

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Children's Hospital Program of 2018 (Proposition 4)

First Amendment to Resolution Number CHP-4E 2020-10

Santa Barbara Cottage Hospital

December 1, 2022

PURPOSE OF THE REQUEST:

Santa Barbara Cottage Hospital (Hospital) is requesting the Authority approve an amendment to Resolution Number CHP-4E 2020-10 to amend the project description and extend the grant period and resolution end dates for its Children's Hospital Program of 2018 (Health & Saf. Code, §1179.81 et seq.) (CHP) project.

BACKGROUND:

On June 25, 2020, the Authority approved a final allocation for the Hospital in an amount not to exceed \$12,900,000.00 to fund the construction of a new pediatric facility that would house the Hospital's Grotenhuis Pediatric Clinics. The new facility would be constructed on land adjacent to the Hospital and would include the expansion and relocation of 10 existing pediatric clinics (cardiology, concussion, developmental & behavioral health, endocrinology/diabetes, gastroenterology, high-risk infant, nephrology, oncology/hematology, rheumatology, and surgery) and the addition of five new pediatric specialty clinics (child psychiatry, neurology, pulmonology, adolescent medicine, and infectious disease).

ISSUE:

On September 1, 2022, the Hospital submitted a formal request to change the approved project description from a stand-alone pediatric outpatient building to a mixed-use building with approximately 48.2% of the space dedicated to pediatric services and to also fund pediatric equipment/furnishings. According to the Hospital, the multiple pediatric specialty clinics proposed in the approved project will remain in place except for the child psychiatry clinic, which will no longer be part of the project. The Hospital has placed the new child psychiatry clinic currently on hold until a more thorough evaluation of the community's pediatric mental health services is done. On February 24, 2022, the Hospital's project change request was presented to the Authority board as an information item (see Exhibit A).

Since presenting the project description change information item to the Authority board in February 2022, Authority staff has been working diligently with the Hospital to obtain all the necessary documentation to substantiate the request and determine if the project change would have been awarded if it had been the original concept at the time of application.

The Hospital submitted all the required documentation to support the Parameters for Addressing Future Request for Project Scope/Description Changes – Review Matrix (see Exhibit C). After reviewing the documentation, Authority staff has determined that it continues to meet the requirements of CHP, and the project would have been awarded had it been the original concept at the time of application.

The Hospital re-evaluated its continuum of care, and to better address clinical needs and make the most efficient use of the site, the Hospital decided to expand the project that was initially dedicated only to pediatric services to include adult medical services and develop the child psychiatry clinic in the future. For the newly designed floor plan, see Exhibit D.

The Hospital has determined that a 14,036 gross square feet (gsf) footprint is sufficient to accommodate future pediatric space needs due to the use of telehealth and the proximity to the larger Hospital campus. At the onset of the COVID-19 pandemic, clinic physicians started offering virtual appointments to reduce in-person visits, which proved to be very effective for follow-up appointments that did not require a patient exam. Clinic staff also learned that telehealth is more accessible for children and families, especially for those with transportation challenges or young siblings. As a result of the telehealth success, the Hospital can adopt more flexible access to healthcare with reduced floorspace. The proximity of the facility to the Hospital allows for more space-saving elements because minor procedures and physical/occupational therapy can take place at the larger Hospital campus.

The Hospital needs to further evaluate the availability of psychology, psychotherapy, group counseling, and supplemental wellness services within the region to determine the best child psychiatric service model and remains committed to develop the child psychiatric clinic in the future.

NEW PROPOSED PROJECT:

Initial Project	New Project
Stand-alone two-story pediatric outpatient building	Mixed-use two-story outpatient building that serves adult and pediatric patients
Approximately 28,000 gsf	Approximately 29,665 gsf with 14,036 gsf (48.2%) dedicated solely to pediatric services
Expansion and relocation of <u>10 existing pediatric clinics</u> (cardiology, concussion, developmental & behavioral health, endocrinology/diabetes, gastroenterology, high-risk infant, nephrology, oncology/hematology, rheumatology, and surgery) and the addition of <u>five new pediatric clinics</u> (child psychiatry, neurology, pulmonology, adolescent medicine, and infectious disease)	Expansion and relocation of the <u>10 existing pediatric clinics</u> (cardiology, concussion, developmental & behavioral health, endocrinology/diabetes, gastroenterology, high-risk infant, nephrology, oncology/hematology, rheumatology, and surgery) and the addition of <u>four new pediatric clinics</u> (neurology, pulmonology, adolescent medicine, and infectious disease) and <u>funding of pediatric equipment/furnishings costs.</u>

