



Brief narrative describing the Applicant's organization and its history: (attach copy of narrative from brochure or other document)
Amount Requested and projected loan amount: \$
Street Address(es) of the project to be financed and insured:
Scope of project and purpose, specify healthcare services to be provided upon completion: (attach additional sheets if necessary)
What is the expected project start date?
When will the project be complete?
<p>Seismic Upgrade Status (for hospitals and multi-story skilled nursing facilities only)</p> <p>Office of Statewide Health Planning and Development (OSHPD) regulations require that all general acute care hospitals and multi-story skilled nursing facilities meet specific seismic requirements.</p> <ol style="list-style-type: none"> <li>1. List current NPC and SPC ratings on all required buildings. Describe the organization's progress toward complying with OSHPD seismic requirements.</li> <li>2. Provide any available cost estimates (preliminary or final) for completing seismic upgrades, if available</li> <li>3. Discuss any proposed or finalized financing options for identified seismic upgrades.</li> <li>4. Discuss how bond proceeds will be used for seismic upgrades, if applicable.</li> </ol> <p>(attach additional sheets if necessary)</p>

<b>Estimated Project Sources and Uses of Funds – Summary</b>			
<u>Sources</u>	<u>Amount (\$)</u>	<u>Uses</u>	<u>Amount (\$)</u>
Owner's Equity		Retire Debt	
Fundraising		Property Acquisition	
Grants		Construction/Remodel	
Insured Loan		Equipment	
Loan (s)		Contingency	
Other :		Financing Costs	
		Other:	
<b>Total Sources</b>		<b>Total Uses</b>	

**Additional Financing Information:**

1. Describe what other access to capital the organization has to finance the proposed project. What is the status of any other pending applications or financing and any related details?

2. Describe the potential consequences your facility might experience if unable to secure financing for the proposed project.

3. Has the Applicant ever borrowed money and not fully repaid the amount borrowed?

(attach additional sheets if necessary)

**Certification**

The undersigned representative of the Applicant hereby certifies that all documents and information provided in conjunction with this loan request and pre-application / application form are true, accurate and represent the scope of business conducted by the Applicant and the scope of the proposed project.

\_\_\_\_\_

Signature, Title

\_\_\_\_\_

Date

## Pre-Application

Cal-Mortgage offers a Pre-Application phase to determine if the Applicant is eligible for loan insurance. Submit the items listed below to start the Pre-Application process.

### A. Governance and Management:

1.  Governing Board: A list of names with occupations / professional background and when term expires.
2.  Management organization chart
3.  Resumes for the following:
  - a. Chief Executive Officer / Executive Director / Administrator
  - b. Chief Operating Officer (if applicable)
  - c. Chief Financial Officer or Equivalent
  - d. Medical Director (if applicable)
  - e. Individual(s) responsible for managing the project (if applicable)

### B. Financial Information:

1.  Copies of the last three annual audited financial statements. Include copies of management letters and Management responses.
2.  Copy of the last two most recently filed tax return (Form 990 and Schedules) and any correspondence from the Internal Revenue Service.
3.  Copy of the most recent internally prepared financial statements, year-to-date (not more than two months old).
4.  Comprehensive management discussion of any material changes in revenue, expenses, assets, and liabilities of the last three years audited and current interim financials.

**Send Pre-Application to:**  
**Office of Statewide Planning and Development**  
**Cal-Mortgage Loan Insurance Division**  
**400 R Street, Suite 470**  
**Sacramento, California 95811**

**Telephone: (916) 319-8800**  
**Fax: (916) 445-2837**  
**E-mail: [cminsure@oshpd.ca.gov](mailto:cminsure@oshpd.ca.gov)**  
**Web Address: [www.oshpd.ca.gov/CalMort](http://www.oshpd.ca.gov/CalMort)**

# Application

***If a Pre-Application was submitted, update previously submitted information with any changes.***

## **A. Governance and Management**

1.  Governing Board: A list of names with occupations / professional background and when term expires
2.  Management organization chart
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  - a. Chief Executive Officer / Executive Director / Administrator
  - b. Chief Operating Officer (if applicable)
  - c. Chief Financial Officer or Equivalent
  - d. Medical Director (if applicable)
  - e. Individual(s) responsible for managing the project (if applicable)
4.  If management is provided by contract, provide a copy of the contract.
5.  Provide copy of executive staff succession plan.

