOC: Kerri Ruppert Schiller, Executive Vice President and Chief Financial Officer; Bill Rohde, Vice President Finance; and Jason Culp, Vice President CHOC Children's Specialists.

CAND's Executive Director Brock thanked the Authority and gave an overview of the CAND.

CHOC's Vice President Culp thanked the Authority and gave an overview of the CCH.

Member Kropke stated how excited she was about the joint collaboration between UCI and CHOC and the outdoor treatment area for CAND.

Member Dorsey asked about the external financing sources. UCI's Chief Financial Officer Siwabessy responded that the external financing funds were from University of California, and UCI's Controller. Myers confirmed that was correct information.

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

Authority Action

Resolution No. CHP-3 2022-02 – University of California Irvine Medical Center

Motion to approve Resolution No. CHP-3 2022-02 for the University of California Irvine Medical Center to receive a grant not to exceed \$12,216,949.50, less costs of issuance and administrative costs), subject to all requirements of the Children’s Hospital Program of 2008.

MOTION: Member Kropke SECOND: Member Benjamin

AYES:.....Members: Hertzka, Kropke, Benjamin, Dorsey, McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....Members: Kalvoda, Cherry

MOTION APPROVED.

Resolution No. CHP-4 2022-01 – University of California Irvine Medical Center and Children’s Hospital of Orange County

Motion to approve Resolution No. CHP-04 2022-01 for the University of California Irvine Medical Center and the Children’s Hospital of Orange County to receive a grant not to exceed \$30,212,071.50, less costs of issuance and administrative costs, subject to all requirements of the Children’s Hospital Program of 2018.

MOTION: Member McDonald SECOND: Member Benjamin

AYES:.....Members: Hertzka, Kropke, Benjamin, Dorsey, McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....Members: Kalvoda, Cherry

MOTION APPROVED.

Item #6

**Guiding Light Home for Boys, Inc.
Healthcare Expansion Loan Program II (HELP II)
Resolution No. HII-339 (Action Item)**

Tyler Bui presented. Guiding Light Home for Boys, Inc. (Guiding Light) requested the Authority approve a HELP II loan in an amount not to exceed \$800,000. Tyler Bui reported that the loan proceeds would be used to finance the purchase of a property in Riverside County to relocate an existing Short Term Residential Therapeutic Program (STRTP) facility.

Attendees: (via teleconference) Candace Hache, Executive Director and Adrianna Vermilion, Head of Service at Guiding Light Home for Boys, Inc., Borrower.

Guiding Light’s Head of Service Representative Vermilion gave an overview of Guiding Light’s project.

Chair Ma asked how many youths were being served currently, and how long did they stay.

Guiding Light’s Head of Service Representative Vermilion responded that there were currently six boys in the facility. It varied on the length of time depending on the transition plan. On average it was four to nine months, and some were there for over a year depending on their circumstances.

Member Cherry asked if the two current facilities were adjacent to each other.

Guiding Light’s Head of Service Representative Vermilion responded they function individually yet under the same umbrella. The two homes were located 4.65 miles apart, but they had their own staffing at each house.

Chair Ma asked if there were three boys in one home with a live-in staff member.

Guiding Light’s Head of Service Representative Vermilion responded that there was not a live-in; however, there was always a staff member present. The staffing ratio was one-to-three between the hours of 7:00 a.m. to 10:00 p.m. and a ratio of one-to-six for the night shift.

Chair Ma asked if the kids go to school during the week and if their referrals were from the courts.

Guiding Light’s Head of Service Representative Vermilion responded yes that most of them go to school daily during the week, and the referrals came primarily from family services and some through probation.

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

Authority Action

Motion to approve Resolution No. HII-339 for Guiding Light Home for Boys, Inc., in an amount not to exceed \$800,000, subject to the terms and conditions in the resolution.

MOTION: Member McDonald SECOND: Member Kropke

AYES:.....Members: Kalvoda, Hertzka, Cherry, Kropke, Benjamin, Dorsey,
McDonald, Ma

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #7 **County of Kings**
Investment in Mental Health Wellness Grant Program for Children and Youth
First Amendment to Resolution No. CY 2022-01 (Action Item)

Kylie. Stasko presented. The County of Kings (County) requested Authority approval to amend the milestone conditions of being open and operational from November 30, 2022, to October 31, 2023, and of submitting all capital disbursement documentation from January 3, 2023, to December 31, 2023 for its Mobile Crisis Support Team (MCST) project. Kylie Stasko reported that the County’s network of specialty mental health service providers for children and youth had expanded, and the County believed that the service providers’ relationships in the community would be best utilized for the implementation of the MCST project, including

