 **CALIFORNIA Health Facilities Financing Authority**

Healthcare Expansion

 **CALIFORNIA Health Facilities Financing Authority**

Loan Program II

(HELP II)

Application

915 Capitol Mall, Suite 435

Sacramento, California 95814

Phone: (916) 653-2799

chffa@treasurer.ca.gov

Website: www.treasurer.ca.gov/chffa/programs/help.asp

Updated 02/2018

 **CALIFORNIA Health Facilities Financing Authority**

HELP II Loan Program

Eligibility

Before proceeding with the application, verify your eligibility for a HELP II Loan Program by reviewing the following requirements. If one or more of these requirements cannot be met, contact the Authority to discuss eligibility before proceeding.

* A health facility under the California Health Facilities Financing Authority’s enabling statute – [Section 15432(d) of the California Government Code.](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV&sectionNum=15432.)
* A non-profit 501(c)(3) corporation or a limited liability company, whose sole member is a nonprofit organization, or a city, a county, or district hospital.
* One of the following:
	+ District Hospital
	+ Located in a [rural Medical Service Study Area](http://www.oshpd.ca.gov/MSSA/) as defined by the California Healthcare Workforce Policy Commission
	+ An organization with no more than $30 million in annual gross revenues, as shown on audited financial statements for the most recently completed fiscal year.
* Has been in existence for at least three years performing the same types of services.

**General Instructions**

Applications are accepted on a continual basis. Applications are due by the 20th of the month to be included on the agenda for the following month’s meeting date.

Submit your completed application to the California Health Facilities Financing Authority (the “Authority”) either by email as a Portable Document Format (PDF) attachment to chffa@treasurer.ca.gov;

**OR**

By mail to:

California Health Facilities Financing Authority

915 Capitol Mall, Suite 435

Sacramento, California 95814

Attn: Operations Manager

*Please note:*

* *Incomplete or illegible applications may result in a delayed review.*
* *The Authority is not responsible for email transmittal delays or failures of any kind.*

**Payment:**

A nonrefundable $50 application fee is required. Your application will not be processed until this fee is received. This fee can be made via electronic payment service accessed at <http://www.govone.com/PAYCAL/Home/SelectAgency>. Manual payments are accepted via check, money order or cashier check made payable to the *California Health Facilities Financing Authority*. Enter the organization’s name and “HELP II Loan” on the memo line for manual payments.

Authority staff is pleased to answer any questions or provide technical assistance in preparing your application. A pre-application discussion with Authority staff is recommended. Please call us at (916) 653-2799.

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY**

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Certification Certification

Checklist – HELP II Loan Program Application Checklist

|  |
| --- |
| HELP II Loan Program Application Form |
| **Summary Information** |
| Applicant Information: |
| **Legal Name** [*Name from Articles of Incorporation or Amendment(s)*] |
| Enter Legal Name. |
| **Street Address** | **Federal Tax I.D. Number** |
| Enter Street Address. | Enter Federal Tax I.D. Number. |
| **City, State & Zip** | **County** | **Contact Person / Title** |
| Enter City, State & Zip. | Enter County. | Enter Contact Person and Title. |
| **P.O. Box Address** [*If Applicable*] | **Telephone Number** | **Email Address** |
| Enter P.O. Box, if applicable. | Enter Telephone #. | Enter Email Address. |
| **Licensed by the State of California through the Department of:** Enter Name of Licensing Department. | **Have you been a prior borrower in the HELP II Program?****[ ]** Yes [ ]  No**If yes, date(s) loan(s) funded.** |
| **AND/OR (*as applicable*) Program certified by:**Enter Name of Certifying Agency. |
| *(Provide supporting documentation such as copy of current facility license, project certification, county contract, etc.)* | If yes, Enter dates the loans were funded. |
| Loan Information: |
| **Amount Requested:\*** | **Repayment Term (Maximum):***[Real Property 20 yrs. / Refinance 15 yrs. / Equipment 5 yrs.]* | **Date Funds Needed:** |
| $ Enter Amount Requested. | Enter Repayment Terms. | Enter a Date. |
| **Est. Value of Collateral:** | **Description of Collateral: *(i.e. address)*** | **Lien Position:** |
| $ Enter Est. Value of Collateral. | Enter Description of Collateral. | [ ]  1st [ ]  2nd [ ]  Other: Enter |
| **Purpose of Loan: (Check all applicable boxes)** |
|  |  |  |
| [ ]  Purchase Real Property | [ ]  Construction\*\* | [ ]  Purchase Equipment |
| [ ]  Refinance | [ ]  Renovation\*\* | [ ]  Other (describe): Enter Description. |
|  |
| ***\*Existing HELP II borrowers new money loan request and existing loan(s) must not exceed the combined total of $1,500,000.  For refinancing loans, new loan request and existing loan(s) must not exceed the combined total of $1,000,000.******\*\*HELP II Loan borrowers must comply with California’s prevailing wage law under Labor Code section 1720, et seq. for public works projects. The Authority recommends Applicants and borrowers consult with their legal counsel.*** |
|  |
| Title Company*: (if known)**not applicable to Equipment loans*  |
| **Name:** | **Contact Person and Title:** | **Phone Number:** |
| Enter Title Company Name. | Enter Contact Person and Title. | Enter Phone Number. |
| **Address:** | **Email Address:** |
| Enter Title Company Street Address, City, State and Zip Code. | Enter Contact’s Email Address. |
|  |
| Project Information: *(Use Additional Pages As Necessary)* |
| **Facility Name(s) to be funded** | **List street address, city, and county of Project(s) site** |
| Enter Facility Name(s) to be funded. | Enter address info and county of Project(s) site(s). |
| **What is the expected project start date?** | **What is the expected project end date?** |
| Enter expected project start date. | Enter expected project end date. |
| **Provide a description of the project.** |
| Enter a Project Description. |
| **Describe the purpose of this project (e.g. increase client capacity, expansion of services, community resources, etc.)**  |
| Enter the purpose of this project. |