## **B. Financial Information**

1.  Copies of the last three annual audited financial statements. Include copies of management letters and management responses.
2.  Copy of the last two most recently filed tax return (Form 990 and Schedules) and any correspondence from the Internal Revenue Service.
3.  Copy of the most recent internally prepared financial statements, year-to-date (not more than two months old).
4.  Comprehensive management discussion of any material changes in revenue, expenses, assets, and liabilities of the last three years audited and current interim financials.
5.  Latest actuarial valuation of retirement plan assets. If there are any underfunded pension liabilities provide Organization's plan to fund the liability.
6.  List of all restricted or encumbered cash and investments. Describe the restriction or encumbrance.

## **C. Corporation Information and Documentation**

### **Documents – Copies of:**

1.  Articles of Incorporation
2.  By-laws
3.  Current Internal Revenue Service 501(c)(3) designation letter
4.  Current Franchise Tax Board tax-exempt designation letter
5.  Current licenses to operate facilities
6.  Board's Investment Policy
7.  Chart of the Applicant's structure (parents, affiliates, subsidiaries) including copies of any agreements with, or loans or guarantees to or from, the Applicant and/or "parent" corporation, obligated group or other entity.

8.  Listing of all locations (service sites, administrative sites, or other property) with addresses and ownership status, also include lease terms, and lease payment amounts for leased sites.

#### **D. Project Planning:**

##### **Healthcare Services and Facilities:**

1.  Include a description of the proposed project, including healthcare services to be provided upon completion of the project. List any alternatives to the proposed project that were considered.
2.  A brief design narrative explaining the functions and services in the proposed facility, which includes the number and types of rooms needed for the functions and services.
3.  Include a facility (development) master plan, or a narrative description of the Applicant's plans for future development, acquisition of real property or growth over the term of the proposed borrowing, if any.
4.  Include a narrative summarizing the Organization's current and projected participation in the Affordable Care Act highlighting all financial impacts.
5.  Copy of the Deposit Subscription Agreement (if applicable)
6.  Copy of the Care and Resident Services Agreement (if applicable)
7.  Copy of lease or rental agreement if month to month (if applicable)

##### **Financing and Feasibility:**

8.  Include a description of all consulting contracts, including all parties thereto, relating to the financing.
9.  Include original commitment letters from the proposed issuer of the bonds or certificates of participation and from the Underwriter or Lender.
10.  If the project includes a refinancing:
  - Include a copy of promissory notes (if any) with complete description of original project financed, or Official Statements for prior bond issues and evidence of the current outstanding principal balances and amortization schedules of each debt to be refinanced. Include a refunding analysis showing the proposed new debt structure, sources and uses of funds, costs of issuance and net present value savings.
  - If the project is only a refinancing that is not currently insured by OSHPD and if the refinancing is being undertaken for reasons other than debt service savings, explain the reasons.
11.  Applicant's Financial Feasibility Study, (follow financial feasibility study guidelines in Exhibit A). Note that for small projects, generally those less than \$5 million, the Applicant should consult with its Account Manager regarding the possibility of using internally prepared financial projections.
  - Complete and attach the Certification of Feasibility Consultant found in Exhibit A.
12.  List of grants, contracts and other information that support revenue forecasts, including grantor, amount, effective date, and whether it's a one time or renewable source of revenue.
13.  Distribution list of financing team participants.
14.  Proposed project timeline with all critical path milestones.

15.  Preliminary title report for all real property pledged as collateral for the bonds.
  - Prior to close the Applicant must provide a Pro Forma ALTA Lenders title policy for all real property pledged as collateral for the bonds in a form acceptable to the OSHPD, with OSHPD designated as a co-beneficiary in an amount equal to the bond par amount for the project, that may include all of the following endorsements in addition to others, as required by OSHPD:
    - a. CLTA Form 100, or ALTA Endorsement 9.3-06;
    - b. ALTA Endorsement 9.5-06 or 9.3;
    - c. CLTA Form 103.4 or 103.7, or ALTA Endorsement 17-06 or 17.1-06;
    - d. CLTA Form 116 or ALTA Endorsement 22.1-06; and
    - e. CLTA Form 116.4, or ALTA Endorsement 19-06.
16.  Disclose Notice of Federal Interest (NFI) or any other governmental encumbrance recorded on the title report of any of the Applicant's real property.
17.  Proposed Annual Debt Services Schedule(s).
18.  Estimate of Costs and Requisition Form OSH-CM-134, see Exhibit B.
19.  Certified copy of the resolution of the governing board authorizing the borrowing and designating a signatory to execute the transaction documents.
20.  If the Applicant expects to reimburse itself for any expenditures from proceeds of a tax exempt borrowing, then the Applicant needs a Declaration of Official Intent (for sample, see Exhibit C). The Declaration (final resolution) must be approved by bond counsel prior to submission to Cal-Mortgage.

