MINUTES

CALIFORNIA HEALTH FACILITIES
FINANCING AUTHORITY
(Authority or CHFFA)

915 Capitol Mall, Room 121
Sacramento, California 95814

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

June 25, 2026, 1:30 P.M.

OPEN SESSION

Treasurer Fiona Ma, 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:	Fiona Ma, State Treasurer David Oppenheim for Malia Cohen, State Controller Sally Lukenbill for Joe Stephenshaw, Director, Department of Finance Antonio Benjamin (joined at 1:40 P.M.) Robert Hertzka, M.D. Katrina Kalvoda Keri Kropke, M.A., M.A., CCC-SLP
Members Absent:	Francisco Silva Robert Cherry, M.D.
Staff Present:	Carolyn Aboubechara, Executive Director Bianca Smith, Deputy Executive Director Brock Lewis, Supervisor II Leily Ghods, Supervisor I Rana Mayers, Analyst II Layly Roodsari, Analyst II Angel Nguyen, Analyst II Careen Prince, Analyst I

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

Item #2 **Approval of the Minutes from the April 30, 2026 Authority Meeting (Action Item)**

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

MOTION: Member Hertzka SECOND: Member Lukenbill

Authority Action

AYES:............Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES:............NONE
ABSTAIN:......NONE
RECUSE:........NONE

MOTION APPROVED

Item #3 **Executive Director's Report (Information Item)**

Contract Delegation of Powers Update

Executive Director Aboubechara reported the Authority had entered into an interagency agreement with the State Treasurer's Office in the amount of $157,154 for rent and security expenses. The contract was for fiscal year 2025-2026 and was executed under delegated authority.

Distressed Hospital Loan Program (DHLP) Update

Executive Director Aboubechara pointed to a handout in the members' materials and reported that three additional applications were received for a Loan Modification – Step 2, which is forgiveness of 12 months of loan payments. A total of 12 applications had been received, with two applications withdrawn and 10 applications currently active. To date, seven of the 10 active applications had been approved for a combined total of $26,666,666.64. Three hospitals were continuing to make monthly payments.

Executive Director Aboubechara provided an update on Assembly Bill 1923 (AB 1923), which was still progressing. AB 1923 proposed to replenish DHLP funds in the amount of $190 million to allow for another round of funding for hospitals. Executive Director Aboubechara stated that she would continue to update the Authority Board as AB 1923 progressed.

Disneyland License Plate Benefiting Children's Hospitals Update

Executive Director Aboubechara reported that CHFFA had submitted an application to the Department of Motor Vehicles' (DMV) Specialized License Plate Program (Program) on June 9, 2026. The submitted application included: (1) a plan on how funds would be used; (2) a marketing plan developed in collaboration with Disneyland Resort (Disneyland), the State Treasurer's Office, and CHFFA; (3) the financial plan for administrative costs; (4) the license plate design; (5) frequently asked questions; (6) draft website design; and (7) draft outreach materials. DMV notified Authority staff that review of the application could take 6 to 8 months, and Authority staff was already addressing feedback received by DMV on a flow basis. Since the initial press release in April 2026, the Authority's interest list for the Program grew from 11,000 to over 53,000 signups, with 37,000 unique emails, and the Program had received extensive social media attention.

Executive Director Aboubechara reported the contract with SpikeIT for payment and application processing was extended by an additional 2 months under delegated authority.

Member Oppenheim expressed thanks to Treasurer Ma, Executive Director Aboubechara, and Authority staff for distributing the $295 million in funding under the DHLP to keep essential hospital services open and for demonstrating the Authority's ability to effectively administer the Program, potentially securing an additional $200 million.

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

Item #4 **Lucile Salter Packard Children's Hospital at Stanford (Lucile Packard), Palo Alto, Santa Clara County**
Bond Financing Program
Resolution No. 471 (Action Item)

Staff Member Mayers reported that Lucile Packard requested Authority approval to issue tax-exempt bonds in an amount not to exceed $151,000,000. Bond proceeds would be used to refund Lucile Packard's CHFFA 2016 Series A and 2016 Series B bonds and to pay costs of issuance.

Attendee (in person): Jenna Magan, Partner, Orrick, Herrington & Sutcliffe LLP.

Attendees (via teleconference): Greg Hogue, Vice President – Finance; Cameron Hinkson, Director – Treasury, Lucile Salter Packard Children's Hospital at Stanford; and John Badwick, Executive Director, Morgan Stanley & Co. LLC.

Vice President Hogue explained that the original 2016 Series A and B bonds were used to finance the construction of a new hospital, which opened nearly a decade ago. Vice President Hogue also noted that the refunding would achieve significant savings, which will be reinvested into clinical programs serving Lucile Packard's patients.

