MINUTES

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (CHFFA or AUTHORITY)

915 Capitol Mall, Room 110 Sacramento, California 95814

300 S. Spring Street, Suite 8500 Los Angeles, California 90013

March 9, 2022 – 1:30 P.M.

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

OPEN SESSION

Fiona Ma, Chair, called the meeting to order at 1:30 P.M.

The Secretary announced to the public joining in by phone the instructions for being heard.

Item #1 Roll Call

Members Present: <u>Via Microsoft Teams Meeting:</u>

Fiona Ma, CPA, State Treasurer

Indira McDonald for Betty T. Yee, State Controller

Adam Dorsey for Keely Martin Bosler, Director, Department of Finance

Robert Cherry, M.D. (arrived at 1:42 P.M.)

Katrina Kalvoda Keri Kropke

Members Absent: Antonio Benjamin

Francisco Silva

Staff Present: Frank Moore, Executive Director

Carolyn Aboubechara, Deputy Executive Director

Summer Nishio, Staff Services Manager II Rachel Dunham, Staff Services Analyst

Cory Mouhasseb, Associate Governmental Program Analyst

Chair Ma declared a quorum present.

Ms. Nishio presented. Ms. Nishio reported that the California Department of Housing and Community Development (HCD) was requesting the Authority approve the issuance of the No Place Like Home (NPLH) 2022 Bonds as well as the execution and delivery of certain bond documents for the NPLH Program. Ms. Nishio stated that the NPLH Program is designed to help accelerate the supply of permanent supportive housing and build on existing programs to combat homelessness among persons who are in need of mental health services. Ms. Nishio reported that the bond proceeds would allow HCD to make awards to California counties to assist them in preventing and addressing homelessness by investing in the development of permanent supportive housing for persons who were experiencing homelessness, chronic homelessness or who were at risk of chronic homelessness, and who were in need of mental health services. Ms. Nishio reported that since the original resolution was passed in 2017, CHFFA has issued two tranches of bonds in 2019 and 2020. The issuance of the 2022 bonds would be the third and final tranche for the remaining authorized amount of \$1,050,000,000. Ms. Nishio stated that the approval would be for the Third Supplemental Indenture, the Second Supplemental Loan Agreement, a Bond Purchase Agreement, and a Preliminary Official Statement for the 2022 Bonds.

Attendees: (via teleconference) Kathryn Amann, Special Consultant and Angela Kim, Attorney, California Department of Housing and Community Development, Borrower; Jenna Magan, Partner, Orrick, Herrington & Sutcliffe LLP, Bond Counsel; Emily Giles, Managing Director, Raymond James & Associates, Inc., Gary Dawley, Director, and Corey Marty, Vice President, RBC Capital Markets, Joint Senior Managing Underwriters; and Julie Giordano, Assistant Director, California State Treasurer's Office, Public Finance Division, Agent for Sale and Trustee.

Ms. Amann gave an overview of NPLH's awarded funds and projects.

Chair Ma stated that the NPLH projects have been very successful. Chair Ma reported that a press release would go out providing more details soon.

Member Dorsey asked how the programs were evaluated for effectiveness.

Mr. Moore explained that CHFFA's role is solely to issue the bonds, while HCD's role is to approve the requests for project funding from the counties and turned it over to Ms. Amann to provide information.

Ms. Amann stated that HCD was currently reporting on the front end of the NPLH projects in terms of dollars that were awarded, estimated units, etc. Ms. Amann reported that the award recipients were then required to report to HCD information on the results of the projects, including population served, mental health services received, and retained housing. Ms. Amann stated that those results would be summarized and included in HCD's annual report that was published on the HCD and NPLH websites by December 30 of each year.

Chair Ma asked how long the award recipients were required to continue with the annual reporting of the projects.

Ms. Amann stated that she believed it was for the life of the projects, fifty-five years.

Member Cherry joined the meeting at 1:42 P.M.

Chair Ma asked if there were any additional questions or public comment; there were none.

Authority Action

Motion to approve to approve Resolution No. 2022-01, authorizing the issuance of the NPLH 2022 Bonds and the execution and delivery of the Third Supplemental Indenture, the Second Supplemental Loan Agreement, a Bond Purchase Agreement, and a Preliminary Official Statement.

MOTION: Member McDonald SECOND: Member Kropke

AYES:.....Members: Kalvoda, Cherry, Kropke, Dorsey, McDonald, Ma

NOES:.....NONE ABSTAIN:....NONE RECUSE:.....NONE

MOTION APPROVED.