**Property and Land Acquisition:**

21.  If land is to be purchased: Include a description of the proposed parcel(s) and all improvements. Attach a copy of the Purchase Agreement.
22.  Original of the property appraisal by a State Certified Appraiser (See Business and Professions Code Section 11300, et. seq.) who is a member of the appraisal institute.
23.  Copy of the most current Phase I Environmental Assessment Report. If land is being purchased, the Phase I must be no older than 180 days as of the date the insured loan is scheduled to close.
24.  Environmental Review Report from State Department of Toxic Substance Control (see Exhibit D).

**Construction (including remodeling):**

25.  Map of the community showing location of the construction site.
26.  Plat plan showing property lines and existing and proposed new structures positioned on the site
27.  Drawings of the proposed building and of any existing buildings on the site. The relationship of the various departments and services shall be shown. The name of each room denoting its function shall be noted. The plans may be single line drawings of a legible scale and should include the following:

- Plat plan showing roads, distances to property lines, existing buildings, parking, sidewalks, etc.
  - The plan of each floor, with the square footage shown.
  - Elevations of all facades and relevant sections shall be shown.
28.  Outline specifications, which provide a general description of the type of construction, exterior and interior finishes, and type (description) of heating, ventilating and plumbing systems.
  29.  Describe the architect's and engineer's past experience in designing a similar type facility.
  30.  Attach a copy of the executed contract(s) with the architect and all engineers and consultants, if any.
  31.  If known, the proposed contractor for the project and a description of the contractor's past experience in constructing a similar type facility.
  32.  Preliminary cost estimate based on the drawings and outline specifications listing the separate costs for the structure, equipment, furnishings, landscaping, paving/parking, and off-site work.
  33.  Copy of independent cost estimate prepared by a firm other than the Architect or the Contractor.
  34.  Copy of the zoning approval or conditional use permit (if required by a local agency).
  35.  Identify planning documents, building permits and governmental agency approvals that will be required for the project, and which approvals are in-hand and the estimated dates for obtaining pending permits.
  36.  Copy of the Environmental Impact Report or Negative Declaration approved by the appropriate authority.

#### **E. Community Benefit**

1.  Describe how this project will meet identified health-care needs of the community or of an underserved population, including how the project will provide culturally competent care.
2.  Include a list of bilingual services, if any, which are, or will be, offered.
3.  Describe the community services the Applicant shall provide as a result of this project, as required by Health & Safety Code Sections 129050(j) and 129085.
4.  Complete and attach the Medi-Cal Questionnaire found in Exhibit E.

If Applicant is a **hospital**:

5.  Describe the community services the Applicant shall provide as a result of this project, as required by Health & Safety Code Sections 129055 (or 129070) and 129065 (annual certification required by statute).
6.  Attach a copy the Applicant's Community Benefit Plan as required by Health and Safety Code Section 127350.

If Applicant is a **skilled nursing facility** or **clinic**:

7.  Describe the community services the Applicant shall provide as a result of this project, as required by Health & Safety Code Section 129055 (or 129070).

If Applicant is a **continuing care (multi-level) facility**, include:

8.  Describe the community services the Applicant shall provide as a result of this project.

**F. Other Supplemental Information**

1.  List the amount of insurance coverage by category:
- a. Buildings and Structures Property
  - b. Business Personal Property
  - c. Commercial General Liability
  - d. Business Interruption and Extra Expense
  - e. Earthquake and Flood
  - f. Builders Risk
  - g. Fidelity and Dishonesty
  - h. Directors and Officers Liability
  - i. Workers Compensation
  - j. Professional Liability
  - k. Boiler and Machinery/Equipment Breakdown
  - l. Automobile (owned and non-owned)
2.  Complete and attach the Legal Status Questionnaire found in Exhibit F.
3.  Current status on all union contracts and labor relations affecting facility operating expense.
4.  Describe the Organization's employee health benefit plans in relation to the Affordable Care Act requirements.
5.  If any portion of the facilities are leased to non-Applicant entities, provide an Opinion of Bond Counsel as to the impact of the Applicants tax status (regardless of %).
6.  Complete and attach the Disclosure Information Questionnaire found in Exhibit G.
7.  When using California Health Facilities Financing Authority (CHFFA) as the conduit to issue insured bonds, please submit an additional complete Cal-Mortgage Application to CHFFA in addition to the supplementary information outlined in Exhibit H.

**Send Application to:**  
**Office of Statewide Planning and Development**  
**Cal-Mortgage Loan Insurance Division**  
**400 R Street, Suite 470**  
**Sacramento, California 95811**

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