Initial Project	New Project
Total cost of the project is approximately \$33 million	Total cost of the project is approximately \$48 million
Hospital's internal funding allocated to the project: \$19,939,191.00	Hospital's internal funding allocated to the project: \$35,152,021.00
Expected to serve 3,175 additional pediatric patients starting in 2024	Expected to serve 4,061 additional pediatric patients starting in 2026

Authority staff has determined that, since this is a mixed-use facility, a proportionate share of approximately 48.2% will be applied to the construction costs of the core and shell of the building, architect, consulting, license/permit, inspection, testing, and contingency fees. Additionally, tenant improvement costs of approximately \$5 million for the second floor and the costs of equipment/furnishings of approximately \$1.2 million will not be subject to the proportionate share as they are solely dedicated to pediatric patients. The total amount of the Hospital's eligible pediatric cost is estimated to be \$16,119,952.00, which is higher than the amount of grant funds awarded (see Exhibit E).

The Hospital has provided documentation demonstrating that it has sufficient internal funding to cover the cost of the entire project. According to the updated project timeline, the preconstruction of the project started in October 2021. The Hospital anticipates that the project will be completed by December 31, 2025.

Sources and Funds:

CHP Request	\$ 12,900,000.00
Hospital Internal Funding	35,152,021.00
Total	<u>\$ 48,052,021.00</u>

Uses of Funding:

Construction	\$ 44,267,490.00
Equipment	3,645,856.00
Admin Costs	129,000.00
Costs of Issuance	9,675.00
Total	<u>\$ 48,052,021.00</u>

RECOMMENDATION:

Staff recommends the Authority approve an amendment to Resolution Number CHP-4E 2020-10 to (1) amend the project description; (2) extend the grant period end date from August 31, 2025, to July 1, 2027; and (3) extend the resolution end date from August 31, 2026, to July 1, 2028.

EXHIBITS:

- A. February 2022 Information Item
 - Parameters for Addressing Future Requests for Project Scope/Description Changes
 - SBCH Project Change Request
- B. Project Change Request Letter from Hospital
- C. Review Matrix for SBCH's project change request
- D. Architectural Plan
- E. Budget Detail – MOB and Pediatric Portion
- F. Sources and Uses of Funds

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

**Requests by Eligible Hospitals to Change Project Scopes/Descriptions
for the Children's Hospital Program of 2018**

Information Item

February 24, 2022

Background: On November 6, 2018, California voters passed Proposition 4, enabling the State of California to issue \$1.5 billion in General Obligation bonds for the Children's Hospital Program of 2018 (Program). Eight private non-profit Children's Hospitals are each eligible for \$135 million, five University of California Children's Hospitals are each eligible for \$54 million, and \$150 million was allocated for public or private nonprofit hospitals that provide pediatric services for children eligible for the California Children's Services program (Eligible Hospitals) to be awarded on a competitive basis.

The Authority has awarded grants to 15 Eligible Hospitals for approximately \$149.2 million in two competitive funding rounds, with \$777,617.57 in funds available for a third funding round, which will be scheduled at a later date. If there are any remaining funds from the \$150 million allocated to Eligible Hospitals after the June 30, 2033 deadline, those funds would be available to any eligible Children's Hospital (the five UC's and eight private non-profit hospitals).

The regulations implementing the Program require grantees to continue to use/operate the grant-funded projects, as approved in the project description of the Authority resolution, for the useful lives of the projects. If for some reason this requirement is not fulfilled, the grantee would be considered in default, and the Authority has the right to recover grant funds. Also, if part of a project funded with grant funds ceases to be used by a grantee prior to the end of the useful life of the project, the Authority is entitled to recover grant funds in a ratio proportionate to the value of the entire project.

