

**OFFICIAL MINUTES**  
**California Health Facilities Financing Authority**

**915 Capitol Mall, Room 587**  
**Sacramento, California**  
**Thursday, December 2, 2004**  
**1:30 PM**

The meeting was called to order by Mark Paul sitting for Chairman Philip Angelides. Members present were Bob Campbell (sitting for Tom Campbell), Cindy Aronberg (sitting for Steve Westly), Dr. Theodore Hariton and Judith Frank. Also present were staff members Sandra Simpson-Fontaine, Executive Director, Greg Rogers, Deputy Executive Director, Mark Paxson, Counsel to the Authority, and Peggy Arrivas, Financial Advisor, PricewaterhouseCoopers LLP.

The minutes of the October 28, 2004 meeting were approved as submitted.

The Executive Director's Report was presented covering the month of October 2004. As of October 31, 2004, bonds outstanding totaled \$6,071,872,786 and the fund balance was \$7,702,211.71. There were 9 borrowers with over \$100 million in CHFFA debt with a combined balance outstanding of \$4,407,325,000, which represents 73% of all CHFFA debt outstanding, and 10 equipment financings with a total balance outstanding of \$40,605,676. The Executive Director also reported a HELP II fund balance of \$12,359,392, a HealthCAP balance of \$0.00 and a clinic grant fund balance of \$3,308,520, as of October 31, 2004.

**Resolution No. HII-172** – Community Research Foundation, Inc. (CRF) requested the Authority to approve a HELP II resolution in an amount not to exceed \$400,000. CRF will use the loan proceeds to purchase a facility that it currently leases. Staff recommended the Authority approve a resolution for a HELP II loan in an amount not to exceed \$400,000 for a term not to exceed 15 years for CRF, subject to the standard HELP II loan provisions, securing the necessary grant or loan financing, receiving an appraised value providing a total loan to value ratio not to exceed 95%, and subject to submission of a final audit for fiscal year ending June 30, 2004, being materially consistent with the financial information presented in the report. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved.

**Resolution No. 2004-08** – Staff requested the Authority rescind a grant previously awarded to Inland Behavioral and Health Services, Inc. (IBHS) in the amount of \$250,000. IBHS is unable to meet the contingency to secure funding sources (money in hand) prior to December 1, 2004, in order for funds to be disbursed. Staff recommended the Authority rescind the grant previously awarded to IBHS in an amount of \$250,000. After discussion by the Authority, a motion was made and seconded and the resolution was unanimously approved to rescind the grant previously awarded to IBHS.

**Children's Hospital Bond Act of 2004** - Proposition 61, passed by voters on November 2, 2004, provides \$750 million in General Obligation Bonds to fund capital projects for California Children's Hospitals. The draft regulation text of Proposition 61, the Children's Hospital Program, was presented to the California Health Facilities Financing Authority (CHFFA) Board on December 2, 2004 for Board and public comment. All public comment will be incorporated into the regulations and presented to the CHFFA Board for approval in January 2005. Upon Board approval, the regulations will be submitted to the Office of Administrative Law as emergency regulations.

**Other Business** – Having no other business, the meeting was adjourned.