California Health Facilities Financing Authority
("CHFFA")
915 Capitol Mall, Room 587
Sacramento, California 95814

Alternate Locations for CHFFA Teleconference Participation:

Qiu Accountancy Corporation
3580 Wilshire Boulevard, Suite 1126
Los Angeles, California 90010

Sablan Medical Clinic/Valley Health Team
927 "O" Street
Firebaugh, California 93622

March 28, 2013 – 1:30 P.M.

Deputy Treasurer Patricia Wynne, serving as Chairperson, called the meeting to order at 1:35 P.M.

Roll Call

Members Present:	Patricia Wynne for Bill Lockyer, State Treasurer
	Ruth Holton-Hodson for John Chiang, State Controller
	Jennifer Rockwell for Ana J. Matosantos, Director of Finance
	Jack Buckhorn
	Jay Hansen
	Samuel Qiu via Teleconference
	Dr. Oscar Sablan via Teleconference
Absent:	Ann Madden Rice

Chairperson Wynne declared a quorum present at 1:35 P.M.

Approval of the Minutes from the February 28, 2013 Meeting
Jack Buckhorn moved for approval of the minutes; Ruth Holton-Hodson seconded the motion. Motion adopted 7-0 with a roll call vote.

Executive Director's Report
Chairperson Wynne announced her retirement and thanked the Authority members, staff and the borrowers.

CHFFA Fund Balances and Comprehensive Debt List Summaries
Barbara Liebert, Executive Director, presented the fund balances for the record as of February 28, 2013. Ms. Liebert also included the CHAMP fund balance and the Comprehensive Debt List Summary of CHFFA's top 15 borrowers.

Noted for the record, Jay Hansen arrived at 1:38 P.M.

Tax Exempt Bond Delegation of Powers Monthly Update
No action taken.

HELP II Loan Program Delegation of Powers Monthly Update
No action taken.

Site Visits
There were no site visits reported.

Model Documents Minor Revisions
Ms. Liebert stated minor revisions were made to the model bond documents and the updated documents would soon be posted on the CHFFA website. In addition, staff will report any future amendments to the Authority.

HELP II Loans and Prevailing Wage Process
Ms. Liebert reported staff reviewed the prevailing wage process as requested by the Authority at the February 28, 2013 Authority meeting. Ms. Liebert further stated the process had been reviewed by Deborah Yang, STO legal counsel, and staff updated the prevailing wage language on the website and the application.

After Authority discussion, Chairperson Wynne directed staff to continue improving the prevailing wage process. Ms. Yang commented that further changes would be made to the prevailing wage law admonishment on CHFFA's website and application. Ms. Liebert stated staff would report its recommendations at the next Authority meeting.

Item #4 Sutter Health, Sacramento, California, Resolution No. 388
Carolyn Aboubechara reported Sutter Health requested authorization to issue up to $450,000,000 in bonds to finance the construction of a new acute care hospital in Santa Rosa, a medical office clinic in Sunnyvale, and a medical office clinic with site improvements in San Carlos.

Representing Sutter Health: Svend Ryge, Treasurer, Sutter Health; John Myers, Bond Counsel, Orrick, Herrington & Sutcliffe LLP; and, John Landers, Underwriter, Morgan Stanley & Co., LLC.

Staff recommended the Authority approve Resolution No. 388 in an amount not to exceed $450,000,000 subject to the conditions in the resolution, including a rating of at least investment grade by a nationally recognized rating agency. Macias Gini & O'Connell, LLP, the Authority's financial analyst, and Public Financial Management, Inc., the Authority's financial advisor, concurred with the Authority's staff recommendation.

Chairperson Wynne asked if there were any questions or public comment. Hearing none, Ms. Holton-Hodson moved approval of Resolution No. 388 and Ms. Rockwell seconded the motion. Motion adopted 7-0 with a roll call vote.