Request: Staff has recently received a project scope change request for an approved project from one of the Eligible Hospital grantees, Santa Barbara Cottage Hospital (SBCH) (see Exhibit A).

Requests for project changes from Children's Hospitals, whose grant amounts are established and awarded on an on-going basis, are brought before the board for approval. The Authority has only received and approved one request for change to an approved project description for a Children's Hospital since the first Children's Hospital Program was established in 2004 – the initial approved project changed from constructing a two-story pediatric use building to a five-story mixed use building.

Because grant amounts and awards for Eligible Hospitals are determined on a competitive basis, staff has developed parameters for project scope/description change requests received from Eligible Hospitals based on similar parameters that are in place for other competitive grant programs administered by CHFFA.

In consultation with legal counsel and the Attorney General's Office, staff has confirmed that the board has authority to approve a project scope change based on section 7011 of the Program regulations, which states, "*The Authority may, on a case-by-case basis, consider a change in the use of the Grant if the Grantee demonstrates that the change is consistent with the Act and this chapter.*"

SBCH's project scope change request is the only project scope change request CHFFA has received to date from Eligible Hospitals, but because of the impact of the COVID-19 pandemic on Eligible Hospitals' budgets, staff anticipates that other Eligible Hospitals may come before the board to request changes to their approved project scopes/descriptions. Staff has compiled a list of parameters that will be uniformly applied to all Eligible Hospitals' requests for project scope/description changes before bringing the request before the board for approval.

Parameters for Addressing Future Requests for Project Scope/Description Changes:

The below steps will be taken when the Authority staff receives a project scope/description change request:

1. Present an Information Item to the Authority board to request preliminary thoughts and direction prior to staff working on the request, so the Authority board is aware of the issue.
2. Grantee shall provide the following items:
 - A request letter signed by its authorized officer. The request letter should include the reason(s) for the requested changes.
 - An updated budget and timeline for the proposed project.
 - Updated information that is required in the grant application for the new/amended project.
3. Authority staff will evaluate the new information submitted and determine if it meets the intent of the statute and the Program requirements and will score it as if it was a new application.
4. Authority staff will assess whether it would have awarded the applicant originally had it submitted the new/amended project information and make a recommendation based on that determination.
5. If Authority staff recommends approval of the project scope/description amendment, Authority staff will present the Eligible Hospital's request as an action item to the Authority board for approval.
6. If Authority staff does not recommend approval of the project scope/description amendment, Authority staff will present an update to the Authority as an information item.

Exhibit A**Santa Barbara Cottage Hospital (SBCH) Project Scope/Description Change Request:**

Below is a description of the approved project and the proposed project changes:

Approved Project:

- On June 25, 2020, the Authority approved a final allocation for SBCH in the amount of \$12.9 million to fund the costs to construct a new pediatric medical facility (approximately 28,000 square feet) that will house the Cottage Children's Medical Center's Grotenhuis Pediatric Clinics. The new facility would house multiple pediatric specialty clinics, which include the expansion and relocation of ten existing pediatric specialty clinics (cardiology, concussion, developmental & behavioral health, endocrinology/diabetes, gastroenterology, high-risk infant, nephrology, oncology/hematology, rheumatology, and surgery) and the addition of five new clinics (child psychiatry, neurology, pulmonology, adolescent medicine, and infectious disease).

Proposed Project Changes:

- SBCH proposes to change the approved project from a stand-alone pediatric outpatient building (approximately 28,000 square feet) to a mixed-use building (approximately 30,452 square feet) for pediatric services and adult primary care and/or specialized medical services. Approximately 46% of the mixed-used building will be the pediatric portion.
- According to SBCH, the multiple pediatric specialty clinics proposed in the approved project will remain in place with the exception of the child pediatric psychiatry clinic, which will no longer be part of the project.



