

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY  
Children's Hospital Program of 2018 (Proposition 4)**

**STAFF SUMMARY**

<p><b>Applicant:</b> Ventura County Medical Center 300 Hillmont Avenue Ventura, CA 93003 Ventura County</p>	<p><b>Application Number:</b> EH-02 <b>Authority Meeting Date:</b> June 25, 2020 <b>Resolution Number:</b> CHP-4E 2020-02 <b>Requested Amount:</b> \$15,000,000.00 <b>Recommended Amount:</b> \$15,000,000.00</p>
<p><b>Project Site:</b> Same as above.</p>	
<p><b>Description of Applicant:</b> Ventura County Medical Center (Hospital) is a public hospital as defined in Welfare and Institution Code 14105.98 (a)(25). The Hospital has full approval as a California Children's Services program from the California Department of Health Care Services.</p>	
<p><b>Summary of Project:</b> The Hospital is seeking grant funds to remodel/renovate, furnish, and equip shelled space of approximately 9,250 square feet on the second floor of the Fainer Building to relocate and expand its existing pediatric medical surgical unit by 11 beds for a total of 20 and to fund the eligible pediatric portions of the costs of the needed infrastructure utility pipe replacements.</p>	
<p><b>Proposition 4 Evaluation Factors:</b><sup>1</sup> Based on the review of the application and other submitted materials, staff evaluated the Hospital's project using the factors identified in Proposition 4.</p> <p><i>Factor 1: The grant will contribute toward expansion or improvement of health care access by children eligible for governmental health insurance programs<sup>2</sup> and indigent, underserved, and uninsured children:</i> The project will expand the existing pediatric medical surgical unit from nine beds to 20 beds as well as replace the old utility pipes of the medical building's infrastructure. The Hospital also plans to furnish and equip the pediatric medical surgical unit. The current number of pediatric patients served often exceeds capacity, especially during the influenza season, and the pediatric patients are frequently placed in adult sections of the Hospital. The proposed project will increase the number of pediatric patients served by approximately 9.39%, and it will allow for approximately 4,241 additional pediatric patients. An estimated 49,395 pediatric patients will be served annually after project completion. In fiscal year 2019, 75% of the 45,154 Hospital's pediatric patient population was eligible for Governmental Health Insurance Programs, was indigent, underserved, or uninsured, and would benefit from the completion of this project.</p> <p><i>Factor 2: The grant will contribute toward the improvement of child health care or pediatric patient outcomes:</i> The project will expand capacity and will result in quality care for pediatric patients through the availability of modern technology. The expansion of the existing pediatric medical surgical unit will include two beds for children with special needs, which also serve as negative pressure isolation rooms to control infectious diseases. The project will incorporate safety design techniques that improve automation, are designed to prevent adverse events (e.g., operative/postoperative complications, infections, and medication errors), and are designed for adaptability and flexibility. Improving the visibility of patients to staff, minimizing patient transfer handoffs, and reducing delays in potential post-operative treatments needed will contribute toward improvement of pediatric patient care and outcomes. The Hospital will be able to better serve trauma patients, who often need to be housed in the pediatric intensive care unit (PICU), resulting in improved pediatric patient outcomes.</p> <p><i>Factor 3. Demonstration of project readiness and project feasibility:</i> The Hospital anticipates completing the renovation project by December 2021 and being operational by March 2022. While the current COVID-19 outbreak has impacted the Hospital's operations, the current planning status of this project has not been affected. Staff has determined that only a proportionate share of 33.3% of the infrastructure pipe costs is eligible for grant funding.</p>	

<sup>1</sup> Staff also ensured that the hospital met an additional three evaluation factors that are not project specific but specific to the hospital, which include:

1. The hospital provides uncompensated or undercompensated care to indigent or public pediatric patients.
2. The hospital provides services to vulnerable pediatric populations.
3. The hospital promotes pediatric teaching or research programs.

<sup>2</sup> Governmental Health Insurance Program mean governmental assistance programs that include, but are not limited to, Medicaid (Medi-Cal), Optional Targeted Low Income Children (OTLIC), California Children's Services (CCS), Child Health and Disability Prevention (CHDP) and county indigent programs.

<b>Sources of Funds:</b>		<b>Uses of Funds:</b>	
Prop 4 Grant Funds	\$15,000,000.00	Remodel/renovate	\$14,337,123.00
Hospital Funds	1,557,303.00	Infrastructure improvements	1,687,694.00
		Equipment	371,236.00
		Admin Costs	150,000.00
		COI	11,250.00
<b>Total</b>	<b><u>\$16,557,303.00</u></b>	<b>Total</b>	<b><u>\$16,557,303.00</u></b>
<b>Legal Review:</b> Although disclosures were made by the applicant, the information disclosed does not appear to detrimentally affect the financial viability or legal integrity of the applicant.			
<b>Staff Recommendation:</b> Staff recommends the Authority approve Resolution No. CHP-4E 2020-02 for Ventura County Medical Center to provide a grant not to exceed \$15,000,000.00 less costs of issuance and administrative costs, and subject to all requirements of the Children’s Hospital Program of 2018.			

**RESOLUTION NO. CHP-4E 2020-02**

**RESOLUTION OF THE CALIFORNIA HEALTH  
FACILITIES FINANCING AUTHORITY APPROVING  
EXECUTION AND DELIVERY OF GRANT FUNDING  
UNDER THE CHILDREN'S HOSPITAL PROGRAM OF 2018  
TO VENTURA COUNTY MEDICAL CENTER**

WHEREAS, the California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized by the Children's Hospital Bond Act of 2018 (Pt. 6.3 (commencing with Section 1179.81), Div. 1, Health and Safety Code; hereafter the "Act") and implementing regulations to award grants from the proceeds of general obligation bonds in an amount not to exceed \$15,000,000.00, less the bond issuance and administrative costs, to Ventura County Medical Center (the "Grantee") to finance eligible projects; and

WHEREAS, Authority staff reviewed the Grantee's application against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$15,000,000.00, less bond issuance and administrative costs, to the Grantee for the eligible project (the "Project") described in the application;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant of \$15,000,000.00, less bond issuance and administrative costs, to the Grantee to complete the Project as described in the Children's Hospital Program Application and Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a grant period that ends on March 31, 2023.

Section 2. The Executive Director and the Deputy Executive Director are hereby authorized, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the application submitted to the Authority and extend the grant period completion date identified in Section 1 as authorized under the Act and implementing regulations. However, any extension approved by the Executive Director and the Deputy Executive Director shall not surpass the grant resolution expiration date. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director and the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to draw money from the Act Fund not to exceed those amounts approved by the Authority for the Grantee. The Executive Director and the Deputy Executive Director are further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the transfer of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director and the Deputy Executive Director are hereby authorized and directed, for and on behalf of the Authority, to do any and all things and to execute and deliver any and all documents, which the Executive Director and the Deputy Executive Director deem necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution expires March 31, 2024.

Date Approved: \_\_\_\_\_

## **EXHIBIT A**

### **PROJECT DESCRIPTION**

The proceeds of the grant will be used by Ventura County Medical Center to fund the costs of remodeling/renovating, furnishing and equipping a pediatric medical surgical unit and to fund the eligible pediatric portion of the costs of the needed infrastructure utility pipe replacements.