

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

HEALTHCARE EXPANSION LOAN PROGRAM II (HELP II)

First Amendment and Restatement to Resolution Number HII-368

Redwoods Rural Health Center, Inc.

July 30, 2026

PURPOSE OF THE REQUEST:

Redwoods Rural Health Center, Inc. (RRHC) is requesting to amend and restate Resolution Number HII-368 to change the project description for its HELP II loan.

BACKGROUND:

On April 30, 2026, the Authority approved a HELP II loan for RRHC in an amount not to exceed \$2,000,000 to convert a newly purchased property into a fully operational medical clinic to expand RRHC's service capacity to help meet the needs of Humboldt County patients.

ISSUE:

At the time of the Authority's board approval, RRHC's project included the renovation of a newly purchased building to be used as a community care health clinic with primary and behavioral health care services. RRHC's board is now requesting to expand the project scope from providing only medical services to providing medical and/or dental services. RRHC's board identified a significant and growing demand for dental care within its service area based on research showing anticipated provider shortages as local private practice dentists approach retirement. Additionally, RRHC's research demonstrated that dental services have historically generated stronger and more consistent financial performance, supporting the long-term sustainability of both the project and the organization.

The proposed amendment will continue to address the healthcare needs of the community by expanding access to essential dental services at a time when such services are expected to become increasingly limited. The requested change is expected to have a minimal impact on the overall project scope and timeline.

RECOMMENDATION:

Staff recommends the Authority approve the Amendment and Restatement to Resolution Number HII-368 for Redwoods Rural Health Center, Inc., to change the services provided from medical to medical and/or dental. All other conditions of Resolution Number HII-368 remain unchanged and in full effect. The proposed amended and restated resolution is attached with revisions shown.

FIRST AMENDED AND RESTATED RESOLUTION NO. HII-368

**RESOLUTION OF THE CALIFORNIA HEALTH FACILITIES FINANCING
AUTHORITY APPROVING EXECUTION AND DELIVERY OF
HEALTHCARE EXPANSION LOAN PROGRAM II (HELP II) AGREEMENTS WITH
REDWOODS RURAL HEALTH CENTER, INC.**

WHEREAS, the California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the provisions of the California Health Facilities Financing Authority Act (Gov. Code, §15430 et seq.) (the “Act”) to, among other things, provide secured or unsecured loans to participating health institutions (as that term is defined in the Act) to refinance existing debt and finance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing, or equipping of a health facility (as that term is defined in the Act); and

WHEREAS, the Authority established HELP II (the “Program”) to provide loans to participating health institutions ~~(as that term is defined in the Act)~~ as authorized by the Act; and

WHEREAS, **Redwoods Rural Health Center, Inc.** (the “Borrower”), a California participating health institution, ~~has applied~~ previously submitted a HELP II loan application to the Authority ~~for a loan through the Program, the application has been reviewed by the staff of the Authority, and the staff of the Authority has determined that the Borrower is eligible for a Program loan;~~ and

WHEREAS, on April 30, 2026, the Authority adopted Resolution No. HII-368, approving a HELP II loan for the Borrower to renovate and expand an existing facility located at 910 South Fortuna Boulevard, Fortuna, CA 95540; and

WHEREAS, the Borrower has requested the Authority amend and restate Resolution No. HII-368 to clarify that the renovated and expanded facility will provide medical and/or dental services;

~~WHEREAS, the Borrower now seeks approval of the loan by the Authority;~~

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

Section 1. Pursuant to the Act, the Authority approves a loan (the “Loan”) to the Borrower, in an amount not to exceed **\$2,000,000** for a term not to exceed **20 years** for the purposes described in Exhibit A of this resolution (the “Project”), but solely to the extent there are available proceeds of the Program, as determined pursuant and subject to Section 2 hereof. This approval is further contingent upon the following terms and conditions:

1. First lien on the real property located at 910 South Fortuna Boulevard, Fortuna, CA 95540
2. 20-year, three percent (3%) fixed rate loan
3. A current appraisal that exhibits a loan-to-value ratio not to exceed 95%

4. Executed construction contract
5. Corporate gross revenue pledge
6. Verification of borrower funds to close escrow and complete the project

Section 2. The Executive Director and/or the Deputy Executive Director are hereby authorized, for and on behalf of the Authority, to determine the final amount, terms, and conditions of the Loan, and to approve any changes in the Project described in the application submitted to the Authority, as that officer shall deem appropriate and authorized under the Act, provided that the amount of the Loan shall not be increased above the amount approved by the Authority and provided further that the Loan continues to meet the Authority's guidelines for HELP II loans. This resolution shall not be construed to require the Authority to obtain any additional funding, even if more loans are approved than there is available funding.

Section 3. The Executive Director and/or the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to draw money from the Program fund in a sum not to exceed those amounts approved by the Authority for the Loan. The Executive Director and/or the Deputy Executive Director are further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Borrower any and all documents necessary to complete the transfer of those amounts.

Section 4. The Executive Director and/or the Deputy Executive Director of the Authority are hereby authorized and directed to do any and all things and to execute and deliver any and all documents that the Executive Director and/or the Deputy Executive Director deems necessary or advisable to document the Loan and to otherwise effectuate the purposes of this resolution and the transactions contemplated hereby, and that have previously been approved as to form by the Authority.

Section 5. This resolution expires on October 31, 2026.

Date of Approval: _____

EXHIBIT A

USE OF HELP II LOAN PROCEEDS FOR RESOLUTION NO. HII-368

- Renovate and expand real property located at 910 South Fortuna Boulevard, Fortuna, CA 95540 [for the purpose of providing medical and/or dental services.](#)