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August 31, 2022

Mr. Carolyn Aboubechara
Deputy Executive Director
California Health Facilities Financing Authority
915 Capitol Mall, Room 435
Sacramento, California 95814

Dear Ms. Aboubechara,

Thank you for this opportunity to submit a revised Children's Hospital Program application. The project change detailed in the application was the result of ongoing discussions within Cottage Health that took place after the application was submitted. Once this work was completed the hospital adjusted its approach to addressing the gaps in child and adolescent behavioral health services in the communities we serve.

When CHFFA announced the Children's Hospital Program in 2019, Cottage was undertaking long-range planning for the future of pediatric care in our region, including emergency, primary, and specialty care. Although the planning process was not fully completed, by the fall of 2019 we had concluded that expanding the Grotenhuis Pediatric Clinics would be a priority and submitted an application that included a child psychiatry consultation service for primary care pediatricians, known as the Child Psychiatry Access Program.

Since that time, Cottage has completed its planning for children's services, and decided that the top priorities would include the recruitment of a pediatric emergency medicine physician, the addition of a Residency Program in Pediatrics, and the expansion of the pediatric specialty clinics.

The rationale for not moving forward with the child psychiatry consultation service is related to the Cottage Center for Population Health's (center) work. After SBCH submitted its application to CHFFA, the center planned for and implemented several child and adolescent behavioral health initiatives. A summary of the center's needs assessment and its work is enclosed.

Cottage remains committed to accessible child and adolescent psychiatry services. With the center's efforts underway, Cottage Children's made a strategic decision to place the consultation service on hold. As the center completes its Child and Adolescent

Behavioral Health Asset Mapping and other evaluation efforts, Cottage Children's will give further consideration to how it can best contribute to expanding accessible child and adolescent psychiatry in the context of the region's pediatric behavioral health continuum of care.

Additionally, as detailed in the application, Cottage Children's Medical Center's leadership is monitoring the Department of Health Care Services' CalAIM planning and the California Health and Human Services Agency's Child and Youth Behavioral Health Initiative (CYBHI). Medi-Cal's transition to the CalAIM model and CYBHI include efforts to improve child and adolescent behavioral health services across the State. Together with the center's work in our communities, these statewide efforts will inform how Cottage Children's will contribute to improving this care continuum.

When the new pediatric facility is completed, SBCH anticipates servicing an additional 4,061 new pediatric patients. Of the four new specialty clinics listed in the application, three have opened. In the years ahead, we look forward to further expansion of the Grotenhuis Pediatric Clinics' medical programs.

Thank you for your consideration of these materials, and I especially want to thank the Children's Hospital Program's team for their guidance and counsel. For additional information, please contact Brenda Stanley, Senior Gift Officer for Foundation and Corporate Relations, at (805) 879-8997 or bstanley@sbch.org.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Ronald C. Werft".

Ronald C. Werft
President and Chief Executive Officer

Enclosures



Priority Area: Child and Adolescent Behavioral Health
August 2022

Established in 2014, the Cottage Center for Population Health (center) works to improve health and wellness, especially for and with residents affected by social determinants that compromise their long-term health—in our hospitals and in the community. The results of the center's 2019 Community Health Needs Assessment led the Population Health team to an increased focus on child and adolescent behavioral health. In close dialogue with its community partners, the center is leading several efforts designed to sustain and expand accessible child and adolescent behavioral health services.

Child and Adolescent Behavioral Health Asset Mapping. Between September 2021 and November 2022, the center will be leading a countywide effort to identify behavioral health assets, facilitate collaboration among child and adolescent behavioral health providers, and identify opportunities to mobilize the community to build a robust behavioral healthcare network for children and their families. Based on the principles of empowerment and community ownership, a community workgroup with broad representation will utilize participatory approaches to identify existing assets as the framework for collective planning and program development.

Behavioral Health Initiative. Through this four-year initiative, the center partners with child and adolescent behavioral health providers on expanding and enhancing treatment programs and preventative care. Established in 2020, the initiative provides program support to child and adolescent behavioral health providers to ensure that children and youth, especially children and youth insured by government health insurance programs, have access to behavioral health services and services designed to reduce the risk of mental health conditions. In one recent program, Sanctuary Centers of Santa Barbara led the Integrated Care Clinic Serving Youth partnership. In this program, Sanctuary Centers provides a child psychiatry consultation service to pediatric primary care providers.