Member Oppenheim expressed his appreciation for Lucile Packard's plan to reinvest the savings back into its programs to better serve patients.

Member Benjamin commended Lucile Packard for their efforts in serving the healthcare needs of the community.

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

Authority Action
Motion to approve Resolution No. 471 in an amount not to exceed $151,000,000 for Lucile Packard through the Bond Financing Program, subject to the terms and conditions in the resolution.

MOTION: Member Oppenheim SECOND: Member Kropke

AYES:.............Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES:.............NONE
ABSTAIN:......NONE
RECUSE:........NONE

MOTION APPROVED

Item #5 **Valley Children's Hospital (VCH), Madera, Madera County**
Children's Hospital Program of 2018
Resolution No. CHP-4 2026-02 (Action Item)

Staff Member Ghods reported that VCH was seeking Children's Hospital Program of 2018 (Proposition 4) grant funds to reimburse the costs of equipment purchases and renovation costs associated with the installation and replacement of pediatric patient care equipment. Equipment includes but is not limited to a Positron Emission Tomography/Computed Tomography System, Catheterization Lab equipment, new patient monitors, and an air handler unit. Renovations were completed and equipment was installed in June 2024. Staff reviewed the application provided and other submitted materials and determined that VCH's application satisfactorily met the six factors identified in Proposition 4.

Attendee (via teleconference): Tim Curley, Director of Public Policy and Advocacy, Valley Children's Hospital.

Director Curley gave an overview of VCH and thanked the Authority and Authority staff for their work on all programs, including the Disneyland License Plate Benefitting Children's Hospitals. Director Curley reported that there is a critical health care shortage in the Central Valley and that approximately 75 percent of patients at VCH are Medi-Cal recipients.

Member Kropke asked about the source of the critical healthcare shortage in the area mentioned by Director Curley.

Director Curley replied that the critical healthcare shortage was caused by various factors, including reimbursement disparities between public insurance and private insurance, highly trained professionals seeking work outside of the Central Valley, and the aging of the healthcare workforce.

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

Authority Action
Motion to approve Resolution No. CHP-4 2026-02 in an amount not to exceed $17,372,984.70 for VCH for the Children's Hospital Program of 2018, subject to the terms and conditions in the resolution.

MOTION: Member Kropke SECOND: Member Benjamin

AYES:.............Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES:.............NONE
ABSTAIN:......NONE
RECUSE:........NONE

MOTION APPROVED

Item #6 Elmer Hilo II DMD Inc. (Grantee), Pomona, Los Angeles County
Specialty Dental Clinic Grant Program (First Funding Round)
First Amendment and Restatement to Resolution No. SDC 2025-06 (Action Item)

Staff Member Roodsari reported that the Grantee requested Authority approval to amend the milestone conditions and extend the grant period and resolution expiration dates for its Specialty Dental Clinic Grant Program (SDC) project. The Grantee would not be able to meet the milestone condition deadlines due to prolonged coordination processes with the city, architects, and contractors, which exceeded the initial estimated timeline for its SDC project.

The Grantee experienced delays at the beginning of the project due to additional time being needed for coordination between two architecture firms and for obtaining architectural and permit approvals from the City of Pomona. The Grantee has confirmed that the architectural designs were finalized in June 2025, and permits were obtained on February 11, 2026. Construction of the facility is now underway and is anticipated to be completed by September 2026.

The Grantee requested to amend the milestone condition deadlines of being open and operational from July 31, 2026 to February 28, 2027 and of submitting disbursement documentation from December 31, 2026 to June 30, 2027 as well as an extension of the grant period and resolution expiration dates from June 30, 2027 to October 31, 2027. The requested extensions would allow sufficient time for the Grantee to complete construction, obtain and install equipment, and become open and operational.

Attendee (via teleconference): Elmer Hilo, DMD, Chief Executive Officer, Elmer Hilo II DMD Inc.

Chief Executive Officer Hilo provided an overview of the expansion project and said a new contractor had to be selected because the original contractor could not accommodate for prevailing wages per the grant agreement.

Member Kropke asked for an example of a specialty dental needs patient and how the Grantee may serve them.

Chief Executive Officer Hilo said that specialty dental needs is a broad category, so the Grantee equipped the clinic with mobile equipment to accommodate various physical limitations as well as a separate department for behavior management.

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

Authority Action
Motion to approve a first amendment and restatement to Resolution No. SDC 2025-06 for Elmer Hilo II DMD Inc. to amend the milestone condition deadlines of being open and operational from July 31, 2026 to February 28, 2027 and of submitting all disbursement documentation from December 31, 2026 to June 30, 2027 as well as an extension of the grant period and resolution expiration dates from June 30, 2027 to October 31, 2027 for its SDC project. All other conditions in the Resolution shall remain the same and in full effect.

