### **MINUTES**

# CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority or CHFFA)

First Floor Conference Room 901 P Street, Room 102 Sacramento, California 95814

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

April 24, 2025, 1:30 P.M.

### **OPEN SESSION**

Deputy Treasurer Khaim Morton, 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: Khaim Morton for Fiona Ma, State Treasurer

Malia M. Cohen, State Controller (via teleconference)

Michele Perrault for Joe Stephenshaw, Director, Department of Finance

Francisco Silva

Robert Hertzka, M.D. Katrina Kalvoda

Members Absent: Antonio Benjamin

Robert Cherry, M.D.

Keri Kropke, M.A., M.A., CCC-SLP

Staff Present: Carolyn Aboubechara, Executive Director

Bianca Smith, Deputy Executive Director Balpreet Chahal, Staff Services Analyst

Controller Cohen confirmed that no one over the age of 18 was in the room with them.

Chair Morton declared a quorum present in-person. Chair Morton reminded virtual attendees to mute their microphones until their respective turn to speak and requested all attendees to state their names and organization for the record. Chair Morton asked that participants speak into their microphone.

## Item #2 Approval of the Minutes from the March 27, 2025 Meeting (Action Item)

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

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

## **Authority Action**

Motion to approve the minutes from the March 27, 2025 Authority meeting.

MOTION: Member Hertzka SECOND: Member Perrault

AYES: ......Members Silva, Hertzka, Perrault, Cohen, Morton

NOES:....NONE

ABSTAIN: .....Member Kalvoda

RECUSE: .....NONE

MOTION APPROVED

#### Item #3

## **Executive Director's Report (Information Item)**

# <u>Distressed Hospital Loan Program (DHLP) Update</u>

Executive Director Aboubechara pointed to an updated DHLP handout that listed the status of each DHLP loan. Executive Director Aboubechara noted that since the last board meeting and DHLP update, the Authority received one additional loan modification application and approved three loan modifications, granting a 12-month extension of the deferment period and maturity date to Chinese Hospital, MLK Jr. Community Hospital, and Tri-City Medical Center. In total, the Authority has received nine loan modification applications, of which six have been approved by the Authority, the Department of Health Care Access and Information (HCAI), and the Department of Finance (DOF), and three applications are still under review by the Authority, HCAI, and DOF. Authority staff would continue to update the Authority board on a monthly basis on the progress of the loan modification applications.

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

#### Item #4

El Camino Hospital (ECH), Mountain View, Santa Clara County Bond Financing Program Resolution No. 463 (Action Item)

Staff Member Chahal reported that ECH requested to issue tax-exempt bonds in an amount not to exceed \$275 million. Bond proceeds would be used to refund the outstanding Santa Clara County Financing Authority Series 2009A bonds and the CHFFA Series 2015A bonds, to finance the expansion and renovation of its Women's Hospital building in Santa Clara County, and to pay costs of issuance.

Attendees (in-person): Bryan Victor, Partner, Orrick, Herrington & Sutcliffe LLP.

(via teleconference): Carlos Bohorquez, Chief Financial Officer, Mike Walsh, Controller, and Theresa Fuentes, Chief Legal Officer, El Camino Hospital; Lina Thoreson, of Counsel, Orrick, Herrington & Sutcliffe LLP; and Sheldon Pope, Vice President and Henry Rasmussen, Associate, RBC Capital Markets, LLC.

Chief Financial Officer Bohorquez stressed the importance of the project being financed and added that ECH delivered 4,000 newborns in 2021 and expected to deliver 5,000 in 2025. The planned project would mark the last phase out of three phases of upgrades and all upgrades were expected to be completed by November 2025.

Chair Morton commended ECH for expanding healthcare access for women, especially during a time of such uncertainty.

Member Kalvoda asked why the planned expansion was necessary considering ECH was not at maximum occupancy.

Chief Financial Officer Bohorquez explained that the cited capacity of two-thirds was systemwide and not specific to the planned areas of expansion. In addition, Chief Financial Officer Bohorquez noted that the beds at ECH's Los Gatos campus were licensed for semi-private use but were being utilized as fully private beds.

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

### Authority Action

Motion to approve Resolution No. 463 in an amount not to exceed \$275 million for El Camino Hospital for the Bond Financing Program, subject to the terms and conditions in the resolution.

MOTION: Member Silva SECOND: Member Kalvoda

AYES: ..... Members Silva, Kalvoda, Hertzka, Perrault, Cohen, Morton

NOES:.....NONE ABSTAIN:....NONE RECUSE:.....NONE

MOTION APPROVED

## Items #5 and #6

**Public Comment and Adjournment** 

Chair Morton asked for public comment. Hearing none, the meeting adjourned at 1:43pm.