**Sources of Funds and Project Costs**

*Please fill out the top portion with sources of funds used to complete the project including the requested loan amount and any other sources of funds applicable. Fill out the bottom portion with estimated project costs including Authority loan fees and closing costs.*

*Note: Both sections should have the same ending totals to show the project is fully funded.*

|  |
| --- |
| Sources of Funds: |
|  |  |  |
| HELP II loan (Max. $1,500,000, can’t exceed 95% loan-to-value) | $ |       |  | ( | !Zero Divide | ) |
| Applicant funds\* | $ |       |  | ( | !Zero Divide | ) |
| Other sources, list (i.e. bank loan, grant, etc.) |  |  |  |  |  |  |
| If applicable, Enter other fund sources. |  | $ |       |  | ( | !Zero Divide | ) |
| If applicable, Enter other fund sources. |  | $ |       |  | ( | !Zero Divide | ) |
| If applicable, Enter other fund sources. |  | $ |       |  | ( | !Zero Divide | ) |
|  |  |  |  |  |  |  |
| **Total Sources of Funds** | $ |  0  |  | ( | **0%** | ) |
|  |  |  |  |  |
|  |  |  |  | Must equal 100% |
|  |  |  |  |  |  |
| \*Applicant funds must comprise at least 5% of the total sources of funds. This 5% must either be in the form of cash or documented project expenditures, subject to approval by the Authority. For refinancing transactions, the 5% may come from the equity in the property. |
|  |  |  |  |
| Project Costs: |
|  |  |  |
| Purchase real property | $ |       |
| Construction, renovation, remodel real property | $ |       |
| Refinance real property debt | $ |       |
| Purchase equipment/furnishings | $ |       |
| Other | If applicable, Enter other project costs. |  | $ |       |
|  | If applicable, Enter other project costs. |  | $ |       |
|  | If applicable, Enter other project costs. |  | $ |       |
| Authority Loan Fee\*\* | $ |  0 |
| Other closing costs (title, escrow, etc., typically $1,000 - $2,000) | $ |       |
|  |  |  |  |
|  | **Total Project Costs** | $ |  0  |
|  |  |  |  |
| \*\* Authority Loan fee is 1.25% of the HELP II Loan amount and must be paid with Applicant funds.  |

|  |  |
| --- | --- |
| **Eligible Uses** | **Ineligible Uses** |
| Purchase, construction, renovation, or remodeling of real property | Appraisal fees |
| Purchase equipment and furnishings | Title fees |
| Perform feasibility studies, site tests, and surveys associated with real property | Financial advisor fees |
| Pay permit fees, architectural fees and other pre-construction costs | Authority loan fees |

