

MINUTES (DRAFT)

**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 is providing 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

September 29, 2022 – 1:30 P.M.

OPEN SESSION

Audrey Noda, 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: Audrey Noda for Fiona Ma, CPA, State Treasurer
Indira McDonald for Betty T. Yee, State Controller
Adam Dorsey for Joe Stephenshaw, Director of Finance
Francisco Silva
Robert Hertzka, M.D. (joined meeting at 1:40 P.M.)
Katrina Kalvoda
Keri Kropke, M.A., M.A., CCC-SLP

Members Absent: Antonio Benjamin
Robert Cherry, M.D.

Staff Present: Carolyn Aboubechara, Executive Director
Summer Nishio, Staff Services Manager II
Anna Ramirez, Associate Governmental Program Analyst
Matt Francis, Staff Services Manager I
Eman Hariri, Associate Governmental Program Analyst

Chair Noda declared a quorum present.

Item #2

**Approval of the Minutes from the August 25, 2022,
Authority Meeting (Action Item)**

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

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

Authority Action

Motion to approve the minutes from the August 25, 2022, Authority meeting.

MOTION: Member Kalvoda SECOND: Member Kropke

AYES:.....Members: Silva, Kalvoda, Kropke, Dorsey, McDonald, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #3

Executive Director’s Report (Information Item)

Bond Delegation of Powers Update

Ms. Aboubechara reported a Delegation of Powers update for Providence St. Joseph Health (PSJH). Ms. Aboubechara reported that in August 2022, PSJH provided notice to the Authority, regarding the St. Joseph Health System Series 2009C and 2009D bonds, of its intent to transition the bonds to a new trustee and requested the Authority execute the Agreement of Trustee Removal, Appointment and Acceptance to effectuate the change of trustee. The Executive Director executed the Agreement of Trustee Removal, Appointment and Acceptance on September 9, 2022.

Other Items

Ms. Aboubechara introduced new staff member Ashley Etter.

Ms. Aboubechara also mentioned that Matt Francis had been promoted to Staff Services Manager I.

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

Item #4

**OLE Health
Healthcare Expansion Loan Program II (HELP II)
Resolution No. HII-337 (Action Item)**

Member Silva recused himself from Item #4 since Member Silva is the Chief Executive Officer of the California Primary Care Association, which the borrower, OLE Health, is a member.

Ms. Ramirez presented. OLE Health (OLE) requested the Authority approve a HELP II loan in an amount not to exceed \$2,000,000. Ms. Ramirez reported that the loan proceeds would be used to finance the purchase of a property that would be used as a call and referral center for patient care services and administrative space. Ms. Ramirez mentioned that OLE is requesting a policy exception to the \$40 million annual gross revenue maximum. OLE’s audited statement of operations for FY 2021 reflects gross revenues of approximately \$40.6 million, about

Mr. Malone responded that management visits the homes constantly, multiple times per day. Mr. Malone explained that they maintain high-level standards of living and that licensed homes were inspected by various government agencies. Mr. Malone explained that in each home there is live-in staff and there are housekeeping, maintenance, and supervisory teams that visit the homes daily.

Member Dorsey asked about a building loan in the liability section of the balance sheet.

Mr. Malone explained that it was a previous loan that the Authority refinanced earlier in 2022.

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

Authority Action

Motion to approve Resolution No. HII-338 for Fred Brown’s Recovery Services, Inc., in an amount not to exceed \$1,532,000, subject to the terms and conditions in the resolution.

MOTION: Member Dorsey SECOND: Member Silva

AYES:.....Members: Silva, Kalvoda, Hertzka, Kropke, Dorsey, McDonald, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #6

Heritage Group Homes, Inc.

HELP II

First Amendment to Resolution No. HII-334 (Action Item)

Ms. Ramirez presented. Heritage Group Homes, Inc. (Heritage) requested Authority approval to amend the project description of its HELP II loan to include the option to purchase one or more single family homes and to include Orange County in the areas Heritage might seek to purchase the properties.

Attendees: (via teleconference) Sandi K. Heyer, Executive Director, Heritage Group Homes Inc., Borrower.

Ms. Heyer thanked the Authority and gave an overview of Heritage’s projects.

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

Authority Action

Motion to approve First Amendment to Resolution No. HII-334 for Heritage Group Homes, Inc., all other conditions remain unchanged and in full effect.