Item #3

University of California, Irvine Medical Center Children's Hospital Program of 2004 Resolution No. CHP 2022-01 (Action Item)

Ms. Dunham presented. The University of California, Irvine Medical Center (UCI) requested Authority approval of grant funds in an amount not to exceed \$128,121.00 Ms. Dunham reported that on January 26, 2022, forfeited funds in the amount of \$128,121.00 from the Children's Hospital Program of 2004 became available for a fourth funding round, on a first-come, first-served basis for applications received from any eligible University of California children's hospital. UCI was seeking grant funds in the amount of \$128,121 from the Children's Hospital Program of 2004 (Proposition 61) to reimburse the costs of 14 transcutaneous monitors for its Neonatal Intensive Care Unit. The monitors were placed in service on February 25, 2022.

Attendees: (via teleconference) Randolph Siwabessy, Chief Financial Officer Clinical Enterprise; Neil Myers, Controller; Mary Ann Pack, Chief Administrative Officer, Pediatrics; Molly Nunez, Director, Women's and Children's Services; Courtney Chu, Senior Manager, Business Relations; Sherwin Rosario, Administrative Fellow, University of California, Irvine Medical Center; and Dr. Coleen Cunningham, Professor and Chair of Pediatrics at the University of California, Irvine and Senior Vice President and Pediatrician-in-Chief at Children's Hospital of Orange County.

Mr. Siwabessy thanked the Authority and gave a brief overview of UCI's project.

Chair Ma asked if there were any questions or public comment; there were none.

Authority Action

Motion to approve Resolution No. CHP 2022-01 for the University of California, Irvine Medical Center to receive a grant not to exceed \$128,121.00, subject to all requirements of the Children's Hospital Bond Act of 2004.

MOTION: Member McDonald SECOND: Member Dorsey

AYES:.....Members: Kalvoda, Cherry, Kropke, Dorsey, McDonald, Ma

NOES:.....NONE ABSTAIN:....NONE RECUSE:....NONE

MOTION APPROVED.

Item #4 County of Los Angeles, Department of Mental Health Community Services Infrastructure Grant Program (Second Funding Round) Resolution No. CSI 2020-02 (Action Item)

Mr. Mouhasseb presented. The County of Los Angeles, Department of Mental Health (County) requested Authority approval to amend the milestone condition deadline of being open and operational to March 31, 2023 and to extend the resolution and grant period expiration dates to September 30, 2023. Additionally, Authority staff requested to amend the County's milestone condition deadline to submit all disbursement documentation to June 30, 2023. Mr. Mouhasseb reported that due to a delay in the supply chain and flooding issues in the building, the County would no longer be able to meet its milestone condition deadline of being open and operational by April 1, 2022. The procurement and installation of the emergency egress door hardware had been further delayed due to the impact of the COVID-19 pandemic on the supply chain. In addition, the renovated project building had recently encountered flooding, which caused severe damage to the basement that required extensive repair work. Mr. Mouhasseb reported that the County anticipated remediation of the flooding issue and delivery and installation of the emergency egress door hardware to be completed by late spring 2022 and that the County would then start the process of obtaining the alcohol and/or other drug licensing and Medi-Cal certification, which could take up to six months to be completed.

Attendees: (via teleconference) Antonne Moore, Chief, Strategic and Network Development Branch, Substance Abuse Prevention and Control, Los Angeles County Department of Public Health.

Ms. Moore thanked the Authority and confirmed that the emergency egress door hardware delivery and installation would be completed by spring 2022 and that the County would then begin the process of obtaining the alcohol and/or other drug licensing and Medi-Cal certification. Ms. Moore stated that the County was on track to meet the current requested deadlines.

Chair Ma asked if there were any questions or public comment; there were none.

Authority Action

Motion to approve the Second Amendment to Resolution No. CSI 2022-02 for the County of Los Angeles, Department of Mental Health to amend the milestone conditions and extend the resolution and grant period expiration dates.

MOTION: Member McDonald SECOND: Member Cherry

AYES:.....Members: Kalvoda, Cherry, Kropke, Dorsey, McDonald, Ma

NOES:.....NONE ABSTAIN:....NONE RECUSE:....NONE

MOTION APPROVED.

Items #5 and #6

Public Comment and Adjournment

Chair Ma asked for public comment. Hearing none, the meeting adjourned at 1:53 P.M.