**Payor Mix & Long-Term Debt**

|  |
| --- |
| Payor Mix: |
| For the two most recently completed fiscal years, provide percent of individual revenue sources (Medi-Cal, Medicare, private insurance, etc.)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Revenue Source** |  | **% of Total Revenue** |  |
|  |  |  | **20** |  | **20** |  | **20** |  |
|  | Medi-Cal |  |      % |  |      % |  |      % |  |
|  | Medicare |  |      % |  |      % |  |      % |  |
|  | Private pay |  |      % |  |      % |  |      % |  |
|  | Insurance & other third party |  |      % |  |      % |  |      % |  |
|  | **Total:** |  | **0.00%** |  | **0.00%** |  | **0.00%** |  |

 |
|  |  |
| List of Long-Term Debt: |
| List all outstanding debts owed by the Applicant*(include existing lines of credit, and amounts currently outstanding).*Place an **\*** by any debt to be refinanced with the HELP II Loan.  |
| **Lender** | **Original Loan Amount** | **Original Loan Date (mm/yy)** | **Amount Outstanding** | **Monthly Payment** | **Interest Rate** | **Maturity Date**  |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |
| If applicable, Enter Lender Name. |       | Enter a Date. |       |       |       | Enter a Date. |

**Population Served / Utilization**

|  |
| --- |
| Population Served: |

The following categories require the number of clients in each sub-group, as shown on the Applicant’s most recent records.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Age |  | Gender |  | Ethnic Composition |  |
| 0-19 |       |  | Male |       |  | Asian/Pacific Islander |       |  |
| 20-34 |       |  | Female |       |  | African American |       |  |
| 35-44 |       |  | Total |  0 |  | Caucasian |       |  |
| 45-64 |       |  |  |  |  | Hispanic |       |  |
| 65 & Over |       |  |  |  |  | Native American |       |  |
| Total |  0 |  |  |  |  | Filipino |       |  |
|  |  |  |  |  |  | Other |       |  |
|  |  |  |  |  |  | Total |  0  |  |

|  |
| --- |
| Utilization: |

Please provide the total number of clients served and the total number of patient visits for each of the three most recent fiscal years.

|  |
| --- |
| **Clients Served / (Patient Visits)****Fiscal Year Ended June 30** |
|  |  |
|  | **20** | **20** | **20** |
| Totals |  | **/** | **(****)** |  | **/** | **(****)** |  | **/** | **(****)** |

**Legal Status Questionnaire**

**Applicant Name:** Enter Applicant Name.

1. Financial Viability

Disclose any legal or regulatory action or investigation that may have a material impact on the financial viability of the project or the Applicant. The disclosure should be limited to actions or investigations in which the Applicant or the Applicant’s parent, subsidiary, or affiliate involved in the management, operation, or development of the project has been named a party.

Response: Enter response re: Financial Viability.

1. Fraud, Corruption, or Serious Harm

Disclose any legal or regulatory action or investigation involving fraud or corruption, or health and safety where there are allegations of serious harm to employees, the public, or the environment. The disclosure should be limited to actions or investigations in which the Applicant or the Applicant’s current board member (except for volunteer board members of non-profit entities), partner, limited liability corporation member, senior officer, or senior management personnel has been named a defendant within the past ten years.

Response: Enter response re: Fraud, Corruption, or Serious Harm.

*Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charges, complaint or filing, and the outcome.*

**Religious Affiliation Due Diligence**

**Note:** Evidence (e.g., written admission policy, patient/resident application form, codes of conduct, website information, statistical information, etc.) of each stated fact should be included in this tab.

|  |  |
| --- | --- |
| **QUESTIONS** | **ANSWER (Yes or No)**Please provide explanations as requested – Attach additional pages as needed |
| **Admission Policies** |  |
| * Does the facility admit patients or residents of all religions and faiths?
 | [ ]  Yes [ ]  No (please explain)      |
| * Are patients/residents ever turned away because of their religious affiliation?
 | [ ]  Yes (please explain) [ ]  No      |
| * Does the facility grant any preference, priority or special treatment with respect to admission, treatment, payment, etc., based on religion or faith?
 | [ ]  Yes (please explain) [ ]  No      |
| * Does the facility focus on the needs of, market to, or target, a particular religious population?
 | [ ]  Yes (please explain) [ ]  No      |
| * Does the facility discourage individuals from seeking admission to the facility on the basis of religion?
 | [ ]  Yes (please explain) [ ]  No      |
| * Is it the facility’s mission to serve patients/residents of a particular religion?
 | [ ]  Yes (please explain) [ ]  No      |
| * What percentage of the patients/residents admitted and treated at the facility are of the same religious denomination as the facility’s religious affiliation?
 |       |
| **Use of Proceeds** |  |
| Will bond proceeds be used to finance any building or facility that will be used for religious worship? | [ ]  Yes (please explain) [ ]  No       |