MOTION: Member Kalvoda SECOND: Member Hertzka

AYES:............Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES:............NONE
ABSTAIN:......NONE
RECUSE:........NONE

MOTION APPROVED

Item #7 Rajvir S Bhogal DDS Inc (Grantee), Sacramento, Sacramento County
Specialty Dental Clinic Grant Program (First Funding Round)
First Amendment and Restatement to Resolution No. SDC 2025-10 (Action Item)

Staff Member Nguyen reported that the Grantee requested Authority approval to amend a milestone condition and extend the grant period and resolution expiration dates for its SDC project. The Grantee would not be able to meet the milestone condition deadline of being open and operational by July 31, 2026 due to delays in acquiring a suitable facility and obtaining architecture plan approval for the SDC project.

The Grantee identified a suitable facility, closed escrow in March 2026, submitted its architectural plans to the City of Sacramento in April 2026 and is currently in the plan check phase. At the time of architectural plan submission, the City of Sacramento notified the Grantee that approval could take up to 12 weeks. With this delay, the Grantee anticipates facility renovation to begin around July 2026. The Grantee has submitted a new timeline and now anticipates the project to be open and operational by July 2027.

The Grantee requested to amend the milestone condition deadline of being open and operational from July 31, 2026 to July 31, 2027 as well as to extend the grant period and resolution expiration dates from June 30, 2027 to December 31, 2027. The requested extensions would allow sufficient time for the Grantee to obtain architectural plan approval, complete renovations, and become open and operational.

Attendees (via teleconference): Rajvir Bhogal, DDS, Chief Executive Officer/Chief Financial Officer, Owner and Sonia Dhillon, MD, Medical Director and Patient Coordinator, Rajvir S Bhogal DDS Inc

Chief Executive Officer Bhogal gave an update on the SDC project and stated that architectural plan approval was expected to be received by early July 2026.

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

Authority Action

Motion to approve a first amendment and restatement to Resolution No. SDC 2025-10 for Rajvir S Bhogal DDS Inc to amend the milestone condition deadline of being open and operational from July 31, 2026 to July 31, 2027 as well as an extension to the grant period and resolution expiration dates from June 30, 2027 to December 31, 2027 for its SDC project. All other conditions in the Resolution shall remain the same and in full effect.

MOTION: Member Lukenbill SECOND: Member Kalvoda

AYES: ....Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES: ....NONE
ABSTAIN: ......NONE
RECUSE: ....NONE

MOTION APPROVED

Chair Ma asked about the overall status of SDC grants and funds.

Executive Director Aboubechara said that the four SDC items on the agenda were first amendments to each respective resolution. Also, due to a few grant forfeitures, CHFFA was planning to open another funding round for the SDC Program at some point in the future.

Item #8 Russell Seheult, D.D.S., A Professional Corporation dba Redlands Dental Surgery Center (Grantee), Redlands, San Bernardino County Specialty Dental Clinic Grant Program (First Funding Round) First Amendment and Restatement to Resolution No. SDC 2025-11 (Action Item)

Staff Member Nguyen reported that the Grantee requested Authority approval to amend the milestone conditions and extend the grant period and resolution expiration dates for its SDC project. The Grantee would not be able to meet the milestone condition deadlines due to delays in completing the architectural plans and obtaining building permits for the SDC project.

The development of architectural plans required more time than originally anticipated due to necessary revisions after shifting the design from ground-up construction to the renovation of an existing building. Architectural plans were approved in March 2026, and building permit applications were submitted in April 2026. In May 2026, the Grantee was notified by the Redlands Planning and Revisions Board that it could take up to six months for the building permits to be approved. Given this delay, the Grantee anticipated the SDC project to be open and operational by December 2027.

The Grantee requested an amendment to the milestone condition deadline of being open and operational from August 31, 2026 to December 31, 2027 and of submitting all disbursement documentation from January 31, 2027 to March 31, 2027 as well as an extension of the grant period and resolution expiration dates from July 31, 2027 to June 30, 2028. The requested extensions would allow sufficient time for the Grantee to obtain building permits, complete renovations, and become open and operational.

Attendees (via teleconference): Russell Seheult, DDS, Chief Executive Officer and Stuart Seheult, DDS, President of Corporation, Russell Seheult, D.D.S., A Professional Corporation dba Redlands Dental Surgery Center.

President Seheult elaborated on the dental care provided by the Grantee and on the project delays.