When the Behavioral Health Asset Mapping is completed in 2022, the center will use the findings as the basis for the next phase of its work with community partners.

Pediatric Resiliency Collaborative. On behalf of a collaborative of community partners, in 2020 the Center received a \$3 million grant from the California Surgeon General's Office and the Department of Health Care Services to develop the infrastructure of an ACES Aware Initiative. Since the grant was awarded, 10 pediatric Medi-Cal primary care providers received training in an evidence-based Adverse Childhood Experiences screening process that identifies trauma and toxic stress in the pediatric population. Utilizing a case management model, identified children and families are offered early interventions aimed at trauma recovery, with an emphasis on child and family behavioral health therapies.

Parameters for Addressing Future Requests for Project Scope/Description Changes

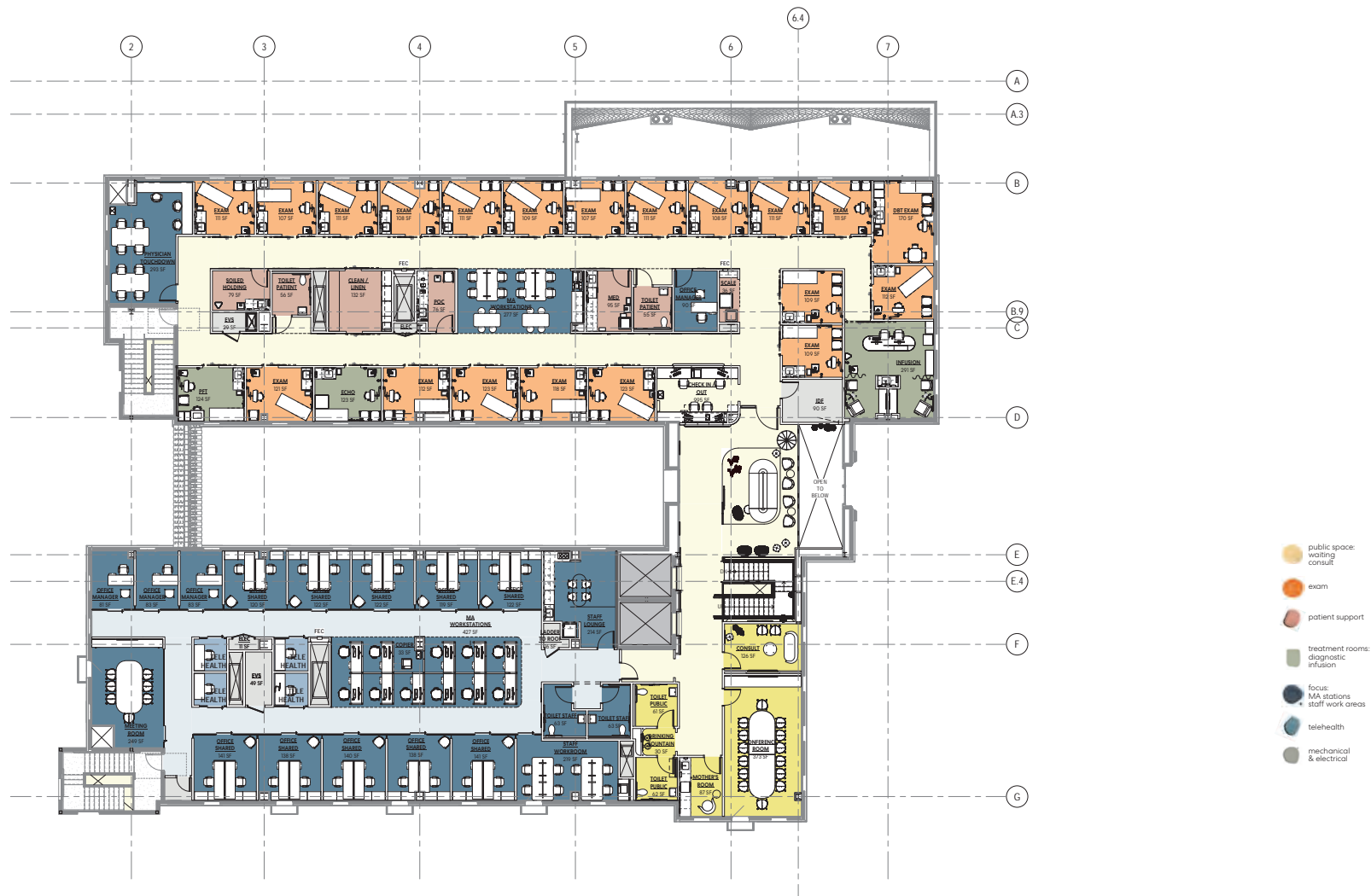
Review Matrix

Santa Barbara Cottage Hospital (SBCH) Children's Hospital Program of 2018

Procedure:	Notes:
1. Present an Information Item to the Authority board to request preliminary thoughts and direction prior to staff working on the request, so the Authority board is aware of the issue.	1. The Hospital's project scope change request was presented to the Authority at the February 24, 2022, board meeting.
2. Grantee shall provide the following items: <ul style="list-style-type: none"> - A request letter signed by its authorized officer. The request letter should include the reason(s) for the requested changes. - An updated budget and timeline for the proposed project. - Updated information that is required in the grant application for the new/amended project. 	2. The Hospital's project change request is to better address clinical needs and to make the most efficient use of the project site. The Hospital needs to further evaluate and determine the best child psychiatric service model for the community/region and remains committed to develop the child psychiatric clinic in the future. In addition, the Hospital is waiting on the implementation of two California initiatives ¹ related to behavioral health to determine how to best contribute in improving the care continuum. The Hospital also provided an updated budget and timeline for the proposed project along with other updated information for the proposed project change.

¹ The two state initiatives are the California Advancing and Innovating Medi-Cal (Cal AIM) implemented by the Department of Health Care Services and the Children and Youth Behavioral Health Initiative (CYBHI) implemented by the California Health and Human Services Agency. CalAIM is a multiyear initiative, spanning from 2022 to 2027, to improve quality of life and health outcomes of the Medi-Cal population especially those with the most complex needs, including expanded services for pediatric behavioral services (e.g., increase access to early interventional behavioral health services in schools). The CYBHI is a multiyear initiative that seeks to enhance, expand, and redesign the systems that support behavioral health for children and youth in California with a \$4.4 billion statewide investment.

