California Health Facilities Financing Authority Cedillo-Alarcón Community Clinic Investment Act of 2000 Extension Requests to April 11, 2002 Submission Deadline of Fund Documentation

Resolution No. 2002-03 February 28, 2002

PURPOSE OF REQUEST: To provide an extension of the April 11, 2002 deadline for clinics to submit certain documentation to the Authority as a condition of fund disbursement. The Authority staff received two additional requests from clinics to extend the documentation deadline due to extraordinary circumstances. However, their requests were not received in time to be placed on last month's agenda.

BACKGROUND: On January 31, 2002, the Authority approved various extension requests for 48 clinics representing \$10.4 million in order to satisfy various contingencies for funding. The Authority also denied one extension request. In addition, the Authority extended the submission deadline of fund documentation six weeks beyond February 28, 2002 to April 11, 2002, for all clinic grants approved on August 27, 2001.

ISSUE: Some clinics continue to face extraordinary circumstances in obtaining the required documentation as a condition for funding. Unanticipated delays in the preparation of building plans, construction contracts and the application process for building permits have contributed to these delays which, if an extension is not granted, would result in forfeiture of grant funding. The two clinics listed below requested an extension to the documentation date, but they were not received in time to be considered on last month's agenda. A summary of each extension request is attached on the following pages.

STAFF RECOMMENDATION: Staff recommends the Authority approve the Extension Request to the April 11, 2002 Submission Deadline of Funds Documentation for clinics listed below:

Applicant / Facility Name	Project City	Grant Award	Revised Document <u>Submission Date</u>
Clinicas de Salud del Valle de Salinas Clinica Popular-King City	King City	\$250,000.00	08/12/02
Sonoma County Indian Health Project, Inc. Sonoma County Indian Health Project, Inc.	Santa Rosa	246,613.00	05/31/02

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY Cedillo-Alarcón Community Clinic Investment Act of 2000 STAFF SUMMARY -- EXTENSION REQUEST

Name:Clinicas de Salud del Valle de SalinasGrant Award:\$ 250,000D.B.A.Clinica Popular-King CityDisbursements\$ 0Address:223 Basset StreetUnused funds:\$ 250,000

King City, CA 93930

County: Monterey

Project Description:

Purchase property to consolidate its medical and dental facilities.

Circumstances Leading to Extension Request:

Originally, CSVS intended to purchase property adjacent to its existing dental facility. However, this property was sold to another party. Subsequently, an offer on a different property resulted in the same outcome. CSVS is currently in negotiations on a third site and has submitted an offer. If these negotiations fall through, CSVS has additional opportunities available for consideration since the seller owns several other properties in the area.

Proposed Timeline:

CSVS is requesting this extension because it has encountered unexpected obstacles that have prevented purchasing property for its King City site. CSVS anticipates completing the purchase much sooner, but an approved extension request will allow for unforeseen delays in its real estate transaction.

Proposed Extension Valid Through: August 12, 2002

Staff Recommendation:

Staff recommends that the extension be granted to August 12, 2002 for submitting the executed real estate contract and all other grant contingency items. The clinic will forfeit \$250,000 if the above deadline is not met.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY Cedillo-Alarcón Community Clinic Investment Act of 2000 STAFF SUMMARY -- EXTENSION REQUEST

Name: Sonoma County Indian Health Project, Inc. Grant Award: \$ 246,613

D.B.A. Disbursements \$ 0

Address: 791 Lombardi Court, Suite 101 Unused funds: \$ 246,613

Santa Rosa, CA 95407

County: Sonoma

Project Description:

Expand medical clinic and purchase medical equipment.

Circumstances Leading to Extension Request:

The clinic indicates that the City of Santa Rosa has caused an unforeseen delay in issuing building permits. In addition, the clinic is unable to complete a construction contract due to permit process delay.

Proposed Timeline:

Sonoma County Indian Health Project is requesting an extension for the building permits and completing its construction contract.

Proposed Extension Valid Through: May 31, 2002

Staff Recommendation:

Staff recommends that the extension be granted to May 31, 2002 for the building permits and the executed construction contract. The clinic will forfeit \$246,613 if the above deadline is not met.