



Agenda

Tuesday, April 5, 2022

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

COUNTY OF KINGS PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom signed into Law AB 361 on September 16, 2021, relating to the convening of public agency meetings via teleconference in light of the COVID-19 pandemic. Under this authority, the Board of Supervisors will convene its public meetings via video and teleconference. Pursuant to AB 361, and as advised by local Health Officials, the Kings County Board of Supervisors, County staff and interested members of the public may attend the meeting in person. The meeting can also be attended telephonically or by the Internet by clicking this link:

<https://countyofkings.webex.com/countyofkings/j.php?MTID=mf821d27eece107726fb7a2d74927f708>

by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the WebEx meeting information. Members of the public attending via WebEx will have the opportunity to provide public comment during the meeting.

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

2. APPROVAL OF MINUTES

Approval of the minutes from the March 8, 2022, regular meeting.

3. NEW BUSINESS

- a. Consider approving resolution 22-04A for Centro De Salud De La Comunidad De San Ysidro, Inc., County of San Diego, California; up to \$28,000,000 tax-exempt loan. (Staff – Caitlin Lanctot)

4. PUBLIC COMMENT

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.

5. **STAFF UPDATES**

6. **ADJOURNMENT**

Adjourn as the California Public Finance Authority.



Action Summary

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1. CALL TO ORDER

ROLL CALL – Clerk to the Board
ALL MEMBERS PRESENT

2. APPROVAL OF MINUTES

Approval of the minutes from the January 11, 2022, regular meeting.
ACTION: APPROVED AS PRESENTED (RF, DV, RV, CP, JN - Aye)

3. CONSENT CALENDAR

a. Consideration of approving resolution 22-01M for the addition of program participants to the Authority.

ACTION: APPROVED AS PRESENTED (RF, DV, RV, CP, JN - Aye)

4. NEW BUSINESS

- a. Consider approving resolution 22-03A for Hoag Memorial Hospital Presbyterian, City of Irvine, County of Orange; up to \$500,000,000 in revenue bonds. (Staff – ~~Scott Carper~~ Caitlin Lanctot)

ACTION: APPROVED AS PRESENTED (CP, DV, RV, RF, JN - Aye)

5. PUBLIC COMMENT

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item. **NONE***

Commissioner Valle and staff discussed bringing back a financial update on a future agenda.

6. STAFF UPDATES – NONE

7. ADJOURNMENT

Adjourn as the California Public Finance Authority at 11:08 AM.



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

DATE: APRIL 5, 2022

APPLICANT: CENTRO DE SALUD DE LA COMUNIDAD DE SAN YSIDRO, INC.

AMOUNT: UP TO \$28 MILLION OF A TAX-EXEMPT LOAN

PURPOSE: REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RENOVATION AND EQUIPPING OF HEALTH CARE FACILITIES

PRIMARY ACTIVITY: HEALTH CARE FACILITIES

LEGAL STRUCTURE: 501(C)(3) CORPORATION

Background:

Centro De Salud De La Comunidad De San Ysidro, Inc. (doing business as San Ysidro Health) (the “Borrower” or “SYH”) is a community health center with a mission statement to "improve the health and well-being of the communities we serve with access for all". Incorporated as a non-profit corporation in 1971, SYH’s first clinic site was a small two room clinic with a volunteer staff of 3 nurses and 2 physicians two afternoons per week.

Today, SYH is a Federally Qualified Health Center with a staff of over 2,100 employees. SYH provides comprehensive primary care services (medical, dental, and behavioral health) to over 109,500 unduplicated patients annually. SYH’s service delivery network includes medical clinics, dental clinics, behavioral health centers, HIV care centers, school-based health centers, mobile units, senior health centers , and WIC Nutrition Centers throughout San Diego County’s South and Central/Southeastern Regions. SYH’s main clinic campus is located in San Ysidro, just one mile from the U.S.-Mexico border. SYH continues to grow as an organization, especially with the opening of its first PACE (Program for the All-Inclusive Care for the Elderly) site, San Diego PACE, in San Ysidro, CA (2015), its second PACE location, in Chula Vista, CA (2019), its third PACE location in El Cajon, CA (2020) and its fourth PACE location, in Vista, CA (2021) . SYH also acquired the Chaldean Middle Eastern Social Services in El Cajon, CA (2016), and recently completed a merger with the Mountain Health and Community Services (2020) which resulted in the addition of six new clinic locations and the expansion of SYH’s service areas as far East as Campo, CA and as far North as Escondido, CA.

Description of Proposed Project:

The Borrower is seeking up to approximately \$28 million (the “Loan”) to refinance and repay certain debt used for the acquisition, construction, improvement, renovation and equipping of the following healthcare facilities (the “Facilities”):

1. An approximately 23,780 square foot, one-story medical office building occupied and used by the Corporation to operate a Program of All-Inclusive Care for the Elderly (PACE) located 880 Third Avenue, Chula Vista, California 91911
2. A community health clinic known as the Maternal & Child Health Center located at 4050 Beyer Boulevard, San Ysidro, California 92173
3. A community health clinic known as San Ysidro Health San Diego PACE/Senior Health Services located at 3364 Beyer Boulevard, San Ysidro, California 92173

TEFRA Information:

A TEFRA hearing is being held by the County of San Diego on April 26, 2022.

A TEFRA hearing was held by Kings County on March 29, 2022 and approved.

Financing Structure:

The Loan will be privately placed and will mature in no more than 10 years. The fixed rate Loan will be unrated and purchased by Zions Bancorporation, N.A. dba California Bank & Trust. The financing will comply with California Public Finance Authority's issuance policies.