Procedure:	Notes:
<p>3. Authority staff will evaluate the new information submitted and determine if it meets the intent of the statute and the Program requirements and will score it as if it was a new application.</p>	<p>3. Authority staff evaluated and scored the proposed project change and supporting documentation for completeness, responsiveness, and clarity in addressing the evaluation criteria. The proposed project has an average score of 108.5, which is higher than the original application score of 105. Staff determined that the proposed project continues to meet the requirements of CHP.</p>
<p>4. Authority staff will assess whether it would have awarded the applicant originally had it submitted the new/amended project information and make a recommendation based on that determination.</p>	<p>4. The Authority staff determined that the project change would have been awarded had it been the original concept at time of application.</p>



A	B	C	D	E	F	G	H
	29,665 sf (Att. A.3) first and second floor 100%			14,306 sf (Att. A.3) second floor 48.2%			
Line	Entire Medical Office Building	Estimate	Notes	Pediatric Portion	Estimate	Notes	CHFFA Qualifying
1	Total Core/Shell/Parking/Landscaping	23,144,149	Att. A.2				
2	Deduction: Parking	(10,301,481)	Att. A.4				
3	Deduction: Landscaping	(250,000)					
4	Subtotal Core/Shell Floors 1 and 2	12,592,668		Subtotal Core/Shell Floor 2	6,069,666	48.2%	6,069,666
5							
6	Floor 1 Tenant Improvements	5,005,681					
7	Floor 2 Tenant Improvements	4,994,319		Floor 2 TIs*	4,994,319	Att. A.5	4,994,319
8	Architects	2,540,000	Att A.6	Architects	1,224,280	48.2%	1,224,280
9	Equipment/Furnishings	3,645,856		Equipment/Furnishings*	1,200,000	Att A.7	1,200,000
10	Consulting	335,183		Consulting	161,558	48.2%	161,558
11	Legal	161,979		Legal	78,074	48.2%	-
12	License/Permits	662,883		License/Permits	319,510	48.2%	319,510
13	Inspection & Testing	300,000		Inspection & Testing	144,600	48.2%	144,600
14	Labor/Material Transfer	828,604		Labor/Material Transfer	399,387	48.2%	-
15	Contingency	4,161,865		Contingency	2,006,019	48.2%	2,006,019
16	April 2022 Cost Escalation	2,132,827		April 2022 Cost Escalation	1,028,023	48.2%	-
17	Subtotal Other	24,769,197			11,555,769		10,050,286
18							
19	Addition: Parking	10,301,481		Addition: Parking	4,965,314	48.2%	-
20	Addition: Landscaping	250,000		Addition: Landscaping	120,500	48.2%	-
21							
22	GRAND TOTAL	\$ 47,913,346			\$ 22,711,249		\$ 16,119,952

