MINUTES
California Health Facilities Financing Authority
("CHFFA" or "Authority")
915 Capitol Mall, Room 587
Sacramento, California 95814
October 26, 2017 – 1:45 P.M.
(or upon adjournment of the California Educational Facilities Authority meeting)

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

OPEN SESSION

Deputy Treasurer, Vincent P. Brown, serving as Chairperson, called the meeting to order at 1:56 P.M.

Chairperson Brown announced, in an effort to promote transparency, a live, interactive, call-in number was available to the public to provide access to Authority meetings. Open meetings would be available live to all who wish to call in to listen and participate.

Item #1 **ROLL CALL**

Members Present:	Vincent P. Brown for John Chiang, Chairperson, State Treasurer
	Alan LoFaso for Betty T. Yee, Vice Chairperson, State Controller
	Eraina Ortega for Michael Cohen, Director, Department of Finance
	Judith Frank
	Jay Hansen
	Oscar Sablan, M.D.
	Sumi Sousa
Members Absent:	Jack Buckhorn
	Robert Cherry, M.D.

Chairperson Brown declared a quorum present.

Chairperson Brown reported that Ronald Washington had been appointed as the Executive Director for the California Health Facilities Financing Authority.

Item #2 **Executive Director's Report**

CHFFA Fund Balances and Comprehensive Debt List Summaries
Mr. Washington, Executive Director, reported the CHFFA fund balances, outstanding debt information as of August 31, 2017 and September 30, 2017, and the year-end closing amounts. Mr. Washington reported $20,000,000 from the HELP II Loan Program has been transferred to the Clinic Lifeline Grant Program. Mr. Washington mentioned the tentative meeting schedule for calendar year 2018 was attached in the Authority members' binders and does not require Authority approval.

Tax-Exempt Bonds Delegation of Powers Monthly Update
No action was taken pursuant to the Tax-Exempt Bond Delegation of Powers Resolution.

HELP II Loan Program Delegation of Powers Monthly Update
No action was taken pursuant to the Tax-Exempt Bond Delegation of Powers Resolution.

Mr. Washington mentioned Carolyn Aboubechara and he would be traveling to Los Angeles County in early November to discuss the new proposed project.

Mr. Washington also mentioned CHFFA would be exploring opportunities to help the counties that were impacted by the fires in northern California. Mr. Washington stated one possible option would be to develop an emergency HELP II loan program. Authority members discussed the possibility of available funds for such a program.

Item #3 University of California, Irvine Medical Center, Orange, California
Resolution No. CHP-3 2017-04

Tom Finn, staff analyst, presented. University of California, Irvine Medical Center ("UCIMC" or "Hospital") requested approval of grant funding under the Proposition 3 (2008) Children's Hospital Program in an amount of $9,915,198 for reimbursement of costs for pediatric patient care equipment and an Electronic Medical Records "EMR" System. Mr. Finn reported that a portion of the patient care equipment has already been purchased and has entered service, and the remaining equipment will be purchased following grant approval. Mr. Finn stated that the implementation of the EMR system began in August of 2015 and the system is expected to be operational in November 2017. Ongoing implementation and optimization of the system is expected to continue into 2018.

Mr. Finn reported that this is UCIMC's first funding requested in the Proposition 3 program for which it is eligible for up to $39.2 million.

Representing the University of California, Irvine Medical Center:

Neil Myers**,** Controller, Controller's Services

Via phone
Ajuay (Jay) Sial, Chief Financial Officer, Health Affairs
Michael Stanos, M.D., Dean, School of Medicine
Francine Jeffrey, Assistant Dean of Administration, School of Medicine
Suzanne Sandmeyer, PhD, Senior Associate Dean of Research
Curt Zimmer, Executive Director, Finance Administration
Tara Massimino, Director, Research Development, School of Medicine, Financial Administration
Maryann Pack, Chief Administrative Officer, Pediatrics
Khanh-Van Le-Bucklin, M.D., Interim Chair, Pediatrics

The Authority discussed with the representatives from UCIMC the Hospital's plans for remaining grant funds, reimbursement for specialty providers at Federally Qualified Health Centers, and outreach efforts the Hospital conducts with the community.

Chairperson Brown asked if there were any questions or public comment. There were none.

Authority Action
Motion to adopt Resolution Number CHP-3 2017-04 in an amount not to exceed $9,915,198 for University of California, Irvine Medical Center.

MOTION: Member Sousa SECOND: Member Frank

AYES: ..... Members: Sousa, Sablan, Hansen, Frank, Ortega, LoFaso, Brown
NOES: ..... NONE
ABSTAIN: ..... NONE
RECUSE: ..... NONE

MOTION ADOPTED.