Estimated Sources and Uses:

Sources:

Tax-Exempt Bond Proceeds	\$ 24,640,000
Total Sources:	\$ 24,640,000

Uses:

Cost of Issuance	\$ 353,841
Refinancing Prior Debt used for the Facilities	\$ 24,286,159
Total Uses:	\$ 24,640,000

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Loan;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefit:

SYH serves a predominantly Latino population with high rates of poverty, uninsured individuals and families with low education levels and non-English speaking heads of households. In 2021, SYH served 109,504 unduplicated patients with the following demographic highlights:

- 61% of SYH patients were Latino (66,797 / 109,504)
- 93% of patients lived at or below 200% of Federal Poverty Level (101,700 / 109,504)
- 19% of patients were uninsured (21,148 / 109,504)
- 58% of patients have Medi-Cal coverage (62,975 / 109,504)
- 29% of patients were children age >1 to 17 years old (31,432 / 109,504)

As a Federally Qualified Health Center, SYH's primary care services are available to low income and uninsured individuals, regardless of their ability to pay. SYH's primary care program is augmented by health promotion services (e.g., health education, adolescent health programs, early cancer detection, etc.), enabling services (e.g., transportation assistance, Affordable Care Act enrollment services, etc.), and social support services (e.g., WIC nutrition services, Substance Abuse Programs, Food Pantry & Meal Services, Family Resource Center, etc.).

RESOLUTION NO. 22-04A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF A TAX-EXEMPT LOAN IN A PRINCIPAL AMOUNT NOT TO EXCEED \$28,000,000.00 TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, REHABILITATION, EQUIPPING AND FURNISHING OF HEALTHCARE AND RELATED FACILITIES FOR CENTRO DE SALUD DE LA COMUNIDAD DE SAN YSIDRO, INC. (DOING BUSINESS AS SAN YSIDRO HEALTH) AND OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), Kings County and the Housing Authority of Kings County (the “Charter Members”) entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, the County of San Diego (the “County”) previously became an Additional Member of the Authority pursuant to the provisions of the Agreement;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain projects;

WHEREAS, Centro De Salud De La Comunidad De San Ysidro, Inc. (doing business as San Ysidro Health), a California nonprofit public benefit corporation (the “Corporation”), wishes to finance and refinance (i) the acquisition, construction, improvement, rehabilitation, equipping and furnishing of healthcare and related facilities located at 880 Third Avenue, Chula Vista, California, (ii) the acquisition, construction and development of a community health clinic known as the Maternal & Child Health Center, located at 4050 Beyer Boulevard, San Ysidro, California, and (iii) improvements and fixtures, furniture and equipment for a community health clinic known as the Senior Health Center, located at 3364 Beyer Boulevard, San Ysidro, California (collectively, the “Project”), all of which are owned and operated by the Corporation and located in the County;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and refinancing the Project;

WHEREAS, pursuant to a Master Loan Agreement (the “Master Loan Agreement”), among the Authority, Zions Bancorporation, N.A. dba California Bank & Trust (the “Purchaser”) and the Corporation, the Authority will issue the California Public Finance Authority Tax-Exempt Loan (Centro De Salud De La Comunidad De San Ysidro, Inc.) Series 2022 (the “Loan”) for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to the Master Loan Agreement the Authority will loan the proceeds of the Loan to the Corporation for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Corporation and has disclosed such good faith estimates as set forth on Exhibit A attached hereto;

WHEREAS, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) A proposed form of the Master Loan Agreement; and
- (2) A proposed form of Assignment Agreement executed by the Authority and accepted by the Purchaser (the "Assignment Agreement").

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

Section 1. Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue its tax-exempt loan designated as the "California Public Finance Authority 2022 Tax-Exempt Loan (Centro De Salud De La Comunidad De San Ysidro, Inc.)" in an aggregate principal amount not to exceed twenty-eight million dollars (\$28,000,000.00). The Loan shall be issued and secured in accordance with the terms of the Master Loan Agreement.

Section 2. The proposed form of Master Loan Agreement, as made available to the Board of Directors, is hereby approved. Any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 20-01C of the Authority, adopted on August 31, 2021, or any other delegation resolution of the Authority (each, an "Authorized Signatory") is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates or methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Loan shall be as provided in the Master Loan Agreement, as finally executed.

Section 3. The proposed form of the Assignment Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Assignment Agreement, in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of

the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Loan, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 5. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Loan are hereby ratified, confirmed and approved.

Section 6. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the County of San Diego and Kings County have held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing and refinancing for the Project.

Section 7. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 5th day of April 2022.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on April 5, 2022.

By: _____
Authorized Signatory
California Public Finance Authority

EXHIBIT A

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Public Financing Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its board of directors (the "Board") at which Meeting the Board will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: CENTRO DE SALUD DE LA COMUNIDAD DE SAN YSIDRO, INC., D/B/A San Ysidro Health.
2. Authority Meeting Date: April 5, 2022.
3. Name of Obligations: CALIFORNIA PUBLIC FINANCE AUTHORITY SERIES 2022 TAX-EXEMPT LOAN (CENTRO DE SALUD DE LA COMUNIDAD DE SAN YSIDRO, INC.)
4. Private Placement Lender or Bond Purchaser, Underwriter or Placement Agent (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 3.45%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$267,528.
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$24,302,472.
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$39,584,896
5. The good faith estimates [provided above / attached as Schedule A] were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: April 5, 2022