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

STAFF SUMMARY

Grantee: Janice Chen Dental Corporation 12861 Palm Street Garden Grove, CA 92840 (Orange County) Authority Meeting Date: Resolution Number: Total Recommended Amount: February 27, 2025 SDC 2025-08 \$4,500,000.00

Region: Southern **County to be Served:** Riverside

Project: Purchase real property and construct a new facility to develop a new dental clinic with ten new dental operatories, two new surgical suites, and two new recovery rooms

Summary of Project:

Janice Chen Dental Corporation (Grantee) plans to purchase real property and construct a new dental clinic with ten new dental operatories, two new surgical suites, and two new recovery rooms in Riverside 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 dental clinic will utilize advanced behavioral management techniques to significantly reduce the reliance on anesthesia and create a safe, inviting treatment experience. The Grantee anticipates the new dental clinic will serve approximately 6,000 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 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, construction 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
Janice Chen Dental Corporation	\$4,500,000.00	\$4,500,000.00

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 2025-08 for a Final Allocation in an amount not to exceed \$4,500,000.00 for Janice Chen Dental Corporation, subject to the conditions in the resolution.

RESOLUTION NO. SDC 2025-08

A RESOLUTION OF THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY APPROVING EXECUTION AND DELIVERY OF GRANT FUNDING UNDER THE SPECIALTY DENTAL CLINIC GRANT PROGRAM TO JANICE CHEN DENTAL CORPORATION

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, Janice Chen Dental Corporation ("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 \$4,500,000.00 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:

<u>Section 1.</u> The Authority hereby approves a grant not to exceed the amount of \$4,500,000.00 to the Grantee to complete the Project within a grant period that ends on October 31, 2028. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating that the Project shall be operational on or before November 30, 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 April 30, 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 October 31, 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 Janice Chen Dental Corporation ("Grantee") as follows:

The Grantee must add at least ten (10) new dental operatories, two new surgical suites, and two new recovery rooms, in the Southern 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
Janice Chen Dental Corporation	\$4,500,000.00
Total	\$4,500,000.00

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