Item #5 Becoming Independent ("BI"), Santa Rosa, California, Resolution No. 389
Michael Tang reported BI was a returning borrower who requested the Authority's approval to issue up to $5,500,000 in bonds to refund all of CHFFA's 1996 Bonds and the Association of Bay Area Government, 2004 Series A Bonds.

Representing BI: Luana Vaetoe, Agency Director, BI and Roy E. Nelson, Underwriter, Wulff, Hansen & Co.

Staff recommended the Authority approve Resolution No. 389 in an amount not to exceed $5,500,000 subject to the conditions in the resolution. Macias Gini & O'Connell, LLP, the Authority's financial analyst, and Public Financial Management, Inc., the Authority's financial advisor, concurred with the Authority's staff recommendation.

Chairperson Wynne asked if there were any questions or public comment. Hearing none, Mr. Buckhorn moved approval of Resolution No. 389 and Mr. Hansen seconded the motion. Motion adopted 7-0 with a roll call vote.

Item #6 Long Beach Memorial Medical Center, Earl and Loraine Miller Children's Hospital ("MCH"), Long Beach, California, Resolution No. CHP-3 2013-03

Jim Rennie reported MCH requested Authority approval of $29,466,807 in Proposition 3 grant funds to remodel, equip and furnish a 34-bed Pediatric Intensive Care Unit, a related physician sleep area, and an inpatient pharmacy.

Representing MCH: Sandy King, Government Relations.

Staff recommended the Authority approve Resolution No. CHP-3 2013-03 for Long Beach Memorial Medical Center, Earl and Loraine Miller Children's Hospital to provide a grant not to exceed $29,466,807 (less issuance and administrative costs), subject to all requirements of the Children's Hospital Program of 2008.

Chairperson Wynne asked if there were any questions or public comments. Hearing none, Ms. Holton-Hodson moved approval of Resolution No. CHP-3 2013-03 and Dr. Sablan seconded the motion. Motion adopted 7-0 with a roll call vote.

Item #7 Innovative Health Care Services, Inc. ("IHCS") dba Peg Taylor Center for Adult Day Health Care, Chico, California, Amendment to Resolution No. HII-161

Mr. Tang reported IHSC is an adult day health care service in Chico, California and the only provider of this type of service within three neighboring rural counties. Mr. Tang stated IHSC requested the Authority approve an extension of the term of its existing HELP II loan with an outstanding balance of $200,000 by an additional eight (8) years to help alleviate its ongoing substantial fiscal challenges. Mr. Tang further stated the extension would reduce current monthly payments from approximately $2,800 to $1,500 per month, resulting in a savings of approximately $16,000 per year.

Representing IHCS: Diane Cooper-Puckett, Executive Director.

Staff recommended the Authority approve an Amendment to Resolution No. HII-161 to extend the remaining loan term by an additional eight (8) years (amend the maturity date from September 1, 2019 to February 1, 2027), subject to conditions in the resolution. Macias Gini & O'Connell, LLP, the Authority's financial analyst, and Public Financial Management, Inc., the Authority's financial advisor, concurred with the Authority's staff recommendation.

Chairperson Wynne asked if there were any questions or public comments. Hearing none, Mr. Buckhorn moved approval of Resolution No. HII-161 and Mr. Hansen seconded the motion. Motion adopted 7-0 with a roll call vote.

Item #8 California Health Access Model Program (CHAMP): Process for Reviewing Letters of Interest

Barbara Webster-Hawkins reported the progress on the CHAMP program. Ms. Webster-Hawkins stated staff prepared a process for evaluating "Letters of Interest" submitted by potential interested parties for the Authority's first phase of the CHAMP grant program and welcomed Authority comments and feedback. The Authority was supportive of the progress thus far.

Item #9 Other Business

Authority staff expressed its gratitude for Chairperson Wynne's work with the Authority. Chairperson Wynne stated the next Authority meeting would be held on April 9, 2013 at 11:00 A.M.

With no public comments, the CHFFA meeting was adjourned at 2:21 P.M.