**California Health Facilities Financing Authority**

**Certification and Agreement Regarding**

**Community Service Obligation**

**For Acute Care Hospitals Only**

Participating Health Institution (“Borrower”):

|  |
| --- |
| Enter Name of Participating Health Institution. |

Name and Address of Financed Facility (“Facility”):

|  |
| --- |
| Enter Name and Address of Financed Facility. |
| Enter Name and Address of Financed Facility. |
| Enter Name and Address of Financed Facility. |
| Enter Name and Address of Financed Facility. |

**Medi-Cal Contract?** [ ]  YES [ ]  NO

Name of Financing: **HELP II Loan Program**

1. **General Assurance**

Pursuant to Section 15459 of the California Government Code, the Borrower hereby certifies that the services of the Facility will be made available to all persons residing or employed in the area served by the Facility.

1. **Compliance Requirements**

As part of its assurance under Section 15459 of the California Government Code, the Borrower agrees to the following conditions:

a) To advise each person seeking services at the Facility as to the person’s potential eligibility for Medi-Cal and Medicare benefits or benefits from other governmental third party payers.

b) To make available to the California Health Facilities Financing Authority (“Authority”) and to any interested person a list of physicians with staff privileges at the Facility, which includes all of the following:

i) Name

ii) Specialty

iii) Language spoken.

iv) Whether the physician takes Medi-Cal and Medicare patients.

v) Business address and phone number.

c) To inform in writing on a periodic basis all practitioners of the healing arts having staff privileges in the Facility as to the existence of the Borrower’s community service obligation. Such notice to practitioners shall contain a statement, as follows:

* + - 1. **“This Facility has agreed to provide a community service and to accept Medi-Cal and Medicare patients. The administration and enforcement of this agreement is the responsibility of the California Health Facilities Financing Authority and this facility.”**

d) To post notices in the following form, which shall be multilingual where the borrower serves a multilingual community, in appropriate areas within the facility, including but not limited to, admissions offices, emergency rooms, and business offices:

**“NOTICE OF COMMUNITY SERVICE OBLIGATION**

**This facility has agreed to make its services available to all persons residing or employed in this area. This facility is prohibited by law from discriminating against Medi-Cal and Medicare patients. Should you believe you may be eligible for Medi-Cal or Medicare, you should contact our business office [or designated person or office] for assistance in applying. You should also contact our business office [or designated person or office] if you are in need of a physician to provide you with services at this facility. If you believe that you have been refused services at this facility in violation of the community service obligation you should inform [designated person or office] and the California Health Facilities Financing Authority.”**

e) To provide copies of the notice specified in paragraph d) for posting to all welfare offices in the county where the Facility is located.

1. **Medi-Cal Exceptions**

All references to Medi-Cal shall be deemed deleted from section 2 above if and to the extent any of the following conditions exist:

* 1. The Facility is of a type and in a geographic area subject to Medi-Cal contracting and, following good faith negotiations, the Borrower has not been awarded a Medi-Cal contract by the California Medi-Cal Assistance Commission.
	2. The Facility is not of a type which provides services for which Medi-Cal payments are available.
	3. The Facility is, or is a part of, a multi-level facility and the health facility component of the Facility is of a size and type designed primarily to serve the health care needs of the residents of the multi-level facility.

Notwithstanding the foregoing, nothing in this Section 3 shall relieve the Borrower of its obligations, if any, under Section 1317 of the California Health and Safety code (relating to the provision of emergency service).

1. **Compliance Reports**

The Borrower agrees to make available to the Authority and to the public upon request an annual report substantiating compliance with the requirements of Section 15459 of the California Government Code. The annual report shall set forth sufficient information and verification therefor to indicate the Borrower’s compliance. The report shall include at least the following:

a) By category for inpatient admissions, emergency admissions, and outpatient admissions (where the facility has a separate identifiable outpatient service):

i) The total number of patients receiving services.

ii) The total number of Medi-Cal patients served.

iii) The total number of Medicare patients served.

iv) The total number of patients who had no financial sponsor at the time of service.

v) The dollar volume of services provided to each patient category listed in paragraphs i), ii), and iii).

b) Any other information which the Authority may reasonably require.

