CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority) Specialty Dental Clinic Grant Program STAFF SUMMARY

Grantee: Community Medical Centers, Inc. Authority Meeting Date: February 27, 2025

7210 Murray Drive Resolution Number: SDC 2025-04 Stockton, CA 95210 Total Recommended Amount: \$5,000,000.00

(San Joaquin County)

Region: San Joaquin

County to be Served: San Joaquin

Project: Purchase and renovate a facility to develop a new dental clinic with seven new dental operatories

Summary of Project:

Community Medical Centers, Inc. (Grantee) plans to purchase and renovate a facility to develop a new dental clinic with seven new dental operatories in San Joaquin County that will provide dental services for special health care needs patients, including children and adults, who have disabilities that prevent them from receiving routine or specialty care due to their physical, developmental, or cognitive condition. The new clinic will increase access to care for low-income and Medi-Cal special health care needs patients as there are few to zero providers in the area providing specialty care that accepts Medi-Cal, in addition to integrating patients with the Grantee's whole-person care services, where medical providers coordinate with dental providers on screening and referrals to close gaps in dental care. The Grantee anticipates the new dental clinic will serve approximately 2,000 special health care needs patients annually. Upon completion of the project, special health care needs patients will constitute 50 percent or more of the total number of patient visits of those receiving dental services in the project paid for with grant funds. Grant funds will be used for the purchase of real property, renovation expenses, and the purchase of equipment and furnishings. Additional leveraged funding will be used to cover expenses that exceed the grant award amount. Staff evaluated the plan and has determined that the project is likely to be feasible and sustainable.

Summary of Amounts:

Applicant	Amount Requested	Recommended Amount
Community Medical Centers, Inc.	\$5,000,000.00	\$5,000,000.00

Legal Review:

The Grantee did not disclose any information regarding its financial viability or legal integrity that warranted specialized consideration.

Staff Recommendation:

Staff recommends the Authority approve Resolution Number SDC 2025-04 for a Final Allocation in an amount not to exceed \$5,000,000.00 for Community Medical Centers, Inc., subject to the conditions in the resolution.

RESOLUTION NO. SDC 2025-04

A RESOLUTION OF THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY APPROVING EXECUTION AND DELIVERY OF GRANT FUNDING UNDER THE SPECIALTY DENTAL CLINIC GRANT PROGRAM TO COMMUNITY MEDICAL CENTERS, INC.

WHEREAS, The California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized by the provisions of the Specialty Dental Clinic Grant Program ("Program") (Section 2.00, Chapter 43, Statutes of 2022 (SB 154); Section 47, Chapter 45 Budget Act of 2022 (AB 178); and Section 2.00, Chapter 12, Statutes of 2023 (SB 101)) and implementing guidelines ("Guidelines") to award grants to support the construction, expansion, modification, or adaptation of specialty dental clinics in California to increase access to oral health care for the special health care needs populations; and

WHEREAS, Community Medical Centers, Inc. ("Grantee") qualifies as an eligible applicant under the Program Guidelines.

WHEREAS, Authority staff reviewed the application submitted by the Grantee against the eligibility requirements pursuant to the Program in accordance with all relevant authority and recommends the approval of a grant in an amount not to exceed \$5,000,000.00 for the eligible project (the "Project"), as described in the Grantee's application;

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

- Section 1. The Authority hereby approves a grant not to exceed the amount of \$5,000,000.00 to the Grantee to complete the Project within a grant period that ends on November 30, 2028. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating that the Project shall be operational on or before December 31, 2027, and funding shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff. Grantee must submit all disbursement requests, including required supporting documentation, to the Authority no later than May 31, 2028.
- <u>Section 2.</u> For and on behalf of the Authority, the Executive Director and the Deputy Executive Director, in the absence of the Executive Director, are hereby authorized and directed to do all of the following:
- (a) Approve any non-material changes in the Project described in the application submitted to the Authority. Nothing in this Resolution shall be construed to require the Authority to provide additional funding, even if more grants are approved, exceeding available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should that funding not be available for any reason whatsoever.
- (b) Allocate funding not to exceed those amounts approved by the Authority for the Grantee.

- (c) Execute and deliver to the Grantee any and all documents necessary to complete the transfer of moneys that are consistent with the Program.
- (d) Do any and all things and to execute and deliver any and all documents that the Executive Director, or the Deputy Executive Director, in the absence of the Executive Director, deems necessary or advisable to effectuate the purposes of this Resolution and the transactions contemplated hereby.
- Section 3. All funding from this grant shall be used in support of the Grantee's Project, as described in the Program application and Exhibit A to this Resolution.
- <u>Section 4.</u> This resolution shall repeal on November 30, 2028, unless extended by action of the Authority prior to that date.

Date Approved:	
----------------	--

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by Community Medical Centers, Inc. ("Grantee") as follows:

The Grantee must add at least seven (7) new dental operatories, in the San Joaquin Region, to provide dental services to the Special Health Care Needs Populations as defined in the Program Guidelines Section 1(z) which include "children and adults who have disabilities that prevent them from receiving routine or specialty care due to their physical, developmental, or cognitive condition" and as further detailed in its application or as mutually agreed upon by the Grantee and the Authority under applicable authority. Upon completion of the project, Special Health Care Needs Populations patients must constitute at least 50 percent of the Facility's Caseload, with the requirement applicable only to Facilities financed with Grant funds. The Grantee may use grant funds to finance eligible costs in support of the Grantee's Project as stated in Section 3 of the Program Guidelines¹.

Summary of Amount:

Project	Approved Grant Amount
Community Medical Centers, Inc.	\$5,000,000.00

-

¹ All capitalized terms used in the Resolution are defined in Section 1 of the Program Guidelines.