MOTION: Member Kalvoda SECOND: Member Kropke

AYES:.....Members: Silva, Kalvoda, Hertzka, Kropke, Dorsey, McDonald, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

County of Tulare

Investment in Mental Health Wellness Grant Program for Children and Youth
First Amendment to Resolution No. CY 2021-09 (Action Item)

Ms. Hariri presented. The County of Tulare (County) requested Authority approval to amend the milestone conditions of being open and operational from September 30, 2022, to June 30, 2023, and the deadline to submit all disbursement documentation from December 31, 2022, to September 30, 2023. Ms. Hariri reported that the County began recruiting staff for the mobile crisis support team (MCST) in February 2022 but encountered difficulties in hiring candidates. As a result, in April 2022, the County decided to contract with a service provider that would be able to staff and operate the MCST program. A service provider was identified, and the County anticipated the contract to be executed before January 2023. Ms. Hariri reported that in addition to the hiring difficulties, the County also postponed the purchase of the MCST vehicle. The County anticipated that the vehicle would be purchased before November 2022, and the delivery date would be before May 2023.

Attendees: (via teleconference) Dr. Casie Ennis, Division Manager; Diane Higginbotham, Administrative Specialist; and Ryan Caceres, Administrative Specialist, Tulare County Health & Human Services Agency, Mental Health Branch.

Dr. Ennis thanked the Authority and gave an overview of the County’s hiring struggles.

Member McDonald relayed the State Controller’s concerns regarding the struggle in finding new hires for behavioral and health professionals, and if the County was having a difficult time finding new hires, why would the service provider have an easier time. Member McDonald also asked about the service providers’ qualifications requirements.

Dr. Ennis responded that the service provider would have an easier time hiring because they offer competitive pay and insurance benefits, which the County cannot match. The qualifications include provisions of clinical and crisis services and trained staff. The service provider, Tulare County Office of Education, had extensive experience working with the school systems, and provided social work programs for the youth. The service contract with the County would allow the service provider to add additional trained staff that would focus on providing MCST services.

Member Kropke asked about the definition of the clinical position for the MCST and about the pay scale.

Dr. Ennis explained that the clinical position included licensed marriage and family therapists, licensed social workers, and licensed professional counselors.

Mr. Caceres provided information regarding the pay scale difference of annual salaries for clinicians provided by the County and the service provider.

Member Silva asked if the behavioral health services also included social services.

Dr. Ennis responded that currently the services were only MCST support and that the County intended to expand services in the future by adding peer support specialists to the team.

Member Dorsey commended the County’s resourcefulness considering the staffing challenges that existed.

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

Authority Action

Motion to approve First Amendment to Resolution No. CY 2021-09 for the County of Tulare to amend milestone conditions and extend the grant period expiration date.

MOTION: Member Silva SECOND: Member McDonald

AYES:.....Members: Silva, Kalvoda, Hertzka, Kropke, Dorsey, McDonald, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Item #8

County of Los Angeles

Investment in Mental Health Wellness Grant Program

Sixth Amendment to Resolution No. MH 2014-06 (Action Item)

Ms. Hariri presented. Ms. Hariri mentioned a correction to the staff report on page three, first paragraph, first sentence, the date of March 31, 2023, was changed to April 30, 2023.

The County of Los Angeles (County) requested Authority approval to amend the milestone condition of being open and operational from September 30, 2022, to April 30, 2023, for its 15 Crisis Residential Treatment Programs (CRTP). Ms. Hariri reported that the reasons for the delay in opening the facilities located at LA+USC Medical Center Campus, Olive View-UCLA Medical Center Campus, Rancho Los Amigos National Rehabilitation Center, and Martin Luther Jr. Medical Center, were due to delays in the execution of the remaining three service provider agreements and the licensing site reviews for the community care licensing were taking longer than anticipated.

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

Ms. Yanagimoto-Pinedo introduced her new boss, Connie Draxler, Acting Chief Deputy Director.

Ms. Draxler introduced herself, expressed how pleased she was with the collaboration with the Authority and restated the delays in contracting and licensing.

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

Authority Action

Motion to approve Sixth Amendment to Resolution No. MH 2014-06 for the County of Los Angeles to amend a milestone condition and extend the grant period and resolution expiration dates to July 31, 2023.

MOTION: Member Kropke

SECOND: Member Dorsey

AYES:.....Members: Silva, Kalvoda, Hertzka, Kropke, Dorsey, McDonald, Noda

NOES:.....NONE

ABSTAIN:.....NONE

RECUSE:.....NONE

MOTION APPROVED.

Items #9 and #10

Public Comment and Adjournment

Chair Noda asked for public comment. Hearing none, the meeting adjourned at 2:17 P.M.