1. **Notices**

Notices to the California Health Facilities Financing Authority required or permitted by this Agreement shall be given to the Authority addressed as follows:

California Health Facilities Financing Authority

915 Capitol Mall, Suite 435

Sacramento, CA 95814

or at such other or additional address as may be specified in writing by the Authority.

1. **Terms of Agreement**

This Agreement shall terminate when the Loan is no longer outstanding under the terms of the Note or similar agreement securing the Loan.

|  |  |  |  |
| --- | --- | --- | --- |
| Name: | Enter Name Authorized Officer. | Signature: |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Title: | Enter Title of Authorized Offder. | Date: | Enter a Date. |

|  |
| --- |
|  |

RECEIVED AND ACKNOWLEDGED BY:

**California Health Facilities Financing Authority**

 Executive Director

**Provide the following as attachments:**

**Attachment A – Financial Information**

* Provide copies of your audited financial statements for the three most recent fiscal years.

*Note: the most current audited financial statement must be within six months of the fiscal year end.*

* Provide a brief summary describing the most recent three fiscal years.

**Attachment B – Background**

* Provide a copy of your organization’s mission and history (i.e. brochure, website literature). What programs do you provide? How long have you been providing them?
* List the street address, city and county of the organization’s other facilities, if any.

**Attachment C – Management/Organization Information**

* Provide a copy of the Board Minutes or Board Resolution approving the application for a HELP II Loan for this project.
* Provide the names of the Executive Director, Chief Financial Officer, Board Members and/or key managers of the organization.
* Provide the name and title of the person to be designated by the board to sign loan documents if financing is approved (e.g., the Executive Director).
* Provide a copy of the State of California operating license and/or certification (as applicable) (e.g. Department of Health Service, Social Services, or other authorizing agency), for the facility receiving funding.
* Provide copies of organization’s certified Articles of Incorporation and Bylaws, and any Amendments.

|  |
| --- |
| **Certification**  |
| Please have the Executive Director of the agency, Board Chairperson, or other individual with the authority to commit the agency to contract complete the following certification:  |
|  |
| 1. I certify that to the best of my knowledge, the information contained in this application and the accompanying supplemental materials is true and accurate. The applicant understands that misrepresentation may result in the cancellation of the loan and other actions which the Authority is authorized to take.
2. The agency hereby agrees that all legal disclosure information requested has been disclosed.
 |
| Enter Name Authorized Officer. |  |  |
| By ( Print Name)  |  | Signature |
| Enter Title of Authorized Officer. |  | Enter a Date. |
| Title  |  | Date |

**Checklist - HELP II Loan Application**

Please use this checklist to determine if the application is complete *(****incomplete or illegible applications will not be considered for financing).***

**Summary Information**

(Page A-1) [ ]  - Completed Sections re: Applicant Information, Loan Information, & Project Information.

**Project Costs & Sources of Funds**

(Page A-2) [ ]  - Completed Sources and Uses information.

**Payor Matrix & Long-Term Debt**

(Page A-3) [ ]  - Completed Payor Matrix.

[ ]  - Provided List of Long-Term Debt.

**Population Served & Utilization**

(Page A-4) [ ]  - Completed Population Served Information.

[ ]  - Completed Utilization Information.

**Legal Status Questionnaire**

(Page A-5) [ ]  - Completed Legal Status Questionnaire (with an explanation for all “yes” answers).

**Religious Affiliation Due Diligence**

(Page A-6) [ ]  - Completed Religious Affiliation Due Diligence.

**Community Service Obligation**

(Page A-7) [ ]  - Completed Community Service Obligation.

**Attachment A – Financial Information**

[ ]  - Provided copies of audited financial statements for the three most recent fiscal years.

[ ]  - Provide a brief summary describing the most recent three fiscal years.

**Attachment B – Background**

[ ]  - Provided organization’s background information.

[ ]  - Provided street address, city, and county of the organization’s other facilities, if any.

**Attachment C – Management/Organization Information**

[ ]  - Provided copy of Board Minutes or Board Resolution approving HELP II Loan.

[ ]  - Provided names of the key managers of the organization *(i.e. ED, CEO, CFO, etc.).*

[ ]  - Provided name and title of the person designated to sign loan documents.

[ ]  - Provided operating license and/or certification for the facility receiving funding.

[ ]  - Provided copies of certified Articles of Incorporation, Bylaws, and any Amendments.

**Certification**

[ ]  - Execute Certification Page.