MINUTES

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

Alternate Location for CHFFA Teleconference Participation

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

April 14, 2014 – 1:30 P.M.

Deputy Treasurer Michael Paparian, serving as Chairman, called the meeting to order at 1:35 P.M.

Roll Call

Members Present:	Michael Paparian for Bill Lockyer, State Treasurer
	Natalie Sidarous for John Chiang, State Controller
	Eraina Ortega for Michael Cohen, Director of Finance
	Jack Buckhorn
	Jay Hansen
	Dr. Oscar Sablan
Members Absent:	Judith Frank
	Ann Madden Rice

Chairman Paparian declared a quorum present.

Mr. Hansen arrived at 1:37 P.M.

Item #2 Lucile Salter Packard Children's Hospital at Stanford ("LPCH"), Palo Alto, California Resolution No. 396

Carolyn Aboubechara presented Lucile Salter Packard Children's Hospital at Stanford. Bond proceeds would be used for financing the construction and expansion of LPCH's existing health facility. LPCH would continue the expansion of the hospital, which entails constructing two five-story patient towers.

Representing LPCH: Dana Haering, Interim Chief Financial Officer, Vice President & Controller at LPCH; Sherri Sager, Chief Government & Community Relations Officer at LPCH and John Landers, Underwriter, Managing Director of Morgan Stanley.

Staff recommended the Authority approve Resolution No. 396 in an amount not to exceed $200,000,000 subject to the conditions in the resolution, including a bond rating of at least investment grade by a nationally recognized rating agency. Macias Gini & O'Connell, LLP, the Authority's financial analyst, and Fieldman, Rolapp, & Associates, Inc., the Authority's financial advisor, concurred with the Authority's staff recommendation.

Chairman Paparian asked if there were any questions or public comment. Dr. Sablan asked how often LPCH has to replace its MRI machines. Ms. Haering provided a detailed answer and underscored that in this particular instance, LPCH was adding to the existing MRI machinery rather than replacing them.

Chairman Paparian asked if there were any other questions or public comment. Hearing none, Ms. Ortega moved approval of Resolution No. 396. Mr. Buckhorn seconded the motion. Motion adopted with a 6-Aye roll call vote.

Item #3 Investment in Mental Health Wellness Act of 2013
Appeals to the Authority Regarding Initial Allocation Determinations

CHFFA did not receive any appeals from the counties to present to the Board. Staff would present the final allocation recommendations to the Board for consideration at the April 24th Board meeting. CHFFA may be in a position to fund projects in the first or second week of May, pending the finalization of the grant agreements with all the counties.

Mr. Buckhorn inquired as to how much of the total grant monies are recommended for final approval. Ms. Liebert replied that approximately $70 million out of the $142.5 million would be committed if the Board approved all of the recommended grants and that almost all of the $6.8 million in personnel funding that supports the mobile crisis vehicles would be committed. Barbara Webster-Hawkins stated the exact amount of the capital funding to be committed is $71,691,397.

Mr. Paparian stated he understood CHFFA would be going back out fairly quickly to announce the second funding round.

Ms. Liebert noted the second funding round would be primarily for crisis residential funding.

Mr. Buckhorn asked how many rural counties were recommended for funding. Ms. Liebert noted she did not have that detail at her immediate disposal, but that as mentioned in the immediately prior CHFFA meeting, a high number of rural counties did not apply in this first funding round.

Mr. Buckhorn asked if there was any way we could specifically plan to help the rural counties.

Ms. Liebert responded that staff is working closely with the Mental Health Directors Association to advance that purpose and, she also mentioned that many of the rural counties have indicated sustainability is difficult for them.

Items #4, 5, and 6 Other Business, Public Comment, and Adjourment

Chairman Paparian asked for public comment. Hearing none and with no additional business, the meeting was adjourned at 1:55 P.M.