*100% billed separately

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Attachment A

Sources and Uses of FundsSources of Funds:

Total CHFFA Grant Amount Requested	\$	12,900,000	See Note
Eligible Hospital Internal Funds		35,152,021	
Other (bank loans, grants, etc.):		-	
Total Sources		48,052,021	

Uses of Funds

CHFFA Administrative Costs	129,000
CHFFA Cost of Issuance	9,675
Construct/Expand Facilities	12,592,668
Construct Parking Structure	10,301,481
Remodel/Renovate	-
Tenant Improvements	10,000,000
Purchase Equipment/Furnishings	3,645,856
Other (list)	
Architects	2,540,000
Consulting	335,183
Legal	161,979
Licenses/Permits	662,883
Inspection & Testing	300,000
Labor/Material Transfer	828,604
Landscaping	250,000
Capitalized Interest	-
Contingency	4,161,865
April 2022 Cost Escalation	2,132,827
Total Uses	\$ 48,052,021

Note: A CHFFA grant would be restricted to the pediatric portion of the medical office building.

FIRST AMENDMENT TO RESOLUTION NO. CHP-4E 2020-10

**RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING
UNDER THE CHILDREN'S HOSPITAL PROGRAM OF 2018
TO SANTA BARBARA COTTAGE HOSPITAL**

WHEREAS, the California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized by the Children's Hospital Bond Act of 2018 (Pt. 6.3 (commencing with Section 1179.81), Div. 1, Health and Safety Code; hereafter the "Act") and implementing regulations to award grants from the proceeds of general obligation bonds in an amount not to exceed \$15,000,000.00, less the bond issuance and administrative costs, to Santa Barbara Cottage Hospital ("the Grantee") to finance eligible projects; and

WHEREAS, Authority staff reviewed the Grantee's application against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$12,900,000.00, less bond issuance and administrative costs, to the Grantee for the eligible projects (the "Project") described in the application;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant of \$12,900,000.00, less bond issuance and administrative costs, to the Grantee to complete the Project as described in the Children's Hospital Program Application and Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a grant period that ends on ~~August 31, 2025~~. July 1, 2027.

Section 2. The Executive Director and the Deputy Executive Director are hereby authorized, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the application submitted to the Authority and extend the grant period completion date identified in Section 1 as authorized under the Act and implementing regulations. However, any extension approved by the Executive Director and the Deputy Executive Director shall not surpass the grant resolution expiration date. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director and the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to draw money from Act Fund not to exceed those amounts approved by the Authority for the Grantee. The Executive Director and the Deputy Executive Director are further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the transfer of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director and the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to do any and all things and to execute and deliver any and all documents, which the Executive Director and the Deputy Executive Director deem necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution ~~expires August 31, 2026.~~ is repealed on July 1, 2028.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by Santa Barbara Cottage Hospital to fund the eligible pediatric portion of the costs of constructing, equipping, and furnishing a new ~~pediatric~~ mixed-use medical facility that will house Cottage Children's Medical Center's Grotenhuis Pediatric Clinics. The new facility will house multiple pediatric specialty clinics.