Item #4 **Investment in Mental Health Wellness Act of 2013**
Restatement of and Amendment to Resolution No. MH 2014-26
County of San Bernardino, California (Second Funding Round)

Tyler Gee, staff analyst, presented. The County of San Bernardino (the "County") requested Authority approval to extend the grant period and resolution expiration date to November 30, 2017, and allow staff to finalize the completion of the grant and formally closeout the file.

Mr. Gee reported that the grant funds for the project in the second funding round were fully disbursed as an advance for construction prior to the expiration of the resolution. Mr. Gee stated that is permitted under the IMHWGP regulations, but the project opened for services and incurred final expenses after the resolution expired.

Mr. Gee reported that the County's 16-bed Crisis Residential Treatment ("CRT") project (Casa Paseo Center, located at 720 East Gilbert Street) is operational and began providing services on September 15, 2017. Mr. Gee stated that in order to close out the file for this project, Resolution Number MH2014-26 must be reinstated and the grant period and resolution expiration date must be extended to November 30, 2017.

Representing San Bernardino County:

Veronica Kelley, LCSW
Luis Quintanilla, Director, Department of Behavioral Health
Dena Fuentes, Deputy Executive Officer, Community Development & Housing Agency
Darlynn Wissert, Assistant Director,
Project Management Division, Real Estate Services Development
Georgina Yoshioka, DSW, LCSW, MBA, Deputy Director,
24 Hour & Emergency Services, Department of Behavioral Health
Jennifer Edge-Ballantine, Program Specialist,
24 Hour & Emergency Services, Department of Behavioral Health

Ms. Kelley gave a brief overview of the project.

Chairperson Brown asked if there were any questions or public comment. There were none.

Authority Action
Motion to approve reinstatement of and amendment to Resolution Number MH 2014-26 to extend the grant period and resolution expiration date to November 30, 2017.

MOTION: Member Hansen SECOND: Ortega

AYES: ..... Members: Sousa, Sablan, Hansen, Frank, Ortega, LoFaso, Brown
NOES: ..... NONE
ABSTAIN:..... NONE
RECUSE:..... NONE

MOTION ADOPTED.

Item #5 **Investment in Mental Health Wellness Act of 2013**
Amendment to Resolution No. MH 2016-09
County of San Bernardino, California (Fifth funding Round)

Mr. Gee, staff analyst, presented. The County of San Bernardino ("County") requested Authority approve an amendment to Resolution Number MH 2016-09 (fifth funding round) to extend the grant period and resolution expiration date to February 28, 2019.

Mr. Gee reported that on May 26, 2016, the Authority approved a Final Allocation for the County in an amount not to exceed 7,931,040 to establish a 10-adult bed Crisis Residential Treatment program ("CRT") in the Morongo Basin, a 20-bed (16 adult beds and 4 youth beds) Crisis Stabilization Unit program ("CSU") in Fontana, and an 8-vehicle Mobile Crisis Support Team program ("MCST") as part of the fifth funding round.

Mr. Gee stated that due to delays that have impacted the project timelines for the CRT and CSU, Authority Staff recommends extending the current December 31, 2017 resolution and grant period expiration date to February 28, 2019 to allow sufficient time to complete construction of the CRT and CSU projects and ensure both facilities become operational.

Representing San Bernardino County:

Veronica Kelley, LCSW
Luis Quintanilla, Director, Department of Behavioral Health
Dena Fuentes, Deputy Executive Officer, Community Development & Housing Agency
Darlynn Wissert, Assistant Director,
Project Management Division, Real Estate Services Development
Georgina Yoshioka, DSW, LCSW, MBA, Deputy Director,
24 Hour & Emergency Services, Department of Behavioral Health
Jennifer Edge-Ballantine, Program Specialist,
24 Hour & Emergency Services, Department of Behavioral Health

Ms. Kelley and Ms. Fuentes gave a brief overview of the County's efforts and the projects.

Chairperson Brown asked if there were any questions or public comment. There were none.

Authority Action
Motion to approve an amendment to Resolution Number MH 2016-09 (fifth funding round) to extend the grant period and resolution expiration date to February 28, 2019.

MOTION: Member Hansen SECOND: Member LoFaso

AYES: ..... Members: Sousa, Sablan, Hansen, Frank, Ortega, LoFaso, Brown
NOES: ..... NONE
ABSTAIN:..... NONE
RECUSE:..... NONE

MOTION ADOPTED.