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

Authority Action

Motion to approve a first amendment and restatement to Resolution No. SDC 2025-11 for Russell Seheult, D.D.S., A Professional Corporation dba Redlands Dental Surgery Center to amend the milestone condition deadlines of being open and operational from August 31, 2026 to December 31, 2027 and of submitting all disbursement documentation from January 31, 2027 to March 31, 2027 as well as an extension of the grant period and resolution expiration dates from July 31, 2027 to June 30, 2028 for its SDC project. All other conditions in the Resolution shall remain the same and in full effect.

MOTION: Member Oppenheim SECOND: Member Hertzka

AYES: ....Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES: ....NONE
ABSTAIN: ......NONE
RECUSE: ....NONE

MOTION APPROVED

Item #9 University of the Pacific, Arthur A. Dugoni School of Dentistry (Grantee), Sacramento, Sacramento County
Specialty Dental Clinic Grant Program (First Funding Round)
First Amendment and Restatement to Resolution No. SDC 2025-14 (Action Item)

Staff Member Roodsari reported that the Grantee requested Authority approval to amend the milestone conditions and extend the grant period and resolution expiration dates for its SDC project. The Grantee would not be able to meet the milestone condition deadlines due to the additional time required for construction.

The Grantee had experienced delays due to the permitting and inspection process as well as due to building and architectural challenges associated with the existing structure of the building. The Grantee confirmed that the permits were approved and construction began in May 2026 and anticipated construction to be complete by April 2027 and staffing and accreditation to be complete by December 2027.

Grantee requested to amend the milestone condition deadlines of being open and operational from August 31, 2026 to December 31, 2027 and of submitting all disbursement documentation from January 31, 2027 to May 31, 2028 as well as an extension of the grant period and resolution expiration dates from July 31, 2027 to November 30, 2028. The requested extensions would allow sufficient time for the Grantee to complete construction, recruit staff, obtain accreditation, and become open and operational.

Attendee (in person): Elisa Chavez, DDS, Professor of Diagnostic Science, University of the Pacific, Arthur A. Dugoni School of Dentistry.

Attendee (via teleconference): Gretchen Edwalds-Gilbert, PhD, Provost, Executive Vice President for Academic Affairs, University of the Pacific, Arthur A. Dugoni School of Dentistry.

Professor Chavez thanked the Authority and provided an update on the project and explained that part of the delay was due to another department needing to vacate the space planned for the SDC project.

Member Oppenheim thanked the Grantee and the three other SDC grantees requesting extensions for engaging in the process and overcoming issues to provide essential services.

Chair Ma commented on the efficient nature of her office and her staff is available to help where it can.

Member Kropke thanked the Grantee for taking the time to be present in person and stressed the need for more skilled healthcare professionals.

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

Authority Action

Motion to approve a first amendment and restatement to Resolution No. SDC 2025-14 for University of the Pacific, Arthur A. Dugoni School of Dentistry to amend the milestone condition deadlines of being open and operational from August 31, 2026 to December 31, 2027 and of submitting all disbursement documentation from January 31, 2027 to May 31, 2028 as well as an extension of the grant period and resolution expiration dates from July 31, 2027 to November 30, 2028 for its SDC project. All other conditions in the Resolution shall remain the same and in full effect.

MOTION: Member Oppenheim SECOND: Member Kalvoda

AYES: ....Members Kalvoda, Hertzka, Kropke, Benjamin, Lukenbill, Oppenheim, Ma
NOES: ....NONE
ABSTAIN: ......NONE
RECUSE: ....NONE

MOTION APPROVED

Item #10 Bond, Tax-Exempt Equipment, & Commercial Paper Financing Programs Calendar Year 2025 Annual Report (Information Item)

Staff Member Lewis gave an overview of the Bond, Tax-Exempt Equipment, and Commercial Paper Financing Programs Annual Report for calendar year 2025.

Attendees: None.

Member Oppenheim thanked Authority staff for the inclusion of charts and other visuals.

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

Item #11 HELP II Calendar Year 2025 Annual Report (Information Item)

Staff Member Prince gave an overview of the HELP II Annual Report for calendar year 2025.

Attendees: None.

Chair Ma said that there was more funding available for loans under HELP II and gave an overview of requirements and eligible uses of loan funds.

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

Items #12 and #13 Public Comment and Adjournment

Executive Director Aboubechara announced that the June 25, 2026 CHFFA meeting would be Member Kropke's last Authority meeting.

Member Kropke gave a farewell speech and shared a personal anecdote.

Member Kalvoda congratulated Member Kropke on her service.

Chair Ma presented Member Kropke with a resolution.

Chair Ma asked if there were any additional questions or public comment. Hearing none, the meeting adjourned at 2:34 P.M.