Item #6 **Investment in Mental Health Wellness Act of 2013**
Amendment to Resolution Number MH 2016-12
County of Santa Barbara (Fifth funding Round)

Susie Lauck, staff analyst, presented. The County of Santa Barbara (the "County") requested Authority approve an amendment to Resolution Number MH 2016-12 (fifth funding round) to extend the grant period and resolution expiration date to December 31, 2019.

Ms. Lauck reported that the renovation of the selected county-owned property encountered construction delays due to budget constraints. Ms. Lauck stated that the budget challenges were resolved and the construction and operating budgets were approved.

Representing the County of Santa Barbara Department of Mental Health: Laura Zeitz, R.N., Project Manager, Department of Behavioral Wellness

Ms. Zeitz discussed the possibility of increasing the 6-bed CRT facility to potential 8-bed CRT facility dependent on the Department of Health Care Services.

Chairperson Brown asked if there were any questions or public comment. There were none.

Authority Action

Motion to approve an amendment to Resolution Number MH 2016-12 (fifth funding round) to extend the grant period and resolution expiration date to December 31, 2019.

MOTION: Member Sablan SECOND: Member Ortega

AYES: ..... Members: Sousa, Sablan, Hansen, Frank, Ortega, LoFaso, Brown
NOES: ..... NONE
ABSTAIN:..... NONE
RECUSE:..... NONE

MOTION ADOPTED.

Agenda Item #7 **Interagency Agreement with the State Treasurer's Office ("STO")**
Resolution No. 2017-06

Yuanyuan Wei, staff analyst, presented. The Authority relies on the STO for the expertise and staff necessary to perform services that would otherwise require substantial additional staffing and expense by the Authority. The Authority executes an interagency agreement with the STO for each fiscal year.

Ms. Wei reported the proposed interagency agreement amount for fiscal year 2017-18 was $458,142, reflecting an increase of 3% from the prior fiscal year. Ms. Wei stated the interagency agreement amount was derived from a formula that allocates costs based on the number of staff at the Authority as a percentage of the total number of staff for all boards, commissions, and authorities receiving services from STO.

Chairperson Brown asked if there were any questions or public comment. There were none.

Authority Action

Motion to approve Resolution No. 2017-06 for an Interagency Agreement with the State Treasurer's Office for Fiscal Year 2017-2018 in an amount not to exceed $458,142.

MOTION: Member Ortega SECOND: Member LoFaso

AYES: ..... Members: Sousa, Sablan, Hansen, Frank, Ortega, LoFaso, Brown
NOES: ..... NONE
ABSTAIN: ..... NONE
RECUSE: ..... NONE

MOTION ADOPTED.

Agenda Item #8 Lifeline Grant Program Development Update

Mr. Washington stated staff would provide the Authority an update on the development of the Lifeline Grant Program, which included stakeholders' input regarding the eligibility, evaluation criteria, use of grants funds, and the proposed timeline. Mr. Washington stated the draft emergency regulations may be presented at the December 7, 2017 Authority meeting.

Amy Voong, staff analyst, presented. Ms. Voong reported the Lifeline Grant Program ("Program") is a $20,000,000 grant program to assist small and rural health facilities, including community-based clinics, that may be adversely affected financially by a reduction or elimination of federal government assistance and have little to no access to working capital. Ms. Voong stated staff was in the process of drafting emergency regulations. Ms. Voong pointed out two corrections on page 2 of the staff report. The first correction was the first sentence under Eligibility: strike the words "less than 24 hours". The second correction was in the third bullet point under Eligibility: strike the word "primary". Ms. Voong also gave an overview of the Evaluation Criteria point system.

The Authority members engaged in discussions regarding eligibility, evaluation criteria, and funding options. Chairperson Brown instructed staff to narrow the definition of "medical services", focus on one or two industries, and simplify the evaluation criteria and the application process.

Chairperson Brown asked if there were any questions or public comment. There were several public comments. The first comment was concerning the lack of funding for Adult Day Health Care services. The next commenter expressed concerns about losing funding for Planned Parenthood. California Health Plus Advocates stated concerns about vulnerable populations and communities in small and rural clinics. Bay Community Association of Los Angeles County commented on simplifying the grant eligibility and evaluation criteria.

Agenda Item #9 Investment in Mental Health Wellness Act of 2013 Report to the Legislature

Mr. Washington shared the Report to the Legislature on Investment in Mental Health Wellness Grant Program with the Authority.

Alan LoFaso stated that going forward, he would like insight on what the expectations of the Legislature are from a mental health policy perspective and whether those are being achieved.

Items #10, #11, #12 Other Business/Public Comment/Adjournment

Chairperson Brown asked for public comment. There were two public comments expressing concerns regarding Santa Cruz County's Crisis Residential Treatment Reduction facilities. The meeting adjourned at 4:11 P.M.